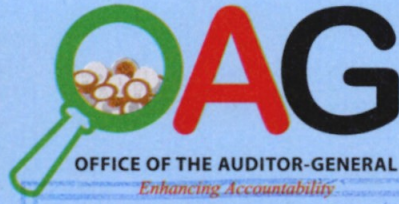


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 25 FEB 2026

DAY.
WEDNESDAY

REPORT

BY: HON. WADMI WADQ
DEPUTY MAJORITY WHIP
CURRENAT
TABLE: ESTHER NJINYO

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - KISAUNI
CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2025



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KISAUNI CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

Transitional Financial Statements under the International Public Sector Accounting Standards
(IPSAS)

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The NGCDF Kisauni 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 | Monica Mwai |
| 2. | National Sub-County Accountant | Edwin Indase Ozige |
| 3. | Chairman NGCDFC | Allan Owano |
| 4. | Member NGCDFC | Mohammed Yusuf |
| 5. | Member NG CDFC | Ratibu Mehbuba |

(c) Fiduciary Oversight Arrangements

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

P.O. Box 87910-80100
Opp. Jocham Hospital
Karisa Maitha Road
Mombasa, Kenya.

(e) NGCDF Kisauni Constituency Contacts

P.O. Box 87910 - 80100
Telephone: 020-263094
E-mail: cdfkisauni@ngcdf.go.ke
Website: Kisauni-ng-cdf.co.ke

(f) NGCDF Kisauni Constituency Bankers

1. Bank A. (Operations Account).
Family Bank
Nkrumah Branch
A/c No.095000060410
P.O Box 87910-80100
Mombasa Kenya
2. Bank B. (Deposit account).
Family Bank
Nkrumah Branch
A/c No.095000063476
P.O Box 87910-80100
Mombasa Kenya
3. Bank C.
(PMC Accounts) Family, KCB, Consolidated, Cooperative and Equity Bank
Nkrumah, Kengeleni and Nyali Branch
P.O. Box 87910-80100





(g) Independent Auditor

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



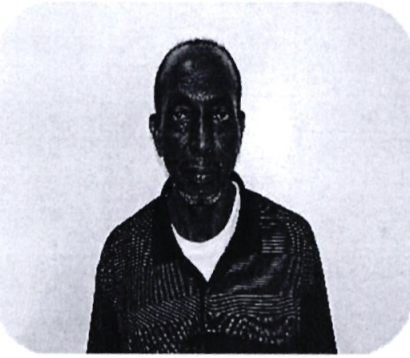

(h) Principal Legal Adviser



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

3. NG CDF Committee

| Name | Details |
|---|---|
|  CHAIRMAN: MR. ALLAN OMONDI OWANO | <p>Date of Birth: 18.04.1973</p> <p>Academic and Professional Qualifications: Bachelor of Development Studies at Mount Kenya University.</p> <p>Work Experience: 2013 – 2017: Board Member at County Public service board Mombasa County; Committee Chairman at NGCDFC Kisauni.</p> <p>2022 – to Date: Chairman NGCDFC Kisauni</p> |
|  SECRETARY: MR. RATIBU MOHAMED | <p>Date of Birth: 11.02.1991</p> <p>Academic and Professional Qualifications: Diploma in Computing and information System.</p> <p>Work Experience: 2022 – to Date: Secretary NGCDFC Kisauni.</p> |
|  MEMBER: MRS SAUDA KHAMIS | <p>Date of Birth:</p> <p>Academic and Professional Qualifications: KCPE at Mtopanga Primary School.</p> <p>Work Experience: 2022 – to Date: Member NGCDFC Kisauni.</p> |
|  MEMBER: MRS. TUMAINI NGUMBAO | <p>Date of Birth: 25.06.2001</p> <p>Academic and Professional Qualifications: Diploma in Nursing</p> <p>Work Experience: 2022 – to Date: Member NGCDFC Kisauni.</p> |

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

| | |
|---|---|
|  <p>MEMBER: MR. KINGI IAN YAA.</p> | <p>Date of Birth: 01.01.1971 Academic and Professional Qualifications: KCSE at The Salvation Army High School For The Blind. Work Experience: 2013 – 2017: Committee Member NGCDFC Kisauni. 2022 – to Date: Member NGCDFC Kisauni</p> |
|  <p>MEMBER: MR. GEORGE SIANGANI</p> | <p>Date of Birth: 04.11.1972 Academic and Professional Qualifications: KCPE at Bujumba Secondary School. Work Experience: 2013 – 2017: Committee Member NGCDFC Kisauni 2022 – to Date: NGCDFC Kisauni</p> |
|  <p>MEMBER: MR. MOHAMED YUSUF</p> | <p>Date of Birth: 12.03.1954 Academic and Professional Qualifications: CPE at Mvita Primary School. Work Experience: 2013 – 2017: Committee Member NGCDFC Kisauni 2022 – to Date: Member NGCDFC Kisauni</p> |
|  <p>MEMBER: MRS. LUCIANA MWANGEMI.</p> | <p>Date of Birth: 23.03.1984 Academic and Professional Qualifications: Certificate in Welding at Kidaya Ngerenyi Vocational Training Centre. Work Experience: 2013 – 2017: Committee Member NGCDFC Kisauni 2022 – to Date: Member NGCDFC Kisauni.</p> |

| | |
|---|--|
|  <p>DCC: MR. JAMLICK MBUBA</p> | <p>Date of Birth:21.12.1968 Academic and Professional Qualifications: Bachelor of Arts . Work Experience: Currently a Deputy County Commissioner at Kisauni Sub- County.</p> |
|  <p>FUND ACCOUNT MANAGER: MRS MONICA MWAI.</p> | <p>Date of Birth: 25.10.1967</p> <p>Academic and Professional Qualifications:</p> <p>2019 Kenya School of Government - Senior Management Course</p> <p>2018 DALC - Post Graduate Diploma - Strategic Management</p> <p>2000: Rainbow Institute of Professional Studies - Diploma In Tours & Travel Operations</p> <p>1986– 1989: Jabalpur University India - Bachelor of Arts – Economics (BA)</p> <p>1982– 1985: St. Lucy’s Raruowa Secondary School</p> <p>Other Courses - Computer Skills,Management & Supervisory Skills, French Language.</p> <p>Work Experience:</p> <p>2007 To Date : National Government Constituencies Development Fund - Fund Account Manager</p> <p>2006 – 2007 : Oriental Commercial Bank – Teller</p> |

4. NG-CDFC Chairman’s Report



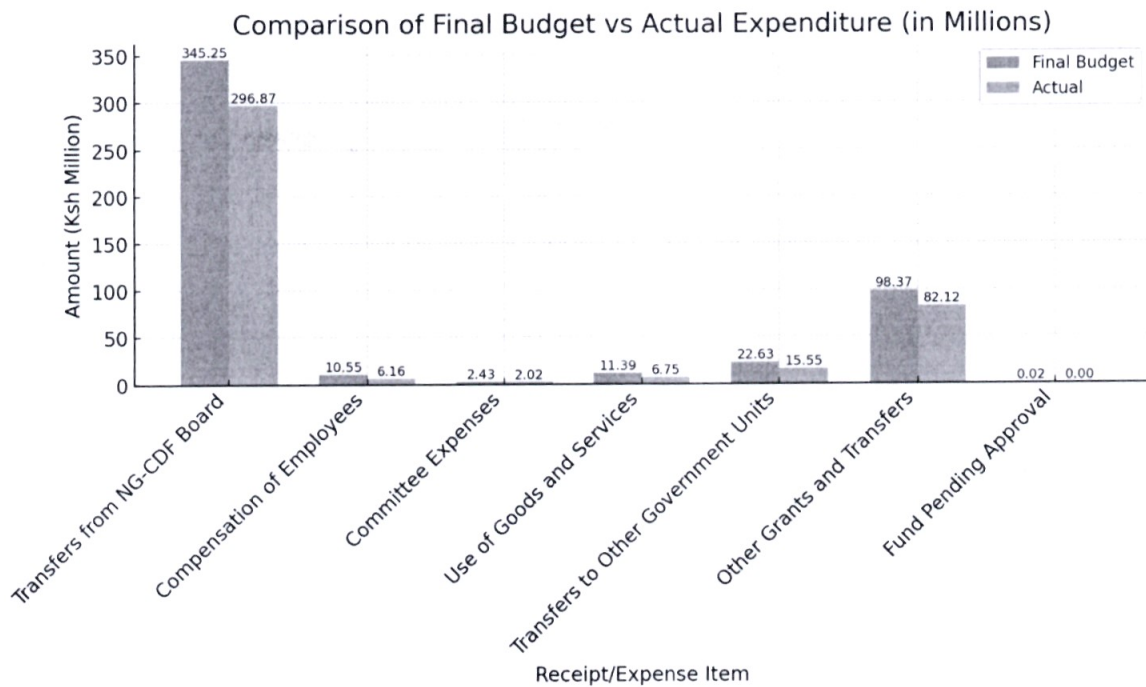
MR. ALLAN OWANO – CHAIRMAN.

