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**REPORT**

DATE: 12 FEB 2026 Thursday

OF

TABLED BY: Hon George Munyira  
CLERK-AT-THE-TABLE: On behalf of Hon. Kanda

**THE AUDITOR-GENERAL**

**ON**

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

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



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**MOLO CONSTITUENCY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

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

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

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

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## 1. Acronyms and Definition of Key Terms

### A. Acronyms

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

### B. Definition of Key Terms

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

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

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

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

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

### **Mandate**

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

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

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

**Vision**

Equitable Socio-economic development countrywide.

**Mission**

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

**Core Values**

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

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**Functions of NG-CDF Committee**

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

**(b) Key Management**

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

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

**Fiduciary Management**

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

No	Designation	Name
1.	AIE holder	MOHAMED HASSAN
2.	National Sub-County Accountant	SIMON KARANJA
3.	Chairman NGCDFC	JANE GACHATHI
4.	Member NGCDFC	DORCUS WAMBUGU
5.	Member NG CDFC	JOSEPH MUKIRI

**(c) Fiduciary Oversight Arrangements**

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

**(d) NGCDF Molo Constituency Contacts**

Telephone: (254) 59312491  
E-mail: [cdfmolo@ngcdf.go.ke](mailto:cdfmolo@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(e) NGCDF Molo Constituency Bankers**

Bank A. (Operations Account).

1. Family Bank  
Molo Branch  
P.o Box 474-20106  
Nairobi.

A/c No 083000031624

2. Bank B. (Deposit account).

Family bank  
Molo branch  
p.o box 74145-00200  
Nairobi  
Acc. 083000035927

3. Bank C. (PMC Accounts)

Family bank  
Molo branch  
p.o box 74145-00200  
Nairobi

Equity Bank  
Branch  
address  
-list attached as *annex 2*

**(f) Independent Auditor**

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





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**(g) Principal Legal Adviser**

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


**3. NGCDF Committee**

Name	Details
<p>Chairman</p>  <p>Mrs. Jane Gachathi.</p>	<p>Jane Gachathi is the adult female member of the committee. She serves as the chair of the committee. Jane has a diploma in library and information studies with more than 30 years' experience both at work and business. She has served the committee for the fourth term now.</p>
 <p>Mr. Wesley Tanui Kipngetich</p>	<p>Mr. Wesley Tanui Kipngetich is the adult male member of the committee. He has several years of both work and business experience. He has a certificate in business.</p>
 <p>Mr. Robert Kipkurui</p>	<p>Mr. Robert Kipkurui is the youth male representative of the committee. He is a graduate with Diploma in information communication technology.</p>
 <p>Mrs. RachealMugai</p>	<p>Mrs. Racheal is female adult representative member of the committee. She has served the committee for the fourth term now. She has masters in biblical counselling psychology and more than 30 years of experience both at work and business.</p>

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 Ms. Sylvia Kwamboka	<p>Ms. Sylvia kwamboka is the youth female representative of the committee. She is a graduate with degree in economics and statistics.</p>
 Mr. Joseph Mukiri.	<p>Mukiri is a co-opted member of the committee. He has more than 30 years of experience both at work and business. He has certificate in business.</p>
 Mr. George Mukabi	<p>Mr. Mukabi George is the PWD member of the committee. He has a diploma in animal health with more than 30 years' experience.</p>
 Mr. Sitwai nicodemus	<p>Mr. Sitwai nicodemus is the adult male representative member of the committee. He enjoys more than 30 years' experience in business and holds Kenya advanced certificate of education.</p>
 Mr. Jackson Olechuta	<p>Mr. Jackson Olechuta is the national government representative in the committee. He served for one term. He enjoys more than 30 years in public service.</p>

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Mr. Jackson Olechuta	
Fund Account Manager	Mr. Mohamed Hassan is the fund account manager and ex-officio of the committee.
	
Mr. Mohamed Hassan	

Old committee members

<b>Member</b>	<b>Details</b>
1. Mr. Douglas Ambani	He was the youth representative and Served for three terms from Nov. 2018- Nov. 2024
2. Mr. Samuel Macharia	He was the adult male representative and served for two terms from Oct. 2020-Nov 2024
3. DORCAS WANGUI	She was the BWD representative and served for two terms. Oct.2022-Nov 2024
4. JOSEPH CHERUIYOT TOWETT	He was the adult representative and served for one term Oct. 2022-Nov 2024
5. TURUBOSHA KERUBO	She was the youth representative and served for one term. Oct 2022-Nov 2024

**4. NG-CDFC Chairman's Report**



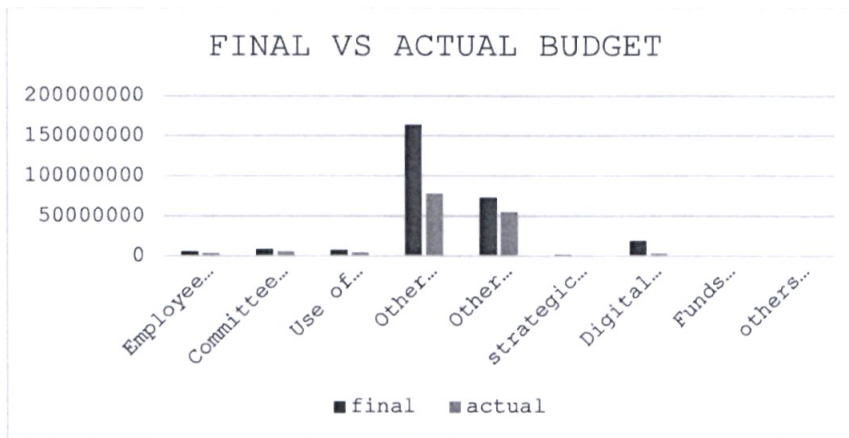
The national government constituency development fund is a fund that has for the years of its existence, helped the public and communities in and around Molo constituency. The education sector in Molo constituency got a big boost because of the impact of the fund in helping schools to come up with structures such as classrooms, laboratories among other essential learning infrastructure, that has for the years helped teachers and students get an improved environment for learning.

The difference between the original budget of 170,469,857 and the final budget of 282,230,910 is because of the opening balance for last year and funds of 21,915,639 for last year received the year under review.

The actual expenditure for the year under review is 152,542,131 against receipt of 267,761,067 resulting to budget underutilization of 129,688,793: the utilization percentage for the constituency is 54% which is significantly fair.

By way of comparison, the graph below shows our final expenditure against actual expenditure for the year under review.

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There was a great reduction in our budget utilization this year compared to previous years. This is because of timely receipt and utilization of the fund by the committee. Our utilization rate stands at 53%. The committee has put in place measures to complete the projects in time to help the public get value for the fund.

However, there are some projects that are still ongoing and few other that have not started yet. This is because the funds for those projects were not received as at the closure of the financial year. The committee is committed to completing those projects once funds are received for the same.

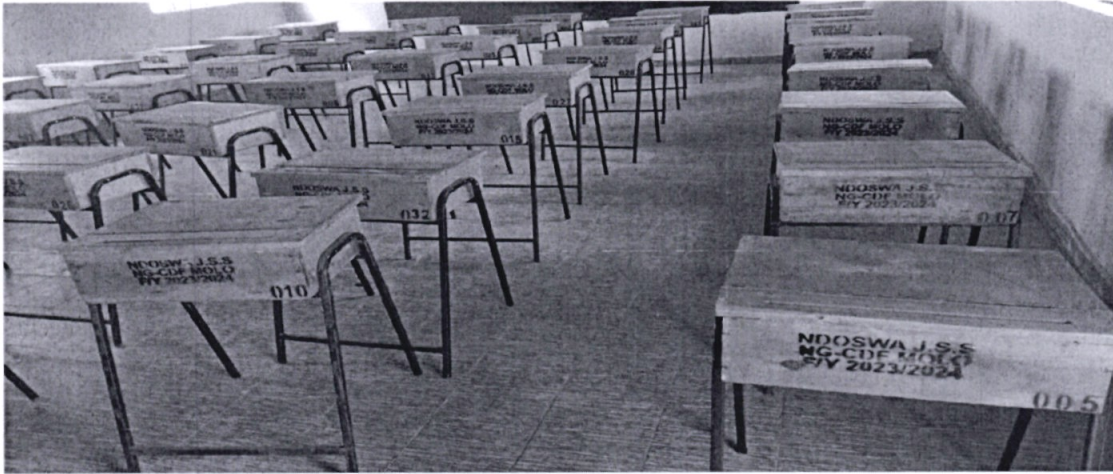
The constituency implemented 15 primary school projects, 3 secondary school project, 2 security projects among others in the financial year under review. This has progressed the development strides of the constituency. I wholeheartedly believe that this is a fund that would bring the required social-economic development across the country since it touches the lives of the general public directly.



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As we submit the financial statement for the financial year that ended 30<sup>th</sup> June 2025, we greatly believe the statement represents the true reflection of the receipt and payment that happened in the course of the financial year under review.



The constituency did not have many challenges this year. There are funds for last year part one, that the constituency did not receive as at the end of this financial year. This has greatly affected service delivery to the public, as those projects did not start as at the closure of the year under review.

I recommend for timely disbursement of funds to the constituency so that the public get services in time and feel the real-time effect of the funds.

