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Enhancing Accountability

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REPORT

OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MUMIAS WEST CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2025

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

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 Mumias West 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	Christine N. Muyaka
2.	National Sub-County Accountant	Rose A. Ojwang
3.	Chairman NGCDFC	Iddi Abbas Keya
4.	Member NGCDFC	Hawa S. Mumia (Alternate to operation A/C)
5.	Member NG CDFC	Joseph O. Okiya (Deposit A/C)

(c) Fiduciary Oversight Arrangements

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

Mumias West NGCDF Office Building
P.O. Box 1087 - 50102
Mumias - Bungoma Road
MUMIAS, KENYA

(e) NGCDF Mumias West Constituency Contacts

P.O. Box 1087
Telephone: (254) 720334928
E-mail: cdfmumiaswest@ngcdf.go.ke
Website: www.go.ke

(f) NGCDF Mumias West Constituency Bankers

1. Operations Account
   Cooperative Bank of Kenya
   Mumias Branch
   P. O. Box 905 - 50102
   Mumias, Kenya

2. Deposit account
   Family Bank of Kenya
   Mumias Branch
   P. O. Box 75104 - 50102
   Mumias, Kenya

3. Project Management Committee Accounts

   Cooperative Bank of Kenya
   P.O. Box 905 - 50102
   Mumias, Kenya

   Family Bank of Kenya
   P. O. Box 74145 - 00200
   Mumias, Kenya

   Equity Bank of Kenyax
   P. O. Box 75104 - 50102
   Mumias, Kenya

(g) Independent Auditor

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

(h) Principal Legal Adviser

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

3. NGCDF Committee

Name	Details
 Idd Abbas Keya Chairman NGCDF	Date of birth: 01/01/1954 Academic and professional qualifications: Diploma in Social Work & Community Development from Masinde Muliro of Science & Technology. He has worked with various organizations in community service and support. He joined Mumias West NG-CDF Committee in December 2022. He has served as a Male Adult for a two-year term and the membership was renewed in March 2025. He is currently serving as a Chairperson to the Mumias West NG-CDFC.
 Hawa Shitawa Mumia Secretary NGCDFC	Date of birth: 11/12/1979 Academic and professional qualifications: KCSE She has worked with various organizations in community service and support. She joined Mumias West NG-CDF Committee in the December 2022. She has served as a Coopted member for a two-year term and the membership was renewed in March 2025. She is currently serving as a Secretary to Mumias West NG-CDF Committee.
 Philip Otieno Musumba	Date of birth: 01/01/1954 Academic and professional qualifications: CPA Part I. He has worked with various organizations in community service and support. He joined Mumias West NG-CDF Committee in December 2022. He has served as a Male Adult for a two-year term and the membership was renewed in March 2025.
 Zedekiah Omondi Obura	Date of birth: 01/01/1994 Academic and professional qualifications: Bachelor of Criminology & Security Studies from Moi University. He has worked with various organizations in community service and support. He joined Mumias West NG-CDF Committee in the December 2022. She has served as a Male Youth for a two-year term and the membership was renewed in March 2025.
 Rukia Matseshe Wamukoya	Date of birth: 13/03/1969 Academic and professional qualifications: KCSE She has worked with various organizations in community service and support. She joined Mumias West NG-CDF Committee in the December 2022. She has served as a Female Adult for a two-year term and the membership was renewed in March 2025.

 Imelda Omukweyi Tiemeri	Date of birth: 00/00/1970 Academic and professional qualifications: KCSE She has worked with various organizations in community service and support. She joined Mumias West NG-CDF Committee in the December 2022. She has served as a Female Adult for a two-year term and the membership was renewed in March 2025.
 Morine Nanjala Wasio	Date of birth: 26/05/1991 Academic and professional qualifications: KCSE She has worked with various organizations in community service and support. She joined Mumias West NG-CDF Committee in the December 2022. She has served as a Female youth for a two-year term and the membership was renewed in March 2025.
 Joseph Osiako Okiya	Date of birth: 00/00/1958 Academic and professional qualifications: East African Certified Education. He has worked with various organizations in community service and support. He joined Mumias West NG-CDF Committee in December 2022. He has served as a PLWD Representative for a two-year term and the membership was renewed in March 2025.
 Charles Mbulishe- DCC	Date of birth: 00/00/1967 Academic and professional qualifications: Masters in Public Administration from Moi University, Bachelor of Education Arts from University of Nairobi with over 20 years' experience in public administration. He is currently serving as a Deputy County Commissioner al Sub-County. He is a member of NG-CDF Committee as a government official.
 Christine Muyaka- Ex-officio	Date of birth: 03/01/1983 Academic and professional qualifications: MBA(Finance) from Jomo Kenyatta University, B.Com (Accounting)from Kenyatta University and CPA(K) with over 15 years' experience in Finance and Management from both public and private sectors. She is currently serving as a Fund Account Manager at the NG-CDF Board, posted to Mumias West NG-CDF. She is a member of NG-CDF Committee as an Officer of the Board and an Ex-officio.

All the NG-CDFC have served since December 2022.

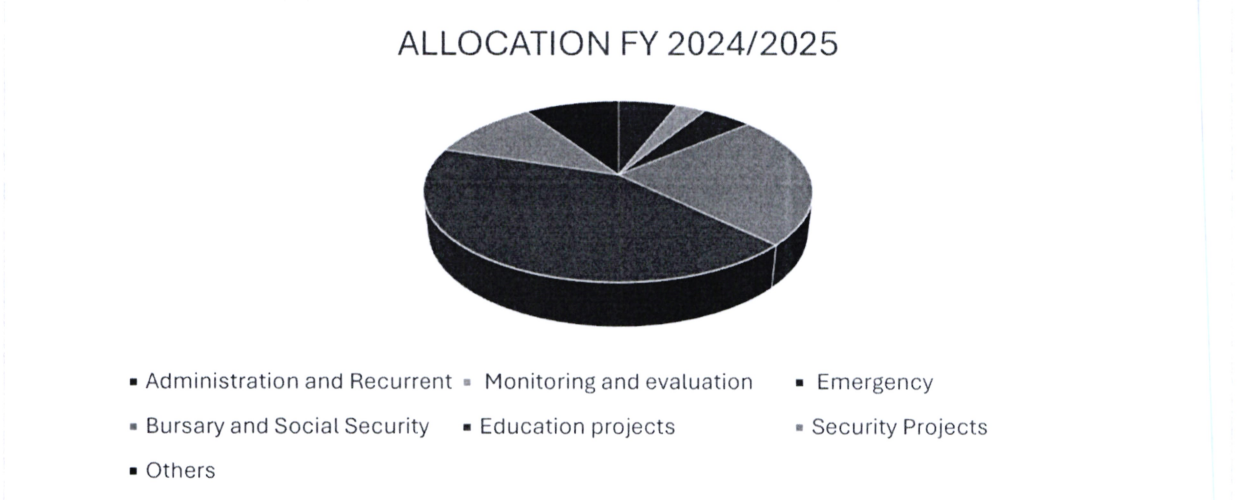
4. NG-CDFC Chairman's Report



Idd Abbas Keya
Chairman Mumias West NGCDF Committee

The NGCDFC wishes to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The constituency was allocated Kshs. 170,526,858 in the financial year 2024/2025.

Education programmes were allocated Kshs. 72,550,759 which was 43% of the entire budget followed by Bursary schemes at Kshs.40,000,000 or 23% of the total budget.

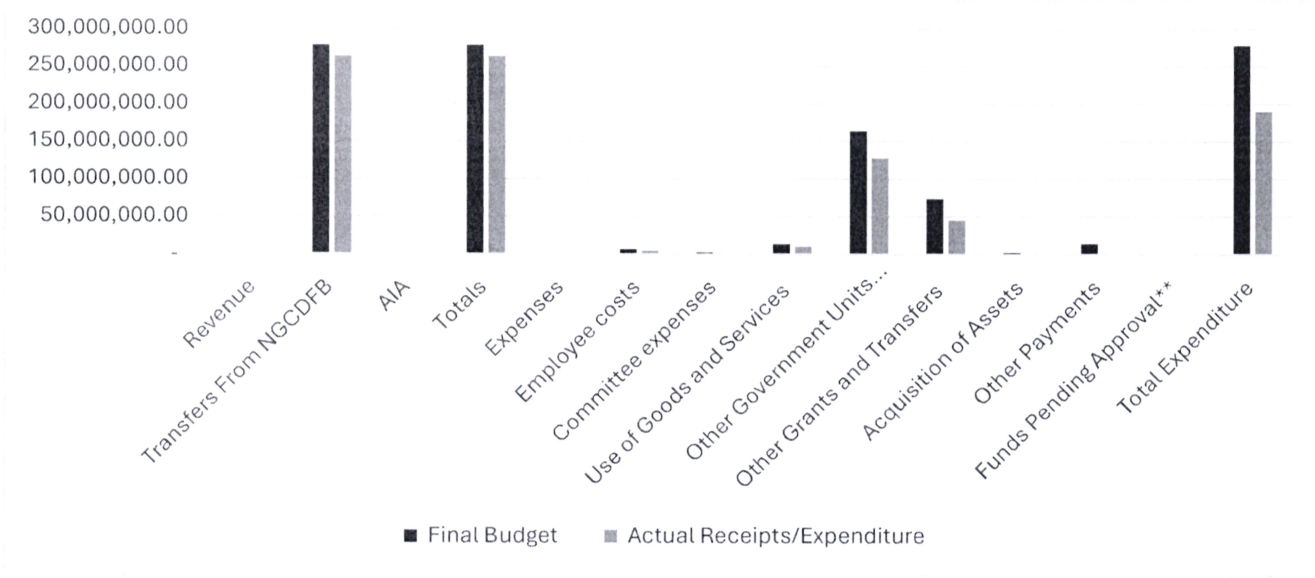


BUDGET PERFORMANCE

There was a brought forward balance of previous year's funds of Kshs. 3,132,893 and previous year's outstanding disbursement of Kshs. 33,778,294 and the actual amount received for the current financial year was Kshs. 156,000,000 which led to a total of Kshs. 192,911,187 as funds available to be spent in the year.

