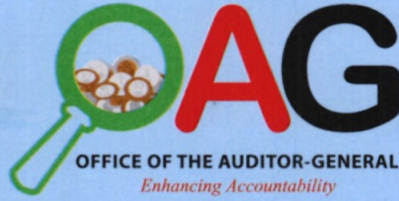


REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR GENERAL

ON

NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
BOMACHOGE CACHE 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
THE-TABLE:

FINLAY



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

BOMACHOGE CHACHE 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. NGCDF Committee	viii
4. NG-CDFC Chairman’s Report	xi
5. Statement Of Performance Against Predetermined Objectives for FY2024/25	xv
6. Governance Statement	xvii
7. Management Discussion and Analysis	xxiv
8. Environmental and Sustainability Reporting	xxix
9. Statement Of Management Responsibilities.....	xxxv
10. Report Of the Independent Auditor on the NGCDF- Bomachoge Chache Constituency	xxxvii
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	9
17. Notes to the Financial Statements.....	21
18. Annexes	59

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The NGCDF Bomachoge Chache Constituency's day-to-day management is under the following key organs:

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Mr. Ronald Ingala Khaggayi
2.	National Sub-County Accountant	Mrs. Monica A. Oteng
3.	Chairman NGCDFC	Mr. Ronald Mainya Kiriamama
4.	Member NGCDFC (<i>Operations bank account</i>)	Mr. Boniface Mogaka Onchera
5.	Member NG CDFC (<i>Deposit bank account</i>)	Mrs. Decklah Moruri Jomo

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Bomachoge Chache Constituency. The reports and recommendations of the Audit Committee, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.

(d) NGCDF Bomachoge Chache Constituency Headquarters

Tendere NGCDF Office
Off Kisii-Kilgoris Road
Ogembo, KENYA.

(e) NGCDF Bomachoge Chache Constituency Contacts

P.O. Box 303 - 40204
Telephone: (+254) 722 577340
E-mail: cdfbomachogechache@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) NGCDF Bomachoge Chache Constituency Bankers

1. Operations Account
Equity Bank Kenya Ltd.
Kisii Main Branch
P.O. Box 75104 - 00200
Nairobi, Kenya.
2. Deposits Account
Equity Bank Kenya Ltd.
Kisii Main Branch
P.O. Box 75104 - 00200
Nairobi, Kenya.
3. PMC Accounts
Equity Bank Kenya Ltd.
Kisii Main Branch
P.O. Box 75104 - 00200
Nairobi, Kenya.





(g) Independent Auditor

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





(h) Principal Legal Adviser

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



3. NGCDF Committee

Name	Details
 <p>Mr. Ronald Kiriama Maenya Chairman</p>	<ul style="list-style-type: none"> ✓ He was born on 01/01/1974. He is a certified trainer, a community leader and a farmer. ✓ He holds a Kenya certificate of Secondary of education Certificate. ✓ He joined the Bomachoge Chache NGCDF in December 2022.
 <p>Mr. Bonface Mogaka Onchera Secretary</p>	<ul style="list-style-type: none"> ✓ He was born on 15/01/1989. He is a youth leader, community leader and a businessman. ✓ He holds a Diploma in Information Technology and is a certified ICT trainer. ✓ He previously worked as the ICT officer NGCDF Bomachoge Chache Constituency and is an ICT Instructor with the Kenya Institute of Management and Technology.
 <p>Mrs. Decklah Moruri Jomo Member</p>	<ul style="list-style-type: none"> ✓ She was born on 01/01/1976. She is a community leader, a farmer and a church leader. ✓ She holds a Kenya Certificate of Secondary Education and a member of the Board of management member Nyaburumbasi Secondary School. ✓ She joined the Bomachoge Chache NGCDF in December 2022.
 <p>Mrs. Tabitha Orina Member – Youth Rep.</p>	<ul style="list-style-type: none"> ✓ She was born on 02/04/1992. She is a community leader, a farmer and a church leader. ✓ She holds a Kenya Certificate of Secondary Education. ✓ She joined the Bomachoge Chache NGCDF in December 2022.

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

 <p>Mrs. Leonida Nyarinda Tumbo Member</p>	<ul style="list-style-type: none"> ✓ She was born on 01/01/1970. She is a community leader, a farmer and a church leader. ✓ She holds a Kenya Certificate of Secondary Education. ✓ She joined the Bomachoge Chache NGCDF in December 2022.
 <p>Mr. Timothy Onyinkwa Akama Member – PLWD Rep.</p>	<ul style="list-style-type: none"> ✓ He was born in 1955. He represents People Living with Disability. ✓ He is a farmer, a community mobilizer championing the rights of PLWD. ✓ He is a P1 trained teacher specializing in Languages. ✓ He joined the NGCDF Bomachoge Chache in December 2022.
 <p>Mr. James Nyambega Kaibe Member</p>	<ul style="list-style-type: none"> ✓ He was born on 6/6/1983. He is a community leader, a farmer and a businessman. ✓ He holds a Kenya Certificate of Secondary Education certificate and engages in community development activities. ✓ He joined the Bomachoge Chache NGCDF in December 2022.
 <p>Mr. Eric Onger Member</p>	<ul style="list-style-type: none"> ✓ He was born on 20/02/1992. He is a community leader, a farmer and a businessman. ✓ He holds a Kenya Certificate of Secondary Education certificate and engages in community development activities. ✓ He joined the Bomachoge Chache NGCDF in December 2022. ✓ He represents the youth on the NGCDF committee.

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

 <p>Mrs. Esther Wambui Kungu Deputy County Commissioner</p>	<ul style="list-style-type: none"> ✓ She was born on 30/08/1968. She has over 18 years working experience currently the Deputy County commissioner for Gucha Sub-County. ✓ She has a Bachelors Degree in Education majoring in Arts and Social Sciences. ✓ She is a representative of the Ministry of Interior and National Co-ordination on the committee.
 <p>Mr. Ronald Ingala Khaggayi Fund Account Manager</p>	<ul style="list-style-type: none"> ✓ He was born on 05/05/1981. He has over 13 years' experience working with the NGCDF Board as a Fund Account Manager. He serves as an Ex-Officio to the NGCDF committee. ✓ He holds a Masters Degree in Business Administration Strategic Management. ✓ He is an active member of ICPAK. ✓ He is also a church leader and community leader and mobiliser.

4. NG-CDFC Chairman’s Report

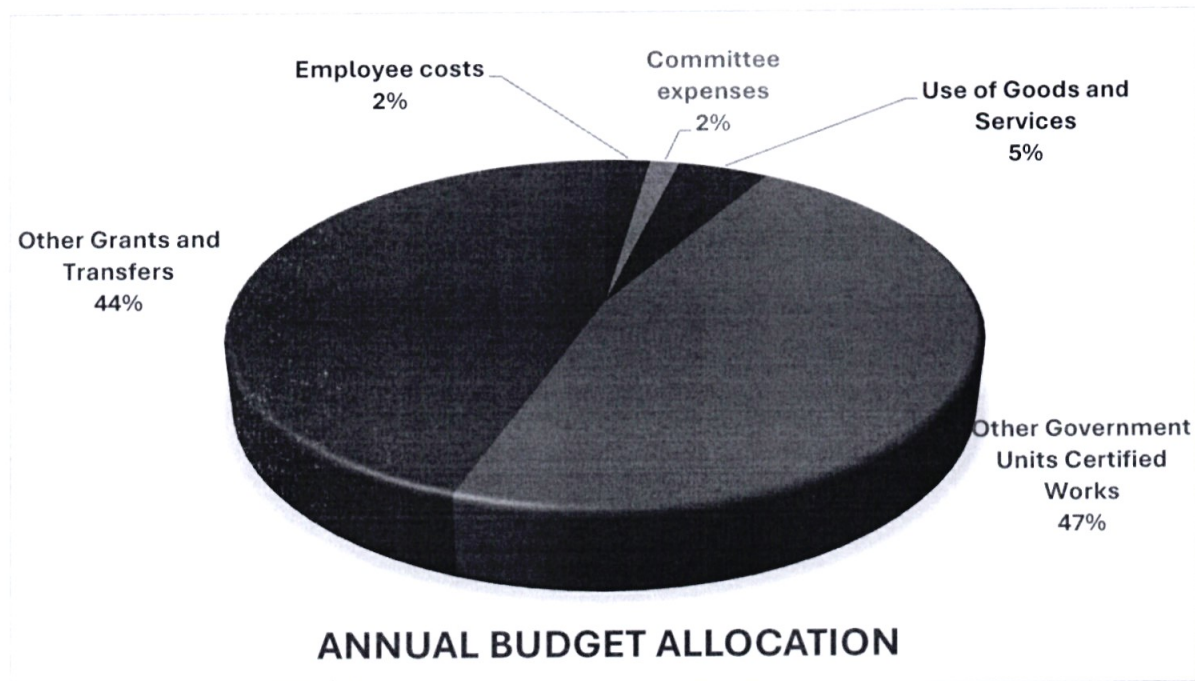


*Mr. Ronald Maenya Kiriama
Chairman NGCDF Committee
Bomachoge Chache*

The Bomachoge Chache NGCDF committee has the pleasure with all humility to present the financial statements for the FY 2024/2025 in upholding its core values of Accountability, Transparency, Integrity, Hard work, Teamwork and Value for money. The key highlights of the financial statements are as follows:

