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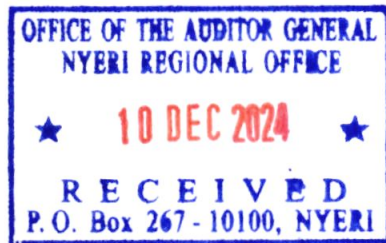
THE AUDITOR-GENERAL

ON

**KIRINYAGA COUNTY EDUCATION
BURSARY FUND**

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

PAPERS LAID	
DATE	27/2/2025
TABLED BY	Majority Whip
COMMITTEE	
CLERK AT THE TABLE	Angela



Kirinyaga County Education Bursary Fund

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

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

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

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

1. Acronyms and Definition of Key Terms

a) Acronyms

<i>BOM</i>	<i>Board of Management</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>TVETs</i>	<i>Technical and Vocational Educational Training Institutions</i>

b) Definition of Terms

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

2. Key Entity Information and Management

a) Background information

Education Bursary Fund is established by and derives its authority and accountability from Section 116 of the Public Finance Management Act, 2012. The Fund is wholly owned by the County Government of Kirinyaga and is domiciled in Kenya.

The fund's objective is to....

The Fund's principal activity is....

- *Providing education bursary to students enrolled in secondary schools, colleges, universities and other institutions that offer tertiary education*
- *Meeting any expenditure related to administration of the fund as may be approved by the Executive Committee Member*

b) Principal Activities

The principal activity/mission/ mandate of the Fund is to ...

The principal activity/mission/mandate of the management is to supervise and control administration of funds to provide education bursary to students.

c) Board of Trustees/Fund Administration Committee

The *entity's* day-to-day management is under the following key organs:

Ref	Name	Position
1	Chairperson	Veronica Wangari Waweru
2	Other trustees/Committee Members	Julius Njega Wamwea
3	Fund Manager/ Administrator	Patrick Mugo
4		

d) Fiduciary Management

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

Ref	Name	Position
1	Fund Manager/ Scheme Administrator	Patrick Mugo
2	Fund Accountant	Pauline Ngondi
3	Assistant Fund Administrator	Julius Njega Wamwea
4		

Key Entity and Management (Continued)

e) Fiduciary Oversight Arrangements

SN	Position	Name
1	Directorate Internal Audit	Philomena Nyokabi
2	Staff car Mortgage and car Loan Advisory Committee	James Kimaru

f) Registered Offices

County Headquarters

P.O. Box 260-10304
Kutus, KENYA

g) Fund Contacts

Telephone: (254) 20-2054354
E-mail: education@kirinyaga.go.ke
Website: www.kirinyaga.go.ke

h) Fund Bankers

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

Key Entity and Management (Continued)

i) Independent Auditor

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

j) Principal Legal Adviser





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

k) County Attorney




Caroline N. Kinyua

P.O. Box 260
Postal code 10304
Kutus, Kenya

3. Trustees/ Fund Administration Committee Profiles

Name	Details of qualifications and experience
<p>1. Veronica Wangari Waweru</p> 	<p>CECM Education and Bursary Fund</p> <p>Academic Qualifications Bachelor in Arts –Education Masters in Planning, Policy and Administration of Education Experience: Over 30 years in public sector</p>
<p>2. Patrick Mugo</p> 	<p>Chief Officer Education (Fund Administrator)</p> <p>Academic Qualifications Bachelor of Commerce Experience: Over 20years In Banking and Senior Management</p>
<p>3. Julius Njega Wamwea</p> 	<p>Assistant Fund Administrator</p> <p>Academic Qualifications Bachelor of Business Management Experience: 11 years.</p>
<p>4. Pauline Ngondi</p> 	<p>Fund Accountant</p> <p>Academic Qualifications Bachelor of Commerce (Finance Option) CPA K Experience: 8 years</p>

