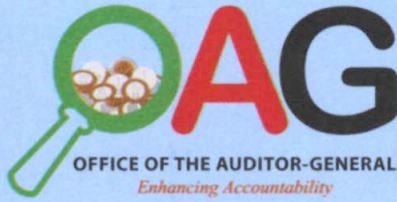
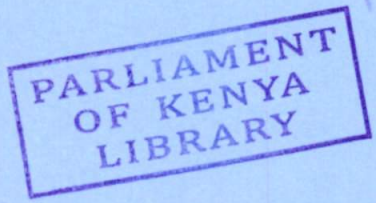


REPUBLIC OF KENYA



121



# REPORT

OF

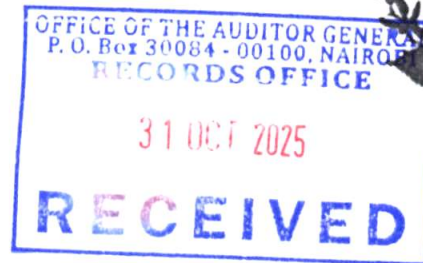
## THE AUDITOR-GENERAL

PAPERS LAID	
DATE	12/2/26.
ON TABLED BY	Co. (D.) Leleque
COMMITTEE	
CLERK AT THE TABLE	<i>[Signature]</i>

## KIAMBU COUNTY EDUCATION BURSARY FUND

FOR THE YEAR ENDED  
30 JUNE, 2025

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**KIAMBU COUNTY EDUCATION BURSARY FUND**

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

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

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

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

**a) Acronyms**

<i>CT</i>	<i>County Treasury</i>
<i>CIDP</i>	<i>County Integrated Development Plan</i>
<i>ICPAK</i>	<i>Institute of Certified Public Accountants of Kenya</i>
<i>IPSAS</i>	<i>International Public Sector Accounting Standards</i>
<i>KSHS</i>	<i>Kenya Shillings</i>
<i>PFM</i>	<i>Public Finance Management</i>
<i>PSASB</i>	<i>Public Sector Accounting Standards Board</i>
<i>TNT</i>	<i>The National Treasury</i>
<i>TVETs</i>	<i>Technical and Vocational Educational Training Institutions</i>
<i>CO</i>	<i>Chief Officer</i>
<i>Ag</i>	<i>Acting</i>
<i>D.O.B</i>	<i>Date Of Birth</i>
<i>BBA</i>	<i>Bachelor of Business Administration</i>
<i>BA</i>	<i>Bachelor of Arts</i>
<i>KACE</i>	<i>Kenya Advanced Certificate of Education</i>

**b) Definition of Terms**

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

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

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**2. Key Entity Information and Management**

**a) Background information**

Kiambu County Education Bursary Fund is established by and derives its authority and accountability from Kiambu County Education Bursary Fund Act 2014 Assented on *19th May, 2014* and Commenced on *24th June, 2014*. The Fund is wholly owned by the County Government of Kiambu and is domiciled in Kenya.

The fund's objective is to:

- Provide financial assistance to the needy, orphaned and vulnerable students in Kiambu County, enrolled in secondary schools, universities, colleges and special primary or secondary schools.

The Fund's principal activity is to offer Bursaries and Scholarships to the needy and vulnerable students in Kiambu County.

**b) Principal Activities**

The principal activity/mission/ mandate of the Fund is to offer Bursaries and Scholarships to the needy and vulnerable students in Kiambu County. The principal activity/mission/ mandate of the Fund is to

Grant scholarships in accordance with the criteria established under the Act; and

Meet any expenditure related to administration of the Fund as may be approved by the Executive Member.

**c) Board of Trustees/Fund Administration Committee**

The Kiambu County Education Bursary Fund day-to-day management is under the following key organs:

SN	Name	Position
1	William Kimani	Chairman (Chair and C.O. Finance)
2	Emily Nkoroi	C.O Culture & Social Services / Fund Administrator
3	David G. Warwathe	Director- Gender, Culture & Social services
4	Judy Cheserek	Legal Officer
5	Peter Gichuki	Community Member

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

**d) Fiduciary Management**

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

Ref	Name	Position
SN	Name	Position
1	Emily Nkoroi	C.O Culture & Social Services / Fund Administrator Master of Education
2	David G. Warwathe	Director- Gender, Culture & Social Services Msc-Finance, CPS (K), CPA(K)
3	Susan Kimando	Bursary Accountant in Charge CPA (K)
4	Tabitha W. Muigai	Accountant CPA
5.	Mary W. Muthee	Accountant CPA(K)

**Key Entity and Management (Continued)**

**e) Fiduciary Oversight Arrangements**

SN	Position	Name
1	Directorate Internal Audit	Director Internal Audit
2	Kiambu County Assembly	County Public Investment Committee

**f) Registered Offices**

P.O. Box 2344-00900  
 Kiambu Community Building  
 Kiambu Road  
 Kiambu, KENYA

**g) Fund Contacts**

Telephone: (254) 7987700  
 E-mail: info@kiambu.go.ke  
 Website: www.kiambu.go.ke

**h) Fund Bankers**

The Cooperative Bank Kenya  
 Kiambu Branch  
 P.O. Box 1064

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

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Kiambu 00900  
Kiambu, Kenya

**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**

Kiambu County Government  
State Law Office  
P.O Box 2344-00900  
Kiambu, Kenya





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

**3. Fund Administration Committee Profiles**

Name	Details of qualifications and experience
<p>1.  William Kimani</p>	<p>Chief Officer Finance, ICT &amp; Economic Planning            D.O.B – 25<sup>th</sup> August 1977            BBA – Finance and Accounting            MBA – Finance            CPA(K)</p>
<p>2.  Emily Nkoroi</p>	<p>County Bursary Committee Member            Secretary/Fund Administrator            Ag. C.O Vocational Training &amp; Social Services.            D.O.B - 29<sup>th</sup> December 1965            Master of Education</p>
<p>3.  David Warwathe</p>	<p>Director Gender, Culture &amp; Social Services            County Bursary Committee Member            Education-MSC-Finance, CPA(K) CPS(K)            D.O.B – 11/04/1967            Work Experience - 18years</p>
<p>4.  Judy Cheserek</p>	<p>County Bursary Committee Member            Legal Officer            Diploma in Law (KSL)            DOB-5<sup>th</sup> October 1988</p>
<p>5.  Peter Gichuki</p>	<p>County Bursary Committee Member            DOB- 21/04/1976            Education - Degree,            BED Science            Experience- 19 years of            teaching Accounts</p>

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

**4. Key Management Team**

		Details of qualifications and experience
1.	 <p>Emily Nkoroi</p>	<p>The Fund Administrator Secretary/Fund Administrator Ag. C.O Vocational Training &amp; Social Services. D.O.B - 29<sup>th</sup> December 1965 Master of Education</p>
2.	 <p>Susan Kimando</p>	<p>Bursary Fund Accountant In Charge DOB- 24/07/1968 KACE CPA((K) Experience 16 years in accounting</p>
3.	 <p>Tabitha Muigai</p>	<p>Bursary Fund Accountant Account Signatory DOB-10/12/1987 CPA Experience -9 years in Accounting.</p>
4.	 <p>Mary W. Muthee</p>	<p>Bursary Fund Accountant DOB- 06/03/1980 BA CPA((K) Experience 14 years in accounting</p>

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

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**5. Chairman's Report**

Kiambu County Education Bursary Fund was established under the PFM Act 2012 and County Government of Kiambu Act, 2014

The approved budget for the FY 2024/2025 was Kshs 310,722,248, The budgeted allocation for the wards equitable share of 85% was Kshs 264,113,910.00, the marginalized and needy cases that is 12% was totalling to Kshs 36,286,670 and lastly administration cost was 3% of the total amount translating to Kshs 9,321,667.00 as stipulated in the Kiambu County Education Bursary Fund Act of 2014 Section 5(3).