The constituency was able to spend a total of Kshs. 191,613,594 which is 99% of the funds allocated.

There was outstanding disbursement of Kshs.14,526,857 from the NGCDF Board as at 30th June 2025.



Key Achievements of the Fund

Below we present our achievement per sector

Bursary

The fund was able to sponsor 6,250 students under the bursary program that enabled the needy beneficiaries stay in the various education institutions there by accessing education despite their socio-economic status.

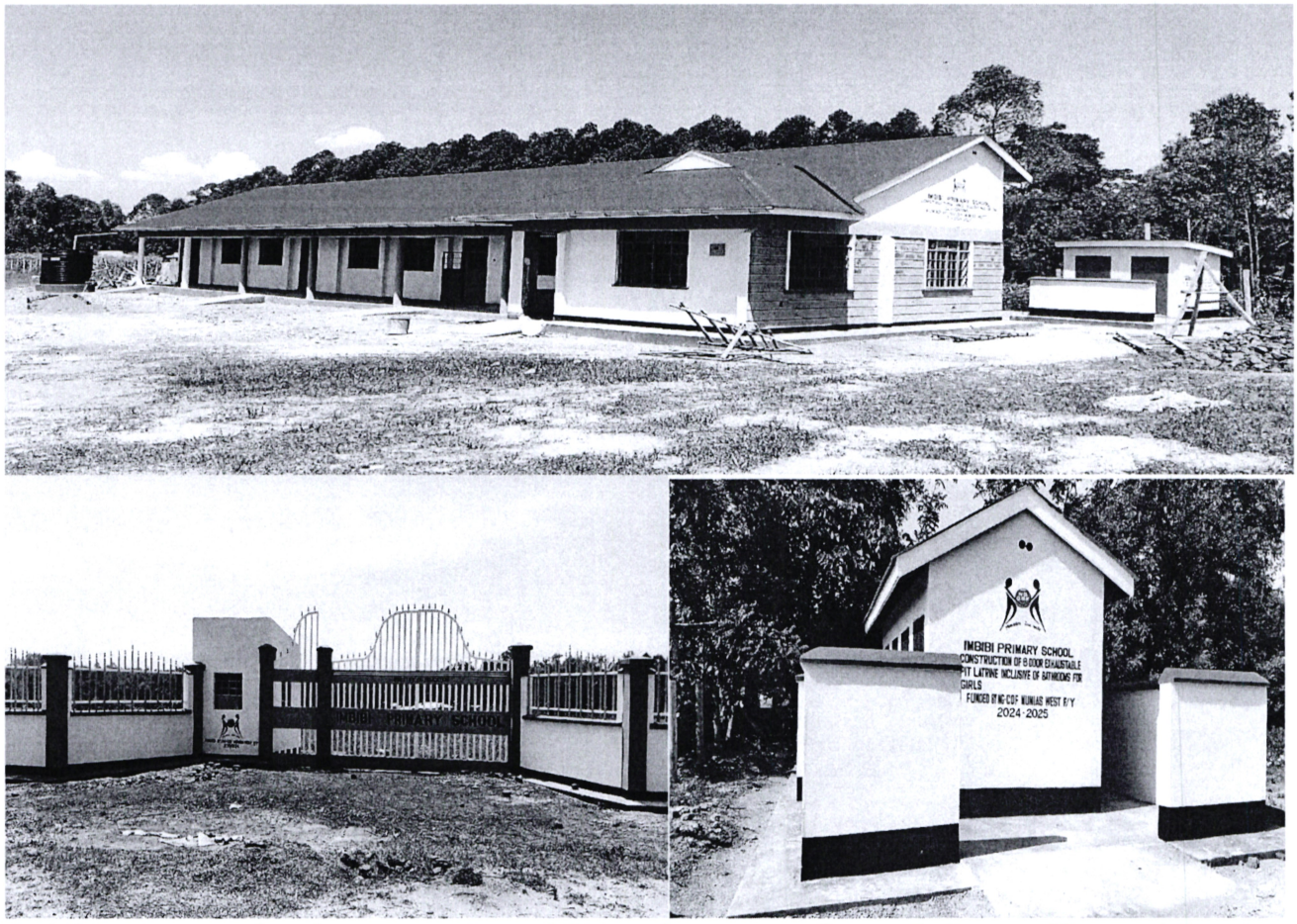
The fund contributed towards the government agenda on Universal Health Coverage through sponsoring of KMTC students.

Education

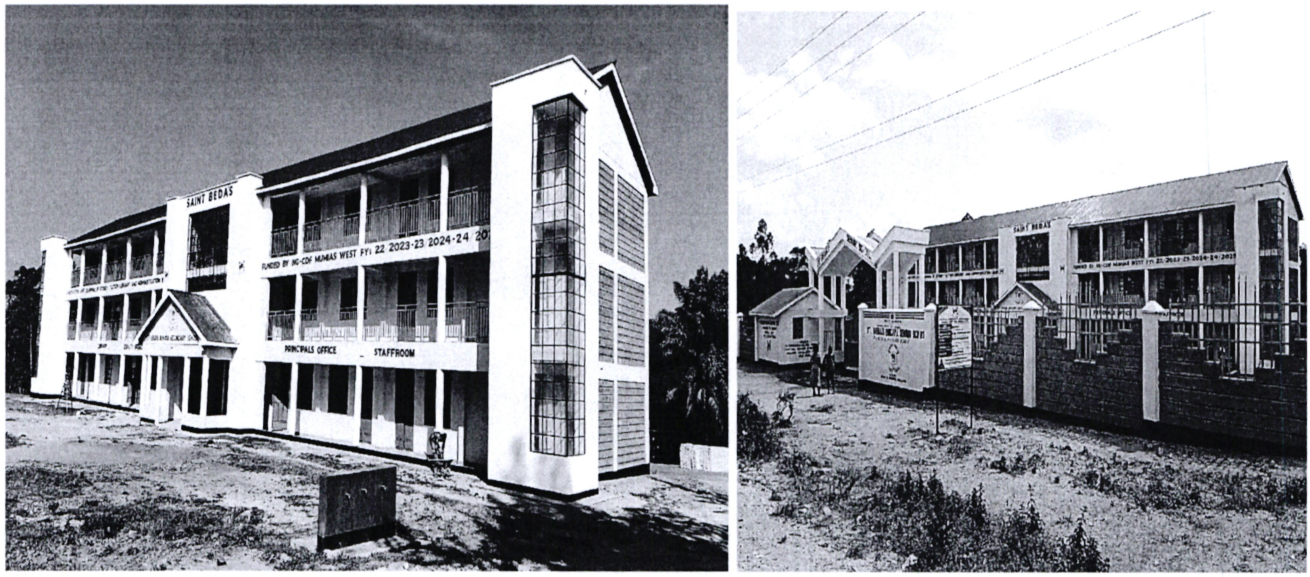
The fund contributed towards the government policy on 100% transition by provision of infrastructure including classrooms of classrooms, Perimeter fence & gate and Installation of Steel tower & water tanks in Imbibi Primary School, St. Bedas Secondary school and Utende Primary school.

Security

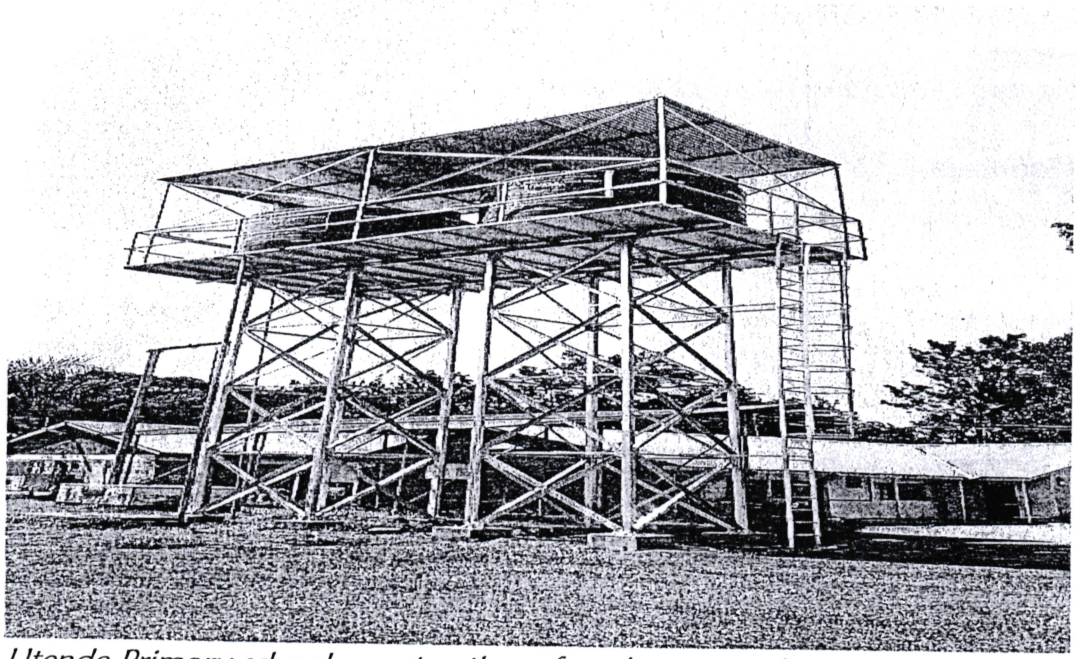
The fund also contributed towards enhancing of security in the constituency by constructing two Administration blocks for Mumias West DCIO and Etenje Divisional HQs.



Imbibi primary school- construction of 3No. classrooms, Fence & Gate, office and 2 units of exhaustible pit latrine.



St. Bedas Bukaya Secondary school- construction of 2 -Storey tuition block, perimeter fence and gate.



Utende Primary school- construction of steel tower and installation of 2No. water tanks.

Emerging issues

i. The introduction of E-procurement process that necessitate training of members of the committee and staff.

ii. Litigation case on unconstitutionality of NG-CDF Act.

Challenges

i. Delay in release of funds by the exchequer close to the financial year end that has led to delays in implementation of projects

Way forward

i. NG CDF committee to prioritize high impact projects in consideration for disbursement of funds once receipt from the exchequer.

