

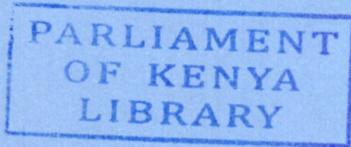
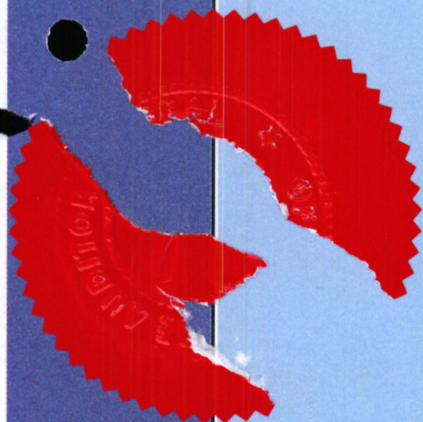
REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

OF

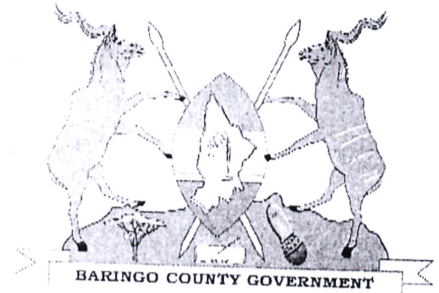
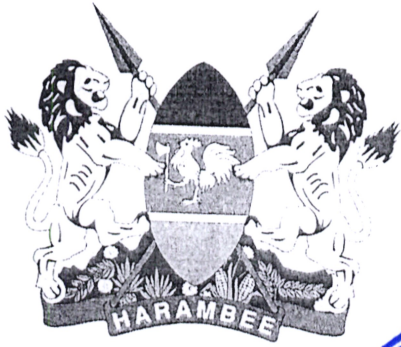
THE AUDITOR-GENERAL

ON

**BARINGO COUNTY EDUCATION BURSARY
AND SCHOLARSHIP FUND**

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

PAPERS LAID	
DATE	04.12.2025
TABLED BY	S.M.L
COMMITTEE	-
CLERK AT THE TABLE	Abdirahman



Baringo County Education Bursary and Scholarship Fund

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

JUNE 30, 2025

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

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

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

1. Acronyms and Definition of Key Terms

a) Acronyms

BOM	Board of Management
BBA	Bachelor of Business Administration
B.ED	Bachelor of Education
CECM	County Executive Committee Member
CPA(K)	Certified Public Accountant of Kenya
ECDE	Early Childhood Development Education
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
KEMU	Kenya Methodist University
KESSHA	Kenya Secondary Schools Heads Association
KSG	Kenya School of Government
MoE	Ministry of Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings

1. Definition of Terms

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

2. Key Fund Information and Management

a) Background information

The Baringo County Bursary and Scholarship Fund is established by and derives its authority and accountability from Baringo County Bursary and Scholarship Fund Regulations 2018. The Fund is wholly owned by the County Government of Baringo and is domiciled in Kenya.

The overall objective of the Fund is to provide financial assistance to needy but bright students and vocational trainees from Baringo County.

The Fund's principal activity is to provide financial assistance to needy but bright students and vocational trainees from Baringo County.

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to ...

1. Make provision for the granting of bursaries and scholarships
2. The enhancement of equitable access to skills and opportunities for the youth of Baringo County
3. Assisting students and trainees from needy and disadvantaged backgrounds to obtain education
4. Helping students to continue in education and training where financial barriers are evident
5. Providing mentorship program for beneficiaries of the fund; and
6. Ensuring that students are retained in school after enrolment thus equalizing educational opportunities through bursary and scholarship subsidies among children from poor households.

c) Fund Administration Committee

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

Ref	Name	Position
1	Rev. Symon Kiuta	CECM / Chairperson – Education and Vocational Training
2	Anne Chewochei	Chief Officer - Fund Administrator / Secretary
3	Kiptoo K. Gikono	Chief Officer – Finance or Designate
4	Masibo J. Kituyi	County Director of Education (MoE)
5	Fredrick Cheboiwo	KESSHA Chairman (County)
6	Jackson Chebii T	Member
7	Elizabeth Tunanga	Member

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

8	Wilson Kirombori	Member
9	Winnie Bett	Member

d) Fiduciary Management

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

Ref	Name	Position
1	Anne Chewochei	Fund Administrator/ Secretary
2	Kiptoo K. Gikono	Chief Officer – Treasury Finance
3	Thomas Chesaro	Fund Accountant
4	Paul K. Chesang	Director ECDE, VT and Library Services
5	David K. Rerimoi	Deputy Director – Accounting Services

e) Fiduciary Oversight Arrangements

Ref	Name	Position
1	Winnie Chemase	Clerk of the County Assembly
2	Suleiman Maalim	Chairperson County Audit Committee
3	Catherine Kibet	Directorate Internal Audit

f) Registered Offices

P.O. Box 53-30400,
National Library Kabarnet,
Adjacent to Kabarnet Boys High School,
Kabarnet, KENYA

g) Fund Contacts

Telephone: 053-22290
E-mail: ceceducationbaringo@gmail.com.
Website: www.baringo.go.ke