The balance brought forward from 2023/2024 FY was Kshs 10,722,248. The fund received Kshs 200,000,000 for the FY 2024/2025. A total amount of Ksh 96,338,590 was spent on bursary while Kshs 3,959,182 was spent on administration and bank charges, leaving a balance of Kshs 110,424,476 as at 30<sup>th</sup> June 2025.

The challenges facing the fund include the increased number of needy cases and other competing needs in the County caused by the Economic crisis in the country.

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



**Dr. Mercy Njagi**  
**County Executive Committee Member**  
**Education, Gender, Culture & Social Services**

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

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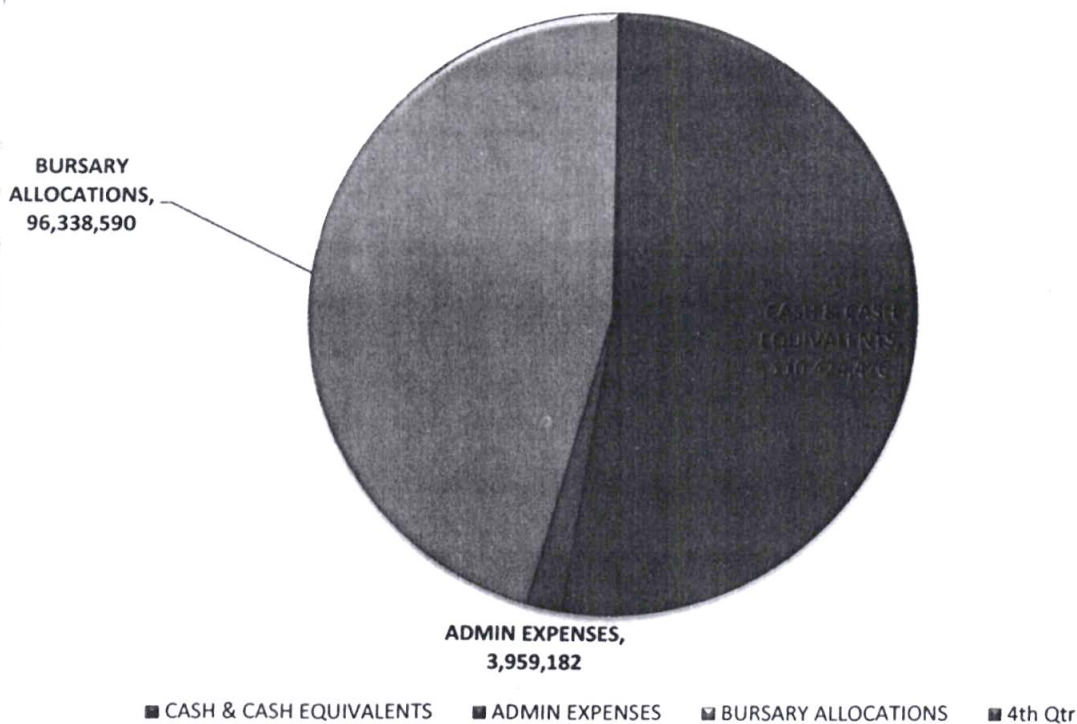
**6. Report of The Fund Administrator**

The Fund is aimed at ensuring that Students especially those from vulnerable grounds access education and are retained in school after enrolment, reducing disparities and inequalities in the provision of education.

Several clauses have been amended in the 2014 Act to comply with the PFM Act and to improve the management of the fund as recorded in the Kiambu County Bursary Fund Amendment Act 2016 and 2018.

The balance brought forward from 2023/2024 FY was Kshs 10,722,248. The fund received Kshs 200,000,000 for the FY 2024/2025. A total amount of Kshs 96,338,590 was spent on bursary while Kshs 3,959,182 was spent on administration and bank charges, leaving a balance of Kshs 110,424,476 as at 30<sup>th</sup> June 2025.

Bursary summary disbursement for the year was as follows;



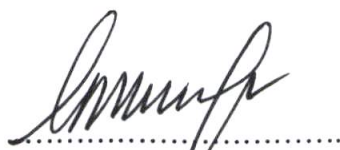
**Kiambu County Education Bursary Fund**  
**Annual Report and Financial Statements for the year ended June 30, 2025**

**F/Y 2024/2025 ANALYSIS**

		Boarding school	Day school	YP	College	PWD	University	TOTAL
MALE	NO.	3691	2421	526	788	80	862	8,368
	AMOUNT	19,323,835	12,269,000	3,115,400	4,211,700	458,000	4,676,000	44,053,935
FEMALE	NO.	4989	2042	301	902	50	904	9,188
	AMOUNT	25,869,100	10,339,000	1,579,900	4,731,951	292,000	4,910,800	47,722,751
TOTAL BENEFICIARIES		8,680	4,463	827	1,690	130	1,766	17,556
TOTAL AMOUNT		45,192,935	22,608,000	4,695,300	8,943,651	750,000	9,586,800	91,776,686

**F/Y 2024/2025 FULL SCHOLARSHIP ANALYSIS**

		Boarding school	Day school	YP	College	PWD	University	TOTAL
MALE	NO.	47	5	0	4	1	1	58
	AMOUNT	2,354,055	86,850	-	159,189	53,535	61,305	2,714,934
FEMALE	NO.	31	4		2	2	0	39
	AMOUNT	1,623,806	61,500		53,594	108,070	-	1,846,970
TOTAL BENEFICIARIES		78	9	-	6	3	1	97
TOTAL AMOUNT		3,977,861	148,350	-	212,783	161,605	61,305	4,561,904



Emily M Nkoro  
Fund Administrator

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

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

The approved budget was Kshs. 300,000,000. The County Treasury transferred Ksh.200,000,000. This was disbursed to needy students from Kiambu County. These students were selected by bursary ward committee members as per Kiambu County Education Bursary Fund Act. The challenges facing the fund include the increased number of needy students and inadequate fund to cater for Ward Committee allowances and other fund administration expenses.

