

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**



**OF**

**THE AUDITOR-GENERAL**

**ON**

**SAMBURU COUNTY BURSARY FUND**

**FOR THE YEAR ENDED  
30 JUNE, 2024**

PAPERS LAID	
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COMMITTEE	
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**SAMBURU COUNTY GOVERNMENT**  
**SAMBURU COUNTY BURSARY FUND**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**JUNE 30, 2024**

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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, 2024.**

Table of Content

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	ix
5. Chairman's Report	x
6. Report of the Fund Administrator	xi
7. Statement of Performance against Predetermined Objectives for FY 2023/2024	xii
8. Statement of Corporate Governance	xiv
9. Management Discussion and Analysis	xv
10. Environmental and sustainability reporting	xvi
11. Report of the Fund Administration Committee	xviii
12. Statement of Management's Responsibilities	xix
13. Report of the Independent Auditor on the Financial Statements	xxi
14. Statement of Financial Performance for the Year Ended 30 <sup>th</sup> June 2024	22
15. Statement of Financial Position as at 30 June 2024	23
16. Statement of Changes in Net Assets for the year ended 30 <sup>th</sup> June 2024	24
17. Statement of Cash Flows for the Year Ended 30 June 2024	25
18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30 <sup>th</sup> June 2024	27
19. Notes to the Financial Statements	29
20. Annexes	47

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**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>
<i>CBC</i>	<i>County Bursary Committee</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, 2024.**

**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	Parari Lemooge
2	Chief Officer-Education	Leonard Lengewa
3	Chief Officer-Finance	Solomon Letirok
4	Member	Mark Egelan
5	Member-Gender	Mevice Leshore
6	Member-PWDs Rep	Peter Bokosh
7	Member-Faith Based	Timothy Lenduda
8	Member-Students Rep	Everlyne Lekashango
9	Member	Marios Leterewa
10	Member	Kinya Magambo
11	Fund Administrator	Benjamin Leitore

**d) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

Ref	Position	Name
1	Fund Administrator	Benjamin Leitore
2	Chief Officer-Education	Leonard Lengewa
3	Chairperson	Parari Lemooge
4	Fund Accountant	

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**Key Entity and Management (Continued)**

**e) Fiduciary Oversight Arrangements**

<b>Ref</b>	<b>Position</b>	<b>Name</b>
1	Director-Internal Audit	Jacob Leadise
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, 2024.**

**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**

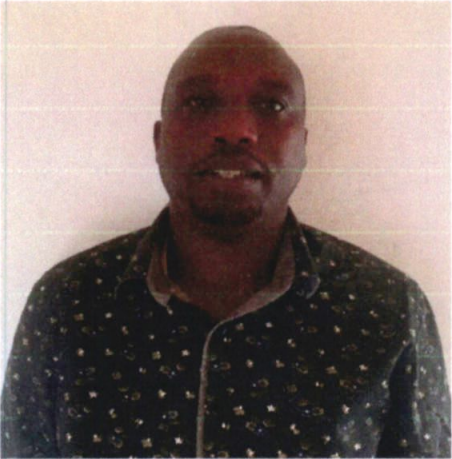


The Attorney General  
State Law Office and Department of Justice  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

**K. County Attorney**

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

**Samburu County Bursary Fund  
Annual Report and Financial Statements For the year ended June 30, 2024.**

**3. Fund Administration Committee Profiles**

Name	Details of qualifications and experience
 <p><b>Parari Lemooge</b></p>	<p><b>Parari Lemooge</b> was born in 1978; his National ID no is 20828769. He is a teacher by profession and has a vast experience in Education matters of over 23 years. Currently he is the principal of Lorrok Mixed Day Secondary School. He is pursuing Bachelors of Public Policy and Administration.</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, 2024.**



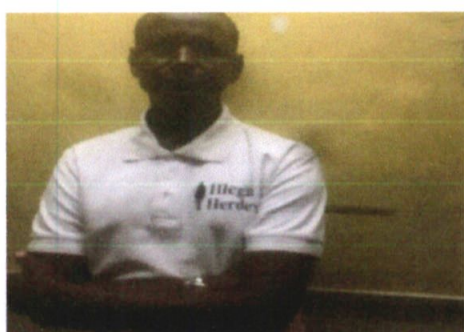
**Kinya Magambo**

**Kinya Magambo** was born in 1989; her National ID no is 26698973, she is a holder of Under Graduate Degree in Education (English/Literature), she is currently the Principal of Tipito Girls Secondary School and she has a vast experience in education matters of over 12 years.  
 She is a member of the Samburu County Bursary Fund



**Benjamin Leitore**

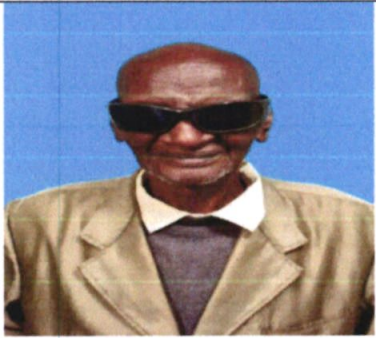



**Benjamin Leitore** was born in 1978; his National ID no is 22230601, he is a holder of Under Graduate Degree in Public Administration and Governance and he has a vast experience in leadership matters of over 20 years.  
 He is the Fund Administrator for Samburu County Bursary Fund