It is with great responsibility and pride that I present the financial performance of our Kisauni Ng Cdf for the 2024/2025 financial year. The period under review was marked by both milestones and challenges, with our financial results reflecting the outcomes of strategic execution, prudent financial management, and operational resilience.

BUDGET PERFORMANCE

NG CDF Kisauni has utilized its allocated funds by undertaking its budgeted projects and allocations by 73.2% of the funds have been utilized. In summary the budget performance against the actual amounts over the financial year was fairly good based on the economic classification and programmes. NG CDF Kisauni has had major achievements in implementation of education and projects over the year.

| Receipt/Expense Item | Final Budget | Actual on Comparable Basis |
|-------------------------------------|---------------------|-----------------------------------|
| RECEIPTS | | |
| Transfers from NG-CDF Board | 345,251,722 | 296,865,572 |
| TOTAL RECEIPTS | 345,251,722 | 296,865,572 |
| PAYMENTS | | |
| Compensation of Employees | 10,552,978 | 6,163,108 |
| Committee expenses | 2,428,000 | 2,015,100 |
| Use of goods and services | 11,193,165 | 6,754,787 |
| Transfers to Other Government Units | 222,627,128 | 155,508,962 |
| Other grants and transfers | 98,371,310 | 82,228,275 |
| Fund Pending Approval | 79,140 | |
| TOTAL | 345,251,722 | 252,670,232 |



KEY ACHIEVEMENTS

During the period under review, NG CDF Kisauni has been able to achieve the following:

- Empowering youth in the constituency by issuing bursary to the bright and needy students in secondary and tertiary institution.
- Empowering youths by proving driving Licence to the youths and sports equipment's to teams within the constituency.
- Building of Mjambere secondary school within the constituency to enable the residents to access nearby schools.

EMERGING ISSUES

- Increased School enrolment.
- Population Increase.
- Existence of County Governments considers CDF as a competitor instead of complementary.
- NG CDF Board to reduce the rate of staff turnovers in constituencies. i.e FAM Transfers.

IMPLEMENTATION CHALLENGES.

- Lack of PMCs information hence hindering the efficient and effective implementation of projects.
- Disbursement of funds from the board is not timely thus affecting the projection completion rate.

RECOMMENDATIONS AND WAY FORWARD.

Strengthen bursary controls: Mandate receipt documentation, beneficiary tracking, and verification systems

Improve project quality: High independent quantity surveyors and ensure clerk-of-works oversight for all constructions.

Capacity building: Train Fund Account Managers on IPSAS and require policy-driven cost estimates.

Boost transparency: Publish financials and project status; erect milestone branding.

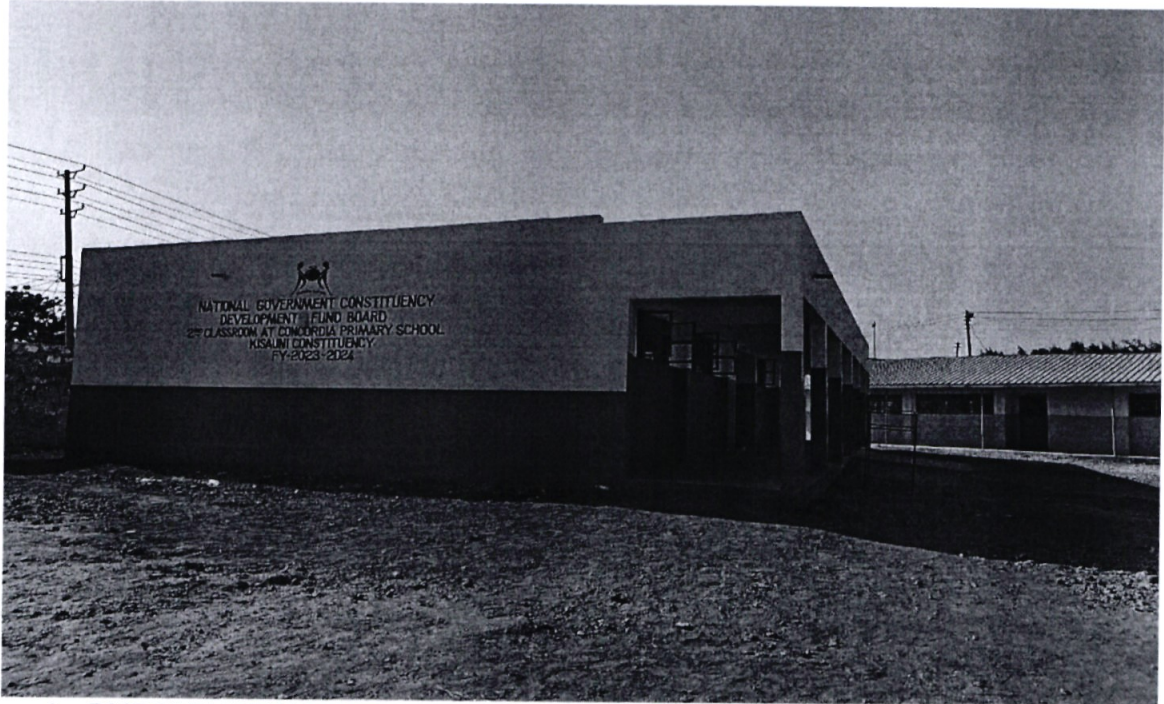
1. MJAMBERE SECONDARY SCHOOL



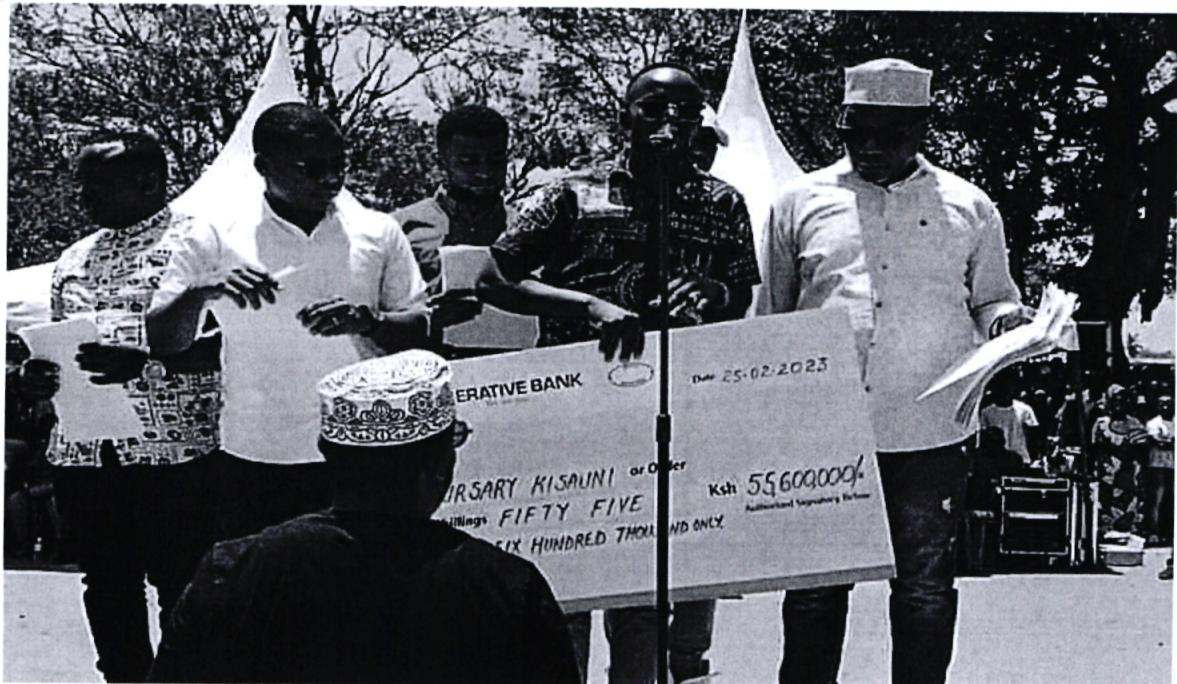
2. MAGOGONI PRIMARY SCHOOL



CONCORDIA PRIMARY SCHOOL



4. BURSARY ISSUANCE.





CONCLUSION

While our Constituency has delivered impactful interventions in education, security, and youth empowerment, persistent challenges—especially fund disbursement delays undermine performance. I recommend prompt execution of the measures outlined to enhance transparency, efficiency, and compliance. Let us uphold the public trust and optimize Kisauni’s development with fiscal discipline and community-centred governance.

