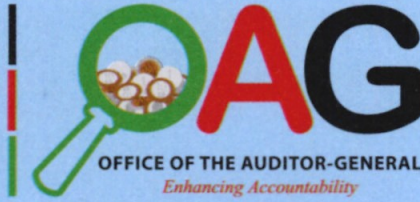


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REPORT


OF

THE AUDITOR-GENERAL

ON

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

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

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIKUYU CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Table of Contents	Page
1. Acronyms and Definition of Key Terms	ii
2. Key Constituency Information and Management	iii
3. NG-CDF Committee	viii
4. NG-CDFC Chairman’s Report	x
5. Statement Of Performance Against Predetermined Objectives for FY2024/25	xiii
6. Governance Statement	xv
7. Management Discussion and Analysis.....	xvii
8. Environmental and Sustainability Reporting	xviii
9. Statement Of Management Responsibilities	xxii
10. Report Of the Independent Auditor on the NG-CDF- Kikuyu Constituency.....	xxiv
11. Statement of Financial Performance for the Year Ended 30th June 2025.....	1
12. Statement Of Financial Position As At 30th June, 2025.....	2
13. Statement of Changes in Net Assets for the year ended 30 June 2025.....	4
14. Statement Of Cash Flows for The Year Ended 30th June 2025	5
15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025	6
16. Budget Execution by Sectors And Projects For The Year Ended 30 th June 2025	8
17. Notes to the Financial Statements	16
18. Annexes.....	55

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The NG-CDF Kikuyu Constituency's day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Elizabeth Kagira
2.	National Sub-County Accountant	Gaceri Gitabi
3.	Chairman NG-CDFC	Simon Ngugi
4.	Member NG-CDFC	Margaret Wangui
5.	Member NG-CDFC	Name of signatory (deposit bank account)

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NG-CDF Board provides overall fiduciary oversight on the activities of the NG-CDF Kikuyu Constituency. The reports and recommendations of the Audit Committee, when adopted by the NG-CDF 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.

NG-CDF Kikuyu Constituency Headquarters

Kikuyu Sub County Education Building/House/Plaza
Kikuyu Avenue/Road/Highway
KIKUYU KENYA.

(d) NG-CDF Kikuyu Constituency Contacts

P.O. Box 167-0092
Telephone: (254) 721 519908

E-mail: info@kikuyungcdf.go.ke
 Website: www.kikuyungcdf.go.ke

(e) NG-CDF Kikuyu Constituency Bankers

1. Bank A. (Operations Account). 0570262103404
 Kikuyu Branch
 P.O. Box 167 Kikuyu

2. Bank B. (Deposit account). 0570285494604
 Kikuyu Branch
 P.O. Box 167 Kikuyu

3. Bank C. (PMC Accounts) *Specify the constituency account banker details*
 Branch
 P.O. Box Kikuyu
 1. Gitiba Primary School 102000011645 Family Bank
 2. Muhu secondary school 102000005762 Family Bank
 3. Thirime Primary school 1107222567 KCB Bank
 4. Kandutura Primary School 1111136270 KCB Bank
 5. Kanyiha primary school 1111154716 KCB Bank
 6. Kerwa Primary School 1141751895 KCB Bank
 7. Nderi Secondary School 1111202273 KCB Bank
 8. Ndiguini Primary School 1224082079 KCB Bank
 9. Nguriunditu primary school 1116138352 KCB Bank
 10. Thamanda police post 1224081579 KCB Bank
 11. Gathiru Primary School 0570298932865 Equity Bank
 12. Gatune Primary School 0570193102686 Equity Bank
 13. Gicharani Primary School 0570292357909 Equity Bank
 14. HGM Kinoo Primary School 0570294352861 Equity Bank
 15. Kamangu Primary School 0570279463465 Equity Bank
 16. Kandengwah Primary School 0570268567039 Equity Bank
 17. Kanyanjara Primary School 0570294392322 Equity Bank
 18. Kidfarmamco Primary School 0570298272511 Equity Bank
 19. Kikuyu Township Primary 0570299666973 Equity Bank
 20. Lusigetti Primary School 0570293603903 Equity Bank
 21. Mai ai ihii Primary School 0570270671553 Equity Bank
 22. Nachu Primary School 0570261808206 Equity Bank
 23. Nderi Primary School 0570272031938 Equity Bank
 24. Nduma Primary School 0570281044568 Equity Bank
 25. Njumbi Primary School 0570293364367 Equity Bank
 26. Mama Ngina Kenyatta Primary 0570291568078 Equity Bank
 27. Rengutti Primary School 0570279515415 Equity Bank
 28. Riu Nderi Primary School 0570260630647 Equity Bank
 29. Thogoto Primary School 0570293526976 Equity Bank
 30. Wambaa Primary School 0570279411986 Equity Bank

National Government Constituencies Development Fund (NG-CDF)

KIKUYU Constituency

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

31.Fr. Kevin Kelly High School	0570298667497	Equity Bank
32.Gichuru Memorial Secondary	0570293128987	Equity Bank
33.HGM Kinoo Secondary	0570278492673	Equity Bank
34.Kamangu High School	0570280937162	Equity Bank
35.Kanyanjara Secondary School	0570280918413	Equity Bank
36.Karai Mixed Day Secondary	0570293476425	Equity Bank
37.Thogoto model primary school	0570268565414	Equity Bank
38.Kerwa Secondary School	0570298134882	Equity Bank
39.Kikuyu Boys High School	0570260865911	Equity Bank
40.Lusigetti Senior High School	0570270173526	Equity Bank
41.Mama Ngina Senior School	0570281208479	Equity Bank
42.Moi Girls Secondary School	0570282112168	Equity Bank
43.Musa Gitau secondary School	0570294407546	Equity Bank
44.Nachu Secondary School	0570293238637	Equity Bank
45.PCEA Kikuyu High School	0570262803526	Equity Bank
46.Rengutti High School	057028032714	Equity Bank
47.Gatune Police Post	0570271372767	Equity Bank
48.Kamangu Police Post	0570279287455	Equity Bank
49.Karinde Chiefs Office	0570272117960	Equity Bank
50.Kerwa Police Post	0570270129113	Equity Bank
51.Kidfarmaco Police Patrol Base	0570280720314	Equity Bank
52.Kinoo Police Post	0570293380430	Equity Bank
53.Lusigetti Police Post	0570280578702	Equity Bank
54.Mai ai ihii Police Post	0570278831529	Equity Bank
55.Mbombo ini Police Post	0570279369808	Equity Bank

(f) Independent Auditor

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




(g) Principal Legal Adviser

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

3. NG-CDF Committee

Name	Details
 Simon Ngugi -Chairman	Date of Birth 24/06/1985 Diploma in Business Management 10 Year's Experience in Business
 Margaret Wangui-Secretary	Date of Birth 27/08/1995 Economist 5 Year's Experience as an Economist
 John Njoroge-Coopted	Date of Birth 01/01/1980 Professional Mechanic 15 Year's Experience as a Mechanic
 Stephen Kiarie-Male Youth	Date of Birth 01/04/1989 Community Development and Social work 8 Year's Experience as a social worker
 Rahab Rwinu-Female Adult	Date of Birth 03/11/1972 Business Woman 15 Year's Experience in business
 Elizabeth Wanjiku-Female Adult	Date of Birth on 24/03/1990 Caregiver/Phlebotomist 8 Year's Experience as a caregiver
 Fredrick Gichuru-Male Adult	Date of Birth 01/02/1986 Diploma in IT 12 Year's Experience in IT

*National Government Constituencies Development Fund (NG-CDF)
 KIKUYU Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2025*

 <p>Ruth Henry-PWD Rep</p>	<p>Date of Birth 01/01/1976 Diploma in IT 10 Years Experience in IT</p>
 <p>Charles Laboso-Deputy County Commissioner</p>	<p>Date of Birth 1973 Degree in Public Administration 20 Years Experience in Public Administration</p>
 <p>Elizabeth Kagira Fund Account Manager</p>	<p>Date of Birth 1/12/1968 15 Years Experience as Fund Account Manger</p>

4. NG-CDFC Chairman’s Report



SIMON NGUGI

Annual Constituency Allocation

I am pleased to present the unaudited financial statements for Kikuyu Constituency for the financial year ended 30th June 2025. During the year, the Constituency was allocated a total of Kshs 179,441,953.87.

