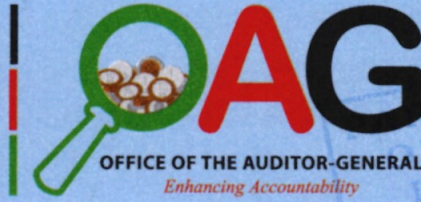


REPUBLIC OF KENYA



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*Enhancing Accountability*

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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	12 FEB 2025
	DAY: Thursday
TABLED BY:	Hon. George Mungara, MP
	Dubluh & LOM
PREPARED BY:	Kanaka Tititei



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P.O. Box 30084 - 00100, NAIROBI  
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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIBRA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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

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**1. Acronyms and Definition of Key Terms**

*National Government Constituencies Development Fund (NGCDF)  
Kibra Constituency  
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**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.

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

## **2. Key Constituency Information and Management**

### **(a) Background information**

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

### **Mandate**

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

- a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6 (3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;
- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) Provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

**Vision**

Equitable Socio-economic development countrywide.

**Mission**

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

**Core Values**

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

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

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

**Fiduciary Management**

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

No	Designation	Name
1.	AIE holder	Jimnah Macharia
2.	National Sub-County Accountant	Lucas Okech
3.	Chairman NGCDFC	Hellen Ndunda
4.	Member NGCDFC	Everline Were
5.	Member NG CDFC	John Shikokoti

**(c) Fiduciary Oversight Arrangements**

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

P.O. Box 22033-00523  
Kibra DC's Compound  
Kibera Road  
Nairobi, KENYA.

**(e) NGCDF Kibra Constituency Contacts**

Telephone: +254 722634375  
E-mail: [Kibraefd@ngcdf.go.ke](mailto:Kibraefd@ngcdf.go.ke)  
Website: [www.go.ke](http://www.go.ke)

**(f) NGCDF Kibra Constituency Bankers**

1. Equity Bank (Operations A/C)  
Kibera Branch  
Account No. 11702612223145  
P.O. Box 75104

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City Square 00200  
 Nairobi, Kenya

2. Equity Bank (Deposits A/C)  
 Kibera Branch  
 Account No. 1170286200020  
 P.O. Box 75104  
 City Square 00200  
 Nairobi, Kenya
3. Bank C. (PMC Accounts)  
 Branch Kibera  
 P.O. Box 75104  
 City Square 00200

**List all the banks where the PMC has accounts**

Account Name	Bank	Account No.
Mbagathi Primary School	EQUITY	1170280747349
Jamhuri Estate Primary school	EQUITY	1170279876897
Ayany primary school	EQUITY	1170279874025
Raila Educational Primary School	EQUITY	1170278998867
Olympic Primary School	EQUITY	1170271844275
Shadrack Kimalel Primary School	EQUITY	1170285424050
Kibera Primary School	EQUITY	1170264880219
Joseph Kang'ethe Primary School	EQUITY	1170264884224
Toi Primary School	EQUITY	1170278998690
Moi Girls Nairobi	EQUITY	1170269765365
Kibera Secondary School	EQUITY	1170270942529
Woodley Boys Secondary School	EQUITY	1170279874087
Upper hill school	EQUITY	1170270264320
Raila Educational Secondary School	EQUITY	1170266699050
Mbagathi Secondary School	EQUITY	1170264883900
Olympic Secondary School	EQUITY	1170280492895
Shadrack Kimalel Secondary School	EQUITY	1170280492895
Kibra TVC	EQUITY	1170280229686
Capitol Hill Police Station	EQUITY	11702808166498
Kibra Sub-County A.P Station	EQUITY	11702791415689
Lini Saba Chief's Office	EQUITY	1170286054340
Kibera Health Centre	EQUITY	1170267176789

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**(g) Independent Auditor**

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






**(h) Principal Legal Adviser**

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

**3. NGCDF Committee**


Name	Details
 <p>Chairperson: Hellen Ndunda</p>	<p>The Chairperson is a female adult as per the position in the Kibra NG-CDF. She is 56 years old in age and she holds a diploma in Early Child Education. Besides she is a business lady of which she runs different businesses within Nairobi and even outside Nairobi.</p>
 <p>John Shikokoti</p>	<p>John Mukhobi Shikokoti is male representative from Lindi ward. He holds certificate in Business Management. John is 62 years of age</p>
 <p>Jackson Mulinge</p>	<p>Jackson Mulinge Omuga is a male youth representative of 32 years in age and has studied diploma in Record Management. Besides he's a businessman within Kibra Constituency</p>
 <p>Everline Were</p>	<p>Everline Adhiambo Were is 29 years of age who is a female youth representative. She has done certificate in education (Teacher). Furthermore, she's a business lady within Nairobi County</p>

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 <p>Roseline Amondi</p>	<p>Mama Rosemary Amondi is female adult nominee from the constituency office who's 52 in age. She is Health Care Giver in Sarangómbe Ward.</p>
 <p>Jennifer Kerubo</p>	<p>Jennifer Kerubo is 43 years of age and she is Upon further consultation with recommend for co-option by the NG-CDF Board.</p>
 <p>Mohammed Ali</p>	<p>Mzee Mohammed Ali is male adult nominee from the constituency office who's 55 in age. He is Kathi and a muslim leader within Makina Ward.</p>
 <p>Gladwell Wambui</p>	<p>Gladwell Wambui Maina if female member who represents people living with disability. She is 47 years of age and she's a business lady in Laini Saba Ward.</p>
 <p>Mereza Ochere (DCC)</p>	<p>Mereza Ochere is Sub-County Commissioner who represents the administration into the Kibra NG-CDFC. She is an</p>

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	<p>Jimnah Macharia is a Fund Account Manager who holds</p> <ul style="list-style-type: none"><li>. He holds Bachelors in Finance</li><li>. He also a masters in finance</li></ul> <p>He has worked for more 18 years in various constituency but currently serving at Kibra NG-CDF</p>
<p>Jimnah Macharia (FAM)</p>	

List the NG CDFC members who exited during the financial year and the period they served.  
There was no member who exited during the financial year

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



**MRS. HELLEN NDUNDA  
CHAIRPERSON, KIBRA NG-CDF**

I have the pleasure to present the Kibra –NGCDF annual report and financial statements for the financial year 2024/2025. The people of Kibra constituency are determined to participate effectively in domesticating objectives of vision the big 5 agendas in our development planning. The constituents now have power to implement the formulation and implementation of development programs in the constituency for the works within the aspiration of the constitution of Kenya which makes public participation mandatory. The utilization of the NG-CDF has always been carried out with fairness, transparency, openness and accountability.

##### **Financial Year Budget**

In the financial year 2024/2025 the NG-CDF Kibra Constituency was allocated Kshs **179,441,954** and we have received the Kshs. 218,065,158 allocated for the financial year 2024/2025 of which Kshs. 79,755,794 belonged to last financial year 2023/2024, Ksh. 10,309,364 belongs to financial year 2022/2023 and the utilization of Kshs. 128,000,000 has gone well in which 64% of the funds allocated to projects has been utilized effectively as bellow.

