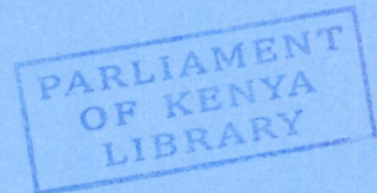


REPUBLIC OF KENYA




Enhancing Accountability

REPORT



OF

THE AUDITOR-GENERAL

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 17 FEB 2026	DAY. TUESDAY
ON LED BY:	DEPUTY MAJORITY LEADER
CLERK-AT THE-TABLE:	FINLAT

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND - KITUI SOUTH CONSTITUENCY**

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



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
MACHAKOS HUB.
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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KITUI SOUTH CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

Transitional Financial Statements under International Public Sector Accounting Standards
(IPSAS)

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 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 National 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 realisation of the economic and social rights guaranteed under Article 43 of the Constitution;

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- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;
- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) Provide for a public finance system that promotes an equitable society and, in particular, expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work.
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund.
3. **Timeliness** – we adhere to prompt delivery of service.
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people.
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

Functions of NG-CDF Committee

The Functions of the NG-CDF Committee are as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The NGCDF Kitui South 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)

(c) 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	Ezekiel Kitungu Mwangangi
2.	National Sub-County Accountant	Nicholas Wambua
3.	Chairman NGCDFC	Florence Mbesa Martin
4.	Member NGCDFC	Mwangangi Mbiti

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Kitui South Constituency. The reports and recommendations of ARMC 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.

(e) NGCDF Kitui South Constituency Headquarters

P.O. Box 155-90201
NG-CDF Building
Opposite Mutomo DCC Office
Mutomo Mutha Road
Mutomo, Kenya.

(f) NGCDF Kitui South Constituency Contacts

Telephone: (254) 723636367
E-mail: cdkituisouth@ngcdf.go.ke
Website: www.ng-cdf.go.ke

(g) NGCDF Kitui South Constituency Bankers

1. Bank A. (Operations Account).

Equity Bank Ltd
ACC: 1670266577876
Mutomo Branch
P.O Box 10-90201
Mutomo, Kenya

2. Bank B. (Deposit account).

Equity Bank Ltd
ACC: 1670285291500
Mutomo Branch
P.O Box 10-90201
Mutomo, Kenya

3. Bank C.(PMC Accounts as per annex attached)
Equity Bank Ltd Account (Various)(as per annex 2)
Mutomo Branch
P.O. Box 10-90201
Mutomo, Kenya

NBK Account (Various)(as per annex 2)
Mutomo Branch
P.O. Box
Mutomo, Kenya.

KCB Account (Various)(as per annex 2)
Mutomo Branch
P.O. Box
Mutomo, Kenya

(h) Independent Auditor

Auditor General
Office of the Auditor General

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Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya






(i) Principal Legal Adviser

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




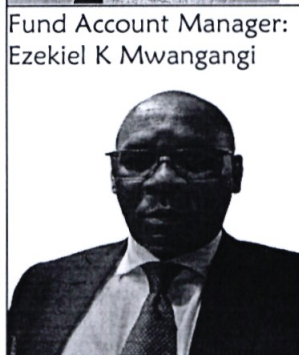
**National Government Constituencies Development Fund (NGCDF)
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3. NGCDF Committee

Kitui South NGCDFC Members

Name	Details
<p>Chairperson Florence M Martin</p> 	<p>Date of birth; 01/01/1976. Academic and Professional Qualification; Kenya certificate of secondary education. Work Experience; Kitui South NGCDFC as both a member and the chairperson. She is also a member of KERRA – Kitui County.</p>
<p>Kenneth Kitonyo</p> 	<p>Date of birth; 01/01/1978. Academic and Professional Qualification; Bachelor of Education. Work Experience; NGCDF Secretary.</p>
<p>Lesley Sherinah Kineene</p> 	<p>Date of Birth; 25/01/1997. Academic and Professional Qualification; Kenya certificate of secondary education. Work Experience; member in Kitui South NGCDFC. Has micro business.</p>
 <p>Everlyne Mutua</p>	<p>Date of Birth;01/01/1986. Academic and Professional Qualification; KCSE. Work Experience; Kitui South NGCDFC member. Micro business within the constituency.</p>
<p>Mary Nzembi Mulwa</p> 	<p>Date of Birth; 01/01/1962. Academic and Professional Qualification; Higher diploma in sociology and the Kenya certificate of secondary education. Work Experience; Member of NGCDFC Kitui South. Runs business.</p>
<p>Christopher Ngumbi Mwanja</p>	<p>Date of Birth;01/01/1988. Academic and Professional Qualification; KCSE certificate.</p>

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	<p>Work Experience; NG-CDF member of Kitui South. He runs micro business.</p>
<p>Peter Mwangangi Mbiti.</p> 	<p>Date of Birth;01/01/1976. Academic and Professional Qualification; KCSE. Work Experience; NGCDFC member Kitui south. He is also a signatory of Kitui South NGCDF deposit account.</p>
<p>Jonathan Muthangya Mawioo</p> 	<p>Date of birth;01/01/1991 Academic and Professional Qualification; Diploma in theology and KCSE certificate Work Experience; NGCDF committee member. He is a businessperson.</p>
<p>Fund Account Manager: Ezekiel K Mwangangi</p> 	<p>Date of birth;25/02/1981 Academic and Professional Qualification; Master in business administration -finance option, Degree in BCOM. Work Experience; Fund account manager-Kitui Rural and acting Kitui South.</p>

4. NG-CDFC Chairman's Report



Florence Mbesa Martin, Chairperson Kitui South Constituency NG-CDF

Kitui South Constituency is an electoral Constituency in Kenya It is one of the Eight Constituencies of Kitui County in the Former Eastern Province. The Constituency has its headquarters in Mutomo Town where it has constructed its own office along Mutomo-Mathima road opposite DCC's Office Mutomo Subcounty around 800 meters from Kitui-Kibwezi road. The constituency has two Sub-counties i.e Mutomo and Ikutha. There are six wards in the constituency; namely Ikutha, Mutomo, Athi, Kanziko, Ikanga-Kyatune and Mutha. The Constituency's population stands at 196,320 according to Kenya population and Housing Census 2019. The constituency covers 6,133.70 square kilometers. Main economic activities are Livestock keeping, subsistence farming and commercial micro- businesses.

The Committee has always dedicated time to ensure prudent management of resources received from the NG-CDF Board within the six wards of the Constituency. Since inception, the committee has completed several development projects that are geared towards infrastructural development, wealth creation and fight against poverty and illiteracy within the constituency.

During the financial year 2024/25 Kitui South Constituency NG-CDF had a budget allocation of ksh 188,414,052 and a final budget of Ksh 321,355,056. The constituency was able to utilise 84.6% of the allocated resources during the year. At the closure of the financial year the constituency had unutilised funds amounting to Ksh 70,588,237.06 representing cashbook balance of Ksh 26,174,185.06 and an amount of Ksh 44,414,052 not yet received from the board at the close of the financial year. The implementation has been satisfactory despite a few challenges.

The allocation of the original budget was as follows:

Expenditure item	Budget (Ksh.)
Compensation of Employees	4,711,144
Committee expenses	4,808,000
Use of goods and services	7,400,856
Transfers to Other Government Units	90,000,000
Other grants and transfers	71,894,052
Acquisition of Assets	9,600,000
Other payments	-

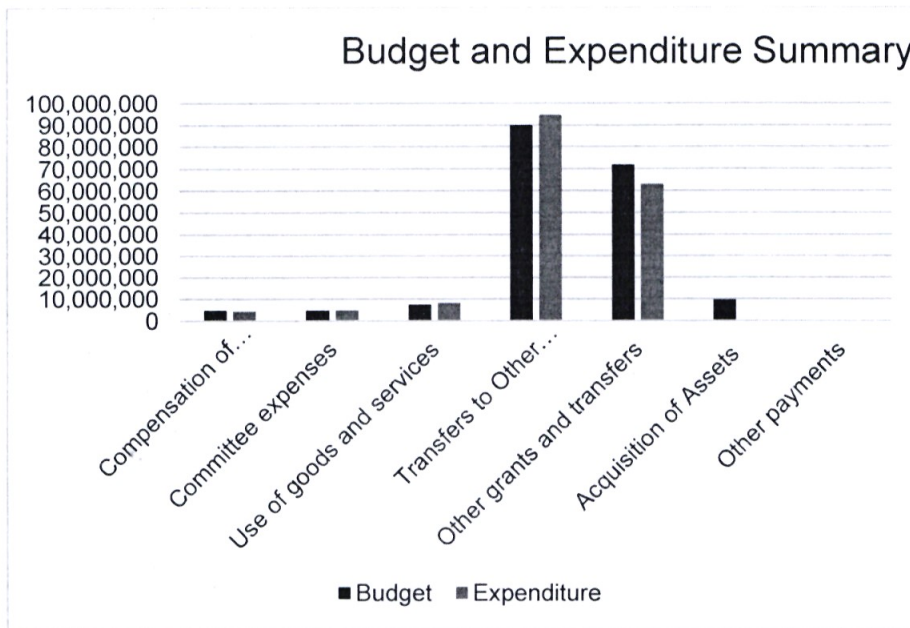
The expenditure summary is as follows

	budget	expenditure
Compensation of Employees	4,711,144	4,505,874

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Committee expenses	4,808,000	4,805,000
Use of goods and services	7,400,856	8,081,161
Transfers to Other Government Units	90,000,000	96,992,165
Other grants and transfers	71,894,052	63,107,160
Acquisition of Assets	9,600,000	-
Other payments	-	-

Bar-chart representation.



Key achievements during the year

The Constituency, during the year, implemented a few projects majorly because of slow cash flow from the NG-CDF Board. The projects included issuance of bursary, which formed bulk of the implementation, emergency and security. Some of the projects that had been carried out, during the year are:

1. Nzeveni Primary School

The project allocation was Kshs. 1,200,000 for construction of a classroom.





2. Ngelani Primary School

The project allocation was Kshs. 1,200,000 for construction of a classroom.



3. Athi Primary School

The project allocation was Kshs. 2,000,000 for renovation of 5No classrooms. Activities that were carried out were re-roofing, construction of ring beam, fixing shutters and doors and painting:



4. KMTCC-Mutomo Campus :

The project was allocated Kshs. 6,000,000 for construction of MALE and FEMALE Hostels (2 in number) to completion.



KMTCC Mutomo Campus: Boys Dormitory 1



KMTCC Mutomo Campus: Girls Dormitory 1

***National Government Constituencies Development Fund (NGCDF)
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Emerging issues and challenges

One of the major challenges is that the Constituency is vast and some of the roads are impassable especially when it rains. This makes monitoring of projects a difficulty exercise in some of the areas. The constituency also has quite a huge number of primary schools that are a core factor of development under the NG-CDF. The members appeal for other non-governmental organizations to consider reaching these schools for assistance since the allocation is not stretching enough. The NG-CDF management is seeking partnership with other government entities responsible for establishment of access roads so that they help make all places accessible. Additionally Kitui South NG-CDF has been able to purchase office motor vehicle Toyota Land cruiser GKC 795A which has helped in monitoring of projects.

Way Forward

We shall continuously endeavour to train and build PMC's capacity in order to appreciate the laws and regulations governing management of public funds.

APPRECIATION

Finally, Kitui South management expresses gratitude towards the NG-CDF Board for their efficiency in handling issues in regards to projects approval, disbursement of fund and monitoring.

The other special thanks also go to the Office of the Auditor General for their every year input, especially advisory in our processes that have continuously improved our service delivery to the constituents.

.....
Florence Martin

**Florence Martin
Chairperson NGCDF Committee**

5. Statement of Performance against Predetermined Objectives for FY 2024/25

Introduction

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

The key development objectives of **Kitui South Constituency 2023-2027** plan are to:

- a) To improve school performance in national examinations as well as retention and transitioning to higher levels of learning:
 - Through adequate equipping of schools with relevant resources and facilities such as classrooms, dormitories, laboratories etc.
 - Through adequate bursary support to students both for O level and tertiary institutions by an established criteria.
- b) To improve supply of adequate, potable and safe water for domestic and public use in institutions as well as irrigation and livestock consumption:
 - This is through construction of boreholes in public institutions such as schools and Security Offices.
 - Encouraging water harvesting through construction of water tanks or supply of plastic water tanks to public institutions as well as providing for water harvesting during constructions.
- c) To increase participation of youth, women and persons with disabilities in NG-CDF activities as well as general development in the constituency:
 - This will be achieved through educating them and sensitising them on available opportunities with NG-CDF
 - Through carrying out Constituency tournaments
 - Through operationalizing of ICT hub to help the youth, women and people with disabilities access online opportunities
- d) To improve infrastructure (especially roads and electricity) connectivity to public institutions:
 - This will be done through collaborating with Rural Electrification Authority (REA) and establishment of access roads to the institutions.
- e) To build capacity of the community to implement development projects
 - This will be achieved through provision of sufficient annual budget for training project implementers as well as benchmarking with other Constituencies.
- f) To improve security situation in the Constituency:
 - Construction of additional police posts together with their necessary equipment, residential facilities.

Progress on attainment of Strategic development objectives

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

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Constituency Program	Objective	Outcome	Indicator	Performance
Education	To improve school performance in national examinations as well as retention and transitioning to higher levels of learning	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	In FY 24/25 We increased number of classrooms by 51 from 479 in Primary school Administration blocks increased by 2 from 44 to 46. Dormitories/hostels increased from 37 to 39 Laboratories increased from 23 to 25 Bursary beneficiaries during the year totalled 7,158 in secondary schools while tertiary institutions totalled 2,940
Environment	To improve supply of adequate, potable and safe water for domestic and public use in institutions as well as irrigation and livestock consumption	Increased number of sand dams Increased water harvesting activities in public institutions	Number of facilities with water harvesting equipment	Number of facilities with gutters and tanks remained 48. There is planned improvement of environment through improved jikos by 8
Youth, Women & people with disabilities empowerment	To increase participation of youth, women and persons with disabilities in NG-CDF activities as well as general development in the constituency	Increased number of youth, women & people with disabilities empowerment activities	Number of tenders awarded to the special categories	No. of tenders awarded was 9 out of 30
Capacity Building	To build capacity of the community to implement development projects	Increased community sensitization and training	No of sensitization and trainings	Two PMC training were carried out

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Security	Improving security situation in the Constituency	Improved Security within the entire constituency	Number of usable physical infrastructure built in locations, sub locations and police stations	In the Fy 2024-2025 Have constructed residential house for Mutha ACC, Renovation-Ekani assistant chief office, Extension of administration block- Mwangeni police post, administration block- Ikutha police station
Emergency	To address unforeseen occurrences in the constituency	Improved address of emergency occurrences in the constituency	Number of emergency cases addressed	1 primary,1 secondary school,1 police post received emergency funding to help combat emergency situations.

***National Government Constituencies Development Fund (NGCDF)
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6. Governance Statement

1. Appointment NG-CDF Committee members

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

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

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

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

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

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

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

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

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

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

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

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

1952 Kenya Subsidiary Legislation, 2016

The selection panel shall stand dissolved upon the appointment of the members of a Constituency Committee. The Board shall, within fourteen days after gazette of the members of a Constituency Committee inform the members of their appointment in writing.

A member of a Constituency Committee appointed Under the Act, may at any time; resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board.