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**Name: JANE GACHATHI  
Chairman NGCDF Committee**

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

**Introduction**

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

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

1. *Youth Empowerment*
2. *Ensure fair distribution of resources*
3. *Ensure uniform and equal development across the constituency*
4. *To promote and preserve environment for future Generations*

**Progress on the attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Developed all of infrastructure in secondary and primary schools across the constituency	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 24/25 -we increased number of classrooms to 20 for primary schools including junior schools. We also did 5 secondary school classrooms and other developmental projects. We also did major renovations for

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				5 primary schools. The committee also received and processed applications related to bursaries for needy students to the tune of more than 46m
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve security and service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Number of police posts increased by 2 in this current year  Number of police lines fencing increased by 1 in this financial year
ICT Hub	Empower and develop youth and special groups.	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting increased from 35 to 100 youths
Emergency	To cater for unforeseen occurrence in the constituency	Reduced dependence and spur economic growth through emergency	Number of emergency projects done in the constituency	The constituency has responded to emergencies in the constituency. They included construction of toilets. The amount fund used was to the tune of 7.6m

## **6. Governance Statement**

### **The process of appointment of members of the committee**

The members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee.

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

Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel. The selection panel shall consist of— one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel; the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and two persons, one of either gender, nominated by the Constituency office.

The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board. The selection panel shall, within fourteen days of receiving the applications, consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section 43(2)(b)(c) and (d) of the Act (7). The officer of the Board seconded to the Constituency shall within seven days of the selection process submit to the Board the names of the selected candidates together with the report of the selection panel.

The Board shall co-opt the person referred to in section 43(2) (g) of the Act to ensure equitable representation in the membership of a Constituency Committee. The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency. The Board shall submit the names of the seven persons selected from each Constituency in accordance with section 43(2)(b), (c), (d) and (e) of the Act to the National Assembly for approval. The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette

### **The process of removal of a committee member**

Removal of a member in accordance with section 43 (13) and (14) of the Act upon receipt of a complaint against a member. A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office.

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The complaint shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with the 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, 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. 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, 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.

A 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 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.

A member against whom a complaint is made shall not, participate in the deliberations and activities of a Constituency Committee from the time the Constituency Committee starts considering the complaint. If a member against whom a complaint is made responds to the allegations to the satisfaction of a Constituency Committee and the committee makes a determination in favour of such member, the member shall resume duties as a member of the Committee.

A Constituency Committee may remove the Chairperson or secretary from their respective positions for failing to perform their functions, under regulations 8 and 9 respectively. A Constituency Committee shall inform the Chairperson or Secretary of the reasons for the proposed removal, and shall give the Chairperson or Secretary reasonable opportunity to be

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heard. A Chairperson or secretary who is removed shall continue to discharge duties as a member of the Constituency Committee.

At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office.

**Roles and functions of the committee members**

The functions of a Constituency Committee include among others: -

1. Constituency build the capacity of project management committees and Committee.
2. Sensitize the Community on the operations of the Fund;
3. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
4. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
5. Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans; in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
6. Consult with relevant government departments to ensure that cost estimates for projects are realistic; etc

**Induction, training of members**

The law requires that members of the committee, project management committee and the Ng-cdf staffs need to be trained for proper capacity building exercise.

In line with the requirement of law, Molo Ng-cdf committees were properly trained for the financial year under review.

**Meetings and Members remunerations**

National government constituency development fund committees are remunerated based on the rates given in the circular of the board on the number of meetings they attend. The committee need to hold a maximum of twenty-four meeting in a year.

Meetings held during the year	29 <sup>th</sup> Aug 2024	1 <sup>st</sup> Oct 2024	18 <sup>th</sup> Jan 2025	25 <sup>th</sup> Jan 2025	12 <sup>th</sup> March 2025	13 <sup>th</sup> March 2025	11 <sup>th</sup> April 2025	08 <sup>th</sup> May 2025	15 <sup>th</sup> Jan 2025
Jane Gachathi	√	√	√	√	√	√	√	√	√
Douglas Ambani	√	√	√	√	√	√	√	√	√
Turubosha Kerubo	√	√	√	√	√	√	√	√	√
Joseph Mukiri	√	√	√	√	√	√	√	√	√

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Samuel Mwangi	√	√	√	√	√	√	√	√	√
Joseph Towett	√	√	√	√	√	√	√	√	√
Recheal Muigai	√	√	√	√	√	√	√	√	√
Dorcus Wangui	√	√	√	√	√	√	√	√	√
Pantaleo Mwamachi	√	√	√	√	√	√	√	√	√

**Conflict of interest, ethics and conduct**

A public officer shall not make a decision or participate in making a decision relating to the exercise of a duty or function if the public officer knows or reasonably should know that, in making of the decision, the officer would be in conflict of interest.

A public officer should conduct him/herself in an ethical way that respects the office in which he/she represent

**Risk management**

Molo ng-cdf has an elaborate risk management system called Risk management system. This helps the committee to track possible risks in the constituency in the management of the project implementation.

This helps the committee to track risks before they actually happen in the constituency.

## **7. Management Discussion and Analysis**

### **The operational and financial performance of the Fund**

Molo ngcdf fund is a fund that existed since the inception of the constituency. However, the fund has made great achievement in the last five years. Some of the areas the fund made great achievement are education (both secondary and primary and tertiary), security, sports and environmental projects.

The fund also made great strides in the compairing and responding to emergencies across the constituency. The fund has constructed more than thirty toilets across the constituency in the last five years.

Molo ngcdf has constructed more than 105 new classrooms and renovated more than 334 old and deliberated structures at all levels of education. The fund constructed more than 10 offices for chiefs, renovated more than 5 others and built more than 12 new police posts across the constituency all under the last five years.

The bursaries run by the constituency has benefited more than 78,948 needy students at the constituency.

The fund has fully built, equipped and operationalized molo KMTTC. The institution has more than 513 students. MTVC molo was also partially funded by Molo ngcdf and serves more than 1400 active learners that engage in different course in the institution. The constituency also supports all the students in the above institutions with bursaries.

In others sectors of the economy the constituency has constructed more than 18 laboratories across major higher learning institution across molo constituency. The fund has also done more than 12 new administration blocks, built world class dormitories for girls at mariashoni secondary school.

In supporting youths in the constituency, the fund has constructed one ICT hub in the constituency with more than four others ongoing across the four wards of the constituency. The fund has also done three social hall across the constituency for the last five years.

### **Compliance with statutory requirements**

Molo ngcdf complies with all the legal requirement of land. It is a fund fully audited by more than four audit institution every financial year. It is run on the basis of the constitution, the statutes and guidelines of the board.

The fund specifically operates under the ng-cdf act of 2022 amended (2024) and ng-cdf regulations of 2016.

### **Major risks facing the Fund**

Molo ng-cdf just like any other fund may faces risks or challenges in its operations. However, those risks may not be very unique to this fund alone. However, some of the major risks facing the fund is the delay in disbursement of the fund to the constituency. This delays often lead to underutilization of the funds and subsequent delay in the implementation of very crucial live saving projects in the constituency.

Such delays have persisted in the fund for the last five years hampering the operation of the fund. This has denied the citizens of molo the much needed service delivery.

### **Review of the economy, review of the sector.**

Molo ng-cdf majorly helped several sectors of the economy. This sectors include;

1. Education
2. Security
3. Bursaries
4. Environment/climate mitigation
5. Sports
6. Emergencies
7. Ict

This sectors greatly benefited from the fund. The Chart below illustartate how the fund greatly contributed to each sector in the constituency for the last five years.



### **Future developments**

The constituency has developed a strategic plan to be fully implemented in the next financial year. The strategic plan outlays future plans of the constituency and what, how and when they should be implemented.

This plan guide in the future development of the constituency in general. The constituency this auspicious plan to raise the living standards of the constituents. Among the objectives of the strategic plan include:

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1. Youth Empowerment
2. Ensure fair distribution of resources
3. Ensure uniform and equal development across the constituency
4. To promote and preserve environment for future Generations

To achieve the above objectives the management of the constituency has put strategic plans to make the achievement more possible before the end of the current term.



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**Name: MOHAMED HASSAN**  
**Fund Account Manager**

## **8. Environmental and Sustainability Reporting**

Molo NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support and Climate change mitigation activities. 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 Molo Constituency, the committee funds the following key sectors with the following sustainable priorities.

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

## **2. Environmental performance**

- The Molo Ng-cdf has embarked to improve the environment through provision of clean water and planting enough trees in various institutions. This has been done on yearly basis for the last five years. Protection of the environment in which we live and operate is part of Molo NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.
- Molo ng-cdf has undertaken construction of various security projects across the constituency in the financial year under review. The constituency has taken a major implementation of two gazetted police stations in the constituency.

## **3. Employee welfare**

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

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

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

#### **4. Marketplace practices-**

Molo Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

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

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

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

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

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

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

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

**Public Awareness**

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

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



.....  
**Name: MOHAMED HASSAN**  
**Fund Account Manager.**

## **9. Statement Of Management Responsibilities**

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

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

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

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

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

**Approval of the financial statements**

The NGCDF- Molo Constituency financial statements were approved and signed by the Accounting Officer on 12<sup>th</sup> AUG 2025.



