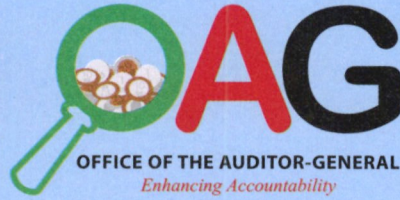


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**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NYAMIRA COUNTY EDUCATION FUND**

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





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## **NYAMIRA COUNTY EDUCATION FUND**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED JUNE 30, 2025**

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



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

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**1. Acronyms and Definition of Key Terms**

**a) Acronyms**

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

**b) Definition of Key Terms**

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

## **2. Key Entity Information and Management**

### **a. Background information**

Nyamira County Education Fund is established by and derives its authority and accountability from Nyamira County Education Act of 2016 on 26<sup>th</sup> May, 2016. The Fund is wholly owned by the County Government of Nyamira and is domiciled in Kenya.

The fund's objective is to address poverty at grass root level by providing Education support to its bright learner but from poor families.

### **b. Principal Activities**

The Fund's principal activity is to provide scholarships, Support or loans to needy and orphaned students to enable them access education at recognised institutions and for matters incidental thereto and connected therewith to enable them continue with education in order to maintain academic excellence and thereafter give back to the society in a sustainable manner.

Vision: Equitable socio-economic development across the county.

Mission: To provide leadership and policy direction for effective and efficient management of the fund.

### **c. Board of Trustees/Fund Administration Committee**

<b>Ref</b>	<b>Name</b>	<b>Position</b>
1	Mr. Alfred Kenya Sagini	Chairman
2	Ms. Neremy Eunice Mbuya	Vice Chairperson
3	Mr. John Alfayo	Member
4	Mrs. Caroline Gwako	Member
5	Zipporah Orina	County Chief Officer Education & Vocational Training/Fund Administrator
6	CPA Emilly Moraa Ongaga	CEC – Education and Vocational Training
7	Jones Omwenga	CEC – Finance and Economic Planning
8	Joshua Kaga	County Director of Education (Ex official)

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

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**d. Fiduciary Management**

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

Ref	Name	Position
1	Chief County Officer – Education & VT/Fund Administrator	Zipporah orina
2	Fund Accountant	Dennis Ombui
3	Chief County Officer - Finance	Dr. Asenath Maobe

**Key Entity and Management (Continued)**

**e. Fiduciary Oversight Arrangements**

SN	Position	Name
1	Directorate Internal Audit	CPA Ann Nyanchama
2	Audit Member	Zachary Ombati
3	Audit Member	Mary Kerubo

**f. Registered Offices**

***Nyamira County Education Fund***  
P.O. Box 434 – 40500  
Nyamira Kenya

**g. Fund Contacts**

Telephone: +254723164413, 0789324353

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

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

**h. Fund Bankers**

1. Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya
2. Kenya Commercial Bank  
P.o Box 48231 – 00100.  
Nairobi Kenya  
Nyamira branch

**Key Entity and Management (Continued)**

**i. Independent Auditor**

Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya



**j. Principal Legal Adviser**



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

**k. County Attorney**

Erastus Orina  
The Honorable County Attorney  
P.O. Box 434-40500  
Nyamira, Kenya

3 Trustees/ Fund Administration Committee Profiles

Name	Details of qualifications and experience
 <p><b>MR. ALFRED KENYA SAGINI</b> <b>FUND CHAIRMAN</b></p>	<p><u>Alfred Kenya Sagini - Chairman</u></p> <p>Sagini was born in Kiabonyoru Ward, has a bachelor's of Education degree from the University of Bugema, and he is a teachers Service commission Member. Sagini has worked as a teacher in several primary schools for five years, He has also worked as a deputy head teacher for three years later promoted as a head teacher for a period Twelve years until his retirement in 2022.</p> <p>Sagini has also worked as a chairperson in exam centre in Nyamira north sub county for five years. Currently Mr. Sagini is the chairman of John Bosco Getare Catholic Centre</p>
 <p><b>Neremy Eunice Mbuya- Vice Chairperson</b> <b>(Representative PWD)</b></p>	<p>Neremy Eunice Mbuya was born in Magwagwa ward. Neremy is a dedicated social worker with a bachelor's degree in sociology and social work as well as a diploma in gender and development studies. Ms Neremy has worked with various organizations both government and non-government organizations which has given her a solid foundation in community engagement, education support and advocacy, Neremy is also equipped in case management and project implementation skills.</p> <p>She has also served in several institutions through attachments and internships including, children department, social development department. One of the key highlights of her journey was working with National Government Affirmative Action Fund (NGAAF) where she was involved in matters of educational assistance which included vetting of needy student who needed bursary assistance and TVET scholarships in Kisumu county. She is currently serving as an Education and Rehabilitation officer at the</p>

 <p><b>John Okeyo Alfayo- Member(Youth Representative)</b></p>	<p>Kenya Society for the Blind</p> <p>John Okeyo Alfayo hails from Nyamira County, Manga Sub-county, Kitutu Masaba Constituency, Kemera Ward in Kenya. John pursued interest in finance and technology at Kisii University.</p> <p>John has previously worked in Meds Pharmaceuticals Ltd, Diplozz Hotel, and Seneca East Africa. The roles helped him develop strong skills in finance, customer service, and communication. Currently John design posters, build websites, and practice photo editing using Adobe Photoshop. He joins the Nyamira County Education Committee as a representative for the youth.</p>
 <p><b>CAROLINE GWAKO – MEMBER REPRESENTING WOMEN</b></p>	<p><b>Caroline Gwako – member representing women</b></p> <p>Miss Gwako is an educationist having a diploma in ECDE from Masaba ECDE college.</p> <p>She has over 10year working experience as a teacher.</p> <p>Miss Gwako is determined to work in a dynamic rewarding environment and give quality satisfactory service and try to keep pace with the challenges within the society. She is passionate about education as a key contributor to social development within the community.</p> <p>She is a member representing women in the Nyamira County Education Committee.</p>



**MR. JONES MOKO OMWENGA  
EXECUTIVE COMMITTEE MEMBER:  
FINANCE, ECONOMIC PLANNING AND  
RESOURCE MOBILISATION**

Mr. Jones Moko Omwenga is a male adult from Itibo ward,  
Academic qualifications  
He has a Master of Business Administration (Finance) from Jomo Kenyatta University of Agriculture & Technology and a Bachelor of Education degree from Kenyatta University.  
Professional Experience  
In the County Government of Nyamira, he has served as the County Executive Committee member for Education & Vocational Training, Trade, Tourism, Industrialization & Cooperatives and Finance & Economic Planning departments respectively.



**CPA. EMILLY ONGAGA - CEC  
EDUCATION, VOCATIONAL TRAINING &  
ICT**

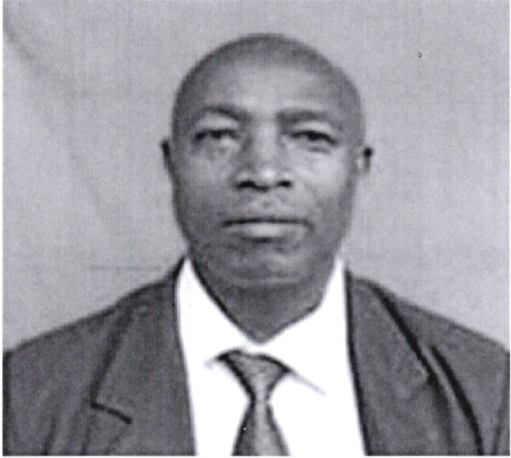
CPA. Emilly Moraa Ongaga is the County Executive Committee Member for Education and Vocational Training. She holds a Master of Business Administration (Finance) and a Post Graduate Diploma in Education from Egerton University and a Bachelor of Arts (Economics & Sociology) degree from the University of Nairobi.