.....

Name IDDI ABBAS KEYA
Chairman NGCDF Committee
Mumias West Constituency

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

Introduction

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

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

1. To improve access to quality education
2. To harness youth talent and empower them
3. To enhance security in the constituency
4. To promote environmental sustainability in the constituency
5. To cater for any unforeseen occurrences in the constituency
6. To improve tracking of implementation CDF programmes
7. To promote performance management and smooth running of the CDF office

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	*To have all children of school going age attending school*	*Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions*	*number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels*	*In FY 2024/25 the number of classrooms constructed are 14 in two primary & secondary schools in the following schools;-Imbibi Primary, Iyabo Primary & St. Bedas Bukaya Secondary schools. - Bursary beneficiaries at Tertiary levels were 2900 and Secondary school*

				awarded 5,230 as per the attached schedules
Security	*To enhance security in the constituency*	*-Increased security coverage, -Reduced incidences of crime*	*-Number of usable physical infrastructure build in police stations, Divisional offices and chiefs offices*	*In FY 24/25 we constructed 2 administration blocks and bought land for Divisional offices in Mumias West DCIO and Etenje Divisional HQs.*
Climate change mitigation activities	*To promote environmental sustainability and improve access to clean and safe water.*	*-Planting of tree seedlings in schools and public institutions,* *Installation of Roof-water harvesting tanks in schools and public institutions*	*Number of tree seedlings planted* *Number of Roof-water harvesting tanks installed*	*We planted 8000 tree seedlings in public institutions.* *We installed 8 Roof water harvesting tanks.*
Emergency	*Catering for any unforeseen occurrences in the constituency*	*Handling emergencies promptly when they arise*	*Number of emergency projects funded.*	*We constructed 7 units of 6-door exhaustible pit latrines and installation of water reservoir.*
Electricity	*To enhance economic empowerment and security in the constituency*	*-Increased economic empowerment, -Reduced incidences of crime*	*Number of solar panels installed.*	*We Installed 10 solar panels in Tertiary Institution.*

6. Governance Statement

a) *Process of appointment and removal of NGCDFC Members*

Sec 43(1) of the NGCDF Act, 2015 as amended in 2022 provides for establishment of NGCDF Committee in every constituency. Section 43(8) further provides that the term of office for the members of the constituency committee shall be two years and shall be renewable but expires upon appointment of a new constituency committee.

In Sec 43(2&3) of the NGCDF Act, 2015 as amended in 2022, each constituency committee shall comprise of:-

a) National government official responsible for coordination of government functions
b) Two men one of whom shall be a youth at the time of appointment
c) Two women one of whom shall be a youth at the time of appointment
d) One person with disability appointed by a registered group representing people with disabilities in the constituency
e) Two persons nominated by the constituency office
f) The officer of the Board seconded to the constituency committee by the Board who shall be an ex-official member without a vote
g) One member co-opted by the Board

A member of the constituency committee referred in sec 43(2) b, c, d and e, above shall be selected through a selection panel established under the Act and shall have qualifications as the Board may prescribe.
The names of the persons selected shall be forwarded by the Board to the National Assembly for approval before appointment and gazettement by the Board.

The current NGCDFC members were gazetted in December, 2022 and renewed in May, 2025 the first meeting was held in December, 2022 and June, 2025 respectively.

The persons appointed are drawn from different groupings as follows;

- Male Adult- Iddi Abbas Keya- Chairman
- Male Adult - Philip Otieno Musumba- Member
- Male Youth - Zedekiah Omondi Obura- Member
- Female Adult - Rukia Matseshe Mukoya -Member
- Female Adult - Imelda Omukweyi Tiemeri – Member
- Female Youth - Morine Nanjala Wasio -Member
- PWD Rep - Joseph Osiako Okiya – Member
- Co-opted member - Hawa Shitawa Mumia – Secretary

b) NGCDFC Tenure

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.
The NG-CDFC members were gazetted on 6th March 2025 and are to serve for two years effective from the date of gazettement.

c) Roles and functions of the Committee

1. Capacity build Project Management Committees and sensitize the Community on the operations of the Fund
2. Consider all project proposals from all wards in the constituency and any other projects which the Committee considers beneficial to the constituency;
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, among others.

d) Removal of a member

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 where the vacancy has occurred within a period of 30 days.

Member of the constituency committee may be removed from office on one or any of the following grounds: -

- Lack of integrity;
- Gross misconduct
- Embezzlement of public funds
- Bringing Committee into disrepute through unbecoming personal ad public conduct
- Promoting unethical practices
- Causing disharmony within the committee
- Physical or Mental infirmity

A decision to remove a member shall be made through a resolution of at least five members of the committee and the member sought to be removed shall be given a fair hearing before the resolution is made.

e) NGCDFC Induction and Training

NGCDFCs are inducted and trained in consideration to the Boards training guidelines. There is need to capacity build members on their mandate as per the NGCDF Act and other relevant laws and policies in order to ensure efficient and effective management of the funds at the constituency level.

f) Number of meetings held

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 First NG-CDFC in augural meeting was held on 23rd June, 2025. The members carried out an election for the position of a chairperson and the secretary of the committee. The following member were elected.

	NAME	POSITION	WARD
1	Iddi Abbas Keya	Chairperson	Mumias Central
2	Hawa Shitawa Mumia	Secretary	Musanda

NG-CDF Regulations Section 7(6) & (7) requires that the first meeting, a Constituency Committee shall establish two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board and in establishing sub-committees. Under paragraph 5, constituency Committee shall ensure that there is equitable representation

The Committees were constituted as follows;

1. Bursary Sub-committee

	NAME	POSITION
1.	Philip Musumba	Chairperson
2.	Christine Muyaka-FAM	Secretary
3.	Joseph Osiako	Member
4.	Zedekiah Obura	Member
5.	Hawa Mumia	Member

2. Complaint Handling & Resolution Sub-Committee

	NAME	POSITION
1.	Charles Mbulishe -DCC	Chairperson
2.	Rukia Wamukoya	Secretary
3.	Iddi Abbas	Member
4.	Mourine Nanjala	Member

In Mumias West Constituency, the NGCDF Committee conducted 14 meetings and 4 sub - committee meetings.

Name of Committee member	Meetings Held													
	22/07/2024	12/09/2024	14/010/2024	06/11/2024	25/11/2024	09/12/2024	10/01/2025	20/02/2025	07/03/2025	24/03/2025	22/04/2025	02/05/2025	20/05/2025	23/06/2025
Iddi Abbas [redacted]ya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Hawa Shitawa [redacted]umia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Zedekiah Omondi [redacted]pura	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rukia [redacted]atseshe Mukoya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
J[redacted]seph Osiako Okiya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
P[redacted]ilip Otieno Musumba	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
I[redacted]elda Omukweyi Tiemeri	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Morine Nanjala Wasio	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
[redacted]AM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

g) Members' remuneration

Members of the constituency committee are entitled to a sitting allowance where chairman is entitled to ksh.7,000 and the other members ksh.5,000 per sitting.

h) Policy on conflict of interest

Sec17(1)&(3) Public Officer Ethics Act provides that A public officer shall use the best efforts to avoid being in a situation where that public officers' personal interest conflict with or appear to conflict with the officer's official duties.

A public officer whose personal interests are or may be in conflict with his or her official duties shall declare those personal interests to the public entity.

i) Succession plan

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

j) Ethics and conduct

Sec17(1)&(3) Public Officer Ethics Act provides that a public officer shall;

1. Be honest in the conduct of public affairs
2. Not engage in activities that amount to abuse of office
3. Accurately and honestly present information to the public
4. Not engage in wrongful conduct in furtherance to personal benefit
5. Not misuse public resources
6. Not falsify any records
7. Not engage in actions that may lead to his or her removal from the membership of a professional body to which he or she may belong

k) Risk management

This involves understanding, analyzing and addressing risk to make sure organizations achieve their objectives.
Risk management has been integrated within Mumias West NG CDF office by ensuring NG CDF committee and staff are involved in identification, analysis & recording of the risks in the various departments. There is a constituency risk register that has been developed and maintained that is reviewed periodically.

Risk mitigation strategies that have been implemented at the constituency include risk limitation on Loss of NG CDF electronic data and information by provision of reliable internet connectivity to enable online data backups in addition to the disk drive backups that are prone to failure.

Objectives of Risk Management

1. To develop and maintain a strong system of Corporate Governance and Internal Controls as the basis for a robust and secure operating environment
2. To minimize direct and indirect losses suffered by the Fund
3. To assist in ensuring that all applicable external laws and regulations are complied with
4. To assist in ensuring all internal policies, procedures, standards and control are complied with
5. To provide a greater level of transparency into the operations of the fund
6. To enable the Fund follow best practice in Risk Management
7. To establish the current level of risk within the constituency/department
8. To enable the constituency/ department detect any forthcoming risks and take the necessary action.

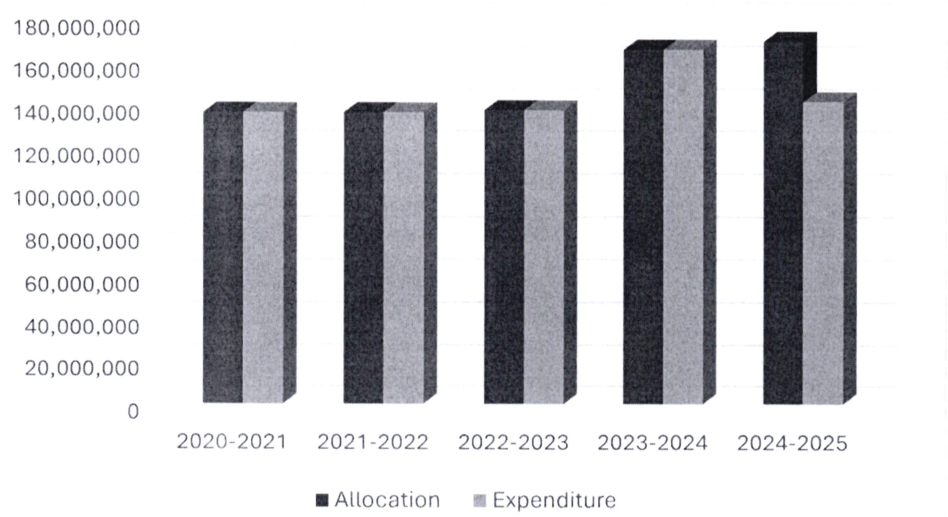
7. Management Discussion and Analysis

Mumias West NG-CDF management would like to provide a detailed analysis of its performance in the various areas of operation and financial as follows;

a) Sector Performance

Mumias West NG-CDF has been operational since 2013 but would provide financial analysis for the past five years on how much the entity has received and spend in the various critical sectors being Education and Security.

