

REPUBLIC OF KENYA



REPORT

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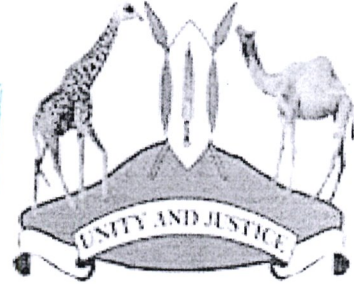
THE AUDITOR-GENERAL

ON

WAJIR COUNTY BURSARY FUND

FOR THE YEAR ENDED 30 JUNE, 2025





WAJIR COUNTY BURSARY 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)

Wajir County Bursary 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

<i>CT</i>	<i>County Treasury</i>
<i>CIDP</i>	<i>County Integrated Development Plan</i>
<i>ICPAK</i>	<i>Institute of Certified Public Accountants of Kenya</i>
<i>IPSAS</i>	<i>International Public Sector Accounting Standards</i>
<i>KSHS</i>	<i>Kenya Shillings</i>
<i>PFM</i>	<i>Public Finance Management</i>
<i>PSASB</i>	<i>Public Sector Accounting Standards Board</i>
<i>TNT</i>	<i>The National Treasury</i>
<i>TVETs</i>	<i>Technical and Vocational Educational Training Institutions</i>

b) Definition of Terms

1. Fiduciary Management - The key management personnel who had financial responsibility.

2. Key Entity Information and Management

a) Background information

Wajir County Bursary Fund is established by and derives its authority and accountability from Wajir County Bursary Fund Act of 2019. The Fund is wholly owned by the County Government of Wajir and is domiciled in Kenya.

The Bursary fund's objective is to increase access to secondary school, ensure retention of students in secondary school, promote transition and completion rates, and to reduce disparities and inequalities in the provision of secondary school education as well as tertiary education. The Fund's principal activity is issuance of bursaries and scholarships.

b) Principal Activities

The principal activity/mission/ mandate of the Wajir County Bursary Fund is to receive bursary funds as appropriated in the County's Approved budget estimates and disburse the funds as stipulated in the Act to enable children of the Wajir County pursue their education.

c) Fund Administration Committee

The Fund's day-to-day management is under the following key organs:

Ref	Position	Name
1	Chairman of the Board	Hassan Omar
2	Chief Officer – Education	Habiba Hussein
3	Chief Officer finance	Yahya M Dahiye
4	Committee Member	Abdi Bedel
5	Committee Member	Ali Abdi Abukar
6	Committee Member	Habiba M Shurie
7	Committee Member	Bare A Kassim
9	Fund Administrator	IssaKureshAbdille

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	Position	Name
1	Fund Administrator	IssaKureshAbdille
2	Fund Accountant	Abdikher Sharif Hassan
3	CCO Finance & Economic Planning	Yahya M Dahiye
4	County Chief Officer- Education	Habiba Hussein

Wajir County Bursary Fund
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Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Director Internal Audit	Abdi G Omar

f) Registered Offices

Department of Education, Social Service and Youth
County Government of Wajir
P.O. Box 11-30500
County Headquarters.
Wajir
KENYA

g) Fund Contacts

E-mail: info@wajir.go.ke
Twitter @Wajir County KE
Website: www.Wajir.go.ke

h) Fund Bankers

Kenya Commercial Bank
Wajir Branch
P.O. Box 201-70200
Wajir, 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



P.O. Box 11-30500
Wajir
County Headquarters
KENYA

Wajir County Bursary Fund



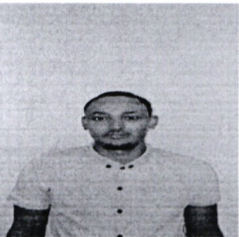
Annual Report and Financial Statements for the year ended June 30, 2025

3. Fund Administration Committee

Name	Details of qualifications and experience
1. Bare A Kaasim 	Bare was born on 1953, Academic qualification of O level with 34 years of experience in the teaching profession. He is a committee Member of the Wajir County Bursary Committee.
2. Hassan Omar 	Hassan was Born on 1953, Academic qualification of O level with 36 years of experience in teaching profession. He is the chair of the Wajir county Bursary Fund.
3. Habiba M Shurie 	Habiba was born on 1958 and holds bachelor degree in Education (Arts). She has over 40 years of experience in the teaching profession. She is currently a Committee Member of the Wajir County Bursary administration Committee.
4. Ali Abdi Abukar 	Ali was born 1950 with academic qualification of O level with over 37 years of experience in the teaching profession. He is Currently an active committee Member of the Wajir County Bursary Administration Committee member.

