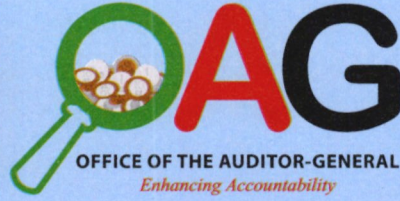


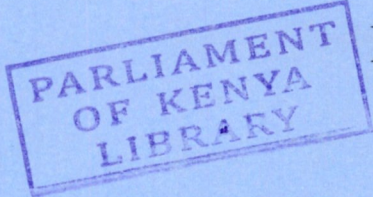
REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

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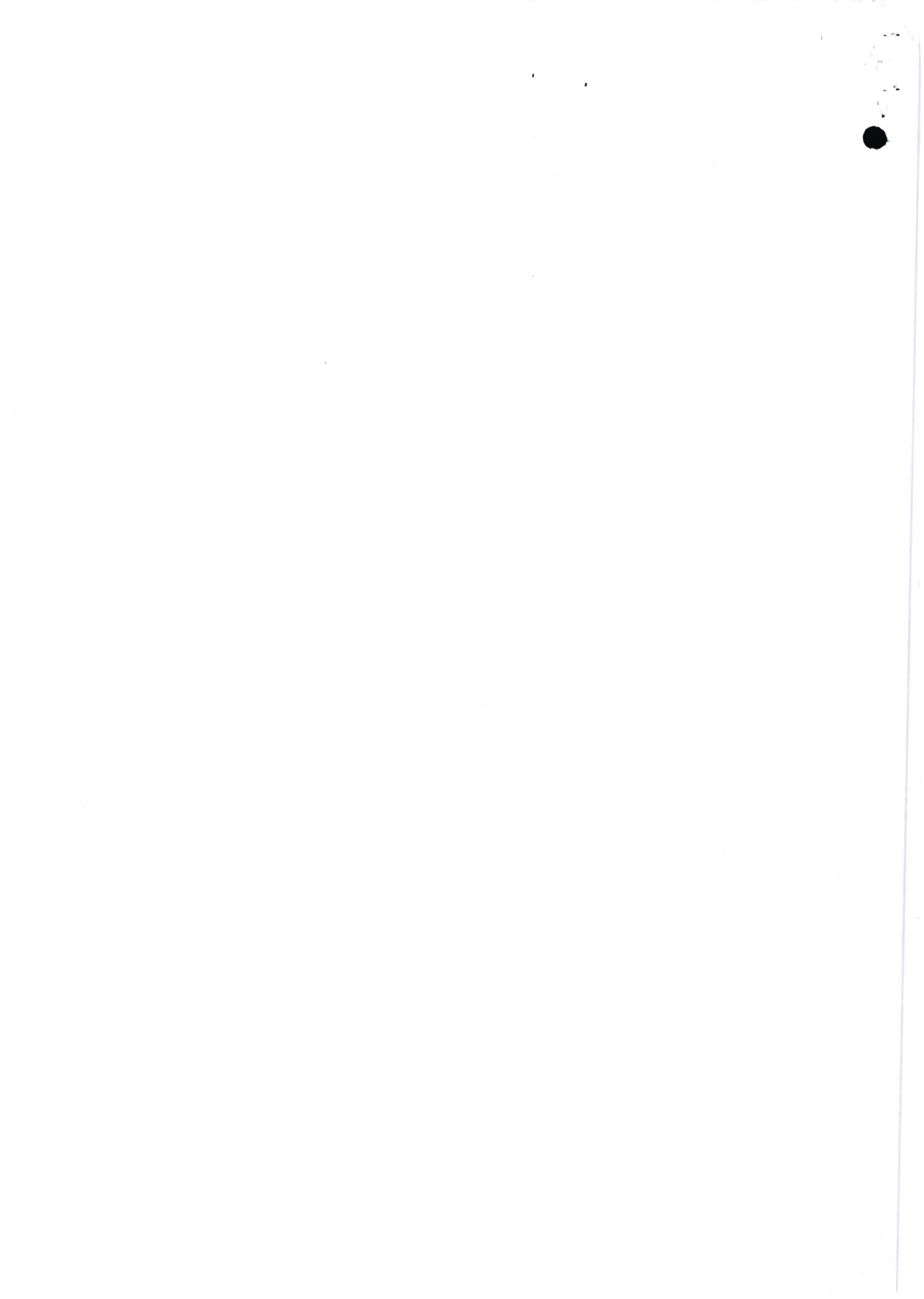
OF

THE AUDITOR-GENERAL

ON

**MURANG'A COUNTY EDUCATION
SCHOLARSHIP FUND**

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





Murang'a County Education Scholarship Fund

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2025**

**Prepared in accordance with the Accrual Basis of Accounting Method under the International Public
Sector Accounting Standards (IPSAS)**



