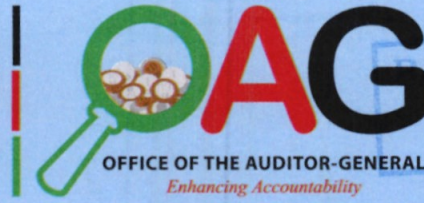


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL  
Enhancing Accountability

PARLIAMENT  
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REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 FEB 2026	DAY Wednesday
TABLED BY:	Hon. (Dr.) Robert Pukosa on behalf of leader of Majority
CLERK-AT-THE-TABLE:	honnale

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES  
DEVELOPMENT FUND - GANZE  
CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE, 2025





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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

GANZE CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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

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

**A. Acronyms**

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

**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.

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## 2. Key Constituency Information and Management

### (a) Background information

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

### Mandate

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

- a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6 (3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;

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

#### **Vision**

Equitable Socio-economic development countrywide.

#### **Mission**

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

#### **Core Values**

1. **Patriotism** – we uphold the national pride of all Kenyans through our work.
2. **Participation of the people**- We involve citizens in making decisions about programs 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.

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**Functions of NG-CDF Committee**

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

**(b) Key Management**

The NGCDF Ganze Constituency's day-to-day management is under the following key organs:

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

**©Fiduciary Management**

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

No	Designation	Name
1.	AIE holder	Mr. Ronald Jembe
2.	National Sub-County Accountant	Mr. Kazungu Jefwa
3.	Chairman NGCDFC	Mr. Robert Galo Chengo
4.	Member NGCDFC	Ms. Winnie Nzikwa Nguzo

**(D)Fiduciary Oversight Arrangements**

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

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**(e)NGCDF Ganze Constituency Headquarters**  
P.O. Box 489-80108, Kilifi, Kenya  
Ganze NG-CDF Office Building  
Kilifi-Bamba Road

**(f)NGCDF Ganze Constituency Contacts**  
Telephone: (+254) 0723924494  
E-mail: [cdfGanze@ngcdf.go.ke](mailto:cdfGanze@ngcdf.go.ke)

**(g)NGCDF Ganze Constituency Bankers**  
Equity Bank (K) Limited,  
NGCDF Ganze Account No. 1060298195611  
Kilifi Branch; Kibaoni-Hospital Street  
P.o Box 381-80108  
Kilifi, Kenya  
Tel: 0736306810

**(h)NGCDF Ganze Constituency PMC Bankers**  
Equity Bank (K) Limited,  
Account No. - Various  
Kilifi Branch; Kibaoni-Hospital Street  
P.o Box 381-80108  
Kilifi, Kenya  
Tel: 0736306810

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**(i)Independent Auditor**

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





**(j)Principal Legal Adviser**

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

3. NGCDF Committee



Name	Details
 Robert Galo Chengo- Chairman	Date of birth: 08/04/1994 Academic and Professional Qualifications: KCSE Work Experience: Businessman
 Mary Mnyazi Mwavita- Member	Date of birth: 1975 Academic and Professional Qualifications: Diploma in Primary school Teacher Work Experience: Has over ten years' experience in teaching.
 Raymond Katana Baya-Member	Date of birth: 1971 Academic and Professional Qualifications: KCPE Work Experience: Farmer.
 Daniel Ramadhani Karisa-Member	Date of birth: 1988 Academic and Professional Qualifications: KCPE Work Experience: Businessman

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 <p>Loyce Dama Katana-Member</p>	<p>Date of birth:1986          Academic and Professional Qualifications: KCPE          Work Experience: Business Lady</p>
 <p>Bonphas Yaa Pembe-Member</p>	<p>Date of birth: 30/06/1992          Academic and Professional Qualifications: KCPE          Work Experience: Businessman</p>
 <p>Maria Mbuhe Mrabu-Member</p>	<p>Date of birth: 20/05/1997          Academic and Professional Qualifications: KCSE          Work Experience: She is the Female youth.</p>
 <p>Winnie Nzikwa Nguzo- Secretary</p>	<p>Date of birth: 23/03/1995          Academic and Professional Qualifications: Diploma in          community development.          Work Experience: Female adult.</p>

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 <p>Patrick Meso</p>	<p>Date of birth: 1972 Academic and Professional Qualifications: Master's in business administration Work Experience: Public Servant.</p>
 <p>Ronald Wanje Jembe</p>	<p>Date of birth: 1969 Academic and Professional Qualifications: Master's degree in commerce Work Experience: NG CDF Fund Account Manager</p>

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

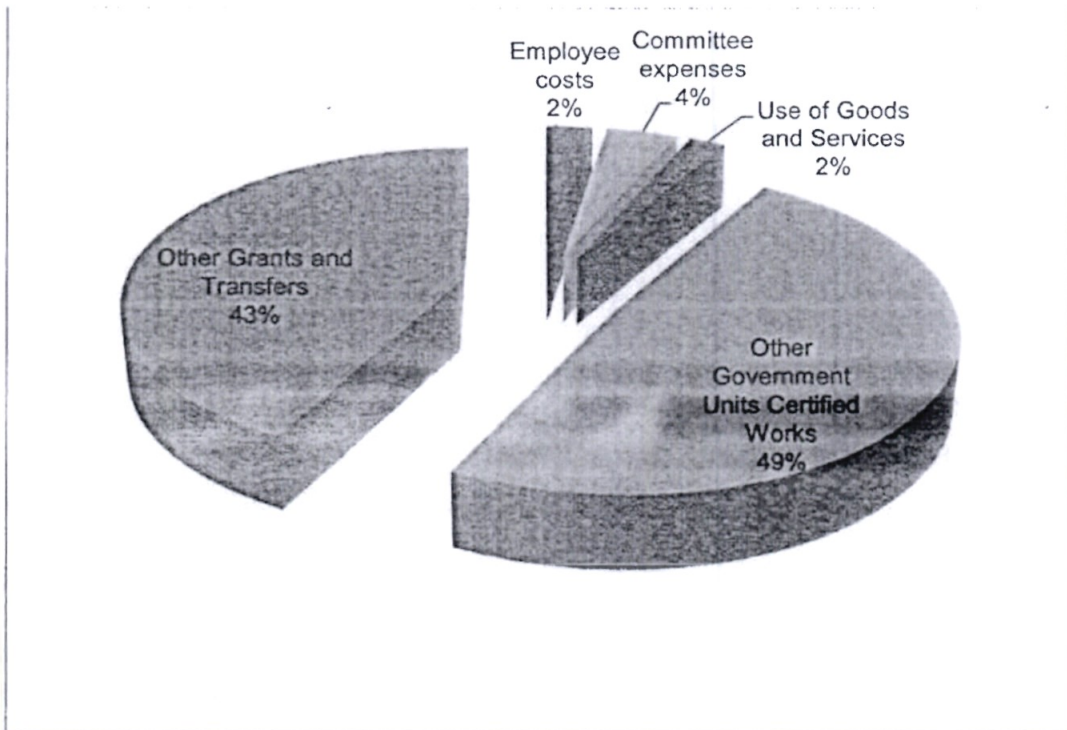


Robert Galo Chengo

It is my pleasure to present NGCDF Ganze Constituency Reports and financial statements for the financial year ended June 30<sup>th</sup> 2025. Our agenda is enclave in the slogan 'Maendeleo kwa wote' as we purpose to deliver improved livelihoods through promoting quality education at Primary, Secondary schools and Tertiary institutions. There has also been tremendous increase in bursary allocation, ensuring more students are in schools. The excellent performance can be attributed to tremendous support from the NG-CDF Board., Member of Parliament and all stakeholders.

Ganze Constituency is one of the seven Constituencies in Kilifi County in Coast Region. During the financial year 2024/2025, we received Kshs. 268,783,401. Our utilization of funds for the financial year stands at 58% of the total budget of Kshs. 305,253,258. The low absorption of funds was due to late disbursement of funds by the NG-CDF Board. The NG-CDF Board should disburse funds in a timely manner to enable implementation of projects and ensure 100% utilization to be achieved.

Budget vs. Actual Expenditure



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Totals	170,469,857	92,693,748	42,089,653	305,253,258	268,783,401	36,469,857
Expenses						
Employee costs	5,609,925	1,972,199	2,294,780	9,876,904	4,489,695	5,387,209
Committee expenses	4,669,000	2,347,116	-	7,016,116	6,960,314	55,802
Use of Goods and Services	5,063,360	1,159,230	-	6,222,590	3,610,283	2,612,307
Other Government Units Certified Works	64,700,132	71,484,392	33,726,438	169,910,962	86,024,687	83,886,275
Other Grants and Transfers	90,427,440	13,523,516	3,086,000	107,036,956	74,886,757	32,150,199
Others	-	1,904,295	-	1,904,295	-	1,904,295
Funds Pending Approval**	-	303,000	2,982,435	3,285,435	-	3,285,435
<b>Total Expenditure</b>	<b>170,469,857</b>	<b>92,693,748</b>	<b>42,089,653</b>	<b>305,253,258</b>	<b>175,971,737</b>	<b>129,281,521</b>

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**Achievements**

There have been several success stories in this financial year ending June 2025. Success is attributed to the harmonious working relationship among the NGCDFC members, staff and technical support from the government officials as well. The synergy has been achieved through continuous training and engagement to promote team work and quality project. During the financial year 2024/2025, the Constituency realized tremendous improvement in infrastructure across the two key sectors namely; Education and Security sector



Construction of three classroom block at Dida primary school.



Dulukiza assistant chief's office.

### **Challenges**

Lack of enough technical personnel and delay in disbursements of funds from the NG-CDF Board has affected timely implementation of projects and absorption of funds allocated during the financial year. In addition, insufficient funds for monitoring and evaluation and capacity building of various operatives and lack of bursary expense has impacted negatively on funds administration.

There has been emerging issues and challenges influencing the implementation of NGCDF projects all over the Constituency. These include;

1. Poor road network within the Constituency was a big challenge to the contractors when it came to ferrying building materials to the various sites.
2. Other issues affecting the project implementation process is the slow pace of the Project Management Committees in filing both financial and narrative reports relating to their NGCDF funded projects. This fact emanates mostly from low literacy levels amongst the PMCs.
3. Water availability was also a challenge to both the contractors as well as the Community.
4. Lack of Sub-County works officer from the National Government has also posed a big challenge in project implementation in the Constituency.
5. The vastness of Ganze constituency has also negatively affected the operations of the NG-CDF
6. Poverty ratio very high

### **Way forward**

In order to improve on timely completion of projects, NG-CDF Board should disburse funds on timely basis and allocation for monitoring and evaluation vote should be increased for effective and efficient management of projects. Lastly, projects should be funded in full to avoid delays in completion.

I would like to extend my gratitude to Ganze Constituents for giving me the opportunity to serve in my capacity as the Chairperson NGCDFC.



.....  
**Robert Galo Chengo**  
Chairman NGCDF Committee

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

**Introduction**

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

The key development objectives of the *NGCDF Ganze Constituency as per the Strategic Plan 2022-2027* plan are to:

1. To have all children of school going age attending school
2. To have a reliable and sustainable security
3. To ensure environment is conserved in the Constituency
4. To nurture talents of the constituents
5. o mitigate risk occurrence in the constituency

**Progress on the attainment of Strategic development objectives**

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of	In FY 24/25 - Bursary beneficiaries in the constituency were 6000 students who received partially bursary and a total 61 students in secondary school who benefited with fully scholarship. -We constructed projects and supplied desks i.e over 20 for primary schools and 5 for secondary projects.

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			bursary's beneficiaries at all levels	
Security	To have a reliable and sustainable security	Improvement of working stations for the administrative officers in the constituency	Number of improved Chiefs' offices	In FY 2024-2025 We constructed 4 assistant chiefs office and furnished.
Environment	To ensure environment is conserved in the Constituency	Improve power system in learning institutions in the entire constituency	Number of solar panel in the learning institutions	In FY 2024-2025 there was no activity
Emergency	To mitigate risk occurrence in the constituency	Improvement of structures in learning institutions	Number of schools renovated in the constituency	In FY 2024-2025 Funds were reallocated to Primary projects.

