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Kunda T.

REPORT

OF

THE AUDITOR-GENERAL

ON

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

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIAMBAA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

Transitional IPSAS Financial Statements

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National Government Constituencies Development Fund (NGCDF)
Kiambaa Constituency
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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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- 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 KIAMBAA 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	Phyliss Chibayi
2.	National Sub-County Accountant	Benson Kamau
3.	Chairman NGCDFC	Geoffrey Ngigi
4.	Member NGCDFC	Grace Muhoro
5.	Member NG CDFC	Caroline Wanjiku

(c) Fiduciary Oversight Arrangements

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

P.O. Box 86-002191
Next to Kiambaa Sub-County Headquarters
Karuri, Kenya

(e) NGCDF KIAMBAA Constituency Contacts

Telephone: (254) 722-557112
E-mail: cdfkiambaa@ngcdf.go.ke
Website: Kiambaa.ngcdf.go.ke

(f) NGCDF KIAMBAA Constituency Bankers

1. Bank A. (Operations Account).

Bank: Family Bank
Account Name: Kiambaa NGCDF
Account Number: 052000010204
Branch: Ruaka
P.O. Box 74145-00200 Nairobi

2. Bank B. (Deposit account).

Bank: Sidian Bank
Account Name: Kiambaa NGCDF - Deposit
Account Number: 01053710002214
Branch: Two Rivers
P.O. Box 25363-00603 Two Rivers

3. Bank C. (PMC Accounts)

a) Co-operative Bank

Branch: Ruaka
P.O. Box 2070 - 00621

b) Sidian Bank

Branch: Two Rivers
P.O. Box 25363 - 00603

(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

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3. NGCDF Committee

Name	Details
 Geoffrey Ngigi - Chairman	Date of birth: 14 th March, 1977 Education: K.C.S.E Profession/Occupation: Businessman
 George Wambui - Secretary	Date of birth: 10 th August, 1996 Education: K.C.S.E Profession/Occupation: Businessman
 Grace Muhoro Female adult representative	Date of birth: 14 th August, 1978 Education: Diploma in Social Development Profession/Occupation: Business lady
 Caroline Muthoni Female adult representative	Date of birth: 1 st April, 1988 Education: Diploma in Business Management Profession/Occupation: Business lady
 Jack Njenga Co opted member	Date of birth: 24 th June, 1984 Education: Diploma in Divinity Profession/Occupation: Evangelist
 Isaac Mburu PLWD representative	Date of birth: 20 th February, 1967 Education: Certificate in pastorship Profession/Occupation: Businessman/Evangelist

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 Caroline Kirika Female youth representative	Date of birth: 28 th December, 1993 Education: Certificate in Secretarial studies Profession/Occupation: Business lady
 Francis Kung'u Male adult representative	Date of birth: 15 th April, 1974 Education: K.C.P.E Profession/Occupation: Businessman
 Field Operations Officer	Education: Masters' Degree in Project Planning & Management Profession/Occupation: Field Operations Officer

Kiambaa NG-CDFC members who exited during 2024/2025 F.Y

S/NO	NAME	TENURE PERIOD
1.	Jackson Mbugua	Upto 23 rd June 2025
2.	Stanley Thaara	Upto 23 rd June 2025
3.	Susan Njeri	Upto 23 rd June 2025

4. NG-CDFC Chairman's Report



GEOFFREY KAMAU NGIGI

As the Chairperson of the Kiambaa National Government Constituencies Development Fund (NGCDF) Committee, I am pleased to present the financial report for FY 2024/2025. This report outlines the allocation, utilization, achievements, and audit outcomes for the year under review.

As NGCDF Committee we have strived to strengthen procurement oversight, enforce stringent financial controls, and actively involve our community members at every stage from identifying projects to monitoring implementation and sustaining outcomes. Our aim is also to maximize the impact of every allocated shilling, ensuring tangible improvements in education; through bursary for post primary and secondary levels and primary school infrastructure and security infrastructure.

Original Budget / Disbursement

	Amount	Percentage
Original Budget	179,441,954.47	100%
Disbursement	141,000,000.00	78.6%
Owing	38,441,954.47	21.4%

Budget performance in the financial year 2024/2025

	Final budget for 2024/2025	Expenditure as at 30th June 2025	% Budget Spent
Compensation of Employees	9,837,432	4,981,348	50.6%
Committee expenses	2,114,666	2,092,546	99.0%
Use of goods and services	9,788,117	5,740,186	58.6%
Transfers to Other Government Units	194,620,746	81,357,313	41.8%

Other grants and transfers	131,787,507	63,692,091	48.3%
Acquisition of Assets	1,502,891	1,499,817	99.8%
Other Payments			

ACHIEVEMENTS

The following are the achievements met in 2024-2025 financial year:

- i) Construction of a modern Kitchen at Karuri primary school – ongoing
- ii) Partitioning of Karuri ICT hub- complete
- iii) Disbursement of new lockers and seats to 12 schools-complete
- iv) Construction of Kamuiru primary school laboratory- complete
- v) Construction of Ndenderu primary school laboratory- complete
- vi) Renovation of 7 no classrooms at Mayuyu primary school- complete
- vii) Renovation of 12 no classrooms at Gacharage primary school- complete
- viii) Renovation of 14 no classrooms at Kihara primary school- complete
- ix) Construction of 5 no classrooms at Muya primary school– ongoing
- x) Construction of 5 no classrooms at Kihara secondary school– ongoing
- xi) Construction of Muongoiya police post-complete
- xii) Construction of Raini toilet- complete
- xiii) Bursary disbursement

Emerging Issues

1. Information on NG-CDF Act 2015 across and within the constituents, is still patchy. There's a need for continuous sensitization of NG-CDFCs and PMCs on the guiding laws on the fund, such as but not limited to: NGCDF Act and its Regulations, PFM Act, Public Procurement Act, e-GP, EMCA, Anti-Corruption and Economic Crimes Act.
2. The committee has realized the need to partner with other developing partners in order to achieve the goals set within five years.

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Challenges


- i) Delays in funds' disbursement affects project implementation and completion.
- ii) Land for putting up public facilities and amenities is not readily available.
- iii) Limited funding against many competing needs.
- iv) High Number of vulnerable populations.

Recommendations

- i) NG-CDF Board to ensure timely disbursement of the allocated funds for projects to be completed in time;
- ii) The NG-CDF Board should ensure increased funding of bursary and social protection.
- iii) Technical departments to offer assistance promptly upon request.

Conclusion

Co-operation from all stakeholders and proper planning of the fund will lead to better management and delivery of timely projects to the expectation of our constituents.



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Name: GEOFFREY KAMAU NGIGI
Chairman Kiambaa 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 KIAMBAA Constituency 2024-2025* plan are to:

1. Improve infrastructure on the education sector in Kiambaa Constituency
2. Improve retention and transition rate of pupils from primary to secondary schools and from Secondary to tertiary institutions.
3. Improve and raise the standards of security and safety in Kiambaa Constituency.
4. Improve the conservation of water within the constituency
5. Promote Sports and PWD-related activities

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	<ul style="list-style-type: none"> □ To have all children of school-going age attending school uninterrupted. □ To reduce congestion in schools through construction of new classrooms □ To improve the learning condition in the 	<ul style="list-style-type: none"> □ Increased enrolment in primary schools and increased transition for post-secondary school education. □ Improved security in schools. 	<ul style="list-style-type: none"> □ 2 No. JSS laboratories □ 1 No. Perimeter wall □ 20 door ablution block □ Renovation of 35 No. of classrooms. □ 10,000 bursary beneficiaries at all levels 	<p>In FY 2024/25:</p> <ul style="list-style-type: none"> □ The Fund implemented two laboratories to completion in Kamuiru and Ndenderu primary schools. □ We increased security at mayuyu Primary School by constructing a perimeter wall.

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	school through construction of perimeter walls, renovation of dilapidated classrooms, supply of lockers and construction of sanitation facilities.			<ul style="list-style-type: none"> □ We improved learning conditions by construction to completion of two ablution blocks at Raini and Wangunyu Primary Schools. □ We renovated a total of 39 classrooms at Karuri, Thimbigua, Muchatha, Waguthu Mayuyu and Ndenderu Primary Schools. □ 8,925 bursary beneficiaries at all levels were disbursed
Security	To improve and enhance security in the area	Establishment of new police posts and stations and equipping.	<ul style="list-style-type: none"> • Completion of an ongoing projects in the security department. • Equipping of police stations 	<ul style="list-style-type: none"> - 1 Police post (Muongoiya police post) office constructed to completion, pending staff housing unit - 1 police station (Karuri police station) completion works ongoing - Furnished Kihara Police station with furniture and ICT equipment.
Environment	To promote environmental protection and conservation	<ul style="list-style-type: none"> • Supporting planting of trees in public 	<ul style="list-style-type: none"> • Planting of a total of 180 trees. 	<ul style="list-style-type: none"> • Planting of 180 trees in six public schools

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		institutions and places		done to completion
Emergency	Institutionalizing the disaster risk reduction (DRR) strategy	Management of emergencies and disasters	0 % utilization of the emergency vote. Risks were identified and mitigated in advance.	100% of the 2024/2025 emergency vote earmarked for reallocation.
Others	ICT hub	Financing towards digital hubs	<ul style="list-style-type: none">• Refurbishment of an existing building into an ICT Hub (Karuri ICT hub).	<ul style="list-style-type: none">• Karuri ICT Hub fully refurbished.

6. Governance Statement

National Government Constituency Development Fund Committee

(1) There is established a National Government Constituency Development Fund Committee for every constituency.

(2) Each Constituency Committee shall comprise of—

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

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

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

(5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.

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

(7) The quorum of the Constituency Committee shall be one half of the total membership.

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

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

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

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

(12) A member of the NG-CDF Committee may be removed from office on any one or more of the following grounds—

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

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

(14) A vacancy arising as a result of the removal of a member under subsection (13) shall be filled in the manner set out in subsection (10) and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

The functions of a Constituency NG-CDF Committee shall be to –

- a) Build the capacity of project management committees and Committee and sensitize the Community on the operations of the Fund;
- b) Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- c) Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- d) Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- e) 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;

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- f) Consult with relevant government departments to ensure that cost estimates for projects are realistic;
- g) In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;
- h) Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- i) Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- j) Ensure that all projects receive adequate funding and are completed within three years;
- k) 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;
- l) (l) ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- m) Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- n) Ensure that project reports are prepared and submitted to the Board;
- o) Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- p) Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- q) Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;
- r) Collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act;
- s) Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act;
- t) Submit to the Board the report stipulated in section 5(5) of the Act, which report shall contain-
 - i) A list of all the new projects commenced during the financial year and their completion status; and
 - ii) A list of all projects approved, funded and commenced during previous financial years, and their completion status;
- u) Enter into performance contracting with the Board on an annual basis;

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- v) In exercising its discretion under section 32 of the Act, be guided by the principles of governance enshrined in Article 10 of the Constitution;
- w) Receive returns from project management committees in accordance with regulation 15;
- x) Maintain a database of project management committees and reports from the respective committees;
- y) Ensure that the reports referred to in paragraph (x) are received before funding is released for each phase of the project being implemented;
- z) Record the names of all the signatories of the accounts of a project management committee as communicated to a Constituency Committee by the project management committee upon assumption of office;
- aa) Receive and address all complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
- bb) Ensure that the committee does not enter into commitments for which funding has not been allocated;
- cc) Ensure projects are labelled in accordance with the guidelines issued by the Board; and
- dd) Perform any other function assigned to it by the Board.

Kiambaa NG-CDF committee members are as follows:

<u>No.</u>	<u>Name</u>	<u>Ward</u>	<u>Category</u>	<u>Gazettement date</u>
1	Geoffrey Taragon	N/A	DCC	
2	Phyliss Chibayi	N/A	FOO	
3	Geoffrey Kamau Ngigi	Karuri	Chairperson/ Male Adult	21 st May, 2025
4	George Muiruri Wambui	Muchatha	Male youth/ Secretary	21 st May, 2025
5	Caroline Wanjiku Kirika	Karuri	Female Youth representative	21 st May, 2025
6	Grace Wamaitha Muhoro	Kihara	Female Adult representative	21 st May, 2025
7	Isaac Mburu Njuguna	cianda	Member representing PWD	21 st May, 2025
8	Francis kamau Kungu	Muchatha	Male adult representative	21 st May, 2025
9	Caroline Wanjiku Muthoni	Ndenderu	Female adult representative	21 st May, 2025

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10	Jack Kamau Njenga	Ndenderu	Co-opted member	9 th June, 2025
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Removal of NG-CDFC Members

Section 43(13) of the Act provides that 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 under subsection (13) is 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. Kiambaa the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Induction, and training of NG-CDFC Members

Considering the late gazettelement of constituency committees, induction could not be achieved within the Financial Year under review. However, capacity building was done in August and November 2024 for PMC, NG-CDFC and NG-CDFC staff.