Financial Year	Allocation	Expenditure	Percentage
2020-2021	137,088,879	137,088,879	100%
2021-2022	137,088,879	137,088,879	100%
2022-2023	138,215,033	138,215,033	100%
2023-2024	166,681,720	166,681,720	100%
2024-2025	170,527,857	156,000,000	91%
Total	**749,602,368**	**735,074,511**	



From the above data, Mumias West NG-CDF has been able to receive a total of Ksh **735,074,511** as at 30.06.2025 for the last five financial years. The resources have been utilized to improve the various sectors in terms of infrastructure and provision of bursaries to needy students in secondary and tertiary institutions.

The below table further illustrates the expenditure performance of Mumias West NG-CDF in the past two years;

Financial Year	Sector	Budget	Expenditure
2024-2025	Education-Projects	72,550,759	65,050,759
	Education-Bursary	40,000,000	35,955,000
	Security Projects	18,600,000	16,500,000
2023-2024	Education-Projects	111,094,483	109,594,483
	Education-Bursary	37,456,195	37,456,195
	Security Projects	3,720,000	3,720,000
	Total	**283,421,437**	**268,276,437**

Further from the above analysis, it is important to note that the Fund has been able to serve the rural communities and be able to improve on the living standards of the people, poverty eradication being one of its key objectives. The management advocates for more resource allocation to further improve on its mandate.

b) Key Projects

Mumias West NG-CDF has been able to undertake key projects that will go into improving the infrastructure standards and also providing job opportunities to the residents of Mumias West. For instance, the purchase of land and construction of the Musanda Divisional Head quarter that was started in the year 2019 and completed 2024. The project has improved the economic status of Musanda community through job opportunities and service delivery to the locals.

The completion of Musanda Police Station, Nyalenya and Eshihaka police posts will also enhance security for the residents of Musanda Ward and Mumias West constituency at large.

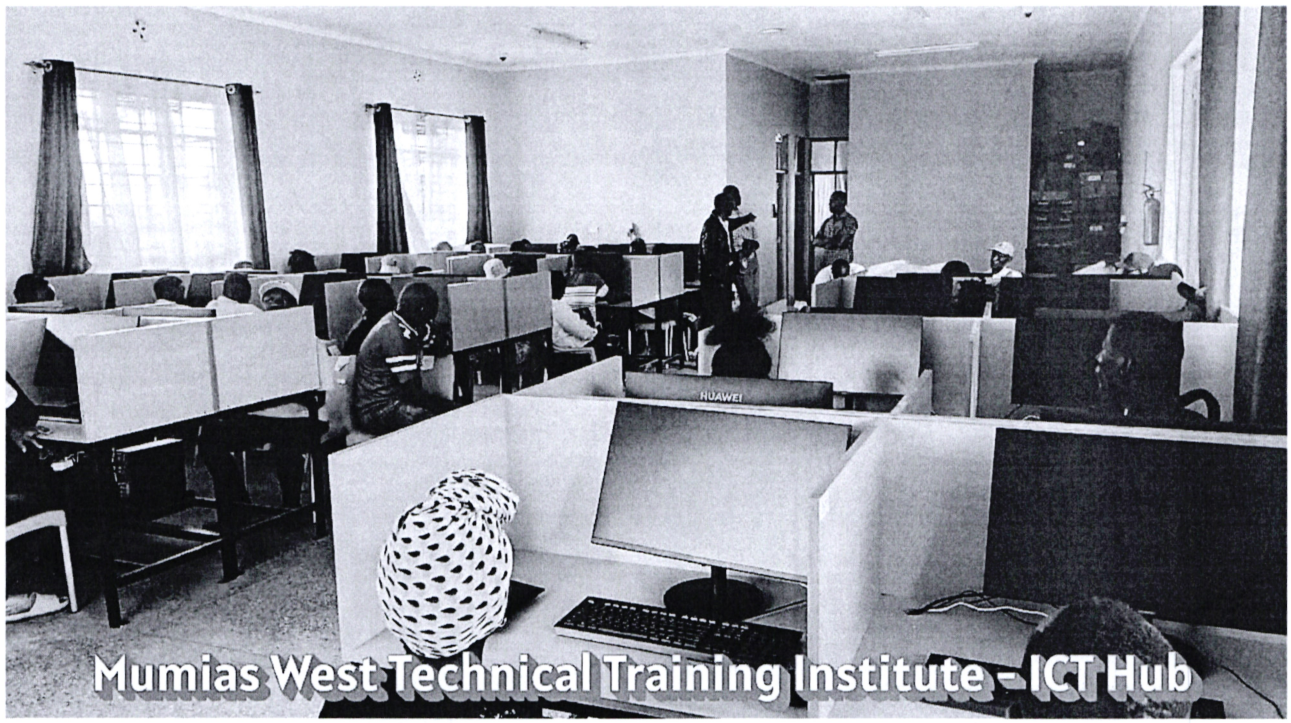
The Fund has also been able to construct additional classrooms and fencing of school compounds in the various primary and secondary schools, key among them are the completed two storey tuition block at St. Bedas Bukaya Secondary, Mumias Township Primary, Musanda Secondary and Primary, Ebumanyi Primary, Shibale Primary, Ichinga Muslim Secondary, Butende Primary, Ebuyenjere primary, Emulaka Primary, Ebuchitu primary and Mumias Muslim Primary Schools. The classrooms have been able to decongest the learning space for the students and provide conducive working area for the teachers and administrators of the

schools. The Gate and fencing have also reduced pressure on insecurity in the institutions which has been a great challenge.

The Digital hub project implemented in Mumias West Technical and Vocational Training College is another critical project that Mumias West has been able to implement. The project is completed with installed Hybrid solar power backup system and is providing various digital services to the locals more so internet and online jobs for the youth in Mumias West constituency and beyond.

A part from the key projects indicated above, Mumias West NG-CDF has equally provided infrastructure to various institutions across the constituency including the recent matching fund arrangement with the Ministry of Education to construct Junior Secondary School classrooms. Electricity is also a critical need to the residents of Mumias West Constituency and NG-CDF has been able to assist through matching fund with Rural Electrification and Renewable Energy Corporation (REREC). Through this program, over 200 residents have been able to benefit through transformer maximization.





The Mumias West TVET Digital Hub

c) Compliance with statutory requirements.

Mumias West NG-CDF is an entity that is fully guided by the constitution of Kenya 2010, NG-CDF Act 2015, PFM Act 2012, PPADA 2015 and many other relevant laws and has been in full compliance of the same.

For instance schedule four of the constitution 2010 has outlined the roles of National Government and County Government and in no instance has Mumias West been cited for non-compliance.

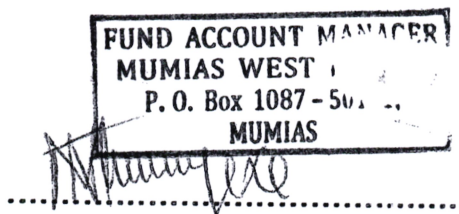
Mumias West NG-CDF has been able to equally meet its obligations for instance payment of taxes like VAT withholding tax from contactors, Pay As You Earn Tax and Witholding Tax as required and further commits to operate within the law even to the future.

d) Review of the Economy, Sector and Future Developments

The Kenyan Economy has not been doing well in the past years due to the many factors such as the Covid 2019 that reduce the business growth and hence revenue collection.NG-CDF as a fund was equally affected by the same whereby the cost of implementing projects increased hence affecting completion timelines and even the budget process.

In the last three years there has been improvement in the revenue growth which has led to increased budgetary allocation of the Fund even at the constituency level. This has been elaborated in the above table.

With the intention to entrench the Fund in the Kenyan Constitution, there is a good chance that in the future the Fund will grow and be able to spur more economic growth at the constituency level. Mumias West NG-CDF has put in place mechanisms through its strategic plan to ensure more projects are implemented within the next three years.



Christine N. Muyaka
Fund Account Manager.

8. Environmental and Sustainability Reporting

Mumias West NG-CDF exists to deliver a strategy which is founded on social sector, namely, Education & Training, Security Sector Support, Climate Change Mitigation, and Digital hubs programmes. This pillar makes special provision for Kenyans with various disabilities and also for marginalized communities

Sustainability strategy and profile -

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

a. **Education and Training**: Mumias West 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

The constituency uses Climate Change and Mitigation programme as a guiding policy which articulates how to conserve the environment and its components. It has succeeded in planting over 500 trees and installation of water tanks in various learning institutions but is however faced with the challenge of extended drought. To manage biodiversity, the fund has planted indigenous trees. The constituency has also intensified awareness creation and sensitized the community on the fundable projects by NG-CDF including Climate Change Mitigation which is championed by the Agenda of the government of the day. The NG-CDFC has undertaken public participation to sensitize the youth/Community on the impact of drug abuse.

The constituency has ensured security measures by constructing police posts and Divisional Headquarters.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. Mumias West 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-

Mumias West 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-

Mumias West 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

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

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

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

Public Awareness

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

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

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Christine Muyaka
Fund Account Manager.

FUND ACCOUNT MANAGER
MUMIAS WEST NG-CDF
P. O. Box 1087 - 50102,
MUMIAS

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-Mumias West 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- Mumias West 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 Mumias West Constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF- Mumias West Constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Mumias West 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- Mumias West Constituency financial statements were approved and signed by the Accounting Officer on 11-08- 2025.

.....