## 6. Governance Statement

### Appointment and removal of Constituency Committee members:

The Current NG- CDF Ganze Constituency Committee was appointed vide The Kenya Gazette Notice No. 14709, Vol. CXXIV—No. 254 NAIROBI, 29th November, 2022. The process is initiated through NG- CDF Act, 2015 as amended in 2022.

Regulation 5(2) creates a vacancy in the Office of Constituencies Committees, in the manner provided. Section 48(8) of the Act is succinct on the expiry of the term of the Committee. As per the provision of Section 43(3) of the NG-CDF Act, 2015 as amended in 2022, the seven persons referred to in Sub-section (2):

- (b) two men each nominated in accordance with sub section 3 one of whom shall be be a youth at the date of appointment,
- (c) two women each nominated in accordance with sub section 3 one of whom shall be a youth at the date of appointment,
- (d) one persons with disability nominated by registered group representing persons with disability in the constituency in accordance with sub section 3
- (e) two persons nominated by constituency office established under regulation made pursuant to the parliament service Act
- (f) the officer of the body seconded to the constituency committee by the body who shall be an ex officio member without a vote
- (g) One member co-opted by the body in accordance with regulation made by the board,

Shall be selected in the manner prescribed in the Regulations. Regulation 5 and 6 of the NG-CDF Act, 2025 as amended in 2022, provide for the eligibility criteria and procedures for nomination.

Section 43 (13) which state “a member of the constituency committee may be removed from office on any one or more” provides the manner in which a member of the Constituency Committee may be removed from office, Section 44 of the Act elaborates the manner a Constituency Committee shall be dissolved, Regulation 10 lists the procedure for removal of

a Constituency Committee Member and Regulation 5 (2) describes circumstance in which a vacancy may occur in the constituency committee.

The current NGCDFC members were gazette in 29 Nov 2022 and the first meeting was held in December 2022

The persons appointed are drawn from different groupings as follows:

- Male Adult- Robert Galo-Chairman
- Male youth – Bonface Pembe - Member
- Female adult- Winnie Nguzo - Secretary
- Female youth- Maria Murabu - Member
- PWD REP-Daniel Karisa -Member
- CO-opted Member- Mary Mwavita - Member
- Nominee of constituency Office—Loice Dama - Member
- Nominee of constituency Office—Raymond Katana - Member

#### **Requirement for appointment of NG\_CDFC**

Regulation 6(1) requires that for one person to serve as a member of the NG-CDF, he or she must be:

- a) a citizen of Kenya
- b) Ordinary resident and a voter of the constituency
- c) Able to read, write and communicate in Kiswahili and English
- d) Meet the requirement of Chapter six of the Constitution of Kenya
- e) Is able to participate in activities of a constituency committee

#### **Procedure of recruitment**

As per provisions of Section 43(3) of the NG-CDF Act 2015, the seven persons referred to in sub-section (2) (b), (c), (d) and (e) shall be selected in the manner prescribed in the Regulations.

In this regard, Regulations 5 and 6 of the NG-CDF Regulations 2016 provide for the eligibility criteria and procedures for nomination of five members of the NG-CDF Committee as outlined in Section 43 (2) paragraphs (b), (c), and (d) of the principal Act through a Selection Panel (Regulation 5(4) composed of:

- i) One person nominated by the National Government Official in charge of sub-county, or a designated representative who shall chair the Panel;
- ii) The Officer of the Board seconded to the Constituency who shall be the secretary to the Selection Panel; and
- iii) Two persons, one of either gender, nominated by the Constituency Office (established under regulation made pursuant to the Parliamentary Service Act)

#### **Functions of NG\_CDFC**

The functions of a Constituency Committee shall be to - Functions of Constituency

- i. Build the capacity of project management committees and Committee, sensitize the Community on the operations of the Fund;
- ii. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- iii. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- iv. Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
- v. Consult with relevant government departments to ensure that cost estimates for projects are realistic
- vi. In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects subject to the provisions of the Act and these Regulations,

- vii. Enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- viii. Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- ix. Ensure that all projects receive adequate funding and are completed within three years;
- x. Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies;
- xi. Ensure that projects proposed for funding fulfill the requirements provided in the Act and relevant circulars issued by the Board;
- xii. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;

#### **Removal of NG-CDFC**

A member of the Constituency Committee may be removed from office on any one or more of the following grounds— (a) lack of integrity; (b) gross misconduct; (c) embezzlement of public funds; (d) bringing the committee into disrepute through unbecoming personal public conduct; (e) promoting unethical practices; (f) causing disharmony within the committee; (g) physical or mental infirmity. (14) A decision to remove a member under subsection (13) shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made

#### **Convening of Constituency Meetings**

Section 43 (6) state that, “The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or

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the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.” In the FY 2024/2025 the NGCDF Ganze had 12 meetings, and 6 meetings of sub committee

After appointment of members of the NG- CDF Committee through publication in the Kenya Gazette, and within 120 days of the commencement of the thirteenth parliament, the Deputy County Commissioner (or in his/her absence) the Fund Account Manager shall convene the first meeting of the NG- CDF Committee, during which the members will elect the Chairperson and the Secretary. The Officer of the Board will then submit to the Board the names of the elected Chairperson and Secretary, attaching a certified copy of form four certificate and the academic certificates for the highest level of education attained and the minutes of the NG- CDF Committee that approved the appointment. As the management of NG- CDF Ganze West Constituency we complied with the Act and its regulations.

**Members remuneration**

During financial year 2024/2025 the NG-CDF committee members conducted 12 meetings, bursary sub-committee conducted 4 meetings. They were remunerated at a rate of kshs 5,000 per sitting and kshs 7,000 for the NG-CDF C Chairperson which were all subjected to 30% income tax

NO	Name of committee member	Meetings held					
		14-07-24	10-08-24	29-09-24	25-10-24	27-11-24	20-12-25
1	Robert Galo	√	√	√	√	√	√
2	Mary Mwavita	√	√	√	√	√	√
3	Maria Murabu	√	√	√	√	√	√
4	Raymond Katana	√	√	√	√	√	√
5	Winnie Nguzo	√	√	√	√	√	√
6	Bonface Pembe	√	√	√	√	√	√
7	Loice Dama	√	√	√	√	√	√
8	Daniel Karisa	√	√	√	√	√	√

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No	Name of committee member	Meetings held					
		04-01-25	21-02-25	18-03-25	29-04-25	31-05-25	21-06-25
1	Robert Galo	√	√	√	√	√	√
2	Mary Mwavita	√	√	√	√	√	√
3	Maria Murabu	√	√	√	√	√	√
4	Raymond Katana	√	√	√	√	√	√
5	Winnie Nguzo	√	√	√	√	√	√
6	Bonface Pembe	√	√	√	√	√	√
7	Loice Dama	√	√	√	√	√	√
8	Daniel Karisa	√	√	√	√	√	√

**Tenure of the Constituency Committee**

As per the provision of Section 43 (8) and (9) of the NG- CDF Act, the tenure of the members of NG- CDF Committee shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act and regulations, while the Fund Account Manager remain the custodian of all the records and equipment of the constituency. As per Regulation 24 of the Act, once the new committee members have been appointed, the Fund Account Manager in liaison with the Deputy County Commissioner, shall facilitate smooth handover between the outgoing and the newly gazette NG- CDF Committee members. To facilitate this, the Fund Account Manager prepares a comprehensive handover report on behalf of the outgoing committee.

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The following as list of sub committees

1. Bursary committee
2. Monitoring and evaluation

All subcommittee were taken through induction and training

#### **Conflict of Interest**

During every meeting the management has always reminded committee members to declare any conflict of interest before the meeting starts and none of the members declared interest on any matters discussed during the year ended 30<sup>th</sup> June 2025.

#### **Succession in NG CDFC**

The NG-CDF Ganze Committee term came to an end after new committee members were gazzeted on 21<sup>st</sup> May, 2025 through gazette notice number **Vol. CXXVII – 98**. Members were not gazzeted but process is now complete awaiting appointment in the subsequent gazette.

## 7. Management Discussion and Analysis

### 1. Operational and Financial Performance

The Ganze NG-CDF has consistently received increased allocations over the last five fiscal years, signifying trust and growth in constituency-level development. Fund absorption remains high due to strategic planning and timely execution of priority projects.

Fiscal Year	Allocation	Utilization (%)	Unspent Balance
2020/21	137,367,724.14	94%	15,529,360.00
2021/22	137,088,879	90.5%	27,419,361.00
2022/23	138,079,431.52	67%	53,615,032.00
2023/24	166,593,720.00	85%	42,089,653.00
2024/25	170,469,856.7	88%	36,469,856.70

### 2. Key Projects Implemented and Ongoing

#### Education:

- 10 new classrooms built and 05 classrooms renovated.
- Over 18,000 students benefited from bursary disbursements
- Construction of school toilets.

#### Social Security & Public Safety:

- Construction of chief's and Assistant chief's offices

### 3. Statutory Compliance

The Fund adheres to the NG-CDF Act, 2015 and the Public Finance Management framework. Audits are performed annually with no major except for opinion reports. Procurement processes conform to the Public Procurement and Asset Disposal Act, ensuring transparency.

*National Government Constituencies Development Fund (NGCDF)  
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- All statutory reports submitted to the NG-CDF Board and National Treasury in time
- Annual Work plans and Budgets approved and implemented successfully.

#### 4. Major Risks Facing the Fund

Risk Factor	Mitigation Strategy
Delayed disbursements	Maintain continuous engagement with National Treasury to ensure timely fund releases
Escalating construction costs	Implement dynamic budgeting, regularly review market trends, and prioritize projects accordingly.
Low contractor performance	Conduct thorough vetting, enforce contractual obligations, and perform regular performance audits.
Uncertain floods and winds	Engage relevant stake holders and conduct topography verification before projects are implemented
Community disputes	Facilitate stakeholder engagement through forums, consultations, and inclusive public participation.

#### 5. Arrears and Financial Obligations

There are no statutory arrears. However, the Fund owes the Board KES 36,469,856.70 primarily related to infrastructure works.

#### 6. Review of Economy and Sector

##### National context

Kenya's post-pandemic recovery, marked by steady GDP growth and increased public investment, has created a more favorable environment for constituency development. However, despite these positive strides, the country's fiscal space remains constrained by persistent inflationary pressures and the burden of debt servicing

##### Sectoral Dynamics:

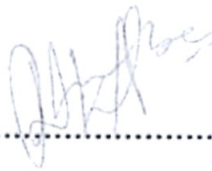
- **Education:** Increased demand for digital learning tools.
- **Bursary:** Increased bursary dependence.
- **Climate change:** Emphasis on climate-resilient projects.

## 7. Future Developments

Looking ahead, Ganze NG-CDF is set to:

- Increase bursary allocation to support more vulnerable learners
- Address climate change mitigation measures by enhancing water preservation tap solar energy.
- Strengthen monitoring and evaluation frameworks to ensure project effectiveness.

The Ganze Constituency NG-CDF remains committed to fostering sustainable development and improving the quality of life for its constituents through prudent management of resources, transparent governance, and impactful community-driven initiatives.



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**Ronald Jembe**  
Fund Account Manager  
Ganze NG-CDF.

## 8. Environmental and Sustainability Reporting

### 1. Sustainability strategy and profile -

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

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

## **2. Environmental performance**

- By the close of financial year the cash for environment had not been disbursed.

## **3. Employee welfare**

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

Employees are encouraged and supported to build on their skills and knowledge continually. Ganze constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

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

#### **4. Marketplace practices-**

Ganze Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

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

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

**Public Participation in Project Identification, Implementation, and Monitoring**

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


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

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

**Public Awareness**

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

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

  
.....  
**Name: Ronald Jembe**  
**Fund Account Manager.**

## 9. Statement Of Management Responsibilities

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

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

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

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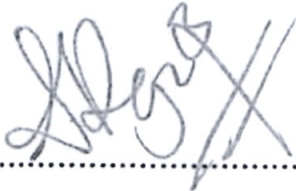
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The Accounting Officer in charge of the NGCDF Ganze Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds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


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

**Approval of the financial statements**

The NGCDF- Ganze Constituency financial statements were approved and signed by the Accounting Officer on 29/11 2025.