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**Name: JANE GACHATHI**  
**Chairman – NGCDF Committee**



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**Name: MOHAMED HASSAN**  
**Fund Account Manager**

# REPUBLIC OF KENYA

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P.O. Box 30084-00100  
NAIROBI

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

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Molo Constituency set out on pages 1 to 67, which comprise of the statement of financial position as at 30 June, 2025 and the

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Molo Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2023), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

### **Basis for Qualified Opinion**

#### **1. Non-Compliance with Transitional IPSAS Reporting Template**

The cover page to the annual report and financial statements indicates "Transitional IPSAS financial statements/Prepared in accordance with accrual basis of accounting method under International Public Sector Accounting Standards (IPSAS). This is indicative of Management failure to choose the method adopted to prepare the financial statements. Further, under Note 2 to Financial Statements on Statement of Compliance and Basis of Preparation of the financial statements, Management having taken advantage of the transitional provisions under IPSAS 33 have not indicated the elements of the financial statements that have not been recognized and the steps being taken towards full compliance with IPSAS Accrual.

In the circumstances, the financial statements as prepared and presented are not in compliance with IPSAS reporting framework.

#### **2. Inaccuracies in the Financial Statements**

The statement of financial position reflects non-current assets balance of Kshs.306,250. However, the statement of changes in net assets reports reflects "recognition of assets" balance of Kshs.96,844,118, resulting in an unexplained variance of Kshs.96,537,868. Further, while the statement of financial position reflects total liabilities balance of Kshs.3,375,433, the statement of changes in net assets reports "recognition of liabilities" balance of Kshs.1,097,536, leading to an unexplained variance of Kshs.2,277,897. In addition, the statement of financial position includes revaluation reserves balance of Kshs.128,551,829. This balance has not been supported by any revaluation report or other appropriate documentation.

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

### **3. Undisclosed Property Plant and Equipment**

The statement of financial position and as disclosed in Note 23 to the financial statements reflects property, plant and equipment balance of Kshs.306,250. However, Annex 1– Summary of Assets Register discloses property, plant and equipment valued at Kshs.33,726,938 resulting in an unexplained variance of Kshs.33,420,688.

In the circumstances, the accuracy, valuation and existence of property plants and equipment could not be confirmed.

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

#### **Emphasis of Matter**

##### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects a final budgeted receipts and actual on comparable basis amounts of Kshs.284,230,910 and Kshs.267,761,067 respectively resulting to an under-funding of Kshs.16,469,843 or 6% of the budget. Further, the statement reflects that the Fund spent an amount of Kshs.152,669,631 against actual receipts of Kshs.267,761,067 resulting to under-utilization of Kshs.115,091,436 or 43% of the actual receipts.

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

My opinion is not modified in respect of this matter.

#### **Key Audit Matters**

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

#### **Other Matter**

##### **Unresolved Prior Year Matters**

In the prior year audit report, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Review of the status during audit of the Fund in 2024/2025 revealed that the following six (6) issues remained unresolved

No.	Financial Year	Audit Issue
1	2023/2024	Unsupported Bursaries to Secondary Schools and Tertiary Institutions
2	2023/2024	Unsupported Acquisition of Assets Amount
3	2023/2024	Budgetary Control and Performance
4	2023/2024	Lack of Updated Employee's Records
5	2023/2024	Failure to Retain Gratuity Funds for Contractual Employees
6	2023/2024	Project Implementation Status

### **Other Information**

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

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Non-compliance with Remittances of Statutory Dues Attracting Penalties**

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects employee costs amount of Kshs.4,244,990 being, out of which an amount of Kshs.293,733 was employer contributions to compulsory National Social

Security Schemes. However, with reference to NSSF Inspection Report and assessment REF/SF/C/MOLO/00579149 dated 7 May, 2024, Kshs.121,265 as arrears and penalties from May to December, 2023 and February 2024 to April 2024 with an additional outstanding penalty of Kshs.65,070. The principal amount was Kshs.274,570.

In the circumstances, Management was in breach of law.

## **2. Delay in Project Completion**

The statement of financial performance and as disclosed in Note 14 to the financial statements reflects other grants and transfers amount of Kshs.55,134,242, which includes an amount of Kshs.9,513,322 and Kshs.972,920 for security and emergency projects respectively. Further, the statement of financial performance and as disclosed in Note 16 to the financial statements reflects digital hubs amount of Kshs.3,158,288.

However, field verification carried out in month of October 2025 revealed that several projects funded in the financial years 2023/2024 and 2023/2025 cycles remained incomplete despite the expenditures having been fully recorded:

- i. Sachangwan Digital Hub Project whose contract sum of Kshs.6,500,000 was transferred to PMC account on 8 April, 2024. To date, the project is not completed. The unfinished work includes interior and exterior painting and installation of electrical fittings.
- ii. Sachangwan Police Post project whose contract sum was Kshs.4,400,000. The project entailed construction of offices, cells, armoury, septic tank and furniture. However, the Project is incomplete with ceiling, electrical works, painting and clearing of debris still outstanding. Additionally, incidences of vandalization of electrical installations were noted, and this is due to lack of planned fencing and gate valued at Kshs.500,000.
- iii. Construction of 10-Door Pit Latrines/Ablution Blocks at Sachangwan Police Post and St. Peters Boys Comprehensive School at a contract sum of Kshs.2,000,000. Both projects have not been completed and not in use as at the time of audit in June, 2025.

Overall, despite significant expenditure being reported in the financial statements, multiple funded projects remained unfinished, raising concerns on project completion, value for money, and accuracy of reported expenditures.

In the circumstances, value for money for the above incomplete projects could not be confirmed.

## **3. Unreturned PMC account balances**

The statement of financial position and as disclosed in Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.117,141,453. Included is a balance of Kshs.73,546,107 in respect of Project Management Committee (PMC). These balances are supposed to be returned to the constituency main account as required by Section 12(8) of the National Government Constituencies Development Fund

Act, 2015 (Amended 2023) which requires all monies in PMC accounts to be returned to the Constituency's main bank account at the end of the financial year.

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

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

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

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### Project Implementation Status

The Projects Implementation Status Report for Molo NG-CDF revealed that the Management of the Fund had approved to implement 25 projects in the year 2024/2025. Out of the twenty-five (25) projects, 7 projects (28% performance) had been completed. Eleven (11) projects or (44%) were ongoing while seven (7) projects or 28% had not started as at the time of audit.

In the circumstances, service delivery to the public could not be confirmed..

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

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

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

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

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

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

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

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

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

09 December, 2025

**National Government Constituencies Development Fund (NGCDF)**  
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**11. Statement of Financial Performance for the Year Ended 30th June 2025**

	Note	Period as at 30 <sup>th</sup> June 2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
Transfers from the NGCDF Board	6	170,469,857
Transfers from domestic and foreign partners	7	-
<b>Revenue from exchange transactions</b>		
Finance income	8	-
Miscellaneous income	9	-
<b>Total revenue</b>		<b>170,469,857</b>
<b>Expenses</b>		
Employee costs	10	4,244,990
Committee expenses	11	7,420,300
Use of Goods and Services	12	4,954,736
Other Government Units Actual expenditure	13	77,975,240
Other Grants and Transfers Actual expenditure	14	55,134,242
Depreciation and amortization expense	15	43,750
Digital Hubs Expenses Actual expenditure	16	3,158,288
<b>Total expenses</b>		<b>152,931,545</b>
<b>Other gains/(losses)</b>		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
<b>Surplus/(Deficit) for the year</b>		<b>17,538,312</b>

The Constituency financial statements were approved by the NGCDFC on 12<sup>th</sup> AUG 2025 and signed

by:



Chairman NG-CDF  
 Committee  
 Name: Jane Gachathi



National Sub-County  
 Accountant  
 Name: Simon Karanja  
 ICPAK M/No: 17834



Fund Account Manager  
 Name: Mohamed Hassan

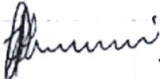
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The Constituency financial statements were approved by the NGCDFC on 12<sup>th</sup> AUG 2025 and signed

by:

  
 Chairman NG-CDF  
 Committee  
 Name: Jane Gachathi

  
 National Sub-County  
 Accountant  
 Name: Simon Karanja  
 ICPAK M/No: 17834

  
 Fund Account Manager  
 Name: Mohamed Hassan

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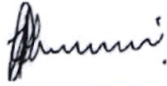
**12. Statement Of Financial Position As At 30th June, 2025**

	Not e	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	117,141,453	89,845,414
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	14,469,857	21,915,639
Prepayments	22	9,701	-
<b>Total Current Assets</b>		<b>131,621,012</b>	<b>111,761,053</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	306,250	350,000
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
<b>Total Non- Current Assets</b>		<b>306,250</b>	<b>350,000</b>
<b>Total Assets (A)</b>		<b>131,927,262</b>	<b>112,111,053</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	2,355,397	305,365
Lease Liabilities	28	-	-
Gratuity provision	29	1,020,036	792,171
<b>Total Current Liabilities</b>		<b>3,375,433</b>	<b>1,097,536</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	-	-
<b>Total Liabilities (B)</b>		<b>3,375,433</b>	<b>1,097,536</b>
<b>Net Assets (A-B)</b>		<b>128,551,829</b>	<b>111,013,517</b>
<b>Represented by:</b>			
Revaluation Reserves		128,551,829	111,013,517
Accumulated Surplus			
<b>Total Net Assets</b>		<b>128,551,829</b>	<b>111,013,517</b>