On receipt of the above allocations, Kikuyu National Government Constituencies Development Fund Committee (NG-CDFC) met and allocated funds to various projects with reference to the priorities of the public participation meetings held across the Constituency. It is noteworthy that during the FY 2024/2025, we received 76% of the normal Constituency funding equivalent to Kshs. 174,257,196 and these funds were then disbursed to earmarked projects.

Sector Prioritization

During the year, a total of Kshs. 162,304,547 was allocated as transfers to Government Units which consist of transfers to Environment, Bursary, Security, Primary schools and secondary schools’ projects. Another amount of Ksh. 17,137,406 was allocated to Administration and M & E .

Sectoral Analysis of Funding

Over the past 12 years, the Constituency has received over Kshs.900m which were subsequently been disbursed to various projects in such sectors as Education, security, the statutory bursary, emergency, environment, administration and monitoring and evaluation votes. The funding has benefitted over 200 projects and the breakdown in terms of the number of projects funded in these leading sectors over the last five years is as hereunder provided;

Sector	Budget (Ksh.)	Actual (Ksh.)	Variance	% Utilization
Education	220,131,035	64,103,866	156,027,169	27%
others	76,973,219	53,998,135	22,975,084	69%
Administration	20,696,797	13,196,179	7,500,618	63%



It is therefore notable that within the education sector, primary schools have realized the highest number of projects funded in the Constituency followed by secondary schools and finally Security institutions. Overall, the ranking based on highest number of projects funded over the period has primary Schools as the leading sector followed by secondary Schools, and security Institutions.

The NG-CDF (Amendment) Act 2016 introduced a major shift in the scope of projects eligible to be funded. Under this Act only projects falling within the functions of the National Government as outlined in the Constitution of Kenya 2010 will be funded. This effectively means that the Fund has since been concentrating primarily on education, security, sports and environment sectors as well as other national government residual functions.

Achievements and Major Undertakings

National Government Constituencies Development Fund (NG-CDF)
KIKUYU Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

During the year, the Committee disbursed a total of Kshs. 50,400,000 as bursary to needy students in secondary, Special and tertiary institutions and this benefitted over 12,650 students. Major physical facilities funded are infrastructure such as classrooms, administration blocks, laboratories, dormitories, toilets, lockers and chairs, desks and equipping of laboratories and libraries. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low-income families. Another major project undertaken during the year is the Kikuyu NG-CDF Office starring new schools to increase capacity and transition.

NO.	Project name	Image of the project	Impact of the project
a) Education Projects			
1	Gitiba primary School in Karai Ward		Gitiba primary School have more classrooms to do their learning
	Moi Girls high School Kamangu in Nachu Ward		Students at Moi Girls high school Kamangu will have more classrooms for their studies

Budgetary Appropriations

During the financial year 2024/2025, the overall budget utilization stood at 60 percent based on the funds received. This was achieved due to expeditious disbursement of funds received to earmarked projects by the NG-CDF Committee. During the period Kshs. 188,518,181 was received against the total budget of Kshs. 272,158,951.

Development Planning

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee is reviewing its strategic plan which is a formalized road map that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NG-CDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

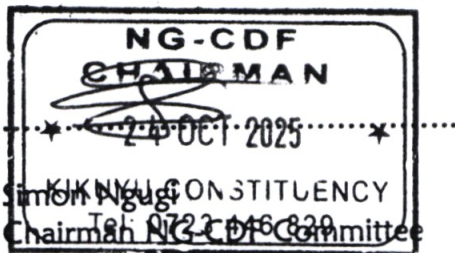
Challenges

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2024/2025. These encompass, inadequate record keeping by project management committees and delayed submission of the required returns

*National Government Constituencies Development Fund (NG-CDF)
KIKUYU Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

for funds disbursed. Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the year 2024/2025 scaled up its capacity building programs for NG-CDF Committee, Project Management Committees and staff on various aspects of NG-CDF projects management. These programs contributed to minimizing the challenges and improving overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programs during the FY 2024/2025.

I wish to sincerely thank the NG CDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the cooperation and support that saw the achievement of the above milestones. Going forward, the Committee envisions even performing better and attaining better assessments in its performance targets for FY 2024/2025.



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

Introduction

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

The key development objectives of the *NG-CDF Kikuyu Constituency 2024-2025* plan are to:

- To provide holistic education that is globally competitive
- To enhance safety and security for residents
- To improve access and quality of health care
- To coordinate and facilitate infrastructural development
- To improve agricultural productivity and value addition
- To empower special interest (youth) and vulnerable groups

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>	We set to construct 27 new classrooms, renovate 37 classrooms, construct 3 dormitories, construct 2 school halls and 4 administration offices	In FY 2024/25 - we increased number of classrooms by 56 in different schools, 3 dormitories, 5 Administration blocks 6 Toilet blocks, 1 School Hall and 21 staff houses in different schools/institutions - 2846 Bursary beneficiaries at all levels were as per the attached schedules
Security	To reduce the level of crime in all areas in the constituency	Construction of police posts in crime prone areas to beef up security	We had set to construct 1 administration block and 9 staff houses	1 Toilet block ,13 staff houses in different police posts
Climate change	To enhance water	Provision of water tanks	We set to buy 10 5000lt water tanks	In FY 2024/25

National Government Constituencies Development Fund (NG-CDF)
KIKUYU Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

mitigation activities	harvesting in schools and police posts	for water harvesting		- we bought 10 5,000 litres water tanks for various schools and police posts
Emergency	To provide relief in cases of emergencies	Repairing damaged infrastructure	Restore damaged infrastructure	In FY 2024/25 -we built 3 toilets under emergency

6. Governance Statement

APPOINTMENT AND REMOVAL OF NG CDFC MEMBERS

Members of the NG-CDF are appointed through and advert placed across the Constituency to invite qualified and interested persons to apply Pursuant to the provisions of National Government Constituencies Development Fund Act 2015 (Amended 2016) in sections 43(1), (2), (3) & 57(1) and its regulations

Qualified persons are shortlisted and forwarded to the National Board for approval and Gazettement to work for a period of 2 years. At the end of the period the contract comes to an end and a new advertisement is done

ROLES AND FUNCTIONS OF THE COMMITTEE

- I. Build Capacity of Project management committees and sensitize members of the public the operations of the Fund
- II. Consider all project proposals from all wards in the Constituency and any other proposal which a constituency committee considers beneficial to the constituency
- III. ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- IV. Ensure project proposal submitted to the board include detailed budget proposals, procurement plans and work plan.
- V. Consult with other government departments to ensure cost estimates for projects are realistic
- VI. Ensure projects are labelled in accordance with the guidelines issued by the Board.
- VII. Perform any other function assigned to it by the Board

INDUCTION, AND TRAINING OF MEMBERS

The Committee members are inducted at the beginning of the new term. They also have training and capacity building on the running of NG-CDF operations that is done on annual basis.

NUMBER OF MEETINGS HELD

The NG CDF committee members have 24 meetings during the year including the subcommittee meetings.

POLICY ON CONFLICT OF INTEREST

The NG CDF committee members declare conflict of interest in the projects implemented during the years.

MEMBERS REMUNERATION

The NG CDF committee members are paid allowances as set in the guidelines for the remunerations when they attend meetings.

