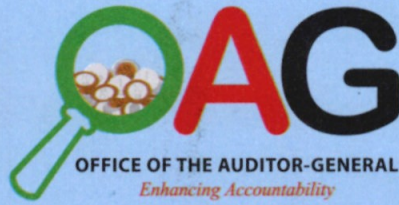
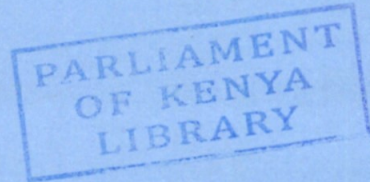


REPUBLIC OF KENYA



REPORT



OF


THE AUDITOR-GENERAL

ON

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

FOR THE YEAR ENDED

30 JUNE, 2025

 THE NATIONAL ASSEMBLY PAPERS LAID		
DATE:	17 FEB 2026	DAY: TUESDAY
TABLED BY:	DEPUTY MAJORITY LEADER	
CLERK-AT THE-TABLE:	FINLAY	



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KASARANI CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

Funds Pending approval -This means funds for projects that have not been approved for implementation ;this includes Project management committee savings and Funds from Appropriation In Aid.

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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 programmes we fund.
3. **Timeliness** – we adhere to prompt delivery of service.
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people.
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

Functions of NG-CDF Committee

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

(b) Key Management

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

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Joan J Koech
2.	National Sub-County Accountant	Anthony Ngunjiri
3.	Chairman NGCDFC	Samuel Kamau
4.	Member NGCDFC	Erica Moragwa
5.	Member NG CDFC	Joyline Kasyamani

(c) Fiduciary Oversight Arrangements

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

(d) NGCDF Kasarani Constituency Headquarters

Kasarani NG-CDF Offices
Po box 50990-00100
Njiru-Off Kangundo Road
Next to Njiru Chiefs Office

(e) NGCDF Kasarani Constituency Contacts

P.O. Box 50990-00100
Telephone: (254)791229687
E-mail: cdfkasarani@ngcdf.go.ke
Website: www.kasarani.ngcdf.go.ke

(f) NGCDF Kasarani Constituency Bankers

1. Bank A. (Operations Account).
Family Bank
Kasarani Branch
P.O.Box 50990-0100
Nairobi
2. Bank B. (Deposit account).
Equity Bank
Ruai Branch
P.O. Box
Nairobi





(g) Independent Auditor

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

(h) Principal Legal Adviser




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

3. NG-CDF Committee

Name	Details
 <p data-bbox="284 651 587 685">Name: Samuel Kamau</p> <p data-bbox="148 689 707 757">Membership: Kasarani NG-CDF Committee Chairperson (Male Adult Representative)</p>	<p data-bbox="715 349 1461 421">A resident voter in Kasarani Constituency- Ruai ward and a registered voter at Ruai Girls Secondary School.</p> <p data-bbox="715 423 1070 456">Occupation: A businessman</p>
 <p data-bbox="252 1084 600 1117">Name: Joylyne Kasyamani</p> <p data-bbox="148 1122 707 1189">Membership: Kasarani NG-CDF Committee Secretary(Co-opted)</p>	<p data-bbox="715 797 1461 869">A resident voter in Kasarani Constituency- Njiru ward and a registered voter at Chemichemi Primary School.</p> <p data-bbox="715 871 1070 904">Occupation: A businesslady</p>
 <p data-bbox="264 1464 580 1498">Name: Michael Mwangi</p> <p data-bbox="148 1503 707 1603">Membership: Kasarani NG-CDF Committee Member (Persons living with Disabilities Representative)</p>	<p data-bbox="715 1193 1422 1265">A resident voter in Kasarani Constituency- Mwiki ward and a registered voter at St Dominic Primary School.</p> <p data-bbox="715 1267 1070 1301">Occupation: A businessman</p>
 <p data-bbox="268 1886 568 1919">Name: Kennedy Sikulu</p>	<p data-bbox="715 1608 1442 1680">A resident voter in Kasarani Constituency- Claycity ward and a registered voter at Claycity Secondary School.</p> <p data-bbox="715 1682 1070 1715">Occupation: A businessman</p>

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<p>Membership: Kasarani NG-CDF Committee Member(Male youth Representative)</p>	
 <p>Name: Mary Kiragu Membership: Kasarani NG-CDF Committee member (Female Adult Representative)</p>	<p>A resident voter in Kasarani Constituency-Ruai Ward and a registered voter at Ng'undu Primary School Occupation: A renowned Farmer practicing Agri business and runs a rescue centre as her CSR to the community.</p>
 <p>Name: Charles Gakenge Membership: Kasarani NG-CDF Committee member (Male Adult Representative)</p>	<p>A resident voter in Kasarani Constituency-Mwiki Ward and a registered voter at St Dominic Primary School Qualification: A National Diploma in Telecommunication Engineering Occupation: A businessman</p>
 <p>Name: Mercy Wangui Membership: Kasarani NG-CDF Committee member (Female Adult Representative)</p>	<p>A resident voter in Kasarani Constituency-Kasarani Ward and a registered voter at Chieko Youth Empowerment Centre Occupation: A businesslady</p>

 <p>Name: Erica Moragwa Membership: Kasarani NG-CDF Committee member (Female Youth Representative)</p>	<p>A resident voter in Kasarani Constituency-Ruai Ward and a registered voter at Drumvale Secondary School Occupation: An Environmental Conservation Champion -Participating in Climate change mitigation initiatives</p>
 <p>Name: George Kamweru Membership: Deputy County Commissioner, Ruai Sub-County</p>	<p>Deputy County Commissioner</p>
 <p>Name: Joan Koech Membership: Fund Account Manager</p>	<p>Officer of the NG-CDF Board Ex-officio member in the NG-CDF Committee D.O.B: 15/02/1993 Professional Qualification: Master of Science(Finance),2020(UoN),BBM(Finance and Banking)2016,UoE , CPA K ,2015 (KASNEB) Work Experience: 8 years</p>

4. NG-CDFC Chairman's Report



Dear Stakeholders,
It is my pleasure to present Kasarani Constituency 2024/2025 financial report on behalf of the committee and all the stakeholders.

About Kasarani

Kasarani Constituency is an electoral constituency in Kenya. It is one of the seventeen constituencies in Nairobi County. It is also one of the largest constituencies covering an area of 152.60km². The constituency has evolved over the years in name and size having been known as Nairobi North East Constituency from independence then renamed to Mathare Constituency from 1974 to 1994 by elections. It was recently split into Ruaraka, Roysambu and Kasarani in 2013.

Number of wards, population, area size, administration structure

Kasarani constituency has a total population 269,606 according to the National Housing Survey 2009. According to IEBC (2022), the constituency has 155,250 registered voters.

It is divided into five wards detailed below;

1. Clay City Ward with 34,387 registered voters (IEBC, 2022)
2. Mwiki Ward with 27,837 registered voters (IEBC, 2022)
3. Kasarani Ward with 27,525 registered voters (IEBC, 2022).
4. Njiru Ward with 28,140 registered voters (IEBC, 2022) and
5. Ruai Ward with 37,361 registered voters (IEBC, 2022).

The constituency also has two sub counties, namely Kasarani Sub-County and Njiru Sub County During the financial year, Kasarani NG-CDF received a total of Kshs. 229,775,286.00 where ksh 101,775,286 were funds relating to the previous Fy while the balance of ksh 128,000,000 were funds approved for expenditure during the FY 2024/2025. The funds were then disbursed to various institutions eligible for **funding** whose projects were voted by the public as needy during the public ward forums **conducted** in November 2024 as shown below;

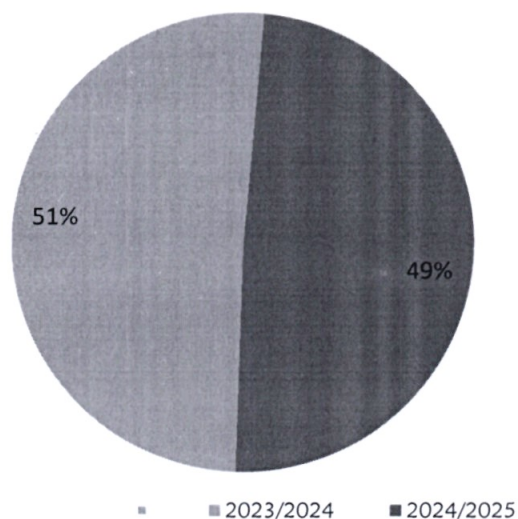
National Government Constituencies Development Fund (NGCDF)
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S/NO	PROJECT SECTOR	AMOUNT
1	Bursary support to needy students	57,000,000
2	Administration	10,766,800
3	Monitoring and Evaluation	5,383,000
4	Emergency Reserve	9,444,313
5	Secondary Schools projects	13,200,000
6	Primary Schools Projects	69,200,000
7	Security Projects	600,000
8	Environment Projects	1,847,866
9	Construction of Digital Hubs	12,000,000
	TOTAL	179,441,979

Comparative Graphs and charts financial year 2023/2024 and 2024/2025

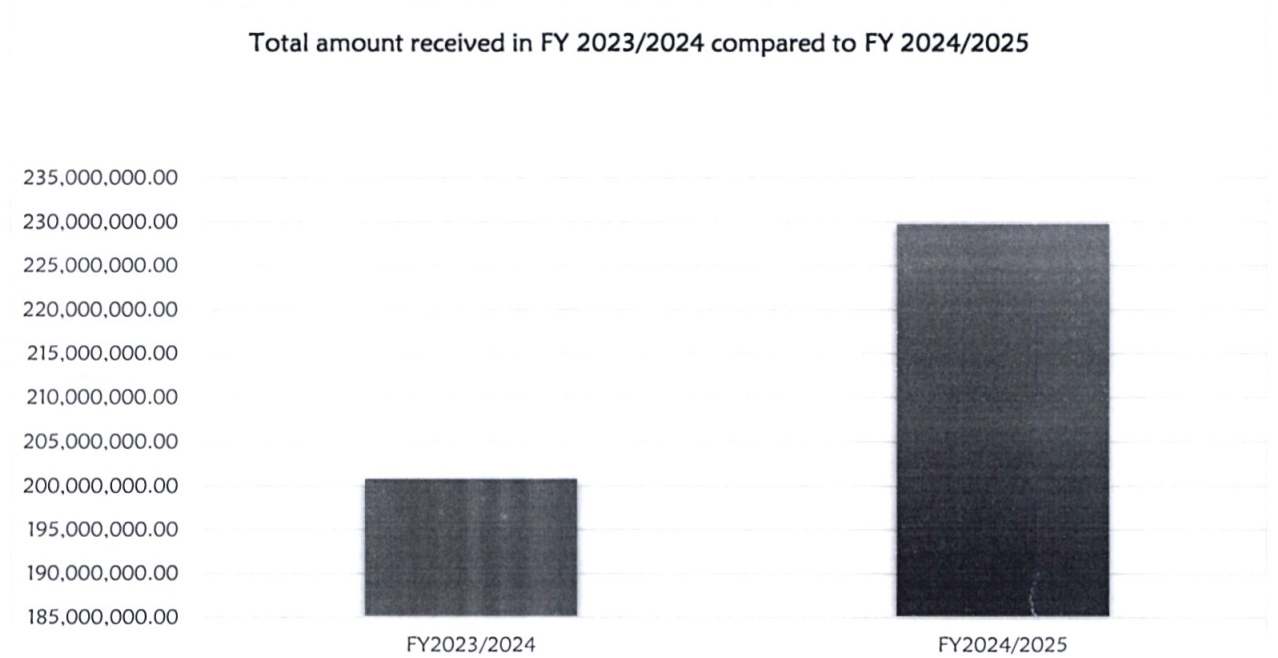
1. Fund allocation in the two financial years.

