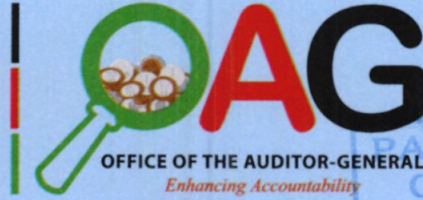


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

PARLIAMENT OF KENYA
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REPORT

OF
THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 11 FEB 2026 DAY: Wednesday

TABLED BY: Hon. (Dr.) Robert Dukoo
on behalf of members of Majority

CLERK-AT-THE-TABLE: Lornale

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – BURA CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2025



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

BURA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

AIE	Authority to Incur Expenditure
AIA	Appropriation In Aid
AC	Audit Committee
CPA(K)	Certified Public Accountant (Kenya)
DCC	Deputy County Commissioner
DEFAC	Decentralized Fund Committee
ICT	Information Communication Technology
IPSAS	International Public Sector Accounting Standards.
KCB	Kenya Commercial Bank
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
PPE	Property, Plant and Equipment
PFM	Public Finance Management
PMCs	Project Management Committees
PWD	Persons with Disability
SHIF	Social Health Insurance Fund
USD	United State Dolar
FY	Financial Year

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 (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 realisation 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 BURA 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	YUSUF DIKA WAKO
2.	National Sub-County Accountant	KIMANI GEOFFREY NJENGA
3.	Chairman NGCDFC	ABDI NOOR ALI
4.	Secretary NGCDFC	MOHAMED KEYSANE

(c) Fiduciary Oversight Arrangements

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

P.O. Box 100-70104
Bura NG-CDF Building
Next to Manyatta Bridge
BURA TANA KENYA.

(e) NGCDF BURA Constituency Contacts

Telephone: (254) 703 957 387
E-mail: cdfbura@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) NGCDF BURA Constituency Bankers

1. Bank A. KENYA COMMERCIAL BANK (ACC NO. 1107773164
GARISSA BRANCH
P.O BOX 143-70100
GARISSA.
2. Bank B. KENYA COMMERCIAL BANK- ACC NO. 1329708687
GARISSA BRANCH
P.O BOX 143-70100
GARISSA
3. Bank C. **(Various PMC Accounts)** at KENYA COMMERCIAL BANK
GARISSA BRANCH
P.O BOX 143-70100
GARISSA
- 4.

(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

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

Name	Details
 <p>ABDI NOOR ALI CHAIRMAN NG-CDFC</p>	<p><i>Provide a concise description of each member's date of birth, key academic and professional qualifications, and work experience.</i></p> <p>Abdi Noor Ali was Born on 10th August,1988. He is a university degree holder and have 3 years' experience as chairman of NG-CDF BURA.</p>
 <p>MOHAMED KEYSANE GODHANA ABDI SECRETARY NG-CDFC</p>	<p>Born on 1st July,1995. He is a Diploma holder and have 3 years' experience as a secretary of Bura NG-CDF Committee.</p>
 <p>ZEITUN MALITI HASSAN MEMBER NG-CDFC</p>	<p>Born on 6th January,1997. She is a secondary school certificate holder and have 3 years' experience as a member of Bura NG-CDF Committee.</p>

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HUSSEIN OMAR JIRO
 MEMBER NG-CDFC

Born on 1st January,1978. He is a secondary school certificate holder and have 3 years' experience as a member of Bura NG-CDF Committee.



MILKA MASULIA SAMUEL
 MEMBER NG-CDFC




Born on 25th February,1979. She is a primary school certificate holder and have 3 years' experience as a member of Bura NG-CDF Committee.



DOKOTU ROBA AMBIA
 MEMBER NG-CDFC

Born on 1st January,1975. She is a primary school certificate holder and have 3 years' experience as a member of Bura NG-CDF Committee.

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 <p>ABDI ADEI ADAN NG-CDFC MEMBER</p>	<p>Born on 1st January,1974. He is a primary school certificate holder and have 3 years' experience as a member of Bura NG-CDF Committee.</p>
 <p>SHAFIN RIJAL MANSA MEMBER NG-CDFC</p>	<p>Born on 24th October,1996. He is a primary school certificate holder and have 3 years' experience as a member of Bura NG-CDF Committee.</p>
 <p>YUSUF DIKA WAKO FUND ACCOUNT MANAGER NG-CDF BURA</p>	<p>Born on 27th July, 1982. MBA degree Holder. CPA(K) Member No. 21946. Has twelve years work experience with NG-CDF BOARD.</p>

4. NG-CDFC Chairman's Report



ABDI NOOR ALI

I would like to extend my gratitude to Bura constituents for giving me the opportunity to serve in my capacity as the chairperson NG-CDFC. Our agenda is enclaved in the slogan “*maendeleo Na Usawa*” as we purpose to deliver improved livelihoods through promoting quality education at primary schools, Secondary schools and tertiary institutions.

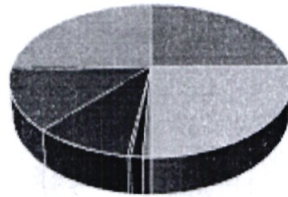
There has also been tremendous increase in bursary allocation, ensuring more students are in schools. We have endeavoured to supporting education through projects that makes the environment of the schools to be better and also ease the minds of the students into solemnly focusing on their performance. The excellent performance can be attributed to tremendous support from the NG-CDF Board, Member of Parliament and all stakeholders.

Bura constituency is one of the three constituencies in Tana River County, coast Region. During the financial year 2024-2025 we utilized Kshs.241,789,105. Our utilization of funds for the financial year stands at 83.0% against the final budget of Kshs. 291,231,059.