Murang'a County Education Scholarship Fund
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

CT	County Treasury
CIDP	County Integrated Development Plan
KSHS	Kenya Shillings
TNT	The National Treasury
TVETs	Technical and Vocational Educational Training Institutions
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
KUCCPS	Kenya Universities and Colleges Central Placement Service
TSC	Teachers Service Commission
DOB	Date of birth
MCA	Member of the County Assembly
CECM	County Executive Committee Member
CO	Chief Officer

b) Definition of Terms

1. Fiduciary Management - The key management personnel who had financial responsibility.
2. The Fund - Murang'a County Education Scholarship Fund
3. The Committee - Murang'a County Education Scholarship Fund Committee

2. Key Entity Information and Management

a) Background information

Murang'a County Education Scholarship Fund is established by and derives its authority and accountability from Murang'a County Education Scholarship Fund Regulations, 2021, Assented on: 28th September 2021. The Fund is wholly owned by the County Government of Murang'a and is domiciled in Kenya.

b) Principal Activities

The principal activity/ mandate of the Fund is to: -

- i. Provide financial assistance to the needy, orphaned and vulnerable students in Murang'a County, enrolled in secondary schools, universities, colleges and special primary or secondary schools.
- ii. Grant scholarships in accordance with the criteria established under the Act; and
- iii. Meet any expenditure related to administration of the Fund as may be approved by the Executive Member:

c) Fund Administration Committee

The Murang'a County Education Scholarship Fund day-to-day management is under the following key organs:

Ref	Name	Position
1	Faith Njoroge	CECM Education & Technical Training
2	Leonard Guchu	Chief Officer, Education
3	Martin Mbau	Director, Vocational Training
4	David Waweru	Deputy Director, Education
5	John Ng'ang'a	Asst. Director Education
6	James Ndung'u	Accountant
7	Angela Kioko	Chief Officer, Technical Training

Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025

d) Fiduciary Management

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

Ref	Name	Position
1	Fund Manager/ Administrator	Leonard Guchu
2	Fund Accountant	James Ndung'u

Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Directorate Internal Audit	George Mburu
2	County Assembly Committee on Education	

f) Registered Offices

P.O. Box 52-10200

Murang'a, Kenya

g) Fund Contacts

Telephone: (254) 060-2030271

info@muranga.go.ke

Website: www.muranga.go.ke

h) Fund Bankers

Family Bank of Kenya

P.O. Box 74145-00200

Murang'a Branch, Kenya

Key Entity and Management (Continued)

i) Independent Auditor

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

j) Principal Legal Adviser


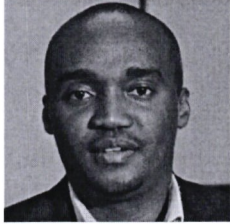

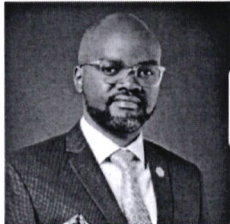

The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

k) County Attorney

County Hall
P.O. Box 52-10200



Murang'a County Headquarters, Kenya

3. Fund Administration Committee Profiles



Name	Details of qualifications and experience
<p>Faith Njoroge</p> 	<p>DOB 28/10/1967 Bachelor of Education Master in Education Graduate Teacher Experience: 26 years TSC Teacher 3 Year in the County Government</p>
<p>Leonard Guchu</p> 	<p>DOB 04/09/1983 Bachelor of Arts in Mass Communication Diploma in Journalism Experience: 15 years in communication 3 years in the County Government</p>
<p>Angela M. Kioko</p> 	<p>DOB 20/10/1986 Bachelor of Arts (Economics & Sociology) Diploma in Project Management (KIM) Experience: 5 Years Procurement Officer</p>
<p>Martin Mbau</p> 	<p>DOB 28/11/1982 Bachelor of Education Master's in Business Administration Graduate Teacher Experience: 12 years in International Schools 3 years in a state corporation 2 years in the County Government</p>
<p>James Ndung'u</p> 	<p>DOB 04/08/1992 Bachelor of Commerce (Finance) CPA(k)</p>
<p>David Waweru</p>	<p>DOB 26/09/1966 Bachelor of Education</p>

Murang'a County Education Scholarship Fund

Annual Report and Financial Statements for the year ended June 30, 2025

	Senior Graduate Approved Teacher 1 Experience. 28 years as a TSC Teacher 7 years in the County Government.
John Gituire 	DOB 20/09/1965 Bachelor of Education Assistant Director Education Experience: 32 years

4. Key Management Team

Name	Details of qualifications and experience
1. Leonard Guchu 	Bachelor of Arts in Mass Communication Diploma in Journalism <i>Fund Administrator</i>
2. James Ndung'u 	Bachelor of Commerce (Finance) CPA(k) <i>Fund Accountant</i>


5. Chairman's Report

The fund opened the year with a balance of Kshs 6,870,093 and received Kshs 275,000,000 from the county treasury and a donation from a well-wisher of Kshs 826,330 during the year. This amount was disbursed as scholarships and bursaries to deserving students from all thirty-five wards in the county.