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Schedule of Kiambaa NG-CDFC meetings held during the FY 2024/2025

S/No.	NAME	19.7.24	16.8.24	5.9.24	25.9.24	25.10.24	8.11.24	21.11.24	9.12.24	16.1.25	18.2.25	20.3.25	28.3.25	7.4.25	9.5.25	26.5.25	3.6.25	16.6.25	23.6.25
1	Jackson Mbugua - Chairperson (Outgoing)	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
2	George Wambui - Secretary	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
3	Caroline Kirika - Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
4	Grace Muhoro - Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
5	Isaac Njuguna - PWD	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
6	Francis Kamau - Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
7	Stanley Thara - Co-opted member	√	√	√	√	√	√	√	√	√	√	x	x	x	x	x	x	x	x
8	Susan Njeri - Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
9	Phyllis Chibayi - FOO	x	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
10	Geoffrey Taragon - DCC	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
11	Mary Wanyika - Ag. FAM	√	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
12	Geoffrey Ngigi - Chairperson (Incoming)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	√
13	Caroline Muthoni - Member (New)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	√
14	Jack Njenga - Co-opted member (new)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	√

Ethics & conduct

Members of NGCDFC are required to observe the following ethical issues;

- i. Confidentiality: NGCDFC members took the oath of secrecy so as to take responsibility by ensuring confidentiality, unless in situations required by law.
- ii. Honesty and integrity: NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership: NGCDFC members should promote leadership in the constituency.

During the financial year 2024/2025 members of Kiambaa NGCDF adhered to the above ethical issues.

Remuneration of NGCDFC Members

The members are paid a sitting allowance for all the meetings attended at a rate of Kshs. 7,000 for the NGCDFC chairperson and Kshs. 5,000 for the members, which is subjected to taxation as required by law.

7. Management Discussion and Analysis

Overview

The NG-CDF Kiambaa Constituency has steadily enhanced access to quality education, strengthened security infrastructure and expanded critical public services over the past five years through targeted and equitable resource allocation. The total allocation over the five years (FY 2020/21-2024/25) stood at approximately Kshs. 774 million, distributed as follows:

Financial Year	Total Allocation (KES)
2020/2021	137,428,879.31
2021/2022	137,088,879.00
2022/2023	145,087,603.00
2023/2024	175,361,810.00
2024/2025	179,441,954.47
Total	774,409,125.78

Note: All projects for FY 2024/2025 are currently ongoing at various stages of implementation.

KIAMBAA NG-CDF FUNDING FOR THE PAST 5 FINANCIAL YEARS

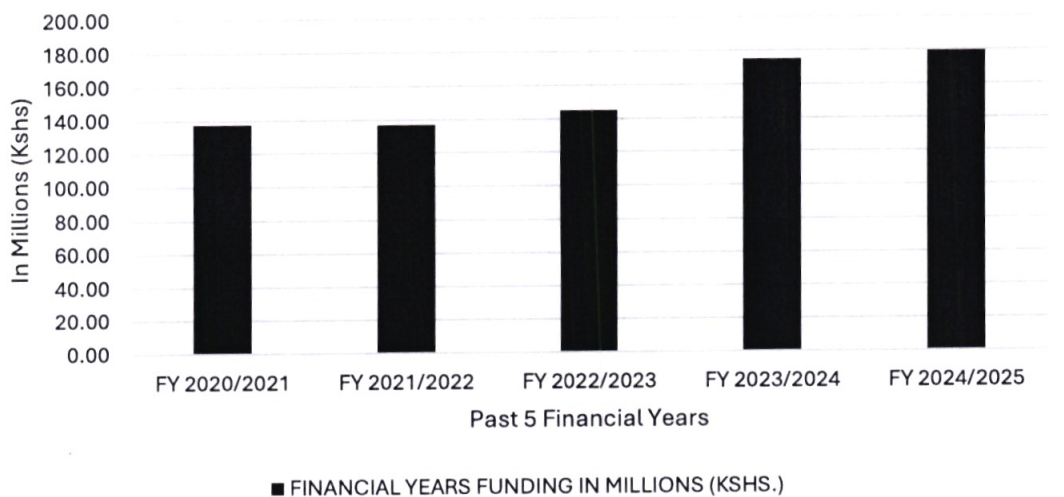


Figure 1: Annual NG-CDF Allocation Trend (in Millions Kshs.)

There has been consistent growth in annual allocations at an average increase of 7.1% per year.

Key Projects Implemented

a. Education Sector

Over 75% of total funds went into the education sector for Primary and secondary schools mainly; facelifting of primary and secondary schools, improving infrastructure and enhancing security of these learning institutions with a focus on:

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

- Construction and renovation of over 150 classrooms.
- Construction of school boundary walls (e.g., Mayuyu, Kibubuti, Karuri and Muchatha).
- Provision of sanitation infrastructure, including more than 30 Aqua toilet blocks.
- Science laboratories and kitchens to support CBC implementation.
- Supply of furniture, cabro paving, and rain water harvesting to enhance conducive learning environments.
- Aqua toilet blocks with PWD-friendly features in 10+ schools

Example: Construction of a 5-classroom block at Kibathi Primary (Kshs. 9.3M) and Ndenderu's 60-student science lab (Kshs. 5M).

b. Security and Administration

Over KES 60 million was spent on security-related infrastructure. Significant improvement was made to support local law enforcement and administration:

- Construction and renovation of 4 police posts/stations (Karuri, Kihara, Muongoiya and Kiambaa).
- Enhanced office infrastructure for Assistant Chiefs and Chiefs (Assistant chief Muchatha).
- Development of ICT innovation hubs for digital services (Kihara police station).

Example: Kihara Police Station received over Kshs. 21M across multiple phases for complete operationalization.

c. Bursary Awards

Kiambaa NG-CDF has consistently disbursed bursaries to needy students across both secondary and tertiary levels. Bursary issuance remains a key pillar annually, supporting:

- Orphans and vulnerable students.
- Students from low-income households.
- Learners with special needs.

Financial Performance Summary

The expenditure Distribution by Sector (%) has been as follows:

- Education -75%
- Security -15%
- Administration - 5%
- Others (TVET, infrastructure, ICT Hubs, General infrastructure) - 5%

Expenditure Distribution by Sector

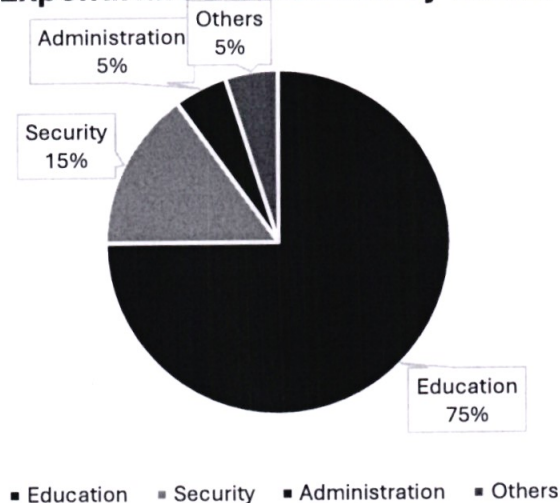


Figure 2: Allocation by Sector

Statutory Compliance and Governance

The Fund remains compliant with the National Government Constituencies Development Fund Act, Public Finance Management Act, and relevant procurement laws. All projects were implemented in adherence to PPRA regulations, environmental standards, and inclusive community participation.

Kiambaa NG-CDF has complied with all key statutory obligations, including:

- Annual audits by the Auditor General - All projects have undergone an audit by the Auditor General.
- Adherence to procurement laws and public participation – NG-CDF Kiambaa complies with the PPRA Act and community oversight.
- Timely bursary and project disbursement reports – Adherence to the bursary policy.
- Environmental assessments where applicable (e.g., for construction projects) - Construction includes eco-friendly toilets (biogas/aqua).
- Inclusivity - Toilets and classrooms built with PWD-accessible features.

Material Arrears in Obligations

No significant material arrears or statutory obligations were reported during the review period. All allocations were absorbed effectively.

***National Government Constituencies Development Fund (NGCDF)
Kiambaa Constituency
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Major Risks

Risk Category	Description	Mitigation
Delays in fund disbursement	Late disbursement from the National Treasury	Strategic planning and phased projects
Project cost escalation	Inflation and material cost increase	Value engineering and timely procurement
Political transition (2022)	General elections	Continuity ensured via oversight board
Natural Disasters	COVID-19 and 2024 floods	Flexible project scheduling
Vandalism/Security Threats	Especially in boundary wall projects	Use of durable materials, police involvement

Review of Economy and Sector

NG-CDF Kiambaa aligned with:

- Vision 2030 (Social Pillar) – by expanding access to quality basic education.
- Presidential Big Four Agenda – through support for technical education and ICT access.

Inflationary trends in the FY 2022/23 raised project costs, but procurement optimization ensured value for money.

The education sector is undergoing transformational changes due to the CBC transition, leading to increased demand for science labs, modern kitchens, sanitary infrastructure, ICT and digital access.

The NG-CDF Kiambaa has aligned with national priorities by investing in:

- Junior Secondary infrastructure (labs, classrooms)
- TVET development (KES 10M for Kiambaa TVET)
- Energy-efficient institutional kitchens.
- Insecurity and pressure on law enforcement have prompted consistent investments in police infrastructure across the sub-counties.

Future Outlook

The Fund's 2025 targets include:

- Complete 100% of ongoing FY 2024/25 projects by the end of Q3 2025/26.
- Fully operationalize the Karuri Comprehensive Kitchen and Karuri Police station.
- Enhance digital infrastructure (ICT hubs) to support youth employment.
- Enhance security and safety in schools through construction of boundary walls.
- Scale up bursary support, especially for students in TVET and universities.
- Launch a full-scale TVET institution to serve over 500 youth.

The Fund's Long-Term Vision include:

- Every school to have a science laboratory by 2027.

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- Zero classroom deficit by 2026.
- Safe learning and living spaces for all public schools and security personnel.
- Have digital Empowerment ICT Hubs & Innovation Centres in every ward

Conclusion

The NG-CDF Kiambaa has effectively managed resources over the past five years, delivering impactful infrastructure and community projects. While FY 2024/2025 projects are currently in progress, the planning and implementation structures are in place to ensure timely completion. Accountability and community involvement remain central to success.

NG-CDF Kiambaa has also demonstrated strong financial stewardship and responsive development planning, significantly improving public service delivery in education and security. The Fund remains committed to community empowerment and equitable resource utilization, positioning itself as a model constituency for public investment and impact.

Going forward, the Fund is well-positioned to scale its impact through continued community involvement, transparency, and leveraging partnerships.



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Name: Phyliss Chibayi
Field Operations Officer

8. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile

To ensure sustainability of Kiambaa NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Kiambaa 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 BETA. This strategy takes care of both marginalized groups, including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; Kiambaa NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well as 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 the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Climate change mitigation:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, Kiambaa NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, environment conservation through

installation of energy saving jikos for its kitchen projects, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

2. Environmental performance

- Kiambaa constituency undertakes various environmental projects such as tree planting projects and incorporating rain water harvesting in the projects undertaken within the schools so as to ensure the projects are sustainable and have a positive impact in future.
- Sensitization of youth/community on the impact of drugs and reduction of crime rates in the constituency by construction of police stations and police posts supported by Kiambaa NG-CDF.

3. Employee welfare

We invest in providing the best working environment for our employees. Kiambaa NG-CDF 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 cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Kiambaa NG-CDF invests in capacity building programs for employees besides encouraging staff to undertake courses relevant to their respective fields. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Kiambaa NG-CDF 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 for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

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

Kiambaa NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Kiambaa NG-CDF has endeavoured 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 sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

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


Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The Kiambaa NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary, which was done with utmost transparency.

Public Awareness

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

Kiambaa NG-CDF has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



.....
Name: Phyliss Chibayi
Field Operations Officer.

