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REPORT

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THE AUDITOR-GENERAL

ON

SAMBURU COUNTY BURSARY FUND

FOR THE YEAR ENDED

30 JUNE, 2023



OFFICE OF THE AUDITOR GENERAL
UPPER EASTERN REGIONAL OFFICE - ISIOLO

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SAMBURU COUNTY GOVERNMENT
SAMBURU COUNTY BURSARY FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2023

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



THE OFFICE OF THE ATTORNEY GENERAL
STATE OF TEXAS

...

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Table of Content

1. Acronyms and Glossary of Terms	iii
2. Key Entity Information and Management	iv
3. Fund Administration Committee	Error! Bookmark not defined.
4. Management Team	iix
5. Samburu County Bursary Fund-Chairperson's Report	x
6. Report of The Fund Administrator	xi
7. Statement of Performance Against the County Fund's Predetermined Objectives	xii
8. Corporate Governance Statement	xiv
9. Management Discussion and Analysis	xv
10. Environmental and Sustainability Reporting	xviii
11. Report of the Fund Administration Committee	xix
11.1 Principal activities.....	xix
11.2 Results	xix
11.3 County Bursary Committee	xix
11.4 Auditors.....	xix
12. Statement of Management's Responsibilities	xx
13. Report of the Independent Auditor on the Financial Statements for Samburu County Bursary Fund	xxii
14. Statement of Financial Performance for the Year Ended 30 th June 2023	1
15. Statement of Financial Position as at 30 June 2023	2
16. Statement Of Changes in Net Assets for the year ended 30 th June 2023	4
17. Statement of Cash Flows for the Year Ended 30 June 2023	5
18. Statement Of Comparison Of Budget And Actual Amounts For The Period	7
19. Notes to the Financial Statements	8
20. Annexes	33

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

1. Acronyms and Glossary of Terms

a) Acronyms

CBC	County Bursary Committee
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
Kshs	Kenya Shillings

b) Glossary of Terms

Fiduciary Management and The key management personnel who had financial responsibility

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.

2. Key Entity Information and Management

a) Background information

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

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

b) Principal Activities

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

c) Fund Administration Committee

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

d) Key Management Team

Ref	Position	Name
1	Fund Administrator	Benjamin Leitore
2	Chief Officer-Education	Lysson Lesilele
3	Chairperson	Parari Lemooge
4	Fund Accountant	Lilly Lekalja

e) Fiduciary Oversight Arrangements

Ref	Position	Name
1	Director-Internal Audit	Jacob Leadise
2	Audit Officer	Celine Lerosion
3	Audit Officer	Japheth Lekamario

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

f) Registered Offices

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

g) Fund Contacts

Telephone: +254 065 62456, +254 65 62075

E-mail: info@samburu.go.ke

Website: www.samburu.go.ke

h) Fund Bankers

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

i) Independent Auditors

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

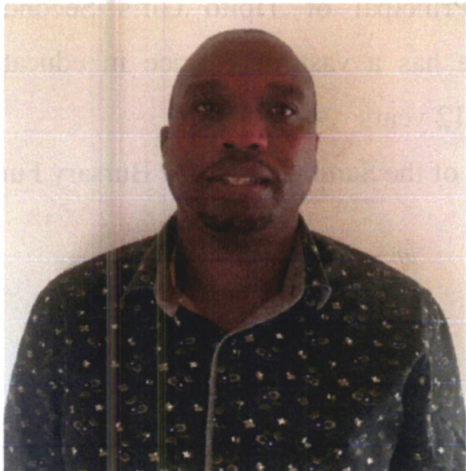
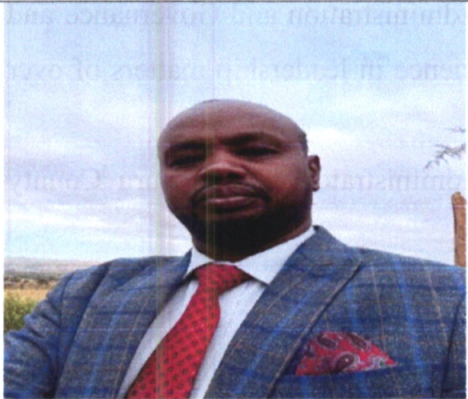