*Work Experience*

She is a seasoned Accounting and Finance professional with an experience spanning over twenty years charged with driving transformative governance and financial management in the public sector. She served as the Director Corporate Services in the National Commission for Science, Technology and Innovation (NACOSTI) and as Finance Manager at National Gender and Equality Commission.

*Professional Experience*

Beyond finance and education, she is a Certified Company Secretary (CS) and a

	<p>Certified Human Resource Professional (CHRP). Hence She is member of the Institute of Certified Public Accountants of Kenya (ICPAK), Institute of Certified Company Secretaries (ICS), Association of Women Accountants of Kenya (AWAK) and Institute of Human Resource Management (IHRM).</p>
 <p><b>JOSHUA KAGA-COUNTY DIRECTOR OF EDUCATION(EX OFFICIAL)</b></p>	<p><b>Mr Joshua Kaga-County Director Of Education(Ex Official)</b></p> <p>Mr joshua Kaga holds a degree in B. Ed (Science)Chemistry And Mathematics from Kenyatta university and Masters of Education(Curriculum Studies) from the University of Nairobi.</p> <p>He is a career educationist having over 30yrs experience in education rising from at teacher, deputy principal, principal, District Quality Assurance and Standards Officer, Sub County Director of Education to County Director of Education a Position Mr Joshua Hold to date. Mr Kaga is a life member to the Kenya Red Cross Society and he is also the Secretary, County Education Board</p>





**ZIPPORAH KEMUNTO ORINA-FUND  
ADMINISTRATOR**

**Zipporah Kemunto Orina-Fund  
Administrator**

Mrs Orina holds a Bachelor of Special Needs Education from Kampala International University, a Diploma in Early Childhood Education and another Diploma from the Kenya Institute for Special Education (KISE). She is a professional teacher with a career progression of over thirty years as a teacher having taught in more than five schools as a P1 teacher including the special unit classes.

Mr Orina  
She serves the County Chief officer Education, Vocational Training & ICT and The Fund Administrator of the Nyamira County Education Fund.

**4 Key Management Team**

Name	Details of qualifications and experience
 <p><b>Zipporah Kemunto Orina-Fund Administrator</b></p>	<p><b>Zipporah Kemunto Orina-Fund Administrator</b></p> <p>Mrs Orina holds a Bachelor of Special Needs Education from Kampala International University, a Diploma in Early Childhood Education and another Diploma from the Kenya Institute for Special Education (KISE). She is a professional teacher with a career progression of over thirty years as a teacher having taught in more than five schools as a P1 teacher including the special unit classes.</p> <p>Mr Orina</p> <p>She serves the County Chief officer Education, Vocational Training &amp; ICT and The Fund Administrator of the Nyamira County Education Fund.</p>
 <p><b>DENNIS OMBUI – FUND ACCOUNTANT</b></p>	<p>Dennis Ombui – Accountant in Charge of Education, Vocational Training &amp; ICT</p> <p>Mr Ombui has a Bachelor of commerce degree from the University of Nairobi accounting option. Mr Ombui has previously worked as an accounts clerk in Stan Consulting Company Nairobi and KCB as a graduate trainee. Mr Ombui is currently the accountant in charge of Education, Vocational Training &amp; ICT having previously served as an Accountant The Department of Health and Public Service Management.</p>

**5 Chairman's Report**

It is my pleasure to present the annual report of Nyamira County Education Fund which was created by the county education regulation of 2017. The fund Bursary was approved by the County Assembly of Nyamira on 29th April 2016 to support needy students of the Secondary Schools in Nyamira County.

To manage the Education Bursary Fund, County committee was created as per the regulations consisting of 8 members with the responsibility of running day to day activities of the fund being vested on the administration. The committee agreed on the documents that were mandatory on application by students which is still in place as at 30th June 2020 and it includes;

- a) Students' Birth Certificates
- b) Report cards (forms 2, 3, 4)
- c) Admission letters for form 1 students
- d) Fee structures
- e) Death/Burial certificates
- f) National ID for parents/ Guardian
- g) ID cards/certificate to confirm disability
- h) Chief's /sub-chief recommendation

In the financial ending 30th June 2025 the fund had distributed 24,000 forms to the needy students across the county. 23,169 forms were returned to the county committee office for processing and award of the Bursary fund. Out of which 22,508 were successfully considered

The mode of disbursement was as follows

**BOARDING SCHOOLS/ DAY SCHOOLS**

- 1. Total orphans-----3,000/=
- 2. Partial orphans----- 3,000/=
- 3. Single Parents-----3,000/=
- 4. Disability (PLWD)... 3,000/=
- 5. Needy students-----3,000/=

**SCHOLARSHIP**

There are 752 students under The Nyamira County Education Fund. The students were enrolled competitively from bright but needy backgrounds. Each student was to be given amount equivalent to the school fees of the school per year.

Name ALFRED S. ILENYA Signature  Date 25<sup>th</sup> August 2025  
Chairperson of the Fund

## *Nyamira County Education Fund*

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

#### **6 Report of The Fund Administrator**

Section 14 (e) of the Nyamira County Education Bursary Regulations, 2017 provides that the administrator of the fund shall prepare, sign and transmit to the Office of the Auditor General in respect of each financial year and within three months after the end thereof, a statement of the accounts relating to the Fund, prepared and signed by him/her specifying the income of the Fund and showing the expenditure incurred from the Fund, in such details as the committee may from time to time direct in accordance with public Finance Management Act 2012.

The Nyamira County Education Bursary Fund was operationalized in 13<sup>th</sup> February 2017, and the following table illustrates the receipts for the past three years to date.

F/Y	2022/2023	2023/2024	2024/2025
Amount received in kshs.	122,000,000	101,139,517	46,500,000

In the year under review, the Nyamira County Education Bursary Fund received a total of kshs **46,500,000** and a donation from NG-CDF Kitutu Masaba of kshs **250,000** with an opening balance of Kshs **73, 553,993** in the account. A total of kshs. **67,524,000** and kshs **21,204,130** was awarded to students as bursaries and scholarships respectively. A total of kshs. 1,537,433 were spent on administration, leaving a balance of Kshs. **30,018,430**. The Nyamira County Education fund was issued equitably to all the 20 wards as follows.

S/No.	Ward	Amount	S/No.	Ward	Amount
1	Township	4,317,628	11	Rigoma	4,501,630
2	Bokeira	4,384,452	12	Kemera	4,452,642
3	Bomwagamo	4,340,513	13	Magombo	4,476,549
4	Bonyamatuta	4,228,765	14	Bosamaro	4,413,760
5	Nyansiongo	4,313,863	15	Ekerenyo	4,476,402
6	Manga	4,399,867	16	Esise	4,498,792
7	Nyamaiya	4,361,851	17	Bogichora	4,678,456
8	Gachuba	4,326,970	18	Kiabonyoru	4,656,339
9	Gesima	4,544,597	19	Magwagwa	4,467,981
10	Itibo	4,419,782	20	Mekenene	4,467,291
	<b>Sub Total</b>	<b>43,638,288</b>		<b>Sub Total</b>	<b>45,089,842</b>
				<b>Grand Total</b>	<b>88,728,130</b>

***Nyamira County Education Fund***

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

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It is my pleasure to present the end year Report and financial statements of Nyamira County Education Fund for the year ended 30<sup>th</sup> June, 2025

Signed:  \_\_\_\_\_

ZIPPORAH ORINA  
Fund Administrator

***Nyamira County Education Fund***

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

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**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 year, the Accounting officer includes a statement of performance against predetermined objectives when preparing financial statements.

