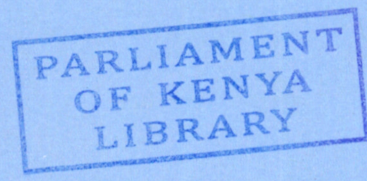
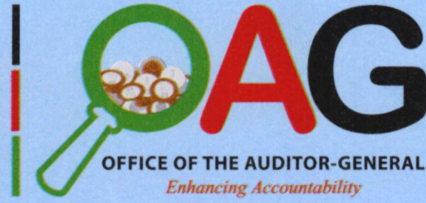


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

NYANDARUA COUNTY BURSARY FUND

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

PAPERS LAID	
DATE	4/12/2025
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Nyandarua County Bursary Fund

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

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



Nyandarua County 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>NEMA</i>	<i>National Environment Management Authority</i>
<i>COB</i>	<i>Controller of Budget</i>

b) Definition of Terms

1. Fiduciary Management - The key management personnel who had financial responsibility during the financial period ended June 30, 2025 were:

Ref	Name	Position
1	Hon Agnes Njunji	Fund chairlady
2	Dr Pachomius Wambugu	Fund administrator
3	Mr. Samson Njiiri	Committee member
4	Ms. Joyce Maina	Committee member
5	CPA Anne Theuri	Fund accountant

2. Key Entity Information and Management

a) Background information

Nyandarua County Bursary Fund was established by and derives its authority and accountability from Nyandarua County Bursary Fund Act of 2019. The Fund is wholly owned by the County Government of Nyandarua and is domiciled in the Department of Education, Vocational Training, Culture and Social Protection.

The Fund’s objective is to support needy and vulnerable students to access education within Nyandarua County through provision of bursary at all levels of Education. This is in alignment with county development goal of enhancing education access.

b) Principal Activities

The principal activity of the Bursary Fund is to provide financial assistance to deserving and needy students to enable them to access and continue with their education at various levels, including secondary schools, colleges, and universities.

The Fund’s mission is to promote equitable access to education by reducing financial barriers, particularly for students from vulnerable and low-income households.

This objective is achieved by; establishing ward and Governor’s bursary programmes; Strengthening the application of County Bursary Fund and; facilitating public awareness and participation in the affairs and management of the programmes.

c) Fund Administration Committee

The Fund’s day-to-day management is under the following key structure:

Ref	Name	Position
1	Hon. Agnes Njunji	Fund Chairlady
2	Dr Pachomius Wambugu	Fund administrator
3	Mr. Samson Njiiri	Committee member
4	Ms Joyce Maina	Committee member
5	CPA Anne Theuri	Fund accountant

Nyandarua County 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 period ended June 30, 2025 and who had direct fiduciary responsibility were:

Ref	Name	Position
1	Hon Agnes Njunji	Fund chairlady
2	Dr Pachomius Wambugu	Fund administrator
3	Mr. Samson Njiiri	Committee member
4	Ms. Joyce Maina	Committee member
5	CPA Anne Theuri	Fund accountant

e) Fiduciary Oversight Arrangements

- The Nyandarua County Assembly, through its Public Accounts Committee (PAC), plays a critical fiduciary oversight role over public funds, including the Nyandarua County Bursary Fund. This ensures accountability, transparency, and prudent use of public resources in line with the Public Finance Management Act, 2012 and the Constitution of Kenya, 2010.
- The Directorate of Internal Audit plays a crucial fiduciary role in ensuring the effective, efficient, and accountable management of the Nyandarua County Bursary Fund. Operating under the framework of the Public Finance Management Act, 2012, the Directorate provides independent assurance on the Fund's internal control systems, risk management practices, and governance processes.

f) Registered Offices

Nyandarua County Government
Headquarter Building
P.O. Box 701-20303
Olkalou, KENYA

g) Fund Contacts

Telephone: (254) 02-2580002
E-mail: info@nyandarua.go.ke
Website: www.nyandarua.go.ke

h) Fund Bankers

- **Family Bank**
P.O. BOX 74145-0200
Nairobi

- **Equity Bank.**
P.O. BOX 215-20303
Ol Kalou

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

County Attorney
Nyandarua County Government
Headquarter Building
P.O. Box 701-20303
Olkalou, KENYA

3. Fund Administration Committee Profiles

Name	Details of qualifications and experience
	<p>Hon. Agnes Njunji - CECM Education.</p> <p>Hon. Agnes is the CECM Education, Vocational Training, Culture and Social Protection. She is currently pursuing a PhD in Finance (JKUAT), is a Master's Degree holder in Finance (UoN) and a Degree holder in Science (JKUAT). She has done CPA till Sec 5 as well. She has a vast experience in the banking sector for 3 years, has been a lecturer at Egerton University for 5 years, and has pursued businesses in both hospitality and real estate for 5 years.</p>
	<p>Mr. Samson Njiiri</p> <p>Samson Njiiri is a seasoned public service professional with extensive experience in education, youth, and social development sectors. He currently serves as the Director of Education and Vocational Training, where he oversees strategic planning, policy implementation, and capacity development for educational and skills-based programs.</p> <p>Prior to this role, he held key leadership positions including Director of Youth Affairs, Director of Children, Gender Affairs & Social Services, and served as Acting Chief Officer/Accounting Officer in the Department of Education, Gender Affairs, Culture & Social Services. In these roles, he was instrumental in developing and executing inclusive programs that addressed community needs and promoted social equity.</p> <p>He holds a Master of Arts in Project Planning and Management and a Bachelor of Commerce degree. His professional development is further enriched by multiple diplomas in Project Management, Purchasing and Supplies, Business Management, Enterprise Development, and Human Resources Management.</p>
	<p>Ms. Joyce Maina</p> <p>She is a Degree holder in Education Arts at Kenyatta University, currently the Assistant Director ECD Coordinator and Examination Officer in Kipipiri Sub County. A teacher in various secondary schools.</p>
	<p>Dr. Pachomius Wambugu - Fund Administrator,</p> <p>Dr. Pachomius is the Fund Administrator. He is a PhD holder in Leadership and Education Management, a Master's Degree holder in Leadership and Education Management and a Degree holder in Education. He has been a principal, deputy principal and teacher in various secondary schools before he joined the County Government of Nyandarua.</p>

Nyandarua County Bursary Fund

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







CPA Anne Theuri -Fund Accountant

Holds Bachelor of Art Degree in Economics from the University of Nairobi, Certified Public Accountant of Kenya (CPAK) and a member of Institute of Certified Public Accountant of Kenya, Certified Public Secretary of Kenya (CPSK), Member of Institute of Certified Investment and Financial Analyst (ICIFA). Currently pursuing Masters in Public Policy at Kenyatta University.

Served as Chief accountant for Vision Fund Kenya and currently the Principal Accountant in Nyandarua County Government.