j) Principal Legal Adviser

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




k) County Attorney

Peinan Loronyokwe
P.O. Box 3-20600
Maralal

3. Fund Administration Committee

Name	Details of qualifications and experience
 <p>Parari Lemooge</p>	<p>Parari Lemooge was born in 1978; his National ID no is 20828769. He is a teacher by profession and has a vast experience in Education matters of over 23 years. Currently he is the principal of Lorrok Mixed Day Secondary School. He is pursuing Bachelors of Public Policy and Administration.</p> <p>He is the Chairperson for Samburu County Bursary Fund</p>
 <p>Lysson Lesilele</p>	<p>Lysson Lesilele was born in 1979; his National ID no is 20889197. He is a holder of Under graduate Degree in Commerce (Finance option), Certified Public Accountant (CPA) III SECTION IV. He has a vast experience in public service of over 23 years. He has been a director-internal audit for 8 years</p> <p>He is the Chief Officer- Education for Samburu County and a mandatory signatory to the Samburu County Bursary Fund</p>
 <p>Mark Egelan</p>	<p>Mark Egelan was born in 1976; his National ID no 13047235. He is a holder of master's degree in Leadership and Management and Bachelor's Degree in Education Science; he has 22 years of experience in senior management in various international NGOs.</p> <p>He is the CEC Member for Education, Samburu County.</p>

**Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.**

 <p>Kinya Magambo</p>	<p>Kinya Magambo was born in 1989; her National ID no is 26698973, she is a holder of Under Graduate Degree in Education (English/Literature), she is currently the Principal of Tipito Girls Secondary School and she has a vast experience in education matters of over 12 years.</p> <p>He is a member of the Samburu County Bursary Fund</p>
 <p>Benjamin Leitore</p>	<p>Benjamin Leitore was born in 1978; his National ID no is 22230601, he is a holder of Under Graduate Degree in Public Administration and Governance and he has a vast experience in leadership matters of over 20 years.</p> <p>He is the Fund Administrator for Samburu County Bursary Fund</p>
 <p>Marios Letereuwa</p>	<p>Marios Letereuwa was born in 1965; his National ID no 8733130. He is a Degree holder in Education and a Diploma holder in Education. He has 34 years teaching experience and 19 years in administration as principal.</p> <p>He is a member of Samburu County Bursary Fund</p>

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.



Peter Bokosh

Peter Bokosh was born in 1951; his National ID no is 4835900. He was a teacher by profession and retired in 2016 after teaching for over 38 years. He holds a bachelor's degree in Education and Music. He is a member of Samburu County Bursary Fund representing PWDs



Everlyne Lekashango

Everlyne Lekashango was born in 1998; her National ID no 39777771. She is a Diploma holder in Tour Guiding.

She is a member of Samburu County Bursary Fund representing Students Union



Timothy Lenduda

Timothy Lenduda was born in 1990; his National ID no 27735417, he is a Diploma holder in Theology;

He is a member of Samburu County Bursary Fund representing faith based organizations.



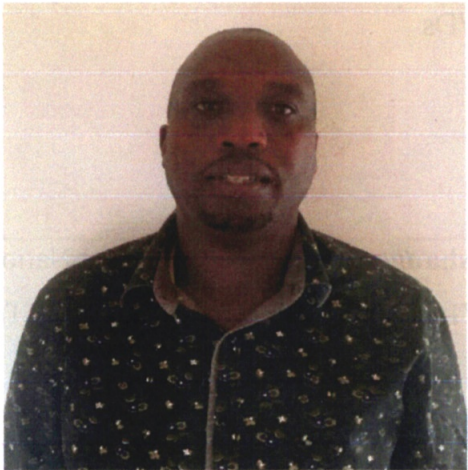


Mevice Leshore

Mevice Leshore was born in 1980; her National ID no is 22723821. She is a Diploma holder in Office Management and Administration. She has a vast experience in Office Management of over 13 years.

She a member of Samburu County Bursary Fund representing Gender.

**Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.**

4. Key Management Team

Name	Details of qualifications and experience
 <p>Parari Lemooge</p>	<p>Parari Lemooge was born in 1978; his National ID no is 20828769. He is a teacher by profession and has a vast experience in Education matters of over 23 years. Currently he is the principal of Lorrok Mixed Day Secondary School. He is pursuing Bachelors of Public Policy and Administration.</p> <p>He is the Chairperson for Samburu County Bursary Fund</p>
 <p>Lysson Lesilele</p>	<p>Lysson Lesilele was born in 1979; his National ID no is 20889197. He is a holder of Under graduate Degree in Commerce (Finance option), Certified Public Accountant (CPA) III SECTION IV. He has a vast experience in public service of over 23 years. He has been a director-internal audit for 8 years</p> <p>He is the Chief Officer- Education for Samburu County and a mandatory signatory to the Samburu County Bursary Fund</p>
 <p>Benjamin Leitore</p>	<p>Benjamin Leitore was born in 1978; his National ID no is 22230601, he is a holder of Under Graduate Degree in Public Administration and Governance and he has a vast experience in leadership matters of over 20 years.</p> <p>He is the Fund Administrator for Samburu County Bursary Fund</p>

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.

