

REPUBLIC OF KENYA

Scanned.
18/02/2022



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

NYAMIRA COUNTY EDUCATION
SUPPORT FUND

FOR THE YEAR ENDED
30 JUNE, 2019

	PAPER
DATE	15-02-2022
TABLED BY	LEADER OF MAJORITY
COMMITTEE	
CLERK AT THE TABLE	M. ADJIBODU



NYAMIRA COUNTY EDUCATION SUPPORT FUND.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2019

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

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

**Reports and Financial Statements
For the Year Ended 30th June 2019**

TABLE OF CONTENTS

TABLE OF CONTENTS	1
1. KEY ENTITY INFORMATION AND MANAGEMENT	2
2. THE BOARD OF TRUSTEES (or any other corporate governance body for the Fund)	3
3. MANAGEMENT TEAM	5
4. BOARD/FUND CHAIRPERSON'S REPORT	6
5. REPORT OF THE FUND ADMINISTRATOR	6
6. CORPORATE GOVERNANCE STATEMENT	7
7. MANAGEMENT DISCUSSION AND ANALYSIS	8
8. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORT	10
9. REPORT OF THE TRUSTEES	10
10. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES	12
11. REPORT OF THE INDEPENDENT AUDITOR	13
12. FINANCIAL STATEMENTS	14
12.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2019.....	14
12.2. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2019.....	15
12.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30TH JUNE 2019	16
12.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2019.....	17
12.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30TH JUNE 2019	18
12.6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	19
12.7. NOTES TO THE FINANCIAL STATEMENTS	26
13. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS	30

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

Reports and Financial Statements For the Year Ended 30th June 2019

1. KEY ENTITY INFORMATION AND MANAGEMENT

a) Background information

Nyamira County is constituted as per the Constitution of Kenya, 2010. It is charged with the responsibility of providing a variety of services to residents within its area of jurisdiction. These include the services that were hitherto provided by the defunct Municipal Council and the ones that have been transferred from the national government. The county is headed by the County Governor H.E. John Obiero Nyagarama, who is responsible for the general policy and strategic direction of the County. The Governor is supported by an Executive Committee in carrying out the mandate as stipulated in the Constitution. The County Executive Committee Member for Finance and Economic Planning, Hon. Peter Omwansa Muga is in charge of the County Treasury charged with the responsibility of creating funds in the county.

This Fund was established under the Nyamira County Gazette Supplement No.1 regulations of 13th February 2017. The Fund is domiciled in Kenya and has its office in Nyamira County Headquarters, Nyamira Town of Nyamira County.

b) Principal Activity

The principal activity of the *Fund* is to provide scholarships or bursary to all needy and orphaned students to enable them continue with education in order to maintain academic excellence and thereafter give back to the society in a sustainable manner.

a) Board of Trustees/Fund Administration Committee

Ref	Name	Position
1	Alfred N.Kore	Chairman
2	Julie Nyaanga	Vice Chair
3	Vincent Mbura	Member
4	Jeremiah Okioro	Member
5		

(This section will be applicable for Public Funds that have a Board of Trustees/Fund Administration Committee. Input names of all the members who held office during the period)

b) Key Management

Ref	Name	Position
1	Jackson Oluoch	Fund Administrator
2	Domnic Barare	Director Finance
3	Bernard Bonyi	Head of Treasury
4	Peter Omari	Fund Accountant
5		

(Include all positions regarded as top management for the Fund).

NYAMIRA COUNTY EDUCATION SUPPORT FUND.
Reports and Financial Statements
For the Year Ended 30th June 2019

a) Head of Nyamira County Education Support Fund.

Nyamira County Assembly Building,
P.O. Box 434 - 40500
NYAMIRA - KENYA.

b) Nyamira County Education Support Fund Contacts

Telephone: (254)-0723164413, 0789324353
E-mail: info@nyamira.go.ke
Website: www.nyamira.go.ke

c) Fund Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya

d) Nyamira County Education Support Fund

Kenya Commercial Bank
P.O. 48231- 0100
NAIROBI - KENYA

e) Independent Auditors

Auditor General
Anniversary Towers, University Way
P.O. Box 30084 - 00100
Nairobi, Kenya




f) Principal Legal Adviser

Esther Asati,
Director - Legal Services,
P.O. Box 434-40500,
NYAMIRA - KENYA.