Fund allocation for FY 2023/2024 compared to FY 2024/2025

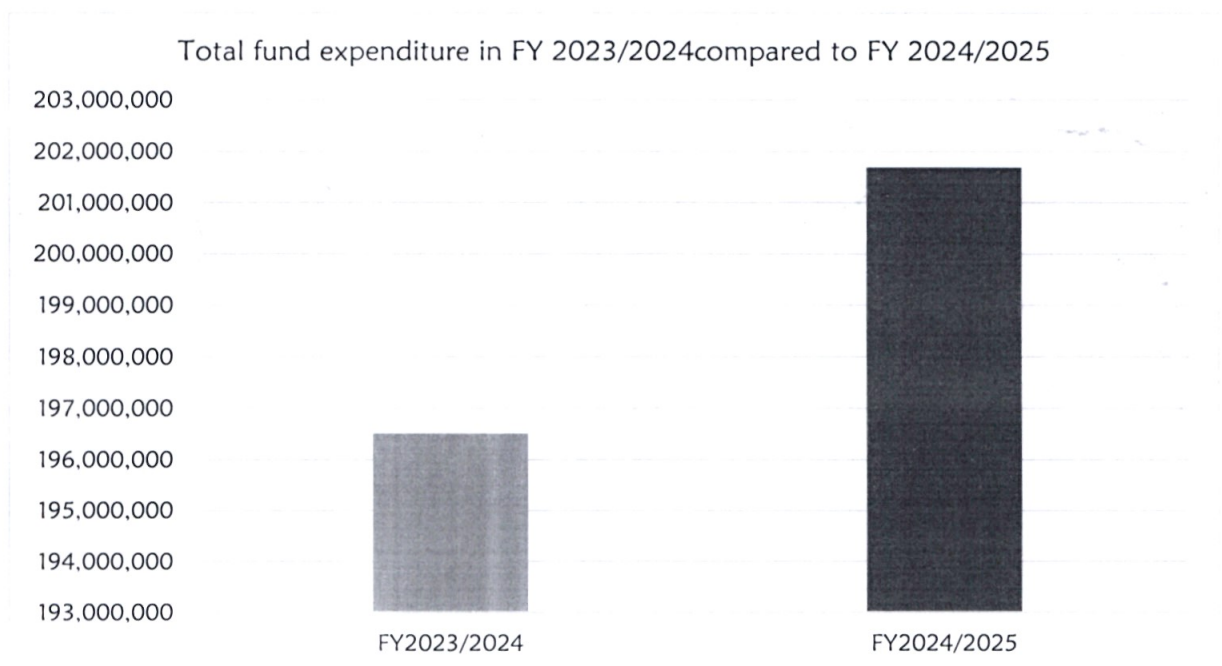


National Government Constituencies Development Fund (NGCDF)
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Annual Report and Financial Statements for The Year Ended June 30, 2025

2. Total amount of fund received during the two years.



3. Total expenditure in the two financial years.



Achievements.

Kasarani constituency strives to improve the lively hoods of the constituents by ensuring optimum achievement of the NG-CDF mandate i.e. implementation of projects that fall under the National Government Functions which is mainly improvement of the Education sector by implementing projects aimed at improving the schools infrastructure and offering bursaries to the needy students in the constituency.

- **NG-CDF Committee, NG-CDFC Staff and Technical Officers Capacity Building.**

Adequate Capacity Building of the NG-CDF committee, staff and the technical officers is the first step in ensuring optimum service delivery in the constituency. The Committee members were trained during the Financial Year. The staff and Technical Officers in a 5 day seminar in Mombasa organized by the Nairobi Region Regional Coordinator were trained on various issues to ensure prudent expenditure of the NG-CDF fund in manner that assures the public of the value for money.

- **Award of Bursaries**

Within the Financial Year, The constituency was able to award bursaries to needy students amounting to Kshs.74,520,731 to category of institutions as shown below,

- **Development Projects**

During the financial year, the NG-CDF committee was able to implement several projects to completion which will enhance the learning environment in the schools within the constituency.

Some of the successfully implemented projects include the following;

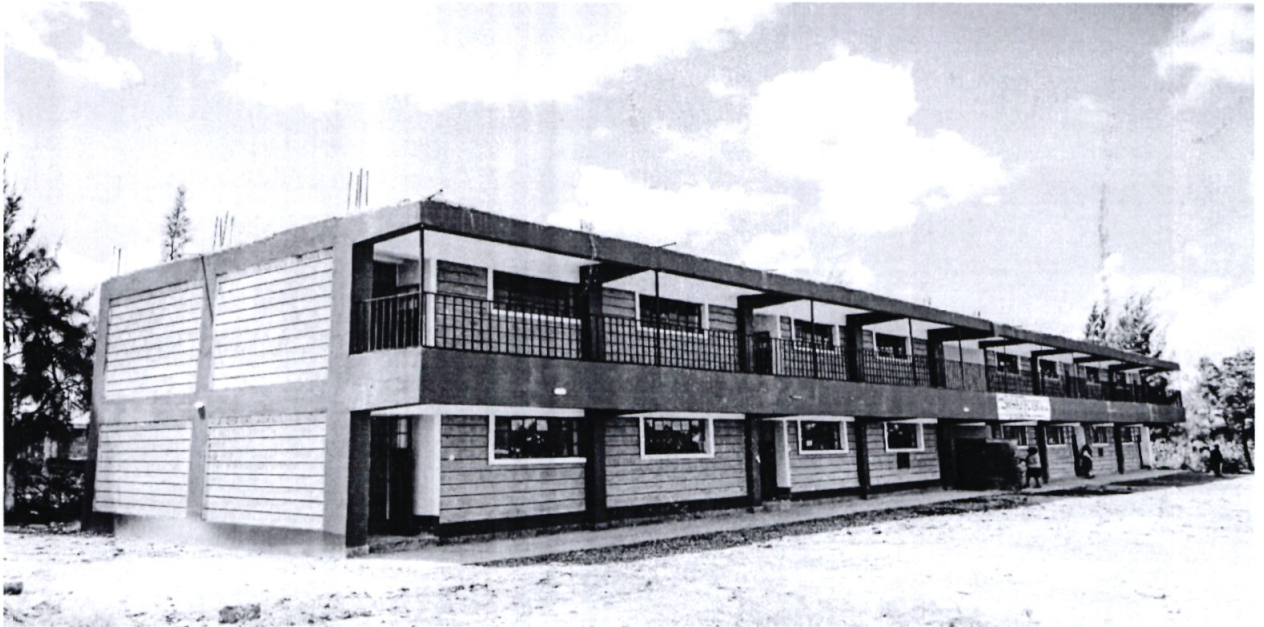
1. NJIRU PRIMARY SCHOOL

PROJECT: Construction of 4No door classrooms with a slab and a staircase



2. DRUMVALE PRIMARY SCHOOL

PROJECT: Construction of 6 No door classrooms with a slab and a staircase



Final project picture

3. MUREMA PRIMARY SCHOOL

PROJECT: Construction of 6 No door classrooms with a slab and a staircase



Final project picture

4.ST.DOMINIC SECONDARY SCHOOL

PROJECT: Construction of 4No door classrooms with a slab and a staircase



5.KASARANI PRIMARY SCHOOL

PROJECT: Construction of 4No door classroom with a slab and a staircase.



Emerging issues in Kasarani Constituency

Kenya being a developing country has several emerging issues that are yet to be settled. Similarly, Kasarani NG-CDF has several Emerging Trends which include;

- **Pressure for increased infrastructure due to introduction of new Education curriculum.**
The competency-based Education (CBE) under the 2-6-3-3 system of Education was unveiled in 2017 to replace the 8-4-4 system of Education which has served Kenya for 32years. Being a new system, It requires that all primary schools where the Junior Secondary is domiciled to have a Science Laboratory and of course extra classrooms for the learners. This scenario has caused increased demand for the infrastructure from the NG-CDF which is unable to cope with the pressure due to the limited resources.
- **Increase in Bursary Applications due to the increased University Fees.**
The Ministry of Education recently unveiled the Fees structure for the 1st Year Students joining various universities in September 2023. The parents raised complaints on the huge fees being demanded by the Universities but were informed that the issue was being looked at but the students had to join the Universities. This scenario therefore brought about numerous bursary fund inquiries and request for bursaries for the students.

Challenges

Kasarani NG-CDF strives to achieve its targets, however there are inherent challenges that are faced during project implementation. These are; unrealistic demand by the public who think that the NG-CDF fund can fund for their health and other individual financial needs and businesses. Delay of fund disbursement by the NG-CDF Board which makes it impossible to achieve performance contract targets which stipulates that projects are to be implemented within the financial year in which they are proposed.

Recommended way forward

Civic education should be improved to educate the public on the mandate of the NG-CDF fund which should be done continuously and promptly to the individuals- This will be possible if the Monitoring and Evaluation vote is increased to also cater for the aforementioned trainings.

NG-CDF Board to ensure timely disbursement of funds to the constituency as mandated.


.....

**Name:Samuel Kamau
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 NG-CDF Kasarani Constituency 2023-2027 plan are to:

- a) To enhance accessibility to quality Education for all by improving the learning environment through quality school infrastructure and bursaries for better performance
- b) To support the creation of conducive environment that enhances peace, security, efficiency and effectiveness in Public Administration.
- c) To empower and develop youth and special groups to reduce dependency by nurturing talents and sports
- d) To support building of capacity and capability for timely response and management of disaster risks.

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending schools.</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	-Increased number of usable physical infrastructure build in primary, secondary, and tertiary institutions -Increased number of bursary's beneficiaries at all levels	In FY 2024/2025 -Number of newly constructed classrooms increased from 20 in the previous financial year to 48 in the current year being classrooms in the following schools; .Construction of 6 classrooms at Murema Primary school and Drumvale Primary School

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Sector	Objective	Outcome	Indicator	Performance
				<p>. Construction of 4 classrooms at Njiru Primary School, Kasarani Primary school ,Athi Primary School and St Dominic Secondary Schools.</p> <p>. Construction of 3 classrooms each at Chemichemi primary school,Njiru Secondary school, Nile Road Special Secondary school,Highway Manyatta Secondary School and S Dominic Secondary School</p> <p>.Construction of 2 classrooms each at Chieko pry,Mwiki Pry and Drumvale Primary school</p> <p>-Number of modern ablution blocks remained 3 in the current financial year similar to the previous F/Y</p> <p>-5 schools received desks to be used in the newly constructed classrooms.</p> <p>The improvement of schools infrastructure will have a positive on the quality of Education.</p>
Security	To improve the security in Kasarani Constituency	Improved security in the constituency	To allocate funds to administrative offices within the constituency, either by construction of new offices or improving the facilities in place.	In FY 2024/2025Kasarani NG-CDF allocated ksh 1,300,000 for fencing of a new police post at Kamunyonge and allocated ksh 600,000 for a biodigeter at Ngundu police post to make the facility usablethis will boost the area's security.
Climate change mitigation activities	To improve environmental conservation in the constituency	Improved health	To allocate funds to support the climate mitigation initiatives and for purchase of energy saving jikos	In the F/Y 2024/2025, kasarani NG-CDF established a tree nursery and purchased seedlings at Kasarani Primary School to be distributed to schools in Kasarani Ward. Funds

National Government Constituencies Development Fund (NGCDF)

Kasarani Constituency

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Sector	Objective	Outcome	Indicator	Performance
				were also allocated to Kasarai TVET for purchase of 3 energy saving jikos
Emergency	To increase level of preparedness in case of emergency	To reduce level of severity in case of occurrence of disaster	Set aside funding amounting to ksh 9,444,313 from the constituency's allocation for emergency occurrence in the constituency.	In the year 2024/2025, Kasarani NG-CDF set aside funds amounting to ksh 9,444,313 in case of Emergency Occurrence.