Among the challenges the fund encountered during the financial year included an overwhelming number of needy students who come from families that were unable to fund their education due to the rising cost of living.

The fund intends to continue working with all stakeholders in providing assistance to students from needy and deserving students from the county to ensure they continue their schooling uninterrupted.

In conclusion, I would like to thank the Governor, the Education Committee of the County Assembly and all who have enabled this fund to fulfil its mandate.


.....
Faith W. Njoroge
CECM, Education & Technical Training

Date 15/7/2025

Chairman of the Fund Committee

6. Report of The Fund Administrator

Murang'a County Education Scholarship Fund is established and governed by the Murang'a County Education Scholarship Fund Regulations 2021. The fund's principal activity is to provide scholarships/bursaries to students from needy families in the County of Murang'a drawn from all thirty-five wards in a fair and transparent manner.

During the financial year ended June 30 2025, a total of sixty-six thousand, six hundred & seventy-one students from secondary schools, colleges, universities and special schools were awarded bursaries to assist them in paying for their school fees. The fund opened with a balance of Kshs. 6,870,093 and received Kshs. 275,826,330 from the county treasury and well-wishers and disbursed a total of Kshs. 252,570,381 to remain with a balance of Kshs. 5,532,600.

Among the challenges that the fund encountered in the financial year included an overwhelming number of needy students who come from families that were unable to adequately fund their education amid rising costs of living. While the Fund would have wanted to give bursaries to all who had applied, the reality is that there can never be enough funds for this. Aware of this, the fund has put in place structures that ensure only the most deserving students receive the assistance. The measures put in place include;

- i) Involvement of area MCAs
- ii) Involvement of local administration
- iii) Involvement of faith leaders
- iv) Involvement of school heads.

Going forward, the fund will endeavour to include as many needy students as the funds are available.



Leonard Guchu
Fund Administrator

7. Statement of Performance Against Predetermined Objectives for FY 2024/2025

Section 164 (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 Murang'a County Education Scholarship Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of Murang'a County Education Scholarship Fund performance against predetermined objectives.

The key objectives of Murang'a County Education Scholarship Fund are to Provide financial assistance to the needy, orphaned and vulnerable students in Murang'a County, enrolled in secondary schools, universities, colleges and special primary or secondary schools.

Progress on the attainment of Strategic development objectives

Below we provide the progress on attaining the stated objectives:

Program	Objective	Output	Performance Indicator	Performance
<i>Murang'a County Education Scholarship Fund</i>	<i>To improve access to education for needy students</i>	<i>66,671 students were provided with bursaries and accessed education uninterrupted</i>	<i>No of beneficiaries.</i>	<i>66,671 beneficiaries in FY 2024/25 learned uninterrupted</i>

8. Statement of Corporate Governance

The committee shall be appointed by the Governor and shall include;

- i. CECM Education
- ii. Two chief officers from The Department of Education
- iii. Two Directors from The Department of Education
- iv. The Departmental Accountant
- v. Member nominated by The Governor.

A member of the committee shall vacate office if

- a) At any time resign from office by notice in writing to the Executive Committee Member.
- b) Be removed from office by the Executive Committee Member if –
 - (i) Has been absent from three consecutive meetings of the Committee without the permission of the chairperson;
 - (ii) Is convicted of a criminal offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding ten thousand shillings;
 - (iii) Is convicted of an offence involving dishonestly or fraud;
 - (iv) Is adjudged bankrupt or enters into a composition scheme of arrangement with his creditors;
 - (v) Is incapacitated by prolonged physical or mental illness or is deemed otherwise unfit to discharge his duties as a member of the Committee; or

Fails to comply with the provision of the Fund Regulations relating to disclosure.

The functions of the committee are;

- i) Receive and review applications for scholarships
- ii) Determine and award scholarships
- iii) Carry out other roles necessary for the implementation of the objective and purpose of the fund.

In the conduct of the functions of the committee, the following are the guiding principles;

- i) Fairness and equity
- ii) Inclusivity and non-discrimination
- iii) Public participation
- iv) Accountability and transparency
- v) Efficiency.

The committee held four meetings in the course of the financial year with the maximum allowed in a financial year being twelve (12).

