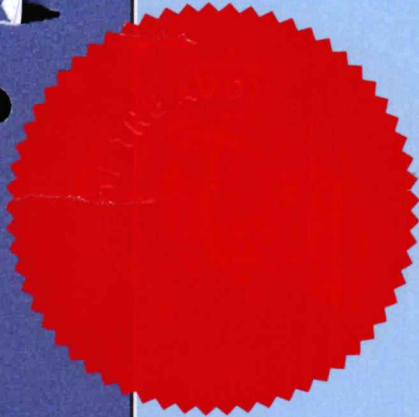
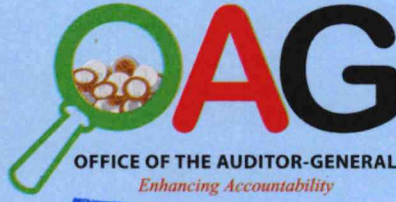


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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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



OFFICE OF THE COMPTROLLER GENERAL  
P.O. Box 30000 NAIROBI  
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**FUND MANAGER**  
MAKADARA NATIONAL GOVERNMENT  
CONSTITUENCY DEVELOPMENT FUND  
P.O. Box 618-00515, BURUBURU



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**MAKADARA CONSTITUENCY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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

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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
NCSA	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.

*(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)*

## **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 Makadara Constituency's day-to-day management is under the following key organs:

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

#### **Fiduciary Management**

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

No.	Designation	Name
1.	AIE holder	Victor Ouma
2.	National Sub-County Accountant	Conelius Kimori
3.	Chairman NGCDFC	Melchizedek Ronald Milare
4.	Member NGCDFC	Phelista Nabwire
5.	Member NG CDFC	Florence Atieno

#### **(c) Fiduciary Oversight Arrangements**

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

KCB Building/House/Plaza  
Jogoo Road Avenue/Road/Highway  
Nairobi (Indicate town) KENYA.

**(e) NGCDF MAKADARA Constituency Contacts**

P.O. Box 618-00515 Buruburu Kenya  
Telephone: (254) 0710835019  
E-mail: makadarangcdf@ngcdf.go.ke  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(f) NGCDF MAKADARA Constituency Bankers**

1. Bank A. (Operations Account). *Makadara Ngcdfc Equity bank A/c no 0950262163417.*  
Branch BURUBURU  
P.O. Box
2. Bank B. (Deposit account). *Makadara constituency Development Fund Deposit Account. Equity Bank 0950285001048*  
Branch Buru Buru  
P.O. Box
3. Bank C. (PMC Accounts)

PMC NAME	BANK/BRANCH	ACCOUNT NUMBER
St Michael Primary School PMC	Equity Buruburu	950285979840.00
Baraka Primary School PMC	Equity Donholm	820285913845.00
Kimathi Primary School PMC	Equity Buruburu	950281265767.00
St John Primary School PMC	Equity Buruburu	950282630652.00
Rabai Road primary school pmc	Equity Buruburu	950282814446.00
St Patrick primary School PMC	Equity Buruburu	950285979840.00
Morrison Primary school pmc	Equity Donholm	820286357794.00
Canon Apollo primary school PMC	Equity Donholm	820286472743.00
Bidii primary school PMC	Equity Buruburu	950285891881.00
Baraka Primary School perimeter wall PMC	Equity Buruburu	950285012777.00
St Annes primary School borehole drilling PMC	Equity Buruburu	950284970580.00
Buruburu girls secondary school PMC	Equity Buruburu	950285677589.00
St patrick Nairobi mixed day secondary PMC	Equity Buruburu	950282634573.00
Nile Road Secondary School PMC	Equity Buruburu	950282362499.00
Makongeni Secondary School PMC	Equity Buruburu	950281100914.00

**(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



(provide details for all the NG CDFC members in the format below)

Name	Details
<p>Chairman</p>  <p>Ronald Milare Melkizedek PWD Representative</p>	<p><i>Provide a concise description of each member's date of birth, key academic and professional qualifications, and work experience.</i></p> <p>Year of birth - 8<sup>th</sup> March 1973                      Academic qualification – Degree in counseling Psychology                      Work experience – Business person</p>
<p>Member 2</p>  <p>Martin Ogore Kavaya Adult Male Representative</p>	<p>Year of birth - 28<sup>th</sup> October 1976                      Academic qualification – Diploma                      Work experience – Project coordinator</p>
<p>Member 3</p>  <p>Joseph Irungu Kibuti Youth male Representative</p>	<p>Year of birth - 19<sup>th</sup> September 1992                      Academic qualification – Diploma                      Work experience – business person</p>

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<p>Member 4</p>  <p>Florence Atieno Ogutu Adult Female Representative</p>	<p>Year of birth - 3<sup>rd</sup> October 1965 Academic qualification – Form four Work experience – business person</p>
<p>Member 5</p>  <p>Ramha Abdi Haji Adult Female Representative</p>	<p>Year of birth - 1<sup>st</sup> January 1978 Academic qualification – Class Eight Work experience – business person</p>
<p>Member 6</p>  <p>Catherine Nzilani Maingi Youth Female Representative</p>	<p>Year of birth 9<sup>th</sup> July 1991 Academic qualification – Form four Work experience – field mobilizer and peer educator</p>
<p>Member 7</p>  <p>Eric Magembe Manduku Adult Male Representative</p>	<p>Year of birth 9<sup>th</sup> July 1991 Academic qualification – Diploma Work experience – Data Analyst</p>

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<p>Member 8</p>  <p>Phelista Nawire</p>	<p>Year of birth 9<sup>th</sup> July 1991</p> <p>Academic qualification – Form Four</p> <p>Work experience – Clerical Work</p>
<p>Fund Account Manager</p>  <p>Victor Ouma Omondi</p>	<p>Masters</p> <p>NG-CDF Makadara Fund Account Manager</p>

*No NG-CDFC member exited during the period*

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



##### INTRODUCTION

Makadara Constituency consists of four wards namely Viwandani, Makongeni, Maringo and Harambee Ward. The people of Makadara Constituency are determined to participate effectively in objectives mission and vision of the Makadara NG-CDF in the development plan. The constituent now has power to implement the formulation and implementation of development programme in the constituency for the works within the aspiration of the constitution of Kenya which makes public participation mandatory. The utilization of the NG-CDF has always been carried out with fairness transparency, openness and accountability.

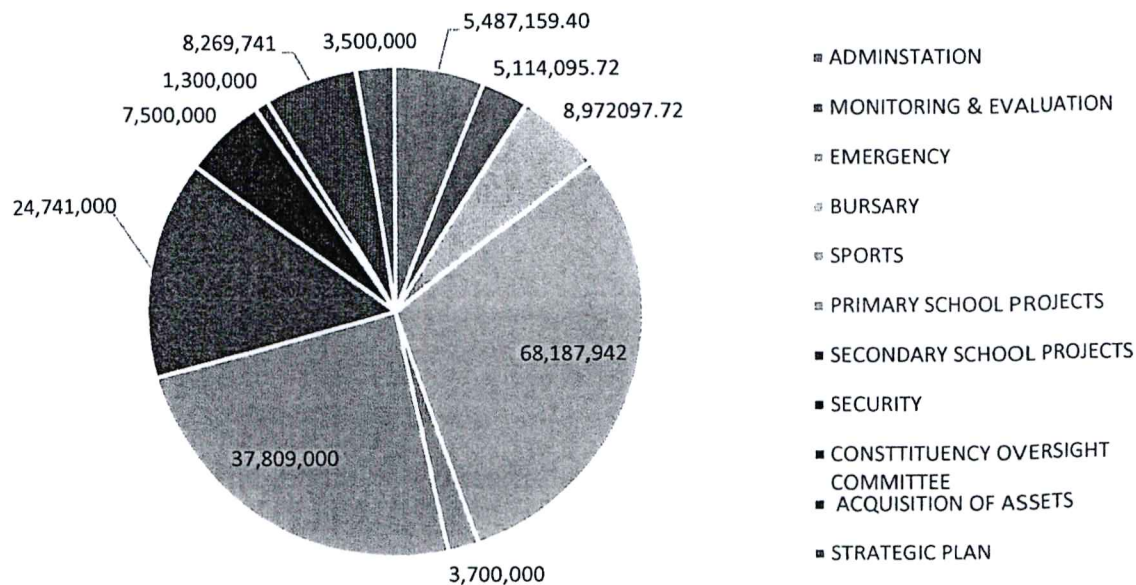
The Makadara Constituency NG-CDF total allocation for the financial year 2024/2025 was Kshs 170,469,857 which was a decrease from the previous year Kshs 235,879,833 allocated in financial year 2023/2024

Our key focus in the financial year 2024/2025 was construction of new more classrooms in primary and secondary school, in order to ensure that there is 100% enrollment of pupils as per the Government agenda four initiative.

##### 1. Table1.1 showing allocation on comparative Basis

Financial Year	Allocation	Disbursement Within the year
2022/2023	138,215,033	87,000,000
2023/2024	235,879,833	206,541,707
2024/2025	170,469,857	220,642,037
Increases/Decrease	65,409,976	14,100,330

**Figure 1.1 Showing Fund Distribution for the Financial Year 2024/2025**



**KEY ACHIEVEMENTS**

In the financial year just ended the Makadara NG-CDF has made some major achievements in terms of development projects. Various notable projects are ongoing and will be soon completed and commissioned. They include;

- Construction of Makadara NG-CDF office
- Construction of 8 new classrooms at Bidii Primary School
- Construction of 400 student capacity dormitory at Aquinas High School
- Construction of 4 new classrooms at St Patricks Secondary School
- Renovation works at Morrison Primary school.
- Construction of Twin Lab Makongeni Secondary School.

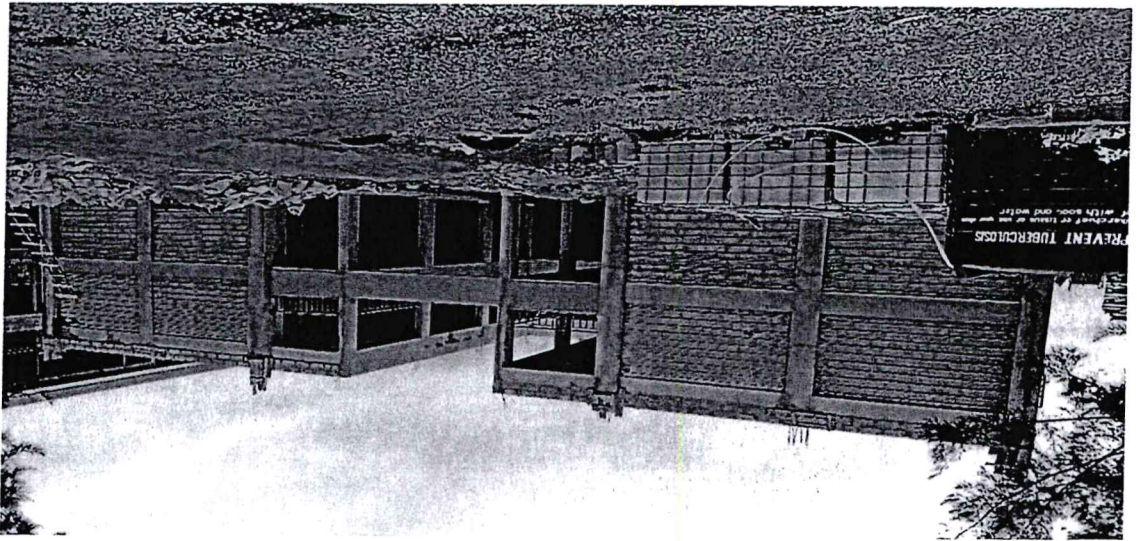
Once complete the benefits in the respective schools will be immense giving the learners a conducive environment for learning.