**Marios Letereuwa**




**Marios Letereuwa** was born in 1965; his National ID no 8733130. He is a Degree holder in Education and a Diploma holder in Education. He has 34 years teaching experience and 19 years in administration as principal.  
 He is a member of Samburu County Bursary Fund

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

 <p><b>Peter Bokosh</b></p>	<p><b>Peter Bokosh</b> was born in 1951; his National ID no is 4835900. He was a teacher by profession and retired in 2016 after teaching for over 38 years. He holds a bachelor’s degree in Education and Music          He is a member of Samburu County Bursary Fund representing PWDs</p>
 <p><b>Everlyne Lekashango</b></p>	<p><b>Everlyne Lekashango</b> was born in 1998; her National ID no 39777771. She is a Diploma holder in Tour Guiding.          She is a member of Samburu County Bursary Fund representing Students Union</p>
 <p><b>Timothy Lenduda</b></p>	<p><b>Timothy Lenduda</b> was born in 1990; his National ID no 27735417, he is a Diploma holder in Theology;          He is a member of Samburu County Bursary Fund representing faith based organizations.</p>
 <p><b>Mevice Leshore</b></p>	<p><b>Mevice Leshore</b> was born in 1980; her National ID no is 22723821. She is a Diploma holder in Office Management and Administration. She has a vast experience in Office Management of over 13 years.          She a member of Samburu County Bursary Fund representing Gender.</p>

**Samburu County Bursary Fund  
Annual Report and Financial Statements For the year ended June 30, 2024.**

**4. Key Management Team**

Name	Details of qualifications and experience
 <p data-bbox="212 938 432 972"><b>Parari Lemooge</b></p>	<p data-bbox="691 405 1386 707"><b>Parari Lemooge</b> was born in 1978; his National ID no is 20828769. He is a teacher by profession and has a vast experience in Education matters of over 23 years. Currently he is the principal of Lorrok Mixed Day Secondary School. He is pursuing Bachelors of Public Policy and Administration.</p> <p data-bbox="691 725 1386 813">He is the Chairperson for Samburu County Bursary Fund</p>
 <p data-bbox="172 1355 416 1388"><b>Leonard Lengewa</b></p>	<p data-bbox="691 994 1386 1167"><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 data-bbox="691 1171 1386 1240">He is the Chief Officer of Education for Samburu County Government.</p>
 <p data-bbox="165 1776 403 1809"><b>Benjamin Leitore</b></p>	<p data-bbox="691 1413 1386 1653"><b>Benjamin Leitore</b> was born in 1978; his National ID no is 22230601, he is a holder of Under Graduate Degree in Public Administration and Governance and he has a vast experience in leadership matters of over 20 years.</p> <p data-bbox="691 1675 1386 1762">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, 2024.**

**5. Chairman's Report**

The Samburu County Bursaries Fund Act 2015 is an Act of the County Assembly of Samburu to provide for the establishment of management and administration of Samburu County Bursaries Fund for the purposes enacted by the County Assembly of Samburu. The purpose of the Act is to provide for the bursary fund and procedures for efficient allocation and disbursement of bursaries and other related scholarships by the County Government of Samburu. This bursary kitty was established having been deemed necessary for supporting education for bright but needy students in Samburu County. This will go a long way in improving the literacy levels, increasing school enrollment and reducing school dropout rates.

The Samburu County Bursaries Act 2015 stipulates that the fund shall be managed by a two level committee namely:-

I. The County Bursary Fund Committee comprises of 10 members

II. The Ward Bursary Committee comprised of 7 members in each of the 15 wards

The two committees work hand in hand to ensure smooth distribution and disbursement of the allocated funds and ensure equity and fairness in the process prevails.

The composition of the two committees is well stipulated in the Act considering the constitutional requirements on representation taking into account issues such as gender parity, PWDs and not limited to marginalized groups.

The roles and responsibilities of the two committees are well stated in the Act.

The Chief Officer for Education and Vocational Training is the Secretary of the County Bursary Committee and by extension a mandatory signatory of the Fund Account together with the Committee chairperson and the Bursary Administrator who is the AIE holder as stipulated in the Act.

Parari Lemooge

**Chairperson**

**Samburu County Bursary Fund**

Signature  Date 19/11/2024

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**6. Report of the Fund Administrator**

Besides the two mentioned committees above, there exists a higher level committee the so called Sub Cabinet committee on Education mainly charged with a responsibility of handling education matters and not limited to bursary affairs both in the cabinet as well as in other educational related matters. This committee comprises of the following members:-

- I. Deputy Governor- Chairperson
- II. CECM-Education and Vocational Training- Secretary
- III. Chief Officer - Education and Vocational Training- Member
- IV. County Secretary- Member
- V. Bursary Administrator- Member
- VI. CECM-Finance- Member

The main task of this committee in the bursary kitty is to ensure that there is adequate budgetary allocation in annual county budget. It is worth reporting that during the last financial year 2023/2024 county budget, the bursary kitty was allocated Ksh.150,000,000 (**One Hundred and Thirty Three Million only**), which was disbursed to secondary schools, Middle Level Colleges and Universities without forgetting Scholarship students, Interns and other interest groups based on set policy guidelines and criteria. This is in line with the Act which stipulates that 75% of the annual budgetary allocation goes to the main stream bursary while the rest goes towards the set provisions including 3% that is meant to take care of the administrative costs of the fund management team and the respective bursary committees.

