REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL
*Enhancing Accountability*

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 03 DEC 2025 DAY. Wed
TABLED BY: Deputy Leader of Majority Hon. Owen Bogg
CLERK-AT-THE-TABLE: Haling M Suleiman

# REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KIHARU CONSTITUENCY

## FOR THE YEAR ENDED 30 JUNE, 2025

OFFICE OF THE AUDITOR GENERAL
NYERI REGIONAL OFFICE
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# NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

## KIHARU CONSTITUENCY

## ANNUAL REPORT AND FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED
## 30 JUNE, 2025

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

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## 1. Acronyms and Definition of Key Terms

### A. Acronyms

| | |
|---|---|
| AIE | Authority to Incur Expenditure |
| AC | Audit Committee |
| DCC | Deputy County Commissioner |
| DFAC | Decentralized Funds Accounts Committee |
| ICT | Information, communication and technology |
| 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 Kiharu NG-CDF.

**Comparative Year**- Means the prior period.

## 2. Key Constituency Information and Management

### (a) Background information

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

### Mandate

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

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

h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;

j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;

k) Create a harmonious relationship between citizens and the national government and its officers in local development;

l) Provide a platform for citizens' participation in service delivery;

m) Build local accountability and transparency in the use of resources; and

n) Provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

**Vision**

Equitable Socio-economic development countrywide.

**Mission**

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

**Core Values**

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

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

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

**Fiduciary Management**

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

| No | Designation | Name |
|---|---|---|
| 1. | AIE holder | Kennedy Kamau Kiura |
| 2. | National Sub-County Accountant | David Muuri Njoka |
| 3. | Chairman, Kiharu NG-CDFC | Peter Manyeki Kirocho |
| 4. | Secretary, Kiharu NG-CDFC | Anthony Warui Kariuki |

**(c) Fiduciary Oversight Arrangements**

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

**(d) NG-CDF Kiharu Constituency Headquarters**

P.O Box 899 - 10200
Ngeka Centre Murang'a
Uhuru Street
Murang'a, Kenya.

**(e) NG-CDF Kiharu Constituency Contacts**

P.O. Box 899 – 10200, Murang'a
Telephone: (254) 0720 207810
E-mail: cdfkiharu@ngcdf.go.ke
Website: www.kiharu.ngcdf.go.ke

**(f) NG-CDF Kiharu Constituency Bankers**

1. Bank A. (Operations Account)
   Family Bank
   Murang'a Branch
   P.O. Box 1131 – 10200, Murang'a

2. Bank B. (Deposit account)
   Family Bank
   Murang'a Branch
   P.O. Box 1131 – 10200, Murang'a

3. Bank C. (PMC Accounts)
   Family Bank
   Murang'a Branch
   P.O. Box 1131 – 10200, Murang'a

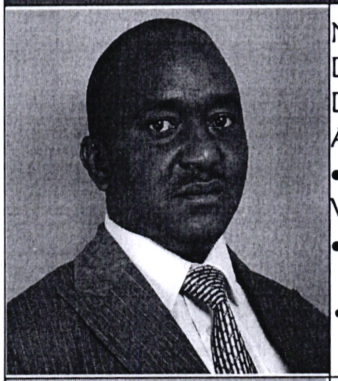
**(g) Independent Auditor**

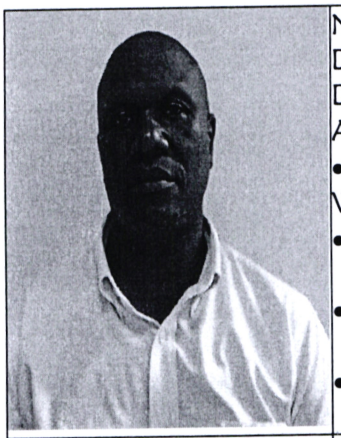
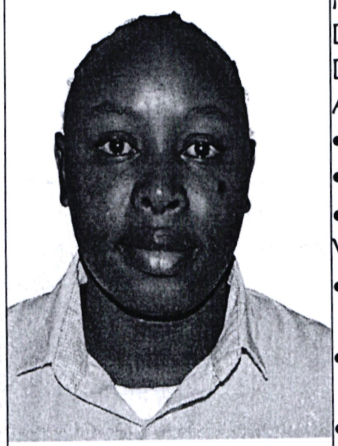
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

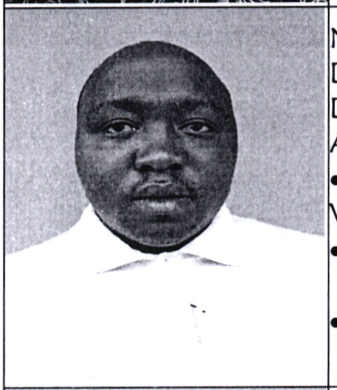
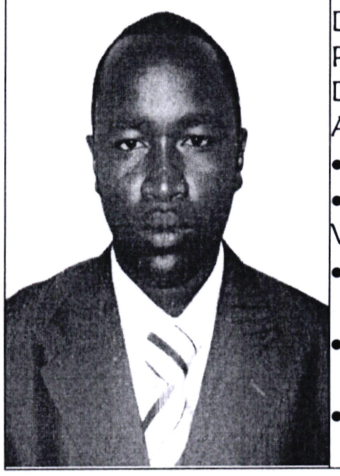
**(h) Principal Legal Adviser**

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

## 3. NG-CDF Committee

| Photo | Details |
|---|---|
|  | Name: Peter Manyeki Kirocho<br>Designation: NG-CDFC Chairman/ Male Adult Representative<br>Date of birth: 3rd September 1988<br>Academic/professional qualification:<br>• Diploma in Project Management<br>Work experience:<br>• NG-CDFC Chairman<br>Kiharu NG-CDF\| December 2017 to date<br>• Project Management Committee Member<br>Kiharu NG-CDF\| January 2014 – July 2017 |
|  | Name: Anthony Warui Kariuki<br>Designation: NG-CDFC Secretary/ Male Adult Representative<br>Date of birth: 8th October 1978<br>Academic/professional qualification: KCSE<br>Work experience:<br>• NG-CDFC Secretary<br>Kiharu NG-CDF\| December 2017 to date<br>• Proprietor - Transport and Logistics<br>Self Employed\| January 2007 to date<br>• Sales person<br>Kenju Agencies\| January 2000 - December 2007 |
|  | Name: Nancy Njeri Irungu<br>Designation: NG-CDFC Member/ Female Adult Representative<br>Year of birth: 1959<br>Academic/professional qualification: EACE Div. 4<br>Work experience:<br>• NG-CDFC Member<br>Kiharu NG-CDF\| November 2022 to date<br>• Agri Business<br>Self Employed\| June 1997 to date<br>• Canon<br>ACK Diocese of Mt. Kenya Central\| March 2020 to date |

| | |
|---|---|
|  | Name: Andrew Munene Gicanga<br>Designation: Co-opted NG-CDFC Member<br>Date of birth: 1st January 1969<br>Academic/professional qualification:<br>• CPA 1<br>Work experience:<br>• NG-CDFC Member<br>Kiharu NG-CDF\| December 2017 to date<br>• Accounts Clerk<br>Weithaga Boys School\| 2007 to date<br>• Assistant Lab Technician<br>Weithaga Boys School\| 1994 to 2006 |
|  | Name: Naomi Wanjiku Maina<br>Designation: NG-CDFC Member/ Female Youth Representative<br>Date of birth: 21st April 1992<br>Academic/professional qualification:<br>• Bachelor of Arts<br>• Certificate in Leadership development<br>• Certificate in photography and video photography<br>Work experience:<br>• NG-CDFC Member<br>Kiharu NG-CDF\| November 2022 to date<br>• Shooting video for content creators. Photography for Bra<br>Self Employed\| February 2025 to date<br>• Guidance and Counseling<br>Churches and Schools\| May 2019 to date<br>• BOM Teacher<br>Gakurwe Secondary School\| May to August 2014<br>• BOM teacher<br>Mugeka Secondary School\| April to September 2013 |
|  | Name: Jeniffer Wanjiku Nyambura<br>Designation: NG-CDFC Member/ Female Adult Representative<br>Date of birth: 29th December 1983<br>Academic/professional qualification:<br>• KCSE<br>Work experience:<br>• NG-CDFC Member<br>Kiharu NG-CDF\| June 2020 to date<br>• Agri-Business<br>Self Employed\| April 2016 to date<br>• Project Management Committee Member<br>Kiharu NG-CDF\| January 2014 – July 2017 |

| | |
|---|---|
|  | Name: Janet Wairimu Waithaka<br>Designation: NG-CDFC Member/ Representative of Persons Living with Disability<br>Year of birth: 1958<br>Academic/professional qualification:<br>• Certificate – Class 7<br>Work experience:<br>• NG-CDFC Member<br>Kiharu NG-CDF\| November 2022 to date<br>• Agri Business<br>Self Employed\| October 2005 to date |
|  | Name: Wilson Mwangi Kamau<br>Designation: NG-CDFC Member/ Male Youth Representative<br>Date of birth: 14th November 1993<br>Academic/professional qualification:<br>• Certificate in Mechanical Engineering - Grade 3<br>Work experience:<br>• NG-CDFC Member<br>Kiharu NG-CDF\| November 2022 to date<br>• Mechanic<br>Githambo Tea Factory\| January 2016 – December 2016 |
|  | Name: Charles Murithi Laala<br>Designation: NG-CDFC Member/ DCC<br>Date of birth: 20th September 1967<br>Academic/professional qualification:<br>• Bachelor of Arts<br>Work experience:<br>• Deputy County Commissioner<br>Ministry of Interior\| July 2015 to date<br>• Assistant County Commissioner<br>Ministry of Interior\| July 2003 to June 2015 |
|  | Name: Kennedy Kamau Kiura<br>Designation: Fund Account Manager<br>Period in service: 17th September 2007 to date<br>Date of birth: 10th December 1982<br>Academic/professional qualification:<br>• Bachelor of Commerce (Accounting Option)<br>• CPA Section 4<br>Work experience:<br>• Fund Account Manager<br>National Government CDF Board\| September 2007 to date<br>• Regional Accounts Developer<br>Coca Cola Nairobi Bottlers Limited\| January 2006 – May 2007<br>• Accounts Clerk<br>British American Tobacco Kenya\| January – June 2004 |

## 4. NG-CDFC Chairman's Report



I am pleased to present the unaudited financial statements of NG-CDF Kiharu Constituency for the financial year ended 30 June 2025. The allocation to the constituency for the said year was a total of Kshs. 188,414,052 out of which Kshs. 151,000,000 was disbursed to the constituency by the NG-CDF Board in six tranches with AIEs for Kshs. 30,000,000 received on 22 January 2025, Kshs. 30,000,000 received on 17 March 2025, Kshs. 23,000,000 received on 5 May 2025, Kshs. 24,000,000 received on 19 May 2025, Kshs. 22,000,000 received on 3 June 2025 and lastly for Kshs. Kshs. 22,000,000 received on 20 June 2025.

Additionally, the constituency received Kshs. 45,698,866.00 from the NG-CDF Board out of the balances owing to the constituency for the previous financial years, hence a total actual receipts of Kshs. 196,698,866 in the financial year.

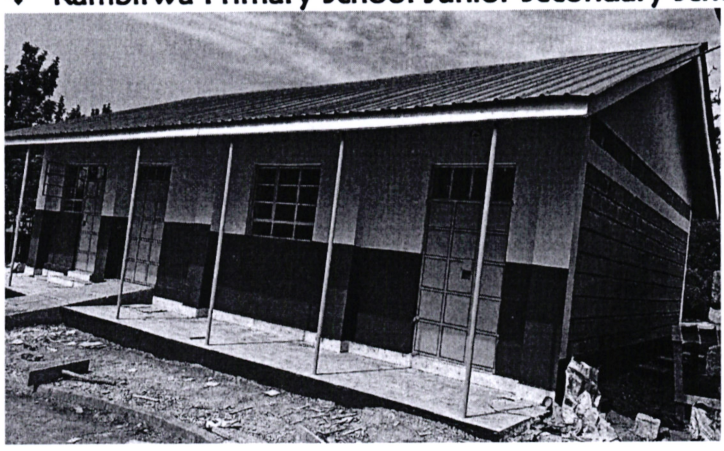
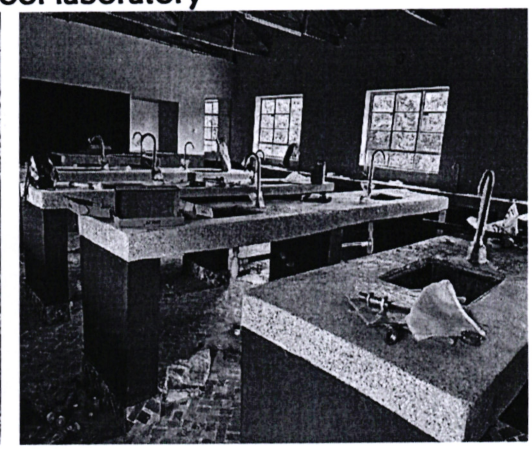
The balance of Kshs. 37,414,052 for 2024/2025 financial year and Kshs. 13,500,020.00 for 2023/2024 financial year all totalling to Kshs. 50,914,072 had not been disbursed to the constituency by the NG-CDF Board as at closure of the financial year on 30 June 2025.

On receipt of the funds referred here in above, Kiharu National Government Constituency Development Fund Committee (NG-CDFC) prioritized renovation of primary and secondary schools infrastructure, construction of science laboratories for Junior Secondary schools, renovation/ construction of chiefs offices and award of bursary to needy students in secondary schools, tertiary institutions, vocational institutions and special schools for PWD through which a total of 20,012 learners benefitted as below:-

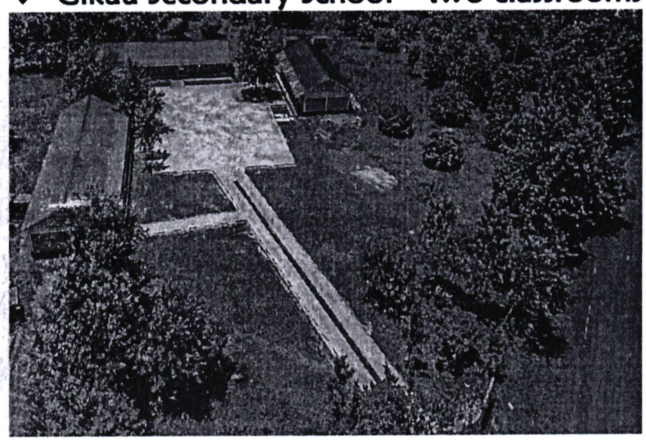
| Category | Period | Amount Awarded (Kshs) | No. of Beneficiaries |
|---|---|---|---|
| **Secondary Schools** | | | |
| Boarding Secondary Schools | May 2025 | 22,590,000 | 4,518 |
| Day Secondary Schools | June 2025 | 26,337,500 | 10,535 |
| **Tertiary Institutions** | | | |
| Universities and colleges | May 2025 | 17,880,000 | 3,576 |
| **Vocational Institutions** | | | |
| Vocational institutions | December 2024 – April 2025 | 10,649,000 | 1,184 |
| **Special Schools** | | | |
| Special Schools | May 2025 | 1,990,000 | 199 |
| **Total** | | **79,446,500** | **20,012** |

Below are photos of some of the projects implemented during the period:-

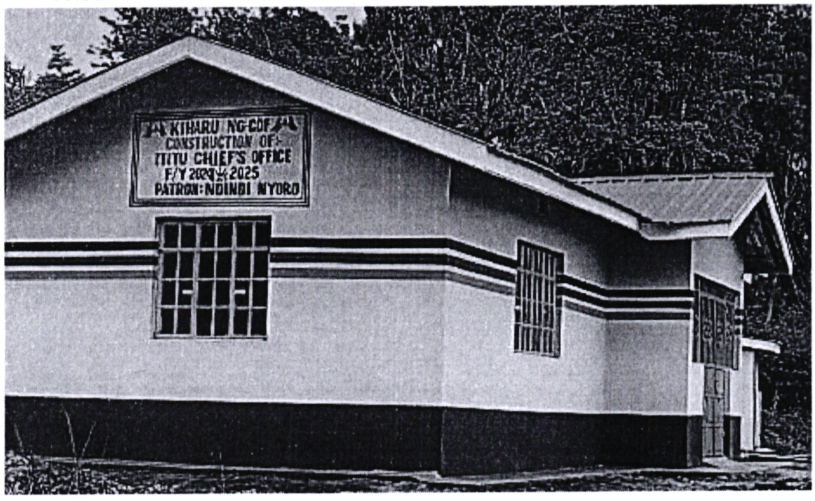
❖ **Kambirwa Primary School Junior Secondary School laboratory**

❖ **Gikuu Secondary School – two classrooms construction**




❖ **Ititu Chief's offices block**





Kiharu National Government Constituency Development Fund Committee however noted various challenges in projects implementation and management during the 2024/2025 financial year. The challenges were - delay in disbursement of funds, inadequate record keeping by project management committees, lack of knowledge especially by new project management committees on provisions of Public Procurement and Assets Disposal Act 2015 as well as delayed submission of the required returns for funds disbursed. Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management.

To mitigate the above, the committee during the financial year scaled up its capacity building programmes for NG-CDF Committee, Project Management Committees and staff on various aspects of NG-CDF projects management.

These programmes contributed to minimizing the challenges hence improving overall performance by Project Management Committees. The NG-CDFC plans to intensify capacity building as well as monitoring and evaluation programmes during the 2025/2026 financial year.

I wish to sincerely thank the NG-CDF Committee, NG-CDFC staff, Project Management Committees and other stakeholders for the co-operation and support that resulted in achievement of the said milestones. Going forward, the Committee envisions performing even better and attaining better assessments in its performance targets for 2025/2026 financial year.

**Peter Manyeki**
**Chairman, Kiharu NG-CDF Committee**

## 5. Statement Of Performance Against Predetermined Objectives for FY2024/2025

### 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 Kiharu Constituency 2023-2027 plan are to:

**Strategic Area One: Education**

**Objective:** Become a national model for education by improving schools infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

**Initiative:** Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children.

**Initiative:** Enhance and develop social programmes that support education within the constituency.

**Strategic Area Two: Security**

**Objective:** Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

**Initiative:** Improving infrastructure and service delivery

**Strategic Area Three: Environment**

**Objective:** Sustainable and conserved environment in Kiharu through natural resources conservation initiatives

**Initiative:** Initiate and enhance conservation programs within the constituency

**Strategic Area Four: Emergency**

**Objective:** Enhance response to urgent, unforeseen need for expenditure in the constituency within the financial year.

**Initiative:** Enhancement of response to urgent, unforeseen need for expenditure in the constituency within the financial year.