**MAKADARA NG-CDF MILESTONE**

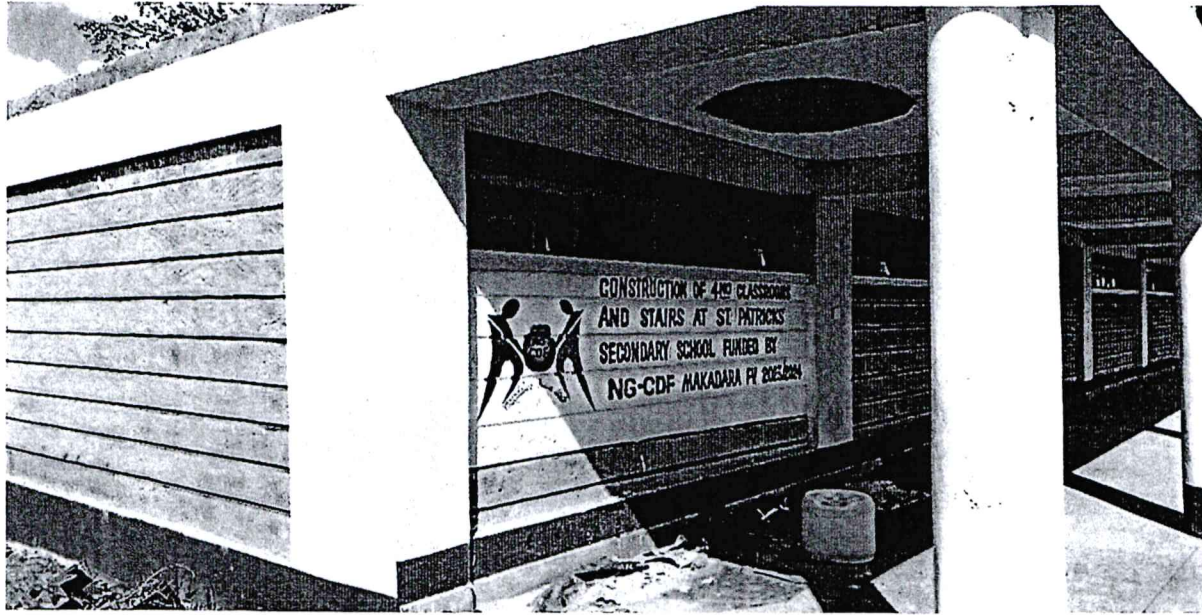
Makadara NG-CDFC has gone a milestone in enhancing education sector by proving safe and secure learning environment. Some of the Project that Makadara NG-CDFC undertook during the financial year include but not limited to:



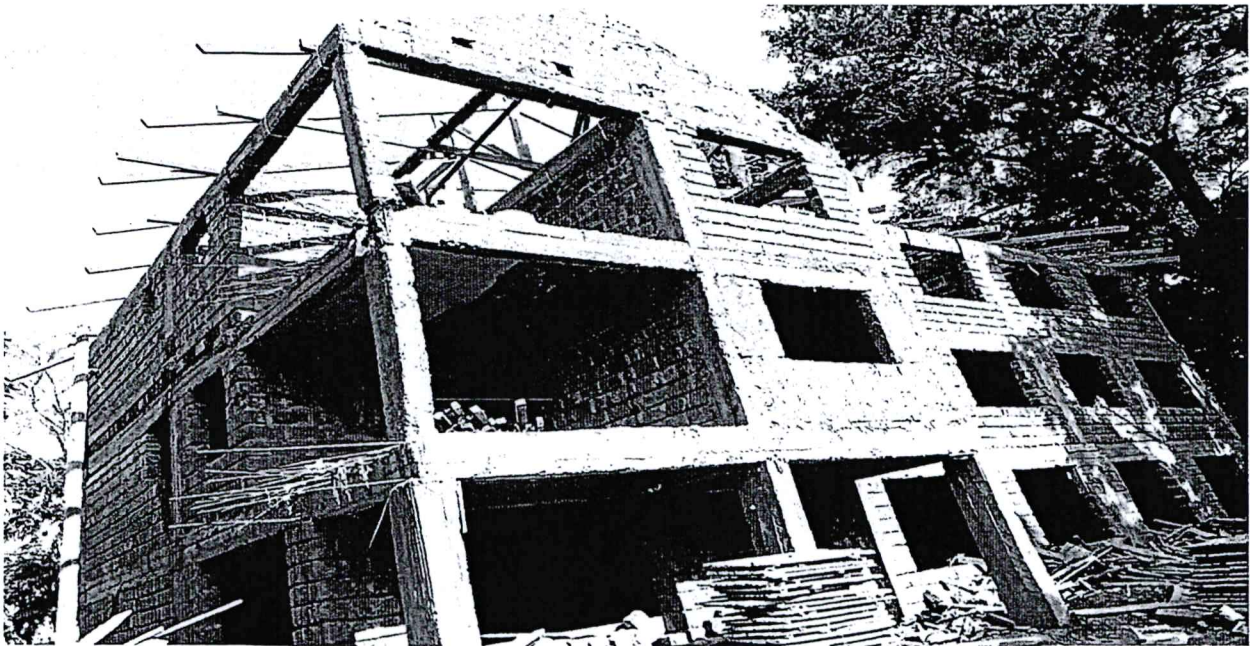
*A complete twin laboratory at Makongeni Secondary School.*



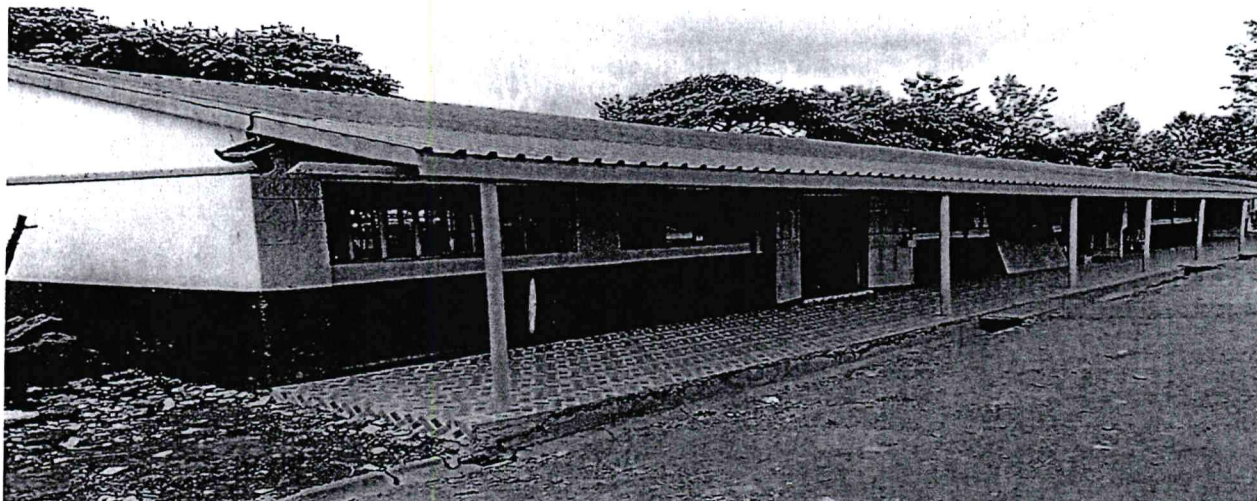
*Ongoing construction of 8 no classrooms with a slab, stairs and a ramp at Bidii Comprehensive School*



*construction of a 4 No classrooms with a slab and staircase at St.Patricks Secondary School*



*Ongoing construction of NG-CDF Office at DCC Makadara*



*Ongoing Renovation of 10 classrooms-Reflooring with tiles, mounting of new ceiling, replacement of window panes and replacement of doors and repainting at Morrison Primary.*



*Ongoing Construction of 400 student capacity dormitory at Aquinas High School.*

#### **Emerging issues**

There were no emerging issues in the constituency.

#### **Challenges.**

Makadara constituency received a few challenges in the implementation of the planned projects and undertakings which some were caused by delayed disbursements of funds, slow work rate of a few contractors and consistently rising price rates of construction materials, insufficient bursary funds since the constituency has a rapid rising number of schools going students which were unforeseen but we are in the process of ensuring inclusion of all students in our bursary funding.

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Makadara constituency has raised the issues of late disbursement of funds and we hope that the case will be handled properly so that the projects can be implemented in time

.....  
**Melkizedek Milare**  
**Chairman NGCDF Committee**

FUND MANAGER  
MELKIZEDEK MILARE  
CONSTITUENCY DEVELOPMENT FUND  
P.O. Box 618-0015, NAIROBI

## 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 Makadara Constituency 2022-2027* plan are to:

1. To improve education/school infrastructure and facilities
2. To Increase support of the needy students
3. To equip youth with working skills
4. To enhance area security
5. To enhance environmental protection
6. To improve resource mobilization

*(Enumerate the key objectives of the constituency as per the Strategic Plan)*

### Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>In FY 2024/25 -we increased number of classrooms/ dormitories/laboratories etc from 10 to 20in st johns' primary school, 3 classrooms, baraka primary school- 3 classrooms, buruburu girls sec- 3 classes - Bursary beneficiaries at all levels were as per the attached schedules</i>
Security	Equip, facilitate and enhance capacity of provincial administration	Develop and enhance provincial administration and other security	Number of usable physical infrastructure built in locations, sub	Equipped Police stations with two (2) 10,000 liters new water tanks ie, makongeni chiefs office, mbotela chiefs' office

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	and other security organs in order to improve service delivery	organs infrastructure to enhance service delivery	locations and police stations	
Climate change mitigation activities	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Equip schools with tanks	Tanks supplied in different schools	Purchased and delivered 26 water tanks to 13 different schools each receiving 2 10,000 ltrs water tanks -ie star of hope, cannon appolo, bidi primary school- the same 13 schools were planted trees
Emergency	Improve the mechanism used in handling disasters	Reduce loss of live and properties,  Prevent health hazards through waterborne diseases	No emergency occurrence in the constituency	Due to high rainfall experienced in the country, construction and maintenance of sewer lines were done in the financial year 2024/2025

## **6. Governance Statement**

### **Appointment of National Government Constituency Development Fund Committee**

- (1) There is established a National Government Constituency Development Fund Committee for every constituency.
- (2) Each Constituency Committee shall comprise of—
  - (a) the national government official responsible for co-ordination of national government functions;
  - (b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;
  - (c) Two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment;
  - (d) one person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
  - (e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
  - (f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
  - (g) One member co-opted by the Board in accordance with Regulations made by the Board.
- (3) The seven persons referred to in subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.
- (4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.
- (5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.
- (6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.
- (7) The quorum of the Constituency Committee shall be one half of the total membership.
- (8) 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.
- (9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

(10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

(11) 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.

### **Appointment of NG-CDFC**

In accordance with section 43 sub sections (1), (2) of the National Government Constituencies Development Fund act, Makadara NG-CDF advertised for the post of NGCDFC detailing the necessary requirements where several applicants showed interest for the same by forwarding their applications.

Vetting of the submitted application letters was done critically by a select committee which was created for the purpose. Successful applicants were thereafter contacted for an interview session which was scheduled at a later date.

The interviews were conducted and in accordance with section 43(3) of the NGCDF Act, the names of the successfully selected individuals were forwarded to the NG-CDF board together with the names forwarded by the DCC and the constituency manager.

The selected members were gazetted on 5<sup>th</sup> March 2025 in gazette notice No. 59(138).

List of NG CDFC members and category they represent

<b>No</b>	<b>Committee Member</b>	<b>Category they represent</b>
1.	Ronald Milare Melkizedek	PWD Representative - Chairperson
2.	Philip Koima	DCC
3.	Victor Omondi Ouma	FAM
4.	Martin Ogore Kavaya	Adult Male Representative
5.	Florence Atieno Ogutu	Adult Female Representative
6.	Joseph Irungu Kibuti	Youth Male Representative
7.	Ramha Abdi Haji	Adult Female Representative
8.	Eric Magembe Manduku	Adult Male Representative
9.	Phelista Nawire	Co-opted member
10.	Catherine Nzilani Maingi	Youth Female Representative

#### **a. Removal of a committee member.**

(1) A member of the Constituency Committee may be removed from office on any one or more of the following grounds—

- (a) lack of integrity;
- (b) gross misconduct;
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practices;
- (f) Causing disharmony within the committee.
- (g) Physical or mental infirmity.

(2) A decision to remove a member under subsection (13) shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made.

(3) A vacancy arising as a result of the removal of a member under subsection (13) shall be filled in the manner set out in subsection (10) and minutes of the meeting shall indicate the fact of the removal or appointment of a member. *In Makadara NG-CDF, there was no committee who was removed under the above reasons.*

**b. The NG-CDF Committee roles are as follows**

1. Participate in ward meetings, collect data on projects and Consider projects submitted from various wards in accordance with the Act, approve for funding those projects, make the project proposal to be submitted to the NG-CDF Board
2. Ensure timely and efficient disbursement of funds to projects.
3. Ensure efficient management of the Fund.
4. Co-ordinate the implementation of projects
5. Receive and address complaints that may arise within the constituency
6. Encourage best practices in the implementation of projects.
7. Employ NG-CDF Staff
8. Perform such other duties as the Board may deem necessary from time to time for the proper management of the Fund.

**c. Induction, and training of NG-CDFC Members**

The training of the New NG-CDFC members is coordinated by the region office through the regional coordinator and the fund's manager. The facilitators are from different departments of the NG-CDF Board and other experts from other ministries.

**d. The objectives of training NG-CDF Committee are**

1. To carry out training of all the NG-CDF committee members
2. To impart knowledge to the participants who in turn will execute the NG-CDF mandate on behalf of the board.
3. To ensure smooth running of the NG-CDF offices across the Nairobi Region.

**Expectations from NG-CDF Committee**

- To see changes in the constituencies i.e. transformation of operations at the constituencies.

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- To exchange of ideas with members from other constituencies.
- To understand the roles of the NG-CDF Committee.
- To learn and understand the procurement process.
- To get a clarification on the legal status of NG-CDF.
- To find out how people living with Disability helped.
- Share best practices for bench-marking purposes.

