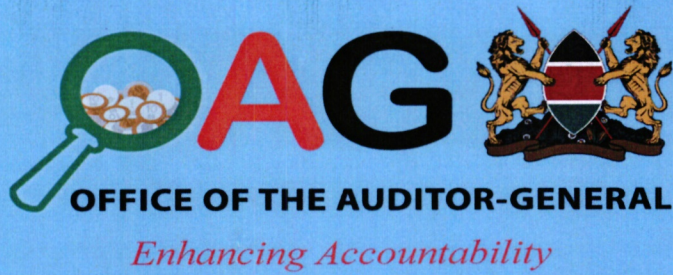


REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

PAPERS LAID	
DATE	19/04/2023
TABLED BY	SENATE DEPUTY SPEAKER WANG
COMMITTEE	_____
CLERK AT THE TABLE	MS. NARYA HOJIBOWI

THE AUDITOR-GENERAL

ON

**BARINGO COUNTY BURSARY AND
SCHOLARSHIP FUND**

**FOR THE YEAR ENDED
30 JUNE, 2022**





BARINGO COUNTY BURSARY AND SCHOLARSHIP FUND

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE, 2022

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

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2021**

Table of Contents	1
1. KEY ENTITY INFORMATION AND MANAGEMENT	2
2. THE FUND ADMINISTRATION COMMITTEE	5
3. STATEMENT OF PERFORMANCE AGAINST BARINGO COUNTY BURSARY AND SCHOLARSHIP FUND'S PREDETERMINED OBJECTIVES	6
4. MANAGEMENT TEAM	9
5. FUND ADMINISTRATION COMMITTEE CHAIRPERSON'S REPORT	10
6. REPORT OF THE FUND ADMINISTRATOR	11
8. MANAGEMENT DISCUSSION AND ANALYSIS	15
9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT / SUSTAINABILITY REPORTING	16
10. REPORT OF THE FUND ADMINISTRATION COMMITTEE	18
11. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES	19
12. REPORT OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS FOR BARINGO COUNTY BURSARY AND SCHOLARSHIP FUND	20
13. FINANCIAL STATEMENTS	21
14. NOTES TO THE FINANCIAL STATEMENTS	44
15. PROGRESS ON FOLLOW UP OF PRIOR YEAR AUDITOR'S RECOMMENDATIONS	57

1. KEY ENTITY 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 Baringo 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 is managed by a Board referred to as the Baringo County Bursary and Scholarship Administration Committee.

Members of the Board (Ten individuals)

1. The Executive Committee Member for Education who is the chairperson
2. The County Chief Officer in charge of finance who is the financial advisor
3. The County Chief Officer of Education who is the Fund Administrator
4. Four persons appointed by the Governor to represent members of the public
5. The County Director of Education (MoE)
6. The KESSHA Chairman (county)
7. Director, ECDE & Vocational Training

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

d) Key Management

Ref	Name	Position
1	Dr./CPA Jane Barus	Chief Officer Finance
2	Thomas Chesaro	Fund Accountant
3	Dr. David Sergon	CECM-Education – Chairperson
5	Tom Tubei	Director ECDE &VTC

e) Fiduciary Oversight Arrangements

Ref	Name	Position
1	CPA James Rotich	Directorate Internal Audit
2		

f) Registered Offices

P.O. Box 53-30400
Mwalimu Plaza Ground Floor
Kabarnet, KENYA

g) Fund Contacts

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

h) Fund Bankers

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

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

i) Independent Auditors

Auditor General

Office of The Auditor General

Anniversary Towers, University Way

P.O.Box 30084

GPO 00100

Nairobi, Kenya

j) Principal Legal Adviser

The County Attorney

Baringo County






Office of the Governor Building

P.O. Box 53 - 30400

Kabarnet, Kenya

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

2. THE FUND ADMINISTRATION COMMITTEE

Name	Passport-Size Photo	Details of qualifications and experience
1.Dr. David Sergon CECM - Education, Youth, Gender, Sports, Culture and Social Services		Year of Birth: 1974 Key Qualifications: Doctorate in Entrepreneurship Studies (Moi University), Masters in Business Administration (KU), B.ED (Accounting and Mathematics) UON. Work Experience: 22 Years
2.CPA Enock Keston - CECM - Treasury & Economic Planning		Year of Birth: 1983 Key Qualifications: MBA(Finance) – Egerton, B.COM(Accounting), CPA-K Work Experience: 18 Years
3.Dr./CPA Jane Barus Chief Officer Finance - Member		Year of Birth: 1979 Key Qualifications: PHD Finance - JKUAT, B.COM, CPA(K),Senior Management Course and SLDP Work Experience: 21 Years
5.Tom Tubei - Director ECDE & VTC		Year of Birth: 1972 Key Qualifications: B.ED (Arts) Moi University, Masters in Business Administration; Marketing Management (KEMU), Senior Management Course (KSG). Work Experience: 25years
6.CPA David Rerimoi Deputy - Director Accounting Services		Year of Birth: 1980 Key Qualifications: Masters in Business Administration (UON),BCOM,CPA(K) Senior Management Course. Work Experience: 22 years