Name	Details of qualifications and experience
<p>5. Abdi Bedel Ali</p> 	<p>He was born in 1951, and academic qualification of O' Level with over 40 years of experience in the teaching profession. Abdi is a Committee Member of the Wajir County Bursary Committee.</p>
<p>6. IssaKureshAbdille</p> 	<p>Born 1988 with master's in Public Policy and Administration and bachelor in Education (Arts) With 12 years of experience both in public sector and Humanitarian world. Issa is the fund administrator of the Wajir County Bursary Fund since 2019.</p>

4. Key Management Team

Name	Details of qualifications and experience
<p>1.</p> 	<p>Habiba Hussein was born 1965 with Bachelors of Education in early childhood. She has over 35years experience both in public and Private sector.</p> <p>She is the current chief officer for education in Early Childhood and development and served as county Executive committee member in Wajir county between 2013-2017.</p>
<p>2. IssaKureshAbdille</p> 	<p>Born 1988 with master's in Public Policy and Administration and bachelor in Education (Arts)</p> <p>With 12 years of experience both in public sector and Humanitarian world. Issa is the fund administrator of the Wajir County Bursary Fund since 2019.</p>
<p>3. Abdikheir Sharif</p> 	<p>Abdikher was born 1992 and holds Bachelor of commerce, CPA(K). Abdikheir has over 7 years in public sector. He is the accountant forthe Wajir County Bursary Fund.</p>

5. Chairman's Report

It is with great honour and a deep sense of responsibility that I present the Annual Financial Statements for the Wajir County Bursary Fund for the current reporting period. As Chairperson, I extend my sincere appreciation to all individuals, institutions, and partners who have continued to support our mission of expanding access to education for underprivileged students across Wajir County. This report provides a comprehensive account of our key activities, notable achievements, and the challenges encountered during the period under review.

Key Activities and Achievements

Bursary Application and Selection Process

During the reporting period, the Fund received a high volume of applications from eligible students throughout the county. Our evaluation team undertook a rigorous and transparent review process, guided by established criteria to ensure fairness and equity. As a result, a substantial number of students were awarded bursaries, enabling them to continue their academic pursuits without financial hindrance.

Expansion of Outreach Initiatives

To enhance inclusivity, we expanded our outreach efforts to remote and underserved areas of Wajir County. These initiatives included targeted school visits, community forums, and collaborations with grassroots organizations. Through these efforts, we successfully identified and supported students who might otherwise have been overlooked due to geographical or socio-economic barriers.

Strengthening Institutional Partnerships

We continued to foster strong relationships with educational institutions within and beyond the county. These partnerships have been instrumental in streamlining the application process, facilitating recommendations from school administrators, and identifying students with exceptional academic potential. This collaborative approach has significantly improved the efficiency and impact of our bursary program.

Community Engagement and Awareness

Recognizing the importance of stakeholder involvement, we intensified our engagement with parents, community leaders, and the general public. Through both mainstream and social media platforms, we raised awareness about the bursary program and encouraged community participation. This inclusive approach has enhanced transparency, accountability, and local ownership of the Fund's objectives.

Challenges and Strategic Outlook

Funding Constraints and Delays

A major challenge during the period was the limited and occasionally delayed disbursement of funds from the National Treasury. Moving forward, we aim to diversify our funding sources, advocate for timely disbursements, and explore innovative financing mechanisms to ensure the sustainability of the Fund.

Wajir County Bursary Fund

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

Monitoring and Evaluation Enhancements

With the growing number of beneficiaries, there is a pressing need to strengthen our monitoring and evaluation systems. Plans are underway to implement a comprehensive framework to track student progress, collect feedback, and assess the long-term impact of our support. This data-driven approach will inform future decision-making and enhance program effectiveness.

Mentorship and Capacity Building

In recognition of the need for holistic student development, we initiated plans to introduce mentorship and skills development programs. These initiatives will connect bursary recipients with professionals across various sectors, offering guidance and inspiration. Additionally, we intend to organize workshops on career planning, leadership, and financial literacy to better prepare students for life beyond the classroom.

Conclusion

In conclusion, the Wajir County Bursary Fund has made commendable strides in advancing educational access and equity. Our unwavering commitment to transparency, inclusivity, and collaboration has enabled us to positively impact the lives of many students across the county. While challenges persist, we remain resolute in our mission to empower the youth of Wajir through education.

I wish to extend my heartfelt gratitude to the bursary committees, the County Executive, the County Assembly, volunteers, and staff for their dedication and service. Together, we will continue to uplift our communities and contribute to the sustainable development of Wajir County.

Thank you.

Name..... *HARSH JOMANSY* Signature..... *[Handwritten Signature]* Date..... *09/10/2025*

Chairperson of Wajir County Bursary Fund

6. Report of The Fund Administrator

I am pleased to present the financial statements of the Wajir County Bursary Fund for the financial year 2024/2025.

Financial Results:

Revenue:

During the reporting period, the Wajir County Bursary Fund received a total of Kshs. 211,485,038 in funding. This comprised Kshs. 130,000,000 allocated by the County Government of Wajir as part of the approved budget for the financial year, and an additional Kshs. 81,485,038 carried forward as an unspent balance from the 2023/2024 financial year. This combined funding enabled the Fund to continue supporting its core mandate of providing educational assistance to deserving students across the county. The substantial allocation reflects the County Government’s ongoing commitment to improving access to education and ensuring that financial constraints do not hinder learners from pursuing their academic goals.