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

**Reports and Financial Statements
For the Year Ended 30th June 2019**

2. THE BOARD OF TRUSTEES (or any other corporate governance body for the Fund)




S/N	Photo	Name	Responsibility
1		Alfred N. Kore	Chairperson BED, Arts, Nairobi University
2		Julie M. Nyaanga	Vice Chairperson Diploma secretarial
4		Vincent Mbura	Member Diploma in Evangelism, Dion krw U.S.A
5		Jeremiah Okioro	Member



NYAMIRA COUNTY EDUCATION SUPPORT FUND.

**Reports and Financial Statements
For the Year Ended 30th June 2019**

3. MANAGEMENT TEAM

Name		Details of qualifications and experience
Gladys Momanyi	 A portrait of Gladys Momanyi, a woman with curly hair, wearing a red jacket. In the background, there is a green banner with the text 'GOVERNMENT OF NYAMIRA' and 'YOUTH'.	CEC Education & Youth Empowerment. MED,
Peter .O.Muga	 A portrait of Peter .O.Muga, a man wearing glasses, a white shirt, a red tie, and a dark suit jacket.	CEC Finance & Planning BED/ Arts.
Jackson Oluoch	 A portrait of Jackson Oluoch, a man wearing a white shirt, a red tie, and a dark suit jacket, sitting in a black office chair.	Fund Administrator. BED sciences/MED education management

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

**Reports and Financial Statements
For the Year Ended 30th June 2019**

4. BOARD/FUND CHAIRPERSON'S REPORT

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

To manage the Education Support Bursary fund, County committee was created as per the regulations consisting of 8 members with the responsibility of running day to day activities of the fund being vested on the administration. The committee agreed on the documents that were mandatory on application by students which is still in place as at 30th June 2019 and it includes;

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

In the financial year ending 30th June 2019 the fund had distributed 60,000 forms to the needy students across the county. 43,250 forms were returned to the county committee office for processing and award of the Bursary fund. Out of which 35,745 were successfully considered

The mode of disbursement was as follows:

1. Total orphans-----7,000/=
2. Partial orphans----3,800/=
3. Single Parents-----3,800/=
- 4.Disability (PLWD)...3,800/=
5. Needy students—3,500/=

Challenges Encountered are as follows;

1. Released forms not reaching some of the needy students.
2. Difficulties in distribution of cheques across the country.
3. Inadequate funds for administration (3% was not adequate).

At inception the fund received **Kshs. 103,000,000** in financial 2016/17 followed by Kshs **121,075,293** and now **131,500,000** of which 3% of this amount was for administration amounting to Kshs 3,945,000, and the balance (97%) was meant for award of bursary to students who met the requirement set out in enabling legislations. In the financial year ending 30th June 2019, the fund awarded the bursary funds to the tune of **Kshs.250,135,154** thus having a fund balance of **Kshs.1,164,166** this amount is to be allotted in the next financial year.

I consider this a big success as I anticipate 100% utilization of the fund resources in this coming financial year.2019/20

ALFRED N. KORE.
CHAIRPERSON – FUND COMMITTEE.

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

**Reports and Financial Statements
For the Year Ended 30th June 2019**

5. REPORT OF THE FUND ADMINISTRATOR

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

The Nyamira County Education Support Fund was operationalized in 13th February 2017 upon injection we received Kshs.103,000,000 initial Fund outlay From the County Treasury and thereafter it received Kshs.121,075,293 for financial year 2017/18. The Fund has since received additional funding from county treasury of Kshs.**131,500,000** on 24th May for the financial year 2018/19.

In the financial 2018/19 under review the Nyamira County Education Support Fund disbursed Kshs.**250,135,154** to needy students as bursary allocation for the financial year 2017/18 and 2018/19 resulting in an accumulated surplus of **Kshs.1,164,166** at the end of the FY 2018/19.

The existing Fund governing regulations provides for only equal allocation of funds in all twenty (20) wards excluding equitable distribution since all wards don't have same capacity of absorption. So we had successfully petitioned the Nyamira county assembly to repeal the regulation by expunging the word **equal** and replace it with **equitable**. The existing Fund governing regulations was amended thus the fund was disbursed equitably among the twenty (20) wards.

It is my pleasure to present the end year Report and financial statements of Nyamira County Education Support Fund for the financial year 2018/2019.



Mr. Jackson Oluoch.

FUND ADMINISTRATOR.