6. Governance Statement

Process of Appointment of NG-CDF Committee Members as stipulated in the NG-CDF Act 2015.

Background

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

The requirements for legible applicants

- A Citizen of Kenya
- Ordinary resident and a voter in the constituency
- Able to read and write and communicate in English and Kiswahili
- Meet the requirements of Chapter six of the Constitution of Kenya
- Is available to participate in activities of the constituency committee
- In case of a youth representative, the person must be above 18 years but below 35 years at the time of appointment

In this regard section 5 and 6 of NG CDF regulations provides for procedure for nomination of the seven members of the NG CDFC as outlined in section 43 Sub Section 1,2,3 and 4 of the principal Act and the provisions of NG-CDF Act Section 43(2)(b),(c) and (d) and 43(3) which provides as follows through a selection panel composed of:

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

Further the NGCDF regulations requires that one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

Membership

- Three men each nominated in accordance with sub section(3), one of whom will be youth at the date of appointment
- Three women each nominated in accordance with sub section(3), one of whom will be youth at the date of appointment
- One person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with sub section(3)
- One person shall be proposed for co-option to the committee by the selection panel pursuant to Section 43(2)(g)of the Act-who shall hold a KCSE and be opposite gender with the person representing people with disabilities

Process

To facilitate this, the selection panel is invited interested and qualified members of the public for appointment to the NGCDF committee. The panel invited through advertisement publicised in churches, public offices notice boards and other public areas in the constituency. Out of the total 29 applicants, the selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed by Kasarani Constituency Office as per section 43 of the NG-CDF Act, 2015.

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Kasarani NG-CDF Committee members' gazettelement notice

After undergoing through a rigorous selection process and the Selection panel recommending their gazettelement to the Kasarani NG-CDF Committee membership ,The NG-CDF Committee members were gazetted published on **21st May 2025** Via Gazette notice **Vol. CXXVII-No No.98**

Kasarani NG-CDF Committee membership

S/N	Name	Category representation	Ward
1.	Samuel Kamau	Male (Adult)	Ruai
2.	Charles Gakenge	Male (Adult)	Mwiki
3.	Kennedy Sikhulu	Male (Youth)	Claycity
4.	Mary Kiragu	Female (Adult)	Ruai
5.	Mercy Wangui	Female (Adult)	Kasarani
6.	Erica Moragwa	Female (Youth)	Ruai

Nominee of the body representing persons with disability

S/N	Name	Nominating Organisation	Nature of physical Impairment	Ward
1.	Michael Mwangi	Kasarani PWD SHG	Physical – Hand and feet impairment	Mwiki

Upon further consultation with the panel and the constituency office, members agreed to recommend for co-option by the NG-CDF Board as per section 43 subsection 2(g) as follows;

S/N	Name	Gender	Ward
1.	Joylyne Kasyamani	Female	Njiru

Nomination of Executive

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

1. NG-CDFC Chairperson –**Samuel Kamau**
2. NG-CDFC Secretary –**Joylyne Kasayamani**

During its first meeting, the NG-CDF Committee established two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the NG-CDF Board. The two subcommittee are;

- i. Bursary sub committee
- ii. Complaints resolution sub-committee.

The following were appointed to the two committees

i. Bursary Sub Committee

- | | |
|--------------------|--------------|
| 1. Michael Mwangi | -Chairperson |
| 2. Mercy Wangui | - Member |
| 3. Charles Gakenge | - Member |
| 4. Mary Kiragu | -Member |
| 5. Kennedy Sikhulu | -Member |

ii. Complaints resolution committee

- | | |
|----------------------|----------|
| 1. Joylyne Kasyamani | - Member |
| 2. Erica Moragwa | - Member |

The chairman and the secretary are members of both committees. The DCC is a member of the complaints committee, while representative from the ministry of education office is also coopted to the Bursary sub-committee.

The term of office for the members of the NG-CDF Committee is two years on renewable terms but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.

Roles and Functions of the NG-CDF Committee as stipulated in the Act 2015

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

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

Process of Removal of NG-CDF Committee member as stipulated in the NG-CDF Act 2015.

A member of the constituency committee may be removed from office on any or more of the following grounds

- Lack of integrity
- Gross misconduct
- Embezzlement of public funds
- Bringing the committee into disrepute through unbecoming personal public conduct

- Promoting unethical practices
- Causing disharmony within the committee
- Physical or mental infirmity

A decision to remove a member shall be made through a resolution of at least 5 members of a committee and the members sought to be removed shall be given a fair hearing before the resolution is made and a vacancy arising shall be filled in a manner set out in the NG-CDF Act Sub section (10) and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

In Kasarani NG-CDF, the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Training and Capacity Building

Adequate Capacity Building of the NG-CDF committee, staff and the technical officers is the first step in ensuring optimum service delivery in the constituency. The Committee members were trained during the Financial Year. The staff and Technical Officers in a 5 day seminar in Mombasa organized by the Nairobi Region’s Regional Coordinator were trained on various issues to ensure prudent expenditure of the NG-CDF fund in manner that assures the public of the value for money.


Number of meetings held

The NG-CDF Act 2015 stipulates that; The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

During the financial year 2023/2024 Kasarani NG-CDF Committee held 11 NG-CDF Committee meetings and two sub-committee meetings.

The attendance was as follows.

S/NO.	NG-CDFC COMMITTEE MEMBERS	9 th Jul 24	10 th Aug 24	12 th Sept 24	18 th Nov 24	28 th Nov 24	6 th Dec 24	19 th Dec 24	23 rd Dec 24	6 th Feb 25	23 rd May 25	5 TH June 25
1	Samuel Kamau chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Peter Mucheke member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X



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S/NO.	NG-CDFC COMMITTEE MEMBERS	9 th Jul 24	10 th Aug 24	12 th Sept 24	18 th Nov 24	28 th Nov 24	6 th Dec 24	19 th Dec 24	23 rd Dec 24	6 th Feb 25	23 rd May 25	5 TH June 25
4	Rachel Njoki- Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
5	Rhodah King'ori member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
6	Emelda Miriuki member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
7	Michael Mwangi PWD	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Mary Ireri Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
9	Joan Koech FAM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	George Kamweru DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

The new NG-CDF Committee inaugurated on 5th June 2025 held 2 meetings in the Financial Year 2024/2025

Members who Exited during the year

NAME	DESIGNATION	PERIOD SERVED
Mary Ireri	Female constituency nominee	December 2022-May 2025
Rhoda King'ori	Female Adult Representative	December 2022-May 2025
Rachel June Njoki	Female Adult Representative	December 2022-May 2025
Peter Mucheke	Male Youth Representative	December 2022-May 2025
Emily Miriuki	Coopeted Member	December 2022-May 2025

Main Agenda of the meetings held

- 9th July 2024-Project resubmission
- 10th Aug 2024-M/E
- 12TH Sept 2024-Stakeholders meeting
- 18th Nov 2024-Public participation
- 28th Nov 2024-Draft proposals 24/25

- 6th December 2024-approval of proposals
- 19th December 2023-Expiry of term and process of formation of new NG-CDFC
- 23th Dec 2024-Issuance of bursary application forms
- 6th February 2025-Logistics for bursary issuance
- 23rd May 2025-Issuance of secondary schools bursaries and handover
- 5th June 2025-Takeover and Inaugural meeting

NG-CDFC Members' remuneration

According to the NG-CDF Act 2015, NG-CDFC members are not entitled to payment of salary. However, the chairperson of NG-CDF Committee is entitled to an allowance of Kenya shillings seven thousand per meeting and all other members are entitled to an allowance of Kenya Shillings five thousand per sitting.

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

Ethics & conduct

Members of NGCDFC are required to observe the following ethical practices

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

During the financial year 2024/2025 members of Kasarani NG-CDF Committee members adhered to the above ethical issues.

Conflict of interest Policy

A member who has an interest in any **contract** or matter present at the meeting shall in the meeting and as soon as reasonably **practicable** after the commencement, disclose the fact thereof and shall not take part in the **consideration** or discussion of, or vote on, any questions

with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest shall be recorded in the minutes of the meeting at which it is made.

In the financial year 2024/2025 no member of Kasarani NG-CDF Committee contravened the conflict of interest policy.

Risk Management policy

The NG-CDF board established **Enterprise Risk Management (ERM)** which is an integrated and joined up approach to managing risk across an organization and its extended networks which guides Kasarani NG-CDF in the day to day processes and activities in the constituency.

The system seeks to identify, monitor and mitigate the risks in the constituency and report to the board through response of daily, monthly and annual key risk indicators.

The risks identified are rated using colors with tagged meaning i.e.

- ❖ Red- High risk indicator
- ❖ Amber- Medium risk indicator
- ❖ Green-Low risk indicator

Kasarani NG-CDF manages the risk issues as follows

Risk assessment is the process of identifying, **analyzing** and **evaluating** risks that may adversely affect the achievement of an objective and risks that may positively affect the objective in an organization

- i. **Risk Identification** -process of documenting any risks that could keep an organization or program from reaching its objective
- ii. **Risk Analysis** -Understanding the causes and factors of an event and how likely it is ; Understanding how severe the damage could be if it happened help the NG-CDF Committee decide needs to be done to build resilience if the event occurred.
- iii. **Risk Evaluation**-Process of comparing the results of risk analysis with risk criteria to determine whether the risk and/or its magnitude is acceptable or tolerable.

Kasarani NG-CDF has mitigated risks and all risks identified were monitored and reduced and others avoided by the following actions;

- Implementation of Audit **findings** and recommendations
- Adherence and compliance of **NG-CDF Act 2015**
- Putting in place effective and **efficient** control systems
- Ensuring that **NG-CDF Committee** actively engage in the fund utilization and overseeing projects **implementation**
- Conducting the **Public ward forums** within the stipulated timelines to ensure the constituents take part in **projects identification** and ownership.

7. Management Discussion and Analysis

Operational and Financial Performance of the Fund

The National Government constituencies Development fund(NG-CDF) is established under section4(1) of the NG-CDF Act 2015 as amended in 2023 as a National Government Fund consisting of monies of an amount not less than 2.5% of all the National Government's share of revenue as divided by the annual Division of Revenue Act enacted pursuant to article 218 of the constitution, and it also comprises any monies accruing to or received by the board from any other source.

Section 6(1) of the NG-CDF Act 2015 as amended in 2023 states that *"The board shall, with the approval of the relevant committee of the National Assembly, allocate funds for every constituency in each financial year in accordance with Section 34"*

The National Government Constituencies Development fund has shown significant growth in allocations over the past 5 years. Over the years Kasarani NG-CDF has received its share of allocation as follows,

Financial Year	Allocation
2024/2025	179,441,954
2023/2024	175,361,810
2022/2023	145,087,603
2021/2022	137,088,879
2020/2021	137,131,879

The funds objective is inter alia to supplement infrastructure development at the constituency level in matters falling within the exclusive function of the National Government; to facilitate provision of sustainable development in all parts of the republic; and progressive realization of the economic and social rights guaranteed under article 43 of the constitution.