.....  
Name: Robert Galo  
Chairman – NGCDF Committee



.....  
Name: Ronald Jembe  
Fund Account Manager

# REPUBLIC OF KENYA



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

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Ganze Constituency set out on pages

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

1 to 71, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Ganze 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), as discussed in Note 2 to the financial statements and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No. 3 of 14 April, 2025.

## **Basis for Qualified Opinion**

### **1. Non-Compliance with Transitional IPSAS Reporting Template**

The cover page to the annual report and financial statements indicates "Transitional IPSAS financial statements/ Prepared in accordance with accrual basis of accounting method under international public sector accounting standards (IPSAS)". This is indicative of Management failure to choose the method adopted to prepare the financial statements.

In the circumstances, the financial statements as prepared and presented are not in compliance with IPSAS reporting framework.

### **2. Inaccurate and Unsupported Cash and Cash Equivalents Balance**

The statement of financial position reflects cash and cash equivalents balance of Kshs.92,816,573 as disclosed in Note 19 to the financial statements. However, supporting schedules reflect a balance of Kshs.92,811,665, resulting in an unreconciled variance of Kshs.4,908. Further, the balance includes Project Management Committee Bank balance of Kshs.13,992,491 which was not supported with cashbooks and bank reconciliation statements.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.92,816,573 could not be confirmed.

### **3. Inaccuracy in the Statement of Changes in Net Assets**

The statement of changes in net assets reflects reserves for the year of Kshs.124,910,947, out of which Kshs.29,941,429 was in respect of accumulated surplus

as at 30 June, 2024 erroneously presented under reserves, thereby overstating the reserves balance by the same amount. The current year's deficit of Kshs.8,968,011 was also presented under reserves instead of under accumulated surplus. Further, the statement reflects recognition of assets and liabilities amounts of Kshs.104,841,972 and Kshs.904,444 respectively as adjustments to opening reserves balance instead of accumulated surplus. In addition, details of the assets and liabilities have not been disclosed.

In the circumstances, the accuracy and completeness of the statement of changes in net assets 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 -Bura 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**

### **Budget Control and Performance**

The statement of comparison of budget and actual reflects final receipt budget and actual on a comparable basis of Kshs.305,253,258 and Kshs.268,783,401 respectively, resulting in an underfunding of Kshs.36,469,857 representing 12% of the budget. Similarly, the Fund spent Kshs.175,966,829 against actual receipt of Kshs.268,783,401, resulting to underutilization of Kshs.92,816,572 representing 35% of the receipts.

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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Matters**

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Fund in 2024/2025 revealed that the following six (6) issues remained unresolved:

No.	Audit Issue
1	Unsupported other payments
2	Unsupported committee expenses
3	Unsupported procurement of sports kits and ground grading
4	Unsupported bank balance
5	Lack of authorized bursary award criteria and policy
6	Budgetary controls and performance

### Other Information

The Management are responsible for the Other Information set out on pages iii to xxxii which comprise of Key Constituency Information and Management, The NGCDF of Committee, NG-CDFC Chairman's Report, Statement of Performance Against Predetermined 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. Non - Compliance with Public Sector Accounting Standards Board Guidelines

The National Sub-County Accountant Institute of Certified Public Accountants (ICPAK) Membership Number is reflected as ICPAK M/NO;16950. However, ICPAK portal reflects a different name under the same membership number.

In the circumstances, Management did not comply with the Public Sector Accounting Standards Board guidelines.

## **2. Lack of Bursary Award Criteria and Policy**

The statement of financial performance reflects other grants and transfers actual expenditure amount of Kshs.74,886,757 as disclosed in Note 14 to the financial statements. Included in this amount are amounts of Kshs.49,605,484 and Kshs.13,167,810 paid in respect of bursary to secondary and tertiary institutions respectively. However, Management did not provide the criteria for the award of bursary or how the beneficiaries were vetted. This was contrary to Section 23(3) of the National Government Constituencies Development Fund Act, 2015 which states that, 'a Constituency Committee shall vet all persons proposed to receive support in accordance with guidelines issued by the Board'.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

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 Management and the National Government Constituency Development Fund Committee**

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

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

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

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

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


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

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

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

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

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

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

**Nairobi**

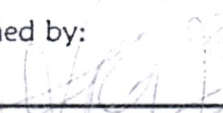
**08 December, 2025**

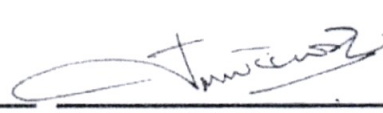
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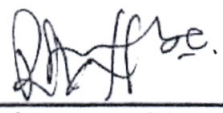
11. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	Year ended 30th June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Grants/donations from other entities	7	0
Revenue from exchange transactions		
Finance income	8	0
Miscellaneous income	9	0
<b>Total revenue</b>		<b>170,469,857</b>
Expenses		
Employee costs	10	5,225,791
Committee expenses	11	2,830,664
Use of Goods and Services	12	7,140,383
Other Government Units Actual expenditure	13	89,174,407
Other Grants and Transfers Actual expenditure	14	74,886,757
Depreciation and amortization expense	15	179,865
Digital Hubs Actual expenditure	16	0
<b>Total expenses</b>		<b>179,437,868</b>
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	0
Impairment loss	18	0
<b>Surplus/(Deficit) for the year</b>		<b>(8,968,011)</b>

The Constituency financial statements were approved by the NGCDFC on 29/11/2025 and signed by:

  
Chairman NG-CDF  
Committee  
Name: Robert Chengo

  
National Sub-County  
Accountant  
Name: Kazungu Jefa  
ICPAK M/No:

  
Fund Account Manager  
Name: Ronald Jembe

*( Paragraph 79 of IPSAS 33 allows for the election by an MDA to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position, and an opening statement of financial position at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made; therefore, there are no comparatives in the first year of transition.)*

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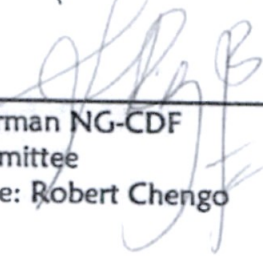
12. Statement of Financial Position as At 30th June, 2025


	Note	Year as at 30th June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	92,816,573	92,693,748
Receivables from Exchange Transactions	20	0	0
Receivables from Non-Exchange Transactions	21	36,469,857	42,089,653
Prepayments	22	0	0
<b>Total Current Assets</b>		<b>129,286,430</b>	<b>134,783,401</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	419,685	0
Intangible Assets	24	0	0
Right-of-use assets	25	0	0
<b>Total Non- Current Assets</b>		<b>419,685</b>	<b>0</b>
<b>Total Assets (A)</b>		<b>129,706,115</b>	<b>134,783,401</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	0	0
Third-Party Deposits	27	3,154,629	0
Lease Liabilities	28	0	0
Gratuity provision	29	1,640,539	904,444
<b>Total Current Liabilities</b>		<b>4,795,168</b>	<b>904,444</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	0	0
<b>Total Liabilities (B)</b>		<b>4,795,168</b>	<b>904,444</b>
<b>Net Assets (A-B)</b>		<b>124,910,947</b>	<b>133,878,958</b>
<b>Represented by:</b>			
Revaluation Reserves		124,910,947	133,878,958
Accumulated Surplus			
<b>Total Net Assets</b>		<b>124,910,947</b>	<b>133,878,958</b>

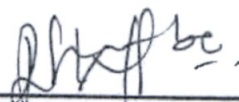
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The Constituency financial statements set out on pages 1 to 17 approved by NG CDFC on 29/11/2025 and signed by:

  
\_\_\_\_\_  
Chairman NG-CDF  
Committee  
Name: Robert Chengo

  
\_\_\_\_\_  
National Sub-County  
Accountant  
Name: Kazungu Jefa

  
\_\_\_\_\_  
Fund Account Manager  
Name: Ronald Jembe

ICPAK M/No:

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

Description	Reserves	Accumulated surplus/Deficit	Total
	Kshs	Kshs	Kshs
As at 30 <sup>th</sup> June 2024 (cash basis)	29,941,429		29,941,429
Adjustments: (to recognize assets and liabilities)			
Add Assets	104,841,972		104,841,972
Less Liabilities	904,444		904,444
As at July 1, 2024	133,878,958		133,878,958
Surplus/(Deficit) For the Year ended 30 <sup>th</sup> June 2025	(8,968,011)		(8,968,011)
Revaluation Gain/Loss	0		0
As at 30 <sup>th</sup> June 2025	124,910,947		124,910,947

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	Year ended 30th June 2025
		Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from the NGCDF Board		176,089,653
Grants/donations from other entities		0
Finance income		0
Miscellaneous income		0
<b>Total Receipts</b>		<b>176,089,653</b>
<b>Payments</b>		
Employee costs		4,489,695
Committee expenses		2,830,664
Use of Goods and Services		8,879,983
Other Government Units Certified Works		86,019,779
Other Grants and Transfers		73,147,157
Others		0
<b>Total Payments</b>		<b>175,367,279</b>
<b>Net Cash Flows from/ (used in) Operating Activities</b>	30	<b>722,374</b>
<b>Cash flows From Investing Activities</b>		
Purchase of PPE		599,550
Purchase of Intangible assets		0
Proceeds From Sale of PPE		0
<b>Net Cash Flows from Investing Activities</b>		<b>599,550</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>122,824</b>
<b>Cash Flows from Financing Activities</b>		
Lease payment		0
<b>Net Cash Flows from Financing Activities</b>		<b>122,824</b>
Cash and cash equivalents at Year Start 01/07/2024	19	92,693,748
<b>Cash and cash equivalents at Year End 30/06/2025</b>	19	<b>92,816,573</b>

*(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	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	$f=\frac{d}{c} \times 100$
	<i>Insert current FY</i>	Opening Balance (operational , deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>Insert current FY</i>	<i>Insert current FY</i>		
<b>Revenue</b>							
Transfers From the NGCDF Board	170,469,857	92,693,748	42,089,653	305,253,258	268,783,401	36,469,857	88%
Grants/donations from other entities	0	0	0	0	0	0	0%
Finance income	0	0	0	0	0	0	0%
Miscellaneous income	0	0	0	0	0	0	0%

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<b>Totals</b>	<b>170,469,857</b>	<b>92,693,748</b>	<b>42,089,653</b>	<b>305,253,258</b>	<b>268,783,401</b>	<b>36,469,857</b>	<b>88%</b>
<b>Expenses</b>							
Employee costs	5,609,925	4,266,979	0	9,876,904	4,489,695	5,387,209	45%
Committee expenses	4,669,000	4,796,926	0	9,465,926	5,405,864	4,060,062	57%
Use of Goods and Services	5,063,360	1,147,230	0	6,210,590	5,164,733	1,045,857	83%
Other Government Units Certified Works	64,700,132	69,201,612	36,021,218	169,922,962	86,019,779	83,903,183	51%
Other Grants and Transfers	90,427,440	11,073,706	6,068,435	107,569,581	74,886,757	32,682,824	70%
Others	0	1,904,295	0	1,904,295	0	1,904,295	0%
Funds Pending Approval**	0	303,000	0	303,000	0	303,000	0%
<b>Total Expenditure</b>	<b>170,469,857</b>	<b>92,693,748</b>	<b>42,089,653</b>	<b>305,253,258</b>	<b>175,966,829</b>	<b>129,286,429</b>	<b>58%</b>
<b>Surplus for the Year ended 30<sup>th</sup> June 2025</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>92,816,573</b>	<b>(92,816,573)</b>	

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

**Explanatory Notes.**

- Employment Costs: the figure include Gratuity not transferred .
- Use of goods: Late disbursement of funds
- Other Government Units Certified Works: Late disbursement of funds
- Other Grants and Transfers: Late disbursement of fund