At least one of the Constituency Committee members appointed under section 43 shall be a mandatory signatory to the Constituency account

The current members were vetted into office in the month of November 2024. The selection panel comprised:

- | | |
|------------------------|--|
| 1. Antony K Maina | Ass. County Commissioner (Chairperson) |
| 2. Ezekiel K Mwangangi | FAM (Secretary) |
| 3. Olivia M Mulatya | Member |
| 4. Rev. Joseph M Nzuki | Member |

The criterion used in the advertisement was as follows:

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1. Applicants must be Kenyan citizens
2. Be residents voters in Kitui South Constituency
3. Applicants must be able to read and write, be able to communicate in English and Kiswahili.
4. Applicants must meet the requirement of chapter six of the Constitution
5. Applicants should be available to participate in the activities of the committee
6. For youth nominee: must have attained the age of 18 years and below the age of 35 years.

The following are the current members of Kitui South NG-CDF:

No.	Name	Category	Ward
1	Jonathan Mawioo Muthangya	Man(Youth)	Mutha
2	Kenneth Musee Kitonyo	Man(Adult)	Kanziko
3	Eunice Kaseve Kasuma	Woman(Youth)	Athi
4	Florence Mbesa Martin	Woman(Adult)	Ikanga/Kyatune
5	Christopher Mwanja Ngumbi	Representative of persons with Disability	Mutomo
6	Evelyn Syombua Mutua	Nominee of the Constituency Office (Female)	Ikutha
7	Peter Mwangangi Mbiti	Nominee of Constituency Office (Male)	Ikanga/Kyatune
8	Mary Nzembi Mulwa	Co-opted by the NG-CDF Board	Mutomo
9	Peter Mutu	Deputy County Commissioner	Mutomo Subcounty
10	Ezekiel Mwangangi Kitungu	Officer of NG-CDF Board	

The above-mentioned members were gazetted on 21st May 2025 as per the gazette notice no. CXXVII-No. 98 and inducted on 4th June 2025 at the NGCDF Kitui South board room.

2. Removal of NG-CDF Member

A member may be removed from the NG-CDFC on grounds laid down on section 43 (13) of NG-CDF act 2015, amended 2022 that include:

- (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

At least five members can make a written resolution citing the ground for removal then accords that member a fair hearing before submitting their resolution to the NG-CDF Board. There is no member in Kitui south NG-CDF who has been removed from the committee on the above grounds.

3. Functions of the NG-CDFC

The functions of the NG-CDFC are drawn from NG-CDF act 2015, amended 2022 and they include the following:

- a) Build capacity of PMCs and sensitize community on the operations of the Fund;
- b) Consider projects from all wards and any other projects that the committee considers beneficial;
- c) Ensure that projects proposals submitted to the Board include detailed budget proposals, procurement plans and work plans
- d) Consult relevant Government department to ensure that projects cost estimates are realistic;
- e) Rank projects proposals in order of priority while ensuring that ongoing projects take precedence;
- f) Ensure that projects receive adequate funding and are completed within three years;
- g) Monitor the implementation of projects;
- h) Ensure that projects report are prepared and submitted to the Board;

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- i) Ensure formation of PMCs, opening of projects accounts, project implementation and closure of projects;
- j) Submit financial statements to the Board within sixty days of end of financial year;
- k) Recommend to the Board removal of a committee member;
- l) Enter into performance contract with the Board annually;
- m) Receive returns from PMCs;
- n) Receive and address all complaints concerning implementation of projects;
- o) Ensure that the Committee does not enter into commitments for which funds have not been allocated

4. NG-CDFC meetings

Section 43(11): The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than 24 meetings in the same financial year, including sub-committee meetings. NG-CDFC holds monthly meetings, deliberating all issues for the FAM to act on. Equally, the subcommittees are active handling issues as mandated by the main committee.

During the financial year 2024/2025, the NG-CDFC Kitui South held 7 main meetings and 3 subcommittee meetings as illustrated below;

S. N	NG-CDFC COMMITTEE MEMBERS	08/08/2024	18/10/2024	30/10/2024	11/12/2024	28/01/2025	04/02/2025	18/03/2025	30/04/2025	21/05/2025	25/06/2025
1	Florence Martin Chairperson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Kenneth Kitonyo Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Jonathan Muthangya Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Mary Mulwa Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Christopher Ngumbi Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Peter Mwangangi Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Sherina Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Evelyn Mutua Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Ezekiel Mwangangi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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

	FAM																		
11	Peter Mutu DCC	✓	✓	✓	x	✓	x	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

5. Capacity building of NG-CDFC Members

In the financial year 2024/2025, the NGCDF Board organized training of NG-CDFC members. During the training, critical areas such as overview of NG-CDF Act 2015 and Regulations, public finance, project planning, e-procurement, complaint management, and performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Kitui South.

6. Ethics & conduct

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

- i. Confidentiality-the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-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 2024/2025, members of NG-CDFC Kitui South adhered to the above ethical issues.

7. Members' remuneration

NG-CDFC members are not entitled to payment of salary but sitting allowances as guided by the NG-CDF circulars. However, the chairperson of NG-CDFC is entitled to an allowance of **ksh7,000** per meeting and all other members an allowance of **ksh.5,000** per sitting. All NG-CDFC members should adhere to general ethics and code of conduct as stipulated in the NG-CDF Act.

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

8. Disclose policy on conflict of interest

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

9. Risk management

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

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

National Government Constituencies Development Fund (NGCDF)
Kitui South Constituency
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7. Management Discussion and Analysis

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.

The National Government Constituencies Development Fund (NGCDF) Kitui South has received a total allocation of Ksh. **798,942,885** over the past five years. The fund has implemented a number of development projects in the constituency.

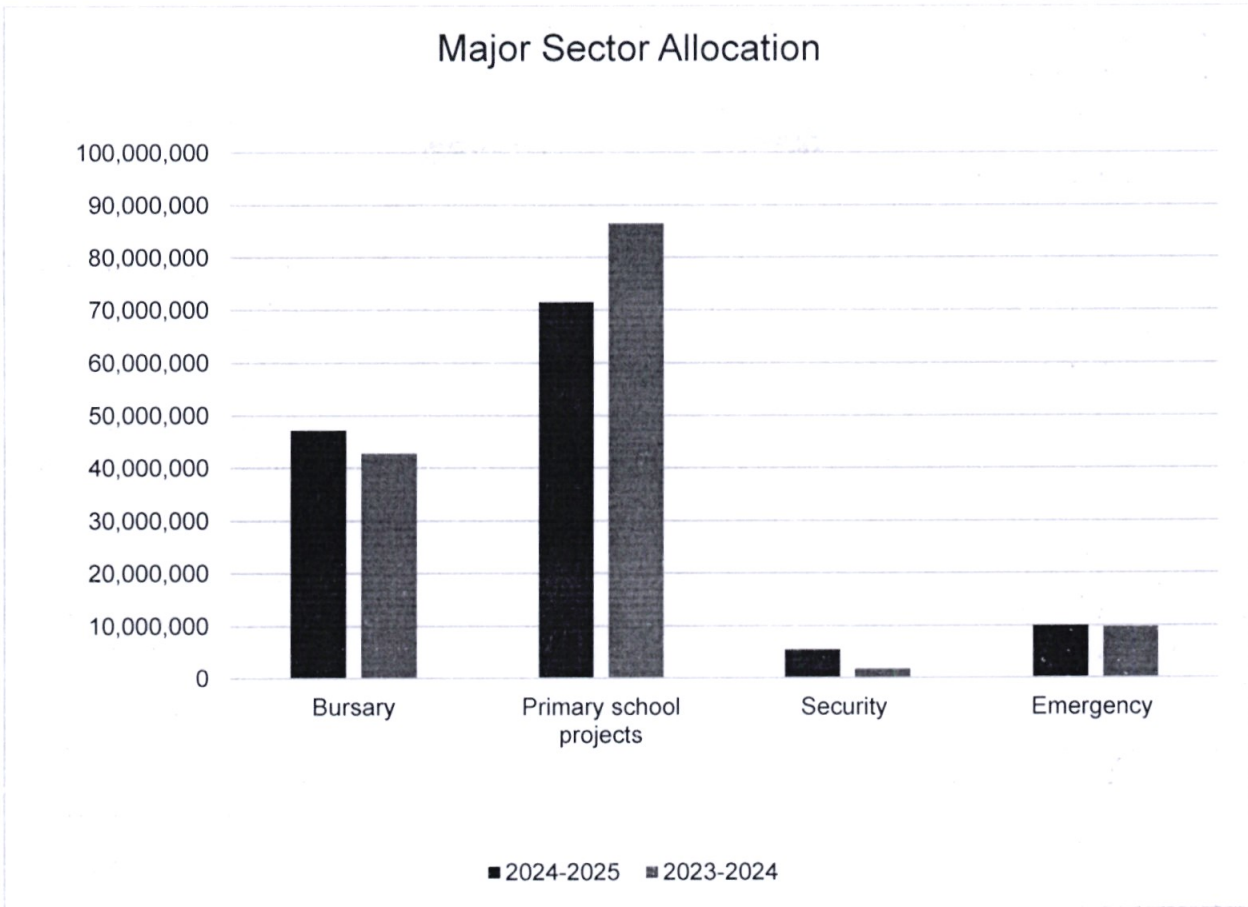
Compliance with Statutory Requirements

S/NO	FINANCIAL YEAR	BUDGET ALLOCATION
1.	2020/2021	137,195,879
2.	2021/2022	137,088,879
3.	2022/2023	151,960,174
4.	2023/2024	184,283,901
5.	2024/2025	188,414,052
	TOTAL	798,942,885

The Fund has maintained compliance with statutory obligations, including timely submission of annual financial statements, tax filings, statutory reports, implementation of audit recommendations and ensuring no material breaches reported.

The following sectors have due to the gradual increase in the allocation over the period of five years majorly seen growth in the allocations and would continue to foster the same if the fund is maintained.

S/No	SECTOR	2024-2025	2023-2024
1.	Bursary	47,156,820	42,753,243
2.	Primary school projects	71,500,000	86,500,000
3.	Security	5,400,000	1,732,867
4.	Emergency	9,916,529	9,691,047
	Total	133,973,349	140,677,157



National Government Constituencies Development Fund (NGCDF)
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8. Environmental and Sustainability Reporting

Kitui South NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, which is found on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Kitui South 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 intention to provide 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 end by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion. However, in the FY 24/25 the Board has not implemented these due to delayed funds.
- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

2. Environmental performance

- Kitui South Constituency is situated in arid areas and therefore the NG-CDFC do not consider tree planting because of lack of sustainability in terms of seasonal rains.
- The Kitui South NG-CDF planned but did not implement a sand dam within the financial year, which was to help in conservation of environment through retention of sand and making available water for agricultural use. This was due to delay in disbursement of the final tranche of the funds. The same shall be implemented next financial year.

3. Employee welfare

We invest in providing the best working environment for our employees. Kitui South constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal. The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

Kitui South 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 for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

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

NG-CDF has put in efforts to ensure:

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

5. Community Engagements-

Kitui South Constituency has endeavoured 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 sports and community projects.

Public Participation in Project Identification, Implementation, and Monitoring

Kitui South Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, 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 the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

Public Awareness

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

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

.....
Ezekiel K Mwangangi
Fund Account Manager.



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

9. Statement of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time. The Accounting Officer in charge of the NGCDF-Kitui South Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes; (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) 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; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

Approval of the financial statements

The NGCDF- Kitui South Constituency financial statements were approved and signed by the Accounting Officer on 26 Nov 2025.

F. Martin

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Florence Martin
Chairman – NGCDF Committee

Ezekiel Mwangangi

.....
Ezekiel Mwangangi
Fund Account Manager



REPUBLIC OF KENYA

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



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

Enhancing Accountability

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional International Public Sector Accounting Standards (IPSAS) financial statements of National Government Constituencies

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

Development Fund - Kitui South Constituency set out on pages 1 to 100, 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the transitional International Public Sector Accounting Standards financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kitui 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, Public Finance Management Act, 2012 and The National Treasury and Economic planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

Unsupported Property, Plant and Equipment Balance

The statement of financial position reflects property, plant and equipment balance of Kshs.21,641,351 which, as disclosed in Note 23 to the financial statements includes land with a Nil balance. However, ownership documents for the land were not provided for audit review.

Further, included in the balance is Kshs.4,867,207 in respect to motor vehicles. Review of records revealed that the Fund has one (1) vehicle and four (4) motorcycles. However, logbooks for the four (4) motorcycles were not provided for audit review. In addition, an updated status report detailing the condition of the motor vehicle and motorcycles was not provided for audit review.

In the circumstances, the accuracy, completeness and ownership of property, plant and equipment balance of Kshs.21,641,351 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 - Kitui South Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.319,025,873 and Kshs.274,611,821 respectively resulting to under-funding of Kshs.44,414,052 or approximately 14% of the budget. Similarly, the Fund expended Kshs.178,684,749 against actual receipts of Kshs.274,611,821 resulting to under-absorption of Kshs.95,927,072 or approximately 35% of actual receipts.

The underfunding and the under absorption affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Project Implementation Status

1.1 Delay in Implementation of Projects

Review of the approved code list and Project Implementation Status (PIS) report as at 30 June, 2025 revealed that the Fund allocated Kshs.231,117,705 for implementation of one hundred and forty-nine (149) projects. However, one hundred and eleven (112) projects worth Kshs.177,934,266 were completed while, nineteen (19) projects worth Kshs.26,300,000 were ongoing and eighteen (18) projects worth Kshs.26,883,439 had not started. **Appendix II**

1.2 Unsatisfactory Project Implementation

The statement of financial performance reflects other Government units actual expenditure of Kshs.96,992,165 which, as disclosed in Note 13 to the financial statements include primary schools and tertiary Institutions actual expenditure of Kshs.91,877,734 and Kshs.3,064,138 respectively. However, physical verification of the projects carried out on 8 October, 2025 revealed anomalies as indicated in the table below:

Project Name	Activity	Amount Kshs.	Observation
KMTC Mutomo Campus	Construction of Male Hostel	3,000,000	1. The floors had visible cracks. 2. Project had been completed but not handed over.
Kyatune Special School	Construction of a Kitchen	1,200,000	1. Electrical Fittings were not done as per BoQs. 2. Poor paintwork and visible cracks on the wall and floor. 3. Project had been completed but not handed over.

In the circumstances, value for money incurred on the incomplete projects could not be confirmed.

2. Irregular Bursary Disbursements

The statement of financial performance reflects other grants and transfers actual expenditure of Kshs.63,107,160 which, as disclosed in Note 14 to the financial

statements include bursary payments to secondary schools and tertiary Institutions of Kshs.33,054,203 and Kshs.19,306,600 respectively totalling Kshs.52,360,803. However, documents to confirm whether applicants for the bursaries were vetted and identified as needy students by the Bursary Sub-Committee and the criteria used to identify, vet and award the bursaries were not provided for audit review. This is contrary to CDF Board circular reference VOL1/111 of 2015 which requires the bursary committee to vet, identify and categorize needy students using established criteria.