5. Samburu County Bursary Fund-Chairperson's Report

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

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

I. The County Bursary Fund Committee comprises of 10 members

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

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

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

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

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

Parari Lemooge
Chairperson
Samburu County Bursary Fund

Signature  Date 27/11/2023

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

6. Report of the Fund Administrator

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

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

The main task of this committee in the bursary kitty is to ensure that there is adequate budgetary allocation in annual county budget. It is worth reporting that during the last financial year 2022/2023 county budget, the bursary kitty was allocated **Ksh.116, 300,000 (One Hundred and Sixteen Million Three Hundred thousand only)**. **Ksh 18,900,000 (Eighteen Million Nine Hundred thousand)** was and awarded to students who joined form 1 in May, 2023. Ksh 97,400,000 was disbursed to secondary schools, Middle Level Colleges and Universities without forgetting Scholarship students, Interns and other interest groups based on set policy guidelines and criteria. This is in line with the Act which stipulates that 75% of the annual budgetary allocation goes to the main stream bursary while the rest goes towards the set provisions including 3% that is meant to take care of the administrative costs of the fund management team and the respective bursary committees.

Leitore Benjamin
Fund Administrator
Samburu County Bursary Fund

Signature  Date 27/11/2023

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.

7. Statement of Performance against the County Fund's Predetermined Objectives

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

The key objectives of the Samburu County Bursary Fund plan for the FY 2022-2023 are to:

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

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Bursary	To support bright and needy students to access quality education	Increased number of students accessing education in the County	92% of students retained in school / transitioned to next level institutions	In FY 22/23 we increased bursary access by 10% for secondary school level. Increased number of bursary beneficiaries for Tertiary institution from 4500 to 5600 in FY 2022/2023
Scholarship program	To support the best KCPE students in the County and the 3 Sub-counties- A girl and a boy To support bright students	Increased number of students accessing quality education in the Country Increased number of students pursuing	120 students already in the program and are progressing well	In FY 22/23 we sponsored 8 secondary school students who joined National schools and 16 students who joined universities to

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

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

8. Corporate Governance Statement

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

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

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

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

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

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

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

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

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

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

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

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.

9. Management Discussion and Analysis

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of Samburu County Bursary Fund established by Samburu County Bursary Fund Act, 2015 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the Samburu County Bursary Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2023. These responsibilities include:

- (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund;
- (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud;
- (iv) safeguarding the assets of the Fund;
- (v) selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Administrator of the Samburu County Bursary Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Samburu County Bursary Fund established by Samburu County Bursaries Fund Act, 2015. The Administrator of the Samburu County Bursary Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2023, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

Financial position of Samburu County Bursary Fund

	Note	FY2022/2023	FY2021/2022
		KShs	KShs

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.

Assets			
Current assets			
Cash and cash equivalents	11	(444,490)	2,895,464
Current portion of long term receivables from exchange transactions	12	-	-
Prepayments	13	-	-
Inventories	14	-	-
Non-current assets			
Property, plant and equipment	15	-	-
Intangible assets	16	-	-
Long term receivables from exchange transactions	12	-	-
Total assets		(444,490)	2,895,464
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	17	-	-
Provisions	18	-	-
Current portion of borrowings	19	-	-
Employee benefit obligations	20	-	-
Non-current liabilities			
Non-current employee benefit obligation	20	-	-
Long term portion of borrowings	19	-	-
Total liabilities		-	-
Net assets			

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Revolving Fund			
Reserves		-	-
Accumulated surplus		(444,490)	2,895,464
Total net assets and liabilities		(444,490)	2,895,464

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10. Environmental and Sustainability Reporting

1. Sustainability strategy and profile -

The top management especially the accounting officer should make reference to sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities, reference to international best practices and key achievements and failure.

2. Environmental performance

Outline clearly, environmental policy guiding the organisation, provide evidence of the policy. Outline successes, shortcomings, efforts to manage biodiversity, waste management policy and efforts to reduce environmental impact of the organisation's products.

3. Employee welfare

Give account of the policies guiding the hiring process and whether they take into account the gender ratio, whether they take in stakeholder engagements and how often they are improved. Explain efforts made in improving skills and managing careers, appraisal and reward systems. The organisation should also disclose their policy on safety and compliance with Occupational Safety and Health Act of 2007, (OSHA.)

4. Market place practices-

The organisation should outline its efforts to:

- a) Responsible competition practice.
Explain how the organisation ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors
- b) Responsible Supply chain and supplier relations- explain how the organisation maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices
- d) Product stewardship- outline efforts to safeguard consumer rights and interests

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

11. Report of the Fund Administration Committee

The Samburu County Bursary Fund Committee submitted their report together with the audited financial statements for the year ended June 30, 2023, which show the state of the Fund affairs.