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

Reports and Financial Statements For the Year Ended 30th June 2019

6. CORPORATE GOVERNANCE STATEMENT

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

The functions of the Fund Committee;

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

Appointment and Succession of office

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

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

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

Date of meeting	Members present	Members absent
June 22, 2018	10	0
June 28, 2018	10	0
July 18, 2018	10	0
March 3, 2018	8	2

Trainings

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

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

NYAMIRA COUNTY EDUCATION SUPPORT FUND.
Reports and Financial Statements
For the Year Ended 30th June 2019

7. MANAGEMENT DISCUSSION AND ANALYSIS

Principal activities

The principal activities of the fund are continued award of bursary to orphans and needy high school students in Nyamira County.

Tables on performance

The results of the fund for the year ended June 30th, 2019 are set out on page 1 – 7.
We managed to issue bursary as per the summary below and how the fund performed

Family Status	No. Of Beneficiaries	Boarding Schools	Day Schools
Disability	354	234	120
Needy	26,393	17,127	9,266
Partial Orphans	4,276	2,585	1,691
Single Parent	3,115	1,933	1,182
Total Orphans	1,607	1,001	606
Total Beneficiaries	35,745 students		

Committee members

The members of the fund committee who served during the year are shown on page (iv). During the year no committee member retired/ resigned

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.

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

**Reports and Financial Statements
For the Year Ended 30th June 2019**

8. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

Section 167 of the Public Finance Management Act, 2012 and the Gazetted Regulations under which the Fund is regulated requiring the Fund Administrator to prepare financial statements in respect of that fund, which give a true and fair view of the state of affairs of the fund at the end of the financial year/period and the operating results of the fund for that year/period. The Fund Administrator is also required to ensure that the fund keeps proper accounting records which disclose with reasonable accuracy the financial position of the fund. The Fund Administrator is also responsible for safeguarding the assets of the fund.

The Fund Administrator 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 (period) ended on June 30, 2019. 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 Fund Administrator accepts responsibility for the fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the regulations under which the fund is managed. The Fund Administrators 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, 2019, and of the fund's financial position as at that date. The Fund Administrator further confirms the completeness of the accounting records maintained for the fund, which have been relied upon in the preparation of the fund's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Fund 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 2/07/2019 and signed on its behalf by:



JACKSON OLUOCH.
Fund Administrator.



CPA DOMNIC BARARE.
Fund Signatory.

LCPTC 15624

NYAMIRA COUNTY EDUCATION SUPPORT FUND.
Reports and Financial Statements
For the Year Ended 30th June 2019

9. REPORT OF THE TRUSTEES

The fund committee to submit their report together with un-audited financial statements for the year ended June 30, 2019 which shows the state of the fund affairs.

Principal activities

The principal activities of the fund are continued award of bursary to orphans and needy high school students in Nyamira County.

Results

The results of the fund for the year ended June 30th, 2019 are set out on page 1 – 7.
We managed to issue bursary as per the summary below

Family Status	No. Of Beneficiaries	Boarding Schools	Day Schools
Disability	354	234	120
Needy	26,393	17,127	9,266
Partial Orphans	4,276	2,585	1,691
Single Parent	3,115	1,933	1,182
Total Orphans	1,607	1,001	606
Total Beneficiaries	35,745 students		

Committee members

The members of the fund committee who served during the year are shown on page (iv). During the year no committee member retired/ resigned but are expected to retire in the financial year ending 30th June 2019.

Auditors

The Auditor General is responsible for the statutory audit of the fund in accordance with Article 22 of the Constitution of Kenya and the Public Audit Act 2015.



CHAIRPERSON – FUND COMMITTEE
ALFRED N KORE

Date: _____

10. STATEMENT OF MANAGEMENT'S RESPONSIBILITIES

Section 167 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Administrator of a County Public Fund established by the Nyamira County Education Support Act 2016 on 26th May 2016. The Fund is domiciled in Kenya and has its office in Nyamira County Headquarters, Nyamira Town of Nyamira County and the Nyamira county education support fund regulation of Feb 2017 shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Administrator of the County Public Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Administrator of the County Public Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and the Nyamira County Education Support Act of 2016

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, 2018, and of the Fund's financial position as at that date. The Administrator further confirm the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The Fund's financial statements were approved by the Committee on 30/06 2019 and signed on its behalf by:



Administrator of the County Public Fund

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NYAMIRA COUNTY EDUCATION SUPPORT FUND FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Nyamira County Education Support Fund set out on pages 14 to 32, which comprise the statement of financial position as at 30 June, 2019, and the statement of financial performance, statement of changes in net assets, statement of cash flows, statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nyamira County Education Support Fund as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Accrual Basis) and comply with Public Finance Management Act, 2012.