## 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:

| Constituency Sector | Objective | Outcome | Indicator | Performance |
|---|---|---|---|---|
| Education | Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates | Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children | Classrooms, science laboratories, administration blocks, multi-purpose halls rehabilitated/ built in primary schools and secondary schools; bursary beneficiaries in secondary schools, tertiary institutions, vocational institutions and special schools for PWD | Allocated funds to increase:- Rehabilitated/ new classrooms, laboratories and multipurpose halls and administration blocks in 29 primary schools and 33 secondary schools Allocated bursary to 20,012 beneficiaries in all levels |
| Security | Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery | Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery | Physical infrastructure built/ renovated in divisions, locations, sub locations and police stations | Allocated funds for construction/ renovation of offices in 9 chiefs' and assistant chiefs' offices |
| Environment | Sustainable and conserved environment through natural resources conservation initiatives | Equip schools and public facilities with sanitation facilities Provide tree seedlings to public institutions to improve the forest cover | Sanitation facilities built in security establishments | Allocated funds for construction of one sanitation facility |
| Emergency | Enhance response to urgent, unforeseen need for expenditure in the constituency within the financial year | Enhanced response to emergencies that arise within the constituency | Emergency projects implemented | Allocated funds to one emergency project within the financial year |

## 6. Governance Statement

### NG-CDFC Appointment Process

The current Kiharu NG-CDF Committee was gazetted in the Kenya gazette on 21st May 2025 to serve for a two year period effective 7th March 2025 pursuant to Sections 43(1) (2) and (3) of the NG-CDF Act which stipulates that:

43(1) there is established a National Government Constituency Development Fund Committee for every constituency.

43(2) each constituency committee shall comprise of:

(a) The national government official responsible for co-ordination of national government functions

(b) Three men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment.

(c) Three women nominated in accordance with subsection (3) one of whom shall be a youth at the date of appointment.

(d) One person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3).

(f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.

(g) One member co-opted by the Board in accordance with Regulations made by the Board

43(3) the seven persons referred to in sub-section (2) (b), (c) and (d) shall be selected in such a manner and shall have such qualifications as the Board may, by Regulations, prescribe.

Pursuant to regulation 5[4] of the NG-CDF Regulations, 2016, the Selection Panel shall thus consist of:-

(a) 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;

(b) The Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and

(c) Two persons one of either gender nominated by the Constituency Office.

The selection of members by the Selection Panes is as below:-

i) In case of a Person Living with Disability, the Fund Account Manager shall write to a registered group representing persons with disabilities in the constituency requesting for nomination of one person with disability to sit in the NG-CDF Committee. The nominating organization shall be required to provide specific description of the disability to enable the NG-CDFC plan for necessary support to facilitate full participation of the nominee in various activities of the Fund.

ii) Invite applications from interested and qualified members of the public for appointment to the NG-CDF Committee. The invitation shall be widely publicized to reach all wards of the constituency.

iii) The Selection Panel shall consider the applications and select six suitable persons taking into account age, gender, special interest groups and regional balance.

iv) Submit the list of seven nominees (six from the Selection Panel and one from registered group representing persons with disabilities in the constituency) to the Board within seven (7) days of the selection process.

v) In addition to the Seven Members, the Selection Panel shall further consider and submit a suitable person proposed for co-option to the NG-CDF Committee, pursuant to Section 43 (2)(g) of the Act. For the avoidance of doubt, such a person must be a holder of Kenya Certificate of Secondary Education.

vi) Ensure the original report of the Selection Panel duly signed by all members of the Panel, original letters from the national government official in charge of the sub-county and from the Constituency Office forwarding nominees to the selection panel, original letter and copies of minutes of the meeting of the body nominating person with disability to NG-CDFC alongside original application letters, copies of National Identity Cards of all nominees, three colour passport-size photographs of each of the respective nominees, respective clearance certificates from Kenya Revenue Authority, Director of Criminal Investigations Credit Reference Bureau, and Ethics and Anti-Corruption Commission, and the long-listing and shortlisting criteria.

vii) After appointment of members of the NG-CDF Committee through publication in the Kenya Gazette after approval by the National Assembly, the Deputy County

Commissioner (or in his/her absence) the Fund Account Manager shall convene the first meeting of the NG-CDF Committee during which the members will elect the Chairman and the Secretary.

viii) The Fund Account Manager will then submit to the Board the names of the elected Chairman and Secretary, attaching a certified copy of form four certificates and the academic certificate for the highest level of education attained and the minutes of the NG-CDF Committee meeting that approved the appointments.

**Removal of NG-CDFC Members**

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

The members of a Constituency Committee may remove a member in accordance with section 43 (13) and (14) of the Act upon Conflict /complaint against a member. A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office.

The complaint referred to shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting. If, at a meeting held pursuant to above paragraph, members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the

notice. A copy of the complaint and any other grounds of removal shall be attached to the notice issued under above. The member against whom the complaint is raised may be required to respond to the complaint in writing. The member against whom a complaint is raised may, in addition to the written response required, elect to be heard orally, and a Constituency Committee may hear such a member. The member against whom a complaint is made may call witnesses. If the member against whom a complaint is raised chooses not to submit a response in writing or to attend the hearings, a Constituency Committee may proceed to determine the matter. The Constituency Committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing.

If the member against whom a complaint is made fails to respond to the complaint as may be directed by a Constituency Committee, the Committee may proceed and make a determination based on the evidence available. A Constituency Committee shall issue its decision on the complaint within seven days after the conclusion of the hearing. If a Constituency Committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the Constituency Committee to the Board within fourteen days of the decision. The communication to the Board under above paragraph shall include duly executed proceedings, together with all the supporting documents. The Board shall, within thirty days after receipt of the communication, consider the matter and issue a final declaration which shall be binding on all parties.

**The functions of a Constituency Committee shall be to –**

i) To consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency.
ii) To ensure that project proposals submitted to the NG-CDF Board include detailed budget proposals, procurement plans and work plans.
iii) To rank projects proposals in order of priority while ensuring that on-going projects take precedence.
iv) To ensure that all projects receive adequate funding and are completed within three years.

v) To consult with relevant government departments to ensure that cost estimates for projects are realistic.

vi) Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies.

vii) To build the capacity of project management committees and sensitize the community on the operations of National Government Constituency Development Fund.

viii) To ensure that projects proposed for funding fulfill the requirements provided in the Act and relevant circulars issued by the Board.

ix) To monitor implementation of projects in accordance with the monitoring and evaluation framework prescribed by the NG-CDF Board.

x) To ensure that project reports are prepared and submitted to the NG-CDF Board.

xi) To ensure formation of project management committees, opening of project accounts, project implementation and closure of projects.

**Induction process for NG-CDF committee members**

To be able to perform the duties and responsibilities referred here in above, the NG-CDF committee was taken through a five days induction workshop in June 2025 by the NG-CDF Board during which they were trained on:-

i) Overview of NG-CDF
ii) Strategic planning
iii) Project cycle management in NG-CDF operations
iv) Technical aspects of project planning and management
v) Monitoring and Evaluation of NG-CDF projects
vi) Overview of public procurement procedures and processes
vii) Management of NG-CDFCs projects and statutory obligations
viii) Book keeping, accounting and financial reporting in NG-CDF operations
ix) Conduct of meetings and minute writing
x) Management of NG-CDF staff
xi) Complaints handling mechanism
xii) Overview of Public officers Ethics Act

xiii) Risk Management

xiv) Brand Management

xv) Introduction to Quality Management System (ISO 9001:2015 requirements)

xvi) Performance Contracting in NG-CDF

**Ongoing Training:** The NG-CDF committee members normally have continuous capacity building and training so as to stay updated on emerging issues, changes in policies, laws and regulations as well as best practices.

## Number of Meetings Held

During the 2024/2025 financial year, the NG-CDFC Kiharu conducted eleven full committee meetings as below:-

| NG-CDFC MEMBERS NAMES | DATES OF NG-CDFC MEETINGS | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 6.8.24 | 13.9.24 | 9.10.24 | 12.11.24 | 2.12.24 | 2.1.25 | 5.2.25 | 18.3.25 | 29.4.25 | 21.5.25 | 19.6.25 |
| Peter Manyeki Kirocho | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Anthony Warui Kariuki | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Nancy Njeri Irungu | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Andrew Munene Gicanga | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Jeniffer Wanjiku Nyambura | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Naomi Wanjiku Maina | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Janet Wairimu Waithaka | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Wilson Mwangi Kamau | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Kennedy Kamau Kiura | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

## Policy on conflict of interest

During their operations the NG-CDFC members are required to conduct themselves in an ethical manner so as to attend to needs of the constituents' effectively and achieve the goals and objectives of NG-CDF.

This requires:-

- NG-CDFC members who have any interest on matters before the committee to declare interest and exclude themselves from deliberations and adjudication of the matter.
- Practice responsible competition practice by encouraging fair competition and zero tolerance to corruption.

- Practice good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- Conduct responsible marketing and advertisement
- Ensure product stewardship by safeguarding consumer rights and interest

**Member's Remuneration**

The NG-CDFC Chairman is paid a sitting allowance of Kshs. 7,000 per sitting while the rest of members are Kshs. 5,000 per sitting as stipulated in NG-CDF Board circular ref: CDF Board/MOP/Vol. III(30)I(30) dated 25th October 2011.

**Member's Tenure**

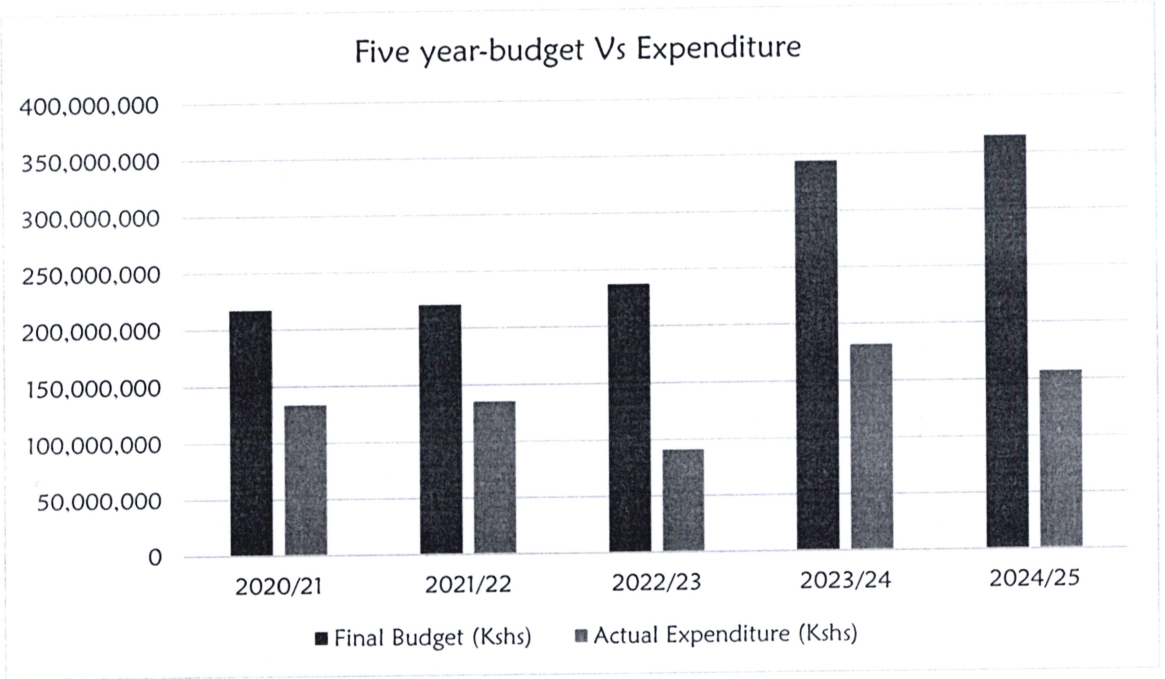
The tenure of Mbeere South NG-CDF committee members is as provided in Sec 43(8) of the NG-CDF Act which stipulates that, "the term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board".

## 7. Management Discussion and Analysis

### Introduction

The Kiharu National Government Constituencies Development Fund (NG-CDF) plays a pivotal role in the socio-economic development of the constituency. Over the past five years, the Fund has directed resources towards improving education, infrastructure, security, ICT access, and environmental sustainability. This report provides an overview of our operational and financial performance, key projects, compliance status, challenges, and our future outlook.

| Financial Year | Final Budget (Kshs) | Actual Expenditure (Kshs) | Utilization (%) |
|---|---|---|---|
| **2020/21** | 217,208,731 | 133,834,032 | 62% |
| **2021/22** | 220,463,578 | 135,371,504 | 61% |
| **2022/23** | 237,052,247 | 91,052,106 | 38% |
| **2023/24** | 344,129,475 | 181,752,381 | 53% |
| **2024/25** | 364,301,230 | 156,957,977 | 43% |



## Key Projects Implemented over the past five years

### Education Sector

- Established new Kiharu Technical and Vocational College at Kiambugi.
- Constructed 8 science laboratories in 8 Junior Secondary Schools.
- Renovated classrooms by face lift and tiling in 112 primary schools.
- Initiated a new primary school at Kibuu.
- Initiated 5 new multi-purpose halls, two complete at Mbiri primary and Kahuhia Mixed secondary schools, 3 ongoing at Kimathi, Weithaga Mixeds and Kahuro Secondary Schools.

### Security Sector

- Constructed seven new Assistant Chiefs, Chiefs and Assistant County Commissioner's offices at Kahatia, Gaitega, Gitui, Gikindu, Kambirwa, Njoguini and Ititu.
- Renovated six Assistant Chiefs and Chiefs offices at Kiria, Mwirua, Karemaini, Githambo, Maragi and Wanjengi.
- Supplied office desks and chairs to all newly constructed and renovated Assistant Chiefs, Chiefs and the Assistant County Commissioner's offices.

### Climate Mitigation

- Planted over 4,000 fruits and indigenous trees in 40 institutions.

### ICT & Digital Hubs

- Supplied desktop computers with accessories to all newly constructed and renovated Assistant Chiefs, Chiefs and the Assistant County Commissioner's offices.
- Established and equipped new digital hubs to enhance ICT literacy and innovation among the youth.

| Risk | Impact | Mitigation Strategy |
|---|---|---|
| **Delays in funds disbursement from NG-CDF Board** | Project delays, under-utilization of funds | Early project planning, prioritizing ready-to-implement projects |
| **Rising cost of materials** | Budget overruns, reduced project scope | Local sourcing, value engineering, phased implementation |
| **Community disputes on project sites** | Stalled projects | Enhanced stakeholder engagement, inclusive decision-making |
| **Limited monitoring capacity** | Reduced quality oversight | Formation of monitoring sub-committees, use of digital reporting tools |

- In 2024/2025 financial year, the Kenyan economy experienced moderate growth driven by agriculture, services, and infrastructure investments. Inflationary pressures and exchange rate fluctuations which impacted construction costs and procurement timelines for our projects
- Kiharu NG-CDF has continued to prioritize education, security and infrastructure development. The funds are increasingly integrating ICT solutions, climate change mitigation projects and public-private partnerships to maximize impact.

In the coming financial year, the Kiharu NG-CDF plans to:

- Expand bursary allocations to reach more needy students.
- Implement a constituency-wide digital literacy program through upgraded digital hubs.
- Complete all pending infrastructure projects, including education and security facilities.
- Introduce renewable energy solutions for schools and community facilities.

**Compliance with statutory requirements**

Kiharu NG-CDF operates under the NG-CDF Act 2015 amended (2023), the NG-CDF Regulations 2016 and complies with all constitutional, legal and statutory requirements. The fund is audited by the Office of the Auditor General as well as the Internal Auditors from the NG-CDF Board and the National Treasury.

**Conclusion**

The Kiharu NG-CDFC remains committed to prudent financial management, transparent operations, and impactful development. We will continue to work closely with the community, government agencies, and development partners to meet the constituency's growing needs and aspirations.

.....
**Kennedy Kamau**
**Fund Account Manager**

## 8. Environmental and Sustainability Reporting

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

a. **Education and Training**: Kiharu Constituency's focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers, thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalized groups, including girls and people living with disabilities.

b. **Security Sector Support:** Among its key pillars, NG-CDF has security as a priority area with the intention to provide a better working environment for the security providers within the constituency as well as a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for law enforcement agencies while collaborating with the community in trust on matters of security.

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

## 2. Environmental performance

- Allocated funds for climate change mitigation and tree planting in 20 institutions
- Sensitization of youth/ community on the impact of drugs after commissioning of projects funded by Kiharu NG-CDF.

## 3. Employee welfare

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

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

Kiharu NG-CDF is committed to fair and ethical market practices.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency 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 honouring all contracts and settling payments promptly.

NG-CDF has put in efforts to ensure:

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

**5. Community Engagements-**

Kiharu NG-CDF has endeavored to sustain community engagement through Corporate Social Responsibility programs as well as engaging the community by implementation of projects through community participation procurement method.

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

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

**Public participation** is a process that directly engages the 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.

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

.....

**Kennedy Kamau**
**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 NG-CDF Kiharu Constituency is responsible for the preparation and presentation of the Kiharu NG-CDF's financial statements, which give a true and fair view of the state of affairs of Kiharu NG-CDF 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 Kiharu NG-CDF; 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 Kiharu NG-CDF; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NG-CDF Kiharu Constituency accepts responsibility for Kiharu NG-CDF'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 Kiharu NG-CDF financial statements give a true and fair view of the state of Kiharu NG-CDF transactions during the financial year ended June 30, 2025, and of Kiharu NG-CDF's financial position as at that date. The Accounting Officer charge of the NG-CDF Kiharu Constituency further confirms the completeness of the accounting records maintained for Kiharu NG-CDF, which have been relied upon in the preparation of Kiharu NG-CDF financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NG-CDF Kiharu Constituency confirms that the Kiharu NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the Kiharu NG-CDF'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 Kiharu NG-CDF financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

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

**Approval of the financial statements**

The NG-CDF Kiharu Constituency financial statements were approved and signed by the Accounting Officer on 18 August 2025.

.....

**Name: Peter Manyeki**

**Chairman – NGCDF Committee**

.....

**Name: Kennedy Kamau**

**Fund Account Manager**

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REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL
*Enhancing Accountability*

**HEADQUARTERS**
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NAIROBI

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

## PREAMBLE

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

A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;

B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,

C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities 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

### Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kiharu Constituency set out on pages 1 to 73, which

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kiharu 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 and comply with National Government – Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

**Basis for Opinion**

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Kiharu 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 opinion.