In the circumstances, the effectiveness of the bursary fund in catering for needy students may not be achieved and Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Failure to Maintain an Updated Assets Register

The statement of financial position and as disclosed in Note 23 to the financial statements reflect property, plant and equipment balance of Kshs.21,641,351. However, the assets register maintained by the Fund lacked key information including identification or serial numbers, acquisition date, description of assets, location, class, accumulated depreciation and net book value. This is contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which require the Accounting Officer to be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, existence of effective assets management measures could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

04 December, 2025

Appendix I

Unresolved Prior Year Matters

Project Name	Activity	Amount (Kshs.)	Observation
Kivyuni Primary School	Renovation of 4 No. classrooms	1,100,000	Poor paintwork and visible cracks on the wall and floor.
Makekee Primary School	Construction of one (1) classroom	1,200,000	<ol style="list-style-type: none"> 1. Conduiting was not fully done. 2. The walls and floors had visible cracks. 3. Installed windows were metallic instead of windowpanes. 4. Project had been completed but not handed over.
Kalambani Primary School	Construction of 1 Classroom	1,200,000	<ol style="list-style-type: none"> 1. The walls and floors had visible cracks. 2. No ramp was installed despite having being included in the bill of quantities. 3. Installed windows were metallic instead of windowpanes. 4. Project had been completed but not been handed over.
Kenze Primary School	Renovation of 5 No. Classrooms	2,000,000	<ol style="list-style-type: none"> 1. There were visible Cracks on the walls. 2. The project was funded in the FY 2022/2023, project was wrongly labelled as 2023/2024 project. 3. Four (4) out of the five (5) classrooms had been renovated and no proof of change of activity. 4. The project had not been handed over as at the time of the field visit
Syunguni Primary School	Construction of 1 Classroom	1,200,000	<ol style="list-style-type: none"> 1. The walls and floors had visible cracks. 2. Installed windows were metallic instead of windowpanes. 3. The project had not been handed over.
Total		6,700,000	

Appendix II

Project Implementation Status

No.	Project Name	Activity	Approved Amount (Kshs.)	Status
A. Projects not Started				
1	Kitui South NG-CDF office Digital Hub	Construction to completion of a Basic Digital Hub	5,800,000.00	Not Started
2	Ikutha Technical and Vocational Training College-Digital Hub	Construction to completion of a basic digital hub	3,800,000.00	Not Started
3	Ikutha Technical and Vocational Training College	Construction to completion of one female hostel with a capacity of 50 students with an ablution comprising of 4 door flush toilets with one chamber catering for persons with Disability and 2 door bathrooms	3,000,000.00	Not Started
4	Syamatani Primary School	Renovation to completion of 5 classrooms: Re-roofing, plastering, construction of 2 courses of beams, painting and labelling of the project	2,000,000.00	Not Started
5	Koi Primary School	Construction to completion of one classroom	1,200,000.00	Not Started
6	Kaliluni Primary School	Construction to completion of one classroom	1,200,000.00	Not Started
7	Kyatune Special School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
8	UAE Mixed Secondary School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
9	Kawelu Mixed Secondary School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
10	Mutha Secondary School	purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
11	Kanziko Primary School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
12	Kasaala Secondary School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
13	Athi Mixed Secondary School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
14	St. Peters Nduundune Secondary School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
15	Kenze Mixed Secondary School	Purchase and installation of 2 300 litres energy saving jikos	1,000,000.00	Not Started
16	Ingo Primary School	Completion of one (1) classroom started by the School Management: walling, roofing, plastering, painting and labelling. The School had constructed	500,000.00	Not Started

No.	Project Name	Activity	Approved Amount (Kshs.)	Status
		the structure up-to Lintel with incomplete walls		
17	Kitui South Deputy County Commissioners Office	purchase and planting of 1000 indigenous trees seedlings each at Kshs.200	200,000.00	Not Started
18	Kitui South NG-CDF Office	purchase and planting of 917 indigenous trees seedlings each at Kshs.200	183,439.20	Not Started
Total Cost of Projects not Started			26,883,439	
B. On-Going Projects				
1	Matikoni Primary School	Renovation to completion of five (5) classrooms: Re-roofing, plastering, construction of two (2) courses of beams, painting and labelling of the Project.	2,000,000.00	Ongoing
2	Mwangala Primary School	Renovation to completion of five (5) classrooms: Re-roofing, plastering, construction of two (2) courses of beams, painting and labelling of the Project.	2,000,000.00	Ongoing
3	Mkundaa Primary School	Renovation to completion of five (5) classrooms: Re-roofing, plastering, construction of two (2) courses of beams, painting and labelling of the Project	2,000,000.00	Ongoing
4	Mwambaisyuko Primary School	Renovation to completion of five (5) classrooms: Re-roofing, plastering, construction of two (2) courses of beams, painting and labelling of the Project	2,000,000.00	Ongoing
5	Mutomo Girl's Secondary School	Construction to completion of fifty (50) students' computer laboratory.	2,000,000.00	Ongoing
6	Mbakoni Primary School	construction to completion of one administration block comprising of three (3) offices	1,300,000.00	Ongoing
7	Munathi Primary School	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
8	Kathithu Primary school	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
9	Musikio Primary school	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
10	Thome Primary school	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
11	Kanthi Primary School	Construction to completion of one (1) classroom	1,200,000.00	Ongoing

No.	Project Name	Activity	Approved Amount (Kshs.)	Status
12	Kathingu Primary School	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
13	Ngaani Primary School	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
14	Yikisemei Primary School	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
15	Makuuni Primary School	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
16	Tutu Primary School	Construction to completion of one (1) classroom	1,200,000.00	Ongoing
17	Kasyelia Primary School	Renovation to completion of two (2) classrooms: Re-roofing, plastering, construction of two (2) courses of beams, painting and labelling of the Project	1,000,000.00	Ongoing
18	Mwangeni Police Post	Renovation to completion of two (2) offices at Kshs.400,000: re-roofing and painting and construction to completion of an extra one (1) room at Kshs.600,000.	1,000,000.00	Ongoing
19	Mutha Police Post	Fencing of a two (2) acre piece of land with chain link with concrete poles at Kshs.800,000 and construction of a metallic gate at Kshs.200,000.	1,000,000.00	Ongoing
Total Cost of Projects Ongoing			26,300,000.00	

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

	Note	For the year ended 30 th June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	188,414,052
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		188,414,052
Expenses		
Employee costs	10	4,505,874
Committee expenses	11	4,805,000
Use of Goods and Services	12	8,081,161
Other Government Units Actual expenditure	13	96,992,165
Other Grants and Transfers Actual expenditure	14	63,107,160
Depreciation and amortization expense	15	3,773,011
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		181,264,371
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		7,149,681

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 the NG-CDFC on 26th November 2025 and signed by:

Florence Martin

Chairman NG-CDF Committee

Florence Martin

Ezekiel Mwangangi

Fund Accountant Manager

Ezekiel Mwangangi

Nicholas Wambua

National Sub-County

Accountant

Nicholas Wambua

ICPAK M/No: 11736




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

12. Statement of Financial Position as at 30th June, 2025

	Note	As at 30 th June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	95,927,073	70,670,171
Receivables from Exchange Transactions	20	0	0
Receivables from Non-Exchange Transactions	21	44,414,052	59,941,650
Prepayments	22	0	0
Total Current Assets		140,341,125	130,611,821
Non-Current Assets			
Property, Plant and Equipment	23	21,641,351	25,414,362
Intangible Assets	24	0	0
Right-of-use assets	25	0	0
Total Non- Current Assets		21,641,351	25,414,362
Total Assets (A)		161,982,476	156,026,183
Liabilities			
Current Liabilities			
Trade and Other Payables	26	0	0
Third-Party Deposits	27	1,888,239	3,292,008
Lease Liabilities	28	0	0
Gratuity provision	29	859,008	648,627
Total Current Liabilities		2,747,247	3,940,635
Non-Current Liabilities			
Lease Liabilities	28	-	0
Total Liabilities (B)		2,747,247	3,940,635
Net Assets (A-B)		159,235,229	152,085,548
Represented by:			
Capital fund		152,085,548	152,085,548
Accumulated Surplus		7,149,681	
Total Net Assets		159,235,229	152,085,548


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

The Constituency financial statements set out on pages xxx to xxx approved by NG CDFC on 26th November 2025 and signed by:



Chairman NG-CDF Committee

Florence Mbesa Martin



National Sub-County Accountant

Nicholas Wambua
ICPAK M/No: 11736



Fund Account Manager

Ezekiel Mwangangi



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

Description	Reserves	Accumulated	Total
		surplus/Deficit	
	Kshs	Kshs	Kshs
As at 30th June 2024 (cash basis)	16,902,240		16,902,240
Adjustments: (to recognize assets and liabilities)			
Add Assets	138,475,316		138,475,316
Less Liabilities	3,292,008		3,292,008
As at July 1, 2024	152,085,548		152,085,548
Surplus/(Deficit) For the Period	7,149,681		7,149,681
Revaluation Gain/Loss	-	-	-
As at 30th June,2025	159,235,229	-	159,235,229

Note:

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

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14. Statement of Cash Flows for the Year Ended 30th June 2025

	Notes	Period ended 30 th
		June 2025
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		203,941,650
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		-
Total Receipts		203,941,650
Payments		
Employee costs		4,295,493
Committee expenses		4,805,000
Use of Goods and Services		8,081,161
Other Government Units Certified Works		98,395,934
Other Grants and Transfers		63,107,160
Digital Hubs Expenses		-
Total Payments		178,684,748
Net Cash Flows from/ (used in) Operating Activities	30	25,256,902
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 &		25,256,902
Cash equivalents		
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		25,256,902
Cash and cash equivalents at Period Start	19	70,670,171
Cash and cash equivalents at Period End	19	95,927,073

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

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

	Original Budget			Final Budget	Actual on	Budget utilization	% of Utilization
					comparable basis	difference	
		Adjustments					
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024-2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous	2024-2025	2024-2025		
			Years'				
			Outstanding				
			disbursements				
Revenue							
Transfers From the NGCDF Board	188,414,052	70,670,171	59,941,650	319,025,873	274,611,821	44,414,052	84%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	188,414,052	70,670,171	59,941,650	319,025,873	274,611,821	44,414,052	84%
Expenses							
Employee costs	4,711,144	1,275,968	-	5,987,112	4,295,493	1,691,619	72%
Committee expenses	4,808,000	-	-	4,808,000	4,808,000	-	100%
Use of Goods and Services	7,400,856	938,290	-	8,339,146	8,078,162	260,984	96%

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Other Government Units Certified Works	90,000,000	56,428,038	51,162,783	197,590,821	98,395,934	99,194,886	48%
Other Grants and Transfers	71,894,052	11,436,741	8,778,867	92,109,660	63,107,160	29,002,500	65%
Digital Hubs Expenses	9,600,000	-	-	9,600,000	-	9,600,000	0%
Funds Pending Approval**	-	591,135	-	591,135	-	591,135	0%
Total Expenditure	188,414,052	70,670,172	59,941,650	319,025,874	178,684,749	140,341,125	54%
Surplus for the period					95,927,072	(95,927,073)	

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

Programme/Sub-programme	Original Budget			Final Budget	Actual on comparable basis	Budget utilization difference
		Adjustments				
		Opening Balance (operational, deposit and PMCs and AIA)	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,711,144	1,275,968		5,987,112	4,295,493	1,691,619
1.2 Committee allowances	3,296,000			3,296,000	3,296,000	-
1.3 Use of goods and services	3,297,699	938,290		4,235,989	3,975,005	260,984
Sub-total	11,304,843	2,214,258	-	13,519,101	11,566,498	1,952,603
2.0 Monitoring and evaluation						
2.1 Capacity building	1,812,736	-		1,812,736	1,812,736	-
2.2 Committee allowances	1,512,000	-		1,512,000	1,512,000	-
2.3 Use of goods and services	2,290,421	-		2,290,421	2,290,421	-
Sub-total	5,615,157	-	-	5,615,157	5,615,157	-
4.0 Emergency unutilized	9,916,529	49,048	1,550,093	11,515,670		11,515,670

National Government Constituencies Development Fund (NGCDF)

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Explanatory Notes.

- a) **Employee costs**
There was underutilization because of delayed disbursement of funds from the Board.
- b) **Other Government Units Certified Works**
There was underutilization because of delayed disbursement of funds from the Board
- c) **Other Grants and Transfers**
There was underutilization because of delayed disbursement of funds from the Board
- d) **Digital Hubs Expenses**
There was underutilization because of delayed disbursement of funds from the Board.

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 26 Nov 2025 and signed by:

Florence

Chairman NG-CDF Committee

Florence Martin

Ezekiel

Fund Accountant Manager

Ezekiel Mwangangi

Nicholas

National Sub-County Accountant

Nicholas Wambua
ICPAK M/No: 11736



National Government Constituencies Development Fund (NGCDF)

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Kathiani Primary School		200,000		200,000	198,240	1,760
Kenze Primary School		1,500,390		1,500,390	1,500,389	1
Vengeleni Primary School		2,000,000		2,000,000	1,998,724	1,276
Mutyaua Primary School		2,000,000		2,000,000	1,999,724	276
IKutha Boys Secondary School			2,000,000	2,000,000	1,999,782	219
Kivyuni Secondary School		200,000		200,000	199,775	225
Kalivu Primary School			100,000	100,000	97,000	3,000
ST. PETERS MUVUKO MIXED		200,000		200,000	199,977	24
KALIVU SECONDARY SCHOOL		200,000		200,000	(275)	200,275
IKANGA POLICE STATION			200,000	200,000	672	199,328
					-	-
					-	-
					-	-
Sub-total	9,916,529	6,349,438	3,850,093	20,116,060	8,194,007	11,922,053
5.0 Bursary and Social Security						
5.1 Primary Schools	-			-		-
5.2 Secondary Schools	29,156,820	201,476	3,695,907	33,054,203	33,054,203	0

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5.3 Tertiary Institutions	18,000,000	2,290,600		20,290,600	20,290,600	-
5.4 special needs				-		-
5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
Sub-total	47,156,820	2,492,076	3,695,907	53,344,803	53,344,803	0
7.0 Climate Change						
Kyatune Special School	1,000,000			1,000,000		1,000,000
UAE Mixed Secondary School	1,000,000			1,000,000		1,000,000
kenze secondary school		389		389		389
Kawelu Mixed Secondary School	1,000,000			1,000,000		1,000,000
Mutha Secondary School	1,000,000			1,000,000		1,000,000
Kanziko Secondary School	1,000,000			1,000,000		1,000,000
Kasaala Secondary School	1,000,000			1,000,000		1,000,000
Athi Mixed Secondary School	1,000,000			1,000,000		1,000,000
St. Peter's Nduune Secondary School	1,000,000			1,000,000		1,000,000
Kenze Mixed Secondary School	1,000,000			1,000,000		1,000,000
Kitui South NG-CDF Office	220,703			220,703		220,703

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Kitui South DCC's Office	200,000			200,000		200,000
Kasundu Sand Dam	-	1,000,000		1,000,000	999,504	496
Sub-total	9,420,703	1,000,389	-	10,421,092	999,504	9,421,588
8.0 Primary Schools Projects						
makuuni primary school	1,200,000			1,200,000		1,200,000
tutu primary school	1,200,000			1,200,000		1,200,000
ndithini primary school	1,200,000			1,200,000	413	1,199,588
munathi primary school	1,200,000			1,200,000		1,200,000
kathithu primary school	1,300,000			1,300,000		1,300,000
musikio primary school	1,300,000			1,300,000		1,300,000
kalulini primary scholl	1,200,000			1,200,000		1,200,000
wingololi primary	2,000,000			2,000,000	-	2,000,000
makele primary	2,000,000			2,000,000	-	2,000,000
kyatune primary school	1,200,000			1,200,000	-	1,200,000
thome primary	1,200,000			1,200,000		1,200,000
wingethi primary	2,000,000			2,000,000	-	2,000,000
kangima primary	2,000,000			2,000,000	-	2,000,000
imwange primary	2,000,000			2,000,000	413	1,999,588