**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 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 development objectives of the Kiambu County Education Bursary Fund strategic plan are to:

- a) Enhance access to education
- b) Promote and increase enrolment, retention, completion and transition rates in schools
- c) Improve education standards and literacy levels
- d) Reduce poverty and inequality

Below we provide the progress on attaining the stated objectives:

Program	Objective	Outcome	Indicator	Performance
Kiambu County Education Bursary Fund	Increase bursary fund allocation to enhance accessibility to and completion by needy students' secondary school and college.	Increased access and retention of learners amongst vulnerable Groups.	Number of students who benefited from bursary disbursement in 2024/2025 financial year	In financial year 2024/2025, 17,653 students benefited from bursary issued.

## **8. Statement of Corporate Governance**

The Kiambu County Bursary Committee holds not less than four times meetings in every financial year, and not more than four months should elapse between the date of one meeting and the date of the next one.

The chairperson may, and upon requisition in writing by at least five members, convene a special meeting of the Committee at any time for the transaction of the business of the Committee. Unless three quarters of the total members of the Committee otherwise agree, at least fourteen days' written notice of every meeting of the Committee is given to every member of the Committee. The quorum for the conduct of the business of the Committee is five members including the chairperson or the person presiding. The chairperson presides at every meeting of the Committee at which he is present but, in his absence, the members present elect one of their numbers to preside, who, with respect to that meeting and the business transacted, assumes all the powers of the chairperson.

The Kiambu County Education Bursary Fund Act 2014 guides the conduct of the meetings.

The Amendment Act 2016 provides for the appointment of the County and Ward Bursary Committee members as follows: -

Ward Bursary Committee:-chairperson appointed by the Executive Member through a competitive process, the county officer in charge of education in the ward is the secretary to the committee, one person with experience in education matters nominated by a joint forum on faith based organizations in the ward, one person experienced in education matters nominated by a joint forum of Non-Governmental Organizations in the ward, one person experienced in education matters nominated by joint organizations of persons with disability in the ward; and one person nominated by a joint forum of youth in the ward.

Their roles and functions include: receiving, reviewing and approving applications for education grant, bursary or scholarship, as the case may be, under the Act; determining the amount of education grant, bursary or scholarship, as the case may be, to be awarded to each approved applicant; monitoring and evaluating the progress and performance of the eligible students supported under the Act.

The Kiambu County Bursary Committee on the other hand is appointed as follows-(a)the Chief Officer responsible for matters relating to Finance or a designated alternate not being below the level of a finance director; (b)the officer administering the Fund who is an ex-officio member with no right to vote and the secretary to the Committee; (c)the Director of social services in the County Government; (d)Director of polytechnics in the County Government; and (e)two other persons qualified in matters relating to education, community development or law appointed by the Executive Member through a competitive process.

The Committees' functions include (a)approve the disbursement of the education grant, bursary and scholarships to beneficiaries; (b)monitor and evaluate the activities of the Ward committees to ensure the implementation of this Act in a manner that promotes the objects of the Fund; (c)receive and address complaints that may arise from the implementation of the Act;(d)consider appeals from the Ward Committees; (e)make recommendations to the Executive Member on any matter relating to the

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

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Fund; (f) compile, update and forward reports to the Executive Member; (g) perform any other function as the Executive Member may determine.

A member of the Committee may at any time resign from office by notice in writing to the Executive Member or be removed from office by the Executive Member, if the person has been absent for three consecutive meetings of the Committee without the permission of the chairperson, is convicted of a criminal offence, and sentenced to imprisonment, is convicted of an offence involving dishonesty or fraud, is adjudged bankrupt, or enters into a composition scheme of arrangement with his or her creditors, is incapacitated by prolonged physical or mental illness, or is deemed otherwise unfit to discharge his or her duties as a member of the Committee, or fails to comply with any of the provisions of the Act.

On conflict of interest, if a member is directly or indirectly interested in any contract, proposed contract or other matter before the Committee, and is present at a meeting of the Committee at which the contract, proposed contract or other matter is the subject of consideration, the member should disclose the fact before the meeting starts, and is barred from taking part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the contract or matter: Provided that, if the majority of the members present are of the opinion that the experience or expertise of such a member is vital to the deliberations of the meeting, the Committee may permit the member to participate in the deliberations subject to such restrictions as it may impose, but the member is not eligible to vote on the matter in question. A member of the Committee shall be considered to have a conflict of interest for the purposes of the Act if he or she acquires any pecuniary or other interest that could conflict with the proper performance of his or her duties as a member of the Committee. Where the Committee becomes aware that a member has a conflict of interest in relation to any matter before the Committee, the Committee shall direct the member to refrain from taking part, or taking any further part, in the consideration or determination of the matter.

If the chairperson has a conflict of interest he should, in addition to complying with the other provisions of this section, disclose the conflict in writing to the Executive Member. Upon the Committee becoming aware of any conflict of interest, it decides as to whether in future the conflict is likely to interfere significantly with the proper and effective performance of the functions and duties of the member or the Committee, and the member with the conflict of interest does not vote on this determination.

Upon their appointment, members of both Committees are inducted and briefed on all the related bursary procedures. They carry out their roles and functions as outlined in the act. The allowances paid are determined by the County Treasury in consultation with the Salaries and Remuneration Commission.

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

**9. Management Discussion and Analysis**

The Kiambu County Education Bursary Funds discussion and analysis provide an overview of the Funds financial activities for the fiscal year ended 30<sup>th</sup> June 2025. The financial report is prepared using appropriate accounting policies and in conformity with the IPSAS.

**CASH RECEIVED FROM COUNTY**

The statement shows transfer from county treasury in Financial Year 2024/2025 was Kshs. 200,000,000 which was less than the amount transferred from county treasury 2023/2024 financial year. In the previous Financial Year, the county treasury transferred Kshs. 300,000,000

**ADMINISTRATION EXPENDITURE**

The amount of administration expenditure reported in the current year decreased from Kshs. 11,156,522 to Kshs.3,959,182

