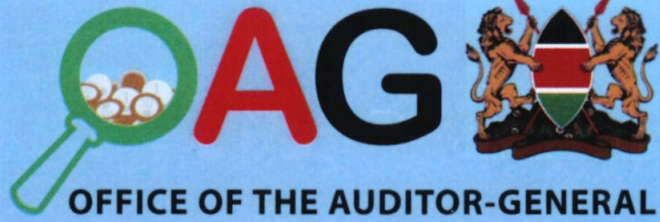


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF



THE AUDITOR-GENERAL

ON

WAJIR COUNTY BURSARY FUND

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

PAPERS LAID	
DATE	13/2025
TABLED BY	Dep Majority Whip
COMMITTEE	
CLERK AT THE TABLE	Cherop



OFFICE OF THE AUDITOR GENERAL
NORTH EASTERN REGIONAL OFFICE
05 DEC 2024
P. O. BOX 88-70100 GARISSA



WAJIR COUNTY BURSARY FUND

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2024**

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

Wajir County Bursary Fund

Annual Report and Financial Statements for the year ended June 30, 2024

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Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

1. Acronyms and Definition of Key Terms

a) Acronyms

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

b) Definition of Terms

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

Wajir County Bursary Fund

Annual Report and Financial Statements for the year ended June 30, 2024

2. Key Entity Information and Management

a) Background information

Wajir County Bursary Fund is established by and derives its authority and accountability from Wajir County Bursary Fund Act of 2019. The Fund is wholly owned by the County Government of Wajir and is domiciled in Kenya.

The Bursary fund's objective is to increase access to secondary school, ensure retention of students in secondary school, promote transition and completion rates, and to reduce disparities and inequalities in the provision of secondary school education as well as tertiary education. The Fund's principal activity is issuance of bursaries and scholarships.

b) Principal Activities

The principal activity/mission/ mandate of the Wajir County Bursary Fund is to receive bursary funds as appropriated in the County's Approved budget estimates and disburse the funds as stipulated in the Act to enable children of the Wajir County pursue their education.

c) Board of Trustees/Fund Administration Committee

Ref	Position	Name
1	Chairman of the Board	Hassan Omar
2	Chief Officer – Education	Abdiker Ali
3	Chief Officer finance	Farah Ahmed
4	Committee Member	Abdi Bedel
5	Committee Member	Ali Abdi Abukar
6	Committee Member	Habiba M Shurie
7	Committee Member	Bare A Kassim
9	Fund Administrator	Issa Kuresh Abdille

d) Fiduciary Management

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

Ref	Position	Name
1	Fund Administrator	Issa Kuresh Abdille
2	Fund Accountant	Abdikher Sharif Hassan
3	CCO Finance & Economic Planning	Farah Ahmed
4	County Chief Officer- Education	Abdiker Ali

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Directorate Internal Audit	Abdi G Omar

f) Registered Offices

Department of Education, Social Service and Youth
County Government of Wajir
P.O. Box 11-30500
County Headquarters.
Wajir
KENYA

g) Fund Contacts

E-mail: info@wajir.go.ke
Twitter [@WajirCountyKE](https://twitter.com/WajirCountyKE)
Website: www.Wajir.go.ke

h) Fund Bankers

Kenya Commercial Bank
Wajir Branch
P.O. Box 201-70200
Wajir, Kenya

Key Entity and Management (Continued)

i) Independent Auditor

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

j) Principal Legal Adviser





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

k) County Attorney

P.O. Box 11-30500
Wajir
County Headquarters
KENYA



Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

3. Fund Administration Committee

Name	Details of qualifications and experience
<p>1. Bare A Kaasim</p> 	<p>Bare was born on 1953, Academic qualification of O level with 34 years of experience in the teaching profession. He is a committee Member of the Wajir County Bursary Committee.</p>
<p>2. Hassan Omar</p> 	<p>Hassan was Born on 1953, Academic qualification of O level with 36 years of experience in teaching profession. He is the chair of the Wajir county Bursary Fund.</p>
<p>3. Habiba M Shurie</p> 	<p>Habiba was born on 1958 and holds bachelor degree in Education (Arts). She has over 40 years of experience in the teaching profession. She is currently a Committee Member of the Wajir County Bursary administration Committee.</p>
<p>4. Ali Abdi Abukar</p> 	<p>Ali was born 1950 with academic qualification of O level with over 37 years of experience in the teaching profession. He is Currently an active committee Member of the Wajir County Bursary Administration Committee member.</p>