The key development objectives of the Fund as per the County Integrated Development Plan (CIDP) for 2022 to 2027 are to:

- a) *To improve access to education through provision of bursaries to secondary school students*
- b) *To improve access to education through scholarship*
- c) *To increase the amount of support given to VTC through bursaries*

**Progress on the attainment of Strategic development objectives**

Below we provide the progress on attaining the stated objectives:

<b>Program</b>	<b>Objective</b>	<b>Output</b>	<b>Performance Indicator</b>	<b>Performance</b>
<i>Nyamira County Education Fund</i>	<i>To improve access to education</i>	<i>Increased transition rate to secondary schools</i>	<i>No of beneficiaries.</i>	<i>21,877 beneficiaries in FY 2024/2025</i>
<i>Nyamira County Education Fund</i>	<i>To improve access to education</i>	<i>Increased transition rate to tertiary institutions</i>	<i>No of beneficiaries.</i>	<i>1800 beneficiaries in FY 2024/2025</i>
<i>Nyamira County Education Fund</i>	<i>To improve access to education through scholarship</i>	<i>Increased transition rate to secondary and tertiary institutions</i>	<i>No of beneficiaries.</i>	<i>751 beneficiaries in FY 2024/2025</i>

**8 Statement of Corporate Governance**

The Nyamira County Education Fund is composed of a Chairman appointed by H.E Governor, CEC member responsible for Finance, CEC member for Education, Chief Officer Education who is the secretary, County Director of Education who is an ex-official member, three persons appointed by CEC member each representing women youth and persons living with disability. The above members are entitled to three sittings in a year with a remuneration stipulated in the SRC report.

**The functions of the Fund Committee;**

To oversight the process of bursary awarding right from public awareness or civic education, application by the beneficiaries, verification of the application forms, the board MUST verify beneficiaries at school level to rule out the chances of awarding ghost beneficiaries before identifying eligible vulnerable students, awarding of the bursary and returns from schools to formulate policies for regulating the disbursement, management of bursaries and to advise the CEC member on bursary disbursement.

**Appointment and Succession of office**

The committee members of the fund are appointed and removed in accordance with the laid regulations of Nyamira County Assembly for example the board members are appointed for a term of three years and are eligible for reappointment for one further term.

Under section 5 of the Nyamira county education bursary fund regulation 2017 provides for the establishment of bursary fund management committee. The Education Support Bursary fund committee was created as per the regulations consisting of 8 members with the responsibility of running day to day activities of the fund being vested on the administration of the bursary.

During the year under review, a total of four meetings were held by the support fund committee as indicated below

Date of meeting	Members present	Members absent
August 26, 2025	7	0

Remuneration:

Cadre	Amount
	Sitting
Chairman	15,000
Vice Chair	12,000
Members	10,000
Fund Manager	10,000
<b>Total</b>	<b>47,000</b>

**Trainings**

The fund committee has undergone induction and training since its inauguration in November 2016. During the induction, the fund committee was reminded on issues of integrity and misconduct as well as their mandate as follows.

1. Secrecy/Confidentiality to all information during the appropriation of the Fund must be upheld.
2. Avoiding conflict of interest during appropriation
3. Fines and penalties to those who are found guilty of offences.

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

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**9 Management Discussion and Analysis**

Section 14 (e) of the Nyamira County Education Fund Regulation 2017 provides that the administrator of the fund shall prepare, sign and transmit to the Auditor General in respect of each financial year and within three months after the end thereof, a statement of the accounts relating to the Fund, prepared and signed by him/her specifying the income of the Fund and showing the expenditure incurred from the Fund, in such details as the committee may from time to time direct in accordance with public Finance Management Act 2012.

The Nyamira County Education Fund was operationalized in 13<sup>th</sup> February 2017, and the following table illustrates the receipts from the fy 2021/2022 to date.

F/Y	2022/2023	2023/2024	2024/2025
	Kshs.	KSHS	KSHS
Amount received in the year	122,000,000	101,149,517	46,750,000

In the year under review, the Nyamira County Education Bursary Fund received a total of kshs 46,500,000 and a donation from NG-CDF Kitutu Masaba of kshs 250,000 with an opening balance of Kshs 73, 553,993 in the account. A total of kshs. 67,524,000 and kshs 21,204,130 was awarded to students as bursaries and scholarships respectively. A total of kshs. 1,537,433 were spent on administration, leaving a balance of Kshs. 30,018,430.

The Education Support fund was issued equitably to all the 20 wards as follows. The initial Fund governing regulations provided that the funds were equally shared to all twenty (20) wards but later it was amended to provide for equitable distribution since all wards don't have same capacity of absorption.

## **10 Environmental and Sustainability Reporting**

Nyamira County exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, which is founded on pillars: putting the customer/Citizen first, delivering relevant goods and services, and improving operational excellence. Improving on general literacy levels throughout the county irrespective of the economic background of its citizens is the priority. The County supports bright students from vulnerable families by offering scholarship opportunities for their secondary education.

The management has ensured that there is involvement of members of the community from the county and other stakeholders in budget making process (County Integrated Development Plans (CIDPs), strategic Plans, Annual Development Plans, Annual Budgets, Finance Bills, regulations, and all policy frameworks).

The budgetary allocation of the fund was appropriated by the County assembly and equitably disbursed to needy students in all the 20 wards of Nyamira County.

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

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**11 Report of The Trustees/Committee**

The Trustees submitted their report together with the audited financial statements for the FY 2023/ 2024 which show the state of the Fund affairs.

**Principal activities**

The principal activity of the Fund is to continue award Support and scholarships to orphans and needy students in high schools and TVET in Nyamira County.

**Results**

The results of the Fund for the year under review are set out on page 10

**Trustees**

The members of the Board of Trustees

NS	NAME	DESIGNATION
1.	Mr.Allred Kenya Sagini	Chairman
2.	MS. Neremy Mbunya	Vice Chair
3.	Mr.John Okeyo Alfayo	Member
4.	Mrs Caroline Gwako	Member
5.	CPA. Emilly Ongaga CECM. Education, Vocational Trainings & ICT	Member
6.	Zipporah Orina CCO. Education, Vocational Trainings & ICT/Fund Administrator	Secretary
7.	Mr Jones Omwenga (CECM Finance and Economic Planning)	Member
8.	Joshua Kaga County Director For Education(Ex Official)	Ex Official

**Auditors**

The Office of 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.



**Mr.Alfred Kenya Sagini**

**Chair of the Fund Administration Committee**

Date: 25/08/2025

## **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 Nyamira County Education 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/Scheme 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 Nyamira County Education 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 The Nyamira County Education Support Regulations 2017. The Administrator of the Nyamira County Education 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/Scheme's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund/Scheme, 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 Nyamira County Education Fund has assessed the Fund/Scheme'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/Scheme 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/Scheme's financial statements were approved by the Trustee/Committee on 25<sup>th</sup> August 2025 and signed on its behalf by:

Zipporah Orina

**Administrator of the Nyamira County Education Fund**

# REPUBLIC OF KENYA



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

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

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

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### PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal control, 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

#### Opinion

I have audited the accompanying financial statements of Nyamira County Education Fund set out on pages 1 to 44 which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of Nyamira County Education 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 Nyamira County Education Fund Act, 2016 and the Public Finance Management Act, 2012.