Budget Allocation

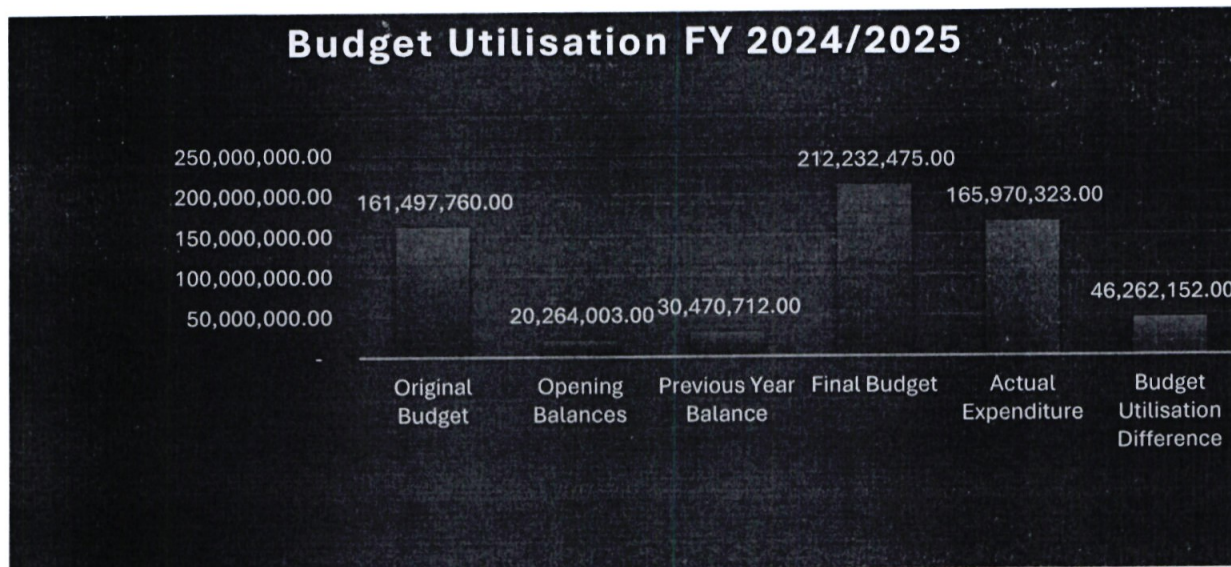
In the FY 2024/2025, the Bomachoge Chache was allocated Kshs. 161,497,760 towards its programs for the year. The funds were allocated to the following sectors.
Final budget in relation to expenditure;



Budget Utilisation

In the financial year 2024/2025 the constituency had a total budget of Kshs. 212,232,475 with an actual expenditure of Kshs. 165,970,323 as presented in the financial statements for the FY 2024/2025 representing **78%** absorption rate as reflected in the appropriation account. This

is key as we march towards achieving our goals as set out in the Bomachoge Chache strategic plan for the years 2022-2027.



Item	Amount
Original Budget	161,497,760.00
Opening Balances	20,264,003.00
Previous Year Balance	30,470,712.00
Final Budget	212,232,475.00
Actual Expenditure	165,970,323.00
Budget Utilization Difference	46,262,152.00

Emerging issues related to the NG-CDF

Entrenching NG-CDF in the new constitutional dispensation, since it is facing a lot of legal challenges hence Members of parliament should enact legislations which do not contravene the constitution in order to protect the NGCDF.

Implementation Challenges and Recommended Way forward

- Delayed disbursement of funds leads to inflated project costs due to the time value of money and delayed implementation of projects a good example is the late disbursement of bursary funds and project funds, to remedy this, funds must be disbursed by the CDF board in time.
- Frequent development forums and awareness forums should be held to intuit the public with information concerning the development initiatives, from various funding agencies

and stakeholders and CDF, County government and other development stakeholders plan together to avoid duplication of projects.

- Lack of a simple but standardized practical curriculum for training PMCs to enhance their capacity to implement the projects; hence PMC training manual should be operationalized.
- The NG-CDF Act and the constitution limit the operations of NG-CDF to Education and National security functions, leaving out all devolved functions.

Despite the achievements mentioned above, NGCDFC experienced the following challenges: Most projects could not commence due to untimely disbursement of funds and subsequent delayed formation of PMCs.

Key achievements for Bomachoge Chache NG-CDF

- By equal distribution of funds to all constituents to fight poverty and ensuring regional balance.
- In the Education sector, NGCDF funding has aided in ensuring that infrastructure in schools is improved and that students are able to learn in conducive environment , a move that has seen students retained in schools and thus performance has been improved.

Below are pictures of various projects done as indicators of our achievements:

1. *Nyamiobo Secondary School – Construction to completion of a laboratory.*



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

2. Nyamiobo DOK Primary School – Construction of an administration block.



3. Ntamocha Primary School – Renovation of 5No. classrooms



Ronald Maenya Kiriama

.....
Name: Ronald Maenya Kiriama
Chairman NGCDF Committee

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

Introduction

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

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

- ✓ To have all children of school going age attending school
- ✓ Equip, facilitate and enhance capacity of provincial administration and other security organs to improve service delivery
- ✓ Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives.
- ✓ Empower and develop youth and special groups
- ✓ Build/create/improve and develop security roads.

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's	In FY 24/25 The constituency constructed 35 classrooms in 15 primary schools, 2 laboratories in 2 secondary schools, completion of 2 dormitories and 4 multipurpose halls. - Bursary beneficiaries were

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

Sector	Objective	Outcome	Indicator	Performance
			beneficiaries at all levels	approximately 8,000 in Tertiary institutions and 7,000 in Secondary schools.
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery.	Number of usable physical infrastructure built in locations, sub locations and police stations	Renovation was done in 4 chief's offices, the office of the DCIO, OCPD and the DCCs office.
Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives.	Construct and maintain water springs. Construct sanitation facilities in schools and community	Number of water springs constructed. Number of sanitation facilities created.	There were 15 water springs rehabilitated, approximately 10,000 tree seedlings planted in various schools and ten water tanks to 10 primary schools.
Sports	Empower and develop youth and special groups	Reduced dependence and spur economic growth through sports.	Number of youth groups benefitting from the sports programme.	45 male football teams and 22 female football teams benefitted with sports equipment and uniforms during the year.
Emergency	Build/create/improve and develop security roads.	Create/develop access roads to schools, provincial administration and other government institution.	Number of Roads created/maintained and repaired.	Number of security roads constructed/maintained were none.

6. Governance Statement

The Constituencies Development Fund (CDF) was established through an Act of the Kenyan Parliament in the Year 2003 and in the year 2015 the whole Act was repealed giving birth to the National Government Constituency Development Fund Act. The Fund is distributed to each of the 290 Parliamentary Constituencies for the purposes of the fund to address socio-economic development of the people at the Constituency level.

The fund is allocated a minimum of 2.5% of all Government Ordinary Revenue collected in every financial year for distribution by the NG-CDF Board to each of the 290 Constituencies Equitable.

a. NG-CDFC process of appointment

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

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

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

3. The seven persons referred to in sub-section (2) (b), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.

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

The current NGCDFC members were gazetted on 9th December 2024 and the first meeting was held on 14th November 2024.

The persons appointed are drawn from different groupings as follows:

S/No	Name	Category	Position
1.	RONALD MENYA KIRIAMA	Male Adult	Chairperson
2.	BONIFACE MOGAKA ONCHERA	Male Youth Representative	Secretary
3.	ESTHER WAMBUI	DCC	Member
4.	TABITHA KWAMBOKA ORINA	Female Youth Representative	Member
5.	HENRY SOME OCHOKI	Constituency Office Nominee	Member
6.	TIMOTHY AKAMA ONYINKWA	PLWD Representative	Member
7.	LEONIDAH NYARINDA TUMBO	Female Adult	Member
8.	JAMES NYAMBEGA KAIBE	Co-Opted	Member
9.	DECKLAH MORURI JOMO	Constituency Office Nominee	Member

ROLES OF NG-CDFC

The roles and functions of NG-CDFC are as follows; -

- Build the capacity of project management committees and Committee.
- Sensitize the Community on the operations of the Fund;
- Consider all project proposals from all wards in the constituency and any other projects which a constituency committee considers beneficial to the Constituency;
- Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;1956 - Kenya Subsidiary Legislation, 2016
- Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans; in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
- Rank projects proposals in order of priority while ensuring that on-going projects take precedence;

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

- Ensure that all projects receive adequate funding and are completed within three years;
- where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies;
- Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board

Number of meetings

NG-CDF Act Section stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings. As per the financial statements, the remuneration to committee members Kshs. 9,146,450 was committee allowances with Kshs. 2,868,450 being the committee meetings sitting allowance as per the schedule below;

NAME	DESC.	DATES																							
		3/07/2024	31/07/2024	04/08/2024	29/08/2024	12/09/2024	29/09/2024	03/10/2024	30/10/2024	07/11/2024	24/11/2024	04/12/2024	21/12/2024	09/01/2025	31/01/2025	09/02/2025	24/02/2025	11/03/2025	25/03/2025	10/04/2025	17/04/2025	14/05/2025	30/05/2025	03/06/2025	28/06/2025
RONALD MENYA KIRIAMA	CHAIR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
BONIFACE MOGAKA ONCHERA	SEC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
ESTHER WAMBUI	MEM- MBER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
TABITHA KWAMBOKA ORINA	MEM- MBER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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

NAME	DESC.	DATES																								
		3/07/2024	31/07/2024	04/08/2024	29/08/2024	12/09/2024	29/09/2024	03/10/2024	30/10/2024	07/11/2024	24/11/2024	04/12/2024	21/12/2024	09/01/2025	31/01/2025	09/02/2025	24/02/2025	11/03/2025	25/03/2025	10/04/2025	17/04/2025	14/05/2025	30/05/2025	03/06/2025	28/06/2025	
HENRY SOME OCHOKI	MEM- MBER	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
TIMOTHY AKAMA ONYINKWA	MEM- MBER	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
LEONIDAH NYARINDA TUMBO	MEM- MBER	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
JAMES NYAMBEGA KAIBE	MEM- MBER	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
DECKLAH MORURI JOMO	MEM- MBER	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
RONALD I. KHAGGAYI	MEM- MBER	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

Operation of the committee

The quorum of the Constituency Committee shall be one half of the total membership. The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.

The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

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

The NG-CDF Committee Tenure

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act. The outgoing committee handed over the office on 31st May and the incoming committee became active immediately for a period of two years till 31st March 2027 as per the constituency guidelines.

Removal from office

A member of the Constituency Committee may be removed from office on any one or more of the following grounds;

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

A decision to remove a member shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. A vacancy arising as a result of the removal of a member under subsection shall be filled in the manner set out in the Act and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

Dissolution of Constituency Committee

A person may present a petition to the Board for the dissolution of a Constituency Committee setting out the alleged facts constituting any one or more of the following grounds for dissolution;

- (a) serious violation of the Constitution or any other law including a contravention of Chapter Six;
- (b) gross misconduct, whether in performance of the member's or office holder's functions or otherwise;
- (c) incompetence;
- (d) bankruptcy; or
- (e) any other cause as may be deemed justifiable.