***National Government Constituencies Development Fund (NGCDF)  
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The Constituency financial statements set out on pages 2 to 5 approved by NG CDFC on 12<sup>th</sup> AUG 2025 and signed by:



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**Chairman NG-CDF  
Committee  
Name: Jane Gachathi**



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**National Sub-County  
Accountant  
Name: Simon Karanja  
ICPAK M/No: 17834**



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**Fund Account Manager  
Name: Mohamed Hassan**

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 <sup>th</sup> June 2024	15,266,935		15,266,935
<b>Adjustments</b>			
Recognition of Assets	96,844,118		96,844,118
Recognition of Liabilities	1,097,536		1,097,536
<b>As at July 1, 2024</b>	<b>111,013,517</b>		<b>111,013,517</b>
Surplus/(Deficit) For the Period	17,538,312		17,538,312
Revaluation Gain/Loss	-	-	-
<b>As at June 30, 2025 (current year)</b>	<b>128,551,829</b>	-	<b>128,551,829</b>

Note:

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

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

	Notes	<i>Insert Current FY</i>
		Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from the NGCDF Board		177,915,653
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
<b>Total Receipts</b>		<b>177,915,653</b>
<b>Payments</b>		
Employee costs		4,017,125
Committee expenses		7,420,300
Use of Goods and Services		4,964,437
Other Government Units Certified Works		76,512,464
Other Grants and Transfers		54,704,652
Digital Hubs Expenses		3,000,623
<b>Total Payments</b>		<b>150,619,600</b>
<b>Net Cash Flows from/ (used in) Operating Activities</b>	30	27,296,053
<b>Cash flows From Investing Activities</b>		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
<b>Net Cash Flows from Investing Activities</b>		-
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		27,296,053
<b>Cash Flows from Financing Activities</b>		
Lease Payment		
<b>Net Cash Flows from Financing Activities</b>		27,296,053
Cash and cash equivalents at 1 July 2024	17	89,845,414
<b>Cash and cash equivalents at 30 June</b>	17	<b>117,141,467</b>

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024-2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	30th june 2025	30th june 2025		
<b>Revenue</b>							
Transfers From the NGCDF Board	170,469,857	91,845,414	21,915,639	284,230,910	267,761,067	16,469,843	0%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
<b>Totals</b>	<b>170,469,857</b>	<b>91,845,414</b>	<b>21,915,639</b>	<b>284,230,910</b>	<b>267,761,067</b>	<b>16,469,843</b>	<b>94%</b>
<b>Expenses</b>							
Employee costs	4,326,952	1,883,266	-	6,210,218	4,017,125	2,193,093	65%

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Committee expenses	6,908,000	1,816,239	-	8,724,239	7,420,300	1,303,939	85%
Use of Goods and Services	4,107,335	7,637,271		11,744,606	4,964,437	6,780,169	42%
Other Government Units Certified Works	82,102,380	74,551,061	7,335,000	163,988,441	77,975,240	86,013,201	48%
Other Grants and Transfers	59,025,190	5,890,648	8,080,653	72,996,490	55,134,242	17,862,248	76%
Digital Hubs Expenses	13,000,000	-	6,500,000	19,500,000	3,158,288	16,341,713	16%
Funds Pending Approval**	-	66,930	-	66,930	-	66,930	0%
others (ngcdf office)	1,000,000			1,000,000	-	1,000,000	0%
<b>Total Expenditure</b>	<b>170,469,857</b>	<b>91,845,414</b>	<b>21,915,653</b>	<b>284,230,924</b>	<b>152,669,631</b>	<b>131,561,293</b>	<b>54%</b>
<b>Surplus for the period</b>							

\*\*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.

The fund of 14,469,843 are funds not yet received from the board at the end of the financial year.

***Explanatory Notes.***

The percentage of utilization for the constituency stands at 53%. This is because most of the projects started late because of late funding from the board. This was coupled by the rigorous and long process of procurement by the respective Pmcs. However the utilization is average as compared to how the fund was received.

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In addition, some items e.g digital hubs recorded a utilization of 16% because of late receipts of funds coupled with late receipts of Boqs from the ministry that completely derailed the implementation of the projects by the project management committees.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	131,611,324
Less undisbursed funds receivable from the Board as at period 30th june, 2025	14,469,843
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2025	117,141,481

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 12<sup>th</sup> Aug 2025 and signed by:



Fund Account Manager

Name: Mohamed Hassan



National Sub-County Accountant

Name: Simon Karanja  
ICPAK M/No: 17834



Chairman NG-CDF Committee

Name: Jane Gachathi

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**16. Budget Execution by Sectors And Projects For The Year Ended 30<sup>th</sup> June 2025**

Programme/Sub-programme	Original Budget	Adjustments			Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements				
			Kshs	Kshs			
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	4,326,952	1,883,266		6,210,218	4,017,125	2,193,093	
1.2 Committee allowances	3,376,000	1,026,289		4,402,289	4,398,650	3,639	
1.3 Use of goods and services	2,525,239	2,456,456		4,981,695	3,616,377	1,365,318	
<b>Sub-total</b>	<b>10,228,191</b>	<b>5,366,011</b>	<b>-</b>	<b>15,594,203</b>	<b>12,032,152</b>	<b>3,562,051</b>	
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	1,296,000	569,300		1,865,300	700,000	1,165,300	
2.2 Committee allowances	2,236,000	220,650		2,456,650	2,321,650	135,000	
2.3 Use of goods and services	1,582,096	3,180,815		4,762,910	1,348,060	3,414,850	
<b>Sub-total</b>	<b>5,114,096</b>	<b>3,970,765</b>	<b>-</b>	<b>9,084,860</b>	<b>4,369,710</b>	<b>4,715,150</b>	
<b>4.0 Emergency</b>							
unutilized	8,972,098	1,299,382		10,271,480	972,920	9,298,560	
<b>Sub-total</b>	<b>8,972,098</b>	<b>1,299,382</b>	<b>-</b>	<b>10,271,480</b>	<b>972,920</b>	<b>9,298,560</b>	
<b>5.0 Bursary and Social Security</b>							
5.1 Primary Schools				-		-	
5.2 Secondary Schools	31,312,135	1,988,500		33,300,635	26,878,000	6,422,635	
5.3 Tertiary Institutions	15,140,957	756,000		15,896,957	17,770,000	(1,873,043)	
5.4 special needs				-		-	

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5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
<b>Sub-total</b>	<b>46,453,092</b>	<b>2,744,500</b>	<b>-</b>	<b>49,197,592</b>	<b>44,648,000</b>	<b>4,549,592</b>
<b>7.0 Environment</b>						
				-		-
				-		-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>8.0 Primary Schools Projects</b>						
St. Stephen Comprehensive School	3,200,000			3,200,000	-	3,200,000
Daraja Comprehensive School	3,200,000			3,200,000	-	3,200,000
Orthodox Comprehensive School	3,200,000			3,200,000	-	3,200,000
Segut Comprehensive School	3,200,000			3,200,000	-	3,200,000
Sakaitim Comprehensive School	3,200,000			3,200,000	-	3,200,000
Rosewood Comprehensive School	3,200,000			3,200,000	-	3,200,000
New Creation Comprehensive School	6,000,000			6,000,000	-	6,000,000
Kiambiriria Comprehensive School	3,200,000			3,200,000	1,640	3,198,360
St. Bredans Comprehensive School	3,600,000			3,600,000	-	3,600,000
Kirantich Comprehensive School	1,600,000			1,600,000	1,640	1,598,360
Tumaini Intergrated Comprehensive School	8,400,000			8,400,000	-	8,400,000
Nguzu River Comprehensive School	10,200,000			10,200,000	-	10,200,000
Kamungei Comprehensive School	3,200,000			3,200,000	-	3,200,000
Michatha Comprehensive School	3,200,000			3,200,000	2,501,698	698,303
St. James Comprehensive School	7,800,000			7,800,000	-	7,800,000
Arimi Primary School		8,698,360		8,698,360	8,698,173	187
Daraja Junior Secondary School		2,060,022		2,060,022	2,060,021	1
Gathigi Junior Secondary School		532,726		532,726	532,558	168
Kambala Primary School		11,098,360		11,098,360	11,098,360	1
Kamungei Primary School		1,679,042		1,679,042	1,678,547	495

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Kimonio Junior Secondary School		1,498,358		1,498,358	1,498,059	300
Kirantich Primary School		115		115	-	115
Kivulini Junior Secondary School		301		301	-	301
Kivulini Primary School		21		21	-	21
Kondamet Junior Secondary School		3,178,843		3,178,843	3,178,843	-
Lawina Junior Secondary School		2,998,358		2,998,358	2,998,358	-
Mariashoni Primary School		5,945		5,945	-	5,945
Mariashoni Primary School		3,598,360		3,598,360	3,597,964	396
Mucharage Primary School		2,497,208		2,497,208	2,497,188	21
Mukinyai Primary School		137		137	-	137
Mutate Primary School		5,498,360		5,498,360	5,497,815	545
Mwangi Michuki Primary School		137		137	-	137
Ndoswa Junior Secondary School		3,178,843		3,178,843	3,178,843	-
Nyakiambi Primary School		72,785		72,785	-	72,785
Oinoptich Junior Secondary School		2,998,360		2,998,360	2,998,360	-
Oinoptich Primary School		50,427		50,427	-	50,427
Orthodox Primary School		107,181		107,181	-	107,181
Rombe Junior Secondary School		3,178,843		3,178,843	3,178,806	38
Rosewood Primary School		151		151	-	151
Sachangwan Primary School		29		29	-	29
Sachangwan Primary School		137		137	-	137
Sakaitim Primary School		43		43	-	43
Segut Junior Secondary School		783		783	-	783
Segut Primary School		167		167	-	167
St Marys Mixed Primary School		10		10	-	10
St. Stephen Primary School		19,401		19,401	19,401	-
Tayari Primary School		10,298,360		10,298,360	10,298,360	-
Tuiyobei Primary School		2,998,360		2,998,360	-	2,998,360