The project allocation percentage per sector is as indicated below: -

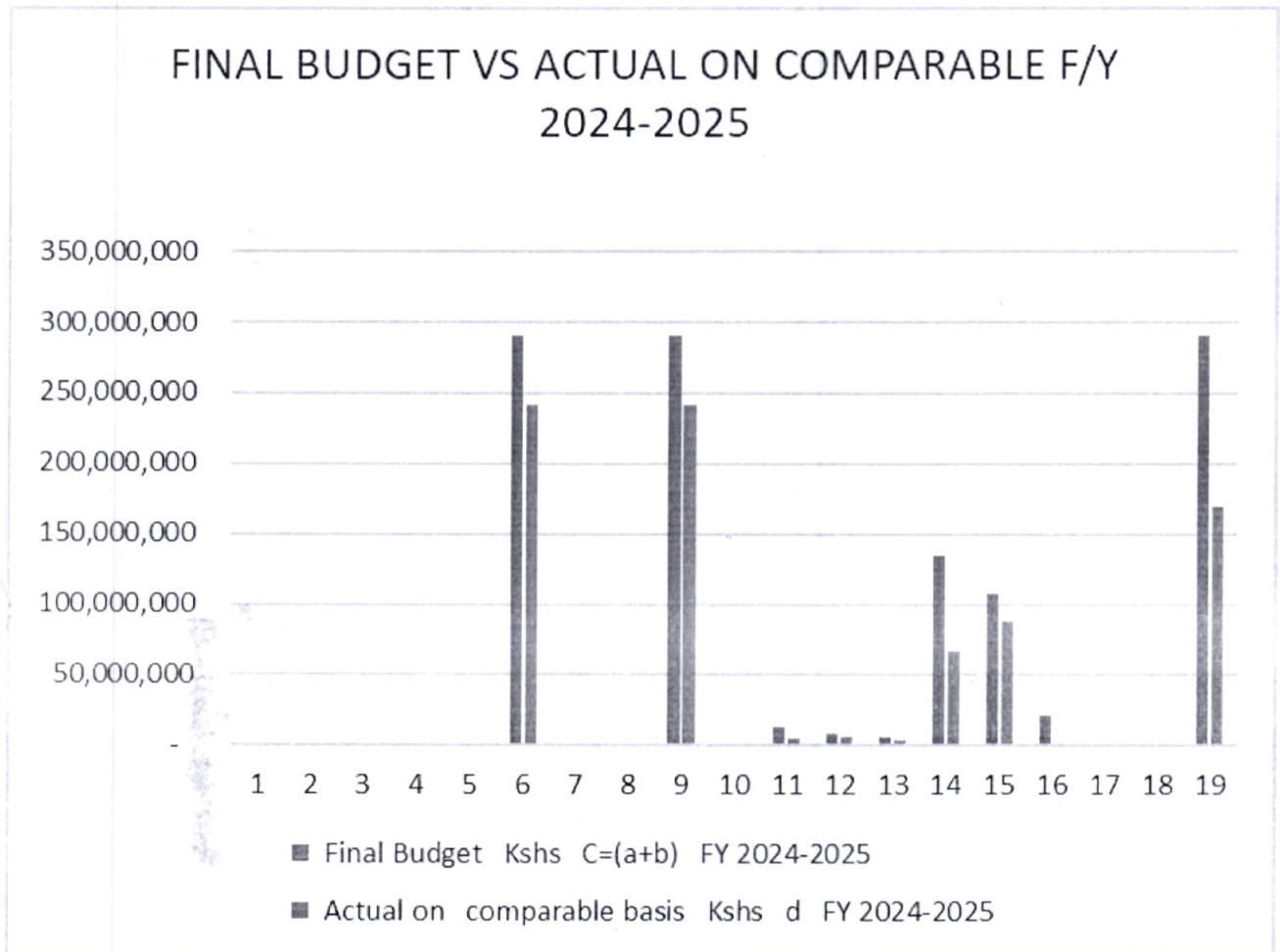
ORIGINAL BUDGET ALLOCATION

ORIGINAL BUDGET F/Y 2024-2025



- Transfers From the NGCDF Board
- Finance income
- Miscellaneous income
- Totals
- Expenses
- Employee costs

ACTUAL BUDGET ON COMPARISON BASIS



Achievements

There have been several success stories in this financial year ending June 2025. Project is attributed to the harmonious working relationship among the NGCDFC members, staff and technical support from the government officials as well. The synergy has been achieved through continuous training and engagement to promote team work and quality project.

Emerging Issues, Challenges and way forward

The main emerging issue during the year under review was a delay in the release of funds to the NGCDF Board. This slowed down the wheels of development to the constituents. For example, Nine million out of one hundred and seventy million was not received as at 30th June 2025. This constituted 28% of the budget. In addition, sixty-four million shillings was received

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sunset days of the financial year and could not be utilized. That is why the absorption of funds stood at 58%. As a way forward, the National Constituencies Development Fund Board should ensure that funds allocated in the approved budgets of the Constituencies are released in time.

In conclusion, let me take this opportunity to sincerely register my appreciation to all those who have worked relentlessly in the entire financial statements' preparation process. In particular, I would thank the Fund Account Manager, Bura who has taken a lead role in the process and the support provided by the Sub-County Treasury, Bura.



.....

Name **ABDI NOOR ALI**
Chairman NGCDF Committee

5. Statement Of Performance Against Predetermined Objectives for FY 2024/25

Introduction

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

The key development objectives of the *NGCDF BURA Constituency 2023-2027* plan are to:

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions</i> <i>number of bursary's beneficiaries at all levels</i>	<i>In FY 2024/25 -we increased number of classrooms from 20 to 50 in the primary schools/institutions</i> <i>- Bursary beneficiaries at all levels were as per the attached schedules</i>
Security	To have a reliable and sustainable security.	Improvement of working stations for the administrative officers in the constituency.	Number of improved police stations and Chief's offices	- In FY 2024-2025 we managed to construct Boka Chief's offices in the constituency. - 1 block 2 door pit latrine at Charidende police station.

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Environment	To ensure environment is conserved in the constituency.	Improve sanitation in learning institutions in the entire constituency.	Number of toilets in the learning institutions.	In FY 2024-2025 we managed to supply solar to primary school.
Emergency	To mitigate risk occurrence in the constituency.	Improvement of structures in learning institution.	Number of emergency intervention in the Constituency.	In FY 2024-2025 we carried out water trucking to various public primary schools in the Constituency.
Others (Specify)				

6. Governance Statement

Appointment and removal of Constituency Committee members:

The Current NG- CDF Bura Constituency Committee was appointed vide The Kenya Gazette Notice No. 6462, Vol. CXXVII—No. 98 NAIROBI, 21st May, 2025. However, the effective date of appointment is 11th April, 2025 for a period of 2 years.

Regulation 5(2) creates a vacancy in the Office of Constituencies Committees, in the manner provided. Section 48(8) of the Act is succinct on the expiry of the term of the Committee. Further, Section 43(3) of the NG-CDF Act, 2015 as amended in 2023, the seven persons referred to in Sub-section (2) (b), (c), (d), (e), (f) and (g) shall be selected in the manner prescribed in the Regulations. Regulation 5 and 6 of the NG- CDF Act, 2025 as amended in 2023, provide for the eligibility criteria and procedures for nomination.

Section 43 (13) (a), (b), (c), (d), (e), (f) and (g) provides the manner in which a member of the Constituency Committee may be removed from office, Section 44 of the Act elaborates the manner a Constituency Committee shall be dissolved, Regulation 10 lists the procedure for removal of a Constituency Committee Member and Regulation 5 (2) describes circumstance in which a vacancy may occur in the constituency committee. The committee was inducted by the Board from 26th June, 2025 to 29th June, 2025.

Convening of Constituency Meetings

Section 43 (6) state that, “The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.”

After appointment of members of the NG- CDF Committee through publication in the Kenya Gazette, and within 120 days of the commencement of the thirteenth parliament, the Deputy County Commissioner (or in his/her absence) the Fund Account Manager shall convene the first meeting of the NG- CDF Committee, during which the members will elect the Chairperson and the Secretary. The Officer of the Board will then submit to the Board the names of the elected Chairperson and Secretary, attaching a certified copy of form four certificate and the

academic certificates for the highest level of education attained and the minutes of the NG-CDF Committee that approved the appointment. As the management of NG- CDF Bura Constituency we complied with the Act and its regulations.

Tenure of the Constituency Committee

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

Functions and Operations of the Constituency Committee

Regulation 11 of NG- CDF Act outlines the functions of the Constituency Committee. Implementation of projects through the Projects Management Committees at the community level is one of the mandates. In addition, effective and efficient project management is cardinal achievement of the Fund's objective of poverty reduction while ensuring equitable development across the Constituency. In order to achieve this objective, the Fund Account Manager through the Board, continuously trains the NG- CDF Committee, the staff and the technical officers from relevant government departments on various projects management, pertinent issues to enable them facilitate Project management Committees. Regulation 11 (1) (a) is the function of the Constituency Committee to build capacity of the Project Management Committees and sensitize the community on the operations of the Fund.