h) Fund Bankers

- EQUITY BANK LTD
P.O. Box 75101- 00200
NAIROBI, Kenya
KABARNET BRANCH
AC.NO 1390262458895

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

Key Fund 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






Office of the Governor building
P.O. Box 53 - 30400
Kabarnet, Kenya

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

3. Fund Administration Committee Profiles






Name	Details of qualifications and experience
 <p>1. Rev. Symon Kiuta Lonyayo</p>	<p>Date of birth - 1/6/1964</p> <p>Key academic and professional qualifications - Pursuing PhD in Church History at Africa International University, Master of Divinity (M.DIV), Nairobi Evangelical Graduate School of Theology (NEGST) currently Africa International University, Bachelor of Theology (B.Th), Scott Theological College, currently Scott Christian University</p> <p>Work experience - 38 Years</p> <p>CECM / Chairperson – Education Vocational Training and Library Services</p>
 <p>2. Anne Chewochei</p>	<p>Date of birth: - 01/01/1969</p> <p>Key academic and professional qualifications:- Bachelor of Education - Arts</p> <p>work experience; 38 Years</p> <p>Chief Officer – Fund Administrator, ECDE, Vocational Training and Library Services</p>
 <p>3. Kiptoo K. Gikono</p>	<p>Date of birth: 19/08/1980</p> <p>Key Academic Professional Qualifications:- Masters Business Administration, BBA, CPA(K), Certified Credit Profession, Certified Investment Analyst, Higher National Diploma in Human Resource, Diploma in Supplies and Purchasing.</p> <p>Work experience -18yrs</p> <p>Chief Officer:- Finance or Designate</p>
 <p>4. Masibo J. Kituyi</p>	<p>Date of birth: 1/1/1967</p> <p>key academic and professional qualifications, Master of Education(MED)</p> <p>Work Experience: 34 Years</p> <p>Ministry of Education Representative</p>
 <p>5. Fredrick Cheboiwo</p>	<p>Date of birth: 26-10-1971</p> <p>Key academic and professional qualification: Masters Degree</p> <p>Work Experience: 29 Years</p> <p>KESSHA Representative.</p>

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

 6. Jackson Chebii Toroitich	<p>Date of birth.: 1982</p> <p>Key academic and professional qualifications, Certificate in Primary Teacher Education(PTE) KNEC Experience: 18Years Governor's nominee (Baringo North)</p>
 7. Elizabeth J. Tunanga	<p>Date of birth.: 11/11/1988</p> <p>Key academic and professional qualifications, Bachelor of Education(Sci) Egerton University Work Experience: 12 years Governor's nominee (Baringo South)</p>
 8. Wilson Korombori	<p>Date of birth: 1961</p> <p>Key academic and professional qualifications, Bachelor of Education - Egerton University Work Experience: 42yrs Governor's nominee (Baringo Central)</p>
 9. Winnie Bett	<p>Date of birth.: 1970</p> <p>ID NO: 10376817</p> <p>Key academic and professional qualifications, Bachelor of Education(Arts) Kenyatta University. Work Experience: 33 years Governor's nominee(Eldama Ravine)</p>
 10. Paul K. Chesang	<p>Date of birth: 11/11/1970</p> <p>Key academic and professional qualifications: Masters in Leadership and policy in Education work experience; 32 Years Director -- ECDE, Vocational Training and Library Services</p>

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

4. Key Management Team

Name	Details of qualifications and experience
 <p>1. Anne Chewochei</p>	<p>Date of birth: - 01/01/1969 Key academic and professional qualifications:- Bachelor of Education - Arts work experience; 38 Years Chief Officer – Fund Administrator, ECDE, Education Vocational Training and Library Services</p>
 <p>2. Paul K. Chesang</p>	<p>Date of birth:- 11/11/1970 Key academic and professional qualifications: - Masters in Leadership and policy in Education work experience; 32 Years Director – ECDE, Education, Vocational Training and Library Services</p>
 <p>3. Kiptoo K. Gikono</p>	<p>Date of birth: 19/08/1980 Key Academic Professional Qualifications:- Masters Business Administration, BBA, CPA(K), Certified Credit Profession, Certified Investment Analyst, Higher National Diploma in Human Resource, Diploma in Supplies and Purchasing. Work experience -18yrs Chief Officer:- Finance or Designate</p>
 <p>4. Thomas Chesaro</p>	<p>Date of birth; 01/01/1979 Key academic and professional qualifications; BCOM – Finance Option (UON), CPA(K), Senior Management Course Work experience; 25Years Fund Accountant – Education Bursary and Scholarship Fund</p>
 <p>5. David K. Rerimoi</p>	<p>Date of birth; 1980 Key academic and professional qualifications;- Masters in Business Administration (UON), BCOM, CPA(K) Senior Management Course Work experience; 25 Years Deputy Director – Accounting Services</p>

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

5. Chairman's Report

During the year under review, the fund did not witness any change in the composition of its board and management team. Despite financial constraints, the fund was able to utilize the available resources at its disposal to meet its objectives. Total revenue was Kshs 11,718,254 (previous year Kshs. 108,028,379) while total expenses were Kshs 9,027,125 (previous year expenses Kshs. 107,760,725). For a fruitful impact, the fund should be allocated more funds.