Disclose the policy on conflict of interest

The Members are required to declare any conflict during meetings, which whenever declared, would be recorded in the minutes and in the register.

Succession plan

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

Ethics and code of conduct

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

Induction and Training of NG-CDFC

In the financial year 2022-2023 the NG-CDF Board organized an induction and training for the gazetted National Government Constituency Development Fund Committee members in Nakuru from 4th May,2024 to 12th May, 2024.

During the training conducted by the board, members were trained on their roles in relation to management of the NG-CDF Act.

Members were also informed on the policy of engaging themselves on conflicts of interest in the award of tenders and bursaries and there was a follow-up of the same on NG-CDFC meetings.

RISK MANAGEMENT

During the training conducted by the Board, members were taken through risk management issues that will enable them manage risk at the constituency level. Risk management is an integral part of good governance and best management practice at the constituency.

The committee during the training were also informed that the risk Policy affirms the NG-CDF commitment of building a risk culture that encourages deliberate and proactive risk management in a manner and at intervals commensurate with the NG-CDF strategies. Examples of Risk identified, and the management responses are as follows;

NO	RISK	MANAGEMENT
1.	Embezzlement of Project Funds	-Ensuring that a project management committee consisting of five people is formed and for any payment to be made, a meeting must be held to approve any payment pertaining to the project. -There must be three mandatory signatories to the project Management Committee account of which one of them is the Fund Account Manager.
2.	Failure to attend NG-CDFC meeting by the committee members	-The fund Account Manager must always ensure that in every meeting, an attendance sheet is signed by all the committee members present that will be used during payment of NG-CDFC allowances.

7. Management Discussion and Analysis

The National Government Constituency Development Fund has been instrumental in Kenya's development. As it has allocated billions of shillings to various constituencies since its inception. Here's an overview of Bomachoge Chache NG-CDF operational and financial performance over the past five years.

Financial Year	Amount allocated	AMOUNT DISBURSED	EXPENDITURE
2020/2021	137,088,879	137,088,879	137,088,879
2021/2022	137,088,879	137,088,879	137,088,879
2022/2023	131,342,462	137,088,879	137,088,879
2023/2024	157,825,629	220,842,462	206,629,331
2024/2025	161,497,760	146,719,340	117,286,618

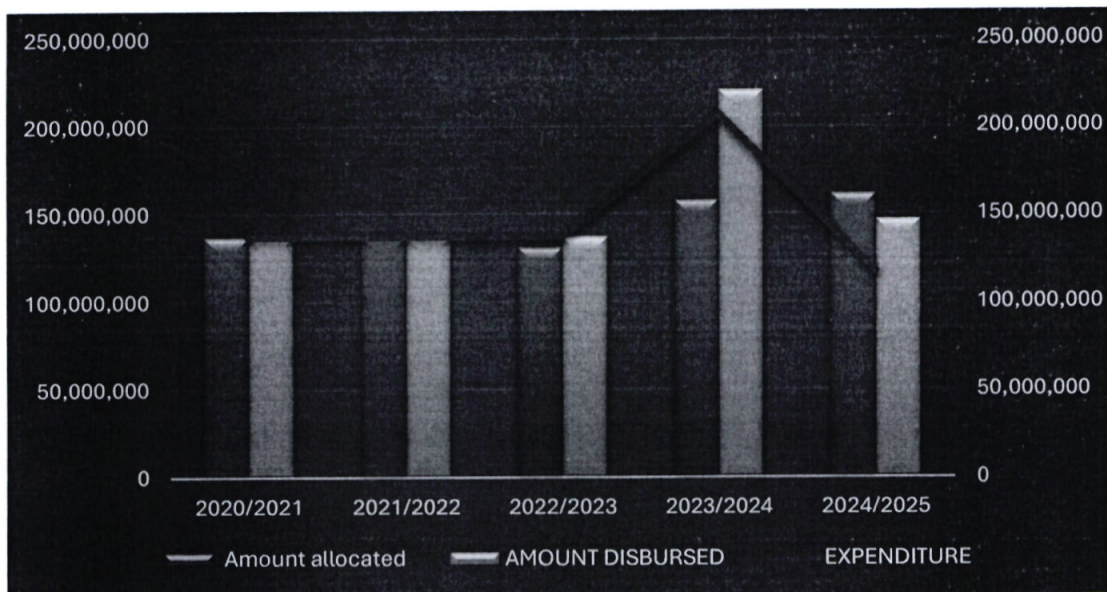


Figure 1. Bomachoge Chache NG-CDF Financial Performance

Operational Performance:

Bomachoge Chache NG-CDF has implemented various projects across the constituency, focusing on education, security, and infrastructure development.

The fund has been instrumental in

- a. Education: Funding schools, classrooms and bursaries
- b. Security: Constructing National Government Administration offices, chief's/assistant chief's offices and police offices.

- c. Infrastructure Development: Supporting various infrastructural projects.
- d. Climate Change Mitigation: Enhancing conservation and restoration of forests in the constituency.

Key projects implemented or On-going.

1. Kebere Assistant Chiefs Office



Background information

Kebere sub location assistant chief has been having trouble in discharging his roles and service to the citizens due to dilapidated office in the area due to harsh environmental changes thus making it vital for the NGCDF to facilitate the construction of his office to effectively and

efficiently serve the people.

Location

This project is situated Bomachoge chache constituency, in Kebere Sub-location, in Gucha.

Activities done

- i. Construction of Kebere Assistant Office.

Summary of funding for the Administration Block Project:

Financial Year	Amount Disbursed	Contract (Kshs)	Sum	Project Start Date	Project Status
2022/2023	1,200,000	2,000,000		2022	Complete
2023/2024	800,000				

Anticipated Project Impact

- 1. Increased security of Kebere sublocation within Bomachoge Chache constituency
- 2. Improved economic Performance within the locality of the project

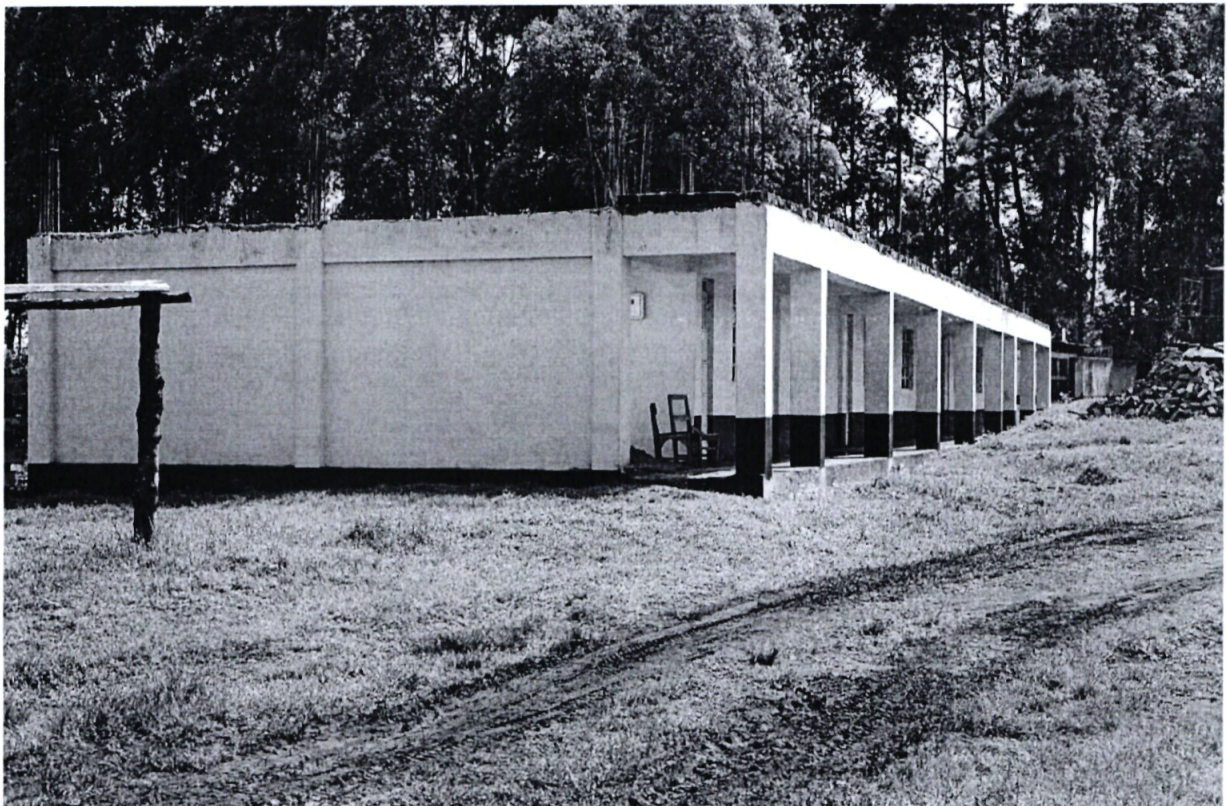
2. Nyansakia secondary school

Background information of Nyansakia secondary school

Nyansakia secondary school is an old school situated in Booch Tendere ward. It is a school with a rapid growing population. It has a small piece of land thus to save on space, Bomachoge Chache NG-CDF built a storey building for classrooms.

Activities done

- i. Construction to completion of one storey building consisting of three classrooms.



Summary of funding for the Administration Block Project:

Financial Year	Amount Disbursed	Contract (Kshs)	Sum	Project Start Date	Project Status
2023/2024	4,500,000	4,490,000		September 2023	Complete and in use

Anticipated Project Impact

- 1. The project has led to improved learning environment to learners.

Compliance with statutory requirements

Bomachoge Chache NG-CDF is an entity that is fully guided by the constitution of Kenya 2010, NGOCDF Act 2015, PFM Act 2012, PPADA2015 and many other relevant laws and has been in full compliance of the same.

Bomachoge Chache NG-CDF has been able to meet its obligations for instance payment of taxes like VAT withholding tax, Pay as you Earn tax among others and the constituency is committed to operate within the law even in the future.