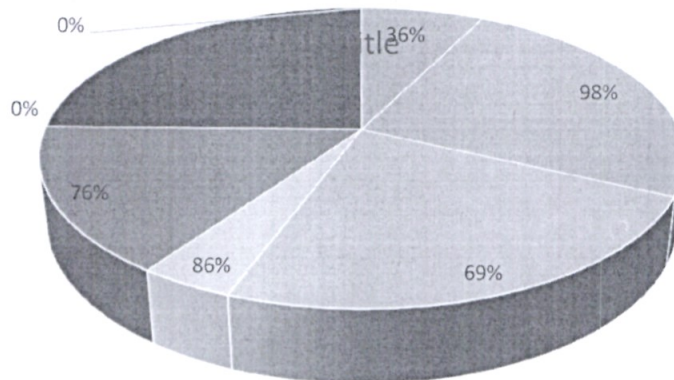
The Kshs. 68,441,954 which includes Kshs. 51,441,954 amounts that have not been disbursed from the NG-CDF Board for the 2024/2025 and Ksh. 17,000,000 for the year 2023/2024. and Kshs. 82,057,877 the cash book and PMC balances that had not been spend as at 30<sup>th</sup> June 2024

Table 1.0 summary of budget performance

**KEY ACHIEVEMENTS**

We have completed our allocations in time, and achieved the results as stipulated in the summary graph below:

Compensation of Employees	100%
Committee Expenses	100%
Use of goods and services	90%
Transfers to Other Government Units	72%
Other grants and transfers	70%
Acquisition of Assets	0%
Other Payments	0%
funds pending approval	0%



- Compensation of Employees
- Committee Expenses
- Use of goods and services
- Transfers to Other Government Units
- Other grants and transfers
- Acquisition of Assets
- Other Payments
- funds pending approval

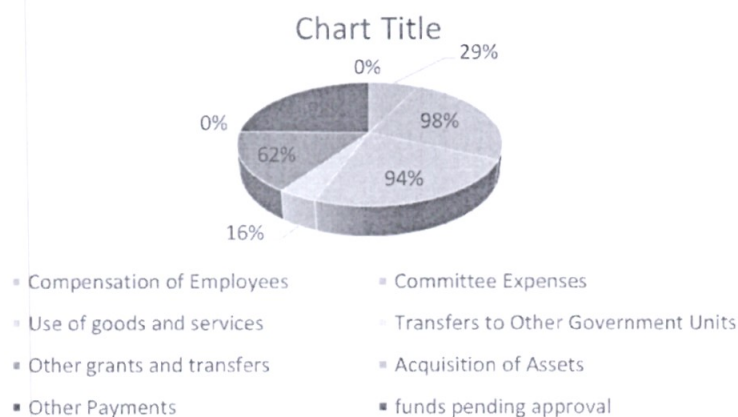
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**FIG:1 Allocation of funds F/Y 2024/2025**

The budget performance against the actual amount for the current year are as follows:

Receipt/Expense Item	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	Explanation
<b>PAYMENTS</b>				
Compensation of Employees	5,481,332	5,459,782	21,550	This utilization was because of late disbursement of funds from the board
Committee Expenses	8,929,510	8,888,504	41,006	There were high operations in the current year
Use of goods and services	9,119,475	8,986,514	132,961	There were high operations in the use of goods and services
Transfers to Other Government Units	181,083,615	130,630,723	50,452,893	Some of the project implementation was on going
Other grants and transfers	146,951,056	88,781,620	58,169,436	Emergency money had not been utilized and were to be reallocated
funds pending approval	17,347,167		17,347,167	Awaiting approval by the board

The Budget Utilisation can be diagrammatically presented as follows:



**Fig 2: UTILIZATION OF FUNDS**

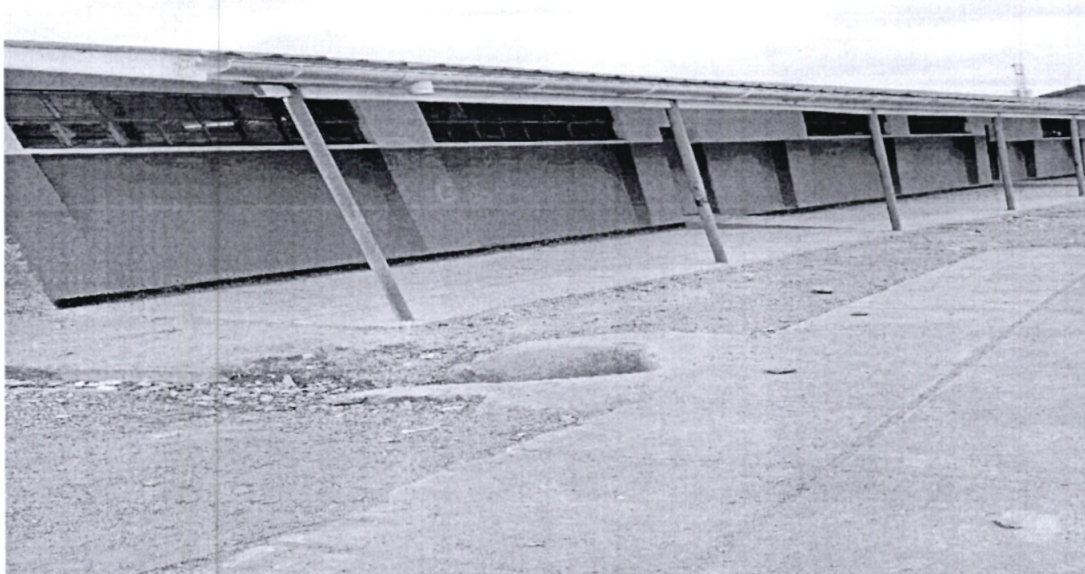
During the Financial year 2024/2025 the Kibra NG-CDF has been able to implement several projects as per seen below;



**FIG 3: AYANY PRIMARY SCHOOL CONTRUSTION OF 13 NO. CLASSROOMS**

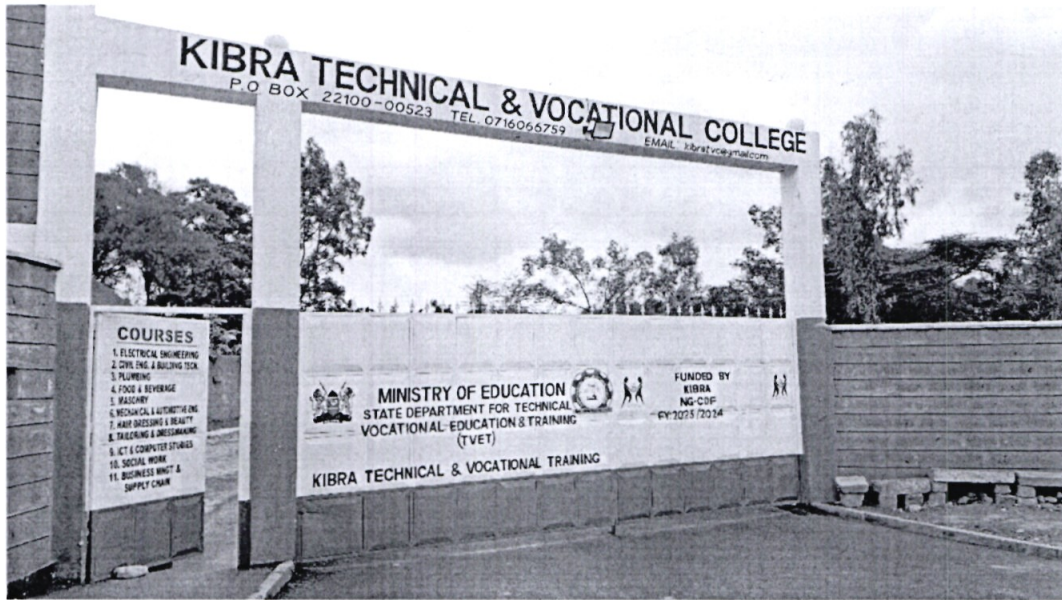
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**FIG 4: RENNOVATION OF 10 CLASSROOMS AT KIBERA PRIMARY SCHOOL**

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**FIG 5: CONSTRUCTION OF MORDERN GATE AT KIBRA TVC**





**FIG. 6 PURCHASE OF 67-SEATER BUS AT RAILA EDUCATIONAL CENTRE**



**Fig 7. NG-CDFC & STAFFS DURING CAPACITY BUILDING**



**Fig 8: CONSTRUCTION OF LAINI SABA CHIEF'S OFFICE**

Laini Saba Chief's office is one of the security projects that Kibra NG-CDF has fully funded and be completed in two financial years i.e 2023/2024 and 2024/2025. The project is a clear indication of the milestones Kibra NGCDF is willing to take to achieve security measures in Laini Saba slums and promote the big 4 agenda.