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

3. STATEMENT OF PERFORMANCE AGAINST BARINGO COUNTY BURSARY AND SCHOLARSHIP FUND'S PREDETERMINED OBJECTIVES

Introduction

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

The key development objectives of the Baringo County Bursary and Scholarship Fund 2021-2022 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 Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

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 2021/2022 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 2021/2022 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 2021/2022 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 2021/2022 we paid bursary as per ward list of secondary school level and Tertiary institution

**Baringo County Bursary and Scholarship Fund
 Reports and Financial Statements
 For the year ended June 30, 2022.**

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 2021/2022 we presented timely quarterly reports for bursary and scholarship as required

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

4. MANAGEMENT TEAM

Name	Pass – Port Size Photo	Details of qualifications and experience
1. Thomas Chesaro –Fund Accountant		Year of Birth: 1979 Key Qualifications: BCOM – Finance Option (UON), CPA(K) Work Experience: 22 years
2. Eng. Michael Kiptoo - Education Chief Officer - Secretary & Fund Administrator		Year of Birth: 1983 Key Qualifications: Masters Urban Management & Planning (Erasmus University- Rotterdam), Bachelor of Technology (Civil Eng) Moi University SMC, SLDP(KSG) Work Experience: 15 Years
3. Tom Tubei - Director ECDE &VTC		Year of Birth: 1972 Key Qualifications: B. ED (Arts) Moi University, Masters in Business Administration; Marketing Management (KEMU), Senior Management Course (KSG). Work Experience: 25 years
4. CPA David Rerimoi - Deputy - Director Accounting Services		Year of Birth: 1980 Key Qualifications: Masters in Business Administration (UON), BCOM, CPA(K) Senior Management Course Work Experience: 22 years

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

5. FUND ADMINISTRATION COMMITTEE CHAIRPERSON'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 42,000,000.00 (previous year kshs. 30,000,000.00) while total expenses were kshs 53,155,790.00 (previous year expenses Kshs. 19,871,915.00). For a fruitful impact, the fund should be allocated more funds.

Description and reference of the transfer	Date of transfer	2021-2022	2020-2021
Revenue from Non-Exchange Transaction		Kshs	Kshs
Balance Brought Forward	1/7/2021	13,954,938.00	-
1st quarter transfer		-	-
4th quarter transfer		42,000,000.00	30,000,000.00
Interest Income		-	-
Total Revenue		53,954,938.00	30,000,000.00

FUND USES / EXPENDITURE / DISBURSEMENT	2021-2022	2020-2021
Revenue from Non-Exchange Transaction	Kshs	Kshs
Award of the Bursary Fund to the Needy / Beneficiaries	51,380,600	19,454,800
Domestic travel and subsistence Allowances (Adm. Costs)	1,774,950	398,875
Other operating expenses (Bank Charges/Tax Deducted)	240	18,240
Total Revenue	53,155,790	19,871,915

Signed: *[Signature]*

Fund Chairperson Name: **Dr. David Sergon**
CECM - Education, Youth, Gender, Culture, Sports and Social Services



**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

6. REPORT OF THE FUND ADMINISTRATOR

The performance of the Baringo County Bursary and Scholarship Fund was disbursed as stipulated in the law. Total budget allocated was kshs 42,000,000 out of which Kshs. 13,954,938 was balance brought forward and un-presented stale Cheques amounting Kshs 1,163,921 was also added back to Cash book making total of Ksh 43,163,921, though the stale cheques were still to be replaced later. Kshs. 51,380,600 was bursary disbursed during the following financial year 2021/2022 that is in July, 2021 to June, 2022. Administration expenses Kshs. 1,774,950 and bank charges was Kshs. 240. This resulted in a balance of ksh. 3,963,069.00 (Balance as per Cash Book). The summary is as follows; -

Description and reference of the transfer	Date of transfer	2021-2022	2020-2021
Revenue from Non-Exchange Transaction		Kshs	Kshs
Balance Brought Forward	1/7/2021	13,954,938.00	-
1st quarter transfer		-	-
4th quarter transfer	12/5/2022	42,000,000.00	30,000,000.00
Interest Income		-	
Total Revenue		53,954,938.00	30,000,000.00