Major Risks facing the Fund

Despite its successes, NG-CDF faces challenges such as:

1. Delayed Disbursement of funds- NG-CDF has faced challenges with delayed disbursement of funds from National Treasury, which affects project implementation and service delivery.
2. Inadequate Budget Allocation- The funds allocation is based on the percentage of the national revenue, which may not be sufficient to meet the development needs of constituencies.
3. Fiscal pressure- The country's fiscal pressure such as debt repayment can impact availability of funds for NG-CDF.
4. Institutional Challenges- NG-CDF faces institutional challenges that hinder effective utilization of funds, including inadequate monitoring and evaluation.

Fund's Review on Economy

NG-CDF has been a crucial factor in Kenya's economic development, particularly at the grassroots level. Here's a review of its economic impact:

- Funding Allocation- NG-CDF allocates funds directly to constituencies, supporting local development projects in education, infrastructure, and other essential services.
- Development projects: The fund has implemented various projects including construction of schools improving living standards and access to basic services.
- Economic Growth: By investing in local projects, NG-CDF contributes to economic growth, job creation, and poverty reduction in constituencies.

Future Development of the Fund

NG-CDF in Kenya is expected to continue focusing on key areas like education, infrastructure, and economic empowerment with a growing emphasis on digital literacy and sustainable development.

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

The fund will expand its reach through initiatives like constituency innovation hubs and digital hubs at the ward level to enhance access to online opportunities and improve efficiency through automation.

NG-CDF is involved in tree planting projects highlighting a growing focus on environmental sustainability.

Projects like Assistant chiefs offices, provision of bursaries, construction of educational infrastructure, demonstrate a commitment to community development, improve security, support students' education, and improve public service.

It also partners with National Health Insurance Fund to provide health insurance to vulnerable households contributing to government's universal health coverage goals.



.....
Name Ronald Ingala Khaggayi,
Fund Account Manager.

8. Environmental and Sustainability Reporting

Bomachoge Chache strategic plan articulates a programme cycle of activities and projects that are critical to enhance effective realization of the constituency' goals, objectives & aspirations.

Among its core mandate is Strategic investment in education and skills development that is critical in promoting sustainable socio-economic development, innovation and transformation of 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 Bomachoge Chache Constituency, the committee funds the following key sectors with the following sustainable priorities.

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

- c. **Climate change mitigation:** The Constituency acknowledges that all its operation has an impact on the environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget to climate change mitigation activities such as afforestation, reafforestation, grassroots sensitization, and tree seedling production.

2. Environmental performance

The Bomachoge Chache NG CDF once a year supports students to carry out environmental conservation activities e.g. planting trees once in an academic calendar. The Bomachoge Chache NG CDF is involved in sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF e.g. construction of Egentoto Police camp and funding of Ogembo police station.

The Constituency normally holds a football tournament that brings community together and help in sensitizing the community on environmental conservation matters.

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

3. Employee welfare

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

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

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

put in place disaster-mitigating measures, including fire extinguishers and accessible escape routes in case of emergency.

4. Marketplace practices-

Bomachoge Chache 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.

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Bomachoge Chache 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

Bomachoge Chache Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituents, considering the national development plans and policies and the constituency strategic development plan.

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

Public participation is a process that directly engages the stakeholders concerned 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.

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


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Ronald Ingala khaggayi
Fund Account Manager.

9. Statement Of Management Responsibilities

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

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

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

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

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

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

Approval of the financial statements

The NGCDF- Bomachoge Chache Constituency financial statements were approved and signed by the Accounting Officer on 28TH AUG 2025.



.....
Name: Mr. Ronald Mainya Kiriama
Chairman – NGCDF Committee



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Name: Mr. Ronald Ingala Khaggayi
Fund Account Manager

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BOMACHOGE CHACHE 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- Bomachoge Chache Constituency set

out on pages 1 to 70, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Bomachoge Chache Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the National Government Constituencies Development Fund Act 2015 (Amended 2022), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1.0. Unsupported Bursary Payments

The statement of financial performance reflects other grants and transfers actual expenditure amount of Kshs.52,214,970 which, as disclosed in Note 14 to the financial statements, includes Kshs.42,762,000 in respect of bursaries. However, the supporting list of beneficiaries provided for audit amounted to Kshs.31,609,000, leaving a balance of Kshs.11,153,000 unaccounted for.

In the circumstances, the accuracy, completeness and authenticity of bursary disbursements amounting to Kshs.11,153,000 could not be confirmed.

2.0. Unsupported Cash and Cash Equivalent Balances

The statement of financial position reflects cash and cash equivalent balance of Kshs.49,696,724 which, as disclosed in Note 19 to the financial statements, includes Kshs.29,912,074 in respect of Project Management Committee (PMC) account balances. Included in this balance is an amount of Kshs.14,736,122 representing fifteen (15) bank accounts that were not supported by cash books, bank statements and bank certificates. In addition, the bank account numbers were not disclosed in the financial statement.

Further, Nyamonyo Secondary School PMC account was overdrawn by Kshs.353,620 as disclosed in the financial statements under Annex 2-PMC Bank balances. This is an

indication that Management incurred ineligible expenditure above budgeted amounts without approval from the NGCDF Board.

In the circumstances, the accuracy and completeness of the PMC account balances amounting to Kshs.14,736,122 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects receipts budget and actual on comparable basis amounts of Kshs.212,232,275 and Kshs.166,983,342 respectively, resulting in underfunding of Kshs.45,249,133, or 21% of the budget. Similarly, the Fund spent Kshs.117,286,618 against actual receipts of Kshs.166,983,342, resulting in an underutilization of Kshs.49,696,724, or 30% of the actual receipts.

The underfunding and underutilization affected the planned activities, and may have impacted negatively on service delivery to the residents of Bomachoge Chache Constituency.

My Opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on the 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

1.0. Delayed Completion of Kenya Medical Training College Ladies Hostel

Review of records revealed that the Fund transferred Kshs.15,000,000 for the construction to completion of the ladies' hostel block complex ground floor for Kenya Medical Training College Bomachoge Chache. The Fund entered into a contract with a contractor for the construction at a contract sum of Kshs.18,100,000 on 24 October, 2024. The contract period was six (6) months. However, physical verification of the project on 23 September, 2025 revealed that the project was substantially not complete and the contractor was not on site. Outstanding works included plastering, painting, flooring, plumbing, fixing window panes and doors among others. In addition, the project status report and engineer's certificates, to confirm the value of work done, were not provided for audit review.

In the circumstances, the value for money realized from the expenditure of Kshs.15,000,000 on the project could not be confirmed.

2.0. Unbranded Project

Review of records revealed that the Fund incurred an expenditure of Kshs.1,277,586 during the year under review on the construction of two classrooms at Riteke Primary School. The contract sum for the project was Kshs.2,604,300. However, physical verification of this project on 23 September, 2025 revealed that it was not branded with

the Fund's logo, and the year when the activity was budgeted for implementation, despite being complete, contrary to the provisions of Regulation 11(1)(cc) of the National Government Constituencies Development Fund 2016.

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

3.0. Renovation of Four Classrooms to Completion - Nyamonyo Secondary School

Review of records revealed that an expenditure of Kshs.2,353,620 was incurred in respect of renovation of four classrooms at Nyamonyo Secondary School. However, physical verification carried out at the School on 23 September, 2025 could not confirm the existence of this project. In addition, the payment voucher, project file, contract, engineer certificates, tender evaluation reports and project bank statements were not provided for audit review.

In the circumstances, the value for money realized from the expenditure Kshs.2,353,620 on the project could not be confirmed.

4.0. Construction of One Classroom to Completion - Gakero ELCK Secondary School

Review of records revealed that an expenditure of Kshs.982,759 was incurred in the year under review on the construction of one (1) classroom to completion at Gakero ELCK Secondary School. However, physical verification carried out at the School on 23 September, 2025 could not confirm the existence of this project. In addition, the payment voucher, project file, contract agreement, engineer certificates, tender evaluation reports and project bank statements were not produced for audit review.

In the circumstances, the value for money realized from the expenditure Kshs.982,759 on the project could not be confirmed.

5.0. Failure to Report Emergency Expenditure Board

Review of the financial statements revealed that the Fund spent Kshs.2,500,000 on emergency projects during the year under review. However, the utilization of the emergency reserve was not reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board, as required by Regulation 20(2) of the National Government Constituency Development Fund 2016.

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

6.0. Savings from Project Management Committee (PMC) Accounts not Returned to Constituency Account

Annex 2 to the financial statements reflects Project Management Committee (PMC) bank balances totaling Kshs.29,912,074 which include Kshs.613,497 representing accounts that had little or no change in their balance during the year, raising the possibility of

completed projects with savings which should be returned to the constituency account for reallocation to other priority projects. This was contrary to Section 12(8) of the National Government Constituency Development Fund Act, 2015, which requires all unutilized funds of the Project Management Committee to be returned to the constituency account.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

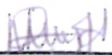
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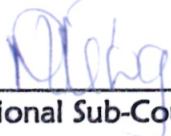
National Government Constituencies Development Fund (NGCDF)
 Bomachoge Chache Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2025


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

	Note	2024/2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	161,497,760
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		161,497,760
Expenses		
Employee costs	10	4,697,326
Committee expenses	11	9,146,450
Use of Goods and Services	12	17,687,560
Other Government Units Actual expenditure	13	34,065,192
Other Grants and Transfers Actual expenditure	14	52,214,970
Depreciation and amortization expense	15	75,600
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		117,887,098
Other gains/losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/Deficit) for the year		43,610,662

The Constituency financial statements were approved by the NGCDFC on 28TH AUG 2025 and signed by:


 Chairman NG-CDF
 Committee
 Name: Mr. Ronald Mainya
 Kiriama


 National Sub-County
 Accountant
 Name: Mrs. Monica A.
 Oteng
 ICPAK M/No: 17965


 Fund Account Manager
 Name: Mr. Ronald Ingala
 Khaggayi


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

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

	Note	2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	49,696,724	20,264,003
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	45,249,132	30,470,712
Prepayments	22	-	-
Total Current Assets		94,945,856	50,734,715
Non-Current Assets			
Property, Plant and Equipment	23	176,400	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		176,400	-
Total Assets (A)		95,122,256	50,734,715
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third Party Deposits	27	1,182,786	249,749
Lease Liabilities	28	-	-
Gratuity Provision	29	607,112	763,270
Total Current Liabilities		1,789,898	1,013,019
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		1,789,898	1,013,019
Net Assets (A-B)		93,332,358	49,721,696
Represented by:			
Revaluation Reserves		-	-
Accumulated Surplus		93,332,358	49,721,696
Total Net Assets		93,332,358	49,721,696

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

The Constituency financial statements set out on pages 01 to 29 approved by NG CDFC on 28th AUG 2025 and signed by:



**Chairman NG-CDF
Committee
Name: Mr. Ronald Mainya
Kirياما**



**National Sub-County
Accountant
Name: Mrs. Monica A.
Oteng
ICPAK M/No: 17965**



**Fund Account Manager
Name: Mr. Ronald Ingala
Khaggayi**

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

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30th June 2024		14,255,534	14,255,534
Adjustments			
Recognition of Assets		35,466,162	35,466,162
Recognition of Liabilities		-	-
As at July 1, 2024		49,721,696	49,721,696
Surplus/(Deficit) For the Period		43,610,662	43,610,662
Revaluation Gain/Loss		-	-
As at June 30, 2025		93,332,358	93,332,358

Note: Recognition of assets relates to amounts owed by the Board for prior years, and the PMC balances for the previous period.