No committee member declared or had a conflict of interest during the financial year

9. Management Discussion and Analysis

Section 166 of the Public Finance Management Act, 2012 requires that, at the end of each quarter, the Administrator of a County Public Fund established by Murang'a County Education Scholarship Fund Regulations shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of Murang'a County Education Scholarship Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial period ended on June 30 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of Murang'a County Education Scholarship Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Murang'a County Education Fund. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the period ended June 30, 2025 and of the Fund's financial position as at that date.

The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of Murang'a County Education Scholarship Fund has assessed the Fund's ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next three months from the date of this statement.

10. Environmental and Sustainability Reporting

1. Sustainability strategy and profile -

The Murang'a County Education Scholarship Fund's approach to sustainability focuses on ensuring funding for education and achieving excellence in line with current best practices in politics, economics, and the environment that characterize today's sustainability efforts. As attention to education and environmental issues increases, the Murang'a County Education Scholarship Fund has adjusted its objectives to align with these evolving priorities.

The Fund's top management is fully dedicated to development and incorporates it into decision-making procedures. This includes establishing enduring objectives that harmonize feasibility with environmental duties while conforming to global benchmarks, like the United Nations Sustainable Development Goals (SDGs), particularly Goal 4 (Quality Education) and Goal 13 (Climate Action).

2. Environmental performance

The Fund has implemented energy-saving lighting systems to decrease power usage by 20% in its work areas.

By transitioning from physical records and reducing paper usage, we have significantly reduced paper waste by 40%. This has been made possible by asking the public to submit applications electronically.

We prioritize working with environmentally conscious vendors to reduce waste in our procurement processes and supply chain operations.

3. Employee welfare

The Murang'a County Education Scholarship Fund upholds a commitment to ensuring a work environment in line with the regulations of the Occupational Safety and Health Act of 2007 (OSHA). Through health and safety assessments and employee education programs, following OSHA guidelines closely have notably reduced incidents of injuries.

4. Marketplace practices-

The company upholds policies against corruption to comply with fair competition laws and avoid biasing practices. Our dedication to transparency guarantees that everyone involved is treated equitably while maintaining a stance against bribery and corruption.

5. Corporate Social Responsibility / Community Engagements

To support the economy in our area, we back initiatives within the community, like vocational training programs. These programs aim to provide people with employment skills, encourage self-reliance, and lower unemployment rates in the region.

11. Report of The Committee

Principal activities

The principal activities of the Fund are

- i. Grant scholarships in accordance with the criteria established under the Act
- ii. Meet any expenditure related to administration of the Fund as may be approved by the Executive Member:

Results

The results of the Fund for the year ended June 30, 2025 are set out from page 1

Committee

The members of the Fund committee who served during the year are shown on page vii & viii

Auditors

The Auditor General is responsible for the statutory audit of the Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Committee

.....
Faith W. Njoroge

Date: *15/7/2025*

Faith W. Njoroge

CECM Education & Technical Training

Chair of the Fund Administration Committee

12. Statement of Management's Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of Murang'a County Education Scholarship Fund is responsible for the preparation and presentation of the Murang'a County Education Scholarship Fund financial statements, which give a true and fair view of the state of affairs of the Fund/Scheme for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the Murang'a County Education Scholarship Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Murang'a County Education Scholarship Fund Regulations 2021. The Administrator of the Murang'a County Education Scholarship Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2025, and of the Fund/Scheme's financial position as at 30th June 2025. The Administrator further confirm the completeness of the accounting records maintained for the Murang'a County Education Scholarship Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the Murang'a County Education Scholarship Fund has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Administrator to indicate that the Fund/Scheme 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 Fund/Scheme's financial statements were approved by the Committee on ___ 15th July ___ 2025 and signed on its behalf by:



.....

Administrator of the Murang'a County Education Scholarship Fund

REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON MURANG'A COUNTY EDUCATION SCHOLARSHIP FUND FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Murang'a County Education Scholarship Fund set out on pages 1 to 19, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Murang'a County Government Education & Scholarship Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Murang'a County Education Scholarship Fund Regulations, 2021 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Overdrawn Bank Account and Nugatory Expenditure on Interest

Review of the Fund's bank account revealed a balance of Kshs. (21,972,444) as at 31 March, 2025 indicating that it was overdrawn since it had a negative balance. This cost the Fund an interest expenditure of Kshs.433,269. Further, no evidence was provided to confirm the County Treasury authorized the account to be overdrawn contrary to Section 119(4) of the Public Finance Management Act, 2012, which states that an accounting officer for a County Government entity shall not cause a bank account of the entity to be overdrawn beyond the limit authorized by the County Treasury or a Board of a county government entity, if any.

