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**OF**

**THE AUDITOR-GENERAL**

**ON**

**SAMBURU COUNTY BURSARY FUND**

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

OFFICE OF THE AUDITOR-GENERAL  
ISIOLO REGIONAL OFFICE  
29 OCT 2025  
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*Revised 30<sup>th</sup> June 2025*



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**SAMBURU COUNTY GOVERNMENT**  
**SAMBURU COUNTY BURSARY FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30<sup>TH</sup>, 2025**

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

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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Table of Contents

1. Acronyms and Definition of Key Terms	ii
2. Key Entity Information and Management	iii
3. Fund Administration Committee Profiles	vi
4. Key Management Team	x
5. Chairperson's Report	xi
6. Report of the Fund Administrator	xii
7. Statement of Performance against Predetermined Objectives for FY 2024/2025	xiv
8. Statement of Corporate Governance	xv
9. Management Discussion and Analysis	xvii
10. Environmental and Sustainability Reporting	xviii
11. Report of the Fund Administration Committee	xx
12. Statement of Management's Responsibilities	xxi
13. Report of The Independent Auditor on the Financial Statements	xxii
14. Statement of Financial Performance for the Year Ended 30 <sup>th</sup> June 2025	1
15. Statement of Financial Position as at 30 <sup>th</sup> June 2025	2
16. Statement of Changes in Net Assets for the year ended 30 <sup>th</sup> June 2025	3
17. Statement of Cash Flows for the Year Ended 30 <sup>th</sup> June 2025	4
18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30 <sup>th</sup> June 2025	6
19. Notes to the Financial Statements	9
20. Annexes	29

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 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.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**2. Key Entity Information and Management**

**a) Background information**

Samburu County Bursary Fund is established by the County Assembly of Samburu and derives its authority and accountability from Samburu County Bursaries Fund Act, 2015. The Fund is a body corporate and fully funded by the County Government of Samburu.

The fund's objective is to provide bursary fund and procedures for efficient allocation and disbursement of bursaries and other related scholarships by the County Government of Samburu.

**b) Principal Activities**

The principal activity/mission/ mandate of the Fund is to provide Bursary to Secondary, College and University Students in various recognised institutions of learning in Kenya and outside the country

**c) Fund Administration Committee**

The Samburu County Bursary Fund day-to-day management is under the following key organs:

Ref	Position	Name
1	Chairperson	Elijah Oletakai
2	Chief Officer-Education	Leonard Lengewa
3	Chief Officer-Finance	Solomon Letirok
4	Member-CECM Education	Mark Egelan
5	Member-Gender	Mary Gatakaa
6	Member-PWDs Rep	Florence Leleshep
7	Member-Faith Based	Rev Isaac Lokai Kamais
8	Member-Students Rep	Martha Letitoyia
9	Member-NGO Rep	Burton Lenanyokie
10	Member-Edu Inst Rep	Sarah Lenangetai
11	Fund Administrator	Noah Lekisima

**d) Fiduciary Management**

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

Ref	Position	Name
1	Fund Administrator	Noah Lekisima
2	Chief Officer-Education	Leonard Lengewa
3	Chairperson	Elijah Oletakai
4	Fund Accountant	Robert K Mwangi

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**Key Entity and Management (Continued)**

**e) Fiduciary Oversight Arrangements**

<b>Ref</b>	<b>Position</b>	<b>Name</b>
1	Director-Internal Audit	Tim Lenolkirna
2	Audit Officer	Celine Lerosion
3	Audit Officer	Japheth Lekamario

**f) Registered Offices**

P.O. Box 3 – 20600  
Samburu County Headquarters,  
Maralal-Nyahururu Road,  
Maralal, Kenya

**g) Fund Contacts**

Telephone: +254 065 62456, +254 65 62075

E-mail: [info@samburu.go.ke](mailto:info@samburu.go.ke)

Website: [www.samburu.go.ke](http://www.samburu.go.ke)

**h) Fund Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Kenya Commercial Bank  
P.O. BOX 260-20600  
Maralal, Kenya

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**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**

Schola Peinan Loronyokwe  
P.O. Box 3-20600  
Maralal, Kenya

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**3. Fund Administration Committee Profiles**

Name	Details of qualifications and experience
 <p><b>Elijah Oletakai</b></p>	<p><b>Elijah Oletakai</b> was born in 1968; his National ID no is 9052054. He is a teacher by profession and has a vast experience in Education matters of over 23 years. Currently he is the principal of Baragoi Boys Secondary School. He is a holder of Bachelor of arts from The University of Nairobi. Postgraduate Diploma of Education from Egerton University. Master's in Education: planning &amp; Administration from Laikipia University. Worked in the world of NGOs in top management.</p> <p>He is the Chairperson for Samburu County Bursary Fund.</p>
 <p><b>Leonard Lengewa</b></p>	<p><b>Leonard Lengewa</b> was born in 1978; his National ID no is 21018235. He is a holder of BSc (Hons); he worked as a Senior Manager in NGOs. He has a vast experience in public and private service of over 24 years.</p> <p>He is the Chief Officer of Education for Samburu County Government.</p>
 <p><b>Mark Egelan</b></p>	<p><b>Mark Egelan</b> was born in 1976; his National ID no 13047235. He is a holder of master's degree in Leadership and Management and Bachelor's Degree in Education Science; he has 22 years of experience in senior management in various international NGOs.</p> <p>He is the CEC Member for Education, Samburu County.</p>

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**



**Rev. Isaac Lokai Kamais**

Rev. Isaac Lokai Kamais was born in 1976; his National ID no is 13047226. He is a dedicated theologian, community development practitioner, and church administrator with over 22 years of progressive experience in both faith-based and public service sectors. He holds a Bachelor of Divinity degree and Licentiate from St. Paul's University, a Diploma in Animal Health from Egerton University, and a Certificate in Information Communication Technology from Laikipia University. He is currently pursuing a Master of Theology degree at St. Paul's University. He is a member of Samburu County Bursary Committee representing Faith based organizations



**Mary Gatakaa**

**Mary Gatakaa** was born in 1976; her National ID no is 21091107, Academic Qualification, Community service provider  
She has worked with different organisation and NGO's for over 6 years. She is educating women on the importance of farming, formation of groups amongst them to enable them raise funds for their own and family benefits development matters. She is a member of Samburu County Bursary Committee representing Gender




**Bu**

**Burton Lenanyokie** was born in 1983; his National ID no 24390076. He is a holder of Master of Arts in Public Policy and Administration, Mount Kenya University- Majoring in Community Development and NGO Management(2024-2026)  
Bachelor's Degree in Business Administration (Entrepreneurship), Kenya Methodist University (2012-2015). He is the Regional Director, Northern Rangelands Trust (NRT) Centre where he provides strategic leadership and oversight for NRT's regional operations, over 10 years' experience

**Samburu County Bursary Fund**

**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

<p><b>rton Lenanyokie</b></p>	<p>He is a member of Samburu County Bursary committee representing NGOs</p>
 <p><b>Noah Lekisima</b></p>	<p><b>Noah Lekisima</b> was born in 1982; his National ID no is 22558814. He is a holder of Master’s Degree in Business Administration, Bachelor of commerce finance option, CPA. Wealth of Working experience of 22 years. He is the Fund administrator for Samburu county Bursary fund.</p>
 <p><b>Sarah Lenangetai</b></p>	<p><b>Sarah Lenangetai</b>, born in 1985 (ID No. 24387409), she is a dedicatee educator with over 15 years of teaching experience. She holds a Bachelor’s Degree in Education (Science) and Master’s Degree in Human Resource Management. Sarah Serves as the Principal of Baragoi Girls Secondary School and is also a member of Samburu County Education Bursary Committee, Where she represent educational institutions.</p>
 <p><b>Florence Leleshep</b></p>	<p><b>Florence Leleshep</b> was born in 1998; her National ID no 27735417, she is a holder of Certificate in Early Childhood Development and Certificate in Counselling Psychology She is a dedicated community Leader with over 4 years of experience in working with children, persons with disabilities, and marginalized groups. She is the Executive Director of Kimunyak Differently Abled Initiative (KDAI). She is a member of Samburu County Bursary Committee representing PWDs</p>

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**Martha Letitoyia**

**Martha Letitoyia** was born in 2001. Her National ID no is 40079969. She is a holder of a bachelor's degree in journalism from the Catholic University of Eastern Africa.