Wajir County Bursary Fund

Annual Report and Financial Statements for the year ended June 30, 2024

Name	Details of qualifications and experience
<p>5. Abdi Bedel Ali</p> 	<p>He was born in 1951, and academic qualification of O' Level with over 40 years of experience in the teaching profession. Abdi is a Committee Member of the Wajir County Bursary Committee.</p>
<p>6. Issa Kuresh Abdille</p> 	<p>Born 1988 with master's in Public Policy and Administration and bachelor in Education (Arts) with 12 years of experience both in public sector and Humanitarian world. Issa is the fund administrator of the Wajir County Bursary Fund since 2019.</p>

**Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024**

4. Key Management Team

Name	Details of qualifications and experience
<p>1.</p> 	<p>Abdikher was born 1964 with masters in education. He has over 30 years experience both in public and Private sector.</p> <p>He is the current chief officer for education in Early Childhood and development.</p>
<p>2. Issa Kuresh Abdille</p> 	<p>Born 1988 with master's in Public Policy and Administration and bachelor in Education (Arts) with 12 years of experience both in public sector and Humanitarian world. Issa is the fund administrator of the Wajir County Bursary Fund since 2019.</p>
<p>3. Abdikheir Sharif</p> 	<p>Abdikheir was born 1992 and holds Bachelor of commerce, CPA(K). Abdikheir has over 7 years in public sector. He is the accountant for the Wajir County Bursary Fund.</p>

5. Chairman's Report

It is with great honour that I present the annual financial statements for the Wajir County Bursary Fund. As the Chairperson, I would like to express my deepest gratitude to all individuals and organizations who have supported our mission to provide educational opportunities to underprivileged students in Wajir County. This report aims to offer a comprehensive overview of our activities, achievements, and the challenges we faced over the past year.

Activities and Achievements:

Bursary Application and Selection Process:

The Wajir County Bursary Fund continued to receive a substantial number of bursary applications from deserving students across the county. Our dedicated team worked meticulously to review and evaluate each application based on established criteria, ensuring transparency and fairness throughout the selection process. As a result, we successfully awarded bursaries to a significant number of students, enabling them to pursue their educational goals..

Expansion of Outreach Programs:

Recognizing the need to reach remote areas and marginalized communities within Wajir County, we launched various outreach programs aimed at identifying talented students who might otherwise lack access to educational opportunities. These initiatives included school visits, community engagement, and partnerships with local organizations. We are proud to report that these efforts have allowed us to extend our support to a broader range of students.

Collaboration with Educational Institutions:

We have continued to strengthen our partnerships with educational institutions within Wajir County and beyond. These collaborations have streamlined the bursary application process, facilitated recommendations from school administrators, and identified students who demonstrate exceptional potential. By working closely with schools and the community, we have been able to identify deserving students and provide them with the necessary financial support to continue their studies.

Community Engagement:

Understanding the importance of community involvement, we have intensified our engagement with parents, local leaders, and other stakeholders to raise awareness about the bursary fund and foster a sense of ownership through mainstream and social media. This collaboration has been instrumental in identifying the most deserving students, promoting accountability, and building a sustainable support network..

Challenges and Future Plans:

Limited and Delayed Funding:

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

One of the primary challenges we face is the limited and sometimes delayed funding from the National Treasury. While we have made efforts to secure additional resources through the county's budgetary allocation, the demand for financial assistance continues to surpass the available funds. The delays in disbursement from the National Treasury exacerbate the situation, affecting our ability to timely support the students who depend on these funds. Moving forward, we will explore innovative strategies to attract more funding, ensure timely disbursements, and sustain the growth of the bursary fund.

Monitoring and Evaluation:

As the number of bursary recipients increases, it is essential to enhance our monitoring and evaluation mechanisms. We plan to implement a robust system to track the progress of bursary beneficiaries, gather feedback, and measure the impact of our support on their educational outcomes. This data will help us make informed decisions and improve the effectiveness of our programs..

Mentorship and Skill Development:


Recognizing the importance of holistic development, we plan to implement mentorship programs to support bursary recipients in their personal and academic growth. We will connected students with professionals from various fields who volunteered their time and expertise to guide and inspire them. Additionally, we will organized workshops and training sessions to equip students with essential skills such as career guidance, leadership, and financial literacy.

Conclusion:

In conclusion, the Wajir County Bursary Fund has made significant progress in providing educational opportunities to deserving students. Our commitment to transparency, fairness, and collaboration has enabled us to positively impact the lives of many young individuals in Wajir County. While we acknowledge the challenges ahead, we remain steadfast in our mission to empower students through education.

I extend my sincere gratitude to the bursary committees, the County Executive, the County Assembly, volunteers, and staff who have dedicated their time and resources to support the Wajir County Bursary Fund. Together, we will continue to make a difference in the lives of our students and contribute to the growth and development of our county..

Thank you.