FUND USES / EXPENDITURE / DISBURSEMENT	2021-2022	2020-2021
	Kshs	Kshs
Award of the Bursary Fund to the Needy / Beneficiaries	51,380,600	19,454,800
Domestic travel and subsistence Allowances (Adm. Costs)	1,774,950	398,875
Other operating expenses (Bank Charges/Tax Deducted)	240	18,240
Total Revenue	53,155,790	19,871,915

Name of Bank, Account No. & currency	2021-2022	2020-2021
	Kshs	Kshs
Cash Book Balance - Equity Bank, Ac no. 1390262458895 (Kshs)	3,963,069	13,954,938
Total Balance	3,963,069	13,954,938

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


**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

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 Bursary and Scholarship Fund may include the time taken being too long due to the procedure followed till the approval of the real achievement of the desired list of beneficiaries and its future outlook is encouraging as the budget allocation for the coming year of Kshs 42,000,000.00 will enable the Fund to undertake its mandate in line with the fund's strategic plan.

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 and improper record keeping.

Signed: _____

 Eng. Michael Kiptoo

Fund Administrator



7. CORPORATE GOVERNANCE STATEMENT

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 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.

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

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.

8. MANAGEMENT DISCUSSION AND ANALYSIS

The Fund had a balance of Ksh 13,954,938, Kshs 1,163,921 were funds reversed or added back to Cash book of stale / un-presented cheques of the previous financial period. The expenditure amounted to Kshs 53,155,790.00 as compared to the previous period of Kshs 19,871,915.00

Description and reference of the transfer	Date of transfer	2021-2022	2020-2021
Revenue from Non-Exchange Transaction		Kshs	Kshs
Balance Brought Forward	1/7/2021	13,954,938	0
1st quarter transfer		0	0
4th quarter transfer	12/5/2022	42,000,000	30,000,000
Interest Income/Earned/Bursary Reversed		0	0
Total Revenue		53,954,938	30,000,000

FUND USES / EXPENDITURE / DISBURSEMENT	2021-2022	2020-2021
	Kshs	Kshs
Award of the Bursary Fund to the Needy / Beneficiaries	51,380,600	19,454,800
Domestic travel and subsistence Allowances (Adm. Costs)	1,774,950	398,875
Other operating expenses (Bank Charges/Tax Deducted)	240	18,240
Total Revenue	53,155,790	19,871,915

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.

9. CORPORATE SOCIAL RESPONSIBILITY STATEMENT / 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.

**CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY
REPORTING (CONTINUED)**

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.

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 composed 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.

10. REPORT OF THE FUND ADMINISTRATION COMMITTEE

The Fund Administration Committee submit their report together with the audited financial statements for the year ended June 30, 2022, which show the state of the Fund affairs.

10.1 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
6. Ensuring that students are retained in school after enrolment thus equalizing educational opportunities through bursary and scholarship subsidies among children from poor households.

10.2 Performance

The performance of the Fund for the year ended June 30, 2022, are set out on page 21


10.3 Administration Committee

The members of the Administration Committee who served during the year are shown on page 5. There were no changes in the Committee during the financial year.

10.4 Auditors

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

By Order of the Fund Administration Committee
Baringo County Bursary and Scholarship Fund,

Sign: 
Name: Hon. Dr. David Sergon
Chair of the Fund Administration Committee
Date: 8/2/2023



11. 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 Baringo County Bursary and Scholarship Fund established by the Public Finance Management Act 2012 and Baringo County Bursary and Scholarship Fund Regulations 2018, shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

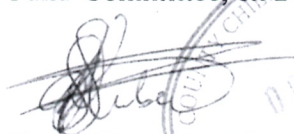
The Administrator of the Baringo County Bursary and Scholarship Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2022. This responsibility 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 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 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, 2022, 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.

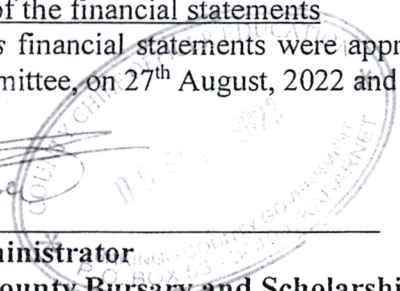
In preparing the financial statements, the Administrator of the Baringo County Bursary and Scholarship Fund has assessed the Fund’s ability to continue as a going concern and disclosed, as applicable, matters relating to the use of going concern basis of preparation of the financial statements. Nothing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

Approval of the financial statements

The Fund’s financial statements were approved by the Baringo County Bursary and Scholarship Fund Committee, on 27th August, 2022 and signed on its behalf by:

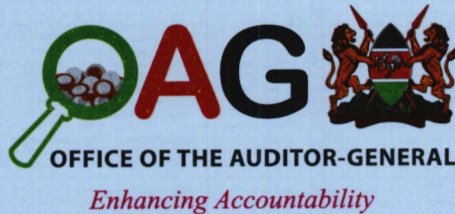


Fund Administrator
Baringo County Bursary and Scholarship Fund



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON BARINGO COUNTY BURSARY AND SCHOLARSHIP FUND FOR THE YEAR ENDED 30 JUNE, 2022

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 Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 21 to 57, which comprise the statement of financial position as at 30 June, 2022, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget

Report of the Auditor-General on Baringo County Bursary and Scholarship Fund for the year ended 30 June, 2022

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, 2022 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 (Baringo County Education Bursary and Scholarship Fund) Regulations, 2018 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unaccounted for Fund Administration Expenses

The statement of financial performance reflects fund administration expenses of Kshs.1,774,950. However, the expenditure returns indicating the persons paid, purpose of payment and nature of goods or services rendered were not provided for audit. Further, the expenditure represented 4.2% of the Fund's total budget of Kshs.42,000,000 against the set ceiling of three percent (3%) which is in breach of Section 17(5) of the Public Finance Management (Baringo County Bursary and Scholarship Fund), 2016.

In the circumstances, the propriety, accuracy and completeness of fund administration expenses of Kshs.1,774,950 for the year ended 30 June, 2022 could not be confirmed.

2. Unsupported Bursary Payments

The statement of financial performance reflects disbursements to beneficiaries' of Kshs.51,380,600. However, bursary application forms, vetting reports and approved list of beneficiaries were not provided for audit. Further, the amount includes Kshs.605,000 paid in respect of fifty-six (56) beneficiaries sharing similar admission numbers in their respective schools/institutions and multiple bursaries of Kshs.1,510,200 issued to two hundred and twenty-six (226) students without any justification or policy document. Further, the balance includes Kshs.469,000 disbursed to sixty (60) students without admission numbers and Kshs.3,264,300 to savings and credit cooperative societies that do not qualify for schools or learning institutions.

In the circumstances, the propriety, accuracy and completeness of bursary payments of Kshs.51,380,600 for the year ended 30 June, 2022 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 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.

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. There were no key audit matters to report in the year under review.

Other Matter

1. Budget and Budgetary Control

The statement of comparison of budget and actual amounts reflects total actual revenue on comparable basis of Kshs.42,000,000 against total expenditure of Kshs.53,689,790 resulting to over expenditure of Kshs.11,689,790 financed through cash balances brought forward from previous year without approval. Further, the Fund did not have a budget of income and expenditure approved by the County Bursary and Scholarship Fund Board, County Executive Committee Member for finance or the County Assembly during the year under review. This contravenes Section 149(2)(h) and (i) of the Public Finance Management Act, 2012 which requires the Accounting Officer to prepare estimates of expenditure of the entity in conformity with the strategic plan and submit the estimates to the county executive committee member for finance.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management had not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

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

Basis for Conclusion

1. Irregular Payment of Emergency Bursaries

During the year under review, an amount of Kshs.12,974,100 was disbursed towards emergency bursary and scholarship needs without funding requests indicating need and urgency, Board vetting minutes and selection reports. It was therefore not possible to establish the basis or criteria used to allocate and disburse the emergency bursaries and whether they were urgent, unforeseen and could not be delayed until the next disbursement without harming the interest of the beneficiaries in breach of Section 17(4)

of the Fund Regulations. Further, the disbursements for Bursaries represented 31% of the Fund's total allocation for the year of Kshs.42,000,000 which exceeded the set ceiling of five percent (5%) under Regulation 17(3) of the Baringo County Bursary and Scholarship Fund, Regulations, 2016.

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

2. Appointment of County Bursary and Scholarship Board

The financial statements indicate that during the year under review, the Fund was managed by five county staff. However, the Fund Board had not been constituted since the establishment of the Fund in the year 2016. Letters of appointments or Gazette Notices appointing the County Executive Committee Member for finance, county chief officers in charge of finance and education, four persons representing the members of the public, the county director of education, the secondary schools' heads association chairman and the county director in charge of vocational youth training were not provided for audit. This is contrary to Section 7 of Baringo County Bursary and Scholarship Fund Regulations, 2016.

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

The audit was conducted in accordance with ISSAI 4000. The standard 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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of Risk Management Policy

During the year under review, the Fund did not have in place a Fraud Policy to assist in detecting and preventing fraud contrary to the Public Finance Management (County Governments) Regulations, 2015. Further, Management of the Fund had not implemented effective, efficient and transparent financial management and internal control systems. This was evidenced by lack of Risk Management Policy and Information Technology policies. Management had not provided any written assurance that the internal controls systems were in place and no explanation was provided for failure to have the policies in place.

The Management may not therefore, be able to evaluate and mitigate on the risks being faced by the Fund.

