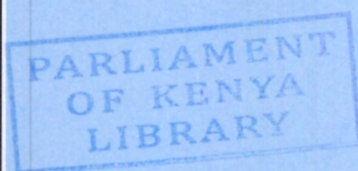


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 FEB 2026	DAY: Wednesday
TABLED BY:	Hon. (Dr.) Robert Pukose on behalf of leader of Majority
OF	Worale

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KANDARA CONSTITUENCY**

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KANDARA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

Transitional IPSAS Financial Statements

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

1. Transparency and Accountability
2. Professionalism and Integrity
3. Commitment and Teamwork
4. Neutrality and Objectivity
5. Timeliness and Excellence
6. Advocacy for Citizen Participation

Functions of NG-CDF Committee

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

(b) Key Management

The NGCDF Kandara 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	Stephen Kinyingi
2.	National Sub-County Accountant	Alfred Kioko
3.	Chairman NGCDFC	Samuel Kagwa
4.	Member NGCDFC	Esther Muthoni
5.	Member NG CDFC	Sammy Chege

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Kandara 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 Kandara Constituency Headquarters

P.O BOX 111-01034
NG CDF Office
Kandara town opposite kandara sub county headquarters
Kandara, Kenya

(e) NGCDF Kandara Constituency Contacts

P.O. Box 111-01034
Telephone: (254) 0709800900
E-mail: cdfkandara@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) NGCDF Kandara Constituency Bankers

1. Family Bank A/C 032000020525 (Operational Account)
Thika Branch
P.O BOX 74145
Thika
2. Family Bank A/C 032000020528 (Deposit Account)
Thika Branch
P.O BOX 74145
Thika
3. Family Bank A/C and Equity Bank Various (as per annex 2)
Thika Branch
P.O BOX 74145
Thika

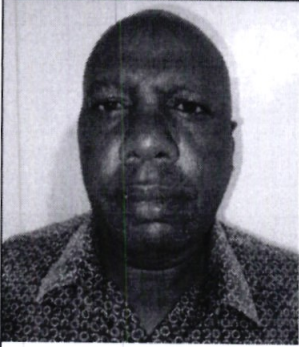
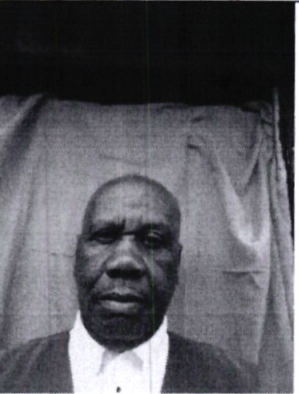
(g) Independent Auditor

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

(h) Principal Legal Adviser

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

3. NGCDF Committee

Name	Details
 Chairman: Samuel Kagwa	The Chairman Mr Samuel Kagwa was born on 25/11/1950. He is an educationist who holds a Kenya Certificate of Secondary Education
 Samuel Mwangi	Mr Samuel Mwangi was born on 16/12/1983. He is a business man who holds a certificate of secondary education
 Roselyn Nduta	Ms Roselyn Nduta was born on 14/05/1972 and holds a certificate in secondary education
	Mr Sammy chege was born on 25/01/1972 and holds a certificate of secondary education

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Sammy Chege	
	Ms Sarah Nyanjuki was born on 19/08/1992 and holds a certificate in primary education
Sarah Nyanjuki 	Mr Anthony Mwangi as born on 14/05/1987 and holds a diploma in early childhood
Anthony Mwangi 	Ms Esther Kinuthia was born on 14/15/1987 and holds a certificate in secondary education
Esther Kinuthia	Mr Timothy Nganga was born on 14/2/1984 and hold a diploma in civil engineering



Timothy Nganga



Stephen Kinyingi
Fund Account Manager

Mr Stephen Main was born on 14/5/1989 and hold a degree in bachelor of science in mathematics



Peter Maina
Deputy county commissioner

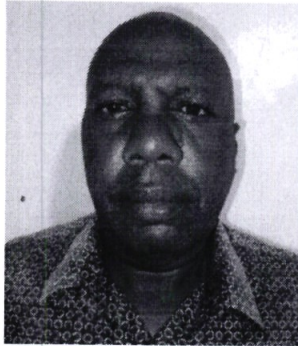
Mr peter maina was born on 14/5/1980 and hold a degree in bachelor of science in criminology

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OUTGOING NG CDF MEMBERS

1. Esther Muthoni
2. Timothy Nganga

4. NG-CDFC Chairman's Report



*Mr Samuel Kagwa
Chairperson, Kandara NG CDFC*

Dear stakeholder

On behalf of the NG CDFC Kandara constituency am pleased to present the Financial statement for the year ended 30th June 2025.

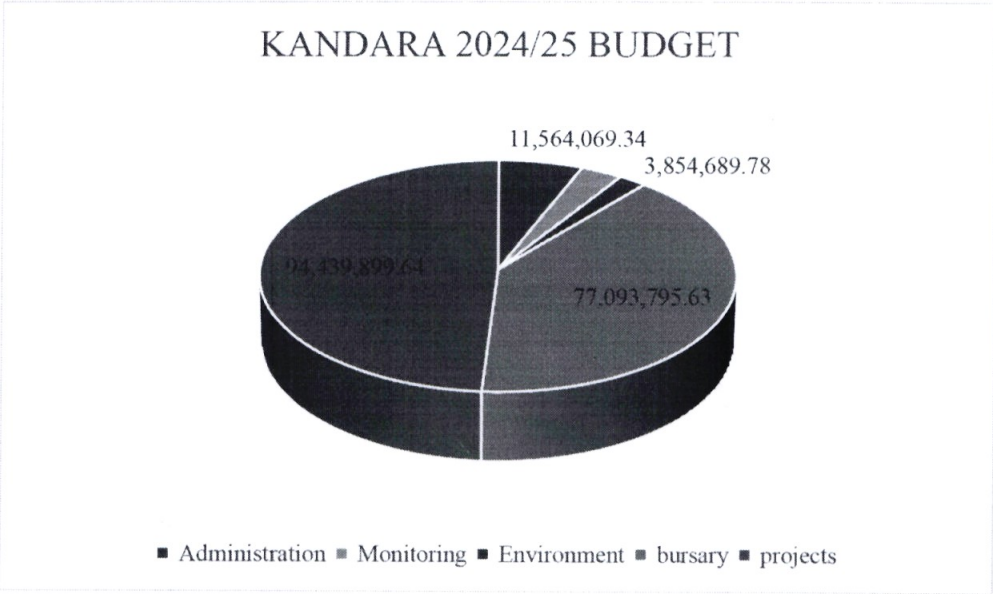
In the year under review our budget performance against the actual amounts for the current year based on economic classifications and programmes was as tabulated below.

In the financial year 2024/2025, the NG CDFC Kandara was allocated Kshs 188,414,052.19. The constituency had an opening balance of Kshs 60,044,986.20 and the previous year's allocation that had not been forwarded of Kshs 55,727,133 bringing the final budget to Kshs 304,186,171

Kandara constituency received a total of Kshs 192,734,489.07 within the Financial year along the opening balance bringing the amount available to Kshs 212,578,859

The final budget was apportioned as follows.