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 the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Kiambaa 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:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity;
- (iii) 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;
- (iv) safeguarding the assets of the entity;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Kiambaa Constituency accepts responsibility for the entity's financial statements, which have been prepared on the transitional Accrual IPSAs 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 in charge of the NGCDF-Kiambaa 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)
Kiambaa Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

The Accounting Officer in charge of the NGCDF Kiambaa 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.

Approval of the financial statements

The NGCDF Kiambaa Constituency financial statements were approved and signed by the Accounting Officer on 10th Nov, 2025.



Name: Geoffrey Ngigi
Chairman – NGCDF Committee



Name: Phyllis Chibayi
Field Operations Officer

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KIAMBAA 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 - Kiambaa Constituency set out on pages

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

1 to 66, 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 - Kiambaa 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 2023), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

- i. Review of the statement of financial performance and Note 13, Note 14 and Note 16 to the financial statements in comparison to the ledger revealed variances as tabulated below:

Particulars	Note	Description	Notes to the Financial Statements Amount (Kshs)	Ledger Balance (Kshs)	Variance (Kshs)
Other Government Units	Note 13	Primary Schools	57,188,914	90,958,140	33,769,226
		Secondary Schools	3,246,154	15,400,000	12,153,846
Other Grants and Transfers	Note 14	Security Projects	11,526,128	9,178,500	-2,347,628
		Climate Change Mitigation Projects	1,425,035	2,500,000	1,074,965
		Sports	3,242,415	0	-3,242,415
Digital Hubs Expenses	Note 16	Digital Hubs Expenses	46,140	5,766,869	5,720,729
Total					47,128,723

- ii. The statement of financial performance and Note 14 to the financial statements reflects an amount of Kshs.75,114,354 under other grants and transfers. Included in this amount is Kshs.11,526,128 incurred under security projects and Kshs.3,242,415 for sports-related activities. However, review of the supporting documentation

provided by Management revealed that amounts of Kshs.2,347,628 related to security projects and the entire Kshs.3,242,415 related to sports expenses which were incurred in the previous years. Management did not therefore comply with cut-off procedures.

- iii. Comparison of comparative balances as at 1 July, 2024 for cash and cash equivalents, receivables from non-exchange transactions, third party deposits and gratuity provision as reflected in the statement of financial position with closing balances as at 30 June, 2024 revealed variances as analysed below;

Details	30 June, 2024 (Kshs)	1 July, 2024 (Kshs)	Variance (Kshs)
Cash and Cash Equivalents	80,091,112	120,757,858	40,666,746
Receivables from Non-Exchange Transactions	-	52,904,393	52,904,393
Third -Party Deposits	-	2,800,684	2,800,684
Gratuity Provision	524,364	1,593,132	1,068,768
Total			97,440,591

However, no supporting reconciliations or explanations were provided to account for the variances noted.

- iv. A discrepancy was noted between the surplus reported in the statement of financial performance of Kshs.25,866,221 and the surplus reported in the statement of changes in net assets of Kshs.26,585,928, resulting in an unexplained variance of Kshs.719,707.
- v. The statement of changes in net assets reflects a prior year adjustment relating to liabilities amounting to Kshs.3,325,048 which was not supported with ledgers or schedules.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2. Inconsistencies in Cash and Cash Equivalents Balances

The statement of financial position reflected cash and cash equivalents balance of Kshs.154,070,979, while the statement of cash flows reflects cash and cash equivalents balance of Kshs.163,309,653 as at the end of the year. Further, the reconciliation of summary statement of appropriation to the statement of financial position indicates a cash and cash equivalents balance of Kshs.155,753,161. In addition, Annex 2 to the financial statements indicates PMC balances of Kshs.78,744,419 which include amounts totalling Kshs.2,314,034 whose projects were complete and the amounts should have been deposited back to Kiambaa NG-CDF as at 30 June 2025. No explanation was provided for failure to refund the funds.

Further, included in the cash and cash equivalents balance of Kshs.154,070,979 is operation and deposit account balances of Kshs.72,766,684 and Kshs.2,559,876 respectively. However, although the cash book provided for the operations account had a balance of Kshs.72,766,684, the bank reconciliation reflected a cash book balance of Kshs.65,476,710 resulting to an unexplained variance of Kshs.7,289,974. In addition, the cash books and reconciliations were not provided for the deposit account with a reported balance of Kshs.2,559,876.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.154,070,979 could not be confirmed.

3. Unsupported Training Expenses

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects an amount of Kshs.7,240,003 under use of goods and services. Review of sampled payment revealed that the Fund Management paid Kshs.444,600 for training-related activities. However, the payment was not supported by invoices, participant payment schedules, or any documentation indicating who was paid, how much and at what rate.

In the circumstances, the accuracy and completeness of the use of goods and services expenditure totalling Kshs.444,600 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects a final budget and actual on comparable basis of Kshs.360,404,676 and Kshs.321,962,721 respectively, resulting to an under-funding of Kshs.38,441,955 or 11% of the budget. Similarly, the Fund spent Kshs.165,953,538 against actual receipts of Kshs.321,962,721 resulting to an under expenditure of Kshs.156,009,183 or 48% of the actual receipts. Further, the budget is not balanced with a receipts final budget and expenditure budget of Kshs.360,404,676 and Kshs.362,500,006 respectively.

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

My opinion is not modified on this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of National Government Constituencies Development Fund - Kiambaa Constituency in 2023/2024 revealed that the following matters remained unresolved:

	Financial Year	Audit Issue
1.	2023/2024	Inaccuracies in the Financial Statements
2.	2023/2024	Inaccuracies in Bursary Payments
3.	2023/2024	Inaccuracy and Valuation of Fixed Assets
4.	2023/2024	Unreconciled Cash and Cash Equivalent
5.	2023/2024	Project Allocation and Implementation Status
6.	2023/2024	Irregularities in Legal Fees
7.	2023/2024	Irregular Procurement of Construction of Reporting Office and Partial Completion of Housing Units at Muongoiya Police Post
8.	2023/2024	Double Compensation
9.	2023/2024	Irregular Supply and Delivery of Office Stationeries
10.	2023/2024	Lack of Imprest Management System
11.	2023/2024	Proposed Completion of 5 Classrooms at Kibathi Primary School
12.	2023/2024	Lack of a Schedule of Meetings Held During the Year
13.	2023/2024	Lack of a Staff Establishment

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Presentation and Disclosure in the Financial Statements

Review of the financial statements presented for audit revealed the following anomalies:

- i. The quarterly financial reports were not prepared in accordance with the guidance issued by the Public Sector Accounting Standards Board or submitted within fifteen days after the end of each quarter to the Cabinet Secretary responsible for the entity and The National Treasury.
- ii. The cashflow statement indicates Note 28 for the net cash flow from operating activities. However, the corresponding Note relates to lease liabilities.
- iii. The Chairman's report disclosed final budget amount for transfers to other Government units and other grants and transfers amounting to Kshs.194,620,746 and Kshs.131,787,507, respectively. however, the statement of comparison of budget and actual reflects amounts of Kshs.171,468,787 and Kshs.152,194,159. Further, expenditure amounts for transfers to other Government units, other grants and transfers, and acquisition of assets reported in the Chairman's report of Kshs.81,357,313, Kshs.63,692,091, and Kshs.1,499,817, respectively, differ with the statement of comparison of budget and actual amounts of Kshs.70,974,428, Kshs.74,818,421, and Nil amount.

In the circumstances, the financial statements do not comply with prescribed Public Sector Accounting Standards Board reporting templates.

2. Excessive Use of Cash

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects use of goods and services amount of Kshs.7,240,003. Examination of sampled cheque payments revealed that the Fund used cash excessively amounting to Kshs.3,386,904 to carry out most of its operations despite having prequalified suppliers. This exceeds the prescribed threshold for low-value procurement, which is set at a maximum of Kshs.50,000 per item per financial year under the Public Procurement and Asset Disposal Regulations. Further, the statement of financial performance and Note 11 to the financial statements reflects an amount of Kshs.2,092,546 for committee expenses. It was noted that out of this amount, payments totalling Kshs.1,107,800 were paid to staff members while on official duties. However, no imprest warrants had been issued.

In the circumstances, Management was in breach of the law and the propriety of payments totalling Kshs.1,107,800 could not be confirmed.

3. Non-Compliance with National Cohesion and Integration Act, 2008 on Ethnic Diversity

The statement of financial performance reflects total employee costs of Kshs.5,948,092 as disclosed under Note 10 to the financial statements. Review of employee records for the Fund revealed that the dominant ethnic community employed by the Fund constitutes 78% or seven (7) of the total population of nine (9) staff. This is 45% above the provision of National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

4. Underrepresentation of Persons with Disabilities

The statement of financial performance reflects employee costs amounting to Kshs.5,948,092 as disclosed under Note 10 to the financial statements. Review of employee records revealed that the Fund did not employ any person with disabilities which is contrary to the provisions of the Persons with Disability Act, 2025 part II, Section 4 (Obligations of the National and County Governments) which requires organizations to promote the inclusion and integration of persons with disability in the public service and put in place measures to ensure that at least five (5%) per centum of the employment positions are filled by persons with disability.

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

5. Unjustified Use of Provisional Sums and Contingencies

The statement of financial performance and as disclosed in Note 13 to the financial statements reflects other Government units' actual expenditure of Kshs.70,435,068. Review of the documents provided reviewed that provisional sums and contingencies totalling Kshs.4,795,000 in respect to nine (9) sampled projects were not supported with schedules and were not approved by the Accounting Officer of the procuring entity, or had evaluation committee recommendations provided. This was contrary to the provision of Section 139(e) of the Public Procurement and Asset Disposal Act, 2015.

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

6. Irregular Branding of Projects

Physical inspection of projects implemented by the Fund carried out on 17 July, 2025 revealed that projects at Ndenderu Primary School and Kamuiru Primary School for the construction of science laboratories were branded with the names of the area Member of National Assembly contrary to Section 25(3) of the National Government Constituencies Development Fund Act, 2015 which requires that funds provided under this Act shall not be used for the purpose of supporting political bodies or political activities or for supporting religious bodies or religious activities.

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

7. Irregularities in Bursary Disbursement

The statement of financial performance reflects other grants and transfers actual expenditure amounting to Kshs.75,114,354 as disclosed under Note 14 to the financial statements. Review of the minutes of the Kiambaa NG-CDF Education Bursary, Mock Examinations and Continuous Assessment Tests sub-committee revealed that the Committee did not provide a listing of the applicants recommended and those not recommended for approval. Further, examination of a sample of the application forms revealed that the forms had no evidence of vetting by the Education Bursary, Mock Examinations and Continuous Assessment Tests Committee.

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

8. Irregular Payment for Citizen Participation

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects use of goods and services amount of Kshs.7,240,003. Review of sampled payment records revealed that the Fund spent Kshs.854,500 to conduct public participation forums. However, participants were paid different facilitation rates and there was no approved policy or documentation to justify the basis of these payments.

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

9. Procurement Irregularities in Implementation and Management of Projects

9.1 Proposed Construction of 5 No Classroom (Phase1) with a Slab at Muya Primary School

The Fund disbursed a total of Kshs.10,000,000 to the Project Management Committee (PMC) for the primary school for proposed construction of five (5) No classroom (Phase1) with a slab – structure only. The Fund awarded the tender amounting to Kshs.9,982,975 through Tender No. NGCDF/KBA/T/007/2023-2024. The tender opening and evaluation processes were done on 27 June, 2024 and 1st July 2024 respectively, while the professional opinion was signed on 2 July, 2024. However, the following anomalies were noted:

- i. An agreement was entered into on 18 July, 2024 between Muya Primary School and the contractor. According to the form of agreement, the project duration was set at 14 weeks, with a commencement date of 22 July, 2024 and a scheduled completion date of 26 October, 2024. However, it was noted that the project was not completed until 13 May, 2025; 42 weeks after commencement. No extension of the contract period was granted. Consequently, the contractor carried out the works beyond the agreed timeline without a valid contract place.
- ii. Provisional sums and Project Management Committee expenses totalling Kshs.670,000 were not supported with schedules, approval by the Accounting Officer of the procuring entity, or evaluation committee recommendations contrary to the provision of Section 139(e) of the Public Procurement and Asset Disposal Act, 2015.
- iii. Review of the payment certificates revealed that they did not include measurements of the work completed or details of materials on site.
- iv. The Project Management Committee did not prepare and submit hand over reports to the Kiambaa NG-CDF Committee. Further, inspection reports from the department of public works and the inspection and acceptance committee minutes were not provided for review contrary to Section 48(3)(b) of the Public Procurement and Asset Disposal Act, 2015 which requires that the inspection and acceptance committee shall immediately after the delivery of the goods, works or services inspect and review the goods, works or services in order to ensure compliance with the terms and specifications of the contract.
- v. Review of measured works in comparison with the bill of quantities for the final certificate revealed variations amounting to Kshs.262,295. However, these variations were not supported with variation orders and approval by the Accounting Officer through the recommendation of the evaluation committee contrary to Section 139 of Public Procurement and Asset Disposal Act, 2015. Further these variations were done within the year of award contrary to Section 139(4) of the Act.