4. Key Management Team

Name	Details of qualifications and experience
<p>1. Veronica Wangari Waweru</p> 	<p>CECM Education and Bursary Fund</p> <p>Academic Qualifications Bachelor in Arts –Education Masters in Planning, Policy and Administration of Education Experience: Over 30 years in public sector</p>
<p>2. Patrick Mugo</p> 	<p>Chief Officer Education (Fund Administrator)</p> <p>Academic Qualifications Bachelor of Commerce Experience: Over 20years In Banking and Senior Management</p>
<p>3. Julius Njega Wamwea</p> 	<p>Assistant Fund Administrator</p> <p>Academic Qualifications Bachelor of Business Management Experience: 11 years</p>

5. Chairman's Report

The Kirinyaga Education Bursary Fund is managed in accordance with The Public Finance Management (The Kirinyaga County Education Bursary Fund) Regulations, 2023. There were no amendments to the Regulations during the period under review. According to the Regulations, the fund is administrated by the Chief Officer responsible for education.

The decision making in regard to award of bursary is decentralized to the ward level with each of the twenty (20) wards having a committee. Each committee has seven (7) members and the membership of the committees remained the same. On the other hand, each committee has a secretary appointed by the Executive Committee Member.

The amount allocated for bursary during the financial year 2023/2024 was Kshs. 148,000,000 million. In conclusion, the Fund continues to play a key role in assisting the needy students attending secondary schools, tertiary colleges and universities. The demand for financial assistance is overwhelming as indicated by the numerous applications received. Moving forward and budgetary provisions allowing, the allocation to the Fund may be increased.

Name: VERONICA WAWERY Signature:  Date: 18/7/24
Chairperson of the Board/Fund

6. Report of The Fund Administrator

The Kirinyaga County Education Bursary Fund was established in FY 2013/14 and has continued to date. At the County Headquarters, the Fund is administered by the Chief Officer responsible for education, assisted by one of the directors. At the ward level, the Fund is administered by a Ward Education Bursary Committee comprising of a chairperson and four (4) other members appointed by the Executive Committee Member responsible for education. In the County, there are twenty (20) wards and so are the committees. Each committee has a secretary appointed by the Executive Committee member.

Each of the wards has a bank account where the funds for the ward are deposited. The signatories to the accounts are the Chairperson, Secretary and Accountant assigned to the ward. Payments from the accounts are by cheques drawn in favour of the educational institution where the beneficiary is enrolled.

The ward committees receive application forms from students seeking financial assistance. The committees appraise the applications and award bursaries to the qualifying beneficiaries. A total number of 5,085 students for universities, 7,431 for tertiary colleges and 39,048 for secondary schools benefited in the financial year 2023/2024 from the bursary fund. This amounted to total of 51,564 students that benefited in financial year 2023/20234

Name: Patrick Mugo Signature:  Date: 18/12/2024

Fund Administrator

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

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 as per the County Integrated Development Plan (CIDP) for 2023 to 2024 are to:

- a) *Retention*
- b) *Increased enrolment*
- c) *Completion Rate*

Progress on the attainment of Strategic development objectives

Below we provide the progress on attaining the stated objectives:

Program	Objective	Output	Performance Indicator	Performance
<i>Kirinyaga County Education Bursary fund</i>	<i>To improve access to education by supporting the bright and needy students.</i>	<i>Increased number of students accessing education in the county.</i>		<i>Increased number of bursary beneficiaries for universities institutions from 3,017 to 5,085 FY 2023/2024</i>
				<i>Increased number of bursary beneficiaries for Tertiary institutions from 4,209 to 7,431 FY 2023/2024</i>
				<i>Increased number of bursary beneficiaries for secondary schools from 27,573 to 39,048 in FY 2023/2024</i>

8. Statement of Corporate Governance

Pursuant to Kirinyaga County Education Bursary fund established under regulation 4 of the public finance management Act the department is mandated to facilitate and support all the committee/boards constituted as per the Acts. The fund is administered by the Chief Officer Education. The committee shall comprise of the following members who shall be appointed by the Executive Committee member with the approval of the County Assembly;

- a) A chairperson
- b) One person per sub location or a maximum of six members who shall be drawn from various representation including civil societies and religious groups in the respective ward.