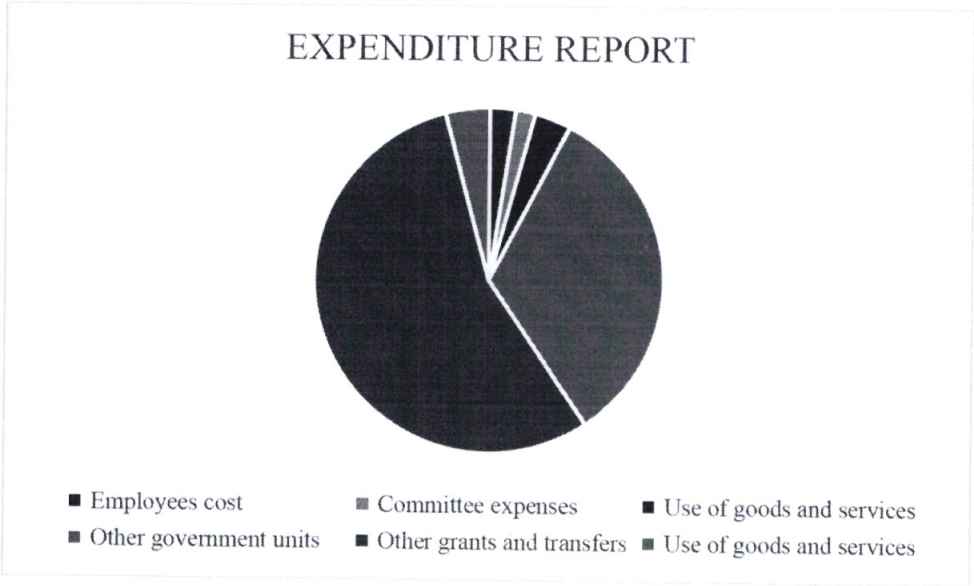
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The constituency had Kshs 290,576,697 at its disposal and out of this we spent Kshs 240,768,081
 The money was spent as follows;

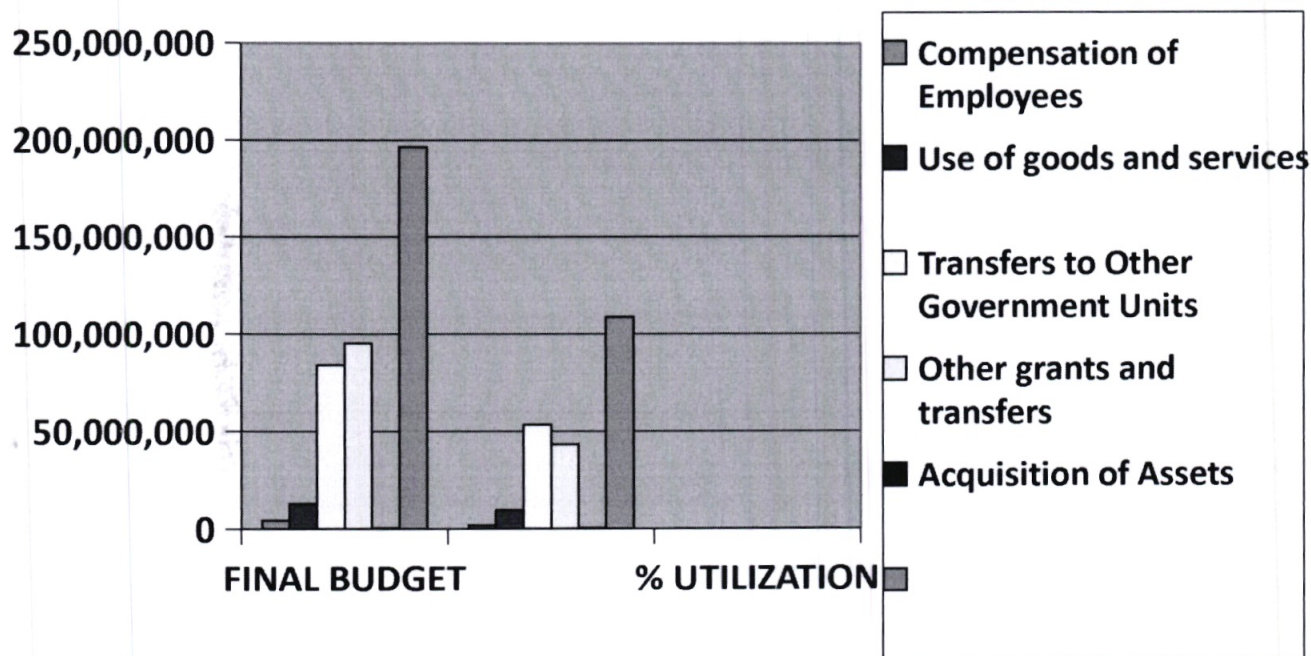
Category	Amount
Employees cost	8,547,600
Committee expenses	8,741,265
Use of goods and services	117,387,931
Other government units	99,060,457
Other grants and transfers	98,700
Use of goods and services	1,857,818
	240,768,081

The Graph below presents the expenditure against the budget;



Key achievements of the NG CDF Kandara Constituency

Kandara Constituency has had significant achievements in the financial year under review. The budget performance against actual amounts for the current year based on sectors for the financial year is as tabulated in the table below. The overall absorption of the available funds was however impressive since out of the total funds of Ksh 363,226,605.31 as total budget during the year, Kshs 251,541,858.30 was utilized during the year under review. This translates to 52.7% absorption rate. The constituency has also undertaken a drastic improvement in the projects constructed as the constituency is now constructing classes that have tiles. The budget Execution is as tabulated below.



The table above shows the percentages of budget utilisation against the final budget, the use of goods and services had the highest utilization as also tabulated in the table above. The average utilization was 52.7%.

Sample projects



Ngararia primary school construction of 10 classroom block

Projects Impacts

Through renovation of classrooms Kandara constituency has been able to achieve a great milestone in ensuring that students in the school benefit from well-constructed classrooms which boosts their morale in school.

Emerging issues

Among the emerging issues negatively affecting the fund during the year under review was the change of office to the new office bearers. The transition affected two financial years especially losing a clerk of works and an engineer who would have ensured a smooth transition

Challenges and way forward

Kandara constituency is a vast constituency comprising of two sub counties. This has been a major challenge especially trying to access the projects as the roads are also impassable. Other challenges include inadequate resources due to the vast nature of the constituency and high number of projects proposed by the constituents in its and forums and the strategic plan. Due to this the constituency has not been in a position to achieve its strategic goals and objectives fully.

The constituency has decided to collaborate with other government agencies including the county government to ensure the challenges especially road challenges are addressed. Through

a higher allocation in the following financial year the constituency intends to reach more beneficiaries in terms of bursary award.


.....
Samuel Kagwa
Chairman
Kandara NGCDF Committee

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

Introduction

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

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

The key development objectives of the *NGCDF Kandara Constituency 2022-2027* plan are to:

- To improve education outcomes at all levels of learning.
- To empower constituents of Kandara Constituency socially and economically.
- To enhance security for the constituents through improving infrastructure for security provision and strengthen community policing mechanisms.
- To address environmental challenges and reduce the impact of disaster risks.
- To improve efficiency and effectiveness through streamlining funds processes and system.

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To improve the existing educational infrastructure in the constituency	Improved teaching and learning environment	New classrooms in primary schools and secondary schools	In FY 2024/25 -we increased number of classrooms renovated -Bursary beneficiaries at all levels were as per the attached schedules
Security	To strengthen the security systems in the constituency	Upgraded security infrastructure within the constituency	Purchase of furniture for Kandara OCPD office	In the Financial year under review the constituency has constructed a two roomed assistant chiefs office at Kaguthi chiefs office, and construction of

				chiefs toilets at Muthuru chiefs office and Githumu chiefs office
Environment	To incorporate environmental protection in socio economic and infrastructural development projects	Tree planting and landscaping within the constituency projects	Planting of trees in schools	The constituency has allocated funds for planting of trees in various learning institutions in the constituency. The tree planting includes also purchase of tanks and installation of gutters. This is in line with the presidents directive of planting 15 billion seedlings by the year 2032
Emergency	To cater for unforeseen occurrences in the constituency	Enhanced better infrastructure	Toilets in the constituency	The constituency has constructed collapsed emergency toilets and also constructed once classroom that had collapsed in Gacharage primary school and a retaining wall at Gatitu-ini secondary school

6. Governance Statement

NG-CDFC process of appointment

Section 43(1), (2), (3) and (4) of the National Government Constituencies Development Fund (NG-CDF) Act state that:

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

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

The current NGCDFC members were gazetted in 13th December 2023 and the first meeting was held in 2nd February 2024

The persons appointed are drawn from different groupings as follows:

NAME	CATEGORY	DESIGNATION
Samuel Mwangi	Representative of Female Adult	Chairperson
Anthony Mwangi	Nominee of the constituency office Male	Secretary
Roselyn Nduta	Nominee of the constituency office Female	Member
Timothy Nganga	Male Youth representative	Member
Samuel Kagwa	Male Adult Representative	Member
Esther Kinuthia	Female Youth Representative	Member
Sarah Njuki	Female Adult Representative	Member
Sammy Chege	Representative of persons living with disability	Member

NG-CDFC Tenure

The tenure of NG CDFC shall be 2 years from the date of appointment

The Role of the Constituency Committee

Ensure that all projects receive adequate funding and are completed within three years; where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies; (I) ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board; monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board; ensure that project reports are prepared and submitted to the Board; ensure formation of project management committees, opening of project accounts, project implementation and closure of projects; ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund; 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.