### **Basis for Opinion**

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Nyamira County Education 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 opinion.

### **Emphasis of Matter**

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

The Fund expended Kshs.90,265,563 against actual receipts of Kshs.46,750,000 resulting to over-absorption of Kshs.43,515,563 or 93% of the budget.

The over-absorption resulted from failure to realize the budgeted revenue implying under-performance by the Management.

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. I have determined that there are no key audit matters to communicate in my report.

### **Other Matter**

#### **Prior year Audit 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 of Effectiveness in Internal Controls, Risk Management and

Governance. Management has stated that seven prior-year issues were resolved, while seven remained unresolved. However, no evidence was provided to confirm how the resolved audit matters were addressed. This is contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated to try to resolve any issues resulting from an audit that remain outstanding.

An annexure for the issues has been attached to the report of the Auditor General for the financial year 2024/2025.

### **Other Information**

Management is responsible for the Other Information set out on page iii to xxi which comprise of Key Entity Information and Management, Fund Administration Committee, Key Management Team, Report of the Chairman of the Fund, Report of the Fund Administrator, Statement of Performance against the Fund's Predetermined Objectives, Statement of Corporate Governance, Management Discussion and Analysis, Environment and Sustainability Reporting, Report of the Trustee/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 opinion or any form of assurance conclusion thereon

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1.0 Unauthorized Expenditure**

The statement of financial performance reflects total expenditure of Kshs.90,265,563 which includes bursary transfers and use of goods and services amounts of Kshs.67,524,000 and Kshs.1,537,433 respectively both totalling to Kshs.69,061,433.

However, review of the approved budget revealed that there was Nil and Kshs1,512,465 budget for bursary transfers and use of goods and services items respectively. Thus, the Fund incurred an expenditure of Kshs.67,548,968 without approval contrary to the requirements of Section 39(5) of the Public Finance Management (County Governments) Regulations, 2015, which stipulates that Accounting Officers may seek a supplementary budget if the expenditure cannot be met through budget reallocation under Section 154 of the Act.

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

## **2.0 Failure to Adhere to the Prescribed Budget Allocation for the Fund**

The statement of comparison of budget and actual amounts reflects allocation to the Fund of Kshs.50,415,513. The County Government should allocate 2.5% of the county's total budget to the Fund as prescribed by Section 12(1) of Part III, of Nyamira County Education Fund Act, 2016. The total budget for the County was Kshs.8,102,897,542, and 2.5% of the amount is Kshs.202,572,439. Thus, there was shortfall in the allocation of Kshs.152,156,926 contrary to Section 12(1) of Part III, of Nyamira County Education Fund Act, 2016 which requires the County Government to allocate 2.5% of the county's total budget to the Fund.

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

## **2.0 Failure to Provide Winding Up Clause for the Fund**

As previously reported, a review of the Nyamira County Education Fund Act, 2016, assented 29 April 2016, revealed that the Act has not provided for a winding up procedure for the Fund, contrary to Regulation 198 of the Public Finance Management (County Governments) Regulations, 2015.

In these 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 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 effect of 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 governance were not effective.

## **Basis for Conclusion**

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

As previously reported, a review of the documents and records provided for audit revealed that the Fund Management had not established a Risk Management Policy. This is contrary to Regulation 158(1)(a–b) of the Public Finance Management (County Governments) Regulations, 2015. The absence of a risk management policy exposes the Fund to potential and undetermined losses in the event of disaster occurrence.

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 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 governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them, and those 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 of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
**FCPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**11 November, 2025**

## REPORT ON THE FINANCIAL STATEMENTS

### **1.0 Presentation of Statement of Management's Responsibilities**

The Statement of Management's responsibilities at page xxi does not include the date of approval of the financial statements. Further, the Fund Chairman's report at page xii and the Report of the Committee were not dated.

In the circumstances, it was not possible to determine the date of approval of the financial statements.

### **2.0 Anomalies in Bursary Payments**

The statement of receipts and payments for the financial year ended 30 June, 2024 reflects Kshs.88,637,800 in respect to Bursary payments as detailed under Note 10 to the financial statements. The following anomalies were, however, observed:

#### **3.0 Lack of supporting documents**

The bursary disbursements of Kshs.88,637,800 were not supported by the following important documents as is required.

- a. Application forms that confirm beneficiaries made application for the bursaries.
- b. Approved/vetted list of beneficiaries from the wards.
- c. Bursary application register with names and schools.
- d. Approved bursary policy.
- e. Ward committee minutes.
- f. Acknowledgement of receipt by beneficiaries in selected schools.

#### **4.0 Bursary Payments Above the Recommended Amounts**

Records available indicated that the amount awarded to three (3) students totalling to Kshs.23,100 was above the policy recommended balance and an amount of Kshs.91,600 paid to thirty (30) students was below the policy recommended balance. This was contrary to the Nyamira County Education Support Fund minutes dated 1 January, 2024 which states that the maximum amount is Kshs.5,000 for total orphan and minimum of Kshs.3,300 for the other cadres.

#### **5.0 Unsupported Expenses on Scholarship Grants**

The statement of financial performance includes expenses on scholarship grants of Kshs.45,953,123. As disclosed under note 11 to the financial statements, the amount includes scholarships grants of Kshs.908,000 on TVETS and colleges and Kshs.45,045,123 on secondary schools. The Fund management did not provide for audit verification payment vouchers on expenditure on scholarships to TVETs and colleges.

Further, payment vouchers in respect of scholarships to secondary school amounting to Kshs.17,993,620 were not provided for audit verification.

In the circumstances, the validity, accuracy and completeness of the Kshs.45,953,123 expenditures on Scholarship Grants could not be confirmed.

### **Emphasis of Matter**

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

The statement of comparison of budget and actual amounts reflects final budget expenditure and actual receipts on a comparable basis of Kshs.101,149,515 and Kshs.138,427,398 respectively resulting to over utilization of Kshs.37,277,883 or 36.85%. Overutilization of budget was explained as due to opening balances accrued in the prior financial year.

The overutilization of the budget by Kshs.37,277,883 was contrary to regulation 43 (2) of the Public Finance Management (County Governments) regulations, 2015 that requires County government entities to execute their approved budgets based on the annual appropriation legislation, and the approved annual cash flow plan.

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 matter(s) described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

### **Other Information**

Revenue received of Kshs.101,139,517 in the Report of the Fund Administrator's report on page xiii is materially inconsistent with the financial statements.

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

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

### **1.0 Establishment of the Nyamira County Education Fund**

The Nyamira County Education Support Act, 2016 established the Nyamira County Education Fund. The Act under Part III, section 12 (1) specifies the Fund shall be managed and administered by the Committee and shall be at least 2.5% of the total

annual budget of the County. The total budget for the County for the year ended 30 June, 2024 amounted to Kshs.7,282,175,903 and 2.5% would be represented by an amount of Kshs.182,054,398. However, the statement of financial position reflects fund balance of Kshs.73,533,993 as at 30 June, 2024 resulting in deficit funding of Kshs.109,520,405.