4. Key Management Team

Name	Details of qualifications and experience
	<p>Hon. Agnes Njunji - CECM Education.</p> <p>Hon. Agnes is the CECM Education, Vocational Training, Culture and Social Protection. She is currently pursuing a PhD in Finance (JKUAT), is a Master's Degree holder in Finance (UoN) and a Degree holder in Science (JKUAT). She has done CPA till Sec 5 as well. She has a vast experience in the banking sector for 3 years, has been a lecturer at Egerton University for 5 years, and has pursued businesses in both hospitality and real estate for 5 years.</p>
	<p>Mr. Samson Njiiri</p> <p>Samson Njiiri is a seasoned public service professional with extensive experience in education, youth, and social development sectors. He currently serves as the Director of Education and Vocational Training, where he oversees strategic planning, policy implementation, and capacity development for educational and skills-based programs.</p> <p>Prior to this role, he held key leadership positions including Director of Youth Affairs, Director of Children, Gender Affairs & Social Services, and served as Acting Chief Officer/Accounting Officer in the Department of Education, Gender Affairs, Culture & Social Services. In these roles, he was instrumental in developing and executing inclusive programs that addressed community needs and promoted social equity.</p> <p>He holds a Master of Arts in Project Planning and Management and a Bachelor of Commerce degree. His professional development is further enriched by multiple diplomas in Project Management, Purchasing and Supplies, Business Management, Enterprise Development, and Human Resources Management.</p>
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	<p>Dr. Pachomius Wambugu - Fund Administrator,</p> <p>Dr. Pachomius is the Fund Administrator. He is a PhD holder in Leadership and Education Management, a Masters Degree holder in Leadership and Education Management and a Degree holder in Education. He has been a principal, deputy principal and teacher in various secondary schools before he joined the County Government of Nyandarua.</p>

Nyandarua County Bursary Fund

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



CPA Anne Theuri -Fund Accountant

Holds Bachelor of Art Degree in Economics from the University of Nairobi, Certified Public Accountant of Kenya (CPAK) and a member of Institute of Certified Public Accountant of Kenya, Certified Public Secretary of Kenya (CPSK), Member of Institute of Certified Investment and Financial Analyst (ICIFA). Currently pursuing Masters in Public Policy at Kenyatta University.

Served as Chief accountant for Vision Fund Kenya and currently the Principal Accountant in Nyandarua County Government.

5. Chairperson's Report

It is with great pride and gratitude that I present this report on the operations and performance of the Bursary Fund for the financial year ended 30th June 2025. The Bursary Fund continues to play a pivotal role in promoting access to education for deserving learners across our county, especially those from vulnerable and underprivileged backgrounds.


In alignment with our county's commitment to inclusive development, the Fund was established to bridge the financial gap that hinders many bright and needy students from attaining their academic goals. Through transparent and accountable management, we have ensured that resources are disbursed fairly and equitably to support students in secondary schools, vocational training centers, and institutions of higher learning.

In the year, the Controller of Budget (CoB) issued a directive halting bursary disbursements by county governments, stating that education support for primary, secondary, and tertiary institutions is a national government function and that County governments are only constitutionally mandated to handle pre-primary education, village polytechnics, and childcare facilities. This delayed release of funds for disbursement by the National Treasury. However, an Intergovernmental partnership agreement with the Ministry of Education to support institutions under the management of national government was signed later in the year and disbursement henceforth resumed.

Despite the fiscal and operational challenges experienced during the year, including delayed disbursements and increased demand due to economic pressures, the Fund achieved notable milestones. A total of 30,635 beneficiaries received bursary support, allowing them to remain in school and focus on their academic pursuits.

As we continue to strengthen the governance structures and operational efficiency of the Fund, I wish to thank all stakeholders, including the County Government, County Assembly, community leaders, educational institutions, and members of the public, for their unwavering support and collaboration.

Moving forward, we are committed to enhancing transparency, improving targeting mechanisms, and mobilizing additional resources to expand the Fund's reach and impact. Together, we shall continue to champion the transformative power of education.


.....
Hon. Agnes Ngunji
Chairperson of the Bursary Fund

6. Report of The Fund Administrator

I am pleased to present a summary of the operational and financial performance of the Bursary Fund for the year ended 30th June 2025, a year that demonstrated both our resilience and commitment to advancing equitable access to education.

Operational Performance

During the reporting period, the Fund successfully facilitated the identification, vetting, and disbursement of bursaries to deserving learners across all wards. Through a transparent and community-led vetting process, we ensured that needy and vulnerable students were prioritized, in line with our mandate.

Key operational achievements included:

- Disbursement of bursaries to over Thirty Thousand students in Secondary schools, TVET institutions, Colleges, Special Schools, Boarding Primary schools and Universities.
- Strengthened collaboration with ward bursary committees, school administrators, and community leaders.
- Implementation of digital tools for application tracking and beneficiary data management to improve efficiency and reduce errors.

Financial Performance

The Fund received a total allocation of Ksh 137,450,000. In addition, Kshs 7,528,860 worth of cheques were written back translating to Ksh 144,978,860 as funds available for disbursement in the year. Out of which Ksh 129,658,713 was disbursed to learning institutions and Kshs 5,599,770 was utilized as administration expenses. All disbursements were made directly to the schools to ensure accountability and appropriate utilization.

The table below presents the disbursement allocations for each category both in amounts and numbers: -

S/No	Category	Amount	No. Of Beneficiaries
1	College	8,601,600	1,123
2	Primary	1,346,200	173
3	Secondary	109,242,113	28,183
4	Special	2,597,000	354
5	University	7,871,800	802
Total		129,658,713	30,635

Financial highlights include:

- 93% utilization rate of allocated funds, ensuring minimal carry-forward.
- Timely completion of audits and compliance as per the county financial reporting requirements.
- Improved cost-efficiency in administrative expenditure, keeping overheads within the set threshold.

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

Successes

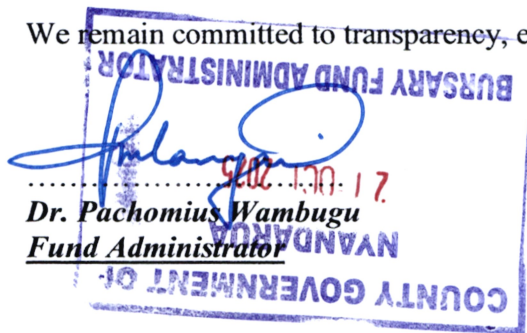
- High levels of school retention and reduced dropout rates in supported areas.
- Enhanced public trust and community participation in the bursary process.
- Increased visibility and recognition of the Fund's impact on education outcomes.

Challenges

- Rising demand for bursaries due to economic hardship, leading to pressure on limited resources.
- Occasional delays in fund disbursement from the county treasury, affecting timely processing.
- Limited capacity at ward-level committees to manage large volumes of applications during peak periods.
- Inadequate funding relative to the number of qualified applicants, necessitating tough prioritization.

Despite these challenges, the Fund remains a vital tool for transforming lives through education. Going forward, we aim to strengthen our systems, advocate for increased budgetary support, and continue building stakeholder partnerships to expand our reach and enhance impact.

We remain committed to transparency, equity, and continuous improvement in service delivery.



Dr. Pachomius Wambugu
Dr. Pachomius Wambugu
Fund Administrator

Stamp: BURSARY FUND ADMINISTRATOR, NYANDARUA COUNTY GOVERNMENT OF KENYA, 21 OCT 2025

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

Section 164 (2) (f) of the Public Finance Management Act, 2012, requires that, at the end of each financial year, the Accounting officer includes a statement of performance against predetermined objectives when preparing financial statements.

The key development objectives of the Fund are to:

1. Enhance Access and Equity in Education

- Provide bursary and scholarship awards to needy students across all education levels.
- Ensure inclusivity by prioritizing marginalized groups including orphans, learners with disabilities, and those from low-income households.

2. Promote Retention, Completion, and Performance

- Support students to remain in school and complete their studies, thereby increasing retention and performance outcomes.

3. Institutionalize Transparency and Accountability

- Institutionalize clear eligibility criteria, and make the list of applicants and successful beneficiaries, along with allocated amounts.

4. Incorporate Affirmative Action Measures

- Ensure learners with disabilities are guaranteed equal access and support.

5. Enhance Resource Utilization

- Improve utilization rates of allocated bursary funding, reduce unspent balances, and optimize administrative overheads within acceptable standards

The Fund was remarkably able to disburse over 93% of the funds available. The shortfall represents funds received into the account after the year end.