**Emphasis of Matter**

**Budgetary Control and Performance**

The statement of comparison of budget and actual amounts for the year under review reflects final revenue budget and actual on comparable basis of Kshs.364,301,230 and Kshs.313,387,158 respectively, resulting to an under-funding of Kshs.50,914,072 or 14% of the budget. Similarly, the Fund spent an amount of Kshs.156,957,977 against actual receipts of Kshs.313,387,158 resulting to an under-spending of Kshs.156,429,181 or 50% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

## Other Matter

### Unresolved Prior Year Matters

In the prior years' audit report, several issues were raised under Lawfulness and Effectiveness in Use of Public Resources. Review of the status during audit of the Constituency Fund in 2024/2025 revealed that the following matters remained unresolved.

| | Financial Year | Audit Issue |
|---|---|---|
| 1 | 2023/2024 | Noncompliance With Requirement of National Cohesion and Integration Act |
| 2 | 2023/2024 | Review of Projects Management and implementation |
| 3 | 2023/2024 | Anomalies upon Projects Verification |
| 4 | 2023/2024 | Lack of Requisitions for Sports Expenditure |

## Other Information

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

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

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

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN 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 matters described in the Basis for Conclusion on the Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## Basis for Conclusion

### 1. Non-Preparation and Submission of Quarterly Reports

The National Government Constituencies Development Fund - Kiharu Constituency did not prepare a report for each quarter of the financial year on 30 June, 2025 in respect of the Fund containing information on the financial and nonfinancial performance of the Fund in a form that complies with the standards prescribed and published by the Accounting Standards Board from time to time. This is contrary to Section 83 (1) of the Public Finance Management Act, 2012 which provide that, an accounting officer for a national government entity shall prepare a report for each quarter of the financial year in respect of the entity that contains information on the financial and non-financial performance of the entity; and in a form that complies with the standards prescribed and published by the Accounting Standards Board from time to time.

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

### 2. Non-Compliance with the Ethnic Staff Composition

The statement of financial performance and as disclosed in Note 10 to the financial statements reflect Kshs.6,948,942 in respect of employee cost. Review of payroll revealed that eight (8) out of the nine (9) employees were drawn from the same ethnic community. This is contrary to Section 7(2) of the National Cohesion and Integration Act which provides that no public establishment shall have more than one third of its staff from the same ethnic community.

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

### 3. Non-Compliance with the Levy Order, 2023

The statement of financial performance and as disclosed under Note 13 to the financial statements reflects Kshs.50,849,080 in respect of other government units actual expenditure. Included in the amount is Kshs.4,894,157 paid to suppliers of goods and services however, the Constituency failed to recover and remit the capacity building levy to Public Procurement Regulatory Authority. This is contrary to Paragraph 3. (1) of The Public Procurement Capacity Building Levy order, 2023 which provides that there shall be paid a Levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes.

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

### 4. Projects Implementation Status

The financial statements reflect an amount of Kshs.50,849,080 and Kshs.85,273,036 in respect of other government units and other grants and transfers actual expenditure as disclosed in Notes 13 and 14, all totaling to Kshs.136,122,116 which further includes

Kshs.105,616,529 approved for the Constituency's one hundred and twelve (112) projects. However, these projects had not started by the close of the year.

In the circumstances, the public failed to get the expected benefits from projects equivalent to Kshs.105,616,529 from the budgeted projects that were not started during the year under review.

**5. Project Inspection Reports**

The financial statements reflect an amount of Kshs.29,288,421 in respect of secondary schools' actual expenditure as disclosed in Note 13, which further include Kshs.1,700,000 for projects in two secondary schools. However, a physical verification carried out in the month of October, 2025 revealed various anomalies as shown in the table below;

| | Project | Details | Amount transferred to PMC (Kshs) | Observation |
|---|---|---|---|---|
| 1 | Mweru Secondary School | Construction of wall, steel gate and fencing of 1 acre | 700,000 | -The wall is not painted and the project is not labelled. |
| 2 | Kabui Primary School | Renovation of 6 classrooms | 1,000,000 | -Tiling works not complete.<br>-The labelling is wrongly placed at the gate. |
| | **Total** | | **1,700,000** | |

In the circumstances, poor implementation of projects may result into projects that do not last over the intended economic life and the public may therefore, not achieve value for money on the amounts spent on the projects.

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

**Conclusion**

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

**Basis for Conclusion**

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective

processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the applicable 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**

**14 November, 2025**

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

| | Note | Period ended 30 June 2025 |
|---|---|---|
| | | Kshs |
| **Revenue from non-exchange transactions** | | |
| Transfers from the NG-CDF Board | 6 | 188,414,052 |
| Transfers from domestic and foreign partners | 7 | - |
| **Revenue from exchange transactions** | | |
| Finance income | 8 | - |
| Miscellaneous income | 9 | - |
| **Total revenue** | | **188,414,052** |
| **Expenses** | | |
| Employee costs | 10 | 6,948,942 |
| Committee expenses | 11 | 5,504,000 |
| Use of Goods and Services | 12 | 9,710,415 |
| Other Government Units Actual expenditure | 13 | 50,849,080 |
| Other Grants and Transfers Actual expenditure | 14 | 85,273,036 |
| Depreciation and amortization expense | 15 | 103,361 |
| Digital Hubs Expenses Actual expenditure | 16 | - |
| **Total expenses** | | **158,388,834** |
| **Other gains/(losses)** | | |
| Gain/Loss on Sale of Assets | 17 | - |
| Impairment loss | 18 | - |
| **Surplus/(Deficit) for the year** | | **30,025,218** |

The Constituency financial statements were approved by the NG-CDFC on 18 August 2025 and signed by:

| | | |
|---|---|---|
| **Chairman NG-CDF Committee** | **National Sub-County Accountant** | **Fund Account Manager** |
| **Name: Peter Manyeki** | **Name: David M. Njoka** | **Name: Kennedy Kamau** |
| | **ICPAK M/No: 17206** | |

## 12. Statement Of Financial Position As At 30 June 2025

| | Note | Period as at 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|---|
| | | Kshs | Kshs |
| **Assets** | | | |
| **Current Assets** | | | |
| Cash And Cash Equivalents | 19 | 156,429,181 | 116,688,292 |
| Receivables from Exchange Transactions | 20 | - | - |
| Receivables from Non-Exchange Transactions | 21 | 50,914,072 | 59,198,886 |
| Prepayments | 22 | 27,124 | 30,986 |
| **Total Current Assets** | | **207,370,378** | **175,918,164** |
| **Non-Current Assets** | | | |
| Property, Plant and Equipment | 23 | 410,124 | 513,485 |
| Intangible Assets | 24 | - | - |
| Right-of-use assets | 25 | - | - |
| **Total Non- Current Assets** | | **410,124** | **513,485** |
| **Total Assets (A)** | | **207,780,502** | **176,431,649** |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Trade and Other Payables | 26 | - | - |
| Third Party Deposits | 27 | - | - |
| Lease Liabilities | 28 | - | - |
| Gratuity Provision | 29 | 3,083,210 | 1,759,575 |
| **Total Current Liabilities** | | **3,083,210** | **1,759,575** |
| **Non-Current Liabilities** | | | |
| Lease Liabilities | 28 | - | - |
| **Total Liabilities (B)** | | **3,083,210** | **1,759,575** |
| **Net Assets (A-B)** | | **204,697,292** | **174,672,074** |
| **Represented by:** | | | |
| Revaluation Reserves | | - | - |
| Accumulated Surplus | | 204,697,292 | 174,672,074 |
| **Total Net Assets** | | **204,697,292** | **174,672,074** |

The Constituency financial statements set out on pages 1 to 4 approved by NG-CDFC on 18 August 2025 and signed by:

| | | |
|---|---|---|
| **Chairman NG-CDF Committee** | **National Sub-County Accountant** | **Fund Account Manager** |
| **Name: Peter Manyeki** | **Name: David M. Njoka** | **Name: Kennedy Kamau** |
| | **ICPAK M/No: 17206** | |

## 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 June 2024** | - | 103,321,957 | 103,321,957 |
| **Adjustments** | | | |
| Recognition of Assets | - | 71,350,117 | 71,350,117 |
| Recognition of Liabilities | - | - | - |
| **As at 1 July 2024** | - | 174,672,074 | 174,672,074 |
| Surplus/(Deficit) For the Period | - | 30,025,218 | 30,025,218 |
| Revaluation Gain/Loss | - | - | - |
| **As at 30 June 2025** | - | **204,697,292** | **204,697,292** |

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

| | Notes | Period ended 30 June 2025 Kshs |
|---|---|---|
| **Cash flows from operating activities** | | |
| **Receipts** | | |
| Transfers from the NGCDF Board | | 196,698,866 |
| Transfers from domestic and foreign partners | | - |
| Finance income | | - |
| Miscellaneous income | | - |
| **Total Receipts** | | **196,698,866** |
| **Payments** | | |
| Employee costs | | 5,625,308 |
| Committee expenses | | 5,504,000 |
| Use of Goods and Services | | 9,706,553 |
| Other Government Units Certified Works | | 50,849,080 |
| Other Grants and Transfers | | 85,273,036 |
| Digital Hubs Expenses | | - |
| **Total Payments** | | **156,957,977** |
| **Net Cash Flows from/ (used in) Operating Activities** | 30 | **39,740,889** |
| **Cash flows From Investing Activities** | | |
| Purchase of PPE | | - |
| Purchase of Intangible assets | | - |
| Proceeds From Sale of PPE | | - |
| **Net Cash Flows from Investing Activities** | | **-** |
| **Cash Flows from Financing Activities** | | |
| Lease Payment | | - |
| **Net Cash Flows from Financing Activities** | | **-** |
| **Net increase/(decrease) in cash & Cash equivalents** | | **39,740,889** |
| Cash and cash equivalents at 1 July 2024 | 19 | **116,688,292** |
| **Cash and cash equivalents at 30 June 2025** | 19 | **156,429,181** |

## 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 |
| | **Period ended 30 June 2025** | **Opening Balance (C/Bk) and AIA** | **Previous Years' Outstanding disbursements** | **Period ended 30 June 2025** | **Period ended 30 June 2025** | | |
| **Revenue** | | | | | | | |
| Transfers From the NGCDF Board | 188,414,052 | 116,688,292 | 59,198,886 | 364,301,230 | 313,387,158 | 50,914,072 | 86% |
| Transfers from domestic and foreign partners | - | - | - | - | - | - | - |
| Finance income | - | - | - | - | - | - | - |
| Miscellaneous income | - | - | - | - | - | - | - |
| **Totals** | **188,414,052** | **116,688,292** | **59,198,886** | **364,301,230** | **313,387,158** | **50,914,072** | **86%** |
| **Expenses** | | | | | | | |
| Employee costs | 5,648,605 | 3,595,062 | - | **9,243,667** | 5,625,308 | 3,618,359 | **61%** |
| Committee expenses | 2,720,000 | 3,625,306 | - | **6,345,306** | 5,504,000 | 841,306 | **87%** |
| Use of Goods and Services | 5,428,918 | 4,922,234 | - | **10,351,152** | 9,706,553 | 644,599 | **94%** |
| Other Government Units Certified Works | 73,700,000 | 64,357,777 | 48,298,866 | **186,356,643** | 50,849,080 | 135,507,563 | **27%** |
| Other Grants and Transfers | 92,916,529 | 40,187,913 | 10,900,020 | **144,004,462** | 85,273,036 | 58,731,426 | **59%** |
| Digital Hubs Expenses | 400,000 | - | - | **400,000** | - | 400,000 | **0%** |
| Funds Pending Approval** | 7,600,000 | - | - | **7,600,000** | - | 7,600,000 | **0%** |
| **Total Expenditure** | **188,414,052** | **116,688,292** | **59,198,886** | **364,301,230** | **156,957,977** | **207,343,254** | **43%** |
| **Surplus for the period** | - | - | - | - | **156,429,181** | **(156,429,181)** | - |

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

**Explanatory Notes**

i) The actual receipts during the period totalling to Kshs. 313,387,158 is represented by the actual transfers to the constituency from the NG-CDF Board totalling to Kshs. 196,698,866 and the cash and cash equivalents at the beginning of the financial year totalling to Kshs. 116,688,292 (note 19) being 86% of the budgeted receipts totalling to Kshs. 364,301,230.

ii) Budget utilization for Compensation of employees, Committee expenses and Use of goods and services were at 61%, 87% and 94% respectively since the funds were disbursed by the NG-CDF Board mid of the financial year allowing for utilization in the NG-CDFC programs unlike funds for other Government units certified works and other grants and transfers which were disbursed by the NG-CDF Board towards the end of the financial thus the utilization at 27% and 59% respectively which largely contributed to overall budget utilization of 43%.

iii) Funds for digital hubs had not been disbursed by the NG-CDF Board as at the end of the financial year.

| **Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities** | |
|---|---|
| **Description** | **Amount (Kshs)** |
| Budget utilisation difference totals | 207,343,254 |
| Less undisbursed funds receivable from the Board as at 30 June 2025 | (50,914,072) |
| Cash and Cash Equivalents at the end of the 30 June 2025 | **156,429,181** |

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 18 August 2025 and signed by:

**Chairman NG-CDF Committee**
**Name: Peter Manyeki**

**National Sub-County Accountant**
**Name: David M. Njoka**
**ICPAK M/No: 17206**

**Fund Account Manager**
**Name: Kennedy Kamau**

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

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/BF) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| **1.0 Administration and Recurrent** | | | | | | |
| 1.1 Compensation of employees | 5,648,605 | 3,595,062 | - | 9,243,667 | 5,625,308 | 3,618,359 |
| 1.2 Committee allowances | 1,280,000 | 2,274,675 | - | 3,554,675 | 3,110,800 | 443,875 |
| 1.3 Use of goods and services | 2,616,918 | 489,341 | - | 3,106,259 | 2,735,391 | 370,868 |
| **Sub-total** | **9,545,523** | **6,359,078** | **-** | **15,904,601** | **11,471,499** | **4,433,102** |
| **2.0 Monitoring and evaluation** | | | | | | |
| 2.1 Capacity building | 1,362,000 | 855,190 | - | 2,217,190 | 1,953,600 | 263,590 |
| 2.2 Committee allowances | 1,440,000 | 1,350,631 | - | 2,790,631 | 2,393,200 | 397,431 |
| 2.3 Use of goods and services | 1,450,000 | 3,577,703 | - | 5,027,703 | 5,017,562 | 10,141 |
| **Sub-total** | **4,252,000** | **5,783,524** | **-** | **10,035,524** | **9,364,362** | **671,162** |
| **3.0 Emergency** | | | | | | |
| Unutilized | 9,916,529 | 8,944,892 | - | 18,861,421 | - | 18,861,421 |
| **Sub-total** | **9,916,529** | **8,944,892** | **-** | **18,861,421** | **-** | **18,861,421** |
| **4.0 Bursary and Social Security** | | | | | | |
| 4.1 Primary Schools | - | - | - | - | - | - |
| 4.2 Secondary Schools | 53,000,000 | 1,683,203 | - | 54,683,203 | 48,927,500 | 5,755,703 |
| 4.3 (a) Tertiary Institutions | 15,000,000 | 3,140,759 | - | 18,140,759 | 17,880,000 | 260,759 |
| 4.3 (b) Vocational Institutions | 5,000,000 | 10,232,000 | - | 15,232,000 | 10,649,000 | 4,583,000 |
| 4.4 Special needs | 2,000,000 | 30,000 | - | 2,030,000 | 1,990,000 | 40,000 |
| 4.5 Education Support Programmes | - | - | - | - | - | - |
| 4.6 Social Security | - | - | - | - | - | - |
| **Sub-total** | **75,000,000** | **15,085,962** | **-** | **90,085,962** | **79,446,500** | **10,639,462** |
| **5.0 Sports** | | | | | | |
| Kiharu NGCDF sports project | - | 178 | - | 178 | 178 | - |
| **Sub-total** | **-** | **178** | **-** | **178** | **178** | **-** |
| **6.0 Environment** | | | | | | |
| Gachiku Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Gaichangere Primary Schol | 200,000 | - | - | 200,000 | - | 200,000 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Gaitega Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Gathinja Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Gathukeini Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Gatitu Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Githagara Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Githanga Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Githuuri Primary Sachool | 200,000 | - | - | 200,000 | - | 200,000 |
| Gitige Prinmary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Gituri Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Gituto Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Ititu Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kabui Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kiboi Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kahatia Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kahuhia Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kaigwa Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kairichi Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kangure Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Environment 2023/2024 | - | 3,000,000 | - | 3,000,000 | - | 3,000,000 |
| Environment 2022/2023 | - | 3,000,000 | - | 3,000,000 | - | 3,000,000 |
| Environment b/f | - | 8,096 | - | 8,096 | - | 8,096 |
| PMCs accounts balances: | | | | | | |
| Gatara Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Gathaithi Lower Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Gathaithi Upper Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Gatheru Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Gathiru Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Gikandu primary school | - | 101,000 | - | 101,000 | 101,000 | - |
| Gitaro Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Gitiri Primary School | - | 101,000 | - | 101,000 | 101,000 | - |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/BF) and AIA | Previous Years Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Gitui Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kagumo Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kahithe Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kaganda Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kayuyu Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kianderi Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kiangage Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kiangochi Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kiawambeu Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Kiayatta Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Mamumbu Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Mbari Ya Hiti Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Mirichu Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Mukumu Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Muthiria Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| St. Mary's Primary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Karemaini Secondary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Mbari ya Hiti Secondary School | - | 101,000 | - | 101,000 | 101,000 | - |
| Gathaithi Environmental Project | - | 422 | - | 422 | 422 | - |
| Gaturi Environmental Project | - | 215 | - | 215 | 215 | - |
| Kimathi Environmental Project | - | 302 | - | 302 | 302 | - |
| Lower Mbiri Environmental Project | - | 422 | - | 422 | 422 | - |
| Lower Mugoiri Environmental Project | - | 422 | - | 422 | 422 | - |
| Lower Wangu Environmental Project | - | 422 | - | 422 | 422 | - |
| Murarandia Environmental Project | - | 422 | - | 422 | 422 | - |
| Township Environmental Project | - | 239 | - | 239 | 239 | - |
| Upper Mbiri Environmental Project | - | 422 | - | 422 | 422 | - |
| Upper Mugoiri Environmental Project | - | 422 | - | 422 | 422 | - |
| Upper Wangu Environmental Project | - | 422 | - | 422 | 422 | - |
| **Sub-total** | **4,000,000** | **8,638,228** | **-** | **12,638,228** | **2,630,132** | **10,008,096** |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bf) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| **7.0 Primary Schools Projects** | | | | | | |
| Gaitheri Primary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Gakuyu Primary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Gatitu Primary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Gatitu Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Gatitu Primary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Githanga Primary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Ititu Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Kambwe Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Kangure Primary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Kigongo Primary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Kimathi Primary School | 500,000 | 53 | 3,499,433 | 3,999,486 | 285,553 | 3,713,933 |
| Muringa Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Rurii Primary School | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |
| Rutune Primary School | 600,000 | 735 | - | 600,735 | - | 600,735 |
| Kiangatia Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Gaitega Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Gikandu Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Githuguya Primary School | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |
| Kambirwa Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Maragi Primary School | 1,500,000 | 1,123 | 3,499,433 | 5,000,556 | 4,627 | 4,995,930 |
| Mbiri Primary School | 600,000 | 700,261 | - | 1,300,261 | 632,526 | 667,735 |
| Mirira Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Muchungucha Primary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Ndikwe Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Thangathi Primary School | 600,000 | 339,665 | - | 939,665 | 336,700 | 602,965 |
| Gathiru Primary School | 1,000,000 | 1,000 | - | 1,001,000 | - | 1,001,000 |
| Gatundu Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Githagara Primary School | 500,000 | 1,003,952 | 3,500,000 | 5,003,952 | 2,622,380 | 2,381,572 |
| Kari Primary School | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/BK) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Kiboi Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Mirichu Primary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Mwara Primary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Yamugwe Primary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Muthiria Primary School | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 |
| Gatara Primary School | 1,500,000 | 3,362 | - | 1,503,362 | - | 1,503,362 |
| Gathaithi Lower Primary School | 400,000 | 28,810 | - | 428,810 | - | 428,810 |
| Gathaithi Lower Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Mariaini Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Matharite Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Theri Primary School | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |
| Gaichangere Primary School | 1,000,000 | - | - | 1,000,000 | 999,296 | 704 |
| Kahithe Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Thengeini Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Mjini Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| St. Mary's Primary School | 1,200,000 | 2,464 | - | 1,202,464 | - | 1,202,464 |
| Technology Primary School | 2,500,000 | - | - | 2,500,000 | - | 2,500,000 |
| Gatheru Primary School | 900,000 | 6,338 | - | 906,338 | - | 906,338 |
| Gathinja Primary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Gitie Primary School | 700,000 | 814,624 | - | 1,514,624 | 800,243 | 714,382 |
| Gitige Primary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Gitui Primary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Gituto Primary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Gitweku Primary School | 1,000,000 | - | - | 1,000,000 | 202,000 | 798,000 |
| Ithiki Primary School | 700,000 | - | - | 700,000 | 202,000 | 498,000 |
| Kahuhia Primary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Karingu Primary School | 500,000 | 38 | 3,500,000 | 4,000,038 | 4,627 | 3,995,412 |
| Koimbi Primary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Weithaga Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Kandundu Primary School | 5,000,000 | - | - | 5,000,000 | - | 5,000,000 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Kandundu Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Don Orione Special School | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 |
| Kamaguta Primary School | 700,000 | 510,644 | - | 1,210,644 | 509,489 | 701,155 |
| Mweru Primary School | - | 801,485 | - | 801,485 | 799,911 | 1,574 |
| Kabui Primary School | - | 1,001,169 | - | 1,001,169 | 979,883 | 21,287 |
| Githundi Primary School | - | 702,824 | - | 702,824 | 699,433 | 3,392 |
| Gaturi Primary School | - | 703,193 | - | 703,193 | 700,493 | 2,701 |
| Kongoini Primary School | - | 602,767 | - | 602,767 | 600,656 | 2,112 |
| Kambirwa Primary School | - | 505,260 | - | 505,260 | 504,309 | 951 |
| Matithi Primary School | - | 436,315 | - | 436,315 | 427,919 | 8,396 |
| Gikuu Primary School | - | 700,000 | - | 700,000 | 698,920 | 1,080 |
| Gitungano Primary School | - | 1,113,939 | - | 1,113,939 | 1,113,776 | 163 |
| Marewa Primary School | - | 704,513 | - | 704,513 | 698,933 | 5,581 |
| Muthigiriri Primary School | - | 902,735 | - | 902,735 | 900,208 | 2,528 |
| Ngaru Primary School | - | 510,989 | - | 510,989 | 510,534 | 455 |
| Kiyu Primary School | - | 533,027 | - | 533,027 | 499,129 | 33,898 |
| Gaichangere Primary School | - | 1,003,840 | - | 1,003,840 | | 1,003,840 |
| Githambo Primary School | - | 403,667 | - | 403,667 | 400,866 | 2,801 |
| Kionjoini Primary School | - | 501,163 | - | 501,163 | 498,726 | 2,437 |
| Mukangu Primary School | - | 505,547 | - | 505,547 | 499,258 | 6,290 |
| Other PMCs accounts balances | | | | | | |
| Gachiku Primary School | - | 69 | - | 69 | - | 69 |
| Gaitega Primary School | - | 482 | - | 482 | - | 482 |
| Gaitheri Primary School | - | 2,783 | - | 2,783 | - | 2,783 |
| Gakurwe Primary School | - | 3,657 | - | 3,657 | - | 3,657 |
| Gakuyu Primary School | - | 1,424 | - | 1,424 | - | 1,424 |
| Gathaithi Upper Primary School | - | 1,025 | - | 1,025 | - | 1,025 |
| Gathinja Primary School | - | 2,806 | - | 2,806 | - | 2,806 |
| Gathukeini Primary School | - | 1,737 | - | 1,737 | - | 1,737 |
| Gatitu Primary School | - | 2,575 | - | 2,575 | - | 2,575 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/BF) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Gatundu Primary School | - | 2,620 | - | 2,620 | - | 2,620 |
| Gikandu primary school | - | 1,701 | - | 1,701 | - | 1,701 |
| Gitaro Primary School | - | 942 | - | 942 | - | 942 |
| Githanga Primary School | - | 1,930 | - | 1,930 | - | 1,930 |
| Githuguya Primary School | - | 870 | - | 870 | - | 870 |
| Gitige Primary School | - | 1,041 | - | 1,041 | - | 1,041 |
| Gitiri Primary School | - | 2,109 | - | 2,109 | - | 2,109 |
| Gitui Primary School | - | 3,607 | - | 3,607 | - | 3,607 |
| Gituri Primary School | - | 2,701 | - | 2,701 | - | 2,701 |
| Gituto Primary School | - | 1,127 | - | 1,127 | - | 1,127 |
| Gitweku Primary School | - | 206,192 | - | 206,192 | - | 206,192 |
| Ithiki Primary School | - | 312,900 | - | 312,900 | - | 312,900 |
| Ititu Primary School | - | 2,180 | - | 2,180 | - | 2,180 |
| Kaganda Primary School | - | 502 | - | 502 | - | 502 |
| Kagira Primary School | - | 4,355 | - | 4,355 | - | 4,355 |
| Kagumo Primary School | - | 4,673 | - | 4,673 | - | 4,673 |
| Kahatia Primary School | - | 3,884 | - | 3,884 | - | 3,884 |
| Kahithe Primary School | - | 100,391 | - | 100,391 | - | 100,391 |
| Kahuhia Primary School | - | 3,609 | - | 3,609 | - | 3,609 |
| Kaigwa Primary School | - | 4,640 | - | 4,640 | - | 4,640 |
| Kairichi Primary School | - | 598 | - | 598 | - | 598 |
| Kambwe Primary School | - | 1,351 | - | 1,351 | - | 1,351 |
| Kangure Primary School | - | 8,711 | - | 8,711 | - | 8,711 |
| Kari Primary School | - | 501 | - | 501 | - | 501 |
| Karuriini Primary School | - | 560 | - | 560 | - | 560 |
| Kayuyu Primary School | - | 3,223 | - | 3,223 | - | 3,223 |
| Kiaguthu Primary School | - | 6,584 | - | 6,584 | - | 6,584 |
| Kiambugi Primary School | - | 2,629 | - | 2,629 | - | 2,629 |
| Kiamuri Primary School | - | 3,171 | - | 3,171 | 3,171 | - |
| Kianderi Primary School | - | 765 | - | 765 | - | 765 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bk) and A/A | Previous Years Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Kiangage Primary School | - | 3,354 | - | 3,354 | - | 3,354 |
| Kiangage Primary School Karindundu | - | (100) | - | (100) | (100) | - |
| Kiangatia Primary School | - | 30,239 | - | 30,239 | - | 30,239 |
| Kiangochi Primary School | - | 17,114 | - | 17,114 | - | 17,114 |
| Kibuu Primary School | - | 2,808,288 | - | 2,808,288 | 2,506,470 | 301,818 |
| Kirogo Primary School | - | 1,139 | - | 1,139 | | 1,139 |
| Kiumu Primary School | - | 4,272 | - | 4,272 | 4,272 | - |
| Kiamuri Primary School | - | 3,171 | - | 3,171 | | 3,171 |
| Kiawambeu Primary School | - | 673 | - | 673 | - | 673 |
| Kiayatta Primary School | - | 2,900 | - | 2,900 | - | 2,900 |
| Kiboi Primary School | - | 4,720 | - | 4,720 | - | 4,720 |
| Kigongo Primary School | - | 1,257 | - | 1,257 | - | 1,257 |
| Kiguru Primary School | - | 12,981 | - | 12,981 | - | 12,981 |
| Kionjoini Primary School | - | 1,163 | - | 1,163 | 1,163 | - |
| Kirogo Primary School | - | 1,139 | - | 1,139 | 1,139 | - |
| Kiumba Primary School | - | 7,737 | - | 7,737 | - | 7,737 |
| Koimbi Primary School | - | 203,680 | - | 203,680 | 202,000 | 1,680 |
| Mamumbu Primary School | - | 619 | - | 619 | - | 619 |
| Mariaini Primary School | - | 15 | - | 15 | - | 15 |
| Matongu Primary School | - | 645 | - | 645 | - | 645 |
| Mbari Ya Hiti Primary School | - | 2,863 | - | 2,863 | - | 2,863 |
| Mbiri Primary School Kandundu | - | 3,560 | - | 3,560 | 1,200 | 2,360 |
| Mirichu Primary School | - | 1,514 | - | 1,514 | - | 1,514 |
| Mirira Primary School | - | 10,457 | - | 10,457 | - | 10,457 |
| Mjini Primary School | - | 9,388 | - | 9,388 | - | 9,388 |
| Muchungucha Primary School | - | 16,306 | - | 16,306 | - | 16,306 |
| Mukumu Primary School | - | 1,073 | - | 1,073 | - | 1,073 |
| Mumbi Primary School | - | 5,596 | - | 5,596 | - | 5,596 |
| Munyutha Primary School | - | 13,352 | - | 13,352 | - | 13,352 |
| Murai Primary School | - | 4,837 | - | 4,837 | - | 4,837 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Murarandia Primary School | - | 201,465 | - | 201,465 | - | 201,465 |
| Muringa Primary School | - | 1,932 | - | 1,932 | - | 1,932 |
| Muthiria Primary School | - | 1,094 | - | 1,094 | - | 1,094 |
| Mwara Primary School | - | 1,957 | - | 1,957 | - | 1,957 |
| Ndikwe Primary School | - | 1,645 | - | 1,645 | - | 1,645 |
| Ndutumi Primary School | - | 11,241 | - | 11,241 | - | 11,241 |
| Nyakihai Primary School | - | 1,729 | - | 1,729 | - | 1,729 |
| Rurii Primary School | - | 2,917 | - | 2,917 | - | 2,917 |
| Technology Primary School | - | 3,146 | - | 3,146 | - | 3,146 |
| Thengeini Primary School | - | 581 | - | 581 | - | 581 |
| Theri Primary School | - | 287 | - | 287 | - | 287 |
| Upendo Primary School | - | 208,113 | - | 208,113 | 202,000 | 6,113 |
| Vidhuramji Primary School | - | 1,682 | - | 1,682 | - | 1,682 |
| Wanjengi Primary School | - | 225 | - | 225 | - | 225 |
| Weithaga Primary School | - | 835 | - | 835 | - | 835 |
| Yamugwe Primary School | - | 6,066 | - | 6,066 | - | 6,066 |
| PMCs BANKINGS | | | | | | |
| Gathinja Primary School CDF Project | - | 9,997 | - | 9,997 | - | 9,997 |
| Gathiru Primary School CDF Project | - | 488 | - | 488 | - | 488 |
| Githambo Primary School | - | 21 | - | 21 | - | 21 |
| Githuguya Primary School | - | 343 | - | 343 | - | 343 |
| Githuuri Primary School CDF Project | - | 21 | - | 21 | - | 21 |
| Gitige Primary School CDF Project | - | 15,651 | - | 15,651 | - | 15,651 |
| Gitui Primary School CDF Project | - | 92 | - | 92 | - | 92 |
| Kaganda Primary School CDF Project | - | 173 | - | 173 | - | 173 |
| Kahithe Primary School CDF Project | - | 83 | - | 83 | - | 83 |
| Kiamuri Primary School CDF Project | - | 107 | - | 107 | - | 107 |
| Kibuu Nursery and Primary School | - | 452 | - | 452 | - | 452 |
| Kigongo Primary School CDF Project | - | 347 | - | 347 | - | 347 |
| Mamumbu Primary School | - | 458 | - | 458 | - | 458 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Maragi Primary School CDF Project | - | 2 | - | 2 | - | 2 |
| Matharite Primary School | - | 285 | - | 285 | - | 285 |
| Matithi Primary School CDF Project | - | 100 | - | 100 | - | 100 |
| Matongu Primary School | - | 97 | - | 97 | - | 97 |
| Mbiri Primary School CDF Project | - | 61 | - | 61 | - | 61 |
| Mirichu Primary School CDF Project | - | 304 | - | 304 | - | 304 |
| Mukangu Primary School | - | 340 | - | 340 | - | 340 |
| Mumbi Primary School CDF Project | - | 95 | - | 95 | - | 95 |
| Muringa Primary School CDF Project | - | 326 | - | 326 | - | 326 |
| Rutune Primary School CDF Project | - | 29 | - | 29 | - | 29 |
| St. Marys Primary School | - | 245 | - | 245 | - | 245 |
| Thangathi Primary School | - | 200 | - | 200 | - | 200 |
| Thengeini Primary School | - | 38 | - | 38 | - | 38 |
| Theri Primary School CDF Project | - | 18 | - | 18 | - | 18 |
| Vidhu Ramji Primary School | - | 192 | - | 192 | - | 192 |
| Githuuri Primary School | - | 2,867 | - | 2,867 | - | 2,867 |
| Matharite Primary School | - | 4 | - | 4 | - | 4 |
| Approved funds pending approval at beginning of fy | | | | | | |
| Gitiri Primary School | - | - | 500,000 | 500,000 | - | 500,000 |
| Kaganda Primary School | - | - | 1,000,000 | 1,000,000 | - | 1,000,000 |
| Gitweku Primary School | - | - | 1,000,000 | 1,000,000 | - | 1,000,000 |
| Wanjengi Primary School | - | - | 1,000,000 | 1,000,000 | - | 1,000,000 |
| JSS: NG-CDF | | | | | | |
| Gakurwe Primary School | - | - | 3,500,000 | 3,500,000 | 4,627 | 3,495,373 |
| Kambirwa Primary School | - | - | 3,500,000 | 3,500,000 | - | 3,500,000 |
| JSS: MINISTRY OF EDUCATION | | | | - | | - |
| Gatuya Primary School | - | 111,253 | 3,500,000 | 3,611,253 | 105,627 | 3,505,627 |
| Kiumu Primary School | - | 4,272 | 3,500,000 | 3,504,272 | 1,396,702 | 2,107,570 |
| **Sub-total** | **56,300,000** | **19,519,953** | **31,498,866** | **107,318,819** | **21,560,660** | **85,758,160** |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/BK) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| **8.0 Secondary Schools Projects** | | | | | | |
| Gaitheri Secondary School | 600,000 | 700,680 | - | 1,300,680 | 699,406 | 601,274 |
| Githanga Secondary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Kigetuini Secondary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Kigongo Secondary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Mugeka Secondary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Nyakihai Secondary School | 800,000 | - | - | 800,000 | - | 800,000 |
| St Michael Gathukiini Sec. School | 500,000 | - | - | 500,000 | - | 500,000 |
| Kiawambeu Secondary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Mirira Secondary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Kagumo Secondary School | 1,000,000 | 3,815 | - | 1,003,815 | - | 1,003,815 |
| Mirichu Secondary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Mugoiri Secondary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Mugoiri Secondary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Mbari Ya Hiti Secondary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Mbari Ya Hiti Secondary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kagaa Secondary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Dr Gitau Matharite Secondary School | 800,000 | 3,713 | - | 803,713 | - | 803,713 |
| Kaganda Secondary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Kionjoini Secondary School | 700,000 | 525,002 | - | 1,225,002 | 524,534 | 700,468 |
| Vidhuramji Secondary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Mukangu Secondary School | 800,000 | 3,930 | - | 803,930 | - | 803,930 |
| Weithaga Secondary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Weithaga Secondary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Kiangochi Secondary School | 800,000 | - | - | 800,000 | - | 800,000 |
| Ititu Secondary School | - | 1,002,275 | - | 1,002,275 | 990,239 | 12,037 |
| Giathiya Secondary School | - | 1,002,158 | - | 1,002,158 | 999,536 | 2,623 |
| Kiamuri Secondary School | - | 700,000 | - | 700,000 | 699,820 | 181 |
| Mukurwe Wa Nyagathanga Sec. Sch. | - | 1,200,093 | - | 1,200,093 | 1,200,013 | 81 |
| Kimathi Secondary School | - | 4,000,000 | - | 4,000,000 | 2,589,833 | 1,410,167 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Mweru Secondary School | - | 700,000 | - | 700,000 | 698,660 | 1,341 |
| Kigetuini Secondary School | - | 500,000 | - | 500,000 | 499,191 | 809 |
| Rurii Secondary School | - | 401,200 | - | 401,200 | 399,653 | 1,547 |
| St. Joseph Secondary School Kiangage | - | 1,000,000 | - | 1,000,000 | 998,263 | 1,738 |
| Gikuu Secondary School | - | 2,103,910 | - | 2,103,910 | 2,100,382 | 3,529 |
| Gikindu Secondary School | - | 2,004,620 | - | 2,004,620 | 1,999,119 | 5,501 |
| Gikandu Secondary School | - | 501,339 | - | 501,339 | 499,083 | 2,257 |
| St. Luke Gituri Secondary School | - | 1,003,090 | - | 1,003,090 | - | 1,003,090 |
| Maragi Secondary School | - | 401,855 | - | 401,855 | 396,086 | 5,769 |
| Kagaa Secondary School | - | 500,215 | - | 500,215 | 499,179 | 1,036 |
| Mirichu Secondary School | - | 1,001,130 | - | 1,001,130 | 855,400 | 145,731 |
| Kiboi Secondary School | - | 1,013,130 | - | 1,013,130 | 1,013,119 | 11 |
| Kiumba Secondary School | - | 700,385 | - | 700,385 | 698,819 | 1,566 |
| Ndutumi Secondary School | - | 1,000,000 | - | 1,000,000 | 977,328 | 22,673 |
| Mukumu Secondary School | - | 500,596 | - | 500,596 | 498,966 | 1,630 |
| Murarandia Secondary School | - | 601,990 | - | 601,990 | 599,976 | 2,014 |
| Theri Secondary School | - | 500,553 | - | 500,553 | 499,253 | 1,300 |
| Kahatia Secondary School | - | 500,000 | - | 500,000 | 499,220 | 781 |
| Koimbi Secondary School | - | 501,589 | - | 501,589 | 499,653 | 1,936 |
| Gathinja Secondary School | - | 1,500,000 | - | 1,500,000 | 1,499,996 | 4 |
| Gitie Secondary School | - | 700,000 | - | 700,000 | 699,740 | 261 |
| Gitige Secondary School | - | 700,615 | - | 700,615 | 700,153 | 463 |
| Gituto Secondary School | - | 700,000 | - | 700,000 | 699,896 | 104 |
| Karingu Secondary School | - | 701,690 | - | 701,690 | 699,703 | 1,988 |
| Kirogo Secondary School | - | 56,118 | - | 56,118 | - | 56,118 |
| Kianderi Secondary School | - | 1,201,170 | - | 1,201,170 | 799,459 | 401,711 |
| Kahuhia Secondary School | - | 800,728 | - | 800,728 | 800,253 | 475 |
| Gakurwe Mixed Day Sec. School | - | 57,000 | - | 57,000 | - | 57,000 |
| AiA (Gakurwe Mixed Day Sec. School) | - | 143,000 | - | 143,000 | - | 143,000 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/BF) and A/A | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| PMCs accounts balances: | | | | | | |
| Dr. Kiano Girls Secondary School | - | 498,344 | - | 498,344 | - | 498,344 |
| Gakurwe Secondary School | - | 3,053 | - | 3,053 | - | 3,053 |
| Gatara Secondary School | - | 730 | - | 730 | - | 730 |
| Gitaro Secondary school | - | 80 | - | 80 | - | 80 |
| Githanga Secondary School | - | 3,227 | - | 3,227 | - | 3,227 |
| Gitui Mixed Secondary School | - | 168 | - | 168 | - | 168 |
| Gitweku Secondary School | - | 1,050 | - | 1,050 | - | 1,050 |
| Kaganda Secondary School | - | 300 | - | 300 | - | 300 |
| Kambirwa Secondary School | - | 16,904 | - | 16,904 | - | 16,904 |
| Karemaini Secondary School | - | 3,287 | - | 3,287 | - | 3,287 |
| Kianderi Girls Secondary School | - | 610 | - | 610 | - | 610 |
| Kiangochi Secondary School | - | 7,017 | - | 7,017 | - | 7,017 |
| Mbari ya Hiti Secondary School | - | 5,819 | - | 5,819 | - | 5,819 |
| Muchungucha Secondary School | - | 4,127 | - | 4,127 | - | 4,127 |
| Mugoiri Secondary School. | - | 490 | - | 490 | - | 490 |
| Muranga High School | - | 498,740 | - | 498,740 | - | 498,740 |
| Mwirua Secondary School | - | 1,235 | - | 1,235 | - | 1,235 |
| Nyakihai Secondary School | - | 2,074 | - | 2,074 | - | 2,074 |
| St. Michael Gathuki-ini Sec Sch | - | 2,659 | - | 2,659 | - | 2,659 |
| St.Paul Boys Secondary school | - | 3,250 | - | 3,250 | - | 3,250 |
| Vidhuramji Secondary School | - | 8,248 | - | 8,248 | - | 8,248 |
| Weithaga Mixed Secondary School | - | 204 | - | 204 | - | 204 |
| Yamugwe Secondary School | - | 129 | - | 129 | - | 129 |
| PMCs BANKINGS | | | | | | |
| Gitweku Girls Secondary School (Emergency) | - | 31 | - | 31 | - | 31 |
| Kahuhia Mixed Secondary School | - | 288 | - | 288 | - | 288 |
| Kiaguthu Secondary School | - | 185 | - | 185 | - | 185 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Kianderi Day Secondary School | - | 11,566 | - | 11,566 | - | 11,566 |
| Kionjoini Secondary School | - | 2 | - | 2 | - | 2 |
| Murarandia Day Sec CDF Project | - | 203 | - | 203 | - | 203 |
| Vidhu Ramji Secondary School | - | 120 | - | 120 | - | 120 |
| Approved funds pending approval at beginning of fy | | | | | | |
| St. Pauls Boys Sec. School Gathuki-Ini | - | - | 11,000,000 | 11,000,000 | - | 11,000,000 |
| Muchungucha Secondary School | - | - | 1,000,000 | 1,000,000 | - | 1,000,000 |
| Kahuro Secondary School | - | 95 | 3,000,000 | 3,000,095 | 1,454,497 | 1,545,599 |
| Kahithe Secondary School | - | - | 1,000,000 | 1,000,000 | - | 1,000,000 |
| Gitui Secondary School | - | - | 800,000 | 800,000 | - | 800,000 |
| **Sub-total** | **17,400,000** | **32,211,823** | **16,800,000** | **66,411,823** | **29,288,421** | **37,123,403** |
| **9.0 Tertiary institutions Projects** | | | | | | |
| Kenneth Matiba Technical And Vocational College | - | 10,000,000 | - | 10,000,000 | - | 10,000,000 |
| **Sub-total** | **-** | **10,000,000** | **-** | **10,000,000** | **-** | **10,000,000** |
| **10.0 Security Projects** | | | | | | |
| Kanjuya Assistant Chief's Office | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |
| Kanjuya Assistant Chief's Office | 500,000 | - | - | 500,000 | - | 500,000 |
| Mirichu Chief's Office | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |
| Mirichu Chief's Office | 500,000 | - | - | 500,000 | - | 500,000 |
| Kiambugi Chief's office | - | 2,000,000 | - | 2,000,000 | - | 2,000,000 |
| Ititu Chief's Office | - | 459,606 | 900,020 | 1,359,626 | 1,356,183 | 3,443 |
| Gitaro Chief's Office | - | 1,400,000 | - | 1,400,000 | 6,140 | 1,393,860 |
| Mjini Chief's Office | - | 400,000 | - | 400,000 | 399,933 | 67 |
| Wanjengi Chief's Office | - | 300,000 | - | 300,000 | 299,448 | 553 |
| Gakurwe Assistant Chief's Office | - | 1,400,000 | - | 1,400,000 | 4,500 | 1,395,500 |
| Karuru Assistant Chief Office | - | 1,400,000 | - | 1,400,000 | 6,267 | 1,393,734 |
| Githambo Assistant Chief's Office | - | 300,000 | - | 300,000 | 299,941 | 59 |
| Kianderi Assistant Chief's Office | - | 1,400,000 | - | 1,400,000 | 6,267 | 1,393,734 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/B) and AIA | Previous Year's Outstanding Disbursement | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Maragi Chief's Office | - | 500,000 | - | 500,000 | 499,590 | 410 |
| PMCs accounts balances: | | | | | | |
| Gacharu Chief's Office | - | 27,265 | - | 27,265 | 1,200 | 26,065 |
| Gaitega Chief's Office | - | 25,627 | - | 25,627 | 1,200 | 24,427 |
| Gathaithi Chief's Office | - | 31,588 | - | 31,588 | 1,200 | 30,388 |
| Gatundu Chief's Office | - | - | - | - | - | - |
| Gatuya Police Post | - | 298,360 | - | 298,360 | 297,742 | 619 |
| Gikandu Chiefs Office | - | 92 | - | 92 | 92 | - |
| Gikindu D.O's Office | - | 22,429 | - | 22,429 | 1,200 | 21,229 |
| Gitui Chief's Office | - | 80 | - | 80 | 80 | - |
| Kahatia Chief's Office | - | 23,847 | - | 23,847 | 1,200 | 22,647 |
| Kambirwa Assistant Chief's Office | - | 12 | - | 12 | 12 | - |
| Kangara Chiefs Office | - | 42 | - | 42 | 42 | - |
| Karemaini Chief's Office | - | 25 | - | 25 | 25 | - |
| Kaweru Chief's Office | - | 3,076 | - | 3,076 | 1,200 | 1,876 |
| Kayuyu Chiefs Office | - | 42 | - | 42 | 42 | - |
| Kiawambeu Chief's Office | - | 364 | - | 364 | 150 | 214 |
| Kiboi AP Post | - | 44 | - | 44 | - | 44 |
| Kigetuini Chief's Office | - | 23 | - | 23 | 23 | - |
| Kiharu AP Post | - | 629 | - | 629 | - | 629 |
| Kiria Assistant Chief's Office | - | 122 | - | 122 | 122 | - |
| Kirogo Assistant Chief's Office | - | 40 | - | 40 | 40 | - |
| Koimbi Chiefs Office | - | 512 | - | 512 | 499 | 13 |
| Matharite Chief's Office | - | 9,660 | - | 9,660 | 1,200 | 8,460 |
| Mugeka AP CAMP | - | 1,906 | - | 1,906 | 1,200 | 706 |
| Mugeka Chief's Office | - | 180 | - | 180 | 180 | - |
| Mumbi Police Post | - | 16 | - | 16 | 16 | - |
| Mwirua Chiefs Office | - | 392 | - | 392 | 392 | - |
| Ndikwe Police Post | - | 1,056 | - | 1,056 | 1,056 | - |
| Ngaru Chief's Office | - | 15,146 | - | 15,146 | 1,200 | 13,946 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/fd) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Njoguini Chief's Office | - | 79,535 | - | 79,535 | 1,200 | 78,335 |
| Theri Chief's Office | - | 32,953 | - | 32,953 | 1,200 | 31,753 |
| Yamugwe police post | - | 380 | - | 380 | 380 | - |
| PMCs accounts balances returned to operations accounts:- | | | | | | |
| Githagara Chiefs Office | - | 68 | - | 68 | - | 68 |
| Kamaguta Assistant Chiefs Office (Emergency) | - | 58 | - | 58 | - | 58 |
| Thengeini Chiefs Office CDF Project | - | 120 | - | 120 | - | 120 |
| Wangu Acc Office CDF Project (Emergency) | - | 810 | - | 810 | - | 810 |
| **Sub-total** | **4,000,000** | **10,136,104** | **900,020** | **15,036,124** | **3,192,359** | **11,843,765** |
| **11.0 Acquisition of assets** | | | | | | |
| Motor Vehicles (including motorbikes) | - | - | - | - | - | - |
| Purchase of furniture and fitiings | - | - | - | - | - | - |
| Construction of CDF office | - | - | - | - | - | - |
| **Sub-total** | **-** | **-** | **-** | **-** | **-** | **-** |
| **12.0 Others** | | | | | | |
| Kiharu TVC Digital Hub | 400,000 | | - | 400,000 | | 400,000 |
| Gaturi Education Office | - | 1,552 | - | 1,552 | 1,200 | 352 |
| Gikindu Division Education Office | - | 1,958 | - | 1,958 | 1,200 | 758 |
| Muranga East Education Office | - | 160 | - | 160 | 160 | - |
| Constituency Revision Books project | - | 1,226 | - | 1,226 | - | 1,226 |
| Muranga East Sub County Treasury Office | - | 107 | - | 107 | 107 | - |
| Wangu Education offce | - | 1,560 | - | 1,560 | 1,200 | 360 |
| PMCs accounts balances returned to operations accounts:- | | | | | | |
| Gatara Dispensary CDF Project | - | 111 | - | 111 | - | 111 |