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

## **2.0 Irregular Administration of the Fund**

The statement of financial performance reflects disbursements of bursary of an amount of Kshs.88,637,800 and scholarship grants of an amount of Kshs.45,953,123 as detailed under Note 10 and 11 to the financial statements. Review of records in respect to the bursary and scholarship disbursements revealed the Fund was not administered in accordance with the Nyamira County Education Support Act, 2016 as explained below:

### **3.0 Appropriation of Funds**

The statement of financial performance reflects bursary transfers and scholarship grants of Kshs.88,637,800 and Kshs.45,953,123 respectively. As per the report of the Fund Administrator on page xiii, the Education Support Fund amount of Kshs.134,590,923 or 101% of the allocation from the County Government was issued equitably to all 20 wards in the County. This was contrary to the Nyamira County Education Support Act, 2016 that specifies the County Education Committee to ensure that 65% of annual allocation from the county government to the Fund is expended in disbursing bursaries and scholarships equitably to each ward and the balance of the fund shall be appropriated 30% for County HELB loans and 5% administration cost.

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

### **4.0 Non-Existence of Ward Committees**

The Nyamira County Education Support Act, 2016, section 9 (1) established ward committees to be appointed by the CEC Education in consultation with ward leadership. The functions of the ward committees included receiving applications for bursaries and scholarships, deliberating on all applications for bursaries and scholarships to be awarded on merit basis and advising the County Education Committee on approved list of beneficiaries of HELB to ensure they are bona fide applicants from the various wards in addition to keeping and up to date records of all beneficiaries of bursaries and scholarships in the ward. However, no supporting documentation was provided of the appointment of ward committees. It was thus not established how applications, vetting and award of bursaries was done.

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

## **5.0 Composition and Operationalization of County Education Committee**

The Fund Administration committee as presented in the financial statements does not include County Director of Education (National Government), an ex officio member, Chairperson of the Loans Oversight Committee and three persons appointed by the CEC member each representing women, youth and persons living with disability contrary to Part II, section 4 (1) of the Nyamira County Education Support Act, 2016.

Further, section 11 (3) specifies the County Education Committee and Loans Oversight Committee shall meet at least three times in each financial year but the Chairperson shall upon requisition by at least seven members in writing, convene a special meeting of the committee.

However, no minutes of the committees was provided to show operationalization and carrying out of functions as per section 6 of the Act including oversight of ward committees, granting bursaries and scholarships, fund raising in support of the county education revolving fund and determining the maximum number of eligible persons or students to be granted bursaries and scholarships in a particular year.

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

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

#### **1. Change of the Fund Name**

The financial statements for the year ended 30 June, 2024 submitted for audit reflects the name of the Fund as Nyamira County Education Support Fund contrary to regulation 3(1) of 2017 which established the fund to be known as Nyamira County Education Bursary Fund.

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

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

Review of the documents and records provided for audit review revealed that the Fund Management had not established Risk Management Policy. This was contrary to Regulation 158(1) (a-b) of the Public Finance Management (County Governments) Regulations, 2015

In the circumstances, lack of risk management policy exposed the Fund to undetermined loss in the event of occurrence.

### **3. Inadequacy in Enabling Legislation**

A review of Nyamira County Education Support Act, 2016 assented to on 29 April, 2016, showed that Nyamira County has not provided for winding up procedure for the Fund contrary to Regulation 198 of the Public Finance Management (County Governments) regulations, 2015.

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

*Nyamira County Education Fund*

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

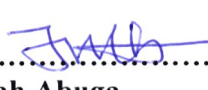
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**14 Statement of Financial Performance for the Year Ended 30<sup>th</sup> June 2025**

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	46,500,000	100,639,517
Public Contributions and Donations	7	250,000	510,000
		<b>46,750,000</b>	<b>101,149,517</b>
Revenue From Exchange Transactions			
Finance Income	8		-
Other income	9		-
Total Revenue		<b>46,750,000</b>	<b>101,149,517</b>
Expenses			
Bursary transfers	10	67,524,000	88,637,800
Scholarship grants	11	21,204,130	45,953,123
Use of Goods and Services	12	1,537,433	3,836,475
Total Expenses		<b>90,265,563</b>	<b>138,427,398</b>
Surplus/(Deficit) for the Period		<b>(43,515,563)</b>	<b>(37,277,881)</b>

*The notes set out on pages 12 to 16 form an integral part of these Financial Statements*

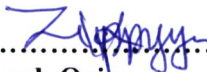
  
.....  
**Zipporah Orina**  
Administrator/Accounting Officer

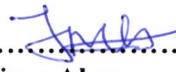
  
.....  
**Jemimah Abuga**  
Head of Accounting Services  
ICPAK Member Number: 12842

15 Statement of Financial Position as at 30 June 2025

Description	Note	2023/2024	
			Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	13	30,018,430	73,533,993
Non-exchange receivables	14		-
Exchange Receivables	15		-
<b>Total current assets</b>		<b>30,018,430</b>	<b>73,533,993</b>
<b>Total Assets (A)</b>		<b>30,018,430</b>	<b>73,533,993</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	16		-
<b>Total current liabilities</b>			-
<b>Total Liabilities (B)</b>			-
<b>Net Asset (A-B)</b>		<b>30,018,430</b>	<b>73,533,993</b>
<b>Represented By:</b>			
Accumulated Surplus		30,018,430	73,533,993
<b>Net Assets</b>		<b>30,018,430</b>	<b>73,533,993</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 26th August 2025 and signed by:

  
 .....  
**Zipporah Orina**  
**Fund Administrator/Accounting Officer**

  
 .....  
**Jemima Abuga**  
**Head of accounting services**  
**ICPAK Member Number:12842**

*Nyamira County Education Fund*

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

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

Description	Accumulated surplus	Total
	Kshs	Kshs
Balance As At 1 July 2023	110,811,874	110,811,874
Surplus/(Deficit) For the Year	(37,277,881)	(37,277,881)
Balance As At 30 June 2024	<b>73,533,993</b>	<b>73,533,993</b>
Balance As At 1 July 2024	73,533,993	73,533,993
Surplus/(Deficit) For the Year	(43,515,563)	(43,515,563)
Balance As At 30 June 2025	<b>30,018,430</b>	<b>30,018,430</b>

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

**17 Statement of Cash Flows for The Year Ended 30 June 2025**

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers From the County Government		46,500,000	100,639,517
Public Contributions and Donations		250,000	510,000
Finance Income			-
Other receipts			-
<b>Total receipts</b>		<b>46,750,000</b>	<b>101,149,517</b>
<b>Payments</b>			
Bursary Transfers		(67,524,000)	(88,637,800)
Scholarship grants		(21,204,130)	(45,953,123)
Use of goods and Services		(1,537,433)	(3,836,475)
<b>Net cash flows from operating activities</b>	17	<b>(43,515,563)</b>	<b>(37,277,881)</b>
<b>Cash flows from investing activities</b>			
			-
<b>Net cash flows used in investing activities</b>			-
<b>Cash flows from financing activities</b>			
<b>Net cash flows used in financing activities</b>			-
<b>Net increase/(decrease) in cash &amp; cash Equivalents</b>		<b>(43,515,563)</b>	<b>(37,277,881)</b>
Cash and cash equivalents at 1 July		73,533,993	110,811,874
<b>Cash and cash equivalents at 30 June</b>	<b>13</b>	<b>30,018,430</b>	<b>73,533,993</b>