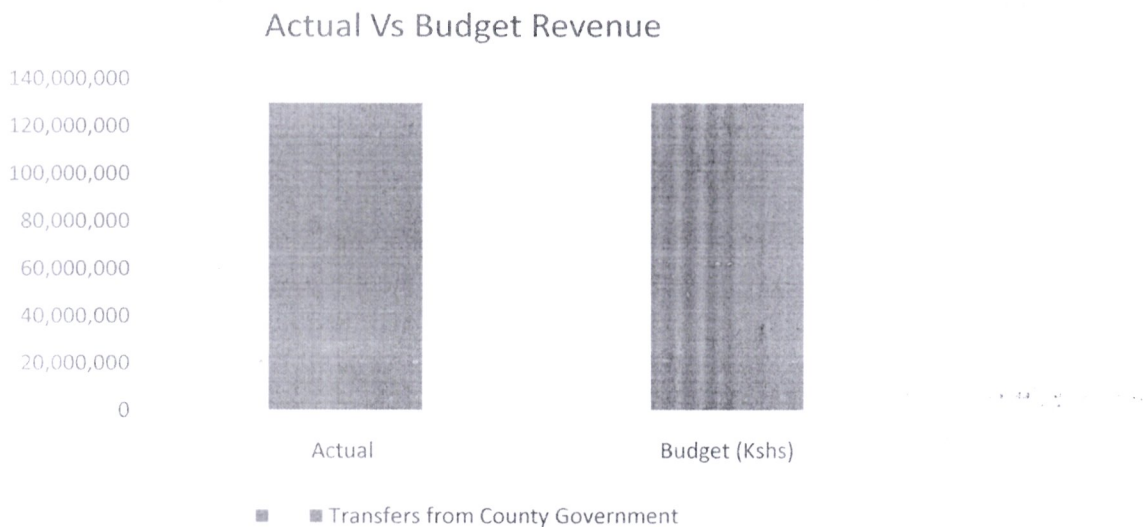
Expenses:

During the fiscal year, the Wajir County Bursary Fund allocated the majority of its resources to bursaries and related educational support, with Ksh. 80,392,650 disbursed as scholarships and educational benefits to students, and Ksh. 5,008,684 spent on administrative expenses, bringing the total expenditure to Kshs. 85,401,334. A total of 33,150 applications were received, a decrease from 52,152 in the previous year due to curriculum changes affecting Form One admissions. Out of the applicants, 22,670 students from secondary schools across the county benefited from the Fund, underscoring its continued commitment to supporting education for deserving learners.

Graphs:

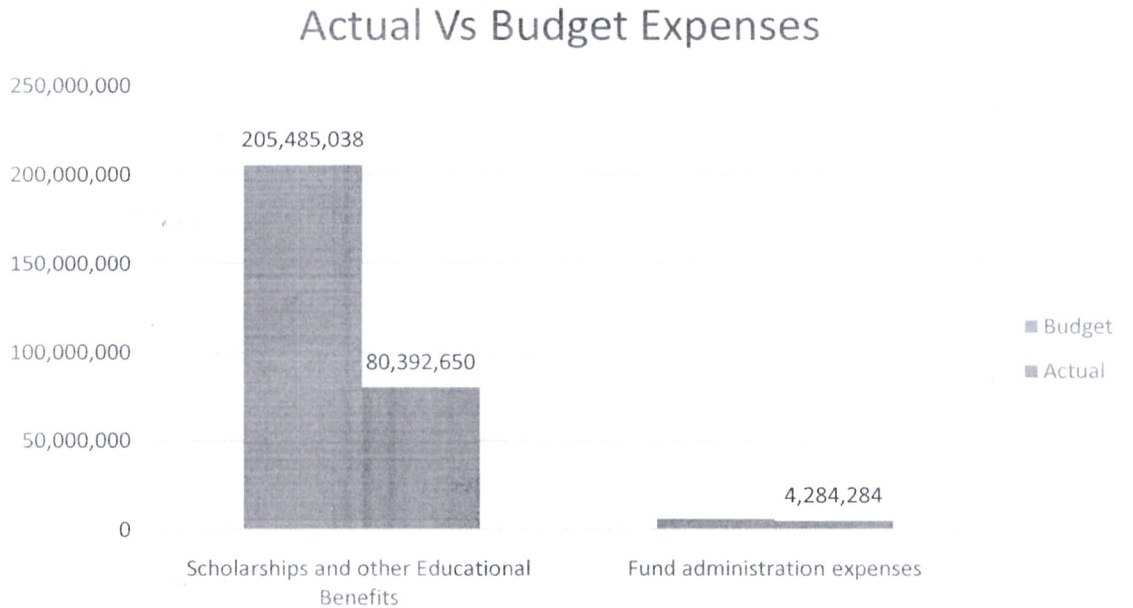
Revenue Breakdown:

The following graph illustrates the breakdown of revenue sources for the reporting period:



Expense Breakdown:

The following graph presents the breakdown of expenses incurred during the fiscal year:



Key Risk Management Strategies

Effective risk management is essential to uphold transparency, accountability, and the responsible use of resources within the Wajir County Bursary Fund. The following strategies have been implemented to mitigate risks and enhance operational integrity:

- **Clearly Defined Objectives**

The Fund has established precise objectives, including the identification of target beneficiaries, eligibility criteria, and the overarching purpose of the bursary program. This clarity helps prevent resource misallocation and ensures alignment with the Fund’s mission.

- **Robust Governance and Oversight**

A structured governance framework is in place, delineating roles and responsibilities among stakeholders. Oversight bodies such as the Bursary Committee and Ward Committees play a critical role in monitoring fund activities and ensuring accountability.