Description and reference of the transfer	Date of transfer	2024-2025	2023-2024
Revenue from Non-Exchange Transaction		Kshs	Kshs
Balance Brought Forward	1/7/2023	267,654	17,053,379
1st quarter transfer	11/7/2024	7,000,000	
3rd quarter transfer		-	12,000,000
4th quarter transfer		-	78,800,000
Interest Income (Reversed Cheques)		4,450,600	175,000
Total Revenue		11,718,254	108,028,379

FUND USES / EXPENDITURE / DISBURSEMENT	2024-2025	2023-2024
Revenue from Non-Exchange Transaction	Kshs	Kshs
Award of the Bursary Fund to the Needy / Beneficiaries	8,332,700	105,187,250
Domestic travel and subsistence Allowances (Adm. Costs)	689,625	2,571,075
Other operating expenses (Bank Charges/Tax Deducted)	4,800	2,400
Total Expenditure	9,027,125	107,760,725

Name: Rev. Symon Kiuta Lonyayo Signature:  Date: 28/10/2025

CECM - Chairperson of the Fund



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

6. Report of The Fund Administrator

The performance of the Baringo County Bursary and Scholarship Fund disbursed as stipulated in the law. The Budget allocated in the financial year under review was Kshs 89,717,654. However, the fund had receivable of Kshs 59,399,785. Total funds available were Kshs 11,718,254 out of which Kshs. 7,267,654 was balance brought forward and late Bursary receipts of the previous period of Kshs 7,000,000. Current year under review Receipts from Baringo County Ksh 7,000,000 and Cheques written back amounting to Kshs 4,450,600 was also added back to Cash book, though the stale cheques were replaced later. Kshs. 8,332,700 was bursary disbursed as at 30th June, 2025 in this financial year 2024/2025 being combination of the previous year allocation Kshs 7,967,654 and the current year Kshs 4,450,600 as cheques written back. Administration expenses Kshs. 689,625 and bank charges was Kshs. 4,800. This resulted in a Cash book balance of Kshs. 2,691,129. The funds not received as at the end of the period, shall be utilized to service administration costs and bursary award to beneficiaries in the following financial year.

The summary is as follows: -

Description and reference of the transfer	Date of transfer	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange Transaction			
Balance Brought Forward	1/7/2024	267,654	17,053,379
1st quarter transfer	1/7/2024	7,000,000	12,000,000
3rd quarter transfer		-	78,800,000
4th quarter transfer	-	-	-
Interest Income – Cheques Write Back		4,450,600	175,000
Total Revenue		11,718,254	108,028,379

Fund Uses / Expenditure / Disbursement	2024-2025	2023-2024
	Kshs	Kshs
Award of the Bursary Fund to the Needy / Beneficiaries	8,332,700	105,187,250
Domestic travel and subsistence Allowances (Adm. Costs)	689,625	2,571,075
Other operating expenses (Bank Charges/Tax Deducted)	4,800	2,400
Total Revenue	9,027,125	107,760,725

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

Name of Bank, Account No. & currency	2024-2025	2023-2024
	Kshs	Kshs
Cash Book Balance - Equity Bank, Ac no. 1390262458895 (Kshs)	2,691,129	267,654
Total Balance	2,691,129	267,654

The Physical progress based on outputs, outcomes and impacts since establishment of Baringo County Bursary and Scholarship Fund is that there has been increase in fund beneficiaries due to continuous budget allocation. The value-for-money has been achieved since the needy bright students who were supported through the fund had been increasing while most of them have completed their courses.

The implementation challenges of strategic objectives for the Baringo County Education Bursary and Scholarship Fund, may include the time taken to consolidate the beneficiary lists from the ward to the County level being too long due to the procedure followed till the approval of the real achievement of the desired list. Its outlook is encouraging since the anticipation is that a reasonable budget allocation for the coming year being provided to enable the Fund to undertake its mandate in line with the strategic plan of the fund.

Some of the key risk management strategies include frequent changes of the management team members as well as delay in funds disbursement by the County Treasury..

Signed: _____

CO Anne Chewoche

Fund Administrator / Secretary



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

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

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer shall prepare financial statements of each County Government Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board including a statement of the county government fund's performance against predetermined objectives.

The key development objectives of the Baringo County Bursary and Scholarship Fund 2024-2025 plan are to:

- a) Ensure timely and efficient disbursement of funds to the identified needy students;
- b) Ensure the compilation of proper records, returns and reports from the wards;
- c) Receive and address complaints and disputes and take any appropriate action in consultation with the ward bursary committee;
- d) Approve the funding of needy students in accordance with the relevant policy and send funds to the respective institution's accounts of the approved beneficiaries;
- e) Oversee the policy framework and matters that may arise in relation to the fund;
- f) Make reports, other than the statutory report, to appraise the County Assembly on various matters relating to the Fund and seek various approvals as required by the Act.