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

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

	Notes	2024/2025 Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		146,719,340
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		146,719,340
Payments		
Employee costs		5,020,698
Committee expenses		9,146,450
Use of Goods and Services		17,687,560
Other Government Units Certified Works		32,964,941
Other Grants and Transfers		52,214,970
Digital Hubs Expenses		-
Total Payments		117,034,619
Net Cash Flows from/ (used in) Operating Activities	30	29,684,721
Cash Flows From Investing Activities		
Purchase of PPE		252,000
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		252,000
Cash Flows from Financing Activities		
Lease Payment		-
Net Cash Flows from Financing Activities		-
Net increase/(decrease) in cash & Cash equivalents		29,432,721
Cash and cash equivalents at 1 July 2024	19	20,264,003
Cash and cash equivalents at 30 June 2025	19	49,696,724

National Government Constituencies Development Fund (NGCDF)
 Bomachoge Chache 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	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	(=d/c*100)
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Revenue							
Transfers From the NGCDF Board	161,497,760	20,264,003	30,470,712	212,232,475	166,983,342	45,249,133	79%
Transfers from domestic and foreign partners	-	-	-	-	-	-	-
Finance income	-	-	-	-	-	-	-
Miscellaneous income	-	-	-	-	-	-	-
Totals	161,497,760	20,264,003	30,470,712	212,232,475	166,983,342	45,249,133	79%
Expenses							
Employee costs	3,970,362	1,369,828	-	5,340,190	5,020,698	319,492	94%
Committee expenses	2,548,000	2,400,000	4,198,450	9,146,450	9,146,450	-	100%
Use of Goods and Services	8,016,436	4,000,000	1,657,550	13,673,986	17,687,560	(4,013,574)	129%
Other Government Units Certified Works	42,394,714	12,253,456	17,957,944	72,606,115	32,964,941	39,641,174	45%
Other Grants and Transfers	76,013,531	240,719	1,622,000	77,876,250	52,214,970	25,661,280	67%
Digital Hubs Expenses	-	-	-	-	-	-	-

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		c=(a+b)	d	e=(c-d)	f=(d/c) x 100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Capital expenditure	260,000	-	-	260,000	252,000	8,000	97%
Funds Pending Approval**	28,294,717	-	5,034,768	33,329,485	-	33,329,485	-
Total Expenditure	161,497,760	20,264,003	30,470,712	212,232,475	117,286,618	94,945,857	55%

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


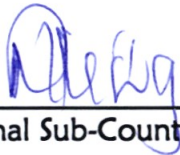

*National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

Explanatory Notes.

1. The difference in the receipts from the Board is due to the delay in release of funds to the NGCDF committee account.
2. The over-utilization of the goods and services was a result of meeting supplier obligations for goods supplied relating to the previous financial year.
3. The under-utilization of Other Government Units Certified Works was due to a delay in the release of funds from the NGCDF Board.
4. The under-utilization of Other Grants and Transfers was due to a delay in the release of funds from the NGCDF Board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	94,945,857
Less undisbursed funds receivable from the Board as at 30 th June 2025	45,249,133
Cash and Cash Equivalents at the end of the 30 th June 2025	49,696,724

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 28th AUG 2025 and signed by:

		
_____ Fund Account Manager	_____ National Sub-County Accountant	_____ Chairman NG-CDF Committee
Name: Mr. Ronald Ingala Khaggayi	Name: Mrs. Monica A. Oteng ICPAK M/No: 17965	Name: Mr. Ronald Mainya Kiriama

National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache 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 (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
Contractual employees	2,432,160	606,559	-	3,038,719	2,719,227	319,492
Casual labour and internship	576,000	-	-	576,000	576,000	-
NSSF	155,520	-	-	155,520	155,520	-
Housing Levy	43,413	-	-	43,413	43,413	-
Gratuity - contractual employees	763,269	763,269	-	1,526,538	1,526,538	-
Electricity	48,000	-	-	48,000	48,000	-
Water and sewerage charges	34,000	-	-	34,000	34,000	-
Telephone, telex, facsimile and mobile	38,000	-	-	38,000	38,000	-
Internet connection	70,000	-	-	70,000	70,000	-
Courier and postal services	120,000	-	-	120,000	120,000	-
Travel costs	350,327	-	-	350,327	350,327	-
Accommodation - domestic travel	250,000	-	-	250,000	250,000	-
Daily subsistence allowance	122,000	-	-	122,000	122,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Publishing and printing services	125,000	-	-	125,000	125,000	-
Subscription newspapers, magazines and periodicals	92,737	-	-	92,737	92,737	-
Advertising, awareness and publicity campaigns	145,000	-	-	145,000	145,000	-
Catering services, food and drinks	156,438	-	-	156,438	302,900	-146,462
Other committee expenses	580,000	-	580,000	1,160,000	1,740,000	-580,000
National celebrations	80,000	-	-	80,000	80,000	-
NG-CDFC Allowance	1,248,000	-	2,098,450	3,346,450	3,346,450	-
Motor vehicle insurance	300,000	-	-	300,000	300,000	-
Purchase of uniforms and clothing	120,000	-	-	120,000	120,000	-
General office supplies	350,000	-	350,000	700,000	1,050,000	-350,000
Supplies and accessories	290,000	-	147,550	437,550	585,100	-147,550
Sanitary and cleaning materials supplies and services	145,000	-	-	145,000	145,000	-
Refined fuels and lubricants	580,000	-	580,000	1,160,000	1,740,000	-580,000
Bank charges	80,000	-	-	80,000	80,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Maintenance expenses - motor vehicle	315,000	-	-	315,000	315,000	-
Maintenance of office furniture and equipment	80,000	-	-	80,000	80,000	-
Subtotal	9,689,865	1,369,828	3,756,000	14,815,693	16,300,212	(1,484,519)
2.0 Monitoring and evaluation						
Telephone, Telex, Facsimilia Mobile Phone service	40,000	40,000	-	80,000	280,000	-200,000
Travel costs	300,000	300,000	-	600,000	600,000	-
Accommodation- Domestic Travel	100,000	100,000	-	200,000	361,563	-161,563
Daily Subsistence Allowance	130,164	130,164	-	260,328	260,328	-
Publishing and Printing services	70,000	70,000	-	140,000	340,000	-200,000
Advertising, Awareness and publicity campaigns	80,000	80,000	-	160,000	460,000	-300,000
Remuneration of Instructors and contract-based training services	300,000	300,000	-	600,000	900,000	-300,000
Production and printing of training materials	350,000	350,000	350,000	1,050,000	1,050,000	-
Hire of training facilities and equipment	250,000	250,000	250,000	750,000	950,000	-200,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
		Kshs	Kshs	Kshs	Kshs	Kshs
Catering services, food and drinks	320,000	320,000	320,000	960,000	960,000	-
Other committee expenses	624,000	680,067	480,067	1,784,134	1,984,134	-200,000
NG-CDFC Allowance	1,300,000	2,400,000	-	3,700,000	3,700,000	-
General office supplies	583,495	683,495	303,659	1,570,649	1,970,649	-400,000
Refined fuels and lubricants for transports	397,274	696,274	396,274	1,489,822	1,989,822	-500,000
Sub-total	4,844,933	6,400,000	2,100,000	13,344,933	15,806,496	(2,461,563)
3.0 Emergency						
3.1 Primary Schools	5,000,000	-	-	5,000,000	2,100,000	2,900,000
3.2 Secondary schools	3,499,879	-	400,000	3,899,879	400,000	3,499,879
3.3 Tertiary institutions						
3.4 Security projects						
Sub-total	8,499,879	-	400,000	8,899,879	2,500,000	6,399,879
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	30,238,970	-	422,000	30,660,970	3,546,000	27,114,970
4.3 Tertiary Institutions	24,854,682	157,613	-	25,012,295	39,216,000	(14,203,705)
4.4 Universities						