.....
Name: Allan Owano
CHAIRMAN NGCDF COMMITTEE

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

Introduction

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

The key development objectives of **Kisauni Constituency** 2022-2027 plan are to:

| Strategic Theme | Strategic Objective | Strategies/Activities |
|-----------------------------|--|--|
| Access to quality education | To improve access to quality education | Expansion of schools through rehabilitation/renovation/construction of classrooms in various primary and secondary schools in the constituency |
| | | Construction and equipping of Technical Training Institutes and support existing ones |
| | | Construction of new primary schools |
| | | Construction of new secondary schools |
| | | Provision of access roads to education facilities |
| | | Purchase of land for education facilities expansion/Registration of schools |
| | | Construction/rehabilitation/equipping of laboratories in secondary schools in the constituency |
| | | Supply of desks/lockers to schools (50 desks per school) |
| | | Levelling of school field |
| | | Rehabilitation/Renovation/Construction of multipurpose halls in schools |
| | | Rehabilitation/Renovation/Construction of libraries in secondary schools |
| | | Rehabilitation/Renovation/Construction of dormitories in secondary schools |
| | | Rehabilitation/Renovation/Construction of toilet blocks in both primary and secondary schools |
| | | Construction of staff houses |
| | | Connecting education facilities to electricity |
| | | Provision of bursary to needy and bright secondary school/tertiary institutions' students |
| | | Construction of administration Block |
| | | Provision of water harvesting structures |
| | | Fencing education facilities |

| Strategic Theme | Strategic Objective | Strategies/Activities |
|-----------------------------|---|---|
| Youth | To empower the youth and harness their talent | Hold education days Conducting campaigns (on Drugs and substance abuse, HIV and AIDS, establishment of youth groups - accessing devolved funds and joining technical institutes) |
| Emergency Support | To cater for any unforeseen occurrences in the constituency | Catering for any unforeseen occurrences in the constituency |
| Environment | To promote environmental sustainability | Provision of tree seedlings to schools |
| Security | To enhance security in the constituency | Rehabilitation/ Renovation/Construction of chief's, Ass. Chiefs and Commissioners' offices Construction/rehabilitation of Police Stations/AP Offices and police/AP houses |
| Tracking of results | To improve tracking of implementation NG-CDF programmes | Capacity Building of NG-CDF's and PMC's Develop and implement an M&E reporting template Organizing regular projects monitoring field visits |
| Institutional Strengthening | To promote performance management and smooth running of the NG-CDF office | Purchase of working tools and equipment Review of strategic plan Landscaping and beautification of the NG-CDF office Organize bonding sessions for staff and constituency office |

Progress on attainment of Strategic development objectives

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

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

| CONSTITUENCY PROGRAMME | OBJECTIVES | OUTCOME | INDICATOR | PERFORMANCE |
|-------------------------------|---|-----------------|------------------|---|
| EDUCATION | 1. To pay bursary for 20,000 students within the 5 years in the constituency. | 20,000 students | 4,000 students | We have paid bursaries for over 6,000 students within the constituency. |
| | 2. To build 200 classrooms within 5 years in the seven wards. | 200 classrooms | 40 classrooms | We have built 6 classrooms in 6 wards. |
| ENVIRONMENT | 1. To plant 500 trees in different schools within Kisauni constituency for 5 years. | 500 trees | 100 trees | We have planted 40 trees in Marimani Secondary school and Concordia Primary school. |

6. Governance Statement

Appointment and Removal of National Government Constituency Development Fund Committee Members.

The national government official responsible for co-ordination of national government functions;

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

The Board to the National Assembly for approval shall submit the names of the persons selected before appointment and gazettelement by the Board.

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.

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

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

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.

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

The current NGCDFC members were gazetted in 21ST May 2025 and the first meeting was held in 23/5/2025.

The persons appointed are drawn from different groupings as follows:

- Male Adult - Allan Owano -Chairman
- Male youth – Ratibu Mohamed - Secretary
- Female adult—Sauda Khamis - Member
- Female youth—Tumaini Ngumbao - Member
- PWD REP- Kingi Ian - Member
- CO-opted Member—George Siangani - Member
- Nominee of constituency Office—Mohammed Yusuf - Member
- Nominee of constituency Office—Luciana Mwangemi - Member

Number of Meetings and Sub - Committee Meetings

NG-CDF Act Section stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings.

In Kisauni Constituency, the NG-CDF Committee conducted 13 meetings and 3 sub-committee meetings.

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

| | Name of committee member | Meetings held | | | | | | | | | | | | | | | |
|---|--------------------------|---------------|------------|---------|----------|----------|----------|------------|------------|------------|------------|------------|-----------|------------|------------|------------|------------|
| | | 8.07.2024 | 29.08.2024 | 9.10.24 | 04.10.24 | 22.10.24 | 18.11.24 | 12/01/2024 | 18.01.2024 | 10.12.2024 | 08.01.2025 | 15/01/2025 | 28/1/2025 | 04.02.2025 | 20.03.2025 | 17.06.2025 | 28.06.2025 |
| 1 | Allan Owano | √ | √ | √ | √ | √ | √ | √ | | | | √ | √ | √ | √ | √ | √ |
| 2 | Ratibu Mohamed | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 3 | Sauda Khamis | √ | √ | √ | √ | √ | √ | √ | | | | √ | √ | √ | √ | √ | √ |
| 4 | Tumaini Ngumbao | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 5 | Kingi Ian | √ | √ | √ | √ | √ | √ | √ | | | | √ | √ | √ | √ | √ | √ |
| 6 | George Siangani | √ | √ | √ | √ | √ | √ | √ | | | | √ | √ | √ | √ | √ | √ |
| 7 | Mohammed Yusuf | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 8 | Luciana Mwangemi | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 9 | Jamlick Mbuba | √ | √ | √ | √ | √ | √ | √ | | | | √ | √ | √ | √ | √ | √ |

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

1. lack of integrity;
2. gross misconduct;
3. embezzlement of public funds;
4. bringing the committee in to disrepute through unbecoming personal public conduct;
5. promoting unethical practises;
6. causing disharmony within the committee;
7. Physical or mental infirmity.

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

Induction and Training of Members

The NG CDF Board did induction for the Members at Sai rock Hotel in March 2025 and training was done at sai rock in June 2025 by the NG CDF office.

Dissolution of Constituency Committee

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

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

Remuneration

The NG CDF Kisauni Members are given remuneration of five thousand shillings and Chairman Seven thousand shillings respectively in every meetings held.

Conflict of Interest

The NG CDF Kisauni has laid a policy where when a meeting is held, the members sign to show that they will not be involved or have personal interests over the activities done by the office.

Succession plan

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

Ethics and code of conduct

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

Risk Management

The constituency has a risk policy, which they observe and are required to maintain a risk register. The committee has the following responsibilities

- Frequent update of the risk register.

7. Management Discussion and Analysis

Operational & Financial Performance (FY 2020/21–2024/25)

| FY | Allocation (KES M) | Expenditure (KES M) | Absorption Rate | Major Focus Areas |
|---------|--------------------|---------------------|-----------------|---|
| 2020/21 | 137 | 90 | 66% | Classrooms, bursaries |
| 2021/22 | 137 | 95 | 69% | Infrastructure, bursaries |
| 2022/23 | 158 | 150 | 95% | Labs, administrative blocks, bursaries |
| 2023/24 | 192 | 180 | 94% | Security facilities, New Schools, bursaries |
| 2024/25 | 197.4 | 190 | 95% | Ongoing: schools, New Schools, bursaries |

Key Projects (Implemented/Ongoing)

Education & Infrastructure

- Completion of one storey building fully fledged modern school at shanzu high school.
- Completion of one storey building fully fledged modern school at Mjambere secondary school
- Completion of one storey building fully fledged modern school at Makumba Primary School.

3. Compliance with Statutory Requirements

- **Timely procurements:** Tenders published in line with PPOA/NCA guidelines.
- **Bursary operations:** In line with CDF Act requirements (support documentation exists, but risk of documentation gaps typical).
- **Reporting:** Financial statements and annual reports published on CDF portal.

Major Risks

- **Cash flow delays:** Treasury has history of late disbursements.
- **Capacity gaps:** Tender committee and accounts staff need stronger IPSAS and procurement training.

Economy Review

- Inflation downside risk affecting construction costs—budget variances likely.

Sector Conditions

- Education: High demand for infrastructure; costs rising.
- Social development: Communities expect timely delivery.

Planned Projects FY 2025/26

- Completion: Makumba primary & Shanzu High school facilities.
- Construction of New classroom blocks
- Completion of Ng cdf office.

Strategic Actions

1. **Enhance cash flow planning:** Implement monthly treasury release tracking.
2. **Strengthen procurement practices:** Committee capacity training; enforce multiple-source tendering.
3. **Include Q.S. oversight:** Require quantity surveyor sign-offs on infrastructure contracts.
4. **Improve monitoring:** Digital M&E platform; community feedback loops.
5. **Risk management:** Quarterly risk reviews; mitigation plans for inflation, delays.
6. **Financial transparency:** Quarterly public financial disclosures with project progress.