Leitore Benjamin  
**Fund Administrator**  
**Samburu County Bursary Fund**

Signature ..  ..... Date ..... 19/11/2024

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**7. Statement of Performance against Predetermined Objectives for FY 2023/2024**

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 2023-2024 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:

<b>Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
Bursary	To support bright and needy students to access quality education	Increased number of students accessing education in the County	94% of students retained in school / transitioned to next level institutions	In FY 23/24 we increased bursary access by 10% for secondary school level. Increased number of bursary beneficiaries for Tertiary institution from 5600 to 5876 in FY 2023/2024
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	Increased number of students accessing quality education in the Country Increased number of students pursuing	72 students already in the program and are progressing well	In FY 22/24 we sponsored 8 secondary school students who joined National schools and 16 students who joined universities to

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

Program	Objective	Outcome	Indicator	Performance
	to pursue Medical and Engineering courses e.g. Medicine and Surgery, Civil Engineering etc.	technical courses that lacked in our county.		undertake the technical courses.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**8. Statement of Corporate Governance**

The Samburu County Bursaries Act 2015 stipulates that the fund shall be managed by a two level committee namely:-

- I. The County Bursary Fund Committee comprises of 10 members
- II. The Ward Bursary Committee comprised of 7 members in each of the 15 wards

The two committees work hand in hand to ensure smooth distribution and disbursement of the allocated funds and ensure equity and fairness in the process prevails. The Ward Bursary Committees meet thrice a year, the first meeting is held when distributing the bursary application forms, the second meeting is held when compiling the list of bursary applicants from every village in the ward and the last meeting is held when submitting the compiled list of bursary applicants to the sub-county administrator.

The County Bursary Fund Committee meets regularly as per the need. The both committees also meet twice a year when distributing bursary application forms and when allocating funds to the bursary applicants from the wards and sub-counties.

The process of appointing the committee members for both levels is well stipulated in the Bursary Fund Act, 2015. The County Bursary Fund Committee are nominated by the CEC member for Education in consultation with H.E the Governor of Samburu, the chairperson is a signatory to the fund account together with Chief Officer for Education and the Fund Administrator. The ward Bursary Committee is appointed by the Chief Officer for Education in consultation with the CEC member for Education, The chairperson of the Fund and the Fund Administrator.

The process of removing a committee member for Samburu County Executive Bursary Fund is stipulated in the Samburu County Bursary Fund Act, 2015. Some of the reasons that can lead to removal of a committee member are:-

- ✓ Lack of integrity as per Chapter Six (6) of the Kenyan constitution
- ✓ Incapacitation
- ✓ Death

The roles and functions of the Samburu County Bursary Fund committee are as follow: -

- ✓ Provision of Bursary application forms to the applicants
- ✓ Compiling the List of Bursary applicants from every ward
- ✓ Keeping the records of Bursary applicants
- ✓ Allocating funds to the successful bursary applicants

The committee members allowances are drawn from the 3% of the budget as administration fees and are paid as sitting allowances in the meetings

All the committee members are required to follow strict ethics and code of conduct all the time.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**9. Management Discussion and Analysis**

The Samburu County Bursary Committee convened on January 16, 2024, to discuss bursary allocations and disbursement for the 2023/2024 financial year. The meeting, chaired by Mr. Parari Lemooge, was held at Palasino Resort, where key decisions were made regarding bursary applicants' data, the allocation of funds, and the disbursement schedule.

Data was compiled from various wards in Samburu East, West, and North sub-counties, providing a comprehensive overview of bursary applicants across different levels of education. The analysis included students in boarding and day secondary schools, certificate, diploma, and degree programs.

- Samburu East recorded 1,755 boarding students, 701 day students, and 303 certificate, 577 diploma, and 407 degree applicants.

- Samburu West had the largest number of applicants, with 4,202 boarding, 2,094 day students, and significant numbers in tertiary programs.

- Samburu North submitted 1,956 boarding, 531 day students, and additional applicants in other educational categories.

Total applicants across all sub-counties amounted to 7,913 boarding students, 3,326 day students, 1,149 certificate, 2,594 diploma, and 2,037 degree students.

The total bursary budget for the financial year 2023/2024 was Ksh. 150,000,000, with Ksh. 115,100,000 available for disbursement in April 2024. A breakdown of this amount was provided:

- Mainstream Bursary: Ksh. 116,500,000

- Ward Development Fund (WDF): Ksh. 29,000,000

- Administration Costs: Ksh. 4,500,000

A detailed breakdown of the Ksh. 116,500,000 allocated for bursary disbursement was presented as follows:

- 75% of the mainstream bursary (Ksh. 87,375,000) allocated for secondary and tertiary institutions.

- 22% (Ksh. 25,630,000) allocated for scholarships and special bursaries.

- 3% (Ksh. 3,495,000) designated for administrative costs.

After a rigorous vetting process, bursary funds were allocated based on the successful applicants as follows:

- Boarding Secondary Schools: 6,776 students at Ksh. 5,000 per student, totaling Ksh. 33,888,000.