Served as the president of Samburu University Students Associations

She is a member of Samburu County Bursary Committee Representing Youth.

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**4. Key Management Team**

Name	Details of qualifications and experience
 <p><b>Elijah Oletakai</b></p>	<p><b>Elijah Oletakai</b> was born in 1968; his National ID no is 9052054. He is a teacher by profession and has a vast experience in Education matters of over 23 years. Currently he is the principal of Baragoi Boys Secondary School. He is a holder of Bachelor of arts from The University of Nairobi. Postgraduate Diploma of Education from Egerton University. Master’s in Education: planning &amp; Administration from Laikipia University. Worked in the world of NGOs in top management.</p> <p>He is the Chairperson for Samburu County Bursary Fund.</p>
 <p><b>Leonard Lengewa</b></p>	<p><b>Leonard Lengewa</b> was born in 1978; his National ID no is 21018235. He is a holder of BSc (Hons), he worked as a Senior Manager in NGOs. He has a vast experience in public and private service of over 24 years.</p> <p>He is the Chief Officer of Education for Samburu County Government.</p>
 <p><b>Noah Lekisima</b></p>	<p><b>Noah Lekisima</b> was born in 1982; his National ID no is 22558814. He is a holder of Master’s Degree in Business Administration, Bachelor of commerce finance option, CPA. Wealth of Working experience of 22 years.</p> <p>He is the Fund administrator for Samburu county Bursary fund.</p>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**5. Chairperson's Report**

The Samburu County Bursaries Fund Act, 2015 is an Act of the County Assembly of Samburu enacted to provide for the establishment, management, and administration of the Samburu County Bursaries Fund. The Act empowers the County Government to allocate, manage, and disburse bursaries and related scholarships to support learners across the county.

The purpose of this Fund is to ensure efficient, equitable, and transparent allocation of bursaries to bright but needy students within Samburu County. Through this initiative, the County Government continues to promote inclusive access to education, improve literacy levels, increase school enrolment rates, and reduce school dropout rates.

In the Financial Year 2024/2025, the Fund remained committed to its mandate of empowering learners through financial support. During the period under review, significant resources were mobilized and disbursed to deserving beneficiaries in secondary schools, TVET institutions, colleges, and universities. This consistent investment underscores the County Government's dedication to nurturing the potential of our young people and enabling them to compete favourably at regional and national levels.

In accordance with the Samburu County Bursaries Fund Act, 2015, the Fund is administered through a two-tier committee structure:

County Bursary Fund Committee – comprising 10 members, responsible for overall policy formulation, oversight, and approvals.

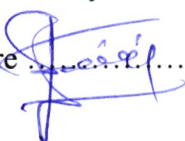
Ward Bursary Committees – each ward has a 7-member committee, tasked with identifying and vetting beneficiaries within their respective wards to ensure equity and fairness in fund distribution.

The composition of both committees complies with constitutional requirements on inclusivity and representation, taking into account gender parity, persons with disabilities (PWDs), and other marginalized groups.

The Fund's operations continue to be guided by the principles of transparency, accountability, and fairness. The Chief Officer for Education and Vocational Training serves as the Secretary to the County Bursary Committee and is a mandatory signatory to the Fund's accounts, alongside the Committee Chairperson and the Fund Administrator (AIE Holder), as stipulated by the Act.

On behalf of the Samburu County Bursary Fund Committee, I wish to express my appreciation to His Excellency the Governor, the County Assembly, the Department of Education, our ward-level committees, and all stakeholders who have supported the Fund's objectives. Together, we are shaping a brighter future for the learners of Samburu County.

Elijah Oletakai  
**Chairperson**  
**Samburu County Bursary Fund**

Signature  ..... Date 11/9/2025

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**6. Report of the Fund Administrator**

Besides the two committees mentioned above, the Samburu County Bursary Fund operates under the oversight of a higher-level body known as the Sub-Cabinet Committee on Education. This committee is primarily responsible for handling education-related matters, including bursary affairs, policy formulation, and strategic alignment of the Fund's objectives with broader county education goals.

The Sub-Cabinet Committee comprises the following members:

1. Deputy Governor – Chairperson
2. CECM – Education and Vocational Training – Secretary
3. Chief Officer – Education and Vocational Training – Member
4. County Secretary – Member
5. Bursary Administrator – Member
6. CECM – Finance – Member

The principal mandate of this committee in relation to the Bursary Fund is to:

- Ensure adequate budgetary allocation in the annual county budget.
- Oversee the policy framework guiding bursary distribution.
- Support transparency and accountability in the disbursement of funds.
- Coordinate with relevant stakeholders to align the bursary program with the county's education priorities.

For the FY 2024/2025, the bursary kitty was allocated Ksh.123,400,000 (One Hundred and Twenty-Three Million Four Hundred Thousand Shillings only) by the Samburu County Government out of which only Kshs.13,096,800 was received by the fund within the year. These funds were disbursed to:

- Secondary Schools
- Middle-Level Colleges and TVET Institutions
- Universities

As stipulated in the Samburu County Bursaries Fund Act, 2015, 75% of the annual allocation was dedicated to the mainstream bursary program to support students at various education levels. The remaining 25% was utilized for special provisions, including:

- Scholarship programs for top-performing students.
- Special bursaries for PWDs and other Vulnerable populations
- Samburu University Students Association (SUSA) annual support
- Administrative costs, capped at 3% of the total allocation, covering committee sittings, monitoring, and operational expenses.

I wish to express my gratitude to:


**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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- His Excellency the Governor and the County Executive for prioritizing education.
- The County Assembly for approving the bursary allocation.
- The County Treasury for timely disbursements.
- The Ward Bursary Committees for their dedication in vetting and recommending beneficiaries.
- All stakeholders and partners who continue to support our vision of providing equitable access to education.

Together, we are making significant strides toward improving literacy levels, retention rates, and transition into higher education across Samburu County.

Noah Lekisima  
**Fund Administrator**  
**Samburu County Bursary Fund**

Signature  Date 11/9/2025

## Samburu County Bursary Fund

### Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025

#### 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 each County Government entity Government entities 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.