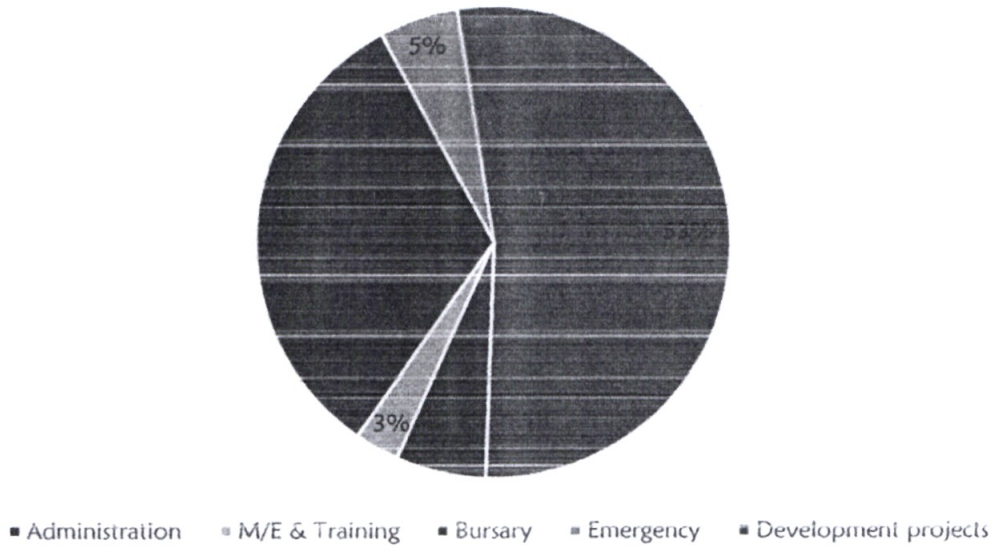
Over the past 5 years, the NG-CDF Act has undergone various amendments necessitating the realignment of eligible projects proposals. In the Financial Year 2024/2025, Kasarani NG-CDF allocated funds to the eligible sectors in accordance with the NG-CDF Act as follows,

S/N	VOTE	%CEILING	MAX AMOUNT	AMOUNT ALLOCATED
1	Administration	6%	10,766,517.27	10,766,517
2	Monitoring and Evaluation and Capacity building	3%	5,383,258.63	5,383,258
3	Education Bursaries	40%	71,776,781.79	57,000,000
4	Emergency Reserve	5%	9,444,313	9,444,313
5	Climate Mitigation Projects	5%	8,972,097.72	1,847,866
6	Digital Hubs construction			12,000,000
7	Projects(Difference)			83,000,000
	TOTAL ALLOCATION			179,441,979

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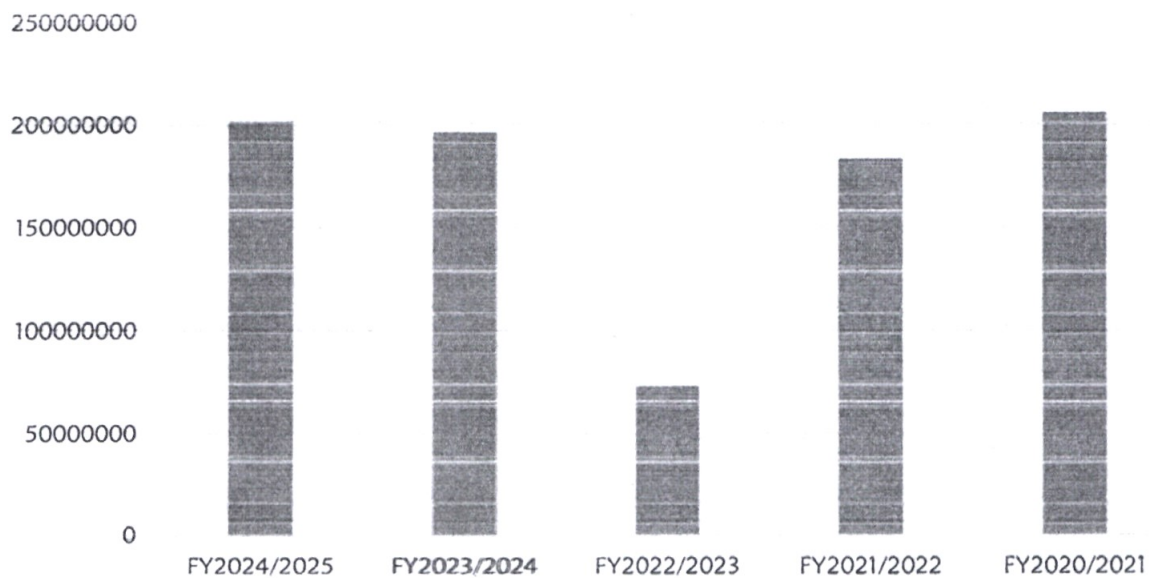
Pie chart illustration of allocation of funds to eligible sectors in the Financial year 2024/2025

Fund allocation Per sector



The NG-CDF fund normally received in tranches. This receipt can be within the Financial year or after the close of the Financial Year. Over the years, Kasarani NG-CDF Fund has expensed the disposable funds as follows

5 year Actual expenditure of funds to Kasarani NG-CDF



Key projects

The ministry of information communications and Digital Economy gave a guideline regarding the development and operationalization of the digital hubs in the constituencies. Kasarani NG-CDF allocated funds for construction of digital hubs as detailed below;

NAME	WARD	PROJECT ACTIVITY	AMOUNT(ksh)
Kasarani DCC -Public grounds section	Kasarani	Construction of basic digital hub- area measuring 175 SQM to completion comprising of; Learning centre of 30pax capacity ,Creative/Kazi of 100pax capacity, Administration office to fit 2pax,ICT room, Washrooms and a public wi-fi zone	6,000,000
Chemichemi Mwengenyeh IHUB	Njiru	Construction of basic digital hub- area measuring 175 SQM to completion comprising of; Learning centre of 30pax capacity, Creative/Kazi of 100pax capacity, Administration office to fit 2pax,ICT room, Washrooms and a public wi-fi zone	6,000,000

Compliance with statutory requirements

Kasarani NG-CDF ensures the adherence to the relevant laws and regulations governing the fund. These include

- ✓ Public Finance Management Act which guides on the proper management of public funds to promote good governance and responsible management of funds.
- ✓ NG-CDF Act 2015 and its amendments which governs the operations of the funds
- ✓ NG-CDF Regulations which provides detailed guidelines for implementation of the Act
- ✓ Quality Manual which outlines quality policies and procedures
- ✓ Prompt remittance of Statutory deductions to relevant authorities

The strategies in place include;

i. Regular Audits-Kasarani NG-CDF is audited;

- Annually by the Auditors from the office of the Auditor General
- Annually by the Internal Auditors from the NG-CDF Board
- Annually by the internal Auditors from the Ministry of Treasury and Economic planning domiciled at the sub county offices

ii. Capacity Building

Kasarani NG-CDF as stipulated in the Performance Contracting signed between the NG-CDF Board and the NG-CDF Committee conducted a capacity building for the committee and NG-CDFC Staff to enhance service delivery.

iii. Monitoring and Evaluation

Kasarani NG-CDF adheres to the manuals in place to ensure compliance. These include workplans, Monitoring and Evaluation Framework in regards to the projects being implemented within the constituency. This strategy ensures tracking of compliance trends and identification and addressing of gaps identified.

Major risks of the fund.

❖ **Interference in project implementation**

The NG-CDF ACT requires the projects be implemented by the Project management committee. The Committee being a part of the institutions' Board of Management members who at times become malicious and intentionally frustrate the project implementation thereby leading to delays and in the long run negatively affect the end users who may not use the project at its intended time frame

❖ **Economic Risks**

Change in Governance policies can negatively impact the projects implementation.

Review of the Economy and the sector

The funds objective is inter alia to supplement infrastructure development at the constituency level in matters falling within the exclusive function of the National Government; to facilitate provision of sustainable development in all parts of the republic; and progressive realization of the economic and social rights guaranteed under article 43 of the constitution.

In this regard, the fund is boosting the Kenyan Economy as illustrated in the following areas

• **Infrastructure Development**

The Co mandate of the NG-CDF is to enhance Education and Security by improving the current facilities and/or establishing new infrastructure. More than half of each years' allocation is spent on development projects which supports businesses and steer Economic growth

• **Education and Training**

The funds allocate at least 35% of its allocation to Education bursaries which ensure that needy students in Secondary and tertiary Institutions get quality Education just like their counterparts. Some of the students who are bright but needy are considered for scholarship throughout their studies. This therefore boosts skill development which prepares them for future jobs and entrepreneurship which drives Economic growth.

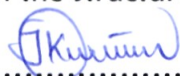
• **Innovation and Entrepreneurship**

Considering the central role of information and communication Technology in the National Development strategy, Kasarani NG-CDF During the F/Y 2024/2025 allocated funds for two digital hubs. Once completed, the hubs will pave way for innovation which can lead to new products and services and businesses which will exponentially drive the Economic growth

Future Developments of the fund

Constitutional amendments

Recently, the NG-CDF has faced constitutional challenges and a proposal for constitutional amendments are ongoing. The public participation forums were conducted in June 2025 and the bill was unanimously passed by the law makers. Tis move would ensure that the NG-CDF is entrenched into the constitution and ensure continued funding for development projects with the structures in place



.....
**Name:Joan Koech
Fund Account Manager**

8. Environmental and Sustainability Reporting

Sustainability is the ability to maintain or continue offering services to the country's citizens over the long term.

The mandate of Kasarani NG-CDF is to implement sustainable development projects within the constituency by allocating funds to projects collected during public participation forums to encourage ownership of projects by the community.

This is achieved through supporting the Project management Committee in implementation of the projects by facilitating adequate capacity building to ensure quality projects are implemented efficiently and effectively.

1. Sustainability strategy and profile -

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

a. Education and Training

Kasarani 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. In the Financial Year 2024/2025, 5% of the allocation translating to KSh 5,383,258 was set aside for monitoring and evaluation and capacity building for various groups including PMC, NG-CDFC, Key stakeholders and NG-CDFC Staff Training, the participants were sensitized on the crosscutting issues including the impact of drug abuse in order to curb its negative effects in the community.

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 through tree seedling production.

2. Environmental performance

Kasarani NG-CDF is guided by the NG-CDF Act(amended in 2023) which stipulates that funds be set aside for climate change mitigation strategies,

In the Financial Year 2024/2025, Kasarani NG-CDF set aside ksh 1,867,000 for climate change mitigation initiatives i.e ksh 667,000 for the establishment of tree nursery in Drumvale secondary school for distribution to schools in Ruai Ward and ksh 1,200,000 for purchase of eco-friendly jikos in Kasarani TVET

Kasarani NG-CDFC also set aside funds for improvement of the newly constructed police post to ensure they are in usable state by allocating funds to construct a fence and a biodigester.

3. Employee welfare

We invest in providing the best working environment for our employees. Kasarani constituency recruitment is guided by Employment Act, NGCDF Act, and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one-third gender rule and special groups. We also Recognize and appreciate our employees for exemplary performance. The reward and sanctions system is based on performance appraisal. The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. Kasarani 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-

Kasarani 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-

Kasarani 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

Kasarani 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

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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.