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and 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 control 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 control, risk management and overall governance.

In preparing the financial statements, 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 terminate the Fund or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with overall 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date

of my audit report. However, future events or conditions may cause the Fund to cease to continue or to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 March, 2023

13. FINANCIAL STATEMENTS

13.1 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE, 2022

	Note	2021/2022	2020/2021
		KShs	KShs
Revenue from non-exchange transactions			
Public contributions and donations	1	-	-
Transfers from the County Government	2	-	-
Fines, penalties and other levies	3	42,000,000	30,000,000
		42,000,000	30,000,000
Revenue from exchange transactions			
Interest income	4	-	-
Other income	5	-	-
		-	-
Total revenue		-	30,000,000
Expenses			
Fund administration expenses	6	1,774,950	398,875
General expenses	7	240	18,240
Disbursements to Beneficiaries	6(1)	51,380,600	19,454,800
Total expenses		(53,155,790)	19,871,915
Other gains/losses			
Gain/loss on disposal of assets			
Adjustments during the year – Reversed Cheques		1,163,921	747,500
Surplus/(deficit)for the period		(9,991,869)	10,875,585

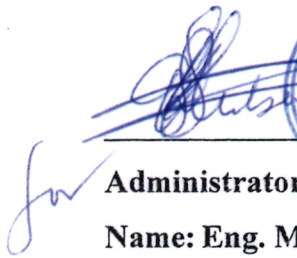
Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2021

13.2 STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2022


	Note	2021/2022	2020/2021
		KShs	KShs
Assets			
Current assets			
Cash and cash equivalents	10	3,963,069	13,954,938
Current portion of long- term receivables from exchange transactions	11	-	-
Receivables from Non- exchange transactions	12	-	-
Prepayments	13	-	-
Inventories	14	-	-
		3,963,069	13,954,938
Non-current assets			
Long term receivables from exchange transactions	11	-	-
Property, plant and equipment	15	-	-
Intangible assets	16	-	-
		-	-
Total assets		3,963,069	13,954,938
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	17	-	-
Provisions	18	-	-
Current portion of borrowings	19	-	-
Employee benefit obligations	20	-	-
Non-current liabilities			
Long term portion of borrowings	19	-	-
Non-current employee benefit obligation	20	-	-
Total liabilities		-	-
Equity and Funds			
Revolving Fund		-	-
Reserves		-	-
Accumulated surplus		3,963,069	13,954,938
Total Equity and Funds		3,963,069	13,954,938
Total Funds and liabilities		3,963,069	13,954,938

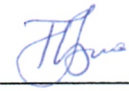
**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

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 _____, 2022 and signed by:



Administrator of the Fund
Name: Eng. Michael Kiptoo





Fund Accountant
Name: Thomas Chesaro
ICPAK Member Number: 15566

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2021

13.3 STATEMENT OF CHANGES IN NET ASSETS AS AT 30TH JUNE, 2022

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		KShs	KShs	KShs
Balance as at 1 July 2020	-	-	3,079,353	3,079,353
Surplus/(deficit) for the period	-	-	10,875,585	10,875,585
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2021	-	-	13,954,938	13,954,938
Balance as at 1 July 2021	-	-	13,954,938	13,954,938
Surplus/(deficit) for the unrepresented cheques reversed	-	-	-	-
Surplus/(deficit) for the period	-	-	(9,991,869)	(9,991,869)
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2022	-	-	3,963,069	3,963,069

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

13.4 STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE, 2022

	Note	2021/2022	2020/2021
		KShs	KShs
Cash flows from operating activities			
Receipts			
Public contributions and donations		-	-
Transfers from the County Government		42,000,000	30,00,000
Interest received		-	-
Receipts from other operating activities		-	-
Total Receipts		42,000,000	30,000,000
Payments			
Fund administration expenses		1,774,950	398,875
General expenses		240	18,240
Finance cost		-	-
Disbursements of Bursary to beneficiaries		51,380,600	19,454,800
Total Payments		53,155,790	19,871,915
Net cash flows from operating activities		(11,155,790)	10,128,085
Cash flows from investing activities			
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		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
Net cash flows used in financing activities		-	-
Adjustments during the year – Reversed Cheques		1,163,921	747,500
Net increase/(decrease) in cash and cash equivalents		(9,991,869)	10,875,585
Cash and cash equivalents at 1 JULY, 2021	10	13,954,938	3,079,353
Cash and cash equivalents at 30TH JUNE, 2022	10	3,963,069	13,954,938

Baringo County Bursary and Scholarship Fund

Reports and Financial Statements

For the year ended June 30, 2021

13.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30TH JUNE, 2022.