In the circumstances, the Fund incurred a nugatory and avoidable expenditure on interest of Kshs.433,269. Additionally, Management was in breach of the law.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Murang'a County Government Education & Scholarship Fund 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

1. Non-Compliance with the Budgeted Estimates

Review of the original and approved budgets in statement of comparison of budget and actual amounts per vote head revealed instances where adjustments exceeded the allowable 10% threshold, as shown below:

Vote Head	Original Budget (Kshs.)	Adjustments (Kshs.)	Final Budget (Kshs.)	Reallocation %
Transfers from the County Government	235,000,000	40,000,000	275,000,000	15%
Public Contributions and Donations	-	826,330	826,330	100%
Bursary Transfers	168,000,000	46,265,533	214,265,533	22%
Use of Goods & Services	7,050,000	1,430,890	8,480,890	17%

The adjustments exceeded the 10% ceiling without County Assembly approval, contrary to Section 154(2) of the PFM Act, 2012 which states that no County entity shall reallocate funds between programs or exceed 10% of the approved budget without authorization from the County Assembly. In addition, Regulation 39(9) of the Public Finance Management (County Governments) Regulations, 2015 states that in approving any estimates under sections 135 and 154 of the Act, that County Assembly approval shall not exceed ten (10%) percent of the approved budget estimates of a program of Sub-Vote unless it is for an unforeseen and unavoidable need as defined in Section 112 of the Act.

In the circumstances, the budget making process seems not to have been credible and realistic.

2. Over Expenditure on the Budget

The statement of comparison of budget and actual amounts reflected a final expenditure budget of Kshs.8,480,890 on use of goods and services against actual expenditure of Kshs.24,593,442, resulting to an over-expenditure of Kshs.16,112,552 or 190%. In addition, there was no evidence that the Accounting Officer submitted a responsibility statement to the County Assembly explaining the reasons for the deviation or providing a plan to ensure compliance with Section 107(2)(a) of the Public Finance Management Act, 2012 and related regulations in subsequent years which requires that County Governments to ensure fiscal responsibility by maintaining total expenditure within the limits of the approved budget. Further, the Public Finance Management (County Governments) Regulations, 2015 require accounting officers to submit responsibility statements to the County Assembly explaining deviations from the approved budget and outlining corrective measures.

In the circumstances, the over-expenditure without approval disregards budgetary controls, violates fiscal discipline, and increases the risk of misallocation of public resources.

My opinion is not modified in respect of these matters.

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 matters described in

the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit section of the report including in relation to these matters. Accordingly, the audit included the performance of procedures designed to respond to the assessment of the risks of material misstatement of the financial statements. The results of the audit procedures, including the procedures performed to address the matters above provide the basis for my audit opinion on the accompanying financial statements.

Other Information

The Management is responsible for the Other Information set out on page ii to xvii which comprise of Key Entity Information and Management, Key Management Team, Chairman's Report, Report of the Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Statement of Corporate Governance, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Committee and the 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 thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the 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 Scholarship Fund Transparency Requirements

Examination of records provided for audit revealed that the list of successful applicants for bursary was not publicized on public notice boards. Further, the unsuccessful applicants were not notified in writing. This is contrary to Section 7(g) of the Murang'a County Education Scholarship Fund Act, 2014, which states that the functions of the committee shall be to display on all public notice boards particulars of successful applicants including amounts awarded to them. In addition, Section 9(5) of the Murang'a

County Education Scholarship Fund Act, 2014, states that if the committee rejects the application, it shall notify the applicant of such rejection in writing and the reasons thereof.

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

2. Non-Compliance with Data Controller Registration Requirements

The audit noted that in the financial year under review, the Fund was actively processing data relating to bursary beneficiaries yet it did not have a certificate of registration as a data controller as required under Section 18 of the Data Protection Act, 2019. Further, no application for registration had been submitted, and no evidence was provided to confirm compliance with statutory registration requirements.

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 effect 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

Lack of Data Protection Policy

The audit revealed that the Fund did not have a formally documented Data Protection Policy. In addition, there were no internal guidelines or documented procedures outlining how bursary applicants' data was collected, processed, stored, or shared, contrary to Regulation 23 of the Data Protection Regulations, 2021.

In the circumstances, the effectiveness of internal controls and risk management for the data protection requirements for personal data 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

13 November, 2025

**Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	275,000,000	251,994,480
Public Contributions and Donations	7	826,330	500,000
		275,826,330	252,494,480
Revenue From Exchange Transactions			
Finance Income	8	-	-
Other income	9	-	-
Total Revenue		275,826,330	252,494,480
Expenses			
Bursary transfers	10	192,646,381	116,100,000
Scholarship grants	11	59,924,000	128,936,000
Use of Goods and Services	12	24,593,442	19,150,881
Total Expenses		277,163,823	264,186,881
Surplus/(Deficit) for the Period		(1,337,492)	(11,692,401)

(The notes set out on pages 1 to 20 form an integral part of these Financial Statements)