Name..... HASSAN DENWAH Signature.....  Date..... 04/11/2024

Chairperson of Wajir County Bursary Fund

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

6. Report of The Fund Administrator

I am pleased to present the financial statements of the Wajir County Bursary Fund for the financial year 2023/2024.

Financial Results:

Revenue:

During the reporting period, the Wajir County Bursary Fund received Kshs.130,000,000 from County Government of Wajir as per the budgetary allocation.

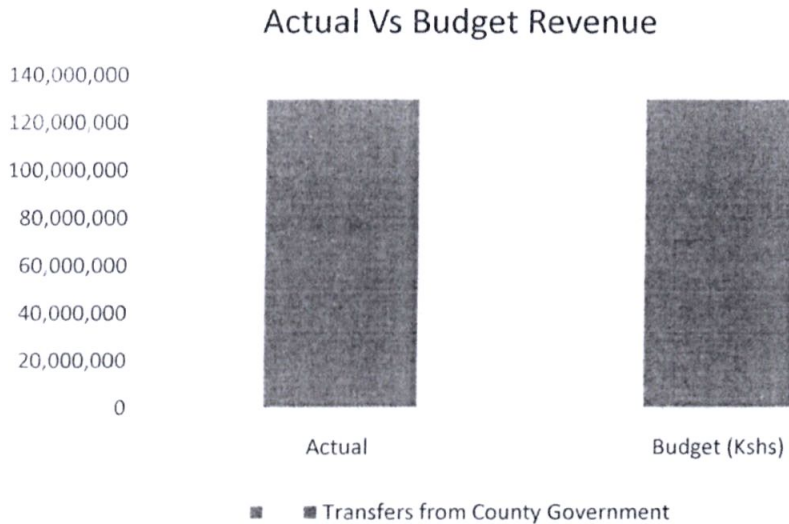
Expenses:

The funds allocated for bursaries and related programs constituted the majority of our expenses. These expenses covered the Scholarships and other Educational Benefits of Kshs.53,296,100 provided to students and Fund administration expenses of Kshs. Kshs.74,018. The total expenses for the fiscal year were Kshs.53,296,100, demonstrating our commitment to utilizing the funds for their intended purpose. This was a 41% absorption of the allocated budget.

Graphs:

Revenue Breakdown:

The following graph illustrates the breakdown of revenue sources for the reporting period:

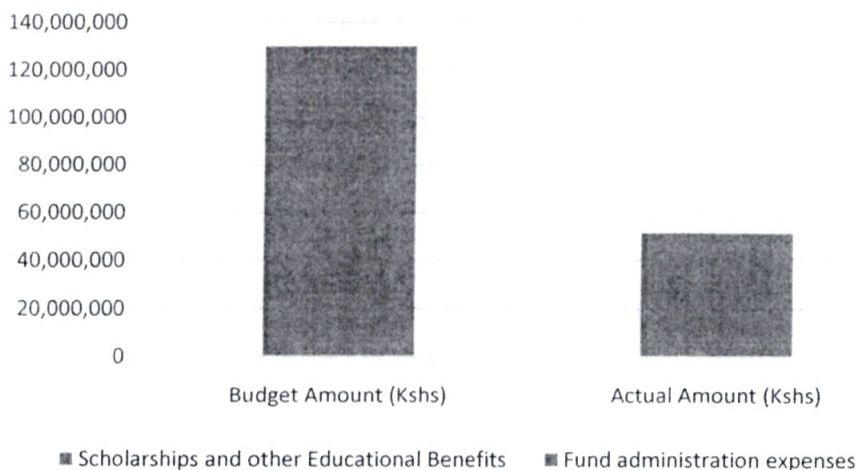


Wajir County Bursary Fund Annual Report and Financial Statements for the year ended June 30, 2024

Expense Breakdown:

The following graph presents the breakdown of expenses incurred during the fiscal year:

Actual Vs Budget Expenses



Key Risk Management Strategies

For Wajir County Bursary Fund or any similar public funds, effective risk management is crucial to ensure transparency, accountability, and proper utilization of resources. Here are some key risk management strategies specific to Wajir County Bursary Fund:

Clearly Defined Objectives: Established clear and specific objectives for the bursary fund, outlining the intended beneficiaries, eligibility criteria, and the overall purpose of the fund. This helps in minimizing potential misallocation of resources.

Robust Governance and Oversight: Ensured there is a well-structured governance framework with clear roles and responsibilities for all stakeholders involved in managing and overseeing the bursary fund. This may include a Bursary Committee, Ward committees, or other relevant bodies to monitor fund activities.

Transparent Application Process: Implementation of a transparent and fair application process, ensuring that all eligible students have equal opportunities to apply for the bursary. Established clear guidelines for the application, evaluation, and selection process, along with a mechanism for handling appeals or complaints.