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
4.5 Social Security						
Sub-total	55,093,652	157,613	422,000	55,673,265	42,762,000	12,911,265
5.0 Climate Change Mitigation						
Nyakorokoro water spring	310,000	-	-	310,000	310,000	-
Bitongo water spring	310,000	-	-	310,000	310,000	-
Rionduso water spring	310,000	-	-	310,000	310,000	-
Nyabikondo water spring	310,000	-	-	310,000	310,000	-
Massfiew water spring	310,000	-	-	310,000	310,000	-
Rianyabando water spring	310,000	-	-	310,000	310,000	-
Riamusa water spring	310,000	-	-	310,000	310,000	-
Manyansa water spring	310,000	-	-	310,000	310,000	-
Rianyamwamu water spring	310,000	-	-	310,000	310,000	-
Riajob water spring	310,000	-	-	310,000	310,000	-
Rianyachoti water spring	310,000	-	-	310,000	310,000	-
Riamagare water spring	310,000	-	-	310,000	310,000	-
Riaatika water spring	310,000	-	-	310,000	310,000	-
Riomenya water spring	310,000	-	-	310,000	310,000	-
Riakenyanya water spring	310,000	-	-	310,000	310,000	-
Riamogere water spring	310,000	-	-	310,000	310,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Gethiongo water spring	310,000	-	-	310,000	310,000	-
Nyangundo water spring	310,000	-	-	310,000	310,000	-
Bomachoge mazingira	-	43834	-	43,834	570,000	-526,166
Sub-total	5,580,000	43,834	-	5,623,834	6,150,000	(526,166)
6.0 Primary Schools Projects (List all the Projects)						
KINENI PEFA PRIMARY SCHOOL	600,000	-	-	600,000	-	600,000
NYAMIOBO DOK PRIMARY SCHOOL	2,500,000	-	-	2,500,000	1,474,110	1,025,890
NYAKENYERERE PRIMARY SCHOOL	2,000,000	-	-	2,000,000	-	2,000,000
NYATARO II PRIMARY SCHOOL	3,200,000	-	-	3,200,000	-	3,200,000
MOCHORWA PRIMARY SCHOOL	500,000	-	-	500,000	-	500,000
NYAMIOBO DEB PRIMARY SCHOOL	2,000,000	-	-	2,000,000	1,375,862	624,138
OUR LADY OF LAUDERS SENGERA GIRLS BOARDING PRIMARY SCHOOL	600,000	-	-	600,000	-	600,000
KEBERE DEB PRIMARY SCHOOL	1,450,000	-	-	1,450,000	-	1,450,000
GAKERO BOARDING PRIMARY SCHOOL	700,000	-	-	700,000	-	700,000
TUNTA PRIMARY SCHOOL	600,000	-	-	600,000	-	600,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
ST JOSEPH NYANSAKIA PRIMARY SCHOOL	3,350,000	-	-	3,350,000	-	3,350,000
ST DON BOSCO PRIMARY SCHOOL	3,350,000	-	-	3,350,000	-	3,350,000
NYANSARA PRIMARY SCHOOL	1,700,000	-	-	1,700,000	-	1,700,000
MAROBA PRIMARY SCHOOL	2,600,000	-	-	2,600,000	-	2,600,000
ITARE PRIMARY SCHOOL	600,000	-	-	600,000	-	600,000
NYAMAONDE PRIMARY SCHOOL	4,500,000	-	-	4,500,000	-	4,500,000
NYAMBOGA PRIMARY SCHOOL	2,300,000	-	-	2,300,000	-	2,300,000
EGETUKI DOK PRIMARY SCHOOL	500,000	-	-	500,000	-	500,000
BUYONGE DEB PRIMARY SCHOOL	-	755	-	755	-	755
EGETUKI D.O.K PRIMARY SCHOOL	-	1,520	-	1,520	489,630	(488,110)
GAKERO DEB PRIMARY	-	1,410	700,000	701,410	-	701,410
GETARE PRIMARY SCHOOL	-	45,073	600,000	645,073	618,000	27,073
GITONO DOK PRIMARY SCHOOL	-	28,250	-	28,250	-	28,250
ITARE PEFA PRIMARY SCHOOL	-	25,650	-	25,650	-	25,650
KIMAI DEB PRIMARY SCHOOL	-	10,423	2,605,000	2,615,423	1,309,310	1,306,113
MACHONGO P.A.G PRIMARY SCHOOL	-	30,675	-	30,675	-	30,675

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
MANGERE PRIMARY SCHOOL	-	24,839	-	24,839	-	24,839
NTAMOCHA DEB PRIMARY SCHOOL	-	31,114	-	31,114	-	31,114
NYABURUMBASI PRIMARY SCHOOL	-	54,966	2,000,000	2,054,966	2,053,517	1,449
NYAGESA PRIMARY SCHOOL	-	24,967	-	24,967	-	24,967
NYAKOIBA SDA PRIMARY SCHOOL	-	13,903	-	13,903	-	13,903
NYAMAONDE PRIMARY SCHOOL	-	97,591	-	97,591	-	97,591
NYAMIOBO D.O.K PRIMARY SCHOOL	-	95,023	-	95,023	-	95,023
NYAMIOBO DEB PRIMARY SCHOOL	-	115,991	-	115,991	-	115,991
NYAMIOBO SDA PRIMARY SCHOOL	-	14,588	-	14,588	-	14,588
NYAMONYO SDA PRIMARY SCHOOL	-	22,639	-	22,639	-	22,639
NYANSARA PRIMARY SCHOOL	-	31,034	600,000	631,034	-	631,034
NYARENDA DEB PRIMARY SCHOOL	-	1,591	-	1,591	-	1,591
NYATARO II PRIMARY SCHOOL	-	9,621	-	9,621	-	9,621
RIAGONGERA PRIMARY SCHOOL	-	10,000	-	10,000	-	10,000
RIAMO CCF BOARDING PRIMARY SCHOOL	-	33,266	-	33,266	-	33,266

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RIANYAKWARA PRIMARY SCHOOL	-	-	-	-	-	-
RITEKE PRIMARY SCHOOL	-	19,784	2,097,500	2,117,284	1,277,586	839,698
ST JOSEPHS NYANSAKIA II PRIMARY SCHOOL	-	8,621	-	8,621	-	8,621
TENDERE DEB PRIMARY SCHOOL	-	58,612	-	58,612	57,295	1,317
TUNTA PRIMARY SCHOOL	-	17,315	-	17,315	-	17,315
Sub-total	33,050,000	829,220	8,602,500	42,481,720	8,655,310	33,826,410
7.0 Secondary Schools Projects (List all the Projects)						
NYAMIOBO SECONDARY SCHOOL	399,600	-	-	399,600	-	399,600
KINENI PEFA SECONDARY SCHOOL	2,000,000	-	-	2,000,000	-	2,000,000
NYAGENKE SECONDARY SCHOOL	2,500,000	-	-	2,500,000	-	2,500,000
MAROBA SECONDARY SCHOOL	615,038	-	-	615,038	-	615,038
GETUKI SECONDARY SCHOOL	2,000,000	-	-	2,000,000	-	2,000,000
NYAMONYO SDA SECONDARY SCHOOL	600,000	-	-	600,000	-	600,000
MACHONGO PAG SECONDARY SCHOOL	615,038	-	-	615,038	-	615,038

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
BUYONGE DEB SECONDARY SCHOOL	615,038	-	-	615,038	-	615,038
NYABURUMBASI SEC SCHOOL	-	13,781	-	13,781	-	13,781
GETUKI SEC SCHOOL	-	33,587	-	33,587	-	33,587
MATAGARO SEC SCHOOL	-	14,488	-	14,488	-	14,488
GAKERO ELCK SEC SCHOOL	-	1,051,931	-	1,051,931	982,759	69,172
MAROBA SEC SCHOOL	-	800,000	-	800,000	786,216	13,784
ST CAMMILLUS NYAMORONGA SEC SCHOOL	-	600	-	600	-	600
ST JOSEPHS NYANSAKIA SEC SCHOOL	-	119,331	-	119,331	-	119,331
NYAKOIBA SEC SCHOOL	-	15,000	-	15,000	-	15,000
NYAMONYO SEC SCHOOL	-	2,000,000	-	2,000,000	2,353,620	(353,620)
MANGERE SEC SCHOOL	-	34,408	-	34,408	-	34,408
Sub-total	9,344,714	4,083,126	-	13,427,840	4,122,595	9,305,245
8.0 Tertiary institutions Projects (List all the Projects)						
KMTC BOMACHOGE CHACHE	-	7,341,112	9,355,444	16,696,556	20,187,036	(3,490,480)
8.2						
8.3						

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-total						
9.0 Security Projects	-	7,341,112	9,355,444	16,696,556	20,187,036	(3,490,480)
KEBERE ASSISTANT CHIEFS' OFFICE	400,000	-	-	400,000	-	400,000
SENGERA ADMIN POLICE LINE	400,000	-	-	400,000	-	400,000
SENGERA ASSISTANT CHIEFS' OFFICE	2,300,000	-	-	2,300,000	-	2,300,000
SANI MATONGO ASSISTANT CHIEFS' OFFICE	2,000,000	-	-	2,000,000	-	2,000,000
KERONGO ASSISTANT CHIEFS' OFFICE	2,000,000	-	-	2,000,000	-	2,000,000
KEBERE CHIEFS' OFFICE	-	2,970	-	2,970	2,970	-
BOOCHI CHACHE CHIEFS OFFICE	-	26,293	-	26,293	-	26,293
IBECHO CHIEFS' OFFICE	-	10,008	-	10,008	-	10,008
MISESI CHIEFS' OFFICE	-	-	800,000	800,000	800,000	-
Sub-total	7,100,000	39,271	800,000	7,939,271	802,970	7,136,301
10.0 Acquisition of assets						
10.1 Motor Vehicles (including motorbikes)						
10.2 Construction of CDF office						

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
10.3 Purchase of furniture and equipment						
10.4 Purchase of computers						
10.5 Purchase of land						
Sub-total						
11.0 Digital Hubs						
<i>(Itemize as per the code list)</i>						
Sub total						
12.0 Others						
12.1 Strategic Plan						
12.2						
Sub total						
13.0 Funds pending approval**						
13.1 Unapproved projects	28,294,717	-	5,034,768	33,329,485	-	33,329,485
13.2 AIA	-	-	-	-	-	-
13.3						
Sub-total	28,294,717	-	5,034,768	33,329,485	-	33,329,485
Total	161,497,760	20,264,003	30,470,712	212,232,475	117,286,619	94,945,857

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

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 Bomachoge Chache Constituency principal activity is based on infrastructure in education and security sectors, climate change and mitigation activities, bursary to needy students and social programs.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Bomachoge Chache has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement. The NG-CDF Bomachoge Chache has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

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

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

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. Not applicable.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value, less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. Not applicable.
IPSAS 45: Property Plant	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure

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

<p>and Equipment</p>	<p>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 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>Not applicable.</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>Not applicable.</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 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</p>

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

	statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48: Transfer Expenses	Applicable 1st January 2026 The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. Not applicable.
IPSAS 49: Retirement Benefit Plans	Applicable 1st January 2026 The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. Not applicable.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	Applicable 1st January 2027 The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. Not applicable.