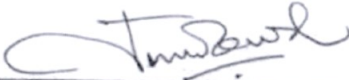
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	129,286,429
Less undisbursed funds receivable from the Board as at Year 30th June 2025	36,469,857
	92,816,573

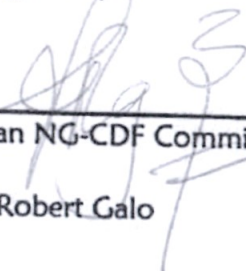
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 29/11 2025 and signed by:

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

Name: Ronald Jembe

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

Name: Kazungu Jefa  
 ICPAK M

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

Name: Robert Galo

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16. Budget Execution by Sectors and Projects for the Year Ended 30<sup>th</sup> June 2025

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	5,609,925	4,266,979	0	9,876,904	4,489,695	5,387,209
1.2 Committee allowances	1,269,000	4,167,614	0	5,436,614	1,892,564	3,544,050
1.3 Use of goods and services	3,349,265	601,879	0	3,951,144	3,823,373	127,771
<b>Sub-total</b>	<b>10,228,190</b>	<b>9,036,472</b>	<b>0</b>	<b>19,264,662</b>	<b>10,205,632</b>	<b>9,059,030</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	2,500,000	578,012	0	3,078,012	2,575,200	502,812
2.2 Committee allowances	900,000	51,300	0	951,300	938,100	13,200
2.3 Use of goods and services	1,714,095	545,351	0	2,259,446	1,341,360	918,086
<b>Sub-total</b>	<b>5,114,095</b>	<b>1,174,663</b>	<b>0</b>	<b>6,288,758</b>	<b>4,854,660</b>	<b>1,434,098</b>
<b>4.0 Emergency</b>						
unutilized	8,972,098	0	0	8,972,098	1,103,410	7,868,688
	0	636,190	0	636,190	636,190	0
<b>Sub-total</b>	<b>8,972,098</b>	<b>636,190</b>	<b>0</b>	<b>9,608,288</b>	<b>1,739,600</b>	<b>7,868,688</b>
<b>5.0 Bursary and Social Security</b>						
5.1 Primary Schools				0		0
5.2 Secondary Schools	53,250,000	268,085	0	53,518,085	49,605,484	3,912,601
5.3 Tertiary Institutions	14,937,942	561,540	0	15,499,482	13,167,810	2,331,672

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5.4 special needs	0	0	0	0	0	0	0	0	0
5.5 Education Support Programmes	0	7,127	0	0	7,127	0	0	0	7,127
5.6 Social Security	0	1,374,000	0	0	1,374,000	0	0	0	1,374,000
<b>Sub-total</b>	<b>68,187,942</b>	<b>2,210,752</b>	<b>0</b>	<b>0</b>	<b>70,398,694</b>	<b>62,773,294</b>	<b>0</b>	<b>0</b>	<b>7,625,400</b>
<b>7.0 Environment</b>									
BENGGONI PRIMARY SCHOOL	1,136,544	0	0	0	1,136,544	0	0	0	1,136,544
KAVUNJONI PRIMARY SCHOOL	1,136,428	0	0	0	1,136,428	0	0	0	1,136,428
MWANGANGA PRIMARY SCHOOL	1,136,428	0	0	0	1,136,428	0	0	0	1,136,428
ENVIRONMENT	0	0	2,982,435	0	2,982,435	0	0	0	2,982,435
<b>Sub-total</b>	<b>3,409,400</b>	<b>0</b>	<b>2,982,435</b>	<b>0</b>	<b>6,391,835</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,391,835</b>
<b>8.0 Primary Schools Projects</b>									
Bahati Primary School	600,000	3,420	0	0	603,420	0	0	0	603,420
Bahero Primary School	0	0	5,212,500	0	5,212,500	5,191,105	0	0	21,395
BALE PRIMARY SCHOOL	0	2,000,000	0	0	2,000,000	1,999,114	0	0	886
BAMBA PRIMARY	0	527,650	0	0	527,650	517,690	0	0	9,960
BODOI PRIMARY SCHOOL	0	789	0	0	789	0	0	0	789
Boga Primary School	6,737,976	0	0	0	6,737,976	0	0	0	6,737,976
BOPONI PRIMARY SCHOOL	0	375,000	0	0	375,000	367,555	0	0	7,445
CHAPUNGU PRIMARY SCHOOL	0	242,216	0	0	242,216	0	0	0	242,216
CHINYUME PRIMARY SCHOOL	0	463	0	0	463	0	0	0	463
CHINYUME PRIMARY SCHOOL	0	5,300,000	0	0	5,300,000	5,086,088	0	0	213,912
Danicha Primary School	0	1,648,562	151,438	0	1,800,000	1,621,409	0	0	178,591
Darajani Primary School	0	375,000	0	0	375,000	368,130	0	0	6,870
DARAJANI PRIMARY SCHOOL	0	250,649	0	0	250,649	0	0	0	250,649
DIDA PRIMARY	0	525,500	3,133,922	0	3,659,422	3,472,679	0	0	186,743
DODOSA PRIMARY SCHOOL	0	3,779	0	0	3,779	575	0	0	3,204
DULUKIZA PRIMARY SCHOOL	0	21,240	0	0	21,240	0	0	0	21,240
Dungicha Primary School	6,737,976	0	0	0	6,737,976	0	0	0	6,737,976
ENVIRONMENT ACTIVITIES	0	23,733	0	0	23,733	0	0	0	23,733
FORODHOYO PRIMARY SCHOOL	0	22,185	0	0	22,185	0	0	0	22,185

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FUDUMULO PRIMARY SCHOOL	0	1,000	0	1,000	0	1,000
Gabina Primary School	0	375,000	0	375,000	367,985	7,015
GANZE PRIMARY SCHOOL	0	90,957	0	90,957	0	90,957
GOSHI PRIMARY SCHOOL	0	29,821	0	29,821	0	29,821
Jeshi Primary School	600,000	0	0	600,000	0	600,000
JILA PRIMARY SCHOOL	0	45,437	0	45,437	0	45,437
JIRA PRIMARY SCHOOL	0	398	0	398	0	398
JIRA PRIMARY SCHOOL	0	3,600,000	0	3,600,000	3,444,319	155,681
Juhudi Primary School	600,000	0	0	600,000	0	600,000
KABELENGANI PRIMARY SCHOOL	0	5,300,000	0	5,300,000	5,083,847	216,153
KACHORORONI PRIMARY	0	1,000	3,620,000	3,621,000	3,439,088	181,912
KADZANDANI PRIMARY SCHOOL	0	1,320	0	1,320	0	1,320
KAFITSONI PRIMARY SCHOOL	0	41,481	0	41,481	0	41,481
KAGOMBANI PRIMARY SCHOOL	0	140	0	140	0	140
Kahingini Primary School	600,000	0	0	600,000	0	600,000
KALONGONI PRIMARY SCHOOL	0	299,250	0	299,250	294,331	4,919
KATENDEWA PRIMARY SCHOOL	0	10,473	0	10,473	0	10,473
KATOFENI PRIMARY SCHOOL	0	58,368	0	58,368	55,345	3,023
KAVUNZONI PRIMARY SCHOOL	0	76,265	0	76,265	0	76,265
Kidemu Primary school	640,925	420	0	641,345	0	641,345
KIKWANGULONI PRIMARY SCHOOL	0	20,790	0	20,790	0	20,790
Kirimani Primary School	600,000	616	0	600,616	0	600,616
Kwa Dadu Primary School	0	1,212,000	0	1,212,000	1,153,775	58,225
LWANDANI PRIMARY SCHOOL	0	5,567	0	5,567	0	5,567
Mabathani Primary School	600,000	1,476	0	601,476	0	601,476
MADAMANI PRIMARY SCHOOL	0	1,043	0	1,043	0	1,043
Magogoni Primary School	600,000	0	0	600,000	0	600,000
Magudho Primary School	600,000	0	0	600,000	0	600,000
MAKALANGENI PRIMARY SCHOOL	0	51,735	0	51,735	0	51,735

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MAKONJENI PRIMARY SCHOOL	0	297	0	297	0	297
Malanga Primary School	0	0	5,000,000	5,000,000	4,999,043	957
Malanga Primary School	0	955	0	955	0	955
MANGORORO PRIMARY SCHOOL	0	2,655	0	2,655	0	2,655
Maojo Primary School	600,000	1,000	0	601,000	0	601,000
MARERE PRIMARY SCHOOL	0	1,584	0	1,584	0	1,584
Mariango Primary School	0	86,704	0	86,704	0	86,704
Mariani Primary School	600,000	0	0	600,000	0	600,000
MAYA PRIMARY SCHOOL	0	1,015	0	1,015	0	1,015
Mboga Primary School	4,558,651	0	0	4,558,651	0	4,558,651
MBWANA PRIMARY SCHOOL	0	750,000	0	750,000	749,315	685
MDANGARANI PRIMARY SCHOOL	0	475	0	475	0	475
Midodoni Primary School	600,000	670	0	600,670	0	600,670
MIGUMOMIRI PRIMARY SCHOOL	0	3,600,000	0	3,600,000	2,430,981	1,169,019
MIHUHUNI PRIMARY SCHOOL	0	760,000	0	760,000	0	760,000
MILORE PRIMARY SCHOOL	0	1,200,000	0	1,200,000	1,081,168	118,832
MISUFINI PRIMARY SCHOOL	0	79	0	79	0	79
Mitsemerini Primary School	4,558,651	0	0	4,558,651	0	4,558,651
MKUHAMURE PRIMARY	0	1,243,172	0	1,243,172	1,242,175	997
Mnago Wa Dhola Primary School	600,000	0	0	600,000	0	600,000
Mpirani Primary School	600,000	0	0	600,000	0	600,000
Mrima wa Ndege Primary School	0	0	2,500,000	2,500,000	2,499,584	416
MRYACHAKWE PRIMARY	0	79,093	0	79,093	0	79,093
MRYACHAKWE PRIMARY SCHOOL	0	1,079	0	1,079	0	1,079
Mtsara wa Tsatsu Primary School	0	2,500,000	0	2,500,000	0	2,500,000
MUGUMONI PRIMARY SCHOOL	0	122,624	0	122,624	90,134	32,490
Muhoni Primary School	0	402,027	0	402,027	0	402,027
Muhoni Primary School	600,000	1,984	0	601,984	0	601,984
MULUNGU WA MAWE PRIMARY SCHOOL	0	21,610	0	21,610	0	21,610

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Murima Wa Ndege Primary School	600,000	0	0	600,000	0	600,000
MUYUNI PRIMARY SCHOOL	0	416	0	416	0	416
MWAHERA PRIMARY SCHOOL	0	5,285,240	0	5,285,240	5,283,691	1,549
MWANGANGA PRIMARY SCHOOL	0	148	0	148	0	148
MWANGANGA PRIMARY SCHOOL	0	750,000	0	750,000	747,720	2,280
MWANGEA PRIMARY SCHOOL	0	288,587	0	288,587	284,332	4,255
MWAPULA PRIMARY SCHOOL	0	999	0	999	0	999
Mwenge Primary School	0	0	5,212,500	5,212,500	4,979,078	233,422
Mwenge Primary School	0	714	0	714	0	714
NASORO PRIMARY SCHOOL	0	1,041	0	1,041	0	1,041
NDIGIRIA PRIMARY SCHOOL	0	1,000	0	1,000	0	1,000
NGAMANI PRIMARY SCHOOL	0	547	0	547	0	547
Ngugu Mnani Primary School	750,000	0	0	750,000	0	750,000
NZOVUNI PRIMARY SCHOOL	0	9,473	0	9,473	0	9,473
Palakumi Primary School	600,000	256,226	0	856,226	0	856,226
Paziani Primary School	0	5,070,933	375,000	5,445,933	5,207,299	238,634
PETANGUO PRIMARY SCHOOL	0	693	0	693	0	693
RANCH PRIMARY SCHOOL	0	226	0	226	0	226
RARE PRIMARY SCHOOL	0	3,720,000	0	3,720,000	3,713,570	6,430
RIMA RA PERA PRIMARY SCHOOL	0	1,000	0	1,000	0	1,000
Mariango Primary School	600,000	0	0	600,000	0	600,000
Shaka Primary School	4,558,651	0	0	4,558,651	0	4,558,651
TANDIA PRIMARY SCHOOL	0	69,616	0	69,616	0	69,616
Tsanzuni Primary School	0	5,300,000	0	5,300,000	4,866,150	433,850
UPENDO PRIMARY SCHOOL	0	5,259	0	5,259	0	5,259
Vilwakwe Promary School	600,000	950	0	600,950	0	600,950
VITENGENI PRIMARY SCHOOL	0	2,188	0	2,188	0	2,188
VITSAPUNI PRIMARY SCHOOL	0	2,185	0	2,185	0	2,185
YEMBE PRIMARY SCHOOL	0	12,351	0	12,351	0	12,351