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

.....
Name:Joan Koech
Fund Account Manager.

***National Government Constituencies Development Fund (NGCDF)
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The Accounting Officer in charge of the NGCDF Kasarani Constituency confirms that the Kasarani 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 Kasarani 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.

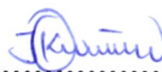
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The NGCDF-Kasarani Constituency financial statements were approved and signed by the Accounting Officer on 30/10/ 2025.



.....
Name: Samuel Kamau
Chairman – NGCDF Committee



.....
Name: Joan J Koech
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-Kasarani 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 NG-CDFKasarani 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 Kasarani Constituency's financial statements give a true and fair view of the state of Kasarani Constituency's transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF-Kasarani Constituency further confirms the completeness of the accounting records maintained for the Kasarani 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.

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

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

1 to 60, which comprise 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 – Kasarani Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis including the transitional provisions permitted under IPSAS 33 and comply with the National Government Constituencies Development Fund Act, 2015, (Amended 2023), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents

The statement of financial position reflects cash and cash equivalents balance of Kshs.100,480,595 as disclosed in Note 19 to the financial statements. Included in the amount is Kshs.29,046,578 relating to the Project Management Committee (PMC) bank balances as at 30 June, 2025 as disclosed in Annex 2 to the financial statements and deposit account bank balance of Kshs.481,692. However, the bank reconciliations statements and cashbooks for the Project Management Committee and the deposit accounts were not provided for audit review. Further, the comparative cashbook balance of Kshs.122,943,092 as disclosed in Note 19 to the financial statements includes PMC accounts balance of Kshs.83,326,150 while the audited financial statements reflect a balance of Kshs.74,057,842 resulting to an unreconciled variance of Kshs.9,268,308.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.100,480,595 could not be confirmed.

2. Lack of Ownership Documents and Inadequate Safeguarding of Assets

Annex 1 to the financial statements reflects summary of asset register with assets valued at Kshs.9,237,552 as at 30 June, 2025. However, the ownership documents of the land on which the Fund was established were not provided for audit verification. Although some of the assets were well maintained, others were not tagged or insured against fire, theft or any other risk exposing the Fund in case of occurrence of an adverse event.

In the circumstances, the accuracy and the completeness of property, plant and equipment balance of Kshs.9,237,552 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 - Kasarani Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis totalling Kshs.407,859,680 and Kshs.356,417,701 respectively, resulting to an underfunding of Kshs.51,441,979 or 13% of the budget. Similarly, the Fund spent Kshs.255,937,107 against actual revenue of Kshs.356,417,701 resulting to underutilization of Kshs.100,480,594 or 28% of the total revenue.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial Statements
2	2023/2024	Variances in Other Grants and Transfers
3	2023/2024	Non-Disclosure of Accounts Payable - Retention
4	2023/2024	Unsupported and Unutilized Project Management Committee Account Balances
5	2023/2024	Irregular Bursary to Driving Schools
6	2023/2024	Unsupported Income from Sale of NGCDF Vehicle

	Financial Year	Audit Issue
7	2023/2024	Delayed Projects Implementation
8	2023/2024	Unauthorized Payments – Use of Goods and Services
9	2023/2024	Over-Expenditure on Budget – Bursary to Secondary Schools
10	2023/2024	Presentation and Disclosure of the Financial Statements
11	2023/2024	Lack of Ownership Documents

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Award of Bursary

The statement of financial performance reflects other grants and transfers amount of Kshs.87,224,987 as disclosed in Note 14 to the financial statements. Included in this

amount is Kshs.74,484,731 in relation to bursary for secondary schools, tertiary institutions and special schools. However, examination of records provided for audit review revealed that students in secondary institutions were awarded multiple bursaries during the financial year, amounting to Kshs.1,425,700 without following the laid down regulations for equity and fairness.

In the circumstances, the validity, authenticity and regularity of bursary expenditure Kshs.1,425,700 could not be confirmed.

2. Implementation of Secondary Schools Projects

The statement of financial performance and as reflected in Note 13 to the financial statements reflects other Government unit actual expenditure totalling Kshs.150,440,303. Included in the amount is Kshs.30,288,614 relating to the transfers to secondary schools. Audit review of documents provided revealed a transfer to Njiru Secondary School effected vide payment voucher No. 43 and cheque 48722 dated 19 September, 2024 of Kshs.5,549,700 for construction of three (3) class rooms to completion. However, tender no KAS/NG-CDF/004/2023-2024 was advertised through Public Procurement Information Portal (PIIP) website on 28 October, 2024 and opened on 7 November, 2024 by six (6) members who also participated in the tender evaluation exercise on 14 November, 2024 contrary to the procurement law. Except for tender evaluation report, there were no separate minutes for tender evaluation and the appointment letters of the various tender committee were not provided for audit.

Further, individual committee members score sheets were not provided and there was also no estimated cost of the project.

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

3. Irregularities in Implementation of Projects

The statement of financial performance reflects other Government units actual expenditure totalling Kshs.150,440,303 and other grants and transfers of Kshs.87,224,987 as disclosed in Note 13 and Note 14 respectively. Audit review of sampled projects totalling Kshs.98,564,739 revealed the following anomalies;

- i. The bill of quantities showed provisions for contingencies totalling Kshs.7,500,000, however, the Fund did not provide evidence of how the amount was utilized and as a result the contingencies were not accounted for.
- ii. Engineers' estimates were not prepared contrary to the Public Procurement and Asset Disposal Act, 2015.
- iii. There were no signages for individual projects though there were provisions of Kshs.50,000 for each project.

In the circumstances, Management was in breach of law and the value for money may have not been realized from the projects.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Approved ICT Policy and IT Strategic Committee

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

In absence of ICT Strategy, ICT Policy and robust Back Up Plans, the Fund is exposed to possible loss of data, resources and disruption of operations in case of a disaster or calamity.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 November, 2025

National Government Constituencies Development Fund (NGCDF)


Nasirir Constituency

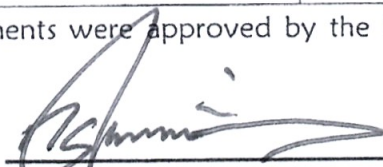
Annual Report and Financial Statements for The Year Ended June 30, 2025


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

	Note	2024-2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,441,979
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		179,441,979
Expenses		
Employee costs	10	3,473,828
Committee expenses	11	4,535,250
Use of Goods and Services	12	8,437,851
Other Government Units Actual expenditure	13	150,440,303
Other Grants and Transfers Actual expenditure	14	87,224,987
Depreciation and amortization expense	15	57,073
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		254,169,292
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		(74,727,313)

The Constituency financial statements were approved by the NGCDFC on 30/10/2025 and signed by:


 Chairman NG-CDF
 Committee
 Name: Samuel Kamau


 National Sub-County
 Accountant
 Name: Anthony Ngunjiri
 ICPAK M/No:15171

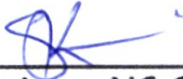

 Fund Account Manager
 Name: Joan J Koech

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

	Note	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	100,480,595	122,943,092
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	51,441,979	101,775,286
Prepayments	22	-	-
Total Current Assets		151,922,575	224,718,378
Non-Current Assets			
Property, Plant and Equipment	23	399,510	208,583
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		399,510	208,583
Total Assets (A)		152,322,084	224,926,960
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	6,246,091	4,380,708
Lease Liabilities	28	-	-
Gratuity provision	29	738,754	481,692
Total Current Liabilities		6,984,845	4,862,400
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)			
Net Assets (A-B)		6,984,845	4,862,400
Represented by:			
Revaluation Reserves			
Accumulated Surplus			
Total Net Assets		145,337,248	220,064,560

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

The Constituency financial statements set out on page 1 and 56 approved by NG CDFC on 30/10 2025 and signed by:



Chairman NG-CDF
Committee
Name: Samuel Kamau



National Sub-County
Accountant
Name: Antony Ngunjiri
ICPAK M/No: 15171



Fund Account Manager
Name: Joan J Koech

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 30th June 2024 (cash basis)	39,135,250		39,135,250
Adjustments: (to recognize assets and liabilities)			
Add Assets	185,791,711		185,791,711
Less Liabilities	4,862,400		4,862,400
As at July 1, 2024	220,064,560		220,064,560
Surplus/(Deficit) For the Period	(74,727,313)		(74,727,313)
Revaluation Gain/Loss	-	-	-
As at 30th June (current year)	145,337,248	-	145,337,248

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

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

	Notes	Period ended June Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		229,775,286
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		
Total Receipts		229,775,286
Payments		
Employee costs		3,216,776
Committee expenses		4,535,250
Use of Goods and Services		8,401,851
Other Government Units Certified Works		148,668,308
Other Grants and Transfers		87,167,599
Digital Hubs Expenses		
Total Payments		251,989,784
Net Cash Flows from/ (used in) Operating Activities	28	(22,214,498)
Cash flows From Investing Activities		
Purchase of PPE		248,000
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		248,000
Net increase/(decrease) in cash & Cash equivalents		(22,462,498)
Cash Flows from Financing Activities		
Lease payment		
Net Cash Flows from Financing Activities		(22,462,498)
Cash and cash equivalents at Period Start	17	122,943,092
Cash and cash equivalents at Period End	17	100,480,594

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		c=(a+b)	d	e=(c-d)	f=d/c*100
	FY 2024/2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous year's outstanding disbursements	FY 2024/2025	FY 2024/2025		
Revenue							
Transfers From the NGCDF Board	179,441,979	122,943,092	101,775,286	404,160,357	352,718,378	51,441,979	87
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	3,699,323	-	3,699,323	3,699,323	-	100
Totals	179,441,979	126,642,415	101,775,286	407,859,681	356,417,701	51,441,979	87
Expenses							
Employee costs	3,395,311	1,351,477	-	4,746,788	3,216,776	1,530,012	68
Committee expenses	3,760,669	474,032	382,307	4,617,008	4,535,250	81,758	98
Use of Goods and Services	8,993,820	444,648	-	9,438,468	8,401,851	1,036,618	89
Other Government Units Certified Works	40,400,000	100,225,441	88,423,529	229,048,970	151,550,379	77,498,591	66
Other Grants and Transfers	68,892,179	21,658,411	12,969,450	103,520,040	87,984,852	15,535,188	85
Digital Hubs Expenses	12,000,000	-	-	12,000,000	-	12,000,000	0
Acquisition of assets	-	1,848,923	-	1,848,923	248,000	1,600,923	
Funds Pending Approval**	42,000,000		-	42,000,000		42,000,000	0
PMC savings		639,483		639,483		639,483	
Total Expenditure	179,441,979	126,642,415	101,775,286	407,859,680	255,937,107	151,922,573	63

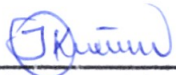
*National Government Constituencies Development Fund (NGCDF)
Kasarai Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

Explanatory Notes.

- (a) The sum of ksh 3,699,323 is the amount received from the PMC balances i.e unspent PMC amounts sent to the Constituency Account
- (b) The underutilization which stands at 63 % was occasioned by delayed disbursement from NG-CDF Board.