	Original budget	Adjustments	Final budget	Actual on comparable basis	% utilisation
	2021	2021	2021	2021	2021
	KShs	KShs	KShs	KShs	
Revenue					
Public contributions and donations	-	-	-	-	0%
Transfers from County Govt.	42,000,000	-	42,000,000	42,000,000	100%
Interest income	-	-	-	-	0%
Other income – Reversed Cheques	-	-	-	1,163,921	0%
Total income	42,000,000	-	42,000,000	43,163,921	102.77%
Expenses					
Fund administration expenses	1,260,000	-	1,260,000	1,774,950	140.87%
General expenses	-	-	-	240	0%
Finance cost	-	-	-	-	0%
Disbursements of Bursary to beneficiaries	40,740,000	-	40,740,000	51,380,600.00	126.12%
Total expenditure	42,000,000	-	42,000,000	53,155,790	126.56%
Surplus for the period	-	-	-	(9,991,869)	

1. There was under expenditure on Fund Administration expense the ward administration expense had not been paid.
2. Also, Disbursements of Bursary to beneficiaries was underspend because some disbursements spilt to the Financial Year 2021/2022

13.6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3. 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.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Early adoption of standards

The entity did not early – adopt any new or amended standards in year 2020.

4. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities 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.

5. Budget information

The original budget for FY 2021/2022 was approved by the County Assembly on 17th July, 2021 (Date). 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 entity upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund recorded additional appropriations of Kshs 30,000,000.00 (Amount) on 20th May, 2021 (Date) the FY 2020/2021 budget following the governing body's approval.

The entity'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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 actual as per the statement of financial performance has been presented under section 167 of these financial statements.

6. Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

6. Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

7. Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the Entity has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Impairment of financial assets

The Entity assesses at each reporting date whether there is objective evidence that a financial asset or a entity of financial assets is impaired. A financial asset or a entity of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

asset or the entity of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or a entity of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

b) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The Entity determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

8. Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost using the weighted average cost method
- Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Entity.

9. Provisions

Provisions are recognized when the Entity 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 Entity 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.

Contingent liabilities

The Entity 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 remote.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contingent assets

The Entity 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 Entity 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.

10. Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

11. Employee benefits– Retirement benefit plans

The Entity provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

12. 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.

13. Borrowing costs

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

14. Related parties

The Entity 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 Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors/Trustee, the Fund Managers and Fund Accountant.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

15. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank. Bank account balances include amounts held at the commercial banks (Cash Book Balance) at the end of the financial year.

16. Comparative figures

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

17. Events after the reporting period

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

18. Ultimate and Holding Entity

The entity is a Baringo County Bursary and Scholarship Fund established by Public Finance Management Act, 2012 and Regulation 2018, under the Department of Education, Youth, Gender, Sports, Culture and Social Services. Its ultimate parent is the County Government of Baringo.

19. Currency

The financial statements are presented in Kenya Shillings (KShs).

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

20. Significant judgments and sources of estimation uncertainty

The preparation of the Entity'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 judgements, estimates and assumptions made: e.g revenues, expenses, assets and liabilities through statements of Performance, Financial Position, Cash Flow, Changes in assets and budgets against actual output.

a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

b) Useful lives and residual values

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

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

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

21. Financial risk management

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

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

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment.

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

	Total amount KShs	Fully performing KShs	Past due KShs	Impaired KShs
At 30th June, 2022				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	3,963,069	3,963,069	-	-
Total	3,963,069	3,963,069	-	-
At 30 June 2021				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	13,954,938	13,954,938	-	-
Total	13,954,938	13,954,938	-	-

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

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

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Liquidity risk management

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

	Less than 1 month	Between 1- 3 months	Over 5 months	Total
	KShs	KShs	KShs	KShs
At 30 June 2021				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-
At 30 June 2020				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

c) Market risk

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

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising 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.

d) Foreign currency risk

The entity 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.

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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:

		Other currencies	Total
	KShs	KShs	KShs
At 30 June 2021			
Financial assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ receivables	-	-	-
Liabilities			
Trade and other payables	-	-	-
Borrowings	-	-	-
Net foreign currency asset/(liability)	-	-	-

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 three 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.