National Government Constituencies Development Fund (NGCDF)
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Removal of a member

The NG CDF Act of 2015 and as amended in 2022 outlines the procedures to be taken when dissolving a constituency committee. A person may present a petition to the Board for the dissolution of a Constituency Committee setting out the alleged facts constituting any one or more of the following grounds for dissolution— (a) serious violation of the Constitution or any other law including a contravention of Chapter Six; (b) gross misconduct, whether in performance of the member's or office holder's functions or otherwise; (c) incompetence; (d) bankruptcy; or (e) any other cause as may be deemed justifiable. Atta NG CDFC has not been dissolved for any of the above reasons.

NG-CDFC Induction and training

The induction training was conducted in the NG CDF Board room on 2nd February 2024. The meeting also incorporated hand over and take over.

Number of meetings;

NG-CDF Act Section 43 stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings.

In Yatta Constituency, the NG-CDF Committee conducted 6 meetings and 4 sub-committee meetings.

	Name of committee member	Meetings held												
		1/7/24	15/8/24	24/9/24	18/10/24	22/10/24	25/11/24	8/1/25	21/1/25	29/1/25	11/3/25	17/4/25	29/5/25	24/6/25
1	Samuel Mwangi	√	√	√	√	√	√	√	√	√	√	√	√	√
2	Anthony Mwangi	√	√	√	√	√	√	√	√	√	√	√	√	√
3	Roselyn Nduta	√	√	√	√	√	√	√	√	√	√	√	√	√
4	Timothy Nganga	√	√	√	√	√	√	√	√	√	√	√	√	√
5	Samuel	√	√	√	√	√	√	√	√	√	√	√	√	√

	Kagwa													
6	Esther Kinuthia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Sarah Njuki	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Anthony Mwangi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Stephen maina	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Peter Maina	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Remuneration Rates

The NG CDF Act of 2015 regulations of 2016 indicates that members are entitled to sitting allowances once they attend meetings. Kandara NG CDFC Members are entitled to a sitting allowance once they attend meetings.

Disclose the policy on conflict of interest

The NG CDF Act of 2015 regulations of 2016 states that all officers should declare conflict of interest before commencement of any meeting. Kandara NG CDFC ensures that members declare conflict of interest before start of any meeting.

Succession plan

Vacancies arising as a result of the removal or end of tenure of the members of the Constituency Committee, the vacancy shall be filled in the manner set out in section 43 and minutes of the meeting shall indicate the fact of the removal or appointment of members.

Ethics and code of conduct

The NG-CDFC members shall be of good conduct and adhere to chapter six of the constitution and shall not have any trail of criminal record. Members shall not indulge in any act in contravention the act and other law, policy regulations that govern operations of NG-CDF.

Risk Management

National Government Constituencies Development Fund (NGCDF)
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The constituency has a risk policy which they observe and are required to maintain a risk register. The committee has the following responsibilities

- Attestation of Key Risk Indicators
- Analysing Key Risk Indicators in every month

7. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Kandara Constituency's focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers, thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalized groups, including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well 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 the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree

planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

2. Environmental performance

NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Kandara 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 policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

Kandara Constituency is committed to fair and ethical market practices.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local

vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practices ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to 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 practice 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 interest.

5. Community Engagements-

Kandara 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 sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

Public Awareness

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

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


.....
Name: Stephen Kinyingi
Fund Account Manager.

8. Management Discussion and Analysis

NGCDF Kandara is one of the 6 constituencies in Muranga County. The management of the fund is done by National Government constituency development fund committee at the constituency level. The committee members are selected from different wards in Kandara constituency.

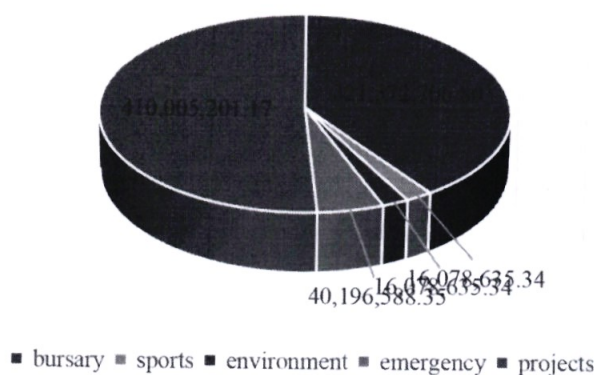
In the last five years NG CDF Kandara has received a total of Kshs 803,931,767.31 as indicated below

No	Financial Year	Amount
1	24/25	193,617,934
2	23/24	184,129,901
3	22/23	151,960,174
4	21/22	137,088,879
5	20/21	137,134,879.31
TOTAL		803,931,767.31

The NG CDFC allocated funds to national government projects. They are namely, Education, security, and climate mitigation. Once the constituency receives its budget allocations from the board it conducts public participation across the constituency to identify the needs of the constituents.

After conducting the public participation, the NG CDFC holds a meeting and allocates funds to the projects based on priorities and need basis. The bursary, climate mitigation, education and security sector projects are as indicated below.

KANDARA 5 YEARS PROJECTS DISTRIBUTION



The Ng Cdfc has done many projects including the education sector and bursary allocations. Some of the notable projects are

- Construction of 10 classrooms that are a one storey building in Kiranga primary school

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- Purchase of school bus in wangai secondary school
- Renovation of 10 classrooms at Kagongo primary school
- Construction of laboratories in primary and secondary school and especially the schools that share and host the junior secondary school. Gathage secondary school is one such an example
- Construction of a storey building of two classrooms and a ramp at Githuya primary school
- Construction of Digital hubs at Kiiri constituency innovation hub

Another major priority of Kandara constituency has been ensuring that needy and bright students remain in school by providing bursary funds. The NG CDFC allocates the maximum allowable money to ensure that the needy kids remain in school. The major challenge is however the rising costs of living that has made many families vulnerable and unable to make ends meet thus exerting lots of pressure on the bursary fund. This has resulted to an increase in the number of beneficiaries across the constituency.

The NG CDF has been experiencing several challenges including

- The rising cost of living that has pushed up the prices of commodities including the cost of construction
- Unrest due to the future of the fund

Overall the NG CDF Kandara is paramount in the development of the constituency and uplifting the people I Kandara constituency. This has been enabled by providing the much needed grassroots level developments.


.....
Name 
Fund Account Manager

9. Environmental and Sustainability Reporting

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

Sustainability strategy and profile -

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

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

Environmental performance

NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

As a committee we are waiting for guidelines from the board in line with the changes in the NG CDF Act 2015 as amended in 2023. This will guide in coming up with the future strategies in handling the climate mitigation matters.

Despite the challenges the constituency has allocated sufficient funds in tree planting around the constituency.