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

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Bursary/ Education	To ensure timely and efficient disbursement of funds to the identified needy students	Efficient access of education bursary in the County	Students retained in school / transitioned to next level institutions	In Financial Year 2024/2025 we increased bursary access to secondary school level and Tertiary institution
Bursary/ Education	To Ensure the compilation of proper records, returns and reports from the wards	Access of Ward records and reports	All wards submitted their compiled records	In Financial Year 2024/2025 we received ward bursary award list of secondary school level and Tertiary institution
Bursary/ Education	To receive and address complaints and disputes and take any appropriate action in consultation with the ward bursary committee	Minimal complaints received	The minor complaints sort out satisfactorily	In Financial Year 2024/2025 we received minimal complaints bursary award list of secondary school level and Tertiary institution
Bursary/ Education	To approve funding of needy students in accordance with the relevant policy and send funds to the respective institution's accounts of the	Wrote cheques to respective institutions per sub county	Cheques presented to respective institutions for banking	In Financial Year 2024/2025 we paid bursary as per ward list of secondary school level and Tertiary institution

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

Program	Objective	Outcome	Indicator	Performance
	approved beneficiaries			
Bursary/ Education	To make reports, other than the statutory report, to appraise the County Assembly on various matters relating to the Fund and seek various approvals as required by the Act	Reports made on timely basis	Reports submitted on time in line with regulation	In Financial Year 2024/2025 we presented timely quarterly reports for bursary and scholarship as required

8. Statement of Corporate Governance

The Fund Administration Committee meetings held were three and the attendance to those meetings by members was satisfactory,

The succession plan of the fund is that when a member resigns or retires or removed a new member shall be appointed or replaced on such terms and conditions as may be specified in the instrument of appointment. An appointed of a board member shall hold office for a period of five years or until new members of the board are appointed and Administration Committee members are removed from office by the Governor on recommendation of the Board if the member has been absent from three consecutive meetings of the Board without its permission and is convicted of a criminal offence that amounts to a felony under the laws of Kenya, or is incapacitated by prolonged physical or mental illness for a period exceeding six months; or is otherwise unable or unfit to discharge his or her duties

The roles and functions of the Administration Committee member, the executive committee Member for Education chairs the meetings, the County Chief Officer in charge of Finance is financial advisor, the County Chief Officer Education is the Secretary and Fund administrator, the four members appointed by the Governor represent the interest of the public, the County Director of Education (MoE) as member to support proper implementation Education policies, the KESSHA chairman to present the interest of Secondary School head teachers and Director – Vocational Youth Training to assist in ascertaining the needy tertiary students. The induction and training, Administration Committee members and member's performance is not usually done due to insufficient management resources.

To address conflict of interest the board members are advised to avoid any specific interest during bursary awards, but if there is any it is stated that in case there is such incident then it should be declared early enough so that relevant member may not attend the meeting or may be exempted during the Bursary or Scholarship award process., The members of the board are not entitled for remuneration, but the allocation of 3% of the Fund, administrative expenses is used to pay sitting allowances and transport reimbursement during the meetings held.

The members are guided by Chapter Six of the constitution so as to work while observing the integrity issues on allocating bursary and scholarship funds. All beneficiaries shall be vetted through a transparent, equitable and fair process that is Community-based in order to ensure that prospective benefits of the fund are available to a widespread cross-section of needy students.

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

9. Management Discussion and Analysis

The Fund had a balance of Ksh 267,654, Kshs 4,450,600 were funds reversed or added back to Cash book of stale / un-presented cheques of the previous financial period and inward swift from Baringo County Ksh 7,000,000. The expenditure amounted to Kshs 9,027,125 as compared to the previous period of Kshs 107,760,725.

Description and reference of the transfer	Date of transfer	2024-2025	2023-2024
		Kshs	Kshs
Revenue from Non-Exchange Transaction		267,654	17,053,379
Balance Brought Forward	1/7/2024	7,000,000	12,000,000
1st quarter transfer		-	78,800,000
3rd quarter transfer		-	-
4th quarter transfer		4,450,600	175,000
Interest Income/Earned/Bursary Reversed		11,718,254	108,028,379
Total Revenue			

Fund Uses / Expenditure / Disbursement	2024-2025	2023-2024
	Kshs	Kshs
Award of the Bursary Fund to the Needy / Beneficiaries	8,332,700	105,187,250
Domestic travel and subsistence Allowances (Adm. Costs)	689,625	2,571,075
Other operating expenses (Bank Charges/Tax Deducted)	4,800	2,400
Total Revenue	9,027,125	107,760,725

The Fund core mandate is to provide financial assistance to needy but bright students and scholarship to vocational trainees from Baringo County. therefore there is no project or investment decision implemented or ongoing.

The Fund is prepared in accordance with Public Finance Management Act, 2012 and Baringo County Bursary and Scholarship Fund Regulations, 2018.

There are no major risks facing the Fund since all beneficiaries are vetted fairly with transparency, also, material areas in statutory and other financial obligations are not applicable.

10. Environmental and Sustainability Reporting

Baringo County Bursary and Scholarship Fund exists to transform lives by providing financial assistance to needy but bright students and vocational trainees. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on Basic and Tertiary education pillars: putting the beneficiaries first, delivering equitable access to skills and opportunities for the Youth, and improving operational excellence. Below is a brief highlight of our achievements in each pillar.

1. Sustainability strategy for Basic Education

The top management especially the accounting officer made reference to sustainable efforts, broad trends in bursary and scholarship assistance affecting sustainability of studies, in reference to the best practices for fair and equitable educational opportunities.