BOARD MEETINGS ATTENDANCE

The Fund is disbursed in twenty (20) wards through committees that shall meet not more than twelve times in every financial year and not more than four months shall elapse between the date of one meeting and the date of next meeting. On average, the Ward Bursary Committees held 5 meetings in the year ended 30th June 2024.

FUNCTIONS OF THE COMMITTEE

- a) Creating awareness among the residents of the ward about the fund
- b) Receiving, reviewing and approving applications for the bursary
- c) Determining the amount bursary or scholarship or be awarded to each approved application
- d) Monitoring and evaluating the progress and performance of the students supported under these regulations
- e) Maintaining and operating ward education bursary accounts

Carrying out such other roles necessary for the implementation of the other object and purpose of these regulations and perform such other functions as may from time to time as assigned by the Executive Committee Member.

9. Management Discussion and Analysis

FY 2022/23

ANNUAL REPORT

INTRODUCTION

Kirinyaga County Education Bursary Fund (KCEBF) was established in the 2014-2015 financial year based on the Public Finance Management Act, 2012 legal framework to provide students ranging from orphans, specially-abled students, and those from poor backgrounds with financial assistance to enable them access education in secondary, tertiary, special schools, and university institutions.

The fund is administered by bursary committees domiciled in each of the 20 wards in Kirinyaga County which are guided by the values of fairness and equity; inclusivity and non-discrimination in ensuring that all residents are included in the process; public participation; accountability and transparency; and efficiency in funds disbursement.

Following the amendment of Kirinyaga County Education Bursary Fund regulations, 2023, a new committee, i.e. Kirinyaga County Executive Bursary Committee was created with the intention of providing education scholarships to extremely needy students, specially-abled students and orphans to enable them access education opportunities that would have been otherwise out of reach for them.

The main objective of establishing the Kirinyaga County Education Bursary Fund is to ensure enrolment, retention, transition and completion of students supported under this Fund.

F/Y 2022-2023 FUND PERFORMANCE

In the 2022-2023 financial year, the County Government of Kirinyaga allocated KSh. 95,000,000 towards the Kirinyaga County Education Bursary Fund. This amount was disbursed to the Bursary Fund Accounts as per the prescribed percentages in the Kirinyaga County Education Bursary Fund Regulations, 2023.

A further 9 wards allocated additional amounts from their Ward Development kitties as highlighted in table 1 below towards the Kirinyaga County Education Bursary Fund. This enhanced the total bursary fund disbursed during the financial year to KSh. 108,200,000.

Table 1: Bursary Fund Enhancement

S/N	WARD	AMOUNT 'KSH'
1	BARAGWI	3,000,000
2	GATHIGIRIRI	1,000,000
3	INOI	3,000,000
4	KABARE	700,000
5	KERUGOYA	2,000,000

Kirinyaga County Education Bursary Fund
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6	KIINE	500,000
7	TEBERE	1,000,000
8	THIBA	1,000,000
9	WAMUMU	1,000,000
TOTAL		13,200,000

In the financial year, a total of 40,565 applicants submitted their applications for bursary support out of whom 34,799 (as shown in table 2 below) benefitted after a rigorous vetting process following the eligibility criteria set out in the Amended Regulations, 2023.

Notably, a significant number of cheques in various wards were issued after the close of the financial year explaining the difference between the number of applicants and beneficiaries.

Table 2: F/Y 2022-2023 Bursary Beneficiaries

S/N	WARD	UNIVERSITIES STUDENTS	TERTIARY INST/COLLEGES	SECONDARY STUDENTS	TOTALS
1	NGARIAMA	118	251	1,107	1,476
2	BARAGWI	25	43	1,288	1,356
3	KABARE	62	72	1,477	1,611
4	KARUMANDI	161	352	1,399	1,912
5	NJUKI-INI	179	321	1,766	2,266
6	KERUGOYA	115	219	1,889	2,223
7	MUTIRA	114	186	1,541	1,841
8	KANYEKI-INI	105	180	1,648	1,933
9	INOI	253	245	1,330	1,828
10	MUKURE	182	438	1,501	2,121
11	KIINE	118	116	976	1,210
12	KARITI	172	266	1,712	2,150
13	MUTITHI	173	280	1,407	1,860