**e. 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.

In the financial year, Makadara NGCDFC minutes held were 24 in number as per the regulations on the National Government Constituencies Development Fund Act

**Committee meetings attendance registers 2024/2025**

<b>N o</b>	<b>Committee Member</b>	<b>2<sup>nd</sup> &amp; 23<sup>rd</sup> July 2024</b>	<b>5<sup>th</sup> &amp; 27<sup>th</sup> Aug 2024</b>	<b>3<sup>rd</sup> &amp; 30<sup>th</sup> Sept 2024</b>	<b>1<sup>st</sup> &amp; 29<sup>th</sup> Oct 2024</b>	<b>5<sup>th</sup> &amp; 26<sup>th</sup> Nov 2024</b>	<b>2<sup>nd</sup> &amp; 16<sup>th</sup> Dec 2024</b>	<b>7<sup>th</sup> &amp; 28<sup>th</sup> Jan 2025</b>	<b>4<sup>th</sup> &amp; 26<sup>th</sup> Feb 2025</b>	<b>5<sup>th</sup> &amp; 27<sup>th</sup> Mar 2025</b>	<b>2<sup>nd</sup> &amp; 30<sup>th</sup> Apr 2025</b>	<b>6<sup>th</sup> &amp; 28<sup>th</sup> May 2025</b>	<b>3<sup>rd</sup> &amp; 26<sup>th</sup> Jun 2025</b>
1	Ronald Milare Melkizedek	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
2	Martin Ogore Kavaya	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
3	Philip Koima	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
4	victor ouma	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
5	Florence Atieno Ogutu	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
6	oseph Irungu Kibuti	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
7	Ramha Abdi Haji	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
8	Eric Magembe Manduku	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
9	Phelista Nawire	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓

10	Catherine Nzilani Maingi	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓	✓ ✓
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**Note**

- ✓ Means one meeting in a month.
- o Means no meeting attended

**f. Ethics & Conduct**

Members of NGCDFC are required to observe the following ethical issues

- i. Confidentiality - the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity - NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership - NGCDFC members should promote leadership in the constituency.  
 During the financial year 2024/2025 members of NGCDFC Makadara adhered to the stipulated ethical issues

**g. Members' remuneration**

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance seven thousand per meeting and all other members an allowance of five thousand per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

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

**h. Disclose policy on conflict of interest**

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2024/2025 no member of NGCDFC Makadara contravened conflict of interest policy.

**i. Risk Management**

The below provides a summary of the range and types of risk the Makadara National Government Constituency Committee anticipates

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**Risk Mapping**

No		Critical Success Factors	What could go wrong? (Risk Event)	Cause of the Risk	Effect of the Risk
1	To ensure proper project implementation, Monitoring and Evaluation and effective management of the Constituency development funds	<b>Projects;</b> equitable and fair distribution, transparent, reliable, sufficiently funded, well identified by the community, community involvement, relevant to the community, benefits a wide cross section of the community, with land ownership documents, suitable to People with Disability (PWD)	Low turnout in project identification forums by Constituents	Politicizing of project implementation by the constituents, Illiteracy and unavailability of the community, lack of sensitization,	Misplaced priorities, Delayed project implementation due to community wrangles, request for change of project activity, request for reallocation of funds
2			Failure to consider public participation input in developing project proposals	Lack of awareness of public participation Vested interest, white elephant project, Inadequate input by the public during public participation forum, presentation of large number of needs, vis-à-vis the available resources, by the public, Direction from executive Emergence	Projects not representing community needs, Duplication of projects, white elephant projects, skewed development, white-elephant projects, litigation, Inequitable distribution of projects within the constituency, Lack of project ownership, disruption of strategic plan, request for change of project activity, request for reallocation of funds
3		<b>People With Disability (PWD) Projects:</b> Available, accessible, disability friendly environment.	Projects that do not suit People with disability (PWD)	Ignorance on implementation of PWD act 2003, Lack of proper planning of the projects, Lack of enough public participation for eligible projects, Extra costs of projects associated with disabilities, on adherence of NCA guidelines, Lack of awareness,	Discrimination of PWD, Complaints from PWD, Increase illiteracy, Litigation

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4			Implementation of projects that are not aligned to the Constituency Strategic Plan	strategic plan not reflecting constituency needs, disregard of the Strategic Plan, failure to monitor implementation of strategic plan, failure to align the annual Project Proposal with the constituency Strategic Plan and performance contracting, Strategic Plan not aligned to the Plan period, documentation of implementation matrix without timelines, cost estimates, Key performance indicators,	unmet strategic plan targets/objectives, uneven distribution of projects, poor service delivery
5			Delayed approval of project proposals, resubmissions and reallocations by the NG-CDF Board	Not fully constituted board, Delayed submission of project proposals to the board, failure to provide additional information requested.	Delayed implementation of projects, low absorption,
6			Allocation of funds to projects without considering realistic cost estimate	Unavailability of technical officer to prepare the bill of quantity, Failure by NGCDFC to employ clerk of works who can assist on preparation of bill of quantity, perceived political gain through funding many projects,	Insufficient allocation of funds to project, over funding of the project which leads to misuse of funds, stalled project, Frequent variation of contract, unrealistic cost estimates which leads to unutilized funds in PMC accounts or incomplete project,
7			Thin/piece-meal allocation of funds to projects	biasness, perceived political gain, conflict of interest,	Substandard projects and stalled projects, public dissatisfaction
8			Non-allocation of funds to ongoing projects	Failure to prioritize ongoing projects during funds allocation, Reallocation of funding from ongoing projects, change of guard, Change in voting patterns, political transitions	Stalled projects, wastage of resources, Negative image on NGCDF.
9			Unavailability of ownership documents on public land	untimely subdivision and transfer of tittle deeds, land succession challenges	Delay in project implementation Difficulty in starting new projects
10			Inadequate public land for new projects	land grabbing, overpopulation, leaders with vested interests	Difficulty in starting new projects, overcrowding of existing facilities

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11			Failure by the NGCDFC to implement project through PMC	Conflict of interest by NGCDFs and other stakeholders, perceived low Capacity of PMC to implement Complex Projects, Inadequate training of the PMCs	Violation of Section 36 of NG-CDF Act 2015 which recognize PMC as the project implementers, lack of sustainability and ownership of projects.
12		Funds - available and adequate, accountable, voted, budgeted	Delayed disbursement of funds by the NG-CDF Board	Delayed submission of project proposals to the board, Lack of funds at the board, piecemeal disbursement of funds by the board, having huge balances in the constituency account, legal suits, not fully constituted Board,	Delayed implementation of projects, delayed use of projects by the beneficiaries, overlap of projects implementations as per financial years, poor realization of performance targets
13			Use of Emergency fund for other purposes not of emergency in nature	Insufficient allocation of funds to a project, board disbursing funds specifically for emergency vote before disbursement of other funds, influencing government offices to issue letters to justify non-emergency projects as emergencies	Lack of funds to address genuine emergency cases that may arise within the constituency, Misuse of emergency fund, corruption
14			Misuse of Emergency funds	Use of Emergency fund for other purposes not within National government mandate, Low levels of integrity, vested interests in projects,	Loss of funds, corruption, overstepping NGCDF mandate, litigation
15			Irregular procurement process at the constituency level	Failure to implement a procurement plan, Failure to prepare bid documents, Failure to train PMC on procurement process, . Conflict of interest, Political pressure from stakeholders, Failure by the AIE holder to give the right information, . Low Capacity of FAMs on contract management, failure to involve competent technical experts, Variation of contracts without adhering to provisions of PPDA, Failure to disclose vital information to unsuccessful bidder as required under section 86(1), 87(3), of PPDA act 2015 and section 82 of the PPDA regulation 2020	Contract awarded to the unqualified contractor, Audit issues, Litigations, Poor workmanship, Loss of funds, incomplete projects, cost escalation due to delays in subsequent funding, disciplinary action, dismissal from employment or as a NGCDFC, Payment of provisional sum without supporting document, stalled projects, and irregular project activities. Award of contract for an amount more than the budget.
16			Failure to comply with PPRA circular on mandatory reporting requirement	Inadequate compliance training and/or poor compliance monitoring, ignorance	Weak accountability and transparency in procurement, litigations, offence as under section 176(m) of PPDA act 2015

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17		<b>NG CDFC Members and staff:</b> Literate, High Integrity, Informed, Disciplined, self-driven, motivated, respected by the public, good team players, result oriented, participatory, self-driven.	Unqualified NG-CDFC staff	flawed recruitment process because of interest, nepotism, tribalism, political influence, poor remuneration	Poor services delivery, project delays, failure to meet statutory requirement, unable to attract/retain qualified and competent staff.
18			Inadequate managerial, technical and supervision skills among, NGCDFCs, PMCs and Staff	Lack of adequate training and capacity building. Low literacy levels, nepotism in appointment of PMCs, Lack of policy and regulations on appointment of PMC members	Poor services delivery, project delays in monitoring and evaluation, undue advantage technical officers
19			Failure to monitor/ effectively monitor implementation of projects by NGCDFC	Lack of M&E framework as required by the NGCDF Act 2015, Failure by NGCDFC to employ staff as per section 45 of NGCDF act 2015, Inadequate understanding by the NGCDFC on their roles in M&E, Inefficient use of M&E resources, Lack of M&E work plan, Inaccessibility, insecurity, inadequate resources, Inadequate capacity for NGCDFC, staff on M&E report writing, unavailability of technical officers during M&E exercise	Inability to conduct M&E for all projects in a year, Inadequate M&E reports, Ambiguous project monitoring & evaluation process, unexpected project reports, poor workmanship, loss of funds, litigations, variations, non-implementation of M&E recommendation due to poor communication& follow up, Substandard projects, loss of funds, Inadequate project monitoring
20			Over staffing of NGCDFC Offices	Conflict of interest, political pressure, lack proper of employment structure at NGCDF,	Strained administration vote, poor remuneration, idle staff, overlapping job description and specification, high administration cost, inadequate office space and working tools.
21			Insufficient feedback systems from board to constituency	Delayed communication by the Board on decisions made for resubmissions and reallocations of projects	Delay on project implementation
22			NGCDF projects completed but not in use (White elephant project)	Lack of cooperation and coordination between NG-CDF and PMC. , Inadequate framework for handover of completed NG-CDF projects)	Delayed use & Underutilization of NG-CDF project

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23		Inadequate framework for handover of devolved projects previously undertaken by NG-CDF	Lack of cooperation and coordination between NG-CDF and PMC	Reputation damage, stalled projects, wastage of funds, litigations,
24		Misuse of sports /environment funds	Lack of policy on use of sports and environment, Inadequate guidance on implementation of sports and environment funds, lack of proper accountability document	Non-uniformity on advice given by the Board on use of environment and sports funds, implementation of sports/environment project by NGCDFC, project unsustainability and ownership
25		Failure to brand/inappropriate branding of NGCDF funded projects	inadequate branding of NGCDF projects, Use of wrong NGCDF Colors, Logo & information	Low visibility/ Publicity of NGCDF Projects, Poor reputation, misuse of funds
26		Undefined mechanism of accounting and implementation for co-funded projects	Corruption, inadequate knowledge on records keeping	Loss of funds, poor reputation, lack of project ownership, sustainability and accountability
27	<b>Project Management Committee (PMC)-</b> Competent, knowledgeable, skilled and upholds integrity	Delay on implementation of project by NGCDFC/PMCs after funds disbursement	Conflict of interest among the stakeholders, Delays by Technical Officers to provide advisory services, Lengthy procurement process, Delayed ground-breaking ceremonies by MP, Unforeseen events such as floods, pandemics insecurity. Political control in awarding of works to certain politically correct person(s)	Loss of funds, cost escalations as a result of inflation, delayed project benefits
28		Poor reporting and records management by the PMCs.	Failure to train PMC on project implementation and record keeping, inadequate skills, illiteracy,	Audit issues, Slow project implementation, wastage of funds, litigations, reputation damage, loss of data, non-accounted funds
29		Misappropriations of project funds by the PMCs	Failure to train PMC before commencement of the project, Conflict of interest, greed, Insufficient project funding, payment of materials & labor though cash	Poor workmanship, incomplete and stalled projects, unpaid project bills