2. Sustainability strategy for Tertiary Education

The fund provides evidence of the policy that guides the scholarship programme to the trainees in vocational training centres or technical institutions for the sake of sustainable livelihood thereafter.

3. Employee welfare

The Fund set aside 3% of the total budget allocation to cater for the Administration Expenses during board, Management and ward meeting allowances and transport reimbursements.

4. Market place practices

The Fund tries its best give notices for applicants to take opportunity at equal chance through proper communication

a) Responsible competition practice.

All applicants are vetted through a transparent, democratic, equitable and fair process that is community-based in order to ensure that prospective benefits of the Fund are available to widespread cross-section of needy students in the entire Baringo County.

b) Responsible Supply chain and supplier relations

The Fund ensures that every student wishing to be considered for bursary or scholarship shall make an application to respective ward committee by filling a prescribed application form.

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

c) Responsible marketing and advertisement

The Fund ensures that every applicant gets the prescribed form at convenient point that is at ward level and at low costs.

d) Product stewardship

The Fund enables applicants to deposit their forms at ward level

5. Community Engagements

The fund engages the Community in ward and board committees. Respective ward committee members consist of ward administrator as secretary, one youth, two women and two men appointed by Executive Committee Member of Education, a person with disability, a religious person and a chief in the ward. In the board there are four community members appointed by the Governor.

11. Report of The Fund Committee

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

Principal activities

The principal activities of the Fund are

1. Make provision for the granting of bursaries and scholarships
2. The enhancement of equitable access to skills and opportunities for the youth of Baringo County
3. Assisting students and trainees from needy and disadvantaged backgrounds to obtain education
4. Helping students to continue in education and training where financial barriers are evident
5. Providing mentorship program for beneficiaries of the fund; and

Ensuring that students are retained in school after enrolment thus equalizing educational opportunities through bursary and scholarship subsidies among children from poor households

Results

The results of the Fund for the year ended June 30, 2025 are set out on page 1 to 6

Trustees

The members of the Administration Committee who served during the year are shown on page vi and Viii. There were no changes in the Committee during the financial year.

Auditors

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



.....
Chair of the Fund Administration Committee

Date: 28/10/2025



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

12. Statement of Management's Responsibilities

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

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

The Administrator of the Baringo County Education Bursary and Scholarship Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Baringo County Education Bursary and Scholarship Fund Regulations 2018. The Administrator of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Fund's financial statements were approved by the Committee on 28/10/2025 2025 and signed on its behalf by



.....
Administrator of the Baringo County Education Bursary and Scholarship Fund

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON BARINGO COUNTY EDUCATION BURSARY AND SCHOLARSHIP FUND FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on 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 the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on 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 Baringo County Bursary and Scholarship Fund set out on pages 1 to 22 which comprise the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget

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

In my opinion, except for the 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 Baringo County Bursary and Scholarship Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act (Baringo County Education Bursary and Scholarship Fund) Regulations, 2018 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Cancelled Cheques

The statement of financial performance reflects revenue from exchange transactions of an amount of Kshs. 4,450,600 in respect of other income-cheques written back and as disclosed in Note 7 to the financial statements. Review of the cash book revealed that bursary cheques amounting to Kshs. 4,450,600 were cancelled and reversed during the year. However, the reversed cheques have not been supported by schedules giving, reason for cancellation, replacement cheques number. This is contrary to Regulation 16(2) of the Public Finance Management (Baringo County Education Bursary and Scholarship Fund) Regulations, 2018 which states that once funds are allocated for a particular beneficiary, they shall remain allocated for that beneficiary and may only be reallocated to another beneficiary during the year with the approval of the Board and if for any reason money allocated to particular beneficiary is cancelled or discontinued during the financial year, funds allocated for such a person shall be returned to the Fund for the committee to identify a beneficiary.

In the circumstances, the accuracy, occurrence, completeness and regularity of the reversed cheques amounting to Kshs.4,450,600 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis totaling to Kshs.71,118,039 and Kshs.11,718,254 respectively, resulting to an under-funding amounting to Kshs.59,399,785 or 84% of the

budget. Further, an amount of Kshs.9,027,125 was spent against the actual receipts of Kshs.11,718,254 resulting to an under-utilization of Kshs.2,691,129.

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

My Opinion is not modified in respect of this matter

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit reports, one issue was raised under the Report on Effectiveness of Internal Controls, Risk Management and Governance on bursary payments without beneficiary details as reflected in Appendix 1 to the financial statements. Review of the status during audit of the Fund in 2024/2025 revealed that the issue remained unresolved.

Other Information

The Fund Administration Committee is responsible for the Other Information set out on page iii to xx which comprise of Key Fund Information and Management, The Fund Administration Committee, Management Team, Chairman's Report, Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Statement Corporate Governance, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Fund Committee and Statement of Management's Responsibilities . The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

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

Basis for Conclusion

1. Ineligible Committee Allowance

The statement of financial performance reflects use of goods and services of an amount of Kshs.694,425 which includes an amount of committee allowances totaling Kshs.689,625 and as disclosed in Note 9 to the financial statements. However, the expenditure exceeded the 3% legal limit set by the Fund the prescribed limit. This is contrary to Regulation 17(5) of the Baringo County Education Bursary and Scholarship Fund, 2016 states that a portion of the Fund amounting to not more than three percent (3%) of the total amount of the Fund shall be set aside for administrative costs.