11.1 Principal activities

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

11.2 Results

The results of the Fund for the year ended June 30, 2023 are set out on page 10.

11.3 County Bursary Committee

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

11.4 Auditors

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

By Order of the Committee

Samburu County Bursary Fund

Signature 

Date: 27/11/2023

Parari Lemooge

Chairperson- Samburu County Bursary Fund

12. Statement of Management's Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of Samburu County Bursary Fund established by Samburu County Bursaries Fund Act, 2015 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the Samburu County Bursary Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2023. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period.
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund.
- (iii) Designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud.
- (iv) Safeguarding the assets of the Fund.
- (v) Selecting and applying appropriate accounting policies.
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Administrator of the Samburu County Bursary Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Samburu County Bursary Fund established by Samburu County Bursaries Fund Act, 2015. The Administrator of the Samburu County Bursary Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of Fund's transactions during the financial year ended June 30, 2023, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Approval of the financial statements

The Fund's financial statements were approved by the Committee on 27/11 2023
and signed on its behalf by:

Leitore Benjamin



Administrator of the Samburu County Bursary Fund

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON SAMBURU COUNTY BURSARY FUND FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Samburu County Bursary Fund set out on pages 1 to 35, which comprise the statement of financial position as at 30 June, 2023, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Samburu County Bursary Fund as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Public Finance Management Act, 2012 and Samburu County Bursaries Fund Act, 2015.

Basis for Qualified Opinion

Unsupported Bursary Disbursement

The statement of financial performance and as disclosed in Note 8 to the financial statements reflects bursary disbursement of Kshs.120,483,206. However, an analysis of the bursary awards disbursed to various institutions in the year under review revealed that, disbursements amounting to Kshs.2,433,156 to two hundred and eighty-three (283) students in learning institutions were not supported with student's admission numbers and respective forms for high school students, disbursements amounting to Kshs.62,498,511 were not acknowledged by various learning institutions and a payment of Kshs.700,000 to Isiolo ECDE Teachers Training College was not supported with the beneficiaries list.

Further, the bursary disbursement includes an amount of Kshs.2,000,000 disbursed to Samburu University Students Association (SUSA). However, as previously reported, no documentary evidence received from the Association was provided for audit review to confirm receipt of the funds.

In the circumstances, the accuracy and completeness of bursary disbursement of Kshs.67,631,667 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved 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 on Effectiveness of Internal Controls, Risk Management and Governance. However, although Management has indicated that some of the issues have been resolved, the matters remained unresolved and no reasons were provided for the delay in resolving them.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Irregular Overdrawing of Cashbook

The statement of financial position and as disclosed in Note 11 to the financial statements reflects an overdrawn cashbook balance of Ksh.444,490. However, there was no approval from the County Treasury in support of the overdraft, contrary to Section 119(4) of the Public Finance Management Act, 2012 providing that, an accounting officer for a County Government entity shall not cause a bank account of the entity to be overdrawn beyond the limit authorized by the County Treasury or a board of a county government entity, if any.

Further, there were no monthly bank reconciliations carried out during the period contrary to Regulation 90(1) of the Public Finance Management (County Governments) Regulations, 2015, which states that Accounting Officers shall ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the 10th of the subsequent month to the County Treasury with a copy to the Auditor-General.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The Standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them. I believe that the

audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and Fund Administration Committee

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The Fund Administration Committee is responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

04 January, 2024

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

14. Statement of Financial Performance for the Year Ended 30th June 2023

	Not e	FY2022/2023	FY2021/2022
		KShs	KShs
Revenue from non-exchange transactions			
Public contributions and donations	1	-	-
Transfers from the County Government	2	116,300,000	106,700,000
Fines, penalties and other levies	3	-	-
Revenue from exchange transactions			
Interest income	4	-	-
Other income	5	5,924,320	-
Total revenue		122,224,320	106,700,000
Expenses			
Fund administration expenses	6	4,997,200	4,008,450
Staff costs	7	-	-
Bursary Disbursement	8	120,483,206	107,466,279
Finance costs	9	83,868	74,985
Total expenses		125,564,274	111,549,714
Other gains/losses			
Gain/loss on disposal of assets	10	-	-
Surplus/(deficit) for the period		(3,339,954)	(4,849,714)



.....
Name: Leitore Benjamin
Administrator of the Fund



.....
Name: Lilly Lekalja
Fund Accountant
ICPAK Member Number:

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.