The key objectives of the Samburu County Bursary Fund plan for the FY 2024-2025 are to:

- a) Provide bursary for needy students.
- b) Ensure enrolment, retention and transition rates in schools
- c) Provide scholarship for bright students

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Bursary	To support bright and needy students to access quality education	Increased number of students accessing education in the County	96% of students retained in school / transitioned to next level institutions	In FY 24/25 we increased bursary access by 10% for secondary school level.
Scholarship program	To support the best KCPE students in the County and the 3 Sub-counties- A girl and a boy To support bright students to pursue Medical and Engineering courses e.g. Medicine	Increased number of students accessing quality education in the Country Increased number of students pursuing technical courses that lacked in our county.	48 students already in the program and are progressing well	In FY 24/25 we sponsored 4 secondary school students who joined National schools and 16 students who joined universities to undertake the technical courses.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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## **8. Statement of Corporate Governance**

The Samburu County Bursaries Fund Act, 2015 provides the legal framework for the establishment, management, and administration of the Fund. The Fund is governed through a two-tier committee structure to ensure equitable, transparent, and accountable bursary management:

### **Committee Structure**

#### **1. County Bursary Fund Committee – 10 members**

- Provides overall policy direction, oversight, and approvals.
- The Chairperson, Chief Officer – Education, and the Fund Administrator are the mandatory signatories to the Fund’s accounts.

#### **2. Ward Bursary Committees – 7 members per ward (15 wards)**

- Identify, vet, and recommend eligible beneficiaries within their respective wards.
- Ensure fairness and inclusion during beneficiary selection.

### **Committee Operations**

- Ward Committees meet three times a year to:
  - Distribute bursary application forms.
  - Compile and vet applications at the ward level.
  - Submit finalized beneficiary lists to the Sub-County Administrator.
- County Committee meets as needed to:
  - Review applications and approve disbursements.
  - Coordinate fund allocation across wards and institutions.

### **Appointment & Removal**

- Committee members are appointed per the Act by the CEC Member for Education in consultation with H.E. the Governor.
- Members may be removed for:
  - Breach of Chapter Six of the Constitution (integrity issues).
  - Incapacitation or death.

### **Roles & Responsibilities**

- Provide bursary application forms to eligible applicants.
- Compile and maintain up-to-date records of all applicants and beneficiaries.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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- Allocate bursary funds fairly and transparently across wards.

**Compliance & Ethics**

- 3% of the annual budget is set aside for administrative expenses, including committee allowances. All committee members are bound by strict ethical standards, adhering to transparency, accountability, and inclusivity in line with constitutional requirements.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**9. Management Discussion and Analysis**

**1. Introduction**

In FY 2024/2025, the Samburu County Bursary Fund received Ksh.13,096,800 from the County Treasury, which was fully disbursed to secondary schools after deducting the 3% administrative costs. This section provides a comparative review of the Fund's financial and operational performance for FY 2022/2023, FY 2023/2024 and FY 2024/2025.

**2. Financial Performance Summary**

S/No	Description	FY 2022/23			
		Level	No. of Students	Amount per Student	Total Amount
1	Secondary Schools Students		11,549	4,500	51,970,500
2	College Students		3,253	9,000	29,277,000
3	University Students		2,630	12,000	31,560,000
	<b>Totals</b>		<b>17,432</b>		<b>112,807,500</b>

S/No	Description	FY 2023/24			
		Level	No. of Students	Amount per Student	Total Amount
1	Secondary Schools Students		12,345	4,000	49,380,000
2	College Students		3,553	10,000	35,530,000
3	University Students		2,940	15,000	44,100,000
	<b>Totals</b>		<b>18,838</b>		<b>129,010,000</b>

S/No	Description	FY 2024/25			
		Level	No. of Students	Amount per Student	Total Amount
1	Secondary Schools Students		3,639	4,000	17,188,560
2	College Students		419	10,000	4,400,000
3	University Students		352	15,000	4,100,105
	<b>Totals</b>		<b>4,410</b>		<b>25,688,665</b>

**2. Key Highlights**

- FY 2022/2023: A total of Kshs.112,807,500 was disbursed as bursary to various levels of study
- FY 2023/2024: A total of Ksh.129, 010, 000 was allocated to 18,838 students across all education levels.
- FY 2024/2025: Due to reduced funding (Ksh. 13,096,800), the bursary focused entirely on secondary schools, Colleges and Universities
- Administrative costs remained capped at 3% as stipulated by the Samburu County Bursaries Fund Act, 2015.

## **10. Environmental and Sustainability Reporting**

### **1. Sustainability Strategy and Profile**

The Samburu County Bursary Fund is committed to ensuring long-term sustainability in providing educational support while minimizing environmental and social impacts.

- **Strategic Alignment:** The Fund’s strategy aligns with the United Nations Sustainable Development Goals (SDGs), particularly:
  - SDG 4 – Quality Education
  - SDG 13 – Climate Action
- **Achievements:**
  - Steady bursary disbursements supporting thousands of students annually.
  - Partnerships with local communities to enhance equitable distribution of bursary funds.
- **Challenges:**
  - Limited financial resources, resulting in a demand-supply gap.
  - Macroeconomic fluctuations affecting fund availability and planning.

### **2. Environmental Performance**

Although the Fund’s primary focus is education support, it integrates eco-friendly practices into its operations and partners with schools and communities to promote sustainability.

<b>Initiative</b>	<b>Achievements</b>	<b>Future Focus</b>
Paper Reduction	Transition to digital bursary applications and electronic records, cutting paper usage significantly.	Full digitization of bursary processes.
Waste Management	Partnered with schools to promote recycling and proper waste disposal.	Expand awareness campaigns on school waste reduction.
Biodiversity Support	Participated in tree-planting initiatives across schools.	Launch county-wide environmental education projects.

### **3. Employee Welfare and Inclusivity**

The Fund prioritizes equal opportunity, capacity building, and employee well-being.

- **Hiring & Inclusivity:** Recruitment follows gender equality and non-discrimination principles.
- **Skill Development:** Staff benefit from training workshops and performance appraisals to enhance technical and managerial competencies.

## Samburu County Bursary Fund

### Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025

- Occupational Safety: Full compliance with the Occupational Safety and Health Act, 2007 (OSHA) ensures a safe working environment through regular audits and safety training.

#### 4. Marketplace Practices

Area	Approach
Responsible Competition	Zero tolerance to corruption; transparent bursary disbursements backed by audits.
Supplier Relations	Ethical engagement with suppliers; timely contract payments and preference for local vendors.
Public Communication	Clear, transparent bursary announcements; no misleading claims in advertisements.
Product Stewardship	The bursary is administered responsibly with grievance mechanisms for parents and students.

#### 5. Corporate Social Responsibility (CSR) & Community Engagement

The Fund actively contributes to community development, focusing on education, environmental conservation, and social equity.

- Educational Support: Donation of school supplies and learning materials to underprivileged students.
- Environmental Projects: Partnered with local groups to conduct tree-planting drives in schools.
- Charitable Giving: Provided financial and material assistance to orphaned and vulnerable students.
- Community Participation: Held stakeholder engagement meetings involving parents, local leaders, and school administrators to ensure inclusive bursary allocations.

#### 6. Alignment with Sustainable Development Goals (SDGs)

SDG Goal	Fund Contribution
SDG 4 – Quality Education	Funding bursaries and scholarships for bright and needy students.
SDG 5 – Gender Equality	Ensuring balanced access to bursaries for male and female students.
SDG 10 – Reduced Inequalities	Prioritizing marginalized groups, PWDs, and vulnerable households.
SDG 13 – Climate Action	Promoting environmental awareness and supporting tree-planting initiatives.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**11. Report of the Fund Administration Committee**

The Samburu County Bursary Fund Committee (CBC) hereby submits its report together with the audited financial statements for the financial year ended 30<sup>th</sup> June 2025, which fairly present the state of the Fund's affairs.

**Principal Activities**

The principal activity of the Fund is the allocation and disbursement of bursaries and scholarships by the County Government of Samburu to support bright and needy students at various levels of education.

**Results**

The financial performance and position of the Fund for the year ended 30<sup>th</sup> June 2025 are presented in detail on page 1 to page 6 of this report.