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ZIA RA WIMBI PRIMARY SCHOOL	0	33,651	0	0	33,651	0	0	33,651	0	33,651
	0	0	0	0	0	0	0	0	0	0
<b>Sub-total</b>	<b>39,342,830</b>	<b>54,135,207</b>	<b>25,205,360</b>	<b>118,683,397</b>	<b>70,637,274</b>	<b>48,046,122</b>				
<b>9.0 Secondary Schools Projects (List all the Projects)</b>										
Amason Kingi Secondary School	8,000,000	0	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000
AMBASSADOR KITHI SECONDARY SCHOOL	0	61,786	0	61,786	0	61,786	0	61,786	0	61,786
BAHERO GIRLS SECONDARY SCHOOL	0	799	0	799	0	799	0	799	0	799
BAMBA GIRLS SECONDARY	0	5,939,655	0	5,939,655	5,718,959	220,696	0	5,939,655	5,718,959	220,696
BAMBA GIRLS SECONDARY SCHOOL	0	29,626	0	29,626	0	29,626	0	29,626	0	29,626
BANDARI SECONDARY SCHOOL	0	65,310	0	65,310	0	65,310	0	65,310	0	65,310
DIDA SECONDARY SCHOOL	0	52,186	0	52,186	0	52,186	0	52,186	0	52,186
GANZE GIRLS SECONDARY SCHOOL	0	296,251	1,215,858	1,512,109	1,456,619	55,490	0	1,512,109	1,456,619	55,490
JILA SECONDARY SCHOOL	0	1,474	0	1,474	0	1,474	0	1,474	0	1,474
KANGAMBONI SECONDARY SCHOOL	0	2,146	0	2,146	0	2,146	0	2,146	0	2,146
KAUMA GIRLS SECONDARY SCHOOL	0	1,140	0	1,140	0	1,140	0	1,140	0	1,140
Magogoni Secondary School	8,000,000	0	0	8,000,000	0	8,000,000	0	8,000,000	0	8,000,000
MAGOGONI SECONDARY SCHOOL	0	1,711	0	1,711	0	1,711	0	1,711	0	1,711
MARIANI SECONDARY SCHOOL	0	233,534	0	233,534	215,575	17,960	0	233,534	215,575	17,960
MAYOWE SECONDARY SCHOOL	0	4,428	0	4,428	0	4,428	0	4,428	0	4,428
MIDOINA SECONDARY SCHOOL	0	1,322	0	1,322	0	1,322	0	1,322	0	1,322
Migodmani Secondary School	4,678,651	0	0	4,678,651	0	4,678,651	0	4,678,651	0	4,678,651
Mitangani Secondary School	0	0	9,600,000	9,600,000	118,200	9,481,800	0	9,600,000	118,200	9,481,800
MITANGANI SECONDARY SCHOOL	0	10,934	0	10,934	0	10,934	0	10,934	0	10,934
MWAEBWA SECONDARY SCHOOL	0	3,720,000	0	3,720,000	3,706,288	13,712	0	3,720,000	3,706,288	13,712
MWANGEA GIRLS SECONDARY SCHOOL	0	2,095	0	2,095	0	2,095	0	2,095	0	2,095
Mwapula Secondary School	4,678,651	0	0	4,678,651	0	4,678,651	0	4,678,651	0	4,678,651
NDIGIRIA MIXED SECONDARY SCHOOL	0	58,764	0	58,764	0	58,764	0	58,764	0	58,764
NDUGUMNANI SECONDARY SCHOOL	0	169	0	169	0	169	0	169	0	169
NYARI SECONDARY SCHOOL	0	4,454,356	0	4,454,356	4,439,586	14,770	0	4,454,356	4,439,586	14,770

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NYARI SECONDARY SCHOOL	0	47,336	0	47,336	0	47,336
PETANGUO SECONDARY SCHOOL	0	126	0	126	0	126
SHANGWENI SECONDARY SCHOOL	0	1,196	0	1,196	0	1,196
SOSONI SECONDARY SCHOOL	0	2,956	0	2,956	0	2,956
TEDDY MWAMBIRE SECONDARY SCHOOL	0	64,952	0	64,952	0	64,952
TSANZUNI SECONDARY SCHOOL	0	1,067	0	1,067	0	1,067
VITENGENI BAPTIST SECONDARY SCHOOL	0	10,487	0	10,487	0	10,487
VYAMBANI SECONDARY SCHOOL	0	599	0	599	0	599
	0	0	0	0	0	0
<b>Sub-total</b>	<b>25,357,302</b>	<b>15,066,405</b>	<b>10,815,858</b>	<b>51,239,565</b>	<b>15,655,227</b>	<b>35,584,338</b>
<b>10.0 Tertiary institutions Projects (List all the Projects)</b>						
				0		0
				0		0
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>11.0 Security Projects</b>						
BAMBA CHIEF'S OFFICE	0	126,935	0	126,935	0	126,935
BAMBA POLICE STATION	0	676	0	676	0	676
Bandari Assistant Chief's Office	3,286,000	0	0	3,286,000	0	3,286,000
CHIRA ASSIST. CHIEF'S OFFICE	0	1,429,524	0	1,429,524	1,425,693	3,831
CHIVARA ASSIST. CHIEF'S OFFICE	0	0	3,086,000	3,086,000	3,071,111	14,889
DCC's RESIDENCE	0	104,773	0	104,773	0	104,773
DZIKUNZE ASSISTANT CHIEF'S OFFICE	0	619	0	619	0	619
GANZE DEP. COUNTY COMMISSIONER'S OFFICE	0	44,774	0	44,774	0	44,774
KAUMA CHIEF'S OFFICE	0	78,062	0	78,062	0	78,062
MADAMANI ASSISTANT CHIEF'S OFFICE	0	3,724	0	3,724	0	3,724
MAGOGONI- MATOLANI ASSISTANT CHIEF'S	0	2,213	0	2,213	0	2,213
MARYANGO ASSISTANT CHIEF'S OFFICE	0	3,086,000	0	3,086,000	3,078,686	7,314

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Maya Assistant Chief's Office	3,286,000	0	0	3,286,000	0	3,286,000
MITSEDZINI ASSISTANT CHIEF'S OFFICE	0	1,303	0	1,303	0	1,303
MWAMBANI ASSISTANT CHIEF'S OFFICE	0	434	0	434	0	434
Ndugumnani Assistant Chief's Office	3,286,000	0	0	3,286,000	0	3,286,000
SHANGWENI ASST. CHIEF'S OFFICE	0	3,086,000	0	3,086,000	2,525,651	560,349
VITENGENI POLICE STATION	0	261,726	0	261,726	0	261,726
	0	0	0	0	0	0
	0	0	0	0	0	0
<b>Sub-total</b>	<b>9,858,000</b>	<b>8,226,764</b>	<b>3,086,000</b>	<b>21,170,764</b>	<b>10,101,141</b>	<b>11,069,623</b>
<b>12.0 Acquisition of assets</b>						
12.1 Motor Vehicles (including motorbikes)	0	0	0	0	0	0
12.2 Purchase of furniture and fittings	0	0	0	0	0	0
12.2 Construction of CDF office	0	300,000	0	300,000	0	300,000
<b>Sub-total</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>300,000</b>
<b>13.0 Others</b>						
Digital Hubs Expenses	0	0	0	0	0	0
Strategic Plan	0	1,510,000	0	1,510,000	0	1,510,000
Hospital Projects	0	94,295	0	94,295	0	94,295
<b>Sub-total</b>	<b>0</b>	<b>1,604,295</b>	<b>0</b>	<b>1,604,295</b>	<b>0</b>	<b>1,604,295</b>
<b>14.0 Funds pending approval**</b>				0		0
PMC Savings	0	0	0	0	0	0
unapproved projects	0	0	0	0	0	0
AiA	0	303,000	0	303,000	0	303,000
<b>Sub-total</b>	<b>0</b>	<b>303,000</b>	<b>0</b>	<b>303,000</b>	<b>0</b>	<b>303,000</b>
<b>Total</b>	<b>170,469,857</b>	<b>92,693,748</b>	<b>42,089,653</b>	<b>305,253,258</b>	<b>175,966,829</b>	<b>129,286,429</b>

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

## 17. Notes to the Financial Statements

### 1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Ganze Constituency principal activity is to bring equal development across the constituency.

### 2. Statement of Compliance and Basis of Preparation

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

*The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Ganze Constituency has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement.*

*The NG-CDF Ganze 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; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.*

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*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 (include any other applicable legislation), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

### 3. Adoption of New and Revised Standards

*(When an IPSAS becomes effective on 1<sup>st</sup> January 2025, it is applicable in Kenya from 1<sup>st</sup> July 2025)*

- 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	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>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.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p>

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	<i>This IPSAS is not applicable to the constituency</i>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>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.</p> <p><i>This IPSAS is not applicable to the constituency .</i></p>
IPSAS 45: Property Plant and Equipment	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>This IPSAS is applicable to the constituency from 1<sup>st</sup> July 2025.</i></p>
IPSAS 46: Measurement	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across</li> </ul>

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	<p>IPSAS.</p> <p>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>This IPSAS is applicable to the constituency from 1<sup>st</sup> July 2025.</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>This IPSAS is applicable to the constituency from 1st July 2026.</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>This IPSAS is not applicable to the constituency.</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>This IPSAS is not applicable to the constituency.</i></p>

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<p>IPSAS 50: Exploration For &amp; Evaluation of Mineral Resources</p>	<p><i>Applicable 1<sup>st</sup> January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</li> <li>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ul> <p><i>This IPSAS is not applicable to the constituency.</i></p>
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*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 30 June 2024 for the period 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

**c) Property, plant and equipment**

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

exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**d) Leases**

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

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

**e) Intangible assets**

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

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

**f) Financial instruments**

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

**a) Financial assets**

**Classification of financial assets**

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

#### **Subsequent measurement**

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

#### **Amortized cost**

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

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

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

#### **Trade and other receivables**

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

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

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

#### **Impairment**

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

#### **b) Financial liabilities**

##### **Classification**

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

#### **g) Inventories**

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

**h) Provisions**

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

**i) Social Benefits**

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

**j) Contingent liabilities**

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

**k) Contingent assets**

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

**l) Employee benefits**

**Retirement benefit plans**

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

**m) Foreign currency transactions**

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

**n) Related parties**

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

**o) Cash and Cash Equivalents**

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

p) **Comparative figures**

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

q) **Subsequent events**

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

**5. Significant Judgments and Sources of Estimation Uncertainty**

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

**Estimates and assumptions.**

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

#### **Useful lives and residual value**

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

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

#### **Provisions**

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

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6. Transfers from the NGCDF Board

Description	<i>Year ended 30<sup>th</sup> June 2025</i>
NGCDFB Transfers (Allocation for the FY)	170,469,857
<b>TOTAL</b>	<b>170,469,857</b>

7. Transfers from domestic and foreign partners

Description	<i>Year ended 30<sup>th</sup> June 2025</i>
	Kshs
Grants	0
<b>Total</b>	<b>0</b>