15. Statement of Financial Position as at 30 June 2023

	Note	FY2022/2023	FY2021/2022
		KShs	KShs
Assets			
Current assets			
Cash and cash equivalents	11	(444,490)	2,895,464
Current portion of long term receivables from exchange transactions	12	-	-
Prepayments	13	-	-
Inventories	14	-	-
Non-current assets			
Property, plant and equipment	15	-	-
Intangible assets	16	-	-
Long term receivables from exchange transactions	12	-	-
Total assets		(444,490)	2,895,464
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	17	-	-
Provisions	18	-	-
Current portion of borrowings	19	-	-
Employee benefit obligations	20	-	-
Non-current liabilities			
Non-current employee benefit obligation	20	-	-
Long term portion of borrowings	19	-	-
Total liabilities		-	-
Net assets			
Revolving Fund			
Reserves		-	-
Accumulated surplus		(444,490)	2,895,464
Total net assets and liabilities		(444,490)	2,895,464

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

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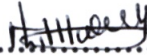
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27/11 2023 and signed by:



.....
Name: Leitore Benjamin
Administrator of the Fund



.....
Name: Lilly Lekalja
Fund Accountant
ICPAK Member Number:

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

16. Statement of Changes in Net Assets for the year ended 30th June 2023

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		KShs	KShs	KShs
Balance as at 1 July 2021	-	-	7,745,177	7,745,177
Surplus/(deficit) for the period	-	-	4,849,714	4,849,714
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2022	-	-	2,895,464	2,895,464
Balance as at 1 July 2022		-	2,895,464	2,895,464
Surplus/(deficit) for the period	-	-	(3,339,954)	(3,339,954)
Funds received during the year		-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2023	-	-	(444,490)	(444,490)

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

17. Statement of Cash Flows for the Year Ended 30 June 2023

	Note	FY2022/2023	FY2021/2022
		KShs	KShs
Cash flows from operating activities			
Receipts			
Public contributions and donations		-	-
Transfers from the County Government	2	116,300,000	106,700,000
Interest received		-	-
Other Income	5	5,924,320	-
Total Receipts		122,224,320	106,700,000
Payments			
Fund administration expenses	6	4,997,200	4,008,450
Bursary Disbursement	8	120,483,206	107,466,279
Finance cost	9	83,868	74,985
Total Payments		125,564,274	111,549,714
Adjusted for:			
Decrease/(Increase) in Accounts receivable			
Increase/(Decrease) in Accounts Payable			
Net cash flows from operating activities		(3,339,954)	(4,849,714)
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-	-
Proceeds from sale of property, plant and equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(3,339,954)	(4,849,714)

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Cash and cash equivalents at 1 JULY	11	2,895,464	7,745,177
Cash and cash equivalents at 30 JUNE 2023	11	(444,490)	2,895,464

(444,489.95)

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

Buru County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

18. Statement of Comparison of Budget and Actual Amounts for the Period ended 30th June, 2023

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilisation
	2023	2023	2023	2023	2023	2023
	KShs	KShs	KShs	KShs	KShs	
Bursary Capital Fund	116,300,000	-	116,300,000	116,300,000	0	100%
Other Income				5,924,320	(5,924,320)	
Total income	116,300,000	-	116,300,000	122,224,320	(5,924,320)	105%
Expenses						
Bursary and Scholarship	112,727,000	-	112,727,000	120,483,206	(7,756,206)	107%
Bank Charges	84,000	-	84,000	83,868	132	100%
Admin Costs	3,489,000	-	3,489,000	4,997,200	(1,508,200)	143%
Total expenditure	116,300,000	-	116,300,000	125,564,274	(9,264,274)	108%
Surplus for the period	-	-	-	(3,339,954)	-	

Budget notes

1. Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (IPSAS 24.14)
2. Provide an explanation of changes between original and final budget indicating whether the difference is due to reallocations or other causes. (IPSAS 24.29)
3. Where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis (budget is cash basis, statement of financial performance is accrual) provide reconciliation.

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

19. Notes to the Financial Statements

1. General Information

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

2. Statement of compliance and basis of preparation

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

3. Adoption of new and revised standards

(i) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023*

Standard	Effective date and impact
IPSAS 41: Financial Instruments	<p>Applicable: 1st January 2023</p> <p>The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none">• Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Standard	Effective date and impact
	<ul style="list-style-type: none"> • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity’s risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p>Impact: There was no impact of the amendment to IPSAS 41 with respect to the current financial reports</p>
<p>IPSAS 42: Social Benefits</p>	<p>Applicable: 1st January 2023</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess:</p> <ul style="list-style-type: none"> (a) The nature of such social benefits provided by the Entity; (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity’s financial performance, financial position and cash flows. <p>Impact: There was no impact of the amendment to IPSAS 42 with respect to the current financial report as the entity did not apply any social benefits provisions in the FY 2022/2023</p>
<p>Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>	<p>Applicable: 1st January 2023</p> <ul style="list-style-type: none"> a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued.