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

Progress on the attainment of Strategic development objectives

Program	Objective	Output	Performance Indicator
County Bursary Program	To increase access to education for vulnerable students across all wards in the county	Bursary forms distributed through ward offices, sub-county offices, online portal	All applications distributed at Ward level
		Completed application forms submitted and recorded	All completed applications submitted
	To ensure fair and transparent allocation of county education funds	Beneficiaries selected based on set criteria	100% of applications approved based on criteria
	To ensure funds are disbursed before school opening dates	Funds transferred to schools or beneficiaries	93% of funds disbursed on time
	To ensure equitable access across wards	Reports showing ward-level beneficiary data	100% of funds allocated per ward (equity ratio)
	To engage local leadership and stakeholders in bursary vetting and oversight	Ward bursary committees established	All Wards have committees established
	To enhance public trust and reduce fraud in the bursary system	Internal and external audits conducted annually	Audit queries raised are resolved
		Quarterly and annual bursary reports published	Timeliness and completeness of reports submitted
	To raise public awareness on bursary opportunities	Bursary awareness campaigns held across wards	Sensitization meetings, radio ads, posters distributed
		Communication channels (radio, social media, chief barazas, SMS) used	Increase in applications following awareness campaigns
To promote inclusion of special interest groups (orphans, disabled, marginalized communities)	Priority allocation to vulnerable groups	2% of fund reserved for special group beneficiaries	

Statement of Corporate Governance

Nyandarua County Bursary Fund

Effective governance is critical to the performance, transparency, and sustainability of the Nyandarua County Bursary Fund. This statement outlines the structures and mechanisms in place to ensure the fund is managed in a manner that upholds integrity, accountability, and efficiency in service delivery.

Roles and Functions of the Bursary Committee

The Bursary Committee is responsible for the oversight, policy direction, and operational supervision of the Nyandarua County Bursary Fund. Key roles and functions include:

- Developing and reviewing bursary policies and criteria.
- Receiving, vetting, and approving bursary applications through a transparent and community-involved process.
- Ensuring fair and equitable distribution of funds across wards and educational levels.
- Monitoring disbursements to institutions and reviewing institutional returns for accountability.
- Advising the County Executive Committee Member (CECM) on bursary-related matters.

Existence of a Committee

The operations of the Bursary Committee are governed by a formal guideline aligned with the Nyandarua County Bursary Fund Act and other applicable public finance regulations. The Committee's mandate, structure, powers, reporting obligations, and governance standards directs operations. It is reviewed periodically to ensure relevance to the evolving needs of the Fund.

Committee Meetings and Attendance

During the financial year 2024–2025, the Committee held official meetings to deliberate on fund planning, beneficiary selection, disbursement oversight, and policy reviews and a quorum was consistently achieved in all meetings.

Succession Plan

A structured succession plan is in place to ensure continuity in the governance of the Fund. The plan provides for staggered appointments, mentorship of junior members, and nomination of alternates where necessary. In cases of resignation or removal, replacements are identified and inducted promptly.

Induction and Training

All new Committee members undergo a structured induction program covering public finance laws, ethics, bursary policy, and fund administration procedures. Capacity-building workshops

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are organised to keep members informed of best practices in fund governance and education financing.

Conflict of Interest

All Committee members are required to declare any actual or perceived conflicts of interest. Members are prohibited from participating in decisions where they have personal or family ties to applicants.

Committee Remuneration

Committee members serve in a part-time capacity and receive modest sitting allowances as prescribed by the Salaries and Remuneration Commission (SRC). No performance bonuses or additional benefits are granted. Remuneration is disclosed transparently in the Fund's financial statements.

Ethics, Conduct, and Governance Audit

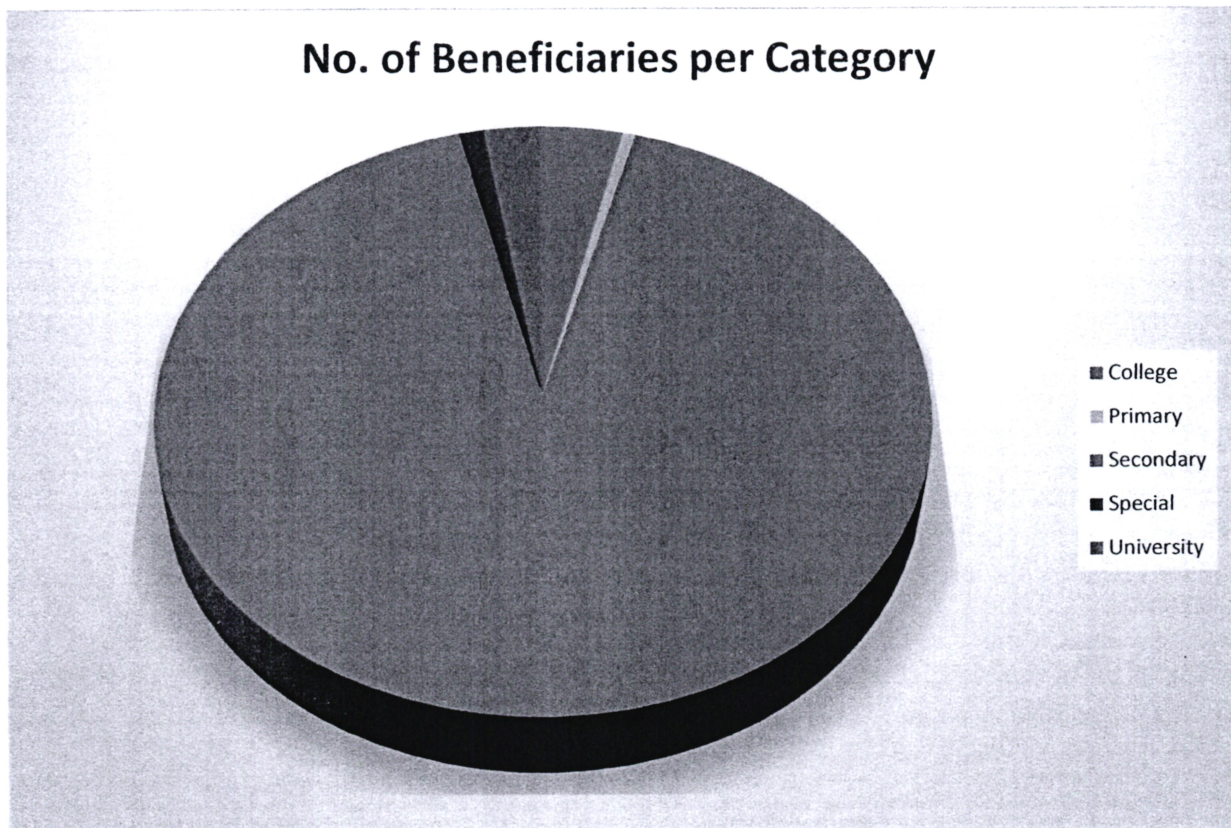
The Committee adheres to the Leadership and Integrity Act and the Public Officer Ethics Act.

In conclusion, the Nyandarua County Bursary Fund remains committed to sound governance principles, and continuous improvement of oversight structures. These efforts ensure that public resources entrusted to the Fund deliver maximum impact in supporting education for the county's most vulnerable learners.

8. Management Discussion and Analysis

During the reporting period, the Bursary Fund continued to support access to education for students from vulnerable and marginalized backgrounds within the county. The fund prioritized equitable distribution based on financial need, academic performance, and special circumstances such as disability or orphanhood. A total of **30,635** students benefited from the fund, covering primary, secondary, tertiary, special and vocational training institutions.