Section 43 (11) of the Act provides that the Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

Management of Transition and Handing over

Pursuant to Section 43 (8) and (9) of the NG- CDF Act 2025 as amended in 2023, the tenure of the members of NG-CDFCs shall expire upon the appointment of a new Constituency Committee in the manner provided in the Act and Regulations, while the Officer of the Board shall remain the custodian of all the records and equipment of the Constituency. Therefore, the officer of the Board shall play an important role of ensuring the assets of the constituency are protected and preserved, and ensure smooth transition between the committees.

Upon appointment of the new committee, the officer of the Board in liaison with the Deputy County Commissioner, shall facilitate smooth handover between the outgoing and the newly gazetted NG-CDF members. To facilitate this, the Officers of the Board are required to prepare a comprehensive handover report on behalf of the outgoing committee. The handover report must be signed by the Chairpersons (or a member acting in such capacity), secretary (or a member acting in such capacity) and witnessed by the Officer of the Board

PROCESS OF APPOINTMENT

Section 43 of the National Government Constituency Development Fund Committee Act 2015 amended 2022 states that, there is established a National Government Constituency Development Fund Committee for every constituency.

The seven persons shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe. The names of the persons selected shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board. The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board. Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days. The first meeting of the Constituency Committee shall be convened within sixty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of

the Board seconded to the constituency by the Board. The quorum of the Constituency Committee shall be one half of the total membership.

REMOVAL OF NGCDFC MEMBERS,

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

ROLES AND FUNCTIONS OF THE COMMITTEE

1. Capacity builds Project Management Committees.
2. Consider all project proposals from all wards.
3. Ensure that all projects proposed and approved for funding meets the requirements of Section 24 of the Act.
4. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans
5. Consult with relevant government departments to ensure that cost estimates for the projects are realistic
6. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board;
7. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
8. Ensure labelling of projects as per guidelines issued by the Board;

9. Recruit staff as per Section 45 of the Act.

INDUCTION, AND TRAINING OF MEMBERS.

In consultation with the NGCDF Board and the performance contract signed for the F/Y 2024/2025, the Board came up with a comprehensive training program which covered various topics of importance in the daily management of the funds at the constituency level.

NO. OF MEETINGS HELD & MEMBERS REMUNERATION,

Name	Category	1/7/24	25/7/24	4/8/24	20/8/24	3/9/24	13/9/24	9/10/24	15/10/24
Mr. Abdi Noor Ali	Chairman	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Mohamed Keysane Godhana Abdi	Co Opted Member	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Abdi Adei Adan	Male Adult representative	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Zeitun Maliti Hassan	Female youth representative	✓	✓	✓	✓	✓	✓	✓	✓

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Ms. Milka Masulia Samuel	Female adult representative	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Dokotu Roba Ambia	Female Adult representative	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Shafin Rijal Mansa	PWD	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Hussein Omar Jiro	Co-opted Member	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Yusuf Dika	FAM	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Bakari Tabwara	DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓

Name	Category	4/11/2	21/11/	13/12/	23/12/	7/1/2	28/1/	4/2/2	24/2/
		4	24	24	24	5	25	5	25
Mr. Abdi	Chairman	✓	✓	✓	✓	✓	✓	✓	✓

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Omar Jiro									
Mr. Yusuf Dika	FAM	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Bakari Tabwara	DCC	✓	✓	✓	✓	✓	✓	✓	✓

Name	Category	3/3/2 5	24/3/2 5	4/4/2 5	23/4/2 5	5/5/2 5	20/5/2 5	3/6/2 5	22/6/2 5
Mr. Abdi Noor Ali	Chairman	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Mohamed Keysane Godhana Abdi	Co Opted Member	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Abdi Adei Adan	Male adult representative	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Zeitun Maliti Hassan	Female youth representative	✓	✓	✓	✓	✓	✓	✓	✓

National Government Constituencies Development Fund (NGCDF)

BURA Constituency

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Ms. Milka Masulia Samuel	Female adult representative	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Dokotu Roba Ambia	Female adult representative	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Shafin Rijal Mansa	PWD	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Hussein Omar Jiro	Co-opted Member	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Yusuf Dika	FAM	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Bakari Tabwara	DCC	✓	✓	✓	✓	✓	✓	✓	✓

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings. The members are remunerated as per the issued guidelines by the SRC and board circular. They are remunerated as follows: chairperson ksh 7,000 per sitting and members' ksh 5,000 per sitting.

DISCLOSE POLICY ON CONFLICT OF INTEREST

At the start of every meeting and having the agendas of the meeting circulated before, the members sign the conflict-of-interest disclosure. This will prevent the member to discuss the agenda or make any contribution towards it.

Risk Management

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

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

7. Management Discussion and Analysis

Establishment and Management of the Fund

Section 4 of the Act state that: There is established a fund to be known as the National Government Constituencies Development Fund which shall—(a) Be a National Government Fund consisting of monies of an amount of not less than 2.5% (two and half per centum) of all the national government's share of revenue as divided by the annual Division of Revenue Act enacted pursuant to Article 218 of the Constitution;

The Fund Account Manager shall hold the authority to incur expenditure of the funds at the constituency account. Further, projects under this Act shall only be in respect of works and services falling within the exclusive functions of the national government as provided in the Constitution. However, the administration of the fund is done through the Constituency Committee.

NG- CDF Bura Constituency, pursuant to Section 34 of the Act, was allocated Kshs. 505,462,950 Between FY 2022/2023 and 2024/2025:

FINANCIAL YEAR	ALLOCATION (KSHS)
2020/2021	137,132,879.31
2021/2022	137,088,879.00
2022/2023	145,087,603.00
2023/2024	180,933,393.00
2024/2025	179,441,954.00

The current Strategic Plan 2022/2023 to 2026/2027 identifies a number of strategies and their implementation matrix. In the last 3 financial years, the matrix implementation has had a funding with sectorial allocations approved code list and funded under Section 24 of the Act. The highest beneficiary being education sector through bursary and schools infrastructural development. The table below shows how the funds were distributed:

SECTOR	ALLOCATION (KSHS)	PERCENTAGE ALLOCATION
Administration	30,327,777.00	6%

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Monitoring and Evaluation	16,423,505.35	3%
Constituency Oversight	1,450,000.00	1%
Bursary	158,000,000.00	31%
Capital Grants to Primary Schools	209,896,939.00	42%
Capital Grants to Secondary Schools	39,914,729.00	8%
Capital Grants to Tertiary Institutions & Universities	-	0%
Climate Change Mitigation Activities	5,150,000.00	1%
Sports	5,000,000.00	1%
Security	15,000,000.00	2.97%
Constituency Innovation and Digital Hubs	20,800,000.00	4%
NG- CDF Assets and Renovations	0	0%
Others (Strategic Plan)	3,500,000.00	1%

Bursary Sector

The committee over the last 3 years managed to allocate bursary over 15,000 learners every financial year. The ever-increasing population in the Constituency largely affects the awarding of bursaries. However, the committee has endeavoured to provide scholarship depending on schools' performance and level of need for individual learners. This is vetted on case by case.

Grants to Primary and Secondary Schools

The committee has tried over the years to construct more classrooms in areas inhabited by the people with nomadic lifestyle in order to encourage more students to get formal education. Over 60 new Classrooms and renovation of dilapidated ones were done across the constituency thus improving the education standard in the area.