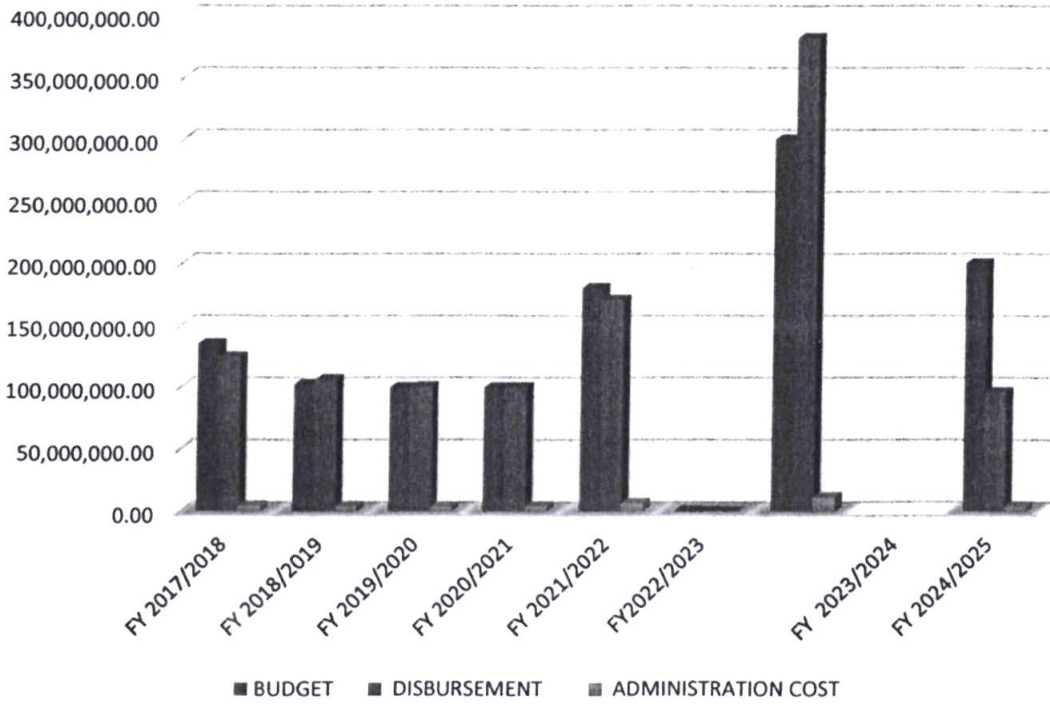
**CASH AND CASH EQUIVALENT**

The amount of cash and cash equivalent reported in the current year is Kshs.110,424,476 which is an increase from Kshs. 10,722,248 in the previous Financial Year.

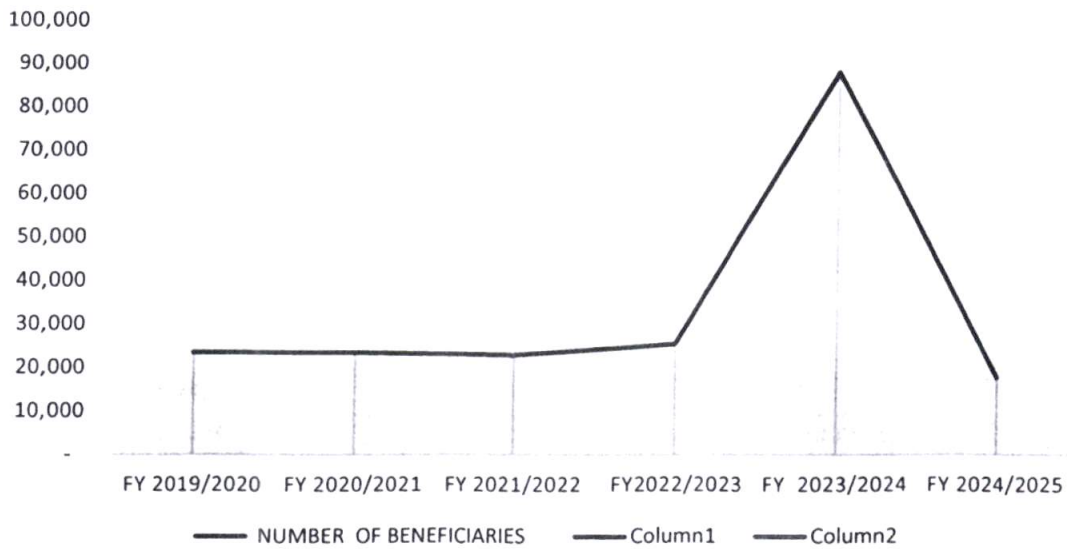
**SUMMARY OF DIBURSEMENT OF FUND SINCE FUND INCEPTION**

YEAR	BUDGET	DISBURSEMENT	ADMINISTRATION COST
FY 2017/2018	135,000,000.00	124,531,866.00	4,335,152.00
FY 2018/2019	102,500,000.00	106,548,428.00	3,923,590.00
FY 2019/2020	100,000,000.00	100,457,971.00	3,479,935.00
FY 2020/2021	100,000,000.00	100,002,547.00	3,778,730.00
FY 2021/2022	180,000,000.00	170,359,261.00	6,262,385.00
FY2022/2023	200,000,000.00	97,781,967.00	4,363,450.00
FY 2023/2024	300,000,000.00	381,799,098.00	11,156,522.00
FY 2024/2025	300,000,000.00	96,338,590.00	3,959,182.00

**BURSARY DISBURSEMENT ANALYSIS**



**NUMBER OF BENEFICIARIES**



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

	SUB COUNTY	WARD	F/Y 2024/2025	F/Y 2023/2024
1	GATUNDU SOUTH	KIAMWANGI	287	1391
2		NGENDA	284	1497
3		NDARUGU	278	1453
4		KIGANJO	297	1462
5	GATUNDU NORTH	GITHOBOKONI	283	1363
6		MANGU	300	1456
7		GITUAMBA	297	1427
8		CHANIA	263	1378
9	THIKA	KAMENU	300	1691
10		GATUANYAGA	295	1366
11		HOSPITAL	318	1622
12		THIKA TOWNSHIP	341	1595
13		NGOLIBA	283	1432
14	LARI	KIJABE	298	1421
15		KAMBURU	258	1328
16		LARI KIRENGA	285	1432
17		NYANDUMA	244	1342
18		KINALE	289	1351
19	JUJA	KALIMONI	301	1434
20		WITEITHIE	288	1578
21		THETA	275	1401
22		JUJA	343	1483
23		MURERA	307	1480
24	KIKUYU	SIGONA	293	1543
25		KARAI	310	1459
26		KINOO	295	1372
27		NACHU	295	1390
28		KIKUYU	310	1481
29	GITHUNGURI	GITHIGA	272	1497
30		IKINU	330	1554
31		GITHUNGURI	316	1316
32		KOMOTHAI	252	1429
33		NGEWA	294	1489
34	KABETE	NYATHUNA	293	1478
35		GITARU	328	1598
36		MUGUGA	301	1490
37		KABETE	321	1492
38		UTHIRU	300	1324

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

39		BIBIRIONI	291	1445
40		NDEIYA	302	1423
41	LIMURU	LIMURU CENTRAL	296	1481
42		NGECHA TIGONI	270	1432
43		LIMURU EAST	298	1438
44		GATONG'ORA	300	1508
45		KIUU	303	1520
46		KAHAWA SUKARI	291	1427
47	RUIRU	KAHAWA WENDANI	286	1468
48		MWIHOKO	286	1430
49		MWIKI	283	1458
50		GITOTHUA	288	1458
51		BIASHARA	288	1648
52		TINGANGA	286	1596
53		NDUMBERI	344	1543
54	KIAMBU	KIAMBU TOWNSHIP	357	1595
55		RIABAI	325	1591
56		CIANDA	269	1424
57	KIAMBAA	KARURI	306	1538
58		NDENDERU	306	1453
59		KIHARA	259	1391
60		MUCHATHA	195	1304
	TOTAL		17,653	87,866

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

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**10. Environmental and Sustainability Reporting.**

Since Education Bursary fund is a social function meant as an intervention program to cushion the vulnerable in the society and promote retention of learners in schools, no other CRS activities are undertaken.

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

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**11. Report of The Committee**

The Executive Bursary Fund Committee submitted their reports with financial statements for the year ended June 30, 2025 which show the state of the Fund affairs.