Basis for Opinion

Accuracy of the Financial Statements

The statement of financial performance for the year ended 30 June, 2019 shows a surplus of Kshs.123,939,168 realized in the financial year 2017/2018. However, the recomputed amount is Kshs.104,900,916 resulting in an unexplained variance of Kshs.19,038,252.

Further, the statement of comparison of budget and actual amounts for the year ended 30 June, 2019 shows an actual amount of transfers from the County Government of Kshs.254,994,154 while the statement of financial performance shows an amount of Kshs.131,500,000 under the same revenue component. The resultant variance of Kshs.123,494,154 has not been explained.

In addition, the statement shows an actual amount of student bursaries of Kshs.250,849,155 while the statement of financial performance shows an amount of Kshs.250,135,154 under the same expenditure component. The resultant variance of Kshs.714,001 has not been explained.

In the circumstances, the accuracy of the statement of financial performance and the statement of comparison of budget and actual amounts for the year ended 30 June, 2019 could not be ascertained.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Qualified Opinion 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Qualified Opinion 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

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 processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the ability of the Fund to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Fund to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease sustaining its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

07 December, 2021

12. FINANCIAL STATEMENTS

12.1. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE 2019

	Note	2018/2019	2017/2018
		KShs	KShs
Revenue from non-exchange transactions			
Transfers from the County Government	1	131,500,000	121,075,293
Total revenue		<u>131,500,000</u>	<u>121,075,293</u>
Expenses			
Fund administration expenses	2	3,945,000	3,591,750
Student Bursary	3	250,135,154	12,728,766
Finance costs	4	194,848	14,861
Total expenses		254,275,002	16,320,516
Other gains/losses		-	161,000
Surplus/(deficit) for the period		<u>(122,775,002)</u>	<u>123,939,168</u>

The notes set out on pages 1 to 9 forms an integral part of these Financial Statements

NYAMIRA COUNTY EDUCATION SUPPORT FUND.
Reports and Financial Statements
For the Year Ended 30th June 2019

12.2. STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2019

	Note	2018/2019 KShs	2017/2018 KShs
Assets			
Current assets			
Cash and cash equivalents	5	1,164,166	123,939,168
Non-current assets			
Long term receivables from exchange transactions		-	-
Total assets		1,164,166	123,939,168
Liabilities			
Current liabilities			
Trade and other payables from exchange transactions	6	-	-
Net assets		-	-
Reserves		-	-
Accumulated surplus		1,164,166	123,939,168
Total net assets and liabilities		1,164,166	123,939,168

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 _____ 2020 and signed by:



Administrator of the Fund
Name: Jackson Oluoch.



Fund Accountant
Name: Peter Omari
ICPAK Member No: 15125.

NYAMIRA COUNTY EDUCATION SUPPORT FUND.
Reports and Financial Statements
For the Year Ended 30th June 2019

12.3. STATEMENT OF CHANGES IN NET ASSETS AS AT 30TH JUNE 2019

	Revolving Fund	Revaluation Reserve	Accumulated surplus	Total
		KShs	KShs	KShs
Balance as at 1 July 2017			19,038,252	19,038,252
Surplus/(deficit) for the period	-	-	104,900,916	104,900,916
Funds received during the year		-	-	-
Revaluation gain	-		-	-
Balance as at 30 June 2018			123,939,168	123,939,168
Balance as at 1 July 2018	-	-	123,939,168	123,939,168
Surplus/(deficit) for the period		-	(122,775,002)	(122,775,002)
Funds received during the year	-	-	-	-
Revaluation gain	-	-	-	-
Balance as at 30 June 2019	-	-	1,164,166	1,164,166

(There was no reserve as at end of the financial year)

NYAMIRA COUNTY EDUCATION SUPPORT FUND.