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Turi Sulgwita Primary School		43		43	-	43
				-		-
<b>Sub-total</b>	<b>66,400,000</b>	<b>66,248,579</b>	<b>-</b>	<b>132,648,579</b>	<b>65,514,632</b>	<b>67,133,947</b>
<b>9.0 Secondary Schools Projects (List all the Projects)</b>						
St. Brendans Secondary School	7,502,380			7,502,380	-	7,502,380
Nyakiambi Secondary School	5,000,000			5,000,000	-	5,000,000
Green Hills Vikingi Secondary school	3,200,000			3,200,000	-	3,200,000
Elburgon Secondary School		499,112		499,112	-	499,112
Greenhills Vikingi Secondary School		634,535		634,535	633,172	1,363
Mukinyai Secondary School		597,668		597,668	597,150	518
Mwangi Michuki Secondary School		1,998,360		1,998,360	1,998,360	-
Sokoro Secondary School		74,972		74,972	-	74,972
Tayari Secondary School		50		50	-	50
Mariashoni Secondary School		1,500,000		1,500,000	1,500,000	-
Rombeii Secondary School			3,500,000	3,500,000	3,499,915	85
Michatha Secondary School			1,235,000	1,235,000	1,234,309	691
Molo Highway Secondary School			2,600,000	2,600,000	-	2,600,000
				-		-
<b>Sub-total</b>	<b>15,702,380</b>	<b>5,304,697</b>	<b>7,335,000</b>	<b>28,342,077</b>	<b>9,462,906</b>	<b>18,879,171</b>
<b>10.0 Tertiary institutions Projects (List all the Projects)</b>						-
Molo Technical and Vocational College		2,997,785		2,997,785	2,997,702	83
				-		-
				-		-
				-		-
<b>Sub-total</b>	<b>-</b>	<b>2,997,785</b>	<b>-</b>	<b>2,997,785</b>	<b>2,997,702</b>	<b>83</b>
<b>11.0 Security Projects</b>						

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ACC Elburgon	1,600,000			1,600,000	800,058	799,943
Elburgon Chiefs Office	2,000,000		-	2,000,000	-	2,000,000
Arimi Chiefs Office		59,195		59,195	-	59,195
Chandera Chiefs Office		30		30	-	30
Elburgon Assistant County Commissioner		3,000		3,000	-	3,000
Mariashoni Chiefs Office		65,852		65,852	-	65,852
Mariashoni Police Post		1,398,303		1,398,303	1,398,058	245
Michatha Chiefs Office		165		165	-	165
Mona Chiefs Office		317		317	-	317
Mukinyai Chiefs Office		70		70	-	70
Sachangwan Police Post		319,347	180,653	500,000	-	500,000
Mariashoni Police Post			3,500,000	3,500,000	3,500,114	(114)
Sachangwan Police Post			4,400,000	4,400,000	3,815,093	584,907
<b>Sub-total</b>	<b>3,600,000</b>	<b>1,846,279</b>	<b>8,080,653</b>	<b>13,526,932</b>	<b>9,513,322</b>	<b>4,013,610</b>
<b>12.0 Acquisition of assets</b>						
12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fittings				-		-
12.2 Construction of CDF office				-		-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>13.0 Others</b>						
NG-CDF office	1,000,000	-	-	1,000,000	-	1,000,000
<b>Sub-total</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>
Elburgon ICT Hub	6,500,000	0	0	6,500,000	1,640	6,498,360
sachangwan ICT hub			6,500,000	6,500,000	3,155,008	3,344,993
Mariashoni ICT Hub	6,500,000		0	6,500,000	1,640	6,498,360
<b>Sub-total</b>	<b>13,000,000</b>	<b>0</b>	<b>6,500,000</b>	<b>19,500,000</b>	<b>3,158,288</b>	<b>16,341,713</b>
Molo Youth Sports Association		487	-	487	-	487

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<b>Sub-total</b>	-	<b>487</b>	-	<b>487</b>	-	<b>487</b>
Strategic plan		2,000,000	-	2,000,000		2,000,000
<b>Sub-total</b>	-	<b>2,000,000</b>	-	<b>2,000,000</b>	-	<b>2,000,000</b>
<b>Funds pending approval**</b>				-		-
unapproved projects		66,930		66,930	-	66,930
AiA	-			-		-
<b>Sub-total</b>	-	<b>66,930</b>		<b>66,930</b>	-	<b>66,930</b>
<b>Total</b>	<b>170,469,857</b>	<b>91,845,414</b>	<b>21,915,653</b>	<b>284,230,924</b>	<b>152,669,631</b>	<b>131,561,293</b>

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

## **17. Notes to the Financial Statements**

### **1. General information**

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Molo Constituency principal activity is spur development across all the wards of the constituency.

### **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 Molo 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 Molo 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.

***National Government Constituencies Development Fund (NGCDF)***  
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The recognition of all other non-financial assets acquired prior to the 2023/2024 financial year will be undertaken in the third year of the transition period, after the necessary identification and valuation processes have been completed.

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

**3. Adoption of New and Revised Standards**

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

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

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

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

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<p>IPSAS 45: Property Plant and Equipment</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><b>Not applicable</b></p>
<p>IPSAS 46: Measurement</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><b>Not applicable</b></p>
<p>IPSAS 47: Revenue</p>	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue</p>

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

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***iii. Early adoption of standards***

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

#### 4. Summary of Significant Accounting Policies

##### a) Revenue recognition

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

###### **Transfers from other government entities**

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

##### ii) Revenue from exchange transactions

###### **Sale of goods**

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

###### **Interest income**

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

###### **Rental income**

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

**b) Budget information**

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

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

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

**c) Property, plant and equipment**

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

**d) Leases**

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the constituency. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The constituency 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 constituency 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 constituency. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**e) Intangible assets**

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

**f) Financial instruments**

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

**a) Financial assets**

**Classification of financial assets**

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

**Subsequent measurement**

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

**Amortized cost**

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

**Fair value through net assets/ equity**

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

**Trade and other receivables**

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

**Fair value through surplus or deficit**

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

**Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note 18.

**b) Financial liabilities**

**Classification**

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

**g) Inventories**

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

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

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

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

#### **h) Provisions**

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

#### **i) Social Benefits**

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

#### **j) Contingent liabilities**

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

#### **k) Contingent assets**

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future

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events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**l) Employee benefits**

**Retirement benefit plans**

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

**m) Foreign currency transactions**

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

**n) Related parties**

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

**o) Cash and Cash Equivalents**

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

**p) Comparative figures**

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

**q) Subsequent events**

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

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

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

**Estimates and assumptions.**

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

**Useful lives and residual value**

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

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

**Provisions**

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

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**6. Transfers from the NGCDF Board**

Description	Period ended June 2025
NGCDFB Transfers (Allocation for the FY)	170,469,857
<b>TOTAL</b>	<b>170,469,857</b>

**7. Transfers from domestic and foreign partners**

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

**8. Finance income**

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

*(Provide a brief explanation for this revenue)*

**9. Miscellaneous income**

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

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**10. Employees cost**

Description	Period ended June 2025
	Kshs
NG-CDFC Basic staff salaries	2,494,202
Personal allowances paid as part of salary	-
House Allowance	414,150
Transport Allowance	264,000
Leave allowance	-
Gratuity to contractual employees	727,415
Employer Contributions Compulsory national social security schemes	293,733
Employer Contributions Compulsory Housing levy	47,590
Employer contributions to National Industrial Training Authority	3,900
Other Specify	-
<b>Total</b>	<b>4,244,990</b>

**11. Committee Expenses**

Description	Period ended June 2025
	Kshs
Sitting allowance	468,000
Other Committee expenses	6,952,300
<b>Total</b>	<b>7,420,300</b>

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12. Use of Goods and services

Description	<i>Period ended June 2025</i>
	Kshs
Utilities, supplies and services	115,054
Communication, supplies and services	37,120
Domestic travel and subsistence	361,000
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	-
Hospitality supplies and services	-
Insurance costs	65,637
Specialized materials and services	-
Office and general supplies and services	1,842,460
Fuel, oil & lubricants	500,000
Bank Charges	33,465
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	2,000,000
Other operating expenses	-
<b>Total</b>	<b>4,954,736</b>

13. Other Government Units Actual expenditure

Description	<i>Period ended June 2025</i>
	Kshs
Primary Schools Actual expenditure	65,514,632
Secondary Schools Actual Expenditure	9,462,906