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|---|---|---|---|---|---|
| | Period ended 30 June 2025 | Opening Balance (C/BK) and AIA | Previous Years' Outstanding Disbursements | Period ended 30 June 2025 | Period ended 30 June 2025 | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Gathaithi Security Mast CDF Project | - | 27 | - | 27 | - | 27 |
| Gatundu Security Mast CDF Project | - | 137 | - | 137 | - | 137 |
| Gikindu Irrigation Water CDF Project | - | 274 | - | 274 | - | 274 |
| Gitiri Dispensary CDF Project | - | 423 | - | 423 | - | 423 |
| Kaweru Security Mast CDF Project | - | 137 | - | 137 | - | 137 |
| Kiangage Security Mast CDF Project | - | 27 | - | 27 | - | 27 |
| Koimbi Shopping Centre CDF Project | - | 394 | - | 394 | - | 394 |
| Maragi Security Mast CDF Project | - | 147 | - | 147 | - | 147 |
| Matithi Security Mast CDF Project | - | 27 | - | 27 | - | 27 |
| Mukangu Security Mast CDF Project | - | 27 | - | 27 | - | 27 |
| Mukurue Security Mast CDF Project | - | 114 | - | 114 | - | 114 |
| Mumbi Shopping Centre CDF Project | - | 103 | - | 103 | - | 103 |
| Wanjengi Dispensary CDF Project | - | 38 | - | 38 | - | 38 |
| Constituency Revision Books Project | - | | 10,000,000 | 10,000,000 | - | 10,000,000 |
| **Sub-total** | **400,000** | **8,549** | **10,000,000** | **10,408,549** | **3,867** | **10,404,682** |
| **Funds pending approval**** | **7,600,000** | **-** | **-** | **7,600,000** | **-** | **7,600,000** |
| AiA | - | - | - | - | - | - |
| **Total** | **188,414,052** | **116,688,292** | **59,198,886** | **364,301,230** | **156,957,977** | **207,343,254** |

*(NB: This statement is a disclosure statement indicating the utilization in the same format as Kiharu NG-CDF 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 Kiharu's principal activity is combating poverty at the grassroots level and entrenching equitable distribution of development through implementation of community based projects.

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

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

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Kiharu has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement.

The NG-CDF Kiharu has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

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

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

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

## 3. Adoption of New and Revised Standards

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

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

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

| Standard | Effective date and Impact: |
|---|---|
| IPSAS 43: Leases | *Applicable 1st January 2025*<br>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 cash flows of Kiharu NG-CDF.<br>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.<br>*Not applicable in this financial year* |

| | |
|---|---|
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | *Applicable 1st January 2025*<br>The Standard requires,<br>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:<br>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.<br>*Not applicable in this financial year* |
| IPSAS 45: Property Plant and Equipment | *Applicable 1st January 2025*<br>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.<br>*Not applicable in this financial year* |
| IPSAS 46: Measurement | *Applicable 1st January 2025*<br>The objective of this standard was to improve measurement guidance across IPSAS by:<br>i) Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.<br>ii) Clarifying transaction costs guidance to enhance consistency across IPSAS.<br>iii) Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. |

| | |
|---|---|
| | The standard also introduces a public sector specific measurement bases called the current operational value.<br>*Not applicable in this financial year* |
| IPSAS 47: Revenue | *Applicable 1st January 2026*<br>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.<br>*Not applicable in this financial year* |
| IPSAS 48: Transfer Expenses | *Applicable 1st January 2026*<br>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.<br>*Not applicable in this financial year* |
| IPSAS 49: Retirement Benefit Plans | *Applicable 1st January 2026*<br>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.<br>*Not applicable in this financial year* |

| | |
|---|---|
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | *Applicable 1st January 2027*<br>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:<br>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.<br>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.<br>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.<br>*Not applicable in this financial year* |

*iii. Early adoption of standards*

Kiharu NG-CDF did not early – adopt any new or amended standards in the financial year.

## 4. Summary of Significant Accounting Policies

### a) Revenue recognition

#### i) Revenue from non-exchange transactions

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Kiharu NG-CDF 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 Kiharu NG-CDF.

**Interest income**

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

**Rental income**

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

**b) Budget information**

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

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

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

of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 15 of these financial statements.

**c) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, Kiharu NG-CDF 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.

Land, buildings, motor vehicles, furniture and fittings and computers and ICT equipment were depreciated at nil, 10%, 25%, 12.5% and 30% on reducing balance basis.

**d) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to Kiharu NG-CDF. 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. Kiharu NG-CDF 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 Kiharu NG-CDF 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 Kiharu NG-CDF. 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. *Kiharu NG-CDF does not have any hedge relationships and therefore the new hedge accounting rules have no impact on Kiharu NG-CDF financial statements.* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, Kiharu NG-CDF 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**

Kiharu NG-CDF 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 Kiharu NG-CDF 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 Kiharu NG-CDF 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, Kiharu NG-CDF 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 Kiharu NG-CDF 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**

Kiharu NG-CDF 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. Kiharu NG-CDF recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 18*

**b) Financial liabilities**

**Classification**

Kiharu NG-CDF 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 Kiharu NG-CDF.

**h) Provisions**

Provisions are recognized when Kiharu NG-CDF 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 Kiharu NG-CDF 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. Kiharu NG-CDF 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 Kiharu NG-CDF will incur in fulfilling the present obligations represented by the liability.