ETHICS AND CONDUCT

The NG CDF committee members are required to comply with chapter six of the constitution on the integrity of a public officer.

RISK MANAGEMENT

The NG CDF committee members have the following set risk mitigation measures to safeguard the funds.

- i. Separation of duties
- ii. Ensuring the security of assets
- iii. The Fund Manager is a mandatory signatory to the PMC accounts
- iv. There is monitoring and evaluation of projects
- v. Fund account manager must Authorize all payments by writing payment schedules


7. Management Discussion and Analysis

Kikuyu Constituency is one of the twelve electoral constituencies within Kiambu County and borders Kabete Constituency to the North and Dagoretti South Constituency to the west and Kiambaa constituency to the east. It includes five electoral wards: Kinoo, Kikuyu, Sigona, Karai and Nachu.

Kikuyu Constituency covers an area of 12.10sq.km and has a population of 187,122 people according to the Kenya population and housing Census (2019).

Kikuyu Constituency has received funds that were disbursed by the National Government Constituency Development Board as follows in the last five years.

Financial year	Amount Disbursed (Kshs)
2020/2021	137,088,879.00
2021/2022	137,088,879.00
2022/2023	145,037,603.00
2023/2024	182,119,643.00
Totals	780,776,958


.....
Elizabeth Kagira
Fund Account Manager

**NG-CDF KIKUYU
FUND ACCOUNT MANAGER
P.O.Box 167-00902, KIKUYU
Tel: 0724 519808
Date: 24.10.2025**

8. Environmental and Sustainability Reporting

Kikuyu 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 Kikuyu Constituency, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Kikuyu 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, NG-CDF 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

- *NG-CDF Kikuyu has been buying and installing water tanks for schools so that students can store water to sustain various activities like watering trees, flowers, cleaning classrooms*
- *NG-CDF Kikuyu support the campaign against drug abuse among the youth and construct police posts to enhance security*
- *NG-CDF sponsors sporting activities/ tournament that bring communities together and sensitize them on environmental conservation matters.*

3. Employee welfare

We invest in providing the best working environment for our employees. Kikuyu constituency recruitment is guided by Employment Act, NG-CDF 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. Kikuyu 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-

Kikuyu Constituency is committed to fair and ethical market practices.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency to lift them economically. Our ethical market practices ensure the fund gets value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers, which are enhanced through organized sensitization forums on the procurement legal framework and ethical subject matters. We are dedicated to honoring all contracts and settling payments promptly.

NG-CDF has put in efforts to ensure:

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

5. Community Engagements-

Kikuyu 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

Kikuyu 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

*National Government Constituencies Development Fund (NG-CDF)
KIKUYU Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

identified list of priority projects, both immediate and long-term, was submitted to the NG CDF Board in accordance with the Act.


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

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

Public Awareness

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

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


NG-CDF KIKUYU
FUND ACCOUNT MANAGER
Elizabeth Kagira 0902, KIKUYU
Fund Account Manager.
Date... 24/10/2025

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

The Accounting Officer in charge of the NG-CDF-Kikuyu 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 NG-CDF Kikuyu 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 (NG-CDF)
KIKUYU Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

The Accounting Officer in charge of the NG-CDF Kikuyu 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 NG-CDF Kikuyu Constituency financial statements were approved and signed by the Accounting Officer on 24/10 2025.


**NG-CDF
CHAIRMAN**
24 OCT 2025 *
KIKUYU CONSTITUENCY
Simon Ngunjiri: 0722 446 829
Chairman – NG-CDF Committee


**NG-CDF KIKUYU
FUND ACCOUNT MANAGER**
P.O. BOX 167-00902, KIKUYU
Elizabeth Kagira Tel: 0721 519908
Date: 24/10/2025
Fund Account Manager

REPUBLIC OF KENYA



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HEADQUARTERS
Anniversary Towers
Monrovia Street
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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

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

1 to 62, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows, and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Kikuyu 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 (Accruals Basis) including transitional provisions permitted under IPSA 33 and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2023), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unsupported Use of Goods and Services and Misclassified Payment for School Equipment

The statement of financial performance reflects use of goods and services payments of Kshs.2,952,962 as disclosed in Note 12 to the financial statements. Review of the Fund's bank statements disclosed a payment of Kshs.5,405,172 made on 09 April, 2025 through RTGS, Instrument No. 22725, with narration "School Equipment." which was not supported. Further, payment vouchers used in payment for goods and services, list of items purchased, procurement plan and the procurement records such as request for quotations, opening committee minutes, evaluation committee minutes and the professional opinion were not provided. Management explained that the documents were destroyed by fire that occurred in the Fund buildings resulting to the destruction of the Fund's records and no backup was maintained by the Fund.

In the circumstances, the accuracy and completeness of the use of goods and services payments of Kshs.2,952,962 could not be confirmed.

2. Unsupported Employee Cost

The statement of financial performance reflects employee costs of Kshs.4,358,176 as disclosed in Note 10 to the financial statements. However, the expenditure was not supported by any payment voucher, master roll and payrolls. Management explained that this was a result of the fire that occurred resulting to the destruction of the fund's records. No backup was maintained by the Fund.

In the circumstances, the occurrence and accuracy of payments amounting to Kshs.4,358,176 could not be confirmed.

3. Variance in Property, Plant and Equipment

The statement of financial position and Note 23 to the financial statements reflects a Nil balance under property, plant and equipment. Based on the previous year's audited financial statements, the Fund had assets with estimated value of Kshs.10,381,430 which were burned down by a fire on 25 June, 2025 and could not be physically verified. Although Management reported the incident to the relevant security agencies, no evidence was provided of insurance policy undertaken on these assets and therefore, the Fund may have suffered total loss of assets with an estimated value Kshs.10,381,430 with no possibility of recovery.

In the circumstances, the accuracy and completeness of the financial statements 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 – Kikuyu 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

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflect final receipts budget and actual on comparable basis of Kshs.335,801,051 and Kshs.287,514,677 respectively, resulting to an under-funding of Kshs.48,286,374 or 14% of the budget. However, the Fund spent an amount of Kshs.131,298,180 against actual receipts of Kshs.287,514,677 resulting to an under-utilization of Kshs.156,216,497 or 54% of actual receipts.

The under-funding and underutilization may have affected the planned activities of the Fund which may have impacted negatively on service delivery to the public.

In addition, Management did not indicate any explanatory Notes for material variances between the final budget and actual on comparable basis in the statement of comparison of budget and actual amounts as required under International Public Sector Accounting Standards (IPSAS) 24.

2. Unspent Balances in PMC Accounts

Note 19 and Annex 2 to the financial statements reflect Project Management Committee balances of Kshs.30,780,481. These amounts were unspent across various project categories and were attributed to incomplete or delayed implementation of certified works, retention amounts not yet settled and project funds not yet absorbed.

The under-utilization may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of these 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 matters described in the Basis for Qualified Opinion section of my report, 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 and Report on Lawfulness and Effectiveness in Use of Public Resources, respectively. Review of the status during audit of the National Government Constituencies Development Fund – Kikuyu 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	Unsupported and Unutilized Project Management Committee Balances
3	2023/2024	Inaccurate Statement of Cash Flows
4	2023/2024	Budgetary Control and Performance
5	2023/2024	Under Utilization of Bursary Funds
6	2023/2024	Unjustified Use of Projects Provisional Sums
7	2023/2024	Summary of Fixed Assets Register
8	2023/2024	Emergency Projects

Other Information

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

In connection with my audit on the National Government Constituencies Development Fund – Kikuyu Constituency financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I

conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN 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. Other Government Units Certified Works

1.1 Proposed Construction of 2 Ground Floor, First Floor Classrooms and a Staircase at HGM Kinoo Primary School

The Fund awarded a contract worth Kshs.6,429,382 on 3 September, 2024 to a local company for the construction of two ground-floor classrooms, two first-floor classrooms, and a staircase at HGM Kinoo Primary School under contract number KBU/NG/27/2022-2024 (071). No procurement records, including the contract and bill of quantities, were provided as Management reported that documents were destroyed during the protests of 7 July, 2025 and no backups were maintained. This made it difficult to verify compliance with the Public Procurement and Asset Disposal Act, 2015. The project had an initial completion date of 11 February, 2025, however by 21 February only 10 percent of works had been completed though the contractor had paid been Kshs.2,139,659 as at 24 March, 2025, representing 33% of the contract sum. Further, this payment was not supported by inspection reports, joint measurement sheets, or any documentation confirming the works completed.