**Principal activities**

The principal activities of the Fund are:

- a. Provide education grants or bursaries to eligible students enrolled in secondary schools, universities, colleges and special primary or secondary schools.
- b. Granting scholarships in accordance with criteria established under Kiambu County Education Bursary Act.
- c. Meeting any expenditure related to administration of the Fund as may be approved by the Executive Member.

**Results**

The results of the Fund for the year ended June 30, 2025 are set out on page 1 to 5.

**Trustees**

The members of the Board of Trustees who served during the year are shown on page vi to vii.

**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..........

**Fund Administrator.**

**Emily M. Nkoroi**

**Date:**

**12. Statement of Management’s Responsibilities**

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

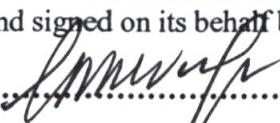
The Administrator of Kiambu County Education Bursary Fund is responsible for the preparation and presentation of the Fund financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: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

The Administrator of the 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 Kiambu County Education Bursary Fund. The Administrator of the Fund is of the opinion that the Fund’s financial statements give a true and fair view of the state of Fund’s transactions during the financial year ended June 30, 2025, and of the Fund 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 County Public Fund has assessed the Funds ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Administrator to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

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

  
.....

**Emily M. Nkoroi**

**Administrator of the Kiambu County Education Bursary Fund.**

# REPUBLIC OF KENYA



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

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

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Kiambu County Education Bursary Fund set out on pages 1 to 34, which comprise of the statement of financial

position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kiambu County Education Bursary Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the Kiambu County Education Bursary Fund Act, 2014 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

The statement of financial performance reflects an amount of Kshs.200,000,000 in respect to transfers from the County Government while Note 6 to the financial statements reflects an amount of Kshs.100,000,000 resulting to an unexplained variance of Kshs.100,000,000. Further, Note 20 to the financial statements on credit risk, reflects receivables from non-exchange transactions balance of Kshs.100,000,000 which differs with the Nil balance reflected in the statement of financial position resulting to an unexplained variance of Kshs.100,000,000. In addition, the cash and cash equivalents balance of Kshs.110,424,476 differs with the bank balance on credit risk of Kshs.10,424,476 as disclosed in Note 20 to the financial statements resulting to an unexplained variance of Kshs.100,000,000.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

#### **2. Discrepancies in Cash and Cash Equivalents**

The statement of financial position and as disclosed in Note 13 to the financial statements reflects cash and cash equivalents balance of Kshs.110,424,476. Review of the bank reconciliation statement for the month of June, 2025 revealed unrepresented cheques amounting to Kshs.4,054,200 which further includes cheques totalling Kshs.30,000 that were recorded as cancelled in the bank reconciliation statement for the month of May, 2025 and in the supporting schedule for all cheques issued during the year under review. However, the same cheque numbers were issued to other beneficiaries as disclosed in the supporting schedule for the bank reconciliation statement for the month of June, 2025.

Further, no explanation was provided on why the cheques were not presented by the closure of the financial year.

In the circumstances, the accuracy and propriety of the cash and cash equivalents balance of Kshs.110,424,476 could not be confirmed.

### **3. Underpayment of Bursary Cheques**

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects bursary transfers amount of Kshs.91,776,686. However, review of bursary disbursement records revealed that two (2) cheques were underpaid, leading to a shortfall of Kshs.94,900. The variance was not supported with any adjustments, beneficiary complaints or approvals for deviation from the originally approved amounts.

In the circumstances, the accuracy and completeness of bursary transfers amount of Kshs.91,776,686 could not be confirmed.

### **4. Unsupported Payment for Scholarships and Grants**

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects bursary transfers amount of Kshs.91,776,686. The Fund disbursed a total amount of Kshs.11,914 945 to various learning institutions as scholarships to needy and vulnerable students (Special Categories) in the County. The amount was paid on 3 January, 2025 through a payment voucher and cheques to each learning institution. However, review of documents revealed that the payment voucher was not allocated a unique reference number; therefore, it was not possible to trace it in the cash book or ledger. Further, the disbursement was not supported with the Ward Committee minutes that reviewed and recommended the applicants for admission to the scholarship program.

In addition, the submitted lists of beneficiaries from the Ward Committees and duly approved by the County Committee were not provided for review.

In the circumstances, the accuracy and completeness of bursary transfers amount of Kshs.91,776,686 could not be confirmed.

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

### **Emphasis of Matter**

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

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.310,722,248 and Kshs.210,722,248 respectively, resulting an underfunding of Kshs.100,000,000 or 32% of the budget. Similarly, the statement reflects total expenditure amount of Kshs.100,297,772 against

actual receipts of Kshs.210,722,248 resulting to underutilization of Kshs.110,424,476 or 52% of actual revenue.

The underfunding and underutilization affected the planned activities of the Fund and may have impacted negatively on service delivery.

My opinion is not modified in respect of this matter.

**Key Audit Matters**

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

**Other Matter**

**Unresolved Prior Year Matters**

In the prior year’s audit report, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources respectively. Review of the status during audit of the Kiambu County Education Bursary Fund in 2024/2025 revealed that the following matters remained unresolved;

No.	Financial Year	Audit Issues
1	2023/2024	Unpresented Cheques
2	2023/2024	Non-Compliance with Public Sector Accounting Standards Reporting Template
3	2023/2024	Irregular Award of Multiple Bursary to Applicants
4	2023/2024	Irregular Procurement through Use of Direct Procurement

**Other Information**

The Management is responsible for the Other Information set out on pages iii to xx which comprise of Key Entity Information and Management, the 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 Reporting, Report of the 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 Kiambu County Education Bursary 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 no material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Irregular Payment of Allowances to Bursary Committee Members**

Review of payment vouchers provided for audit revealed that an amount totalling Kshs.998,200 was paid for meal allowances to officers during bursary disbursement exercise preparation. Further review of records revealed that twenty-five (25) officers were appointed by the Fund Administrator on 19 December, 2024. However, the payment voucher was not supported with minutes to justify the appointments of the officers, their individual appointment letters and details on the duration the exercise was expected to run. Further, whereas attendance schedules were provided, it was not clear on which dates the activities were undertaken as the schedules did not include the dates. This was contrary to Regulation 104(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires all receipts and payments vouchers of public moneys to be properly supported by pre-numbered receipt and payment vouchers and be supported by the appropriate authority and documentation.

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

#### **2. Non-Compliance with Composition of Bursary Committee Members**

Review of the Bursary Committee records revealed that the Committee members appointed were six (6) in number. However, it was noted that three (3) members were appointed in September, 2021 with their terms ending in September, 2024. No evidence was provided to indicate reappointment of the members for another term. This was contrary to Section 7(6) of the Kiambu County Education Bursary Fund Act, 2014 which requires members of the committee appointed to serve for a term of three (3) years and shall be eligible for appointment for a further one term.

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

### **3. Failure to Comply with Statutory Meeting Requirements**

The Kiambu County Executive Bursary Fund Committee held only three (3) meetings within the year under review. This was contrary to Section 2(1) of Schedule to Kiambu County Education Bursary Fund Act, 2014 which requires the Committee to meet not less than four (4) times in every financial year, and not more than four (4) months should elapse between the date of one meeting and the date of the next meeting.