**Fig 9: BURSARY CHEQUE ISSUANCE TO THE BENEFICIARIES**

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Kibra NGCDF is geared towards uplifting the education levels of students within the constituency. The issue of bursary cheques to students is a clear indication that Kibra NGCDF is focused on improving the literacy level of students within the constituency. This project is the pride of Kibra NGCDF because a higher number of students will benefit from education which will reduce illiteracy, and promote the big 4 agenda.

**Challenges and solutions**

- Main challenge that Kibra constituency faced was late funds disbursement that led to few projects being implemented and others stalled awaiting funding.
- There was also noted a challenge in the education sector since there are many needy students who need support through the bursary fund which is never enough; this is due to lower middle income economy status within the constituency.

The constituency has endeavored to give priority to the very needy students to enable them cater for their school fees.



.....  
**Name: MRS. HELLEN NDUNGE**  
**Chairperson Kibra NG-CDF Committee**

## 5. Statement Of Performance Against Predetermined Objectives for FY 2024/2025

### Introduction

#### 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 **Kibra Constituency 2023-2028** Strategic plan are to:

- a) To act as an overarching Constituency development framework for guiding socio-economic transformation between 2023 and 2028.
- b) To provide a local framework for actualizing the achievement of the Big 4 agenda and the Kenya vision 2030.
- c) To reduce inequality through equitable distribution of resources across the wards within the constituency.
- d) To create a firm foundation for socio-economic transformation through education and security infrastructural development.
- e) To enhance local resource mobilization from other development partners and actors within and outside the constituency.
- f) To Facilitate annual planning and budgeting for the identified projects that will spur development in the constituency, and facilitate annual review of plans and budgets to track progressing implementation and draw lessons for incorporation I n subsequent planning and budgeting.
- g) To provide a framework for continuous monitoring and systematic evaluation of development projects.

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**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**Core Values**

**Patriotism** – we uphold the national pride of all Kenyans through our work

**Participation of the people**- We involve citizens in making decisions about programmes we fund

**Timeliness** – we adhere to prompt delivery of service

**Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people

**Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

**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:

sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and	number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 2024/2025 -we increased 38 classrooms, an administration office, a library in our Raila Educational Centre Secondary School

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		tertiary institutions	number of bursary's beneficiaries at all levels	- We also renovated 20 classrooms in 2 primary schools. - Bursary beneficiaries at all levels were 14,000 students
Security	Kibra Constituency aims at achieving a crime free constituency. In the year 2022/23 the constituency allocated Ksh. 10,309,364, 2023/24 allocated Ksh. 10,000,000 and in 2024/25 allocated Ksh. 30,132,500 to the security kitty to promote structure that will	Security personnel are hosted closer to the residence of the constituency	Increased security and reduced crime rate.	Security Projects have been implemented but others have not implemented due to delay in disbursement of funds from the NG-CDF Board.

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	accommodate security personnel.			
Environment	Accessibility to a clean and conducive environment and drainage systems	Coming up with water storage tanks minimize environmental degradation	Increase in sustainable environmental practices	- Environment Projects was implemented that is we supplied the 10,000L tanks to all the public schools in Kibra Constituency
Emergency	Help the community and families know where to take refuge and how to take care for basic medical and emergency issues	Provision to support over 6,000 families affected by disaster	Enhancement of disaster response and control Improvement on infrastructure to help in easy accessibility in case of calamities	-There were no emergency cases during the year.

## 6) Governance Statement

### Introduction

(The NGCDF Act 2015 as amended in 2023 on appointment of NGCDFC Members states; The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya Subsidiary Legislation, 2016 1951

(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

(4) The selection panel referred to in paragraph (1) shall consist of—

- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act

(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.

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(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette. *(1952 Kenya Subsidiary Legislation, 2016)*

The selection panel shall stand dissolved upon the appointment of the members of a Constituency Committee.

The Board shall, within fourteen days after gazettelement of the members of a Constituency Committee inform the members of their appointment in writing.

A member of a Constituency Committee who is appointed Under the Act may at any time resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board.

At least one of the Constituency Committee members appointed under section 43 shall be a mandatory signatory to the Constituency account

In Kibra, NGCDF is managed by a team of ten (10) NGCDFC members appointed in accordance with the NGCDF act 2015 as amended in 2022. The ten members comprise of seven gazetted members, a member co-opted by the NGCDF Board, the deputy County commissioner and an officer of the board at the constituency level who is an ex-officio member. As a result of change of regime due to the elections carried out in August 2022, there had to be phased out the existing committee and a new one selected.

The gazetted members are appointed in accordance with the NGCDF Act 2015. They comprise of two female members one of whom must be a youth at the time of appointment and two male members one of whom must be a youth at the time of appointment and one member who is a person living with disabilities and two nominees of the Constituency office. Five members are selected by a selection panel chaired by the Deputy County Commissioner or his nominee and the Officer of the board is the secretary. The Officer of the board invites applications from persons who qualify for appointment within fourteen of the first meeting of

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the selection panel. The panel considers all applications and selects five applicants considering age, gender social interest and regional balance, the officer of the board submits the five qualified applicants to the board for appointment. The board co-opts one person to ensure equity in representation in the committee. Through the national assembly the constituency office nominates two persons of either gender to and forward he names to the officer of the board at the constituency. All the names of the seven appointees are presented to parliament for approval and subsequent gazettelement.

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43 and its regulations provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

Further the NG CDF regulations requires that one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

#### **Appointment of NGCDFC Members**

##### **The selection Panel**

The selection panel was appointed in the month of September 2022. This constituted four members as follows;

SNO	NAME	DESIGNATION
1	David Mutua	Chairperson
2	Jimna Macharia	Secretary
3	Roseline Akinyi	Member
4	Maurice Okumu	Member

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In the month of August 2024, due to expire of the term of the previous members, the serving committee was phased off. This caused the NGCDF office to carry out an appointment of the new committee.

In Kibra constituency, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee. The panel invited through advertisement publicised in churches, public offices notice boards and other public areas in the constituency in the month of November 2024.

The selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed by Kibra Constituency Office as per section 43 of the NG-CDF Act, 2015.

S/N	Name	Category representation	Ward
1.	John Shikokoti	Male (Adult)	Lindi
2.	Jackson Omuga	Male (Youth)	Sarang'ombe
3.	Hallen Ndunge	Female (Adult)	Woodly
4.	Everline Were	Female (Youth)	Makina

**Nominee of the body representing persons with disability**

S/N	Name	Nature of physical Impairment	Ward
1.	Gladwell Wambui	Physical – Left hand Amputated.	Laini Saba

**Nominee of the constituency Office**

S/N	Name	Category	Ward
1	Ali Mohammed	Male representative	Makina
2	Roseline Amondi	Female Representative	Sarang'ombe

Upon further consultation with the panel and the constituency office, members recommend for co-option by the NG-CDF Board as per section 43 subsection 2(g) as

S/N	Name	Gender	Ward
1.	Jeniffer Kerubo	Female	Laini Saba

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The members went through the process of electing the chairperson and the secretary of the committee. The following members were elected.