The contractor's performance bond also expired on 10 February, 2025, yet the project remained incomplete and the contractor was absent from site. No documentation was provided to show extension of the contract period. In addition, the County Works Office, in a letter dated 18 February, 2025, raised concerns over unsatisfactory progress and site abandonment. The letter noted that despite repeated instructions, the contractor had not responded and the NGCDF had not communicated the way forward.

Management engaged a contractor beyond the contract period without evidence of contract extension approval when the project remained in completed.

1.2 Construction of a Classroom at Kanyiha Primary School

The Fund contracted a local contractor on 16 September, 2024 for the construction of two (2No.) classrooms at Kanyiha Primary School of contract number, KBU/NG/27/2022-2024 (075) at a contract sum of Kshs.2,995,160. However, no procurement records were provided for audit review. Management explained that most of their documents were burned down during the protests that happened on 7 July, 2025 and the Fund did not maintain any backups hence the audit could not verify the procurement for the project.

Further, the contract projected completion date was 9 December, 2024. However, as at 13 January, 2025, the contractor had been paid the first payment certificate of Kshs.1,013,396 which was 34% of the contract sum. Information on renewal of the contract was not provided and no explanation was given for failure to renew the contract. In addition, the payment certificate was not supported by a report showing the works done by the contractor and the joint measurement sheets or inspections to verify the works done by the contractor making it difficult to confirm the basis of payment.

Physical verification conducted on 11 September, 2025 revealed that, the project had stalled and the contractor was not on sight. Explanation from Management indicated that Management changed the original design of the project to be two (2) floors building as the original design could not accommodate the population of the School. However, this was not supported by any documentation and budgetary allocation. It was also not clear why Management decided to change the design of the project after they had already awarded the contract. This indicated that there was no feasibility conducted by Management on the project. Management also engaged a contractor without a valid contract and a performance bond.

1.3 Construction of Three Classrooms at Gicharani Primary School

The Fund engaged a local contractor on 3 September, 2024 for the construction of three (3) classrooms on the 1st floor and a staircase at Gicharani Primary School, vide contract number KBU/NG/27/2022-2024 (068), at a contract sum of Kshs.6,439,750. No procurement records were provided for audit review. Management explained that most documents were destroyed during the protests of 7 July, 2025 and no backups were maintained. The audit could therefore not verify whether the procurement process was conducted in compliance with the Public Procurement and Asset Disposal Act, 2015.

It was noted the contract had an initial completion date of 11 February, 2025 and the performance security provided by the contractor was set to expire on 10 February, 2025. However, the contractor continued working past the expiry date, and the second payment certificate was settled on 15 July, 2025, by which time the contract period and performance security had already lapsed. The contractor had been paid a total of Kshs.5,422,770, representing 84% of the contract sum.

According to Project Management Committee (PMC) minutes of 22 July, 2025, the project was considered complete. However, the PMC noted defects including missing pavement and cabro slabs that were removed during construction, as well as missing iron sheets which the contractor was expected to replace. No documentation was provided to confirm that the contractor addressed these issues. In absence of the documentations, the

accuracy, completeness and validity of payments Kshs.5,422,770 and work done could not be confirmed.

In the circumstances, Management was in breach of law and the intended beneficiaries had not obtained value for money from the projects.

2. Delays in Project Implementation

Funds were disbursed to Gikambura Primary School totalling Ksh.1,600,000 on 4 June, 2025, Thogoto Primary School Kshs.1,600,000 on 4 June, 2025, later reversed on 8 July, 2025 with the payment-out missing in the bank statement), Nachu Primary School Kshs.1,600,000 on 11 June, 2025), and Kerwa Primary School Kshs.1,000,000 on 11 June, 2025. Although the last RTGS from the NG-CDF Board was received on 19 June, 2025, the amounts were recorded in the cashbook 8 to 15 days earlier, indicating that there had been earlier Board disbursements which could have been utilized for the projects. Review of the expenditure reports confirmed that no implementation had begun at the four (4) schools as of the verification date.

In the circumstances, the value for money spend on the project could be confirmed.

3. Inadequate Disclosure and Segregation of Retention Monies and Provision for Gratuity

Certified works totalling Kshs.58,627,720 were reported during the year, for which retention of approximately Ksh.2,931,386 should have been withheld. However, only Ksh.21,935 was recorded as retention. Further, review of the deposits account revealed a total balance of Kshs.1,051,155, with payments out of Kshs.1,182,575 during the year. It was not possible to confirm the accuracy of retention and how much relates to gratuity provision.

Lack of segregation raises doubt over safety and accuracy of the retention monies held by the Fund as at 30 June, 2025.

4. Non-Adherence to the One-Third Gender Rule

Review of personnel records revealed that as at 30 June, 2025, the Fund had a total of five (5) staff members, out of whom four (4) or 80% are of the female gender while only one (1) or 10% is male. This is a contravention of Article 27(8) of the Constitution of Kenya, 2010 which states that, 'not more than two-thirds of the members of elective or appointive bodies shall be of the same gender.

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. Undisbursed Funds to Project Management Committees

The Project Implementation Status report for the year under review showed that Kerwa Secondary School Kshs.150,000, Kandengwa Primary School Kssh.150,000, and Maia Ihii Primary School Kshs.150,000 were each allocated funds for the construction of water tank bases. However, all three projects were marked 'Not done' with Zero % utilization. Audit review established that the funds had not yet been disbursed by NGCDF Kikuyu to the respective Project Management Committees, resulting in non-implementation of the projects despite the Fund delay in disbursement of approved allocations.

In the circumstances, the effectiveness of internal controls on project implementation could not be confirmed.

2. Lack of Risk Management Policy

During the period under review Management had not implemented a risk management policy, risk management strategies and a disaster recovery plan even after the Fund had suffered losses as their offices were burnt down during demonstrations on 7 July, 2025 and majority of their documents were destroyed.

In the circumstances, the effectiveness of the internal controls in the operations of the Fund could not be confirmed

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs 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 also 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


18 December, 2025


National Government Constituencies Development Fund (NG-CDF)
 Kikuyu 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	Period ended June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NG-CDF Board	6	179,441,954
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		179,441,954
Expenses		
Employee costs	10	4,358,176
Committee expenses	11	5,509,086
Use of Goods and Services	12	2,952,962
Other Government Units Actual expenditure	13	64,103,866
Other Grants and Transfers Actual expenditure	14	54,020,070
Depreciation and amortization expense	15	-
Digital Hubs Actual expenditure	16	-
Total expenses		130,944,160
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		48,497,795

The Constituency financial statements were approved by the NG-CDFC on 24/10/2025 2025 and signed by:


 Chairman NG-CDF
 Committee
 Simon Ngugi


 National Sub-County
 Accountant
 Gitabi Gaceri
 ICPAK M/No: 11937


 Fund Account Manager
 NG-CDF KIKUYU
 FUND ACCOUNT MANAGER
 Elizabeth Kagira
 P.O. BOX 16708902, KIKUYU
 Tel: 0721 519908
 Date: 24/10/2025