Name: IDDI ABBAS IKEYA

Chairman – NGCDF Committee

.....

Name: Christine Mugoka

Fund Account Manager

FUND ACCOUNT MANAGER
MUMIAS WEST NG-CDF
P. O. Box 1087 - 50102,
MUMIAS

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MUMIAS WEST 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 financial statements of National Government Constituencies Development Fund – Mumias West Constituency set out on pages 1 to 59, which comprise of the statement of financial position as at 30 June, 2025 and the

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Mumias West 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) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2023).

Basis for Qualified Opinion

Unconfirmed Opening Balance

The statement of financial position reflects cash and cash equivalents opening balance of Kshs.73,764,778 as at 01 July, 2024 which, as disclosed in Note 19 to the financial statements includes Project Management Committee (PMC) accounts balance of Kshs.69,893,658. However, the previous year audited financial statements for the year ended 30 June, 2024 reflects a balance of Kshs.64,539,870 resulting to unexplained variance of Kshs.5,353,788.

In the circumstances, the accuracy and completeness of PMC accounts opening balance of Kshs.69,893,658 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.279,616,961 and Kshs.265,090,102 respectively resulting to an under-funding of Kshs.14,526,857 or 5% of the budget. Similarly, the Fund spent a total of Kshs.191,728,300 against a budget of Kshs.279,616,962 resulting to an under-expenditure of KShs.87,888,662 or 31% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit of the previous year, several issues were reported under Report on the Financial Statements, Emphasis of Matter and Report on Lawfulness and Effectiveness in the Use of Public Resources as detailed in **Appendix I**. However, Management has not resolved the issues or given reasons for the delay in resolving the issues.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm

that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Unverified Ownership of Purchased Land

The statement of financial performance reflects actual expenditure on other Government units of Kshs.129,876,199, which includes Secondary schools actual expenditure of Kshs.56,605,471 as disclosed in Note 13 to the financial statements. Review of supporting records revealed that, the Fund purchased two (2) parcels of land for St. Christopher Enyapora Secondary School and St. Elizabeth Bumia Girls Secondary School at a cost of Kshs.4,100,000 and Kshs.1,300,000 respectively. However, title deeds or other documentary evidence confirming transfer of ownership to the respective Institutions were not provided for audit verification.

The absence of ownership documents undermines accountability and value-for-money assessment.

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 overall 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 those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

21 November, 2025

Appendix I

Unresolved Prior Year Matters

Reference No. of Auditor-General's Audit Report	Observation
	Report on the Financial Statements
1	Lack of Assets Ownership Documents
	Emphasis of Matter
1	Budgetary Control and Performance
	Other Matter
1	Unresolved Prior Year Matters
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Delayed Completion a Project at St. Bedas Bukaya Secondary School
2	Lack of Asset disposal Plan

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

	Note	*Period ended 30th June 2025*
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,526,857
Revenue from exchange transactions		
Miscellaneous income	9	44,000
Total revenue		170,570,857
Expenses		
Employee costs	10	3,707,023
Committee expenses	11	1,298,000
Use of Goods and Services	12	10,386,639
Other Government Units Actual expenditure	13	129,876,199
Other Grants and Transfers Actual expenditure	14	45,716,694
Depreciation and amortization expense	15	33,300
Total expenses		191,017,855
Surplus/(Deficit) for the year		(20,446,999)

The Constituency financial statements were approved by the NGCDFC on 11.08. 2025 and signed by:

Chairman NG-CDF Committee
Name: ABDI ABBAS

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

N.T.S.C.A MUMIAS WEST

Fund Account Manager
Name: Christine Muyoke

FUND ACCOUNT MANAGER
MUMIAS WEST NG-COF
P. O. Box 1087 - 50102,
MUMIAS

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

	Note	*Period ended 30th June 2025*	*Opening Statement 1st July 2025*
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	73,361,804	73,764,778
Receivables from Non-Exchange Transactions	21	14,526,857	33,778,294
Total Current Assets		87,888,661	107,543,072
Non-Current Assets			
Property, Plant and Equipment	23	66,700	-
Total Non- Current Assets		66,700	-
Total Assets (A)		87,955,361	107,543,072
Liabilities			
Current Liabilities			
Third-Party Deposits	27	4,055,088	2,576,496
Gratuity provision	29	587,481	1,206,785
Total Current Liabilities		4,642,569	3,783,281
Non-Current Liabilities			
Total Liabilities (B)		4,642,569	3,783,281
Net Assets (A-B)		83,312,792	103,759,791
Represented by:			
Accumulated Surplus		83,312,791	103,759,790
Total Net Assets		83,312,791	103,759,790

The Constituency financial statements set out on pages 1 to 52 approved by NG CDFC on 11.08.2025 and signed by:

Chairman NG-CDF Committee
Name: IDDI ABBAS

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

Fund Account Manager
Name: Christine Muyaka

N.T.S.C.A
MUMIAS WEST

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

Description	Accumulated surplus/Deficit	Total
		Kshs
As at 30th June 2024 (cash basis)	3,132,893	3,132,893
Adjustments: (to recognize assets and liabilities		
Add Assets	103,671,952	103,671,952
Less Liabilities	3,045,055	3,045,055
As at July 1, 2024	103,759,790	103,759,790
Surplus/(Deficit) For the Period	(20,446,999)	(20,446,999)
Revaluation Gain/Loss	-	-
As at 30th June 2025 (current year)	**83,312,791**	**83,312,791**

Note:

	Balance as at 30th June 2024	Adjustments	*Opening Statement 1st July 2024*
	Kshs	Kshs	Kshs
Assets			
Current Assets			
Cash and Cash equivalents	3,871,119		3,871,119
PMC bank balances		69,893,658	69,893,658
Receivables from Non-Exchange Transactions		33,778,294	33,778,294
Total Current Assets	**3,871,119**	**103,671,952**	**107,543,072**
Non Current Assets			
Furniture and fittings		-	-
Computers & ICT Equipment		-	-
Total Non- Current Assets	-	-	-
Total Assets (A)	**3,871,119**	**103,671,952**	**107,543,072**
Liabilities			
Third Party Deposits		2,576,496	2,576,496
Gratuity Provision	738,227	468,559	1,206,785
Total Current Liabilities(I)	**738,227**	**3,045,055**	**3,783,281**
Non-current liabilities	-	-	-
Total Liabilities B (I+II)	**738,227**	**3,045,055**	**3,783,281**
Net Assets(A-B)	**3,132,893**	**100,626,898**	**103,759,790**
Represented By:			
Accumulated Surplus	**3,132,893**		**103,759,790**
Net Assets	**3,132,893**		**103,759,790**

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

	Notes	*Period ended 30th June 2025*
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board	6	189,778,294
Grants/donations from other entities		-
Finance income		-
Miscellaneous income	9	44,000
Total Receipts		**189,822,294**
Payments		
Employee costs	10	4,326,328
Committee expenses	11	1,298,000
Use of Goods and Services	12	10,386,639
Other Government Units Certified Works	13	128,422,334
Other Grants and Transfers	14	45,691,967
Digital Hubs Expenses	16	-
Total Payments		**190,125,268**
Net Cash Flows from/ (used in) Operating Activities	30	**(302,974)**
Cash flows From Investing Activities		
Purchase of PPE	23	(100,000)
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		**(100,000)**
Net increase/(decrease) in cash &		**(402,974)**
Cash equivalents		
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		**-**
Cash and cash equivalents at Period Start	19	**73,764,778**
Cash and cash equivalents at Period End	19	**73,361,804**

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
	2024/2025 FY	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	*2024/2025 FY*	*2024/2025 FY*		
Revenue							
Transfers From the NGCDF Board	170,526,857	73,764,778	33,778,294	**278,069,929**	**263,543,072**	**14,526,857**	**95**
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-		-	
Miscellaneous income	-	1,547,032	-	1,547,032	1,547,032	-	
Totals	**170,526,857**	**75,311,810**	**33,778,294**	**279,616,960**	**265,090,104**	**14,526,857**	
Expenses							
Employee costs	3,621,014	1,802,939	1,204,044	6,627,997	4,326,328	2,301,669	**65%**
Committee expenses	1,228,000	670,023	628,000	2,526,023	1,298,000	1,228,023	**51%**
Use of Goods and Services	10,250,986	1,2113,781	2,400,055	13,862,822	10,386,639	3,476,183	**75%**
Other Government Units Certified Works	72,550,759	68,703,611	22,874,000	164,128,370	128,422,334	35,706,036	**78%**
Other Grants and Transfers	67,072,099	1,199,532	5,666,195	73,937,825	45,691,967	28,245,858	**62%**
Acquisition of Assets	2,104,000	990	450,000	2,554,990	100,000	2,454,990	**4%**
Other Payments	13,700,000	-	556,000	14,256,000	-	14,256,000	**0**
Digital Hubs Expenses	-	-	-	-	-	-	**0**

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025 FY	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	*2024/2025 FY*	*2024/2025 FY*		
Funds Pending Approval**	-	1,722,935	-	1,722,935	1,503,032	219,903	87%
Total Expenditure	**170,526,857**	**75,311,811**	**33,778,294**	**279,616,962**	**191,728,300**	**87,888,662**	**69%**
Surplus for the period							

Explanatory Notes.

(a) Employees costs had 65% utilization because we did not receive all the funds from the exchequer by close of the financial year.
(b) Committee Expenses had 51% utilization because we did not receive all the funds from the exchequer by close of the financial year.
(c) Use of Goods and Services- had 75% utilization because we did not receive all the funds from the exchequer by close of the financial year.
(d) Transfers to Other Government Units- had 78% utilization because we did not receive all the funds from the exchequer by close of the financial year.
(e) Other Grants and Transfers had 62% utilization because we did not receive all the funds from the exchequer by close of the financial year.
(f) Acquisition of Assets had 4% utilization because we did not receive all the funds from the exchequer by close of the financial year.