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

### **4. Multiple Bursary Disbursement to Beneficiaries**

Review of the bursary disbursement schedule provided for audit revealed that three (3) bursary applicants benefitted twice in various Wards across the County for bursary award amounting to a total of Kshs.30,000. Further, Management did not provide evidence of publishing the list of beneficiaries in all ward offices. This was contrary to Regulation 3(3)(a) of the Kiambu County Education Bursary Fund Regulations, 2014 which requires an application under the regulation to be accompanied by any documentation that in the opinion of the Ward Committee proves that the applicant resides in the Ward.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

## **Responsibilities of the Management and the Fund 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 controls, risk management and governance.

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

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

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

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

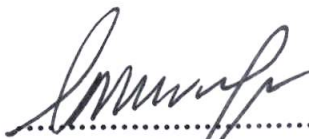
Nairobi


04 December, 2025

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

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

Description	Note	FY2024/2025	FY2023/2024
		Kshs	Kshs
<b>Revenue From Non-Exchange Transactions</b>			
Transfers From the County Government	6	200,000,000	300,000,000
Public Contributions and Donations	7	0	0
		<b>200,000,000</b>	<b>300,000,000</b>
<b>Revenue From Exchange Transactions</b>			
Finance Income	8	0	0
Other income	9	0	0
<b>Total Revenue</b>		<b>200,000,000</b>	<b>300,000,000</b>
<b>Expenses</b>			
Bursary transfers	10	91,776,686	377,565,682
Scholarship grants	11	4,561,904	4,233,416
Use of Goods and Services	12	3,959,182	11,156,522
<b>Total Expenses</b>		<b>100,297,772</b>	<b>392,955,620</b>
<b>Surplus for the Period</b>		<b>99,702,228</b>	<b>-92,955,620</b>

  
 .....  
**Emily M. Nkoro**  
**Administrator**

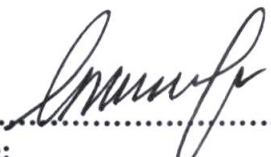
  
 .....  
**Susan Kimando**  
**Fund Accountant**  
**ICPAK Member Number: 19478**


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

**15. Statement of Financial Position as at 30 June 2025**

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	13	110,424,476	10,722,248
Non-exchange receivables	14	-	0
Exchange Receivables	15	-	0
<b>Total current assets</b>		<b>110,424,476</b>	<b>10,722,248</b>
<b>Total Assets (A)</b>		<b>110,424,476</b>	<b>10,722,248</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	16	-	0
<b>Total current liabilities</b>		<b>-</b>	<b>0</b>
<b>Total Liabilities (B)</b>		<b>-</b>	<b>0</b>
<b>Net Asset (A-B)</b>		<b>110,424,476</b>	<b>10,722,248</b>
<b>Represented By:</b>			
Accumulated Surplus		110,424,476	10,722,248
<b>Net Assets</b>		<b>110,424,476</b>	<b>10,722,248</b>

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

.....  
  
**Name:**  
**Emily M. Nkoro**  
**Fund Administrator/Accounting Officer**

.....  
  
**Name:**  
**Susan W. Kimando**  
**Fund Accountant**  
**ICPAK Member Number: 19478**

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

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

Description	Accumulated surplus
	Kshs
Balance As At 1 July 2023	103,677,868
Surplus/(Deficit) For the Year	(92,955,620)
Balance As At 30 June 2024	10,722,248
Balance As At 1 July 2024	10,722,248
Surplus/(Deficit) For the Year	99,702,228
Balance As At 30 June 2025	110,424,476

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

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

Description	Note	FY2024/2025	FY2023/2024
		Kshs	Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Transfers From the County Government	6	200,000,000	300,000,000
Public Contributions and Donations		-	0
Finance Income		-	0
Other receipts		-	0
<b>Total receipts</b>		<b>200,000,000</b>	<b>300,000,000</b>
<b>Payments</b>			
Bursary Transfers	10	-91,776,686	-377,565,682
Scholarship grants	11	-4,561,904	-4,233,416
Use of goods and Services	12	-3,959,182	-11,156,522
<b>Net cash flows from operating activities</b>	17	<b>99,702,228</b>	<b>-92,955,620</b>
<b>Cash flows from investing activities</b>			
		-	0
<b>Net cash flows used in investing activities</b>		<b>-</b>	<b>0</b>
<b>Cash flows from financing activities</b>			
		-	0
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>0</b>
<b>Net increase in cash &amp; cash</b>		<b>99,702,228</b>	<b>-92,955,620.00</b>
<b>Equivalents</b>			
Cash and cash equivalents at 1 July 2024	13	10,722,248	103,677,868
<b>Cash and cash equivalents at 30 June 2025</b>	13	<b>110,424,476</b>	<b>10,722,248</b>

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

**18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30<sup>th</sup> June 2025**

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
<b>Opening budget Carry Overs</b>	-	10,722,248.00	10,722,248.00	10,722,248.00	-	100%
<b>Receipts</b>						
Transfers From the County Government	200,000,000.00	100,000,000.00	300,000,000.00	200,000,000.00	100,000,000.00	67%
Public Contributions and Donations	-	-	-	-	-	
Finance Income	-	-	-	-	-	
Other receipts	-	-	-	-	-	
<b>Total Receipts</b>	<b>200,000,000.00</b>	<b>110,722,248.00</b>	<b>310,722,248.00</b>	<b>210,722,248.00</b>	<b>100,000,000.00</b>	<b>68%</b>
<b>Payments</b>						
Bursary Transfers	194,000,000.00	107,4005,80	301,400,580.00	96,338,590.00	205,061,990.00	32%
Use of goods & Services	6,000,000.00	3,321,668	9,321,668.00	3,959,182.00	5,362,486.00	42%
<b>Total Payments</b>	<b>200,000,000.00</b>	<b>110,722,248.00</b>	<b>310,722,248.00</b>	<b>100,297,772.00</b>	<b>210,424,476.00</b>	<b>32%</b>
<b>Surplus For the Period</b>	-	-	-	110,424,476.00	-110,424,476.00	

The approved budget was Kshs 300,000,000 but the Kiambu County Education Bursary Fund received Kshs 200,000,000.

The underutilization was to due delayed Exchequer and also due to court case registered at Nakuru High Court vide CASE NUMBER No.HCCHRPET/E012/2024 and also circular Ref OCoB/CIRCULAR NO.1/2025 from Office of Controller of Budget for clarification on functions of County Governments towards provision of education support thus causing the underutilization.

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

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Budget Reconciliation

	Description of Particulars	Amount in KShs
	Actual Surplus Amounts as per the statement of Budget	110,424,476.00
	Closing Cash and Cash Equivalent as per the statement of Cash flows	110,424,476.00

## **19. Notes to the Financial Statements**

### **Significant Accounting Policies**

#### **1. General Information**

- Kiambu County Bursary Fund is established by and derives its authority from Kiambu County Education Act. The entity is wholly owned by Kiambu County Government and is domiciled in Kenya. Kiambu County Bursary Fund principal activity is
- Grant scholarships in accordance with the criteria established under the Act; and
- Meet any expenditure related to administration of the Fund as may be approved by the Executive Member.