**Reports and Financial Statements
For the Year Ended 30th June 2019**

12.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2019

	Note	2018/2019	2017/2018
		KShs	KShs
Cash flows from operating activities			
Receipts			
Transfers from the County Government	1	131,500,000	121,075,293
Other gains		-	161,000
Receipts from other operating activities		-	-
Total Receipts		131,500,000	121,236,293
Payments			
Fund administration expenses	2	3,945,000	3,591,750
General expenses	3	250,135,154	12,728,766
Finance cost	4	194,848	14,861
Total Payments		254,275,002	16,335,377
Net cash flows from operating activities		(122,775,002)	104,900,916
Cash flows from investing activities			
Purchase of property, plant, equipment and intangible assets		-	-
Proceeds from sale of property, plant and equipment		-	-
Proceeds from loan principal repayments		-	-
Loan disbursements paid out		-	-
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
Proceeds from revolving fund receipts		-	-
Additional borrowings		-	-
Repayment of borrowings		-	-
Net cash flows used in financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(122,775,002)	104,900,916
Cash and cash equivalents at 1 JULY 2018	5	123,939,168	19,038,252
Cash and cash equivalents at 30 JUNE 2019	5	1,164,166	123,939,168

(IPSAS 2 allows an entity to present the cash flow statement using the direct or indirect method but encourages the direct method. PSASB also recommends the use of direct method of cash flow preparation. The above illustration assumes direct method)

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

12.5. STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE PERIOD ENDED 30TH JUNE 2019

	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% utilisation
	2019	2019	2019	2019	2019	2019
	KShs	KShs	KShs	KShs	KShs	
Transfers from County Govt.	254,994,154		254,994,154	254,994,154	-	100%
Total income	<u>254,994,154</u>	-	<u>254,994,154</u>	<u>254,994,154</u>	-	100%
Expenses						
Fund administration expenses	3,945,000	-	3,945,000	3,945,000	-	100%
Student Bursary	250,849,155	-	250,849,155	250,849,155	714,001	99.7%
Finance cost	199,999	-	199,999	194,848	5,151	97.4%
Total expenditure	<u>254,994,154</u>	-	<u>254,994,154</u>	<u>254,275,002.00</u>	719,152	99.7%
Surplus for the period		-		<u>719,152</u>		

Budget notes

1. Where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis (budget is cash basis, statement of financial performance is accrual) provide a reconciliation.

Reconciliation

Transfers from County Government

Balance as per Statement of Financial Performance	131,500,000
Balance Brought forward from 2017/18	<u>123,494,154</u>
Balance as per Statement of Comparison of Budget and Actual	<u>254,994,154</u>

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Statement of compliance and basis of preparation

The Fund’s financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

2. Adoption of new and revised standards

a) Relevant new standards and amendments to published standards effective for the year ended 30 June 2019

Standard	Impact
IPSAS 40: Public Sector Combinations	Applicable: 1st January 2019 The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only). Business combinations and combinations arising from non-exchange transactions are covered purely under Public Sector combinations as amalgamations. <i>(State the impact of the standard to the entity if relevant)</i>

b) New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2019

Standard	Effective date and impact:
IPSAS 41: Financial	Applicable: 1st January 2022: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

Standard	Effective date and impact:
Instruments	<p>present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an entity's future cash flows.</p> <p>IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by:</p> <ul style="list-style-type: none"> • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy. <p><i>(State the impact of the standard to the entity if relevant)</i></p>
IPSAS 42: Social Benefits	<p>Applicable: 1st January 2022</p> <p>The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general purpose financial reports assess:</p> <p>(a) The nature of such social benefits provided by the entity; (b) The key features of the operation of those social benefit schemes; and</p> <p>(c) The impact of such social benefits provided on the entity's financial performance, financial position and cash flows.</p> <p><i>(State the impact of the standard to the entity if relevant)</i></p>

c) **Early adoption of standards** The entity did not early – adopt any new or amended standards in year 2019.

3. Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

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.

4. Budget information

The original budget for FY 2018/2019 was approved by the County Assembly. No subsequent revisions or additional appropriations were made to the approved budget. The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section xxx of these financial statements.

5. Property, plant and equipment

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

6. Intangible assets

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

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

7. Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Entity determines the classification of its financial assets at initial recognition.

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Contingent assets

The Entity 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 Entity 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.

8. Nature and purpose of reserves

The Entity creates and maintains reserves in terms of specific requirements.

9. Changes in accounting policies and estimates

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

10. 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

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

11. Borrowing costs

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

12. Related parties

The Entity 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 Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

13. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

14. Comparative figures

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

15. Events after the reporting period

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

Ultimate and Holding Entity

The entity is a County Public Fund established by Nyamira county education fund Act of 2016 (*Nyamira county education support Fund act of 2016*) under the Ministry of education. Its ultimate parent is the County Government of Nyamira.