Security

The committee ensured the construction and fencing of police stations in order to contribute towards peace and harmony in the constituency.

..... 

Name: YUSUF DIKA WAKO
Fund Account Manager

8. Environmental and Sustainability Reporting

1. Sustainability strategy and profile -

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

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

2. Environmental performance

Environmental protection is a core initiative of the Bura NG-CDF. We consider caring for the environment a fundamental responsibility and a crucial aspect of our operational approach. Our commitment to environmental stewardship is deeply integrated in our strategic plan.

As the committee, we are waiting for guidelines from the Board in line with the changes in the NG-CDF Act 2015 as amended in 2023. These will guide the in coming up with future strategies in handling climate change mitigation matters.

Despite that, the committee has allocated sufficient funds for installation of solar system to various classrooms in remote area that does not have access to electricity.

3. Employee welfare

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

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

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

4. Marketplace practices-

BURA 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:

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

5. Community Engagements-

BURA 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

BURA 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

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identified list of priority projects, both immediate and long-term, was submitted to the NGCDF 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.

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



.....
Name: YUSUF DIKA WAKO
Fund Account Manager.

9. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-BURA 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-BURA 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-BURA 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 BURA 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- BURA Constituency financial statements were approved and signed by the Accounting Officer on 25/11/ 2025.



.....
Name: ABDI NOOR ALI

Chairman – NGCDF Committee



.....
Name: YUSUF DIKA WAKO

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 - BURA 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 - Bura Constituency set out on pages 1

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

to 60, 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 - Bura Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis including the transitional provisions permitted under IPSAS 33, as discussed in Note 2 to the financial statements and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No. 3 of 14 April, 2025.

Basis for Qualified Opinion

1. Non-Compliance with Transitional IPSAS Reporting Template

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

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

2. Unsupported Cash and Cash Equivalents Balance

The statement of financial position reflects cash and cash equivalents balance of Kshs.72,065,208. The balance includes Project Management Committee bank balance of Kshs.676,095 which was not supported by a movement schedule from the prior year balance of Kshs.47,032,359, cashbooks, bank reconciliation statements, and certificates of bank balances.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.72,065,208 could not be confirmed.

3. Misstatement in the Statement of Changes in Equity

The statement of changes in net assets reflects revaluation reserves balance of Kshs.110,488,814 as at 1 July, 2024 while the balance as at 30 June, 2025 is indicated as Kshs.85,665,462. However, the change/decrease amounting to Kshs.24,823,352 during the year under review is not supported with evidence of a revaluation loss.

In the circumstances, the accuracy and completeness of the statement of changes in net assets could be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Bura Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budget Control and Performance

The statement of comparison of budget and actual amounts reflects final budget and actual on a comparable basis of Kshs.291,231,059 and Kshs.241,789,105 respectively, resulting to a budget under-funding of Kshs.49,441,954 representing 17% of the budget. Similarly, the Management spent Kshs.169,723,897 against actual revenue of Kshs.241,789,105, resulting to under-utilization of Kshs.72,065,208 representing 30% of the receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Fund in 2024/2025 revealed that the following seven (7) issues remained unresolved:

No.	Audit Issue
1	Inaccurate Cash and Cash Equivalents
2	Unconfirmed Ownership and Value of Fixed Assets
3	Unsupported Project Management Committees Account Balance
4	Budgetary Control and Performance

No.	Audit Issue
5	Unresolved Prior Year Matters
6	Delayed Project Implementation
7	Transfers to Other Government Units

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter 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

Projects Inspection

The statement of financial performance reflects expenditure totalling Kshs.67,411,925 on other government units as disclosed in Note 13 to the financial statements. The expenditure was in respect of projects undertaken in the primary schools. Audit inspection carried out on 17 October, 2025 on sampled projects revealed the following anomalies:

No.	Project Name	Project Description	Amount Paid (Kshs.)	Anomalies
1	Dukanotu Primary School	Construction of two classrooms to completion	2,479,999	Floor poorly done with floors cracked, skirting not done and two (2) steel doors already loose.
2	National Registration Bureau Office at Bangale sub-county	Construction of National Registration Bureau Office at Bangale sub-county	2,481,759	Three (3) coats of first quality gloss oil paint not applied as provided in the Bill of Quantities (BQ).
3	Bangale Primary School.	Construction of two classrooms to completion.	2,752,071	Metal sheets on the doors had fallen off, leaving sharp edges; Water paint was used on the walls instead of three coats of plastic emulsion paint as per BQ; The switches and sockets were broken; Fluorescent tubes not installed.
4	Bangale Primary School.	Construction of two classrooms to completion.	2,759,541	The switches and sockets were broken and window wire mesh vandalized;
5	Bisaharges Primary School	Construction of two classrooms	2,470,033	The switches and sockets were broken and fluorescent tubes not installed. Further, pipe conduiting and skirting not done despite being provided in the BQ.
	Total		10,463,404	

In the circumstances, the projects did not meet the required quality standards and may comprise the safety of students and staff.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and the National Government Constituency Development Fund Committee

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

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

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

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

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

Auditor-General's Responsibilities for the Audit


My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The Standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48

of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

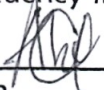
08 December, 2025

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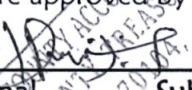
11. Statement of Financial Performance for the Year Ended 30th June 2025

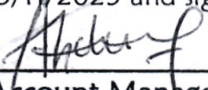
	Note	2024-2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,441,954
Transfers from PMCs	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		179,441,954
Expenses		
Employee costs	10	5,686,030
Committee expenses	11	5,709,800
Use of Goods and Services	12	3,975,028
Other Government Units Actual expenditure	13	67,411,925
Other Grants and Transfers Actual expenditure	14	87,598,071
Depreciation and amortization expense	15	125,280
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		170,506,135
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		8,935,820

The Constituency financial statements were approved by the NGCDFC on 25/11/2025 and signed by:


 Chairman
 Committee
 Name: ABDI NOOR ALI

NG-CDF


 National
 Accountant
 Name: GEOFFREY NJENGA
 KIMANI
 ICPAK M/No: 22173


 Sub-County
 Fund Account Manager
 Name: YUSUF DIKA WAKO

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

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

	No te	Period as at 30th June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	72,065,208	71,855,712
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	49,441,954	39,933,393
Prepayments	22	-	-
Total Current Assets		121,507,162	111,789,105
Non-Current Assets			
Property, Plant and Equipment	23	292,320	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		292,320	-
Total Assets (A)		121,799,482	111,789,105
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	459,048	165,690
Lease Liabilities	28	-	-

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


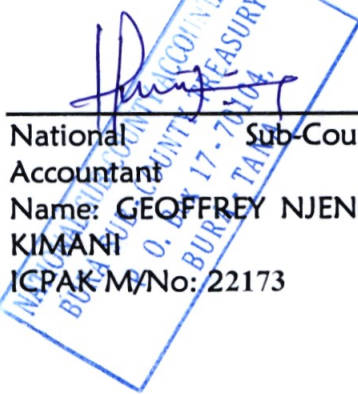
Gratuity provision	29	1,915,800	1,134,600
Total Current Liabilities		2,374,848	1,300,290
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		2,374,848	1,300,290
Net Assets (A-B)			
		119,424,634	110,488,814
Represented by:			
Accumulated Surplus		33,759,172	110,488,814
Revaluation Reserve		85,665,462	
Total		119,424,634	110,488,814