8. Finance income

Description	<i>Year ended 30<sup>th</sup> June 2025</i>
	Kshs
Interest Income on Bank Deposits	0
<b>Total</b>	<b>0</b>

9. Miscellaneous income

Description	<i>Year ended 30<sup>th</sup> June 2025</i>
	Kshs
Rental Income	0
Income from sale of tenders	0
Hire of plant/equipment/facilities	0
Other Income Not Classified Elsewhere <i>(specify)</i>	0
<b>Total</b>	<b>0</b>

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10. Employees cost

Description	<i>Year ended 30th June 2025</i>
	Kshs
NG-CDFC Basic staff salaries	3,168,362
Personal allowances paid as part of salary	0
House Allowance	591,206
Transport Allowance	117,000
Leave allowance	36,000
Gratuity to contractual employees	848,327
Employer Contributions Compulsory national social security schemes	196,320
Employer Contributions Compulsory Housing levy	61,049
Shif	57,526
Casuals	150,000
<b>Total</b>	<b>5,225,791</b>

11. Committee Expenses

Description	<i>Year ended 30th June 2025</i>
	Kshs
Sitting allowance	1,892,564
Other Committee expenses	938,100
<b>Total</b>	<b>2,830,664</b>

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12. Use of Goods and services

Description	<i>Year ended 30th June 2025</i>
	Kshs
Utilities, supplies and services	54,125
Communication, supplies and services	73,276
Domestic travel and subsistence	802,268
Printing, advertising and information supplies & services	791,234
Office Rent	0
Training expenses	2,575,200
Hospitality supplies and services	83,650
Insurance costs	194,411
Specialized materials and services	0
Office and general supplies and services	729,650
Fuel, oil & lubricants	922,199
Bank Charges	8,467
Routine maintenance – vehicles and other transport equipment	862,603
Routine maintenance – other assets	43,300
Strategic plan expenses	0
Other operating expenses	0
<b>Total</b>	<b>7,140,383</b>

13. Other Government Units Actual expenditure

Description	<i>Year ended 30th June 2025</i>
	Kshs
Primary Schools Actual expenditure	73,110,735
Secondary Schools Actual Expenditure	16,063,672
Tertiary Institutions Actual Expenditure	0
<b>Total</b>	<b>89,174,407</b>

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14. Other Grants and transfers Actual expenditure

Description	<i>Year ended 30th June 2025</i>
	Kshs
Bursary – secondary schools	49,605,484
Bursary – tertiary institutions	13,167,810
Bursary – special schools	0
Bursary - Education Support programmes	0
Social Security programmes (SHIF)	0
Security projects Actual Expenditure	10,373,863
Climate change mitigation projects	0
Emergency projects Actual Expenditure	1,739,600
Roads projects	0
Others specify	0
<b>Total</b>	<b>74,886,757</b>

15. Depreciation and Amortization Expenses

Description	<i>Year ended 30th June 2025</i>
	Kshs
Property Plant and Equipment	179,865
Intangible Assets	0
<b>Total</b>	<b>179,865</b>

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16. Digital Hubs Expenses

Description	<i>Year ended 30th June 2025</i>
	Kshs
Construction/ renovation/Actual Expenditure	0
Digital Hub utility costs Water, Electricity,	0
Maintenance of ICT equipment	0
Maintenance of building	0
Others ( <i>specify</i> )	0
<b>Total</b>	<b>0</b>

17. Gain/loss on Sale of Assets

Description	<i>Year ended 30th June 2025</i>
	Kshs
Property, Plant and Equipment	0
Intangible Assets	0
<b>Total Gain/loss on Sale of Asset</b>	<b>0</b>

18. Impairment Loss

Description	<i>Year ended 30th June 2025</i>
	Kshs
Property, Plant and Equipment	0
Intangible Assets	0
<b>Total Impairment Loss</b>	<b>0</b>

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19. Cash and Cash Equivalents

Name Of Bank and Account No.	Year ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
<i>Name Of Bank, Account No. (Operations account)</i>	78,824,082	29,941,429
<i>Operations account pending closure (Indicate name &amp; account no.)</i>	0	0
<i>Name of Bank, account No. (Deposit account)</i>	0	0
<i>Name of Bank, account No. (PMC's account)</i>	13,992,491	62,752,319
<b>Total</b>	<b>92,816,573</b>	<b>92,693,748</b>
<b>Cash Balances</b>		
Location 1	0	0
Location 2	0	0
Other Locations ( <i>Specify</i> )	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

*(A schedule of all reconciled PMC bank balances as at the end of the period is annexed)*

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20. Receivables from Exchange Transactions

Description	Year ended June 2025	Opening Statement
	Kshs	1st July 2024 Kshs
Total receivables		
Other exchange debtors ( <i>Specify</i> )	0	0
Less: impairment allowance	0	0
<b>Total receivables</b>	<b>0</b>	<b>0</b>
a. Current receivables	0	0
b. Non-current receivables	0	0
<b>Total Receivables (a+b)</b>	<b>0</b>	<b>0</b>

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

i. Ageing Analysis for Receivables

Description	Year ended June 2025		Opening Statement	
	Kshs		1st July 2024 Kshs	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total (a+b)</b>	<b>0</b>	<b>%</b>	<b>0</b>	<b>%</b>

21. Receivables from Non-Exchange Transactions

Description	Year ended June 2025	Opening Statement
	Kshs	1st July 2024 Kshs
Transfers from NGCDFB	36,469,857	42,089,653.00
Outstanding imprest	0	0
<b>Total</b>	<b>36,469,857</b>	<b>42,089,653</b>

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i. Ageing Analysis for Receivables

Description	Year ended June 2025		Opening Statement 1 <sup>st</sup> July 2024	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year		0%	0	%
Between 1- 2 years	36,469,857	100%	0	%
Between 2-3 years	-	0%	0	%
Over 3 years	-	0%	0	%
<b>Total (a+b)</b>	<b>36,469,857</b>	<b>100%</b>	<b>0</b>	<b>%</b>

22. Prepayments

Description	Year ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Prepaid Rent	0	0
Prepaid Insurance	0	0
Prepaid Electricity Costs	0	0
Other Prepayments <i>(Specify)</i>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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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
<b>Depreciation Rate</b>		10%	25.00%	20%	12.50%	30.00%			
<b>Cost</b>	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Opening Bal as 1<sup>st</sup> July 2024</b>	0	0	0	0	0	0	0	0	0
Additions	0	0	0	0	0	599,550	0	0	599,550
Disposals	0	0	0	0	0	0	0	0	0
Transfer/Adjustments	0	0	0	0	0	0	0	0	0
<b>As At 30th Jun 2025</b>	0	0	0	0	0	599,550	0	0	599,550
<b>Depreciation And Impairment</b>									
Opening bal accumulated depreciation 1st July 2024	0	0	0	0	0	0	0	0	0
Depreciation	0	0	0	0	0	179,865	0	0	179,865
Disposals	0	0	0	0	0	0	0	0	0
Impairment	0	0	0	0	0	0	0	0	0
Transfer/Adjustment	0	0	0	0	0	0	0	0	0
<b>As At 30th Jun 2025</b>	0	0	0	0	0	179,865	0	0	179,865
<b>Net Book Values</b>									
<b>Opening Bal as at 1<sup>st</sup> July 2024</b>	0	0	0	0	0	0	0	0	0
<b>As At 30th June 2025</b>	0	0	0	0	0	419,685	0	0	419,685

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**Valuation**

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

**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	0	0	0
Buildings	0	0	0
Plant And Machinery	0	0	0
Motor Vehicles, Including Motorcycles	0	0	0
Computers And Related Equipment	0	0	0
Office Equipment, Furniture, And Fittings	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	0	0
Motor Vehicles including Motorcycles	0	0
Computers and Related Equipment	0	0
Office Equipment, Furniture and Fittings	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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24. Intangible Assets

Description	Year ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
<b>Cost</b>		
Opening balance at the beginning of the Year	0	0
Additions	0	0
Disposal	0	0
<b>At end of the Year</b>	0	0
Additions–internal development	0	0
Disposal	0	0
<b>At end of the Year</b>	0	0
<b>Amortization and impairment</b>		
At beginning of the Year	0	0
Amortization	0	0
<b>At end of the Year</b>	0	0
Impairment loss	0	0
<b>At end of the Year</b>	0	0
<b>NBV</b>	0	0

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25. Right-of use assets

Description	<i>Buildings</i>	Motor vehicles	<i>Plant and equipment</i>	<i>Total</i>
	Kshs	Kshs	Kshs	Kshs
<b>Cost</b>				
As at 1 July 2024	0	0	0	0
Additions	0	0	0	0
As at 30 Sept/Dec/ March/June 2025	0	0	0	0
<b>Accumulated Depreciation</b>				
As at 1 July 2024	0	0	0	0
Charge for the year	0	0	0	0
As at 30 Sept/Dec/ March/June 2025	0	0	0	0
<b>Carrying Amount</b>				
As at 30 Sept/Dec/ March/June 2025	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

26. Trade and Other Payables

Description	<i>Year ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Trade payables	0	0
Employee payables	0	0
Other payables	0	0
<b>Total trade and other payables</b>	<b>0</b>	<b>0</b>

Aging analysis: (Trade and other payables)	Current FY	% of the Total	1st July	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total (tie to above total)</b>	<b>0</b>		<b>0</b>	

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27. Third-Party deposits

	<i>Year ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the Year (A)	0	0
Retention held during the Year (B)	9,550,444	0
Retention paid during the Year (C)	6,395,816	0
<b>Closing Retention as at Year ended 30<sup>th</sup> June 2025, D= A+B-C</b>	<b>3,154,629</b>	<b>0</b>

Retentions aging analysis.

	Insert Current FY	% of the total	Insert Comparative FY	% of the total
Less than 1 year	3154629	100	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total</b>	<b>3154629</b>	<b>100</b>	<b>0</b>	

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

28. Lease Liabilities

<i>Description</i>	<i>Year ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Balance at the beginning of the Year	0	0
Discount interest on lease liability	0	0
Paid during the Year	0	0
<b>At end of the Year</b>	<b>0</b>	<b>0</b>

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**Maturity Analysis**

Year	Amount
Year 1	0
Year 2	0
Year 3	0
Year 4	0
Year 5 and onwards	0
Less: unearned Interest	0
	0

**Analysed as:**

Description	Amount
Current	0
Non- Current	0
Total	0

**29. Gratuity Provision**

Description	<i>Year ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Gratuity at the beginning of the Year (A)	904,444	904,443.60
Gratuity held during the Year (B)	848,327	0
Gratuity paid during the Year (C)	112,232	0
<b>Total Gratuity provision as at Year ended 30<sup>th</sup> June 2025 D=(A+B-C)</b>	<b>1,640,539.00</b>	<b>904,443.60</b>

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**30. Cash Generated from Operations**

	<i>Year ended June 2025</i>
	Kshs
Surplus for the Year before tax	(8,968,011)
<b>Adjusted for:</b>	
Depreciation	179,865
Non-cash grants received	0
Contributed assets	0
Impairment	0
Gains and losses on disposal of assets	0
Contribution to provisions	0
Contribution to impairment allowance	0
<b>Working capital adjustments</b>	
Changes in inventory	0
Changes in receivables	(5,619,796)
Changes in deferred income	0
Changes in Third party deposits	3,154,629
Changes in gratuity provision	736,095
Changes in payments received in advance	0
<b>Net cash flow from operating activities</b>	<b>722,374</b>

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

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**i) Credit risk**

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

**Financial Risk Management**

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June (2025)</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	36,469,857	36,469,857	-	-
Bank balances	92,816,573	92,816,573	-	-
<b>Total</b>	<b>129,286,430</b>	<b>129,286,430</b>	-	-
<b>As at 30 June (2024)</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	42,089,653	42,089,653	-	-
Bank balances	92,752,319	92,752,319	-	-
<b>Total</b>	<b>134,841,972</b>	<b>134,841,972</b>	-	-

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*(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 recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from xxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

#### ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June (2025)</b>				
Trade payables	-	788,657	2,365,971	3,154,629
Current proportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	226,111	622,217	848327

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June (2024)</b>	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-		904,444	904,444
<b>Total</b>	-	<b>1,014,768</b>	<b>23,892,632</b>	<b>24,997,400</b>

**iii) Market risk**

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

**a) Foreign currency risk**

The *Entity* has 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

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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
<b>Current FY</b>			
Euro	10%	-	-
USD	10%	-	-
<b>Previous FY</b>		-	-
Euro	10%	-	-
USD	10%	-	-

### b) Interest rate risk

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

#### Management of interest rate risk

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

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

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

**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	1 <sup>st</sup> July 2025	<i>Opening Statement 1<sup>st</sup> July 2025</i>
	Kshs	Kshs
Revaluation Reserve		
Retained Earnings		
Capital Reserve	<b>133,878,958</b>	124,906,039
<b>Total Funds</b>	<b>133,878,958</b>	<b>124,906,039</b>
Total Borrowings	-	-
Less: Cash and Bank Balances	<b>92,752,319</b>	<b>92,816,573</b>
Net Debt/(Excess Cash And Cash Equivalents)	-	-
<b>Gearing</b>	<b>0%</b>	<b>0%</b>

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**32. Related Party Disclosures**

	1 <sup>st</sup> July 2024	Opening Statement 1 <sup>st</sup> July 2025
	Kshs	Kshs
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	3,570,256	2,830,664
<b>Total</b>	<b>3,570,256</b>	<b>2,830,664</b>
<b>Transaction with the NGCDF Board</b>		
Transfers from the NGCDF Board during the year	193,615,033	176,089,653
<b>Total</b>	<b>193,615,033</b>	<b>176,089,653</b>

**33. Segment Information**

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

**34. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

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

*(Give details)*

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**Contingent Liabilities**

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

**35. Capital Commitments**

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

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

**36. Events after the Reporting Period**

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

**37. Ultimate And Holding Entity**

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

**38. Currency**

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

**18. Annexes  
Annex 1: Summary of Asset Register**

Asset class	Historical Cost balance brought forward (Kshs)	Additions during the Year (Kshs)	Disposals during the Year (Kshs)	Historical Cost  (Kshs)  At Year/Year End
Land				
Buildings and structures	18,255,353	-	-	18,255,353.00
Transport equipment	8,462,382			8,462,382.00
Office equipment, furniture, and fittings	1,837,750	-		1,837,750.00
ICT Equipment and Other ICT Assets	583,850	599,550.00		1,183,400.00
Other Machinery and Equipment	9,560,000			9,560,000.00
				-
Intangible assets				-
<b>Total</b>	<b>38,699,335</b>	<b>599,550</b>	<b>-</b>	<b>39,298,885.00</b>

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

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

PMC	Bank	Account number	Bank Balance 30th June 2025	<i>Opening Statement 1<sup>st</sup> July 2024</i>
<b>PRIMARY SCH. PROJECTS</b>				
BAHATI PRIMARY SCHOOL	EQUITY BANK	1060280795345	3,420	3,420
BAHERO PRIMARY SCHOOL	EQUITY BANK	1060285346467	21,395	0
BALE PRIMARY SCHOOL	EQUITY BANK	1060285345547	886	0
BAMBA PRIMARY SCHOOL	EQUITY BANK	1060286251006	9,960	0
BODOI PRIMARY SCHOOL	EQUITY BANK	1060278542728	789	789
BOPONI PRIMARY SCHOOL	EQUITY BANK	1060285344894	7,445	375,000
CHAPUNGU PRIMARY SCHOOL	EQUITY BANK	1060279614274	242,216	242,216
CHINYUME PRIMARY SCHOOL	EQUITY BANK	1060285346044	463	463
CHINYUME PRIMARY SCHOOL	EQUITY BANK	1060280299440	213,912	5,300,000
DANICHA PRIMARY SCHOOL	EQUITY BANK	1060285345175	178,591	1,648,562
DARAJANI PRIMARY SCHOOL	EQUITY BANK	1060286000855	6,870	0
DARAJANI PRIMARY SCHOOL	EQUITY BANK	1060280296674	250,649	250,649

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DIDA PRIMARY SCHOOL	EQUITY BANK	1060286245374	186,743	525,500
		1060277490513		
DODOSA PRIMARY SCHOOL	EQUITY BANK		3,204	3,779
DULUKIZA PRIMARY SCHOOL	EQUITY BANK	1060280308851	21,240	21,240
ENVIRONMENT ACTIVITIES	EQUITY BANK	1060276401283	23,733	23,733
FORODHOYO PRIMARY SCHOOL	EQUITY BANK	1060279814759	22,185	22,185
FUDUMULO PRIMARY SCHOOL	EQUITY BANK	1060280855185	1,000	1,000
GABINA PRIMARY	EQUITY BANK	1060286080629	7,015	0
GANZE PRIMARY SCHOOL	EQUITY BANK	1060277477111	90,957	90,957
GOSHI PRIMARY SCHOOL	EQUITY BANK	1060280927010	29,821	29,821
JILA PRIMARY SCHOOL	EQUITY BANK	1060280361822	45,437	45,437
JIRA PRIMARY SCHOOL	EQUITY BANK	1060280361606	398	398
JIRA PRIMARY SCHOOL	EQUITY BANK	1060285346835	155,681	3,600,000
KABELENGANI PRIMARY SCHOOL	EQUITY BANK	1060285346653	216,153	5,300,000
KACHORORONI PRIMARY	EQUITY BANK	1060286245843	181,912	1,000
KADZANDANI PRIMARY SCHOOL	EQUITY BANK	1060280291966	1,320	1,320
KAFITSONI PRIMARY SCHOOL	EQUITY BANK	1060280173756	41,481	41,481
KAGOMBANI PRIMARY SCHOOL	EQUITY BANK	1060278556749		140

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			140	
KALONGONI PRIMARY SCHOOL	EQUITY BANK	1060285345941	4,919	299,250
KATENDEWA PRIMARY SCHOOL	EQUITY BANK	1060280914419	10,473	10,473
KATOFENI PRIMARY SCHOOL	EQUITY BANK	1060278597967	3,023	58,368
KAVUNZONI PRIMARY SCHOOL	EQUITY BANK	1060280331383	76,265	76,265
KIDEMU PRIMARY SCHOOL	EQUITY BANK	1060280892983	420	420
KIKWANGULONI PRIMARY SCHOOL	EQUITY BANK	1060280303406	20,790	20,790
KIRIMANI PRIMARY SCHOOL	EQUITY BANK	1060280830599	616	616
KWA DADU PRIMARY SCHOOL	EQUITY BANK	1060282773899	58,225	12,000
LWANDANI PRIMARY SCHOOL	EQUITY BANK	1060280373699	5,567	5,567
MABATHANI PRIMARY SCHOOL	EQUITY BANK	1060280332163	1,476	1,476
MADAMANI PRIMARY SCHOOL	EQUITY BANK	1060280308086	1,043	1,043
MAKALANGENI PRIMARY SCHOOL	EQUITY BANK	1060280822184	51,735	51,735
MAKONJENI PRIMARY SCHOOL	EQUITY BANK	1060282228646	297	297
MALANGA PRIMARY	EQUITY BANK	1060285346767	957	0
MALANGA PRIMARY SCHOOL	EQUITY BANK	1060285346767	955	955
MANGORORO PRIMARY SCHOOL	EQUITY BANK	1060279012355	2,655	2,655

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MAOJO PRIMARY SCHOOL	EQUITY BANK	1060280795484	1,000	1,000
MARERE PRIMARY SCHOOL	EQUITY BANK	1060279085432	1,584	1,584
MARYANGO PRIMARY SCHOOL	EQUITY BANK	1060280482124	86,704	86,704
MAYA PRIMARY SCHOOL	EQUITY BANK	1060280335600	1,015	1,015
MBWANA PRIMARY SCHOOL	EQUITY BANK	1060285346036	685	750,000
MDANGARANI PRIMARY SCHOOL	EQUITY BANK	1060284358920	475	475
MIDODONI PRIMARY SCHOOL	EQUITY BANK	1060278590462	670	670
MIGUMOMIRI PRIMARY SCHOOL	EQUITY BANK	1060285345626	1,169,019	3,600,000
MIHUHUNI PRIMARY SCHOOL	EQUITY BANK	1060286486884	760,000	0
MILORE PRIMARY SCHOOL	EQUITY BANK	1060285346546	118,832	0
MISUFINI PRIMARY SCHOOL	EQUITY BANK	1060278989166	79	79
MKUHAMURE PRIMARY SCHOOL	EQUITY BANK	1060284631977	997	1,243,172
MRIMA WA NDEGE PRIMARY SCHOOL	EQUITY BANK	1060285345921	416	0
MRYACHAKWE PRIMARY	EQUITY BANK	1060282227755	79,093	79,093
MRYACHAKWE PRIMARY SCHOOL	EQUITY BANK	1060284388156	1,079	1,079
MTSARA WA TSATSU PRIMARY SCHOOL	EQUITY BANK		2,500,000	0
MUGUMONI PRIMARY SCHOOL	EQUITY BANK	1060280291771		122,624

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			32,490	
MUHONI PRIMARY SCHOOL	EQUITY BANK	1060279023763	1,984	1,984
MULUNGU WA MAWE PRIMARY SCHOOL	EQUITY BANK	1060278504320	21,610	21,610
MUYUNI PRIMARY SCHOOL	EQUITY BANK	1060278583019	416	416
MWAHERA PRIMARY SCHOOL	EQUITY BANK	1060285345965	1,549	5,285,240
MWANGANGA PRIMARY SCHOOL	EQUITY BANK	1060280317694	148	148
MWANGANGA PRIMARY SCHOOL	EQUITY BANK	1060285346873	2,280	750,000
MWANGEA PRIMARY SCHOOL	EQUITY BANK	1060284364602	4,255	288,587
MWAPULA PRIMARY SCHOOL	EQUITY BANK	1060277472310	999	999
MWENGE PRIMARY SCHOOL	EQUITY BANK	1060277472454	714	714
MWENGE PRIMARY SCHOOL	EQUITY BANK	1060285346813	233,422	0
NASORO PRIMARY SCHOOL	EQUITY BANK	1060282742873	1,041	1,041
NDIGIRIA PRIMARY SCHOOL	EQUITY BANK	1060282820875	1,000	1,000
NGAMANI PRIMARY SCHOOL	EQUITY BANK	1060280896718	547	547
NZOVUNI PRIMARY SCHOOL	EQUITY BANK	1060282823070	9,473	9,473
PALAKUMI PRIMARY SCHOOL	EQUITY BANK	1060277552691	256,226	256,226
PAZIANI PRIMARY SCHOOL	EQUITY BANK	1060285346423		5,070,933

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			238,634	
PETANGUO PRIMARY SCHOOL	EQUITY BANK	1060278968467	693	693
RANCH PRIMARY SCHOOL	EQUITY BANK	1060280821685	750,226	226
RARE PRIMARY SCHOOL	EQUITY BANK	1060285347036	6,430	3,720,000
RIMA RA PERA PRIMARY	EQUITY BANK	1060284369976	1,000	1,000
TANDIA PRIMARY SCHOOL	EQUITY BANK	1060280798154	69,616	69,616
TSANZUNI PRIMARY	EQUITY BANK	1060285345696	433,850	0
UPENDO PRIMARY SCHOOL	EQUITY BANK	1060282832138	5,259	5,259
VILWAKWE PRIMARY SCHOOL	EQUITY BANK	1060282835665	950	950
VITENGENI PRIMARY SCHOOL	EQUITY BANK	1060282241560	2,188	2,188
VITSAPUNI PRIMARY SCHOOL	EQUITY BANK	1060285345670	2,185	2,185
YEMBE PRIMARY SCHOOL	EQUITY BANK	1060281038343	12,351	12,351
ZIA RA WIMBI PRIMARY SCHOOL	EQUITY BANK	1060277607990	33,651	33,651
<b>TOTAL</b>			<b>9,051,264</b>	<b>39,495,529</b>
<b>SECONDARY SCHOOL PROJECTS</b>				
AMBASSADOR KITHI SECONDARY SCHOOL	EQUITY BANK	1060279027903		61,786