Reconciliation of Summary Statement of Appropriation to Statement of Financial Position	
Description	**Amount**
Budget utilisation difference totals	87,888,662
Less undisbursed funds receivable from the Board as at 30th June 2025	14,526,857
Cash and Cash Equivalents at the end of the 30th June 2025	73,361,805

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 11.08.2025 and signed by:

Fund Account Manager

Name: Christine Mugaka

FUND ACCOUNT MANAGER
MUMIAS WEST NG-CDF
P. O. Box 1087 - 50102,
MUMIAS

National Sub-County Accountant

Name: Rose Ojwang

ICPAK M/No:

N.T.S.C.A
MUMIAS WEST

Chairman NG-CDF Committee

Name: IDDI ABBAS KEYA

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,621,014	1,802,939	1,204,044	**6,627,997**	4,326,328	2,301,669
1.2 Committee allowances	1,228,000	265,152	378,000	**1,871,152**	1,298,000	573,152
1.3 Use of goods and services	5,150,986	1,181,747	1,109,579	**7,442,312**	4,716,806	2,725,506
Sub-total	**10,000,000**	**3,249,838**	**2,691,623**	**15,941,461**	**10,341,134**	5,600,327
2.0 Monitoring and evaluation				-		-
2.1 Capacity building	1,330,000	8,500	550,000	**1,888,500**	1,579,000	309,500
2.2 Committee allowances	2,270,000	404,871	250,000	**2,924,871**	2,990,833	(65,962)
2.3 Use of goods and services	1,500,000	21,534	740,476	**2,262,010**	1,100,000	1,162,010
Sub-total	**5,100,000**	**434,905**	**1,540,476**	**7,075,381**	**5,669,833**	1,405,548
3.0 4.0 Emergency				-		-
Unutilized	3,022,098	12,989	68,091	3,103,177	-	3,103,177
4.1 Primary Schools		0	0	-	-	-
Lureko Primary School	100,000	0	800,000	**900,000**	900,000	0
Utende Primary School	2,200,000	0		**2,200,000**	21,767	2,178,234
Nyapeta Primary School	2,150,000	0		**2,150,000**	2,037,077	112,924

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
4.2 Secondary schools	-	0		-	-	-
St Romanos Matawa Sec	1,000,000	0	-	**1,000,000**	946,836	53,164
4.3 Security projects	-	0	-	-	-	-
Sub-total	**8,472,098**	**12,989**	**868,091**	**9,353,177**	**3,905.679**	5,447,499
5.0 Bursary and Social Security				-		-
5.1 Primary Schools	-	-	0	-	-	-
5.2 Secondary Schools	26,500,000	-	-	**26,500,000**	21,590,000	4,910,000
5.3 Tertiary Institutions	13,000,000	-	2,518,104	**15,518,104**	14,428,000	1,090,104
5.4 special needs	500,000	-	-	**500,000**	170,000	330,000
5.5 Education Support Programmes	-	-	-	-	-	-
5.6 Social Security	-		-	-	-	-
Sub-total	**40,000,000**	-	**2,518,104**	**42,518,104**	**36,188,000**	6,330,104
7.0 Environment				-		-
	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
8.0 Primary Schools Projects				-		-
Ebuchitu Primary School	779,810	5,675,877	550,000	**7,005,687**	6,891,676	114,011
Ebuyenjere Primary School	487,139	5,582,928	1,130,000	**7,200,067**	7,091,169	108,898

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Ranjiri Primary School	-	253	550,000	**550,253**	549,778	475
Emulaka Primary School	-	6,087,157	1,880,000	**7,967,157**	7,923,062	44,095
Iranda Primary School	-	-	1,050,000	**1,050,000**	1,020,019	29,981
Shisundusia Primary School	-	5,764	250,000	**255,764**	255,700	64
Khungwani Primary School	-	59,428	200,000	**259,428**	259,428	-
Utende Primary School	792,556.00	5,603,019	-	**6,395,575**	5,995,575	400,000
Ahong'njo Primary School	395,398.00	5,580,001	330,000	**6,305,399**	6,305,399	-
Bumanyi Primary School	383,641.00	6,132,434	-	**6,516,075**	6,516,075	-
Mumias Township Primary School	462,028.00	6,581,412	330,000	**7,373,440**	7,373,440	-
Musanda Primary School	820,984.00	5,580,039	-	**6,401,023**	6,360,824	40,199
Imbibi Primary School	9,300,000	998,303	-	**10,298,303**	7,110,230	3,188,072
Iyabo Primary School	7,908,588	-	-	**7,908,588**	1,873,606	6,034,982
Nyakwaka Pri School	1,600,000.00	-	-	**1,600,000**	1,640	1,598,360
St.Cyprian Ebuyeshera School	-	880,589	-	**880,589**	880,590	-
Shibale Primary School	-	157,431	282,000	**439,431**	439,429	1
Mumias Sugar Complex Pri. Sch.	-	885	330,000	**330,885**	330,336	549
Emuberi Primary Sch	-	150,755	-	**150,755**	150,755	-
Emukhuwa Primary Sch.	-	41,228	-	**41,228**	41,228	-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Emaungu Primary School	-	980,074	-	**980,074**	975,968	4,106
Buyundo Primary School	1,000,000	290,353	-	**1,290,353**	195,976	1,094,377
Bumala Primary School	700,000	216	-	**700,216**	-	700,216
Lusheya Primary School	700,000	-	-	**700,000**	-	700,000
Wang'nyang Primary School	1,000,000	-	-	**1,000,000**	-	1,000,000
Mumias Shool for Autism	1,400,000	-	-	**1,400,000**	-	1,400,000
Sub-total	**27,730,144**	**50,388,145**	**6,882,000**	**85,000,289**	**68,541,902**	16,458,387
9.0 Secondary Schools Projects (List all the Projects)				-		-
Lukongo Sec School	-	719,135	1,280,000	**1,999,135**	1,713,801	285,334
St Christopher Enyapora Sec Sch	4,700,000	10,749	1,200,000	**5,910,749**	5,424,130	486,619
St Teresas Emukhuwa Girls Sec	-	1,492,583	1,400,000	**2,892,583**	2,697,848	194,735
St Bedas Bukaya Sec School	22,350,000	1,618,243	10,000,000	**33,968,243**	29,898,814	4,069,429
Musanda Sec School	758,890	6,580,023	-	**7,338,913**	6,938,913	400,000
St James Butobe Sec School	779,811	4,132,042	-	**4,911,853**	4,510,805	401,047
Sheikh Badru Etenje Sec School	431,914	24,006	-	**455,920**	-	455,920
St Joseph Ugana Sec	3,500,000	6,160	330000	**3,836,160**	2,244,059	1,592,101
St. Michael Ingusi Sec School	0	194,328	-	**194,328**	194,328	-
St. Michael Ingusi Sec School	2,900,000	-	-	**2,900,000**	-	2,900,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
St.Elias Iyabo Sec. School	-	69,843	-	**69,843**	69,842	1
St.Elizabeth Bumia Girls' Sch	-	500,646	-	**500,646**	443,500	57,146
St.Elizabeth Lureko Girls' Sec. Sch	-	99,754	-	**99,754**	99,754	-
Ichinga Muslim Secondary School		469,755	282,000	**751,755**	751,755	-
St. Pauls' Ahongi'njo Sec School		880,685		**880,685**	874,711	5,974
Ihonje Secondary School	1,900,000	-	-	**1,900,000**	-	1,900,000
Sub-total	**37,320,615**	**16,797,951**	**14,492,000**	**68,610,566**	**55,862,260**	12,748,307
10.0 Tertiary institutions Projects (List all the Projects)				-		-
Mumias West TVET	7,500,000	1,517,515	-	**9,017,515**	4,021,102	4,996,413
Mumias West KMTC	-	-	1,500,000	**1,500,000**	1,500,000	-
Sub-total	**7,500,000**	**1,517,515**	**1,500,000**	**10,517,515**	**5,521,102**	4,996,413
11.0 Security Projects				-		-
Eshihaka Police Post	800,000	757,132	550,000	**2,107,132**	745,754	1,361,379
Nyalenya Police Post	-	10	200,000	**200,009**	190,708	9,301
Musanda Police Post	-	118,488	1,200,000	**1,318,488**	1,318,044	444
Mumias Central Divisional HQ	3,600,000	-	-	**3,600,000**	2,144,051	1,455,950
Mumias West DCI Office	6,000,000	-	-	**6,000,000**	1,640	5,998,360

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
DCC Mumias West DCC	-	153,297	**330,000**	**483,297**	483,297	-
ACC South Wanga	-	157,617		**157,617**	157,617	-
Etenje Divisional Headquarters	8,000,000	-	-	**8,000,000**	-	8,000,000
Mumias West OCPD office	200,000	-	-	**200,000**	-	200,000
Sub-total	**18,600,000**	**1,186,543**	**2,280,000**	**22,066,543**	**5,041,110**	17,025,434
12.0 Acquisition of assets				-		-
Mumias West NGCDF Office Motorcycle	854,000	-	-	**854,000**	-	854,000
12.2 Purchase of furniture and fitiings	-	990	100,000	**100,990**		100,990
12.2 Construction of CDF office	1,250,000	-	250,000	**1,500,000**		1,500,000
Purchase of Computers	-	-	100,000	**100,000**	100,000	-
Sub-total	**2,104,000**	**990**	**450,000**	**2,554,990**	**100,000**	2,454,990
13.0 Others				-		-
Mumias West National Registration Bureau	-	-	556,000	**556,000**	555,641	360
Mumias West Sub County Education Office	8,700,000	-	-	**8,700,000**	1,640	8,698,360
Rural Electrification and Renewable Energy Corporation	5,000,000	-	-	**5,000,000**	-	5,000,000
Sub-total	**13,700,000**	**-**	**556,000**	**14,256,000**	**557,281**	13,698,720

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Funds pending approval**				-		-
unapproved projects	-		-	-	-	-
AIA		145,000	-	**145,000**	-	145,000
PMC Savings		1,577,935		**1,577,935**		1,577,935
Sub-total	-	**1,722,935**	-	**1,722,935**	-	**1,722,935**
Total	**170,526,857**	**75,311,811**	**33,778,294**	**279,616,962**	**191,728,299**	**87,888,662**

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

16. 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 Mumias West Constituency principal activity is service delivery through improvement of infrastructure and provision of bursaries to needy students within the constituency.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Mumias West 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 Mumias West 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.