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30			Irregular change of Project Scope/Activities	Political pressure, Conflict of interest, self-interest, Inadequate M&E, Inadequate/faulty project identification process, Inadequate funding of project, Lack of proper consultation with technical officer	incomplete/stalled projects, poor reputation of NGCDF, Poor implementation of projects, financial losses, dissatisfied stakeholders,
31			'Ghost' projects	Lack of integrity, Self-interest, corrupt practices, failure to monitor projects	Financial losses, Failure to fulfill NGCDF mandate, negative image/reputation, litigation, disciplinary action
32		<b>Service Providers/ Merchants/Contractors;</b> Professional, Transparent, Honest, Integrity, reliable, timely, friendly, cooperative, efficient and effective, result oriented,	Fraudulent service providers/merchants and contractors	lack of integrity, vested interests, greed	Stalled projects, lack of value for money, Litigation
33			Poor workmanship on projects by contractors	Failure to supervise the work by works officer, clerks of works and FAM, Failure to monitor the work by the NGCDFC and the FAM, Political influence, vested interests, conflict of interest	Wastage of funds, stalled project, white elephant project, litigation,
34		<b>Technical Officers:</b> reliable, provide technical input for all projects -BQS, drawings, relevant certificates and adequate technical staff. Facilitation of technical officers	Unavailability of Technical officers to provide the requisite technical support as required	Insufficient staffing of technical department, inefficient officers and inadequate remuneration, Failure by NGCDFC to employ clerk of works who works hand in hand with Works officer	Delayed preparation and presentation of BQs by the technical officers, Unrealistic cost estimates for proposed projects, Delay in project implementation, low absorption of funds, Poor project monitoring and misleading reports
35			Preparation of BQs and drawings by technical departments without site visit for projects	Insufficient staffing of technical department, inefficient officers and inadequate remuneration,	Frequent variation of contract, unrealistic cost estimates which leads to unutilized funds in PMC accounts or incomplete project,
36		<b>Sub county treasury (and its staff):</b> Available, qualified, adequate, integrity, professionalism	Improper planning & coordination between NGCDF FAM & Sub County Treasury	Understaffing at the Treasury, Lack of team work among treasury staff, NGCDFC and NGCDFC staff, Poor planning by NGCDFC and the FAM, uncooperative Treasury staff.	Delays by the Sub County Treasury in facilitating disbursement of projects funds and bursary cheques, Slow project implementation, wastage of funds, slow rate of absorption, conflict between treasury staff

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				and political stakeholders
37		Failure to maintain and update Government required books of accounts by sub-county treasury	Incompetent sub-county treasury staff, Inadequate sub-county treasury staff	Inaccurate accounting records and reports, Late preparation of financial reports by the Sub County Treasury for submission to the board, Delayed or non-retrieval of documents and/or information from the sub-county treasury, overdue imprest
38		Failure to deduct and remit statutory deductions	Negligence, Lack of awareness of statutory deductions laws, Inadequate NGCDF staff, Incompetent NGCDF staff, Political interference, Inadequate administration funds,	Penalties, Litigation, negative image, failure of staff to access essential services, demotivated staff
39		High level of reconciling items in bank reconciliations for constituencies	Lack of structures and measures for cheque disbursement to beneficiary institutions/ individuals; lack of regular checks to on the books of accounts; Failure by Sub County Treasury to reconcile items on time. Delay by beneficiary institutions to present cheques at banks, understaffing of treasury department, Poor system of internal control, failure to maintain duplicate books of accounts by the FAM	Inaccurate and late reporting.
40	<b>Fund Account Managers (FAM):</b> Reliable, available, Integrity, Objectivity.	Non-implementation of recommendations from technical officer (Risk officers, Auditor, Works officer, FAM, procurement officer, Sub-county accountant, clerk of works)	Conflict of interest, ignorance, lack of personal responsibility	Wastage of time and resources
41		Misappropriation/over commitment of administration & recurrent vote	Failure to implement a procurement plan, Inappropriate use of NG-CDFC Assets, Exceeding 24 NGCDFC meetings in a	High administrative cost e.g. high security, transport cost, Insufficient funds for admin operations,

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				financial year, Equipment - breakdown, Theft of assets and office equipment, Poor and unreliable internet connectivity in NGCDF offices, Obsolete machines and equipment, Overstaffing, using rented offices instead of constructing, under budgeting at proposal stage, penalties due to non-remittance statutory deductions, over commitment of administration & recurrent vote of 6%, reliance on administrative cost by constituency office	funding admin activities from other vote heads, disciplinary action against the FAM, non-implementation of some of the admin activities
42			Failure to set aside gratuity for NGCDFC employees	Inadequate mechanism on how to set aside, Lack of budgetary allocation by NGCDF, Failure to take personal responsibility, Budgetary Constraints because huge number of employees,	Litigations, demotivated staff, unbudgeted payment
43			Failure by FAM to maintain financial and accounting records	Lack of personal initiative, ignorance, Lack of accounting knowledge and understanding	Inaccurate and late reporting, Late preparation of financial reports
44		<b>Political Stakeholders;</b> Political good will, noninterference, integrity, Development conscious, Cooperative, reasonable, dedicated, not biased	Conflict of interest among key stakeholders (NGCDFC, PMC, FAM, Technical officers, Political stakeholder, Procurement officer)	Inadequate training, flawed recruitment process,	Corruption, incompetent NG-CDFC staff, public complains, Poor project implementation, wastage of funds, litigations, reputation damage, unqualified service providers, poor workmanship, Costly projects, wastage of funds, Audit queries as a result of not following the proper procedure
45		<b>Security:</b> Projects sites and roads should be safe for monitoring for all involved in supervision and site workers.	Exposure to insecurity incidences in the Constituency	Community disputes, Constituency borders volatile,	loss of life, loss of property, delayed projects, hinders proper project implementation and monitoring
46		<b>Bursaries:</b> - Available, adequate, well vetted, transparency, accountable, within the guideline	Inadequate allocation of bursary fund to match beneficiary needs	Lack of proper guidance on bursary vetting and award, Large number of applicants, Inadequate bursary funds, conflict of interest	Needy students dropping out of school, high number of bursary related complaints

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47		Needy and deserving cases missing out on bursary/Social security fund	Alteration of bursary/Social security fund beneficiary list, Bursary funds/Social security fund not reaching intended beneficiary, Erroneous bursary cheques, Misuse of bursary funds/Social security fund, uneven distribution of bursary, Unreliable system of allocating bursary/Social security fund, Bursary/Social security fund allocation not transparent, political mileage, nepotism, tribalism,	School drop outs, Image reputation, high illiteracy rate, lack of health for the old/needy within the constituency
48		Failure to account for allocated/ disbursed bursary	Inadequate modalities on accounting, lack of follow up, lack of commitment	Misuse of bursary, negative publicity,
49	<b>Office and Equipment:</b> Should be adequate, modern, well maintained & secure.	Inadequate safeguarding of constituency assets	Failure to set aside budget for insurance cost, Budgetary constraints because of high cost of premiums, Failure to take personal responsibility, Lack of commitment by the NG-CDFC, Ignorance of potential risks by the NG-CDFC, Constituency Office claiming ownership of NGCDF Assets, Unauthorized sharing of NGCDF Assets by Constituency Office, Lack of properly maintained assets register, Unauthorized use of vehicle by members for personal use	Loss of Assets and Recoveries, Litigation,
50		Inadequate office work station and uncondusive working environment	lack of adequate office space, failure to construct NGCDF office, Inadequate funds, faulty equipment, overstaffing,	Slow performance, long queues in offices, increased complaints from constituents
51		Vandalism of NG-CDFC offices and projects	Political rivalry, Noninvolvement of stakeholders, wrong project sites, Biased development and distribution of resources	Stalled projects, Litigation, loss of funds, lack of public participation at constituency

## **7. Management Discussion and Analysis**

This Management Discussion and Analysis provides an overview of NG-CDF Makadara's operational and financial performance over the past five years (2021-2025). Our mission to provide leadership and policy direction for effective and efficient management of the Fund has guided our efforts, delivering stable growth despite economic challenges.

Operationally, we completed construction of 4 new classrooms at Nile Road secondary school, 3 new classrooms are still ongoing at Buruburu girl's school. The fund has also started the construction of 400 students' capacity dormitory at Aquinas high school in the constituency. The NGCDF Makadara held public participation so as to help a number of schools going pupils join to avoid overcrowding in the few available dormitories. This is expected to boost the education standards in the region which is our key aim and objective. To add on, Makadara ensures we include ramps in all our construction to cater and consider PWDs using the facilities.

The fund has managed to construct more classrooms both primary and secondary schools enhance good learning environment and reduce also overcrowding namely; baraka primary school construction of 8No classroom and Bidii primary construction both in harambee ward, St Patrick secondary school construction of 4No classroom at Hamza/Maringo Ward, Morrison primary school renovation of 10No classrooms which is ongoing project at Hamza/Maringo Ward.

Though delays in regulatory approvals and dispatch of funds to the constituency impacted timelines in 2024. These results underscore our resilience; service delivery remains a focus for 2026. Key Projects the Fund's portfolio includes notable projects such as Bidii primary and Baraka primary school, which is expected to hold at least – students, this will greatly improve education in the constituency as the ward did not have any public primary school thus a number of students could not access such learning facilities. These projects align with our strategic goals.

### **Key Projects Implemented / Ongoing**

- Education: Construction and renovation of classrooms, laboratories, and libraries; bursary disbursement to needy students at all levels.
- Security & Administration: Construction of police posts and chiefs' offices to improve security and service delivery.
- Emergency Projects: Timely interventions for unforeseen needs, including natural disasters and urgent community priorities.

### **Compliance with Statutory Requirements**

The Fund has complied with the Public Finance Management Act, 2012, the NG-CDF Act, 2015, and guidelines issued by the NG-CDF Board. Statutory obligations including tax remittances and audit requirements have been observed. No material arrears were recorded during the period under review.

### Major Risks and Mitigation

- Delayed disbursements – mitigated through prioritization of critical projects.
- Inflationary pressures on construction costs – addressed by revising budgets and strict contract management.
- Compliance risks – minimized through regular staff training and adherence to procurement and ethics laws.
- Community disputes in project prioritization – mitigated through structured public participation forums.

*Table 2: Summary of Key Risks and Mitigation Measures*

Risk	Mitigation Strategy
Delayed disbursements	Project prioritization, phased implementation
Rising construction costs	Budget adjustments, close contract oversight
Compliance gaps	Regular training, audits, monitoring
Community disputes	Public participation, stakeholder dialogue

### Review of the Economy

The national economy continues to face inflationary pressures, fluctuating exchange rates, and high unemployment. These factors have increased construction costs and demand for bursary support. Despite these challenges, NG-CDF remains a critical enabler of social and economic development at the constituency level.

### Review of the Sector

Within the education sector, Makadara NG-CDF has supported learning through bursaries and infrastructure. In security and administration, the Fund has enhanced service delivery by investing in government facilities. Community empowerment projects have strengthened social cohesion, while emergency interventions have built resilience in times of crisis.

### Future Developments

The Constituency intends to:

- Scale up investment in education through bursary digitization and improved infrastructure.
- Expand security projects to underserved wards.
- Strengthen stakeholder participation in project identification and monitoring.
- Institutionalize risk management and succession planning within NG-CDFC operations.

### Conclusion

The NG-CDF makadara Constituency continues to uphold accountability, inclusivity, and transparency in fulfilling its mandate. Despite economic and operational challenges, the Fund has delivered tangible results that have improved livelihoods and strengthened service delivery in the constituency.



Victor Ouma  
Fund Account Manager

Stamp: FUND MANAGER  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND  
P.O. Box 016-0001, NAIROBI

## **8. Environmental and Sustainability Reporting**

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

### **1. Sustainability strategy and profile -**

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

- a. **Education and Training:** Makadara 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, reforestation, grassroots sensitization, and tree seedling production.

## **2. Environmental performance**

Makadara Environment Sustainability guidelines have been developed to;

1. Ensure that the Makadara NGCDF establishes systems of environmental impact assessment, environmental audit, monitoring and reporting of the environmental activities undertaken at the Constituency levels.
2. Ensure that the Constituencies continue to priorities and improve environmental sustainability projects.
3. Encourage Community participation in identification, protection and conservation of environment.
4. Improve on planning and utilization of allocation for environmental sustainability funds in all constituencies
5. Ensure proper mechanisms of monitoring and reporting of the environmental activities

In this, Makadara NG-CDF has prioritized in supplying of water tanks and water harvesting in the constituency i.e. Schools.

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Madara 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. Makadara 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-**

Makadara 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-**

Makadara 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**

Makadara 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 NGCDF Board in accordance with the Act.

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

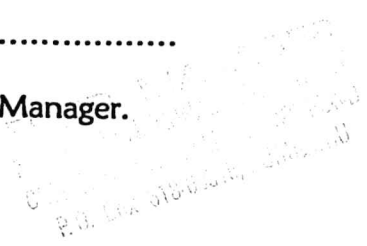
The NG-CDFC engaged the community through community leaders during the bursary program to identify the needy students to be awarded the bursary.

**Public Awareness**

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

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

  
.....  
**Victor Ouma**  
**Fund Account Manager.**



## **9. Statement Of Management Responsibilities**

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

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

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

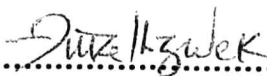
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The Accounting Officer in charge of the NGCDF Makadara Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds 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.

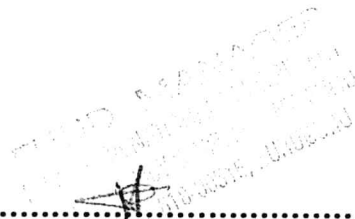
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The NGCDF- MAKADARA Constituency financial statements were approved and signed by the Accounting Officer on 9/10/ 2025.