- Day Secondary Schools: 3,725 students at Ksh. 3,000 per student, totaling Ksh. 11,175,000.

- Certificate Students: 1,250 students at Ksh. 6,000 per student, totaling Ksh. 7,501,000.

- Diploma Students: 2,863 students at Ksh. 10,000 per student, totaling Ksh. 28,630,000.

- Degree Students: 2,717 students at Ksh. 15,000 per student, totaling Ksh. 40,745,800.

- Scholarships Ksh. 4,173,129

The total allocation amounted to Ksh. 126,157,220.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**10. Environmental and Sustainability Reporting**

**1. Sustainability Strategy and Profile**

The Samburu County Bursary Fund recognizes that sustainability is a crucial element in ensuring long-term financial support for education while minimizing environmental and social impacts. As part of its commitment to sustainability, the Fund's top management has incorporated best practices that address local and global sustainability trends.

At a macroeconomic level, the ongoing political and economic dynamics in Kenya, including devolution and the national education policies, influence the Fund's sustainability strategy. The Bursary Fund aligns its goals with international best practices, such as the United Nations Sustainable Development Goals (SDGs), particularly focusing on SDG 4 (Quality Education) and SDG 13 (Climate Action).

Achievements:

- Steady disbursement of bursaries, supporting thousands of students in need.
- Strategic partnerships with local communities to ensure equitable distribution of funds.

Challenges:

- Limited financial resources, creating a demand-supply gap in bursary disbursements.
- Difficulties in managing funds efficiently due to fluctuating macroeconomic conditions.

**2. Environmental Performance**

Though the core function of the Bursary Fund is education support, the Fund is conscious of its environmental impact and strives to implement sustainable practices.

Environmental Policy

The Bursary Fund follows Samburu County Government's environmental policies, which emphasize biodiversity conservation, waste reduction, and energy efficiency. The Fund ensures that its operations, including meetings, data handling, and disbursement processes, are conducted in an eco-friendly manner.

Successes:

- Reduced Paper Usage: Transition to electronic record-keeping, reducing reliance on paper.
- Waste Management: Collaborations with local schools to promote recycling and proper waste disposal practices.
- Biodiversity Management: Participation in tree-planting initiatives in local schools to offset carbon emissions.

Shortcomings:

- Limited direct involvement in large-scale environmental projects due to resource constraints.

Future Focus:

- Continued promotion of digital transformation to minimize paper waste.
- Expansion of partnerships with schools for biodiversity and environmental education projects.

**3. Employee Welfare**

Hiring Policies

The Bursary Fund values inclusivity and equal opportunity in its hiring process. Gender equality is prioritized, with efforts to achieve a balanced workforce. The Fund also ensures that its employees are engaged with key stakeholders, such as county officials, educational institutions, and community members, to facilitate transparent decision-making processes.

Skill Development and Career Management

To enhance employee performance, the Fund provides regular training sessions and workshops aimed at improving both technical and managerial skills. There is also a well-established appraisal and reward system, ensuring that performance is recognized and appropriately

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

rewarded. Safety and Compliance

the Fund complies with the Occupational Safety and Health Act of 2007 (OSHA), ensuring that employees work in a safe and healthy environment. Annual audits and safety trainings are conducted to ensure compliance with safety regulations.

**4. Marketplace Practices**

a) Responsible Competition Practice

The Bursary Fund operates with high ethical standards, promoting fair competition and maintaining a clear stance against corruption. All bursary disbursements are transparent, with regular audits conducted to ensure funds are properly allocated. The Fund also adheres to ethical standards in its political involvement, maintaining impartiality and fairness.

b) Responsible Supply Chain and Supplier Relations

The Bursary Fund values strong and ethical relationships with its suppliers, including local vendors who provide goods and services during bursary-related activities. The Fund honours all contracts and adheres to fair payment practices, ensuring timely payments to suppliers.

c) Responsible Marketing and Advertisement

The Fund engages in ethical marketing and outreach efforts. All public communications, including announcements for bursary applications, are transparent and aim to serve the public interest. No misleading or exaggerated claims are made to the public.

d) Product Stewardship

As a financial product, the bursary is administered with the utmost care to protect the rights and interests of its beneficiaries. The Fund has a grievance mechanism in place, allowing students and parents to raise concerns about the bursary process. Regular evaluations are conducted to ensure that bursary allocations align with set criteria.

**5. Corporate Social Responsibility / Community Engagement**

The Samburu County Bursary Fund actively participates in Corporate Social Responsibility initiatives that promote education, social equity, and community development.

**CSR Activities**

During the year, the Fund engaged in several community-driven initiatives:

- Educational Support: Donated school supplies and books to underprivileged students in remote areas.
- Environmental Contributions: Partnered with local environmental groups to organize tree-planting activities in schools across the county.
- Charitable Giving: The Fund contributed to local charities by providing both financial and material support, particularly to orphaned students and those from low-income households.

**Community Engagement**

The Fund involves the local community in all major decisions concerning the allocation of bursaries. Stakeholder meetings are held regularly to ensure that community representatives, including parents and local leaders, have a say in the bursary selection process.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

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

The Samburu County Bursary Fund Committee submitted their report together with the audited financial statements for the year ended June 30, 2024, which show the state of the Fund affairs.