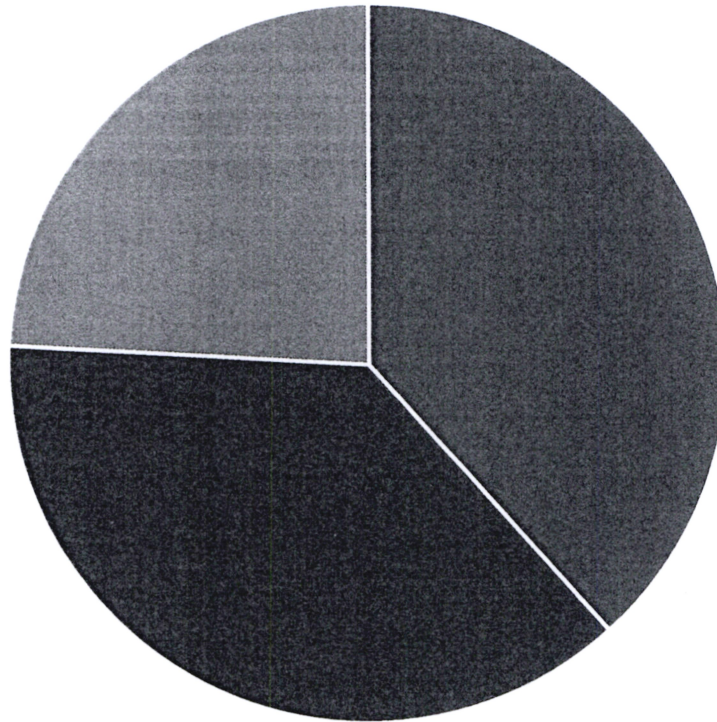
The number of those who benefited from the Fund per category were as follows:



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The Fund received a total of **KES 137,450,000** in revenue from the Exchequer. The figure below outlines revenues received in the last three financial years:

Revenue from Exchequer



■ FY 2022/2023 ■ FY 2023/2024 ■ FY 2024/2025

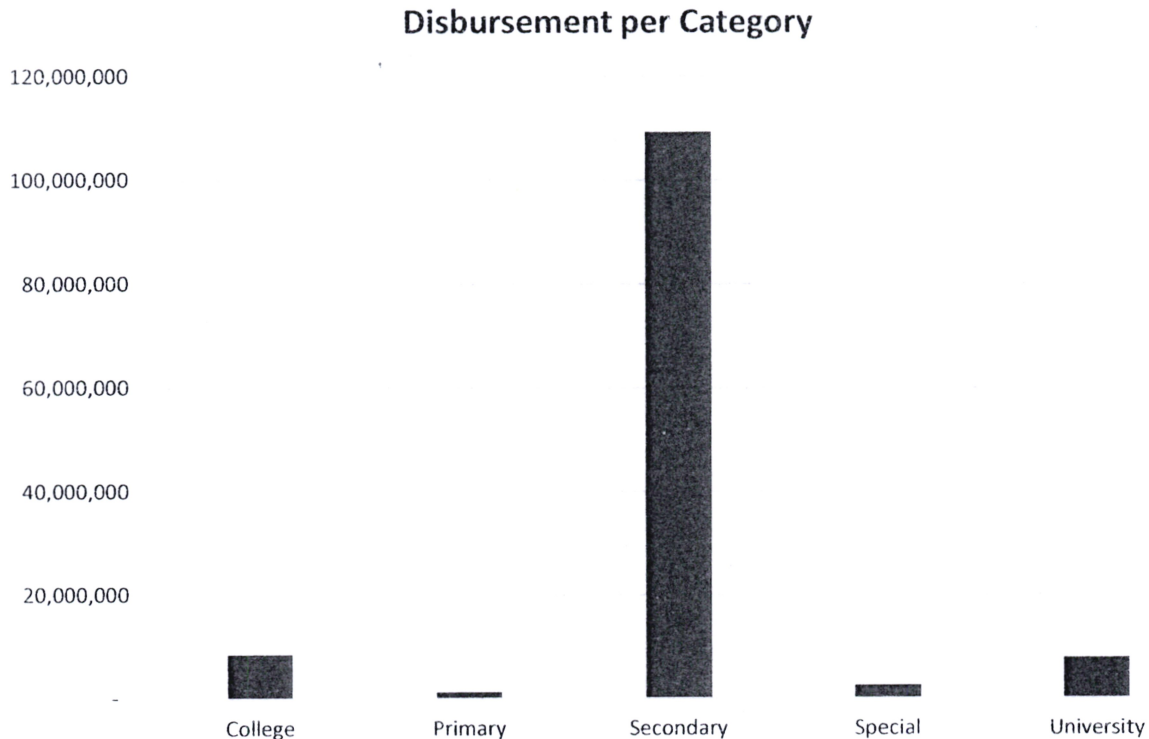
There is notable decreased from prior years allocation due to Controller of Budget directive not to fund institutions under the National Government. As a results, there was budget cut in the Supplementary budget to accommodate only the institutions under the County Government management.

Nyandarua County Bursary Fund

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

The gross expenditure during the year amounted to Kshs 135.2 Million out of which Kshs 129.6 Million was spent on student bursary disbursements whereas Kshs 5.6 Million on administration and operational costs.

Secondary schools recorded the highest number of applicants compared to other levels of education. This is attributed to the implementation of the 100% transition policy from primary to secondary education, which significantly increased the demand for financial support at this level as analysed below:

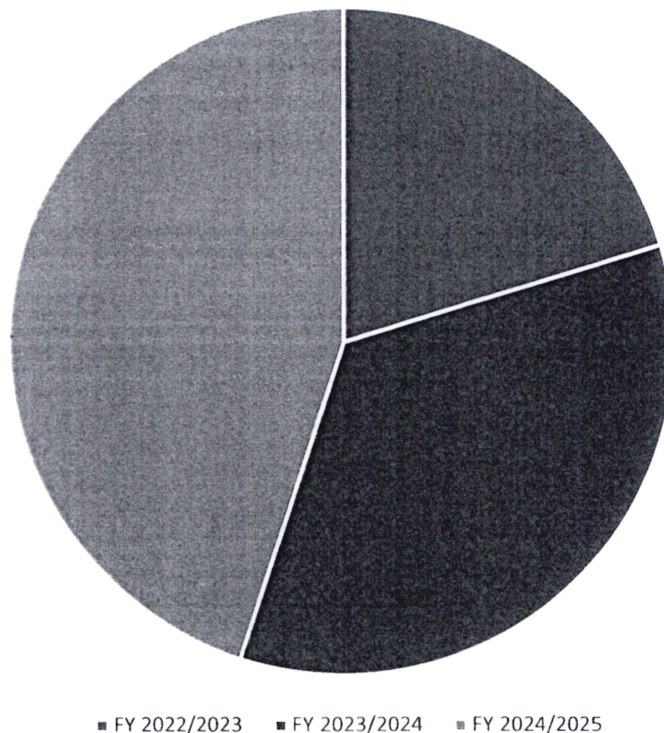


Secondary education is a crucial stage in shaping the future of students. Without adequate support, many learners—especially from poor or marginalized backgrounds—risk dropping out. Prioritizing bursaries at this level ensures retention and completion of the 4-year cycle.

Also noticeable is the increase in the demand for bursary support under special education programs. Several factors as listed below contributed to this trend:

- Growing Awareness and Advocacy
- High Cost of Special Education
- Increased Enrolment in Special Units
- Vulnerability of Beneficiaries
- Alignment with Inclusive Education Policies

Special Needs Disbursement



The rise in demand for bursaries under special education reflects positive progress toward inclusion, but also highlights the need for increased funding and targeted support. Addressing this demand will ensure that no learner is left behind due to disability or economic disadvantage.

Out of the annual budget allocation of Kshs 137.45 Million, Kshs 10 million had not hit the account at the closure of the Financial year which has been reported as cash in transit.