1. Chairperson position – Hallen Ndunge
2. Secretary position – Jackson Omuga

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.

The appointed committee members were gazetted through Gazette volume number 254 on 21<sup>st</sup> May 2025.

The new committee held its first meeting on 24<sup>th</sup> May 2025.

Sno.	Name	Position
1	Hallen Ndunge	Chair person
2	Jackson Omuga	Secretary
3	John Shikokoti	Member
4	Everline Were	Member
5	Gladwell Wambui	Member
6	Ali Mohammed	Member
7	Roseline Amondi	Member
8	Jeniffer Kerubo	Member
9	Jimna macharia	Fund Manager
10	Mereza Ochere	DCC

#### **Removal of NGCDFC Members**

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practises;

(f) causing disharmony within the committee;

(g) Physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. In Kibra the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

#### **Roles and functions of NG-CDFC**

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

#### **Training of NG-CDFC Members**

In the financial year 2024/2025 the NGCDF Board organized training of NGCDFC members. The constituency also held a capacity building activity in Mombasa on 2<sup>nd</sup> -7<sup>th</sup> May 2025.

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During the training, critical areas such as overview of NG-CDF Act 2015 and Regulations, public finance, project planning, procurement, complaint management, and performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Kibra.

**Number of meetings held**

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than 24 meetings in the same financial year, including sub-committee meetings.

During the financial year 2023/2024 the NGCDFC Kibra held 17 meetings through the year, 2 being for the previous committee while 15 for the current committee as illustrated as follows;

**Schedule of meetings held during the FY 2024/2025 and attendance**

S.N	NG-CDFC COMMITTEE MEMBERS	14 Jul 24	27 Jul 24	10 Aug 24	28 Aug 24	9 Sep 24	21 Sep 24	12 Oct 24	21 Oct 24	7 Nov 24	2 Jan 25	18 Jan 25	9 Feb 25	22 Feb 25	6 Jun 25	27 Jun 25
1	Hellen Ndunge- Chairperson	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
2	Jackson Omuga- Secretary	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
3	John Shikokoti- member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
4	Roseline Orege Member.	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
5	Everline Were member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
6	Jeneffer Kerubo member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

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7	Gladwell Wambui- PWD	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
8	Ali Mohammed - Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
9	Jimnah Macharia - FAM	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
10	Mereza Ochere -DCC	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

### **Ethics & conduct**

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

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

During the financial year 2024/2025 members of NGCDFC Kibra adhered to the above ethical issues.

### **Member's Remuneration**

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance of ksh.7000 per meeting and all other members an allowance of ksh.5000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

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

**Disclose policy on conflict of interest**

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

**Risk management**

Risk management has been integrated in the constituency operations through the following: training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

Some of the risk mitigation strategies that NGCDFC Kibra has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF Act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.



.....  
**Name: Jimnah Macharia  
Fund Account Manager.**

## **7) Management Discussion and Analysis**

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

The Accounting Officer in charge of the NGCDF-Kibra Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes:

- i. maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of the entity;
- (v) selecting and applying appropriate accounting policies; and
- (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Kibra 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- Kibra Constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied

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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 Kibra 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.



.....  
Name: Jimnah Macharia  
Fund Account Manager

## 8) Environmental and Sustainability Reporting

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

### 1. Sustainability strategy and profile -

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

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

## **2. Environmental performance**

Kibra Constituency aligns its environmental policy with national frameworks to promote sustainable development and environmental conservation. The policy emphasizes the protection of natural resources, proper waste management, and active community participation in environmental stewardship.

### **Evidence of Implementation**

- Environmental assessments conducted before construction of NG-CDF projects.
- Tree planting incorporated in school and community projects (e.g. 1,500 assorted trees supplied and planted in Moi Girls Secondary School).
- Allocation of funds for environmental-related activities in the NG-CDF project proposals and budget lines.
- Partnering with the community in the environment matters within the constituency

### **Achievements in Environmental Management**

- Tree Planting Campaigns: Successful tree planting drives in schools for example Moi Girls Secondary School. This contributes to the national tree restoration target.
- Environmental Clubs in Schools: Support and facilitation of school-based environmental clubs through bursary recipients' participation.
- Supply and construction of storage water tanks in public schools

### **Shortcomings**

- Inconsistent monitoring of tree survival rates.
- Limited funding for long-term environmental infrastructure like composting sites or water harvesting systems.
- Low waste segregation and recycling infrastructure in densely populated areas.

## **3. Employee welfare**

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. Kibra Constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

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

#### **4. Marketplace Practices-**

Kibra Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

#### **5. Community Engagements-**

Kibra Constituency has endeavored to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through community projects.

#### **Public Participation in Project Identification, Implementation, and Monitoring**

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


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

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

#### **Public Awareness**

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

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

  
.....  
Name: Jimnah Macharia  
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-Kibra 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- Kibra 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 Kibra NG-CDF's financial statements give a true and fair view of the state of Kibra NG-CDF'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- Kibra 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 Kibra 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.

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**Approval of the financial statements**

The NGCDF- Kibra Constituency financial statements were approved and signed by the Accounting Officer on 27/11 2025.



.....  
Name: Hellen Ndunda  
Chairman – NGCDF Committee



.....  
Name: Jimnah Macharia  
Fund Account Manager

# REPUBLIC OF KENYA

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Kibra Constituency set out on pages 1 to 55, 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

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

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kibra 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 April, 2025.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies and Unsupported Cash and Cash Equivalents Balance**

The statement of financial position and Note 19 of the financial statements reflects cash and cash equivalents balance of Kshs.51,799,093. Included in the balance is Kshs.31,302,430 relating to Project Management Committee (PMC) bank balances as disclosed under Annex 2 to the financial statements. However, review of records provided revealed the following anomalies:

- i. Shadrack Kimalel Primary School's balance is reported as Kshs.3,049,417 against the bank statement balance of Kshs.591,500.
- ii. Kibera Primary School PMC reflected current and prior year balances of Kshs.3,049,517 and Kshs.49,517 respectively, which were omitted from the financial statements.
- iii. The Kibra Technical and Vocational College opening balance of Kshs.11,499,828 is missing from the PMC balances listing.
- iv. Toi Primary School current and prior year balances of Kshs.(115) and Kshs.3,223,248, respectively were omitted from the list.
- v. The PMC bank balances are reported as totalling Kshs.31,302,430, against a casted amount of Kshs.30,717,526 resulting to an unreconciled variance of Kshs.584,904.
- vi. The statement of financial position reflects cash and cash equivalents balance of Kshs.51,799,093 while the corresponding Note 19 to the financial statements reflects a balance of Kshs.51,805,689 resulting to an unreconciled variance of Kshs.6,596.
- vii. Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.51,805,689 against a casted amount of Kshs.51,214,190 resulting to a summation error of Kshs.591,399. Further, the Note includes a comparative bank balance of Kshs.14,181,820 while the prior year audited financial statements reflects a closing balance of Kshs.19,758,620 resulting to an unreconciled variance of Kshs.880,156.

- viii. Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.51,805,689 which includes the Funds operations bank account balance of Kshs.18,878,464 which was not supported with the cashbooks and bank reconciliation statements.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.51,799,093 could not be confirmed.