**Principal activities**

The principal activity of the Fund is disbursement of bursaries and other related scholarships by the County Government of Samburu.

**Results**

The results of the Fund for the year ended June 30, 2024 are set out on page 22.


**County Bursary Committee (CBC)**

The members of the County Bursary Committee who served during the year are shown on page vi to viii

**Auditors**

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

Samburu County Bursary Fund

Signature .....  .....

Date: ..... 19/11/2024 .....

Parari Lemooge

**Chairperson- Samburu County Bursary Fund**

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**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 Samburu County Bursary Fund established by Samburu County Bursaries Fund Act, 2015 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 the 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, 2024. 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.
- (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 established by Samburu County Bursaries Fund Act, 2015. The Administrator of the Samburu County Bursary 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, 2024, 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, matters relating to the use of going concern basis of preparation of the financial statements. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**Approval of the financial statements**

The Fund's financial statements were approved by the Committee on 19/11/ 2024  
and signed on its behalf by:

Leitore Benjamin   
**Administrator of the Samburu County Bursary Fund**

# REPUBLIC OF KENYA



*Enhancing Accountability*

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON SAMBURU COUNTY BURSARY FUND FOR THE YEAR ENDED 30 JUNE, 2024**

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### **PREAMBLE**

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

- A. Report on the 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.
- C. Report on the 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 22 to 50, which comprise the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in

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

In my opinion, except for the possible 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 the Samburu County Bursary Fund as at 30 June, 2024 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. Unsupported Bursary Transfers**

The statement of financial performance reflects bursary transfers balance 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, 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.

In the circumstances, the accuracy and completeness of bursary transfers amounting to Kshs.44,130,511 could not be confirmed.

#### **2. Irregular Allocation of Bursaries**

The statement of financial performance reflects bursary transfers balance of Kshs.121,984,091 as disclosed in Note 10 to the financial statements. Review of the supporting ledgers revealed that bursaries amounting to Kshs.559,000 were allocated twice to forty-four (44) students from a single assessment. This double allocation constitutes an irregular use of public funds.

In the circumstances, the accuracy and completeness of bursaries amounting to Kshs.559,000 could not be confirmed.

#### **3. Unsupported Cash Withdrawals**

The statement of financial performance and Note 12 to the financial statements reflects use of goods and services balance of Kshs.7,460,143. Review of the supporting ledger and bank statements revealed that Management made fifteen (15) cash withdrawals amounting to Kshs.5,421,200. However, no documentation or evidence was provided for audit to confirm the activities funded by the cash withdrawals.

In the circumstances, the accuracy and completeness of use of goods and services balance of Kshs.7,460,143 could not be confirmed.

#### **4. Unsupported Scholarship Grants**

The statement of financial performance and Note 11 to the financial statements reflects scholarship grants balance of Kshs.4,173,129. Review of the supporting ledger revealed that all payments were made to various banks without providing details of the individual beneficiaries. In addition, there were no acknowledgment letters from the receiving institutions, no documented policy governing the use of funds for awarding grants and no evidence of beneficiaries' evaluation criteria.

In the circumstances, the accuracy and completeness of the scholarship grants amounting to Kshs.4,173,129 could not be confirmed.

The audit was conducted in accordance with the International Standards for 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 reflects final receipts budget and actual on a comparable basis of Kshs.150,000,000 and Kshs.142,149,254 respectively, resulting to an under-funding of Kshs.7,850,746 or 5.2% of the budget. Further, the fund spent a balance of Kshs.133,617,362 against actual receipts of Ksh.142,149,254 resulting to an under-utilization of Kshs.8,531,892 or 6.0% of actual receipts.

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

My opinion is not modified in respect of this matter.

#### **Key Audit Matters**

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

#### **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. However, although Management has indicated that some of the issues have been resolved, the matters remained unresolved and no reasons were provided for the delay in resolving them.

## **Other Information**

The Management is responsible for the other information set out on page iii to xx which comprise of Key Entity Information and Management, The Fund Administration Committee Profiles, Key Management Team, Chairman's Report, Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Statement of Corporate Governance, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Fund Committee and Statement of Management 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 if there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

### **Conclusion**

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for effects of the matter 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**

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

The statement of financial performance reflects use of goods and services balance of Kshs.7,460,143 as disclosed in Note 12 to the financial statements. Included in this amount is Kshs.6,812,800 in respect to committee allowances representing 4.5% of the fund's approved budget of Kshs.150,000,000 resulting to an over-expenditure of Kshs.2,312,800 in administration expenses. 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 ISSAI 3000 and ISSAI 4000. The Standards requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

## **Conclusion**

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

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

## **Responsibilities of the Management and Fund Administration Committee**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as the 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, the Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to dissolve the Fund or 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, the 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 for 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



23 December, 2024

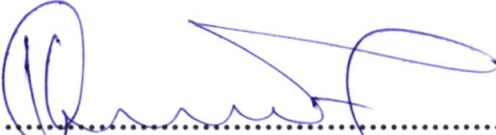
**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**14. Statement of Financial Performance for the Year Ended 30<sup>th</sup> June 2024**