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

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

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

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

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

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

#### **1. General Information**

Kiambu county Bursary Fund is established by and derives its authority from Kiambu County Education Bursary Act. The entity is wholly owned by the Kiambu County Government and is domiciled in Kenya. Kiambu County Bursary Fund principal activity is to:

Grant scholarships in accordance with the criteria established under the Act; and

Meet any expenditure related to administration of the Fund as may be approved by the Executive Member.

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

Kiambu County Education Bursary Fund 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**

**(iii) New and amended standards and interpretations in issue effective in the year ended 30 June 2025.**

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

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

Standard	Effective date and impact:
IPSAS 43 Leases	<b>Applicable 1<sup>st</sup> January 2025</b> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b>Applicable 1<sup>st</sup> January 2025</b> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

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Standard	Effective date and impact:
IPSAS 45- Property Plant and Equipment	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></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>
IPSAS 46 Measurement	<p><b><i>Applicable 1<sup>st</sup> January 2025</i></b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47- Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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 of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48- Transfer	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></p>

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Standard	Effective date and impact
Expenses	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	<b><i>Applicable 1<sup>st</sup> January 2026</i></b> 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.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<b><i>Applicable 1<sup>st</sup> January 2027</i></b> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</li> <li>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ul>

**(v) Early adoption of standards**

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

**Summary of Significant Accounting Policies**

**a) Revenue recognition**

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

**Revenue transfers**

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

**ii. Revenue from exchange transactions**

**Interest income**

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

**b) Budget information**

The original budget for FY 2024/2025 was approved by the County Assembly on June 2025. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Kiambu County Education Bursary Fund upon receiving the respective approvals in order to conclude the final budget. The Kiambu County Education Bursary Fund recorded additional appropriations of Kshs. 100,000,000 on the FY 2024/2025 budget following the governing body's approval.

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

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

**c) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one 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.

**(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**

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

**d) Provisions**

Provisions are recognized when the Kiambu County Education 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 Kiambu County Education 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.

**e) Contingent liabilities**

Kiambu County Education 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.

**f) Contingent assets**

Kiambu County Education 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 Kiambu County Education Bursary Fund in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**g) Nature and purpose of reserves**

The Kiambu County Education Bursary Fund does not maintain reserves.

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

The Kiambu County Education 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.

**i) Foreign currency transactions**

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

**j) Related parties**

The Kiambu County Education 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 Kiambu County Education Bursary Fund, or vice versa. Members of key management are regarded as related parties and comprise of Board of Trustees, the Fund administrator and Fund Accountants.

**k) Cash and cash equivalents**

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

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**l) Comparative figures**

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

**5. Significant judgments and sources of estimation uncertainty**

The preparation of the Kiambu County Bursary Fund 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**

Kiambu County Education Bursary Fund did not raise Provisions in the financial year 2024/2025. 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.

**m) Revenue recognition**

**iii. 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.

**iv. 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.

**n) Budget information**

The original budget for FY 2024/2025 was approved by the County Assembly on June 2024. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Kiambu County Education Bursary Fund upon receiving the respective approvals in order to conclude the final budget. The Kiambu County Education Bursary Fund recorded additional appropriations of Kshs.100,000,000 on the FY 2024/2025 budget following the governing body's approval.

Kiambu County Education 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 basic difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification plans adopted for the presentation of the financial statements and the approved budget.

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

**o) 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 Company'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.

**(viii) 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 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 an irrevocable election at initial recognition for particular investments in equity instruments.

**(ix) 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.

**(x) 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.

**(xi) 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.

**(xii) 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.

**(xiii) 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.

**(xiv) Impairment**

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

**p) Provisions**

Provisions are recognized when the Kiambu County Education 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 Kiambu County Education 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.

**q) Contingent liabilities**

Kiambu County Education 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.

**r) Contingent assets**

Kiambu County Education 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 Kiambu County Education Bursary Fund Bursary 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.

**s) Nature and purpose of reserves**

The Kiambu County Education Bursary Fund does not create and maintain reserves in terms of specific requirements.

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

The Kiambu County Education 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.

**u) 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.

**v) Related parties**

The Kiambu County Education 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 Kiambu County Bursary Education Fund, or vice versa. Members of key management are regarded as related parties and comprise of Board of Trustees, the Fund administrator and fund accountants.

**w) 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.

**x) 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 Kiambu county Bursary Fund 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**

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

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

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**6. Transfers from the County Government**

Description 2024/2025	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Transfers From County Govt -Operations Department	100,000,000	300,000,000

*(Provide a brief explanation for this revenue)*

**7. Public Contributions and Donations**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Donation From Development Partners	0	0
Contributions From the Public	0	0
Others (Specify)	0	0
Total	0	0

**8. Finance income**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Interest Income on Bank Deposits	0	0
Others (Specify)	0	0
Total finance Income	0	0

*(Provide a brief explanation for this revenue)*

**9. Other income**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Cheque write backs	0	0
Others (Specify)	0	0
Total Other Income	0	0

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**10. Bursary Transfers**

Description	Period ended	Period ended
	30th June 2025	30. June 2024
	Kshs	Kshs
Universities	9,586,800	33,892,000
TVETs and Colleges	13,638,951	47,403,620
Secondary schools	67,800,935	293,815,662
Special schools	750,000	2,454,400
<b>TOTAL</b>	<b>91,776,686</b>	<b>377,565,682</b>

**11. Scholarship grants**

Description	Period ended	Period ended
	30. June 2025	30. June 2024
	Kshs	Kshs
Universities	61,305	131,975
TVETs and Colleges	212,783	97,000
Secondary schools	4,126,211	4,004,441
Special schools	161,605	00
<b>TOTAL</b>	<b>4,561,904</b>	<b>4,233,416</b>

**12. Use of Goods and Services**

Description	Period ended	Period ended
	30. June 2025	30. June 2024
	Kshs.	Kshs.
Committee Allowances	1,776,310	8,526,880
Bank charges	571,102	759,492
Audit fees	0	0
Stationery and printing	1,560,170	1,775,150
Telephone & communication	51,600	95,000
<b>TOTAL</b>	<b>3,959,182</b>	<b>11,156,522</b>

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**13. Cash and cash equivalents**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Account	110,424,476	10,722,248
Others	0	0
<b>Total Cash and Cash Equivalents</b>	<b>110,424,476</b>	<b>10,722,248</b>

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

Financial Institution	Account number	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
<b>a) Current Account</b>			
Co-operative bank, Kiambu Branch	01141371814200	110,424,476.00	10,722,248
<b>Grand Total</b>		<b>110,424,476.00</b>	<b>10,722,248</b>

**14. Non-Exchange Receivables**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Revenue receivable	0	0
Others (Specify)	0	0
<b>Total non-exchange receivables</b>	<b>0</b>	<b>0</b>