**NG-CDF
 CHAIRMAN**
 * 24 OCT 2025 *
 KIKUYU CONSTITUENCY
 Tel: 0723 446 829

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

	Note	Period as at June 2025	Opening Statement 1st June 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	156,216,497	113,257,900
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	30,029,177	24,844,000
Prepayments	22	-	-
Total Current Assets		186,245,674	138,101,900
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		186,245,674	138,101,900
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	68,580	-
Lease Liabilities	28	-	-
Gratuity provision	29	709,665	1,085,600
Total Current Liabilities		778,245	1,085,600
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		778,245	1,085,600
Net Assets (A-B)		185,467,429	137,016,300
Represented by:			
Revaluation Reserves		-	-
Accumulated Surplus		185,467,429	137,016,300
Total Net Assets		185,467,429	137,016,300

National Government Constituencies Development Fund (NG-CDF)

Kikuyu Constituency

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

The Constituency financial statements set out on pages 1 to 5 approved by NG CDFC on 24/10/25 2025 and signed by:



Chairman NG-CDF
Committee

~~Simon Nguni~~



National Sub-County
Accountant
Gaceri Gitabi
ICPAK M/No: 11937

NG-CDF KIKUYU
FUND ACCOUNT MANAGER
P.O. BOX 107-00802 KIKUYU
Fund Account Manager
Tel: 0721 519708
Date... 24/10/25
Elizabeth Kagira

NG-CDF
CHAIRMAN
* 24 OCT 2025 *
KIKUYU CONSTITUENCY
Tel: 0721 446 829

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

Description	Accumulated Surplus /Deficit	Reserves	Total
	Kshs	Kshs	Kshs
As at 30 th June 2024 (cash basis)	155,273,476	-	155,273,476
Adjustments: (to recognize assets and liabilities)	(18,257,196)		(18,257,196)
Add Assets			
Less Liabilities			
As at July 1, 2024	137,016,280		137,016,280
Surplus/(Deficit) For the Period	48,497,794		48,497,794
Revaluation Gain/Loss	(46,645)	-	(46,645)
As at 30 th June (current year)	185,467,429	-	185,467,429

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

	Notes	Period ended June 2025 Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NG-CDF Board		174,257,196
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		-
Total Receipts		174,257,196
Payments		
Employee costs		4,734,131
Committee expenses		5,509,086
Use of Goods and Services		2,952,962
Other Government Units Certified Works		64,103,866
Other Grants and Transfers		53,998,135
Digital Hubs Expenses		-
Total Payments		131,298,180
Net Cash Flows from/ (used in) Operating Activities	28	42,959,016
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		42,959,016
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		42,959,016
Cash and cash equivalents at Period Start	17	113,257,481
Cash and cash equivalents at Period End	17	156,216,497

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

	Original Budget		Final Budget		Actual on	Budget utilization	% of Utilization
	Kshs	Adjustments		Kshs	comparable basis	difference	
		a	b		c=(a+b)	d	e=(c-d)
	2024/2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Revenue							
Transfers From the NG-CDF Board	179,441,954	113,257,481.35	43,101,615	335,801,051	287,514,677	48,286,374	86%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	179,441,954	113,257,481	43,101,615	335,801,051	287,514,677	48,286,374	86%
Expenses							
Employee costs	2,295,000	2,464,912	-	4,759,912	4,734,131	25,781	99%
Committee expenses	5,388,471	94,120	26,615	5,509,206	5,509,086	120	100%
Use of Goods and Services	8,453,936	1,973,743	-	10,427,679	2,952,962	7,474,717	81%
Other Government Units Certified Works	102,310,200	96,245,835	21,575,000	220,131,035	64,103,866	156,027,169	27%
Other Grants and Transfers	60,994,347	12,478,871	3,500,000	76,973,219	53,998,135	22,975,084	69%
Funds Pending Approval**	-	-	18,000,000	18,000,000	-	18,000,000	0%
Total Expenditure	179,441,954	113,257,481	43,101,615	335,801,051	131,298,180	204,502,871	39%
Surplus for the period	-	(0)	-	(0)	156,216,497	(156,216,497)	0

Explanatory Notes.



National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025


Explanatory Notes.

The underutilization of funds under goods and services, Transfers to Government units and other grants are due to late disbursement of funds from treasury and length procurement processes.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	204,502,871
Less undisbursed funds receivable from the Board as at period 30th June, 2024	48,286,374
Cash and Cash Equivalents at the end of the 30 th June 2025	156,216,497

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 24/10/25 2025 and signed by



 Fund Account Manager
 Elizabeth Kagira


 National Sub-County Accountant
 Gaceri Gitabi
 ICPAK M/No: 11937


 Chairman NG-CDF Committee
 Simon Ngugi

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,295,000.00	2,464,912.00		4,759,912.00	4,734,131.00	25,781.00
1.2 Committee allowances	2,216,883.00	94,119.86	26,615.00	2,337,617.86	2,337,498.00	119.86
1.3 Use of goods and services	4,953,935.60	235,543.00		5,189,478.60	5,188,691.00	787.60
Sub-total	9,465,818.60	2,794,574.86	26,615.00	12,287,008.46	12,260,320.00	26,688.46
2.0 Monitoring and evaluation						
2.1 Capacity building	200,000.00			200,000.00		200,000.00
2.2 Committee allowances	3,171,588.00			3,171,588.00	3,171,588.00	-
2.3 Use of goods and services	3,300,000.48			3,300,000.48	3,264,271.00	35,729.48
Sub-total	6,671,588.48	-	-	6,671,588.48	6,435,859.00	235,729.48
4.0 Emergency						
unutilized	9,444,313.39			9,444,313.39		9,444,313.39
Sub-total	9,444,313.39	-	-	9,444,313.39	-	9,444,313.39
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	27,500,000.00			27,500,000.00	25,400,000.00	2,100,000.00
5.3 Tertiary Institutions	13,700,000.00	10,399,000.00		24,099,000.00	24,000,000.00	99,000.00

**National Government Constituencies Developments Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025**

5.4 special needs	1,000,000.00				1,000,000.00			
5.5 Education Support Programmes								
5.6 Social Security	4,800,000.00				4,800,000.00			4,800,000.00
Sub-total	47,000,000.00	10,399,000.00			57,399,000.00	50,400,000.00		6,999,000.00
7.0 Environment								
Ndiguini primary school	187,500.00				187,500.00			187,500.00
Nduma primary school	195,000.00				195,000.00			195,000.00
Thogoto Model Primary school	30,000.00				30,000.00			30,000.00
Thogoto Primary school	15,000.00				15,000.00			15,000.00
Kerwa primary school	45,000.00				45,000.00			45,000.00
Wambaa Primary school	37,500.00				37,500.00			37,500.00
Nachu Primary school	15,000.00				15,000.00			15,000.00
Lussigitti Primary school	22,500.00				22,500.00			22,500.00
Kanyiha primary school	26,250.00				26,250.00			26,250.00
Kerwa secondary school	150,000.00				150,000.00			150,000.00
Kandengwa primary school	150,000.00				150,000.00			150,000.00
Maia ihii primary school	150,000.00				150,000.00			150,000.00
Lusigetti Senior Secondary school	150,000.00				150,000.00			150,000.00
Kanyiha primary school	150,000.00				150,000.00			150,000.00
Kanyanjara secondary school	150,000.00				150,000.00			150,000.00
Kamangu Police post	150,000.00				150,000.00			150,000.00
Kandutura primary school	150,000.00				150,000.00	54,000.00		96,000.00