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Tertiary Institutions Actual Expenditure	2,997,702
<b>Total</b>	<b>77,975,240</b>

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

Description	<i>Period ended June 2025</i>
	Kshs
Bursary – secondary schools	26,878,000
Bursary – tertiary institutions	17,770,000
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	9,513,322
Climate change mitigation projects	-
Emergency projects Actual Expenditure	972,920
Roads projects	-
Others specify	-
<b>Total</b>	<b>55,134,242</b>

**15. Depreciation and Amortization Expenses**

Description	<i>Period ended June 2025</i>
	Kshs
Property Plant and Equipment	43,750
Intangible Assets	-
<b>Total</b>	<b>43,750</b>

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**16. Digital Hubs Expenses**

Description	Period ended June 2025
	Kshs
Construction/ renovation/Actual Expenditure	3,158,288
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others ( <i>specify</i> )	-
<b>Total</b>	<b>3,158,288</b>

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

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

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

**18. Impairment Loss**

Description	Period ended June 2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
<b>Total Impairment Loss</b>	<b>-</b>

*(Provide brief explanation on assets impairment loss)*

**19. Cash and Cash Equivalents**

Name Of Bank and Account No.	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
<i>Name Of Bank, Account No. (Operations account)</i>	43,204,041	15,266,935
<i>Operations account pending closure (Indicate name &amp; account no.)</i>	-	-
<i>Name of Bank, account No. (Deposit account)</i>	391,305	-
<i>Name of Bank, account No. (PMC's account)</i>	73,546,107	74,578,479
<b>Total</b>	<b>117,141,453</b>	<b>89,845,414</b>
<b>Cash Balances</b>		
Location 1	-	-
Location 2	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<i>[Provide Cash Count Certificates for Each]</i>		

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

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**20. Receivables from Exchange Transactions**

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

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

**i. Ageing Analysis for Receivables**

Description	Period ended June 2025		Opening Statement 1st July 2024	
	Kshs		Kshs	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	#DIV/0!	-	#DIV/0!
Between 1- 2 years	-	#DIV/0!	-	#DIV/0!
Between 2-3 years	-	#DIV/0!	-	#DIV/0!
Over 3 years	-	#DIV/0!	-	#DIV/0!
<b>Total (a+b)</b>	-	#DIV/0!	-	#DIV/0!

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**21. Receivables from Non-Exchange Transactions**

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Transfers from NGCDFB	14,469,857	21,915,639
Outstanding imprest	-	-
<b>Total</b>	<b>14,469,857</b>	<b>21,915,639</b>

Description	Period ended June 2025		Opening Statement 1st July 2024	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	14,469,857	100%	21,915,639	
Between 1- 2 years		0%	-	
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
<b>Total (a+b)</b>	<b>14,469,857</b>	<b>100%</b>	<b>21,915,639</b>	<b>0%</b>

**22. Prepayments**

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	9,701	-
Prepaid Electricity Costs	-	-
Other Prepayments (Specify)	-	-
<b>Total</b>	<b>9,701</b>	<b>-</b>

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**23. Property, Plant and Equipment**

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Service concession assets	Total
<b>Depreciation Rate</b>		10%	25.00%	20%	12.50%	30.00%			
<b>Cost</b>	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Opening Bal as 1<sup>st</sup> July 2024</b>	-	-	-	-	400,000	-	-	-	400,000
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
<b>As At 30 Jun 2024</b>	-	-	-	-	400,000	-	-	-	400,000
<b>Depreciation And Impairment</b>									
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	50,000	-	-	-	50,000
Depreciation	-	-	-	-	43,750	-	-	-	43,750
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
<b>As At 30 July 2025</b>	-	-	-	-	306,250	-	-	-	306,250
<b>Net Book Values</b>									
<b>Opening Bal as at 1<sup>st</sup> July 2024</b>	-	-	-	-	350,000	-	-	-	350,000
<b>As At 30th July , 2025</b>	-	-	-	-	93,750	-	-	-	93,750

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**Valuation**

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30<sup>th</sup> June 2020). These amounts were adopted on 1<sup>th</sup> July 2024.

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

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	400,000	306,250	93,750
<b>Total</b>	<b>400,000</b>	<b>306,250</b>	<b>93,750</b>

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

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

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**24. Intangible Assets**

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
<b>Cost</b>		
Opening balance at the beginning of the Period	-	-
Additions	-	-
Disposal	-	-
<b>At end of the Period</b>	-	-
Additions-internal development	-	-
Disposal	-	-
<b>At end of the Period</b>	-	-
<b>Amortization and impairment</b>		
<b>At beginning of the Period</b>	-	-
Amortization	-	-
<b>At end of the Period</b>	-	-
Impairment loss	-	-
<b>At end of the Period</b>	-	-
<b>NBV</b>	-	-

**25. Right-of use assets**

Description	Buildings	Motor vehicles	Plant and equipment	Total
	Kshs	Kshs	Kshs	Kshs
<b>Cost</b>				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at 30 Sept/Dec/ March/June 2024	-	-	-	-
<b>Accumulated Depreciation</b>				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at 30 Sept/Dec/ March/June 2024	-	-	-	-
<b>Carrying Amount</b>				
As at 30 Sept/Dec/ March/June 2025	=	=	=	=

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**26. Trade and Other Payables**

Description	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Trade payables	-	-
Employee payables	-	-
Other payables	-	-
<b>Total trade and other payables</b>	<b>-</b>	<b>-</b>

Aging analysis: (Trade and other payables)	Current FY	% of the Total	1* July	% of the Total
Under one year	0	%	0	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total (tie to above total)</b>	<b>0</b>		<b>0</b>	

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**27. Third-Party deposits**

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	305,365	-
Retention held during the period (B)	3,827,514	305,365.26
Retention paid during the period (C)	1,777,483	-
<b>Closing Retention as at period 30th June 2025, D= A+B-C</b>	<b>2,355,397</b>	<b>305,365</b>

**Retentions aging analysis.**

	<i>Period ended June 2025</i>	<i>% of the total</i>	<i>Opening Statement 1st July 2024</i>	<i>% of the total</i>
Less than 1 year	<b>2,355,397</b>	100%	<b>305,365</b>	%
1-2 years	0	%	0	%
2-3 years	0	%	0	%
Over 3 years	0	%	0	%
<b>Total</b>	<b>2,355,397</b>		<b>305,365</b>	

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

**28. Lease Liabilities**

<b>Description</b>	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
<b>Balance at the beginning of the period</b>	-	-
Discount interest on lease liability	-	-
Paid during the period	-	-
<b>At end of the period</b>	-	-

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**Maturity Analysis**

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

**Analysed as:**

Description	Amount
Current	-
Non- Current	-
Total	-

**29. Gratuity Provision**

Description	<i>Period ended June</i>	<i>Opening</i>
	<i>2025</i>	<i>Statement</i>
	Kshs	Kshs
Gratuity at the beginning of the period (A)	792,171	
Gratuity held during the period (B)	727,415	792,171
Gratuity paid during the period (C)	499,550	
<b>Total Gratuity provision as at 30th june 2025</b> <b>D=(A+B-C)</b>	<b>1,020,036</b>	<b>792,171</b>

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**30. Cash Generated from Operations**

	<i>Period ended June 2025</i>
	Kshs
<b>Surplus for the period before tax</b>	<b>17,538,312</b>
<b>Adjusted for:</b>	
Depreciation	43,750
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
<b>Working capital adjustments</b>	
Changes in inventory	-
Changes in receivables	(7,436,081)
Changes in deferred income	-
Changes in Third party deposits	(227,865)
Changes in gratuity provision	(2,050,031)
Changes in payments received in advance	-
<b>Net cash flow from operating activities</b>	<b>27,296,039</b>

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

**31. Financial Risk Management**

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

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**i) Credit risk**

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

**Financial Risk Management**

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	14,469,857	-	-
Bank balances	-	-	-	-
<b>Total</b>	-	<b>14,469,857</b>	-	-
<b>As at 30 June 2024</b>	-	<b>14,469,857</b>	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	21,915,639	-	-
Bank balances	-	-	-	-
<b>Total</b>	-	<b>21,915,639</b>	-	-

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

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**Financial Risk Management**

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the constituency has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The constituency has significant concentration of credit risk on amounts due from parties. The board of directors sets the constituency's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**ii) Liquidity risk management**

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	727,415	727,415
<b>Total</b>	-	-	727,415	727,415
<b>As at 30<sup>th</sup> June 2024</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	792,171	792,171
<b>Total</b>	-	-	<b>1,519,586</b>	<b>1,519,586</b>

**iii) Market risk**

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

**a) Foreign currency risk**

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

**b) Interest rate risk**

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

**Management of interest rate risk**

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

**Sensitivity analysis**

The constituency analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs 00 (Current FY: Kshs 00). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 00 (Current FY – Kshs 00)

**Fair value of financial assets and liabilities**

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

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

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

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

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

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

**iv) Capital Risk Management**

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

Description	2024-2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Revaluation Reserve	128,551,829	111,013,517
Retained Earnings	00	00
Capital Reserve	00	00
<b>Total Funds</b>	<b>128,551,829</b>	<b>111,013,517</b>
Total Borrowings	00	00
Less: Cash and Bank Balances	(117,141,453)	(89,845,414)
Net Debt/(Excess Cash And Cash Equivalent)	<b>11,410,376</b>	<b>21,168,103</b>
<b>Gearing</b>	%	%