- **Transparent Application Process**

A fair and open application process has been adopted to guarantee equal access for all eligible students. Clear guidelines govern the application, evaluation, and selection procedures, supported by mechanisms for appeals and complaints to uphold fairness.

- **Performance Monitoring and Reporting**

Wajir County Bursary Fund

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

The Fund regularly tracks key performance indicators, including the number of beneficiaries, disbursement levels, and educational impact. Periodic reports are published to inform stakeholders and maintain public transparency.

- **Compliance and Legal Adherence**

All operations comply with applicable laws, regulations, and financial management protocols. This includes adherence to national and county-level guidelines governing bursary funds.

- **Stakeholder Engagement**

Active involvement of stakeholders—including local communities, educational institutions, and civil society organizations—ensures inclusive decision-making and enhances the Fund’s effectiveness while minimizing potential conflicts.

Conclusion

The financial statements and accompanying graphs present a detailed overview of the Wajir County Bursary Fund’s financial performance. Throughout the reporting period, we have remained committed to operating within our budget while advancing our mission of supporting access to education for deserving students.

The continued support from the County Government and other stakeholders has been vital in helping us achieve our objectives. We remain dedicated to the prudent and transparent management of resources, strengthening our financial position, and broadening the Fund’s impact.

Through sound financial stewardship and sustained collaboration, we aim to create lasting, positive change in the lives of underprivileged students across Wajir County.

Thank you.



Issak Furesh Abdille
Fund Administrator

Wajir County Bursary Fund

Wajir County Bursary Fund

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

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

Introduction

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 each County Government Entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives.

Wajir County Bursary Fund

The principal mandate of the Bursary Fund is to enhance equitable access to education by increasing enrolment in secondary schools, improving student retention, facilitating smooth transitions to higher levels of learning, and promoting completion rates among learners. In addition, the Fund aims to address and reduce disparities and inequalities in the provision of education, particularly for students from marginalized and low-income households. The support extends not only to secondary education but also to post-secondary and tertiary institutions, where financial constraints often hinder academic progression.

In alignment with this mission, the County Government has developed the County Integrated Development Plan (CIDP), which serves as the county's development blueprint over a five-year planning horizon. The CIDP identifies education as a cornerstone for social and economic transformation. Within this framework, the Bursary Fund is a key intervention under the county's education strategy aimed at supporting vulnerable learners and ensuring no child is left behind due to lack of fees.

Monitoring and evaluation (M&E) of the Bursary Fund's implementation is an essential component of accountability and performance tracking. This is achieved through a structured M&E framework that includes field inspection visits to learning institutions, quarterly monitoring reports, and comprehensive annual evaluations. These exercises assess the effectiveness, efficiency, and impact of the bursary disbursements and help in identifying gaps for improvement. Annual reports are prepared in accordance with Section 164(2)(f) of the Public Finance Management Act, 2012, which requires accounting officers to report on the performance of public funds to ensure transparency and prudent financial management.

Through these mechanisms, the county is not only ensuring compliance with financial regulations but also reinforcing its commitment to inclusive education, social equity, and the empowerment of future generations.

Education as a Strategic development objective

The County’s CIDP has identified Twenty-three key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor’s Manifesto, Vision 2030 & the National Government’s “Big Four” Agenda, SDGs and the MTP III.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks and plans, and are summarised here-in-under;

- a) Provide bursary for needy students.
- b) Increase access to secondary school
- c) Reduce disparities and inequalities in provision of both secondary and tertiary education.
- d) Promote transition and completion rates.

Below we provide the progress on attaining the stated objectives, particularly on matters Education in which the Bursary fund has played a catalytic role.

Department	Objective	Outcome	Indicator	Performance
Education	To support bright and needy students to access quality education	Increased number of students accessing education in the County	% of students retained in school / transitioned to next level institutions	In FY 2024/2025, the bursary access for secondary education witnessed a reduction in the number of beneficiaries and the total amount disbursed due to change of curriculum and no form ones in place .The total funding amounted to Kshs. 211,485,038, comprising Kshs. 130,000,000 in transfers from the County Government and Kshs. 81,485,038 carried forward as an unspent balance from the 2023/2024 financial year. During the reporting period, the Fund received 33,150

Wajir County Bursary Fund

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

Department	Objective	Outcome	Indicator	Performance
				applications, out of which 22,670 beneficiaries were selected from both secondary schools and tertiary institutions.

8. Statement of Corporate Governance

The Wajir County Bursary Fund is made up of 6 Administration Committee members. Members meet to deliberate on the performance of the management team by evaluating and considering bursary awards to the students. Based on the Budget allocation, the committee members are not remunerated from the fund but paid sitting allowances as the act. In the coming years we will be able to report on the governance structure based on:

- a. Number of Fund Administration Committee meetings held and the attendance to those meetings by members,
- b. Succession plan,
- c. Existence of a service charter,
- d. Process of appointment and removal of Fund Committee members,
- e. Roles and functions of the Administration Committee members,
- f. Induction and training, Administration Committee members and member's performance,
- g. Conflict of interest,
- h. Ethics and conduct as well as governance audit undertaken if any

Wajir County Bursary Fund

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

9. Management Discussion and Analysis

During the financial year 2024/2025, the Wajir County Bursary Fund disbursed a total of Ksh. 80,392,650 to support bright but needy students across all wards of the County. This funding was instrumental in enabling beneficiaries many from economically disadvantaged backgrounds to remain in school, covering both full and partial tuition fees in secondary schools, vocational training institutions, and universities. The disbursements contributed significantly to reducing school dropout rates, enhancing retention, and promoting equity in access to education.