The Constituency financial statements set out on pages 1 to 18 approved by NG CDFC on 25/11/2025 and signed by:

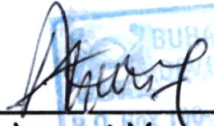


Chairman
 Committee
 Name: ABDI NOOR ALI

NG-CDF

National
 Accountant
 Name: GEOFFREY NJENGA
 KIMANI
 ICPAK M/No: 22173



Sub-County
 Fund Account Manager
 Name: YUSUF DIKA WAKO

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

13. 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 30th June 2024	-	24,823,352	24,823,352
Adjustments			-
Recognition of Assets	86,965,752		86,965,752
Recognition of Liabilities	1,300,290		1,300,290
As at July 1, 2024	110,488,814		110,488,814
			-
Surplus/(Deficit) For the Period		8,935,820	8,935,820
Revaluation Gain/Loss	-	-	-
As at June 30, 2025 (current year)	85,665,462	33,759,172	119,424,634

Note:

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

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

	Notes	2024-2025
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		169,933,393
Transfer from PMC		-
Finance income		-
Total Receipts		169,933,393
Payments		
Employee costs		4,904,830
Committee expenses		5,709,800
Use of Goods and Services		3,975,028
Other Government Units Certified Works		67,118,567
Other Grants and Transfers		87,598,071
Digital Hubs Expenses		-
Total Payments		169,306,297
Net Cash Flows from/ (used in) Operating Activities	30	627,096
Cash flows From Investing Activities		
Purchase of PPE		417,600
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		417,600
Net increase/(decrease) in cash & Cash equivalents		
Cash Flows from Financing Activities		
Lease Payment		

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Net Cash Flows from Financing Activities		209,496
Cash and cash equivalents at 1 July 2024	19	71,855,712
Cash and cash equivalents at 30 June,2025	19	72,065,208

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	<i>FY 2024-2025</i>	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years Outstanding Disbursement	<i>FY 2024-2025</i>	<i>FY 2024-2025</i>		
Revenue							
Transfers From the NGCDF Board	179,441,954	71,855,712	39,933,393	291,231,059	241,789,105	49,441,954	83%
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	179,441,954	71,855,712	39,933,393	291,231,059	241,789,105	49,441,954	83%
Expenses							

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Employee costs	5,673,120	7,228,663	-	12,901,783	4,904,830	7,996,953	38%
Committee expenses	7,885,598	279,492	-	8,165,090	5,709,800	2,455,290	70%
Use of Goods and Services	2,173,458	4,539,291	-	6,712,749	3,975,028	2,737,721	59%
Other Government Units Certified Works	67,947,865	42,446,206	23,973,470	134,367,542	67,118,567	67,248,974	50%
Other Grants and Transfers	90,144,313	17,362,059	359,923	107,866,295	87,598,071	20,268,224	81%
Digital Hubs Expenses	5,200,000	-	15,600,000	20,800,000	-	20,800,000	0%
Purchase of PPE	417,600			417,600	417,600	-	100%
Funds Pending Approval**			-	-	-	-	
Total Expenditure	179,441,954	71,855,711	39,933,393	291,231,058	169,723,897	121,507,161	58%
Surplus for the period							

***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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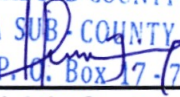
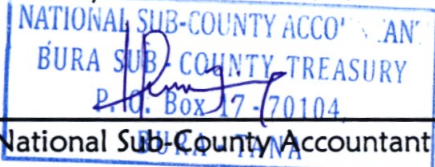
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	121,507,161
Less undisbursed funds receivable from the Board as at 30 th June 2025	49,441,954
Cash and Cash Equivalents at the end of the 30 th June 2025	72,065,207

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 25/11/2025 and signed by:




Fund Account Manager

Name: YUSUF DIKA WAKO

National Sub-County Accountant

Name: GEOFFREY NJENGA KIMANI
 ICPAK M/No: 22173



Chairman NG-CDF Committee

Name: ABDI NOOR ALI

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs and AIA)	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,673,120	7,228,663		12,901,783	4,904,830	7,996,953
1.2 Committee allowances	3,007,598	157,608		3,165,206	5,709,800	(2,544,594)
1.3 Use of goods and services	1,668,199	4,174,291		5,842,490	3,975,028	1,867,462
Sub-total	10,348,917	11,560,562		21,909,479	14,589,658	7,319,821
2.0 Monitoring and evaluation						
2.1 Capacity building	1,460,000	121,884		1,581,884		1,581,884
2.2 Committee allowances	3,418,000			3,418,000		3,418,000
2.3 Use of goods and services	505,259	365,000		870,259		870,259
Sub-total	5,383,259	486,884		5,870,143		5,870,143
3.0 Emergency						

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unutilized	9,444,313	343,068		9,787,381	8,970,000	817,381
Sub-total	9,444,313	343,068	-	9,787,381	8,970,000	817,381
4.0 Bursary and Social Security						
4.1 Primary Schools				-		-
4.2 Secondary Schools	30,000,000	6,342,870		36,342,870	30,137,467	6,205,403
4.3 Tertiary Institutions	40,000,000	4,154,515	359,923	44,514,438	42,451,393	2,063,045
4.4 special needs				-		-
4.5 Education Support Programmes				-		-
4.6 Social Security				-		-
Sub-total	70,000,000	10,497,385	359,923	80,857,308	72,588,860	8,268,448
5.0 Environment						
5.1 Yakarit primary school	600,000			600,000		600,000
5.2 Baleneka primary school		17,000		17,000		17,000
5.3 Sports		11,778		11,778		11,778
Sub-total	600,000	28,778	-	628,778	-	628,778
6.0 Primary Schools Projects						
6.1 Mitiboma Primary School	2,600,000			2,600,000		2,600,000
6.2 Mitiboma Primary School	300,000			300,000		300,000

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6.3 Labile Primary School	2,600,000			2,600,000		2,600,000
6.4 Labile Primary School	300,000			300,000		300,000
6.5 Labile primary school	600,000			600,000		600,000
6.6 Yakarit Primary School	2,600,000			2,600,000		2,600,000
6.7 Yakarit Primary School	300,000			300,000		300,000
6.8 Koti primary school	600,000			600,000		600,000
6.9 Biole Primary School	3,000,000			3,000,000		3,000,000
6.10 Bula Sukele Junior Primary School	2,600,000			2,600,000		2,600,000
6.11 Bula Sukele Junior Primary School	300,000			300,000		300,000
6.12 Godia Junior Primary School	2,600,000			2,600,000		2,600,000
6.13 Godia Junior Primary School	300,000			300,000		300,000
6.14 Bula Idd Primary School	5,200,000			5,200,000		5,200,000
6.15 Bula Idd Primary School	600,000			600,000		600,000
6.16 Bula Damaja primary school	600,000			600,000		600,000
6.17 Fahari Junior Primary School	2,600,000			2,600,000		2,600,000
6.18 Makini Primary School	3,047,865			3,047,865		3,047,865
6.19 Fahari Junior Primary School	300,000			300,000		300,000