	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	KShs	KShs	KShs
2021			
Euro	-	-	-
USD	-	-	-
2020			
Euro	-	-	-
USD	-	-	-

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

e) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

f) Capital risk management

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

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

	2021/2022	2020/2021
	KShs	KShs
Revaluation reserve	-	-
Revolving fund	-	-
Accumulated surplus	3,963,069	13,954,938
Total funds	3,963,069	13,954,938
Total borrowings	-	-
Less: cash and bank balances	(3,963,069)	(13,954,938)
Net debt/(excess cash and cash equivalents)	-	-
Gearing	0%	0%

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

14. NOTES TO THE FINANCIAL STATEMENTS

1. Public contributions and donations

Description	2021/2022	2020/2021
	KShs	KShs
Donation from development partners	-	-
Contributions from the public	-	-
Total	-	-

2. Transfers from County Government

Description	2021/2022	2020/2021
	KShs	KShs
Transfers from County Govt. – Operations	42,000,000	30,000,000
Payments by County on behalf of the entity	-	-
Total	42,000,000	30,000,000

3. Fines, penalties and other levies

Description	2021/2022	2020/2021
	KShs	KShs
Late payment penalties	-	-
Fines	-	-
Levies	-	-
Licences	-	-
Total	-	-

4. Interest income

Description	2021/2022	2020/2021
	KShs	KShs
Interest income from Mortgage loans	-	-
Interest income from car loans	-	-
Interest income from investments	-	-
Interest income on bank deposits	-	-
Total interest income	-	-

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Other income

Description	2021/2022	2020/2021
	KShs	KShs
Insurance recoveries	-	-
Income from sale of tender documents	-	-
Miscellaneous income (Un-presented Cheques - Reversed)	-	-
Total other income	-	-

6. Fund administration expenses

Description	2021/2022	2020/2021
	KShs	KShs
Administration fees	1,774,950	398,875
Total	1,774,950	398,875

6(1). Disbursements of Bursary to Beneficiaries

Description	2021/2022	2020/2021
	KShs	KShs
Disbursements of Bursary to Beneficiaries	51,380,600	19,454,800
Total	51,380,600	19,454,800

6A. Staff costs

Description	2021/2022	2020/2021
	KShs	KShs
Salaries and wages	-	-
Staff gratuity	-	-
Staff training expenses	-	-
Social security contribution	-	-
Other staff costs	-	-
Total	-	-

**Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7.General expenses

Description	2021/2022	2020/2021
	KShs	KShs
Consumables	-	-
Electricity and water expenses	-	-
Fuel and oil costs	-	-
Insurance costs	-	-
Postage	-	-
Printing and stationery	-	-
Rental costs	-	-
Security costs	-	-
Telecommunication	-	-
Bank Charges	240	18,240
Hospitality	-	-
Depreciation and amortization costs	-	-
Other expenses	-	-
Total	240	18,240

8.Finance costs

Description	2021/2022	2020/2021
	KShs	KShs
Interest on Bank overdrafts	-	-
Interest on loans from banks	-	-
Total	-	-

9.Gain/(loss) on disposal of assets

Description	2021/2022	2020/2021
	KShs	KShs
Property, plant and equipment	-	-
Intangible assets	-	-
Total	-	-

Adjustments During The year

Description	2021/2022	2020/2021
	KShs	KShs
Reversed cheques	1,163,921	747,500
Total	1,163,921	747,500

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. Cash and cash equivalents

Description	2021/2022	2020/2021
	KShs	KShs
Current account	3,963,069	13,954,938
Others	-	-
Total cash and cash equivalents	3,963,069	13,954,938

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

		2021/2022	2020/2021
Financial institution	Account number	KShs	KShs
a) Current account			
Equity Bank - Kabarnet	1390262458895	3,963,069	13,954,938
Kenya Commercial bank		-	-
Sub- total		3,963,069	13,954,938
Grand total		3,963,069	13,954,938

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11.Receivables from exchange transactions

Description	2021/2022	2020/2021
	KShs	KShs
Current Receivables		
Interest receivable	-	-
Current loan repayments due	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total Current receivables		
Non-Current receivables		
Long term loan repayments due	-	-
Total Non- current receivables	-	-
Total receivables from exchange transactions	-	-

Additional disclosure on interest receivable

Description	2021/2022	2020/2021
	KShs	KShs
Interest receivable		
Interest receivable from current portion of long-term loans of previous years	-	-
Accrued interest receivable from of long-term loans of previous years	-	-
Interest receivable from current portion of long-term loans issued in the current year	-	-
Current loan repayments due	-	-
Current portion of long-term loans from previous years	-	-
Accrued principal from long-terms loans from previous periods	-	-
Current portion of long-term loans issued in the current year	-	-

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12.Receivables from Non-Exchange transaction

Description	2021/2022	2020/2021
	KShs	KShs
Transfer from County Executive	-	-
Transfer from other Fund	-	-
Totalreceivables from non-exchange transactions	-	-

13.Prepayments

Description	2021/2022	2020/2021
	KShs	KShs
Prepaid rent	-	-
Prepaid insurance	-	-
Prepaid electricity costs	-	-
Other prepayments(specify)	-	-
Total	-	-

14.Inventories

Description	2021/2022	2020/2021
	KShs	KShs
Consumable stores	-	-
Spare parts and meters	-	-
Catering	-	-
Other inventories(specify)	-	-
Total inventories at the lower of cost and net realizable value	-	-