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

2. Failure Prepare and Submit Quarterly Financial Reports

During the year under review, the Management did not prepare or submitted quarterly financial reports and supporting quarterly ledgers. This is contrary to Section 166. (1) of the Public Finance Management Act 2012 which states that an Accounting Officer for a county government entity shall prepare a report for each quarter of the financial year in respect of the entity.

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

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

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

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective

processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to as a going concern, disclosing, as applicable, matters related to going concern and using the concern basis of accounting unless Management is aware of the intention to terminate 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, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards 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, SBS
AUDITOR-GENERAL

Nairobi


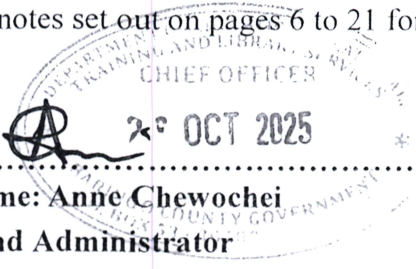
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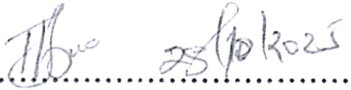
**Baringo County Education Bursary and Scholarship Fund
Annual Report and Financial Statements for the year ended June 30, 2025**

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	58,699,785	98,500,000
		58,699,785	98,500,000
Revenue From Exchange Transactions			
Other income – Cheques Written Back	7	4,450,600	175,000
		4,450,600	175,000
Total Revenue		63,150,385	98,675,000
Expenses			
Bursary transfers	8	(8,332,700)	(105,187,250)
Use of Goods and Services	9	(694,425)	(2,573,475)
Total Expenses		(9,027,125)	(107,760,725)
Surplus/(Deficit) for the Period		54,123,260	(9,085,725)

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



 Name: **Anne Chewochei**
 Fund Administrator

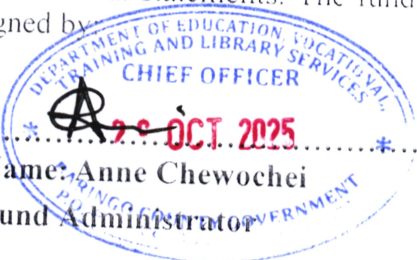

 Name: **Thomas Chesaro**
 Fund Accountant
 ICPAK Member Number: **15566**

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


15. Statement of Financial Position as at 30th June, 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	10	2,691,129	267,654
Non-exchange receivables	11	59,399,785	7,700,000
Total current assets		62,090,914	7,967,654
Total Assets (A)		62,090,914	7,967,654
Liabilities			
Current Liabilities			
Trade and Other Payables		-	-
Total current liabilities		-	-
Total Liabilities (B)		-	-
Net Asset (A-B)		62,090,914	7,967,654
Represented By:			
Accumulated Surplus		62,090,914	7,967,654
Net Assets		62,090,914	7,967,654

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The fund financial statements were approved on 28/10/ 2025 and signed by:



 Name: Anne Chewochei
 Fund Administrator



 Name: Thomas Chesaro
 Fund Accountant
 ICPAK Member Number: 15566

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

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

Description	Accumulated surplus
	Kshs
Balance as at 1 st July, 2023	17,053,379
Surplus/(Deficit) For the Year	(9,085,725)
Balance As At 30 th June, 2024	7,967,654
Balance As At 1 st July, 2024	7,967,654
Surplus/(Deficit) For the Year	54,123,260
Balance As At 30 th June, 2025	62,090,914

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

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers From the County Government	6	7,000,000	90,800,000
Public Contributions and Donations		-	-
Finance Income		-	-
Other receipts – Cheques Write Back	7	4,450,600	175,000
Total receipts		11,450,600	90,975,000
Payments			
Bursary Transfers	8	(8,332,700)	(105,187,250)
Use of goods and Services	9	(694,425)	(2,573,475)
Total Payments		(9,027,125)	(107,760,725)
Net cash flows from operating activities	12	2,423,475	(16,785,725)
Cash flows from investing activities			
		-	-
Net cash flows used in investing activities			
		-	-
Cash flows from financing activities			
		-	-
Net cash flows used in financing activities			
		-	-
Net increase/(decrease) in cash & cash Equivalents	12	2,423,475	(16,785,725)
Cash and cash equivalents at 1 st July, 2024	10	267,654	17,053,379
Cash and cash equivalents at 30th June, 2025	10	2,691,129	267,654

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

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

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

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Opening budget Carry Overs	7,967,654	-	7,967,654	7,267,654	700,000	91%
Receipts			-			
Transfers From the County Government	81,750,000	(23,050,215)	58,699,785	-	58,699,785	0%
Other receipts – Cheques Write Back	-	4,450,600	4,450,600	4,450,600	-	100%
Total Receipts	89,717,654	(18,599,615)	71,118,039	11,718,254	59,399,785	16%
Payments						
Bursary Transfers	(87,034,154)	18,041,627	(69,126,045)	(8,332,700)	(60,793,345)	12%
Use of goods & Services	(2,683,500)	691,506	(1,991,994)	(694,425)	(1,297,569)	35%
Total Payments	(89,717,654)	18,599,615	(71,118,039)	(9,027,125)	(62,090,914)	13%
Surplus For the Period	-	-	-	2,691,129	(2,691,129)	