	Note	FY 2023/2024	FY2022/2023
		KShs	KShs
<b>Revenue from non-exchange transactions</b>			
Transfers from the County Government	6	133,000,000	116,300,000
Public contributions/Donations-Refund	7	1,601,000	
Finance income	8		-
<b>Revenue from exchange transactions</b>			
Other income	9	7,548,254	5,924,320
<b>Total revenue</b>		<b>142,149,254</b>	<b>122,224,320</b>
<b>Expenses</b>			
Bursary Transfers	10	121,984,091	118,483,206
Scholarship grants	11	4,173,129	2,000,000
Use of Goods and services	12	7,460,143	5,081,068
<b>Total expenses</b>		<b>133,617,363</b>	<b>125,564,274</b>
<b>Surplus/( deficit) for the period</b>		<b>8,531,891</b>	<b>(3,339,954)</b>

*(The notes set out on pages 36 to 39 form an integral part of these Financial Statements)*

  
 Name:   
 Administrator/Accounting Officer

  
 Name: ROBERT MWANGI  
 Fund Accountant  
 ICPAK Member Number: 29507

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**15. Statement of Financial Position as at 30 June 2024**

	Note	FY 2023/2024	FY2022/2023
		KShs	KShs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	13	8,087,401	(449,490.00)
Current portion of long term receivables from exchange transactions	14	-	-
<b>Total assets</b>		<b>8,087,401</b>	<b>(449,490.00)</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables from exchange transactions	16	-	-
<b>Non-current liabilities</b>			
Non-current employee benefit obligation		-	-
Long term portion of borrowings		-	-
<b>Total liabilities</b>		<b>-</b>	<b>-</b>
<b>Net assets</b>			
Revolving Fund			
Reserves		-	-
Accumulated surplus		8,087,401	(449,490.00)
<b>Total net assets and liabilities</b>		<b>8,087,401</b>	<b>(449,490.00)</b>

Check

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 19-11-2024 and signed by:

.....  
**Name: Leitore Benjamin**  
**Fund Administrator/Accounting Officer**

.....  
**Name: ROBERT MWANGI**  
**Fund Accountant**  
**ICPAK Member Number: 29587**

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**16. Statement of Changes in Net Assets for the year ended 30<sup>th</sup> June 2024**

	<b>Revolving 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 2022</b>	-	-	2,895,464	2,895,464
Surplus/(deficit) for the period	-	-	-3,339,954	3,339,954
<b>Balance as at 30 June 2023</b>	-	-	(444,490)	444,490
<b>Balance as at 1 July 2023</b>		-	(444,490)	444,490
Surplus/(deficit) for the period	-	-	8,531,891	8,531,891
<b>Balance as at 30 June 2024</b>	-	-	8,087,401	8,087,401

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**17. Statement of Cash Flows for the Year Ended 30 June 2024**

	<b>Note</b>	<b>FY 2023/2024</b>	<b>FY2022/2023</b>
		<b>KShs</b>	<b>KShs</b>
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Public contributions and donations		-	-
Transfers from the County Government		133,000,000	116,300,000
Interest received		-	-
Receipts from other operating activities		9,149,254	5,924,320
<b>Total Receipts</b>		<b>142,149,254</b>	<b>122,224,320</b>
<b>Payments</b>			
Fund administration expenses		6,812,800	4,997,200
General expenses		126,157,220	120,483,206
Finance cost		647,343	83,868
<b>Total Payments</b>		<b>133,617,363</b>	<b>125,564,274</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>8,531,891</b>	<b>(3,339,954)</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			

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
<b>Net cash flows used in financing activities</b>		-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>8,531,891</b>	<b>(3,339,954)</b>
Cash and cash equivalents at 1 JULY	9	(444,490)	2,895,464
<b>Cash and cash equivalents at 30 JUNE</b>	<b>9</b>	<b>8,087,401</b>	<b>(444,490)</b>
		-	0

*(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, 2024.**

**18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30<sup>th</sup> June 2024**

	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	134,000,000.00	16,000,000.00	150,000,000.00	133,000,000.00	17,000,000.00	89%
Public Contributions and Donations-Refund	-	-	-	1,601,000.00	(1,601,000.00)	-
Finance Income	-	-	-			
Other receipts	-		-	7,548,254.25	(7,548,254.25)	-
<b>Total income</b>	<b>134,000,000.00</b>	<b>16,000,000</b>	<b>150,000,000</b>	<b>142,149,254.25</b>	<b>7,850,745.8</b>	<b>95%</b>
<b>Expenses</b>						
Bursary Transfers	124,980,000.00	-	140,500,000.00	121,984,091.00	18,515,909.00	87%
Scholarship grants	5,000,000.00	-	5,000,000.00	4,173,129.00	826,871.00	83%
Use of Goods and Services	4,020,000.00	-	4,500,000.00	7,460,142.60	(2,960,142.60)	166%
<b>Total expenditure</b>	<b>134,000,000.00</b>	<b>-</b>	<b>150,000,000.00</b>	<b>133,617,362.60</b>	<b>16,382,637.4</b>	<b>89%</b>
<b>Surplus for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,531,891.60</b>	<b>-</b>	<b>-</b>

**Budget notes**

1. *There was under-utilization of bursary transfers because the added budget during supplementary was never add in the vote book.*

**Samburn County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

2. *The reason for under-utilization of scholarship is because there were student who graduated and no other new students were added to the program.*
3. *The overutilization of Goods and services by 66% was due to change in management work plan to include activities such as planning for form ones bursary disbursement and distribution.*

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**19. Notes to the Financial Statements**

**Significant Accounting Policies**

**1. General Information**

Samburu County Bursary Fund is established by and derives its authority and accountability from Samburu County Bursary Fund Act, 2015. The Fund is wholly owned by the Samburu County Government and is domiciled in Kenya. The entity's principal activity is to provide bursaries for needy students.