**j) Contingent liabilities**

Kiharu NG-CDF 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**

Kiharu NG-CDF 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 Kiharu NG-CDF 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**

Kiharu NG-CDF provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plans under which Kiharu NG-CDF pays fixed contributions into National Social Security 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**

Kiharu NG-CDF 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 Kiharu NG-CDF, 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 Kiharu NG-CDF 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. Kiharu NG-CDF 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 Kiharu NG-CDF. 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 Kiharu NG-CDF.
b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
c) The nature of the processes in which the asset is deployed.
d) Availability of funding to replace the asset.
e) Changes in the market in relation to the asset

**Provisions**

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

## 6. Transfers from the NGCDF Board

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| NGCDFB Transfers (Allocation for the FY) | 188,414,052 |
| **Total** | **188,414,052** |

## 7. Transfers from domestic and foreign partners

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Grants | - |
| **Total** | **-** |

## 8. Finance income

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Interest Income on Bank Deposits | - |
| **Total** | **-** |

## 9. Miscellaneous income

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Rental Income | - |
| Income from sale of tenders | - |
| Hire of plant/equipment/facilities | - |
| Other Income Not Classified Elsewhere *(specify)* | - |
| **Total** | **-** |

## 10. Employees cost

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| NG-CDFC Basic staff salaries | 4,057,500 |
| Personal allowances paid as part of salary | - |
| House Allowance | 685,300 |
| Transport Allowance | 460,000 |
| Leave allowance | 36,000 |
| Gratuity to contractual employees | 1,323,635 |
| Employer Contributions Compulsory national social security schemes | 304,961 |
| Employer Contributions Compulsory Housing levy | 76,246 |
| Employer contributions to National Industrial Training Authority | 5,300 |
| Other Specify | - |
| **Total** | **6,948,942** |

## 11. Committee Expenses

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Sitting allowance | 3,368,800 |
| Other Committee expenses | 2,135,200 |
| **Total** | **5,504,000** |

## 12. Use of Goods and services

| Description | Period ended 30 June 2025 Kshs |
|---|---|
| Utilities, supplies and services | 5,700 |
| Communication, supplies and services | 493,404 |
| Domestic travel and subsistence | 881,900 |
| Printing, advertising and information supplies & services | 67,869 |
| Office Rent | 754,020 |
| Training expenses | 2,836,023 |
| Hospitality supplies and services | 990,278 |
| Insurance costs | 60,114 |
| Specialized materials and services | - |
| Office and general supplies and services | 749,744 |
| Fuel, oil & lubricants | 900,000 |
| Bank charges | 39,983 |
| Routine maintenance – vehicles and other transport equipment | 22,460 |
| Routine maintenance – other assets | 10,000 |
| Strategic plan expenses | 1,898,920 |
| Other operating expenses | - |
| **Total** | **9,710,415** |

## 13. Other Government Units Actual expenditure

| Description | Period ended 30 June 2025 Kshs |
|---|---|
| Primary Schools Actual expenditure | 21,560,660 |
| Secondary Schools Actual expenditure | 29,288,421 |
| Tertiary Institutions Actual expenditure | - |
| **Total** | **50,849,080** |

## 14. Other Grants and transfers Actual expenditure

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Bursary – secondary schools | 48,927,500 |
| Bursary – tertiary institutions | 17,880,000 |
| Bursary – vocational institutions | 10,649,000 |
| Bursary – special schools | 1,990,000 |
| Bursary - Education Support programmes | - |
| Social Security programmes (SHIF) | - |
| Security projects Actual expenditure | 3,192,359 |
| Climate change mitigation projects | 2,630,132 |
| Emergency projects Actual expenditure | |
| Roads projects Actual expenditure | - |
| Others (Sub County offices) | 4,045 |
| **Total** | **85,273,036** |

## 15. Depreciation and Amortization Expenses

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Property Plant and Equipment | 103,361 |
| Intangible Assets | - |
| **Total** | **103,361** |

## 16. Digital Hubs Expenses

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Construction/ renovation/ Actual expenditure | - |
| Digital Hub utility costs Water, Electricity, | - |
| Maintenance of ICT equipment | - |
| Maintenance of building | - |
| Others | - |
| **Total** | **-** |

## 17. Gain/loss on Sale of Assets

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Property, Plant and Equipment | - |
| Intangible Assets | - |
| **Total Gain/loss on Sale of Assets** | **-** |

## 18. Impairment Loss

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| Property, Plant and Equipment | - |
| Intangible Assets | - |
| | - |
| **Total Impairment Loss** | **-** |

## 19. Cash and Cash Equivalents

| Name Of Bank and Account No. | Period ended 30 June 2025 Kshs | Opening Statement 1 July 2024 Kshs |
|---|---|---|
| **Bank Accounts (Cash Book Bank Balance)** | | |
| Kiharu NG-CDF Account, Family Bank, Murang'a Branch - Account Number 006000020013 (Operations account) | 115,530,209 | 103,321,957 |
| Operations account pending closure | - | - |
| Kiharu NG-CDF Deposit Account, Family Bank, Murang'a Branch - Account Number 006000037559 (Deposit account) | 3,083,210 | 1,759,575 |
| PMCs accounts balances | 37,815,762 | 11,606,760 |
| **Total** | **156,429,181** | **116,688,292** |
| **Cash Balances** | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Other Locations | - | - |
| **Total** | **-** | **-** |

*(A schedule of all reconciled PMC bank balances as at the end of the period has been provided in Annex 2)*

## 20. Receivables from Exchange Transactions

| Description | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| **Total receivables** | | |
| Other exchange debtors | - | - |
| Less: impairment allowance | - | - |
| **Total receivables** | - | - |
| a. Current receivables | - | - |
| b. Non-current receivables | - | - |
| **Total Receivables (a+b)** | - | - |

### i. Ageing Analysis for Receivables

| Description | Period ended 30 June 2025 | | Opening Statement 1 July 2024 | |
|---|---|---|---|---|
| | Kshs | | Kshs | |
| | Period ended 30 June 2025 | % of the total | Opening Statement 1st July 2024 | % of the total |
| Less than 1 year | - | % | - | % |
| Between 1- 2 years | - | % | - | % |
| Between 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| **Total (a+b)** | - | **%** | - | **%** |

## 21. Receivables from Non-Exchange Transactions

| Description | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| Transfers from NG-CDFB | 50,914,072 | 59,198,886 |
| Outstanding imprest | - | - |
| **Total** | **50,914,072** | **59,198,886** |

| Ageing Analysis- Receivables from non-exchange transactions | Period ended 30 June 2025 | % of the total | Opening Statement 1st July 2024 | % of the total |
|---|---|---|---|---|
| Less than 1 year | 37,414,052 | 73% | 59,198,886 | 100% |
| Between 1-2 years | 13,500,020 | 27% | - | - |
| Over 3 years | - | - | - | - |
| **Total** | **50,914,072** | | **59,198,886** | |

## 22. Prepayments

| Description | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| Prepaid Rent | - | - |
| Prepaid Insurance | 27,124 | 30,986 |
| Prepaid Electricity Costs | - | - |
| Other Prepayments | - | - |
| **Total** | **27,124** | **30,986** |

## 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** | | **10%** | **25.00%** | **12.50%** | **30.00%** | | | |
| Cost | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Opening Bal as 1 July 2024 | - | - | - | 331,000 | 319,800 | - | - | 650,800 |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Transfer/Adjustments | - | - | - | - | - | - | - | - |
| **As At 30 June 2025** | - | - | - | **331,000** | **319,800** | - | - | **650,800** |
| **Depreciation And Impairment** | | | | | | - | - | |
| Opening depreciation | - | - | - | 41,375 | 95,940 | - | - | 137,315 |
| Depreciation | - | - | - | 36,203 | 67,158 | - | - | 103,361 |
| Disposals | - | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - | - | - |
| Transfer/Adjustment | - | - | - | - | - | - | - | - |
| As At 30 June 2025 | - | - | - | 77,578 | 163,098 | - | - | 240,676 |
| **Net Book Values** | | | | | | - | - | |
| **Opening Balance as 1 July 2024** | **-** | **-** | **-** | **289,625** | **223,860** | - | - | **513,485** |
| **As At 30 June 2025** | **-** | **-** | **-** | **253,422** | **156,702** | - | - | **410,124** |

**Valuation**

Land, buildings, motor vehicles, furniture and fittings and computers and ICT equipment were valued in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30th June 2020).

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

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

| | Cost<br>Kshs | Accumulated Depreciation<br>Kshs | NBV<br>Kshs |
|---|---|---|---|
| Land | - | - | - |
| Buildings | - | - | - |
| Plant And Machinery | - | - | - |
| Motor Vehicles, Including Motorcycles | - | - | - |
| Computers And Related Equipment | 319,800 | 163,098 | 156,702 |
| Office Equipment, Furniture, And Fittings | 331,000 | 77,578 | 253,422 |
| **Total** | **650,800** | **240,676** | **410,124** |

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

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

## 24. Intangible Assets

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| **Cost** | |
| **Opening balance at 1 July 2024** | - |
| Additions | - |
| Disposal | - |
| **At end of 30 June 2025** | - |
| **Amortization and impairment** | - |
| **At beginning of the year** | - |
| Amortization | - |
| **At end of the year** | - |
| Impairment loss | - |
| **At end of the year** | - |
| **NBV** at 1 July 2024 | - |
| **NBV at 30 June 2025** | - |

## 25. Right-of use assets

| Description | Buildings | Plant | Equipment | Total |
|---|---|---|---|---|
| | Kshs | Kshs | Kshs | Kshs |
| **Cost** | | | | |
| As At 1 July 2023 | - | - | - | - |
| Additions | - | - | - | - |
| As At 30 June 2024 | - | - | - | - |
| Additions | - | - | - | - |
| As At 30 June 2025 | - | - | - | - |
| **Accumulated Depreciation** | | | | |
| As At 1 July 2023 | - | - | - | - |
| Charge for the period | - | - | - | - |
| As At 30 June 2024 | - | - | - | - |
| Charge for the period | - | - | - | - |
| As At 30 June 2025 | - | - | - | - |
| **Carrying Amount** | | | | |
| As At 30 June 2025 | - | - | - | - |
| As At 30 June 2024 | - | - | - | - |

## 26. Trade and Other Payables

| Description | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| Trade payables | - | - |
| Employee payables | - | - |
| Other payables | - | - |
| **Total trade and other payables** | - | - |

| Aging analysis: (Trade and other payables) | Period ended 30 June 2025 | % of the Total | Opening Statement 1 July 2024 | % of the Total |
|---|---|---|---|---|
| Under one year | - | % | - | % |
| 1-2 years | - | % | - | % |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| **Total (tie to above total)** | - | | - | |

## 27. Third-Party deposits

| | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| Retention as at start of the period (A) | - | - |
| Retention held during the period (B) | - | - |
| Retention paid during the period (C) | - | - |
| **Closing Retention, D= A+B-C** | - | - |

## Retentions aging analysis.

| | Period ended 30 June 2025 | % of the total | Opening Statement 1 July 2024 | % of the total |
|---|---|---|---|---|
| Less than 1 year | - | % | - | % |
| 1-2 years | - | % | - | % |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| **Total** | - | | - | |

## 28. Lease Liabilities

| Description | Period ended 30 June 2025 | Opening Statement 1 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 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| Gratuity at the beginning of the period (A) | 1,759,575 | - |
| Gratuity held during the period (B) | 1,323,635 | 1,759,575 |
| Gratuity paid during the period (C) | - | - |
| **Total Gratuity provision as at 30 June 2025 D=(A+B-C)** | **3,083,210** | **1,759,575** |

## 30. Cash Generated from Operations

| Description | Period ended 30 June 2025 |
|---|---|
| | Kshs |
| **Surplus for the period before tax** | **30,025,218** |
| **Adjusted for:** | |
| Depreciation | 103,361 |
| 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 | 8,288,676 |
| Changes in deferred income | - |
| Changes in Third party deposits | - |
| Changes in gratuity provision | 1,323,635 |
| Changes in payments received in advance | - |
| **Net cash flow from operating activities** | **39,740,889** |

## 31. Financial Risk Management

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

### i) Credit risk

Kiharu NG-CDF has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by Kiharu NG-CDF 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 Kiharu NG-CDF maximum exposure to credit risk without taking account the value of any collateral obtained is made up as follows:

| Description | Total amount | Fully performing | Past due | Impaired |
|---|---|---|---|---|
| | Kshs | Kshs | Kshs | Kshs |
| **As at 30 June 2025** | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 50,914,072 | 50,914,072 | - | - |
| Bank balances | 156,429,181 | 156,429,181 | - | - |
| **Total** | **207,343,253** | **207,343,253** | - | - |
| **As at 30 June 2024** | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 59,198,886 | 59,198,886 | - | - |
| Bank balances | 116,688,292 | 116,688,292 | - | - |
| **Total** | **175,887,178** | **175,887,178** | - | - |

**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 Kiharu NG-CDF has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts. Kiharu NG-CDF has significant concentration of credit risk on amounts due from none. The board of directors sets Kiharu NG-CDF 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 Kiharu NG-CDF directors, who have built an appropriate liquidity risk management framework for the management of Kiharu NG-CDF short, medium and long-term funding and liquidity management requirements. Kiharu NG-CDF manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by Kiharu NG-CDF under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|---|---|---|---|---|
| | Kshs | Kshs | Kshs | Kshs |
| **As at 30th June 2025** | | | | |
| Trade payables | - | - | - | - |
| Current proportion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Gratuity Provision | - | - | 3,083,210 | 3,083,210 |
| **Total** | - | - | **3,083,210** | **3,083,210** |
| **As at 30th June 2024** | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Employee benefit obligation | - | - | 1,759,575 | 1,759,575 |
| **Total** | - | - | **1,759,575** | **1,759,575** |

**iii) Market risk**

Kiharu NG-CDF has put in place an internal audit function to assist it in assessing the risk faced by the Kiharu NG-CDF 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 Kiharu NG-CDF 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 optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. Kiharu NG-CDF 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 Kiharu NG-CDF exposure to market risks or the way it manages and measures the risk.

**a) Foreign currency risk**

Kiharu NG-CDF 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. Kiharu NG-CDF manages foreign exchange risk form future commercial transactions and recognized assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

**b) Interest rate risk**

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

**Management of interest rate risk**

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

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

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

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect Kiharu NG-CDF 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. Kiharu 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 | Level 1 Kshs | Level 2 Kshs | Level 3 Kshs | Total Kshs |
|---|---|---|---|---|
| **As at 30th June 2025** | | | | |
| **Financial Assets** | | | | |
| Quoted Equity Investments | - | - | - | - |
| **Non- Financial Assets** | - | - | - | - |
| Investment Property | - | - | - | - |
| Land And Buildings | - | - | - | - |
| **Total** | - | - | - | - |
| **As at 30th June 2024** | | | | |
| **Financial Assets** | | | | |
| Quoted Equity Investments | - | - | - | - |
| **Non- Financial Assets** | | | | |
| Investment Property | - | - | - | - |
| Land And Buildings | - | - | - | - |
| **Total** | - | - | - | - |

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

### iv) Capital Risk Management

The objective of Kiharu NG-CDF capital risk management is to safeguard the Kiharu NG-CDF ability to continue as a going concern. Kiharu NG-CDF capital structure comprises of the following funds:

| Description | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| Revaluation Reserve | - | - |
| Retained Earnings | - | - |
| Capital Reserve | 204,697,292 | 174,672,074 |
| **Total Funds** | 204,697,292 | 174,672,074 |
| Total Borrowings | - | - |
| Less: Cash and Bank Balances | (156,429,181) | (116,688,292) |
| Net Debt/(Excess Cash And Cash Equivalents) | 48,268,111 | 57,983,782 |
| **Gearing** | - | - |

### 32. Related Party Disclosures

| | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| **Committee Members Remuneration** | | |
| Sitting allowance of committee Members during the year | 3,368,800 | 1,012,000 |
| | | |
| **Transaction with the NGCDF Board** | | |
| Transfers from the NGCDF Board during the year | 196,698,866 | 235,179,501 |
| **Total** | **200,067,666** | **236,191,501** |

### 33. Segment Information

-

## 34. Contingent Assets and Contingent Liabilities

### Contingent Assets

| Description | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| **Contingent Assets** | | |
| Insurance Reimbursements | - | - |
| Assets Arising from Determination Of Court Cases | - | - |
| Reimbursable Indemnities and Guarantees | - | - |
| Receivables From Other Government Entities | - | - |
| Others (Specify) | - | - |
| **Total** | - | - |

### Contingent Liabilities

| Description | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| **Contingent Liabilities** | - | - |
| Court Case against the Kiharu NG-CDF | - | - |
| Bank Guarantees in Favour of Subsidiary | - | - |
| Contingent Liabilities arising from Contracts Including PPPs | - | - |
| Others (Specify) | - | - |
| **Total** | - | - |

## 35. Capital Commitments

| Capital Commitments | Period ended 30 June 2025 | Opening Statement 1 July 2024 |
|---|---|---|
| | Kshs | Kshs |
| Authorized for | - | - |
| Authorized and Contracted for | - | - |
| **Total** | - | - |

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

## 36. Events after the Reporting Period

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

## 37. Ultimate And Holding Entity

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

## 38. Currency

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

## 18.Annexes

### Annex 1: Summary of Asset Register

| Asset class | Historical Cost/valuation cost balance brought forward (Kshs) | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) At Year End |
|---|---|---|---|---|
| Land | - | - | - | - |
| Buildings and structures | 9,988,431 | - | - | 9,988,431 |
| Transport equipment | 3,264,238 | - | - | 3,264,238 |
| Office equipment, furniture, and fittings | 1,519,931 | - | - | 1,519,931 |
| ICT Equipment and Other ICT Assets | 614,140 | - | - | 614,140 |
| Other Machinery and Equipment | - | - | - | - |
| Intangible assets | - | - | - | - |
| **Total** | **15,386,740** | - | - | **15,386,740** |