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**32. Related Party Disclosures**

	<i>2024-2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	Kshs	Kshs
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	468,000	1,453,600
<b>Transaction with the NGCDF Board</b>		
Transfers from the NGCDF Board during the year	1,128,000	1,128,000
<b>Total</b>	<b>1,596,000</b>	<b>2,581,600</b>

**33. Segment Information**

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

**34. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

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

*(Give details)*

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**Contingent Liabilities**

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

**35. Capital Commitments**

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

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

**36. Events after the Reporting Period**

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

**37. Ultimate And Holding Entity**

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

**38. Currency**

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

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**18. Annexes**  
**Annex 1: Summary of Asset Register**

Asset class	Historical Cost b/f (Kshs) 2023-2024	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2024-2025
Land	-	-	-	-
Buildings and structures	26,383,000	1,100,000	-	27,483,000
Transport equipment	4,500,000	-	-	4,500,000
Office equipment, furniture and fittings	1,220,408	400,000	-	1,620,408
ICT Equipment, Software and Other ICT Assets	123,530	-	-	123,530
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>32,226,938</b>	<b>1,500,000</b>	<b>-</b>	<b>33,726,938</b>

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<b>TYPE OF FURNITURE.</b>	<b>ASSET SERIAL NO.</b>	<b>ACQUISITION DATE.</b>	<b>UNIT COST (KSH).</b>	<b>TOTAL COST</b>	<b>CURRENT CONDITION.</b>
CONFERENCE CHAIRS.	CDF/166/01 - 028	11/4/2014	4,000.00	28,000.00	GOOD CONDITION.
SECRETARY CHAIRS.	CDF/166/029 - 031.	11/4/2014	17,571.00	52,713.00	POOR CONDITION.
EXECUTIVE CHAIRS.	CDF/166/032 - 034.	11/4/2014	10,035.00	20,070.00	GOOD CONDITION.
OFFICE EXECUTIVE TABLE WITH EXTENSION.	CDF/166/035 - 036.	11/4/2014	55,000.00	55,000.00	POOR CONDITION.
RECEPTION DESK WITH EXTENSION.	CDF/166/037.	11/4/2014	35, 19.00	35,019.00	GOOD CONDITION.
RECEPTION DESK WITHOUT EXTENSION	CDF/166/038	11/4/2014	25,800.00	25,800.00	GOOD CONDITION.
FILLING CABINET4-DOOR.	CDF/166/039 - 040.	11/4/2014	14,334.00	28,668.00	GOOD CONDITION.
OFFICE TABLE.	CDF/166/041.	11/4/2014	25,800.00	25,800.00	GOOD CONDITION.
TABLE.	CDF/166/042.		15,300.00	15,300.00	POOR CONDITION.
TABLE.	CDF/166/043.		24300.00	24,300.00	GOOD CONDITION.
PHOTOCOPIER AND PRINTER LASERJET M1132	CDF/166/001.	11/4/2014	20,530.00	20,530.00	POOR CONDITION
PRINTER LASERJET PRO 400	CDF/166/002.	11/4/2014	45,000.00	45,000.00	GOOD/WORKING.
ACER COMPUTER MACHINE	CDF/166/006.	11/4/2014	53,869	53,869.00	GOOD/WORKING.
DELL COMPUTER MACHINE	CDF/166/007.	11/4/2014	53,869	53,869.00	POOR CONDITION
LAPTOP	CDF/166/008.	11/4/2014	52,000.00	52,000.00	POOR CONDITION
DESKTOP	CDF/166/009.	11/4/2014	51,000.00	51,000.00	GOOD/WORKING.
TOYOTA VIRGO	CDF/166/010.		4,500,000	4,500,000	GOOD/WORKING.

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
Arimi Primary School	Family	083000035724	187	
Gathigi Junior Secondary School	Family	083000034893	168	
Kambala Primary School	Family	083000035723	553,504	
Kamungei Primary School	Family	083000034911	495	
Kimonio Junior Secondary School	Family	083000034926	300	
Kirantich Primary School	Equity	0230178692408	115	
Kivulini Junior Secondary School	Family	083000034952	287	
Kivulini Primary School	Equity	0230162280623	21	
Kondamet Junior Secondary School	Family	083000035755	190,792	
Lawina Junior Secondary School	Family	083000034932	147,783	
Mariashoni Primary School	Equity	0230265826204	5,945	
Mariashoni Primary School	Family	083000035751	396	
Mucharage Primary School	Family	083000034878	21	
Mukinyai Primary School	Family	083000034935	137	
Mutate Primary School	Family	083000035726	545	
Mwangi Michuki Primary School	Family	083000034940	137	
Ndoswa Junior Secondary School	Family	083000035719	185,651	
Nyakiambi Primary School	Family	083000034982	210	
Oinoptich Junior Secondary School	Family	083000035762	296,084	
Oinoptich Primary School	Equity	0230264029710	-	
Orthodox Primary School	Equity	0230263931131	-	
Rombe Junior Secondary School	Family	083000035714	38	
Sachangwan Primary School	Family	083000034943	166	
Sakaitim Primary School	Equity	0230162044420	43	
St Marys Mixed Primary School	Equity	0230264343857	10	

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Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
St. Stephen Primary School	Equity	0230161952261	-	
Tayari Primary School	Family	083000035747	295,644	
Tuiyobei Primary School	Family	083000035718	2,998,360	
Turi Sulgwita Primary School	Equity	0230161970903	43	
Kiambiriria Comprehensive School	Family	083000038030	3,198,360	
Kirantich Comprehensive School	Family	083000038028	1,598,360	
Michatha Comprehensive School	Family	083000038019	698,303	
Sakaitim Comprehensive School	Family	083000038068	3,200,000	
St. Stephen Comprehensive School	Family	083000038069	3,200,000	
Segut Comprehensive School	Family	083000034934	3,200,950	
St. Bredans Comprehensive School	Family	083000038096	3,600,000	
Daraja Comprehensive School	Family	083000034897	3,200,001	
Rosewood Comprehensive School	Family	083000034951	3,200,151	
New Creation Comprehensive School	Family	083000038070	6,000,000	
<b>SECONDARY SCHOOL PROJECTS</b>				
Elburgon Secondary School	Equity	0230161980405	499,112	
Greenhills Vikingi Secondary School	Family	083000035002	3,201,363	
Mukinyai Secondary School	Family	083000035749	518	
Mwangi Michuki Secondary School	Family	083000035766	98,303	
Sokoro Secondary School	Family	083000034955	172	
Tayari Secondary School	Equity	0230162316825	50	
Mariashoni Secondary School	Family	083000035895	-	
Rombe Secondary School	Family	083000037320	85	
Michatha Secondary School	Family	083000037324	691	
St. Brendans Secondary School	Family	083000038072	7,502,380	
Nyakiambi Secondary School	Family	083000038097	5,000,000	

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
<b>TERTIARY INSTITUTION PROJECTS</b>				
Molo Technical and Vocational College	Family	083000035713	83	
<b>SECURITY PROJECTS</b>				
Arimi Chiefs Office	Equity	0230179808605	59,195	
Chandera Chiefs Office	Equity	0230176315606	30	
Elburgon Assistant County Commissioner	Equity	0230284400824	3,000	
Mariashoni Chiefs Office	Equity	0230182601207	65,852	
Michatha Chiefs Office	Equity	0230179874965	165	
Mona Chiefs Office	Equity	0230182601137	317	
Mukinyai Chiefs Office	Equity	0230179876645	70	
Sachangwan Police Post	Family	083000037319	1,974,426	
Mariashoni Police Post	Family	083000035720	131	
Assistant County Commissioner - Elburgon	Family	083000038054	799,943	
Elburgon Chiefs Office	Family	083000038055	2,000,000	
<b>DIGITAL HUBS (ASSET/PROJECT)</b>				
Sachangwan Digital HUB	Family	083000037341	3,502,658	
Mariashoni ICT HUB	Family	083000038033	6,498,360	
Elburgon ICT HUB	Family	083000038042	6,498,360	
<b>SPORTS</b>				
Molo Youth Sports Association	Family	083000033739	487	
<b>EMERGENCY</b>				
St. Peters Boys Comprehensive School	Family	083000037762	67,151	
Arimi Chiefs Office	Equity	0230179808605		59,195

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
Arimi Primary School	Family	083000035724		8,698,360
Arimi secondary school	Equity	0230264085292		-
Arimi Secondary School	Equity	0230264085292		-
Chandera Chiefs Office	Equity	0230176315606		30
chandera police post	Equity	0230179879013		-
chandera primary school	Equity	0230162108763		-
Daraja Junior Secondary School	Family	083000034897		2,060,022
Daraja Primary School	Equity	0230172079623		-
elburgon anti stock theft police station	Equity	0230280859974		-
Elburgon Assistant County Commissioner	Equity	0230284400824		3,000
elburgon chiefs office	Equity	0230177260772		-
Elburgon d.e.b sec sch	Equity	0230262057432		-
Elburgon D.E.B Secondary School	Equity	0230262057432		-
elburgon DEB primary school	Equity	0230264538400		-
elburgon DEB secondary school	Equity	0230176251682		-
Elburgon sec school	Equity	0230161980405		-
Elburgon Secondary School	Equity	0230161980405		499,112
Elburgon Technical Training Institute	Equity	0230280781424		-
elburgon technical training institute	Equity	0230280781424		-
Gathigi Junior Secondary School	Family	083000034893		532,726
gathigi primary school	Equity	0230264079562		-
Greenhills Vikingi Secondary School	Family	083000035002		634,535