National Government Constituencies Development Fund (NGCDF)
Kitui South Constituency
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kawelu primary	1,300,000	1,143		1,301,143		1,301,143
kanthi primary	1,200,000			1,200,000		1,200,000
muvuko primary	2,000,000			2,000,000	(13)	2,000,013
kasyelia primary	1,000,000			1,000,000		1,000,000
yamutava primary	1,200,000			1,200,000	997,495	202,505
kiimani primary	2,000,000			2,000,000	2,413	1,997,588
kiimani primary		128		128	-	128
kathingu primary	1,200,000			1,200,000	-	1,200,000
ngaani primary	1,200,000			1,200,000		1,200,000
mwaani primary	500,000			500,000	513	499,488
ingo primary	500,000			500,000		500,000
koi primary	1,200,000			1,200,000		1,200,000
ngelani primary	1,200,000			1,200,000	725	1,199,275
Syamatani Primary School	2,000,000			2,000,000	-	2,000,000
Nzoani Primary School	2,000,000			2,000,000	513	1,999,488
Nzeveni Primary School	1,200,000			1,200,000	513	1,199,488
Mutululu Primary School	1,100,000			1,100,000	-	1,100,000
Matikoni Primary School	2,000,000			2,000,000		2,000,000

National Government Constituencies Development Fund (NGCDF)

Kitui South Constituency

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Kaluluini Primary School	2,000,000			2,000,000	-	2,000,000
Imiwa Primary School	2,000,000			2,000,000	413	1,999,588
Kituwwi Primary School	1,200,000	72,314	1,200,000	2,472,314	1,201,539	1,270,775
Mwangala Primary School	2,000,000			2,000,000		2,000,000
Lingithya Primary School	1,200,000			1,200,000	-	1,200,000
Kyanganga primary school	2,000,000			2,000,000	-	2,000,000
Yikisemei Primary School	1,200,000			1,200,000		1,200,000
Mikomani Primary School	1,200,000			1,200,000	-	1,200,000
Ndilili Primary School	2,000,000			2,000,000	513	1,999,488
Mukwakwani Primary School	1,200,000			1,200,000	-	1,200,000
Kamina Primary School	1,200,000			1,200,000		1,200,000
Athi Primary School	2,000,000			2,000,000	-	2,000,000
Mukundaa Primary School	2,000,000			2,000,000		2,000,000
Mwambaisyuko Primary School	2,000,000			2,000,000		2,000,000
Mbuindune Primary School	2,000,000			2,000,000	-	2,000,000
Mbakoni Primary School	1,300,000			1,300,000		1,300,000
Muambani Primary School	1,200,000			1,200,000	-	1,200,000

National Government Constituencies Development Fund (NGCDF)
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Ilaani Primary School		1,404,350	595,650	2,000,000	1,999,999	1
kayangombe Primary School		600,000		600,000	598,730	1,270
kituti primary		1,200,000	1,200,000	2,400,000	2,308,857	91,144
katulu primary		1,200,000	1,200,000	2,400,000	2,265,147	134,853
KIANGWA primary school			2,000,000	2,000,000		2,000,000
kibwea primary			2,000,000	2,000,000	1,891,370	108,630
mutomo primary		730	2,000,000	2,000,730	1,893,460	107,270
mavia primary			2,000,000	2,000,000	1,892,370	107,630
kongo primary			600,000	600,000	599,890	110
mangetheni primary			1,600,000	1,600,000	1,599,459	541
simisi primary			2,000,000	2,000,000	1,999,574	426
kyatulu primary			2,000,000	2,000,000	1,998,724	1,276
membau primary		22,590	2,000,000	2,022,590	1,999,804	22,786
ngunga primary			1,300,000	1,300,000	1,228,249	71,751
tsavo primary			1,300,000	1,300,000		1,300,000
mwambua primary			1,300,000	1,300,000	1,228,434	71,566
ikandani primary			2,400,000	2,400,000	2,267,998	132,002
kiati primary			2,400,000	2,400,000	2,268,873	131,127
kivandeni primary			2,400,000	2,400,000	2,397,706	2,294

National Government Constituencies Development Fund (NGCDF)

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st james kasambuya primary			2,400,000	2,400,000		2,400,000
kalambani primary		1,200,000	1,200,000	2,400,000	2,321,959	78,041
kwa songe primary		1,200,000	1,200,000	2,400,000	2,334,573	65,427
kyoani primary			2,400,000	2,400,000	2,399,449	551
kyuasini primary		1,200,000	1,200,000	2,400,000	2,332,573	67,427
makekee primary		1,200,000	1,200,000	2,400,000	2,331,598	68,402
mesilya primary		1,200,000	1,200,000	2,400,000	2,225,789	174,211
mwala primary		64,551	1,200,000	1,264,551	1,198,644	65,907
ngali primary		1,200,000	1,200,000	2,400,000	2,336,438	63,562
syunguni primary		1,467,133	1,467,133	2,934,266	2,335,873	598,393
ABC Ngiluni Primary School		1,790		1,790		1,790
Ekani Primary School		96,666		96,666	96,590	76
St. joseph kaindu Primary School		822		822		822
mikuyuni primary		1,155		1,155	-	1,155
Emale Primary School		91		91		91
Enzou Primary School		95,131		95,131	95,115	16
Enzou Primary School		43		43		43
Ikandani Primary School		177		177		177

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Ikanga Primary School		1,110		1,110		1,110
Ikilungulu Primary School		14,740		14,740		14,740
Ikutha Primary School		33,409		33,409		33,409
Ilaani Primary School		489		489		489
Ilamba Primary School		370		370		370
Ilengi Primary School		-		-		-
Ilengi Secondary School		1,245		1,245		1,245
Ilusya Primary School		104,426		104,426	104,000	426
Ilusya Primary School		634		634		634
Imathoka Primary School		445		445		445
Imelu Primary School		833		833		833
Imwange Primary School		503		503		503
Ingo Primary School		336		336		336
Isaa Primary School		1,495		1,495		1,495
ivukuvuku primary school		103,771		103,771	103,690	81
Ivukuvuku Primary School		2,010		2,010		2,010
Kaangungi Primary School		9		9		9

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Kaangwa Primary School		3		3		3
Kaatene Primary School		86,291		86,291	85,590	701
Kaivisi Primary School		361		361		361
Kakindu Primary School		104,701		104,701		104,701
Kakithya Primary School		415		415		415
Kakunio Primary School		25		25		25
Kalambani Primary School		615		615		615
Kaliani Primary School		107,496		107,496	107,353	144
Kaliani Primary School		403		403		403
Kaliluni Primary school		2,943		2,943		2,943
Kalivu Primary School		432		432		432
Kaluluini Primary School		62,117		62,117	61,862	255
Kaluluini Primary School		200		200		200
Kamina Primary School		1,623		1,623		1,623
Kamuluve Primary School		261		261		261
Kamunga Primary School		383		383		383
Kamunyuni Primary School		110		110		110

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Kandae Primary School		859		859		859
Kandengya Primary School		-		-		-
Kangima Primary school		743		743	-	743
Kanguli Primary School		-		-		-
Kanthi Primary School		987		987		987
Kanziko Primary School		2,000,000		2,000,000	1,999,704	296
Kanziko Township Primary School		-		-		-
Kasaala Primary School		384		384		384
Kasivuni Primary School		107		107		107
Kasoyani Primary School		1,432		1,432		1,432
Kasundu Primary School		497		497		497
kaasula primary school		96,153		96,153	67,785	28,368
Kasoyani Primary School		107,276		107,276	106,575	701
Kasyelia Primary School		2,577		2,577		2,577
Kathingu Primary School		-		-	-	-
Katilini Primary School		553		553		553
Katulu Primary School		47		47		47

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kavete primary school		8,967		8,967	8,115	852
Kavete Primary School(Mutha)		-		-		-
Kavwee Primary School		387		387		387
kavyuvaa Primary School		80		80		80
kawelu Primary School				-		-
Kayangombe Primary School		131		131		131
Kengo Primary School		107,406		107,406	107,030	376
Kengo Primary School		2,017		2,017	-	2,017
Kenze Primary School				-		-
Kiange Primary School		40		40		40
Kiangu Primary School		-		-	-	-
Kiati Primary School		3,361		3,361		3,361
Kikwa Primary School		64,433		64,433	64,390	43
Kikwa Primary School		-		-	-	-
Kilisa Primary School		2,000,000		2,000,000	1,999,434	566
Kilisa Primary School access road		128		128		128
Kilongoni Primary School		48,120		48,120		48,120

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Kilongoni Primary School		107,701		107,701		107,701
Kiluya Primary school		572		572		572
Kimuu Primary School		1,645		1,645		1,645
Kisayani Primary School		9,410		9,410		9,410
Kisayani Primary School- Equity Bank		470		470		470
Kisou Primary School		-		-		-
Kisou Primary School		102,551		102,551		102,551
Kitambaa Primary School		492		492		492
Kithae Primary School		103,914		103,914	103,735	179
Kitoo Primary School		2,000,000		2,000,000	1,999,048	952
Kituti Primary School		387		387		387
Kituvwi Primary School				-		-
Kivili Primary School		110		110		110
Kiviu Primary School		195,626		195,626	194,995	631
Kiviu Primary School		1,644		1,644		1,644
Kivuti Primary School		400		400		400
Kivyuni Primary School		50,244		50,244	50,225	19

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Kongo Primary School		12		12		12
Kwa Mukuku Primary School		106,526		106,526	106,390	136
Kwa Songe Primary School		-		-		-
kwa-kimweli primary school		107,990		107,990	106,813	1,178
Kyamuthwa Primary School		142		142		142
Kyandula Primary School		104,426		104,426	104,000	426
Kyandula Primary School		53,618		53,618		53,618
Kyangoto Primary School		-		-	-	-
Kyanyaa Primary School		2,000,000		2,000,000	1,999,344	656
Kyatune Primary School		1,688		1,688		1,688
Kyawangu Primary School		560		560		560
Kyuasini Primary School				-		-
Kyuasini Primary School		10		10		10
Kyuluni Primary School		49,198		49,198	49,000	198
Makeke Primary School				-		-
Makekee Primary School		312		312		312
Makele Primary School		12		12		12

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Makongo Primary School		1,200,000		1,200,000	1,135,149	64,851
makosi primary school		65,324		65,324	65,218	107
Makue Primary School		404		404		404
Makueni Primary School		2,000,000		2,000,000	1,998,958	1,042
Malatani Primary School		1,421		1,421		1,421
Malili Primary School		75		75		75
Malili Primary School		189		189		189
Maluma Primary School		104,656		104,656	104,230	426
Malumini Primary School		86,764		86,764	86,557	207
Matikoni Primary School		1,331		1,331		1,331
Maungu Primary School		-		-		-
maungu Primary School		109,541		109,541	109,530	11
Mavia Primary School		226		226		226
Mbakoni Primary School		-		-		-
Mbooni Primary School		107,276		107,276		107,276
Mbusyani Primary school		77,293		77,293		77,293
memboo primary school		129,291		129,291	57,114	72,177

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memboo primary chool		14		14	-	14
Menzai Primary School		106,701		106,701		106,701
Mesilya Primary School				-		-
Mesilya Primary School		101		101		101
Mikomani Primary School		-		-		-
Mikongooni Primary School		103,850		103,850	103,704	146
Mikongooni Primary School		417		417		417
Mitaani Primary School		114,485		114,485	114,410	75
mutha primary		134		134	-	134
Mitalani Primary School		100		100		100
Mitalani Primary School		1,269		1,269		1,269
Muamba Primary School		-		-		-
Mukuanima Primary School		763		763		763
Mukundaa Primary School		2,815		2,815		2,815
Mukwakwani Primary School		1,021		1,021		1,021
Munathi Primary School		40		40		40
musenge primary school		9,967		9,967		9,967

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Musikio Primary School		274		274		274
Muteetu Primary School		23		23		23
Muteetu Primary School		135		135		135
Muthue Primary School		97,240		97,240	95,115	2,125
Muthue Primary School		386		386		386
Muti Primary School		-		-		-
Mutomo Primary School				-		-
Mutomo School for the deaf		234		234		234
mutonyaitho primary school		106,026		106,026	105,024	1,002
Mutonyaitho Primary School		28		28		28
Mutulu Primary School		163		163		163
Mutuni Primary School		106,566		106,566	106,370	196
Muvuko Primary School		-		-		-
Mwaani Primary School		112,204		112,204		112,204
Mwaathe Primary School		104,656		104,656	104,230	426
Mwaathe Primary School		597		597		597
Mwala Primary School				-		-

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Mwala Primary School		121		121		121
Mwambaisyuko Primary School		2,400		2,400		2,400
Mwambua Primary School		394		394		394
Mwangala Primary School		540		540		540
Mwanianga Primary School-Equity Bank		108,437		108,437		108,437
Ndatani Primary School		461		461		461
ndiini primary school		65,797		65,797	65,555	242
Ndiini Primary School		1,632		1,632		1,632
Ndili Primary School		70		70		70
Ndithini Primary School		33		33		33
Ndivuni Primary School		574		574		574
Ndondoni Primary School		368		368		368
Nduundune Primary School		-		-		-
Ngaani Primary School		93		93		93
Ngaasani Primary School		70		70		70
Ngali Primary School		66,466		66,466		66,466
Ngali Primary School				-		-

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Ngangani Primary School		59,797		59,797	59,710	87
Ngangani Primary School		3,743		3,743		3,743
ngawuni primary school		20,332		20,332	115	20,217
Ngawuni Primary School		248		248		248
Ngoseni Primary School		8,280		8,280		8,280
Ngunga Primary School		48		48		48
Ngunini Primary School		2,000,600		2,000,600	1,999,879	721
Nguswini Primary School		2,000,000		2,000,000	1,999,669	331
Ngwate Primary School		104,735		104,735		104,735
Ngwate Primary School		230		230		230
Nzaini Primary School		14		14		14
Nzalani Primary School		922		922		922
Nzalani Primary School		2,000,000		2,000,000	1,999,799	201
Nzoani Primary School		846		846		846
Nzouni Primary School		205		205		205
Sembeni Primary School		5,211		5,211		5,211
Semea Primary School		253		253		253

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Senda Primary School		91		91		91
St James Kasambuya Primary School		631		631		631
St Joseph's Kaindu Primary School		-		-		-
St. Patrick's Windundu Primary School		61,150		61,150	60,230	920
Syamatani Primary School		391		391		391
Syangeni Primary School		600,000		600,000	599,484	516
Syomithumo Primary School		107,851		107,851	107,410	441
Ngwate Primary School		451		451		451
Thome Primary School		834		834		834
Timboni Primary School		2,397		2,397		2,397
Tsavo Primary School		-		-	-	-
Tutu Primary School		971		971		971
Tuvila Primary School		711		711		711
UAE Primary School		3,353		3,353		3,353
Vote Primary school		414		414		414
Vutu Primary school		170		170		170

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Windi Primary School		10,370		10,370		10,370
Winduma Primary School		-		-		-
Windundu Primary School		413		413		413
Wingololi Primary School		106		106		106
Yaana Primary School		156		156		156
Yaathi Primary School		88		88		88
Yamutava Primary School		28		28	-	28
Yanzati Primary School		-		-		-
yanzati primary school		64,650		64,650	-	64,650
Yaua Primary School		104,690		104,690	104,504	186
Yolomuni Primary School		390		390	180	210
Yongo Primary School		125		125		125
Yumbu Primary School		108,546		108,546		108,546
Mwanianga Primary School- NBK		2,001,000		2,001,000	1,999,522	1,478
Kisayani Primary School		2,000,000		2,000,000	1,999,974	26
Kakindu Primary School		2,000,000		2,000,000	1,999,299	701
Nzalani Primary School		2,000,000		2,000,000	1,999,799	201