.....  
**Name: Melkizedek Milare**  
**Chairman – NGCDF Committee**



.....  
**Name: Victor Ouma**  
**Fund Account Manager**

# REPUBLIC OF KENYA

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



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

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

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Makadara Constituency set out on pages 1 to 54,

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

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

In my opinion, except for the 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 the National Government Constituencies Development Fund – Makadara 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 National Government Constituencies Development Fund Act, 2015, (Amended 2023).

### **Basis for Qualified Opinion**

#### **Unsupported Bursary Disbursements**

The statement of financial performance reflects other grants and transfers amounting to Kshs.45,409,023 as disclosed in Note 14 to the financial statements. The amount includes bursary disbursed to secondary schools and tertiary institutions of Kshs.8,700,000 and Kshs.20,000,000 respectively, totalling Kshs.28,700,000. However, bursary disbursements totaling Kshs.1,720,000 were not supported with details on the specific criteria used when awarding the amounts, vetting committee minutes and acknowledgement receipts from the recipients. Further, review of the payment voucher revealed that bursary totalling Kshs.235,000 was disbursed to fifteen (15) students whose names appeared more than once in the list and under different institutions, either secondary and tertiary institutions or two (2) different secondary institutions. In addition, bursary totalling Kshs.60,000 was disbursed to three (3) students whose admission numbers appeared in two different institutions.

In the circumstances, the accuracy and completeness of other grants and transfers amounting to Kshs.45,409,023 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 - Makadara 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 an approved final receipts budget and actual on comparable basis of Kshs.349,886,453 and Kshs.307,416,596 respectively resulting to a shortfall of Kshs.42,469,857 or 12% of receipts. Similarly, the Fund spent Kshs.140,759,396 against actual receipts of Kshs.307,416,596 resulting to under-utilization of Kshs.166,657,200 or 54% of actual receipts.

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

My opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the 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 prior years' audit reports, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the National Government Constituencies Development Fund – Makadara Constituency in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial Statements
2	2023/2024	Unutilized Project Management Committee (PMC) Accounts
3	2023/2024	Non-Compliance on Management of Emergency Reserves
4	2023/2024	Failure to Comply with Fiscal Responsibility Principle on Disbursement of Constituency Development Fund
5	2023/2024	Lack of Staff Establishment

### Other Information

The Management is responsible for the other information set out on pages i to xl which comprise of Key Constituency Information and Management, NGCDF Chairman's Report,

Statement of Performance Against Predetermined Objectives, Governance Statement, Environmental and Sustainability Reporting, Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Non-Compliance on Management of Emergency Reserves**

The statement of financial performance and as disclosed in Note 14 to the financial statements reflects other grants and transfers actual expenditure of Kshs.45,409,023 which include expenditure on emergency project of Kshs.12,605,023. However, no documentary evidence was provided showing whether NGCDF Makadara Constituency had reported any of the emergency expenditure to the Board using the prescribed format and within the stipulated period of 30 days.

Further, no minutes were provided as evidence on whether the emergency projects related to 'urgent, unforeseen need for expenditure that could not be delayed as per Section 8(3) of the National Government Constituencies Development Fund Act, 2015.

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

## **2. Irregularities in Project Implementation**

### **2.1 Delayed Commencement of Projects**

The statement of financial performance reflects expenditure on other Government units totalling Kshs.61,042,078 as disclosed in Note 13 to the financial statements. Analysis of the payment schedules presented for audit review revealed transfers to two (2) Primary Schools PMCs of Kshs.7,500,000 and Kshs.10,000,000 respectively. However, field verification exercise conducted on 5 September, 2025 revealed that construction of the two (2) projects had not commenced despite monies having been transferred to the project accounts before 30 June, 2025. No justifying explanation was given for the delay in project implementation

### **2.2 Stalled Construction of Perimeter Wall at Baraka Primary School**

Examination of 2023-2024 code list revealed that a Primary School was awarded Kshs.14,022,636 for the construction of phase two to completion of 1000m of 1600m perimeter fence. Further, the PMC bank balance under Annex 2 to the financial statements disclosed that the School had only Kshs.10,002,000 as at 30 June, 2025. In addition, it was noted that the perimeter wall had stalled since March, 2025 to date. The Fund Management did not provide the contract agreement, the project work plan details including the amount paid as at 30 June, 2025 and the % completion status, and no justifiable explanation was given as to why the contractor was not on site.

### **2.3 Delay in Completion of Construction of NG-CDF Offices**

The statement of financial position reflects property, plant and equipment totalling Kshs.34,568,633 in respect of NGCDF offices as disclosed in Annex 1 under summary of asset register. However, review of records revealed that the contract for construction of CDF offices commenced on 14 April, 2022 with an expected completion date of 11 October, 2022 at a contract price of Kshs.20,380,834. However, field verification at the time of audit on 5 September, 2025 revealed that the project was incomplete. Further, the contractor had been paid the full amount of Kshs.20,380,834 and the Project Management Committee bank account did not reflect any unspent balances.

In the circumstances, it was not possible to confirm whether value for money was obtained from the delayed and stalled projects.

## **3. Non-Compliance with Capacity Building Levy**

The statement of financial performance reflects other Government units actual expenditure amounting to Kshs.61,042,078 as disclosed in Note 13 to the financial statements. The amount was incurred in relation to various development projects that were carried out in various institutions. However, Management did not deduct 0.03% of contract sum contrary to Public Procurement Capacity Building Levy Order, 2023. Therefore, the Government was at a loss of revenue totalling Kshs.1,831,263.

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

#### **4. Failure by Management Committees to Submit Returns**

The Fund Management disbursed amounts totalling Kshs.61,042,078 in relation to transfers to other Government units for use in various development activities across the Constituency. However, the following unsatisfactory matters were noted during the audit;

- i. The Project Management Committees did not maintain records of accounting and handing over, in relation to projects under implementation, for the purpose of accounting to the Constituency Committee for the funds received.
- ii. There were no Project Management Committees work plans approved by the Constituency Committee, indicating how the PMC intended to utilize the funds allocated, before they are released.
- iii. The Project Management Committee did not make quarterly reports to the Constituency Committee on the status of the Project Management Committee accounts.

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

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

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

##### **Conclusion**

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

##### **Basis for Conclusion**

#### **1. Lack of Preparation and Tabling of Committee Meetings Annual Calendar**

Review of records provided for audit for the financial year under review revealed that the Constituency Development Fund Committee did not prepare or table an annual calendar of meetings, raising the question of whether the committee meetings were convened on the correct basis with proper oversight.

In the circumstances, the effectiveness of internal controls on project management was not confirmed.

## **2. Lack of Staff Establishment**

Review of records provided for audit revealed that Makadara NGCDF Office did not have an approved staff establishment detailing the number of positions, job titles, reporting structures and approved salary scales, raising the question of whether the staff were engaged without a clear legal framework.

In the circumstances, the effectiveness of internal controls on staff management was not confirmed.

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

### **Responsibilities of the 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 controls, risk management and governance.

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

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

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

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**

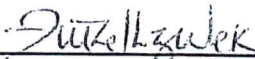
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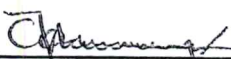
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Makadara Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2025*


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

	Note	FY 2024-2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
Transfers from the NGCDF Board	6	170,469,857
Transfers from domestic and foreign partners	7	-
<b>Revenue from exchange transactions</b>		
Finance income	8	-
Miscellaneous income	9	-
<b>Total revenue</b>		<b>170,469,857</b>
<b>Expenses</b>		
Employee costs	10	3,978,755
Committee expenses	11	7,162,600
Use of Goods and Services	12	10,270,107
Other Government Units Actual expenditure	13	61,042,078
Other Grants and Transfers Actual expenditure	14	45,409,023
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	742,000
<b>Total expenses</b>		<b>128,604,563</b>
<b>Other gains/(losses)</b>		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
<b>Surplus/(Deficit) for the year</b>		<b>41,865,294</b>

The Constituency financial statements were approved by the NGCDFC on 20<sup>th</sup> August 2025 and signed by:

  
Chairman NG-CDF  
Committee  
Name: Melkizedek Milare

  
National Sub-County  
Accountant  
Name: Conelius Kimori  
ICPAK M/No:17636

  
Fund Account Manager  
Name: Victor Ouma

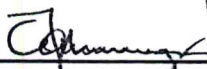
**National Government Constituencies Development Fund (NGCDF)**  
**Makadara Constituency**  
**Annual Report and Financial Statements for The Year Ended June 30, 2025**


**Statement Of Financial Position as at 30th June, 2025**

	Note	FY 2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	166,657,200	86,774,558
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	42,469,857	92,642,037
Prepayments	22	-	-
<b>Total Current Assets</b>		<b>209,127,057</b>	<b>179,416,595</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	34,568,633	
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
<b>Total Non- Current Assets</b>		<b>34,568,633</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>243,695,690</b>	<b>179,416,595</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	-	-
Third Party Deposits	27	1,641,838	-
Lease Liabilities	28	-	-
Gratuity Provision	29	866,601	392,506
<b>Total Current Liabilities</b>		<b>2,508,439</b>	<b>392,506</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	-	-
<b>Total Liabilities (B)</b>		<b>2,508,439</b>	<b>392,506</b>
<b>Net Assets (A-B)</b>		<b>241,187,251</b>	<b>179,024,089</b>
<b>Represented by:</b>			
Revaluation Reserves		241,187,251	179,024,090
Accumulated Surplus			
<b>Total Net Assets</b>		<b>241,187,251</b>	<b>179,024,090</b>

The Constituency financial statements set out on pages 1 to 55 to approved by NG CDFC on 20<sup>th</sup> August 2025 and signed by:

  
 Chairman NG-CDF  
 Committee  
 Name: Melkizedek Milare

  
 National Sub-County  
 Accountant  
 Name: Conelius Kimori  
 ICPAK M/No:17636

  
 Fund Account Manager  
 Name: Victor Ouma

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
<b>Fund Balance as at 30<sup>th</sup> June 2024</b>	80,038,568		80,038,568
<b>Adjustments</b>			
Recognition of Assets	99,378,028		99,378,028
Recognition of Liabilities	392,506		392,506
<b>As at July 1, 2025</b>	179,024,090		179,024,090
Surplus/(Deficit) For the Period	41,865,294		41,865,294
Revaluation Gain/Loss	-	-	-
<b>As at June 30, 2025 (current year)</b>	241,187,251	-	241,187,251

Note:

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

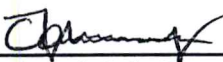
*National Government Constituencies Development Fund (NGCDF)  
Makadara Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2025*


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

	Notes	FY 2025 Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from the NGCDF Board		220,642,037
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
<b>Total Receipts</b>		220,642,037
<b>Payments</b>		
Employee costs		3,504,660
Committee expenses		7,162,600
Use of Goods and Services		10,270,107
Other Government Units Certified Works		59,400,240
Other Grants and Transfers		45,409,023
Digital Hubs Expenses		742,000
<b>Total Payments</b>		126,488,630
<b>Net Cash Flows from/ (used in) Operating Activities</b>	30	94,153,407
<b>Cash flows From Investing Activities</b>		14,270,766
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		14,270,766
<b>Net Cash Flows from Investing Activities</b>		79,882,641
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		
<b>Cash Flows from Financing Activities</b>		
Lease Payment		
<b>Net Cash Flows from Financing Activities</b>		79,882,641
Cash and cash equivalents at 1 July	19	86,774,559
<b>Cash and cash equivalents at 30 June</b>	19	166,657,200

The Constituency financial statements set out on pages 1 to 55 to approved by NG CDFC on 20<sup>th</sup> August 2025 and signed by:

  
Chairman NG-CDF  
Committee  
Name: Melkizedek Milare

  
National Sub-County  
Accountant  
Name: Conelius Kimori  
ICPAK M/No:17636

  
Fund Account Manager  
Name: Victor Ouma

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

	Original Budget		Adjustments	Final Budget	Actual on	Budget	% of	
	Kshs	Kshs			Kshs	comparable basis	utilization	Utilization
						a	b	C=(a+b)
	<i>FY 2024-2025</i>	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>FY 2024-2025</i>	<i>FY 2024-2025</i>			
<b>Revenue</b>								
Transfers From the NGCDF Board	170,469,857	86,774,558.73	92,642,037	349,886,453	307,416,596	42,469,857	88%	
Grants/donations from other entities	-	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	-	
<b>Totals</b>	<b>170,469,857</b>	<b>86,774,559</b>	<b>92,642,037</b>	<b>349,886,453</b>	<b>307,416,596</b>	<b>42,469,857</b>	<b>88%</b>	
<b>Expenses</b>								
Employee costs	4,741,032	772,700	-	5,513,732	3,504,660	2,009,072	64%	
Committee expenses	6,275,724	921,567	-	7,197,291	7,162,600	34,691	100%	
Use of Goods and Services	4,325,531	5,539,336	473,237	10,338,104	10,270,107	67,998	87%	
Other Government Units Certified Works	63,050,108	62,750,731	77,123,684	202,924,523	59,400,240	143,524,283	29%	
Other Grants and Transfers	81,931,040	15,065,200	1,072,153	98,068,393	45,409,023	52,659,370	48%	
Digital Hubs Expenses	744,038	-	-	744,038	742,000	2,038		
Acquisition of assets	6,200,000	-	13,472,963	19,672,963	14,270,766	5,402,197	73%	
OTHERS	3,202,384	229,035	500,000	3,931,419		3,931,419	0%	
Funds Pending Approval**	-	1,495,990	-	1,495,990	-	1,495,990	0%	
<b>Total Expenditure</b>	<b>170,469,857</b>	<b>86,774,559</b>	<b>92,642,037</b>	<b>349,886,453</b>	<b>140,759,396</b>	<b>209,127,057</b>	<b>40%</b>	
<b>Surplus for the period</b>	<b>(0)</b>	<b>(0)</b>	<b>-</b>	<b>(0)</b>	<b>166,657,200</b>	<b>(166,657,200)</b>		