National Government Constituencies Developments Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Kikuyu Sub County Education office	150,000.00				150,000.00	150,000.00	-
Construction of water tanks bases		488,700.00			488,700.00	466,765.00	21,935.00
Sub-total	1,923,750.00	488,700.00			2,412,450.00	670,765.00	1,741,685.00
8.0 Primary Schools Projects							
Thogoto model primary school	3,000,000.00	5,074,135.00			8,074,135.00	3,882,007.00	4,192,128.00
Gicharani Primary school	5,000,000.00	6,500,000.00			11,500,000.00	3,368,490.50	8,131,509.50
Kandutura Primary school	5,000,000.00	6,501,244.00	440,000.00		11,941,244.00	-	11,941,244.00
Nduma Primary school	3,000,000.00				3,000,000.00	-	3,000,000.00
HGM Kinoo Primary school	3,500,000.00	6,746,895.95			10,246,895.95	2,211,405.00	8,035,490.95
kikuyu Township primary school	5,000,000.00	88,380.50			5,088,380.50	73,451.00	5,014,929.50
Nachu primary school	5,000,000.00				5,000,000.00	116,147.00	4,883,853.00
Gikambura primary school	3,000,000.00		275,000.00		3,275,000.00	-	3,275,000.00
Mai ai ihii primary school	4,500,000.00	4,067,814.55	550,000.00		9,117,814.55	3,874,807.40	5,243,007.15
Riu Nderi Primary school	8,500,000.00	72,073.00			8,572,073.00	-	8,572,073.00
Gathiru primary school	3,000,000.00	4,550,358.50	440,000.00		7,990,358.50	4,097,439.00	3,892,919.50
Mama Ngina primary school	6,500,000.00				6,500,000.00	141,500.00	6,358,500.00
Rengutti Primary school	3,800,000.00				3,800,000.00	237,918.00	3,562,082.00
Kanyiha Primary school	6,000,000.00	7,318,676.75	550,000.00		13,868,676.75	2,200,287.50	11,668,389.25
Nachu Primary school	550,000.00	135,468.00			685,468.00		685,468.00

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Nduma Primary school	550,000.00	6,085,192.00	440,000.00	7,075,192.00		7,075,192.00
Thogoto model pimary school	275,000.00	4,000,000.00		4,275,000.00		4,275,000.00
Thogoto primary school	550,000.00	4,792.00		554,792.00	-	554,792.00
Njumbi primary school	550,000.00		440,000.00	990,000.00	-	990,000.00
Gicharani Primary school	275,000.00	3,252,298.90		3,527,298.90		3,527,298.90
Kandengwa primary school	550,000.00	311,453.50	3,000,000.00	3,861,453.50	3,129,064.00	732,389.50
Wambaa primary school	550,000.00	3,000,465.00		3,550,465.00	3,273,632.00	276,833.00
Lusigetti primary school	550,000.00	3,001,124.25	3,000,000.00	6,551,124.25	3,000,625.00	3,550,499.25
Gathiru primary school	550,000.00			550,000.00		550,000.00
Gatune primary school		6,806.80	3,000,000.00	3,006,806.80	2,863,868.50	142,938.30
Ndiguini primary school		3,000,000.00	3,000,000.00	6,000,000.00	2,309,276.00	3,690,724.00
Kamangu primary		298.00	440,000.00	440,298.00	-	440,298.00
Gitiba primary		478,431.50		478,431.50	406,419.00	72,012.50
Kanyanjara primary		1,205,864.50		1,205,864.50	1,179,629.00	26,235.50
Kerwa primary school		51,702.50		51,702.50	-	51,702.50
Kidfarmaco primary		1,042.50		1,042.50	-	1,042.50
Nderi primary		282,995.00		282,995.00	169,156.00	113,839.00
Ndiguini primary school		340,596.50		340,596.50		340,596.50
Nduma primary school		66,080.00		66,080.00		66,080.00

**National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025**

Nhuriindu primary school		235,367.75		235,367.75	146,459.00	88,908.75
Njumbi primary school		756.50		756.50		756.50
PCEA MAMA Ngina primary		141,857.78		141,857.78		141,857.78
Rengutti Primary school		401,426.00		401,426.00		401,426.00
Thirime primary		337.00		337.00	126.00	211.00
Sub-total	69,750,000.00	66,923,934.23	15,575,000.00	152,248,934.23	36,681,706.90	115,567,227.33
9.0 Secondary Schools Projects (List all the Projects)						
Karai Day secondary school	550,000.00	568,600.50	500,000.00	1,618,600.50	-	1,618,600.50
Kamangu high school	6,000,000.00	2,897,153.00		8,897,153.00	2,801,745.00	6,095,408.00
Kanyanjara secondary school	2,500,000.00	7,568,303.00	5,500,000.00	15,568,303.00	6,583,883.00	8,984,420.00
Muhu secondary school	8,000,000.00	828,640.32		8,828,640.32	389,123.00	8,439,517.32
PCEA kikuyu high school	3,000,000.00	3,209,845.90		6,209,845.90	3,206,915.00	3,002,930.90
PCEA kikuyu high school	5,000,000.00			5,000,000.00		5,000,000.00
Gichuru Memorial High school	5,000,000.00	6,163.25		5,006,163.25	-	5,006,163.25
Karai Day secondary school	736,484.00			736,484.00		736,484.00
Fr. Kevin Kelly		5,878,426.55		5,878,426.55	4,868,300.00	1,010,126.55
HGM Kinoo sec		4,597.50		4,597.50	-	4,597.50
Kerwa secondary school		558,064.00		558,064.00	174,613.00	383,451.00
Kikuyu Boys high		121,545.50		121,545.50	-	121,545.50
Lusigetti senior high school		177,539.00		177,539.00	119,408.00	58,131.00

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Mama Ngina senior		434,882.00		434,882.00	190,371.00	244,511.00
Moi girls kamangu		6,167,878.00		6,167,878.00	3,587,801.00	2,580,077.00
Musa Gitau girls		283,703.50		283,703.50	-	283,703.50
Nachu secondary		18,214.00		18,214.00		18,214.00
Renguti high		58,469.00		58,469.00		58,469.00
Nderi secondary		539,876.00		539,876.00		539,876.00
Sub-total	30,786,484.00	29,321,901.02	6,000,000.00	66,108,385.02	21,922,159.00	44,186,226.02
10.0 Tertiary institutions Projects (List all the Projects)						
Nachu Technical and Training Institute	900,000.00	-	-	900,000.00		900,000.00
				-		-
				-		-
Sub-total	900,000.00	-	-	900,000.00	-	900,000.00
11.0 Security Projects						
Lusigetti Police post	3,500,000.00	130.00		3,500,130.00		3,500,130.00
Dagorretti police post	-		3,500,000.00	3,500,000.00		3,500,000.00
Kamangu police post		1,091,870.00		1,091,870.00	1,000,000.00	91,870.00
Gatune police post		251.00		251.00		251.00
Karinde chiefs office		1,484.00		1,484.00		1,484.00
Kerwa police		10,537.00		10,537.00		10,537.00
Kinoo police		788.00		788.00		788.00
Mai a ihii police		296,675.00		296,675.00		296,675.00

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Mbomboini police		189,393.00		189,393.00	189,170.00	223.00
Thamanda police		43.25		43.25		43.25
				-		
Sub-total	3,500,000.00	1,591,171.25	3,500,000.00	8,591,171.25	1,189,170.00	7,402,001.25
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fittings				-		-
12.2 Construction of CDF office				-		-
Sub-total		-	-	-	-	-
13.0 Others						
NG-CDF Strategic Plan		1,738,200.00	-	1,738,200.00	1,738,200.00	-
Total	-	1,738,200.00	-	1,738,200.00	1,738,200.00	-
Kikuyu National Government Service Centre			15,000,000.00	15,000,000.00		15,000,000.00
Kikuyu Sub-County Division Assistant County Commissioner			3,000,000.00	3,000,000.00		3,000,000.00
Sub-total	-	-	18,000,000.00	18,000,000.00	-	18,000,000.00
Funds pending approval**				-		-
unapproved projects				-		-
AiA				-		-

National Government Constituencies Development Fund (NG-CDF)

Kikuyu Constituency

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

Sub-total	-	-	-	-	-	-
Total	179,441,954.47	113,257,481.36	43,101,615.00	335,801,050.83	131,298,179.90	204,502,870.93

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Kikuyu Constituency principal activity is implementation of NG-CDF funded projects.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS) or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st/ 2nd/ 3rd/ are transitional financial statements (entity to state the transitional provisions it has applied, and the steps being taken towards full compliance with IPSAS Accrual).