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

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

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

**(i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2024.***

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

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

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43 Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of a fund. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. Impact: There was no impact of the amendment to IPSAS 43 with respect to

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

Standard	Effective date and impact:
	the current financial reports
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,            Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:            Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>Impact: the standard IPSAS 44 did not have any impact to the fund.</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 an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>The standard did not have any impact to the fund in the current financial reports</p>
IPSAS 46 Measurement	<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>The standard did not have any impact to the fund in the current financial reports</p>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 47- Revenue	<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>The standard did not have any impact to the fund in the current financial reports</p>
IPSAS 48- Transfer Expenses	<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>The standard did not have any impact to the fund in the current financial reports</p>
IPSAS 49- Retirement Benefit Plans	<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>The standard did not have any impact to the fund in the current financial reports</p>

***(iii) Early adoption of standards***

The Fund did not early – adopt any new or amended standards in the financial year 2023/2024

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i. Revenue from non-exchange transactions**

**Revenue transfers**

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

**ii. Revenue from exchange transactions**

**Interest income**

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

**b) Budget information**

The original budget for FY 2023/2024 was approved by the County Assembly on 20<sup>th</sup> June 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Samburu County Bursary Fund upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund did record additional appropriations in the FY 2023/2024 budget.

The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented in section 26 of these financial statements

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**c) Financial instruments**

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

**(i) Financial assets**

**Classification of financial assets**

The 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

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

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 xx*.

**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.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**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 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.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**d) 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.

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**6. Transfers from the County Government**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Transfers From County Treasury	133,000,000.00	116,300,000.00
Others ( <i>Specify</i> )	-	-
<b>Total</b>	<b>133,000,000.00</b>	<b>116,300,000.00</b>

**7. Public Contributions and Donations**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From the Public-Refund	1,601,000.00	489,820.00
Others ( <i>Specify</i> )	-	-
<b>Total</b>	<b>1,601,000.00</b>	<b>489,820.00</b>

**8. Finance income**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Interest Income on Bank Deposits		-
Others ( <i>Specify</i> )	-	-
<b>Total finance Income</b>	<b>-</b>	<b>-</b>

**9. Other income**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Cheque write backs	2,768,254.25	-
Others stale cheques	4,780,000.00	5,434,500.00
<b>Total Other Income</b>	<b>7,548,254.25</b>	<b>5,434,500.00</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, 2024.**

**10. Bursary Transfers**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Universities	40,745,800.00	42,827,735.00
TVETs and Colleges	36,131,535.00	32,500,000.00
Secondary schools	45,063,456.00	41,155,471.00
Other ( <i>Specify</i> ) <i>Disabilities</i>	43,300.00	2,000,000.00
<b>Total</b>	<b>121,984,091.00</b>	<b>118,483,206.00</b>

**11. Scholarship grants**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Universities	4,173,129.00	2,000,000.00
TVETs and Colleges	-	-
Secondary schools	-	-
Other ( <i>Specify</i> )	-	-
<b>Total</b>	<b>4,173,129.00</b>	<b>2,000,000.00</b>

**12. Use of Goods and Services**

Description	FY2023/2024	FY2022/2023
	Kshs.	Kshs.
Committee Allowances	6,812,800.00	4,997,200.00
Bank charges	647,342.60	83,868.00
Audit fees	-	-
Other ( <i>Specify</i> )	-	-
<b>Total</b>	<b>7,460,142.60</b>	<b>5,081,068.00</b>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**13. Cash and cash equivalents**

Description	FY2023/2024	FY2022/2023	
	Kshs	Kshs	
Current Account	8,087,401.70	-	444,489.95
Others ( <i>Specify</i> )	-	-	
<b>Total Cash and Cash Equivalents</b>	<b>8,087,401.70</b>	<b>-</b>	<b>444,489.95</b>

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

Financial Institution	Account number	FY2023/2024	FY2022/2023
		Kshs	Kshs
<b>a) Current Account</b>			
Kenya Commercial bank	1169663761	8,087,401.70	444,489.95
<b>Sub- Total</b>		<b>8,087,401.70</b>	<b>-444,489.95</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>- 8,087,401.70</b>	<b>444,489.95</b>

**14. Non-Exchange Receivables**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Revenue receivable	-	-
Others ( <i>Specify</i> )	-	-
<b>Total non-exchange receivables</b>	<b>-</b>	<b>-</b>

**15. Exchange Receivables**

Description	FY2023/2024	FY2022/2023
	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, 2024.**

**16. Trade and other payables**

Description	FY2023/2024		FY2022/2023	
	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	FY2023/2024	FY2022/2023
	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)*

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**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	FY2023/2024	FY2022/2023
	Kshs	Kshs
Transfers from related parties	-	-
Transfers to related parties	-	-

**c) Key management remuneration**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Bursary Committee	-	-
<b>Total</b>	-	-