.....
Name: Leonard Guchu
Administrator



.....
Name: James Ndung'u
Fund Accountant
ICPAK Member Number:27939


15. Statement of Financial Position as at 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	13	5,532,600	6,870,093
Non-exchange receivables	14	-	-
Exchange Receivables	15	-	-
Total current assets		5,532,600	6,870,093
Total Assets (A)		5,532,600	6,870,093
Liabilities			
Current Liabilities			
Trade and Other Payables	16	-	-
Total current liabilities		-	-
Total Liabilities (B)		-	-
Net Asset (A-B)		5,532,600	6,870,093
Represented By:			
Reserves		6,870,093	18,562,494
Accumulated Surplus		(1,337,492)	(11,692,401)
Net Assets		5,532,600	6,870,093

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on ____15th __July__ 2025 and signed by:



Name: Leonard Guchu
Fund Administrator



Name: James Ndung'u
Fund Accountant
ICPAK Member Number: 27939

16. Statement of Changes in Net Assets for the year ended 30th June 2025

Description	Accumulated surplus
	Kshs
Balance as at 1 July 2023	18,562,494
Surplus/(Deficit) For the Year	(11,692,401)
Balance As At 30 June 2024	6,870,093
Balance As At 1 July 2024	6,870,093
Surplus/(Deficit) For the Year	(1,337,492)
Balance As At 30 June 2025	5,532,600



.....
Name: Leonard Guchu
Fund Administrator



.....
Name: James Ndung'u
Fund Accountant
ICPAK Member Number: 27939

17. Statement of Cash Flows for The Year Ended 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers From the County Government		275,000,000	251,994,480
Public Contributions and Donations		826,330	500,000
Finance Income		-	-
Other receipts		-	-
Total receipts		275,826,330	252,494,480
Payments			
Bursary Transfers		192,646,381	116,100,000
Scholarship grants		59,924,000	128,936,000
Use of goods and Services		24,593,442	19,150,881
		277,163,823	264,186,881
Net cash flows from operating activities	17	(1,337,492)	(11,692,401)
Cash flows from investing activities			
		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash & cash Equivalents		(1,337,492)	(11,692,401)
Cash and cash equivalents at 1 July	13	6,870,093	18,562,494
Cash and cash equivalents at 30 June	13	5,532,600	6,870,093

.....
Name: Leonard Guchu
Fund Administrator

.....
Name: James Ndung'u
Fund Accountant
ICPAK Member Number: 27939

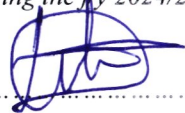
Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025

18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30th June 2025

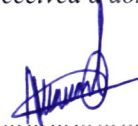
Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Opening budget Carry Overs		6,870,093	6,870,093	6,870,093	-	100%
Receipts						
Transfers From the County Government	235,000,000	40,000,000	275,000,000	275,000,000	-	100%
Public Contributions and Donations	-	826,330	826,330	826,330	-	100%
Finance Income	-	-	-	-	-	-
Other receipts	-	-	-	-	-	-
Total Receipts	235,000,000	40,826,330	282,696,423	282,696,423	-	-
Payments						
Bursary Transfers	168,000,000	-	214,265,533	192,646,381	21,619,152	-
Scholarship grants	59,950,000	-	59,950,000	59,924,000	26,000	-
Use of goods & Services	7,050,000	-	8,480,890	24,593,442	(16,112,551)	-
Total Payments	235,000,000	-	282,696,423	277,163,823	5,532,600	-
Surplus For the Period	6,870,093	-	-	5,532,600		

Budget notes

1. The fund was allocated an additional Kshs 40,000,000 in supplementary I of 2024/25. The fund also received a donation of Kshs 826,330 from Amica Sacco during the f/y 2024/25. (IPSAS 24.29)



Leonard Guchu
Fund Administrator



James Ndung'u
Fund Accountant
ICPAK Member Number: 27939

Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	5,532,600
1	Reason for differences	-
2	Reason for differences	-
3	Reason for differences	-
4	Reason for differences	-
	Closing Cash and Cash Equivalent as per the statement of Cash flows	5,532,600

19. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

Murang'a County Scholarship Fund is established by and derives its authority and accountability from Murang'a County Education Scholarship Fund Regulations 2021. The entity is wholly owned by the Murang'a County Government and is domiciled in Kenya. Murang'a County Education Scholarship Fund's principal activity is to provide scholarships to needy students from Murang'a County.

2. Statement of compliance and basis of preparation

Murang'a County Scholarship Fund financial statements have been prepared in compliance with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Scholarship Fund. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The financial statements are prepared on accrual basis of accounting. The statement of cash flows is prepared using the direct method.

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 2025.*

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

(iii) *Early adoption of standards*

The Murang'a County Scholarship Fund did not early – adopt any new or amended standards in the financial year.

2. Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue transfers

Revenues from non-exchange transactions 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 entity and can be measured reliably.

ii. Revenue from exchange transactions

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.

b) Budget information

The original budget for FY 2024/25 was approved by the County Assembly on 28th June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Murang'a County Scholarship Fund upon receiving the respective approvals in order to conclude the final budget. The Murang'a County Scholarship Fund recorded additional appropriations of Ksh. 40,000,000 on the FY 2024/25 budget following the governing body's approval.

Murang'a County Education Scholarship Fund budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on 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 plans 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 cash flows.

c) 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. 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.

(i) Financial assets

Classification of financial assets

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

(ii) 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.

(iii) 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.

(iv) 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.

(v) 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.

(vi) 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.

(vii) Impairment

The Murang'a County Education Scholarship Fund 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).

Financial liabilities

Classification

The Murang'a County Scholarship Fund classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

d) Provisions

Provisions are recognized when the Murang'a County Scholarship Fund 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 Murang'a County Scholarship Fund 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.

e) Contingent liabilities

Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Murang'a County Education Scholarship Fund 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 probable.

f) Contingent assets

Murang'a County Education Scholarship Fund does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Murang'a County Education Scholarship Fund 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.

g) Nature and purpose of reserves

The Murang'a County Education Scholarship Fund creates and maintains reserves in terms of specific requirements.

h) Changes in accounting policies and estimates

The Murang'a County Education Scholarship Fund recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

i) 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.

j) Related parties

The Murang'a County Education Scholarship Fund 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 Murang'a County Scholarship Fund, or vice versa. Members of key management are regarded as related parties and comprise of Board of Trustees, the Fund/Scheme administrator and senior managers.

k) 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 insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

l) Comparative figures

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

5. Significant judgments and sources of estimation uncertainty

The preparation of the Murang'a County Education Scholarship Fund 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.

a) 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 Murang'a County Scholarship Fund. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

b) Useful lives and residual values

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

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

c) 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.

**Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

6. Transfers from the County Government

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers From Finance Department	275,000,000	251,994,480
Others (<i>Specify</i>)	-	-
Total	275,000,000	251,994,480

(The amount requested was availed to the scholarship fund)

7. Public Contributions and Donations

Description	2024/2025	2023/2024
	Kshs	Kshs
Donation From Development Partners	826,330	500,000
Contributions From the Public	-	-
Others (<i>Specify</i>)	-	-
Total	826,330	500,000

(Donated by Amica Sacco to support needy students within the county)

8. Finance income

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest Income on Bank Deposits	-	-
Others (<i>Specify</i>)	-	-
Total finance Income	-	-

9. Other income

Description	2024/2025	2023/2024
	Kshs	Kshs
Cheque write backs	-	-
Others (<i>Specify</i>)	-	-
Total Other Income	-	-

Murang'a County Education Scholarship Fund
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10. Bursary Transfers

Description	2024/2025	2023/2024
	Kshs	Kshs
Universities	35,310,000	-
TVETs and Colleges	6,910,000	-
Secondary schools	150,426,381	-
Other (<i>Specify</i>)	-	116,100,000
Total	192,646,381	116,100,000

11. Scholarship grants

Description	2024/2025	2023/2024
	Kshs	Kshs
Universities	-	-
TVETs and Colleges	-	-
Secondary schools	59,924,000	-
Other (<i>Specify</i>)	-	128,936,000
Total	59,924,000	128,936,000

12. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Allowances	7,825,710	5,519,542
Bank charges	3,258,050	578,766
Printing & Stationery	2,156,107	1,790,852
Entertainers	-	-
Event Hosting	9,856,491	2,068,520
Communication	-	-
Hospitality	1,497,083	8,843,200
Other expenses	-	-
Transport	-	350,000
Total	24,593,442	19,150,881

Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025

13. Cash and cash equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	5,532,600	6,870,093
Others (<i>Specify</i>)	-	-
Total Cash and Cash Equivalents	5,532,600	6,870,093

Detailed analysis of the cash and cash equivalents are as follows:

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Family Bank	006000024352	5,532,600	6,870,093
Sub- Total		5,532,600	6,870,093
b) Others (Specify)			
Cash In Transit		-	-
Cash In Hand		-	-
Sub- Total		-	-
Grand Total		5,532,600	6,870,093

14. Non-Exchange Receivables

Description	2024/2025	2023/2024
	Kshs	Kshs
Revenue receivable	-	-
Others (<i>Specify</i>)	-	-
Total non-exchange receivables	-	-

15. Exchange Receivables

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest receivable	-	-
Others (<i>Specify</i>)	-	-
Total exchange receivables	-	-

Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025

16. Trade and other payables

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade Payables	-		-	
Other Payables (<i>specify</i>)	-		-	
Total Trade and Other Payables	-		-	
Ageing analysis (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (tie to above total)	-		-	