## 2. Unsupported Financial Statements Balances

The statement of financial performance reflects payments totalling Kshs.243,286,873 which include amounts of Kshs.243,212,083 that was not supported by respective ledgers and journal vouchers as analysed below;

Item	Note	Amount (Kshs.)
Employee Cost	10	6,174,022
Committee Expenses	11	8,888,504
Use of Goods and Services	12	8,737,214
Other Government Units Actual Expenditure	13	130,630,723
Other Grants and Transfers Actual Expenditure	14	88,781,620
<b>Totals</b>		<b>243,212,083</b>

In the circumstances, the accuracy and completeness of payments totalling Kshs.243,286,873 could not be confirmed.

## 3. Unsupported Fund Transfers

The statement of financial performance and Note 14 to the financial statements reflect an amount of Kshs.88,781,620 relating to other grants and actual transfers. This amount constitutes bursary to secondary schools, tertiary institutions and special schools of Kshs.48,301,500, Kshs.16,370,600 and Kshs.4,435,000 respectively, totalling Kshs.69,107,100. However, the amounts were not supported by bursary disbursement schedules. Further, Management did not provide evidence of vetting of the bursary award process.

In the circumstances, the accuracy, completeness and regularity of the other grants and transfers of Kshs.88,781,620 could not be established.

## 4. Variance Between Payments per the Cashbook and Financial Statements

The statement of financial performance reflects a total expenditure of Kshs.243,286,873. However, review payment vouchers and the accounts analysis provided for audit revealed a total expenditure of Kshs.212,141,455 resulting to an unexplained variance of Kshs.31,145,418.

Further, the Fund did not report any accounts payables as outstanding as at the year-end or provided supporting reconciliations for the overstated payments.

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kibra 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 final revenue budget of Kshs.363,335,355 against actual revenue of Kshs.294,546,236, resulting in a budget under-funding of Kshs.68,789,119, which represents 19% of the budgeted revenue. Similarly, the Fund incurred actual expenditure of Kshs.242,747,143 against actual revenue of Kshs.294,546,236, resulting in budget under-utilization of Kshs.51,799,093, equivalent to 18% of the actual revenue.

The underfunding and underutilization may have negatively affected the 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 Matters**

In the prior years' audit reports, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources respectively. Review of the status during audit of the National Government Constituencies Development Fund – Kibra Constituency in 2024/2025 revealed that the following matters remained unresolved.

	<b>Financial Year</b>	<b>Audit Issue</b>
1	2023/2024	Unsupported Project Management Committee Balances
2	2023/2024	Failure to Maintain a Memorandum Cashbook
3	2023/2024	Unutilized Funds not Allocated

## **Other Information**

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

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

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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**

#### **Lack of Clear Terms of Contract Agreement**

The Fund entered into various contracts with contractors during the year audit, amounting to Kshs.44,962,777. However, review of records provided revealed that the contract terms were incomplete and not clear, as they did not include critical provisions such as contract duration, retention percentage, defect liability period, terms of payment, and litigation clauses. This was contrary to Section 135(6) of the Public Procurement and Asset Disposal Act, 2015 which states that the tender documents shall be the basis of all procurement contracts and shall, constitute at a minimum - (a) Contract Agreement Form, (b) Tender Form, (c) Price Schedule or bills of quantities, submitted by the tenderer, (d) Schedule of Requirements among others. Except for the bid documents, there were no formal contracts signed between the parties.

In the circumstances, Management is in breach of 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.

### **Basis for Conclusion**

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

### **Responsibilities of the Management and those Charged with Governance**

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

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

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

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

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


### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

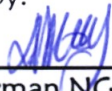
**11 December, 2025**


*National Government Constituencies Development Fund (NGCDF)  
Kibra 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
<b>Revenue from non-exchange transactions</b>		
Transfers from the NGCDF Board	6	179,441,954
Transfers from domestic and foreign partners	7	-
<b>Revenue from exchange transactions</b>		
Finance income	8	-
Miscellaneous income	9	-
<b>Total revenue</b>		<b>179,441,954</b>
<b>Expenses</b>		
Employee costs	10	6,174,022
Committee expenses	11	8,888,504
Use of Goods and Services	12	8,737,214
Other Government Units Actual expenditure	13	130,630,723
Other Grants and Transfers Actual expenditure	14	88,781,620
Depreciation and amortization expense	15	74,790
Digital Hubs Expenses Actual expenditure	16	-
<b>Total expenses</b>		<b>243,286,873</b>
<b>Other gains/(losses)</b>		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
<b>Surplus/(Deficit) for the year</b>		<b>(63,844,919)</b>

The Constituency financial statements were approved by the NGCDFC on 27/11/ 2025 and signed by:

  
\_\_\_\_\_  
Chairman NG-CDF  
Committee  
Name: Hellen Ndunda

  
\_\_\_\_\_  
National Sub-County  
Accountant  
Name: Lucas Okech  
ICPAK M/No: 17541

  
\_\_\_\_\_  
Fund Account Manager  
Name: Jimnah Macharia

*National Government Constituencies Development Fund (NGCDF)*  
*Kibra 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
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	51,799,093	76,481,077
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	68,441,954	107,065,158
Prepayments	22	-	-
<b>Total Current Assets</b>		<b>120,241,046</b>	<b>183,546,234</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	174,510	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
<b>Total Non- Current Assets</b>		<b>174,510</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>120,422,152</b>	<b>183,552,830</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	-	-
Third Party Deposits	27	-	-
Lease Liabilities	28	-	-
Gratuity Provision	29	1,618,200	903,960
<b>Total Current Liabilities</b>		<b>1,618,200</b>	<b>903,960</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	-	-
<b>Total Liabilities (B)</b>		<b>1,618,200</b>	<b>903,960</b>
<b>Net Assets (A-B)</b>		<b>118,803,952</b>	<b>182,648,870</b>
<b>Represented by:</b>			
Revaluation Reserves		<b>118,803,951</b>	<b>182,648,870</b>

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Accumulated Surplus			
Total Net Assets		118,803,951	182,648,870

The Constituency financial statements set out on pages 1 to 5 approved by NG CDFC on 27/11 2025 and signed by:



Chairman NG-CDF  
Committee  
Name: Hellen Ndunda



National Sub-County  
Accountant  
Name: Lucas Okech  
ICPAK M/No: 17541



Fund Account Manager  
Name: Jimnah Machari

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 <sup>th</sup> June 2024	14,181,820	-	14,181,820
<b>Adjustments</b>			
Recognition of Assets	169,371,010		169,371,010
Recognition of Liabilities	903,960		903,960
<b>As at July 1, 2024</b>	182,648,870		182,648,870
Surplus/(Deficit) For the Period	(63,844,919)		(63,844,919)
Revaluation Gain/Loss	-	-	-
<b>As at June 30, 2025</b>	118,803,951	-	118,803,951

Note:

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

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

	Notes	2024/2025
		Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from the NGCDF Board		218,065,158
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
<b>Total Receipts</b>		<b>218,065,158</b>
<b>Payments</b>		
Employee costs		5,459,782
Committee expenses		8,888,504
Use of Goods and Services		8,737,214
Other Government Units Certified Works		130,630,723
Other Grants and Transfers		88,781,620
Digital Hubs Expenses		-
<b>Total Payments</b>		<b>242,497,843</b>
<b>Net Cash Flows from/ (used in) Operating Activities</b>	28	<b>(24,432,685)</b>
<b>Cash flows From Investing Activities</b>		
Purchase of PPE		249,300
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
<b>Net Cash Flows from Investing Activities</b>		
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>(24,681,985)</b>
<b>Cash Flows from Financing Activities</b>		
Lease Payment		-

*National Government Constituencies Development Fund (NGCDF)*  
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Net Cash Flows from Financing Activities		(24,681,985)
Cash and cash equivalents at 1 July 2024	17	76,487,673
Cash and cash equivalents at 30 June	17	51,805,688