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

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 assets

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 (NGCDF)
Bomachoge Chache Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

6. Transfers from the NGCDF Board

Description	2024/2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	161,497,760
Total	161,497,760

7. Transfers from domestic and foreign partners

Description	2024/2025
	Kshs
Grants	-
Total	-

8. Finance income

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

9. Miscellaneous income

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

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

10. Employees cost

	2024/2025
	Kshs
NG-CDFC Basic staff salaries	3,611,044
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	607,112
Employer Contributions Compulsory national social security schemes	390,842
Employer Contributions Compulsory Housing levy	88,328
Employer contributions to National Industrial Training Authority	-
Other Specify	-
Total	4,697,326

11. Committee Expenses

	2024/2025
	Kshs
Sitting allowance	2,868,450
Other Committee expenses	6,278,000
Total	9,146,450

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

12. Use of Goods and services

	2024/2025
	Kshs
Utilities, supplies and services	-
Communication, supplies and services	1,837,588
Domestic travel and subsistence	4,641,000
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	2,680,380
Hospitality supplies and services	3,452,400
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	1,494,190
Fuel, oil & lubricants	1,200,000
Bank charges	-
Routine maintenance – vehicles and other transport equipment	575,402
Routine maintenance – other assets	146,600
Strategic plan expenses	-
Other operating expenses	1,660,000
Total	17,687,560

13. Other Government Units Actual expenditure

Description	2024/2025
	Kshs
Primary Schools Actual expenditure	8,655,310
Secondary Schools Actual expenditure	4,122,595
Tertiary Institutions Actual expenditure	21,287,287
Total	34,065,192

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

14. Other Grants and transfers Actual expenditure

	2024/2025
	Kshs
Bursary – secondary schools	3,546,000
Bursary – tertiary institutions	39,216,000
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	802,970
Climate change mitigation projects	6,150,000
Emergency projects Actual expenditure	2,500,000
Roads projects Actual expenditure	-
Others specify	-
Total	52,214,970

15. Depreciation and Amortization Expenses

Description	2024/2025
	Kshs
Property Plant and Equipment	75,600
Intangible Assets	-
Total	75,600

16. Digital Hubs Expenses

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

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

17. Gain/loss on Sale of Assets

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

18. Impairment Loss

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

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024/2025	Opening Statement 1 July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Kisii Main, 0510261687855 (Operations account)</i>	18,601,864	14,255,534
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Equity Bank, Kisii Main, 0510285153463 (Deposit account)</i>	1,182,786	1,013,019
<i>As attached (PMC accounts)</i>	29,912,074	4,995,450
Total	49,696,724	20,264,003
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations <i>(Specify)</i>	-	-
Total	-	-

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	
	Kshs		Kshs	
	2024/2025	% 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)	-	%	-	%

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

21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 st July 2025	
	Kshs		Kshs	
Transfers from NGCDFB	45,249,132		30,470,712	
Outstanding imprest	-		-	
Total	45,249,132		30,470,712	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	40,214,364	89%	30,470,712	100%
Between 1-2 years	5,034,768	11%	-	%
Over 3 years	-	%	-	%
Total	45,249,132	100%	30,470,712	100%

22. Prepayments

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

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	-	-	-	-	-
Additions	-	-	-	-	252,000	-
Disposals	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	252,000	-
Depreciation And Impairment						
Opening Depreciation		-	-	-	-	-
Depreciation	-	-	-	-	75,600	-
Disposals	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	75,600	-
Net Book Values						
Opening Bal as at 1st July 2024	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	176,400	-

*National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache Constituency
Annual Report and Financial Statements for The Year Ended June 30, 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 Kshs	Accumulated Depredation Kshs	NBV Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	252,000	75,600	176,400
Office Equipment, Furniture, And Fittings	-	-	-
Total	252,000	75,600	176,400

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

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

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

24. Intangible Assets

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

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024 (Comparative Period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
Accumulated Depreciation				
As At 1 July 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 (NGCDF)
Bomachoge Chache Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

26. Trade and Other Payables

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Trade payables		-		-
Employee payables		-		-
Other payables		-		-
Total trade and other payables		-		-
Aging analysis: (Trade and other payables)	2024/2025	% 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)	-		-	

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

27. Third-Party deposits

	2024/2025
	KShs
Retention as at 1 st July (A)	249,749
Retention held during the year (B)	1,705,005
Retention paid during the Year (C)	771,968
Closing Retention as at 30th June D= A+B-C	1,182,786

Retentions aging analysis.

	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	933,037	79%	249,749	100%
1-2 years	249,749	21%		
2-3 years			-	
Over 3 years				
Total	1,182,786		249,749	

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

28. Lease Liabilities

Description	2024/2025	Opening Statement 1 st 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 (NGCDF)
Bomachoge Chache 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	2024/2025 Kshs
Gratuity at the beginning of the year 1 st of July	930,484
Gratuity held during the year	607,112
Gratuity paid during the year	930,484
Total Gratuity Provision 30th June (A+B-C)	607,112

30. Cash Generated from Operations

	2024/2025
	Kshs
Surplus/Deficit for the year	43,610,662
Adjusted for:	
Depreciation	75,600
Impairment	-
Gains and losses on disposal of assets	-
Working capital adjustments	
Increase/decrease in receivables	(14,778,420)
Increase/decrease in payables	776,879
Net cash flow from operating activities	29,684,721

31. Financial Risk Management

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

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

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	45,249,132	45,249,132	-	-
Bank balances	49,696,724	49,696,724	-	-
Total	94,945,856	94,945,856	-	-
As at 30 June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	30,470,712	30,470,712	-	-
Bank balances	20,264,003	20,264,003	-	-
Total	50,734,715	50,734,715	-	-

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

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The 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 Kshs	Between 1-3 months Kshs	Over 5 months Kshs	Total Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	439,898	439,898
Total	-	-	439,898	439,898
As at 30th June 2024				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-

National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache 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
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 recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. The carrying amount of the *Entity's* foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

Current FY

Description	In Kshs Kshs	Other currencies Kshs	Total 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 Kshs	Other currencies Kshs	Total 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 endeavoured to bank with institutions that offer favourable interest rates.

Sensitivity analysis

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

Description	Level 1 Kshs	Level 2 Kshs	Level 3 Kshs	Total 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				

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

Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

iv) Capital Risk Management

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

Description	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	94,945,856	49,721,696
Capital Reserve		
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	93,332,358	49,721,696
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	2,868,450	870,000
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	146,719,340	220,842,462
Total	149,587,790	221,712,462

33. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Entity to present segmental information of each geographic region or department to enable users understand the Entity's performance and allocation of resources to different segments)

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

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

Contingent Liabilities

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

35. Capital Commitments

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

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

The Bomachoge Chache 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.

**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	40,140,360	-	-	40,140,360
Transport equipment	6,544,000	-	-	6,544,000
Office equipment, furniture, and fittings	2,182,490	-	-	2,182,490
ICT Equipment and Other ICT Assets	538,248	252,000	-	790,248
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
Total	49,405,098	252,000	-	49,657,098

National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache 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 2024/2025	Bank Balance 2023/2024
BUYONGE DEB PRIMARY SCHOOL	EQUITY	0510-262720292	755	755
EGETUKI D.O.K PRIMARY SCHOOL	EQUITY	0510-277744239	11,890	1,520
GAKERO DEB PRIMARY	EQUITY	0510-277643321	1,410	1,410
GETARE PRIMARY SCHOOL	EQUITY	0510-272119775	27,073	45,073
GITONO DOK PRIMARY SCHOOL	EQUITY	0510-285411028	28,250	28,250
ITARE PEFA PRIMARY SCHOOL	EQUITY	0510-277590134	25,650	25,650
KIMAI DEB PRIMARY SCHOOL	EQUITY	0510-277450777	3,613	10,423
KIMAI DEB PRIMARY SCHOOL	EQUITY	0510-277450777	1,302,500	-
MACHONGO P.A.G PRIMARY SCHOOL	EQUITY	0510-269740786	30,675	30,675
MANGERE PRIMARY SCHOOL	EQUITY	0510-285399672	24,839	24,839
NTAMOCHA DEB PRIMARY SCHOOL	EQUITY	0510-277639241	31,114	31,114
NYABURUMBASI PRIMARY SCHOOL	EQUITY	0510-285403074	1,449	54,966
NYAGESA PRIMARY SCHOOL	EQUITY	0510-163913767	24,967	24,967
NYAKOIBA SDA PRIMARY SCHOOL	EQUITY	0510-269803903	13,903	13,903
NYAMAONDE PRIMARY SCHOOL	EQUITY	0510-279702688	97,591	97,591
NYAMIOBO D.O.K PRIMARY SCHOOL	EQUITY	0510-279467756	120,913	95,023
NYAMIOBO DEB PRIMARY SCHOOL	EQUITY	0510-277689279	126,336	115,991
NYAMIOBO DEB PRIMARY SCHOOL	EQUITY	0510-277689279	13,793	-

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

PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
NYAMIOBO DEB PRIMARY SCHOOL	EQUITY	0510-277689279	750,000	-
NYAMIOBO SDA PRIMARY SCHOOL	EQUITY	0510-263958230	14,588	14,588
NYAMONYO SDA PRIMARY SCHOOL	EQUITY	0510-263958230	1,522,639	22,639
NYANSARA PRIMARY SCHOOL	EQUITY	1970-285360922	631,034	31,034
NYARENDA DEB PRIMARY SCHOOL	EQUITY	0510-162711036	1,591	1,591
NYATARO II PRIMARY SCHOOL	EQUITY	0510-285391750	1,089,621	9,621
RIAGONGERA PRIMARY SCHOOL	EQUITY	0510-285443155	10,000	10,000
RIAMO CCF BOARDING PRIMARY SCHOOL	EQUITY	0510-263957106	33,266	33,266
RIANYAKWARA PRIMARY SCHOOL	EQUITY	0510-357830721	-	-
RITEKE PRIMARY SCHOOL	EQUITY	0510-279025406	44,698	19,784
RITEKE PRIMARY SCHOOL	EQUITY	0510-279025406	1,302,500	-
ST JOSEPHS NYANSAKIA II PRIMARY SCHOOL	EQUITY		8,622	8,622
TENDERE DEB PRIMARY SCHOOL	EQUITY	0510-262810266	166,317	58,612
TENDERE DEB PRIMARY SCHOOL	EQUITY	0510-262810266	1,000,000	-
TENDERE DEB PRIMARY SCHOOL	EQUITY	0510-262810266	2,000,000	-
TUNTA PRIMARY SCHOOL	EQUITY	0510-163913557	17,315	17,315
NYAKENYERERE PRIMARY SCHOOL	EQUITY		165,000	-
NYAKENYERERE PRIMARY SCHOOL	EQUITY		1,302,500	-
NYAKENYERERE PRIMARY SCHOOL	EQUITY		895,000	-