The allocation strategy prioritized vulnerable students, including orphans, children from low-income households, students with disabilities, and those in marginalized areas. Through the robust vetting and ward-based bursary committees, the Fund ensured transparency, accountability, and fairness in the selection and award processes.

In FY 2023/2024, the Fund had disbursed Kshs.51,647,282, representing a lower allocation than the current period. While the FY 2024/2025 disbursement of Kshs.80,392,650 marked an increase in monetary terms, the growing demand and rising cost of education have outpaced funding levels. This has limited the Fund's ability to provide sufficient support to all eligible applicants.

Several factors contributed to the constraint in meeting funding needs, including late release of funds, rising enrollment in educational institutions, and inflationary pressures affecting both the cost of living and tuition fees. As a result, some applicants received partial support, while others could not be assisted at all. Going forward, the Fund is undertaking proactive measures to advocate for increased budgetary allocations and more sustainable funding mechanism.

Improved planning, timely disbursements, and a data-driven approach to identifying deserving cases will be central to enhancing the Fund's impact. Despite the progress made, the increasing financial needs of learners continue to pose a challenge. However, with the right policy support, enhanced governance structures, and the sustained commitment of stakeholders, the Wajir County Bursary Fund is well positioned to play a transformative role in promoting education access and equity.

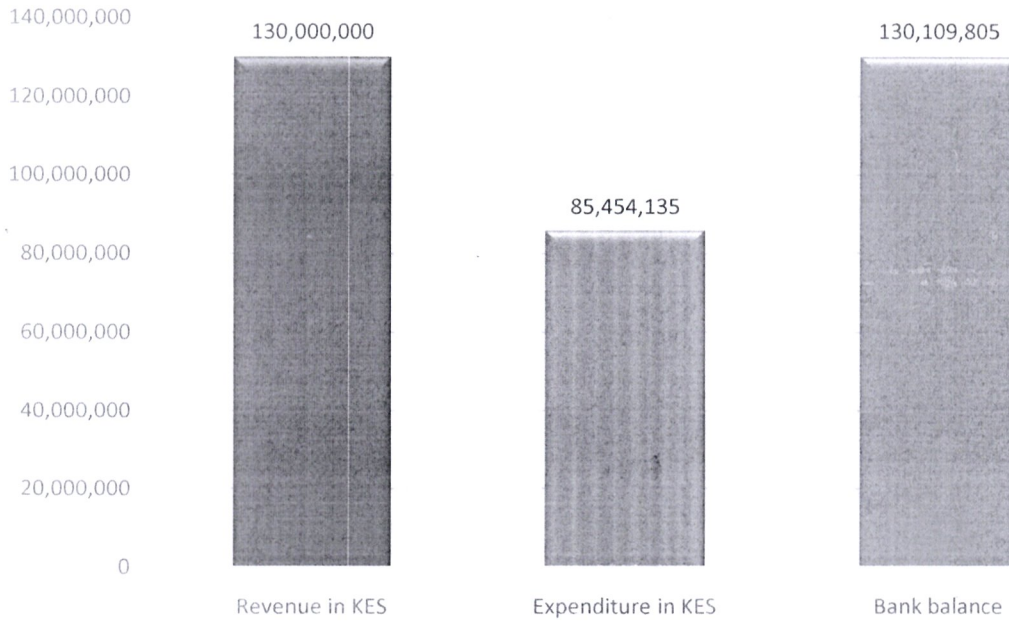
The Fund will intensify its engagement with the County Treasury and the County Assembly to secure increased allocations in future budget cycles. Additionally, the Fund will explore partnerships with development partners, corporate donors, and philanthropic foundations to supplement county resources and broaden its impact.

As we reflect on the achievements of the 2024/2025 financial year, it is evident that bursary support remains a vital lifeline for thousands of learners in Wajir County. The Fund remains committed to upholding its mandate and scaling its interventions to ensure that no child is left behind due to financial hardship.

The Fund intends to work closely with the Department of Education, local administrators, and data agencies to maintain an up-to-date database of needy students. This will improve targeting accuracy and ensure that the most vulnerable learners benefit from the limited resources available.

Below is graphical representation of financial performance of the Bursary Fund for FY 2024/2025.

The financial performance for FY 2024/2025



10. Environmental and Sustainability Reporting

Below is a brief highlight of our achievements in areas of environmental sustainability

1. Sustainability strategy and profile -

The Fund administrator has put in place sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities.

2. Environmental performance

The Board ensures conserving of environment use of environmentally friendly products.

3. Employee welfare

The Board managed to offer an induction to the members of staff and some board members on the process of auditing and review of financial statements. It has also taken the staff and board members for a team building session to enhance cohesion and team work among the members.