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 NG-CDF Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

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

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>Not applicable</i></p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st 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"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>Not applicable</i></p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st 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</p>

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget was approved by Parliament on xx June 20xx for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

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

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

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

6. Transfers from the NG-CDF Board

Description	2024/2025	2023/2024
	Kshs	Kshs
NG-CDFB Transfers (Allocation for the FY)	179,441,954	188,518,181
Total	179,441,954	181,518,181

7. Transfers from domestic and foreign partners

Description	2024/2025	2023/2024
	Kshs	Kshs
Grants		-
Total		-

8. Finance income

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest Income on Bank Deposits		-
Total		-

9. Miscellaneous income

Description	2024/2025	2023/2024
	Kshs	Kshs
Rental Income		-
Income from sale of tenders		-
Hire of plant/equipment/facilities		-
Other Income Not Classified Elsewhere		-
Total		-

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

10. Employees cost

	2024/2025	2023/2024
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,150,675	3,090,000
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	918,220	1,374,100
Employer Contributions Compulsory national social security schemes	194,961	234,774
Employer Contributions Compulsory Housing levy	94,320	89,400
Employer contributions to National Industrial Training Authority	-	-
Other Specify	-	-
Total	4,358,176	4,788,274

11. Committee Expenses

	2024/2025	2023/2024
	Kshs	Kshs
Sitting allowance	1,761,728	373,700
Other Committee expenses	3,747,358	-
Total	5,509,086	373,700

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

12. Use of Goods and services

	2024/2025	2023/2024
	Kshs	Kshs
Utilities, supplies and services	-	282,077
Communication, supplies and services	2,259,654	169,000
Domestic travel and subsistence	-	2,641,500
Printing, advertising and information supplies & services	-	1,214,500
Office Rent	-	-
Training expenses	-	2,220,000
Hospitality supplies and services	-	2,335,000
Insurance costs	-	-
Specialized materials and services	386,208	455,000
Office and general supplies and services	300,000	300,000
Fuel, oil & lubricants	-	-
Bank charges	7,100	-
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	111,000
Strategic plan expenses	-	-
Other operating expenses	-	3,918,900
Total	2,952,962	13,646,977

13. Other Government Units Actual expenditure

Description	2024/2025	2023/2024
	Kshs	Kshs
Primary Schools Actual expenditure	36,681,707	43,450,000
Secondary Schools Actual expenditure	21,922,159	42,500,000
Tertiary Institutions Actual expenditure	-	2,000,000
Student's chairs and Lockers	5,500,000	-
Total	64,103,866	87,950,000

14. Other Grants and transfers Actual expenditure

	2024/2025	2023/2024
	Kshs	Kshs
Bursary – secondary schools	25,000,000	30,202,700
Bursary – tertiary institutions	24,400,000	10,700,000
Bursary – special schools	1,000,000	1,000,000
Bursary - Education Support programmes	-	-
Social Security programmes (SHIF)	-	-
Security projects Actual expenditure	1,189,170	2,500,000
Climate change mitigation projects	692,700	1,228,275
Emergency projects Actual expenditure	-	13,768,483
Roads projects Actual expenditure	-	-
Strategic plan	1,738,200	-
Total	54,020,070	58,899,458

15. Depreciation and Amortization Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Property Plant and Equipment	-	-
Intangible Assets	-	-
Total	-	-

16. Digital Hubs Expenses

Description	2024/2025	2023/2024
	Kshs	Kshs
Construction/ renovation/ Actual expenditure	-	-
Digital Hub utility costs Water, Electricity,	-	-
Maintenance of ICT equipment	-	-
Maintenance of building	-	-
Others	-	-
Total	-	-

17. Gain/loss on Sale of Assets

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
Total Gain/loss on Sale of Assets	-	-

18. Impairment Loss

Description	2024/2025	2023/2024
	Kshs	Kshs
Property, Plant and Equipment	-	-
Intangible Assets	-	-
	-	-
Total Impairment Loss	-	-

19. Cash and Cash Equivalentents

Name Of Bank and Account No.	2024/2025	Opening Statement 1 July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Account No. 0570262103404</i>	124,593,416	63,408,927
<i>Operations account pending closure</i>	-	-
<i>Equity Bank, account No. 0570285494604</i>	842,600	1,196,620
<i>Equity Bank, account No. (Various accounts)</i>	30,780,481	48,651,934.35
Total	156,216,497	113,257,481.35
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations	-	-
Total	-	-

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

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

21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 July 2024	
	Kshs		Kshs	
Transfers from NG-CDFB	48,286,373		43,101,615	
Outstanding imprest	-		-	
Total	48,286,373		43,101,615	
Ageing Analysis- Receivables from non-exchange transactions	Insert	% of the	Opening	% of the
	Current FY	total	Balance	total
Less than 1 year	-	%	-	%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

22. Prepayments

Description	2024/2025		Opening Statement 1 July 2024	
	Kshs		Kshs	
Prepaid Rent	-		-	
Prepaid Insurance	-		-	
Prepaid Electricity Costs	-		-	
Other Prepayments	-		-	
Total	-		-	

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers and 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 st July 2024	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-
Depreciation And Impairment								
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-
Net Book Values								
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-

Valuation

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

22 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

Property plant and Equipment 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	-	-
Total	-	-

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

24. Intangible Assets

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

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July 2023 (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024 (Comparative Period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
	-	-	-	-
Accumulated Depreciation				
As At 1 July 2023 (Comparative period)	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2024 (Comparative period))	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
Carrying Amount				

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

As At 30 June 2025	-	-	-	-
As At 30 June 2024.	-	-	-	-

26. Trade and Other Payables

Description	2024/2025		Opening Statement 1 st July 20X24	
	Kshs		Kshs	
Trade payables	-		-	
Employee payables	-		-	
Other payables	-		-	
Total trade and other payables	-		-	
Aging analysis: (Trade and other payables)	Current FY	% of the Total	1st July	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

27. Third-Party deposits

	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Retention as at start of the period (A)	-	-
Retention held during the period (B)	21,935	-
Retention paid during the period (C)	-	-
Closing Retention as at period xx, D= A+B-C	21,935	-

Retentions aging analysis.

	2024/2025	% of the total	Opening Statement 1st July 2024	% of the total
Less than 1 year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

28. Lease Liabilities

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

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	1,085,620	1,085,620
Gratuity held during the period (B)	918,220	-
Gratuity paid during the period (C)	1,294,175	-
Total Gratuity provision as at period 2025 D=(A+B-C)	709,665	1,085,620

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	<i>Kshs</i>
Surplus for the period before tax	48,497,795
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	5,184,758
Changes in deferred income	-
Changes in Third party deposits	21,935
Changes in gratuity provision	(375,956)
Changes in payments received in advance	-
Net cash flow from operating activities	53,328,532

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 minimize 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:

National Government Constituencies Development Fund (NG-CDF)

Kikuyu Constituency

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

o customers with an established credit history. The Entity's financial risk management objectives and policies are detailed below:

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
As at 30 June (Previous FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-
Total	-	-	-	-
As at 30th June (Previous FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

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 recognized 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:

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Current FY

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

Foreign currency sensitivity analysis

Current FY

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

Financial Risk Management

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

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

b) Interest rate risk

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

Management of interest rate risk

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

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

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

obtained from independent sources; unobservable inputs reflect the *Entity's* market assumptions. These two types of inputs have created the following fair value hierarchy:

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

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

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

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

32. Related Party Disclosures

	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,761,728	373,700
Transaction with the NG-CDF Board		
Transfers from the NG-CDF Board during the year	179,441,954	188,518,181
Total	181,203,682	188,891,881

33. Segment Information

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

Contingent Liabilities

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

35. Capital Commitments

Capital Commitments	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Authorized for	-	-
Authorized and contracted for	-	-
Total	-	-

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 Kikuyu 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.