Budget notes

1. During the year under review the bursary allocation was not disbursed to the fund as at year end (IPSAS 24.14)
2. Provide an explanation of changes between the original and final budget, indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)

Budget Reconciliation

Description of Particulars	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	2,691,129
Closing Cash and Cash Equivalent as per the statement of Cash flows	2,691,129

19. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

Baringo County Education Bursary and Scholarship Fund is established by and derives its authority from PFM Act and Baringo County Education Bursary and Scholarship Fund Regulations 2018. The fund is wholly owned by the Baringo County Government and is domiciled in Kenya.

The overall objective of the Fund is to provide financial assistance to needy but bright students and vocational trainees from Baringo County.

The Fund's principal activity is to provide financial assistance to needy but bright students and vocational trainees from Baringo County.

The Baringo County Bursary and Scholarship Fund's principal activity is to;

1. Make provision for the granting of bursaries and scholarships
2. The enhancement of equitable access to skills and opportunities for the youth of Baringo County
3. Assisting students and trainees from needy and disadvantaged backgrounds to obtain education
4. Helping students to continue in education and training where financial barriers are evident
5. Providing mentorship program for beneficiaries of the fund; and
6. Ensuring that students are retained in school after enrolment thus equalizing educational opportunities through bursary and scholarship subsidies among children from poor households.

2. Statement of compliance and basis of preparation

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

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

3. Adoption of new and revised standards

When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2025

(i) New and amended standards and interpretations in issue effective in the year ended 30th June, 2025.

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

(ii) New and amended standards and interpretations in issue but not yet effective in the year ended 30th June, 2025.

Standard	Effective date and impact:
IPSAS 43 Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Fund. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. Not relevant
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> 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. Not relevant
IPSAS 45- Property Plant and Equipment	<i>Applicable 1st January 2025</i> 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

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

Standard	Effective date and impact:
	<p>under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. Not relevant</p>
<p>IPSAS 46 Measurement</p>	<p>Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value. Not relevant</p>
<p>IPSAS 47- Revenue</p>	<p>Applicable 1st January 2026 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 fund 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. Not yet due for implementation</p>
<p>IPSAS 48- Transfer Expenses</p>	<p>Applicable 1st January 2026 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. Not yet due for implementation</p>
<p>IPSAS 49- Retirement Benefit Plans</p>	<p>Applicable 1st January 2026 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>

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

Standard	Effective date and impact:
	Not yet due for implementation
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p data-bbox="432 416 778 450"><i>Applicable 1st January 2027</i></p> <p data-bbox="432 450 1353 528">The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> <li data-bbox="456 528 1353 607">i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. <li data-bbox="456 607 1353 730">ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. <li data-bbox="456 730 1353 931">iii. Disclosures that identify and explain the amounts in the fund's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. <p data-bbox="432 931 778 965">Not yet due for implementation</p>

(iii) Early adoption of standards

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

3. 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 fund and can be measured reliably.

ii. Revenue from exchange transactions

Interest income

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

b) Budget information

The original budget for FY 2024/2025 was approved by the County Assembly on 30th June, 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Baringo County Education Bursary and Scholarship Fund upon receiving the respective approvals in order to conclude the final budget. The Baringo County Education Bursary and Scholarship Fund recorded additional appropriations of Kshs. Nil on the FY 2024/2025 budget following the governing body's approval.

Baringo County Education Bursary and Scholarship Fund's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification plans adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts, and the actuals as per the statement of cash flows.

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

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

(ii) Subsequent measurement

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

(iii) Amortized cost

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

(iv) Fair value through net assets/ equity

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

(v) Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the fund 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 are not made by the management in determining the expected credit loss (ECL).

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

e) Contingent liabilities

Baringo County Education Bursary and Scholarship Fund does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless

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the possibility of an outflow of resources embodying economic benefits or service potential is probable.

f) Contingent assets

Baringo County Education Bursary and Scholarship Fund does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the xxx 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 Baringo County Education Bursary and Scholarship Fund creates and maintains reserves in terms of specific requirements. Fund don't have the reserves maintained, hence no appropriate policies adopted.

h) Changes in accounting policies and estimates

The Baringo County Education Bursary and Scholarship Fund recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

i) Foreign currency transactions

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

j) Related parties

The Baringo County Education Bursary and Scholarship Fund regards a related party as a person or an fund with the ability to exert control individually or jointly, or to exercise significant influence over the Baringo County Education Bursary and Scholarship Fund, or vice versa. Members of key management are regarded as related parties and comprise of Board of Trustees, the Fund administrator and senior managers.

k) Cash and cash equivalents

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

l) Comparative figures

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

5. Significant judgments and sources of estimation uncertainty

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

State all judgments, estimates, and assumptions made e.g.

a) Estimates and assumptions –

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Fund 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 Fund
- 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 excluded.

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.

The fund does not provide for bad debts or obsolete stocks then, the management do not estimate for such provisions.