Conclusion

Over the past five years, Kisauni NG CDF has demonstrated steady fund absorption (66%-95%), completion of critical projects, and adherence to statutory frameworks. Going forward, our focus must be on cash flow efficiency, procurement integrity, quality assurance, and stakeholder transparency to ensure equitable and impactful development.



.....
Name: Monica Mwai
Fund Account Manager

8. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

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

tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

2. Environmental performance

- NG CDF Kisauni have planted trees in various schools within the constituency hence assist in prevention of soil erosion in the society.
- NG CDF Kisauni have built chiefs offices in different wards within the constituency which helps in curbing insecurities within the areas.

3. Employee welfare

We invest in providing the best working environment for our employees. Employment Act, NGCDF Act and other regulations as issued from time to time, guides Kisauni constituency recruitment. 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 of 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. Kisauni constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a 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-

Kisauni NGCDF Constituency is committed to fair and ethical market practises.

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.

Kisauni 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-

Kisauni NGCDF 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, Implementation, and Monitoring

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

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.

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



.....
Name: Monica Mwai
Fund Account Manager.

9. Statement Of Management Responsibilities

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

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

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

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

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

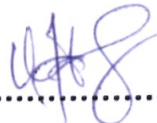
Approval of the financial statements

The NGCDF- KISAUNI Constituency financial statements were approved and signed by the Accounting Officer on 3/11/2025.



.....
Name: **ALLAN OWANO**

Chairman – NGCDF Committee



.....
Name: **MONICA MWAI**

Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KISAUNI 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 - Kisauni Constituency set out on pages 1 to 50, 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 the 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 - Kisauni 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. Misclassification of Capital Expenditures as Recurrent Expense

The statement of financial position and Note 23 to the financial statements reflects Property, Plant and Equipment (PPE) balance of Kshs.19,614,298. However, excluded from the PPE balance is CCTV equipment costing Kshs.56,200 which had been procured during the period under review. The procured assets were expensed under printing costs instead of being capitalized, despite meeting the definition of property, plant and equipment under IPSAS 45.6, thereby overstating the printing cost and understating the property, plant and equipment.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.19,614,298 could not be confirmed.

2. Unsupported Trade and Other Payables

The statement of financial position and Note 26 to the financial statements reflects trade and other payable balance of Kshs.1,989,576. Included in this balance is trade payables of Kshs.1,908,023, employee payables of Kshs.81,513 and other payables of Kshs.40. However, the trade payables balance was not supported with detailed ledgers.

In the circumstance, the accuracy and completeness of trade and other payables balance of Kshs.1,989,576 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 - Kisauni 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.

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KISAUNI 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 - Kisauni Constituency set out on pages 1 to 50, 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 the 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 - Kisauni 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.

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1. Misclassification of Capital Expenditures as Recurrent Expense

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In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.19,614,298 could not be confirmed.

2. Unsupported Trade and Other Payables

The statement of financial position and Note 26 to the financial statements reflects trade and other payable balance of Kshs.1,989,576. Included in this balance is trade payables of Kshs.1,908,023, employee payables of Kshs.81,513 and other payables of Kshs.40. However, the trade payables balance was not supported with detailed ledgers.

In the circumstance, the accuracy and completeness of trade and other payables balance of Kshs.1,989,576 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 - Kisauni 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 approved final revenue budget and actual amounts on comparable basis of Kshs.345,251,722 and Kshs.296,865,572 respectively, resulting in under-funding of Kshs.48,386,150, or 14% of the budget. Similarly, the fund spent Kshs.252,670,232 against actual receipts of Kshs.296,865,572 resulting in under-expenditure of Kshs.44,195,340 or 15% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the 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's Audit Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Fund in 2024/2025 revealed that the following five (5) issues remained unresolved:

| No. | Financial Year | Audit issue |
|-----|----------------|---|
| 1 | 2023/2024 | Inaccuracies in the financial statements |
| 2 | 2023/2024 | Unpresented cheques on bursary |
| 3 | 2023/2024 | Unreturned Project Management Committee (PMC) accounts balances |
| 4 | 2023/2024 | Weaknesses in management of staff gratuity |
| 5 | 2023/2024 | Unconfirmed security projects |
| 6 | 2023/2024 | Unsupported vetting of bursary applications |

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, NG-CDF Committee, NG-CDFC Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in 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

Failure to Prepare Quarterly Financial Reports

Review of the financial records revealed that the Management did not prepare and submit quarterly financial statements to the Cabinet Secretary, National Treasury and Economic Planning and the Auditor General. This is contrary to Regulation 220(1) of the Public Finance Management (National Government) Regulations, 2015 which requires an accounting officer for a national government entity shall prepare and submit quarterly financial and non-financial statements for the national government entity with a copy to the National Treasury and the Auditor General in a form that complies with the standards prescribed and published by the Accounting Standards Board from time to time.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

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 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, SBS
AUDITOR-GENERAL

Nairobi

28 November, 2025

National Government Constituencies Development Fund (NGCDF)


KISAUNI Constituency

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

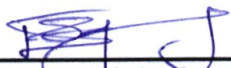
11. Statement of Financial Performance for the Year Ended 30th June 2025

| | Note | 2024-2025 |
|---|------|---------------------|
| | | Kshs |
| Revenue from non-exchange transactions | | |
| Transfers from the NGCDF Board | 6 | 197,386,150 |
| Grants/donations from other entities | 7 | - |
| Revenue from exchange transactions | | |
| Finance income | 8 | - |
| Miscellaneous income | 9 | - |
| Total revenue | | 197,386,150 |
| Expenses | | |
| Employee costs | 10 | 7,517,047 |
| Committee expenses | 11 | 2,015,100 |
| Use of Goods and Services | 12 | 6,494,873 |
| Other Government Units Actual expenditure | 13 | 160,022,240 |
| Other Grants and Transfers Actual expenditure | 14 | 64,522,000 |
| Depreciation and amortization expense | 15 | - |
| Digital Hubs Actual expenditure | 16 | - |
| Total expenses | | 240,571,260 |
| Other gains/(losses) | | |
| Gain/Loss on Sale of Assets | 17 | - |
| Impairment loss | 18 | - |
| Surplus/(Deficit) for the year | | (43,185,110) |


The Constituency financial statements were approved by the NGCDFC on 3/11/2025 and signed by:



**Chairman NG-CDF
Committee**
Name: Allan Owano



**National Sub-County
Accountant**
Name: Edwin Indase
ICPAK M/No: 20457



Fund Account Manager
Name: Monica Mwai

(Paragraph 79 of IPSAS 33 allows for the election by an MDA to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position, and an opening statement of financial position at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made; therefore, there are no comparatives in the first year of transition.)

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

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

| | Note | 2024-2025 | Opening Statement 1st July 2024 |
|--|------|--------------------|---------------------------------|
| | | Kshs | Kshs |
| Assets | | | |
| Current Assets | | | |
| Cash And Cash Equivalents | 19 | 44,195,339 | 78,011,704 |
| Receivables from Exchange Transactions | 20 | - | - |
| Receivables from Non-Exchange Transactions | 21 | 48,386,150 | 69,853,868 |
| Prepayments | 22 | 259,914 | - |
| Total Current Assets | | 92,841,403 | 147,865,572 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 23 | 19,614,298 | - |
| Intangible Assets | 24 | - | - |
| Right-of-use assets | 25 | - | - |
| Total Non- Current Assets | | 19,614,298 | - |
| Total Assets (A) | | 112,455,701 | 147,865,572 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 26 | 1,989,576 | - |
| Third-Party Deposits | 27 | 6,198,079 | 1,684,841 |
| Lease Liabilities | 28 | - | - |
| Gratuity provision | 29 | 2,968,994 | 1,696,568 |

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

| | | | |
|----------------------------------|----|--------------------|--------------------|
| Total Current Liabilities | | 11,156,649 | 3,381,409 |
| Non-Current Liabilities | | | |
| Lease Liabilities | 28 | - | - |
| Total Liabilities (B) | | 11,156,649 | 3,381,409 |
| Net Assets (A-B) | | 101,299,052 | 144,484,162 |
| Represented by: | | | |
| Accumulated Surplus | | 101,299,052 | 144,484,162 |

The Constituency financial statements set out on pages 3 to 4 approved by NG CDFC on 03/11/2025 and signed by:



Chairman NG-CDF
Committee
Name: Allan Owano



National Sub-County
Accountant
Name: Edwin Indase
ICPAK M/No: 20457



Fund Account Manager
Name: Monica Mwai

National Government Constituencies Development Fund (NGCDF)
KISAUNI Constituency
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13. Statement of Changes in Net Assets for the year ended 30 June 2025

| Description | Accumulated | Reserves | Total |
|--|-----------------|----------|--------------|
| | surplus/Deficit | | |
| | Kshs | Kshs | Kshs |
| As at 30 th June 2024 (cash basis) | 21,725,557 | - | 21,725,557 |
| Adjustments: (to recognize assets and liabilities) | | | - |
| Add Assets | 126,140,015 | | 126,140,015 |
| Less Liabilities | 3,381,409 | | 3,381,409 |
| As at July 1, 2024 | 144,484,162 | | 144,484,162 |
| | | | - |
| Surplus/(Deficit) For the Period | (43,185,110) | | (43,185,110) |
| Revaluation Gain/Loss | - | - | - |
| As at 30 th June (current year) | 101,299,052 | - | 101,299,052 |

Note:

1. Amount Kshs. 126,140,015 is composed of kshs. 69,853,868 receivables from NG CDF Board as at 1st July 2024, kshs. 56,286,147 opening cash balances for PMC Bank Accounts as at 1st July 2024.