Irrespective of Exchequer release challenges, the Fund closed the year with a balance of Kshs10 Million (disbursed late) indicating prudent financial management and a commitment to sustaining support for future beneficiaries.

Challenges and Mitigation Measures

- **Delayed disbursements from the County Treasury:** This occasionally affected the timeliness of bursary payments. Management engaged with the Treasury for early releases and established a bursary calendar to align timelines that the treasury committed to adhere to.
- **Delay in signing of Inter Governmental partnership agreement.**
- **Inadequate funding relative to demand:** Applications consistently exceeded available funds. Management advocated for increased allocations.

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

- Verification difficulties: Addressed through local collaboration with chiefs and school administrators to validate applicants' backgrounds.

Risk Management

Key risks identified included:

- Fraudulent applications: Managed through tighter vetting, use of digital records, and community verification.
- Reputational risk from perceived favoritism: Minimized by publishing beneficiary lists and involving local leaders in the vetting process.

Outlook and Future Plans

Looking forward, the Fund plans to:

- Increase budgetary allocation through advocacy and stakeholder engagement.
- Expand coverage to more institutions, including technical and vocational education training (TVET) centers.
- Strengthen the Monitoring & Evaluation framework to assess impact and guide policy decisions.

Management remains committed to promoting inclusive and equitable access to education through effective bursary administration. Continuous improvement in systems, accountability, and stakeholder engagement will be key in enhancing the Fund's impact on the community.

9. Environmental and Sustainability Reporting

1. Sustainability strategy and profile -

The sustainability priorities of the Nyandarua County Bursary Fund are increasingly influenced by both global political and macroeconomic developments. Emerging global challenges such as climate change, geopolitical conflicts, inflation, and supply chain disruptions continue to impact public sector financing and development planning. Climate-related events such as droughts and flooding in Kenya have heightened economic vulnerabilities for low-income households, thereby increasing demand for social protection instruments such as bursaries.

In response, the Bursary Fund aligns its policies with international frameworks including the United Nations Sustainable Development Goals (SDGs), particularly:

- SDG 4 – Quality Education,
- SDG 5 – Gender Equality,
- SDG 10 – Reduced Inequalities,
- SDG 16 – Peace, Justice and Strong Institutions.

These goals guide the Fund’s efforts to promote inclusive, equitable, and sustainable access to education, particularly for marginalized populations.

2. Environmental performance

The Nyandarua County Bursary Fund operates under the broader Nyandarua County Environmental Management and Climate Change Policy (2023), which outlines the county’s commitment to sustainable development and responsible environmental stewardship. This policy mandates all departments and county entities to integrate environmental safeguards into their operations and promote eco-friendly practices.

Specific guiding principles include:

- Responsible resource use (energy, water, paper).
- Reduction of carbon footprint through digital transformation.
- Compliance with national environmental regulations (NEMA guidelines).
- Public awareness and stakeholder participation in environmental initiatives.

3. Employee welfare

The Nyandarua County Bursary Fund prioritizes the well-being, inclusivity, and professional development of its personnel as a foundation for sustainable service delivery. The Fund adheres to the Nyandarua County Human Resource Policy Manual and the Kenya Constitution (2010), which guarantee equality, diversity, and non-discrimination in public appointments. The Fund recognizes continuous learning as vital to performance. During the year, staff participated in professional development programs, including public finance management, records keeping.

These employee welfare strategies help maintain a motivated, diverse, and productive workforce, which is crucial to achieving the Fund's mission of supporting equitable access to education.

4. Marketplace practices-

a) *Responsible competition practice.*

The Nyandarua County Bursary Fund is committed to responsible, transparent, and ethical operations in all its engagements with the public, suppliers, and other stakeholders. The Fund has adopted good governance principles that promote fair competition, responsible procurement, ethical outreach, and the protection of citizen rights.

b) *Responsible Supply chain and supplier relations*

The Fund operates under the guidelines of the Public Procurement and Asset Disposal Act, 2015, and adheres to the principles of fairness, equity, transparency, and accountability. Regular public outreach forums are conducted to educate citizens on fund processes and application timelines.

c) *Responsible marketing and advertisement or Responsible Engagement with the Citizens*

The Fund ensures a transparent, competitive, and ethical procurement process, with a strong focus on honoring contracts and timely payments. Suppliers are given clear contract terms and timelines, and disputes are addressed promptly through a grievance mechanism.

d) *Product stewardship or Awareness Creation*

Though the Bursary Fund is not a product-based entity, it upholds citizen rights, data privacy, and transparent service standards as part of its public service responsibility.

The Nyandarua County Bursary Fund continues to strengthen its marketplace practices through improved digital tools, fair competition, inclusive public engagement, and the protection of citizen interests. These efforts reinforce public confidence and ensure that the Fund remains a model of responsible, ethical, and transparent service delivery.

5. *Corporate Social Responsibility / Community Engagements*

The Nyandarua County Bursary Fund recognizes that its primary mandate—to enhance access to education through financial support—has far-reaching social implications. In line with its core mission and commitment to inclusive development, the Fund undertakes Corporate Social Responsibility (CSR) and community engagement activities aimed at improving educational outcomes, enhancing community participation, and promoting social equity. As an education-centered fund, most of the Fund’s CSR activities are embedded within the bursary disbursement framework and school-related initiatives. During the 2024–2025 financial year, the Fund disbursed close to Kshs 130 million in bursaries, benefiting more than 30,000 students in primary, special, secondary schools, technical institutions, and universities. Priority was given to orphans, children with disabilities, and students from marginalized households, aligning with the Fund’s inclusive access strategy.

The Fund facilitated Ward level public sensitization meetings in all wards to educate citizens on bursary application criteria and timelines and also involve communities in identifying needy cases, especially where documentation may be lacking as well as collect feedback to improve disbursement transparency and equity.

The Nyandarua County Bursary Fund’s CSR and community engagement activities are deeply integrated with its educational mission. By supporting the most vulnerable learners, engaging communities in decision-making, and contributing to improved learning environments, the Fund continues to champion equity, empowerment, and sustainability across the county.

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

10. Report of The Committee

The Committee submit their report together with the financial statements for the year ended June 30, 2025, which show the state of the Fund's affairs.

The principal activities of the Fund are:

- Identification of Beneficiaries
- Disbursement of Bursary Funds
- Monitoring and Evaluation (M&E) - Evaluating challenges such as incomplete applications, dropout cases, or fund misappropriation.
- Public Engagement and Awareness Creation
- Policy Development and Advisory

Results

The results of the Fund for the year ended June 30, 2025 are set out on page 1 to 26

Committees

The Fund Committee members who served during the year are shown on page vi to vii. The changes in the Committee during the financial year are as shown below:

- The Fund Chairperson
- Fund Committee member- Director Education
- Fund Committee Member - Fund Accountant

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.

.....


Hon. Agnes Ngunji
Chair of the Fund Administration Committee

Date: 27th October 2025

11. Statement of Management's Responsibilities

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a 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.

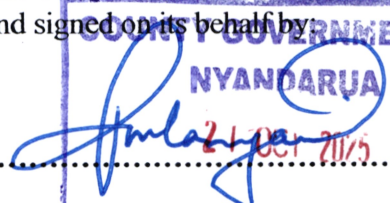
The Administrator of Nyandarua County Bursary Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended. This responsibility includes: (i) maintaining 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 Bursary Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Nyandarua County Bursary Fund Act. 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/Scheme's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Administrator of the Nyandarua County Bursary Fund has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Administrator to indicate that the Fund 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 29th October 2025 and signed on its behalf by


.....
Dr. Pachomius Wambugu
Administrator of the Bursary Fund

(Note: A blue official stamp is visible behind the signature, containing the text 'COUNTY GOVERNMENT OF NYANDARUA' and 'BURSARY FUND ADMINISTRATOR'. A red date stamp '21 OCT 2025' is also present over the signature.)