**County Bursary Committee (CBC)**

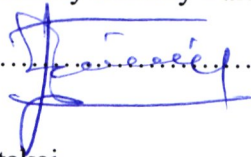
The members of the County Bursary Committee who served during the financial year are listed on pages vi to ix of this report.

**Auditors**

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

Samburu County Bursary Fund

Signature .....



Date: 11/9/2025 .....

Elijah Oletakai

**Chairperson- Samburu County Bursary Fund**

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**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 Samburu 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 Samburu County 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 Samburu County Bursary Fund Act, 2015. 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 Samburu 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 11/9/ 2025 and signed on its behalf by:

Noah Lekisima

  
\_\_\_\_\_  
**Administrator of the Samburu County Bursary Fund**

# REPUBLIC OF KENYA

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HEADQUARTERS  
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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON SAMBURU COUNTY BURSARY FUND FOR THE YEAR ENDED 30 JUNE, 2025

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### PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in 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 Samburu County Bursary Fund set out on pages 1 to 35, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net

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*Report of the Auditor-General on Samburu County Bursary Fund for the year ended 30 June, 2025*

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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Samburu County Bursary Fund as at 30 June, 2025 and 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 Samburu County Bursaries Fund Act, 2015, Samburu County Bursaries Fund (Distribution, Scholarships and Special Bursary) Regulations, 2019 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Cash and Cash Equivalents**

##### **1.1 Unexplained Variance between Reported Cash and Cash Equivalents and Reconciled Cashbook Balance**

The statement of financial position and Note 13 to the financial statements reflects cash and cash equivalents balance of Kshs.761,211. However, the provided bank reconciliation statement for the month of June 2025 reflects a negative balance of Kshs.730,579, resulting in an unexplained variance of Kshs.1,491,790.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.761,211 could not be confirmed.

##### **1.2 Unauthorized Bank Overdraft**

Review of the certificate of bank balance as at 30 June, 2025 revealed a bank overdraft of Kshs.577,293, while the reconciled cashbook reflected a negative balance of Kshs.730,579. The deficit arose due to the issuance of cheques whose cumulative value exceeded the available funds in the Fund's bank account. The overdraft constituted short-term borrowing that was not procedurally authorized by the County Assembly as per Section 142(1) of the Public Finance Management Act, 2012.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.761,211 and regularity of the bank overdraft could not be confirmed.

##### **1.3 Failure to Prepare Monthly Bank Reconciliations**

The statement of financial position and Note 13 to the financial statements reflect cash and cash equivalents balance of Kshs.761,211. However, the Fund did not prepare monthly bank reconciliations statements throughout the financial year except for the month of June 2025. This was contrary to Regulation 90(1) of the Public Finance

Management (County Governments) Regulations, 2015 which requires Accounting Officers to ensure that bank reconciliation statements are prepared for each bank every month and submitted to the County Treasury with a copy to the Auditor-General.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.761,211 could not be confirmed.

## **2. Un-accounted for Cash Withdrawals**

The statement of financial performance and Note 12 to the financial statements reflect use of goods and services expenditure amounting to Kshs.4,878,076. Review of the supporting ledger and bank statements revealed that Management made three (3) cash withdrawals amounting to Kshs.907,800. However, no supporting documentation or evidence was provided for audit review to confirm the purpose, utilization, or activities funded by the withdrawals.

In the circumstances, the regularity of the cash withdrawals amounting to Kshs.907,800 could not be confirmed.

## **3. Variance in Transfers from the County Government**

The statement of cash flows reflect transfers from the County Government amounting to Kshs.13,096,800. However, Note 13 to the financial statements of the County Executive of Samburu discloses transfers to the Fund totaling Kshs.68,758,637, resulting in an unexplained and unreconciled variance of Kshs.55,661,837.

In the circumstances, the accuracy and completeness of transfers from the County Government amounting to Kshs.13,096,800 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Samburu County Bursary 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**

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

The statement of comparison of budget and actual amounts reflect final receipts budget and actual amounts on a comparable basis of Kshs.123,400,000 and Kshs.23,240,550 respectively, resulting to a shortfall of Kshs.100,159,450, or 81% of the budget.

The shortfall in receipts and the under-funding affected the planned activities and may have impacted negatively on service delivery to the constituents.

My opinion is not modified in respect of this matter.

## **Key Audit Matters**

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

## **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the report on financial statements and report on lawfulness and effectiveness in use of public resources. The following matters remained unresolved:

1. Unsupported Bursary Transfers
2. Irregular Allocation of Bursary
3. Unsupported Cash Withdrawals
4. Unsupported Scholarship Grants
5. Budgetary Control and Performance
6. Over Expenditure on Administration Expenses

## **Other Information**

Management is responsible for the Other Information set out on page iii to xxi which comprise of Key Entity Information and Management, Fund Administration Committee, Key Management Team, Chairperson's Report, 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 Fund Administration 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 USE OF PUBLIC RESOURCES**

## **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for effect of the matters described in the Basis for Conclusion on

Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

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

During the year under review, the Fund Administrator did not prepare or submit any quarterly financial statements. This is contrary to Section 168(1) of the Public Finance Management Act, 2012 which requires the Administrator of a County Public Fund established by the Constitution, an Act of Parliament or County legislation, to prepare quarterly financial statements for the Fund in a form prescribed by the Accounting Standards Board. Further, there were no records indicating that the quarterly reports were submitted to the County Treasury, with a copy to the Controller of Budget, contrary to Section 168(3) of the Public Finance Management Act, 2012.

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

### **2. Irregular Bursary Disbursements**

The statement of financial performance and Note 10 to the financial statements reflect bursary transfers balance of Kshs.25,688,665. However, review of the beneficiary records revealed the following anomalies:

- i. Management did not provide any minutes of meetings either at the County Bursary Committee or Ward Bursary Committees levels to demonstrate the beneficiaries vetting, selection, or allocation of bursary awards. This was in contravention of Section 13(1) of the Samburu County Bursary Fund Act, 2015.
- ii. Students with identical admission numbers and names received duplicate bursary allocations, resulting to irregular double disbursements totaling Kshs.1,813,900.
- iii. Bursary totaling Kshs.517,700 was disbursed to one hundred and seven (107) students who shared admission numbers yet were listed as different individuals but in the same Institutions.
- iv. Bursary disbursed to eleven (11) students of Kshs.105,000 in secondary schools and colleges were not supported with student's admission letters and numbers and therefore the applications were not done as per Section 18(2) and 19(b) of the Samburu County Bursary Fund Act, 2015.
- v. Bursary transfers amounting to Kshs.18,979,013, representing 74% of total transfers of Kshs.25,688,665 during the year were not formally acknowledged by the respective learning institutions.
- vi. There was no evidence that the County Bursary Committee maintains a comprehensive database of all bursary beneficiaries or conducts any follow-up or monitoring of the academic progress of the funded students. This is contrary to the requirements of Section 7(1)f of the Samburu County Bursary Fund Act, 2015.

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

### **3. Over-Expenditure on Administration Expenses**

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects use of goods and services balance of Kshs.4,878,076. Included in this amount is Kshs.2,136,000 in respect to committee allowances, representing 7% of the Fund's total expenditure of Kshs.30,566,741 resulting to over-expenditure of Kshs.1,218,998 in administration expenses over the three percent (3%) limit of Kshs.917,002. This was contrary to Regulation 3(1) of the Samburu County Bursaries Fund (Distribution, Scholarships and Special Bursary) Regulations, 2019 which sets out the distribution of the fund at 75% as mainstream bursary allocated equitably per ward, 22% as special bursary and scholarships and 3% administrative costs.