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Yumbu Junior School		2,000,000		2,000,000	1,996,252	3,748
Menzai Primary School		2,000,000		2,000,000	1,998,899	1,101
Mbooni Primary School		2,000,000		2,000,000	1,999,299	701
Kasoyani Primary School		2,000,000		2,000,000	1,999,299	701
Kisou Primary School		2,000,000		2,000,000	1,999,999	1
kamuvala primary		42,919		42,919	-	42,919
kathiani primary		1,194		1,194	-	1,194
ilamba primary		14,268		14,268	-	14,268
ikutha primary special		9,700		9,700	-	9,700
monguni primary school		1,408		1,408	-	1,408
kithae primary		2,294		2,294	-	2,294
kitoo primary		3,273		3,273		3,273
kiuani primary		3,614		3,614	-	3,614
cbm timboni primary		9,479		9,479	-	9,479
yingo primary		1,012		1,012	-	1,012
mutyauwa primary		10,903		10,903	-	10,903
St James Kasambuya Primary School		40		40		40
NDILILI PRIMARY		74		74	-	74

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muani primary		295		295	-	295
Simisi Primary School		274		274	-	274
ngingani primary		592		592	-	592
mwanianga primary		786		786	-	786
Kyatulu Primary School		419		419		419
Mang'etheni Primary School		369		369		369
MUAMBANI PRIMARY		360		360		360
kakithya		94		94		94
kyanganga primary		66		66		66
kaivisi primary		34		34		34
Makongo Primary School		22		22		22
kwa kimweli primary		3		3		3
kathithu primary		99		99		99
kanziko primary		618		618		618
iiani primary		156		156		156
itumba primary		158		158		158
ikanga primary		326		326	-	326
ikisemei primary		861		861	-	861

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ITUNGUU PRI		40		40	-	40
Sub-total	71,500,000	53,892,013	46,162,783	171,554,796	91,356,255	80,198,541
9.0 Secondary Schools Projects (List all the Projects)						
Ikanga Boys Secondary School	2,000,000			2,000,000		2,000,000
Mutomo Girls Secondary School	2,000,000			2,000,000		2,000,000
Mutha Secondary School	2,000,000			2,000,000		2,000,000
Muthue Secondary School	2,000,000			2,000,000		2,000,000
Mwaathe Secondary School	1,500,000			1,500,000		1,500,000
Ikutha Girls Secondary School		640	2,000,000	2,000,640	1,892,966	107,674
ikanga girls secondary		54,656		54,656		54,656
ndatani mixed		99		99		99
Mutonya Secondary School		53		53		53
Ndilili Secondary School		184		184		184
Ngwate Secondary School		522		522		522
Semea Mixed Secondary School		65,851		65,851	65,575	276
Semea Secondary School		631		631		631
St Philips Vote Secondary School		103,179		103,179	102,115	1,064

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Syunguni Secondary School		3,163		3,163		3,163
Yaathi Mixed Sec School		2,976		2,976		2,976
Maluma Secondary School		3,935		3,935		3,935
Muamba Secondary School		66,001		66,001	575	65,426
mutha mixed		2,280		2,280		2,280
Mutomo Girls Sec School		5,669		5,669	1,191	4,478
Kyamuthwa Secondary School		-		-		-
uae secondary school		22,674		22,674		22,674
kyatune Secondary School		56,791		56,791	56,660	131
kyoani Secondary School		758		758	461	298
monguni secondary school		2,360		2,360		2,360
Kamutei Secondary School		851		851		851
Kiange Mixed Secondary School				-		-
st peters secondary		7,852		7,852		7,852
Kibwea Mixed Sec School		923		923	-	923
Kilawa Secondary school		140		140	-	140
Kisayani Secondary School		470		470	-	470

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Ikanga Boys Secondary School		1,812		1,812	-	1,812
Isaa Primary School		2,001,000		2,001,000	2,000,999	1
Kawelu secondary school		853		853	-	853
Kiangu Secondary school		45,318		45,318		45,318
st louise mathima secondary school		265		265		265
simisi secondary		2,830		2,830		2,830
vutu mixed		72,730		72,730		72,730
kyatune boys high school		2,610		2,610		2,610
kituti secondary school		680		680		680
mwaathe secondary sch		480		480		480
abc kimweli sec		450		450		450
kaatene sec		94		94		94
st josephs mix-day kiimani		912		912		912
kiangwa sec		726		726		726
chief makau memorial sec		790		790		790
Sub-total	9,500,000	2,534,207	2,000,000	14,034,207	4,120,542	9,913,665
10.0 Tertiary institutions Projects (List all the Projects)						

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KMTC Mutomo campus	6,000,000		3,000,000	9,000,000	2,919,138	6,080,862
KMTC Mutomo campus				-		-
Ikutha TVT	3,000,000			3,000,000		3,000,000
KMTC Mutomo campus				-		
seku		660		660		660
ikutha tvc		149		149		149
KMTC Mutomo Campus		703		703		703
Ikanga Teachers Training College		307		307		307
Sub-total	9,000,000	1,819	3,000,000	12,001,819	2,919,138	9,082,681
11.0 Security Projects						
Ekani Assistant Chief's Office	400,000			400,000	-	400,000
Mwangeni Police Post	1,000,000			1,000,000	672	999,328
Yongela Assistant Chief's Office	1,000,000			1,000,000	(500)	1,000,500
Mutha Police Post	1,000,000			1,000,000	672	999,328
Ikutha Police Station	2,000,000			2,000,000	413	1,999,588
Kiimani Assistant Chiefs Office		500,000		500,000	499,525	475
Mutha ACC House			1,232,867	1,232,867	413	1,232,455
mathima chiefs camp		2,261		2,261		2,261

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Enzou Police Post		30		30		30
Ikanga Chiefs Office		130		130		130
Ikanga Police Post		-		-		-
Ikutha Chief Office		980		980		980
Ikutha Chiefs Camp		-		-		-
Ikutha DCC Office		2,892		2,892		2,892
Ilusya Chiefs Office		32		32		32
Isaa Assistant Chief Office		67,694		67,694	67,480	214
Ithumula assistant Chief Office		-		-		-
Kaliakatune Assistant Chief Office		1,340		1,340		1,340
Kalivu Chiefs Office		32		32		32
Kanziko Chiefs Office		-		-		-
Kasaala Assistant Chief Office		-		-		-
Keutunda Assistant Chief Office		14		14		14
Kiangwa Assistant Chief Office		780		780		780

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kathungu assistant chief office		354		354		354
Kiimani Assistant Chief Office		44		44		44
athi chiefs office		190		190		190
kyatune ass chief		299,874		299,874		299,874
Kitoo Assistant Chief Office		-		-		-
Kituvwi Assistant Chief Office		-		-		-
Kivyuni assistant Chief Office		-		-		-
Kyoani Assistant Chief Office		1,368		1,368		1,368
Maaini Assistant Chief Office		-		-		-
Makele Assistant Chief Office		-		-		-
Maluma ACC Office		-		-		-
Maluma Assistant Chief Office		-		-		-
Mivuini ass Chiefs Office		347		347	172	175
Monguni Police Post		1,388		1,388		1,388
Muambani Assistant Chief Office		2,326		2,326		2,326
Mutha Chiefs Office		-		-		-

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Mutomo Chiefs Office		-		-		-
Mutomo DCI		1,396		1,396		1,396
kiangu chiefs office		4,066		4,066		4,066
Mutomo District HQ		560		560		560
Mwangala assistant Chief Office		-		-		-
Ndakani Assistant Chief Office		14		14		14
Ndatani AP Line		192		192		192
Ndili Assitant Chief Office		-		-		-
Ndilili Assistant Chief Office		947		947		947
Nduundune Assistant Chief Office		-		-		-
Nzamba Assistant Chief Office		-		-		-
Simisi Chiefs Office		-		-		-
Kavete Assistant Chief Office		1,381		1,381		1,381
Katilini Assistant Chiefs Office		34,097		34,097		34,097
Vote Assistant Chief Office		-		-		-
Kibwea chiefs office		16,823		16,823		16,823

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kisayani ass chiefs/ap office		1,167		1,167		1,167
ikanga dos office		99,540		99,540		99,540
syunguni ass chief		645		645		645
ndakani chiefs office		764		764		764
mutomo law courts		470		470		470
mwala ass chief		324		324		324
kyanyaa ass chief	-	309	-	309		309
MALILI AP		461		461		461
Sub-total	5,400,000	1,045,232	1,232,867	7,678,099	568,846	7,109,253
12.0 Others						
Ikanga Zonal education Office		24,464		24,464		24,464
Ikutha CSO Office		380		380		380
Kanziko Zonal Office		715		715		715
kaaki borehole water pipeline		141,954		141,954		141,954
nguni earthdam		45,395		45,395		45,395
Kithina Sand Dam		2,743		2,743		2,743
Kitui South CSO Office		-		-		-
Kyatune Special School		1,149		1,149		1,149

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Mutomo Huduma Centre		103,908		103,908		103,908
Mutomo TSC Office		3,315		3,315		3,315
Syomithumo community borehole		781		781		781
ikutha market shade		16,823		16,823		16,823
mutha cso		883		883		883
mutha livestock		202,160		202,160		202,160
ikutha market cdf		2,308		2,308		2,308
mutomo scde office		154		154		154
old cdf office		774		774		774
kisiio irrigation		7		7		7
mwanianga dispensary		10		10		10
ikanga sub district hosp		140		140		140
matinga dam community proj		651		651		651
maluma-kaita-winduma rd		894		894		894
Sub-total	-	549,607	-	549,607	-	549,607
12.0 Acquisition of assets						

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12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fittings				-		-
12.2 Construction of CDF office				-		-
Sub-total	-		-	-	-	-
13.0 Digital Hub						
Kitui South NG-CDF Office Digital Hub	5,800,000	-	-	5,800,000		5,800,000
Ikutha TVT Digital Hub	3,800,000		-	3,800,000		3,800,000
Sub-total	9,600,000		-	9,600,000	-	9,600,000
Sub-total	-		-	-		-
Funds pending approval**				-		-
unapproved projects (Pmc Savings)		591,135		591,135		591,135
AiA				-		-
Sub-total	-	591,135	-	591,135	-	591,135
Total	188,414,052	70,670,172	59,941,650	319,025,874	178,684,749	140,341,125

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(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. This statement totals should time to totals of statement in schedule 12

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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 Kitui South Constituency principal activity is to provide leadership and policy direction for effective and efficient management of the Fund.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the PFM Act 2012, and International Public Sector Accounting Standards (IPSAS) or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these are first set of transitional financial statements.

The NG-CDF Kitui South Constituency 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; PPE and intangible assets acquired during the financial year 2023-2024 up to the reporting date. Liabilities recognized include trade and other payables, third party deposits, and gratuity provisions.

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

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

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3. Adoption of New and Revised Standards

i. New and amended standards and interpretations in issue effective in the year ended 30 June 2025.
There were no new and amended standards issued in the financial year.

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

Standard	Effective date and impact:
IPSAS 43: Leases	Applicable 1st January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. IPSAS 43, effective 1 st January 2025, does not have impact on the NGCDF Kitui South financial statements, as there are currently no lease agreements in place. This IPSAS is not applicable in the Constituency.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1st January 2025 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. This IPSAS is not applicable in the Constituency.
IPSAS 45: Property Plant and Equipment	Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. This IPSAS is applicable effective 1 st July 2025.
IPSAS 46: Measurement	Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: 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. The standard also introduces a public sector specific measurement bases called the current operational value. This IPSAS is applicable effective 1 st July 2025.

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<p>IPSAS 47: Revenue</p>	<p>Applicable 1st January 2026 This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. This IPSAS is applicable effective 1st July 2026.</p>
<p>IPSAS 48: Transfer Expenses</p>	<p>Applicable 1st January 2026 The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. This IPSAS is not applicable this financial year.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p>Applicable 1st January 2026 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. This IPSAS is not applicable at the constituency.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p>Applicable 1st January 2027 The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p>This IPSAS is not applicable at the constituency.</p>

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget was approved by Parliament on 30th 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 Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortised 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 cash flows 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 amortised cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

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Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

b) Financial liabilities

Classification

The NGCDF Kitui South 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

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expense when deployed for utilization or consumption in the ordinary course of operations of the NGCDF Kitui South.

h) Provisions

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement

i) Social Benefits

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

j) Contingent liabilities

The NGCDF Kitui South 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 NGCDF Kitui South does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

The NGCDF Kitui South provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity: National Social Security Fund (NSSF) on behalf of its employees as required by the law. In addition, gratuity payments are made to eligible employees upon completion of their contract, in accordance with the employment terms and government regulations. Both NSSF and Gratuity payments are recognised as expenses in the period in which the related employee service is rendered. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

m) Foreign currency transactions

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

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they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

n) Related parties

The NGCDF Kitui South regards a related party as a person or an Entity with the ability to exert control individually or jointly or to exercise significant influence over the NGCDF Kitui 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 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, 2024

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material. The provisions are recognised when NGCDF Kitui South has a present legal or constructive obligation 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. Applicable

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provisions for the NGCDF Kitui South may include provision for pending project obligations where funds have been committed to community projects but not yet disbursed; provision for legal claims or disputes where there is a probable outflow due to on-going legal matters.

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6. Transfers from the NGCDF Board

Description	2024-2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	188,414,052
TOTAL	188,414,052

7. Grants/donations from other entities

Description	2024-2025
	Kshs
Grants	-
Total	-

8. Finance income

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

9. Miscellaneous income

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

10. Employees cost

Description	2024-2025
	Kshs
NG-CDFC Basic staff salaries	2,480,702

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Personal allowances paid as part of salary	-
House Allowance	218,850
Transport Allowance	564,000
Leave allowance	48,000
Gratuity to contractual employees	505,836
Employer Contributions Compulsory national social security schemes	464,824
Employer Contributions Compulsory Housing levy	111,059
Employer contributions to National Industrial Training Authority	7,150
Other Specify-SHIF	105,453
Total	4,505,874

11. Committee Expenses

Description	2024-2025
	Kshs
Sitting allowance	1,118,000
Other Committee expenses	3,687,000
Total	4,805,000

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12. Use of Goods and services

Description	2024-2025
	Kshs
Utilities, supplies and services	28,900
Communication, supplies and services	364,170
Domestic travel and subsistence	927,200
Printing, advertising and information supplies & services	508,900
Office Rent	-
Training expenses	-
Hospitality supplies and services	685,150
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	3,068,580
Fuel, oil & lubricants	1,618,267
Bank Charges	29,243
Routine maintenance – vehicles and other transport equipment	321,451
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	529,300
Total	8,081,161

13. Other Government Units Certified Works

Description	Actual pmc payment less retention held
	ksh
Primary Schools Actual expenditure	91,877,734.47
Secondary Schools Actual Expenditure	2,050,292.50
Tertiary Institutions Actual Expenditure	3,064,138.00
Total	96,992,165.00

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14. Other Grants and Other transfers

Description	ACTUAL PAYMENT -AERs
	Kshs
Bursary – secondary schools	33,054,203
Bursary – tertiary institutions	19,306,600
Bursary – special schools	984,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	568,846
Climate change mitigation projects	999,504
Emergency projects Actual Expenditure	8,194,007
Roads projects	-
Others specify	-
Total	63,107,160

15. Depreciation and Amortization Expenses

Description	2024-2025
	Kshs
Property Plant and Equipment	3,773,011
Intangible Assets	-
Total	3,773,011

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 (specify)	-
Total	-

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17. Gain/loss on Sale of Assets

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

18. Impairment Loss

Description	2024-2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total Impairment Loss	-