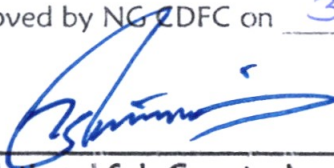
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	151,922,573
Less undisbursed funds receivable from the Board as at 30 th June 2025	51,441,979
Cash and Cash Equivalents at the end of the 30 th June 2025	100,480,594

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 30/10 2025 and signed by:



Fund Account Manager

Name: Joan J Koech



National Sub-County Accountant

Name: Anthony Ngunjiri
ICPAK M/No: 15171



Chairman NG-CDF Committee

Name: Samuel Kamau

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

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational deposit and PMCs C/Bk) and CIA	Previous year's outstanding disbursements			
		Kshs	Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,395,311	1,351,477		4,746,788	3,216,776	1,530,012
1.2 Committee allowances	1,807,669	196,032		2,003,701	1,941,200	62,501
1.3 Use of goods and services	5,563,820	444,648		6,008,468	5,286,402	722,067
Sub-total	10,766,800	1,992,157	-	12,758,957	10,444,378	2,314,580
2.0 Monitoring and evaluation						
2.1 Capacity building	2,260,000			2,260,000	2,173,389	86,611
2.2 Committee allowances	1,953,000	278,000	382,307	2,613,307	2,594,050	19,257
2.3 Use of goods and services	1,170,000			1,170,000	942,060	227,940
Sub-total	5,383,000	278,000	382,307	6,043,307	5,709,499	333,808
4.0 Emergency						
unutilized	9,444,313	1,190,978		10,635,291		10,635,291
Athi Primary School		700,000		700,000	609,613	90,387
Gituamba Secondary School		600,000		600,000	538,740	61,260
Athi Primary School		661,000		661,000	661,000	-
Drumvale Sec School		254,371		254,371	194,283	60,088
Sub-total	9,444,313	3,406,349	-	12,850,662	2,003,636	10,847,026
5.0 Bursary and Social Security						
5.1 Primary Schools	-			-		-
5.2 Secondary Schools	32,000,000	10,000		32,010,000	32,010,000	-
5.3 Tertiary Institutions	23,000,000	4,561,604	12,969,450	40,531,054	40,510,731	20,323

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

5.4 special needs	2,000,000	0		2,000,000	2,000,000	-
5.5 Education Support Programmes	-			-		-
5.6 Social Security	-			-		-
Sub-total	57,000,000	4,571,604	12,969,450	74,541,054	74,520,731	20,323
7.0 Environment						-
Kasarani Technical and vocational college	1,200,000			1,200,000		1,200,000
Drumvale Secondary school	647,866			647,866		647,866
Sub-total	1,847,866	-	-	1,847,866	-	1,847,866
8.0 Primary Schools Projects						-
Athi Primary School		7,397,382		7,397,382	5,385,792	2,011,590
Athi Primary School			5,000,000	5,000,000	2,452,569	2,547,431
Athi Primary School		441,178		441,178	74,000	367,178
Chemi Chemi Mwengeny Primary School	4,000,000			4,000,000		4,000,000
Chemi Chemi Mwengeny Primary School	4,000,000			4,000,000		4,000,000
Chemi Chemi Primary		-		-		-
Chemi Chemi Primary School			6,800,000	6,800,000	16,000	6,784,000
Chemi Chemi Primary School			650,000	650,000	650,000	-
Chemichemi Pri Desks		-		-		-
Chieko Primary School		749,273		749,273	746,146	3,127
Chieko Primary School		3,533,580		3,533,580	3,688,645	(155,065)
Chieko Primary School			5,000,000	5,000,000	4,558,419	441,581
Chieko Primary School		661,232		661,232	257,362	403,870
Chieko Primary School		500,000		500,000	499,640	360
Chieko Pry School		650,000		650,000	626,115	23,885
Drumvale Primary School			5,000,000	5,000,000	4,254,308	745,692
Drumvale Primary School		650,000		650,000	649,200	800
Drumvale Primary School		-		-		-
Drumvale Primary School		544,728		544,728	371,486	173,242
Drumvale Pry 4 No		8,105,633		8,105,633	8,090,919	14,714
Gituamba Primary School	2,000,000			2,000,000		2,000,000
Gituamba Primary School		499,603		499,603	499,603	-

National Government Constituencies Development Fund (NGCDF)

Kasarai Constituency

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

Gituamba Primary School		4,654,755		4,654,755	4,653,377	1,378
Gituamba Primary School		650,000		650,000	650,000	-
Highway Manyatta Primary		-		-		-
Highway Manyatta Primary School		650,000		650,000	650,000	-
Highway Manyatta Primary School		489,057		489,057		489,057
Highway Manyatta Primary School		451,050		451,050	347,093	103,957
Highway Manyatta Primary School		9,046,000		9,046,000	8,603,430	442,570
Jehova Jire Primary School	7,200,000			7,200,000		7,200,000
Jehova Jire Primary School	4,000,000			4,000,000		4,000,000
Jehova Jire Primary School		3,917,334		3,917,334	3,844,648	72,686
Jehova Jireh Primary School		210		210	210	-
Kasarani Primary Desks		-		-		-
Kasarani Primary School		1,351,259	8,003,529	9,354,788	8,889,992	464,796
Kasarani Primary School		673,061		673,061	671,893	1,168
Kasarani Primary School		1,900,000		1,900,000	1,548,850	351,150
Kasarani Primary School		1,231,323		1,231,323	1,231,323	-
Kasarani Primary School		-		-		-
Kasarani Pry School		1,000,000		1,000,000	976,178	23,822
Murema Primary , Perimeter Wall		1,678,560		1,678,560	524,251	1,154,309
Murema Primary School		10,305,633		10,305,633	8,439,663	1,865,970
Murema Primary School		2,200,000		2,200,000	2,199,975	25
Murema Primary School		1,000,000		1,000,000	1,000,000	-
Mwiki Primary			2,200,000	2,200,000	1,971,855	228,145
Mwiki Primary Joan		-	5,000,000	5,000,000	4,682,449	317,551
Mwiki Primary School		650,000		650,000	624,744	25,256
Mwiki Primary School		739,979		739,979	739,979	(0)
Mwiki Primary School		3,582,800		3,582,800	3,230,651	352,149
Mwiki Primary School Desks		-		-		-
Mwiki Primary School LEVELLING		-		-		-
Mwiki Pry		650,000		650,000	650,000	-
Ngundu Primary			6,770,765	6,770,765	4,739,485	2,031,280
Ngundu Primary School			429,235	429,235	-	429,235

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Ngundu Primary School		99,502		99,502	99,502	-
Ngundu Primary School		-		-		-
Ngundu Primary School		-		-		-
Njiru Primary School			13,820,000	13,820,000	13,141,639	678,361
Njiru Primary School			650,000	650,000	628,965	21,035
Njiru Primary School		3,500,000		3,500,000	3,362,826	137,174
Njiru Primary School		-		-		-
Njiru Primary School		-		-		-
Ruai Primary School		2,426,869		2,426,869	2,319,365	107,504
St Dominic Primary		650,000		650,000	650,000	-
St Dominic Primary School		4,500,000		4,500,000	4,498,622	1,378
St Dominic Pry Sch		375,038		375,038	375,038	-
Treeside Special School	6,000,000			6,000,000		6,000,000
Treeside Special School		3,500,000		3,500,000	3,190,822	309,178
				-		-
				-		-
Sub-Total	27,200,000	85,605,039	59,323,529	172,128,568	121,957,029	50,171,539
9.0 Secondary Schools Projects (List All The Projects)						-
St Georges Athi Sec School	7,200,000			7,200,000		7,200,000
Clay City Sec School	6,000,000			6,000,000		6,000,000
St Dominics Secondary School		696,846		696,846	696,846	-
Nile Road Special Sec School		852,954	3,970,150	4,823,104	3,704,403	1,118,701
Njiru Secondary School		432,192	5,549,700	5,981,892	5,663,909	317,983
Njiru Secondary School			880,750	880,750	863,000	17,750
St Dominic Sec School			8,100,000	8,100,000	7,599,805	500,195
St Dominic Sec School			800,000	800,000	790,000	10,000
Highway Manyatta Sec School			9,799,400	9,799,400		9,799,400
Drumvale Secondary School		232,469		232,469	105,000	127,469
Highway Manyatta Secondary School		4,000,000		4,000,000	3,865,634	134,366
Hon John Njoroge Sec School 8no Door		2,200,000		2,200,000	2,097,998	102,002
Jehova Jire Secondary School		350,258		350,258		350,258

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Muhuri Muchiri Secondary School		219,921		219,921		219,921
Nile Road Special Secondary School		34,940		34,940	34,940	-
Ruai Boys Secondary School		607		607	607	-
Ruai Girls Secondary School		1,346,486		1,346,486	130,575	1,215,911
St Georges Athi Sec School		4,253,729		4,253,729	4,040,632	213,097
Nile Road Special Sec School		-		-		-
Njiru Secondary School		-		-		-
Njiru Secondary School		-		-		-
St Dominic Sec School		-		-		-
St Dominic Sec School		-		-		-
Sub total	13,200,000	14,620,402	29,100,000	56,920,402	29,593,349	27,327,053
10.0 Tertiary institutions Projects (List all the Projects)				-		-
Sub-total	-	-	-	-	-	-
11.0 Security Projects				-		-
Ngundu Police Post	600,000	5,250,000		5,850,000	4,772,661	1,077,339
Kamunyoge Police Post		5,574,940		5,574,940	5,574,754	186
Kamunyoge Police Post		1,300,000		1,300,000	-	1,300,000
Kasarani Police Station	-	1,555,518	-	1,555,518	1,113,070	442,448
				-		-
Sub-total	600,000	13,680,458	-	14,280,458	11,460,485	2,819,973
12.0 Acquisition of assets				-		-
12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fittings		844,900		844,900	-	844,900
12.2 Construction of CDF office		1,004,023		1,004,023	248,000	756,023
Sub-total	-	1,848,923	-	1,848,923	248,000	1,600,923
13.0 Others				-		-
Kasarani DCC public grounds section	6,000,000	-	-	6,000,000		6,000,000
Chemi chemi mwengenyne IHUB	6,000,000	-	-	6,000,000		6,000,000

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Sports			-	-		-
Njiru DCC office				-		-
Kasarani DCC				-		-
Kasarani police station				-		-
Sub-total	12,000,000	-	-	12,000,000	-	12,000,000
Funds pending approval**				-		-
unapproved projects	42,000,000	639,483		42,639,483		42,639,483
AiA	-			-		-
Sub-total	42,000,000	639,483	-	42,639,483		42,639,483
Total	179,441,979	126,642,415	101,775,286	407,859,680	255,937,107	151,922,574

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 Kasarani Constituency principal activity is to improve livelihoods of the constituents.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS) and Kasarani NG-CDF has taken advantage of the transitional provisions under IPSAS 33 and therefore this is the 1st time adoption of the transitional financial statements . Kasarani NG-CDF has disclosed the information required for restating the financial statements in accordance with IPSAS 33.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the NG-CDF. The financial statements have been prepared in accordance with the PFM Act, the NGCDF Act and its regulations 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

The new IPSAS became effective on 1st January 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	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. There will be improved Financial Reporting at the constituency
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. There will be improved accountability in terms of asset management

Standard	Effective date and impact
IPSAS 45: Property Plant and Equipment	<p>Applicable 1st January 2025</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 recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 46: Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange</p>

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Standard	Effective date and impact:
	<p>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>IPSAS 48: Transfer Expenses</p>	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

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Standard	Effective date and impact:

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 Kasarani NG-CDF.