Employee welfare

We invest in providing the best working environment for our employees. Kandara 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. xxx 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.

Marketplace practices-

Kandara 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 honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- e) Responsible competition practice by encouraging fair competition and zero tolerance to corruption.
- f) Good business practices, including cordial Supply chain and supplier relations, by honouring contracts and respecting payment practices.
- g) Responsible marketing and advertisement
- h) Product stewardship by safeguarding consumer rights and interests.

Community Engagements-

Kandara 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

Kandara 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.

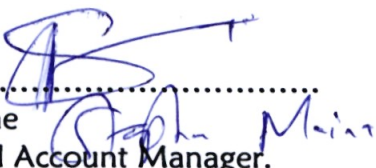
Public participation is a process that directly engages the concerned stakeholders in decision-making and fully considers public input.

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.

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


.....
Name
Fund Account Manager.

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

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

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

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

Approval of the financial statements

The NGCDF- Kandara Constituency financial statements were approved and signed by the Accounting Officer on 19th August 2025.


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


.....
Name: Stephen Maina
Fund Account Manager

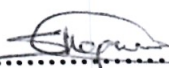
National Government Constituencies Development Fund (NGCDF)
Kandara Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

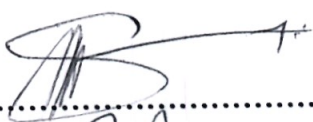
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The NGCDF- Kandara Constituency financial statements were approved and signed by the Accounting Officer on 19th August 2025.


.....

Name: SAMUEL KAGWA
Chairman – NGCDF Committee


.....

Name: Stephen Maina
Fund Account Manager

REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

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

1 to 68, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kandara 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 Constituency Development Fund Act, 2015 and Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies of the Presentation and Balances in the Financial Statements

- i. The statement of financial position as disclosed in Note 23 reflects net balances of Kshs.230,300 in respect of property, plant and equipment. However, supporting sub note 23(a) has not disclosed the cost (Kshs.470,000), accumulated depreciation (Kshs.239,700) and Net book value (Kshs.230,300) of property, plant and equipment in compliance with the requirement of the financial reporting template prescribed by the Public Sector Accounting Standard Board. In addition, the property, plant and equipment reflect depreciation charge of Kshs.98,700 for the year instead Kshs.141,000 being thirty percent (30%) on cost (Kshs.470,000). As a result, as at 30 June, 2025 the accumulated depreciation should reflect Kshs.282,000 and net book value of Kshs.188,000.
- ii. The statement of comparison of budget and actual amount reflects significant budget utilization differences. However, budgetary explanatory notes on explanation (comments) of significant differences for budgetary items with utilization difference below 90% of the budgetary allocation was not disclosed as a footnote to the statement

In the circumstances, the accuracy and completeness of financial statement balances and disclosures could not be confirmed.

2. Cash and Cash Equivalents Balances

The statement of financial position and as disclosed in Note 19 to the financial statement reflect cash and cash equivalent balance of Kshs.93,799,122. Audit review of the balance revealed the following unsatisfactory observations;

2.1 Stale Cheques

The examination of bank reconciliation statement for the operations account for the month of June, 2025 revealed stale cheques totalling Kshs.80,063 still outstanding in the bank reconciliation statement for the Month of September, 2025. The cheques had not been reversed in the Cashbook.

2.2 Undisclosed Bank Account Balance

The financial statements at Note 19 reflect cash and cash equivalent balance of Kshs.93,799,122 held in three (3) bank accounts for operations, Deposits accounts and Various PMC bank accounts. However, the Fund did not disclose the bank balance of Kshs.2,180,466 held in the Co-operative Bank account for operations as at 30 June, 2025 in the financial statement.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.389,155,717 and Kshs.328,741,664 respectively resulting to budget shortfall of Kshs.60.414,052 or about 16% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects of the 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 Audit 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 Fund in 2024/2025 revealed that the following matters remained unresolved.

No	Financial Year	Audit Issue
1	2023/2024	Unsupported Project Management Committee Account Balances
2	2023/2024	Irregular Expenditure on Emergency Projects
3	2023/2024	Projects Implementation Status
4	2023/2024	Lack Approved ICT Policy

Other Information

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

In connection with my audit on the Fund's transitional 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 transitional financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Law on Affirmative Action

Review of the staff bio data and personnel files revealed that the Fund has a staff capacity of nine (9) who come from one ethnic background representing 100% of the total work force. This is contrary to Section 7(1) of the National Cohesion and Integration Act 2008.

Further, Management did not allocate 5% of employment opportunities to persons with disabilities its workforce. This is contrary to Section 21 of persons with disability Act, 2025 which requires public entities to allocate at least 5% of the employment opportunities to persons with disability.

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

2. Irregular Payment of Leave Allowance

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects Kshs.4,830,870 in respect to employee costs which further includes Kshs.3,591,831 for basic staff salaries. Audit review of the employee costs revealed that Management paid staff leave allowance equivalent of the gross monthly salary. This is contrary to Section 4.6.3 of the NG-CDF Human Resource Policies, 2019 which states that leave allowance shall be paid as per the prevailing Government regulations from time to time once every year or twice a year for officers working in areas categorized as hardship. In addition, Management did not provide any approval and basis for the rate used to pay leave allowances to its staff.

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

3. Other Government Unit Actual Expenditure

The statement of financial performance and as disclosed in Note 13 to the financial statement reflects other Government units' actual expenditure of Kshs.117,387,931. The expenditure includes primary school actual expenditure of Kshs.91,612,477 and secondary schools' actual expenditure of Kshs.25,775,454. Audit review of contract management and implementation of projects revealed the following unsatisfactory observations;

3.1 Project Verification for Primary Schools

Note 13 to the financial statement reflects primary school actual expenditure of Kshs.91,612,477. Audit review of contract management and physical verification carried out in the month of November, 2025 on implementation of primary school projects revealed nine (9) projects with expenditure amounting to Kshs.31,580,044 implemented during the year under review with several anomalies which include poor workmanship and incomplete elements of Bill of Quantities.

In the circumstances, the effectiveness of utilization of public resources and value for money could not be confirmed.

3.2 Project Verification for Secondary Schools

The financial statements at Note 13 reflects secondary school actual expenditure of Kshs.25,775,454. However, physical verification on implementation of secondary schools' projects carried out in the month of November 2025 revealed some two (2) projects with expenditure amounting to Kshs.10,227,330 implemented during the year

under review had several anomalies including poor workmanship and incomplete elements of bill of quantities.

In the circumstances, the effectiveness of utilization of public resources and value for money incomplete projects could not be confirmed.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

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

Responsibilities of the Management and National Government Constituency Development Fund Board

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

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

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

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

activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

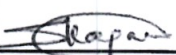
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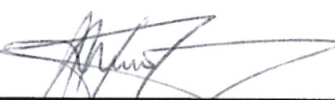
National Government Constituencies Development Fund (NGCDF)
Kandara Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

	Note	Period ended June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	188,414,052
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		188,414,052
Expenses		
Employee costs	10	4,830,870
Committee expenses	11	8,547,600
Use of Goods and Services	12	8,741,265
Other Government Units Actual expenditure	13	117,387,931
Other Grants and Transfers Actual expenditure	14	99,060,457
Depreciation and amortization expense	15	98,700
Digital Hubs Expenses Actual expenditure	16	1,857,818
Total expenses		240,524,640
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		(52,110,588)

The Constituency financial statements were approved by the NGCDFC on 29th June 2025 and signed by:


 Chairman NG-CDF
 Committee
 Name: Samuel Barasa


 National Sub-County
 Accountant
 Name: Alfred Kithusya
 ICPAK M/No: 6456


 Fund Account Manager
 Name: Stephen Maina

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

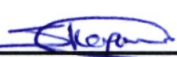
13. Statement Of Financial Position As At 30th June, 2025