Baringo County Bursary and Scholarship Fund
 Reports and Financial Statements
 For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. Property, plant and equipment

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cost	KShs	KShs	KShs	KShs	KShs
At 1 st July 2020	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers/adjustments	-	-	-	-	-
At 30 th June 2021	-	-	-	-	-
At 1 st July 2021					
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Transfer/adjustments	-	-	-	-	-
At 30 th June 2021	-	-	-	-	-
Depreciation and impairment					
At 1 st July 2021	-	-	-	-	-
Depreciation	-	-	-	-	-
Impairment	-	-	-	-	-
At 30 th June 2022	-	-	-	-	-
At 1 st July 2022					
Depreciation	-	-	-	-	-
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Transfer/adjustment	-	-	-	-	-

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

	Land and Buildings	Motor vehicles	Furniture and fittings	Computers and office equipment	Total
Cash	KShs	KShs	KShs	KShs	KShs
At 30 th June 2022	-	-	-	-	-
Net book values					
At 30 th June 2021	-	-	-	-	-
At 30 th June 2022	-	-	-	-	-

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. Intangible assets-software

Description	2021/2022	2020/2021
	KShs	KShs
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
Amortization and impairment		
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

17. Trade and other payables from exchange transactions

Description	2021/2022	2020/2021
	KShs	KShs
Trade payables	-	-
Refundable deposits	-	-
Accrued expenses	-	-
Other payables	-	-
Total trade and other payables	-	-

18. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year(1.07.2020)	-	-	-	-
Additional Provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for money	-	-	-	-
Transfers from non -current provisions	-	-	-	-
Balance at the end of the year (30.06.2022)	-	-	-	-

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. Borrowings

Description	2021/2022	2020/2021
	KShs	KShs
Balance at beginning of the period	-	-
External borrowings during the year	-	-
Domestic borrowings during the year	-	-
Repayments of external borrowings during the period	-	-
Repayments of domestic borrowings during the period	-	-
Balance at end of the period	-	-

The table below shows the classification of borrowings into external and domestic borrowings:

	2021/2022	2020/2021
	KShs	KShs
External Borrowings		
Domestic Borrowings	-	-
Total balance at end of the year	-	-

The table below shows the classification of borrowings long-term and current borrowings:

Description	2021/2022	2020/2021
	KShs	KShs
Short term borrowings(current portion)	-	-
Long term borrowings	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

20. Employee benefit obligations

Description	Defined benefit plan	Post employment medical benefits	Other Provisions	Total
	KShs	KShs	KShs	KShs
Current benefit obligation	-	-	-	-
Non-current benefit obligation	-	-	-	-
Totalemployee benefits obligation	-	-	-	-

21. Cash generated from operations

	2021/2022	2020/2021
	KShs	KShs
Surplus/ (deficit) for the year before tax	-	-
Adjusted for:		
Depreciation	-	-
Amortisation	-	-
Gains/ losses on disposal of assets	-	-
Interest income	-	-
Finance cost	-	-
Working Capital adjustments	-	-
Increase in inventory	-	-
Increase in receivables	-	-
Increase in payables	-	-
Net cash flow from operating activities	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. 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/scheme is related to the following entities:

- a) The County Government;
- b) The Parent County Government Ministry;
- c) County Assembly;
- d) Key management;
- e) Board of Trustees; etc

b) Related party transactions

	2021/2022	2020/2021
	KShs	KShs
Transfers from related parties'	-	-
Transfers to related parties	-	-

c) Key management remuneration

	2021/2022	2020/2021
	KShs	KShs
Board of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

Baringo County Bursary and Scholarship Fund
Reports and Financial Statements
For the year ended June 30, 2022.

d) Due from related parties

	2021/2022	2020/2021
	KShs	KShs
Due from parent Ministry	-	-
Due from County Government	-	-
Due from County Assembly	-	-
Total	-	-

e) Due to related parties

	2021/2022	2020/2021
	KShs	KShs
Due to parent Ministry	-	-
Due to County Government	-	-
Due to Key management personnel	-	-
Due to County Assembly	-	-
Total	-	-

23. Contingent assets and contingent liabilities

Contingent liabilities	2021/2022	2020/2021
	KShs	KShs
Court case against the Fund	-	-
Bank guarantees	-	-
Total	-	-

**Baringo County Bursary and Scholarship Fund
 Reports and Financial Statements
 For the year ended June 30, 2022.**

15. 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status:	Timeframe:

N/B ; - The table has not completed since the Audit report for Financial year 2020/2021 has not been received.



The page is otherwise blank with some faint, illegible markings and a dark smudge at the bottom edge.