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6.20 Konaramadha Junior Primary School	2,600,000			2,600,000		2,600,000
6.21 Konaramadha Junior Primary School	300,000			300,000		300,000
6.22 Kaaba Primary School	2,600,000			2,600,000		2,600,000
6.23 Kaaba Primary School	300,000			300,000		300,000
6.24 Asako Junior Primary School	2,600,000			2,600,000		2,600,000
6.25 Asako Junior Primary School	300,000			300,000		300,000
6.26 Ruko Primary School	2,500,000			2,500,000		2,500,000
6.27 Wadesa Junior Primary School	2,600,000			2,600,000		2,600,000
6.28 Wadesa Junior Primary School	300,000			300,000		300,000
6.29 Subo Junior Primary School	2,600,000			2,600,000		2,600,000
6.30 Subo Junior Primary School	300,000			300,000		300,000
6.31 Sombo Junior Primary School	2,600,000			2,600,000		2,600,000
6.32 Sombo Junior Primary School	300,000			300,000		300,000
6.33 Hamaresa Primary School	3,000,000			3,000,000		3,000,000
6.34 KBC Qote primary school	600,000			600,000		600,000
6.35 Bulagosta primary school	600,000			600,000		600,000

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6.36 Bulagosta primary school	2,500,000	2,500,003		5,000,003	4,639,093	360,910
6.37 Kaabso primary school	600,000	2,500,000		3,100,000	2,373,605	726,395
6.38 BANGALE JSS NG-CDF ACCOUNT		-	5,571,583	5,571,583	5,514,259	57,324
6.39 DUHUSH PRIMARY SCHOOL NG-CDF ACCOUNT		600,003	-	600,003	580,848	19,155
6.40 YAQRIT PRIMARY SCHOOL NG-CDF A'C		2,500,000	-	2,500,000	2,483,007	16,993
6.41 MORORO JSS NG-CDF AC		2,785,792	-	2,785,792	2,761,819	23,973
6.42 ZIWANI VANGO PRIMARY CDF ACCOUNT		2,500,000	-	2,500,000	2,377,685	122,315
6.43 GURUJO PRIMARY SCHOOL MGT COMM-CDF		739,091	-	739,091	694,171	44,920
6.44 MULANJO PRIMARY SCHOOL CDF PROJECT		1,001	600,000	601,001	553,152	47,849
6.45 BULARIG PRIMARY CDF PROJECT		600,001	-	600,001	575,471	24,530
6.46 LAGBADANA PRIMARY SCHOOL NG-CDF		2,500,002	-	2,500,002	2,472,912	27,090
6.47 KAMUTHE PRIMARY SCHOOL NG-CDF		2,500,000	-	2,500,000	2,482,240	17,760
6.48 METI PRIMARY SCHOOL NG-CDF ACCOUNT		2	3,000,000	3,000,002	2,978,068	21,933
6.49 KURITI PRIMARY SCHOOL NG-CDF BURA P		400,001	-	400,001	373,909	26,092
6.50 BURA NG CDF DESK PMC 2023 2024		6,019,959		6,019,959	7,200,231	(1,180,272)
6.51 MITIBOMA PRIMARY SCHOOL NG-CDF AC		-		-	522,702	(522,702)

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6.52 BULARIG JSS NG-CDF ACCOUNT		-	2,785,791	2,785,791	2,763,690	22,101
6.53 DUKANOTU PRIMARY SCH NG-CDF PROJECT		91,130	4,516,096	4,607,226	4,476,702	130,524
6.54 ELRAR PRIMARY SCHOOL		2,555,872	-	2,555,872	2,477,813	78,059
6.55 KAMAGURU PRIMARY SCHOOL NG-CDF AC		2,500,000	-	2,500,000	2,434,323	65,677
6.56 GALE PRIMARY SCHOOL NG-CDF PROJECT		5	2,500,000	2,500,005	2,483,721	16,284
6.57 BULA DAMAJA PRIMARY SCH NG-CDF AC		2	2,500,000	2,500,002	2,480,346	19,656
6.58 DIDA PRIMARY SCHOOL NG-CDF PROJECT		2,500,004	-	2,500,004	2,227,637	272,367
6.59 BASARGESA PRIMARY SCH CDF PROJECT A		2,500,254	-	2,500,254	2,471,547	28,707
6.60 MAGURA PRIMARY SCHOOL PMC		603,545	-	603,545	602,541	1,004
6.61 KANIKI PRY SCH PROJ MNGT COMM-CDF		3,143,748	-	3,143,748	3,055,279	88,469
6.62 JAJAVO PRIMARY SCHOOL NG-CDF		1,440,077	2,500,000	2,500,000	2,476,474	23,526
6.63 BIOLE PRIMARY SCHOOL NG-CDF ACCOUNT		602,049	-	602,049	585,323	16,726
6.64 sabukia primary school		32,000		32,000		32,000
6.65 Taleo primary school		32,000		32,000		32,000
6.66 primary school projects		237,680		237,680		237,680
6.67 KOTI PRIMARY SCHOOL		4,475				

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6.68	BALENEKA PRIMARY SCHOOL		27,304					
6.69	AMANI PRIMARY SCHOOL		3,692					
6.70	SHORAGAFO PRIMARY SCHOOL		1,402					
6.71	KORA SECONDARY SCHOOL		3,418					
6.72	BULTO BANTA PRIMARY SCHOOL		5,427					
6.73	HURUMA PRIMARY SCHOOL		4,663					
6.74	SOMBO PRIMARY SCHOOL		2,644					
6.75	ADELE PRIMARY SCHOOL		6,971					
6.76	BOKA PRIMARY SCHOOL		1,989					
	Sub-total	58,247,865	42,446,206	23,973,470	123,165,480	67,118,567	56,046,912	
7.0	Secondary Schools Projects (List all the Projects)							
7.1	Charidende Secondary School	4,500,000			4,500,000		4,500,000	
7.2	Charidende Secondary School	2,600,000			2,600,000		2,600,000	
7.3	Charidende Secondary School	600,000			600,000		600,000	
7.4	Singwaya Secondary School	2,000,000			2,000,000		2,000,000	
	Sub-total	9,700,000	-	-	9,700,000	-	9,700,000	
8.0	Tertiary institutions Projects (List all the Projects)							

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Sub-total						
9.0 Security Projects						-
9.1 Security		2,753		2,753		
9.2 Bangale police station		162,165		162,165		
9.3 BOKA CHIEFS OFFICE NG-CDF		3,000,000		3,000,000	2,970,196	29,804
9.4 CHARIDENDE POLICE STATION NG-CDF		600,005		600,005	587,257	12,748
9.5 Bura Police Station	1,200,000			1,200,000		1,200,000
9.6 Bangale Assistant County Commissioners Residence	2,200,000			2,200,000		2,200,000
9.7 Boka Police Post	3,500,000			3,500,000		3,500,000
9.8 KAMAGURU CHIEFS OFFICE		205,879				
9.9 MADOGO DOS OFFICE		1,438				
9.10 MADOGO POLICE STATION		6,777				
9.11 ARERI CHIEFS OFFICE		2,503				
9.12 NG-CDF CHIEFS OFFICE BURA LOCATION		11,308				
Sub-total	6,900,000	3,992,828		10,664,923	3,557,453	6,942,552
10.0 Acquisition of assets						
10.1 Purchase of PPE	417,600			417,600	417,600	-
10.2 Purchase of furniture and fittings						-