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Standard	Effective date and impact
	<p>c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued.</p> <p>Impact: There was no impact of the Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments</p>
Other improvements to IPSAS	<p>Applicable 1st January 2023</p> <ul style="list-style-type: none"> • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> <p>Amendments to refer to the latest System of National Accounts (SNA 2008).</p> <ul style="list-style-type: none"> • <i>IPSAS 39: Employee Benefits</i> <p>Now deletes the term composite social security benefits as it is no longer defined in IPSAS.</p> <ul style="list-style-type: none"> • IPSAS 29: Financial instruments: Recognition and Measurement <p>Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1st January 2023.</p> <p>Impact: There was no impact of other improvements to IPSAS 22 on disclosure of financial information about the General Government Sector</p>

(ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2023.*

Standard	Effective date and impact:
IPSAS 43	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess</p>

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Standard	Effective date and impact:
	<p>the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>Impact: There was no impact on IPSAS 43, The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases</p>
<p>IPSAS 44: Non-Current Assets Held for Sale and Discontinued Operations</p>	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>Impact: there was no impact of IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>

(iii) Early adoption of standards

The Fund did not early – adopt any new or amended standards in the financial year 2022/2023

Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other government entities

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

ii. Revenue from exchange transactions

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

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.

Dividends

Dividends or similar distributions must be recognized when the shareholder's or the Fund's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget for FY 2022/2023 was approved by the County Assembly on 20th June 2022. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Samburu County Bursary Fund upon receiving the respective approvals in order to conclude the final budget. Accordingly, the Fund did record additional appropriations in the FY 2022/2023 budget.

The Funds 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 schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented on page 1 of these financial statements

c) Property, plant and equipment

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

d) Intangible Assets

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

The useful life of the intangible assets is assessed as either finite or indefinite.

e) Financial instruments

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

Financial assets

Classification of financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

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.

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Impairment

The fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL).

Financial liabilities

Classification

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

f) Inventories

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

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the fund.

g) Provisions

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

h) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

i) Contingent liabilities

The Fund does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The Fund does not recognize a contingent asset, but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Fund in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

j) Changes in accounting policies and estimates

The 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.

k) Foreign currency transactions

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

l) Borrowing costs

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

m) Related parties

The Fund regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Fund, or vice versa. Members of key management are regarded as related parties and comprise the Chief Officer-Education, the Chairperson-CBC and the Fund Administrator.

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

n) 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. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

o) Comparative figures

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

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Summary of Significant Accounting Policies (Continued)

5. Significant judgments and sources of estimation uncertainty

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

a) Estimates and assumptions –

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS1.140.

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.

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

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

6. Notes to the Financial Statements

1. Public contributions and donations

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Donation from development partners	-	-
Contributions from the public	-	-
Total	-	-

2. Transfers from County Government

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Transfers from County Govt. – operations	116,300,000	106,700,000
Payments by County on behalf of the entity	-	-
Total	116,300,000	106,700,000

3. Fines, penalties and other levies

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Late payment penalties	-	-
Fines	-	-
Total	-	-

4. Interest income

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Interest income from loans(mortgage or car loans	-	-
Total interest income	-	-

5. Other income

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Insurance recoveries	-	-

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Income from sale of tender documents	-	-
Miscellaneous income	5,924,320	-
Total other income	5,924,320	-

6. Fund Administration Expenses

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Admin Costs	4,997,200	4,008,450
Professional services costs	-	-
Total	4,997,200	4,008,450

7. Staff Costs

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Salaries and wages	-	-
Staff gratuity	-	-
Staff training expenses	-	-
Social security contribution	-	-
Other staff costs	-	-
Total	-	-

8. Bursary Disbursement

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Bursary Disbursement	120,483,206	107,466,279
Total	120,483,206	107,466,279

9. Finance costs

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Bank charges	83,868	74,985
Total	83,868	74,985

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

10. Gain on disposal of assets

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Property, plant and equipment	-	-
Intangible assets	-	-
Total	-	-

11. Cash and cash equivalents

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Fixed deposits account	-	-
On – call deposits	-	-
Current account	(444,490)	2,895,464
Others		-
Total cash and cash equivalents	(444,490)	2,895,464

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

Financial institution	Account number	FY2022/2023	FY2021/2022
		KShs	KShs
a) Fixed deposits account			
Kenya Commercial bank		-	-
Equity Bank, etc		-	-
Sub- total		-	-
b) On - call deposits			
Kenya Commercial bank		-	-
Equity Bank - etc		-	-
Sub- total		-	-
c) Current account			
Kenya Commercial bank		(444,490)	2,895,464
Bank B		-	-
Sub- total		(444,490)	2,895,464
d) Others(specify)			