2. Amount Kshs . 3,381,409 is composed of kshs. 1,060,355 for staff gratuity Payables for the period between March 2023 to December 2023 and kshs. 636,213 for staff gratuity payables for the period between January 2025 to June 2025. And also kshs. 1,684,841 are Retention monies held in PMC Accounts as at Date.

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

| | Notes | 2024-2025 |
|---|-------|---------------------|
| | | Kshs |
| Cash flows from operating activities | | |
| Receipts | | |
| Transfers from the NGCDF Board | | 218,853,868 |
| Grants/donations from other entities | | |
| Finance income | | |
| Miscellaneous income | | |
| Total Receipts | | 218,853,868 |
| Payments | | |
| Employee costs | | 6,163,108 |
| Committee expenses | | 2,015,100 |
| Use of Goods and Services | | 6,754,787 |
| Other Government Units Certified Works | | 155,508,962 |
| Other Grants and Transfers | | 64,522,000 |
| Digital Hubs Expenses | | - |
| Total Payments | | 234,963,957 |
| Net Cash Flows from/ (used in) Operating Activities | 30 | (16,110,089) |
| Cash flows From Investing Activities | | |
| Purchase of PPE | | 17,706,275 |
| Purchase of Intangible assets | | |
| Proceeds From Sale of PPE | | - |
| Net Cash Flows from Investing Activities | | 17,706,275 |
| Net increase/(decrease) in cash & Cash equivalents | | (33,816,364) |
| Cash Flows from Financing Activities | | |
| Lease payment | | - |
| Net Cash Flows from Financing Activities | | (33,816,364) |
| Cash and cash equivalents at Period Start | 19 | 78,011,704 |
| Cash and cash equivalents at Period End | 19 | 44,195,339 |

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

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

| | Original Budget | Adjustments | | Final Budget | Actual on | Budget utilization | % of Utilization |
|--------------------------------------|--------------------|--------------------------------|---|--------------------|--------------------|--------------------|------------------|
| | | | | | comparable basis | difference | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | | |
| | a | b | | C=(a+b) | d | e=(c-d) | f=d/c*100 |
| | 2024- 2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding disbursements | 2024- 2025 | 2024- 2025 | | |
| Revenue | | | | | | | |
| Transfers From the NGCDF Board | 197,386,150 | 78,011,704 | 69,853,868 | 345,251,722 | 296,865,572 | 48,386,150 | 86.0% |
| Grants/donations from other entities | - | - | - | - | - | - | |
| Finance income | - | - | - | - | - | - | |
| Miscellaneous income | - | - | - | - | - | - | |
| Totals | 197,386,150 | 78,011,704 | 69,853,868 | 345,251,722 | 296,865,572 | 48,386,150 | 86.0% |

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| | | | | | | | |
|--|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|--------------|
| Expenses | | | | | | | |
| Employee costs | 8,435,801 | 744,751 | 1,372,426 | 10,552,978 | 6,163,108 | 4,389,870 | 58.4% |
| Committee expenses | 2,428,000 | - | - | 2,428,000 | 2,015,100 | 412,900 | 83.0% |
| Use of Goods and Services | 6,900,952 | 817,165 | 3,475,048 | 11,193,165 | 6,754,787 | 4,438,378 | 60.3% |
| Other Government Units Certified Works | 96,916,936 | 71,436,149 | 54,274,044 | 222,627,128 | 155,508,962 | 67,118,166 | 69.9% |
| Other Grants and Transfers | 82,704,461 | 4,934,499 | 10,732,350 | 98,371,310 | 82,228,275 | 16,143,035 | 83.6% |
| Digital Hubs Expenses | | | | | | - | |
| Funds Pending Approval** | - | 79,140 | - | 79,140 | - | 79,140 | 0.0% |
| Total Expenditure | 197,386,150 | 78,011,704 | 69,853,868 | 345,251,722 | 252,670,232 | 92,581,489 | 73.2% |
| 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.*

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Explanatory Notes.*

| ITEM | % OF UTILIZATION | COMMENT |
|-------------------------------------|------------------|---|
| Transfers from NGCDF Board | 86.0% | Delay in release of funds from NG - CDF Board |
| Compensation of Employees | 58.4% | Delay in release of funds from NG - CDF Board |
| Committee Expense | 83.0% | Delay in release of funds from NG - CDF Board |
| Use of goods and services | 60.3% | Delay in release of funds from NG - CDF Board |
| Transfers to Other Government Units | 69.9% | Delay in release of funds from NG - CDF Board |
| Other grants and transfers | 83.6% | Delay in release of funds from NG - CDF Board |

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|--|------------|
| Description | Amount |
| Budget utilization difference totals | 92,581,489 |
| Less undisbursed funds receivable from the Board as at period 30 th June, 2025 | 48,386,150 |
| Cash and Cash Equivalents at the end of the 30 th June 2025 | 44,195,339 |

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 03/11/2025 and signed by:



Fund Account Manager

Name: Monica Mwai



National Sub-County Accountant

**Name: Edwin Indase
ICPAK M/No:20457**



Chairman NG-CDF Committee

Name: Allan Owano

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on | Budget utilization difference |
|---|-------------------|--------------------------------|----------------------------------|-------------------|-------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous | | comparable basis | |
| | | | Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 8,435,801 | 744,751 | 1,372,426 | 10,552,978 | 6,244,621 | 4,389,870 |
| 1.2 Committee allowances | 1,128,000 | | | 1,128,000 | 760,100 | 367,900 |
| 1.3 Use of goods and services | 2,279,368 | 817,165 | | 3,096,533 | 3,346,787 | (250,254) |
| Sub-total | 11,843,169 | 1,561,916 | 1,372,426 | 14,777,511 | 10,269,995 | 4,507,516 |
| 2.0 Monitoring and evaluation | | | | | | |
| 2.1 Capacity building | 4,621,584 | | 3,475,048 | 8,096,632 | 3,408,000 | 4,688,632 |
| 2.2 Committee allowances | 1,300,000 | | | 1,300,000 | 1,255,000 | 45,000 |
| 2.3 Use of goods and services | | | | - | | - |
| Sub-total | 5,921,584 | - | 3,475,048 | 9,396,632 | 4,663,000 | 4,733,632 |
| 4.0 Emergency | | | | | | |
| unutilized | 10,388,745 | | - | 10,388,745 | | 10,388,745 |

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| | | | | | | |
|---|-------------------|------------------|----------|-------------------|-------------------|-------------------|
| Sub-total | 10,388,745 | - | - | 10,388,745 | - | 10,388,745 |
| 5.0 Bursary and Social Security | | | | | | |
| 5.1 Primary Schools | | | | - | | - |
| 5.2 Secondary Schools | 47,354,460 | 540,499 | | 47,894,959 | 47,807,000 | 87,959 |
| 5.3 Tertiary Institutions | 27,000,000 | 776,351 | | 27,776,351 | 15,528,000 | 12,248,351 |
| 5.4 special needs | 350,000 | 32,000 | | 382,000 | 373,000 | 9,000 |
| 5.5 Education Support Programmes/sports | | 54,000 | | 54,000 | | 54,000 |
| 5.6 Social Security | | 264,000 | | 264,000 | | 264,000 |
| Sub-total | 74,704,460 | 1,666,850 | - | 76,371,310 | 63,708,000 | 12,663,310 |
| 7.0 Environment | | | | | | |
| Maunguja primary school | 284,000 | | | 284,000 | | 284,000 |
| mdengerekeni primary school | 284,000 | | | 284,000 | | 284,000 |
| concordia primary school | 284,000 | | | 284,000 | | 284,000 |
| Utange primary school | 284,000 | | | 284,000 | | 284,000 |
| Sub-total | 1,136,000 | - | - | 1,136,000 | - | 1,136,000 |
| 8.0 Primary Schools Projects | | | | | | |
| majaoni primary school | 5,400,000 | | | 5,400,000 | 1,972,126 | 3,427,874 |
| mdengerekeni primary school | 3,663,709 | | | 3,663,709 | 1,846,733 | 1,817,016 |
| shimo la tewa primary school | 4,150,000 | | | 4,150,000 | 936,625 | 3,213,375 |