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

PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
ITABAGO PRIMARY SCHOOL	EQUITY		165,000	-
NYAMBUGA PRIMARY SCHOOL	EQUITY		1,000,000	-
OUR LADY OF LANDERS SENGERA	EQUITY		600,000	-
NYAMASEBE ELCK PRIMARY SCHOOL	EQUITY		600,000	-
NYAMBOGA PRIMARY SCHOOL	EQUITY		1,350,000	-
ST DON BOSCO BOYS SCHOOL	EQUITY		1,350,000	-
DON BOSCO BOARDING PRIMARY SCHOOL	EQUITY		1,500,000	-
NYABURUMBASI SEC SCHOOL	EQUITY	0510-268938831	178,781	13,781
GETUKI SEC SCHOOL	EQUITY	0510-295073409	533,587	33,587
MATAGARO SEC SCHOOL	EQUITY	0510-279757341	14,487	14,487
GAKERO ELCK SEC SCHOOL	EQUITY	0510-284076729	769,171	1,051,930
MAROBA SEC SCHOOL	EQUITY	1970-285424969	13,784	800,000
ST CAMMILLUS NYAMORONGA SEC SCHOOL	EQUITY	1970-285446840	600	600
ST JOSEPHS NYANSAKIA SEC	EQUITY	0510-285442374	119,331	119,331
NYAKOIBA SEC SCHOOL	EQUITY	0510-285438951	1,315,000	15,000
NYAKOIBA SEC SCHOOL	EQUITY	0510-285438951	2,000,000	-
NYAMONYO SEC SCHOOL	EQUITY	0510-285443155	(353,620)	2,000,000
MANGERE SEC SCHOOL	EQUITY	0510-285399682	34,408	34,408
NYAMIOBO SEC SCHOOL	EQUITY		1,500,000	-

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

PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
MACHONGO PAG SEC SCHOOL	EQUITY		800,000	-
NYAGENKE SEC SCHOOL	EQUITY		2,500,000	-
KINENI PEFA SEC SCHOOL	EQUITY		1,000,000	-
BOMACHOGE CHACHE MAZINGIRA	EQUITY	0510-277679995	43,834	43,834
KEBERE CHIEFS OFFICE	EQUITY	0510-273363612	-	2,970
BOOCHI CHACHE CHIEFS OFFICE	EQUITY	0510-278817762	26,293	26,293
IBECHO CHIEFS' OFFICE	EQUITY	0510-278219574	10,008	10,008
Total			29,912,074	4,995,450

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)
	<p>1.0. Inaccuracies in the Financial Statements</p> <p>Note 8 to the financial statements on other grants and transfers reflects nil comparative(2022/2023) amount in respect of bursary -secondary schools, while the audited financial statements indicate a corresponding closing amount of Kshs.1,940,000, resulting in an unreconciled variance of negative Kshs. 1,940,000.</p> <p>Further, the Note 8 reflects bursary – tertiary institutions comparative (2022/2023) amount of Kshs.30,463,584 which differs with Kshs.28,523,584 reported in the previous year's audited financial statements, resulting in an unreconciled variance of Kshs. 1,940,000.</p> <p>Annex 4 - Summary of Fixed Asset Register reflects nil amount in respect of land. However, informat</p>	<p>The supporting documents have been presented to the audit team for review.</p>	<p>NOT RESOLVED</p>	<p>DEC 2025</p>

*National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache 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)
	<p>ion provided indicated that the Fund has land of unknown size and value on its headquarters is built, which has not been disclosed. Further, Management had not obtained title deed for that parcel of land.</p> <p>In addition, Annex 3-Unutilized Funds reflect grand total amount of Kshs.44,726,264 which agrees with Note 19.3, but differs with the re-cast grant total of Kshs.42,813,718, resulting in a variance of Kshs.1,912,546 which has not been explained or reconciled.</p>			
	<p>2.0. Unsupported Compensation of Employees Expenditure</p> <p>The statement of receipts and payments reflects compensation of employees amount of Kshs.4,508,315 which differs with a corresponding amount of Kshs.2,788,560 shown in the payroll provided for audit, resulting in unreconciled variance of Kshs.1,719,755.</p>	<p>The reconciled payroll and supporting schedules have been provided for audit verification.</p>	<p>NOT RESOLVED</p>	<p>DEC 2025</p>
	<p>3.0. Unsupported Transfers to Other Government Units</p>	<p>The procurement records like the tender evaluation minutes,</p>	<p>NOT RESOLVED</p>	<p>DEC 2025</p>

*National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache 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)
	<p>The statement of receipts and payments reflects transfers to other government units Amount of Kshs.97,531,473 which, as disclosed in Note 7 to the financial statements, includes transfers to primary schools amount of Kshs.52,530,400 and transfers to secondary schools amount of Kshs.41,508,565, totalling to Kshs.94,038,965. Out of this amount, Kshs.36,565,000 was disbursed to twenty-eight (28) primary schools and one (1) secondary school for project implementation. However, procurement records such as tender evaluation minutes, letter of award, acceptance letter, signed contract agreement, inspection and acceptance committee reports; interim/completion certificates; accounting records such as cash books, bank statements and expenditure return; and evidence that the projects were implemented in consultation with relevant government departments were not provided for audit.</p>	<p>letter of award, acceptance letter, contract and other accounting records have been provided to the audit team for review.</p>		
	<p>4.0. Other Grant and other Transfers</p> <p>The statement of receipts and payments reflects other grants and transfers amount of Kshs.85,041,749 as disclosed in Note 8 to the financial statements. The following unsatisfactory matters were noted during audit of this expenditure:</p>	<p>The schedules supporting the bursary expenditure have been provided to the audit team for verification.</p>	<p>NOT RESOLVED</p>	<p>DEC 2025</p>

**National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache 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)
	<p>4.1. Unconfirmed Bursary Expenditure</p> <p>The other grants and transfers amount includes bursary-secondary schools' amount of Kshs.56,146,000 which differs with total amount of Ksh s.39,869,000 reflected in the list of beneficiarie s for secondary schools, resulting in unreconcile d variance of Kshs.16,277,000.</p> <p>Further, the list of individual beneficiaries for te rtiary institutions amounting to Kshs.19,295,00 0 was not provided for audit.</p> <p>In addition, no acknowledgement letters from t he receiving secondary schools and tertiary inst itutions were provided for audit.</p>			
	<p>4.2. Unsupported Emergency Expenditure</p> <p>The other grants and transfers amount includes Ksh s.5,550,000 spent on emergency projects. Howeve r, the supporting documentation such as Project M anagement Committee (PMC) files, interim payme nts certificates and bank statements indicating how the funds were utilized were not provided for audi t.</p> <p>Further, project verification done in November, 20 24 revealed that three (3) projects in Tendere Seco</p>	<p>The supporting emergency expenditure has been provided to the audit team for verification.</p>	<p align="center">NOT RESOLVED</p>	<p align="center">DEC 2025</p>

*National Government Constituencies Development Fund (NGCDF)
 Bomachoge Chache 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)
	<p>ndary School were not branded, contrary to Regulation 11(1)(cc) of the National Government Constituencies Development Fund Regulations, 2016, which states that, one of the functions of the Constituencies Committee is to ensure projects are labelled in accordance with the guidelines issued by the Board.</p> <p>In addition, no evidence was provided showing that the projects were emergency in nature, documented in committee meeting minutes or any other document.</p> <p>Also, no evidence was provided showing that the expenditure was reported to the Board within 30 days of expenditure, contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.</p>			
	<p>4.3. Unsupported Expenditure on Environment Projects The amount of Kshs.85,041,749 includes Kshs.1,250,749 disbursed to PMC for purchase of water tank</p>	<p>The supporting environment expenditure has been provided to the schedules the have provided to the</p>	<p>NOT RESOLVED</p>	<p>DEC 2025</p>

**National Government Constituencies Development Fund (NGCDF)
Bomachoge Chache 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)
	<p>ks, installation of gutters, and purchase and planting of trees. However, the supporting documents relating to PMC project files, delivery notes, distribution lists, bank statements and documents indicating how the funds were utilized were not provided for audit. Further, physical verification of three schools revealed that there was no evidence of growing trees.</p>	<p>audit team for verification.</p>		
	<p>5.0. Unsupported PMC Bank Balances Note 19.4 to the financial statements reflects PMC account balance of Kshs.4,986,829 as detailed in Annex 5 to the financial statements. However, the PMC bank accounts' cash books, bank statements, bank reconciliations statements, certificate of bank balances and quarterly report to the Constituency Committee on the status of the project management committee accounts were not provided for audit verification.</p> <p>Further, the project status report was not provided to confirm if the PMC bank accounts for completed projects were closed in line with the law.</p>	<p>The bank statements, certificate of balance to the respective PMCs have been provided to the audit team for verification.</p>	<p>NOT RESOLVED</p>	<p>DEC 2025</p>

National Government Constituencies Development Fund (NGCDF)
 Bomachoge Chache 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)
	<p>Basis for Conclusion 1.0. Unimplemented Security Projects</p> <p>The statement of receipts and payments reflects other grants and transfers amount Ksh.85,041,749 which, as disclosed in Note 8 to the financial statements, includes Ksh.2,800,000 transferred for security projects. However, physical verification carried out on 29 November, 2024 revealed that three (3) projects with a total contract sum of Kshs.2,400,000 were not implemented</p>	<p>The project have been completed and labelled. The photos and completion certificates have been provided to the audit team for verification.</p>	<p>Not Resolved</p>	<p>DEC 2025</p>

Ronald

Name: Ronald Ingala Khaggayi,
 Fund Account Manager.