4. Market place practices-

Due to the shortage of funds allocated to the board, the board uses much of its administration funds to pay for sitting and travelling allowance to the board members as well as the ward committee members. The few items that require procurement include pens, printing papers as well as office stationeries. These ones are directly procured from some specific suppliers. Similarly, all the contracts signed by the respective suppliers are always honored.

5. Community Engagements-

On matters of community engagement is that members of the board especially the chairman and the CEO have always been invited in school's annual general meetings as well as schools prize giving functions. In all those functions the members who attend generously contribute in terms of finances and words of counsel. We also have some Ward bursary committees who are also members of community-based organization and rotary groups.

By Order of the Board



Hassan Osman Ali

Chair of the Fund Administration Committee

11. Report of the Committee

The Committee submit their report together with the audited financial statements for the year ended June 30, 2025, which show the state of the Fund's affairs.

Principal activities

The Fund's principal activity is to receive bursary funds as appropriated in the County's Approved budget estimates and disburse the funds as stipulated in the Act to enable children of the Wajir County pursue their education

Results

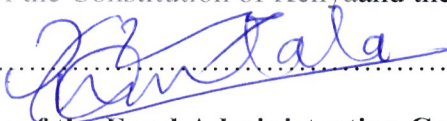
The results of the Fund for the year ended June 30, 2025 are set out on page 1

Trustees

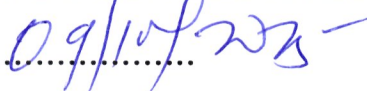
The Trustees who served during the year are shown on page vi. The changes in the Trustee during the financial year are as shown below:

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.

.....


Chair of the Fund Administration Committee

Date:.....


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.

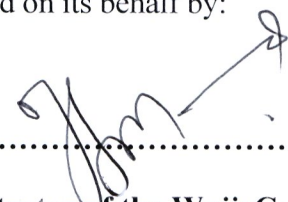
The Administrator of Wajir County Bursary Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: (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 Wajir Bursary 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 Wajir County Bursary Fund Act, 2019. 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 financial year 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 the Wajir County Bursary 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 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’s financial statements were approved by the Committee on 09/07 2025 and signed on its behalf by:


.....

Administrator of the Wajir County Bursary Fund

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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 WAJIR COUNTY BURSARY 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.

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Wajir County Bursary Fund set out on pages 1 to 23, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and

other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Wajir County Bursary 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 Wajir County Bursary Fund Act, 2019 and the Public Finance Management Act, 2012.

Basis for Opinion

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

Emphasis of Matter

Under-Absorption of Funds

The statement of comparison of budget and actual amounts reflects total revenue budget and actual on comparable basis of Kshs.211,485,038, representing 100% funding. Similarly, the statement reflects total expenditure of Kshs.85,401,334 against available funds of Kshs.211,485,038, resulting in an under-utilization of Kshs.126,083,704 or 60% of the approved budget.

The under-utilization may have negatively affected disbursement of bursary to needy students in Wajir County.

My Opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page iii to xxii which comprise of Key Entity Information, Fund Administration Committee, Key Management Team, Chairman's Report, Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Statement of Corporate Governance, Management

Discussion and Analysis, Environmental and Sustainability, Report of the Committee 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 effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Operation of the Fund After Lapse of the Lifespan

The Wajir County Bursary Fund was established by the Wajir County Bursary Fund Act, 2014. This implies that as at 30 June, 2025 the Fund was operational for more than ten (10) years. Regulation 197(1)(i) of the Public Finance Management (County Governments) Regulations, 2015 provides that the initial approval for establishment of a county public Fund shall be for a maximum period of ten (10) years, beyond which the County Executive Committee and County Assembly approvals shall be sought. Management did not provide evidence to confirm that an approval was sought.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and Fund Administration Committee

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.

The Fund Administration Committee is 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

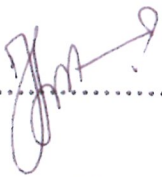
12 November, 2025

**Wajir County Bursary 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	130,000,000	130,000,000
Other income	7	4,026,101	1,648,818
Total Revenue		134,026,101	131,648,818
Expenses			
Bursary transfers	8	80,392,650	53,296,100
Use of goods and services	9	4,284,284	74,018
Depreciation and Amortization Expense	10	294,267	79,201
Total Expenses		84,971,201	53,449,319
Surplus/(Deficit) for the Period		49,054,900	78,199,499

The notes set out on pages 6 to 21 form an integral part of these Financial Statements



Name: Issa Kuresh Abdille
Fund Administrator



Name: Abdikher Sharif Hassan
Fund Accountant
ICPAK Member Number: 25686



Habiba Hussein
Chief Officer Education

Wajir County Bursary Fund
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Statement of Financial Position as at 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	11	130,109,805	81,485,038
Total current assets		130,109,805	81,485,038
Non-Current Assets			
Property, Plant and Equipment	12	588,535	158,402
Total Non- Current assets		588,535	158,402
Total Assets		130,698,340	81,643,440
Liabilities			
Current Liabilities			
Trade and Other Payables		0	0
Total current liabilities		0	0
Total Liabilities		0	0
Net Asset		130,698,340	81,643,440
Represented By:			
Accumulated Surplus		130,698,340	81,643,440
Net Assets		130,698,340	81,643,440

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 9/10/2025 and signed by:



Name: Issa Kuresh Abdille
Fund Administrator



Name: Abdikher Sharif Hassan
Fund Accountant

ICPAK Member Number: 25686



Habiba Hussein
Chief Officer Education

15. Statement Of Changes in Net Assets for the year ended 30th June 2025

Description	Accumulated surplus
	Kshs
Balance as at 1 July 2023	3,443,941
Surplus/(Deficit) For the Year	78,199,499
Balance As At 30 June 2024	81,643,440
Balance As At 1 July 2024	81,643,440
Surplus/(Deficit) For the Year	49,054,900
Balance As At 30 June 2025	130,698,340

16. 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	6	130,000,000	130,000,000
Total receipts		130,000,000	130,000,000
Payments			
Bursary transfers	8	80,392,650	53,296,100
Use of goods and services	9	4,284,284	74,018
Total Payments		84,676,934	
Net cash flow from operating activities		45,323,066	76,629,882
Cash flows from investing activities			
Purchase of PPE		724,400	0
Net cash flows used in investing activities		724,400	0
Cash flows from financing activities			
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash & cash equivalents		44,598,666	76,629,882
Cash and cash equivalents at 1 July		81,485,038	3,206,338
Prior Year Adjustment (Reversed cheques)	7	4,026,101	1,648,818
Cash and cash equivalents at 30 June		130,109,805	81,485,038

17. 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 Over	0	81,485,038	81,485,038	81,485,038		100%
Revenue						
Transfers From the County Government	130,000,000	0	130,000,000	130,000,000	0	100%
Total Income	130,000,000	81,485,038	211,485,038	211,485,038	0	100%
Expenses						
Bursary transfers	126,100,000	79,385,038	205,485,038	80,392,650	125,092,388	39%
Use of goods and services	3,900,000	2,100,000	6,000,000	5,008,684	991,316	83%
Total Expenditure	130,000,000	81,485,038	211,485,038	85,401,334	126,083,704	40%
Surplus For the Period	0	0	0	126,083,704	(126,083,704)	

Budget notes

1. The variations were due to late disbursement of funds from the County Government

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	126,083,704
1	Reversed cheques for 2023/2024 Financial Year	4,026,101
	Closing Cash and Cash Equivalent as per the statement of Cash flows	130,109,805

18. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

Wajir County Bursary Fund is established by and derives its authority from Wajir Bursary Fund Act, 2019. The entity is wholly owned by the Wajir County Government and is domiciled in Kenya. The principal activity of the Wajir County Bursary Fund is to receive bursary funds as appropriated in the County's Approved budget estimates and disburse the funds as stipulated in the Act to enable students of the Wajir County pursue their education.

2. Statement of compliance and basis of preparation

Wajir County Bursary Fund's 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 Bursary 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.*

Standard	Effective date and impact:
IPSAS 43 Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.

Wajir County Bursary Fund

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Standard	Effective date and impact:
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>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.</p>
<p>IPSAS 45- Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has 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>IPSAS 46 Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><i>Applicable 1st January 2026</i></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 under one standard. The objective of the standard is to establish</p>

**Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

Standard	Effective date and impact:
	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.
IPSAS 48- Transfer Expenses	<i>Applicable 1st January 2026</i> 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.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> 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.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of 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.

(iii) Early adoption of standards

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

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2025

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 2025 was approved by the County Assembly on 13 June 2024. No subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

Wajir County Bursary Fund's 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 actual as per the statement of cash flows.

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.

Depreciation on assets is calculated on a reducing balance basis and written off as per rates below:

Computers and office equipment	33 1/3%
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d) 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 fund does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the fund'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.

(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 cash flows 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.

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2025

(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 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. There are no critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

Financial liabilities

Classification

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

e) Provisions

Provisions are recognized when the Wajir County Bursary 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 Wajir County Bursary 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.

f) Contingent liabilities

Wajir County Bursary 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.

g) Contingent assets

Wajir County Bursary 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 Wajir County Bursary 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.

h) Nature and purpose of reserves

The Wajir County Bursary Fund creates and maintains reserves in terms of specific requirements.

i) Changes in accounting policies and estimates

The Wajir County Bursary 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.

j) 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.

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

k) Related parties

The Wajir Bursary 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 Wajir Bursary Fund, or vice versa. Members of key management are regarded as related parties and comprise of Board of Trustees, the Fund administrator and senior managers.

l) 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.

m) 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 Wajir Bursary Fund'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.g.

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 Entity. 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.