9.2 Proposed Completion and Equipping of a Modern Kitchen Phase II at Karuri Primary School

The Fund disbursed a total of Kshs.14,000,000 to the Project Management Committee (PMC) to Karuri Primary School for proposed completion and equipping of a modern kitchen. The Fund awarded a contract amounting to Kshs.15,300,000 through tender No. NGCDF/KBA/T001/2024-2025. The tender opening, evaluation, and professional opinion were conducted on 14 March, 2025, 14 to 18 March, 2025 and 19 March, 2025, respectively. However, the following anomalies were noted:

- i. Kiambaa NG-CDF approved code list for financial year 2024-2025 reflects an approved budget of Kshs.14,000,000 which was transferred to the PMC account. However, review of the procurement documents provided for audit revealed that Karuri Primary School entered into contract with a contractor for Kshs.15,300,000 resulting in an unexplained budget deficit of Kshs.1,300,000.
- ii. The contract between the entity and the contractor was not executed by an Accounting Officer or an officer authorized in writing by the Accounting Officer of the procuring entity contrary to Section 135(1) of the Public Procurement and Asset Disposal Act, 2015.
- iii. The successful bidder quoted an amount of Kshs.15,487,275 however the head of procurement through an unsigned professional opinion dated 19 March, 2025 recommended for negotiation with the contractor due to lack of enough budget. No explanation was provided as to why the head of procurement recommended for negotiations in open tender method.
- iv. Management did not provide the revised bill of quantities after negotiations and therefore items revised could not be verified.
- v. Review of the form of agreement dated 3 April, 2025 between Karuri Comprehensive School and the contractor indicated a project commencement date of 7 April, 2025 and a completion date of 7 October, 2025, giving a contract period of six months. However, the project site handover report, also dated 3 April, 2025, reflects a different timeline with the commencement date of 8 April, 2025 and the completion date as 8 July, 2025. Due to the inconsistencies, the audit could not conclusively determine the actual contract period. Further, as at the time of audit in July, 2025, the second payment certificate dated 19 June, 2025 had already been issued for work done amounting to Kshs.7,448,310. This indicates that the project was still incomplete despite the lapse of the contractual timeline.
- vi. Provisional sums and Project Management Committee expenses totalling Kshs.360,000 were not supported with schedules or an approval from the Accounting Officer.

- vii. Review of the payment certificates revealed that they did not include measurements of the work completed or details of materials on site.

9.3 Proposed Construction to Completion of a 45 - Student Capacity Junior Secondary School Laboratory at Kamuiru Primary School

The Fund disbursed a total of Kshs.7,542,583 to the Project Management Committee (PMC) to Kamuiru Primary School for construction to completion of a 45-student capacity junior secondary school laboratory. The Fund awarded the contract of Kshs.7,393,086 through tender number NGCDF/KBA/T/008/2023-2024. Tender opening and evaluation was done on 15 August, 2024 and professional opinion was signed on 16 August, 2024. However, the following anomalies were noted:

- i. An agreement was entered into on 3 September, 2024 between Kamuiru Primary School and the contractor. According to the form of agreement, the project duration was 17 weeks, with a commencement date of 6 September, 2024 and a scheduled completion date of 1 January, 2025. However, review of the valuation for work done and materials on site, as per payment certificate No. 2 dated 17 April, 2025, revealed that the project was actually completed after 32 weeks. No extension of the contract period was granted. As a result, the contractor executed the works beyond the agreed timeline without a valid contract.
- ii. Provisional sums and Project Management Committee expenses totalling Kshs.400,000 were not supported with respective schedules.
- iii. Review of the payment certificates revealed that they did not include measurements of the work completed or details of materials on site.
- iv. Physical verification of the project conducted in July, 2025 revealed that only 16 laboratory sinks, 17 gas outlets (taps) and 17 Bunsen burners were installed, instead of the 25 units each, as specified in the Bill of Quantities (BQ). This represents a deviation from the approved specifications, effectively altering the scope of works without documented justification or formal variation approval.

9.4 Unprocedural Termination of Contract for Construction of a Modern Kitchen at Karuri Primary (Phase 1) in Kiambaa Constituency

The Fund awarded a contract worth Kshs.10,635,000 through tender No. NGCDF/KBA/T/002/2023-2024. The project was scheduled for a duration of 26 weeks, with a commencement date of 13 October, 2023 and an expected completion date of 13 April, 2024.

The contractor later requested termination of the contract and release of retention monies through a letter dated 08 January, 2025 due to challenges with inflation of cost of material. However, the termination was not supported by the following;

- i. Seizure of the performance security, as required under Section 142(2) of the Public Procurement and Asset Disposal Act, 2015;
- ii. Approval of the termination by the Accounting Officer upon recommendation of the Evaluation Committee;
- iii. Notification of termination to the Public Procurement Regulatory Authority (PPRA), as required under Regulation 141 of the Public Procurement and Asset Disposal Regulations, 2020;
- iv. The last certificate of payment amounting to Kshs.9,234,960 was not supported by final account of work done.

Further, no evidence was provided to confirm that the uncompleted works were re-tendered and executed.

In the absence of the above, the procurement process could not be verified for compliance and accountability.

9.5 Irregularities in Kihara Secondary School

Review of records provided in Kihara secondary School revealed the following;

9.5.1 Irregular Cancellation of Tender No. NG-CDF/KBA/T/006/2023-2024 for Vertical Extension of Five Classrooms and a Staircase at Kihara Secondary School

During the year under review, the Fund undertook procurement for the proposed vertical extension of five (5) classrooms and a staircase at Kihara Secondary School, under contract number NG-CDF/KBA/T/009/2023-2024, at a contract sum of Kshs.9,845,500. The procurement process was initiated through an advertisement published on 3 June, 2024, with tenders being invited, opened and evaluated on 29 October, 2024 and 6 November, 2024, respectively. However, audit review of the procurement records revealed that a prior tender for the same project, referenced as NG-CDF/KBA/T/006/2023-2024, had been cancelled, despite having progressed through the relevant procurement procedures and laws. There was no clear basis for the cancellation of the tender. Further, the Fund failed to notify the Public Procurement Regulatory Authority (PPRA) about the cancellation of the tender within fourteen days as required by public procurement laws. This omission raises concerns of non-compliance with public procurement regulations, lack of transparency and potential abuse of the tendering process.

9.5.2 Irregularities in the Construction of Five Classrooms in Kihara Secondary School

During the year under review, the Fund awarded a contract for the construction of five (5) classrooms and a staircase at Kihara Secondary School. The contract, referenced NG-

CDF/KBA/T/009/2023-2024 was valued at Kshs.9,845,500. Examination of the procurement and payment documentation indicated that the contractor was paid Kshs.1,459,700 on 12 March, 2025 for the first phase of the project. However, it was subsequently noted that the contractor submitted a formal request to terminate the contract, citing frustration and challenges arising from escalating construction material costs. This termination request was addressed to both the Directorate of Public Works – Kiambu County and Management of Kihara Secondary School.

In addition, physical verification of the project site conducted on 17 July, 2025 revealed that construction works had stalled and the project site had been abandoned. The project was significantly behind schedule, despite the original expected completion date having been set for 02 May, 2025. As a result, there was no tangible progress on the ground commensurate with the funds disbursed and the project failed to deliver the intended outcomes. This situation raised concerns regarding project planning, contract management, monitoring and evaluation processes and value-for-money in the use of public funds under the NG-CDF programme.

9.6 Irregularities in Implementation of Climate Change Mitigation Activities in Six Schools

Kiambaa NG-CDF disbursed a total of Kshs.1,500,000 to the Project Management Committee (PMC) for Gacharage, Gacii, Karuri, Kibathi, Ndenderu and Thimbigua Primary Schools for supply, delivery and planting of tree seedlings. Review of procurement documents provided for audit revealed that the seedlings were procured through tender No: NG-CDF/KBA/ENV-RFQ/001/2023-2024. It was also noted that the prices of the seedlings procured for the project were significantly higher than the market price of the seedlings, with prices at Kshs.1450 each for each type of seedling. Analysis of market prices for the seedlings revealed that weeping bottlebrush sell at Kshs.10, Thika palm trees at Kshs.50 and Araucaria trees at Kshs.20 respectively. This had the implication that prices were inflated and there was no value for money.

9.7 Non - Implementation of Project- Kawaida Secondary School

During the year under review, it was observed that the Fund disbursed an amount of Kshs.1,500,000 to Kawaida Secondary School PMC bank account on 11 December, 2024 for the proposed construction of a modern kitchen facility with a capacity of 200 students. However, as at the time of the audit, there was no evidence to show that any progress had been made towards the commencement of the construction project. No procurement process had been initiated and there was no documentation to demonstrate any preliminary planning or implementation activities.

Further scrutiny of the available documents revealed that the full amount of Kshs.1,500,000 had already been transferred to the Project Management Committee (PMC) account before any procurement or construction related processes had commenced. The audit team did not receive any justification or explanation from the Management for the delay in initiating the project. This raises concerns regarding the

utilization and accountability of public funds, as well as adherence to procurement and financial management procedures.

9.8 Construction of Science Laboratory at Ndenyeru Primary School and Junior Secondary School (NGCDF/KBA/T/001/2023-2024)

Review of the Bill of Quantities revealed that the following items which were in the BQ were not done;

- i. The bill of quantities formwork for laboratory worktops or work benches provided for 100mm thick benching, edge of benching over 75 -150mm high of 150mm, soffits of suspended slab, 150mm thick dwarf walling 300x300mm tile finish to worktops including cement sand mortar and allow for 600x450mm boxing on concrete bed for sinks amounting Kshs.138,500. However, the audit revealed that the contractor used cardboard for the worktop hence changing the specification of the BQ.
- ii. Field verification of the gas outlet installations revealed that the BQ specified 15 pieces of Vultex Labline 2-way bench-mounted gas outlets with 2 cocks at 90° angle, Model No. VL2601/D, however, only 14 units were installed. This variance indicates incomplete execution of works as per the contract and resulted in an unauthorized change to the Bill of Quantities.
- iii. Review of measured works in comparison with the Bill of Quantities for the final certificate revealed variations amounting to Kshs.958,370. Further, these variations were not supported with variation orders and approval by the Accounting Officer through the recommendation of the evaluation committee contrary to Section 139 of Public Procurement and Asset Disposal Act, 2015. Further these variations were done within the year of award contrary to Section 139(4) of the Act.
- iv. The contract closes out procedures for the project were not provided for audit and therefore audit could not confirm if they were carried out as per the provision of Section 154 of the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, Management was in breach of the law and value for money may not have been achieved from the projects.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for

Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Omissions on the Fixed Assets Register

Annex 1 to the financial on statements summary of asset register reflected assets totalling Kshs.30,518,638. However, review of the asset register provided for audit revealed that the register lacked key information such as rate of depreciation, accumulated depreciation, the net book value of the assets, missing serial numbers and bar-code and that it was not signed as required by guidelines provided by The National Treasury for assets and liability management in public sector.