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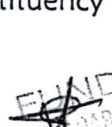
*\*\*Funds pending approval are sums not yet approved by the board for utilization and include approved allocations and/or AIA not yet allocated for specific projects.*

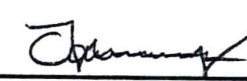
*Explanatory Notes.*

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	209,127,057
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2025	42,469,857
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2025	166,657,200

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 20th August 2025 and signed by:

**Fund Account Manager**  
  
**Name: Victor Ouma**

**National Sub-County Accountant**  
  
**Name: Conelius Kimori**  
**ICPAK M/No:17636**

**Chairman NG-CDF Committee**  
  
**Name: Melchizedek Milare**

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**15. Budget Execution by Sectors and Projects for The Year Ended 30<sup>th</sup> June 2025**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements		comparable basis	
					Kshs	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	4,741,032	772,700	-	5,513,732	3,504,660	2,009,072
1.2 Committee allowances	2,039,433	901,167	-	2,940,600	2,940,600	-
1.3 Use of goods and services	2,499,159	3,908,072	449,485	6,856,716	6,777,780	78,936
<b>Sub-total</b>	<b>9,279,624</b>	<b>5,581,939</b>	<b>449,485</b>	<b>15,311,048</b>	<b>13,223,040</b>	<b>2,088,008</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,161,720	1,600,000	-	2,761,720	2,761,720	-
2.2 Committee allowances	4,236,291	20,400	-	4,256,691	4,256,691	-
2.3 Use of goods and services	664,652	31,264	23,752	719,668	695,916	23,752
<b>Sub-total</b>	<b>6,062,663</b>	<b>1,651,664</b>	<b>23,752</b>	<b>7,738,079</b>	<b>7,714,327</b>	<b>23,752</b>
<b>3.0 Constituency Oversight Committee (Itemize as per budget)</b>	-	-	-	-	-	-
<b>Sub-total</b>	-	-	-	-	-	-
<b>4.0 Emergency</b>	-	-	-	-	-	-
<b>Sub-total</b>	-	-	-	-	-	-
unutilized	279,075	1,584,977	-	1,864,052	442,816	1,421,236
2% WHT CDT	34,414	-	-	34,414	34,414	-
CENTREMAX VENTURES LIMITED	1,961,586	-	-	1,961,586	1,961,586	-
Centre max Ventures	-	1,444,080	-	1,444,080	1,444,080	-
2% WHT CDT	-	33,104	-	33,104	33,104	-
CentreMax Ventures Limited	-	1,957,655	-	1,957,655	1,957,655	-

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2% WHT CDT	-	34,345	-	34,345	34,345	-
Centremax Ventures Ltd	3,420,000	-	-	3,420,000	3,420,000	-
CDT 2% WHT	60,000	-	-	60,000	60,000	-
Rinnam Ventures Limited	1,657,936	-	-	1,657,936	1,657,936	-
2% WHT CDT	29,087	-	-	29,087	29,087	-
2% WHT CDT	26,380	-	-	26,380	26,380	-
Vitex Works Limited	1,503,620	-	-	1,503,620	1,503,620	-
<b>Sub-total</b>	<b>8,972,098</b>	<b>5,054,161</b>	<b>-</b>	<b>14,026,259</b>	<b>12,605,023</b>	<b>1,421,236</b>
<b>5.0 Bursary and Social Security</b>						
5.1 Primary Schools	-	-	-	-	-	-
5.2 Secondary Schools	38,187,942	1,044,430	-	39,232,372	8,700,000	30,532,372
5.3 Tertiary Institutions	29,000,000	1,228,609	50,153	30,278,762	20,000,000	10,278,762
5.4 special needs	-	-	-	-	-	-
5.5 Education Support Programmes	-	-	-	-	-	-
5.6 Social Security	1,000,000	4,100,000	-	5,100,000	-	5,100,000
<b>Sub-total</b>	<b>68,187,942</b>	<b>6,373,039</b>	<b>50,153</b>	<b>74,611,134</b>	<b>28,700,000</b>	<b>45,911,134</b>
<b>SPORTS</b>						
		229,035		229,035	-	229,035
<b>Sub-total</b>		<b>229,035</b>		<b>229,035</b>		<b>229,035</b>
<b>7.0 Environment</b>						
Aquinas High School	367,000	-	-	367,000	-	367,000
Star of Hope secondary school	367,000	-	-	367,000	367,000	-
Nile Road Secondary School	367,000	660,000	-	1,027,000	660,000	367,000
Morrison Primary School	367,000	-	-	367,000	273,000	94,000
harambee primary school	367,000	-	-	367,000	367,000	-
Bidii Primary School	367,000	20,000	-	387,000	340,000	47,000
St Johns Primary School	367,000	240,000	-	607,000	607,000	-
kaloleni primary school	367,000	-	-	367,000	-	367,000
Canon Apollo Primary School	367,000	-	-	367,000	-	367,000
makongeni chiefs office	367,000	-	-	367,000	-	367,000
mbotela chiefs office	367,000	-	-	367,000	-	367,000
st bhakita primary school	367,000	750,000	-	1,117,000	-	1,117,000
star of Hope primary school	367,000	-	-	367,000	-	367,000
bahati primary school		740,000	-	740,000	740,000	-

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makongeni sec school		750,000		750,000	750,000	-
st patrick sec school		433,000	317,000	750,000	-	750,000
buruburu girls sec school		45,000	705,000	750,000	-	750,000
<b>Sub-total</b>	<b>4,771,000</b>	<b>3,638,000</b>	<b>1,022,000</b>	<b>9,431,000</b>	<b>4,104,000</b>	<b>5,327,000</b>
<b>8.0 Primary Schools Projects</b>						
Bidii Primary School	1,300,000	-	-	1,300,000		1,300,000
Morrison Primary School	1,300,000	-	-	1,300,000		1,300,000
kimathi primary school	1,950,000	-	-	1,950,000	1,500,805	449,195
ofafa jericho primary school	1,300,000	-	-	1,300,000		1,300,000
harambee primary school	1,300,000	-	-	1,300,000		1,300,000
kimathi primary school	1,409,000	257,423	-	1,666,423		1,666,423
kimathi primary school	9,000,000	-	-	9,000,000		9,000,000
St Johns Primary School	7,500,000	-	-	7,500,000	2,402,991	5,097,009
baraka primary school	7,500,000	-	-	7,500,000		7,500,000
harambee primary school	5,000,000	-	-	5,000,000		5,000,000
st bhakita primary school	750,000	-	-	750,000		750,000
St Annes Primary School	-	1,957,104	-	1,957,104	1,735,575	221,529
Rabai Road Primary School	-	3,219,026	-	3,219,026	2,884,456	334,570
Baraka primary school	-	14,024,636	10,000,000	24,024,636	15,793,406	8,231,230
Bidii Primary School	-	16,000,000	-	16,000,000	14,288,450	1,711,550
Canon Apollo Primary School	-	10,462,582	-	10,462,582		10,462,582
St Patrick Primary School	-	5,231,291	-	5,231,291		5,231,291
St Micheal Primary School	-	5,231,291	-	5,231,291		5,231,291
St Johns Primary School	-	2,279,086	-	2,279,086	-	2,279,086
Bahati Primary School	-	137,158	-	137,158		137,158
ofafa jericho			570,469	570,469		570,469
Harambee Primary School	-	-	10,000,000	10,000,000		10,000,000
Morrison Primary School	-	-	11,023,529	11,023,529		11,023,529
Bidii Primary School	-	-	1,200,000	1,200,000		1,200,000
Morrison Primary School	-	-	1,200,000	1,200,000		1,200,000
Martin Luther Primary School	-	-	1,200,000	1,200,000		1,200,000
Bahati Primary School	-	-	1,200,000	1,200,000		1,200,000
Dr Kraft Primary School	-	-	1,200,000	1,200,000		1,200,000

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Dr Livingstone Primary School	-	-	1,200,000	1,200,000	-	1,200,000
Jogoo Road Primary School	-	1,200,000	-	1,200,000	-	1,200,000
<b>Sub-total</b>	<b>38,309,000</b>	<b>59,999,597</b>	<b>38,793,998</b>	<b>137,102,595</b>	<b>38,605,683</b>	<b>98,496,912</b>
<b>9.0 Secondary Schools Projects (List all the Projects)</b>						
nile road sec school	1,300,000	-	-	1,300,000	-	1,300,000
buruburu girls sec school	1,300,000	-	-	1,300,000	-	1,300,000
buruburu girls sec school	991,108	-	-	991,108	-	991,108
star of hope sec school	1,300,000	-	-	1,300,000	-	1,300,000
buruburu girls sec school	7,500,000	-	-	7,500,000	4,000,575	3,499,425
nile road sec school	7,500,000	-	-	7,500,000	4,520,340	2,979,660
buruburu girls sec school	750,000	-	-	750,000	-	750,000
makongeni sec school	750,000	-	-	750,000	-	750,000
st patrick sec school	750,000	-	-	750,000	-	750,000
St Patrick Secondary School	1,300,000	639,339	8,700,000	10,639,339	3,934,435	6,704,904
Nile Road Secondary School	-	1,630	3,920,000	3,921,630	-	3,921,630
Makongeni Secondary School	1,300,000	2,110,165	5,400,000	8,810,165	8,339,207	470,958
Buruburu Girls Secondary School	-	-	4,009,686	4,009,686	-	4,009,686
Aquinas High School	-	-	13,900,000	13,900,000	-	13,900,000
Ofafa Jericho High School	-	-	1,200,000	1,200,000	-	1,200,000
Buruburu Girls Secondary School	-	-	1,200,000	1,200,000	-	1,200,000
<b>Sub-total</b>	<b>24,741,108</b>	<b>2,751,134</b>	<b>38,329,686</b>	<b>65,821,928</b>	<b>20,794,557</b>	<b>45,027,371</b>
<b>10.0 Tertiary institutions Projects (List all the Projects)</b>						
	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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11.0 Security Projects	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Sub-total</b>	-	-	-	-	-	-
<b>12.0 Acquisition of assets</b>	-	-	-	-	-	-
12.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-
12.2 Purchase of furniture and fittings	-	-	-	-	-	-
12.2 Construction of CDF office	6,200,000	-	13,472,963	19,672,963	14,270,766	5,402,197
<b>Sub-total</b>	6,200,000	-	13,472,963	19,672,963	14,270,766	5,402,197
<b>13.0 Others</b>						
NG-CDF Strategic Plan		-	500,000	500,000	-	500,000
13.2 Innovation Hub	-	-	-	-	-	-
makadara NSCA Office	744,038			744,038	742,000	2,038
legal fees	3,202,384			3,202,384		3,202,384
pmc savings	-	-	-	-	-	-
Funds pending approval**	-	-	-	-	-	-
<b>Sub-total</b>	3,946,422	-	500,000	4,446,422	742,000	3,704,422
<b>Funds pending approval**</b>	-	-	-	-	-	-
unapproved projects	-	-	-	-	-	-
AiA	-	-	-	-	-	-
Pmc savings		1,495,990		1,495,990		1,495,990
<b>Sub-total</b>	-	1,495,990	-	1,495,990	-	1,495,990
<b>Total</b>	170,469,857	86,774,559	92,642,037	349,886,453	140,759,396	209,127,057

*(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 Makadara Constituency principal activity is support of education through issuance of bursary, construction of schools' infrastructures, support mitigation of environment through tree planting.

### **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 Makadara 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 Makadara has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.*

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

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

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

### 3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1<sup>st</sup> January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1<sup>st</sup> January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant and Equipment	<i>Applicable 1<sup>st</sup> January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of

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	<p>IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 46: Measurement	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the</p>

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	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.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1<sup>st</sup> January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1<sup>st</sup> January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</li> <li>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ul>

*ii. 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 xx June 2025 for the period 1<sup>st</sup> July 2025 to 30<sup>th</sup> June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

**c) Property, plant and equipment**

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

**d) Leases**

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

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

**e) Intangible assets**

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

**f) Financial instruments**

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

**a) Financial assets**

**Classification of financial assets**

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

### **Subsequent measurement**

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

### **Amortized cost**

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

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

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

### **Trade and other receivables**

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

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

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

### **Impairment**

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

## **b) Financial liabilities**

### **Classification**

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

### **g) Inventories**

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

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

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

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

#### **h) Provisions**

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

#### **i) Social Benefits**

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

#### **j) Contingent liabilities**

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

#### **k) Contingent assets**

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements.