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

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

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to Kasarani NG-CDF. 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 amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 18*

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

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

h) Provisions

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

i) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. Kasarani NG-CDF recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that Kasarani NG-CDF 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 Kasarani NG-CDF in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

Kasarani NG-CDF provides retirement benefits for its employees . 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

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

6. Transfers from the NGCDF Board

Description	F/Y 2024/2025 Kshs
NGCDFB Transfers (Allocation for the FY)	179,441,979
Total	179,441,979

7. Transfers from domestic and foreign partners

Description	F/Y 2024/2025 Kshs
Grants	-
Total	-

8. Finance income

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

9. Miscellaneous income

Description	F/Y 2024/2025 Kshs
Rental Income	-
Income from sale of tenders	-
Hire of plant/equipment/facilities	-
Other Income PMC savings(Surplus projects' funds)	-
Total	-

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10. Employees cost

Description	Period ended June
	2025
	Kshs
NG-CDFC Basic staff salaries	2,482,714
Personal allowances paid as part of salary	-
House Allowance	437,250
Transport Allowance	169,500
Leave allowance	-
Gratuity to contractual employees	257,052
Employer Contributions Compulsory national social security schemes	78,664
Employer Contributions Compulsory Housing levy	44,699
Employer contributions to National Industrial Training Authority	3,950
Other Specify	-
Total	3,473,828

11. Committee Expenses

Description	FY 2024/2025
	Kshs
Sitting allowance	1,941,200
Other Committee expenses	2,594,050
Total	4,535,250

12. Use of Goods and services

Description	Period ended June 2025
	Kshs
Utilities, supplies and services	942,060
Communication, supplies and services	148,650
Domestic travel and subsistence	1,463,600
Printing, advertising and information supplies & services	596,420
Office Rent	-
Training expenses	709,789
Hospitality supplies and services	17,259
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	1,200,000
Fuel, oil & lubricants	-
Bank Charges	359,193
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	3,000,880
Total	8,437,851

13. Other Government Units Actual expenditure

Description	FY 2024/2025
	Kshs
Primary Schools Actual expenditure	120,151,690
Secondary Schools Actual expenditure	30,288,614
Tertiary Institutions Actual expenditure	-
Total	150,440,303

14. Other Grants and transfers Actual expenditure

	BY 2024/2025 Ksh
Bursary – secondary schools	46,633,781
Bursary – tertiary institutions	25,394,550
Bursary – special schools	2,456,400
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	10,612,359
Climate change mitigation projects	-
Emergency projects Actual expenditure	2,127,897
Roads projects Actual expenditure	-
Others specify	-
Total	87,224,987

15. Depreciation and Amortization Expenses

Description	BY 2024/2025 Ksh
Property Plant and Equipment	57,073
Intangible Assets	-
Total	57,073

16. Digital Hubs Expenses

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

17. Gain/loss on Sale of Assets

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

18. Impairment Loss

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

19. Cash and Cash Equivalents

Name Of Bank and Account No.	FY 2024/2025		Opening Statement
	Ksh		in July 2024
	Ksh		Ksh
Bank Accounts (Cash Book Bank Balance)			
<i>Name Of Bank, Account No. (Operations account)</i>	70,952,325		39,135,250
<i>Operations account pending closure (Indicate name & account no.)</i>	-		-
<i>Name of Bank, account No. (Deposit account)</i>	481,692		481,692
<i>Name of Bank, account No. (PMC accounts)</i>	29,046,578		83,326,150
Total	100,480,595		122,943,092
Cash Balances			
Location 1	-		-
Location 2	-		-
Other Locations <i>(Specify)</i>	-		-
Total	-		-
<i>[Provide Cash Count Certificates for Each]</i>			

20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

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

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21. Receivables from Non-Exchange Transactions

Description	FY 2024/2025		Opening Statement	
	Kshs		1 July 2024	
Transfers from NGCDFB	51,441,979		101,775,286	
Outstanding imprest	-		-	
Total	51,441,979		101,775,286	
Ageing Analysis- Receivables from non-exchange transactions	FY 2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	51,441,979	100%	101,775,286	100%
Between 1-2 years	-	-	-	-
Over 3 years	-	-	-	-
Total	51,441,979	-	101,775,286	-

Disclosure: The 2023/2024 balances at the close of the year was ksh 101,775,286 which was received in the FY 2024/2025(In a period less than 1 year)hereby referred to as opening balance while the 2024/2025 balances amounting to ksh 51,441,979 is yet to be received but shall be received within 1 year i.e during the Financial year 2025/2026.

22. Prepayments

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

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23. Property, Plant and Equipment

	Land	Buildings	Motor Vehicles	Infrastructure assets	Furniture and fittings	Computers & IT Equipment	Work in progress	Service concession assets	Total
Depreciation Rate		10%	0	20%	12.50%	30.00%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	238,380	-	-	-	238,380
Additions	-	-	-	-	248,000	-	-	-	248,000
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At xx Sep/Dec/Mar/Jun 2024	-	-	-	-	486,380	-	-	-	486,380
Depreciation And Impairment									
Opening bal accumulated depreciation 1 st July 2024	-	-	-	-	29,798	-	-	-	29,798
Depreciation	-	-	-	-	57,073	-	-	-	57,073
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At30 Sep/Dec/Mar/Jun 2024	-	-	-	-	86,870	-	-	-	86,870
Net Book Values									
Opening Bal as at 1 st July 2024	-	-	-	-	208,583	-	-	-	208,583
As At 30TH JUNE, 2025	-	-	-	-	399,510	-	-	-	399,510

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Valuation

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

22 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land		-	-
Buildings	-	-	-
Plant And Machinery		-	-
Motor Vehicles, Including Motorcycles		-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	486,380	57,073	429,307
Total		57,073	429,307

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

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

24. Intangible Assets

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

25. Right-of use assets

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

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

26. Trade and Other Payables

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

27. Third-Party deposits

	FY 2024/2025
	Kshs
Retention as at 1 st July (A)	4,380,708
Retention held during the year (B)	12,250,808
Retention paid during the Year (C)	10,385,425
Closing Retention as at 30 th June D= A+B-C	6,246,091

Retentions aging analysis.

	FY 2024/2025	% of the total	FY 2023/2024	% of the total
Less than 1 year	6,262,488	100%		%
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	6,262,488	-	-	-

28. Lease Liabilities

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

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Maturity Analysis

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

Analysed as:

	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	1/1/2024/2025 Kshs
Gratuity at the beginning of the year 1 st of July	481,692
Gratuity held during the year	257,062
Gratuity paid during the year	-
Total Gratuity Provision 30th June (A+B-C)	738,754

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus for the period before tax	(74,727,313)
Adjusted for:	
Depreciation	57,073
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	(50,333,307)
Changes in deferred income	-
Changes in Third party deposits	(1,865,383)
Changes in gratuity provision	(257,062)
Changes in payments received in advance	-
Net cash flow from operating activities	(22,214,488)

31. Financial Risk Management

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

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	51,441,979	-	-	-
Bank balances	100,460,991	-	-	-
Total	151,902,971			
As at 30 June (Previous FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	101,775,286	-	-	-
Bank balances	122,943,092	-	-	-
Total	224,718,377			

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables		-	6,262,488	6,262,488
Current proportion of borrowings		-	-	-
Provisions		-	-	-
Deferred income		-	-	-
Gratuity Provision		-	738,754	738,754
Total		-	7,001,242	7,001,242
As at 30th June 2024		-		
Trade payables		-	4,380,708	4,380,708
Current portion of borrowings		-	-	-
Provisions		-	481,692	481,692

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Description	Less than 1 month Kshs	Between 1-3 months Kshs	Over 5 months Kshs	Total Kshs
Deferred income		-	-	-
Employee benefit obligation		-	-	-
Total		-	4,862,400	4,862,400

iii) Market risk

Kasarani NG-CDF has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. Kasarani NG-CDF 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

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

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Current FY

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

Foreign currency sensitivity analysis

Current FY

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

Financial Risk Management

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

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

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect Kasarani NG-CDF 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. Kasarani NG-CDF considers relevant and observable market prices in its valuations where possible.

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

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

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

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

iv) Capital Risk Management

The objective of the 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	Insert Current FY	Opening Statement 1 st July 20xx
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	-	-
Net Debt/(Excess Cash And Cash Equivalents)	-	-
Gearing	-	-

32. Related Party Disclosures

	FY 2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,941,200	4,006,710
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	229,775,286	200,803,289
Total	231,716,486	204,809,999

33. Segment Information

(Where an organisation 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	Amount Current FY	Opening Statement 1 st July 2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	-	-
Assets Arising from Determination Of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Receivables From Other Government Entities	-	-
Others (Specify)	-	-
Total	-	-

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Contingent Liabilities

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

35. Capital Commitments

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

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

The Kasarai 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 b/f (Kshs) 2022-2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2023-2024
	Buildings and structures	5,785,540	-	0
Transport equipment	-	-	0	0
Office equipment, furniture and fittings	1,907,712	248,000	0	2,155,712
ICT Equipment, Software and Other ICT Assets	1,296,300		0	1,296,300
Total	8,989,552		0	9,237,552
Intangible assets	0		0	
Total	8,989,552	248,000	0	9,237,552

	Year of purchase	Buildings	Furniture and fittings	Computers & ICT Equipment	Accumulated depreciation	NBV
Depreciation Rate		10%	12.50%	30.00%		
Cost		Kshs	Kshs	Kshs		
Ng-Cdf Office	2013	5,785,540			578,554	5,206,986
Plastic Tank- 2,500 Litres	16-Apr-18		19,227		-	-
Photocopier Kyocera	5-Aug-14			212,990	63,897	149,093
Executive Visitors Chair	6-Feb-19		33,000		4,125	28,875
Executive Visitors Chair	6-Feb-19		33,000		4,125	28,875
Executive Visitors Chair	6-Feb-19		33,000		4,125	28,875
Executive Visitors Chair	6-Feb-19		33,000		4,125	28,875
Executive Visitors Chair	6-Feb-19		33,000		4,125	28,875
Executive Visitors Chair	6-Feb-19		33,000		4,125	28,875
Executive Office Chair	6-Feb-19		45,000		5,625	39,375

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Executive Office Chair	6-Feb-19		45,000		5,625	39,375
Executive Office Chair	6-Feb-19		45,000		5,625	39,375
2.2m Office Table	6-Feb-19		150,000		18,750	131,250
2.2m Office Table	6-Feb-19		150,000		18,750	131,250
2.2m Office Table	6-Feb-19		150,000		18,750	131,250
High Back Mesh Chair	6-Feb-19		46,000		5,750	40,250
1.8m Office Table	6-Feb-19		85,000		10,625	74,375
Meshback Visitors Chairs	6-Feb-19		24,000		3,000	21,000
Meshback Visitors Chairs	6-Feb-19		24,000		3,000	21,000
Steel 4 Drawer Filling Cabinets	6-Feb-19		35,000		4,375	30,625
Steel 4 Drawer Filling Cabinets	6-Feb-19		35,000		4,375	30,625
Steel 4 Drawer Filling Cabinets	6-Feb-19		35,000		4,375	30,625
Steel 4 Drawer Filling Cabinets	6-Feb-19		35,000		4,375	30,625
Steel 4 Drawer Filling Cabinets	6-Feb-19		35,000		4,375	30,625
1pc 4 Drawer 320kg Fireproof Safe	6-Feb-19		220,000		27,500	192,500
Purchase & Installation Of 8 Cctv Cameras & A 32" Tv	April- 019		456,800		57,100	399,700
Hp Core I5 Laptop	6-Feb-19			95,000	28,500	66,500
Hp Core I5 Laptop	6-Feb-19			95,000	28,500	66,500
Hp Desktop Core I3	6-Feb-19			80,000	24,000	56,000
Hp Desktop Core I3	6-Feb-19			80,000	24,000	56,000
Epson Coloured Printer	6-Feb-19			119,500	35,850	83,650
Laptop Core I7	24-Aug-20			113,715	34,115	79,600
Book Rack	12-Apr-21		15,446		1,931	13,515
Book Rack With Gl	12-Apr-21		20,239		2,530	17,709
Water Dispenser	14-Apr-21			9,785	2,936	6,850
1 Panasonic Console Kx-At7730x	1-May-21			7,500	2,250	5,250
5 Panasonic Analogue Telephone Kx-T5500 Mx	1-May-21			11,250	3,375	7,875
Konica Minolta C258 Printer	24.11.2023			238,380	71,514	166,866
Orthopedic Chairs	5-Jun-23		19,500		2,438	17,063
Orthopedic Chairs	5-Jun-23		19,500		2,438	17,063
Microwave	13-Jul-23			12,000	3,600	8,400
Purchase & Installation Of 8 Cctv Cameras	8.02.2024			136,500	40,950	95,550
Purchase And Installation(Upgrading Of The Wifi System)	29.02.2024			84,680	25,404	59,276
Orthopedic Chairs	24.03.2025		100,000		12,500	87,500
Boardroom Chairs	24.03.2025		148,000		18,500	129,500
Total		5,785,540	2,155,712	1,296,300	1,234,505	7,983,820