17. Cash generated from operations.

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Surplus/ (Deficit) For the Year	(1,337,492)		(11,692,401)	
Adjusted For:				
Working Capital Adjustments				
Increase In Receivables	-		-	
Increase In Payables	-		-	
Net Cash Flow from Operating Activities	(1,337,492)		(11,692,401)	

18. Events after the reporting period

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

19. Currency

The financial statements are presented in Kenya Shillings (Kshs)

**Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

20. Annexes

Annex I: Progress on Follow-up of Prior Year Auditor's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

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)
Basis for Qualified opinion	Unsupported expenditure	The exact payment vouchers with their supporting documentation have now been availed for audit and verification purposes.	Resolved	-
Lawfulness & effectiveness in the use of public resources	Unsupported criteria for bursary award	The criteria for award of scholarship are contained in the fund regulations. However, the fund management has embarked on a review of the fund's regulations and management will be presenting recommended amendments to the Education Committee for further forwarding and tabling	In progress	May 2026

**Murang'a County Education Scholarship Fund
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)
Lawfulness & effectiveness in the use of public resources	Over expenditure on administrative costs	The fund management has put in place strict internal controls to ensure that there is no over expenditure on the fund in future.	Resolved	-



.....
Fund Administrator

Date.....15/7/2025

Murang'a County Education Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025

Annex II: Inter-Entity Confirmation Letter

Name of transferring entity: Finance Department -Murang'a County Government

Name of beneficiary entity: Murang'a County Education Scholarship Fund

Confirmation of amounts received by Murang'a County Education Scholarship Fund as at 30 th June 2025							
Reference Number	Date Disbursed	Amounts Disbursed by Finance & Economic Planning Department (Ksh) as at 30 th June 2025			Amount Received by Murang'a County Bursary Fund (Ksh) as at 30 th June 2025 (D)	Differences (Ksh) (E)=(C-D)	
		Recurrent (A)	Development (B)	Total (C)=(A+B)			
RTGS RT2424319SRZ FT24243C6FR6 1000171073 MURANGA COUNTY :/REC/0000049727	30/08/2024	50,000,000	-	50,000,000	50,000,000	-	
RTGS FT24292WBH21 1000171073 MURANGA COUNTY ROC/0000050603//ROC/0 000050603	18/10/2024	4,720,000	-	4,720,000	4,720,000	-	
RTGS FT243585NWQZ 1000171073 MURANGA COUNTY	23/12/2024	62,780,000	-	62,780,000	62,780,000	-	

**Murang'a County Education Scholarship Fund
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ROC/0000052263//ROC/000052263							
RTGS FT250102WR3S 1000171073 MURANGA COUNTY ROC/0000052511//ROC/000052511	10/01/2025	12,000,000	-	12,000,000	12,000,000	-	
RTGS FT25010T4NYW 1000171073 MURANGA COUNTY ROC/0000052320//ROC/000052320	10/01/2025	75,220,000	-	75,220,000	75,220,000	-	
RTGS FT25155V5KFY 1000171073 MURANGA COUNTY ROC/0000052587//ROC/000052587	04/06/2025	13,000,000	-	13,000,000	13,000,000	-	
RTGS FT25155ZVR3N 1000171073 MURANGA COUNTY ROC/0000052664//ROC/000052664	04/06/2025	2,000,000	-	2,000,000	2,000,000	-	
RTGS FT25155ML4CS 1000171073 MURANGA COUNTY ROC/0000054428//ROC/000054428	04/06/2025	40,000,000	-	40,000,000	40,000,000	-	

Murang'a County Education Scholarship Fund
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RTGS FT25155V8HV1 1000171073 MURANGA COUNTY ROC/0000053111//ROC/0 000053111	04/06/2025	15,280,000	-	15,280,000	15,280,000	-
Total		<u>275,000,000</u>	=	<u>275,000,000</u>	<u>275,000,000</u>	-

I confirm that the amounts shown above are correct as of the dates indicated.

Fund Administrator – Murang'a County Education Scholarship Fund:

Name Leonard Wachu Sign  Date..... 15/7/2025

Murang'a County Education Scholarship Fund
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TRIAL BALANCE AS AT 30TH JUNE 2025

DESCRIPTION	Dr.	Cr.
Fund Balance b/f		6,870,093
Transfers From the County Government		275,000,000
Public Contributions and Donations		826,330
Finance Income		-
Other Income		-
Bursary Transfers	192,646,381	
Scholarship grants	59,924,000	
Use of goods & Services	24,593,442	
Fund Balance c/f	5,532,600	
TOTAL	282,696,423	282,696,423



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Name: Leonard Guchu
Fund Administrator



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Name: James Ndung'u
Fund Accountant
ICPAK Member Number: 27939