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

**Nyamira County Education Fund**

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

**18 Statement of Comparison of Budget & Actual Amounts for Year Ended 30<sup>th</sup> 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
Revenue						
Transfers From the County Government	120,415,513	70,000,000	50,415,513	46,500,000	3,915,513	92.2
Public Contributions and Donations				250,000	-250,000	
Finance Income						
Other receipts						
Total Income	120,415,513	70,000,000	50,415,513	46,750,000	3,665,513	92.7
Expenses						
Bursary Transfers	67,900,000	67,900,000	0	67,524,000	-67,524,000	
Scholarship grants	48,903,048		48,903,048	21,204,130	27,698,918	43.4
Use of goods & Services	3,612,465	2,100,000	1,512,465	1,537,433	(24,968)	101.7
Total Expenditure	120,415,513	70,000,000	50,415,513	90,265,563	939,850,050	179.0
Surplus For the Period				(43,515,563)		

**Budget notes**

1. *Transfer from the County Government to the Nyamira County Education Fund was at 92.2% of the total allocation due to delay in exchequer releases from National Treasury as a result of uncertainty arising from court cases barring counties from bursary and scholarship disbursements.*
2. *The changes between original and final budget indicate a figure of ksh 250,000. The difference is due to a donation of kshs 250,000 from the NG-CDF kitutu masaba. Further a variance of kshs 70,000,000 is a temporal court case that barred counties from disbursing funds to bursary beneficiaries and also unrealised Own source revenue*
3. *The overutilization of funds at 197% is disbursement to bursaries relate to the opening balances accrued in the financial year 2023/2024 that were disbursed to beneficiaries in July and August 2024*

**19 Notes to the Financial Statements**

**Significant Accounting Policies**

**1. General Information**

Nyamira County Education Fund is established by and derives its authority from Nyamira County Education Act. The entity is wholly owned by the Nyamira County Government and is domiciled in Kenya. Nyamira county Education support Fund’s principal activity is distributions of bursaries to needy students in secondary and tertiary education.

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

Nyamira County Education 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/Scheme. The accounting policies have been consistently applied to all the years presented. The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The financial statements are prepared on accrual basis of accounting. The statement of cash flows is prepared using the direct method.

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

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

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

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

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

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Standard	Effective date and impact:
<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b>  The Standard requires,  Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:  Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
<p>IPSAS 45- Property Plant and Equipment</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b>  The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46 Measurement</p>	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b>  The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47- Revenue</p>	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b>  This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users</p>

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<b>Standard</b>	<b>Effective date and impact:</b>
	of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	<i>Applicable 1<sup>st</sup> January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1<sup>st</sup> January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

*(iii) Early adoption of standards*

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

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Revenue transfers**

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

**ii. Revenue from exchange transactions**

**Interest income**

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

**b) Budget information**

The original budget for FY 2024/2025 was approved by the County Assembly on 24<sup>th</sup> June 2025 . 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 Nyamira County Education Fund upon receiving the respective approvals in order to conclude the final budget. The The Nyamira County Education Fund never recorded any additional appropriations on the FY 2024/2025 budget following the governing body's approval.

The Nyamira County Education 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 financial performance has been presented under section 14 of these financial statements.

**(i) 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.

**Financial liabilities**

**Classification**

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

**c) Changes in accounting policies and estimates**

The Nyamira County Educations 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.

**d) Related parties**

The Nyamira County Education Fund regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Nyamira County Educations Support 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.

**e) 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.

### **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 Nyamira County Education 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 Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140.

#### **b) Useful lives and residual values**

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

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

#### **c) Provisions**

Provisions were raised and management determined an estimate based on the information available. Additional disclosure of these estimates of provisions is included in Note xxx.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

*(Include provisions applicable for your organization e.g provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)*

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**6. Transfers from the County Government**

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers From Finance and economic planning Department	46,500,000	100,639,517
<b>Total</b>	<b>46,500,000</b>	<b>100,639,517</b>

*Transfer from the County Government Department of Finance ICT & Economic Planning of KSH 46,500,000.*

**7. Public contributions and donations**

Description	2024/2025	2023/2024
	Kshs	Kshs
Donation From Development Partners		
Donations <i>from the NG-CDF kitutu masaba of Kshs 250,000</i>	250,000	510,000
<b>Total</b>	<b>250,000</b>	<b>510,000</b>

*Public Contributions and Donations from the NG-CDF kitutu masaba of Kshs 250,000*

**8. Finance income**

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest Income on Bank Deposits	-	-
Others ( <i>Specify</i> )	-	-
<b>Total finance Income</b>	<b>-</b>	<b>-</b>

*During the year under review no interest was earned on finance income*

**9. Other income**

Description	2024/2025	2023/2024
	Kshs	Kshs
Cheque write backs	-	-
Others ( <i>Specify</i> )	-	-
<b>Total Other Income</b>	<b>-</b>	<b>-</b>

*(During the year under review the Nyamira County Education Fund never received any other income as disclosed in note 8).*

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**10. Bursary Transfers**

Description	2024/2025	2023/2024
	Kshs	Kshs
Secondary schools	67,524,000	88,637,800
<b>Total</b>	<b>67,524,000</b>	<b>88,637,800</b>

**11. Scholarship grants**

Description	2024/2025	2023/2024
	Kshs	Kshs
TVETs and Colleges	-	908,000
Secondary schools	21,204,130	45,045,123
<b>Total</b>	<b>21,204,130</b>	<b>45,953,123</b>

**12. Use of Goods and Services**

Description	2024/2025	2023/2024
	Kshs	Kshs
Committee Allowances	313,000	615,000
Domestic Travel	897,500	1,530,365
Fuel and oil cost	-	45,000
Bank charges	39,933	25,110
Printing and Advertising	142,000	426,000
Sound system, tents, chair hire	-	915,000
Hospitality	145,000	280,000
<b>Total</b>	<b>1,537,433</b>	<b>3,836,475</b>

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**13. Cash and cash equivalents**

Description	2024/2025	2023/2024
	Kshs	Kshs
Current Account	30,018,430	73,533,993
<b>Total Cash and Cash Equivalents</b>	<b>30,018,430</b>	<b>73,533,993</b>

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

Financial Institution	Account number	2024/2025	2023/2024
		Kshs	Kshs
<b>a) Current Account</b>			
KCB Bank	118293871	30,018,430	73,533,993
<b>Sub- Total</b>		<b>30,018,430</b>	<b>73,533,993</b>
<b>b) Others (Specify)</b>			
Cash In Transit		-	-
Cash In Hand		-	-
<b>Sub- Total</b>		<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>30,018,430</b>	<b>73,533,993</b>

**14. Non-Exchange Receivables**

Description	2024/2025	2023/2024
	Kshs	Kshs
Revenue receivable	-	-
Others ( <i>Specify</i> )	-	-
<b>Total non-exchange receivables</b>	<b>-</b>	<b>-</b>

**15. Exchange Receivables**

Description	2024/2025	2023/2024
	Kshs	Kshs
Interest receivable	-	-
Others ( <i>Specify</i> )	-	-
<b>Total exchange receivables</b>	<b>-</b>	<b>-</b>

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**16. Trade and other payables**

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Trade Payables	-		-	
Other Payables ( <i>specify</i> )	-		-	
<b>Total Trade and Other Payables</b>	-		-	
<b>Ageing analysis (Trade and other payables)</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total (tie to above total)</b>	-		-	

**17. Cash generated from operations.**

Description	2024/2025	2023/2024
	Kshs	Kshs
<b>Surplus/ (Deficit) For the Year</b>	<b>(43,515,563)</b>	<b>(37,277,881)</b>
<b>Adjusted For:</b>		
<b>Working Capital Adjustments</b>		
Increase In Receivables	-	-
Increase In Payables	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>(43,515,563)</b>	<b>(37,277,881)</b>