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

Sl. No.	PMC	BANK	BRANCH	ACCOUNT NUMBER	BANK BALANCES	
					FY 2024-2025	FY 2023-2024
1	CHIEKO PRIMARY SCHOOL	EQUITY	KASARANI	1180279813977	248,445	661,232
2	MUREMA PRIMARY	EQUITY	KASARANI	1180282137132	1,525,735	1,678,560
3	KASARANI PRIMARY	EQUITY	KASARANI	1180282137377	0	1,231,323
4	KASARANI POLICE	EQUITY	KASARANI	1180282137387	439,701	1,555,518
5	HON JOHN NJOROGE SEC SCHOOL	EQUITY	KASARANI	1180282645050	102,003	2,200,000
6	KASARANI PRIMARY SCHOOL	EQUITY	KASARANI	1180282724899	351,150	1,900,000
7	ST DOMINIC SEC SCHOOL	EQUITY	KASARANI	1180284435452	0	2,000
8	CHIEKO PRIMARY SCHOOL	EQUITY	KASARANI	1180284437217	3,487	151,417
9	NJIRU SEC SCHOOL	EQUITY	KASARANI	1180285769250	17,750	0
10	MUREMA PRIMARY SCHOOL	EQUITY	KASARANI	1180285770877	1,865,971	0
11	HIGHWAY MANYATTA PRIMARY SCHOOL	EQUITY	RUAI	1440278572278	489,057	489,057
12	RUAI PRIMARY SCHOOL	EQUITY	RUAI	1440278971690	107,504	2,426,869
13	JEHOVA JIRE SECONDARY SCHOOL	EQUITY	RUAI	1440279480392	350,258	350,328
14	DRUMVALE SECONDARY SCHOOL	EQUITY	RUAI	1440280534213	127,469	232,469
15	MUHURI MUCHIRI SECONDARY SCHOOL	EQUITY	RUAI	1440280739305	219,921	219,921
16	RUAI GIRLS SECONDARY SCHOOL	EQUITY	RUAI	1440280975800	45,911	1,346,486
17	NGUNDU POLICE POST	EQUITY	RUAI	1440282680716	477,339	5,250,000
18	HIGHWAY MANYATTA PRIMARY SCHOOL	EQUITY	RUAI	1440284425415	442,570	5,546,000
19	ATHI PRIMARY SCHOOL	EQUITY	RUAI	1440284427870	457,565	441,178
20	DRUMVALE PRIMARY SCHOOL	EQUITY	RUAI	1440284438207	173,242	544,728

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S/N	PROJECT	ACCOUNT TYPE	BRANCH	ACCOUNT NUMBER	BANK BALANCES	
					FY 2024-2025	FY 2023-2024
21	HIGHWAY MANYATTA PRIMARY SCHOOL- 4NO CLASSROOMS	EQUITY	RUAI	1440284438643	103,957	451,050
22	ATHI PRIMARY SCHOOL	EQUITY	RUAI	1440284438674	2,542,390	0
23	JEHOVA JIRE PRIMARY SCHOOL	EQUITY	RUAI	1440285469577	72,687	3,917,334
24	NJIRU PRIMARY SCHOOL	EQUITY	RUAI	1440285471051	137,175	3,500,000
25	HIGHWAY MANYATTA SECONDARY SCHOOL	EQUITY	RUAI	1440285471704	134,367	4,000,000
26	ST GEORGES ATHI SEC SCHOOL	EQUITY	RUAI	1440285477263	213,098	4,000,000
27	DRUMVALE PRIMARY SCHOOL	EQUITY	RUAI	1440285479919	814,714	8,105,633
28	GITUAMBA PRIMARY SCHOOL	EQUITY	RUAI	1440285528526	1,378	4,500,000
29	ST DOMINIC PRIMARY SCHOOL	EQUITY	RUAI	1440285476676	1,378	4,500,000
30	GITUAMBA SECONDARY SCHOOL	EQUITY	RUAI	1440285685389	61,260	0
31	KAMUNYONGE POLICE POST	EQUITY	RUAI	1440285430932	186	5,250,000
32	ST DOMINIC SECONDARY SCHOOL	EQUITY BANK	KASARANI	1180285911338	400,799	0
33	ST DOMINIC SECONDARY SCHOOL	EQUITY BANK	KASARANI	1180285911954	10,000	0
34	MWIKI PRIMARY SCHOOL- 2NO CLASSROOM	EQUITY BANK	KASARANI	1180285889716	243,201	0
35	KASARANI PRIMARY SCHOOL	EQUITY BANK	KASARANI	1180285990506	251,415	0
36	ATHI PRIMARY SCHOOL	EQUITY BANK	RUAI	1440285877769	2,011,591	4,938,000
37	CHEMICHEMI PRIMARY SCHOOL	EQUITY BANK	RUAI	1440285891874	6,610,219	0
38	NJIRU PRIMARY SCHOOL	EQUITY BANK	RUAI	1440285879493	678,360	0
39	NJIRU PRIMARY SCHOOL	EQUITY BANK	RUAI	1440285879540	21,035	0

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40	DRUMVALE PRIMARY SCHOOL	EQUITY BANK	RUAI	1440285959545	627,320	0
41	NGUNDU PRIMARY SCHOOL	EQUITY BANK	RUAI	017000052278	2,031,280	0
42	NGUNDU PRIMARY SCHOOL	EQUITY BANK	RUAI	1440285780585	429,235	0
43	NILE ROAD SPECIAL SECONDARY SCHOOL	EQUITY BANK	RUAI	1440285784629	1,118,701	0
44	MWIKI PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000033617	352,150	998,360
45	MUREMA PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000037177	26	2,200,000
46	TREESIDE SPECIAL SCHOOL	FAMILY BANK	KASARANI	017000037181	309,179	3,500,000
47	CHIEKO PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000037192	0	3,150,000
48	KASARANI PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000037200	1,168	673,061
49	NJIRU SECONDARY SCHOOL	FAMILY BANK	KASARANI	017000044109	317,983	0
50	CHIEKO PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000051678	441,582	0
51	MWIKI PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000052383	228,145	0
52	MWIKI PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000052462	25,256	0
53	CHIEKO PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000052475	23,616	0
54	KASARANI PRIMARY SCHOOL	FAMILY BANK	KASARANI	017000053341	23,822	0
55	KAMUNYONGE POLICE POST SCHOOL	EQUITY BANK	RUAI	1440285430932	1,300,000	0
56	DRUMVALE SECONDARY SCHOOL	EQUITY BANK	RUAI	1440284529553	60,088	254,371
57	CHIEKO PRIMARY SCHOOL	FAMILY BANK	KASARANI	1700003793	0	500,000
58	DRUMVALE PRIMARY SCHOOL	EQUITY BANK	RUAI	1440285479883	0	650,000
59	GITUAMBA PRIMARY SCHOOL	EQUITY BANK	RUAI	1440284431933	0	498,958
60	JEHOVA JIRE PRY SCHOOL	EQUITY BANK	RUAI	1440278971019	0	210
61	NGUNDU PRIMARY SCHOOL	EQUITY BANK	RUAI	1440280755093	0	99,502
62	MUREMA PRIMARY SCHOOL	FAMILY BANK	KASARANI	17000037178	0	1,000,000

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S/N	PMC	BANK	BRANCH	ACCOUNT NUMBER	BANK BALANCE FY 2024-2025	BANK BALANCE FY 2023-2024
63	ST DOMINIC PRIMARY SCHOOL	EQUITY	RUAI	1180284435452	0	375,038
64	NILE ROAD SPECIAL SECONDARY SCHOOL	EQUITY	RUAI	1440278611298	0	34,940
65	RUAI BOYS SECONDARY SCHOOL	EQUITY	RUAI	1440282578133	0	607
66	KASARANI POLICE STATION	EQUITY	RUAI	1180282137387	2,747	
	TOTAL				29,046,583	83,324,150

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/NRO/NGCDF/ KASARANI/2023/2024/(13)	Inaccuracies in the Financial Statements	The amended financial statements shall be availed for the Auditors review	Unresolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Variances in others grants and transfers-bursary spent above budget du to reallocations, Bursary reversals.	This was occasioned by reallocation of funds to bursary which increased the amount of the original bursary kitty	Unresolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Non disclosure on accounts payable-retention to contractors at PMC	Retention money is only accounted for if payment is made from the main account. However this will be highlighted as a Note	Unresolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Unsupported and unutilized PMC balances	Unutilized PMC balances are only declared unutilized/savings once the project is complete. In this case the project was ongoing thus funds could not be transferred to the main account	Unresolved	31 st December 2024

National Government Constituencies Development Fund (NGCDF)

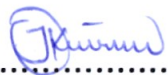
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Irregular bursary to driving school	Driving schools are referred to Vocational training colleges which are legible to receive bursary under tertiary institutions category	Resolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Unsupported income from sale of NG-CDFC vehicle	The asset was disposed by the NG-CDF board and funds channeled to the constituency's account. Its AIE was received after close of the FY under review	Resolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Delayed project implementation-Athi Primary School	This was caused by change of project design which necessitated appraisal and approval of change of scope by the NG-CDF board for additional funding	Resolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Incomplete project at Kamunyonge police post	There was a change of activity in the project which interfered the originally approved drawing and designs to suit the available funding	Resolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Unauthorized payments	Payments to various suppliers were paid through the Bank via mobile money. However confirmation of payments will be sought for record purposes	Resolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Overexpenditure on Busary budget	This was the case due the reallocation of project funds to Bursary kitty thus increasing the originally approved amount	Resolved	31 st December 2024

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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)
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Presentation and disclosure of Financial Statements	The printed copy was not legible enough due to mechanical issues. This has however been rectified	Resolved	31 st December 2024
OAG/NRO/NGCDF/ KASARANI/2023/2024/(13)	Lack of ownership documents	Kasarani NG-CDF has been making a follow up of the issue with the correspondence with the DCC to assist in securing the land documents with the relevant authority. Kasarani NG-CDF looks forward to being in possession of the documents soon.	Unresolved	31 st December 2024



Name **Joan Kooch**
Fund Account Manager.