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

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c *100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
<b>Revenue</b>							
Transfers From the NGCDF Board	179,441,954	76,481,077	107,065,158	362,988,188	294,546,236	68,441,953	81%
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	347,167	-	347,167		347,166	
<b>Totals</b>	179,441,954	76,828,243	107,065,158	363,335,355	294,546,236	68,789,119	81%
<b>Expenses</b>							
Employee costs	1,230,000	2,774,636	1,476,696	5,481,332	5,459,782	21,550	100%
Committee expenses	8,164,750	764,760	-	8,929,510	8,888,504	41,006	100%
Use of Goods and Services	6,755,000	2,364,475	-	9,119,475	8,986,514	132,961	99%
Other Government Units Certified Works	56,656,339	65,377,747	59,049,529	181,083,616	130,630,723	50,452,893	72%
Other Grants and Transfers	106,635,865	10,782,854	29,538,933	146,957,652	88,781,620	58,176,032	60%
Acquisition of Assets		-	-	-		-	0%

*National Government Constituencies Development Fund (NGCDF)  
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	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c *100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Other Payments		-	-	-		-	0%
Digital Hubs Expenses	-	-	-	-	-	-	
Funds Pending Approval		347,167	17,000,000	17,347,167		17,347,167	0%
<b>Total Expenditure</b>	179,441,954	82,411,639	107,065,158	368,918,751	242,747,143	126,171,608	66%
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.*

*National Government Constituencies Development Fund (NGCDF)  
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Explanatory Notes.*

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	126,171,608
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2025	68,789,119
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2025	57,382,489

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 21/11 2025 and signed by:



Fund Account Manager

Name: Jimnah Macharia



National Sub-County Accountant

Name: Lucas Okech  
ICPAK M/No: 17541



Chairman NG-CDF Committee

Name: Hellen Ndunda

*National Government Constituencies Development Fund (NGCDF)*  
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16) Budget Execution by Sectors And Projects For The Year Ended 30<sup>th</sup> June 2025

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
<i>(Itemize as per the code list)</i>						
1.1 Compensation of employees	1,230,000	2,774,636	1,476,696	5,481,332	5,459,782	21,550
1.2 Committee allowances	4,861,500	374,000		5,235,500	5,213,750	21,750
1.3 Use of goods and services	4,635,000	1,193,789		5,828,789	5,745,655	83,134
Sub-total	<b>10,726,500</b>	<b>4,342,425</b>	<b>1,476,696</b>	<b>16,545,621</b>	<b>16,419,187</b>	<b>126,434</b>
<b>2.0 Monitoring and evaluation</b>						
<i>(Itemize as per the code list)</i>						
2.1 Capacity building	1,760,000	1,133,709		2,893,709	2,881,359	12,350
2.2 Committee allowances	3,303,250	390,760		3,694,010	3,674,754	19,256
2.3 Use of goods and services	360,000	36,977		396,977	359,500	37,477
Sub-total	<b>5,423,250</b>	<b>1,561,446</b>	<b>-</b>	<b>6,984,696</b>	<b>6,915,613</b>	<b>69,083</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools						
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
3.5 Unutilized	9,444,313	3,427,981	9,229,569	22,101,863		22,101,863
<b>Sub-total</b>	9,444,313	3,427,981	9,229,569	22,101,863	-	22,101,863
<b>4.0 Bursary and Social Security</b>						
4.1 Primary Schools	48,000,000	313,345		48,313,345	48,301,500	11,845
4.2 Secondary Schools	16,359,052	72,559		16,431,611	16,370,600	61,011
4.3 Tertiary Institutions	2,700,000	1,780,785		4,480,785	4,435,000	45,785
4.4 Universities				-		-
4.5 Social Security				-		-
<b>Sub-total</b>	67,059,052	2,166,689	-	<b>69,225,741</b>	<b>69,107,100</b>	<b>118,641</b>
<b>5.0 Climate Change Mitigation</b>						
5.1 Environment	-	3,507,386		3,507,386	3,507,100	286
5.2 Climate Change Mitigation		1,673,692		1,673,692	1,673,000	692
<b>Sub-total</b>	-	5,181,078	-	<b>5,181,078</b>	<b>5,180,100</b>	<b>978</b>
<b>6.0 Primary Schools Projects (List all the Projects)</b>						
Raila Educational Pri Sch	-	96,550		96,550	96,550	-
Ayany Primary School	-	7,001,287	25,074,000	32,075,287	29,557,253	2,518,034
Kibera Primary Sch	10,000,000	49,517		10,049,517	7,000,000	3,049,517
Joseph Kang'ethe Pry Sch		9,930	25,075,529	25,085,459	21,185,714	3,899,745
Shadrack Kimalel Pry Sch	6,588,839	2,336,694		8,925,533	1,745,195	7,180,338

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Jamhuri Estate Primary school		1,168		1,168	1,167	1
Mbagathi Primary School	10,000,000	480		10,000,480	5,000,000	5,000,480
Olympic Primary School		6,809,216		6,809,216	6,809,216	-
Toi Primary School		3,223,248		3,223,248	3,223,248	-
				-		-
Sub-total	26,588,839	19,528,089	50,149,529	96,266,457	74,618,343	21,648,115
<b>7.0 Secondary Schools Projects (List all the Projects)</b>						
7.1 Raila Educational Centre Sec. School	10,067,500	25,990,334		36,057,834	30,347,824	5,710,010
Mbagathi Secondary School	-	5,172,166	5,600,000	10,772,166	8,029,054	2,743,112
Moi Girls High School	10,000,000	25		10,000,025	25	10,000,000
Woodley Boys High School	10,000,000	350		10,000,350	350	10,000,000
Upper hill school		2,905	3,300,000	3,302,905	3,302,905	-
Kibera Secondary School	-	105,050		105,050	105,050	-
Sub-total	30,067,500	31,270,830	8,900,000	70,238,330	41,785,208	28,453,122
<b>8.0 Tertiary institutions Projects (List all the Projects)</b>						
Kibra (TVC)		14,578,828		14,578,828	14,573,828	5,000
				-		-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-total	-	14,578,828	-	14,578,828	14,573,828	5,000
<b>9.0 Security Projects</b>						
Capitol Hill Police Station		310		310	310	-
Laini Saba Chiefs Office	5,351,952	-	10,000,000	15,351,952	14,494,420	857,532
Kibra D.C.C Complex	24,780,548	-	10,309,364	35,089,912		35,089,912
Kibra Sub-County A.P Station		200		200	200	-
Sub-total	30,132,500	510	20,309,364	50,442,374	14,494,930	35,947,444
<b>10.0 Acquisition of assets</b>						
10.1 Motor Vehicles (including motorbikes)						
10.2 Construction of CDF office						
10.3 Purchase of furniture and equipment						
10.4 Purchase of computers						
10.5 Purchase of land						
Sub-total						
<b>11.0 Digital Hubs</b>						
<i>(Itemize as per the code list)</i>						
Sub total						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
12.0 Others						
12.1 Strategic Plan						
12.2 Kibera Health Centre		6,596.		6,596		6,596
Sub total		6,596	-	6,596	-	6,596
13.0 Funds pending approval**						
Unapproved projects		-		-		-
Moi Girls High School		-	17,000,000	17,000,000		17,000,000
AiA	-	347,166		347,166		347,166
Sub-total	-	347,166	17,000,000	17,347,166	-	17,347,166
<b>Total</b>	<b>179,441,954</b>	<b>82,411,639</b>	<b>107,065,158</b>	<b>368,918,751</b>	<b>243,094,310</b>	<b>125,824,442</b>