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			61,786	
BAHERO GIRLS SECONDARY SCHOOL	EQUITY BANK	1060282713550	799	799
BAMBA GIRLS SECONDARY	EQUITY BANK	1060284364585	220,696	5,939,655
BAMBA GIRLS SECONDARY SCHOOL	EQUITY BANK	1060280565317	29,626	29,626
BANDARI SECONDARY SCHOOL	EQUITY BANK	1060278971832	65,310	65,310
DIDA SECONDARY SCHOOL	EQUITY BANK	1060279816486	52,186	52,186
GANZE GIRLS SECONDARY SCHOOL	EQUITY BANK	1060284370392	55,490	257,940
JILA SECONDARY SCHOOL	EQUITY BANK	1060277475490	1,474	1,474
KANGAMBONI SECONDARY SCHOOL	EQUITY BANK	1060284364493	2,146	2,146
KAUMA GIRLS SECONDARY SCHOOL	EQUITY BANK	1060282738270	1,140	1,140
MAGOGONI SECONDARY SCHOOL	EQUITY BANK	1060282251332	1,711	1,711
MARIANI SECONDARY SCHOOL	EQUITY BANK	1060284365856	17,960	233,534
MAYOWE SECONDARY SCHOOL	EQUITY BANK	1060280303547	4,428	4,428
MIDOINA SECONDARY SCHOOL	EQUITY BANK	106027904 5221	1,322	1,322
MITANGANI SECONDARY SCHOOL	EQUITY BANK	1060280617190	10,934	10,934
MWAEBE SECONDARY SCHOOL	EQUITY BANK	1060285346896	13,712	3,720,000
MWANGEA GIRLS SECONDARY SCHOOL	EQUITY BANK	1060277341298		2,095

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			2,095	
NDIGIRIA MIXED SECONDARY SCHOOL	EQUITY BANK	1060282717437	58,764	58,764
NDUGUMNANI SECONDARY SCHOOL	EQUITY BANK	1060279813566	169	169
NYARI SECONDARY SCHOOL	EQUITY BANK	1060285345799	14,770	4,454,356
NYARI SECONDARY SCHOOL	EQUITY BANK	1060280754166	47,336	47,336
PETANGUO SECONDARY SCHOOL	EQUITY BANK	1060278968467	126	126
SHANGWENI SECONDARY SCHOOL	EQUITY BANK	1060281299589	1,196	1,196
SOSONI SECONDARY SCHOOL	EQUITY BANK	1060280374747	2,956	2,956
TEDDY MWAMBIRE SECONDARY SCHOOL	EQUITY BANK	1060282753805	64,952	64,952
TSANZUNI SECONDARY SCHOOL	EQUITY BANK	1060280806092	1,067	1,067
VITENGENI BAPTIST SECONDARY SCHOOL	EQUITY BANK	1060277712508	10,487	10,487
VYAMBANI SECONDARY SCHOOL	EQUITY BANK	1060280324019	599	599
<b>TOTAL</b>			<b>745,236</b>	<b>15,028,094.27</b>
<b>TERTIARY INSTITUTION PROJECTS</b>				
			-	
			-	

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			-	
<b>TOTAL</b>			-	-
<b>SECURITY PROJECTS</b>				
BAMBA CHIEF'S OFFICE	EQUITY BANK	1060280830250	126,935	126,935
BAMBA POLICE STATION	EQUITY BANK	1060177527651	676	676
CHIRA ASSIST. CHIEF'S OFFICE	EQUITY BANK	1060284361000	3,831	1,429,524
CHIVARA ASSIST. CHIEF'S OFFICE	EQUITY BANK	1060285346980	14,889	
DCC's RESIDENCE	EQUITY BANK	1060279026472	104,773	104,773
DZIKUNZE ASSISTANT CHIEF'S OFFICE	EQUITY BANK	1060284364524	619	619
GANZE DEP. COUNTY COMMISSIONER'S OFFICE	EQUITY BANK	1060280753860	44,774	44,774
KAUMA CHIEF'S OFFICE	EQUITY BANK	1060280811382	78,062	78,062
MADAMANI ASSISANT CHIEF'S OFFICE	EQUITY BANK	1060282239819	3,724	3,724
MAGOGONI- MATOLANI ASSISTANT CHIEF'S	EQUITY BANK	1060284365887	2,213	2,213
MARYANGO ASSISTANT CHIEF'S OFFICE	EQUITY BANK	1060285346706	7,314	3,086,000
MITSEDZINI ASSISTANT CHIEF'S OFFICE	EQUITY BANK	1060284370494	1,303	1,303
MWAMBANI ASSISTANT CHIEF'S OFFICE	EQUITY BANK	1060284365859	434	434
SHANGWENI ASST. CHIEF'S OFFICE	EQUITY BANK	1060285347017		3,086,000

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			560,349	
VITENGENI POLICE STATION	EQUITY BANK	1060279045419	261,726	261,726
<b>TOTAL</b>			<b>1,211,623</b>	<b>8,226,764.27</b>
<b>DIGITAL HUBS (ASSET/PROJECT)</b>				
DIDA SPORTS GROUND	EQUITY BANK	1060284365867	150	150
SPORTS ACTIVITIES	EQUITY BANK	1060278759917	1,782	1,782
<b>TOTAL</b>			<b>1,932.00</b>	<b>1,932.00</b>
<b>ENVIRONMENT</b>				
ENVIRONMENT	EQUITY BANK	1060276401283	2,982,435	0
<b>TOTAL</b>			<b>2,982,435</b>	<b>0</b>
<b>GRANT TOTAL</b>			<b>13,992,491</b>	<b>62,752,319</b>

**Annex 3: Progress On Follow Up of Auditor Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/KRO/A UD/7/11/2023 /2024/1	<p><b>Unsupported other payments</b>  Note 5 to the financial statements, indicate an amount of Kshs. 2,821,556 as Sitting allowances. However, the supporting schedule, indicate an amount of Kshs. 2,221,556 leading to an unexplained variance of Kshs. 600,000.</p> <p>Note 4 to the financial statements indicates an amount of Kshs.4,451,764 under compensation of employees however, the supporting schedule, indicate an amount of Kshs.4,561,914 resulting to unexplained and unreconciled difference of Kshs.110,150</p>	The contact documents for strategic plan were provided and all expenditure schedules were also availed.	Not Resolved	Awaiting Appearance before DFAC
OAG/KRO/A UD/7/11/2023 /2024/2	<p><b>Unsupported committee expenses</b>  Statement of receipts and payments and note 4 to the financial statements indicate Kshs.4,451,764 for compensation of employees. Review of personal files revealed one new casual was engaged in the records management office. However, recruitment file was not provided to confirm approval by the constituency development fund committee for recruitment. Short listing and interview reports were not provided. There was no advertisement provided for the vacant positions. Contract agreement for the new employee was not provided.</p> <p><b>Recommendations</b></p>	The financial statements were reviewed and amended.	Not Resolved	Awaiting 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>Explain why the casuals are irregularly engaged Avail the casuals contract documents for audit verification</p>			
<p>OAG/KRO/A UD/7/11/2023 /2024/3</p>	<p><b>4.1 Transfers to Other Government Entities</b></p> <p><b>Un-approved Procurement Documents</b></p> <p>Note 7 to the financial statements indicates transfers to primary schools of Kshs 60,531,372. Review of procurement files revealed the following issues;</p> <p><b>Mkuhamure Primary School –</b></p> <p>Review of procurement files Ref No: GNZ/NG-CDF/Q008/2022/2023 and GNZ/NG-CDG/Q013/2022/2023 revealed award of tender for construction of 2 no. classroom block and supply and delivery of 125 no. wooden desks of cypress timber; tender to M/s Komwenda Supplies and Construction Limited and M/s, Scot Books and Stationery Limited at a cost of Kshs. 2,939,648 and Kshs. 593,000, respectively.</p> <ul style="list-style-type: none"> <li>• Both tenders were opened on the 27 July 2023. However, only one of the three appointed tender committee members signed the minutes.</li> <li>• The tender evaluation committee minutes, of 28 July 2023, were signed by only two of the five appointed members.</li> <li>• The forms of agreement for construction of 2 no. classroom block does not have a commencing date, 18 August 2023,</li> </ul>	<p>The said monies i.eksh527650 for dida sports was just transferred from the main account but was not used by the time of audit. Futher, the supporting for ksh170900 were provided.</p>	<p>Not Resolved</p>	<p>Awaiting 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><b>Mwaeba Secondary School –</b></p> <p>Review of procurement file Ref No: GNZ/NG-CDF/Q14/2023/2024 revealed award for construction of 2 no. classroom block to M/s Chrilih Investments at a cost of Kshs. 2,916,330.</p> <ul style="list-style-type: none"> <li>• Tender evaluation committee minutes has been signed by only two of the five appointed members</li> <li>• Letter of award to the contractor and acceptance not provided</li> <li>• The letters of regret were not provided</li> <li>• The contract agreement was not provided</li> </ul> <p><b>Cause</b> The management's non-adherence to PPAD Act 2015</p> <p><b>Risk</b> Lack of procurement approvals imply high probability of fraud.</p> <p><b>Recommendation</b> The management should ensure that all the appointed ad hoc committee members sign the minutes</p>			
OAG/KRO/A UD/7/11/2023 /2024/4	Unsupported bank balances	The clearance date for the presented chqs	Not Resolved	Awaiting Appearance before DFAC

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		was provided.		
OAG/KRO/A UD/7/11/2023 /2024/5	<p><b>4.6.1 Un-supported Bursary payments</b> Note 8 to the financial statement indicate Kshs. 57,892,915, and Kshs. 12,659,336, as bursary to secondary schools, and tertiary institutions, respectively. However, review of payment vouchers revealed the following anomalies were noted;</p> <p><b>Bursary – Secondary Schools, and Tertiary:</b></p> <ul style="list-style-type: none"> <li>a) Review of NG-CDF committee minutes revealed no evidence the bursary sub-committee was constituted.</li> <li>b) Bursary committee minutes were not provided to developed and approve the bursary selection criteria.</li> <li>c) Bursary application register and bursary award register were not provided as requested.</li> <li>d) Bursary meeting minutes approving applications using set criteria for the award of the bursaries were not provided.</li> </ul> <p><b>Cause</b> Non-compliance with the laid down laws by the management.</p> <p><b>Risk</b></p> <ul style="list-style-type: none"> <li>• Non – compliance with eligibility criteria</li> <li>• Misstatement of the financial statements</li> </ul>	The bursary subcommittee meeting showing the criteria used in issuing bursaries provide.	Not Resolved	Awaiting 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><b>Recommendation</b> Justify the non-formation of the Bursary Sub-committee.</p>			
	<p><b>4.6.2 Irregular procurement of sports kits</b></p> <p>Note 8 to the financial statement Kshs. 2,236,650 for sports projects. Included in this amount is Kshs1,709,000 for Sporting Activities transferred to Ganze NG-CDF sports kits equipment's PMC. Review of procurement file Ref No: GNZ/NG-CDF/Q010/2022/2023 revealed no letters of appointment of tender opening, tender evaluation, and inspection and acceptance committees. The contract does not indicate the contractors name, also it is not dated, signed and stamped by both parties. List of beneficiaries was not provided as indicated in the Ganze NG-CDF Code-list for FY 2022-2023.</p> <p><b>Risk</b></p> <p>Failure by the entity to fully support payments with documentations casts doubt on the authenticity of the expenditure reported as having being incurred and non-adherence to laws and regulations may lead to loss of public funds.</p> <p><b>Recommendation</b></p> <p>It is recommended that payment vouchers are properly supported with</p>			

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	i. relevant documentations made available to account for the expenditure. Management should explaine why the contract was not signed.			

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Name  
Fund Account Manager.