	Note	Period ended June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	93,799,122	89,186,918
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	60,414,052	111,554,747
Prepayments	22	226,667	-
Total Current Assets		154,439,842	200,741,665
Non-Current Assets			
Property, Plant and Equipment	23	230,300	329,000
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		230,300	329,000
Total Assets (A)		154,670,142	201,070,665
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third Party Deposits	27	9,710,443	5,011,041
Lease Liabilities	28	-	-
Gratuity Provision	29		

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

		1,408,608	397,945
Total Current Liabilities		11,119,051	5,408,986
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		11,119,051	5,408,986
Net Assets (A-B)		143,551,091	195,661,679
Represented by:			
Revaluation Reserves		-	-
Accumulated Surplus		143,551,091	195,661,679
Total Net Assets		143,551,091	195,661,679

The Constituency financial statements set out on pages 1 to 5 approved by NG CDFC on 4th December 2025 and signed by:


 Chairman NG-CDF
 Committee
 Name: Samuel KAGWA


 National Sub-County
 Accountant
 Name: Alfred Kithusya
 ICPAK M/No: 6456


 Fund Account Manager
 Name: Stephen Maina

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 th June 2024	60,044,987	-	60,044,987
Adjustments			
PMC Balances	29,141,931		29,141,931
Outstanding disbursements for prior years	111,554,747		111,554,747
Property plant and Equipment	329,000		329,000
Third party deposits(retention)	(5,011,041)		(5,011,041)
Gratuity provisions	(397,945)		(397,945)
As at July 1, 2024	195,661,679		195,661,679
Surplus/(Deficit) For the Period	(52,110,588)		(52,110,588)
Revaluation Gain/Loss	-	-	-
As at June 30, 2025	143,551,091	-	143,551,091

Note:

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

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

	Notes	Period ended June 2025
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		239,554,747
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		239,554,747
Payments		
Employee costs		3,820,207
Committee expenses		8,547,600
Use of Goods and Services		8,967,932
Other Government Units Certified Works		113,036,518
Other Grants and Transfers		98,712,468
Digital Hubs Expenses		1,857,818
Total Payments		234,942,542
Net Cash Flows from/ (used in) Operating Activities	30	4,612,205
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		4,612,205

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Cash Flows from Financing Activities		
Lease Payment		-
Net Cash Flows from Financing Activities		4,612,205
Cash and cash equivalents at 1 July	19	89,186,918
Cash and cash equivalents at 30 June	19	93,799,123

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Revenue							
Transfers From the NGCDF Board	188,414,052	89,186,918	111,554,747	389,155,717	328,741,665	60,414,052	84%
Transfers from domestic and foreign partners	-	-	-	-	-	-	-
-Finance income	-	-	-	-	-	-	-
Miscellaneous income	-	-	-	-	-	-	-
Totals	188,414,052	89,186,918	111,554,747	389,155,717	328,741,665	60,414,052	84%
Expenses							
Employee costs	4,355,688	2,494,350	-	6,850,038	3,820,207	3,029,831	56%
Committee expenses	6,825,187	1,052,053	3,109,370	10,986,610	8,547,600	2,439,010	78%
Use of Goods and Services	5,776,389	8,177,258	2,492,500	16,446,147	8,967,932	7,478,215	55%
Other Government Units Certified Works	68,917,210	34,751,291	100,071,540	203,740,041	113,036,518	90,703,524	55%
Other Grants and Transfers	95,181,150	33,693,082	2,307,540	131,181,772	98,712,468	32,469,305	75%
Acquisition of assets	-	470,000	-	470,000	-	470,000	0%

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	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Digital Hubs Expenses	5,244,654	5,500,000	3,573,797	15,818,451	1,857,818	13,960,633	12%
Funds Pending Approval**	2,113,774	3,048,883	-	5,162,657	3,048,883	2,113,774	0%
Total Expenditure	188,414,052	89,186,918	111,554,747	389,155,717	237,991,425	154,213,175	60%
Surplus for the period	-	-	-	-	90,750,240	-	

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

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Explanatory Notes.

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	154,213,175
Less undisbursed funds receivable from the Board as at 30 th June 2024	60,414,052
Cash and Cash Equivalents at the end of the 30 th June 2025	93,799,123

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 4th December 2025 and signed by:



Fund Account Manager

Name: Stephen Maina



National Sub-County Accountant

Name: Alfred Kithiga
ICPAK M/No: 6486



Chairman NG-CDF Committee

Name: Samuel KARWA

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,355,688	2,494,350		6,850,038	3,820,207	3,029,831
1.2 Committee allowances	3,733,817	1,052,053	18,000	4,803,870	4,273,800	530,070
1.3 Use of goods and services	3,215,338		60,000	3,275,338	3,275,338	-
Sub-total	11,304,843	3,546,404	78,000	14,929,247	11,369,345	3,559,902
2.0 Monitoring and evaluation						
2.1 Capacity building	1,390,000		130,000	1,520,000		1,520,000
2.2 Committee allowances	3,091,370		3,091,370	6,182,740	4,273,800	1,908,940
2.3 Use of goods and services	1,171,051	8,177,258	2,302,500	11,650,809	5,692,594	5,958,215
Sub-total	5,652,421	8,177,258	5,523,870	19,353,549	9,966,394	9,387,155
3.0 Emergency unutilized						
unutilized	3,186,091			3,186,091		3,186,091
Gathage secondary school	881,351			881,351	881,351	-
Sakimtex generalconstruction limited	226,290			226,290	226,290	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Gatitu-ini secondary school	4,243,165			4,243,165	4,243,165	-
Gacharage primary school	1,379,633			1,379,633	1,379,633	-
Sub-total	9,916,529	-	-	9,916,529	6,730,439	3,186,091
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	48,000,000	16,818,941	300,000	65,118,941	52,859,179	12,259,762
4.3 Tertiary Institutions	22,365,621	16,800,000		39,165,621	39,122,850	42,771
4.4 Special needs	4,999,000			4,999,000	-	4,999,000
4.5 Social Security						
Sub-total	75,364,621	33,618,941	300,000	109,283,562	91,982,029	17,301,533
5.0 Climate Change Mitigation						
Rwathe primary school	270,000			270,000		270,000
Wahu primary school	270,000			270,000		270,000
Mahutia Primary school	270,000			270,000		270,000
Naaro primary school	270,000			270,000		270,000
Kawendo primary school	270,000			270,000		270,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Gathugu primary school	270,000			270,000		270,000
karembu-ini primary school	270,000			270,000		270,000
Mutitu primary school	270,000			270,000		270,000
wangai primary school	270,000			270,000		270,000
Githaite primary school	270,000			270,000		270,000
Kaguthi primary school	270,000			270,000		270,000
Nguthuru secondary school	270,000			270,000		270,000
Karumu primary school	270,000			270,000		270,000
Kiire primary school	270,000			270,000		270,000
Mutundu-ini primary school	270,000			270,000		270,000
Mahutia secondary school	270,000			270,000		270,000
kiawambutu secondary school	270,000			270,000		270,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
rwathe secondary school	270,000			270,000		270,000
Ngaa-ini primary school	270,000			270,000		270,000
Mairungi primary school	270,000			270,000		270,000
Gacharage pry school			167,295	167,295		167,295
Ngaa-ini primary school			167,295	167,295		167,295
matiraini pry school			167,295	167,295		167,295
Mutunduini pry school			167,295	167,295		167,295
Gacharage mixed sec school			167,295	167,295		167,295
Machegecha secondary			167,295	167,295		167,295
Mungaria primary			167,295	167,295		167,295
Kagongo pry			167,295	167,295		167,295
Gakarara pry			167,295	167,295		167,295