Performance Monitoring and Reporting: Set up a system to monitor the performance of the bursary fund regularly. This involves tracking the number of beneficiaries, funds disbursed, and overall impact on the beneficiaries' education. Publish regular reports to keep the public informed and maintain transparency.

Compliance and Legal Considerations: Ensure that all activities related to the bursary fund comply with relevant laws, regulations, and financial management procedures. This may include

Wajir County Bursary Fund

Annual Report and Financial Statements for the year ended June 30, 2024

adhering to government guidelines for bursary funds and any specific requirements for Wajir County.

Stakeholder Engagement: Involve relevant stakeholders, including local communities, educational institutions, and civil society organizations, in the decision-making process and seek their input to improve the fund's effectiveness and avoid potential conflicts.

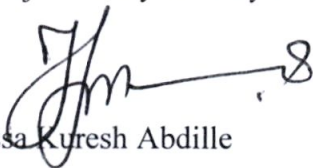
By adopting these key risk management strategies, Wajir County Bursary Fund has enhanced its efficiency, accountability, and impact on the educational outcomes of the beneficiaries.

Conclusion:

The financial statements and accompanying graphs provide a comprehensive overview of the Wajir County Bursary Fund's financial performance. We have strived to spend within the budget while fulfilling our mission of providing educational opportunities to deserving students. The support received from County and stakeholders has been instrumental in achieving our goals. We remain committed to ensuring the effective and efficient use of funds, improving our financial position, and expanding the impact of the Wajir County Bursary Fund. Through prudent financial management and continued support, we can make a lasting difference in the lives of underprivileged students in Wajir County.

Thank you.

Wajir County Bursary Fund



Issa Kuresh Abdille

Fund Administrator

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

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

Introduction

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

Wajir County Bursary Fund

The principal mission mandate of the Fund is to increase access to secondary school, ensure retention of students in secondary school, promote transition and completion rates, and to reduce disparities and inequalities in the provision of secondary school education as well as tertiary education.

The County Government prepared the CIDP which is the county development blue print for the five years plan period. In this Education plays a critical role and that’s why there is the Bursary Fund. Tracking of Bursary implementation status is done through a number of activities including: field inspection reports, quarterly M&E reports and annual M&E reports. Annual reports are carried out as per Section 164 (2) (f) of the Public Finance Management Act, 2012.

Education as a Strategic development objective

The County’s CIDP has identified Twenty-three key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor’s Manifesto, Vision 2030 & the National Government’s “Big Four” Agenda, SDGs and the MTP III.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks and plans, and are summarised here-in-under;

- a) Provide bursary for needy students.
- b) Increase access to secondary school
- c) Reduce disparities and inequalities in provision of both secondary and tertiary education.
- d) Promote transition and completion rates.

Below we provide the progress on attaining the stated objectives, particularly on matters Education in which the Bursary fund has played a catalytic role.

Department	Objective	Outcome	Indicator	Performance
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Wajir County Bursary Fund

Annual Report and Financial Statements for the year ended June 30, 2024

Department	Objective	Outcome	Indicator	Performance
Education	To support bright and needy students to access quality education	Increased number of students accessing education in the County	% of students retained in school / transitioned to next level institutions	In FY 2023/2024, the bursary access for tertiary education witnessed a reduction in the number of beneficiaries and the total amount disbursed. The funding decreased from Kshs. 143,680,000 to Kshs. 53,296,100, marking a decline of Kshs. 92,032,718, or approximately 64%. This reduction was primarily due to budgetary constraints and delayed disbursements from the National Treasury, which significantly impacted our capacity to support students at the tertiary level..

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

8. Statement of Corporate Governance

The Wajir County Bursary Fund is made up of 6 Administration Committee members. Members meet to deliberate on the performance of the management team by evaluating and considering bursary awards to the students. Based on the Budget allocation, the committee members are not remunerated from the fund but paid sitting allowances as the act. In the coming years we will be able to report on the governance structure based on:

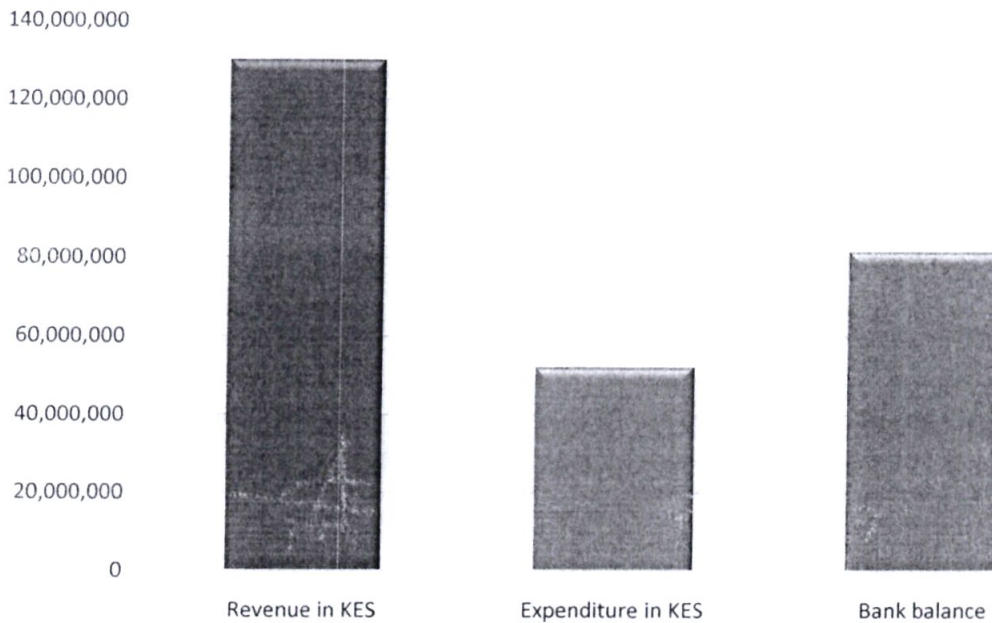
- a. Number of Fund Administration Committee meetings held and the attendance to those meetings by members,
- b. Succession plan,
- c. Existence of a service charter,
- d. Process of appointment and removal of trustees/ Administration Committee members,
- e. Roles and functions of the Administration Committee members,
- f. Induction and training, Administration Committee members and member's performance,
- g. Conflict of interest,
- h. Board remuneration,
- i. Ethics and conduct as well as governance audit undertaken if any

9. Management Discussion and Analysis

During the financial year 2023/2024, a total of Kshs. 53,296,100 was disbursed to support deserving students across the County. This amount was allocated to cover both full and partial school fees, enabling many students to continue their education. Recognizing the importance of this support, we are actively working on strategies to increase budgetary allocations in the coming years to expand our reach and assist more students.

However, it is important to note that the total amount of bursaries disbursed saw a significant decrease from Kshs. 143,950,000 in the financial year 2022/2023 to Kshs. 53,296,100 in 2023/2024. This reduction, amounting to over Kshs. 92 million, was primarily due to budgetary constraints and delays in disbursements from the National Treasury. These factors limited our ability to maintain previous levels of support, underscoring the need for improved financial planning and advocacy for timely and adequate funding in future cycles. Below is graphical representation of financial performance of the Bursary Fund for FY 2023/2024.

The financial performance for FY 2023/2024



Wajir County Bursary Fund

Annual Report and Financial Statements for the year ended June 30, 2024

10. Environmental and Sustainability Reporting

Below is a brief highlight of our achievements in areas of environmental sustainability

1. Sustainability strategy and profile -

The Fund administrator have put in place sustainable efforts, broad trends in political and macroeconomic affecting sustainability priorities.

2. Environmental performance

The Board ensures conserving of environment use of environmentally friendly products.

3. Employee welfare

The Board managed to offer an induction to the members of staff and some board members on the process of auditing and review of financial statements. It has also taken the staff and board members for a team building session to enhance cohesion and team work among the members.

4. Market place practices-

Due to the shortage of funds allocated to the board, the board uses much of it's administration funds to pay for sitting and travelling allowance to the board members as well as the ward committee members. The few items that require procurement include pens, printing papers as well as office stationaries. These ones are directly procured from some specific suppliers. Similarly, all the contracts signed by the respective suppliers are always honored.

5. Community Engagements-

On matters of community engagement is that members of the board especially the chairman and the CEO have always been invited in school's annual general meetings as well as schools prize giving functions. In all those functions the members who attend generously contribute in terms of finances and words of counsel. We also have some Ward bursary committees who are also members of community-based organization and rotary groups.

By Order of the Board



Hassan Omar,

Chair of the Fund Administration Committee

11. Report of The Trustees/Committee

The Trustees submit their report together with the audited financial statements for the year ended June 30, 2024 which show the state of the Fund affairs.

Principal activities

The Fund's principal activity is to receive bursary funds as appropriated in the County's Approved budget estimates and disburse the funds as stipulated in the Act to enable children of the Wajir County pursue their education.

Results

The results of the Fund for the year ended June 30, 2024 are set out on page 1.

Fund Administration Committee

The members of the Fund Administration Committee Board of Trustees who served during the year are shown on page Vii. There were no changes in the administration Committee during the financial year.