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended 30 th June 2025	Opening Statement
		1st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Name Of Bank, Account No. (Operations account)</i>	26,174,185	16,902,240.10
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Name of Bank, account No. (Deposit account)</i>	859,008	648,627.00
<i>Name of Bank, account No. (PMC's account)</i>	68,893,879	53,119,303.68
Total	95,927,073	70,670,171
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

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

20. Receivables from Exchange Transactions

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

Ageing Analysis for Receivables

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

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21. Receivables from Non-Exchange Transactions

Description	2024 -2025	Opening Statement 1st July 2024
	Kshs	Kshs
Transfers from NGCDFB	44,414,052	59,941,650.00
Outstanding Imprest	-	-
Total	44,414,052	59,941,650

Ageing Analysis for Receivables

Description	2024- 2025		Opening Statement 1st July 2024	
	Kshs		Kshs	
	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	44,414,052	100%	59,941,650.00	100%
Between 1- 2 years		%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	44,414,052	100%	59,941,650.00	100%

22. Prepayments

Description	2024-2025	Opening Statement 1st 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	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Service concession assets	Total
Depreciation Rate		10%	0.25	20%	12.50%	30.00%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	18,561,408	8,652,812.00	-	1,213,150	1,654,257	-	-	30,081,627
Additions	-		-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At xx Sep/Dec/Mar/Jun 2025	-	18,561,408	8,652,812.00	-	1,213,150	1,654,257	-	-	30,081,627
Depreciation And Impairment									
Opening bal accumulated depreciation 1st July 2024	-	1,856,141	2,163,203.00	-	151,644	496,277	-	-	4,667,265
Depreciation	-	1,670,527	1,622,402.25	-	132,688	347,394	-	-	3,773,011
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At xx Sep/Dec/Mar/Jun 2025	-	3,526,667.52	3,785,605.25	-	284,332.03	843,671.07	-	-	8,440,276
Net Book Values									

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Opening Bal as at 1 st July 2024	-	16,705,267	6,489,609.00	-	1,061,506	1,157,980	-	-	25,414,362
As At 30th June, 2025	-	15,034,740	4,867,206.75	-	928,818	810,586	-	-	21,641,351

23. Property, Plant and Equipment

	Kshs	Motor vehicles		
		Buildings	Infrastructure	
Depreciation Rate		10%	0.25	20%
Cost	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	-	7,510,000.00	
Additions	-	-	-	
Disposals	-	-	-	
Transfer/Adjustments	-	-	-	
As At xx Sep/Dec/Mar/Jun 2025	-	-	7,510,000.00	
Depreciation And Impairment				
Opening bal accumulated depreciation 1st July 2024	-	-	1,877,500.00	
Depreciation	-	-	1,408,125.00	
Disposals	-	-	-	
Impairment	-	-	-	
Transfer/Adjustment	-	-	-	
As At xx Sep/Dec/Mar/Jun 2025	-	-	3,285,625.00	
Net Book Values				
Opening Bal as at 1st July 2024	-	-	5,632,500.00	
As At 30th June, 2025	-	-	4,224,375.00	

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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).

23 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	18,561,408	3,526,668	15,034,740.48
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	8,652,812	3,785,605	4,867,206.75
Computers And Related Equipment	1,654,257	284,332	1,369,924.97
Office Equipment, Furniture, And Fittings	1,213,150	843,671	369,478.93
Total	30,081,627	8,440,276	21,641,351.13

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

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

24. Intangible Assets and goodwill

Description	2024- 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Cost		
Opening balance at the beginning of the Period	-	-
Additions	-	-
Disposal	-	-
At end of the Period	-	-
Additions–internal development	-	-

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Disposal	-	-
At end of the Period	-	-
Amortization and impairment		
At beginning of the Period	-	-
Amortization	-	-
At end of the Period	-	-
Impairment loss	-	-
At end of the Period	-	-
NBV	-	-

25. Right-of use assets

Description	Buildings	Motor vehicles	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at 30 th June 2025	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at 30 th June 2025	-	-	-	-
Carrying Amount				
As at 30 th June 2025	=	=	=	=

26. Trade and Other Payables

Description	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
Trade payables	-	-
Employee payables	-	-
Other payables	-	-
Total trade and other payables	-	-

Aging analysis: (Trade and other payables)	2024-2025	% of the Total	1st July ,2024	% of the Total
Under one year	-	%	-	%

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1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

27. Third-Party Deposits

	<i>Period ended 30th June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	3,292,008	3,292,008.00
Retention held during the period (B)	4,944,860.70	
Retention paid during the period (C)	6,348,630.20	
Closing Retention as at period 30th June,2025 D= A+B-C	1,888,239	3,292,008

Retention aging analysis

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

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

28. Lease Liabilities

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

Maturity Analysis

Period	Amount
Year 1	-
Year 2	-

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity provision

Description	30 th June 2025	Opening Statement
		1st July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	648,627	648,627.00
Gratuity held during the period (B)	505,836.00	
Gratuity paid during the period (C)	295,455.00	
Total Gratuity provision as at period 30th June, 2025 D=(A+B-C)	859,008.00	648,627.00

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30. Cash Generated From Operations

	<i>Period ended 30th June 2025</i>
	Kshs
Surplus for the period before tax	7,149,681
Adjusted for:	
Depreciation	3,773,011
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	15,527,598
Changes in deferred income	-
Changes in Third party deposits	(1,403,770)
Changes in gratuity provision	210,381
Changes in payments received in advance	-
Net cash flow from operating activities	25,256,902

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

31. Financial Risk Management

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

i) Credit risk

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

Financial Risk Management

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

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Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	44,414,052	44,414,052	-	-
Bank balances	95,927,073	95,927,073	-	-
Total	140,341,125	140,341,125	-	-
As at 30th June 2024				
Receivables from exchange transactions			-	-
Receivables from non-exchange transactions	59,941,650	59,941,650	-	-
Bank balances	70,670,171	70,670,171	-	-
Total	130,611,821	130,611,821	-	-

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

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from 2023-2024. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	859,008.00	859,008.00

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Total	-	-	859,008.00	859,008.00
As at 30th June 2024				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	648,627.00	648,627.00
Total	-	-	648,627.00	648,627.00

iii) Market risk

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

a) Foreign currency risk

The Entity has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

Financial Risk Management

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

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

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Previous FY			
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

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 NGCDF Kitui South 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 NGCDF Kitui South considers relevant and observable market prices in its valuations where possible.

iv) Capital Risk Management

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

Description	2024-2025	Opening Statement 1 st July 2025
	Kshs	Kshs
Revaluation Reserve	159,235,229	159,235,229
Retained Earnings	7,149,681	-
Capital Reserve	-	-
Total Funds	166,384,910	159,235,229
Total Borrowings	-	-
Less: Cash and Bank Balances	95,927,073	70,670,171
Net Debt/(Excess Cash And Cash Equivalent)	70,457,837	88,565,058
Gearing	0%	0%

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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	4,805,000	-
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	188,414,052	-
Total	188,414,052	-

33. Segment Information

Kitui South NGCDF operates within Mutomo Sub County, Kitui South Constituency, Kitui County; Kenya. No other working geographical areas.

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)

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Contingent Liabilities

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

35. Capital Commitments

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

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

The Kitui South 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 balance brought forward	Additions during the period (Kshs)	Disposals during the period (Kshs)	Historical Cost
	(Kshs)			(Kshs)
				At 30th June 2025
Land	-			0
Buildings and structures	18,561,408			18,561,408
Transport equipment	8,652,812			8,652,812
Office equipment, furniture, and fittings	1,213,150			1,213,150
ICT Equipment and Other ICT Assets	1,654,257			1,654,257
Other Machinery and Equipment	-			0
Intangible assets				
Total	30,081,627			30,081,627

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

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

PRIMARY SCH. PROJECTS	ACCOUNT NUMBER	BANK	2024-2025	2023-2024
St. joseph kaindu Primary School	1670284728831	EQUIT Y	822	822
abc kimweli sec	1259546756	KCB	450	450
ABC Ngiluni Primary School	1670177392746	EQUIT Y	1790	1790
athi chiefs office	1259465160	KCB	190	190
ATHI PRIMARY SCHHOL	7718239209	NBK	2000000	
cbm timboni secondary	1267625228	KCB	9478.75	9478.75
chief makau memorial sec	1166267229	KCB	790	790
EKANI ASSISTANT CHIEF OFFICE	1670286522525	EQUIT Y	400000	
Ekani Primary School	1670181176396	EQUIT Y	76	96666
Emale Primary School	1208439472	KCB	90.5	90.5
Enzou Police Post	1670182845713	EQUIT Y	30	30
Enzou Primary School	1670184448344	EQUIT Y	16	95131
Enzou Primary School	1166082733	KCB	43.3	43.3
iiiani primary	1270344463	KCB	156	156
Ikandani Primary School	1166343979	KCB	177.25	177.25
Ikandani Primary School	1670285962545	EQUIT Y	132002	
Ikanga Boys Secondary School	1670268705797	EQUIT Y	1812	1812
Ikanga Chiefs Office	1520209825900	NBK	130	130
ikanga dos office	1268642940	KCB	99540	99540
ikanga girls secondary	7707027531	NBK	54655.5	54655.5
Ikanga Police Post	1670182083733	EQUIT Y	0	0
IKANGA POLICE STATION	7718301680	NBK	199328	

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ikanga primary	1159581258	KCB	326.45	326.45
Ikanga Primary School	1670184235692	EQUIT Y	1110	1110
ikanga sub district hosp	1166611167	KCB	140	140
	1239216939	KCB	307.25	307.25
IkangaZonal education Office	1277776687	KCB	24464	24464
Ikilungulu Primary School	1670164568370	EQUIT Y	14740	14740
ikisemei primary	1236124685	KCB	860.9	860.9
IKutha Boys Secondary School	1670285675925	EQUIT Y	218.5	
Ikutha Chief Office	1670182210005	EQUIT Y	980	980
Ikutha Chiefs Camp	1670182213683	EQUIT Y	0	0
Ikutha CSO Office	1670182740481	EQUIT Y	380	380
Ikutha DCC Office	1670172063406	EQUIT Y	2892	2892
Ikutha Girls Secondary School	1670264520981	EQUIT Y	107674	640
ikutha market cdf	1167710940	KCB	2308	2308
ikutha market shade	1670166138184	EQUIT Y	16823	16823
IKUTHA POLICE STATION	1670286473118	EQUIT Y	1999587.5	
Ikutha Primary School	1670169112268	EQUIT Y	33409	33409
ikutha primary special	1173608125	KCB	9700	9700
ikutha tvc	1272281515	KCB	149	149
Ilaani Primary School	1166126226	KCB	488.7	488.7
Ilaani Primary School	7717099705	NBK	0	
ilamba primary	1166412474	KCB	14268	14268
Ilamba Primary School	1670184365935	EQUIT Y	370	370

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Ilengi Primary School	1670168708176	EQUIT Y	0	0
Ilengi Secondary School	7715961116	NBK	1245	1245
Ilusya Chiefs Office	1670184419389	EQUIT Y	32	32
Ilusya Primary School	1670184194381	EQUIT Y	426	104426
Ilusya Primary School	1166341550	KCB	634.05	634.05
Imathoka Primary School	1670170915075	EQUIT Y	445	445
Imelu Primary School	1134837080	KCB	833.25	833.25
IMIWA PRIMARY	1670286457548	EQUIT Y	1999587.5	
IMWANGE PRIMARY	1670286459682	EQUIT Y	1999587.5	
Imwange Primary School	1206737921	KCB	503.25	503.25
Ingo Primary School	1670184219771	EQUIT Y	336	336
Isaa Assistant Chief Office	1292931663	KCB	214	67694
Isaa Primary School	1161654151	KCB	1494.55	1494.55
Isaa Primary School	7717098881	NBK	1	2001000
Ithumula assistant Chief Office	1670182186813	EQUIT Y	0	0
itumba primary	1151547751	KCB	158	158
ITUNGUU PRI	1206728787	KCB	40	40
ivukuvuku primary school	1670284853934	EQUIT Y	81	103771
Ivukuvuku Primary School	1168519330	KCB	2009.55	2009.55
kaaki borehole water pipeline	1154728013	KCB	141954.05	141954.05
Kaangungi Primary School	1236317882	KCB	9	9
Kaangwa Primary School	1206428015	KCB	3.1	3.1
kaasula primary school	1670284947201	EQUIT Y	28368	96153

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Kaatene Primary School	1670168498154	EQUIT Y	701	86291
kaatene sec	1259162591	KCB	94	94
kaivisi primary	1167091361	KCB	33.55	33.55
Kaivisi Primary School	1670184207387	EQUIT Y	360	360
Kakindu Primary School	7717099713	NBK	104701	104701
Kakindu Primary School	7717099713	NBK	701	2000000
kakithya	1258904543	KCB	94	94
Kakithya Primary School	1670182466240	EQUIT Y	415	415
Kakunio Primary School	1236039394	KCB	25.25	25.25
Kalambani Primary School	1670164538825	EQUIT Y	615	615
Kalambani Primary School	1670285391341	EQUIT Y	78040.52	1200000
Kaliakatune Assistant Chief Office	1670180173679	EQUIT Y	1340	1340
Kaliani Primary School	1670184589336	EQUIT Y	143.5	107496
Kaliani Primary School	1166292436	KCB	403.25	403.25
Kaliluni Primary school	1166354164	KCB	2942.55	2942.55
Kalivu Chiefs Office	1670184365895	EQUIT Y	32	32
Kalivu Primary School	1255152141	KCB	432.25	432.25
Kalivu Primary School	7717403633	NBK	3000	
KALIVU SECONDARY SCHOOL	7717126613	NBK	200275	
KALULUINI PRIMARY	7718297942	NBK	2000000	
Kaluluini Primary School	1670184627486	EQUIT Y	254.5	62116.5
Kaluluini Primary School	1159242933	KCB	200.3	200.3
Kamina Primary School	1156693454	KCB	1623	1623
Kamuluve Primary School	1206810009	KCB	261.25	261.25

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Kamunga Primary School	1206770732	KCB	383.25	383.25
Kamunyuni Primary School	1670164530431	EQUIT Y	110	110
Kamutei Secondary School	1159240043	KCB	850.7	850.7
kamuvala primary	1166910059	KCB	42919.1	42919.1
Kandae Primary School	1670169614575	EQUIT Y	859	859
Kandengya Primary School	1670182438124	EQUIT Y	0	0
KANGIMA PRIMARY	7718297357	NBK	2000000	
Kangima Primary school	1281023076500	NBK	742.9	742.9
Kanguli Primary School	1670181138466	EQUIT Y	0	0
Kanthi Primary School	1155947959	KCB	987.25	987.25
Kanziko Chiefs Office	1670180932396	EQUIT Y	0	0
kanziko primary	1166547140	KCB	617.6	617.6
Kanziko Primary School	1670285399597	EQUIT Y	296	2000000
Kanziko Township Primary School	1670164521243	EQUIT Y	0	0
Kanziko Zonal Office	1670181198238	EQUIT Y	715	715
Kasaala Assistant Chief Office	1670182181181	EQUIT Y	0	0
Kasaala Primary School	1670184368990	EQUIT Y	384	384
Kasivuni Primary School	1670167208024	EQUIT Y	107	107
Kasoyani Primary School	1166633608	KCB	1431.5	1431.5
Kasoyani Primary School	1670182438124	EQUIT Y	701	107276
Kasoyani Primary School	7717098849	NBK	701	2000000
Kasundu Primary School	1166328910	KCB	496.5	496.5