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

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

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

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

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

IPSAS 45: Property Plant and Equipment	*Applicable 1st January 2025* The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized 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. Not applicable
IPSAS 46: Measurement	*Applicable 1st January 2025* The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. Not applicable
IPSAS 47: Revenue	*Applicable 1st January 2026* This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue

	under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
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. Not applicable
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.
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: 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. Not applicable

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption, and impact on the entity's financial statements.)*

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 2.*

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 recognizes a social benefit as an expense for the social benefit scheme at the same time that it recognizes a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

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

k) Contingent assets

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

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

e) Changes in the market in relation to the asset

Provisions

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

6. Transfers from the NGCDF Board

Description	Period ended June 2025	Cashflow Amounts
	Kshs	Kshs
NGCDFB Transfers (Allocation for the FY)	170,526,857	189,778,294
Total	**170,526,857**	**189,778,294**

7. Transfers from domestic and foreign partners

Description	Period ended June 2025
	Kshs
Grants	0
Total	**0**

8. Finance income

Description	Period ended June 2025
	Kshs
Interest Income on Bank Deposits	0
Total	**0**

9. Miscellaneous income

	Period ended June 2025
	Kshs
Rental Income	0
Income from sale of tenders	44,000
Hire of plant/equipment/facilities	0
Other Income Not Classified Elsewhere *(specify)*	0
Total	**44,000**

10. Employees cost

	Period ended June 2025	Cashflow Amounts
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,607,628	2,607,628
Personal allowances paid as part of salary	-	
House Allowance	-	
Transport Allowance	-	
Leave allowance	-	
Gratuity to contractual employees	697,189	697,189
Employer Contributions Compulsory national social security schemes	317,979	317,979
Employer Contributions Compulsory Housing levy	84,228	84,228
Employer contributions to National Industrial Training Authority	-	
Other Specify	-	
Total	**3,707,023**	**3,707,023**

11. Committee Expenses

	Period ended June 2025
	Kshs
Sitting allowance	1,169,000
Other Committee expenses	129,000
Total	**1,298,000**

12. Use of Goods and services

	Period ended June 2025
	Kshs
Utilities, supplies and services	99,888
Communication, supplies and services	898,352
Domestic travel and subsistence	3,756,100
Printing, advertising and information supplies & services	378,220
Office Rent	-
Training expenses	1,155,000
Hospitality supplies and services	1,338,910
Insurance costs	-
Specialized materials and services	429,000
Office and general supplies and services	527,100
Fuel, oil & lubricants	1,100,000
Bank Charges	47,334
Routine maintenance – vehicles and other transport equipment	115,452
Routine maintenance – other assets	170,700
Strategic plan expenses	-
Other operating expenses	370,583
Total	**10,386,639**

13. Other Government Units Actual expenditure

Description	Period ended June 2025	Cashflow Amounts
	Kshs	Kshs
Primary Schools Actual expenditure	69,246,386	68,536,432
Secondary Schools Actual expenditure	56,605,471	55,861,560
Tertiary Institutions Actual expenditure	4,024,342	4,024,342
Total	**129,876,199**	**128,422,334**

14. Other Grants and transfers Actual expenditure

	Period ended June 2025	Cashflow Amounts
	Kshs	Kshs
Bursary – secondary schools	21,590,000	21,590,000
Bursary – tertiary institutions	14,428,000	14,428,000
Bursary – special schools	170,000	170,000
Bursary - Education Support programmes	-	-
Social Security programmes (SHIF)	-	-
Security projects Actual Expenditure	4,913,234	5,041,110
Climate change mitigation projects	-	-
Emergency projects Actual Expenditure	4,058,180	3,905,577
Roads projects	-	-
Others specify	557,281	557,281
Total	**45,716,694**	**45,691,966**

15. Depreciation and Amortization Expenses

Description	Period ended June 2025
	Kshs
Property Plant and Equipment	33,300
Intangible Assets	-
Total	33,300

16. Digital Hubs Expenses

Description	Period ended June 2025
	Kshs
Construction/ renovation/ Actual expenditure	0
Digital Hub utility costs Water, Electricity,	0

Maintenance of ICT equipment	0
Maintenance of building	0
Others *(specify)*	0
Total	0

17. Gain/loss on Sale of Assets

Description	Period ended June 2025
	Kshs
Property, Plant and Equipment	0
Intangible Assets	0
Total Gain/loss on Sale of Assets	0

18. Impairment Loss

Description	Period ended June 2025
	Kshs
Property, Plant and Equipment	0
Intangible Assets	0
(Include financial instruments that are impaired)	0
Total Impairment Loss	**0**

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	*Opening Statement* (Re-stated) *1st July 2025*
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
Co-operative Bank, Mumias Branch Acc No. 1141498664400	13,764,518	3,132,893
Operations account pending closure (Indicate name & account no.)	-	-
Family Bank, A/C no. 081000032522 Branch *(Deposit account)*	522,201	738,227
PMC accounts-Various Banks Listed in Annex 2	59,075,085	69,893,658
Total	**73,361,804**	**73,764,778**
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations *(Specify)*	-	-
Total	-	-

20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

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

21. Receivables from Non-Exchange Transactions

Description	Period ended June 2025	*Opening Statement 1st July 2025*
	Kshs	Kshs
Transfers from NGCDFB	14,526,857	33,778,294
Outstanding imprest	0	0
Total	**14,526,857**	**33,778,294**

Ageing Analysis- Receivables from non-exchange transactions	Insert Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	14,526,857	100%	33,778,294	100%
Between 1-2 years	-	%	-	%
Over 3 years		%	-	%
Total	14,526,857	100%	33,778,294	%

22. Prepayments

Description	Period ended June 2025	*Opening Statement 1st July 2025*
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments *(Specify)*	-	-
Total	-	-

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		10%	25%	12.5%	33.3%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	-	-	-	-	-	-	-
Additions	-		-	-	100,000	-	-	100,000
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	100,000	-	-	100,000
Depreciation And Impairment								
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	33,300	-	-	33,300
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	33,300	-	-	33,300
Net Book Values								-
Opening Bal as at 1st July 2024	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	66,700	-	-	66,700

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). These amounts were adopted on xxx.

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	490,000	33,300	456,700
Office Equipment, Furniture, And Fittings	60,000	-	60,000
Total	**550,000**	**33,300**	**516,700**

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

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

24. Intangible Assets

Description	Period ended June 2025
	Kshs
Cost	
Opening balance at 1st July 2024	-
Additions	-
Disposal	-
At end of the 2025	-
Amortization and impairment	
At beginning of the year	-
Amortization	-
At end of the year	
Impairment loss	-
At end of the year	-
NBV at July 1st 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 (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024 (Comparative Period)	-	-	-	-
Additions				
As At 30 June 2025 (Current FY)				
	-	-	-	-
Accumulated Depreciation	-	-	-	-
As At 1 July 2024 (Comparative period)	-	-	-	-
Charge for the period				
As At 30 June 2024 (Comparative period))				
Charge for the period	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
	-	-	-	-
Carrying Amount				

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

26. Trade and Other Payables

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

27. Third-Party deposits

	Period ended June 2025	*Opening Statement 1st July 2024*
	Kshs	**Kshs**
Retention as at start of the period (A)	2,576,496	-
Retention held during the period (B)	12,685,694	2,576,496
Retention paid during the period (C)	11,207,102	-
Closing Retention as at period 30.06.2025 D= A+B-C	**4,055,088**	**2,576,496**

Retentions aging analysis.

	Period ended June 2025	**% of the total**	*Opening Statement 1st July 2024*	**% of the total**
Less than 1 year	4,055,088	100%	2,576,496	100%
1-2 years	**0**	%		%
2-3 years	**0**	%	-	%
Over 3 years	**0**	%	-	%
Total	**4,055,088**	**100%**	**2,576,496**	**100%**

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

28. Lease Liabilities

Description	**Period ended June 2025**	*Opening Statement 1st July 2025*
	Kshs	**Kshs**
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	

29. Gratuity Provision

Description	*Period ended June 2025*	*Opening Statement 1st July 2024*
	Kshs	Kshs
Gratuity at the beginning of the period (A)	1,206,785	
Gratuity held during the period (B)	697,189	1,206,785
Gratuity paid during the period (C)	1,316,493	-
Total Gratuity provision as at 30.06.2025 D=(A+B-C)	**587,481**	**1,206,785**

30. Cash Generated from Operations

	Period ended June 2025
	Kshs
Surplus for the period before tax	**(20,446,999)**
Adjusted for:	
Depreciation	33,300
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	19,251,437
Changes in deferred income	-
Changes in Third party deposits	1,478,592
Changes in gratuity provision	(619,304)
Changes in payments received in advance	-
Net cash flow from operating activities	**(302,974)**

31. Financial Risk Management

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

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	14,526,857	14,526,857	-	-
Bank balances	13,764,518	13,764,518	-	-
Total	**28,291,375**	**28,291,375**	**-**	**-**
As at 30 June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	33,778,294	33,778,294	-	-
Bank balances	3,132,893	3,132,893	-	-
Total	**36,911,187**	**36,911,187**	**-**	**-**

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current poportion of borrowings	-	-	-	-
Retention Provisions	-	-	4,055,088	4,055,088
Deferred income	-	-	0	0
Gratuity Provision	-	-	587,481	587,481
Total	**-**	**-**	**4,642,569**	**4,642,569**
As at 30th June 24				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Retention Provisions	-	-	2,576,496	2,576,496
Gratuity provision	-	-	1,206,785	1,206,785

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Deferred income	-	-	0	0
Employee benefit obligation	-	-	0	0
Total	**-**	**-**	**3,783,281**	**3,783,281**

iii) Market risk

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

a) Foreign currency risk

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

2024-2025 FY

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June 2025 (Current FY)			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Foreign currency sensitivity analysis

2024-2025 FY

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Financial Risk Management

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

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

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.