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

The audit was conducted in accordance with ISSAIs 3000 and 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**

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 matters 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**

#### **1. Lack of Risk Management Policy**

Audit review revealed that Management had not developed a Risk Management Policy to guide the identification, assessment, and mitigation of financial, operational, and compliance risks during the year under review. This is contrary to Regulation 158(1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015, which require Accounting Officers to establish risk management strategies, including fraud prevention mechanisms and internal controls aimed at ensuring effective and resilient business operations.

In the circumstances, the effectiveness of internal controls within the Fund's financial and operational systems could not be confirmed.

## **2. Lack of Internal Audit Function**

During the year under review, the Fund did not have an internal audit arrangement, as no internal audit reports were provided for audit verification. This is contrary to Section 155(1)(a) of the Public Finance Management Act, 2012, which requires every County Government entity to establish appropriate arrangements for conducting internal audit in accordance with guidelines issued by the Accounting Standards Board.

In the circumstances, the effectiveness of internal controls, risk management and governance could not be confirmed.

The audit was conducted in accordance with ISSAIs 2315 and 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 Management and the 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**

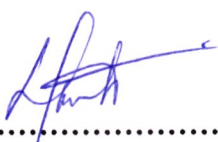
**19 November, 2025**

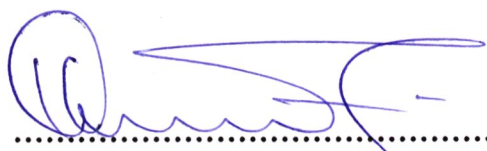
**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**14. Statement of Financial Performance for the Year Ended 30<sup>th</sup> June 2025**

	Note	FY2024/2025	FY2023/2024
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
Transfers from the County Government	6	123,400,000	133,000,000
Public contributions/Donations-Refund	7	-	1,601,000
Finance income	8		
<b>Revenue from exchange transactions</b>			
Other income	9	10,143,750	7,548,254
<b>Total revenue</b>		<b>133,543,750</b>	<b>142,149,254</b>
<b>Expenses</b>			
Bursary Transfers	10	25,688,665	121,984,091
Scholarship grants	11	-	4,173,129
Use of Goods and services	12	4,878,076.	7,460,143
<b>Total expenses</b>		<b>30,566,741</b>	<b>133,617,363</b>
<b>Surplus/(deficit) for the period</b>		<b>102,977,009</b>	<b>8,531,891</b>

*(The notes set out on pages 9 to 28 form an integral part of these Financial Statements)*

  
 .....  
**Name: Noah Lekisima**  
**Bursary Fund Administrator**


  
 .....  
**Name: Robert K Mwangi**  
**Fund Accountant**  
**ICPAK Member Number: 29587**

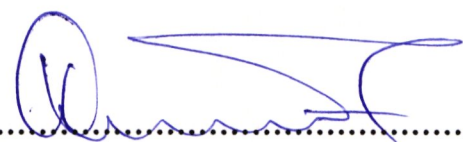
**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**15. Statement of Financial Position as at 30<sup>th</sup> June 2025**

	Note	FY2024/2025	FY2023/2024
		KShs	KShs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	13	761,211	8,087,402
Non-Exchange Receivables	14	110,303,200	-
Exchange Receivables	15		
<b>Total current assets</b>			
<b>Total Assets (A)</b>		<b>111,064,411</b>	<b>8,087,402</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	16	-	-
<b>Total current liabilities</b>			
		-	-
<b>Total Liabilities (B)</b>		-	-
<b>Net Asset (A-B)</b>			
		-	-
<b>Represented By:</b>			
Accumulated Surplus		<b>111,064,411</b>	<b>8,087,402</b>
<b>Net Assets</b>		<b>111,064,411</b>	<b>8,087,402</b>

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 11/9 2025 and signed by:

  
 .....  
**Name: Noah Lekisima**  
**Bursary Fund Administrator**

  
 .....  
**Name: Robert K Mwangi**  
**Fund Accountant**  
**ICPAK Member Number: 29587**

**Samburu County Bursary Fund**

**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**16. Statement of Changes in Net Assets for the year ended 30<sup>th</sup> June 2025**

	<b>Revolvin g Fund</b>	<b>Revaluation Reserve</b>	<b>Accumulated surplus</b>	<b>Total</b>
		<b>KShs</b>	<b>KShs</b>	<b>KShs</b>
<b>Balance as at 1 July 2023</b>	-	-	<b>-444,490</b>	<b>-444,490</b>
Surplus/(deficit) for the period	-	-	<b>8,531,891</b>	<b>8,531,891</b>
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
<b>Balance as at 30 June 2024</b>	-	-	<b>8,087,402</b>	<b>8,087,402</b>
<b>Balance as at 1 July 2024</b>		-	8,087,402	8,087,402
Surplus/(deficit) for the period	-	-	102,977,009	102,977,009
Funds received during the year			-	-
Revaluation gain	-	-	-	-
<b>Balance as at 30 June 2025</b>	-	-	<b>111,064,411</b>	<b>111,064,411</b>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**17. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2025**

	No te	FY2024/2025	FY2023/2024
		KShs	KShs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the County Government		13,096,800	133,000,000
Interest received		-	-
Receipts from other operating activities		10,143,750	9,149,254
<b>Total Receipts</b>		<b>23,240,550</b>	<b>142,149,254</b>
<b>Payments</b>			
Fund administration expenses		4,267,845	6,812,800
Bursary Disbursements		25,688,665	126,157,120
Finance cost		610,231	647,343
<b>Total Payments</b>		<b>30,566,741</b>	<b>133,617,363</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable			
Increase/(Decrease) in Accounts Payable			
<b>Net cash flows from operating activities</b>	12	<b>-7,326,191</b>	<b>8,531,891</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		-	-
Proceeds from sale of property, plant and equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out		-	-
<b>Net cash flows used in investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>-</b>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

		-	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>-7,326,191</b>	<b>8,531,891</b>
Cash and cash equivalents at 1 JULY	9	<b>8,087,401</b>	-444,490
<b>Cash and cash equivalents at 30 JUNE</b>	<b>9</b>	<b>761,210</b>	<b>8,087,401</b>

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

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30<sup>th</sup> June 2025**

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilisation
	KShs	KShs	KShs	KShs	KShs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
<b>Revenue</b>						
Transfers from the County Government	123,400,000	-	123,400,000	13,096,800	110,303,200	11%
Public Contributions and Donations-Refund	-					
Finance Income						
Other receipts	-		0	10,143,750	(10,143,750)	
<b>Total income</b>	<b>123,400,000</b>	<b>-</b>	<b>123,400,000</b>	<b>23,240,550</b>	<b>100,159,450</b>	<b>19%</b>
<b>Expenses</b>						
Bursary Transfers	92,550,000	-	92,550,000	25,688,665	66,861,335	28%
Scholarship grants	27,148,000	-	27,148,000	0	27,148,000	0%
Use of Goods and Services	3,702,000	-	3,702,000	4,878,076	(1,176,076)	132%
<b>Total expenditure</b>	<b>123,400,000</b>	<b>-</b>	<b>123,400,000</b>	<b>30,566,741</b>	<b>92,833,259</b>	<b>25%</b>
<b>Surplus for the Period</b>				<b>-7,326,191</b>	<b>7,326,191</b>	

**Budget notes**

*(Budget carryovers\* This is for entities whose budget lapses at year-end, but the surpluses are not legally required to be remitted to the CRF. Budget carryovers should not include third-party funds such as contractors' retention.)*

**1. Comments on Significant Underutilization**

(As required under IPSAS 24.14, utilization rates below 90% must be explained.)