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Cash in transit		-	-
Cash in hand		-	-
M Pesa		-	-
Sub- total		-	-
Grand total		(444,490)	2,895,464

12. Receivables from exchange transactions

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Current Receivables		
Interest receivable	-	-
Current loan repayments due	-	-
Other exchange debtors	-	-
Less: impairment allowance	-	-
Total Current receivables	-	-
Non-Current receivables		
Long term loan repayments due	-	-
Total Non-current receivables	-	-
Total receivables from exchange transactions	-	-

13. Prepayments

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Prepaid rent	-	-
Prepaid insurance	-	-
Prepaid electricity costs	-	-
Total	-	-

14. Inventories

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Consumable stores	-	-
Spare parts and meters	-	-
Catering	-	-
Total inventories at the lower of cost and net realizable value	-	-

15. Property, plant and Equipment

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

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

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

At 30 th June 2022	-	-	-	-	-
Net book values					
At 30 th June 2021	-	-	-	-	-
At 30 th June 2022	-	-	-	-	-

16. Intangible Assets-software

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Cost		
At beginning of the year	-	-
Additions	-	-
At end of the year	-	-
Amortization and impairment		
At beginning of the year	-	-
Amortization	-	-
At end of the year	-	-
Impairment loss	-	-
At end of the year	-	-
NBV	-	-

17. Trade and other payables from exchange transactions

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Trade payables	-	-
Refundable deposits	-	-
Accrued expenses	-	-
Other payables	-	-
Total trade and other payables	-	-

18. Provisions

Description	Leave provision	Bonus provision	Other provision	Total
	KShs	KShs	KShs	KShs
Balance at the beginning of the year	-	-	-	-
Additional Provisions	-	-	-	-
Provision utilised	-	-	-	-
Change due to discount and time value for				-

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

money	-	-	-	-
Transfers from non-current provisions	-	-	-	-
Total provisions	-	-	-	-

19. Borrowings

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Balance at beginning of the period	-	-
External borrowings during the year	-	-
Domestic borrowings during the year	-	-
Repayments of external borrowings during the period	-	-
Repayments of domestic borrowings during the period	-	-
Balance at end of the period	-	-

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

	FY2022/2023	FY2021/2022
	KShs	KShs
External Borrowings		
Dollar denominated loan from 'xxx organisation'	-	-
Sterling Pound denominated loan from 'yyy organisation'	-	-
Euro denominated loan from zzz organisation'	-	-
Domestic Borrowings		
Kenya Shilling loan from KCB	-	-
Kenya Shilling loan from Barclays Bank	-	-
Kenya Shilling loan from Consolidated Bank	-	-
Borrowings from other government institutions	-	-
Total balance at end of the year	-	-

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

Description	FY2022/2023	FY2021/2022
	KShs	KShs
Short term borrowings(current portion)	-	-
Long term borrowings	-	-

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Total	-	-
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20. Employee benefits Obligation

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

21. Cash generated from operations

	FY2022/2023	FY2021/2022
	KShs	KShs
Surplus for the year before tax	-	-
Adjusted for:		
Depreciation	-	-
Gains/ losses on disposal of assets	-	-
Interest income	-	-
Finance cost	-	-
Working Capital adjustments		
Increase in inventory	-	-
Increase in receivables	-	-
Increase in payables	-	-
Net cash flow from operating activities	-	-

22. Related party balances

a) Related party transactions	FY2022/2023	FY2021/2022
	KShs	KShs
Transfers from related parties' (County Treasury)	-	-
Transfers to related parties	-	-

b) Key management remuneration	FY2022/2023	FY2021/2022
	KShs	KShs

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Board of Trustees	-	-
Key Management Compensation	-	-
Total	-	-

c) Due from related parties

	FY2022/2023	FY2021/2022
	KShs	KShs
Due from parent Ministry	-	-
Due from County Government	-	-
Total	-	-

d) Due to related parties

	FY2022/2023	FY2021/2022
	KShs	KShs
Due to parent Ministry	-	-
Due to County Government	-	-
Due to Key management personnel	-	-
Total	-	-

23. Contingent assets and contingent liabilities

Contingent liabilities	FY2022/2023	FY2021/2022
	KShs	KShs
Court case xxx against the Fund	-	-
Bank guarantees	-	-
Total	-	-

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

24. Financial risk management

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

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

a) Credit risk

The Fund has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the entity's management based on prior experience and their assessment of the current economic environment. 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:

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2022				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-
At 30 June 2021				
Receivables From Exchange Transactions	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-

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

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Notes To The Financial Statements (Continued)

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

b) Liquidity risk management

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

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June (Current FY)				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-
At 30 June (Comparative FY)				
Trade Payables	-	-	-	-
Current Portion Of Borrowings	-	-	-	-
Provisions	-	-	-	-
Employee Benefit Obligation	-	-	-	-
Total	-	-	-	-

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Market risk

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

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

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

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

i. Foreign currency risk

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

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

Description		Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2023			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors/ Receivables	-	-	-
Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

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.