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
Greenpark primary	Equity	0230264225943		-
greenpark primary school	Equity	0230264225943		-
k.m.t. c molo	Equity	01141720378700		-
k.m.t. c molo	Equity	01141720378700		-
Kambala Primary School	Family	083000035723		11,098,360
kambala secondary school	Equity	0230262275943		-
Kamungei Primary School	Family	083000034911		1,679,042
kapsita secondary school	Equity	0230162296681		-
Kiambiriria Primary School	Equity	0230161975129		-
kiambiriria secondary school	Equity	0230161966075		-
kiambiriria Secondary School	Equity	0230161966075		-
kibunja primary school	Equity	0230262670265		-
Kimonio Junior Secondary School	Family	083000034926		1,498,358
Kimonio Primary School	Equity	0230264035926		-
Kirantich Primary School	Equity	0230178692408		115
Kivulini Junior Secondary School	Family	083000034952		301
Kivulini Primary School	Equity	0230162280623		21
KMTC MOLO	Equity	01141720378700		-
Kondamet Junior Secondary School	Family	083000035755		3,178,843
kondamet primary school	Equity	0230175984080		-
Lawina Junior Secondary School	Family	083000034932		2,998,358
Lawina Primary School	Equity	0230172109209		-
Lawina Secondary School	Equity	0230161963825		-
Mariashoni Chiefs Office	Equity	0230182601207		65,852
Mariashoni Chiefs office	Equity	0230182601207		-
Mariashoni Police Post	Family	083000035720		1,398,303

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
Mariashoni Primary School	Equity	0230265826204		5,945
Mariashoni Primary School	Family	083000035751		3,598,360
Mariashoni pry school	Equity	0230265826204		-
mariashoni sec school	Equity	0230177169777		-
mariashoni secondary school	Equity	0230177169777		-
Marioshoni Secondary School	Equity	0230177169777		-
mary mount secondary school	Equity	0230179883928		-
Matumaini Secondary School	Equity	0230266537534		-
mianzini primary school	Equity	0230161965565		-
mianzini secondary school	Equity	0230162030686		-
Michatha Chiefs Office	Equity	0230179874965		165
michatha chiefs office	Equity	0230179874965		-
michatha pry school	Equity	0230162269688		-
michatha sec school	Equity	0230162269688		-
michinda primary school	Equity	0230179876422		-
Michinda sec school	Equity	0230292970342		-
michinda secondary school	Equity	0230292970342		-
mochorue police post	Equity	0230181003414		-
Molo Highway secondary school	Equity	0230170605532		-
molo highway secondary school	Equity	0230170605532		-
Molo NGCDF Environment	Equity	0230179533408		-
molo ng-cdf environment project	Equity	0230179533408		-
molo police station	Equity	0230280842065		-
molo sports youth association	Equity	0230176815287		-
Molo Technical and Vocational College	Family	083000035713		2,997,785
Molo Youth Sports Association	Family	083000033739		487

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
Mona Chiefs Office	Equity	0230182601137		317
Mona chiefs office	Equity	0230182601137		-
mona secondary school	Equity	0230264491242		-
moto secondary school	Equity	0230179876582		-
Mucharage Primary School	Family	083000034878		2,497,208
muchorue chiefs office	Equity	0230181003399		-
Mukinyai Chiefs Office	Equity	0230179876645		70
mukinyai chiefs office	Equity	0230179876645		-
Mukinyai Chiefs Office	Equity	0230179876645		70
Mukinyai pri school	Equity	0230162356053		-
Mukinyai Primary School	Family	083000034935		137
Mukinyai Pry school	Equity	0230162356053		-
Mukinyai sec school	Equity	0230176251682		-
Mukinyai Secondary School	Family	083000035749		597,668
Mukinyai Secondary School	Equity	0230176251682		-
Mutamaiyu Assistant Chief's office	Equity	0230282087598		-
Mutamaiyu Chiefs Office	Equity	0230284595315		-
mutamaiyu police post	Equity	0230177840501		-
Mutate Primary School	Family	083000035726		5,498,360
Mutate Pry school	Equity	0230172080005		-
mwangaza primary school	Equity	0230262917859		-
Mwangi Michuki Primary School	Family	083000034940		137
mwangi michuki pry sch	Equity	0230191181919		-
Mwangi michuki sec sch	Equity	0230175902166		-
Mwangi Michuki Secondary School	Family	083000035766		1,998,360

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
Ndimu Primary School	Equity	0230162212722		-
Ndoswa chief's office	Equity	0230177478489		-
Ndoswa Junior Secondary School	Family	083000035719		3,178,843
Ndoswa Primary School	Equity	0230264534121		-
New Creation pry sch	Equity	0230162429305		-
ng-cdf office	Equity	0230178643177		-
nguzu river primary school	Equity	0230170642469		-
nyakiambi police post	Equity	0230181238200		-
Nyakiambi Primary School	Family	083000034982		72,785
nyakiambi primary school	Equity	0230176023413		-
Oinoptich Junior Secondary School	Family	083000035762		2,998,360
Oinoptich Primary School	Equity	0230264029710		50,427
orhodox primary school	Equity	0230263931131		-
Orthodox Primary School	Equity	0230263931131		107,181
PCEA elburgon primary school	Equity	0230264025234		-
Rombe Junior Secondary School	Family	083000035714		3,178,843
Rombe Primary School	Equity	0230262882247		-
Rosewood Primary School	Family	083000034951		151
Sachangwan pri School	Equity	0230162537494		-
Sachangwan Primary School	Equity	0230162537494		29
Sachangwan Primary School	Family	083000034943		137
Sachangwan pry school	Equity	0230162537494		-
sakaitim chiefs office	Equity	0230179879035		-
sakaitim police post	Equity	0230179879020		-
Sakaitim Primary School	Equity	0230162044420		43
Segut Junior Secondary School	Family	083000034934		783

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
Segut Primary School	Equity	0230172080421		167
Segut Primary School	Equity	0230172080421		-
Sokoro Girls Secondary School	Equity	0230162200866		-
sokoro primary school	Equity	0230161977322		-
sokoro pry school	Equity	0230161977322		-
Sokoro Secondary School	Family	083000034955		74,972
st james sec school	Equity	0230181001212		-
St Marys mixed primary	Equity	0230264343857		-
St Marys Mixed Primary School	Equity	0230264343857		10
St. Bredance Primary School	Equity	0230162301705		-
st. brendans primary school	Equity	0230162301705		-
st. james primary school	Equity	0230161961419		-
st. james secondary school	Equity	0230181001212		-
st. joseph elburgon secondary school	Equity	0230264541039		-
St. Peters Boys Primary School	Equity	0230162129868		-
st. peters girls day primary school	Equity	0230177833085		-
St. Stephen Primary School	Equity	0230161952261		19,401
Tayari Primary School	Family	083000035747		10,298,360
tayari primary school	Equity	0230161960765		-
tayari primary school	Equity	0230161960765		-
Tayari Secondary School	Equity	0230162316825		50
Timoo primary school	Equity	0230192078959		-
Tuiyobei Primary School	Family	083000035718		2,998,360
Tuiyobei Primary School	Equity	0230182515748		-
tumaini integrated primary school	Equity	0230177836918		-

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

Name of the Project/Account Name	Bank Name and Branch	Account Number	as at 30th June 2025	as at 30th June 2024
tumaini integrated secondary school	Equity	0230266537534		-
Tumaini Primary School	Equity	0230177836918		-
Turi Seconadry School	Equity	0230264527360		31
Turi Sulgwita Primary School	Equity	0230161970903		43
Turi Sulgwita primary School	Equity	0230161970903		-
<b>TOTAL</b>			<b>73,546,107</b>	<b>74,578,465</b>

The audited Annual report and financial statement for the year Ended June 30, 2024 indicated the balances of Pmcs as 77,075,643. We have seen noticed that there were some duplications in some PMC balances and after reconciling the balances, the amount reduced to 73, 546,107 as correctly reported in this year's report.

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Unsupported bursaries to secondary schools and tertiary institutions	The Statement of receipts and payment reflect an amount of ksh 61,056 in respect of other grants and transfers. However, the list of the applicants were not presented for audit.	Not resolved	Feb 2026
2.	Unsupported acquisition of assets	The statement of receipts and payments and note 9 to the financial statement reflect acquisition of assets amounting to 1500,000. However the management did not keep updated fixed asset register detailing dates of acquisition, cost, supplier, location,	Not resolved	Feb 2026

**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.

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2.	Unsupported acquisition of assets	The statement of receipts and payments and note 9 to the financial statement reflect acquisition of assets amounting to 1500,000. However the management did not keep updated fixed asset register detailing dates of acquisition, cost, supplier, location,	Not resolved	Feb 2026

**National Government Constituencies Development Fund (NGCDF)**

**Molo Constituency**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		unique identification numbers as other details were not provided.		



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**Name: Mohamed Hassan  
Fund Account Manager.**