National Government Constituencies Development Fund (NG-CDF)
 Kikuyu Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2025

18. 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				
Transport equipment				
Office equipment, furniture, and fittings				
ICT Equipment and Other ICT Assets				
Other Machinery and Equipment				
Intangible assets				
Total				

The office was burned down on 25th June 2024. All the assets were burned too.

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

PMC	Bank	Account number	Bank Balance Current period	Opening Statement 1 st July 2024
Fr. Kevin Kelly High School	0570298667497	EQUITY	1,010,126.55	5,878,426.55
Gathiru Primary School	0570298932865	EQUITY	452,919.50	50,358.50
Gatune Police Post	0570271372767	EQUITY	251.00	251
Gatune Primary School	0570193102686	EQUITY	142,938.30	6,806.80
Gicharani Primary School	0570292357909	EQUITY	3,383,808.40	252,298.90
Gichuru Memorial Secondary School	0570293128987	EQUITY	6,163.25	6,163.25
Gitiba Primary School	102000011645	FAMILY	72,012.50	478,431.50
HGM Kinoo Primary School	0570294352861	EQUITY	4,535,490.95	246,895.95
HGM Kinoo Secondary School	0570278492673	EQUITY	4,597.50	4,597.50
Kamangu High School	0570280937162	EQUITY	1,695,408.00	2,897,153.00
Kamangu Police Post	0570279287455	EQUITY	91,870.00	1,091,870.00
Kamangu Primary School	0570279463465	EQUITY	298.00	298.00
Kandengwah Primary School	0570268567039	EQUITY	182,389.50	311,453.50

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Kandutura Primary School	1111136270	KCB	1,244.00	1,244
Kanyanjara Primary School	0570294392322	EQUITY	26,235.50	1,205,864.50
Kanyanjara Secondary School	0570280918413	EQUITY	434,420.00	7,018,303.00
Kanyiha Primary School	1111154716	KCB	2,118,389.25	4,318,676.75
Karai Mixed Day Secondary School	0570293476425	EQUITY	18,600.00	18,600.50
Karinde Chiefs Office	0570272117960	EQUITY	1,484.00	1,484
Kerwa Police Post	0570270129113	EQUITY	10,537.00	10,537
Kerwa Primary School	1141751895	KCB	1,051,702.35	51,702.35
Kerwa Secondary School	0570298134882	EQUITY	383,451.00	558,064
Kidfarmaco Police Patrol Base	0570280720314	EQUITY	120.00	120
Kidfarmamco Primary School	0570298272511	EQUITY	1,042.50	1,042.50
Kikuyu Boys High School	0570260865911	EQUITY	121,545.50	121,545.50
Kikuyu Township Primary School	0570299666973	EQUITY	14,929.50	88,380.50
Kinoo Police Post	0570293380430	EQUITY	788.00	788
Lusigetti Police Post	0570280578702	EQUITY	130.00	130
Lusigetti Primary School	0570293603903	EQUITY	499.25	3,000,524.25
Lusigetti Senior High School	0570270173526	EQUITY	58,131.00	177,539.00

National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Mai ai ihii Police Post	0570278831529	EQUITY	296,675.00	296,675.00
Mai ai ihii Primary School	0570270671553	EQUITY	193,007.15	4,067,814.55
Mama ngina Senior Mixed Secondary School	0570281208479	EQUITY	244,511.00	434,882.00
Mbombo ini Police Post	0570279369808	EQUITY	223.00	189,393.00
Moi Girls Secondary School Kamangu	0570282112168	EQUITY	2,580,077.00	6,167,878.00
Muhu Secondary School	102000005762	FAMILY	439,517.32	828,640.32
Musa Gitau secondary School	0570294407546	EQUITY	283,703.50	283,703.50
Nachu Primary School	0570261808206	EQUITY	1,619,321.00	135,468.00
Nachu Secondary School	0570293238637	EQUITY	18,214.00	18,214.00
Nderi Primary School	0570272031938	EQUITY	113,839.00	282,995.00
Nderi secondary School	1111202273	KCB	539,876.00	539,876.00
Ndiguini Primary School	1224082079	KCB	1,031,320.50	340,596.50
Nduma Primary School	0570281044568	EQUITY	66,080.00	66,080.00
Nguriunditu Primary School	1116138352	KCB	88,908.75	235,367.75
Njumbi Primary School	0570293364367	EQUITY	756.50	756.5
PCEA Kikuyu High School	0570262803526	EQUITY	2,424,513.90	3,209,845.90
PCEA Mama Ngina Kenyatta Primary School	0570291568078	EQUITY	357.78	141,857.78

National Government Constituencies Development Fund (NG-CDF)

Kikuyu Constituency

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

Rengutti High School	057028032714	EQUITY	58,469.00	58,469.00
Rengutti Primary School	0570279515415	EQUITY	163,508.00	401,426.00
Riu Nderi Primary School	0570260630647	EQUITY	72,073.00	72,073.00
Thamanda Police Post	1224081579	KCB	43.25	43.25
Thirime Primary School	1107222567	KCB	211	337
Thogoto Primary School	0570293526976	EQUITY	1,604,792.00	4,792.00
Wambaa Primary School	0570279411986	EQUITY	1,326,833.00	3,000,465.00
Thogoto Model primary school	0570268565	EQUITY	192,128.00	74,135.00
Total			30,780,480.95	48,651,334.35

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)
	Inaccuracies in financial statements Statement of receipts showed Nil balance in gratuity	The Gratuity amount of KSh.1,085,620 was transferred to Deposit account	Resolved	
	Unsupported PMC Balances PMC balances of Ksh.48,577,199 was not supported with cashbook bank statements bank reconciliations	The PMC balances are part of the payments awaiting completion certificates of Contractors and retentions	Resolved	
	Budgetary control and performance There was underutilization of Ksh.63,408,927 or 28% of total receipts	The underutilization was as a result of late disbursement of funds from treasury	Resolved	
	Underutilization of Bursary funds	The NG-CDF committee allocated KSh.41,402700 to	Resolved	

*National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

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)
	A total of Ksh. 41,402,700 was disbursed as bursary which is 22% of total funds instead of 25%	bursary due to pressing need from schools to construct JSS classrooms		
	Unjustified use of projects provisional Sums Kshs. 2,037,00 as per bills of quantities was not justified nor supported	The provisional sums set aside to cover for the specific item of work cannot be accurately priced when the contract is signed	Resolved	
	Fixed Assets register The Kikuyu NG-CDF office with a value of Ksh. 8,500,00 was burned down which has not been burned down	The value of office building and all assets were burnt and asset register has been revised	Resolved	
	Emergency projects An amount of KSh.2,421,583 transferred to Kikuyu Day High school for completion of 10 door ablution block. There was no requisition from the school to	The project was funded using 2022/2023 Financial year funds which NG-CDF committee sought approval and granted	Resolved	

*National Government Constituencies Development Fund (NG-CDF)
Kikuyu Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

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)
	prove the need for emergency			

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NG-CDF KIKUYU
FUND ACCOUNT MANAGER
 P.O. Box 167-00902, KIKUYU
 Tel: 0721 519008
 Date.....

Elizabeth Kagira
Fund Account Manager.