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted Equity Investments	NA	NA	NA	NA
Non- Financial Assets				
Investment Property	NA	NA	NA	NA
Land And Buildings	NA	NA	NA	NA
Total	NA	NA	NA	NA
As at 30th June 2024				
Financial Assets	NA	NA	NA	NA
Quoted Equity Investments	NA	NA	NA	NA
Non- Financial Assets				

Investment Property	NA	NA	NA	NA
Land And Buildings	NA	NA	NA	NA
Total	NA	NA	NA	NA

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

iv) Capital Risk Management

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

Description	**Period ended 30th June 2025**	*Opening Statement 1st July 2024*
	Kshs	**Kshs**
Revaluation Reserve	-	-
Retained Earnings	83,312,791	103,759,790
Capital Reserve	-	-
Total Funds	**-**	**-**
Total Borrowings	-	-
Less: Cash and Bank Balances	(13,764,518)	(3,132,893)
Net Debt/(Excess Cash And Cash Equivalents)	-	-
Gearing	16%	3%

32. Related Party Disclosures

	30th June 2025	*Opening Statement 1st July 2025*
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,298,000	2,760,000
	0	0
Transaction with the NGCDF Board	0	0
Transfers from the NGCDF Board during the year	189,778,294	192,434,942
Total	**191,076,294**	**192,434,942**

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

Contingent Liabilities

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

35. Capital Commitments

Capital Commitments	*Period ended June 2025*	*Opening Statement 1st July 2024*
	Kshs	**Kshs**
Authorised for	NA	NA
Authorised and Contracted for	NA	NA
Total	NA	NA

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 Mumias West 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.

17.Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	2,000,000	-	-	**2,000,000**
Buildings and structures	19,511,633	-	-	**19,511,633**
Transport equipment	6,330,760	-	-	**6,330,760**
Office equipment, furniture, and fittings	3,462,510	100,000	-	**3,562,510**
ICT Equipment and Other ICT Assets	2,286,500	-	-	**2,286,500**
Other Machinery and Equipment	167,995	-	-	**167,995**
Intangible assets	494,000	-	-	**494,000**
Total	**34,253,398**	**100,000**	-	**34,353,398**

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

PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ahong'injo Pri School	Coop Bank - Mumias	01141067542500	-	5,580,001
ACC South Wanga	Coop Bank - Mumias	01141798773300	-	157,617
Bumala Primary School	Coop Bank - Mumias	01141067070400	700,216	216
ACK St. James Butobe Secondary school	Coop Bank - Mumias	01141798745100	401,047	4,132,041
Bumanyi Primary School	Coop Bank - Mumias	01141498729300	-	6,132,434
Buyundo Primary School	Coop Bank - Mumias	01141068245400	1,094,377	290,353
DCC Mumias West DCC	Family Bank - Mumias	081000032698	-	153,297
Ebuchitu Primary School	Coop Bank - Mumias	01141067543900	114,011	5,675,877
Ebuyenjere Primary School	Coop Bank - Mumias	01141067166600	108,899	5,582,928
Emaungu Primary School	Coop Bank - Mumias	01141067544000	4,107	980,074
Emuberi Primary Sch	Coop Bank - Mumias	01141234632400	-	150,755
Emukhuwa Primary Sch.	Coop Bank - Mumias	01141067546400	-	41,228
Emulaka Primary School	Coop Bank - Mumias	01141498955500	44,095	6,087,157
Eshihaka Police Post	Coop Bank - Mumias	01141499963500	1,361,379	757,132
Etenje Divisional HQs	Family Bank - Mumias	081000035405	6,500,000	-
Ichinga Muslim Secondary School	Coop Bank - Mumias	01141498729600	-	76,862
Ihonje Secondary School	Coop Bank - Mumias	01141067257001	1,903,504	3,504
Imbibi Primary school	Family Bank - Mumias	081000032840	3,188,072	998,303
Iranda Primary School	Coop Bank - Mumias	01141499546000	29,981	-
Iyabo Primary School	Family Bank - Mumias	081000035129	6,034,982	-
Khungwani Primary Sch	Coop Bank - Mumias	01141067262800	0	59,428

PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Lukongo Secondary School	Coop Bank - Mumias	01141498104300	285,334	719,135
Lureko Primary Sch – CDF	Coop Bank - Mumias	01141499543000	-	1
Mumias Central Divisional HQs	Family Bank - Mumias	081000035108	1,455,950	-
Mumias Sugar Complex Pri. Sch.	Coop Bank - Mumias	01141499543500	1,000,549	885
Mumias Township Primary School	Coop Bank - Mumias	01141068453800	-	6,581,412
Mumias West DCI	Family Bank - Mumias	081000035327	5,998,360	-
Mumias West National Registration Bureau	Family Bank - Mumias	081000034323	360	-
Mumias West Sub-county Education office	Family Bank - Mumias	081000035328	8,698,360	-
Mumias West T.T.Institute	Coop Bank - Mumias	01141499091500	4,996,413	1,521,567
Mumias West OCPD	Family Bank - Mumias	081000035312	200,000	-
Musanda Police Post	Coop Bank - Mumias	01141499411000	444	118,488
Musanda Primary School	Coop Bank - Mumias	01141068368600	40,199	5,580,038
Musanda Secondary School	Coop Bank - Mumias	01141067093800	400,000	6,580,023
Nyakwaka Primary School	Family Bank - Mumias	081000035324	1,598,360	-
Nyalenya A.P Camp	Coop Bank - Mumias	01141499511800	9,301	9
Nyapeta primary School	Family Bank - Mumias		112,924	-
Ranjiri Primary School	Coop Bank - Mumias	01141499529400	475	253
Sheikh Badru Etenje Sec School	Family Bank - Mumias	081000030063	455,920	24,006
Shibale Primary School	Coop Bank - Mumias	01141067324900	-	157,431
Shisundusia Primary School	Coop Bank - Mumias	01141499512200	64	5,764
St Christopher Enyapora Sec Sch	Coop Bank - Mumias	01141498098800	486,619	10,749
ST Romanos Matawa Secondary school	Family Bank - Mumias	081000034744	53,164	-
St Teresas Emukhuwa Girls Sec	Coop Bank - Mumias	01141234443000	194,735	1,492,583

PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
St. Bedas Bukaya Secondary school	Equity Bank - Mumias	0680295231562	1,069,429	1,907,903
St. Pauls' Ahongi'njo Sec School	Coop Bank - Mumias	01141068258200	5,974	880,685
St.Cyprian Ebuyeshera School	Coop Bank - Mumias	01141498094500	-	880,589
St.Elias Iyabo Sec. School	Coop Bank - Mumias	01141498103400	-	69,843
St.Elizabeth Bumia Girls' Sch	Coop Bank - Mumias	01141068321200	57,146	500,646
St.Elizabeth Lureko Girls' Sec. Sch	Coop Bank - Mumias	01141068371700	-	198,935
St.John Bumala Sec School	Coop Bank - Mumias	01141798719600	2,100,000	-
St.Joseph's Ugana Secondary School	Coop Bank - Mumias	01141498109200	1,592,101	6,160
St.Michael Ingusi Sec School	Coop Bank - Mumias	01141233055500	-	194,328
St.Michael Ingusi Sec School	Family Bank - Mumias	081000035312	2,900,000	-
St.Patrick's Lusheya Primary Sch	Coop Bank - Mumias	01141067543800	700,000	-
Utende Primary School	Coop Bank - Mumias	01141067544300	-	5,603,019
Utende Primary School	Family Bank - Mumias	081000034734	2,178,234	-
Wang'nyang' Primary School	Coop Bank - Mumias	01141068175200	1,000,000	-
Total			**59,075,085**	**69,893,658**

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)*
	Lack of Assets Ownership Documents Annex 4 on summary of fixed asset register reflects a balance of Kshs.34,253,398 in respect of total historical costs of fixed assets as at 30 June, 2024. Included in this are balances of Kshs.2,000,000 in respect of land and Kshs.6,330,760 disclosed as transport equipment being historical costs of a bus and two motorcycles owned by the fund. However, log books for the bus and two motorcycles as well as a title for the land were not provided for audit verification. In the circumstances, the ownership of the land and transport equipment with a historical cost of Kshs.8,330,760 respectively could not be confirmed.	The management is in process of replacing misplaced logbooks for transport equipment and has availed copies of tape lifts, police abstract and affidavits submitted to NTSA for log book replacement. A copy of the letter sent to the Sub County Town Manager requesting for allotment letter was also availed.	Not resolved	3 Months
	Delayed Completion in Construction of a Storey Building Tuition and Administration Block at St. Bedas Bukaya Secondary School A local contractor was awarded a tender for the proposed construction of phase 1 of a storey tuition	The completed project photos were shared with the audit team. Hence the issue is cleared.	Not resolved	3 Months

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)*
	block and administration block, which was to cover ground floor and first floor, at Bedas Bukaya Secondary School on 6 May, 2023 at a contract sum of Kshs.27,591,771 for a contract period of forty-eight (48) weeks. The same local contractor was awarded a tender for the construction of the proposed completion of phase 2 of the storey building tuition block and administration block, which was to cover second floor and roofing, at the same school on 14 January, 2024, at a contract sum of Kshs.14,235,902 for a contract period of twenty-eight (28) weeks resulting to a total contract sum of Kshs.41,827,673 for the full completion of the work. A total of Kshs.10,000,000 had been paid to the contactor as at the time of audit. However, physical inspection conducted at the project site in November 2024, and examination of documents revealed the following; i). The contractor had no valid performance bond ii). The following works were still pending: window fittings, plumbing works, floor works, electrical works, ceiling works, painting works. In the circumstances, value for money was not obtained due to noncompletion of the project.			

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)*
	Lack of Asset Disposal Plan It was observed that the Fund had one unserviceable motor cycle that still forms part of its assets inventory. In addition, the motor cycle has not been marked and included in the annual plan for disposal. This is contrary to Section 53(6) of the Public Procurement and Asset Disposal Act, 2015, which states that, all asset disposals shall be planned by the Accounting Officer concerned through annual asset disposal plan in a format set out in the Regulations. In the circumstances, Management was in breach of the law.	The management has planned for the disposal of the Motor Cycle in the annual disposal plan but the disposal has not been done since we are in the process of replacing the motor cycle log book.	Not resolved	4Months

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