*(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 Kibra Constituency principal activity is Development

### 2. Statement of Compliance and Basis of Preparation

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

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

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

3. Adoption of New and Revised Standards

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

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

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

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

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<p>IPSAS 45: Property Plant and Equipment</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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>Not applicable in this Financial year</i></p>
<p>IPSAS 46: Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>Not applicable in this Financial year</i></p>
<p>IPSAS 47: Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue</p>

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

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*i. Early adoption of standards*

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption, and impact on the entity's financial statements.)*

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

**Transfers from other government entities**

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

ii) Revenue from exchange transactions

**Sale of goods**

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

**Interest income**

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

**Rental income**

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

**b) Budget information**

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

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

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

**c) Property, plant and equipment**

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

**d) Leases**

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

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

**e) Intangible assets**

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

**f) Financial instruments**

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

**a) Financial assets**

**Classification of financial assets**

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

#### **Subsequent measurement**

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

#### **Amortized cost**

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

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

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

#### **Trade and other receivables**

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

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

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

#### **Impairment**

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

#### **b) Financial liabilities**

##### **Classification**

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

##### **g) Inventories**

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

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

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

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

**h) Provisions**

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

**i) Social Benefits**

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

**j) Contingent liabilities**

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

**k) Contingent assets**

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**l) Employee benefits**

**Retirement benefit plans**

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

**m) Foreign currency transactions**

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

**n) Related parties**

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

**o) Cash and Cash Equivalents**

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

**p) Comparative figures**

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

**q) Subsequent events**

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

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the Kibra NG-CDF'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.

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- 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.

*(include provisions applicable for your organization e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).*

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6. Transfers from the NGCDF Board

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

7. Transfers from domestic and foreign partners

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

8. Finance income

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

*(Provide a brief explanation for this revenue)*

9. Miscellaneous income

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

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**10. Employee's Cost**

	2024/2025
	Kshs
NG-CDFC Basic staff salaries	2,232,947
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	714,240
Employer Contributions Compulsory national social security schemes	113,565
Employer Contributions Compulsory Housing levy	32,925
Employer contributions to National Industrial Training Authority	3,550
Other Specify	3,076,795
<b>Total</b>	<b>6,174,022</b>

**11. Committee Expenses**

	2024/2025
	Kshs
Sitting allowance	5,213,750
Other Committee expenses	3,674,754
<b>Total</b>	<b>8,888,504</b>

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12. Use of Goods and services

	2024/2025
	Kshs
Utilities, supplies and services	446,870
Communication, supplies and services	120,950
Domestic travel and subsistence	1,731,210
Printing, advertising and information supplies & services	629,730
Office Rent	-
Training expenses	2,881,359
Hospitality supplies and services	937,150
Insurance costs	99,925
Specialized materials and services	-
Office and general supplies and services	584,430
Fuel, oil & lubricants	444,920
Bank charges	1,170
Routine maintenance – vehicles and other transport equipment	500,000
Routine maintenance – other assets	359,500
Strategic plan expenses	-
Other operating expenses	-
<b>Total</b>	<b>8,737,214</b>

13. Other Government Units Actual expenditure

Description	2024/2025
	Kshs
Primary Schools Actual expenditure	74,519,264
Secondary Schools Actual expenditure	41,542,078
Tertiary Institutions Actual expenditure	14,569,381
<b>Total</b>	<b>130,630,723</b>

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

	<i>2024/2025</i>
	Kshs
Bursary – secondary schools	48,301,500
Bursary – tertiary institutions	16,370,600
Bursary – special schools	4,435,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	14,494,420
Climate change mitigation projects	5,180,100
Emergency projects Actual expenditure	-
Roads projects Actual expenditure	-
Others specify	-
<b>Total</b>	<b>88,781,620</b>

**15. Depreciation and Amortization Expenses**

Description	<i>2024/2025</i>
	Kshs
Property Plant and Equipment	74,790
Intangible Assets	-
<b>Total</b>	<b>74,790</b>

**16. Digital Hubs Expenses**

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

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

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

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

**18. Impairment Loss**

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

*(Provide brief explanation on assets impairment loss)*

**19. Cash and Cash Equivalents**

Name Of Bank and Account No.	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
Equity Bank No.1170261223145	18,878,464	14,181,820
Operations account pending closure (Kibra NG-CDF 1170286200020)	-	-
Equity Bank, No. 1170286200020	1,618,200	
Name of Bank, account No. (PMC accounts)	31,302,430	
Mbagathi Primary School	5,000,480	480
Ayany Primary School	2,518,034	7,001,287
Shadrack Kimalel Primary School	3,049,517	2,336,694
Joseph Kangéthe Primary School	3,899,745	9,930
Raila Educational Secondary School	12,642,510	25,990,334
Mbagathi Secondary School	2,743,112	5,172,166
Lini Saba Chief's Office	857,532	-
Jamhuri Estate Primary school		1,168

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Raila Educational Primary School		96,550
Olympic Primary School		6,809,216
Shadrack Kimalel Primary School		2,336,694
Moi Girls Nairobi		25
Kibera Secondary School		105,050
Woodley Boys Secondary School		350
Upper hill school		2,905
Capitol Hill Police Station		310
Kibra Sub-County A.P Station		200
Kibera Health Centre	6,596	6,596
<b>Total</b>	<b>51,805,689</b>	<b>76,487,673</b>
	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

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

**20. Receivables from Exchange Transactions**

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

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

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i. Ageing Analysis for Receivables

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

21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	68,441,954		107,065,157.75	
Outstanding imprest	-		-	
<b>Total</b>	68,441,954		107,065,158	
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>2024/2025</b>	<b>% of the total</b>	<b>Opening Balance</b>	<b>% of the total</b>
Less than 1 year	68,441,954	100%	107,065,157.75	100%
Between 1-2 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total</b>	68,441,954	100%	107,065,157.75	100%

22. Prepayments

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

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**23. Property, Plant and Equipment**

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 <sup>st</sup> July 2024	-	-	-	-	249,300	-	-	-
Additions	-	-	-	-	-	-	-	249,300
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	249,300	-	-	-
As At 30 <sup>th</sup> June 2025	-	-	-	-	-	-	-	249,300
Depreciation And Impairment	-	-	-	-	-	-	-	
Opening Depreciation	-	-	-	-	74,790	-	-	-
Depreciation	-	-	-	-	-	-	-	74,790
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	74,790	-	-	-
As At 30 <sup>th</sup> June 2025	-	-	-	-	-	-	-	74,790
Net Book Values	-	-	-	-	-	-	-	
Opening Bal as at 1 <sup>st</sup> July 2024	-	-	-	-	174,510	-	-	-
As At 30 <sup>th</sup> June 2025	-	-	-	-	249,300	-	-	174,510

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**Valuation**

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

**22 b) Property, Plant and Equipment at Cost**

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

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

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	-	-
<b>Total</b>	-	-

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**24. Intangible Assets**

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

**25. Right-of use assets**

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

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As At 30 June 2025. (Comparative Period)	-	-	-	-
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**26. Trade and Other Payables**

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

**27. Third-Party deposits**

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

**Retentions aging analysis.**

	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

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

**28. Lease Liabilities**

Description	2024/2025	Opening Statement 1 <sup>st</sup> 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	Period ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Gratuity at the beginning of the year 1 <sup>st</sup> of July		
Gratuity held during the year	903,960	903,960
Gratuity paid during the year	714,240	-
Gratuity paid during the period (C)	-	-
Total Gratuity Provision at the period 30/6/2025 D=(A+B-C)	1,618,200	903,960