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Mukerenju pry			167,295	167,295		167,295
Makindi pry			167,295	167,295		167,295
Waitua pry			167,295	167,295		167,295
				-		-
Sub-total	5,400,000	-	2,007,540	7,407,540	-	7,407,540
Sub-total						
6.0 Primary Schools Projects (List all the Projects)						
Rukira primary school	7,200,510			7,200,510		7,200,510
Karumu primary school	6,543,110			6,543,110		6,543,110
Wahu primary school	11,340,000			11,340,000		11,340,000
Matiraini primary school	5,670,000			5,670,000		5,670,000
Kaguthi primary school	1,300,000			1,300,000		1,300,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Ngararia primary school	10,000,000			10,000,000		10,000,000
Githunguri primary school	9,356,400			9,356,400		9,356,400
Githaiti primary school	3,200,000			3,200,000		3,200,000
Rwathe primary school	11,100,000			11,100,000		11,100,000
Kiharo primary school	600,000			600,000		600,000
Makindi primary school			3,200,000	3,200,000	3,058,449	141,551
Waitua primary school			4,800,000	4,800,000	4,562,650	237,350
Kaburugi primary school			1,692,005	1,692,005	1,533,257	158,748
Mutitu primary school			1,692,005	1,692,005	1,637,940	54,066
Riandegwa primary school			1,692,005	1,692,005	1,627,938	64,067
Kandara primary school			1,600,000	1,600,000	1,483,474	116,526
Gakoigo primary school			1,600,000	1,600,000	1,541,598	58,402

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Ngaaini Primary School			1,600,000	1,600,000	1,503,643	96,357
Kawendo primary school			1,600,000	1,600,000	1,503,643	96,357
Matiraini primary school			1,600,000	1,600,000	1,523,968	76,032
Makindi primary school			1,408,783	1,408,783		1,408,783
Mutundu primary school			1,600,000	1,600,000	1,485,341	114,659
Mugecha primary school			6,600,000	6,600,000	6,201,939	398,061
Mungaria primary school			7,800,000	7,800,000	7,395,150	404,850
Gakarara primary school			3,600,000	3,600,000	3,370,944	229,056
Mukerenju primary school			7,200,000	7,200,000	6,893,254	306,746
Gaichanjiru primary school			2,292,292	2,292,292	2,168,441	123,851
Kawanjeru primary school			2,432,992	2,432,992	2,228,647	204,345
Kiharo primary school			662,344	662,344		662,344

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Mutheru primary school			2,693,074	2,693,074		2,693,074
Kagongo primary school			9,000,000	9,000,000	8,772,061	227,939
Karugia primary school			7,200,000	7,200,000	6,779,489	420,511
Mugaaini primary school			2,145,140	2,145,140	2,066,183	78,957
Mutheru primary school			7,800,000	7,800,000	7,422,056	377,944
Riandegwa primary school		228,481.00		228,481	216,150	12,331
Githuya Primary school		4,302,401.00		4,302,401	2,915,961	1,386,440
				-		-
				-		-
GITHUMU PRIMARY SCHOOL		204,572.00		204,572	-	204,572
GITURU PRIMARY SCH		3,452.00		3,452	-	3,452
KAGIRA PRIMARY SCH		4,759.00		4,759	-	4,759

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAMICEE PRIMARY SCH		9,299.00		9,299	-	9,299
KANDARA PRIMARY SCHOOL		1,277.00		1,277	-	1,277
KARIGUINI PRI.SCH. CDF A/C		4,907.20		4,907	-	4,907
KAWANJERU PRIMARY SCHOOL		373,473.00		373,473	-	373,473
KIANGARI PRI. SCH		1,438,943.20		1,438,943	1,436,943	2,000
KIANYINGI PRIMARY SCH		1,820.00		1,820	-	1,820
KIIRI PRIMARY SCH		13,598.00		13,598	-	13,598
KIRANGA PRIMARY SCHOOL		5,160,000.00		5,160,000	4,504,345	655,655
KIRANGA PRIMARY SCHOOL CLASSROOMS		101,600.00		101,600	-	101,600
KIRIGITHU PRI SCH		523,497.00		523,497	500,850	22,647
MAKINDI PRIMARY SCH		2,043.00		2,043	-	2,043
MANJUU PRI SCH		1,013,393.00		1,013,393	711,575	301,818

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
MUGAA-INI PRIMARY SCH		383,061.00		383,061	-	383,061
MUGECHA PRI. SCH. PMC A/C		192,846.25		192,846	-	192,846
THAGARI PRI SCH		15,000.00		15,000	-	15,000
NGARARIA PRIMARY SCHOOL		2,966,650.50		2,966,651	2,966,651	-
		1,256,209.00		1,256,209		1,256,209
Sub-total	66,310,020	16,945,073	83,510,640	166,765,733	88,012,539	78,753,194
7.0 Secondary Schools Projects (List all the Projects)						
Gatitu-ini secondary school	2,607,190			2,607,190	2,442,800	164,390
GAICHANJIRU MIXED SEC		1,415		1,415		1,415
GAKUI SEC		50,210		50,210		50,210
GATHAGE SEC SCHOOL		5,427,330		5,427,330	4,387,899	1,039,431

National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
GATITUINI SEC SCH		2,249,338		2,249,338	518,279	1,731,059
GITHUMU DAY SEC SCH		1,430		1,430		1,430
KIIRI SECONDARY SCHOOL		1,325		1,325		1,325
KIRIRWA SEC SCH		232,094		232,094		232,094
MANJUU SEC SCHOOL		1,276		1,276		1,276
MURUKA SEC SCH.		2,390		2,390		2,390
NAARO HIGH SCH		16,778		16,778		16,778
WAITUA SEC. SCH ABLUTION		7,961		7,961		7,961
WAITUA SEC. SCH DESKS		14,673		14,673		14,673
Wangai secondary school		9,800,000		9,800,000	9,100,115	699,885
New kiranga day secondary school			6,400,000	6,400,000		6,400,000

**National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
New kiranga day secondary school			900,000	900,000		900,000
New kiranga day secondary school			380,900	380,900		380,900
				-		-
Machegecha secondary school			4,800,000	4,800,000	4,552,386	247,614
Gaichanjiru mixed secondary school			4,080,000	4,080,000	4,022,500	57,500
Sub-total	2,607,190	17,806,218	16,560,900	36,974,308	25,023,979	11,950,330
8.0 Tertiary institutions Projects (List all the Projects)						
Sub-total						
9.0 Security Projects						
Githumu Chiefs office	1,000,000			1,000,000		1,000,000
Kaguthi chiefs office	2,100,000		-	2,100,000		2,100,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Muthuru chiefs office	1,400,000			1,400,000		1,400,000
GITHUMU POLICE STATION-OCS		68,694		68,694		68,694
KANDARA OCPD OFFICE		3,604		3,604		3,604
MAKENJI POLICE STATION		1,843		1,843		1,843
Sub-total	4,500,000	74,141	-	4,574,141	-	4,574,141
10.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fittings		470,000		470,000		470,000
12.2 Construction of CDF office				-		-
Sub-total	-	470,000	-	470,000	-	470,000
11.0 Digital Hubs						
(Itemize as per the code list)						
Sub total						
12.0 Others						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kiiri ICT Hub	685,000	-	3,573,797	4,258,797	1,857,818	2,400,979
Kagundu-ini ICT Digital Hub	4,559,654	5,500,000	-	10,059,654		10,059,654
Sub-total	5,244,654	5,500,000	3,573,797	15,818,451	1,857,818	13,960,633
13.0 Funds pending approval**						
unapproved projects		3,048,883		3,048,883	3,048,883	
Kandara NG CDF Bursary software	1,500,000		-	1,500,000		1,500,000
Githuya Primary school	613,774			613,774		613,774
Sub-total	2,113,774	3,048,883	-	5,162,657	3,048,883	2,113,774
Total	188,414,052	89,186,918	111,554,747	389,155,717	237,991,5425	154,213,175

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

18. 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 Kandara Constituency principal activity is fund activities that fall in line with the responsibilities of the national government of its 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 transitional 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). The NG CDF Kandara has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement. The NG CDF Kandara has recognised all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the board and other parties); prepayments; property; plant, and equipment(PPE) ; and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

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

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

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3. Adoption of New and Revised Standards

- i. *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<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 recognise, measure and present information on right of use assets and lease liabilities. <i>Not applicable in the constituency</i>
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. <i>Not applicable in the constituency</i>

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IPSAS 45: Property Plant and Equipment	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an 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. <i>The physical asset has been recognized as an Entity Asset at NBV amount</i>
IPSAS 46: Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. <i>The IPSAS is applicable effective 1st July 2025</i>
IPSAS 47: Revenue	<i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue

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	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. <i>The IPSAS is applicable effective 1st July 2025</i>
IPSAS 48: Transfer Expenses	<i>Applicable 1st January 2026</i> 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. <i>Not applicable in the constituency</i>
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>Not applicable in the constituency</i>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the 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. <i>Not applicable in the constituency</i>

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at 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.