Wajir County Bursary 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 County Government	130,000,000	130,000,000
Total	130,000,000	130,000,000

7. Other Income

Description	2024/2025	2023/2024
	Kshs	Kshs
Reversed Cheques	4,026,101	1,648,818
Total	4,026,101	1,648,818

Note: This relates to stale cheques from prior year written back to cashbook

8. Bursary transfers

Description	2024/2025	2023/2024
	Kshs	Kshs
Secondary Schools	10,389,700	49,060,600
Tertiary Institutions	27,538,200	1,606,000
Universities	42,464,750	2,629,500
Total	80,392,650	53,296,100

9. Use of goods and services

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Printing and Stationery Expense	1,171,000	0
Travel Cost	1,261,600	19,800
Bursary Committee Allowances	1,680,000	0
Bank Charges	171,684	54,218
Total	4,284,284	74,018

10. Depreciation and Amortization Expense

Description	2024-2025 FY	2023-2024FY
	Kshs.	Kshs.
Property Plant and Equipment	294,267	79,201
Total	294,267	79,201

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11. Cash and cash equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	130,109,805	81,485,038
Total Cash and Cash Equivalents	130,109,805	81,485,038

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Kenya Commercial Bank	13015175964	130,109,805	81,485,038
Sub- Total		130,109,805	81,485,038
b) Others (Specify)			
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		130,109,805	81,485,038

12. Property, plant and equipment

Cost	Computers and office equipment 33 1/3%	Total
	Kshs	Kshs
At 1 st July 2023	427,000	427,000
Additions	0	0
At 30 th June 2024	427,000	427,000
At 1 st July 2024	427,000	427,000
Additions June 2025	724,400	0
At 30 th June 2025	1,151,400	427,000
Depreciation And Impairment		
At 1 st July 2023	189,397	189,397
Depreciation	79,201	79,201
At 30 th June 2024	268,598	268,598
At 1 st July 2024	268,598	268,598
Depreciation June 2025	294,267	294,267
At 30 th June 2025	562,865	562,865
Net Book Values		
At 30 th June 2024	158,402	158,402
At 30 th June 2025	588,535	588,535

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13. Cash generated from operations.

Description	2024/2025	2023/2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year	49,054,900	78,199,499
Adjusted For:		
Depreciation	294,267	79,201
Working Capital Adjustments		
Prior year adjustment	(4,026,101)	(1,648,818)
Increase In Payables	0	0
Net Cash Flow from Operating Activities	45,323,066	76,629,882

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14. Related party balances

a) Nature of related party relationships

Entities and other parties related to the Fund include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members. The fund is related to the following entities:

- a) The County Government.
- b) Fund Committee.

b) Related party transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers from related parties	130,000,000	130,000,000

c) Key management remuneration

Description	2024/2025	2023/2024
	Kshs	Kshs
Bursary Committee Allowances	1,680,000	0
Total	1,680,000	0

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Other Disclosures

15. Financial risk management

The Fund's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Fund'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 Fund 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 Fund's financial risk management objectives and policies are detailed below:

a) Credit risk

The Fund 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 entity's management based on prior experience and their assessment of the current economic environment. The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2025				
Bank Balances	130,109,805	130,109,805	0	0
Total	130,109,805	130,109,805	0	0
As at 30th June 2024				
Bank Balances	81,485,038	81,485,038	0	0
Total	81,485,038	81,485,038	0	0

The board of trustees sets the Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the entity's short, medium and long-term funding and liquidity management requirements. The entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

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There are no cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date.

c) Market risk

The Fund has put in place an internal audit function to assist it in assessing the risk faced by the Fund 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 optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund'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 fund's exposure to market risks or the manner in which it manages and measures the risk.

i. Foreign currency risk

The Fund has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

There are no carrying amount of the entity's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting year.

ii. Interest rate risk

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

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d) Capital risk management.

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Accumulated surplus	130,698,340	81,643,440
Total funds	130,698,340	81,643,440
Less: cash and bank balances	(130,109,805)	(81,485,038)
Net debt/(excess cash and cash equivalents)	588,535	158,402
Gearing	0%	0%

16. Events after the reporting period

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

17. Currency

The financial statements are presented in Kenya Shillings (Kshs)

Wajir County Bursary Fund
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19. Annexes

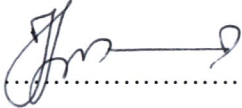
Annex I: Progress on Follow-up of Prior Year Auditor's Recommendations

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)
Weaknesses in Maintenance of Fixed Asset Register	<p>The statement of financial position reflects a balance of Kshs.158,402 in respect of property, plant and equipment as disclosed in Note 12 to the financial statements. However, review of the asset register supporting the balance revealed that the register lacked vital information including the date the assets were acquired making it difficult to confirm the accuracy of depreciation charge. In addition, the asset register did not contain details of the location of the assets for ease of confirmation of existence.</p> <p>In the circumstances, it</p>	<p>Management notes that the matter is yet to be resolved as it is still pending discussion by the Senate Committee.</p>	<p>Not Resolved</p>	<p>31 December 2025</p>

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Reference No. of 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)
	was not possible to confirm the effectiveness of internal controls on fixed asset management.			



 Fund Administrator
 Date..... 09/10/25

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Annex II: Inter-Entity Confirmation Letter

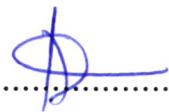
Name of transferring entity: Wajir County Executive.

Name of beneficiary entity: Wajir County Bursary Fund

Confirmation of amounts received by Wajir County Bursary Fund as at 30 th June 2025						
Reference Number	Date Disbursed	Amounts Disbursed by County Treasury Department (Kshs) as at 30 th June 2025			Amount Received by Wajir County Bursary Fund (Kshs) as at 30 th June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
	30 June 2025	130,000,000	0	130,000,000	130,000,000	Nil
Total						

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

Fund Accountant–Wajir County Bursary Fund:

Name ABDIKAR SHARIF Sign  Date 09/10/2025