- Transfers from County Government (11% utilization): The Fund received KShs. 13,096,800 against a budgeted allocation of KShs. 123,400,000. The significant shortfall (KShs. 110,303,200) arose due to delayed disbursements from the County Treasury as a result of delayed exchequer releases.
- Bursary Transfers (28% utilization): Out of the KShs. 92,550,000 budgeted for bursaries, only KShs. 25,688,665 was disbursed. This was directly linked to the reduced funding from the County Government, resulting in fewer beneficiaries supported during the period.
- Scholarship Grants (0% utilization): No funds were disbursed for scholarship grants during the year despite a budget of KShs. 27,148,000, as priority was given to secondary school bursaries due to limited funds availability.

**2. Overutilization of Expenditure**

- Use of Goods and Services (132% utilization): Expenditure exceeded the allocated budget by KShs. 1,176,076. The overrun was mainly attributed to:
  - Higher administrative expenses associated with bursary processing.
  - Increased costs for printing, verification, monitoring, and reporting activities.
  - Additional operational requirements arising from compliance with audit and IPSAS reporting standards

*1. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)*

**Budget Reconciliation**

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	(7,326,191)
1	Opening Cash and Cash Equivalent 1 <sup>st</sup> July 2024	8,087,401

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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	Closing Cash and Cash Equivalent as per the statement of Cash flows	761,211
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**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**19. Notes to the Financial Statements**

**Significant Accounting Policies**

**1. General Information**

The Samburu County Bursary Fund was established and operates under the provisions of the Samburu County Bursaries Fund Act, 2015. The Fund derives its authority and accountability from this Act and is wholly owned and managed by the Samburu County Government.

The Fund is domiciled in Kenya and its principal office is located at the Samburu County Headquarters, Maralal Town.

The primary function of the Fund is to allocate and disburse bursaries and scholarships to bright and needy students within Samburu County to promote access to education and reduce school dropout rates.

**2. Statement of compliance and basis of preparation**

The Samburu County Bursary Fund's financial statements for the financial year ended on 30<sup>th</sup> June 2025, have been prepared in accordance with, and comply fully with, the International Public Sector Accounting Standards (IPSAS) as issued by the Public Sector Accounting Standards Board (PSASB) in Kenya.

**a) Compliance**

These financial statements:

- Comply with the IPSAS accrual basis of accounting.
- Are prepared in the formats prescribed by PSASB in accordance with the Public Finance Management Act, 2012.
- Consistently apply accounting policies for all the years presented, ensuring comparability of financial information.

**b) Basis of Preparation**

- **Functional and Reporting Currency:** The financial statements are presented in Kenya Shillings (Kshs), which is both the functional and reporting currency of the Fund.
- **Historical Cost Basis:** Unless otherwise stated, the statements have been prepared on a historical cost basis.
- **Accrual Basis of Accounting:** Revenue and expenses are recognized when earned or incurred, not when received or paid, in compliance with IPSAS.
- **Cash Flow Statement:** The direct method has been applied in presenting the statement of cash flows, showing major classes of gross cash receipts and payments.

**3. Adoption of new and revised standards**

**(i) New and Amended Standards and Interpretations Effective in FY 2024/2025**

## Samburu County Bursary Fund

### Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025

There were no new or amended IPSAS standards issued or adopted during the financial year ended 30<sup>th</sup> June 2025 that had a material impact on the Fund's financial statements.

#### (ii) New and Amended Standards and Interpretations Issued but Not Yet Effective

The following standards and amendments have been issued by the International Public Sector Accounting Standards Board (IPSASB) but are not yet effective for the financial year ended 30<sup>th</sup> June 2025. The Fund has not early-adopted these standards and their potential impacts are disclosed below:

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43 Leases	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of a fund.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>No impact on the Fund's current financial statements as the Fund does not engage in significant leasing arrangements</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>Impact: Not applicable, as the Fund does not hold significant non-current assets.</p>
IPSAS 45- Property Plant and Equipment	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has 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</p>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

Standard	Effective date and impact:
	<p>infrastructure assets.</p> <p>No current impact since the Fund's activities does not involve significant tangible assets</p>
<p>IPSAS 46 Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>No impact in the current year, but the Fund will assess applicability going forward.</p>
<p>IPSAS 47- Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>No immediate impact; the Fund will comply upon adoption.</p>
<p>IPSAS 48- Transfer Expenses</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>Not applicable at present but may be relevant in future disbursements.</p>
<p>IPSAS 49- Retirement Benefit Plans</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>No impact since the Fund does not operate a retirement benefit scheme</p>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**(i) Early adoption of standards**

The Entity did not early – adopt any new or amended standards in the financial year 2024/2025

**Summary of Significant Accounting Policies**

**a) Revenue recognition**

Revenue is recognized in accordance with the International Public Sector Accounting Standards (IPSAS), specifically IPSAS 23 for non-exchange transactions and IPSAS 9 for exchange transactions.

**(i) Revenue from Non-Exchange Transactions (Transfers)**

Revenues from non-exchange transactions are measured at fair value and are recognized when control of the asset is obtained provided that:

- The transfer is free from conditions;
- It is probable that the economic benefits or service potential associated with the asset will flow to the Fund; and
- The fair value of the asset can be measured reliably.

For the Samburu County Bursary Fund, this primarily includes allocations and disbursements from the Samburu County Treasury under the Samburu County Bursaries Fund Act, 2015, as well as any grants or donations from other governmental or development partners, where applicable.

**(ii) Revenue from Exchange Transactions (Interest Income)**

Interest income is recognized using the effective interest rate (EIR) method. Under this method:

- The effective yield discounts estimated future cash receipts over the expected life of the financial asset to its net carrying amount.
- This yield is applied to the principal outstanding to determine the interest income for each period.

Where the Fund earns interest on bursary fund balances or bank deposits, such income is recognized on an accrual basis in the period in which it is earned.

**b) Budget information**

The original budget for the financial year 2024/2025 was approved by the Samburu County Assembly on 20<sup>th</sup> June 2024. Where necessary, subsequent revisions or additional appropriations were made during the year in accordance with approvals from the relevant authorities

Any additional appropriations are incorporated into the original budget upon approval, enabling the Fund to establish the final revised budget for the financial year. For FY 2024/2025,

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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the Samburu County Bursary Fund did not record any additional appropriations beyond the amount initially approved.

**Basis of Preparation**

- The financial statements are prepared on the accrual basis using a classification based on the nature of expenses in the Statement of Financial Performance.
- Conversely, the approved budget is prepared on a cash basis, in accordance with the Public Finance Management Act, 2012.

To enable comparability between the budget and the actual financial performance:

1. Recasting Adjustments are made to convert financial statement amounts from the accrual basis to the cash basis.
2. Reclassification Adjustments are applied to align differences in formats and classification schemes between the approved budget and the financial statements.

**Statement of Comparison**

A Statement of Comparison of Budget and Actual Amounts are presented in these financial statements on a comparable basis with the approved budget.

Additionally, reconciliation between:

- The actual amounts on a comparable basis, as presented in the Statement of Comparison of Budget and Actual Amounts, and
- The actual amounts reported in the Statement of Financial Performance,

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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**c) Financial instruments**

The Fund applies the requirements of IPSAS 41 – Financial Instruments, which governs the classification, measurement, impairment, and derecognition of financial assets and financial liabilities.