REPUBLIC OF KENYA

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HEADQUARTERS
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Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NYANDARUA COUNTY BURSARY FUND FOR THE YEAR ENDED 30 JUNE, 2025

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 Nyandarua County Bursary Fund as set out on pages 1 to 24, which comprise of the statement of financial

Report of the Auditor-General on Nyandarua County Bursary Fund for the year ended 30 June, 2025

performance, statement of financial position, statement of change in net assets for the year ended 30 June, 2025, 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 Nyandarua County 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 County Governments Act, 2012 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Other Income Balance

The statement of financial performance and as disclosed in Note 9 to the financial statements reflects other income amount of Kshs.7,528,860 which Management explained relates to cheques written back in the cash book. However, the evidence of reversal of the cheques in the cashbook was not provided for audit review. This is contrary to Regulation 104(1) of Public Finance Management (County Governments) Regulations, 2015. In addition, recognizing the reversal as income contravenes International Public Sector Accounting Standard (IPSAS) Paragraph 21 on Revenue from Exchange Transactions.

In the circumstances, the accuracy and completeness of other income amount of Kshs.7,528,860 could not be confirmed.

2. Award of Bursaries Above the Stipulated Limit

The statement of financial performance and as disclosed in Note 10 to financial statements reflects bursary transfer of Kshs.108,262,080. However, review of the award list revealed breach of limitation of the amounts awarded as stipulated under schedule II of the Act as detailed below: -

- i. Five hundred and fifty-seven (557) beneficiaries of boarding secondary schools were awarded a total of Kshs.14,222,133 each instead of Kshs.5,570,000 (maximum sets limits of Kshs.10,000 per students) resulting to an unexplained variance of Kshs.8,652,133.
- ii. Four hundred seventy-eight (478) beneficiaries of day secondary school were awarded a total of Kshs.1,866,000 instead of Kshs.956,000 (maximum sets limits of Kshs.2,000 per students) resulting to an unexplained variance of Kshs.910,000.

- iii. Ninety-eight (98) beneficiaries of Vocational Training Institution were awarded a total of Kshs.2,049,500 instead of Kshs.980,000 (maximum sets limits of Kshs.10,000 per students) resulting to an unexplained variance of Kshs.1,069,500.
- iv. Two hundred fifty-six (256) beneficiaries of University Institutions were awarded total of Kshs.4,479,150 instead of Kshs.2,048,000 (maximum sets limits of Kshs.8,000 per students) resulting to an unexplained variance of Kshs.2,431,150.
- v. Twenty-one (21) beneficiaries of special schools were awarded total of Kshs.396,000 instead of Kshs.210,000 (maximum sets limits of Kshs.10,000 per students) resulting to an unexplained variance of Kshs.186,000.
- vi. Fifty-six (56) beneficiaries of boarding primary school were awarded total of Kshs.761,200 instead of Kshs.280,000 (maximum sets limits of Kshs.5,000 per students) resulting to an unexplained variance of Kshs.481,200.

In the circumstances, the completeness and propriety could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects a final total income and expenditure budget balance of Kshs.146,710,447 against actual receipts and expenditure of Kshs.144,978,860 and Kshs.135,258,483 resulting to under absorption of Kshs.1,731,587 and Kshs.11,451,964 respectively.

The under absorption of the budget affected the planned activities and may have impacted negatively on the service delivery to the residents of Nyandarua County.

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 effect of the matters 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

The progress on follow-up on Auditor's recommendations section of the financial statements reflects that the issue on Inadequacy of Enabling Legislation raised in the previous year's audit report remain unresolved as at 30 June, 2025.

Other Information

Management is responsible for the Other Information set out on page i to xxvii which comprise of Key Entity Information and Management, Fund Administration Committee profiles, Key Management Team profiles, Chairperson's Report, Report of the Fund Administrator, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, and a Report of the Trustees Committee. The Other Information does not include the financial statements and my audit report thereon.

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

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an 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. Inadequacy of the Enabling Legislation

As previously reported, Nyandarua County Bursary Fund Act, 2019 does not provide for winding up of the Fund. This is contrary to Regulation 198 of Public Finance Management (County Governments) Regulations, 2015 which states that, the County Executive Committee Member shall provide for the management, operation and winding up

procedure in the guidelines for establishing each Fund which shall be in accordance with the Act and these Regulations.

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

2. Failure to Prepare and Submit Monthly Reports to the County Assembly

Management did not provide evidence that the committees prepared monthly reports and submitted them to the County Assembly as required by Section 21 of Nyandarua County Bursary Fund Act, 2019.

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

3. Failure to Follow Eligibility Criteria for Award to University Students

The statement of financial performance and as disclosed in Note 10 to financial statements reflects Bursary transfer of Kshs.108,262,080 which includes transfer of Kshs.20,376,800 to universities. However, there was no evidence that the committee assessed the applicant's effort to seek financial aid from the Higher Education Loan as required for the award. This is contrary to Section 25(2) of Nyandarua County Bursary Act 2019 state that where application is made in respect of support for tertiary or university, a committee shall have regard to applicant's efforts to obtain support from Higher Education Loan Boards and where no such effort has been made, the applicant shall be ineligible provided that the Board extends its facilities to such institutions.

In the circumstances, in the absence of the requisites assessments, the Committee failed in discharge of their obligations and the legality of transfer of Kshs.20,376,800 to universities of could not be confirmed.

4. Unequal Allocation of Bursaries to Wards

Review of bursary allocations documents revealed a case of unequal distribution of bursaries to respective wards. This skewed distribution of bursaries disadvantaged beneficiaries from other Wards from enjoying the benefits associated with the kitty and is contrary to Section 5(4) of Nyandarua County Bursary Act, 2019.

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

5. Irregularities in Bursary Disbursements to Beneficiaries

The statement of financial performance and as disclosed in Note 10 to financial statements reflects Kshs.108,262,080 in respect to bursaries awarded to needy beneficiaries. However, examination of bursary disbursement schedules revealed the following unsatisfactory matters: -

5.1 Duplicate beneficiaries

Review of beneficiary list provided for audit revealed cases of eighty-five (85) beneficiaries receiving bursaries twice amounting to Kshs.863,100. The beneficiaries

were awarded from different Wards. This contravenes Section 7 of Nyandarua County Bursary Act, 2019 which requires the establishments of Ward Bursary programme that are accessible exclusively by the student who are permanent residents of the Ward.

5.2 Award of Bursaries to Non- Successful Applicants

Review of beneficiary list provided for audit revealed that thirty-three (33) students received an amount of kshs.382,800 despite not being in the list of successful beneficiaries. No explanation was given for the basis of their inclusion and award. This is contrary to Section 23(1) of Nyandarua County Bursary Act 2019 which state that a committee shall not award bursary to any person unless the same has been applied and considered in accordance with this Act.

In the circumstance, the legality of payments amounting to Kshs.382,800 to beneficiaries could not be confirmed.

5.3 Award of Bursary Amounts Not Recommended by Ward Bursary Committee

Review of beneficiary list provided for audit revealed that twenty-four (24) students received an amount of Kshs.233,000. However, the Ward Bursary Committee had recommended an amount of Kshs.100,000 resulting to a variance a of Kshs.133,000.

Management explained that the additional allocation was done with the approval of the Wards Bursary Committee. However, no evidence was provided for verification to confirm that the secretariat sought the concurrence of the Ward Committees on the additional benefits given to the respective students.