In the circumstances, the internal controls on the control of the assets could not be relied upon.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 December, 2025

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

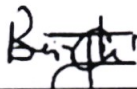
11. Statement of Financial Performance for the Year Ended 30th June 2025

Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,441,954
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	7,300,470
Total revenue		186,742,425
Expenses		
Employee costs	10	5,948,092
Committee expenses	11	2,092,546
Use of Goods and Services	12	7,240,003
Other Government Units Actual expenditure	13	70,435,068
Other Grants and Transfers Actual expenditure	14	75,114,354
Depreciation and amortization expense	15	-
Digital Hubs Actual expenditure	16	46,140
Total expenses		160,876,203
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		25,866,221

The Constituency financial statements were approved by the NGCDFC on 10th Nov, 2025 and signed by:



Chairman NG-CDF
 Committee
 Name: Geoffrey Ngiigi



National Sub-County
 Accountant
 Name: Benson Kamau
 ICPAK M/No: 34247



Field Operations Officer
 Name: Phyllis Chibayi

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


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

Assets			
Current Assets			
Cash And Cash Equivalents	19	154,070,979	120,757,858
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	38,441,954	52,904,393
Prepayments	22	-	-
Total Current Assets		192,512,933	173,662,251
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		192,512,933	173,662,251
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	2,557,258	2,800,684
Lease Liabilities	28	-	-


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

Gratuity provision	29	2,559,876	1,593,132
Total Current Liabilities		5,117,134	4,393,816
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		5,117,134	4,393,816
Net Assets (A-B)		187,395,800	169,268,436
Represented by:			
Revaluation Reserves		194,696,269	168,110,341
Accumulated Surplus			
Total Net Assets		194,696,269	168,110,341

The Constituency financial statements set out on pages 1 to 5 approved by NG CDFC on 10th November, 2025 and signed by:


 Chairman NG-CDF
 Committee
 Name: Geoffrey Ngigi


 National Sub-County
 Accountant
 Name: Benson Kamau
 ICPAK M/No: 34247


 Field Operations Officer
 Name: Phyllis Chibayi

*National Government Constituencies Development Fund (NGCDF)
Kiambaa 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

As at 30th June 2024 (cash basis)		79,566,747	79,566,747
Adjustments: (to recognize assets and liabilities)			
Add Assets	-	91,868,642	91,868,642
Less Liabilities	-	3,325,048	3,325,048
As at July 1, 2024	-	168,110,341	168,110,341
Surplus/(Deficit) For the Period		26,585,928	26,585,928
Revaluation Gain/Loss	-	-	-
As at 30th June (current year)	-	194,696,269	194,696,269

Note:

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

National Government Constituencies Development Fund (NGCDF)
Kiambaa 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

Statement of Cash Flows		
For the Year Ended June 30, 2025		
KES		
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		193,904,393
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		7,300,470
Total Receipts		201,204,863
Payments		
Employee costs		4,981,348
Committee expenses		2,092,546
Use of Goods and Services		5,740,186
Other Government Units Certified Works		70,974,428
Other Grants and Transfers		74,818,421
Digital Hubs Expenses		46,140
Total Payments		158,653,068
Net Cash Flows from/ (used in) Operating Activities	28	42,551,795
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		42,551,795
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		42,551,795
Cash and cash equivalents at Period Start	17	120,757,858
Cash and cash equivalents at Period End	17	163,309,653

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

(PSASB has prescribed the direct method of cash flow preparation/ presentation for all entities under the IPSAS accrual basis of accounting.)

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

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

	Original Budget			Final Budget		Actual on comparable basis	Budget utilization difference	% of Utilization
	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	Ksh	%
	(a)	(b)	(c)	(d)	(e)	(f)=(e-d)	(f)/(d)	100
	2024/2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025			
Revenue								
Transfers From the NGCDF Board	179,441,954	120,757,858	52,904,393	353,104,206	314,662,251	38,441,954	89.1%	
Grants/donations from other entities	-	-	-	-	-	-		
Finance income	-	-	-	-	-	-		
Miscellaneous income	-	7,300,470	-	7,300,470	7,300,470	-	100.0%	
Totals	179,441,954	128,058,328	52,904,393	360,404,676	321,962,721	38,441,954	89.3%	
Expenses								
Employee costs	7,027,125	2,810,307	-	9,837,432	4,981,348	4,856,084	50.6%	
Committee expenses	2,114,666	-	-	2,114,666	2,092,546	22,120	99.0%	
Use of Goods and Services	6,624,725	3,163,391	-	9,788,117	5,740,186	4,047,931	58.6%	
Other Government Units Certified Works	71,031,125	56,078,743	44,358,919	171,468,787	70,974,428	100,494,360	41.4%	
Other Grants and Transfers	92,644,313	58,049,846	1,500,000	152,194,159	74,818,421	77,375,738	49.2%	

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Acquisition of Assets	-	-	1,502,891	1,502,891		1,502,891	0.0%
Digital Hubs Expenses	-	5,051,069	-	5,051,069	46,140	5,004,929	0.9%
Other Payment	-	3,242,415	-	3,242,415		3,242,415	
Funds Pending Approval**	-	7,300,470	-	7,300,470	7,300,470	-	100.0%
Total Expenditure	179,441,955	135,696,241	47,361,810	362,500,006	165,953,538	196,546,468	45.8%
Surplus for the period							

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

Explanatory Notes.

- a) *Digital hubs expenses: The PMC could not implement this upon approval from the Board owing to lack of clear guidelines from the Ministry of ICT on administrative costs.*
- b) *During the FY 2024/2025 a total of 52,902,393.00 was pending disbursement from NG-CDF Board and additionally, there was a pending approval of 57,000 KES as AIA realized in the previous financial years.*
- c) *Late disbursements from the board resulted to underutilization of funds with some funds being credited in the account almost a month to the financial year end.*
- d) *Funds pending approval: Recalling savings from PMCs was done towards the end of Financial Year thus realistically deliberation on the reallocation and the real reallocation wouldn't have been achieved within the Financial Year.*

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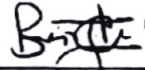
Description	Amount
Budget utilization difference totals	194,195,116
Less undisbursed funds receivable from the Board as at period 30th June, 2025	38,441,954
Cash and Cash Equivalents at the end of the 30 th June 2025	155,753,161

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 10th November, 2025 and signed by:



Field Operations Officer

Name: Phyliss Chibayi



National Sub-County Accountant

Name: Benson Kamau
ICPAK M/No: 34247



Chairman NG-CDF Committee

Name: Geoffrey Ngigi

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

Program/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and FYICs C/Bk) and A/A	Previous Years' Outstanding Disbursements			
1.0 Administration and Recurrent	Kshs	Kshs	Kshs	KShs	Kshs	Kshs
1.1 Compensation of employees	7,027,125	2,810,307		9,837,432	4,981,348	4,856,084
1.2 Committee allowances	1,214,666			1,214,666	1,192,546	22,120
1.3 Use of goods and services	2,524,726	842,913		3,367,639	3,235,636	132,003
Sub-total	10,766,517	3,653,220	-	14,419,737	9,409,530	5,010,207
2.0 Monitoring and evaluation						
2.1 Capacity building	1,249,000	1,100,000		2,349,000	1,974,550	374,450
2.2 Committee allowances	900,000			900,000	900,000	-
2.3 Use of goods and services	2,850,999	1,220,478		4,071,478	530,000	3,541,478
Sub-total	4,999,999	2,320,478	-	7,320,478	3,404,550	3,915,928
3.0 Emergency unutilized	9,444,313			9,444,313		9,444,313
Sub-total	9,444,313	-	-	9,444,313	-	9,444,313
4.0 Bursary and Social Security						
4.1 Primary Schools						

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4.2 Secondary Schools	50,000,000	15,473,000			65,473,000	43,234,600	22,238,400
4.3 Tertiary Institutions	20,200,000	22,063,424			42,263,424	14,171,000	28,092,424
4.4 special needs	1,500,000	374,000			1,874,000	1,515,176	358,824
4.5 Education Support Programmes					-		-
4.6 Social Security			5,458,380		5,458,380		5,458,380
Sub-total	71,700,000	43,368,804		-	115,068,804	58,920,776	56,148,028
5.0 Environment							
5.1 Mayuyu Primary School - Tree planting	200,000				200,000		200,000
5.2 Karuri Primary School - Tree planting	200,000				200,000		200,000
5.3 Kawaita Primary School - Tree planting	200,000				200,000		200,000
5.4 Kamuru Primary School - Tree planting	200,000				200,000		200,000
5.5 Kibubuti Primary School - Tree planting	200,000				200,000		200,000
5.6 KIAMBAA CDF ENVIRONMENT PROGRAMME KCDF-Tree Planting and Levelling of Ground		29,083		1,500,000	1,529,083	1,453,543	75,540
Sub-total	1,000,000		29,083	1,500,000	2,529,083	1,453,543	1,075,540
6.0 Primary Schools Projects							
6.1 Muya Primary School - Construction of 5 classrooms	4,000,000				4,000,000		4,000,000
6.2 Muthurwa Primary School - Renovation of 19 classrooms	10,200,000				10,200,000		10,200,000
6.3 Muchatha Primary School	5,000,000				5,000,000		5,000,000
6.4 Kibubuti Primary School - Renovation of 8 classrooms	5,000,000				5,000,000		5,000,000
6.3 Wanguyu Primary School - Renovation of 10 classrooms	5,000,000				5,000,000		5,000,000
6.4 Mayuyu Primary School - Construction of boundary wall	3,097,783				3,097,783		3,097,783
6.5 Muchatha Primary School - Construction of boundary wall	6,235,011				6,235,011		6,235,011

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6.6 Muchatha Primary School - Cabro works	3,173,331			3,173,331		3,173,331
6.7 Muchatha Primary School - Construction of ablution block	2,500,000			2,500,000		2,500,000
6.8 Kamuiru Primary School purchase of students lockers	325,000			325,000		325,000
6.9 KIHARA PRIMARY SCHOOL- Renovation of 11 No Classrooms		817	3,300,000	3,300,817	3,300,794	23
6.10 KIHARA PRIMARY SCHOOL- Renovation of 3 No Classrooms		-	700,000	700,000	700,000	-
6.11 KIHARA PRIMARY SCHOOL- Renovation of 8 No Classrooms		-	2,000,000	2,000,000	1,647,951	352,049
6.12 ST AUGUSTINE GATONO PRIMARY SCHOOL PMC-Construction of 3 No Classrooms	10,000,000	-		10,000,000	-	10,000,000
6.13 GACHARAGE COMPREHENSIVE SCHOOL PMC-Renovation of 6 No Classrooms		1,340	1,800,000	1,801,340	1,801,321	19
6.15 GACHARAGE COMPREHENSIVE SCHOOL PMC-Renovation of 6 No Classrooms and a hall		-	1,200,000	1,200,000	34,230	1,165,770
6.16 NDENDERU COMPREHENSIVE SCHOOL-Renovation of 6 No Classrooms		-	1,825,000	1,825,000	1,025	1,823,975
6.17 MUYA COMPREHENSIVE SCHOOL PMC-Construction of 5 No Classroom Block		10,000,000		10,000,000	9,513,922	486,079
6.18 MAYUYU PRIMARY SCHOOL- Boundary Wall Phase 1		390,653		390,653	384,586	6,067
6.19 MAYUYU PRIMARY SCHOOL- Boundary Wall Phase 2		2,000,000		2,000,000	1,894,943	105,057
6.20 MAYUYU PRIMARY SCHOOL- Renovation of 6 No classrooms			2,000,000	2,000,000	1,999,844	156
6.21 MAYUYU PRIMARY SCHOOL- Boundary wall Phase 3				-	-	-
6.22 MUONGOIYA COMPREHENSIVE SCHOOL PMC-Construction of an 8-door ablution block - change of activity from renovation of classrooms		-	1,763,977	1,763,977	1,025	1,762,952
6.23 MUYA KIAMBAA MUONGOYA- Computer worktops		42,918		42,918	-	42,918
6.24 KAMUIRU PRIMARY SCHOOL PMC-Construction of a laboratory		7,542,583		7,542,583	7,193,676	348,907