**(i) Definition**

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.

For the Samburu County Bursary Fund, financial instruments primarily comprise:

- Financial assets: cash and cash equivalents, receivables from the Samburu County Treasury, and other recoverable amounts.
- Financial liabilities: payables and accrued expenses relating to bursary disbursements and administrative costs.

**(ii) Initial Recognition and Measurement**

At initial recognition, financial assets and financial liabilities are measured at fair value.

- For financial instruments not measured at fair value through surplus or deficit, transaction costs directly attributable to the acquisition or issue of the asset or liability are added to or deducted from the initial measurement.
- Subsequent measurement is based on the instrument's classification as per IPSAS 41.

**(iii) Hedge Accounting**

The Fund does not currently enter into hedge relationships. Accordingly, the new hedge accounting rules introduced under IPSAS 41 have no impact on the Fund's financial statements.

**(iv) Impairment of Financial Assets**

In line with IPSAS 41, the Fund assesses its financial assets for impairment at the end of each reporting period using the expected credit loss model.

- For cash balances and receivables due from the Samburu County Treasury, the credit risk is considered minimal; hence, no impairment losses have been recognized for the year ended 30<sup>th</sup> June 2025.

**(i) Financial assets**

**Classification of financial assets**

The Fund 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 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 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 fund recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 20*

**Financial liabilities**

**Classification**

The 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 Samburu 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 Samburu 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.

**e) Contingent liabilities**

Samburu 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.

**f) Contingent assets**

Samburu 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 Samburu 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

## **Samburu County Bursary Fund**

### **Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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

#### **h) Changes in accounting policies and estimates**

The Samburu 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.

#### **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 Samburu County 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 Fund, or vice versa. Members of key management are regarded as related parties and comprise the Chief Officer-Education, the Chairperson-CBC and the Fund Administrator.

#### **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 Samburu County 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.

**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 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. Additional disclosure of these estimates of provisions is included in Note xxx.

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.

**4 Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**6. Transfers from the County Government**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Transfers From County Treasury	123,400,000	133,000,000.00
Others ( <i>Specify</i> )	-	-
<b>Total</b>	<b>123,400,000</b>	<b>133,000,000.00</b>

**7. Public Contributions and Donations**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From the Public-Refund	-	1,601,000.00
Others ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>1,601,000.00</b>

**8. Finance income**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Interest Income on Bank Deposits	-	-
Others ( <i>Specify</i> )	-	-
<b>Total finance income</b>	<b>-</b>	<b>-</b>

**9. Other income**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Cheque write backs	10,143,750	7,548,254
Others ( <i>Specify</i> )	-	-
<b>Total Other Income</b>	<b>10,143,750</b>	<b>7,548,254</b>

(NB: All income should be classified as far as possible in the relevant classes and other income should be used to recognise income not elsewhere classified. Disclose write backs if any or recoveries from write offs).

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**10. Bursary Transfers**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Universities	4,100,105	40,745,800
TVETs and Colleges	4,400,000	36,131,535
Secondary schools	17,188,560	45,063,456
Other ( <i>Specify</i> )	-	43,300
<b>Total</b>	<b>25,688,665</b>	<b>121,984,091.00</b>

**11. Scholarship grants**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Universities	-	4,173,129
TVETs and Colleges	-	-
Secondary schools	-	-
Other ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>4,173,129</b>

**12. Use of Goods and Services**

Description	FY2024/2025	FY2023/2024
	Kshs.	Kshs.
Committee Allowances	2,136,000	6,812,800.00
Bank charges	610,231	647,342.60
Audit fees	-	-
Other (Printing, conference, courier)	2,131,845	-
<b>Total</b>	<b>4,878,076</b>	<b>7,460,142.60</b>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**13. Cash and cash equivalents**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Current Account	761,211	8,087,401
Others ( <i>Specify</i> )	-	-
<b>Total Cash and Cash Equivalents</b>	<b>761,211</b>	<b>8,087,401</b>

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

Financial Institution	Account number	FY2024/2025	FY2023/2024
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial bank	1169663761	761,211	8,087,401
<b>Sub- Total</b>		<b>761,211</b>	<b>8,087,401</b>
<b>b) Others (Specify)</b>			
Cash In Transit		-	-
Cash In Hand		-	-
<b>Sub- Total</b>		<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>761,211</b>	<b>8,087,401</b>

**14. Non-Exchange Receivables**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Revenue receivable	110,303,200	-
Others ( <i>Specify</i> )	-	-
<b>Total non-exchange receivables</b>	<b>110,303,200</b>	<b>-</b>

**15. Exchange Receivables**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Interest receivable	-	-
Others ( <i>Specify</i> )	-	-
<b>Total exchange receivables</b>	<b>-</b>	<b>-</b>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**16. Trade and other payables**

Description	FY2024/2025		FY2023/2024	
	Kshs		Kshs	
Trade Payables	-		-	
Other Payables ( <i>specify</i> )	-		-	
<b>Total Trade and Other Payables</b>	-		-	
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	-	%	-	%
<b>Total (tie to above total)</b>	-		-	

**17. Cash generated from operations.**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year</b>	-	-
<b>Adjusted For:</b>		
<b>Working Capital Adjustments</b>		
Increase In Receivables	-	-
Increase In Payables	-	-
<b>Net Cash Flow from Operating Activities</b>	-	-

*(The total of this statement should tie to the cash flow section on net cash flows from operating activities)*

**18. Related party balances****a) Nature of related party relationships**

Entities and other parties related to the Fund/Scheme 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/scheme is related to the following entities:

- a) The County Government.
- b) Key management.
- c) Board of Trustees, etc.

**b) Related party transactions**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Transfers from related parties	13,096,800	133,000,000
Transfers to related parties	-	-

**c) Key management remuneration**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Bursary Committee	2,108,000	6,812,800
<b>Total</b>	-	-

**d) Due from related parties**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Due From County Government	110,303,200	-
<b>Total</b>	-	-

**Other Disclosures Continued**

**e) Due to related parties**

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Due to County Government	-	-
Due to Key Management Personnel	-	-
<b>Total</b>	-	-

**19. Contingent assets and contingent liabilities**

Contingent Liabilities	FY2024/2025	FY2023/2024
	Kshs	Kshs
Court Case xx Against the Fund/Scheme	-	-
Bank Guarantees	-	-
<b>Total</b>	-	-

**20. Financial risk management**

The Fund/Scheme'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/Scheme 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/Scheme's financial risk management objectives and policies are detailed below:

**a) Credit risk**

The Fund/Scheme 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:

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2025</b>				
Receivables From Non-Exchange Transactions	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June 2024</b>				
Receivables From Non-Exchange Transactions	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-

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

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The board of trustees sets the Fund/Scheme'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/Scheme 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.

The table below represents cash flows payable by the Fund/Scheme under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2025</b>				
Trade Payables	-	-	-	-
Current Portion of Borrowings	-	-	-	-
Provisions	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30 June 2024</b>				
Trade Payables	-	-	-	-
Current Portion of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-

**c) Market risk**

The Fund/Scheme has put in place an internal audit function to assist it in assessing the risk faced by the Fund/Scheme 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/Scheme's finance department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

There has been no change to the entity's exposure to market risks or the manner in which it manages and measures the risk.

**i. Foreign currency risk**

The Fund/Scheme has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate.