In the circumstance, the legality of the additional allocation of Kshs.133,000 could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of an Approved Risk Management Policy

During the year under review, the Fund did not have an approved Risk management Policy and there was no clear system of risk management and internal control put in place to guide the processes and functions of the Fund. This is contrary to Regulation 158(1)(a) and (b) of the Public Finance Management (County Governments) Regulations, 2015 which requires an Accounting Officer to ensure that the County Governments entity develops risk management strategies, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations.

In the circumstances, existence of effective risk management measurers could not be confirmed.

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 those charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal 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 going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

Those charged with governance are responsible for 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

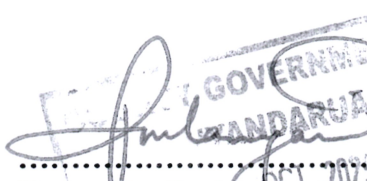

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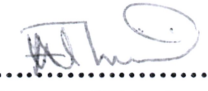
Nyandarua County Bursary Fund
Annual Report and Financial Statements for the year ended June 30, 2025

13. Statement of Financial Performance for the Year Ended 30th June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	137,450,000	204,900,000
Public Contributions and Donations	7	-	-
		137,450,000	204,900,000
Revenue From Exchange Transactions			
Finance Income	8	-	-
Other income	9	7,528,860	-
		7,528,860	-
Total Revenue		144,978,860	204,900,000
Expenses			
Bursary transfers	10	108,262,080	208,387,504
Scholarship grants	11	21,396,633	8,295,461
Use of Goods and Services	12	5,599,770	6,430,564
Total Expenses		135,258,483	223,113,529
Surplus/(Deficit) for the Period		9,720,377	(18,213,529)

(The notes set out on pages 7 to 26 form an integral part of these Financial Statements)


 Name: **Dr. Pachomius Wambugu**
 Administrator/Accounting Officer



 Name: **CPA Anne Theuri**
 Fund Accountant
 ICPAK Member Number: **18477**

Nyandarua County Bursary Fund

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

14. Statement of Financial Position as at 30 June 2025

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	13	10,001,964	281,587
Non-exchange receivables	14	-	-
Exchange Receivables	15	-	-
Total current assets		10,001,964	281,587
Total Assets (A)		10,001,964	281,587
Liabilities			
Current Liabilities			
Trade and Other Payables	16	-	-
Total current liabilities		-	-
Total Liabilities (B)		-	-
Net Asset (A-B)		10,001,964	281,587
Represented By:			
Accumulated Surplus		10,001,964	281,587
Net Assets		10,001,964	281,587

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27.10.2025 and signed by:

.....
Name: Dr. Pachomius Wambugu
Fund Administrator/Accounting Officer

.....
Name: CPA Anne Theuri
Fund Accountant
ICPAK Member Number:18477

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

15. Statement Of Changes in Net Assets for the year ended 30th June 2025

Description	Accumulated surplus
	Kshs
Balance as at 1 July 2023	18,495,116
Surplus/(Deficit) For the Year	(18,213,529)
Balance As At 30 June 2024	281,587
Balance As At 1 July 2024	281,587
Surplus/(Deficit) For the Year	9,720,377
Balance As At 30 June 2025	10,001,964

Nyandarua County Bursary Fund**Annual Report and Financial Statements for the year ended June 30, 2025****16. Statement of Cash Flows for The Year Ended 30 June 2025**

Description	Note	FY 2024/2025	FY 2023/2024
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers From the County Government		137,450,000	214,500,000
Public Contributions and Donations		-	-
Finance Income		-	-
Other receipts		7,528,860	-
Total receipts		144,978,860	214,500,000
Payments			
Bursary Transfers		108,262,080	208,387,504
Scholarship grants		21,396,633	8,295,461
Use of goods and Services		5,599,770	6,430,564
Total Payments		135,258,483	223,113,529
Net cash flows from operating activities	17	9,720,377	(8,613,529)
Cash flows from investing activities		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash & cash Equivalents		9,720,377	(8,613,529)
Cash and cash equivalents at 1 July	13	281,587	8,895,116
Cash and cash equivalents at 30 June	13	10,001,964	281,587

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

17. Statement of Comparison of Budget & Actual Amounts for Year Ended 30th 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
Opening budget Carry Overs	281,587.00	-	281,587	-	281,587	0%
Receipts						
Transfers From the County Government	194,900,000	(56,000,000)	138,900,000	137,450,000	1,450,000	99%
Public Contributions & Donations	-	0	-	-	-	0%
Finance Income	-	0	-	-	-	0%
Other receipts	-	7,528,860	7,528,860	7,528,860	0	0%
Total Receipts	195,181,587	(48,471,140)	146,710,447	144,978,860	1,731,587	99%
Payments						
Bursary Transfers	156,000,000	(38,698,413)	117,301,587	108,262,080	9,039,507	92%
Scholarship grants	33,334,587	(9,772,727)	23,561,860	21,396,633	2,165,227	91%
Use of goods & Services	5,847,000	-	5,847,000	5,599,770	247,230	96%
Total Payments	195,181,587	(48,471,140)	146,710,447	135,258,483	11,451,964	92%

Nyandarua County Bursary Fund

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

Surplus For the Period	-	-	-	9,720,377	(9,720,377)	
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Budget notes

1. Transfer from County Government was cut down by Kshs 56 Million. This was informed by the COB's directive that the County Governments should only give bursaries to technical and early learning institutions which needed a much lower allocation of 40 Million.
2. Subsequently, allocation for bursary and scholarship were reduced by 38.6 Million and 9.7 Million respectively
3. Fund wrote back unrepresented cheques valued at 7.5 Million which were classified under other receipts
4. The fund closed the year with a balance of Kshs 10 Million.

Budget Reconciliation

	Description of Particulars	Amount in Kshs
	Actual Surplus Amounts as per the statement of Budget	9,720,377
1	Opening Cash balance	281,587
	Closing Cash and Cash Equivalent as per the statement of Cash flows	10,001,964

18. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

Nyandarua County Bursary Fund is established by and derives its authority from Nyandarua County Bursary Fund Act. The entity is wholly owned by the Nyandarua County Government and is domiciled in Kenya. Nyandarua Bursary Fund’s principal activity is to assist needy students access education.

2. Statement of compliance and basis of preparation

Nyandarua County Bursary Fund’s financial statements have been prepared in compliance with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Bursary Fund. 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.

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

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

Standard	Effective date and impact:
IPSAS 48- Transfer Expenses	<i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> 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"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. 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. 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.

(iii) Early adoption of standards

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

5. 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 27th 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 Nyandarua County Bursary Fund upon receiving the respective approvals in order to conclude the final budget. The Nyandarua County Bursary Fund recorded a budget reduction of Kshs. 56,000,000 on the FY 2024/2025 budget following the governing body's approval.

Nyandarua County Bursary Fund's budget and financial statements are prepared on accrual basis using a classification based on the nature of expenses and income in the statement of financial performance. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget is presented in the statement of comparison of budget and actual amounts.

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

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts, and the actuals as per the statement of 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 Fund's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

(i) Financial assets

Classification of financial assets

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

(ii) Subsequent measurement

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

(iii) Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is

recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iv) Fair value through net assets/ equity

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

(v) Fair value through surplus or deficit

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

(vi) Trade and other receivables

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

(vii) Impairment

The 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.

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 Nyandarua 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 Nyandarua 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

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

f) Contingent assets

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

h) Changes in accounting policies and estimates

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

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 Nyandarua 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 Nyandarua Bursary Fund, or vice versa. Members of key management are regarded as related parties and comprise of Board of Trustees, the Fund administrator and senior managers.

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.