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6.25 KAMUIRU PRIMARY SCHOOL PMC-Supply of 50 Lockers		-		-	-	-
6.26 KARURI PRIMARY SCHOOL KCDF-Phase I Kitchen		3,000,498		3,000,498	1,675,408	1,325,090
6.27 KARURI PRIMARY SCHOOL KCDF-Renovation of 2 No classrooms		500,000		500,000	478,800	21,200
6.28 KARURI PRIMARY SCHOOL KCDF-Phase II Kitchen	14,000,000			14,000,000	6,644,069	7,355,931
6.29 LOWER KIHARA PRIMARY SCHOOL KCDF-Construction of Ablution block & Renovation of classrooms		161,246		161,246	-	161,246
6.30 THIMBIGUA PRIMARY SCHOOL- Renovation of classrooms		505,415		505,415	264,843	240,571
6.31 GACII PRIMARY SCHOOL KCDF- Construction of an ablution block		577,511		577,511	-	577,511
6.32 GACII PRIMARY SCHOOL KCDF- Renovation of 8 classrooms		125,558	2,260,000	2,385,558	-	2,385,558
6.33 WANGUNYU COMPREHESIVE SCHOOL-Construction of an ablution block			2,500,000	2,500,000	2,414,729	85,272
6.34 KARURI PRIMARY SCHOOL KCDF-Construction of boundary wall & Construction of terraces		1,273,236		1,273,236	-	1,273,236
6.35 KIBUBUTI PRIMARY SCHOOL KCDF-Construction of boundary wall		200,530		200,530	169,242	31,288
6.36 MUCHATHA PRIMARY SCHOOL PMC-		-		-	-	-
6.37 GACHARAGE PRIMARY KCDF- Tree Planting		236		236	236	-
7.38 GACHARAGE PRIMARY SCHOOL KCDF-Construction of an ablution block		289,824		289,824	236	289,588
6.39 GACII PRIMARY SCHOOL KCDF- Renovation of 10 No Classrooms		333,498	174,442	507,940	333,498	174,442
6.40 GATATHA PRIMARY SCHOOL KCDF-Construction of kitchen and rainwater goods		4,135		4,135	4,135	-
6.41 GATONO PRIMARY SCHOOL KCDF-Construction of 2 Classrooms &		601,750		601,750	601,750	-
6.42 KAMUIRU PRIMARY SCHOOL KCDF-Construction of an ablution block		97,928		97,928	575	97,353
6.43 KARURI PRIMARY SCHOOL KCDF-		95,330		95,330	576	94,754

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6.44 KARURA PRIMARY SCHOOL KCDF-Renovation of 12 No Classrooms	95,330	2,600,000	2,695,330	94,754	2,600,576
6.45 KAWAIDA PRIMARY SCHOOL KCDF-Construction of an ablution block	216,032		216,032	-	216,032
6.46 KAWAIDA PRIMARY SCHOOL KCDF-Construction of 3No classrooms	101,423		101,423	-	101,423
6.47 KAWAIDA PRIMARY SCHOOL KCDF-Construction of 4No classrooms	368,923		368,923	-	368,923
6.48 KAWAIDA PRIMARY SCHOOL KCDF-Cabros	494,884		494,884	439,001	55,883
6.49 KIAMBAA PRIMARY SCHOOL KCDF-	-		-	-	-
6.50 KIAMBAA PRIMARY SCHOOL KCDF-Renovation of classrooms	312,517		312,517	312,517	-
6.51 KIBATHI PRIMARY SCHOOL KCDF-	26,447		26,447	26,447	-
6.52 KIBUBUTI PRIMARY SCHOOL KCDF-Phase I Boundary wall	169,575		169,575	575	169,000
6.53 KIBUBUTI PRIMARY SCHOOL KCDF-Drainage works	13,067		13,067	575	12,492
6.54 KINGOTHUA PRIMARY SCHOOL KCDF-Supply of lockers & Tree planting	105,611		105,611	105,611	-
6.55 LOWER KIHARA PRIMARY SCHOOL KCDF-Construction of 2 No Classrooms - Change of activity	2,798,495		2,798,495	2,576,289	222,206
6.56 MAYUYU PRIMARY SCHOOL KCDF-Renovation of 4 No Classrooms	295,885		295,885	12,000	283,885
6.57 MAYUYU PRIMARY SCHOOL- Renovation of 6 No Classrooms	68,115		68,115	68,115	-
6.58 MUCHATHA PRIMARY SCHOOL KCDF-Renovation of 4 No Classrooms	353,789		353,789	241,639	112,150
6.59 MUCHATHA PRIMARY SCHOOL KCDF-Construction of an ablution block	576,746		576,746	575	576,171
6.60 MUONGOIYA PRIMARY SCHOOL KCDF-Installation of cabros and electricity	66,431		66,431	66,431	-
6.61 MUTHURWA PRIMARY SCHOOL KCDF-Renovation of classrooms	377,235		377,235	575	376,660
6.62 MUYA PRIMARY SCHOOL KCDF-Construction of an ablution block	194,510		194,510	194,510	-
6.63 NDENDERU PRIMARY SCHOOL KCDF-Construction of a laboratory	4,364,147		4,364,147	4,122,536	241,611

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6.64 NDENDERU PRIMARY SCHOOL KCDF-Renovation of 4 No Classrooms		301,448		301,448	280,775	20,673
6.65 NDENDERU PRIMARY SCHOOL KCDF-Renovation of 6 No Classrooms		347,283		347,283	168,000	179,283
6.66 NJENGA KARUME PRIMARY SCHOOL KCDF-Renovation & External works		383		383	383	-
6.67 RAINI PRIMARY SCHOOL KCDF-Construction of an ablution block		1,524,624		1,524,624	1,373,046	151,578
6.68 THIMBIGUA PRIMARY SCHOOL KCDF-Renovation of classrooms		425,701		425,701	251,737	173,964
6.69 UPPER KIHARA PRIMARY SCHOOL KCDF-Renovation & External works		506,550		506,550	574	505,976
6.70 WAGUTHU PRIMARY SCHOOL KCDF-Renovation of 10 No Classrooms		388,406		388,406	576	387,830
6.71 WANGUNYU PRIMARY SCHOOL KCDF-Construction of boundary wall		333,431		333,431	575	332,856
6.72 WAGUTHU PRIMARY SCHOOL KCDF -Renovation & Ablution block		309,664		309,664	575	309,089
6.73 LOCKERS AND CHAIRS-Purchase Of 1,067 Student Lockers And Chairs In Various Primary School			6,935,500	6,935,500	6,806,805	128,695
6.74 ACK KARURA PRIMARY SCHOOL KCDF-Renovation of 8 classrooms			2,400,000	2,400,000	2,400,000	-
6.75 Karuri Primary School- PWD Pupils Equipment		150,000		150,000		150,000
Sub-total	68,531,125	43,031,650	31,458,919	143,021,695	60,606,607	82,415,087
7.0 Secondary Schools Projects (List all the Projects)						
7.1 KIHARA SECONDARY SCHOOL-Construction of 5 No Classroom Block			10,000,000	10,000,000	1,405,485	8,594,515
7.2 CIANDA HIGH SCHOOL KCDF-Construction of an ablution block & Installation of gutters		267,650		267,650	2,077	265,573
7.3 CIANDA HIGH SCHOOL KCDF-Construction of septic tank		2,652		2,652	575	2,077
7.4 KAWAIDA SECONDARY SCHOOL KCDF-Supply of lockers & Aluminium partitioning		1,602,475		1,602,475	1,598,459	4,017

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7.5 KAWAIDA SECONDARY SCHOOL KCDF-Construction of kitchen			2,900,000	2,900,000	100,115	2,799,885
7.6 ACK KARURA SECONDARY SCHOOL KCDF-Construction of an ablution block		48,550		48,550	575	47,975
7.7 KARURI HIGH SCH-Tree Planting		250		250	250	-
7.8 KIAMBAA MIXED SEC SCHOOL KCDF-Tree Planting		110,000		110,000	575	109,425
7.9 KIAMBAA MIXED SECONDARY SCHOOL KCDF-		97,527		97,527	575	96,952
7.10 KIHARA SECONDARY SCHOOL KCDF-Tree Planting		50		50	50	-
7.11 MUCHATHA HIGH SCHOOL- Vertical extension of a 4 No Classroom block		306,225		306,225	306,225	(0)
7.12 MUONGOIYA SECONDARY SCHOOL KCDF-Cabros		122,094		122,094	122,094	-
7.13 MUTHURWA SECONDARY SCHOOL KCDF-Construction of a tuition block & a ramp		283,598		283,598	283,597	1
7.14 SENIOR CHIEF KOINANGE SECONDARY SCHOOL KCDF- Construction of a boundary wall & an ablution block		179,420		179,420	179,420	0
7.15 ST ANDREWS NDENDERU SECONDARY SCHOOL KCDF- Rehabilitation of 2 No Classrooms		17,345		17,345	17,345	-
7.16 ST ANGELAS GIRLS HIGH SCHOOL KCDF-Construction of a dormitory		5,556		5,556	5,556	-
7.17 ST JOSEPH HIGH SCHOOL GATHANGA KCDF-Construction of an ablution block		3,701		3,701	3,701	0
7.18 ST ANDREWS NDENDERU SECONDARY SCHOOL KCDF- Construction of Toilet Block	2,500,000	-		2,500,000	-	2,500,000
Sub-total	2,500,000	3,047,093	12,900,000	18,447,093	4,026,674	14,420,419
8.0 Tertiary institutions Projects (List all the Projects)						
8.1 KIAMBAA TVET-Construction of TVET		10,000,000		10,000,000	10,000,000	-

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Sub-total	-	10,000,000	-	10,000,000	10,000,000	-
9.0 Security Projects						
9.1 Karuri Police station - Completion of police station	5,000,000			5,000,000		5,000,000
9.2 Muongoiya Police Post - Completion of police residential houses	5,500,000			5,500,000		5,500,000
9.3 KIHARA POLICE STATION PMC-Supply of furniture & CCTV		4,178,500		4,178,500	4,103,663	74,837
9.4 KARURI POLICE STATION KCDF-Vertical extension of police station		1,626,935		1,626,935	127,652	1,499,283
9.5 MUCHATHA ASSISTANT CHIEF KCDF-Construction of Chief's office and ablutions		1,079,566		1,079,566	1,079,566	-
9.6 ASSISTANT CHIEF NJIKU KCDF-Construction of an ablution block		207		207	207	-
9.7 KARURI POLICE STATION - Vertical extension of police station		128,227		128,227	575	127,652
9.8 KIAMBAA CHIEF OFFICE KCDF-		7		7	7	-
9.9 KIAMBAA POLICE POST KCDF-Construction of reporting office & Ablution block		60,863		60,863	60,863	-
9.10 MUONGOIYA POLICE POST KCDF-Construction of a police reporting office & Housing units		7,577,654		7,577,654	7,124,592	453,062
9.11 KIHARA POLICE STATION - Construction of police station				-	-	-
Sub-total	10,500,000	14,651,959	-	25,151,959	12,497,124	12,654,834
10.0 Digital Hub						
10.1 KARURI ICT HUB PMC-Refurbishment of ICT Hub		3,935,285		3,935,285	46,140	3,889,145
10.2 KARURI ICT HUB PMC-Supply of MDF Workstations		1,115,784		1,115,784	-	1,115,784
Sub-total	-	5,051,069	-	5,051,069	46,140	5,004,929
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)				-	-	-
11.2 Purchase of furniture and fittings				-	-	-

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11.2 Construction of CDF office			1,502,891	1,502,891	1,499,817	3,074
Sub-total	-	-	1,502,891	1,502,891	1,499,817	3,074
12.0 Others						
12.1 KIAMBAA FOOTBALL LEAGUE KCDF		631		631		-
12.2 KIAMBAA SPORT		3,241,784		3,241,784		-
Sub-total	-	3,242,415	-	3,242,415	3,242,415	-
Funds pending approval**						
unapproved projects						
AiA						
PMC Savings		7,300,470		7,300,470		7,300,470
Sub-total	-	7,300,470	-	7,300,470	-	7,300,470
Total	179,441,955	135,696,241	47,361,810	362,500,006	165,107,176	197,392,829

(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 Kiambaa Constituency principal activity is the implementation of NG CDF funded projects.