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

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| PRIMARY SCHOOLS PROJECTS | | | | |
| Gachiku Primary School | Family Murang'a | 006000029365 | 69.00 | 69.00 |
| Gaichangere Primary School | Family Murang'a | 006000030410 | 4,544.00 | 3,840.00 |
| Gaitega Primary School | Family Murang'a | 006000029856 | 482.00 | 482.00 |
| Gaitheri Primary School | Family Murang'a | 006000029375 | 2,783.00 | 2,783.00 |
| Gakurwe Primary School | Family Murang'a | 006000029814 | 3,499,030.00 | 3,657.00 |
| Gakuyu Primary School | Family Murang'a | 006000026838 | 1,424.22 | 1,424.22 |
| Gatara Primary School | Family Murang'a | 006000030498 | 3,362.00 | 104,362.00 |
| Gathaithi Lower Primary School | Family Murang'a | 006000030361 | 28,809.50 | 129,809.50 |
| Gathaithi Upper Primary School | Family Murang'a | 006000029446 | 1,025.00 | 102,025.00 |
| Gatheru Primary School | Family Murang'a | 006000029429 | 6,338.00 | 107,338.00 |
| Gathinja Primary School | Family Murang'a | 006000029428 | 2,806.00 | 2,806.00 |
| Gathiru Primary School | Family Murang'a | 006000031184 | 1,000.00 | 102,000.00 |
| Gathukeini Primary School | Family Murang'a | 006000030624 | 1,737.00 | 1,737.00 |
| Gatitu Primary School | Family Murang'a | 006000030649 | 2,575.00 | 2,575.00 |
| Gatundu Primary School | Family Murang'a | 006000029374 | 2,620.00 | 2,620.00 |
| Gaturi Primary School | Family Murang'a | 006000029877 | 2,700.50 | 3,193.00 |
| Gatuya Primary School | Family Murang'a | 006000029451 | 3,505,626.50 | 111,253.00 |
| Gikandu primary school | Family Murang'a | 006000030778 | 1,701.00 | 102,701.00 |
| Gikuu Primary School | Family Murang'a | 006000032337 | 1,080.00 | - |
| Gitaro Primary School | Family Murang'a | 006000030407 | 942.00 | 101,942.00 |
| Githagara Primary School | Family Murang'a | 006000030601 | 1,881,572.00 | 3,952.00 |
| Githambo Primary School | Family Murang'a | 006000031177 | 2,801.00 | 203,667.00 |
| Githanga Primary School | Family Murang'a | 006000029756 | 1,930.00 | 1,930.00 |
| Githuguya Primary School | Family Murang'a | 006000031125 | 870.00 | 870.00 |
| Githundi Primary School | Family Murang'a | 006000029633 | 3,391.50 | 2,824.00 |
| Githuuri Primary School | Family Murang'a | 006000030606 | 2,867.00 | 2,867.00 |
| Gitie Primary School | Family Murang'a | 006000029433 | 14,381.50 | 114,624.00 |
| Gitige Primary School | Family Murang'a | 006000029617 | 1,041.00 | 1,041.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| Gitiri Primary School | Family Murang'a | 006000031243 | 2,109.00 | 103,109.00 |
| Gitui Primary School | Family Murang'a | 006000031183 | 3,607.00 | 104,607.00 |
| Gitungano Primary School | Family Murang'a | 006000029401 | 163.00 | 113,939.00 |
| Gituri Primary School | Family Murang'a | 006000029632 | 2,701.00 | 2,701.00 |
| Gituto Primary School | Family Murang'a | 006000029639 | 1,127.00 | 1,127.00 |
| Gitweku Primary School | Family Murang'a | 006000029510 | 4,192.00 | 206,192.00 |
| Ithiki Primary School | Family Murang'a | 006000030608 | 110,900.00 | 312,900.00 |
| Ititu Primary School | Family Murang'a | 006000029859 | 2,180.00 | 2,180.00 |
| Kabui Primary School | Family Murang'a | 006000029415 | 21,286.50 | 1,169.00 |
| Kaganda Primary School | Family Murang'a | 006000031261 | 502.00 | 101,502.00 |
| Kagira Primary School | Family Murang'a | 006000028999 | - | 4,355.00 |
| Kagumo Primary School | Family Murang'a | 006000030403 | 4,673.00 | 105,673.00 |
| Kahatia Primary School | Family Murang'a | 006000029442 | 3,884.00 | 3,884.00 |
| Kahithe Primary School | Family Murang'a | 006000031237 | 100,391.00 | 201,391.00 |
| Kahuhia Primary School | Family Murang'a | 006000030600 | 3,609.00 | 3,609.00 |
| Kaigwa Primary School | Family Murang'a | 006000030440 | 4,640.00 | 4,640.00 |
| Kairichi Primary School | Family Murang'a | 006000030378 | 598.00 | 598.00 |
| Kamaguta Primary School | Family Murang'a | 006000030411 | 1,155.00 | 10,644.00 |
| Kambirwa Primary School | Family Murang'a | 006000029417 | 3,500,951.00 | 5,260.00 |
| Kambwe Primary School | Family Murang'a | 006000029379 | 1,351.00 | 1,351.00 |
| Kangure Primary School | Family Murang'a | 006000029853 | 8,711.00 | 8,711.00 |
| Kari Primary School | Family Murang'a | 006000030421 | 501.00 | 501.00 |
| Karingu Primary School | Family Murang'a | 006000029879 | 3,495,411.50 | 38.00 |
| Karuriini Primary School | Family Murang'a | 006000030364 | 560.00 | 560.00 |
| Kayuyu Primary School | Family Murang'a | 006000029380 | 3,223.00 | 104,223.00 |
| Kiaguthu Primary School | Family Murang'a | 006000029418 | 6,584.00 | 6,584.00 |
| Kiambugi Primary School | Family Murang'a | 006000029908 | 2,629.00 | 2,629.00 |
| Kiamuri Primary School | Family Murang'a | 006000030156 | 3,170.50 | 3,170.50 |
| Kiamuri Primary School | Family Murang'a | 006000030156 | - | 3,170.50 |
| Kianderi Primary School | Family Murang'a | 006000030675 | 765.00 | 101,765.00 |
| Kiangage Primary School | Family Murang'a | 006000029426 | 3,354.00 | 104,354.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| Kiangage Primary School Karindundu | Family Murang'a | 006000028896 | - | (100.00) |
| Kiangatia Primary School | Family Murang'a | 006000029158 | 30,239.00 | 30,239.00 |
| Kiangochi Primary School | Family Murang'a | 006000030415 | 17,114.00 | 118,114.00 |
| Kiawambeu Primary School | Family Murang'a | 006000030671 | 673.00 | 101,673.00 |
| Kiayatta Primary School | Family Murang'a | 006000030381 | 2,900.00 | 103,900.00 |
| Kiboi Primary School | Family Murang'a | 006000030412 | 4,720.00 | 4,720.00 |
| Kibuu Primary School | Family Murang'a | 006000030753 | 301,818.00 | 2,808,287.50 |
| Kigongo Primary School | Family Murang'a | 006000029643 | 1,257.00 | 1,257.00 |
| Kiguru Primary School | Family Murang'a | 006000030406 | 12,981.00 | 12,981.00 |
| Kimathi Primary School | Family Murang'a | 006000029631 | 3,213,933.00 | 53.00 |
| Kionjoini Primary School | Family Murang'a | 006000030365 | 2,437.00 | 1,163.00 |
| Kionjoini Primary School | Family Murang'a | 006000030365 | - | 1,163.00 |
| Kirogo Primary School | Family Murang'a | 006000030044 | 1,139.00 | 1,139.00 |
| Kirogo Primary School | Family Murang'a | 006000030044 | - | 1,139.00 |
| Kiumba Primary School | Family Murang'a | 006000030402 | 7,737.00 | 7,737.00 |
| Kiumu Primary School | Family Murang'a | 006000029369 | 2,107,570.00 | 4,272.00 |
| Kiumu Primary School | Family Murang'a | 006000029369 | - | 4,272.00 |
| Kiyu Primary School | Family Murang'a | 006000029403 | 33,898.00 | 33,027.00 |
| Koimbi Primary School | Family Murang'a | 006000029947 | 1,680.00 | 203,680.00 |
| Kongoini Primary School | Family Murang'a | 006000029509 | 2,111.50 | 102,767.00 |
| Mamumbu Primary School | Family Murang'a | 006000031233 | 619.00 | 101,619.00 |
| Maragi Primary School | Family Murang'a | 006000031176 | 3,495,929.50 | 1,123.00 |
| Marewa Primary School | Family Murang'a | 006000029376 | 5,580.50 | 4,513.00 |
| Mariaini Primary School | Family Murang'a | 006000030409 | 15.00 | 15.00 |
| Matharite Primary School | Family Murang'a | 006000032339 | 4.00 | 4.00 |
| Matithi Primary School | Family Murang'a | 006000030674 | 8,396.00 | 36,315.00 |
| Matongu Primary School | Family Murang'a | 006000030777 | 645.00 | 645.00 |
| Mbari Ya Hiti Primary School | Family Murang'a | 006000029435 | 2,863.00 | 103,863.00 |
| Mbiri Primary School | Family Murang'a | 006000031191 | 67,734.50 | 260.50 |
| Mbiri Primary School Kandundu | Family Murang'a | 006000028870 | - | 3,560.00 |
| Mirichu Primary School | Family Murang'a | 006000031230 | 1,514.00 | 102,514.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| Mirira Primary School | Family Murang'a | 006000030570 | 10,457.00 | 10,457.00 |
| Mjini Primary School | Family Murang'a | 006000029349 | 9,388.00 | 9,388.00 |
| Muchungucha Primary School | Family Murang'a | 006000029430 | 16,306.00 | 16,306.00 |
| Mukangu Primary School | Family Murang'a | 006000031182 | 6,289.90 | 5,547.40 |
| Mukumu Primary School | Family Murang'a | 006000029449 | 1,073.00 | 102,073.00 |
| Mumbi Primary School | Family Murang'a | 006000029851 | 5,596.00 | 5,596.00 |
| Munyutha Primary School | Family Murang'a | 006000031236 | 13,352.00 | 13,352.00 |
| Murai Primary School | Family Murang'a | 006000030408 | 4,837.00 | 4,837.00 |
| Murarandia Primary School | Family Murang'a | 006000029596 | 201,465.00 | 201,465.00 |
| Muringa Primary School | Family Murang'a | 006000030569 | 1,932.00 | 1,932.00 |
| Muthigiriri Primary School | Family Murang'a | 006000030653 | 2,527.50 | 102,735.00 |
| Muthiria Primary School | Family Murang'a | 006000030405 | 1,094.00 | 102,094.00 |
| Mwara Primary School | Family Murang'a | 006000030397 | 1,957.00 | 1,957.00 |
| Mweru Primary School | Family Murang'a | 006000029427 | 601,574.00 | 1,485.00 |
| Ndikwe Primary School | Family Murang'a | 006000030621 | 1,645.00 | 1,645.00 |
| Ndutumi Primary School | Family Murang'a | 006000029432 | 11,241.00 | 11,241.00 |
| Ngaru Primary School | Family Murang'a | 006000030377 | 455.00 | 10,989.00 |
| Nyakihai Primary School | Family Murang'a | 006000026884 | 1,729.21 | 1,729.21 |
| Rurii Primary School | Family Murang'a | 006000030006 | 2,916.50 | 2,916.50 |
| Rutune Primary School | Family Murang'a | 006000032250 | 735.00 | 735.00 |
| St. Mary's Primary School | Family Murang'a | 006000031175 | 2,464.00 | 103,464.00 |
| Technology Primary School | Family Murang'a | 006000029946 | 3,146.00 | 3,146.00 |
| Thangathi Primary School | Family Murang'a | 006000029852 | 2,965.00 | 339,665.00 |
| Thengeini Primary School | Family Murang'a | 006000030379 | 581.00 | 581.00 |
| Theri Primary School | Family Murang'a | 006000031181 | 287.00 | 287.00 |
| Upendo Primary School | Family Murang'a | 006000030623 | 6,113.00 | 208,113.00 |
| Vidhuramji Primary School | Family Murang'a | 006000030643 | 1,682.00 | 1,682.00 |
| Wanjengi Primary School | Family Murang'a | 006000030673 | 225.00 | 225.00 |
| Weithaga Primary School | Family Murang'a | 006000030602 | 835.00 | 835.00 |
| Yamugwe Primary School | Family Murang'a | 006000030391 | 6,066.00 | 6,066.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| SECONDARY SCHOOL PROJECTS | | | | |
| Dr. Gitau Matharite Secondary School | Family Murang'a | 006000035590 | 3,713.00 | 3,713.00 |
| Dr. Kiano Girls Secondary School | Family Murang'a | 006000037026 | 498,343.87 | 498,343.87 |
| Gaitheri Secondary School | Family Murang'a | 006000029416 | 1,274.00 | 680.00 |
| Gakurwe Secondary School | Family Murang'a | 006000030793 | 3,052.50 | 3,052.50 |
| Gatara Secondary School | Family Murang'a | 006000030672 | 730.00 | 730.00 |
| Gathinja Secondary School | Family Murang'a | 006000039175 | 4.00 | - |
| Giathiya Secondary School | Family Murang'a | 006000030845 | 2,622.50 | 2,158.00 |
| Gikandu Secondary School | Family Murang'a | 006000030064 | 2,256.50 | 1,339.00 |
| Gikindu Secondary School | Family Murang'a | 006000029858 | 5,501.00 | 4,620.00 |
| Gikuu Secondary School | Family Murang'a | 006000030727 | 3,528.50 | 103,910.00 |
| Gitaro Secondary school | Family Murang'a | 006000030425 | 80.00 | 80.00 |
| Githanga Secondary School | Family Murang'a | 006000033711 | 3,227.00 | 3,227.00 |
| Gitie Secondary School | Family Murang'a | 006000039175 | 260.50 | - |
| Gitige Secondary School | Family Murang'a | 006000033632 | 462.50 | 615.00 |
| Gitui Mixed Secondary School | Family Murang'a | 006000033681 | 168.00 | 168.00 |
| Gituto Secondary School | Family Murang'a | 006000039188 | 104.00 | - |
| Gitweku Secondary School | Family Murang'a | 006000033611 | 1,050.00 | 1,050.00 |
| Ititu Secondary School | Family Murang'a | 006000030607 | 12,036.50 | 2,275.00 |
| Kagaa Secondary School | Family Murang'a | 006000030632 | 1,036.00 | 215.00 |
| Kaganda Secondary School | Family Murang'a | 006000030347 | 300.00 | 300.00 |
| Kagumo Secondary School | Family Murang'a | 006000029948 | 3,815.00 | 3,815.00 |
| Kahatia Secondary School | Family Murang'a | 006000036993 | 780.50 | - |
| Kahuhia Secondary School | Family Murang'a | 006000030604 | 475.00 | 728.00 |
| Kahuro Secondary School | Family Murang'a | 006000033725 | 1,545,598.50 | 95.00 |
| Kambirwa Secondary School | Family Murang'a | 006000030780 | 16,904.00 | 16,904.00 |
| Karemaini Secondary School | Family Murang'a | 006000029854 | 3,287.00 | 104,287.00 |
| Karingu Secondary School | Family Murang'a | 006000033781 | 1,987.50 | 1,690.00 |
| Kiamuri Secondary School | Family Murang'a | 006000039159 | 180.50 | - |
| Kianderi Girls Secondary School | Family Murang'a | 006000031232 | 610.00 | 610.00 |
| Kianderi Secondary School | Family Murang'a | 006000030423 | 401,711.00 | 701,170.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| Kiangochi Secondary School | Family Murang'a | 006000030568 | 7,017.00 | 7,017.00 |
| Kiboi Secondary School | Family Murang'a | 006000030424 | 11.00 | 13,130.00 |
| Kigetuini Secondary School | Family Murang'a | 006000036904 | 809.00 | - |
| Kimathi Secondary School | Family Murang'a | 006000036181 | 1,410,167.00 | - |
| Kionjoini Secondary School | Family Murang'a | 006000026523 | 468.29 | 525,002.29 |
| Kirogo Secondary School | Family Murang'a | 006000028682 | 56,118.00 | 56,118.00 |
| Kiumba Secondary School | Family Murang'a | 006000030228 | 1,566.00 | 385.00 |
| Koimbi Secondary School | Family Murang'a | 006000030892 | 1,936.00 | 1,589.00 |
| Maragi Secondary School | Family Murang'a | 006000031235 | 5,769.00 | 1,855.00 |
| Mbari ya Hiti Secondary School | Family Murang'a | 006000030426 | 5,818.50 | 106,818.50 |
| Mirichu Secondary School | Family Murang'a | 006000030940 | 145,730.50 | 1,130.00 |
| Muchungucha Secondary School | Family Murang'a | 006000031208 | 4,127.00 | 4,127.00 |
| Mugoiri Secondary School. | Family Murang'a | 006000031260 | 490.00 | 490.00 |
| Mukangu Secondary School | Family Murang'a | 006000029878 | 3,930.00 | 3,930.00 |
| Mukumu Secondary School | Family Murang'a | 006000030603 | 1,630.00 | 596.00 |
| Mukurwe Wa Nyagathanga Secondary School | Family Murang'a | 006000033607 | 80.50 | 93.00 |
| Muranga High School | Family Murang'a | 006000033738 | 498,740.00 | 498,740.00 |
| Murarandia Secondary School | Family Murang'a | 006000031027 | 2,014.00 | 101,990.00 |
| Mweru Secondary School | Family Murang'a | 006000036856 | 1,340.50 | - |
| Mwirua Secondary School | Family Murang'a | 006000031923 | 1,235.00 | 1,235.00 |
| Ndutumi Secondary School | Family Murang'a | 006000037140 | 22,672.50 | - |
| Nyakihai Secondary School | Family Murang'a | 006000023644 | 2,074.00 | 2,074.00 |
| Rurii Secondary School | Family Murang'a | 006000030605 | 1,547.00 | 1,200.00 |
| St. Joseph Secondary School Kiangage | Family Murang'a | 006000029857 | 1,737.50 | - |
| St. Luke Gituri Secondary School | Family Murang'a | 006000033669 | 1,003,090.00 | 3,090.00 |
| St. Michael Gathuki-ini Sec Sch | Family Murang'a | 006000030676 | 2,659.00 | 2,659.00 |
| St.Paul Boys Secondary school | Family Murang'a | 006000030046 | 3,250.00 | 3,250.00 |
| Theri Secondary School | Family Murang'a | 006000033751 | 1,300.00 | 553.00 |
| Vidhuramji Secondary School | Family Murang'a | 006000030434 | 8,248.00 | 8,248.00 |
| Weithaga Mixed Secondary School | Family Murang'a | 006000033602 | 203.50 | 203.50 |
| Yamugwe Secondary School | Family Murang'a | 006000028683 | 129.00 | 129.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| SECURITY PROJECTS | | | | |
| Gacharu Chief's Office | Family Murang'a | 006000031264 | - | 27,265.00 |
| Gaitega Chief's Office | Family Murang'a | 006000030966 | - | 25,627.00 |
| Gathaithi Chief's Office | Family Murang'a | 006000030798 | - | 31,588.00 |
| Gatuya Police Post | Family Murang'a | 006000038754 | 618.50 | 298,360.00 |
| Gikandu Chiefs Office | Family Murang'a | 006000029279 | - | 92.00 |
| Gikindu D.O's Office | Family Murang'a | 006000029910 | - | 22,429.00 |
| Gitui Chief's Office | Family Murang'a | 006000032516 | - | 80.00 |
| Kahatia Chief's Office | Family Murang'a | 006000029268 | - | 23,847.00 |
| Kambirwa Assistant Chief's Office | Family Murang'a | 006000031281 | - | 12.00 |
| Kangara Chiefs Office | Family Murang'a | 006000029278 | - | 42.00 |
| Karemaini Chief's Office | Family Murang'a | 006000032593 | - | 25.00 |
| Kaweru Chief's Office | Family Murang'a | 006000030677 | - | 3,076.00 |
| Kayuyu Chiefs Office | Family Murang'a | 006000029276 | - | 42.00 |
| Kiawambeu Chief's Office | Family Murang'a | 006000030654 | - | 364.00 |
| Kiboi AP Post | Family Murang'a | 006000036949 | 44.00 | 44.00 |
| Kigetuini Chief's Office | Family Murang'a | 006000030865 | - | 23.00 |
| Kiharu AP Post | Family Murang'a | 006000036965 | 628.50 | 628.50 |
| Kiria Assistant Chief's Office | Family Murang'a | 006000030853 | - | 122.00 |
| Kirogo Assistant Chief's Office | Family Murang'a | 006000032594 | - | 40.00 |
| Koimbi Chiefs Office | Family Murang'a | 006000029970 | - | 512.00 |
| Matharite Chief's Office | Family Murang'a | 006000029284 | - | 9,659.50 |
| Mugeka AP CAMP | Family Murang'a | 006000030622 | - | 1,906.00 |
| Mugeka Chief's Office | Family Murang'a | 006000031152 | - | 180.00 |
| Mumbi Police Post | Family Murang'a | 006000029373 | - | 16.00 |
| Mwirua Chiefs Office | Family Murang'a | 006000029616 | - | 392.00 |
| Ndikwe Police Post | Family Murang'a | 006000028979 | - | 1,056.00 |
| Ngaru Chief's Office | Family Murang'a | 006000029971 | - | 15,146.00 |
| Njoguini Chief's Office | Family Murang'a | 006000031252 | - | 79,535.00 |
| Theri Chief's Office | Family Murang'a | 006000029317 | - | 32,953.10 |
| Yamugwe police post | Family Murang'a | 006000028867 | - | 380.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| Gakurwe Assistant Chief's Office | Family Murang'a | 006000040941 | 1,395,500.00 | - |
| Gitaro Chief's Office | Family Murang'a | 006000040927 | 1,393,860.00 | - |
| Githambo Assistant Chief's Office | Family Murang'a | 006000039177 | 59.00 | - |
| Karuru Assistant Chief's Office | Family Murang'a | 006000040788 | 1,393,733.50 | - |
| Kianderi Assistant Chief's Office | Family Murang'a | 006000039168 | 1,393,733.50 | - |
| Maragi Chief's Office | Family Murang'a | 006000039186 | 410.00 | - |
| Mjini Chief's Office | Family Murang'a | 006000039170 | 67.00 | - |
| Wanjengi Chief's Office | Family Murang'a | 006000040835 | 552.50 | - |
| Ititu Chief's Office | Family Murang'a | 006000027155 | 3,443.15 | 159,625.65 |
| SPORTS | | | | |
| Kiharu NGCDF sports project | Family Murang'a | 006000029171 | - | 178.00 |
| ENVIRONMENTAL PROJECTS | | | | |
| Gathaithi Environmental Project | Family Murang'a | 006000030100 | - | 422.00 |
| Gaturi Environmental Project | Family Murang'a | 006000030101 | - | 215.00 |
| Kimathi Environmental Project | Family Murang'a | 006000030102 | - | 302.00 |
| Lower Mbiri Environmental Project | Family Murang'a | 006000030105 | - | 422.00 |
| Lower Mugoiri Environmental Project | Family Murang'a | 006000030091 | - | 422.00 |
| Lower Wangu Environmental Project | Family Murang'a | 006000030095 | - | 422.00 |
| Murarandia Environmental Project | Family Murang'a | 006000030099 | - | 422.00 |
| Township Environmental Project | Family Murang'a | 006000030093 | - | 239.00 |
| Upper Mbiri Environmental Project | Family Murang'a | 006000030104 | - | 422.00 |
| Upper Mugoiri Environmental Project | Family Murang'a | 006000030092 | - | 422.00 |
| Upper Wangu Environmental Project | Family Murang'a | 006000030094 | - | 422.00 |
| OTHER PROJECTS | | | | |
| Gaturi Education Office | Family Murang'a | 006000028684 | - | 1,552.00 |
| Gikindu Division Education Office | Family Murang'a | 006000033581 | - | 1,958.00 |
| Muranga East Education Office | Family Murang'a | 006000032592 | - | 160.00 |
| Constituency Revision Books project | Family Murang'a | 006000032152 | 1,226.00 | 1,226.00 |
| Muranga East Sub County Treasury Office | Family Murang'a | 006000033123 | - | 107.00 |
| Wangu Education office | Family Murang'a | 006000033785 | - | 1,560.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| ADJUSTMENT - PMCs ACCOUNTS BALANCES RETURNED INTO OPERATIONS ACCOUNT | | | | |
| PRIMARY SCHOOLS PROJECTS | | | | |
| Gathinja Primary School CDF Project | Family Murang'a | 006000024446 | - | 9,997.00 |
| Gathiru Primary School CDF Project | Family Murang'a | 006000027116 | - | 488.42 |
| Githambo Primary School | Family Murang'a | 006000027300 | - | 21.03 |
| Githuguya Primary School | Family Murang'a | 006000027297 | - | 343.12 |
| Githuuri Primary School CDF Project | Family Murang'a | 006000028389 | - | 21.00 |
| Gitige Primary School CDF Project | Family Murang'a | 006000024481 | - | 15,651.00 |
| Gitui Primary School CDF Project | Family Murang'a | 006000027078 | - | 91.68 |
| Kaganda Primary School CDF Project | Family Murang'a | 006000028491 | - | 173.00 |
| Kahithe Primary School CDF Project | Family Murang'a | 006000027247 | - | 82.82 |
| Kiamuri Primary School CDF Project | Family Murang'a | 006000026962 | - | 107.07 |
| Kibuu Nursery and Primary School | Family Murang'a | 006000028236 | - | 452.00 |
| Kigongo Primary School CDF Project | Family Murang'a | 006000026821 | - | 347.00 |
| Mamumbu Primary School | Family Murang'a | 006000027144 | - | 457.76 |
| Maragi Primary School CDF Project | Family Murang'a | 006000026531 | - | 2.00 |
| Matharite Primary School | Family Murang'a | 006000028390 | - | 285.00 |
| Matithi Primary School CDF Project | Family Murang'a | 006000027145 | - | 100.20 |
| Matongu Primary School | Family Murang'a | 006000026827 | - | 97.00 |
| Mbiri Primary School CDF Project | Family Murang'a | 006000026895 | - | 60.93 |
| Mirichu Primary School CDF Project | Family Murang'a | 006000028362 | - | 304.00 |
| Mukangu Primary School | Family Murang'a | 006000027270 | - | 340.33 |
| Mumbi Primary School CDF Project | Family Murang'a | 006000027498 | - | 95.00 |
| Muringa Primary School CDF Project | Family Murang'a | 006000026196 | - | 326.00 |
| Rutune Primary School CDF Project | Family Murang'a | 006000027071 | - | 29.32 |
| St. Marys Primary School | Family Murang'a | 006000028404 | - | 244.97 |
| Thangathi Primary School | Family Murang'a | 006000027073 | - | 200.09 |
| Thengeini Primary School | Family Murang'a | 006000027338 | - | 37.87 |
| Theri Primary School CDF Project | Family Murang'a | 006000027248 | - | 18.03 |
| Vidhu Ramji Primary School | Family Murang'a | 006000021822 | - | 192.00 |