### 30. Cash Generated from Operations

	2024/2025
	Kshs
Surplus for the period before tax	(63,844,919)
Adjusted for:	
Depreciation	74,790
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	(38,623,204)
Changes in deferred income	-
Changes in Third party deposits	(714,240)
Changes in gratuity provision	-
Changes in payments received in advance	-
Net cash flow from operating activities	(24,432,685)
Surplus for the period before tax	(63,844,919)
Adjusted for:	

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

### 31. Financial Risk Management

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

#### i) Credit risk

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits

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with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

### Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	68,789,119	68,789,119	-	-
Bank balances	57,382,489	57,382,489	-	-
<b>Total</b>	<b>126,171,608</b>	<b>126,171,608</b>	-	-
<b>As at 30 June 2025</b>	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	107,065,158	107,065,158	-	-
Bank balances	82,057,877	82,057,877	-	-
<b>Total</b>	<b>189,123,035</b>	<b>189,123,035</b>	-	-

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

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**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 xxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**ii) Liquidity risk management**

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	1,618,200	1,618,200
<b>Total</b>	-	-	<b>1,618,200</b>	<b>1,618,200</b>
<b>As at 30<sup>th</sup> June 2025</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	903,960	903,960
Employee benefit obligation	-	-	-	-
<b>Total</b>	-	-	<b>903,960</b>	<b>903,960</b>

**iii) Market risk**

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

**a) Foreign currency risk**

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

**b) Interest rate risk**

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

**Management of interest rate risk**

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

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**Fair value of financial assets and liabilities**

a) Financial instruments measured at fair value.

**Determination of fair value and fair values hierarchy**

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

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

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

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 <sup>th</sup> June (2024/2025)			
<b>Financial Assets</b>	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
<b>Total Financial Assets</b>	-	-	-
<b>Financial Liabilities</b>	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
<b>Total Financial Liabilities</b>	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-

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

**iv) Capital Risk Management**

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

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

**32. Related Party Disclosures**

	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	5,213,750	3,390,000
<b>Transaction with the NGCDF Board</b>		
Transfers from the NGCDF Board during the year	218,065,158.	192,016,717.40
<b>Total</b>	<b>223,278,908.</b>	<b>195,406,717</b>

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**33. Segment Information**

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

**34. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

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

*(Give details)*

**Contingent Liabilities**

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

**35. Capital Commitments**

Capital Commitments	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Authorized for	-	-
Authorized and Contracted for	-	-
<b>Total</b>	-	-

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

**36. Events after the Reporting Period**

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

**37. Ultimate And Holding Entity**

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

**38. Currency**

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

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18) Annexes  
Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				
Buildings and structures	16,729,970			16,729,970
Transport equipment	4,500,000			4,500,000
Office equipment, furniture, and fittings	1,550,496			1,550,496
ICT Equipment and Other ICT Assets	518,419	249,300		767,719
Other Machinery and Equipment				
Intangible assets				
<b>Total</b>	<b>23,298,885</b>	<b>249,300</b>	<b>-</b>	<b>23,548,185</b>

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**Annex 2 –PMC Bank Balances As At 30<sup>th</sup> June 2025**

PMC	Bank	Account number	Bank Balance Current 2024/2025	Bank Balance Comparative 2023/2024
Mbagathi Primary School	Equity	01170280747349	5,000,480	480
Jamhuri Estate Primary school	Equity	1170279876897	1	1,168
Ayany primary school	Equity	1170279874025	2,518,034	7,001,287
Raila Educational Primary School	Equity	1170278998867	-	96,550
Olympic Primary School	Equity	1170271844275	-	6,809,216
Shadrack Kimalel Primary School	Equity	1170285424050	591,499	2,336,694
Kibera Primary School	Equity	1170264880219	3,049,517	49,517
Joseph Kang'ethe Primary School	Equity	1170264884224	3,899,745	9,930
Toi Primary School	Equity	1170278998690	-	3,223,248
Moi Girls Nairobi	Equity	1170269765365	-	25
Kibera Secondary School	Equity	1170270942529	-	105,050
Woodley Boys Secondary School	Equity	1170279874087	-	350
Upper hill school	Equity	1170270264320	-	2,905
Raila Educational Secondary School	Equity	1170266699050	12,642,510	25,990,334
Mbagathi Secondary School	Equity	1170264883900	2,743,112.00	5,172,166
Olympic Secondary School	Equity	1170280492895	-	-
Shadrack Kimalel Secondary School	Equity		-	25

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PMC	Bank	Account number	Bank Balance Current 2024/2025	Bank Balance Comparative 2023/2024
Kibra TVC	Equity	01170280816649	-	11,499,828
Capitol Hill Police Station	Equity	01170280747349	-	310
Kibra Sub-County A.P Station	Equity	1170269765365	-	200
Lini Saba Chief's Office	Equity	1170286054340	857,532	
Kibera Health Centre		1170267176789	6,596.00	6,596.00
<b>Total</b>			<b>31,309,026</b>	<b>62,305,853</b>

*National Government Constituencies Development Fund (NGCDF)*

*Kibra Constituency*

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1. Delayed Disbursements to the Fund	The summary statement of appropriation reflects transfers from the Board of Kshs.182,170,743 out of which Kshs.144,238,478 was received within the year leaving a balance of Kshs.37,932,265. However, out of the balance of Kshs.37,932,265, only Kshs.31,100,000 was received in the year 2024/2025 leaving out a balance of Kshs.6,832,265 not received as at the time of audit in November, 2024 contrary to Section 5(5) and (6) of the national government constituencies development fund act, 2023 which requires that the Board shall set out general conditions and requirements for release of funds, to ensure efficient and effective management of resources	The Committee agrees that there have been some delays in funds disbursements from the National Government Constituency Board, but we would like to report that the Board has been always trying to send all the funds in the preceding years so that the people of Kibra Constituency get value of the money as per the attached copies of the AIEs in Index IV	Resolved	
	Review of imprest records revealed that the Fund operates a standing imprest with a float of Kshs.100,000. However, a memorandum cash book to record all receipts and payments was maintained but without a duplicate copy and the balance	The committee agrees that it has been maintaining the excel utilization schedules as from when the cash is received up to the point where its fully utilized as	Solved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>in hand at any given time could not be determined from the cash book provided. In the circumstances, the effectiveness of internal controls on imprests management could not confirmed.</p>	<p>per the attached copies of the sampled schedule. This clearly shows that there is no misuse of funds in operations. Through the advice from the Auditor General we have started maintaining memorandum cash as per attached copies Index V</p>		
	<p>The summary statement of appropriation reflects final receipts budget amount of Kshs.271,378,611 and actual on comparable basis amounts of Kshs.223,136,982 resulting to under-funding of Kshs.48,241,629 or 18% of the of the budget. However, the Fund spent Kshs.203,378,362 against actual receipts of Kshs.223,136,982 resulting to under-utilization of Kshs.19,758,620 or 9% of the actual receipts. The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public</p>	<p>The committee agrees that as at the end of the financial year there was under absorption of the funds due to delays of the release of the funds from the exchequer. Nevertheless, Kibra NG-CDFC is willing to report that at the time of the audit, all the projects that had been delayed to be implemented had already been completed and in use. This means residents in Kibra</p>	Solved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>Constituency are getting value from them. Kibra NG-CDFC wish to confirm that they received most of these unabsorbed Funds almost at the end of the financial as per the attached copies of the AIE in Index II. This made it difficult to absorb all the funds</p>		

  
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**Name Jimnah Macharia  
 Fund Account Manager.**