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Notes To The Financial Statements (Continued)

Foreign currency sensitivity analysis

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
	Kshs	Kshs	Kshs
2022/2023			
Euro	10%	-	-
USD	10%	-	-
2021/2022			
Euro	10%	-	-
USD	10%	-	-

ii. Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The 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 (2022: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (2021 – Kshs xxx).

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Notes To The Financial Statements (Continued)

c) Capital risk management.

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

Description	FY 2022/2023	FY 2021/2022
	Kshs	Kshs
Revaluation reserve	-	-
Revolving fund	-	-
Accumulated surplus	-	-
Total funds	-	-
Total borrowings	-	-
Less: cash and bank balances	-	-
Net debt/(excess cash and cash equivalents)	-	-
Gearing	-%	-%

25. Events after the reporting period

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

26. Ultimate and Holding Entity

The fund is the Samburu County Bursary Fund established by Samburu County Bursary Fund Act, 2015 under the Department of Education and Vocational Training, Its ultimate parent is the County Government of Samburu.

27. Currency

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

**Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.**

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.

The key management of the Samburu County Bursary Committee responded the draft by The Office of Auditor General and implemented all the recommendations in the draft. All the financial statements were done in accordance with the set and recognized international standards and the accounting principle of accrual concept.

Reference No. on the external audit Report	Observations from Auditor	Management comments	Status:	Timeframe:
CEN/HUB/SAM.C/ EXEC.BF/7C/9	<p>Lack of Trial Balance The financial statements availed for audit review had not been supported by a trial balance as the management failed to submit the same. Consequently, it has not been possible to ascertain the validity of some of the balances in the financial statements.</p>	<p>✓ Samburu County Bursary Fund Trial balance is hereby attached as annex 2</p>	<p>✓ Resolved ✓ Resolved ✓ Resolved</p>	<p>✓ 20th March 2023 ✓ 20th March 2023 ✓ 20th March 2023</p>
	<p>Unsupported Expenditure on Administration Fees The statement of receipts and payments together with Note 6 to the financial statements reflects Kshs. 4,008,450 in respect to fund administration expenses which further includes Kshs. 2,794,350 for administration expenses. However, documentary evidence including payment vouchers for expenditure amounting to Kshs. 2,794,350 were not</p>	<p>✓ Payment vouchers for expenditure amounting to Ksh 2,794,350 have been provided for audit review</p>	<p>✓ Resolved</p>	<p>✓ 20th March 2023</p>

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

	provided for audit review. In the circumstance, the accuracy of Kshs. 2,794,350 expenditure could not be confirmed.			
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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 implementation of each issue.
- (iv) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to National Treasury.

Bursary Fund Administrator

Date.....27/11/2023.....

**Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.**

**Annex II: Inter-Fund Confirmation Letter
Samburu County Government
Department of Education and Vocational training**

Samburu County Bursary Fund
P.O Box 3-20600
Maralal

The Samburu County Bursary Fund wishes to confirm the amounts disbursed to you as at 30th June 2023 as indicated in the table below. Please compare the amounts disbursed to you with the amounts you received and populate the column E in the table below Please sign and stamp this request in the space provided and return it to us.

Confirmation of amounts received by [Insert name of beneficiary Fund] as at 30 th June 20xx							
Reference Number	Date Disbursed	Amounts Disbursed by Samburu County Bursary Fund (Kshs) as at 30 th June 2023				Amount Received by Samburu County Bursary Fund (KShs) as at 30 th June 2023 (E)	Differences (KShs) (F)=(D-E)
		Recurrent (A)	Development (B)	Inter-Ministerial (C)	Total (D)=(A+B+C)		
	25/10/2022	18,900,000	-	-	18,900,000	18,900,000	
	27/02/2023	97,400,000	-	-	97,400,000	97,400,000	
Total		116,300,000			116,300,000	116,300,000	

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

Head of Accountants department of beneficiary Fund:

Name Lilly Lekalja Sign*Lilly Lekalja*.....Date *27/11/2023*.....

Samburu County Bursary Fund
Annual Report and Financial Statements For the year ended June 30, 2023.

Annex III: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

Samburu County Bursary Fund

Annual Report and Financial Statements For the year ended June 30, 2023.

Annex IV: Reporting on Disaster Management Expenditure

Column I Programme	Column II Sub-programme	Column III Disaster Type	Column IV Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Column V Expenditure item	Column VI Amount (Kshs.)	Column VII Comments