| PMC | Bank | Account number | Bank Balance Period ended 30 June 2025 | Bank Balance Opening Statement 1 July 2024 |
|---|---|---|---|---|
| SECONDARY SCHOOLS | | | | |
| Gitweku Girls Secondary School (Emergency) | Family Murang'a | 006000028534 | - | 31.00 |
| Kahuhia Mixed Secondary School | Family Murang'a | 006000026743 | - | 288.00 |
| Kiaguthu Secondary School | Family Murang'a | 006000027331 | - | 185.34 |
| Kianderi Day Secondary School | Family Murang'a | 006000021401 | - | 11,565.89 |
| Kionjoini Secondary School | Family Murang'a | 006000026523 | - | 2.29 |
| Murarandia Day Sec CDF Project | Family Murang'a | 006000024802 | - | 203.28 |
| Vidhu Ramji Secondary School | Family Murang'a | 006000027282 | - | 120.00 |
| SECURITY PROJECTS | | | | |
| Githagara Chiefs Office | Family Murang'a | 006000031251 | - | 68.00 |
| Kamaguta Assistant Chiefs Office (Emergency) | Family Murang'a | 006000028579 | - | 57.91 |
| Thengeini Chiefs Office CDF Project | Family Murang'a | 006000027079 | - | 120.24 |
| Wangu Acc Office CDF Project (Emergency) | Family Murang'a | 006000035628 | - | 810.00 |
| OTHERS | | | | |
| Gatara Dispensary CDF Project | Family Murang'a | 006000022096 | - | 111.31 |
| Gathaithi Security Mast CDF Project | Family Murang'a | 006000027233 | - | 27.00 |
| Gatundu Security Mast CDF Project | Family Murang'a | 006000027196 | - | 137.00 |
| Gikindu Irrigation Water CDF Project | Family Murang'a | 006000024436 | - | 274.00 |
| Gitiri Dispensary CDF Project | Family Murang'a | 006000024440 | - | 423.00 |
| Kaweru Security Mast CDF Project | Family Murang'a | 006000027189 | - | 137.00 |
| Kiangage Security Mast CDF Project | Family Murang'a | 006000027185 | - | 27.00 |
| Koimbi Shopping Centre CDF Project | Family Murang'a | 006000026150 | - | 394.00 |
| Maragi Security Mast CDF Project | Family Murang'a | 006000027186 | - | 147.00 |
| Matithi Security Mast CDF Project | Family Murang'a | 006000027188 | - | 27.00 |
| Mukangu Security Mast CDF Project | Family Murang'a | 006000027200 | - | 27.00 |
| Mukurue Security Mast CDF Project | Family Murang'a | 006000026152 | - | 114.00 |
| Mumbi Shopping Centre CDF Project | Family Murang'a | 006000024453 | - | 103.00 |
| Wanjengi Dispensary CDF Project | Family Murang'a | 006000022174 | - | 38.00 |
| **TOTAL** | | | **37,815,762.14** | **11,606,760.14** |

## 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: |
|---|---|---|---|---|
| **Emphasis of Matter** | **Budgetary Control and Performance**<br>The summary statement of appropriation reflects final budget for receipts and actual amount of Kshs.344,129,475 and Kshs.284,930,589 respectively resulting to underfunding of Kshs. 59,198,886 or 17% of the approved budget. However, the Fund spent Kshs.181,752,381 against actual receipts of Kshs.284,930,589 resulting to underutilization of Kshs.103,178,208 or 36% of the actual receipts.<br><br>The underfunding and under-utilization of receipts affected the planned activities and may have impacted negatively on the service delivery to the public | The underutilization was as a result of late disbursement of funds by the NG-CDF Board. The NG-CDF Board has since addressed the matter partially by disbursement of Kshs. 45,698,866 due to the constituency and issuance of four AIEs authorizing expenditure as below:<br>• AIE No. B234725 dated 5.12.2024 – Kshs. 27,998,866<br>• AIE No. B229546 dated 24.12.2024 – Kshs. 6,400,000<br>• AIE No. B229512 dated 6.1.2025 – Kshs. 10,000,000<br>• AIE No. B329151 dated 5.5.2025 – Kshs. 1,300,000<br>The NG-CDF Board is yet to disburse the balance amounting to Kshs. 13,500,020 due to the constituency. | Not resolved | 30 September 2025 |
| **Other Matter** | **Unresolved Prior Year Matters**<br>Various prior year audit issues remained unresolved as at 30 June 2024 and Management has not provided reasons for delay in resolving the prior year audit issues. | Kiharu NG-CDF appeared before the National Assembly's Devolved Funds Committee on 1st November 2024 for examination of audited accounts for the financial years 2013/2014 to 2021/2022 where audit issues for the said period were resolved.<br>On DFAC's recommendation during the meeting for Kiharu NG-CDFC to | Not resolved | 30 September 2025 |

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status (Resolved / Not Resolved) | Timeframe |
|---|---|---|---|---|
| | | formally hand over the NG-CDF Kahuro office to the ACC – Mugoiri Division, Kiharu NG-CDF wrote to the NG-CDFB on 23rd January 2025 seeking the Board's position on the matter and is awaiting the Board's response as well as the formal communication on the matter from DFAC | | |
| **Report On Lawfulness And Effectiveness In The Use Of Public Resources** | | | | |
| **Basis for Conclusion** | | | | |
| 1 | **Noncompliance With Requirement of National Cohesion and Integration Act**<br>Review of the personnel records provided for audit revealed that the Fund has eight (8) contractual members of staff. However, except one member of staff all other staff members are from the dominant community contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which states that no public establishment shall have more than one third of its staff from the same ethnic community<br>In the circumstances, Management was in breach of the law. | The 9 Kiharu NG-CDF employees were recruited after the vacancies were openly advertised for all interested and qualified persons from across the country to apply after which the successful applicants were selected on merit. However, should vacancies arise, Kiharu NG-CDF will endeavor to fill them with qualified persons who are not from the dominant ethnic community so as to fully comply with the provisions of the National Cohesion and Integration Act. | Resolved | - |

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: *(Resolved/ Not Resolved)* | Timeframe: |
|---|---|---|---|---|
| 2 | **Review of Projects Management and implementation**<br>**Audit review of the project contract management and implementation status revealed the following unsatisfactory observations;** | | | |
| 2.1 | **Anomalies upon Projects Verification.**<br>The statement of receipts and payments reflects Kshs.59,900,000 in respect of transfers to other government units as disclosed in note 7 to the financial statements. However, physical verification carried out in the month of December 2024 on projects whose implementation status was indicated as complete revealed projects amounting to Kshs.14,536,190 had several anomalies which included; projects not branded as required by NG-CDF board, other projects included the name of patron in the labelling of project, Incomplete elements of works, omitted element of works, non-adherence to specifications on bill of quantities, poor workmanship among others. As a result, there is a risk that the projects with pending works may remain incomplete and the value for the funds used may not be achieved. | Kiharu NG-CDF has since made communication to all PMCs to ensure projects are branded as required, patron's name removed from the project branding, all incomplete works completed as per the bill of quantities and any defects are rectified. | Resolved | - |
| 2.2 | **Lack of Requisitions for Sports Expenditure**<br>The statement of receipts and payments reflects Kshs.106,738,203 in respect of other grants and transfers as disclosed in | Kiharu sports committee procured sports equipment for the teams participating in the constituency league on need basis upon | Resolved | - |

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved/ Not Resolved) | Timeframe: |
|---|---|---|---|---|
| | Note 8 to financial statements. The amount includes sports projects payments amounting to Kshs.5,779,203 for facilitation of sports tournament and purchase of sports kits paid to a supplier. However, the procurement documents provided were not supported by requisitions for sports equipment's for the teams participating in the constituency league contrary to Regulation 71 of the Public Procurement and Asset Disposal Regulations, 2020.<br>In the circumstances, the effectiveness of the projects management and implementation could not be confirmed. | requisition by the individual teams. Kiharu NG-CDFC reached out to the sports committee to avail requisitions for sports equipment by individual teams and all have been availed. | | |

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**Name: Kennedy Kamau**
**Fund Account Manager.**

## KIHARU NG-CDF
## TRIAL BALANCE FOR PERIOD ENDED 30 JUNE 2025

| | Amount | | |
|---|---|---|---|
| **Item** | | **Dr.** | **Cr.** |
| **Revenue from non exchange transactions** | | | |
| NG-CDF Board | 188,414,052 | - | 188,414,052 |
| Grants/donations | - | - | - |
| **Revenue from exchange transactions** | | | |
| Interest Earnings | - | - | - |
| Rental Income | - | - | - |
| Income from sale of tenders | - | - | - |
| Hire of plant/equipment/facilities | - | - | - |
| **STAFF COSTS** | | | |
| NG-CDFC Basic staff salaries | 4,057,500 | 4,057,500 | - |
| Personal allowances paid as part of salary | - | - | - |
| House Allowance | 685,300 | 685,300 | - |
| Transport Allowance | 460,000 | 460,000 | - |
| Leave allowance | 36,000 | 36,000 | - |
| Gratuity to contractual employees | 1,323,635 | 1,323,635 | - |
| Employer Contributions Compulsory national social security schemes | 304,961 | 304,961 | - |
| Employer Contributions Compulsory Housing levy | 76,246 | 76,246 | - |
| Employer contributions to National Industrial Training Authority | 5,300 | 5,300 | - |
| Other Specify | - | - | - |
| **Committee expenses** | | | |
| Sitting allowance | 3,368,800 | 3,368,800 | - |
| Other Committee expenses | 2,135,200 | 2,135,200 | - |
| **Use of goods and services** | | | |
| Utilities, supplies and services | 5,700 | 5,700 | - |
| Communication, supplies and services | 493,404 | 493,404 | - |
| Domestic travel and subsistence | 881,900 | 881,900 | - |
| Printing, advertising and information supplies & services | 67,869 | 67,869 | - |
| Office Rent | 754,020 | 754,020 | - |
| Training expenses | 2,836,023 | 2,836,023 | - |
| Hospitality supplies and services | 990,278 | 990,278 | - |
| Insurance costs | 60,114 | 60,114 | - |
| Specialized materials and services | - | - | - |
| Office and general supplies and services | 749,744 | 749,744 | - |
| Fuel, oil & lubricants | 900,000 | 900,000 | - |
| Bank Charges | 39,983 | 39,983 | - |
| Routine maintenance – vehicles and other transport equipment | 22,460 | 22,460 | - |
| Routine maintenance – other assets | 10,000 | 10,000 | - |
| Strategic plan expenses | 1,898,920 | 1,898,920 | - |
| Other operating expenses | - | - | - |
| **Other Government Units Actual expenditure** | | | |
| Primary Schools Actual expenditure | 21,560,660 | 21,560,660 | - |
| Secondary Schools Actual Expenditure | 29,288,421 | 29,288,421 | - |
| Tertiary Institutions Actual Expenditure | - | - | - |
| **Other Grants and Other transfers** | | | |
| Bursary – secondary schools | 48,927,500 | 48,927,500 | - |
| Bursary – tertiary institutions | 17,880,000 | 17,880,000 | - |
| Bursary – vocational institutions | 10,649,000 | 10,649,000 | - |
| Bursary – special schools | 1,990,000 | 1,990,000 | - |
| Bursary - Education Support programmes | - | - | - |
| Social Security programmes (SHIF) | - | - | - |
| Security projects Actual Expenditure | 3,192,359 | 3,192,359 | - |

| | | | |
|---|---|---|---|
| Climate change mitigation projects | 2,630,132 | 2,630,132 | - |
| Emergency projects Actual Expenditure | - | - | - |
| Roads projects | - | - | - |
| Others specify | 4,045 | 4,045 | - |
| **Depreciation and Amortization** | | | |
| Depreciation | 103,361 | 103,361 | - |
| Armotization | - | - | - |
| **Digital Hubs Expenses** | | | |
| Construction/ renovation/Actual Expenditure | - | - | - |
| Digital Hub utility costs Water, Electricity, | - | - | - |
| Maintenance of ICT equipment | - | - | - |
| Maintenance of building | - | - | - |
| Others (specify) | - | - | - |
| Gain/Loss on Sale of Assets | - | - | - |
| Impairment loss | - | - | - |
| **Cash and Cash equivalents** | | | |
| Kiharu NG-CDF Account, Family Bank, Murang'a Branch - Account Number 006000020013 (Operations account) | 115,530,209 | 115,530,209 | - |
| Operations account pending closure | - | - | - |
| Kiharu NG-CDF Deposit Account, Family Bank, Murang'a Branch - Account Number 006000037559 (Deposit account) | 3,083,210 | 3,083,210 | - |
| PMCs accounts balances | 37,815,762 | 37,815,762 | - |
| **Receivables from Exchange Transactions** | - | - | - |
| **Receivables from Non-Exchange Transactions** | | | |
| Transfers from NGCDFB | 50,914,072 | 50,914,072 | - |
| Outstanding imprest | - | - | - |
| **PREPAYMENTS** | | | |
| Prepaid Rent | - | - | - |
| Prepaid Insurance | 27,124 | 27,124 | - |
| Prepaid Electricity Costs | - | - | - |
| Other Prepayments (Specify) | | - | - |
| **Property, Plant & Equipment** | 650,800 | 650,800 | - |
| Accumulated depreciation | 240,676 | - | 240,676 |
| **Intangible assets** | - | - | - |
| Accumulated Amortization | - | - | - |
| **Trade & Other payables** | | | |
| Trade payables | - | - | - |
| Third party deposits | - | - | - |
| Lease liabilities | - | - | - |
| Gratuity provsion | 3,083,210 | - | 3,083,210 |
| Fund Balance B/F | 174,672,074 | - | 174,672,074 |
| **TOTAL** | **732,820,025** | **366,410,012** | **366,410,012** |