Auditors

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

By Order of the Board



.....
Chair of the Board/Fund Administration Committee

Date:

04/11/2024

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

12. Statement of Management’s Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by Wajir County Bursary Fund Act, 2019 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

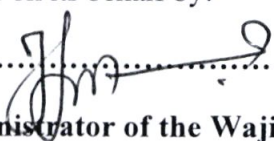
The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund’s financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2023. This responsibility includes: (i) 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; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public 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 Wajir County Bursary Fund Act, 2019. The Administrator of the Fund is of the opinion that the Fund’s financial statements give a true and fair view of the state of Fund’s transactions during the financial year ended June 30, 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.

Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

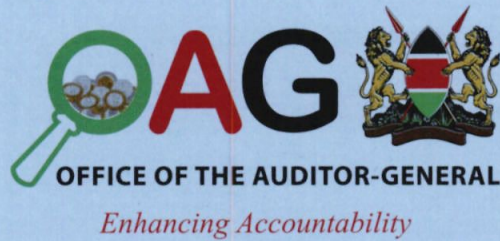
Approval of the financial statements

The Fund’s financial statements were approved by the Board on 4th Nov 2024 and signed on its behalf by:

.....

Administrator of the Wajir County Bursary Fund

REPUBLIC OF KENYA

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



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

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

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, gazetted notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion is issued when the Auditor-General concludes that the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of Wajir County Bursary Fund set out on pages 1 to 23, which comprise of the statement of financial position as at

30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Wajir County Bursary Fund as at 30 June, 2024 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 Wajir County Bursary Fund Act, 2019 and the Public Finance management Act, 2012.

Basis for Opinion

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

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

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

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, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Weaknesses in Maintenance of Fixed Asset Register

The statement of financial position reflects a balance of Kshs.158,402 in respect of property, plant and equipment as disclosed in Note 12 to the financial statements. However, review of the asset register supporting the balance revealed that the register lacked vital information including the date the assets were acquired making it difficult to confirm the accuracy of depreciation charge. In addition, the asset register did not contain details of the location of the assets for ease of confirmation of existence.

In the circumstances, it was not possible to confirm the effectiveness of internal controls on fixed asset management.

The audit was conducted in accordance with 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 control, risk management and overall governance

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

Responsibilities of the Management and the Fund Administration Committee

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain 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 cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the INTOSAI Framework of Professional Pronouncements (IFPP). The Framework requires that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

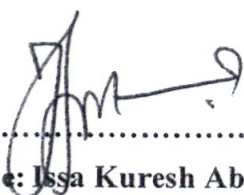
05 December, 2024

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

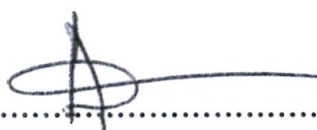
14. Statement of Financial Performance for the Year Ended 30th June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	130,000,000	150,000,000
		130,000,000	150,000,000
Revenue From Exchange Transactions			
Other income	7	1,648,818	100,000
Total Revenue		131,648,818	150,100,000
Expenses			
Scholarships and other Educational Benefits	8	53,296,100	143,950,000
Fund administration expenses	9	74,018	3,993,400
Depreciation and Amortization Expense	11	79,201	118,801
Total Expenses		53,449,319	148,062,201
Surplus/(Deficit)for the Period		78,199,499	2,037,799

The notes set out on pages 27 to 42 form an integral part of these Financial Statements



.....
Name: Issa Kuresh Abdille
Administrator/Accounting Officer



.....
Name: Abdikher Sharif Hassan
Fund Accountant 25686
ICPAK Member Number:

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024


15. Statement of Financial Position as at 30 June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	10	81,485,038	3,206,338
Total current assets		81,485,038	3,206,338
Non-Current Assets			
Property, Plant and Equipment	12	158,402	237,603
Total non- current assets		158,402	237,603
Total Assets		81,643,440	3,443,941
Liabilities			
Current Liabilities			
Trade and Other Payables		0	0
Total current liabilities		0	0
Total Liabilities		0	0
Net Asset		81,643,440	3,443,941
Represented By:			
Accumulated Surplus		81,643,440	3,443,941
Net Assets		81,643,440	3,443,941

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 04/11/2024 2024 and signed by:



.....
Name: Issa Kuresh Abdille
Administrator of the Fund



.....
Name: Abdikher Sharif Hassan
Fund Accountant
ICPAK Member Number: 25686

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

16. Statement of Changes in Net Assets for the year ended 30th June 2024

Description	Accumulated surplus	Total
	Kshs	Kshs
Balance as at 1 July 2022	1,406,142	1,406,142
Surplus/(Deficit) For the Year	2,037,799	2,037,799
BalanceAsAt30 June 2023	3,443,941	3,443,941
Balance As At 1 July 2023	3,443,941	3,443,941
Surplus/(Deficit) For the Year	78,199,499	78,199,499
BalanceAsAt30 June 2024	81,643,440	81,643,440