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

**18. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers from related parties	46,500,000	100,639,517
Transfers to related parties		

**c) Key management remuneration**

Description	2024/2025	2023/2024
	Kshs	Kshs
Board of Trustees	313,000	615,000
<b>Total</b>	<b>313,000</b>	<b>615,000</b>

**d) Due from related parties**

Description	2024/2025	2023/2024
	Kshs	Kshs
Due From County Government	3,915,513	32,578,595
<b>Total</b>	<b>3,915,513</b>	<b>32,578,595</b>

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**Other Disclosures Continued**

**e) Due to related parties**

Description	2023/2024	2022/2023
	Kshs	Kshs
Due to County Government	-	-
Due to Key Management Personnel	-	-
<b>Total</b>	-	-

**19. Contingent assets and contingent liabilities**

Contingent Liabilities	2023/2024	2022/2023
	Kshs	Kshs
Court Case Against the Fund/Scheme	-	-
Bank Guarantees	-	-
<b>Total</b>	-	-

*(Give details)*

**20. Financial risk management**

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

**a) Credit risk**

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

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Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June (2024)</b>				
Receivables From Non-Exchange Transactions	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June (2023)</b>				
Receivables From Non-Exchange Transactions	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
<b>Total</b>	-	-	-	-

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

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

The entity has significant concentration of credit risk on amounts due from xxxx.

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

**b) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with The Nyamira County Education 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 Nyamira County Education 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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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>At 30 June (2023/2024)</b>				
Trade Payables	-	-	-	-
Current Portion of Borrowings	-	-	-	-
Provisions	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30 June (2022/2023)</b>	-	-	-	-
Trade Payables	-	-	-	-
Current Portion of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
<b>Total</b>	-	-	-	-

**c) Market risk**

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

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

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

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

**i. Foreign currency risk**

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

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

Description		Other curren- cies	Total
	Kshs	Kshs	Kshs
<b>At 30 June (2023/2024)</b>			
Cash	-	-	-
Debtors/ Receivables	-	-	-
<b>Liabilities</b>			
Trade And Other Payables	-	-	-
<b>Net Foreign Currency Asset/(Liability)</b>	-	-	-

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

**Foreign currency sensitivity analysis**

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
		Kshs	Kshs
<b>(Current FY)</b>			
Euro	-	-	-
USD	-	-	-
Other ( <i>Specify</i> )	-	-	-
<b>(Comparative FY)</b>			
Euro	-	-	-
USD	-	-	-
Other ( <i>Specify</i> )	-	-	-

**ii. Interest rate risk**

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

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***Management of interest rate risk***

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

***Sensitivity analysis***

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

**d) Capital risk management.**

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

Description	2024/2025	2023/2024
	Kshs	Kshs
Accumulated surplus	-	-
<b>Total funds</b>	-	-
	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
<b>Gearing</b>	-	-

**21. Events after the reporting period**

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

**22. Currency**

The financial statements are presented in Kenya Shillings (Kshs)

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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/KRO/AUD/NCESF/2022/2023/(27 )	<p><b>Presentation of Statement of Management’s Responsibilities</b></p> <p>The Statement of Management’s responsibilities at page xxi does not include the date of approval of the financial statements. Further, the Fund Chairman’s report at page xii and the Report of the Committee are not</p>	<p>Management wishes to clarify that The Statement of Management’s responsibilities at page xxi, The Fund Chairman’s report at page xii and the Report of the Committee were dated 26<sup>th</sup> September 2024.</p>	Resolved	

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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)
	dated.			
OAG/KRO/AUD/NCESF/2022/2023/(27 )	<p><b>Lack of Supporting Documents</b>            The bursary disbursements of Kshs.88, 637, 800 were not supported by the following important documents as is required.</p> <p>i. Application forms that confirm beneficiaries made application for the bursaries.</p> <p>ii. Approved/vetted</p>	<p>Management wishes to clarify that Application forms, approved/vetted list of beneficiaries from the wards, Bursary application register with names and schools and Acknowledgement of receipt by</p>	Resolved	

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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)
	<ul style="list-style-type: none"> <li>list of beneficiaries from the wards</li> <li>iii. Bursary application register with names and schools</li> <li>iv. Approved bursary policy.</li> <li>v. Wards committee minutes</li> <li>vi. Acknowledgement of receipt by beneficiaries in selected schools</li> </ul>	<p>beneficiaries in selected schools have since been re submitted for audit review.</p>		

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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/KRO/AUD/NCESF/2022/2023/(27 )	<p><b>Bursary Payments above the Recommended Amounts</b>  Records available indicates that the amount awarded to three (3) students totalling to Kshs.23,100 was above the policy recommended balance and an amount of Kshs.91,600 paid to thirty (30) students was below the policy recommended balance.  This is contrary to the Nyamira County</p>	<p>Management takes into account the auditor's observation however wish to clarify that the three (3) students who were awarded above threshold were vulnerable and this is in line with the Nyamira County Education Support Regulations 2017 Sec 16(D)</p>	Resolved	

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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)
	Education Support Fund minutes dated 1 January, 2024 which states the maximum amount is Kshs.5, 000 for total orphan and minimum of Kshs.3, 300 for the other cadres.	Further the thirty (30) students who received below the recommended threshold were guided by the school fee balances supported by the Nyamira County Education Committee minutes dated 30 <sup>th</sup> June 2023		
OAG/KRO/AUD/NCESF/2022/2023/(27 )	<b>Unsupported Expenses on Scholarship Grants</b> The statement of	Management take note of the auditors	Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>financial performance includes expenses on scholarship grants of Kshs.45,953,123. As disclosed under note 11 to the financial statements, the amount includes scholarships grants of Kshs.908,000 on TVETS and colleges and Kshs.45,045,123 on secondary schools. The Fund management did not provide for audit verification payment vouchers on expenditure on scholarships to TVETs and colleges.</p>	<p>observation and wishes to clarify that vouchers and schedules in respect of scholarships amounting to Kshs. 908,000 paid to Vocational training centers and Kshs.17,993,620 to secondary school have since been resubmitted for audit review.</p>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	Further, payment vouchers in respect of scholarships to secondary school amounting to Kshs.17,993,620 were not provided for audit verification.			
OAG/KRO/AUD/NCESF/2022/2023/(27 )	<b>Budget and Budgetary Control</b> The statement of comparison of budget and actual amounts reflects final budget expenditure and actual receipts on a comparable basis of Kshs.101,149,515 and	Management appreciates the auditors' observation and wish to state that; <ul style="list-style-type: none"> <li>• The overutilization was occasioned</li> </ul>	Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>Kshs.138,427,398 respectively resulting to over utilization of Kshs.37,277,883 or 36.85%. Overutilization of budget was explained as due to opening balances accrued in the prior financial year. The overutilization of the budget by Kshs.37,277,883 was contrary to regulation 43 (2) of the Public Finance Management (County Governments) regulations, 2015 that requires County Government entities to</p>	<p>by opening balances accrued in the prior financial year.</p> <ul style="list-style-type: none"> <li>The disbursed funds were in accordance to part IV Nyamira County Education Support</li> </ul>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	execute their approved budgets based on the annual appropriation legislation, and the approved annual cash flow plan.	Regulations 2017 Section 19(2) which states that the education bursary is based on a calendar year and not a financial year. <ul style="list-style-type: none"> <li>• Nyamira County</li> </ul>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
		Education Support Fund Financial Statements are prepared on accrual basis of accounting.		
OAG/KRO/AUD/NCESF/2022/2023/(27 )	<b>Establishment of the Nyamira County Education Fund</b> The Nyamira County Education Support	Management takes note of the auditors' observation that the Fund was not	Not Resolved	June 2026