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

#### **l) Employee benefits**

##### **Retirement benefit plans**

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.

FUND MANAGER  
MADU - KINSHASA  
CONSTITUENCY DEVELOPMENT FUND  
P.O. Box 618-00016, JARU, KENYA

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**6. Transfers from the NGCDF Board**

Description	<i>FY 2024-2025</i>
	Kshs
NGCDFB Transfers (Allocation for the FY)	170,469,857
<b>Total</b>	<b>170,469,857</b>

**7. Transfers from domestic and foreign partners**

Description	<i>FY 2024-2025</i>
	Kshs
Grants	-
<b>Total</b>	<b>-</b>

**8. Finance income**

Description	<i>FY 2024-2025</i>
	Kshs
Interest Income on Bank Deposits	-
<b>Total</b>	<b>-</b>

*(Provide a brief explanation for this revenue)*

**9. Miscellaneous income**

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

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**10. Employees cost**

	<i>FY 2024/2025</i>
	Kshs
NG-CDFC Basic staff salaries	2,830,517
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	682,976
Employer Contributions Compulsory national social security schemes	367,248
Employer Contributions Compulsory Housing levy	91,814
Employer contributions to National Industrial Training Authority	6,200
Other Specify	-
<b>Total</b>	<b>3,978,755</b>

**11. Committee Expenses**

	<i>FY 2024/2025</i>
	Kshs
Sitting allowance	2,940,600
Other Committee expenses	4,222,000
<b>Total</b>	<b>7,162,600</b>

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**12. Use of Goods and services**

	<i>FY 2024/2025</i>
	<b>Kshs</b>
Utilities, supplies and services	-
Communication, supplies and services	-
Domestic travel and subsistence	-
Printing, advertising and information supplies & services	-
Office Rent	695,916
Training expenses	2,761,720
Hospitality supplies and services	-
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	6,777,780
Fuel, oil & lubricants	-
Bank charges	34,691
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	-
<b>Total</b>	<b>10,270,107</b>

**13. Other Government Units Actual expenditure**

<b>Description</b>	<i>FY 2024/2025</i>
	<b>Kshs</b>
Primary Schools Actual expenditure	40,021,577
Secondary Schools Actual expenditure	21,020,501
Tertiary Institutions Actual expenditure	-
<b>Total</b>	<b>61,042,078</b>

**14. Other Grants and transfers Actual expenditure**

	<i>FY 2024/2025</i>
	<b>Kshs</b>
Bursary – secondary schools	8,700,000
Bursary – tertiary institutions	20,000,000
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	-
Climate change mitigation projects	4,104,000

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Emergency projects Actual expenditure	12,605,023
Roads projects Actual expenditure	-
Others specify	-
<b>Total</b>	<b>45,409,023</b>

**15. Depreciation and Amortization Expenses**

Description	FY 2024/2025
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
<b>Total</b>	<b>-</b>

**16. Digital Hubs Expenses**

Description	FY 2024/2025
	Kshs
Construction/ renovation/ Actual expenditure	-
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others-NSCA office	742,000
<b>Total</b>	<b>742,000</b>

**17. Gain/loss on Sale of Assets**

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

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

**18. Impairment Loss**

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

*(Provide brief explanation on assets impairment loss)*

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**19. Cash and Cash Equivalents**

Name Of Bank and Account No.	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
<i>Equity Bank, Account No.0950262163417-buruburu (Operations account)</i>	78,179,975	80,038,567
<i>None.</i>	-	-
<i>Equity Bank, 0950285001048-buruburu (Deposit account)</i>	866,601	392,506
<i>Name of Bank, -see Annex 2. (PMC's account)</i>	87,610,625	6,343,485
<b>Total</b>	166,657,201	86,774,559
<b>Cash Balances</b>		
Location 1	-	-
Location 2	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

*(Provide a schedule of all reconciled PMC bank balances as at the end of the period)*

**20. Receivables from Exchange Transactions**

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

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

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i. Ageing Analysis for Receivables

Description	FY 2024/2025		Opening Statement 1- 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	-	%	-	%
<b>Total (a+b)</b>	-	%	-	%

21. Receivables from Non-Exchange Transactions

Description	FY 2024/2025		Opening Statement 1- July 2025	
	Kshs		Kshs	
Transfers from NGCDFB	42,469,857		92,642,037	
Outstanding imprest	-		-	
<b>Total</b>	<b>42,469,857</b>		<b>92,642,037</b>	
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>FY 2024-25</b>	<b>% of the total</b>	<b>Opening Balance</b>	<b>% of the total</b>
Less than 1 year	42,469,857	8%	92,642,037	51%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-	%	-	%

22. Prepayments

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

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**23. Property, Plant and Equipment**

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 <sup>st</sup> July 2024	-	18,269,741	-	1,358,476	669,650	-	-	20,297,867
Additions	-	14,270,766	-	-	-	-	-	14,270,766
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>	-	<b>32,540,507</b>	-	<b>1,358,476</b>	<b>669,650</b>	-	-	-
<b>Depreciation And Impairment</b>								
Opening Depreciation		-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>		<b>32,540,507</b>	-	<b>1,358,476</b>	<b>669,650</b>	-	-	<b>34,568,633</b>
<b>Net Book Values</b>								
Opening Bal as at 1 <sup>st</sup> July 2025	-	32,540,507	-	1,358,476	669,650	-	-	34,568,633
<b>As At 30<sup>th</sup> June 2025</b>	-	<b>32,540,507</b>	-	<b>1,358,476</b>	<b>669,650</b>	-	-	<b>34,568,633</b>

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**Valuation**

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

**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	32,540,507	-	32,540,507
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	669,650	-	669,650
Office Equipment, Furniture, And Fittings	1,358,476	-	1,358,476
<b>Total</b>	<b>34,568,633</b>	<b>-</b>	<b>34,568,633</b>

Property plant and Equipment include 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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**24. Intangible Assets**

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

**25. Right-of use assets**

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
<b>Cost</b>				
As At 1 July (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (Comparative Period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
<b>Accumulated Depreciation</b>				
As At 1 July 2025 (Comparative period)	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025 (Comparative period)	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
<b>Carrying Amount</b>				
As At 30 June 2025 (Current FY)	-	-	-	-
As At 30 June 2025. (Comparative Period)	-	-	-	-

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26. Trade and Other Payables

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

27. Third-Party deposits

	FY 2024/2025
	KShs
Retention as at 1 <sup>st</sup> July (A)	-
Retention held during the year (B)	1,641,838
Retention paid during the Year (C)	-
<b>Closing Retention as at 30<sup>th</sup> June D= A+B-C</b>	<b>1,641,838</b>

Retentions aging analysis.

	FY 2024/2025	% of the total	Insert Comparative FY	% of the total
Less than 1 year	1,641,838	100%	-	0%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>1,641,838</b>		-	

28. Lease Liabilities

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

**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	<i>FY 2024-2025</i>
	Kshs
Gratuity at the beginning of the year 1 <sup>st</sup> of July	392,506
Gratuity held during the year	682,976
Gratuity paid during the year	208,881
<b>Total Gratuity Provision 30th June (A+B-C)</b>	<b>866,601</b>

**30. Cash Generated from Operations**

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	2025
	Kshs
<b>Surplus/Deficit for the year</b>	<b>41,865,294</b>
<b>Adjusted for:</b>	
Depreciation	-
Impairment	-
Gains and losses on disposal of assets	-
<b>Working capital adjustments</b>	
Increase/decrease in receivables	(50,172,180)
Increase/decrease in payables	-
Changes in Third party deposits	(1,641,838)
<b>Changes in gratuity provision</b>	<b>(474,095)</b>
<b>Net cash flow from operating activities</b>	<b>94,153,407</b>

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

### **31. Financial Risk Management**

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

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**i) Credit risk**

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

**Financial Risk Management**

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	42,469,857	-	-
Bank balances	-	-	-	-
<b>Total</b>	-	<b>42,469,857</b>	-	-
<b>As at 30 June 2024</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	92,642,037	-	-
Bank balances	-	-	-	-
<b>Total</b>	-	<b>92,642,037</b>	-	-

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

## Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from 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
<b>As at 30<sup>th</sup> June (Current FY)</b>				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Provisions	-	-	866,601	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-
<b>Total</b>	-	-	<b>866,601</b>	-
<b>As at 30<sup>th</sup> June (Previous FY)</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Employee benefit obligation	-	-	392,506	-
<b>Total</b>	-	-	<b>392,506</b>	-

**iii) Market risk**

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

**a) Foreign currency risk**

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

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**Current FY**

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

**Foreign currency sensitivity analysis**

**Current FY**

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

## **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.

### **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. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs - (Current FY: Kshs - ). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs - (Current FY – Kshs - )

**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
<b>As at 30 June 2025</b>				
<b>Financial Assets</b>				
Quoted Equity Investments	-	-	-	-
<b>Non- Financial Assets</b>				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June 2024</b>				
<b>Financial Assets</b>				
Quoted Equity Investments	-	-	-	-
<b>Non- Financial Assets</b>				

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Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
<b>Total</b>	-	-	-	-

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	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 2025
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
<b>Total Funds</b>	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	-	-
Net Debt/(Excess Cash And Cash Equivalents)	-	-
<b>Gearing</b>	-%	-%

### 32. Related Party Disclosures

	<i>FY 2024/2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	Kshs	Kshs
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	2,940,600	1,346,600
<b>Transaction with the NGCDF Board</b>		
Transfers from the NGCDF Board during the year	220,642,037	206,541,707
<b>Total</b>	<b>223,582,637</b>	<b>207,888,307</b>

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

*(Give details)*

**Contingent Liabilities**

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

**35. Capital Commitments**

Capital Commitments	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 2025
	Kshs	Kshs
Authorised for	-	-
Authorised and contracted for	-	-
<b>Total</b>	-	-

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

**36. Events after the Reporting Period**

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

**37. Ultimate And Holding Entity**

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

**38. Currency**

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

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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	-	-	-	-
Buildings and structures	18,269,741	14,270,766	-	32,540,507
Transport equipment	-	-	-	-
Office equipment, furniture, and fittings	1,358,476	-	-	1,358,476
ICT Equipment and Other ICT Assets	669,650	-	-	669,650
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>20,297,867</b>	<b>14,270,766</b>	<b>-</b>	<b>34,568,633</b>

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MAKADARA NG-CDF ASSET REGISTER AS AT 30TH JUNE 2025								
COUNTY	CONSTITUENCY NAME	ASSET NAME	CATEGORY NAME	BARCODE NUMBER	PURCHASE DATE	COST	CONDITION	PURCHASE YEAR
Nairobi	Makadara	Heavy Duty Paper Shredder (5 Sheets)	Computer	NG-CDFB004376	30/10/2016	35,000	In Use	2016
Nairobi	Makadara	APC Unit Power Supplys (UPS)	Computer	NG-CDFB004395	18/12/2017	25,000	In Use	2017
Nairobi	Makadara	APC Unit Power Supplys (UPS)	Computer	NG-CDFB004396	18/12/2017	25,000	In Use	2017
Nairobi	Makadara	HP Desktop Computer (Tower)	Computer	NG-CDFB004377	18/12/2017	64,000	In Use	2017
Nairobi	Makadara	photocopier TaskAlfa with Automatic feeder	Computer	NGCDFB004378	21/1/2015	189,500	In Use	2014
Nairobi	Makadara	HP scanner jet 5590	Computer	NG-CDFB004379	21/1/2015	Donated by CDFB	In Use	2015
Nairobi	Makadara	Office table	Furniture and Fittings	NGCDFB004380	21/1/2014	60,000	In Use	2014
Nairobi	Makadara	File cabinet metal	Furniture and Fittings	NGCDFB004381	18/3/2014	37,300	In Use	2014
Nairobi	Makadara	File cabinet metal	Furniture and Fittings	NGCDFB004382	18/3/2014	37,300	In Use	2014
Nairobi	Makadara	Fabric High Back Office Chairs	Furniture and Fittings	NG-CDFB004383	30/10/2016	21,495	In Use	2016
Nairobi	Makadara	Fabric High Back Office Chairs	Furniture and Fittings	NG-CDFB004384	30/10/2016	21,495	In Use	2016
Nairobi	Makadara	Wooden bookshelf ( 4 shelves)	Furniture and Fittings	NG-CDFB004385	18/3/2015	72,000	In Use	2015
Nairobi	Makadara	Wooden bookshelf ( 4 shelves)	Furniture and Fittings	NG-CDFB004386	18/3/2015	66,000	In Use	2015
Nairobi	Makadara	Visitors Chair	Furniture and Fittings	NG-CDFB004387	21/1/2014	23,350	In Use	2014
Nairobi	Makadara	Visitors Chair	Furniture and Fittings	NG-CDFB004388	21/1/2014	23,350	In Use	2014
Nairobi	Makadara	HPPRO 3500	Computer	NG-CDFB004389	21/1/2015	49,750	In Use	2015
Nairobi	Makadara	Water dispenser	Other office Equipment	NGCDFB004390	18/3/2014	45,600	In Use	2014
Nairobi	Makadara	Micro wave	Other office Equipment	NGCDFB004391	18/3/2014	22,800	Not in Use	2014
Nairobi	Makadara	Office table	Furniture and Fittings	NGCDFB004392	21/1/2014	60,000	In Use	2014
Nairobi	Makadara	Office table	Furniture and Fittings	NG-CDFB004393	21/1/2014	69,750	In Use	2014
Nairobi	Makadara	High Back Office Leather Chair	Furniture and Fittings	NG-CDFB004396	30/10/2016	29,615	In Use	2016
Nairobi	Makadara	Visitors Chair	Furniture and Fittings	NG-CDFB004397	21/1/2014	23,350	In Use	2014
Nairobi	Makadara	HP jet b/w Printer	Computer	NG-CDFB004398	21/1/2014	49,750	In Use	2014
Nairobi	Makadara	Visitors Chair	Furniture and Fittings	NG-CDFB004399	21/1/2014	23,350.00	In Use	2014
Nairobi	Makadara	HP color printer 1510	Computer	NG-CDFB004400	18/3/2014	58,600.00	In Use	2014
Nairobi	Makadara	4-Drawer Metallic Filling Cabinet	Furniture and Fittings		30/10/2016	24,795.00	In Use	2016
Nairobi	Makadara	Low Back Visitors Chair	Furniture and Fittings		30/10/2016	7,899.00	In Use	2016
Nairobi	Makadara	Low Back Visitors Chair	Furniture and Fittings		30/10/2016	7,899.00	In Use	2016
Nairobi	Makadara	Low Back Visitors Chair	Furniture and Fittings		30/10/2016	7,899.00	In Use	2016
Nairobi	Makadara	Low Back Visitors Chair	Furniture and Fittings		30/10/2016	7,899.00	In Use	2016