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

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

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers From the County Government		130,000,000	150,000,000
Other receipts		0	100,000
Total receipts		130,000,000	150,100,000
Payments			
Bursary and Scholarship		53,296,100	143,950,000
Fund administration expenses		74,018	3,993,400
Net cash flows from operating activities		76,629,882	147,943,400
Cash flows from investing activities		0	215,000
Net cash flows used in investing activities		0	215,000
Cash flows from financing activities			
Net cash flows used in financing activities		0	0
Net increase/(decrease) in cash & cash Equivalents		76,629,882	1,941,600
Cash and cash equivalent sat 1July	13	3,206,338	1,264,738
Prior year adjustment	7	1,648,818	-
Cashandcashequivalentsat30 June	13	81,485,038	3,206,338

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30th June 2024

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers From the County Government	130,000,000	4,855,156	134,855,156	134,855,156	-	100%
Total Income	130,000,000	4,855,156	134,855,156	134,855,156	-	100%
Expenses						
Scholarships and other Educational Benefits	130,809,501	0	130,809,501	53,296,100	77,513,401	41%
Fund administration expenses/ Use of goods & Services	4,045,655	0	4,045,655	74,018	3,971,637	2%
Total Expenditure	134,855,156	0	134,855,156	53,370,118	81,485,038	
Surplus For the Period	0	0	0	81,485,038	81,485,038	

Budget notes

1. The variations were due to late disbursement of funds from the County Government

19. Notes to the Financial Statements

Significant Accounting Policies

1. General format

Wajir County Bursary Fund is established by and derives its authority from Wajir Bursary Fund Act, 2019. The entity is wholly owned by the Wajir County Government and is domiciled in Kenya. The principal activity of the Wajir County Bursary Fund is to receive bursary funds as appropriated in the County's Approved budget estimates and disburse the funds as stipulated in the Act to enable students of the Wajir County pursue their education.

2. Statement of compliance and basis of preparation

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

3. Adoption of new and revised standards

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

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

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

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

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

**Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024**

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

(iii) Early adoption of standards

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

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

2. Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue transfers

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

ii. Revenue from exchange transactions

Interest income

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

b) Budget information

The original budget for FY 2023/2024 was approved by the County Assembly on 29th June 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities.

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

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual as per the statement of financial performance has not been prepared as they are the same.

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.

Depreciation on assets is calculated on a reducing balance basis and written off as per rates below:

Computers and office equipment	33 1/3%
--------------------------------	---------

d) 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 entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Fund's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

(i) Financial assets

Classification of financial assets

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

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

(ii) Subsequent measurement

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

(iii) Amortized cost

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

(iv) Fair value through net assets/ equity

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

(v) Fair value through surplus or deficit

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

(vi) Trade and other receivables

Trade and other receivables are recognized at fair values, less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

(vii) Impairment

The Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

Financial liabilities

Classification

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

e) Provisions

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

f) Contingent liabilities

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

g) Contingent assets

Wajir County Bursary Fund does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Wajir County Bursary Fund. 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.

h) Nature and purpose of reserves

The Wajir County Bursary Fund creates and maintains reserves in terms of specific requirements.

i) Changes in accounting policies and estimates

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

j) 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.

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

k) Related parties

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

l) 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.

m) Comparative figures

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

5. Significant judgments and sources of estimation uncertainty

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

a) Estimates and assumptions –

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

b) Useful lives and residual values

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

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

- Changes in the market in relation to the asset

c) Provisions

There were no provisions raised. 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.

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

Note to Financial Statements

6. Transfers from the County Government

Description	2023/2024	2022/2023
	Kshs	Kshs
Transfers From County Government	130,000,000	150,000,000
Total	130,000,000	150,000,000

7. Other income

Description	2023/2024	2022/2023
	Kshs	Kshs
Others Income	1,648,818	100,000
Total Other Income	1,648,818	100,000

Other income relate to stale cheques from previous year written back to the cash book and also indicated in the cash flows statement as prior year adjustment

8. Bursary Transfers

Description	2023/2024	2022/2023
	Kshs	Kshs
Secondary Schools	49,060,600	67,814,000
Tertiary Institutions	1,606,000	76,136,000
Universities	2,629,500	-
Total	53,296,100	143,950,000

9. Fund Administration / Use of Goods and Services

Description	2023/2024	2022/2023
	Kshs.	Kshs.
Printing and Stationery Expense	0	431,120
Travel Cost	19,800	1,432,600
Hospitality	0	145,600
Training expenses	0	1,234,000
Bursary Committee Allowances	0	670,000
Bank Charges	54,218	80,079
Total	74,018	3,993,400

Wajir County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2024

Notes To The Financial Statements (Continued)