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| | | | | | | |
|--|------------|------------|-----------|------------|------------|------------|
| makumba primary school | 33,878,482 | 15,000,000 | 9,121,518 | 58,000,000 | 36,319,931 | 21,680,069 |
| BARAKA VORONI PRI SCHOOL NG CDF PMC | | 4,935,000 | | 4,935,000 | 4,934,975 | 25 |
| BEDZIMBA PRIMARY SCHOOL NG CDF PMC | | 7,692,466 | | 7,692,466 | 7,692,191 | 275 |
| CONCORDIA PRIMARY SCHOOL NG CDF PMC | | 4,940,000 | | 4,940,000 | 4,689,059 | 250,941 |
| MAGOGONI PRIMARY SCHOOL NG CDF PMC | | 666,536 | | 666,536 | 622,026 | 44,510 |
| MWEMBELEGEZA PRIMARY SCHOOL PMC NG CDF | | 4,235,828 | | 4,235,828 | 4,233,967 | 1,861 |
| SHIMO LA TEWA PRIMARY SCHOOL NG CDF PMC | | 61,657 | | 61,657 | - | 61,657 |
| KASHANI PRIMARY SCHOOL NG CDF PMC | | 13,619 | | 13,619 | - | 13,619 |
| BARANI PRIMARY SCHOOL | | 120,015 | | 120,015 | 119,120 | 895 |
| MAUNGUJA PRIMARY SCHOOL | | 1,684 | | 1,684 | - | 1,684 |
| MARIMANI PRIMARY SCHOOL | | 14,196 | | 14,196 | 120 | 14,076 |
| MAGOGONI PRIMARY SCHOOL | | 539,333 | | 539,333 | 539,333 | - |
| CONCORDIA PRIMARY SCHOOL | | 14,196 | | 14,196 | - | 14,196 |
| MTOPANGA PRIMARY SCHOOL | | 90 | | 90 | - | 90 |
| MAJAONI PRIMARY SCHOOL | | 87,164 | | 87,164 | - | 87,164 |
| MJAMBERE PRIMARY SCHOOL | | 5,235 | 1,273,000 | 1,278,235 | 1,251,546 | |
| BARAKA PRIMARY SCHOOL (VORONI) | | 313,649 | | 313,649 | 313,649 | - |
| CONCORDIA PRIMARY SCHOOL | | 10,513 | | 10,513 | - | 10,513 |

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| | | | | | | |
|--|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| | | | | - | | |
| Sub-total | 47,092,191 | 38,651,180 | 10,394,518 | 96,137,889 | 65,471,361 | 30,666,528 |
| 9.0 Secondary Schools Projects (List all the Projects) | | | | | | |
| Mtopanga sec school | 4,300,000 | | | 4,300,000 | 907,462 | 3,392,538 |
| karisa maitha sec school | 1,000,000 | | | 1,000,000 | | 1,000,000 |
| shanzu high school | 33,000,000 | | 30,000,000 | 63,000,000 | 47,295,023 | 15,704,977 |
| mjambere secondary school | | 29,902,999 | 13,144,526 | 43,047,525 | 40,514,330 | 2,533,195 |
| MTOPANGA MIXED SECONDARY SCHOOL | | 216,452 | | 216,452 | 212,655 | 3,797 |
| KARISA MAITHA BOYS HIGH SCHOOL | | 102,885 | | 102,885 | 102,880 | 5 |
| SHIMO LA TEWA SECONDARY SCHOOL | | 503,511 | | 503,511 | 503,511 | - |
| MWAKIRUNGE SECONDARY SCHOOL | | 14,406 | | 14,463 | - | 14,463 |
| HASSAN JOHO GIRLS SECONDARY SCHOOL | | 901,921 | | 901,921 | 341,070 | 560,851 |
| KASHANI SECONDARY | | 633,361 | | 633,361 | 60,070 | 573,291 |
| MARIMANI SECONDARY SCHOOL | | 2,354 | | 2,354 | - | 2,354 |
| MWEMBELEGEZA SEC SCHOOL PMC NG CDF | | 41,396 | | 41,396 | - | 41,396 |
| CONCORDIA SECONDARY | | 112,982 | | 112,982 | 100,600 | 12,382 |
| Sub-total | 38,300,000 | 32,432,324 | 43,144,526 | 113,876,850 | 90,037,601 | 23,839,249 |
| 10.0 Tertiary institutions Projects (List all the Projects) | | | | | | |

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| | | | | | | | | | |
|--------------------------|-------------|------------|------------|--|-------------|--------|-------------|--|------------|
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Sub-total | | | | | | | | | |
| Funds pending approval** | | | | | | | | | |
| unapproved projects | | 79,140 | | | | 79,140 | | | 79,140 |
| AiA | | | | | | | | | |
| Sub-total | | | | | | | | | |
| Total | 197,386,150 | 78,011,704 | 69,853,868 | | 345,251,722 | 79,140 | 252,670,232 | | 92,581,489 |

(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 Kisauni Constituency principal activity is funding and supporting grassroots development initiatives in Kisauni Constituency, improving education, infrastructure and youth empowerment through locally administered projects and bursary distribution.

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 Act 2012, International Public Sector Accounting Standards (IPSAS) and The National Treasury Circular No. 3 of 14 April, 2025. The NG-CDF Kisauni is transitioning from IPSAS CASH – Modified to IPSAS Accrual and this are the first transitional financial statements under IPSAS Accrual. The NGCDF Kisauni has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. The NG-CDF Kisauni has recognized all financial Assets which includes cash and cash equivalent for operational account, deposit account and PMC balances, Receivables owing from the NG CDF Board, Prepayments. Liabilities recognized includes trade and other payables, third party deposits and gratuity

provisions. Recognition of all other non-financial assets acquired in f/y prior to 2023/2024 to be recognized by the third year of transition after identification and valuations have been done. 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

(When an IPSAS becomes effective on 1st January 2024, it is applicable in Kenya from 1st July 2024)

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

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

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

| Standard | Effective date and impact: |
|--|--|
| IPSAS 43: Leases | <i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>The standard is not applicable</i> |
| 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. |

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| | |
|---|--|
| | <i>The standard is not applicable</i> |
| IPSAS 45: Property Plant and Equipment | <p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be 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><i>The standard is applicable 1st January 2025</i></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><i>The standard is applicable 1st January 2025</i></p> |
| IPSAS 47: Revenue | <i>Applicable 1st January 2026</i> |

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| | |
|--|--|
| | <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>The standard is applicable 1st January 2026</i></p> |
| IPSAS 48: Transfer Expenses | <p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>The standard is not applicable at the Constituency</i></p> |
| IPSAS 49: Retirement Benefit Plans | <p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>The standard is not applicable at the Constituency</i></p> |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol 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 |

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| | |
|--|--|
| | <p>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> <p><i>The standard is not applicable at the Constituency</i></p> |
|--|--|

iii. Early adoption of standards

Kisauni Ng –cdf 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 30th June 2024 for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

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

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

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

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

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

6. Transfers from the NGCDF Board

| Description | 2024-2025 |
|--|--------------------|
| | Kshs |
| NGCDFB Transfers (Allocation for the FY 2024/2025) | 197,386,150 |
| Total | 197,386,150 |

7. Transfers from domestic and foreign partners

| Description | 2024-2025 |
|--------------|-----------|
| | Kshs |
| Grants | - |
| Total | - |

8. Finance income

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

9. Miscellaneous income

| | 2024-2025 |
|--|-----------|
| | Kshs |
| Rental Income | - |
| Income from sale of tenders | - |
| Hire of plant/equipment/facilities | - |
| Other Income Not Classified Elsewhere <i>PMC</i> | - |
| Total | - |

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10. Employees cost

| Description | 2024- 2025 |
|--|------------------|
| | Kshs |
| NG-CDFC Basic staff salaries | 4,104,600 |
| Personal allowances paid as part of salary | - |
| House Allowance | 1,038,720 |
| Transport Allowance | 600,000 |
| Leave allowance | 100,000 |
| Gratuity to contractual employees | 1,272,426 |
| Employer Contributions Compulsory national social security schemes | 309,530 |
| Employer Contributions Compulsory Housing levy | 87,646 |
| Employer contributions to National Industrial Training Authority | 4,125 |
| Total | 7,517,047 |

11. Committee Expenses

| | 2024-2025 |
|--------------------------|------------------|
| | Kshs |
| Sitting allowance | 760,100 |
| Other Committee expenses | 1,255,000 |
| Total | 2,015,100 |

12. Use of Goods and services

| Description | 2024-2025 |
|--|------------------|
| | Kshs |
| Utilities, supplies and services | 89,093 |
| Communication, supplies and services | 127,000 |
| Domestic travel and subsistence | 218,900 |
| Printing, advertising and information supplies & services | 1,201,099 |
| Office Rent | 525,000 |
| Training expenses | 3,408,000 |
| Hospitality supplies and services | - |
| Insurance costs | 779,741 |
| Specialized materials and services | - |
| Office and general supplies and services | 660 |
| Fuel, oil & lubricants | - |
| Bank Charges | 145,380 |
| Routine maintenance – vehicles and other transport equipment | - |
| Routine maintenance – other assets | - |
| Strategic plan expenses | - |
| Other operating expenses | - |
| Total | 6,494,873 |