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Nairobi	Makadara	One Sided Drawer Office Tables	Furniture and Fittings		30/10/2016	22,745.00	In Use	2016
Nairobi	Makadara	One Sided Drawer Office Tables	Furniture and Fittings		30/10/2016	22,745.00	In Use	2016
Nairobi	Makadara	HP Desktop Computer	Computer		30/10/2016	46,720.00	In Use	2016
Nairobi	Makadara	HP Laserjet Printer P1102	Computer		30/10/2016	20,440.00	In Use	2016
Nairobi	Makadara	High Back Executive seats	Furniture and Fittings		21/1/2014	27,950.00	Not in Use	2014
Nairobi	Makadara	High Back Executive seats	Furniture and Fittings		21/1/2014	27,950.00	Not in Use	2014
Nairobi	Makadara	File cabinet wooden executive.	Furniture and Fittings		21/1/2014	40,200.00	Not in Use	2014
Nairobi	Makadara	Battery backup	Computer		21/1/2014	15,000.00	Not in Use	2014
Nairobi	Makadara	Battery backup	Computer		21/1/2014	15,000.00	Not in Use	2014
Nairobi	Makadara	Lenovo g50 series Laptop	Computer		18/12/2017	55,000.00	Not in Use	2017
Nairobi	Makadara	Wall clock	Other office Equipment		18/3/2014	3,980.00	In Use	2014
Nairobi	Makadara	Orthopedic Seat	Furniture and Fittings		18/3/2014	51,550.00	In Use	2014
Nairobi	Makadara	File cabinet metal	Furniture and Fittings		18/3/2014	43,900.00	In Use	2014
Nairobi	Makadara	Visitors seat leather	Furniture and Fittings		18/3/2014	28,400.00	In Use	2014
Nairobi	Makadara	Visitors seat leather	Furniture and Fittings		18/3/2014	28,400.00	In Use	2014
Nairobi	Makadara	High back swivel seats fabric	Furniture and Fittings		18/3/2014	26,500.00	Not in Use	2014
Nairobi	Makadara	High back swivel seats fabric	Furniture and Fittings		18/3/2014	26,500.00	Not in Use	2014
Nairobi	Makadara	Visitors seat Fabric	Furniture and Fittings		18/3/2014	21,900.00	Not in Use	2014
Nairobi	Makadara	High back swivel seats fabric	Furniture and Fittings		18/3/2014	26,500.00	Not in Use	2014
Nairobi	Makadara	High back swivel seats fabric	Furniture and Fittings		18/3/2014	26,500.00	In Use	2014
Nairobi	Makadara	Visitors seat Fabric	Furniture and Fittings		18/3/2014	21,900.00	In Use	2014
Nairobi	Makadara	Reception chair (6)	Furniture and Fittings		18/3/2014	61,800.00	In Use	2014
Nairobi	Makadara	Office Desk	Furniture and Fittings		18/3/2014	47,650.00	In Use	2014
Nairobi	Makadara	32 " Tv	Computer		18/3/2014	77,650.00	In Use	2014
Nairobi	Makadara	2 pieces window curtains	Other office Equipment		18/3/2014	51,500.00	In Use	2014
Nairobi	Makadara	HP PRO Desktop Computer	Computer	NG-CDFB000592		NG-CDF BOARD	In Use	2021
Nairobi	Makadara	HP 24 Inch Monitor	Computer	NG-CDFB000332		NG-CDF BOARD	In Use	2021
Nairobi	Makadara	Cursor 700va UPS	Computer	NG-CDFB001047		NG-CDF BOARD	In Use	2021
Nairobi	Makadara	HP 404dn Printer	Computer	NG-CDFB000561		NG-CDF BOARD	In Use	2021
Nairobi	Makadara	NG-CDF Office	Building			10,000,000.00		2022
Nairobi	Makadara	NG-CDF Office	Building			22,540,507.00		2023
						34,568,633		

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**Annex 2 –PMC Bank Balances as at 30<sup>th</sup> June 2025**

PMC	Bank	Account number	Bank Balance Current 2025	Bank Balance Comparative
St Michael Primary School PMC	Equity Buruburu	0950285979840	5,231,291.00	-
Baraka Primary School PMC	Equity Donholm	0820285913845	10,002,000.00	2,000.00
Kimathi Primary School PMC	Equity Buruburu	0950281265767	10,460,924.00	52,729.00
St John Primary School PMC	Equity Buruburu	0950282630652	7,196,095.00	2,099,086.00
Rabai Road primary school pmc	Equity Buruburu	0950282814446	158,234.00	3,042,690.00
St Patrick primary School PMC	Equity Buruburu	0950285979840	5,231,291.00	-
Morrison Primary school pmc	Equity Donholm	0820286357794	11,023,529.00	-
Canon Apollo primary school PMC	Equity Donholm	0820286472743	10,462,582.00	-
Bidii primary school PMC	Equity Buruburu	0950285891881	1,711,550.00	-
Baraka Primary School perimeter wall PMC	Equity Buruburu	0950285012777	(293,406.00)	-
St Annes primary School borehole drilling PMC	Equity Buruburu	0950284970580	17,225.00	752,800.00
Harambee Primary School PMC	Equity Donholm		12,500,000.00	
Buruburu girls secondary school PMC	Equity Buruburu	0950285677589	7,509,111.00	0
St patrick Nairobi mixed day secondary PMC	Equity Buruburu	0950282634573	247,950.00	282,385.00
Nile Road Secondary School PMC	Equity Buruburu	0950282362499	6,381,290.00	1,630.00
Makongeni Secondary School PMC	Equity Buruburu	0950281100914	229,042.05	110,165.00
<b>Total</b>			<b>87,610,623.95</b>	<b>6,343,485.00</b>

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

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


Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: Resolved / Not Resolved	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/NRO/NGCDF MAKADARA/2023/ 24/ (16)	<p><b>1. Inaccuracies in the Financial Statements</b></p> <p>Review of the Fund financial statements submitted for audit revealed the following inaccuracies; The statement of receipts and payments reflects total receipts amount of Kshs.87,049,400 for the comparative year 2022/2023. However, casting down of the amount totals Kshs.87,000,000 resulting to an unexplained variance of Kshs.49,400.</p> <p>ii) The statement of receipts and payments reflects committee expenses comparative balance amounting to Kshs.4,306,000. However, this amount defers with previous year closing balance of Kshs.3,108,000 causing an unexplained variance of Kshs1,198,000.</p> <p>iii) Note 11 to the financial statements under cash and cash</p>	<p>I. The statement of receipts and payments reflects total receipts amount of Kshs.87,049,400 for the comparative year 2022/2023. However, casting down of the amount totals Kshs.87,000,000 resulting to an unexplained variance of Kshs.49,400. - kshs 49,400 was PMC Balances which was transferred back to the main account, hence accounted for as Other Receipts</p>	Not resolved	30 <sup>th</sup> June 2026

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	<p>equivalents reflects a comparative balance of Kshs.32,079,630 which differs with the previous year reported amount of Kshs.7,312,445 resulting to an unexplained variance of Kshs.24,767,185.</p> <p>In the circumstances the accuracy and completeness of the financial statements could not be confirmed.</p>																													
<p>OAG/NRO/NGCDF - MAKADARA/2023/ 24/ (16)</p>	<p><b>2.Project Management Committees (PMC) Accounts</b></p> <p>Reported in the statement of receipts and payments is Kshs.46,539,156 and Kshs.93,988,400 as disclosed in Note 7 and Note 8 in regards to transfers to other Government units and other grants and transfers respectively totalling Kshs.140,527,556 which was earmarked to implement projects in various sectors within the Constituency during the year under review. However, included in Kshs.140,527,556 is Kshs.7,193,045 in respect to eighteen (18) Project Management Committee (PMC) balances as analyzed at Annex 5 to the financial statements which were not utilized as at 30 June, 2024. However, the amounts were not returned to the Constituency account contrary to Section 12(8) of the National Government Constituencies Development Fund (NGCDF) Act, 2015.</p> <p>In the circumstances, the accuracy and validity Kshs.7,193,045 in respect to Project Management Committees</p>	<p>2.Makadara NG-CDF PMC balances are returned back to the main account as seen below.</p> <p>Please see the status breakdown below: -</p> <table border="1" data-bbox="907 638 1702 1133"> <tr> <td>Saving from PMC</td> <td></td> </tr> <tr> <td>St Elizabeth Primary School PMC</td> <td>51,423</td> </tr> <tr> <td>Dr Krapf Primary School PMC</td> <td>54,292</td> </tr> <tr> <td>Joseph Apundo Primary School PMC</td> <td>381</td> </tr> <tr> <td>St Michael Primary School PMC</td> <td>131,316</td> </tr> <tr> <td>Baraka Primary School PMC</td> <td>244,722</td> </tr> <tr> <td>Martin Luther Primary School PMC</td> <td>35,580</td> </tr> <tr> <td>Ofafa Jericho High School PMC</td> <td>676,012</td> </tr> <tr> <td>St Annes Girls Secondary School PMC</td> <td>49,961</td> </tr> <tr> <td>Aquinas High School PMC</td> <td>1,013</td> </tr> <tr> <td>Harambee Primary school PMC</td> <td>179,149</td> </tr> <tr> <td>Ofafa Jericho Primary School PMC</td> <td>72,142</td> </tr> <tr> <td></td> <td>1,495,990</td> </tr> </table> <p>The financial statements have been amended to reflect the true balance of kshs 5,697,054 in respect to PMCs and note 3, other receipts, Unutilized funds from PMCs kshs 1,495,990</p>	Saving from PMC		St Elizabeth Primary School PMC	51,423	Dr Krapf Primary School PMC	54,292	Joseph Apundo Primary School PMC	381	St Michael Primary School PMC	131,316	Baraka Primary School PMC	244,722	Martin Luther Primary School PMC	35,580	Ofafa Jericho High School PMC	676,012	St Annes Girls Secondary School PMC	49,961	Aquinas High School PMC	1,013	Harambee Primary school PMC	179,149	Ofafa Jericho Primary School PMC	72,142		1,495,990	<p>Resolved</p>	<p>Resolved</p>
Saving from PMC																														
St Elizabeth Primary School PMC	51,423																													
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<p>(PMC) bank account balances as at 30 June, 2024 could not be ascertained.</p> <p>The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Makadara NGCDF 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.</p>				
	<b>3 OTHER RECEIPTS</b>			
	<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>	
		<b>Kshs</b>	<b>Kshs</b>	
	Interest Received			
	Rents			
	Receipts Sale of Tender Documents			
	Hire of plant/equipment/facilities			
	Unutilized funds from PMCs	1,495,990	49,400	
	Other Receipts Not Classified Elsewhere (specify)	-	-	
<b>TOTAL</b>	<b>1,495,990</b>	<b>49,400</b>		

  
**FUND MANAGER**  
 MAKADARA NATIONAL GOVERNMENT  
 CONSTITUENCY DEVELOPMENT FUND  
 P.O. BOX 518-00515 NAIROBI KENYA

**Name Victor Ouma**  
**Fund Account Manager.**