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 the *Entity*.

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

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

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

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

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6. Transfers from the NGCDF Board

Description	Period ended 30 th June 2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	188,414,052
Total	188,414,052

7. Transfers from domestic and foreign partners

Description	Period ended 30 th June 2025
	Kshs
Grants	-
Total	-

8. Finance income

Description	Period ended 30 th June 2025
	Kshs
Interest Income on Bank Deposits	-
Total	-

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

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10. Employees cost

	<i>Period ended 30th June 2025</i>
	Kshs
NG-CDFC Basic staff salaries	3,591,831
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	1,010,663
Employer Contributions Compulsory national social security schemes	183,256
Employer Contributions Compulsory Housing levy	39,870
Employer contributions to National Industrial Training Authority	5,250
Other Specify	
Total	4,830,870

11. Committee Expenses

	<i>Period ended 30th June 2025</i>
	Kshs
Sitting allowance	1,164,000
Other Committee expenses	7,383,600
Total	8,547,600

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12. Use of Goods and services

	<i>Period ended 30th June 2025</i>
	Kshs
Utilities, supplies and services	203,151
Communication, supplies and services	219,170
Domestic travel and subsistence	1,660,900
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	2,390,800
Hospitality supplies and services	839,500
Insurance costs	23,283
Specialized materials and services	-
Office and general supplies and services	1,110,400
Fuel, oil & lubricants	1,600,000
Bank charges	170,861
Routine maintenance – vehicles and other transport equipment	523,200
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	-
Total	8,741,265

13. Other Government Units Actual expenditure

Description	<i>Period ended 30th June 2025</i>
	Kshs
Primary Schools Actual expenditure	91,612,477
Secondary Schools Actual expenditure	25,775,454
Tertiary Institutions Actual expenditure	-
Total	117,387,931

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14. Other Grants and transfers Actual expenditure

	<i>Period ended 30th June 2025</i>
	Kshs
Bursary – secondary schools	52,859,179
Bursary – tertiary institutions	39,122,850
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	-
Climate change mitigation projects	-
Emergency projects Actual expenditure	7,078,428
Roads projects Actual expenditure	-
Others specify	-
Total	99,060,457

15. Depreciation and Amortization Expenses

<i>Description</i>	<i>Period ended 30th June 2025</i>
	Kshs
Property Plant and Equipment	98,700
Intangible Assets	-
Total	98,700

16. Digital Hubs Expenses

<i>Description</i>	<i>Period ended 30th June 2025</i>
	Kshs
Construction/ renovation/ Actual expenditure	1,857,818
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others (<i>specify</i>)	-
Total	1,857,818

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17. Gain/loss on Sale of Assets

Description	Period ended 30 th June 2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total Gain/loss on Sale of Assets	-

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ending 30 th JUNE 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Family Bank, Account No.032000020525 (Operations account)</i>	71,397,898	60,044,987
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Name of Bank, account No. (Deposit account)</i>	1,254,104	-
<i>Name of Bank, account No. (PMC accounts)</i>	21,147,121	29,141,931
Total	93,799,122	89,186,918
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations <i>(Specify)</i>	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>	-	-

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20. Receivables from Exchange Transactions

Description	Period ended 30 th June 2025	Opening Statement 1 st 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	Period ended 30 th June 2025		Opening Statement 1 st 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	Period ending 30 th June 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	60,414,052		111,554,747	
Outstanding imprest	-		-	
Total	60,414,052		111,554,747	
Ageing Analysis- Receivables from non-exchange transactions	Insert Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	60,414,052	-	111,554,747	-
Between 1-2 years	-	-	-	-
Over 3 years	-	-	-	-
Total	60,414,052	-	111,554,747	-

22. Prepayments

Description	Period ending 30 th June 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Prepaid Rent	-		-	
Prepaid Insurance	226,667		-	
Prepaid Electricity Costs	-		-	
Other Prepayments (<i>Specify</i>)	-		-	
Total	226,667		-	

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles		Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		10%	25%		12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs		Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	470,000	-	-	470,000
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	470,000	-	-	470,000
Depreciation And Impairment									
Opening Depreciation	-	-	-	-	-	141,000	-	-	141,000
Depreciation	-	-	-	-	-	98,700	-	-	98,700
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	239,700	-	-	239,700
Net Book Values									
Opening Bal as at 1 st July 2024	-	-	-	-	-	329,000	-	-	329,000
As At 30 th June 2025	-	-	-	-	-	230,300	-	-	230,300

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Valuation

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

22 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	470,000	239,700	230,300
Office Equipment, Furniture, And Fittings	-	-	-
Total	470,000	239,700	230,300

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

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

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24. Intangible Assets

Description	<i>For the period ending 30th June 2025</i>
	Kshs
Cost	-
Opening balance at the beginning of the period	-
Additions	-
Disposal	-
At end of the period	-
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	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at 30 th June 2025	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at 30 th June 2025	-	-	-	-
Carrying Amount				
As at 30 June 2025	-	-	-	-
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-

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As at 30 /June 2025	-	-	-	-

26. Trade and Other Payables

Description	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	1 st July 2024	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

27. Third-Party deposits

	<i>Period ended 30Th June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	5,011,041	
Retention held during the period (B)	10,019,522	5,011,041
Retention paid during the period (C)	5,320,120	-
Closing Retention as at period xx, D= A+B-C	9,710,443	5,011,041

Retentions aging analysis.

	<i>Period ended June 2025</i>	<i>% of the total</i>	<i>Opening Statement 1st July 2024</i>	<i>% of the total</i>
Less than 1 year	9,710,443	%	5,011,041	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	9,710,443		5,011,041	

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

28. Lease Liabilities

	<i>Period ended 30Th June 2025</i>	<i>Opening Statement 1st July 2024</i>
Description	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:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	397,945	-
Gratuity held during the period (B)	1,010,663	397,945
Gratuity paid during the period (C)	-	-
Total Gratuity provision D=(A+B-C)	1,408,608	397,945

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus/Deficit for the year	(52,110,588)
Adjusted for:	
Depreciation	98,700
Impairment	-
Gains and losses on disposal of assets	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	51,140,695
Changes in prepayments	(226,667)
Changes in payables	4,699,402
Changes in payables- Gratuity Provision	1,010,663
Net cash flow from operating activities	4,612,205

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:

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i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (2025)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	60,444,052	60,444,052	-	-
Bank balances	93,799,122	93,799,122	-	-
Total	154,243,174	154,243,174	-	-
As at 30 June (Previous FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	111,554,747	111,554,747	-	-
Bank balances	89,186,918	89,186,918	-	-
Total	200,741,665	200,741,665	-	-