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10.3 Construction of CDF office						
Sub-total	417,600	-	-	417,600	417,600	-
11.0 Others						
11.1 NATIONAL REGISTRATION BANGALE		2,500,000.00	-	2,500,000	2,481,759	18,241
11.2 Bura NG-CDF Office	3,200,000.00	-	-	3,200,000		3,200,000
Sub-total	3,200,000	2,500,000	-	5,700,000	2,481,759	3,218,241
12.0 DIGITAL HUBS						
12.1 Hirimani Digital Hub			5,200,000	5,200,000		5,200,000
12.2 Bangale Digital Hub			5,200,000	5,200,000		5,200,000
12.3 Charidende Digital Hub			5,200,000	5,200,000		5,200,000
12.4 Madogo Digital Hub	5,200,000			5,200,000		5,200,000
Sub-total	5,200,000	-	15,600,000	20,800,000	-	20,800,000
13.0 Funds Pending Approval						
Sub-total						
Total	179,441,954	71,855,711	39,933,393	291,231,058	169,723,897	121,507,161

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Bura Constituency principal activity is to provide leadership and policy direction for effective and efficient management of the Fund.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Bura 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 Bura has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

Liabilities recognized include trade and other payables, third-party deposits, and gratuity provisions.

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

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

3. Adoption of New and Revised Standards

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.

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

Standard	Effective date and impact:
IPSAS 43: Leases	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>This IPSAS is not applicable at the constituency.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>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:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>This IPSAS is not applicable at the constituency.</p>

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<p>IPSAS 45: Property Plant and Equipment</p>	<p>Applicable 1st January 2025</p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets. This IPSAS is applicable effective 1st July,2025</p>
<p>IPSAS 46: Measurement</p>	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>This IPSAS is applicable effective 1st July,2025</p>
<p>IPSAS 47: Revenue</p>	<p>Applicable 1st January 2026</p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles</p>

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	that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. This IPSAS is applicable effective 1 st July,2026
IPSAS 48: Transfer Expenses	Applicable 1st January 2026 The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. This IPSAS is not applicable at the constituency.
IPSAS 49: Retirement Benefit Plans	Applicable 1st January 2026 The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. This IPSAS is not applicable at the constituency.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	Applicable 1st January 2027 The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. This IPSAS is not applicable at the constituency.

ii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 15 of these financial statements.

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.* 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 a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately

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

l) Employee benefits

Retirement benefit plans

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

7. Transfers from PMCs

Description	2024-2025
	Kshs
Total	

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

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10. Employees cost

	2024-2025
	Kshs
NG-CDFC Basic staff salaries	4,560,000
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	781,200
Employer Contributions Compulsory national social security schemes	266,280
Employer Contributions Compulsory Housing levy	68,400
Employer contributions to National Industrial Training Authority	10,150
Other Specify	-
Total	5,686,030

11. Committee Expenses

	2024-2025
	Kshs
Sitting allowance	1,248,000
Other Committee expenses	4,461,800
Total	5,709,800

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12. Use of Goods and services

	2024-2025
	Kshs
Utilities, supplies and services	63,415
Communication, supplies and services	386,900
Domestic travel and subsistence	1,342,000
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	1,205,400
Hospitality supplies and services	108,000
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	350,000
Fuel, oil & lubricants	450,000
Bank charges	19,313
Routine maintenance – vehicles and other transport equipment	50,000
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	-
Total	3,975,028

13. Other Government Units Actual expenditure

Description	2024-2025
	Kshs
Primary Schools Actual expenditure	67,411,925
Secondary Schools Actual expenditure	-
Tertiary Institutions Actual expenditure	-
Total	67,411,925

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14. Other Grants and transfers Actual expenditure

	2024-2025
	Kshs
Bursary – secondary schools	30,137,467
Bursary – tertiary institutions	42,451,393
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	3,557,453
Climate change mitigation projects	-
Emergency projects Actual expenditure	8,970,000
Roads projects Actual expenditure	-
Others specify	2,481,759
Total	87,598,071

15. Depreciation and Amortization Expenses

Description	2024-2025
	Kshs
Property Plant and Equipment	125,280
Intangible Assets	-
Total	125,280

16. Digital Hubs Expenses

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

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17. Gain/loss on Sale of Assets

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024-2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>KCB-Garissa Branch, Account No. 1107773164(Operations account)</i>	70,254,513	24,823,352
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>KCB-Garissa Branch, account No. 1329708687 (Deposit account)</i>	1,134,600	-
<i>KCB, account No. Various(PMC accounts)</i>	676,095	47,032,359
Total	72,065,208	71,855,712
Cash Balances		
Location 1	-	-
Total	-	-

20. Receivables from Exchange Transactions

Description	2024-2025	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)	-	-

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

i. Ageing Analysis for Receivables

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

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21. Receivables from Non-Exchange Transactions

Description	2024-2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	49,441,954		39,933,392.99	
Outstanding imprest	-		-	
Total	49,441,954		39,933,393	
Ageing Analysis- Receivables from non-exchange transactions	FY 2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	49,441,954	100%	39,933,393	100%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

22. Prepayments

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

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	-	-	-
Additions-Purchase of 3 HP Envy *360 Laptops	-	-	-	-	417,600	-	-	417,600
Disposals	(-)	(-)	-	-	-	(-)	(-)	-
Transfer/Adjustments	(-)	(-)	-	-	-	(-)	-	-
As At 30 th June 2025	-	-	-	-	417,600	-	-	417,600
Depreciation And Impairment								
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	(-)	(-)	(-)	125,280	(-)	-	125,280
Disposals	-	-	-	-	-	-	-	-
Impairment	-	(-)	(-)	-	-	(-)	-	-
Transfer/Adjustment	-	-	(-)	(-)	-	(-)	(-)	-
As At 30 th June 2025	-	-	-	-	125,280	-	-	125,280
Net Book Values								
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	292,320	-	-	292,320

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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			
Office Equipment, Furniture, And Fittings			
Total			

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

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

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24. Intangible Assets

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

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July 2024	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025	-	-	-	-
Accumulated Depreciation				
As At 1 July 2024	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2024	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025	-	-	-	-
Carrying Amount				
As At 30 June 2025	-	-	-	-
As At 30 June 2024.	-	-	-	-

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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)	FY 2024-2025	% 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)	-		-	

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27. Third-Party deposits

	2024-2025
	KShs
Retention as at 1 st July (A)	165,690
Retention held during the year (B)	6,228,335
Retention paid during the Year (C)	5,934,978
Closing Retention as at 30th June,2025 D= A+B-C	459,048

Retentions aging analysis.