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Kasundu Sand Dam	1670285473342	EQUIT Y	496.24	
Kasyelia Primary School	1166387682	KCB	2576.9	2576.9
kathiani primary	1226897592	KCB	1194	1194
Ilaani primary school	7717099705	nbk	1	0
KATHINGU PRIMARY	7718297195	NBK	1200000	
Kathingu Primary School	1281023069100	NBK	0	0
kathithu primary	1166340082	KCB	99	99
kathungu assistant chief office	1259538117	KCB	354	354
Katilini Assistant Chiefs Office	7715858382	NBK	34097	34097
Katilini Primary School	1287491987	KCB	553.25	553.25
Katulu Primary School	1255151838	KCB	47.25	47.25
Katulu Primary School	7711266707	NBK	134853	
Kavete Assistant Chief Office	1670167208024	EQUIT Y	1381	1381
kavete primary school	1670284976256	EQUIT Y	852	8967
Kavete Primary School(Mutha)	1670280480489	EQUIT Y	0	0
Kavwee Primary School	1297554108	KCB	387.25	387.25
kavyuvaa Primary School	1670182477798	EQUIT Y	80	80
KAWELU PRIMARY	1670284719706	EQUIT Y	1101142.5	1142.5
kawelu Primary School	1167093380	KCB	0	
Kathiani primary school	1226897592	kcb	1760	1760
Kawelu secondary school	1267674989	KCB	853.3	853.3
Kayang'ombe Primary School	1166510085	KCB	130.95	130.95
Kayang'ombe Primary School	7717139596	NBK	1270	
Kengo Primary School	1670285266411	EQUIT Y	376	107406
Kengo Primary School	1206580003	KCB	2016.8	2016.8

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Kenze Primary School	1670180550389	EQUIT Y	0	
Kenze Primary School	1670168385008	EQUIT Y	1	390
kenze secondary school	1158646798	KCB	388.8	388.8
Keutunda Assistant Chief Office	1292929626	KCB	14	14
Kiange Mixed Secondary School	1670283738088	EQUIT Y	0	
Kiange Primary School	1670182227829	EQUIT Y	40	40
Kiangu Primary School	1520239463200	NBK	0	0
kiangu assistant chiefs office	1670166120990	EQUIT Y	4066	4066
Kiangu Secondary School	1670164602907	EQUIT Y	45317.65	45317.65
Kiangwa Assistant Chief Office	1670182194970	EQUIT Y	780	780
Kiangwa Primar School	7717293919	NBK	2000000	
kiangwa sec	1159258686	KCB	726.05	726.05
Kiati Primary School	1159243697	KCB	3360.55	3360.55
Kiati Primary School	7717469596	NBK	131127	
Kiati Primary School	7717469596	EQUIT Y	0	
Kibwea chiefs office	1670164534346	EQUIT Y	16823	16823
Kibwea Mixed Sec School	1159591245	KCB	923.25	923.25
KIBWEA PRIMARY SCHOOL	1670286163900	EQUIT Y	108630	
Kiimani Assistant Chief Office	1258505312	KCB	44	44
Kiimani Assistant Chiefs Office	7717144611	NBK	475	
KIIMANI PRIMARY	1206678410	KCB	128	128
KIIMANI PRIMARY	1670286462641	EQUIT Y	1997587.5	
Kikwa Primary School	1670184485027	EQUIT Y	43	64433

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Kikwa Primary School	1281023074300	NBK	0	0
Kilawa Secondary school	1670182574153	EQUIT Y	140	140
Kilisa Primary School	1670285351124	EQUIT Y	566	2000000
Kilisa Primary School access road	1166840174	KCB	128.05	128.05
Kilongoni Primary School	1206577819	KCB	48120.25	48120.25
Kilongoni Primary School	7717099748	NBK	107701	107701
Kiluya Primary school	1239532334	KCB	572.25	572.25
Kimuu Primary School	1670171867468	EQUIT Y	1645	1645
kisayani ass chiefs/Ap office	1670164534478	EQUIT Y	1166.9	1166.9
Kisayani Primary School	1670280936060	EQUIT Y	9410	9410
Kisayani Primary School	7717098903	NBK	26	2000000
Kisayani Primary School-Equity Bank	7717098903	NBK	470	470
Kisayani Secondary School	1670184203079	EQUIT Y	470	470
kisiio irrigation	1207016268	KCB	6.8	6.8
Kisou Primary School	1670171841277	EQUIT Y	0	0
Kisou Primary School	7717098873		102551	102551
Kisou Primary School	7717098873		1	2000000
Kitambaa Primary School	1166553884	KCB	492.35	492.35
kithae primary	1166338983	KCB	2294	2294
Kithae Primary School	1670284723445	EQUIT Y	178.5	103913.5
Kithina Sand Dam	1670180550389	EQUIT Y	2743	2743
Kitoo Assistant Chief Office	1670282531592	EQUIT Y	0	0
kitoo primary	1148025308	KCB	3272.8	3272.8

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Kitoo Primary School	1670285370361	EQUIT Y	951.75	2000000
Kitui South CSO Office	1670180845652	EQUIT Y	0	0
Kituti Primary School	1203252471	KCB	387.25	387.25
Kituti Primary Shool	1670285885999	EQUIT Y	91143.5	
kituti secondary school	1117561348	KCB	680.1	680.1
Kituvwi Assistant Chief Office	1670180926493	EQUIT Y	0	0
Kituvwi Primary School	1670166502958	EQUIT Y	0	
Kituvwi Primary School	1670166502958	EQUIT Y	1270774.8	72313.8
kiuani primary	1166698521	KCB	3614.1	3614.1
Kivandeni Primary School	1670171894569	EQUIT Y	2294.02	
Kivili Primary School	1670184238459	EQUIT Y	110	110
Kiviu Primary School	1670285465071	EQUIT Y	631	195626
Kiviu Primary School	1166205762	KCB	1644	1644
Kivuti Primary School	1204384533	KCB	399.85	399.85
Kivyuni assistant Chief Office	1670182171852	EQUIT Y	0	0
Kivyuni Primary School	1670184596510	EQUIT Y	18.5	50243.5
Kivyuni Secondary School	1670285855957	EQUIT Y	225	
KMTC	1670285990017	EQUIT Y	6080862	
KMTC MUTOMO	1670285990017	EQUIT Y	0	
KMTC MUTOMO	1670285990017	EQUIT Y	0	
KMTC Mutomo Campus	1174072954	KCB	702.7	702.7

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Kongo Primary School		1167523725	KCB	11.7	11.7
Kongo Primary School		1670285371523	EQUIT Y	110	
kwa kimweli primary		1255082984	KCB	3	3
Kwa Mukuku Primary School		1670164534042	EQUIT Y	136	106526
Kwa Songe Primary School		1670280904273	EQUIT Y	0	0
Kwa songe Primary School		1670285391268	EQUIT Y	65427	1200000
kwa-kimweli primary school		1670284752968	EQUIT Y	1177.5	107990
Kyamuthwa Primary School		1207268860	KCB	141.85	141.85
Kyandula Primary School		1670285273711	EQUIT Y	426	104426
Kyandula Primary School		1259456471	KCB	53618.25	53618.25
KYANGANGA PRIMARY		7718225828	NBK	2000000	
kyanganga primary		1166519198	KCB	66.2	66.2
Kyangoto Primary School		1522238421500	NBK	0	0
kyanyaa ass chief	93	11665191	KCB	309	309
Kyanyaa Primary School		1670285388632	EQUIT Y	656	2000000
Kyatulu Primary School		7717293862	NBK	1276	
Kyatulu Primary School		1273364813	KCB	419	419
kyatune ass chief		1236294971	KCB	299874	299874
KYATUNE PRIMARY	1670168819266			1200000	
Kyatune Primary School		1670168819266	EQUIT Y	1688	1688
kyatune Secondary School		1670184602340	EQUIT Y	131	56791
Kyatune Special School		1225719461	KCB	1149.25	1149.25
kyatuneboys high school		1174764112	KCB	2610	2610

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Kyawangu Primary School	1670179818049	EQUIT Y	560	560
Kyoani Assistant Chief Office	1259010694	KCB	1368	1368
Kyoani Primary School	7717161907	NBK	551	
Kyoani Secondary School	1670284720290	EQUIT Y	297.5	758
Kyuasini Primary School	1209860554	KCB	10	10
Kyuasini Primary School	1670285388729	EQUIT Y	67427	1200000
Kyuluni Primary School	1670284792462	EQUIT Y	198	49198
LINGITHYA PRIMARY	7718297225	NBK	1200000	
Maaini Assistant Chief Office	1670182209920	EQUIT Y	0	0
Makeke Primary School	1162967285	KCB	0	
Makeke Primary School	1162967285	KCB	68402	1200000
Makekee Primary School	1162967285	KCB	312.4	312.4
Makele Primary School	1167672445	KCB	12.3	12.3
Makele Assistant Chief Office	1670180874321	EQUIT Y	0	0
MAKELE PRIMARY	7718297853	NBK	2000000	
Makongo Primary School	1670285388355	EQUIT Y	64851	1200000
Makongo Primary School	1236097858	KCB	22	22
makosi primary school	1670284748890	EQUIT Y	106.5	65324
Makue Primary School	1281013064	KCB	404	404
Makueni Primary School	1670285400645	EQUIT Y	1042	2000000
Malatani Primary School	1261873416	KCB	1421.25	1421.25
MALILI AP	1670285401645	KCB	461	461
Malili Primary School	1670184348676	EQUIT Y	75	75
Malili Primary School	1166302857	KCB	189.25	189.25

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Maluma Assistant Chief Office	1670181285355	EQUIT Y	0	0
Maluma Primary School	1670285381001	EQUIT Y	426	104656
Maluma Secondary School	1670282525880	EQUIT Y	3935	3935
maluma-kaita-winduma rd	1207275190	KCB	893.8	893.8
Malumini Primary School	1151815837	KCB	206.65	86763.65
Mang'etheni Primary School	1670285598727	EQUIT Y	541	
Mang'etheni Primary School	1166169111	KCB	368.55	368.55
mathima chiefs camp	1200105079	KCB	2260.7	2260.7
Matikoni Primary School	1236029291	KCB	1331.25	1331.25
matinga dam community proj	1165029464	KCB	651.15	651.15
Maungu Primary School	1670168607064	EQUIT Y	0	0
maungu Primary School	1670284753318	EQUIT Y	11	109541
Mavia Primary School	1167742419	KCB	226.15	226.15
MAVIA PRIMARY SCHOOL	1670286164314	EQUIT Y	107630	
Mbakoni Primary School	1670180799218	EQUIT Y	0	0
Mbooni Primary School	7717098865	NBK	107276	107276
Mbooni Primary School	7717098865	NBK	701	2000000
MBUINDUNE PRIMARY	7718240150	NBK	2000000	
Mbusyani Primary school	1199888214	KCB	77293.25	77293.25
Membau Primary Shool	1670171775347	EQUIT Y	22786	22590
memboo primary chool	1670284750950	EQUIT Y	72177	129291
memboo primary chool	1236048024	KCB	14	14
Menzai Primary School	7717101319	NBK	106701	106701
Menzai Primary School	7717101319	NBK	1101	2000000

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Mesilya Primary School	1166560295	KCB	0	
Mesilya Primary School	11166560295	KCB	100.89	100.89
Mesilya Primary School	1670285388775	EQUIT Y	174210.52	1200000
MIKOMANI PRIMARY	7718329224	NBK	1200000	
Mikomani Primary School	1670181196161	EQUIT Y	0	0
Mikongooni Primary School	1670285363775	EQUIT Y	145.86	103850
Mikongooni Primary School	1210745178	KCB	417.25	417.25
mikuyuni primary	7711245246	Nbk	1155	1155
Mitaani Primary School	1670172036274	EQUIT Y	75	114485
Mitalani Primary School	1670169614575	EQUIT Y	100	100
Mitalani Primary School	1167252551	KCB	1269.35	1269.35
Mivuini ass Chiefs Office	1670284724239	EQUIT Y	175	347
Monguni Police Post	1670182930628	EQUIT Y	1388	1388
monguni primary	1155409531	KCB	1408	1408
monguni secondary school	1670167274428	EQUIT Y	2360	2360
Muamba Primary School	1670170984525	EQUIT Y	0	0
Muamba Secondary School	1670285398154	EQUIT Y	65426	66001
Muambani Assistant Chief Office	1670180914492	EQUIT Y	2326	2326
MUAMBANI PRIMARY	7718297233	NBK	1200000	
MUAMBANI PRIMARY	1234917122	KCB	360	360
muani primary	1167793439	KCB	295	295
Mukuanima Primary School	1167339517	KCB	763.05	763.05
Mukundaa Primary School	1166627519	KCB	2814.7	2814.7

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MUKWAKWANI PRIMARY	7718298019	NBK	1200000	
Mukwakwani Primary School	1206564490	KCB	1021.25	1021.25
Munathi Primary School	1255160896	KCB	40.25	40.25
musenge primary school	1670284751094	EQUIT Y	9967	9967
Musikio Primary School	1286030234	KCB	274	274
Muteetu Primary School	1670184368948	EQUIT Y	23	23
Muteetu Primary School	1254776095	KCB	135	135
MUTHA ACC OFFICE	1670286474262	EQUIT Y	1232454.5	
Mutha Chiefs Office	1670180881351	EQUIT Y	0	0
mutha cso	7715884391	NBK	882.5	882.5
mutha livestock	770727515	NBK	202159.65	202159.65
mutha mixed	1670267387671/167027940510 9	EQUIT Y	2280	2280
MUTHA POLICE STATION	7718297896	NBK	999328	
mutha primary	1213896207	KCB	134	134
Muthue Primary School	1670184400823	EQUIT Y	2125	97240
Muthue Primary School	1167597427	KCB	386.35	386.35
Muti Primary School	1670280282106	EQUIT Y	0	0
Mutomo Chiefs Office	1670167015112	EQUIT Y	0	0
Mutomo DCI	1670181279974	EQUIT Y	1396	1396
Mutomo District HQ	1670168489070	EQUIT Y	560	560
Mutomo Girls Sec School	1198757043	KCB	4478.25	5669.25
Mutomo Huduma Centre	1670180563174	EQUIT Y	103908	103908
mutomo law courts	1202262120	KCB	470	470

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Mutomo Primary School	1670168570064	EQUIT Y	0	
MUTOMO PRIMARY SCHOOL	1670286388656	EQUIT Y	107270	730
mutomo scde office	1273076508	KCB	154	154
Mutomo School for the deaf	1152686178	KCB	234.2	234.2
Mutomo TSC Office	1670179838773	EQUIT Y	3315	3315
Mutonya Secondary School	1159256217	KCB	53.25	53.25
mutonyaitho primary school	1670284786958	EQUIT Y	1002	106026
Mutonyaitho Primary School	1158045069	KCB	28	28
Mutulu Primary School	1167201507	KCB	162.7	162.7
MUTULU PRIMARY SCHOOL	7718299546	NBK	1100000	
Mutuni Primary School	1670168651807	EQUIT Y	196	106566
Mutyaua Primary School	7717193523	NBK	276	
mutyauwa primary	1225874238	KCB	10903	10903
Muvuko Primary School	1670181010451	EQUIT Y	0	0
MUVUKO PRIMARY SCHOOL	1670286127776	EQUIT Y	2000012.5	
MWAANI PRIMARY	1670286475890	EQUIT Y	499487.5	
Mwaani Primary School	1670184385985	EQUIT Y	112204	112204
Mwaathe Primary School	1670285361340	EQUIT Y	426	104656
Mwaathe Primary School	1234783754	KCB	597.25	597.25
mwaathe secondary sch	1214371167	KCB	480	480
mwala ass chief	1225667283	KCB	324	324
Mwala Primary School	1166429628	KCB	121	121
Mwala Primary School	1670285280715	EQUIT Y	65907	64551