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

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Trade payables	-	-	-	-
Current poportion of borrowings	-	-	-	-
Provisions	-	-	-	-
3 rd Party deposit	-	-	9,710,443	9,710,443
Gratuity Provision	-	-	1,408,608	1,408,608
Total	-	-	11,119,051	11,119,051
As at 30th June (Previous FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
3 RD Party deposit	-	-	5,011,041	5,011,041

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Employee benefit obligation	-	-	-	-
Total	-	-	5,011,041	5,011,041

iii) Market risk

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

a) Foreign currency risk

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

Current FY

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 th June 2025			
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 30 th June 2025			
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 xxx (Current FY: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (Current FY – Kshs xxx)

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

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

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Total	-	-	-	-
As at 30 th June 2025				
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	Period ended June 2025	Opening Statement 1 st July 2024
	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

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,164,000.00	2,443,805
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	239,554,747	242,640,990
Total	239,554,747	245,084,795

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

(Give details)

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Contingent Liabilities

Description	FY 2024/25	Opening Statement 1 st July 2024
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case xx 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 2024/25	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 Kandara Constituency is a Fund under The National Treasury and Planning & managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

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

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19. Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	2,581,540	-	-	2,581,540
Transport equipment	7,898,000	-	-	7,898,000
Office equipment, furniture, and fittings	495,984	-	-	495,984
ICT Equipment and Other ICT Assets	1,176,650	-	-	1,176,650
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
Total	12,152,174	-	-	12,152,174

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

PMC NAME	Bank	Account number	2023/2024	2024/2025
GITHUMU PRIMARY SCHOOL	equity	890282975328	204,572.00	204,572.00
GITURU PRIMARY SCH	equity	890282175944	3,452.00	3,452.00
KAGIRA PRIMARY SCH	equity	890282172140	4,759.00	4,759.00
KAMICEE PRIMARY SCH	equity	890282974167	9,299.00	9,299.00
KANDARA PRIMARY SCHOOL	equity	890279867585	1,277.00	1,277.00
KARIGUINI PRI.SCH. CDF A/C	equity	890193269810	4,907.00	4,907.00
KAWANJERU PRIMARY SCHOOL	equity	890281196646	373,473.00	373,473.00
KIANGARI PRI. SCH	equity	890285214973	1,438,943.00	2,000.00
KIANYINGI PRIMARY SCH	equity	890283007413	1,820.00	1,820.00
KIIRI PRIMARY SCH	equity	890282472847	13,598.00	13,598.00
KIRANGA PRIMARY SCHOOL	equity	890285214561	5,160,000.00	655,655.00
KIRANGA PRIMARY SCHOOL CLASSROOMS	equity	890282502638	101,600.00	101,600.00
KIRIGITHU PRI SCH	equity	890285212641	523,497.00	22,647.00
MAKINDI PRIMARY SCH	equity	890282474956	2,043.00	2,043.00
MANJUU PRI SCH	equity	890270239628	1,013,393.00	301,818.00

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MUGAA-INI PRIMARY SCH	equity	890282983262	383,061.00	383,061.00
MUGECHA PRI. SCH. PMC A/C	equity	890282995476	192,846.25	192,846.25
THAGARI PRI SCH	equity	890283001082	15,000.00	15,000.00
NGARARIA PRIMARY SCHOL	equity	0890264153271	2,966,650.50	0.00
Kaburugi primary school	equity	0890285872670	-	158,748.00
Kawendo primary school	equity	0890285872691	-	96,357.00
Ngaaini primary school	equity	0890285872697	-	96,357.00
Makindi primary school	equity	0890285872645	-	1,408,783.00
Makindi primary school	equity	0890285872645	-	141,551.00
Waitua primary school	equity	0890285872663	-	237,350.00
Gakoigo primary school	equity	0890285872681	-	120,105.00
Kandara primary school	equity	0890285872686	-	116,526.00
mutundu-ini primary school	equity	0890285872677	-	114,659.00
Mugecha primary school	equity	0890285996252	-	398,061.00
Riandegwa primary scool	equity	0890285642647	-	64,067.00
Mutitu Primary school	equity	32000022875	-	54,065.50
Githuya Primary school	equity	8900285497993	-	1,386,440.00

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Matiraiini Primary school	equity	08902858726680	-	76,032.00
Mungaria Primary school	equity	0890285998928	-	404,850.00
Mukerenju Primary school	equity	0890285998921	-	306,746.00
Riandegwa primary scool	equity	0890285642647	-	12,331.47
kawanjeru primary school	equity	0890286143056	-	204,345.00
Gakarara primary school	equity	0890285556499	-	229,056.00
Gaichanjiru primary school	equity	890286143093	-	123,851.00
Kagongo primary school	equity	0890285998941	-	227,939.00
Mutheru primary school	family	32000021692	-	377,944.00
Mugaaini primary school	family	32000022964	-	78,957.00
Karugia primary school	family	032000022965	-	420,511.00
Gaichanjiru mixed secondary school	equity	0890285872650	-	57,500.00
Machegecha secondary school	equity	0890285872656	-	247,614.00
New Kiranga Day secondary school	equity	089055658956		6,400,000.00
New Kiranga Day secondary school	equity	05896146486	-	352,251.00
Gatitu-ini scondary school	equity	0890283262450	-	164,391.00
GAICHANJIRU MIXED SEC	equity	0890283060235	1,415.00	1,415.00

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GAKUI SEC	equity	890281012133	50,210.00	50,210.00
GATHAGE SEC SCHOOL	equity	0890285498022	5,427,330.00	1,039,431.00
GATITUINI SEC SCH	equity	0890283262450	1,096,718.80	578,440.00
GITHUMU DAY SEC SCH	equity	0890282243708	1,430.00	36,328.00
KIIRI SECONDARY SCHOOL	equity	0890282645992	1,325.90	1,325.90
KIRIRWA SEC SCH	equity	08902829085107	232,093.50	232,093.50
MANJUU SEC SCHOOL	equity	0890279651047	1,275.50	1,275.50
MURUKA SEC SCH.	equity	0890281279849	2,390.00	2,390.00
WAITUA SEC. SCH ABLUTION	equity	0890282646099	7,960.50	7,960.50
WAITUA SEC. SCH DESKS	equity	0890282648760	14,673.00	14,673.00
NAARO HIGH SCH	equity	0890282495976	16,778.00	16,778.00
WANGAI SECONDARY SCHOOL	family	032000019385	9,800,000.00	699,885.00
MAKENJI POLICE STATION	equity	0890282172202	1,843.00	1,843.00
KANDARA OCPD OFFICE	equity	0890279865293	3,603.50	3,603.50
GITHUMU POLICE STATION-OCS	equity	0890282474800	68,694.00	68,694.00
Gatitu-ini secondary school	equity	890283262450	-	221,655.00
Gacharage primary school	family	032000021662	-	75,507.50

National Government Constituencies Development Fund (NGCDF)

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kiiri ICT Hub	family	032000021256	-	1,715,979.00
			29,141,931.45	21,140,702.62

National Government Constituencies Development Fund (NGCDF)

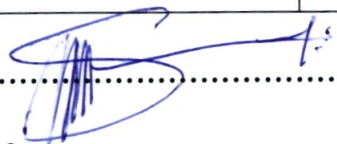
Kandara Constituency

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Annex 3: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Unsupported Paid Gratuity		Not resolved	In consultation with OAG
2	Unsupported Project Management Committee Account Balances	The pmc statements, and reconciliations have since been forwarded to the auditor	Not resolved	In consultation with OAG
3	Irregular Expenditure on Emergency Projects	The projects implemented were emergency in nature. The projects have been reported to the board	Resolved	Resolved
4	Lack Of A Risk Management Policy	The Board issued a risk policy which we are currently using	Not resolved	In consultation with OAG
5	Lack Approved Ict Policy	The Board issued an ICT policy which we are currently using	Not resolved	In consultation with OAG

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Name
Fund Account Manager.