**d) Due from related parties**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Due From County Government	17,000,000.00	0
<b>Total</b>	<b>17,000,000.00</b>	<b>0</b>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**Other Disclosures Continued**

**e) Due to related parties**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Due to County Government	-	-
Due to Key Management Personnel	-	-
<b>Total</b>	-	-

**19. Contingent assets and contingent liabilities**

Contingent Liabilities	FY2023/2024	FY2022/2023
	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, 2024.**

**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	FY2023/2024	FY2022/2023
	Kshs	Kshs
Transfers from related parties	-	-
Transfers to related parties	-	-

**c) Key management remuneration**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Bursary Committee	-	-
<b>Total</b>	-	-

**d) Due from related parties**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Due From County Government	17,000,000.00	0
<b>Total</b>	<b>17,000,000.00</b>	<b>0</b>

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

**Other Disclosures Continued**

**e) Due to related parties**

Description	FY2023/2024	FY2022/2023
	Kshs	Kshs
Due to County Government	-	-
Due to Key Management Personnel	-	-
<b>Total</b>	-	-

**19. Contingent assets and contingent liabilities**

Contingent Liabilities	FY2023/2024	FY2022/2023
	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, 2024.**

Description	Total amount Kshs	Fully performing Kshs	due Past Kshs	Impa ired Kshs
<b>At 30 June 2024</b>				
Receivables From Non-Exchange Transactions	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June 2023</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 entity has significant concentration of credit risk on amounts due from xxxx.

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, 2024.**

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June 2024</b>				
Trade Payables	-	-	-	
Current Portion of Borrowings	-	-	-	
Provisions	-	-	-	
<b>Total</b>	-	-	-	
<b>As at 30 June 2023</b>				
Trade Payables	-	-	-	
Current Portion of Borrowings	-	-	-	
Provisions	-	-	-	
Employee Benefit Obligation	-	-	-	
<b>Total</b>	-	-	-	

**c) Market risk**

The Fund has put in place an internal audit function to assist it in assessing the risk faced by the Fund on an on-going basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee.

The Fund's finance department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies.

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

**i. Foreign currency risk**

The Fund 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:

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

Description		Other currencies	Total
	Kshs	Kshs	Kshs
<b>At 30 June 2024</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>2023/2024</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, 2024.**

*Sensitivity analysis*

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. 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 (2024: 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	FY2023/2024	FY2022/2023
	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, 2024.**

**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/202 2-2023/(07)	The statement of financial performance and as disclosed in note 8 reflects bursary disbursement of Kshs 120,483,206. However, an analysis of the bursary awards disbursed to various institutions in the under review revealed that, disbursements amounting to Ksh 2,433,156 to 283 students in learning institution were not	The management has provided certified lists of students without admission numbers from their institutions of learning to ascertain that the students do exist in the said schools. For the case of Isiolo ECDE Teachers Training college of Ksh 700,000 the case is before the court. The management has provided the following documents for audit review in support of Ksh 2,000,000 that was disbursed to SUSA <ul style="list-style-type: none"> <li>● Proposal by SUSA office.</li> <li>● Bank deposit.</li> <li>● Approval minutes by the</li> </ul>	The issues have not been resolved	30 <sup>th</sup> October, 2024

**Samburu County Bursary Fund  
Annual Report and Financial Statements For the year ended June 30, 2024.**

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>supported with students admission numbers and disbursements of Ksh 62,498,511 were not acknowledged by various learning constitutions.</p> <p>Payment of Ksh 700,000 to Isiolo ECDE Teachers Training College was not supported with the beneficiaries list</p> <p>Bursary disbursement includes an amount of Ksh 2,000,000 disbursed to Samburu University Students Association (SUSA). However as</p>	<p>bursary committee.</p> <ul style="list-style-type: none"> <li>● Official acknowledgement by SUSA.</li> <li>● Expenditure returns by SUSA.</li> </ul>		

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

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)
	previously reported no documentary receipt of the funds. In the circumstances, the accuracy and completeness of bursary disbursement of Kshs 67,631,667 could not be confirmed			

**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 time-frame 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, 2024.**

.....LEITORE BENJAMIN

Fund Administrator/Accounting Officer



Date.....19/11/2024.....

**Samburu County Bursary Fund**  
**Annual Report and Financial Statements For the year ended June 30, 2024.**

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

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

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

<b>Confirmation of amounts received by Samburu County Bursary Fund as at 30<sup>th</sup> June 2024</b>						
Reference Number	Date Disbursed	Amounts Disbursed by Samburu County Treasury (Kshs) as at 30 <sup>th</sup> June 2024			Amount Received by Samburu County Bursary Fund (Kshs) as at 30 <sup>th</sup> June 2024 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
REC/0000060248	22/11/2023	18,900,000		18,900,000	18,900,000	
ROC/000006226 1	12/04/2024	114,100,000		114,100,000	114,100,000	
<b>Total</b>		<b><u>133,000,000</u></b>		<b><u>133,000,000</u></b>	<b><u>133,000,000</u></b>	

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

**Head of Accounts Department - Disbursing Entity:**  
Name ..... Sign ..... Date .....

**Head of Accounts Department - Beneficiary Entity:**  
Name ..... Sign ..... Date.....