2. Statement of Compliance and Basis of Preparation

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

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

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

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

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

3. Adoption of New and Revised Standards

- 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
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 recognise, measure and present information on right of use assets and lease liabilities. This IPSAS is not applicable to the constituency this F/Y
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. This IPSAS is not applicable to the constituency this F/Y
IPSAS 45: Property Plant	<i>Applicable 1st January 2025</i>

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and Equipment	<p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>The IPSAS will be adopted effective 1st July 2025</p>
IPSAS 46: Measurement	<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>The IPSAS was not applicable for 2024/2025 F/Y</p>
IPSAS 47: Revenue	<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</p>

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	<p>that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>The IPSAS was not applicable for 2024/2025 F/Y</p>
<p>IPSAS 48: Transfer Expenses</p>	<p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>The IPSAS was not applicable for 2024/2025 F/Y</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>The IPSAS was not applicable for 2024/2025 F/Y</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p>The IPSAS was not applicable for 2024/2025 F/Y</p>

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget was approved by Parliament on 5th March 2024 for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. 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 does not provide retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

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6. Transfers from the NGCDF Board

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

7. Transfers from domestic and foreign partners

Description	2024/2025 Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

Description	Period ended June 2025 Kshs
Rental Income	-
Income from sale of tenders	-
Hire of plant/equipment/facilities	-
Other Income - PMC Savings	7,300,470
Total	7,300,470

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10. Employees cost

NG-CDFC Basic staff salaries	3,239,556
Personal allowances paid as part of salary	-
House Allowance	1,077,000
Transport Allowance	384,000
Leave allowance	-
Gratuity to contractual employees	966,744
Employer Contributions Compulsory national social security schemes	206,904
Employer Contributions Compulsory Housing levy	68,688
Employer contributions to National Industrial Training Authority	5,200
Other Specify	-
Total	5,948,092

11. Committee Expenses

Description	Period ended June 2025	Period ended June 2024
Sitting allowance	1,680,546	691,600
Other Committee expenses	412,000	2,201,181
Total	2,092,546	2,892,781

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12. Use of Goods and services

Description	Period ended June 2025
	Kshs
Utilities, supplies and services	2,805,287
Communication, supplies and services	249,353
Domestic travel and subsistence	1,106,000
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	50,000
Hospitality supplies and services	818,550
Insurance costs	-
Specialized materials and services	568,280
Office and general supplies and services	-
Fuel, oil & lubricants	-
Bank Charges	142,716
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	-
Office renovations	1,499,817
Other operating expenses	-
Total	7,240,003

13. Other Government Units Actual expenditure

Description	Period ended June 2025
	Kshs
Primary Schools Actual expenditure	57,188,914
Secondary Schools Actual Expenditure	3,246,154
Tertiary Institutions Actual Expenditure	10,000,000
Total	70,435,068

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14. Other Grants and transfers Actual expenditure

Description	Period ended June 2025
Bursary – secondary schools	43,234,600
Bursary – tertiary institutions	14,171,000
Bursary – special schools	1,515,176
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	11,526,128
Climate change mitigation projects	1,425,035
Emergency projects Actual Expenditure	-
Roads projects	-
Sports	3,242,415
Total	75,114,354

15. Depreciation and Amortization Expenses

Description	Period ended June 2025
Property Plant and Equipment	
Intangible Assets	-
Total	

16. Digital Hubs Expenses

Description	Period ended June 2025
Construction/ renovation/ Actual expenditure	46,140
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others (<i>specify</i>)	-
Total	46,140

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17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	Opening Statement In July 2024
	Ksh	Ksh
Bank Accounts (Cash Book Bank Balance)		
<i>Name Of Bank, Account No. (Operations account)</i>	72,766,684	79,566,747.00
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Name of Bank, account No. (Deposit account)</i>	2,559,876	1,593,132.00
<i>Name of Bank, account No. (PMC's account)</i>	78,744,419	39,597,979.31
Total	154,070,979	120,757,858

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

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20. Receivables from Exchange Transactions

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

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

i. Ageing Analysis for Receivables

Description	2024/2025		Opening Statement 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)	-	%	-	%

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21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	38,441,954		52,904,393.00	
Outstanding imprest	-		-	
Total	38,441,954		52,904,393	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	38,441,954	100%	52,904,393	100%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	38,441,954		52,904,393	

22. Prepayments

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

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23. Property, Plant and Equipment

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

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Valuation

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

23 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	Net Book Value (NBV)
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

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

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

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24. Intangible Assets

Description	
Cost	
Opening balance at 1 st July 2024	-
Additions	-
Disposal	-
At end of the 2023-2024	-
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				
Cost				
As At 1 July (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024 (Comparative Period)	-	-	-	-
Additions				
As At 30 June 2025 (Current FY)	-	-	-	-
Accumulated Depreciation				
As At 1 July 2024 (Comparative period)	-	-	-	-
Charge for the period				
As At 30 June 2024 (Comparative period))				
Charge for the period	=	=	=	=
As At 30 June 2025 (Current FY)	-	-	-	-
Carrying Amount				

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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 2025	
	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)	-		-	

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27. Third-Party deposits

	2025	2024
Retention as at start of the period (A)	2,800,684	2,800,683.65
Retention held during the period (B)	4,465,339	-
Retention paid during the period (C)	4,708,765	-
Closing Retention as at period 30 June, D= A+B-C	2,557,258	2,800,684

Retentions aging analysis.

				% of the total
Less than 1 year	2,557,257.70	100	2,800,683.65	100
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total	2,557,257.70		2,800,683.65	

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

28. Lease Liabilities

Description	Period ended June 2025 KSh	Opening Statement 1 July 2024 KSh
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

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Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025 KSh	Opening Statement 1st July 2024 KSh
Gratuity at the beginning of the period (A)	1,593,132	1,593,132
Gratuity held during the period (B)	966,744	-
Gratuity paid during the period (C)	-	-
Total Gratuity provision D=(A+B-C)	2,559,876	1,593,132

30. Cash Generated from Operations

Surplus for the period before tax	25,427,835
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	(14,462,439)
Changes in deferred income	-
Changes in Third party deposits	243,426
Changes in gratuity provision	(966,744)
Changes in payments received in advance	-
Net cash flow from operating activities	40,613,592

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

31. Financial Risk Management

The Entity's activities does not expose it to financial risks that include credit and liquidity risks and thus no effects of changes in foreign currency. However, 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. This being a Government entity, does not hedge any risks and there is no need to have policies that ensure credit is only extended to customers with an established credit history. The Entity's financial risk management objectives and policies are detailed below:

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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 Kshs	Fully performing Kshs	Part due Kshs	Impaired Kshs
As at 30th June 2025 (Current)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	38,441,954	38,441,954	-	-
Bank balances	154,070,979	154,070,979	-	-
Total	192,512,933	192,512,933	-	-
As at 30 June 2024 (Previous)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	52,904,393	52,904,393	-	-
Bank balances	120,757,858	120,757,858	-	-
Total	173,662,251	173,662,251	-	-

(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 recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from KIAMBAA. 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.

i) 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	Over			
	12 months	12 months	12 months	12 months
As at 30th June 2025 (Current FY)				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	2,559,876	2,559,876
Total	-	-	2,559,876	2,559,876
As at 30th June 2024 (Previous FY)	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-

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Description	12 months	6 months	Over 5 months	Total
	Ksh	Ksh	Ksh	Ksh
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

ii) 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.

b) Interest rate risk

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

Management of interest rate risk

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

- 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.

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.

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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 P July 2024
	Kshs	Kshs
Revaluation Reserve	193,976,563	168,110,341
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	193,976,563	168,110,341
Total Borrowings	-	-
Less: Cash and Bank Balances	(154,070,979)	(120,757,858)
Net Debt/(Excess Cash And Cash Equivalentents)	39,905,584	47,352,483
Gearing	20.27%	39.21%

32. Related Party Disclosures

	2024-2025	Opening Statement 1 st July 2024
	KSh	KSh
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,680,546	-
	1,680,546	
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	179,441,954	-
Total	179,441,954	-

33. Segment Information

Kiambaa NG-CDF operates in one geographical region.

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

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Contingent Liabilities

Description	2024-2025 KSh	Opening Statement 1 July 2024 KSh
Contingent Liabilities	-	-
Court Case xx 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 KSh	Opening Statement 1 July 2024 KSh
Authorized for	-	-
Authorized 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 authorized 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 KIAMBAA Constituency is a Fund under The National Treasury and Planning & managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

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

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18. Annexes
 Annex 1: Summary of Asset Register

	Historical Cost balance brought forward (Ksh)	Additions during the period (Ksh)	Disposals during the period (Ksh)	Historical Cost (Ksh) At Year period End
Land				
Buildings and structures	27,110,888			27,110,888.00
Transport equipment				
Office equipment, furniture, and fittings				
ICT Equipment and Other ICT Assets	1,912,000			1,912,000.00
Other Machinery and Equipment	1,495,750			1,495,750.00
Intangible assets				
Total	30,518,638			30,518,638.00

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

PMCs balance as at 30th June 2025				
PMC	Bank	Account number	2024-2025	2023-2024
KIBUBUTI PRIMARY SCHOOL	SIDIAN	01053030000011	200,530.00	200,530.00
KAWAIDA SECONDARY SCHOOL	SIDIAN	01053030000021	2,803,901.50	1,602,475.00
KARURI PRIMARY SCHOOL	SIDIAN	01053710000048	1,273,235.75	1,273,235.75
GACII PRIMARY SCHOOL	SIDIAN	01053710000038	3,137,510.50	577,510.50
THIMBIGUA PRIMARY SCHOOL	SIDIAN	01053710000058	414,535.40	505,414.50
LOWER KIHARA PRIMARY SCHOOL	SIDIAN	01053710000128	161,245.50	161,245.50
KARURI POLICE STATION	SIDIAN	01053710000208	6,626,935.30	1,626,935.30
KIAMBAA SPORTS	SIDIAN	01053710000658	-	3,241,784.05
KARURI PRIMARY SCHOOL 2	SIDIAN	01053710000678	8,702,221.00	3,000,498.00
CIANDA HIGH SCHOOL	SIDIAN	01053710000528	267,649.65	267,649.65
MAYUYU PRIMARY SCHOOL	SIDIAN	01053710001136	3,209,062.95	2,390,652.50
ACK KARURA SECONDARY SCHOOL KCDF	cooperative	01141475597300	-	48,550.00
ASSISTANT CHIEF MUCHATHA	cooperative	01141701870800	-	1,079,566.00
ASSISTANT CHIEF NJIKU	cooperative	01141701861000	-	207.00
CIANDA HIGH SCHOOL	cooperative	01141475640201	-	2,652.00
GACHARAGE PRIMARY SCHOOL	cooperative	01141701617900	-	235.90
GACHARAGE PRIMARY SCHOOL	cooperative	01141475629900	-	289,824.00

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GACII PRIMARY SCHOOL	cooperative	01141475679001	-	333,498.00
GATATHA PRIMARY SCHOOL KCDF	cooperative	01141475852500	-	4,134.77
GATONO PRIMARY SCHOOL KCDF	cooperative	01141700585900	-	601,750.00
KAMUIRU PRIMARY SCHOOL KCDF	cooperative	01141475762200	-	97,927.50
KARURA PRIMARY SCHOOL KCDF	cooperative	01141475861800	-	95,329.50
KARURI HIGH SCHOOL	cooperative	01141701570100	-	250.00
KARURI POLICE STATION	cooperative	01141475392601	-	128,227.00
KARURI POLICE STATION KCDF	cooperative	01141475392600	-	-
KAWAIDA PRIMARY SCHOOL KCDF	cooperative	01141475905000	-	1,181,262.15
KIAMBAA CDF ENVIRONMENT	cooperative	01141475664800	-	29,083.00
KIAMBAA CHIEF OFFICE KCDF	cooperative	01141700687700	-	6.75
KIAMBAA FOOTBALL LEAGUE KCDF	cooperative	01141475837200	-	631.15
KIAMBAA MIXED SECONDARY	cooperative	01100174506002	-	110,000.00
KIAMBAA POLICE POST	cooperative	01141701876300	-	60,862.55
KIAMBAA PRIMARY SCHOOL	cooperative	01141475675301	-	-
KIAMBAA PRIMARY SCHOOL	cooperative	01141475675300	-	312,517.04
KIAMBAA SECONDARY SCHOOL	cooperative	01141475674500	-	97,527.00
KIBATHI PRIMARY SCHOOL	cooperative	01141475681000	-	26,447.25
KIBUBUTI PRIMARY SCHOOL KCDF	cooperative	01141475645801	-	157,325.00