16. Currency

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

17. Significant judgments and sources of estimation uncertainty

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

State all judgements, estimates and assumptions made: e.g

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.

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

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

12.6. NOTES TO THE FINANCIAL STATEMENTS

1. Transfers from County Government

Description	2018/2019	2017/2018
	KShs	KShs
Transfers from County Govt. – operations	131,500,000	121,075,293
Payments by County on behalf of the entity	-	-
Total	131,500,000	121,075,293

2. Fund administration expenses

Description	2018/2019	2017/2018
	KShs	KShs
Staff costs (Note 7)	-	-
Professional services costs	-	-
Administration fees	3,945,000	3,591,750
Total	3,945,000	3,591,750



Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Bursary to student.

Description	2018/2019	2017/2018
	KShs	KShs
Bursary to Students	250,135,154	12,728,766
Other expenses	-	-
Total	250,135,154	12,728,766

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. Finance costs

Description	2018/2019	2017/2018
	KShs	KShs
Bank charges	194,848	14,861
Interest on loans from banks	-	-
Total	194,848	14,861

5. Cash and cash equivalents

Description	2018/2019	2017/2018
	KShs	KShs
Fixed deposits account	-	-
On – call deposits	-	-
Current account	1,164,166	123,939,168
Others	-	-
Total cash and cash equivalents	1,164,166	123,939,168

(The amount should agree with the closing and opening balances as included in the statement of cash flows)

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

Financial institution	Account number	2018/2019	2017/2018
		KShs	KShs
a) Fixed deposits account			
Kenya Commercial bank		-	-
Equity Bank, etc		-	-
Sub- total		-	-
b) On - call deposits			
Kenya Commercial bank		-	-
Equity Bank - etc		-	-
Sub- total		-	-
c) Current account			
Kenya Commercial bank		1,164,166	123,939,168
Bank B		-	-
Sub- total		1,164,166	123,939,168
d) Others(specify)			
Cash in transit		-	-
Cash in hand		-	-
M Pesa		-	-
Sub- total		-	-
Grand total		1,164,166	123,939,168

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

D).PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS.

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.2Stale Cheques	Audit examination of bank reconciliation statement as at 30th June 2018, for account number 1182983871 maintained at Kenya Commercial Bank, Nyamira branch indicated that unpresented cheques amounting to KSHS 3,348,000 were stale and therefore could not be honoured by banks as per the attached <i>appendix one</i> . Adequate reasons why these cheques had not been presented were not provided.	the department is in the process of collaborating with national government with an aim of integrating the IFMIS system to link with all secondary schools bank details to enable EFT transaction and each school to be defined in the IFMIS platform to enable us process and wire the funds directly to schools so that we can evade the mistake of stale cheques and writing of cheques. We've so far engaged various stakeholders to enable the county fast track on the same	Fund administrator Mr.Jackson Oluoch	The consultative agenda is Ongoing where by so far we have two meetings with the CDE office and the county treasury	By 2021

Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved/Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2.4. Scholarship and other educational benefits	The statement of receipt and payments for the year ended 30 th June 2018 reflects other amount of kshs. 121,075,293 reflects other grants and transfers of kshs. 162,316,292 out of which an amount of kshs. 121,075,293 paid did not attain the threshold of 2.5% of the total annual budgets as anchored in Nyamira county education act of 2016 on establishment and administration of Nyamira county education fund	1) I wish to note the following factors which do not form part of the total annual budget. 1.conditional grants (i) Which are given conditionally and these are donations which can be withdrawn at any time or is subject to changes? (ii) Unspent balances which forms part of the previous (component) budget hence cannot be ideal figure to be part of computation (iv)hence the equitable share revenue is the ideal figure to calculate	Fund accountant	The issue has been resolved	

Guidance Notes:

- a) Use the same reference numbers as contained in the external audit report;
- b) Obtain the “Issue/Observation” and “management comments”, required above, from final external audit report that is signed by Management;



Nyamira county education support fund
Reports and Financial Statements
For the year ended June 30, 2019

- c) Before approving the report, discuss the timeframe with the appointed Focal Point persons within your entity responsible for implementation of each issue;
- d) Indicate the status of “Resolved” or “Not Resolved” by the date of submitting this report to County Treasury.