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6. Transfers from the County Government

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers From County Treasury Department	-	90,800,000
Transfers – Non-Exchange Receivable	58,699,785	7,000,000
Total	58,699,785	97,800,000

7. Other income – Cheques Write Back

Description	2024/2025	2023/2024
	Kshs	Kshs
Cheque write backs	4,450,600	175,000
Total Other Income	4,450,600	175,000

8. Bursary Transfers

Description	2024/2025	2023/2024
	Kshs	Kshs
Universities	1,106,200	6,028,100
TVETs and Colleges	733,600	37,898,900
Secondary schools	6,492,900	61,260,250
Total	8,332,700	105,187,250

9. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs.	Kshs.
Committee Allowances	689,625	1,374,600
Administration expenses	-	1,196,475
Bank charges	4,800	2400
Total	694,425	2,573,475

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10. Cash and cash equivalents

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	2,691,129	267,654
Total Cash and Cash Equivalents	2,691,129	267,654

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
a) Current Account			
Equity Bank (Cash Book)	1390262458895	2,691,129	267,654
Grand Total		2,691,129	267,654

11. Non-Exchange Receivables

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers from County Government – Current FY	58,699,785	
Transfers from County Government – Previous FY	700,000	7,700,000
Total non-exchange receivables	59,399,785	7,700,000

12. Cash generated from operations.

Description	2024/2025	2023/2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year	54,123,260	(16,785,725)
Adjusted For:		
Working Capital Adjustments		
Increase In Receivables	(51,699,785)	(-)
Increase In Payables	-	-
Net Cash Flow from Operating Activities	2,423,475	(16,785,725)

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13. Related party balances

a) Nature of related party relationships

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

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

b) Related party transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers from related parties	-	-
Transfers to related parties	-	-

c) Key management remuneration

Description	2024/2025	2023/2024
	Kshs	Kshs
Board of Trustees	-	-
Total	-	-

d) Due from related parties

Description	2024/2025	2023/2024
	Kshs	Kshs
Due From County Government	-	-
Total	-	-

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Other Disclosures Continued

e) Due to related parties

Description	2024/2025	2023/2024
	Kshs	Kshs
Due to County Government	-	-
Due to Key Management Personnel	-	-
Total	-	-

14. Contingent assets and contingent liabilities

Contingent Liabilities	2024/2025	2023/2024
	Kshs	Kshs
No Court Case Against the Fund	-	-
Bank Guarantees	-	-
Total	-	-

15. Financial risk management

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

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the fund'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 fund's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

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Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30th June, 2025				
Receivables From Non-Exchange Transactions	59,399,785	-	59,399,785	-
Receivables From Exchange Transactions	0	-	-	-
Bank Balances	2,691,129	2,691,129	-	-
Total	62,090,914	2,691,129	59,399,785	-
As at 30th June, 2024				
Receivables From Non-Exchange Transactions	7,700,000	-	7,700,000	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	267,654	267,654	-	-
Total	7,967,654	267,654	7,700,000	-

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 fund has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The fund has significant concentration of credit risk on amounts due from none.

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

b) Liquidity risk management

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

The table below represents cash flows payable by the Fund 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.

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c) Market risk

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

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

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

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

i. Foreign currency risk

The Fund has 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 fund's foreign currency-denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Foreign currency sensitivity analysis

The following table demonstrates the effect on the Fund'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.

ii. Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The

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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 Nil (2024: Kshs Nil). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs Nil(2024-1 – Kshs Nil).

d) Capital risk management.

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Accumulated surplus	62,090,914	7,967,654
Total funds	62,090,914	7,967,654
Less: cash and bank balances	(2,691,129)	(267,654)
Net debt/(excess cash and cash equivalents)	59,399,785	7,700,000
Gearing	96%	97%

16. Events after the reporting period

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

17. Currency

The financial statements are presented in Kenya Shillings (Kshs)

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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/NRO/BARINGO C/EP&SF/2023/2024/(12)	Budgetary Control Performance	In the subsequent financial year the department follow up for funds disbursement on time	Resolved	
	Bursary Payments Without Beneficiary Details	Contacted the concern institutions for the provision of the admission numbers	Resolved	

➤ There were minor issues raised by the external auditor



 Fund Administrator
 Date... 28/10/2025


 20 OCT 2025

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Annex II: Inter-Fund Confirmation Letter

Name of transferring fund: Baringo County Treasury

Name of beneficiary fund: Baringo County Education Bursary and Scholarship Fund

Confirmation of amounts received by Baringo County Education Bursary and Scholarship Fund as at 30th June, 2025

Reference Number	Date Disbursed	Amounts Disbursed by Baringo County Treasury Department] (Kshs) as at 30 th June, 2025			Amount Received by Baringo County Education Bursary and Scholarship Fund] (Kshs) as at 30 th June, 2025(D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
RTGs	04/07/2024	4,000,000		4,000,000	4,000,000	
RTGS	11/07/2024	3,000,000		3,000,000	3,000,000	
Total		7,000,000		7,000,000	7,000,000	

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

Head of Accounts - Disbursing Fund:

Name: David Rerimoi Signature

Date

Head of Accounts - Beneficiary Fund:

Name: Thomas Chesaro Signature

Date