**15. Exchange Receivables**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Interest receivable	0	0
Others (Specify)	0	0
<b>Total exchange receivables</b>	<b>0</b>	<b>0</b>

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**16. Trade and other payables**

Description	FY 2024/2025		FY 2023/2024	
	Kshs		Kshs	
Trade Payables	0		0	
Total Trade and Other Payables	0		0	
Ageing analysis (Trade and other payables)	FY 2024/2025		% of the Total	
			<b>Comparative FY</b>	<b>% of the Total</b>
Under one year	0	0%	xxx	%
1-2 years	0	0%	xxx	%
2-3 years	0	0%	xxx	%
Over 3 years	0	0%	xxx	%
Total (tie to above total)	0		xxx	

**17. Cash generated from operations.**

Description	2024/2025 FY	2023/2024 FY
	Kshs	Kshs
Surplus For the Year	99,702,228	-92,955,620
Adjusted For:		
Working Capital Adjustments		
Increase In Receivables	0	0
Increase In Payables	0	0
Net Cash Flow from Operating Activities	99,702,228	-92,955,620

**18. Related party balances**

**a) Nature of related party relationships**

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

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

**b) Related party transactions**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Transfers from related parties	0	0
Transfers to related parties	0	0

**c) Key management remuneration**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Board of Trustees	0	0
Total	0	0

**d) Due from related parties**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Due From County Government	0	0
Total	0	0

**Other Disclosures Continued**

**e) Due to related parties**

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Due to County Government	0	0
Due to Key Management Personnel	0	0
Total	0	0

**19. Contingent assets and contingent liabilities**

Contingent Liabilities	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Court Case xx Against the Fund/Scheme	0	0
Bank Guarantees	0	0
Total	0	0

**20. Financial risk management**

21. The Funds 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 Kiambu County Education Bursary 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 Kiambu County Education Bursary Fund 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:

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Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
<b>At 30 June 2025</b>				
Receivables From Non-Exchange Transactions	100,000,000	00	00	00
Receivables From Exchange Transactions	00	00	00	00
Bank Balances	10,424,476	00	00	00
<b>Total</b>	<b>110,424,476</b>	<b>00</b>	<b>00</b>	<b>00</b>
<b>As at 30<sup>th</sup> June 2024</b>				
Receivables From Non-Exchange Transactions	00	00	00	00
Receivables From Exchange Transactions	00	00	00	00
Bank Balances	10,722,248	00	00	00
<b>Total</b>	<b>10,722,248</b>	<b>00</b>	<b>00</b>	<b>00</b>

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

The entity has no significant concentration of credit risk.

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

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2025				
Trade Payables	0	0	0	0
Current Portion of Borrowings	0	0	0	0
Provisions	0	0	0	0
Total	0	0	0	0
As at 30 June 2024				
Trade Payables	0	0	0	0
Current Portion of Borrowings	0	0	0	0
Provisions	0	0	0	0
Employee Benefit Obligation	0	0	0	0
Total	0	0	0	0

**c) Market risk**

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

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

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

Description	Other currencies		Total
	Kshs	Kshs	Kshs
At 30 June 2025			
Cash	0	0	0
Debtors/ Receivables	0	0	0
Liabilities			
Trade And Other Payables	0	0	0
Net Foreign Currency Asset/(Liability)	0	0	0

**Foreign currency sensitivity analysis**

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

Description	Change in currency rate	Effect on surplus/deficit	Effect on equity
		Kshs	Kshs
<b>(Current FY)</b>			
Euro	x%	0	0
USD	x%	0	0
Other ( <i>Specify</i> )	x%	0	0
<b>(Comparative FY)</b>			
Euro	x%	0	0
USD	x%	0	0
Other ( <i>Specify</i> )	x%	0	0

**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 Kiambu County Education Bursary Fund to cash flow interest rate

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risk. The interest rate risk exposure arises mainly from interest rate movements on the Kiambu County Education Bursary Fund deposits.

***Management of interest rate risk***

***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***

Sensitivity analysis conducted on the Kiambu County Education Bursary Fund revealed that household income is the most sensitive variable influencing bursary allocation. Even a small increase in the cost of living significantly increases the number of eligible bursary beneficiaries, indicating a strong correlation between economic conditions and financial need.

This analysis is crucial in ensuring that the bursary allocation process remains equitable, inclusive, and non-discriminatory, enabling all qualifying residents to access support regardless of their background. By identifying the most impactful variables, we ensure that the bursary model is responsive to real-life economic pressures and that no deserving individual is excluded from the process.

**a) Capital risk management.**

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

Description	Current FY	Comparative FY
	Ksh	Ksh
Accumulated surplus	110,424,476	10,722,248
Total funds	110,424,476	10,722,248
Less: cash and bank balances	110,424,476	10,722,248
Net debt/(excess cash and cash equivalents)	0	0
Gearing	0%	0%

**22. Events after the reporting period**

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

**23. 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.	<b>Non-Compliance with Public Sector Accounting Standards Board Reporting Template</b>	The Fund Administrator appeared in Fund Administration Committee but not in the Key Management Team which was an omission.	Resolved	
2.	<b>Irregular Award of Multiple Bursary to Applicants</b>	In the 2 <sup>nd</sup> and 3 <sup>rd</sup> disbursement the issues of multiple bursary to applicants were addressed whereby all the beneficiaries were put in an excel sheet where anyone who applied more than once were disqualified.	Not resolved	
3.	<b>Irregular</b>	It should be noted that the toners	Not resolved	

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Reference Number (Optional)	Description from Auditor	Management comments	Auditor's comments (Optional)	Date (Put a date when you expect the issue to be resolved)
	<p><b>Procurement through Use of Direct Procurement</b></p>	<p>and stationery were procured to address each single disbursement and not at once. Hence when added together it totaled to Kshs 332,480.</p> <p>To ensure compliance and improvement of our procurement processes, all required stationary will be procured once through the procurement process at the beginning of the financial year.</p>		

.....  
Fund Administrator/Accounting Officer  
Date.....

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


Name of transferring entity:.....KIAMBU COUNTY TREASURY .....

Name of beneficiary entity:.....KIAMBU COUNTY EDUCATION BURSARY FUND .....


Confirmation of amounts received by Kiambu County Education County Bursary Fund as at 30 <sup>th</sup> June 2025						
Reference Number	Date Disbursed	Amounts Disbursed by Kiambu County Education Bursary Fund (Kshs) as at 30 <sup>th</sup> June 2025			Amount Received by Kiambu County Education Bursary Fund (Kshs) as at 30 <sup>th</sup> June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
FT243488HTJV/1000170409	13/12/2024	100,000,000	0	100,000,000	100,000,000	0
FT25192JDJCW/000018068	13/7/2024	100,000,000	0	100,000,000	100,000,000	0
<b>Total</b>					<b>200,000,000</b>	

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

**Head of Accounts - Disbursing Entity:**

Name ELIUD MUEHIRI Sign  Date 28/10/2025

**Head of Accounts - Beneficiary Entity:**

Name SUSAN RIMANDO Sign  Date 28/10/2025