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

a) Estimates and assumptions –

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

b) Useful lives and residual values

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

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

c) Provisions

There were no provisions raised in the year and management determines an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

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6. Transfers from the County Government

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Transfers From Education Department	137,450,000	214,500,000
Others	-	-
Total	137,450,000	214,500,000

(Transfer from Exchequer)

7. Public Contributions and Donations

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From the Public	-	-
Others	-	-
Total	-	-

8. Finance income

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Interest Income on Bank Deposits	-	-
Others	-	-
Total finance Income	-	-

9. Other income

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Cheque write backs	7,528,860	-
Others	-	-
Total Other Income	7,528,860	-

10. Bursary Transfers

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Universities	3,767,000	20,357,516
TVETs and Colleges	6,787,100	28,017,685

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Secondary schools	94,871,980	158,006,803
Other -Primary & Special Schools	2,836,000	2,005,500
Total	108,262,080	208,387,504

11. Scholarship grants

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Universities	4,104,800	950,742
TVETs and Colleges	1,814,500	916,169
Secondary schools	14,370,133	6,428,550
Other -Primary & Special Schools	1,107,200	-
Total	21,396,633	8,295,461

12. Use of Goods and Services

Description	FY 2024/2025	FY 2023/2024
	Kshs.	Kshs.
Committee Allowances	3,203,700	5,688,560
Bank charges	4,200	7,800
Audit fees	-	-
Others- General Office Stationery	855,970	734,204
-Hospitality	365,400	
-Computer repairs and maintenance	60,500	
- Administration Costs	1,110,000	
Total	5,599,770	6,430,564

13. Cash and cash equivalents

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Current Account	10,001,964	281,587
Others	-	-
Total Cash and Cash Equivalents	10,001,964	281,587

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

Financial Institution	Account number	FY 2024/2025	FY 2023/2024
		Kshs	Kshs

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a) Current Account			
Family Bank	037000006218	-	32,450
Equity Bank	06202275330770	1,964	249,137
Sub- Total		1,964	281,587
b) Others			
Cash In Transit		10,000,000	-
Cash In Hand		-	-
Sub- Total		10,000,000	-
Grand Total		10,001,964	281,587

14. Non-Exchange Receivables

Description	FY 2024/2025	FY 2023/2024
	FY	FY
	Kshs	Kshs
Revenue receivable	-	-
Others	-	-
Total non-exchange receivables	-	-

15. Exchange Receivables

Description	FY 2024/2025	FY 2023/2024
	FY	FY
	Kshs	Kshs
Interest receivable	-	-
Others	-	-
Total exchange receivables	-	-

16. Trade and other payables

Description	FY 2024/2025	FY 2023/2024		
	Kshs			
Trade Payables	-	-		
Other Payables	-	-		
Total Trade and Other Payables	-	-		
Ageing analysis (Trade and other payables)	Current FY	% of the Total	FY 2023/2024	% of

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				the Tot al
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-	-	-	

17. Cash generated from operations.

Description	FY 2024/2025	FY 2023/2024
	Kshs	Kshs
Surplus/ (Deficit) For the Year	9,720,377	(8,613,529)
Adjusted For:		
Working Capital Adjustments		
Increase In Receivables	-	0
Increase In Payables	-	0
Net Cash Flow from Operating Activities	9,720,377	(8,613,529)

18. Related party balances

a) Nature of related party relationships

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

- a) The County Government.
- b) Key management.
- c) Fund Committee

b) Related party transactions

Description	FY 2024/2025	FY2023/2024
	Kshs	Kshs
Transfers from related parties	137,450,000	214,500,000
Transfers to related parties	-	-

c) Key management remuneration

Description	FY 2024/2025	FY2023/2024
	Kshs	Kshs
Board of Trustees	-	-
Total	-	-

d) Due from related parties

Description	FY 2024/2025	FY2023/2024
	Kshs	Kshs
Due From County Government	-	-
Total	-	-

e) Due to related parties

Description	FY 2024/2025	FY2023/2024
	Kshs	Kshs
Due to County Government	-	-
Due to Key Management Personnel	-	-
Total	-	-

19. Contingent assets and contingent liabilities

Contingent Liabilities	FY 2024/2025	FY2023/2024
	Kshs	Kshs
Court Case Against the Fund	-	-
Bank Guarantees	-	-
Total	-	-

20. Financial risk management

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

a) Credit risk

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

Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2025				
Receivables From Non-Exchange Transactions	-	-	-	-

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Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-
As at 30th June 2024	-	-	-	-
Receivables From Non-Exchange Transactions	-	-	-	o -
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-

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

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

b) Liquidity risk management

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

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

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

c) Market risk

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

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

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

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

i. Foreign currency risk

The Fund has 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.

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

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

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

Foreign currency sensitivity analysis

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

Description	Change in currency rate	Effect on surplus/ deficit	Effect on equity
		Kshs	Kshs
(Current FY)			
Euro	0%	-	-
USD	0%	-	-
Other	0%	-	-
(Comparative FY)			
Euro	0%	-	-
USD	0%	-	-
Other	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 Fund/Scheme to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund's deposits.

Management of interest rate risk

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

Sensitivity analysis

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

d) Capital risk management.

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

Description	FY 2024/2025	FY 2024/2025
	Kshs	Kshs
Accumulated surplus	-	-
Total funds	-	-
Less: cash and bank balances	(-)	(-)
Net debt/(excess cash and cash equivalents)	-	-
Gearing	0%	0%

21. Events after the reporting period

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

22. Currency

The financial statements are presented in Kenya Shillings (Kshs)

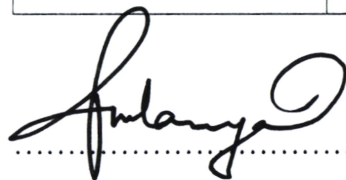
**Nyandarua County Bursary Fund
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19. Annexes

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

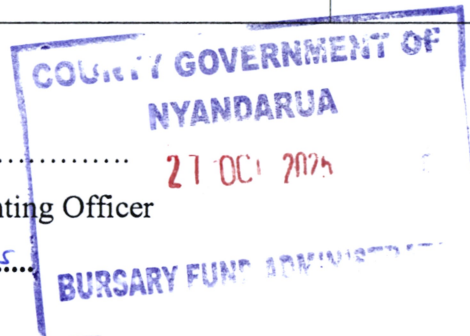
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

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)
Inadequacy of the enabling legislation	Nyandarua County Bursary Fund Act does not provide for winding up of the fund contrary to regulation 198 of Public Finance Management (County Government) Regulation, 2015	Nyandarua County Bursary Amendment Act, 2024 has been formulated that provides for the winding. Its pending approval by the County Assembly.	Not resolved	December 2025



Fund Administrator/Accounting Officer

Date: 27th October 2025



Annex II: Inter-Entity Confirmation Letter

Name of transferring entity: Nyandarua County Government

Name of beneficiary entity: Nyandarua County Bursary Fund

Confirmation of amounts received by [Nyandarua County Bursary Fund/Scheme] as at 30 th June 2025						
Reference Number	Date Disbursed	Amounts Disbursed by Education Department] (Kshs) as at 30 th June 2025			Amount Received by Nyandarua County Bursary Fund/Scheme] (Kshs) as at 30 th June 2025 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
	02/12/2024	97,450,000	-	97,450,000	97,450,000	-
	17/01/2025	30,000,000	-	30,000,000	30,000,000	-
	30/06/2025	10,000,000	-	10,000,000	-	10,000,000
Total		<u>137,450,000</u>	=	<u>137,450,000</u>	127,450,000	10,000,000

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

Head of Accounts - Disbursing Entity:

Name *ndungu* Sign *[Signature]* Date *27/10/2025*

Head of Accounts - Beneficiary Entity:

Name *Anne Theuri* Sign *[Signature]* Date *27/10/2025*