13. Other Government Units Actual expenditure

| Description | 2024-2025 |
|--|--------------------|
| | Kshs |
| Primary Schools Actual expenditure | 67,407,134 |
| Secondary Schools Actual expenditure | 92,615,106 |
| Tertiary Institutions Actual expenditure | - |
| Total | 160,022,240 |

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14. Other Grants and transfers Actual expenditure

| | 2024-2025 |
|--|-------------------|
| | Kshs |
| Bursary – secondary schools | 47,807,000 |
| Bursary – tertiary institutions | 15,528,000 |
| Bursary – special schools | 373,000 |
| Bursary - Education Support programmes | - |
| Social Security programmes (SHIF) | - |
| Security projects Actual expenditure | 814,000 |
| Climate change mitigation projects | - |
| Emergency projects Actual expenditure | - |
| Roads projects Actual expenditure | - |
| Others specify | - |
| Total | 64,522,000 |

15. Depreciation and Amortization Expenses

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

16. Digital Hubs Expenses

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

17. Gain/loss on Sale of Assets

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

18. Impairment Loss

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

19. Cash and Cash Equivalents

| Name Of Bank and Account No. | 2024-2025 | Opening Statement 1 st July 2024 |
|---|-------------------|--|
| | Kshs | Kshs |
| Bank Accounts (Cash Book Bank Balance) | | |
| <i>Family bank - nkrumahmombasa A/C NO. 095000060410</i> | 7,574,740 | 21,725,557 |
| <i>Family bank ,A/C no. Branch . (deposit account) 095000063476</i> | 3,816,662 | 0 |
| <i>Name of Bank, account No. (PMC's account)</i> | 32,803,937 | 56,286,147 |
| Total | 44,195,339 | 78,011,704 |
| Cash Balances | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Other Locations <i>(Specify)</i> | - | - |
| Total | - | - |
| <i>[Provide Cash Count Certificates for Each]</i> | | |

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20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

| Description | 2024-2025 | | Opening Statement 1 st 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) | - | % | - | % |

21. Receivables from Non-Exchange Transactions

| Description | 2024-2025 | Opening Statement 1 st July 2024 |
|-----------------------|-------------------|--|
| | Kshs | Kshs |
| Transfers from NGCDFB | 48,386,150 | 69,853,868 |
| Outstanding imprest | - | 0 |
| Total | 48,386,150 | 69,853,868 |

Ageing Analysis for Receivables

| Description | 2024-2025 | | Opening Statement 1 st July 2024 | |
|-----------------------|-------------------|-------------------|--|-------------------|
| | Kshs | | Kshs | |
| | 2024-2025 | % of the total | Opening Balance | % of the total |
| Less than 1 year | 48,386,150 | 100% | 69,853,868 | 100 % |
| Between 1- 2 years | | | - | |
| Between 2-3 years | - | | - | |
| Over 3 years | - | | - | |
| Total (a+b) | 48,386,150 | 100% | 69,853,868 | 100% |

22. Prepayments

| Description | 2024-2025 | Opening Statement 1 st July 2024 |
|--------------------------------------|----------------|--|
| | Kshs | Kshs |
| Prepaid Rent | - | - |
| Prepaid Insurance | 259,914 | - |
| Prepaid Electricity Costs | - | - |
| Other Prepayments (<i>Specify</i>) | - | - |
| Total | 259,914 | - |

Prepayments of Kshs. 259,914 relates to staff medical cover for the period July 2025 to September 2025.

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 | | 2% | 25% | 12.5% | 30% | x% | | |
| Depreciation Method | | Straight Line | Straight Line | Straight Line | Straight Line | Straight Line | | |
| Cost | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Opening Bal as 1st July 2024 | - | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | 19,614,298 | 19,614,298 |
| Disposals | - | - | - | - | - | - | - | - |
| Transfer/Adjustments | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | - | - | - | - | - | - | 19,614,298 | 19,614,298 |
| Depreciation And Impairment | | | | | | | | |
| Opening Depreciation | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - | - | - |
| Transfer/Adjustment | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | - | - | - | - | - | - | - | - |
| Net Book Values | | | | | | | | |
| Opening Bal as at 1st July 2024 | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | - | - | - | - | - | - | 19,614,298 | 19,614,298 |

Valuation

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

22 b) Property, Plant and Equipment at Cost

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

| | Cost | Accumulated Depreciation | NBV |
|---|-------------------|--------------------------|-------------------|
| | Kshs | Kshs | Kshs |
| Land | - | - | - |
| Buildings W.I.P | 19,614,298 | - | 19,614,298 |
| Plant And Machinery | - | - | - |
| Motor Vehicles, Including Motorcycles | - | - | - |
| Computers And Related Equipment | - | - | - |
| Office Equipment, Furniture, And Fittings | - | - | - |
| Total | 19,614,298 | - | 19,614,298 |

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

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

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24. Intangible Assets

| Description | 2024-2025 |
|--|-----------|
| | Kshs |
| Cost | |
| Opening balance at 1 st July 2024 | - |
| Additions | - |
| Disposal | - |
| At end of the 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 | Buildings | Plant | Equipment | Total |
|--|-----------|-------|-----------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| Cost | | | | |
| As At 1 July (Comparative period) | - | - | - | - |
| Additions | - | - | - | - |
| As At 30 June 2025 (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 2025 (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 2025. (Comparative Period) | - | - | - | - |

26. Trade and Other Payables

| Description | 2024-2025 | Opening Statement 1 st July 2024 |
|---------------------------------------|------------------|---|
| | Kshs | Kshs |
| Trade payables | 1,908,023 | - |
| Employee payables | 81,513 | - |
| Other payables | 40 | - |
| Total trade and other payables | 1,989,576 | - |

| Aging analysis: (Trade and other payables) | 2024-2025 | % of the Total | 1 st July 2024 | % of the Total |
|--|------------------|----------------|---------------------------|----------------|
| Under one year | 1,908,023 | 96% | - | % |
| 1-2 years | 81,553 | 4% | - | % |
| 2-3 years | | % | - | % |
| Over 3 years | - | % | - | % |
| Total (tie to above total) | 1,989,576 | 100% | - | |

27. Third-Party deposits

| | 2024-2025 |
|--|------------------|
| | KShs |
| Retention as at 1 st July (A) | 1,684,841 |
| Retention held during the year (B) | 12,215,343 |
| Retention paid during the Year (C) | 7,702,105 |
| Closing Retention as at 30th June D= A+B-C | 6,198,079 |

Retentions aging analysis.

| | 2024-2025 | % of the total | 2023-2024 | % of the total |
|------------------|-----------|----------------|-----------|----------------|
| Less than 1 year | 6,198,079 | 100% | 1,684,841 | 100% |
| 1-2 years | - | % | - | % |
| 2-3 years | - | % | - | % |

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| | | | | |
|--------------|------------------|-------------|------------------|-------------|
| Over 3 years | - | % | - | % |
| Total | 6,198,079 | 100% | 1,684,841 | 100% |

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

28. Lease Liabilities

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

Maturity Analysis

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

Analysed as:

| Description | Amount |
|--------------|--------|
| Current | - |
| Non- Current | - |
| Total | - |

29. Gratuity Provision

| Description | 2024-2025 |
|--|------------------|
| | Kshs |
| Gratuity at the beginning of the year 1 st of July 2024 | 1,696,568 |
| Gratuity held during the year | 1,272,426 |
| Gratuity paid during the year | - |
| Total Gratuity Provision 30th June 2025 (A+B-C) | 2,968,994 |

30. Cash Generated from Operations

| | 2024-2025 |
|--|---------------------|
| | Kshs |
| Surplus for the period before tax | (43,185,110) |
| 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 | (21,207,804) |
| Changes in payables | (81,553) |
| Changes in deferred income | |
| Changes in Third party deposits | (4,513,238) |
| Changes in gratuity provision | (1,272,426) |
| Changes in payments received in advance | |
| Net cash flow from operating activities | (16,110,089) |

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

30. Financial Risk Management

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

1. Credit risk

The Entity has no exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

2. Financial Risk Management

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

| Description | Total amount | Fully performing | Past due | Impaired |
|--|-------------------|-------------------|----------|----------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 48,386,150 | 48,386,150 | - | - |
| Bank balances | 44,195,339 | 44,195,339 | - | - |
| Total | 92,581,489 | 92,581,489 | - | - |

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| As at 30 June 2024 | | | | |
|--|--------------------|--------------------|---|---|
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 69,853,868 | 69,853,868 | - | - |
| Bank balances | 78,011,704 | 78,011,704 | - | - |
| Total | 147,865,572 | 147,865,572 | - | - |

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

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from NGCDF board. 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 | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|--|-------------------|--------------------|---------------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | | |
| Trade payables | 1,989,576 | - | - | - |
| Current portion of borrowings | - | - | - | - |

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| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|--|-------------------|--------------------|---------------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Gratuity Provision | 2,968,994 | - | - | - |
| Total | 4,958,570 | - | - | - |
| As at 30th June 2024 | | - | - | - |
| Trade payables | | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Gratuity Provisions | 1,696,568 | - | - | - |
| Deferred income | - | - | - | - |
| Employee benefit obligation | - | - | - | - |
| Total | 1,696,568 | - | - | - |

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 no 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.