	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	459,048	100%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	459,048		-	

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

28. Lease Liabilities

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

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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	2024-2025
	Kshs
Gratuity at the beginning of the year 1 st of July 2024	1,134,600
Gratuity held during the year	781,200
Gratuity paid during the year	-
Total Gratuity Provision 30th June, 2025 (A+B-C)	1,915,800.00

30. Cash Generated from Operations

	2024-2025
	Kshs
Surplus/Deficit for the year	8,935,820
Adjusted for:	
Depreciation	125,280
Impairment	xxx
Gains and losses on disposal of assets	(xxx)
Working capital adjustments	
Increase/decrease in receivables	(9,508,561)
Increase/decrease in payables	293,358
Increase/decrease in payables	781,200
Net cash flow from operating activities	627,096

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

31. Financial Risk Management

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

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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	49,441,954	49,441,954	-	-
Bank balances	72,065,208	72,065,208	-	-
Total	121,507,162	121,507,162	-	-
As at 30 June, 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	39,933,393	39,933,393	-	-
Bank balances	71,855,712	71,855,712	-	-
Total	111,789,105	111,789,105	-	-

(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 no significant concentration of credit risk on amounts due from receivables. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	1,915,800.00	1,915,800.00
Total	-	-	1,915,800.00	1,915,800.00
As at 30th June 2024				
Trade payables	-	-	-	-

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	1,134,600.00	1,134,600.00
Total	-	-	1,134,600.00	1,134,600.00

iii) Market risk

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

Financial Risk Management

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

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
Current FY			
Euro	10%	-	-
USD	10%	-	-
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 endeavoured to bank with institutions that offer favourable interest rates.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

iv) Capital Risk Management

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

Description	2024-2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Revaluation Reserve	110,488,814	110,488,814
Retained Earnings	8,935,820	-
Capital Reserve	-	-
Total Funds	119,424,634	110,488,814
Total Borrowings	-	-
Less: Cash and Bank Balances	72,065,208	71,855,712
Net Debt/(Excess Cash And Cash Equivalents)	72,065,208	71,855,712
Gearing	0%	0%

32. Related Party Disclosures

	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	5,709,800 ⁰	
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	169,933,393.00 ⁰	
Total	169,933,393.00⁰	

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

(Give details)

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Contingent Liabilities

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

35. Capital Commitments

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

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

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

38. Currency

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

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18. Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost balance brought forward	Additions during the period (Kshs)	Disposals during the period (Kshs)	Historical Cost
	(Kshs)			(Kshs)
				At Year/period End 30TH JUNE 2025
Land	3,770,550	-	-	3,770,550
Buildings and structures	8,025,000	-	-	8,025,000
Transport equipment	12,000,000	-	-	12,000,000
Office equipment, furniture, and fittings	995,364	-	-	995,364
ICT Equipment and Other ICT Assets	405,000	417,600	-	822,600
Other Machinery and Equipment	40,000	-	-	40,000
Intangible assets				
Total	25,235,914	417,600	-	25,653,514

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

PMC	Bank	Account number	Bank Balance		Opening Statement 1 st July 2024
			Current period 2024-2025		
BANGALE JSS NG-CDF ACCOUNT	KCB	1336249676		(0)	-
DUHUSH PRIMARY SCHOOL NG-CDF ACCOUNT	KCB	1320729177		(0)	600,003
YAQRIT PRIMARY SCHOOL NG-CDF A'C	KCB	1330151089		(0)	2,500,000
BULAGOSTA PRIMARY SCHOOL NG-CDF ACC	KCB	1297552830		340,025	2,500,003
MORORO JSS NG-CDF AC	KCB	1326652710		0	2,785,792
ZIWANI VANGO PRIMARY CDF ACCOUNT	KCB	1330240839		0	2,500,000
GURUJO PRIMARY SCHOOL MGT COMM-CDF	KCB	1257060899	8	-	739,091
MULANJO PRIMARY SCHOOL CDF PROJECT	KCB	1137791071		29,270	1,001
BULARIG PRIMARY CDF PROJECT	KCB	1137933305		(0)	600,001
LAGBADANA PRIMARY SCHOOL NG-CDF	KCB	1292928999		0	2,500,002
KAMUTHE PRIMARY SCHOOL NG-CDF	KCB	1330471369		(0)	2,500,000
METI PRIMARY SCHOOL NG-CDF ACCOUNT	KCB	1317808975		(0)	2
KURITI PRIMARY SCHOOL NG-CDF BURA P	KCB	1280189738		-	400,001
BURA NG CDF DESK PMC 2023 2024	KCB	1321415680		-	6,019,959
MITIBOMA PRIMARY SCHOOL NG-CDF AC	KCB	1338427857		57,800	-
DUKANOTU PRIMARY SCH NG-CDF PROJECT	KCB	1268931934		0	91,130
ELRAR PRIMARY SCHOOL	KCB	1290694796		0	2,555,872
KAMAGURU PRIMARY SCHOOL NG-CDF AC	KCB	1326506978		0	2,500,000

Annex 3: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/KRO/AUD/7/8/2023/2024/(24)	Inaccurate Cash and Cash Equivalents Balances. The statement of assets and liabilities and Note 9A to the financial statements reflects a balance of Kshs 24,823,352 all of which relate to bank balances. However, the bank reconciliation statement reflects unrepresented cheques of Kshs 4,856,287 with some dating back to March, 2024 which had not been	The amount totalling to Kshs 4,856,287 were cleared after the audit (by January 2025) as evidenced by the Bank reconciliation statement and Bank statement.	Not resolved	In consultation with the Auditor pending appearance before DFAC

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KAABSO PRIMARY SCHOOL NG-CDF ACOUNT	KCB	1330197941	0	2,500,000
GALE PRIMARY SCHOOL NG-CDF PROJECT	KCB	1293044873	0	5
BULA DAMAJA PRIMARY SCH NG-CDF AC	KCB	1321013787	0	2
DIDA PRIMARY SCHOOL NG-CDF PROJECT	KCB	1212007557	249,000	2,500,004
BASARGESA PRIMARY SCH CDF PROJECT A	KCB	1138806161	(0)	2,500,254
MAGURA PRIMARY SCHOOL PMC	KCB	1280015888	0	603,545
KANIKI PRY SCH PROJ MNGT COMM-CDF	KCB	1256888249	(0)	3,143,748
BIOLE PRIMARY SCHOOL NG-CDF ACCOUNT	KCB	1296852857	(0)	602,049
KOTI PRIMARY SCHOOL	KCB	1256770825	-	4,475
BALENEKA PRIMARY SCHOOL	KCB	1279677678	-	27,304
AMANI PRIMARY SCHOOL	KCB	1272656659	-	3,692
SHORAGAFO PRIMARY SCHOOL	KCB	1275741835	-	1,402
KORA SECONDARY SCHOOL	KCB	1256775096	-	3,418
BULTO BANTA PRIMARY SCHOOL	KCB	1280040637	-	5,427
HURUMA PRIMARY SCHOOL	KCB	1280937890	-	4,663
SOMBO PRIMARY SCHOOL	KCB	1279280573	-	2,644
ADELE PRIMARY SCHOOL	KCB	1283565862	-	6,971
BOKA PRIMARY SCHOOL	KCB	1272962865	-	1,989
BOKA CHIEFS OFFICE NG-CDF	KCB	1330471237	0	3,000,000
CHARIDENDE POLICE STATION NG-CDF	KCB	1292924896	-	600,005
KAMAGURU CHIEFS OFFICE	KCB	1268932728	-	205,879
MADOGO DOS OFFICE	KCB	1256791830	-	1,438
MADOGO POLICE STATION	KCB	1240081782	-	6,777
ARERI CHIEFS OFFICE	KCB	1292928913	-	2,503
NG-CDF CHIEFS OFFICE BURA LOCATION	KCB	1268932558	-	11,308
NATIONAL REGISTRATION BANGALE	KCB	1330471326	0	2,500,000
GRANT TOTAL			676,095	47,032,359

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>cleared as at the time of audit.</p> <p>In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs 24,823,352 could not be confirmed.</p>			

Yusuf Dika Wako
 Fund Account Manager.