10. Cash and cash equivalents

Description	2023/2024	2022/2023
	Kshs	Kshs
Current Account	81,485,038	3,206,338
Total Cash and Cash Equivalents	81,485,038	3,206,338

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

Financial Institution	Account number	2023/2024	2022/2023
		Kshs	Kshs
a) Current Account			
First Community Bank	80004120		1,339,438
Kenya Commercial Bank	13015175964	81,485,038	1,866,900
Sub- Total		81,485,038	3,206,338
b) Others(Specify)			
Cash In Hand		0	0
Sub- Total		0	0
Grand Total		81,485,038	3,206,338

11. Depreciation and Amortization Expense

Description	2023-2024 FY	2022-2023 FY
	Kshs.	Kshs.
Property Plant and Equipment	79,201	118,801
Total	79,201	118,801

Wajir County Bursary Fund
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Notes To The Financial Statements (Continued)

12. Property, plant and equipment

	Computers and office equipment 33 1/3%	Total
Cost	Kshs	Kshs
At 1 st July 2022	212,000	212,000
Additions	215,000	215,000
At 30 th June 2023	427,000	427,000
At 1 st July 2023	427,000	427,000
Additions	0	0
At 30 th June 2024	427,000	427,000
Depreciation And Impairment		
At 1 st July 2022	70,596	70,596
Depreciation	118,801	118,801
At 30 th June 2023	189,397	189,397
At 1 st July 2023	189,397	189,397
Depreciation	79,201	79,201
At 30 th June 2024	268,598	268,598
Net Book Values		
At 30 th June 2023	237,603	237,603
At 30 th June 2024	158,402	158,402

13. Cash generated from operations.

Description	2023/2024	2022/2023
	Kshs	Kshs
Surplus/ (Deficit) For the Year	81,485,038	3,206,338
Adjusted For:		
Working Capital Adjustments		
Increase In Receivables	0	0
Increase In Payables	0	0
Net Cash Flow from Operating Activities	81,485,038	3,206,338

Notes To The Financial Statements (Continued)

14. Related party balances

a) Nature of related party relationships

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

- a) The Wajir County Government.
- b) Key management.
- c) Board.

b) Related party transactions

Description	2023/2024	2022/2023
	Kshs	Ksh2
Transfers from related parties	130,000,000	150,000,000

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Other Disclosures Continued

15. Financial risk management

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

a) Credit risk

The Fund has no 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, considering 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.

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 Fund has no significant concentration of credit risk on any amounts due.

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

b) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Fund Administrator, who has built an appropriate liquidity risk management framework for the management of the 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.

There are no cash flows payable by the Fund under non-derivative financial liabilities by their remaining contractual maturities at the reporting date.

c) Market risk

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

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

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

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

i. Foreign currency risk

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

Foreign currency sensitivity analysis

There will be no effect on the Fund's statement of financial performance on applying the sensitivity for a reasonable possible change in the exchange rate of the two main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

ii. Interest rate risk

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

Management of interest rate risk

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

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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 there will be no change of profit before tax.

d) Capital risk management.

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

Description	2023/2024	2022/2023
	Kshs	Kshs
Accumulated surplus	81,643,440	2,037,799
Total funds	81,643,440	2,037,799
Less: cash and bank balances	81,485,038	3,206,338
Net debt/(excess cash and cash equivalents)	158,402	237,603
Gearing	99%	99%

16. Events after the reporting period

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

17. Currency

The financial statements are presented in Kenya Shillings (Kshs)

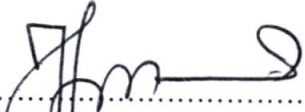
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20. Annexes

Annex I: Progress on Follow-up of Prior Year Auditor's Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Non-Adherence to the Bursary Allocation Formula	Fund ensures budget is as per allocation	Unresolved	30 December 2024
2	Failure to Maintain an Asset Register	The Fund maintains and assets register	Unresolved	30 December 2024

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Fund Administrator/Accounting Officer
Date..... 4/11/2024

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Annex II: Inter-Entity Confirmation Letter

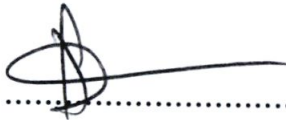
Name of transferring entity **Wajir County Executive**

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

Confirmation of amounts received by County Bursary Fund/Scheme] as at 30 th June 2024						
Reference Number	Date Disbursed	Amounts Disbursed by [Education County Department] (Kshs) as at 30 th June 2024			Amount Received by Wajir County Bursary Fund (Kshs) as at 30 th June 2024 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
		130,000,000	0	130,000,000	130,000,000	0
Total						

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

Head of Accountant Department of Education

Name ABDIKHER SHARIF HASSAN Sign  Date..... 04/11/2024