Financial Risk Management

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

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

b) Interest rate risk

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

Management of interest rate risk

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

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

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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.

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 | <i>Opening Statement 1st July 2024</i> |
|---|--------------------|---|
| | Kshs | Kshs |
| Revaluation Reserve | | |
| Retained Earnings | 101,299,052 | 144,484,162 |
| Capital Reserve | - | - |
| Total Funds | 101,299,052 | 144,484,162 |
| Total Borrowings | 11,156,649 | 3,381,409 |
| Less: Cash and Bank Balances | (44,195,339) | (78,011,704) |
| Net Debt/(Excess Cash And Cash Equivalents) | 33,038,690 | - |
| Gearing | | - |

31. Related Party Disclosures

| | 2024-2025 | Opening Statement 1 st July 2024 |
|--|--------------------|---|
| | Kshs | Kshs |
| Committee Members Remuneration | | |
| Sitting allowance of committee Members during the year | 2,015,100 | - |
| | | - |
| Transaction with the NGCDF Board | | |
| Transfers from the NGCDF Board during the year | 218,853,868 | - |
| Total | 220,868,968 | - |

32. Segment Information

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

33. Contingent Assets and Contingent Liabilities

Contingent Assets

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

Contingent Liabilities

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

34. Capital Commitments

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

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

35. Events after the Reporting Period

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

36. Ultimate And Holding Entity

The Kisauni 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.

37. Currency

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

18. Annexes

Annex 1: Summary of Asset Register

| Asset class | Historical Cost balance brought forward (Kshs) | Additions during the period (Kshs) | Disposals during the period (Kshs) | Historical Cost (Kshs) At Year/period End |
|---|---|---|---|--|
| Land | | | | - |
| Buildings and structures(Works in Progress) | | 19,614,298 | | 19,614,298 |
| Transport equipment | | | | |
| Office equipment, furniture, and fittings | | | | |
| ICT Equipment and Other ICT Assets | | | | |
| Other Machinery and Equipment | | | | |
| Intangible assets | | | | |
| Total | | 19,614,298 | | 19,614,298 |

Notes:

1. works in progress relates to the ongoing construction of the ng cdf office.
2. The ng cdfc owns other assets detailed below whos values are yet to be determined.

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

| PMC | Bank | Account number | Bank Balance Current period | <i>Opening Statement 1st July 2024</i> |
|---|-------------------|-----------------------|------------------------------------|---|
| BARAKA VORONI PRI SCHOOL NG CDF PMC | consolidated bank | 10081203000028 | 25 | 4,935,000 |
| BEDZIMBA PRIMARY SCHOOL NG CDF PMC | consolidated bank | 10081203000026 | 275 | 7,692,466 |
| CONCORDIA PRIMARY SCHOOL NG CDF PMC | consolidated bank | 10081203000027 | 250,941 | 4,940,000 |
| MAGOGONI PRIMARY SCHOOL NG CDF PMC | consolidated bank | 10081203000015 | 44,510 | 666,536 |
| MWEMBELEGEZA PRIMARY SCHOOL PMC NG CDF | Equity bank | 1140280226122 | 1,861 | 4,235,828 |
| SHIMO LA TEWA PRIMARY SCHOOL NG CDF PMC | Equity bank | 1140280899648 | 61,657 | 61,657 |
| KASHANI PRIMARY SCHOOL NG CDF PMC | Equity bank | 11402823005618 | 13,619 | 13,619 |
| BARANI PRIMARY SCHOOL | co-operative bank | 1141548922200 | 895 | 120,015 |
| MAUNGUJA PRIMARY SCHOOL | co-operative bank | 1139044024802 | 1,684 | 1,684 |
| | | | | |

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| PMC | Bank | Account number | Bank Balance Current period | Opening Statement 1st July 2024 |
|--|-------------------|-----------------------|--|---|
| MARIMANI PRIMARY SCHOOL | co-operative bank | 1129577451500 | 14,076 | 14,196 |
| MAGOGONI PRIMARY SCHOOL | co-operative bank | 1141548951100 | - | 539,333 |
| CONCORDIA PRIMARY SCHOOL | co-operative bank | 1141548847800 | 14,371 | 14,371 |
| MTOPANGA PRIMARY SCHOOL | co-operative bank | 1141577380100 | 90 | 90 |
| MAJAONI PRIMARY SCHOOL | co-operative bank | 114157738000 | 87,164 | 87,164 |
| BARAKA PRIMARY SCHOOL (VORONI) | co-operative bank | 1141548845100 | - | 313,649 |
| CONCORDIA PRIMARY SCHOOL | Kcb | 1137249080 | 10,513 | 10,513 |
| MAKUMBA PRIMARY SCHOOL | consolidated bank | 10081203000020 | 7,301,587 | - |
| MDENGEREKENI PRIMARY SCHOOL NG CDF PMC | family bank | 100000004194 | 1,153,267 | - |

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| PMC | Bank | Account number | Bank Balance Current period | Opening Statement 1 st July 2024 |
|---|-------------------|----------------|-----------------------------|---|
| MAJAONI PRIMARY SCHOOL NG CDF PMC | consolidated bank | 10081203000030 | 1,227,874 | - |
| SHIMO LA TEWA PRIMARY SCHOOL NG CDF PMC | family bank | 100000004182 | 1,963,375 | - |
| MJAMBERE PRIMARY SCHOOL | consolidated bank | 10081203000019 | 26,729 | 5,235 |
| MJAMBERE SECONDARY SCHOOL NG CDF PMC | consolidated bank | 10081203000013 | 2,533,195 | 29,902,999 |
| MTOPANGA MIXED SECONDARY SCHOOL | Equity bank | 1140281331947 | 3,797 | 216,452 |
| KARISA MAITHA BOYS HIGH SCHOOL | Equity bank | 1140280200381 | 5 | 102,885 |
| SHIMO LA TEWA SECONDARY SCHOOL | Equity bank | 1106507444 | - | 503,511 |
| MWAKIRUNGE SECONDARY SCHOOL | co-operative bank | 1141548762100 | 14,286 | 14,286 |
| HASSAN JOHO GIRLS SECONDARY SCHOOL | co-operative bank | 1141548855500 | 851 | 901,921 |
| KASHANI SECONDARY | co-operative bank | 1141548848200 | - | 633,361 |

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| PMC | Bank | Account number | Bank Balance Current period | Opening Statement 1st July 2024 |
|---|-------------------|-----------------------|------------------------------------|---|
| MARIMANI SECONDARY SCHOOL | co-operative bank | 1129577451500 | 2,354 | 2,354 |
| MWEMBELEGEZA SEC SCHOOL PMC NG CDF | co-operative bank | 1141548913600 | 41,396 | 41,396 |
| CONCORDIA SECONDARY | co-operative bank | 1141548844400 | 12,382 | 112,982 |
| SHANZU HIGH SCHOOL NG CDF PMC | consolidated bank | 10081203000019 | 15,704,977 | - |
| MTOPANGA SECONDARY SCHOOL NG CDF PMC | family bank | 100000006153 | 2,192,538 | - |
| SECURITY MAST LIGHT PROJECTS NG CDF PMC | consolidated bank | 10081203000018 | 489 | 81,489 |
| JUNDA DISPENSARY | Kcb | 1106506685 | 61,959 | 61,959 |
| MJAMBERE /JUNDA DRAINAGE | Kcb | 1117174794 | 23,257 | 23,257 |
| VORONI WATER TANKS | Kcb | 1131502116 | 35,940 | 35,940 |
| FURNITURES CHIEFS | family bank | 090000006139 | 2,000 | - |
| TOTAL | | | 32,803,937 | 56,286,147 |

Annex 3: Progress On Follow Up of Auditor Recommendations

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|---|---|--|--|---|
| MSA/NGCDF-KISAUNI/2023/2024(9) | The statement reflects bank balance in eleven closed project management committees totalling to Kshs. 1,133,291 that has not been refunded to the main account. This is contrary to section 12 (8) of NGCDF Act , 2015 which states that all unutilized funds of PMCS shall be transferred to the constituency account. | The management has been able to refund some of the funds and is still following up with the Deputy Count Commissioner on the others who can't be traced. | Not Resolved | REF; AOG/CR/AUD/8/15/2023/2024/(13) December 2025 |



Name: Monica Mwai
Fund Account Manager.