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>Act, 2016 established the Nyamira County Education Fund. The Act under Part III, section 12 (1) specifies the Fund shall be managed and administered by the Committee and shall be at least 2.5% of the total annual budget of the County. The total budget for the County for the year</p>	<p>allocated at least 2.5% of the total annual budget of the County however, wishes to state that due to unrealized own source revenue the County Government of Nyamira is considering a review of the Act to a manageable rate.</p>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>ended 30 June, 2024 amounted to Kshs.7,282,175,903 and 2.5% in the Fund would be represented by an amount of Kshs.182,054,398. However, the statement of financial position reflects fund balance of Kshs.73,533,993 as at 30 June, 2024 resulting in deficit funding of</p>			

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: ( <i>Resolved / Not Resolved</i> )	Timeframe : ( <i>Put a date when you expect the issue to be resolved</i> )
	Kshs.109,520,405			
	The report of the Fund Administrator indicates the Education Support Fund of an amount of Kshs.134, 590,923 or 101% of the allocation from the County Government was issued equitably to all 20 wards in the County. This was contrary to the Nyamira County Education Support Act, 2016 that specifies the County Education Committee to ensure that 65% of annual allocation from	Management appreciates the auditors' observation and wish to clarify that, the disbursement to beneficiaries are in line with The Nyamira County Education Support Regulations 2017 Section 11 and 12 (b) which specifies that 97% of the funds shall be disbursed to	Not Resolved	June 2026

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	the county government to the Fund is expended in disbursing bursaries and scholarships equitably to each ward and the balance of the fund shall be appropriated 30% for County HELB loans and 5% administration cost.	beneficiaries in secondary schools and tertiary .  Further management is reviewing the Act to remove the clause of 30% for County HELB loans		
	The Nyamira County Education Support Act, 2016, section 9 (1) established ward committees to be appointed by the CEC	Management wishes to clarify that there are established and working ward committees	Resolved	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>Education in consultation with ward leadership. The functions of the ward committees included receiving applications for bursaries and scholarships, deliberating on all applications for bursaries and scholarships to be awarded on merit basis and advising the County Education Committee on approved list of beneficiaries of HELB to ensure they are bona fide applicants from the</p>	<p>appointed by the CEC Education in consultation with ward leadership. Samples of committee minutes and appointment letters have since been provided for audit</p>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>various wards in addition to keeping and up to date records of all beneficiaries of bursaries and scholarships in the ward. However, no supporting documentation was provided of the appointment of ward committees. It was thus not established how applications, vetting and award of bursaries was done.</p>			
	The Fund Administration	Management takes note of the		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	committee as presented in the financial statements does not include the profile of the County Director of Education (National Government), an ex officio member, Chairperson of the Loans Oversight Committee and three persons appointed by the CEC member each representing women, youth and persons living with disability contrary to Part II, section 4 (1) of the Nyamira County Education Support Act,	auditors' observation and wish to state that; <ul style="list-style-type: none"> <li>The profile of the County Director of Education (National Government), an ex officio member will be included in subsequent</li> </ul>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p>2016.</p> <p>Further, section 11 (3) specifies the County Education Committee and Loans Oversight Committee shall meet at least three times in each financial year but the Chairperson shall upon requisition by at least seven members in writing, convene a special meeting of the committee. However, no minutes of the committees was provided to show operationalization and</p>	<p>financial statements 2024/2025.</p> <ul style="list-style-type: none"> <li>• Three persons representing women, youth and persons living with disability have been appointed.</li> <li>• Nyamira County Education</li> </ul>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: ( <i>Resolved / Not Resolved</i> )	Timeframe : ( <i>Put a date when you expect the issue to be resolved</i> )
	<p>carrying out of functions as per section 6 of the Act including oversight of ward committees, granting bursaries and scholarships, fund raising in support of the county education revolving fund and determining the maximum number of eligible persons or students to be granted bursaries and scholarships in a particular year.</p>	<p>Fund does not have a Chairperson of the Loans Oversight Committee since the fund doesn't offer HELB loans.</p>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p><b>1. Change of the Fund Name</b>                      The financial statements for the year ended 30 June, 2024 submitted for audit, reflects the name of the fund as Nyamira County Education Support Fund contrary to regulation 3(1) of 2017 which established the fund to be known as Nyamira County Education Bursary Fund</p>	<p>Management takes note of the auditors' observation and wishes to clarify that the Nyamira County Education Support Regulation 2017 have since been amended to delete the ward bursary and to read Nyamira County Education Fund.</p>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p><b>1. Lack of Risk Management Policy</b></p> <p>Review of the documents and records provided for audit review revealed that the Fund Management had not established Risk Management Policy. This was contrary to Regulation 158(1) (a-b) of the Public Finance Management (County Governments) Regulations, 2015</p>	<p>Management wishes to clarify that Nyamira County has risk policy which is also applicable in the implementation of the bursary fund this has since been shared for audit review</p>	<p>Resolved</p>	

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved )	Timeframe : (Put a date when you expect the issue to be resolved)
	<p><b>1. Inadequacy in Enabling Legislation</b></p> <p>A review of Nyamira County Education Support Act, 2016 assented 29 April, 2016, shows that Nyamira County has not provided for winding up procedure for the fund contrary to Regulation 198 of the Public Finance Management (County governments) regulations, 2015.</p>	<p>Management appreciates auditor's observation and wish to state that management is considering amending the Act.</p>	<p>Not resolved</p>	<p>June 2026</p>

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

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***Guidance Notes:***

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

*Zipporah Inna Zipporah*  
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Fund Administrator/Accounting Officer

Date *25/08/2025*  
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***Nyamira County Education Fund***  
**Annual Report and Financial Statements for the year ended June 30, 2025**

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

Name of transferring entity: **Nyamira County Executive**

Name of beneficiary entity ***Nyamira County Education Fund***

<b>Confirmation of amounts received by Nyamira County Education Fund as at 30<sup>th</sup> June 2024</b>						
Reference Number	Date Disbursed	Amounts Disbursed by Nyamira County Executive (Kshs) as at 30 <sup>th</sup> June 2025			Amount Received by Nyamira County Education Fund (Kshs) as at 30 <sup>th</sup> June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
REC/00000 43034	2/10/2024	15,000,000		15,000,000	15,000,000	0.00
NYAMIRA COUNTY/KE/NAIROBI	17/03/2025	1,500,000		1,500,000	1,500,000	0.00
NYAMIRA COUNTY/KE/NAIROBI	30/06/2025	15,000,000		15,000,000	15,000,000	0.00
NYAMIRA COUNTY/KE/NAIROBI	30/06/2025	15,000,000		15,000,000	15,000,000	0.00
<b>Total</b>		<b>46,500,000</b>		<b>46,500,000</b>	<b>46,500,000</b>	<b>0.00</b>
I confirm that the amounts shown above are correct as of the dates indicated.						
<b>Head of Accounts Department - Nyamira County Executive :</b>						

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

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Name Jemimah Abuya ..... Sign [Signature] ..... Date 28/12/25

Head of Accounts Department - *Nyamira County Education Fund* :

Name Dennis Ombui ..... Sign [Signature] ..... Date 28/12/25