The carrying amount of the entity's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Description		Other	Total
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**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

	currencies		
	Kshs	Kshs	Kshs
<b>At 30 June 2025</b>			
Cash	-	-	-
Debtors/ Receivables	-	-	-
<b>Liabilities</b>			
Trade And Other Payables	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-

*The Fund manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.*

**Foreign currency sensitivity analysis**

The following table demonstrates the effect on the Fund/Scheme's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the two main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
		Kshs	Kshs
<b>2024/2025</b>			
Euro	10.00%	-	-
USD	10.00%	-	-
Other ( <i>Specify</i> )	10.00%	-	-
<b>2022/2023</b>			
Euro	10.00%	-	-
USD	10.00%	-	-
Other ( <i>Specify</i> )	10.00%	-	-

**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/Scheme to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund/Scheme'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.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**Sensitivity analysis**

The Fund/Scheme analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (20xx: Kshs xxx ). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (20xx-1 – Kshs xxx).

**d) Capital risk management.**

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

Description	FY2024/2025	FY2023/2024
	Kshs	Kshs
Accumulated surplus	-	-
<b>Total funds</b>	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
<b>Gearing</b>	%	%

**21. Events after the reporting period**

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

**22. Currency**

The financial statements are presented in Kenya Shillings (Kshs)

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 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)
OAG/UERO/SMBRU CNTY/BUR.FUND/2022-2023/(07)	<p><b>Unsupported Bursary Transfers</b> The statement of financial performance reflects bursary transfers amount of Kshs.121, 984,091 as disclosed in Note 10 to the financial statements. However, an analysis of the bursary transfers to various learning institutions in the year under review revealed that, bursary transfers amounting to Kshs.43, 386,511 were not acknowledged by the learning institutions. In addition, acknowledgment letters for bursaries transferred to nine (9) learning institutions amounting to Kshs.13,636,000 were in</p>	<p>The management acknowledges the audit concerns raised regarding unsupported bursary transfers amounting to Kshs.44,130,511, and wishes to respond as follows:</p> <ol style="list-style-type: none"> <li>1. <b>Acknowledgment Letters for Kshs.43,386,511:</b> <ul style="list-style-type: none"> <li>○ The management has since obtained <b>acknowledgment letters</b> from the respective learning institutions for the bursary amounts disbursed.</li> <li>○ These letters, previously unavailable at the time of audit, have now been compiled and attached as</li> </ul> </li> </ol>	Not Resolved	To be resolved once senate invites the management

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 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)
	<p>block figures and did not contain the list of individual student's beneficiaries.</p> <p>Further, an amount of Kshs.744, 000 transferred to eighty (80) students in secondary schools, universities and colleges were not supported with student admission letters and numbers.</p> <p>In the circumstances, the accuracy and completeness of bursary transfers amounting to Kshs.44,130,511 could not be confirmed</p>	<p><b>Annex 1</b> for verification.</p> <p>2. <b>Block Acknowledgments Figure - Kshs.13,636,000:</b></p> <ul style="list-style-type: none"> <li>○ It is true that acknowledgment letters from nine (9) institutions listed bursary transfers in bulk figures without individual student breakdown.</li> <li>○ However, we have since liaised with these institutions and obtained <b>certified lists of individual beneficiaries</b>, now attached as <b>Annex 2</b>. These include each student's name, admission number, and amount allocated.</li> </ul> <p>3. <b>Unsupported Student</b></p>		

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 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)
		<p><b>Records – Kshs.744,000:</b></p> <ul style="list-style-type: none"> <li>○ The list of 80 students who were initially flagged for lacking admission details has been reviewed.</li> </ul> <p>We have now compiled and attached the <b>correct admission numbers and supporting student records</b></p>		
	<p><b>Irregular Award of Bursaries</b> The statement of financial performance reflects bursary transfers amount of Kshs.121, 984, 091 as disclosed in Note 10 to the financial statements. Review of the ledgers supporting the balances revealed that forty-four (44) students were allocated bursaries twice totaling</p>	<p>The management takes note of the audit observation on the irregular double allocation of bursary funds amounting to Kshs.559,000 to forty-four (44) students during a single assessment cycle, and responds as follows:</p> <ol style="list-style-type: none"> <li>1. <b>Acknowledgment of the Issue:</b> <ul style="list-style-type: none"> <li>○ The management confirms that the identified students indeed received bursary allocations more than once in the same cycle. This</li> </ul> </li> </ol>	Not Resolved	To be resolved once senate invites the management

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 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)
	<p>to Kshs.559, 000 out of a single assessment and which amounts to irregular use of public funds.</p> <p>In the circumstances, the accuracy and completeness of bursaries amounting to Kshs.559, 000 could not be confirmed.</p>	<p>anomaly arose due to in addition to the mainstream County Bursary Fund; Members of County Assembly (MCAs) also issue allocations from the Ward Development Fund (WDF).</p> <ul style="list-style-type: none"> <li>○ This parallel funding mechanism has, in some cases, resulted in the same student receiving two bursary tranches, sometimes with different award amounts</li> <li>○ Notably, the students who benefited from the double allocations were among the <b>most vulnerable and needy</b>, as confirmed during sub-county vetting sessions. Attached as <b>Annex 4</b> is the list of those</li> </ul>		

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 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)
		<p style="text-align: right;">beneficiaries</p> <p>2. <b>Preventive Measures Going Forward:</b></p> <ul style="list-style-type: none"> <li>○ Implementation of a <b>centralized bursary management database</b> that will automatically flag duplicate entries before final processing.</li> <li>○ <b>Capacity building of bursary vetting sub-committees</b> to enhance diligence, fairness, and compliance during assessment and allocation.</li> </ul> <p>3. <b>Oversight and Monitoring:</b></p> <ul style="list-style-type: none"> <li>○ The department has assigned specific officers to conduct periodic audits and verification of beneficiary lists.</li> <li>○ A <b>bursary audit checklist</b> will be used in every</li> </ul>		

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 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)
		<p>disbursement cycle to ensure adherence to established guidelines and transparency standards.</p> <p>The management reiterates its commitment to prudent and equitable utilization of public funds, and assures that measures have been instituted to ensure that such irregularities do not recur in future bursary disbursements.</p>		

**Guidance Notes:**

- (i) Use the same reference numbers as contained in the external audit report.
- (ii) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management.
- (iii) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your Fund responsible for the implementation of each issue.
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report.

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

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Noah Lekisima sign:  .....

**Bursary Fund Administrator**

Date..... 11/19/2025 .....

**Samburu County Bursary Fund  
Annual Report and Financial Statements for the Year Ended June 30<sup>th</sup>, 2025**

**Annex II: Inter-Entity Confirmation Letter**

Name of transferring entity: **Samburu County Government Treasury**

Name of beneficiary entity: **Samburu County Bursary Fund**

Confirmation of amounts received by Samburu County Bursary Fund as at 30 <sup>th</sup> June 2025						
Reference Number	Date Disbursed	Amounts Disbursed by Samburu County Treasury (Kshs) as at 30 <sup>th</sup> June 2025			Amount Received by Samburu County Bursary Fund (Kshs) as at 30 <sup>th</sup> June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
REC/0000064947	19/09/2024	13,096,800		13,096,800	13,096,800	
<b>Total</b>		<b><u>13,096,800</u></b>		<b><u>13,096,800</u></b>	<b><u>13,096,800</u></b>	

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

**Head of Accounts Department - Disbursing Entity:**  
 Name ..... *Simon Jeping* ..... Sign ..... *[Signature]* ..... Date ..... *11.9.25* .....

**Head of Accounts Department - Beneficiary Entity:**  
 Name ..... *ROBERT K. MWANGI* ..... Sign ..... *[Signature]* ..... Date ..... *11/09/2025* .....