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Mwambaisyuko Primary School	1670180040041	EQUIT Y	2400	2400
Mwambua Primary School	1238237096	KCB	394	394
Mwambua Primary School	1670181234655	EQUIT Y	71566	
Mwangala assistant Chief Office	1670180800115	EQUIT Y	0	0
Mwangala Primary School	1670182224439	EQUIT Y	540	540
MWANGENI POLICE POST	7718297810	NBK	999328	
mwanianga dispensary	1164426508	KCB	10	10
mwanianga primary	1268067954	KCB	786	786
Mwanianga Primary School- Equity Bank	1670280000000	EQUIT Y	108437	108437
Mwanianga Primary School- NBK	7717104717	NBK	1478	2001000
Ndakani Assistant Chief Office	1292931876	KCB	14	14
ndakani chiefs office	1236270193	KCB	764	764
Ndatani AP Line	1261641272	KCB	192.25	192.25
ndatani mixed	1152805207	KCB	99	99
Ndatani Primary School	1166271579	KCB	461.25	461.25
ndiini primary school	1670274910799	EQUIT Y	242	65797
Ndiini Primary School	1166175677	KCB	1632.2	1632.2
Ndili Assitant Chief Office	1670181014914	EQUIT Y	0	0
Ndili Primary School	1670184198458	EQUIT Y	70	70
Ndilili Assistant Chief Office	1236080467	KCB	947	947
NDILILI PRIMARY	1670286472920	EQUIT Y	1999487.5	
NDILILI PRIMARY	1166407225	KCB	74	74
Ndilili Secondary School	1286380987	KCB	184	184
NDITHINI PRIMARY	1670286474646	EQUIT Y	1199587.5	

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Ndithini Primary School	1206874260	KCB	33.25	33.25
Ndivuni Primary School	1236616057	KCB	574	574
Ndondoni Primary School	1670164579206	EQUIT Y	368	368
Nduundune Assistant Chief Office	1159588465	KCB	0	0
Nduundune Primary School	1670180224537	EQUIT Y	0	0
Ngaani Primary School	1166406016	KCB	93.25	93.25
Ngaasani Primary School	1166341550	KCB	70	70
Ngali Primary School	1670166434103	EQUIT Y	66466	66466
Ngali Primary School	167016434103	EQUIT Y	0	
Ngali Primary School	1670166434103	EQUIT Y	63562	1200000
Ngangani Primary School	1670184626232	EQUIT Y	87	59797
Ngangani Primary School	1209298406	KCB	3743.25	3743.25
ngawuni primary school	1670284751181	EQUIT Y	20217	20332
Ngawuni Primary School	1234835126	KCB	248	248
NGELANI PRIMARY	7718239411	NBK	1199275	
ngingani primary	1171322941	KCB	591.95	591.95
Ngoseni Primary School	1670171510313	EQUIT Y	8280	8280
Ngunga Primary School	1198863544	KCB	48	48
Ngunga Primary School	1670285993521	EQUIT Y	71751	
nguni earthdam	7707027507	NBK	45394.75	45394.75
Ngunini Primary School	1670285292569	EQUIT Y	721	2000600
Nguswini Primary School	1670285363686	EQUIT Y	331	2000000
Ngwate Primary School	1670285387068	EQUIT Y	104735	104735

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Ngwate Primary School	1281076444300	KCB	230	230
Ngwate Primary School	1281076444300	NBK	451	451
Ngwate Secondary School	1136922539	KCB	522	522
Nzaini Primary School	1292380934	KCB	14	14
Nzalani Primary School	1166592944	KCB	921.6	921.6
Nzalani Primary School	7717111020	NBK	201	2000000
Nzamba Assistant Chief Office	1280535873	KCB	0	0
NZEVENI PRIMARY	1670286481271	EQUIT Y	1199487.5	
NZOANI PRIMARY	1670286473364	EQUIT Y	1999487.5	
Nzoani Primary School	1236323688	KCB	846.25	846.25
Nzouni Primary School	1166331261	KCB	204.8	204.8
old cdf office	1272243982	KCB	774	774
seku	1199672459	KCB	660	660
Sembeni Primary School	1670182433509	EQUIT Y	5211	5211
Semea Primary School	7711260946	NBK	253	253
Semea Mixed Secondary School	1217272917	KCB	276	65851
Semea Secondary School	1217272917	KCB	630.5	630.5
Senda Primary School	1670182578155	EQUIT Y	91	91
Simisi Primary School	1670285593107	EQUIT Y	426	
Simisi Primary School	1255155655	KCB	274	274
simisi secondary	7700196656	NBK	2830	2830
St James Kasambuya Primary School	1236035119	KCB	630.5	630.5
St James Kasambuya Primary School	1236035119	KCB	40	40
St Joseph's Kaindu Primary School	1670167017776	EQUIT Y	0	0
st josephs mix-day kiimani	1172810567	KCB	912	912

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st louise mathima Secondary School	1670166208971	EQUIT Y	265	265
st peters secondary	7707027493	NBK	7851.7	7851.7
St Philips Vote Secondary School	1233536133	KCB	1064.25	103179.25
St. James Kasambuya Primary School	1670285621046	EQUIT Y	1200000	
St. James Kasambuya Primary School	1670285621046	EQUIT Y	1200000	
St. Patrick's Windundu Primary School	1670184394276	EQUIT Y	920	61150
ST. PETERS MUVUKO MIXED	1670286127629	EQUIT Y	23.5	
SYAMATANI PRIMARY	7718297314	NBK	2000000	
Syamatani Primary School	1268642940	KCB	391.25	391.25
Syangeni Primary School	1670184592668	EQUIT Y	515.76	600000
Syomithumo community borehole	1670164529970	EQUIT Y	780.65	780.65
Syomithumo Primary School	1670167019784	EQUIT Y	441.37	107851.37
syunguni ass chief	1216309434	KCB	644.75	644.75
Syunguni Primary School	1670285391460	EQUIT Y	331260	1467133
Syunguni Secondary School	1159588465	KCB	3162.75	3162.75
Thome Primary School	11280535873	KCB	834	834
Timboni Primary School	1167826558	KCB	2396.95	2396.95
Tsavo Primary School	1522052114000	NBK	0	0
Tsavo Primary School	7717774569	NBK	1300000	
Tutu Primary School	1670170935168	EQUIT Y	971	971
Tuvila Primary School	1166092437	KCB	710.85	710.85
uae girls secondary	1154152871	KCB	22674	22674
UAE Primary School	1124951326	KCB	3353.25	3353.25
Vengeleni Primary School	7717124327	NBK	1276	

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Vote Assistant Chief Office	1670182187284	EQUIT Y	0	0
Vote Primary school	1166301176	KCB	414.25	414.25
vutu mixed	7700196672	NBK	72730	72730
Vutu Primary school	1670184231194	EQUIT Y	170	170
Windiu Primary School	1670169666047	EQUIT Y	10370	10370
Winduma Primary School	1670167015785	EQUIT Y	0	0
Windundu Primary School	1202908071	KCB	413.25	413.25
WINGETHI PRIMARY	7718297160	NBK	2000000	
WINGOLOLI PRIMARY	7718297322	NBK	2000000	
Wingololi Primary School	1206622644	KCB	106.25	106.25
Yaana Primary School	7715951617	NBK	155.5	155.5
Yaathi Mixed Sec School	1242832688	KCB	2975.5	2975.5
Yaathi Primary School	1234841487	KCB	88	88
YAMUTAVA PRIMARY	7718239721	NBK	202505	
Yamutava Primary School	7707027450	NBK	28.17	28.17
Yanzati Primary School	152223103700	KCB	0	0
yanzati primary school	7711260571	NBK	64650	64650
Yaua Primary School	1670285363700	EQUIT Y	185.8	104690
yingo primary	1167786696	KCB	1012.45	1012.45
Yolomuni Primary School	1670184196663	EQUIT Y	210	390
YONGELA ASSISTANT CHIEF OFFICE	1670286464240	EQUIT Y	1000500	
Yongo Primary School	1167721187	KCB	125.1	125.1
Yumbu Junior School	1020222638500	NBK	3748.3	2000000
Yumbu Primary School	7717099683	NBK	108546	108546

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TOTALS				68,893,879.45	53,119,304

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Annex 3: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/LER/NG-CDF/KITUI SOUTH/2024/2022/(31) 30 th July 2024	<p>1. Inaccuracies in compensation of Employees The statement of receipts and payments reflects compensation of employees' amount of Ksh. 4,294,788.00 which was disclosed in Note 4 to the financial statements includes Ksh. 3,376,292 in respect to NG-CDFC Basic Staff salaries. However, the supporting schedules reflected an amount of Ksh.3, 195,587 resulting in a variance of Ksh.180, 705 which had not been explained or reconciled. In the circumstances, the accuracy and completeness of compensation of employees amount of Ksh 4,294,788 could not be confirmed.</p>	The financial statement to be amended to reflect the correct position.	Not resolved	In consultation with the OAG pending appearance before DFAC

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>2. Budgetary Control And Performance The summary statement of appropriation reflects financial receipt budget and actual amounts on comparable basis of Ksh. 307,652,108 and Ksh. 242,510,459 respectively, resulting to underfunding of Ksh. 65,141,649 or approximately 21% of the approved budget. The underfunding may affect the planned activities and may impact negatively on service delivery to the public.</p>	The underfunding was as a result of late release of the funds from the Board. The funds were released later and the projects implemented.	Not resolved	In consultation with the OAG pending appearance before DFAC

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>3. Failure to prepare and table committee meetings schedule The statements of n and payments reflect committee expenses totaling to Ksh. 4,209,100 which includes Ksh. 1,108,000 in respect of sitting allowance as disclosed in Note 5 to the financial statements. However, management did not provide (CDFC) minutes and the approved schedules prepared at the beginning of the year for the meetings for the meetings to be held during the year. This is contrary to Regulations 7(9) of the National Constituencies Government Development Fund Regulations, 2016 which states that the secretary shall, at the beginning of every financial year in consultation with the officer of the board seconded to the constituency, prepare and table before a constituency committee a schedule of the meetings to be held during the year.</p>	<p>Schedules for meeting will be provided to the Auditors for verification.</p>	<p>Not resolved</p>	<p>In consultation with the OAG pending appearance before DFAC</p>
	<p>Unsatisfactory Project Implementation The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfer to other government units amounts of kshs.140, 567,133 which includes transfers to</p>	<p>The contractors corrected the Walls and floor cracks in the mentioned projects.</p>	<p>Not resolved</p>	<p>In consultation with the OAG</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor				Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																
	<p>primary schools of Ksh, 135,767,133. However, review of records of 5 sampled projects costing Ksh, 6,700,000 and the physical verification of the projects conducted in November 2024 revealed anomalies as indicated in the table below:</p> <table border="1" data-bbox="507 969 1284 1731"> <thead> <tr> <th>Project name</th> <th>Activity</th> <th>Amount Ksh</th> <th>observation</th> </tr> </thead> <tbody> <tr> <td>Kivyuni primary school</td> <td>Renovation of 4 no classrooms</td> <td>1,100,000</td> <td>Poor paint and work visible cracks on the wall and floor</td> </tr> <tr> <td>Makekee primary school</td> <td>Construction of 1no classroom</td> <td>1,200,000</td> <td>Conduiting was not fully done The walls and floors had visible cracks. Installed windows were metallic instead of window panes. Project had been completed but not handed over.</td> </tr> <tr> <td>Kalambani primary school</td> <td>Construction of 1no classroom</td> <td>1,200,000</td> <td>The walls and floors had visible cracks.</td> </tr> </tbody> </table>				Project name	Activity	Amount Ksh	observation	Kivyuni primary school	Renovation of 4 no classrooms	1,100,000	Poor paint and work visible cracks on the wall and floor	Makekee primary school	Construction of 1no classroom	1,200,000	Conduiting was not fully done The walls and floors had visible cracks. Installed windows were metallic instead of window panes. Project had been completed but not handed over.	Kalambani primary school	Construction of 1no classroom	1,200,000	The walls and floors had visible cracks.	<p>The paintwork was repainted to attain quality. The conduits were fully done before the defect liability period lapsed. Windows installed were as per the bill of quantities provided. The projects were later handed over.</p>		<p>pending appearance before DFAC</p>
Project name	Activity	Amount Ksh	observation																				
Kivyuni primary school	Renovation of 4 no classrooms	1,100,000	Poor paint and work visible cracks on the wall and floor																				
Makekee primary school	Construction of 1no classroom	1,200,000	Conduiting was not fully done The walls and floors had visible cracks. Installed windows were metallic instead of window panes. Project had been completed but not handed over.																				
Kalambani primary school	Construction of 1no classroom	1,200,000	The walls and floors had visible cracks.																				

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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)	
				No ramp was installed despite having being included in the bill of quantities. Installed window were metallic instead window panes. Project had been completed but not handed over.			
	Kenze Primary School	Renovation of 5no classrooms	2,000,000	There were visible cracks on the walls The project was funded in the Fy 2022/23, the project was wrongly labeled as 2023-2024 project. Four (4) out of the five (5) classrooms			

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Reference No. on the external audit Report	Issue / Observations from Auditor		Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>had been renovated and no proof of change of activity. The project had not been handed over as at the time of the field visit.</p>			
	Syunguni Primary School	<p>Construction of 1no classrooms</p>	<p>The walls and floors had visible cracks Installed window were metallic instead window panes The project had not been handed over.</p>		
	Total		6,700,000		
	<p>4. Irregularities in Bursary Management Process The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflect other grants and other transfers amount of Ksh, 60,788,368. Included in the amount are bursaries for secondary schools and tertiary institutions of Ksh, 37,200,501 and Ksh, 15,537,868 respectively Totaling to Ksh 52,738,368. However, review of the bursary records provided for audit review revealed the following anomalies:</p>		<p>List will be provided to the auditors for review. Bursary vetting minutes indicating the number of applicants and the beneficiaries list to be provided for review.</p>	<p>Not resolved</p>	<p>In consultation with the OAG pending appearance before DFAC</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The list of applicants and the approved schedules of bursary beneficiaries were not provided for audit review to confirm whether the bursary applicants were vetted.</p> <p>The bursary subcommittee vetting minutes did not indicate the number of applicants recommended for approval and the number of unsuccessful applicants and reasons thereof.</p> <p>The fund received bursary acknowledgement letters/receipts from beneficiary institutions amounting to Ksh, 10,324,564 or approximately 21% of the total disbursement of Ksh, 52,738,368. Management did not explain why the beneficiary institutions failed to provide acknowledgement letters/ receipts for all the funds disbursed.</p> <p>The NGCDF Board approved allocation of Ksh, 42,753,243 or approximately 21% of the total funds of Ksh, 203,589,034 allocated to the constituency. However, the amount allocated for bursary was less than 21% threshold stipulated in Regulation 21(5) of the NG-CDF, Regulation, 2016. Management did not provide an explanation for the anomaly.</p>	<p>The acknowledgement receipts/letters will be provided to Auditors for review.</p> <p>The anomaly in the allocation of bursary of less than 25% of the constituency allocation was noted and will be corrected in the subsequent years allocation.</p> <p align="right">V</p>	<p align="center">Not resolved</p>	<p>In consultation with the OAG pending appearance before DFAC</p>

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Ezekiel K Mwangangi
Fund Account Manager.