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KIBUBUTI PRIMARY SCHOOL KCDF	cooperative	01141475645800	-	13,067.00
KIHARA SECONDARY SCHOOL	cooperative	01100254544001	-	50.00
KINGOTHUA PRIMARY SCHOOL	cooperative	01141475853600	-	105,611.00
LOWER KIHARA PRIMARY	cooperative	01141700178801	222,206.00	2,798,495.00
MAYUYU PRIMARY SCHOOL	cooperative	01107017830001	283,885.00	295,885.00
MAYUYU PRIMARY SCHOOL	cooperative	01141701783000		68,115.00
MUCHATHA HIGH SCHOOL	cooperative	01141700417701	-	306,224.75
MUCHATHA PRI SCHOOL	cooperative	01104756406001	-	353,788.50
MUCHATHA PRIMARY SCHOOL KCDF	cooperative	01141475640600	-	576,746.00
MUONGOIYA POLICE POST	cooperative	01141701636400	453,062.00	7,577,654.00
MUONGOIYA PRIMARY SCHOOL KCDF	cooperative	01141475837000	-	66,430.95
MUONGOIYA SECONDARY SCHOOL	cooperative	01141701771000	-	122,094.00
MUTHURWA PRIMARY SCHOOL KCDF	cooperative	01141475833100	-	377,234.50
MUTHURWA SECONDARY SCHOOL KCDF	cooperative	01141475766800	-	283,597.66
MUYA PRIMARY SCHOOL	cooperative	01141475762100	-	194,510.00
NDENDERU PRIMARY SCHOOL	cooperative	01141701570500	262,284.00	2,865,595.00
NDENDERU PRIMARY SCHOOL	cooperative	01141475610200	179,282.50	347,282.50
NJENGA KARUME PRIMARY SCHOOL	cooperative	01141475661200	-	382.50
RAINI PRIMARY	cooperative	01100152206001	151,577.90	935,967.90
SNR CHIEF KOINANGE GIRLS	cooperative	01141475614600	-	179,420.35
ST ANDREWS NDENDERU SEC SCHOOL	cooperative	01141475608200	-	17,345.00

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ST ANGELAS GIRLS HIGH SCHOOL	cooperative	01141701693800	-	5,556.00
ST JOSEPH GATHANGA SECONDARY	cooperative	01141701993700	-	3,701.19
THIMBIGUA PRIMARY SCHOOL	cooperative	01141700517301	-	425,700.50
UPPER KIHARA PRIMARY SHOOL	cooperative	01141475836400	-	506,549.50
WAGUTHU PRIMARY SCHOOL	cooperative	01141475832401	-	388,405.50
WAGUTHU PRIMARY SCHOOL KCDF	cooperative	01141475832400	-	309,663.50
WANGUNYU PRIMARY SCHOOL KCDF	cooperative	01141475752500	-	333,431.45
MUYA COMPREHENSIVE SCHOOL PMC	SIDIAN	01053710002414	4,486,187.50	-
WANGUNYU COMPREHENSIVE SCHOOL PMC	SIDIAN	01053710002614	85,091.50	-
KIHARA POLICE STATION PMC	SIDIAN	01053710003162	74,837.00	-
KARURI ICT HUB PMC	SIDIAN	01053710003142	5,720,729.00	-
ST. AUGUSTINE GATONO PRIMARY SCHOOL PMC	SIDIAN	01053710004710	10,000,000.00	
MUCHATHA PRIMARY SCHOOL PMC	SIDIAN	01053710004690	11,908,341.70	
NDENDERU COMPREHENSIVE SCHOOL PMC	SIDIAN	01053710003312	1,823,975.00	
MUYA, KIAMBAA & MUONGOIYA PRIMARY SCHOOL	SIDIAN	01053710002074	42,917.75	
KAMUIRU PRIMARY SCHOOL PMC	SIDIAN	01053710002484	673,671.60	
KIHARA SECONDARY SCHOOL PMC	SIDIAN	01053710003132	8,594,515.00	
KIAMBAA NGCDF SCHOOL FURNITURE PMC	SIDIAN	01053710004440	128,695.00	
KIAMBAA NGCDF ENVIRONMENT PMC	SIDIAN	01053710004520	1,075,540.00	
ST. ANDREWS NDENDERU SECONDARY SCHOOL PMC	SIDIAN	01053710004700	2,500,000.00	
MUONGOIYA COMPREHENSIVE SCHOOL PMC	SIDIAN	01053710003342	1,762,952.00	

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GACHARAGE COMPREHENSIVE SCHOOL PMC	SIDIAN	01053710003332	1,165,789.00	
KIHARA COMPREHENSIVE SCHOOL PMC	SIDIAN	01053710003322	352,052.00	
			78,744,419	38,964,249

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.

OAG/NRO/NGCDF- KIAMBAA/2023/2024/(15)	<p>Inaccuracies in bursary payment: The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects other grants and other transfers balance of Kshs.65,225,678. Included in the balance is bursary payments to secondary, tertiary and special schools totalling to Kshs.28,488,300. Examination of payment vouchers revealed that payments amounting to Kshs.1,156,300 which are included in the bursary were payments for committee allowances. Further, the ledger reflected bursary payment voucher number 45 as Kshs.3,628,500 while examination of the payment voucher revealed payment of Kshs.2,574,500 resulting to an overstatement by Kshs.1,054,000. In addition, examination of payment vouchers revealed omission of bursary payment of Kshs.731,000 payment voucher number 72 from the ledger.</p>	It is true that payment voucher number 72 amounting to 731,000.00 was a payment for bursary whereby it included both tertiary and secondary. This was split at the time of voting as evidenced in (Annex V).	Not resolved	Date to be provided by Decentralized Funds Account Committee (DFAC).
OAG/NRO/NGCDF- KIAMBAA/2023/2024/(15)	<p>Inaccuracy and valuation of Fixed Assets: Annex 4 on summary of fixed asset register reflects total assets of Kshs.30,518,638 as at 30 June 2024</p>	The value of the land and building is stated as KShs. 27,110,888 and KShs. 9,800,000 respectively. The	Not resolved	Date to be provided by Decentralized Funds Account Committee (DFAC).

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Reference No. of the Annual Report	Observations from Auditor	Management comments	Status Resolved Not Resolved	Timeframe within which you expect the issue to be resolved
	<p>which differs with the assets balance recorded in the asset register of Kshs.13,041,050 by Kshs. 17,477,588. In addition, land and building have their values stated as Kshs.27,110,888 and Kshs.9,800,000 (asset register) respectively. The ownership and value of the assets could not be confirmed due to lack of valuation report and title of ownership of the assets.</p>	<p>Management has taken note of the recommendation on the engagement of a professional valuer of its immovable assets. Unfortunately, the office does not have ownership documents considering that this is Government land donated to the office by the DCC's office, however, the management has requested DCC's office to formally hand over this land to Kiambaa NG-CDF office.</p> <p>On the other hand, the value of the office is classified as historical cost, which is basically the amount that was used for office construction as approved by the NG-CDF Board, evidenced as per the attachment (Annex VI).</p>		
OAG/NRO/NGCDF-KIAMBAA/2023/2024/(15)	<p>Irregularities in Legal Fees: The statement of receipts and payments and as disclosed in Note 6 to the financial statement reflects use of goods and services balance of kshs 7,901,038 included in the amount is kshs 78,300 paid to Abidha and Company Ltd for legal services. It was noted that four staff sued the NG CDF of Kiambaa over unfair dismissal and the case is still pending. Further, the NG CDF selected</p>	<p>The management regrets engagement of legal representation by Abidha and Company Ltd without seeking approval from the Attorney General. However, the engagement of this legal company was necessitated by the urgency of the matter whereby the office is allowed to engage service providers</p>	Not resolved	Date to be provided by Decentralized Funds Account Committee (DFAC).

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	the advocate from a list of pre-qualified suppliers under the category of Legal services and did not seek approval from the Attorney General contrary to AG/Circular/2024.	registered by NG-CDF Board. For verification, the fee note was confirmed from the Advocate's Act, under the Remuneration of Advocate's Order.		
OAG/NRO/NGCDF-KIAMBAA/2023/2024/(15)	<p>Irregular Procurement of Construction of reporting office and Partial Completion of housing units at Muongoiya Police Post:</p> <p>The statement of receipts and payments and as disclosed in Note 8 reflects other grants and transfers balance of Kshs.65,225,678 which includes security projects payments totalling to Kshs. 22,525,094. Contract to construct a reporting office and partial completion of housing units at Mugoiya police post of the tender number NGCDF/KBA/T/005/2023-2024 of the contract price of Kshs. 7,536,972 was awarded to Araygam Company Ltd on 29 March, 2024. Review of the procurement records revealed the following anomalies:</p> <ul style="list-style-type: none"> i. The tender was not reported in public procurement information portal ii. Approved architectural drawings and designs and engineers estimate for the project not provided. 	<ul style="list-style-type: none"> i) The tender was uploaded on the NG-CDF Board website, which is an alternative platform for advertisement of NG-CDF tenders since the office does not have rights to upload tenders on PPIP yet. This can be confirmed from (Annex VII). ii) The architectural drawings and Engineer's cost estimated have been attached for verification (Annex VIII). iii) The project was captured accordingly in the procurement plan as per the 	Not resolved	Date to be provided by Decentralized Funds Account Committee (DFAC).

National Government Constituencies Development Fund (NGCDF)
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Reference No. of the Internal Audit Report	Observations from Auditor	Management comments	Status (Resolved / Not Resolved)	Timeline (Put a date when you expect the issue to be resolved)
	<p>iii. The project was not in the procurement plan for the year under audit.</p> <p>iv. Opening and evaluation committee members were not appointed by the accounting officer.</p> <p>v. Tender advertisement closed on 12 March, 2024 but the winning Tenderer Araygam Company Ltd presented CR12 dated 22 March, 2024 which was after the closing date of the tender advert.</p> <p>vi. The contract agreement date for completion of the project was 27 September, 2024 verification of the last progress report not signed and dated revealed that the works were at 20%. As at the time of audit on 15 November, 2024 the certificate of completion had not been issued yet the project had taken 28 weeks instead of 23 weeks for completion. Further, the extension requests and approval were not done. No inspection committee report was provided to confirm status of the works certified in previous certificates no. 1,2,3 and 4 as appearing in payment certificate dated 24</p>	<p>attached (Annex IX).</p> <p>iv) The adhoc committees' appointment letters from the accounting officer are hereby attached for proof (Annex X).</p> <p>v) The tender advertisement is hereby attached for verification (i).</p> <p>vi) The project implementation process was affected by the heavy rains that were experienced in the country. However, the implementation is ongoing and completion is anticipated to be within three financial years as stated in the NGCDF Regulation 11(j).</p>		

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		Management comments	Status (Resolved/Not Resolved)	Timeframe (Period expected to resolve)
	July, 2024. Physical verification revealed that the project was not complete.			
OAG/NRO/NGCDF-KIAMBAA/2023/2024/(15)	<p>Irregular Supply and Delivery of Office Stationeries:</p> <p>The statement of receipts and payments and as disclosed in Note 6 to the financial statement reflects use of goods and services balance of Kshs.7,901,038. During the year under review the NGCDF got into a framework agreement for supply and delivery of office stationeries. It was noted that two suppliers; Nither Enterprises and Skyan Investments Ltd were awarded at a contract sum of Kshs.544,127 and Kshs.496,190 respectively. The following anomalies were observed;</p> <ol style="list-style-type: none"> I. No evidence of a user requisition was availed for the stationeries procured. II. There was no approval of the user requisition. III. There was no evidence of any market survey carried out. <p>It was not clear why Framework agreement was used yet the goods being supplied were not indefinite in nature.</p>	<p>It is true that the management did not avail the documents at audit time, however the documents are hereby attached for verification (Annex XVI)</p> <p>On the other hand, Framework contracting model was preferred because it becomes uneconomical to float quotations whenever stationery is required in the office.</p>	Not resolved	Date to be provided by Decentralized Funds Account Committee (DFAC).

National Government Constituencies Development Fund (NGCDF)
Kiambaa Constituency
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Reference No. on the external audit Report	Issue / Observation from Auditor	Management comments	Status (Resolved / Not Resolved)	Timeframe (Put a date when you expect the issue to be resolved)
	<p>Lack of a Staff Establishment: The statement of receipts and payments and as disclosed in Note 4 to the financial statement reflect compensation of employees' balance of Kshs.5,258,603. Review of human resources records revealed that Kiambaa NG-CDF does not maintain a staff establishment showing the required number of staff and positions required to be filled. In the circumstances, the effectiveness of the internal controls on staff management could not be confirmed.</p>	<p>Kiambaa NG-CDFC staff recruitment was guided by the Circular REF: NG-CDF/CEO/NG-CDF CIRCULARS/VOLII(033) from NG-CDF Board, whereby placement was done basing on the office needs whereby it did not surpass the maximum total number of ten staff. Attached is the Circular from the Board for confirmation (Annex XX).</p>	<p>Not resolved</p>	<p>Date to be provided by Decentralized Funds Account Committee (DFAC).</p>



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Name: Phyliss Chibayi
Field Operations Officer.