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

14	KANGAI	121	103	1,200	1,420
15	WAMUMU	123	138	1,102	1,363
16	THIBA	150	164	674	988
17	MURINDUKO	140	152	1,650	1,942
18	GATHIGIRIRI	268	231	1,630	2,129
19	NYANGATI	218	222	996	1,436
20	TEBERE	210	220	1,196	1,626
21	COUNTY EXECUTIVE BURSARY	10	10	84	104
	TOTAL	3,017	4,209	27,573	34,799

Academic performance of beneficiaries

Bursary support has been noted as an integral part of ensuring retention of students in schools thus ensuring that their academic performance is not compromised due to absence from school.

While undertaking routine monitoring and evaluation exercises, the monitoring committee noted general improvement in the academic performance of bursary beneficiaries from the Bursary Funds. This was attributed to longer contact hours with teachers as a result of retention in school among other factors.

Enrolment, Retention, Transition and Completion levels of Beneficiaries

The bursary issuance calendar has often times coincided with the school calendar in that applications are invited when schools are on session. The only exceptions are from ones who report to schools later than continuing students. As such, the bursary fund has played an integral part in ensuring the enrolment, retention, transition and completion levels of its beneficiaries.

Noteworthy, a few cases reported to have dropped out as a result of huge fee arrears have been picked up in the Executive bursary sponsorship program and have since gone back to school. This identification of needy cases is a collaborative exercise between the County Executive Bursary Committee, local administrators and other local leaders to ensure it is efficient and transparent.

However, the rise in the cost of living among other factors has ensured that school fees across all institutions has been hiked the consequence of which is that the bursary offered to successful applicants alleviates only a small percentage of the school fees burden. It is our considered opinion that the kitty needs to be enhanced to ensure equitable distribution to different classes of applicants based on their levels of need.

As a department, we also propose the adjustment of the bursary issuance cycle to kick off earlier in the financial year to ensure that all classes of students are catered for during application.

IMPLEMENTATION OF PUBLIC FINANCE MANAGEMENT (KIRINYAGA COUNTY EDUCATION BURSARY FUND) REGULATIONS, 2023

The above regulations were passed on 7th March, 2023 and published on the 5th June, 2023. This followed amendments to the PFM (Kirinyaga County Education Bursary Fund) regulations, 2016.

The implementation of the above regulations was kickstarted in the last financial year during the disbursement of the bursary fund for F/Y 2023/24.

The three key action points for the implementation were;

- i. The percentage of funds allocation appropriated to ward bursary funds, county executive bursary fund and administration cost.
- ii. Reconstitution of ward KCBF committees and the formation of a County Executive Bursary Committee.
- iii. Revision of the bursary application form to conform with the amended regulations.

Allocation of Bursary Funds

The new regulations set the caps for the funds appropriation as follows;

- a. 88% of the amount set aside for disbursement to be allocated and disbursed equally to all the wards.
- b. 7% of the amount set aside for disbursement to be allocated and disbursed by the county executive education bursary committee.
- c. 5% of the amount set aside for disbursement to be allocated and disbursed for administration expenses of each ward education bursary committee and the county executive bursary committee provided that such amount shall not exceed KSh. 200,000 for each of these committees.

This was implemented in the current financial year.

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

Reconstitution of ward bursary committees

The reconstitution of ward bursary committees is underway and the County Executive Committee Member for Education and Public Service is set to appoint an additional two (2) members per ward to constitute a maximum of 7 members per Ward bursary committee as prescribed in the amended regulations.

Revision of the bursary application form to conform with the amended regulations

As provided in the new regulations, 2023 and attached as second schedule, the bursary application form has been amended and updated accordingly, affixing the County Logo and providing clear guidelines on the procedure for application and the relevant attachments to be done to the form.

Consequently, the department shall seek the Assembly's approval of this revised form to enable its roll out for use in the 2023/24 F/Y bursary cycle.

BURSARY ALLOCATION & DISBURSEMENT SUMMARY

SN	WARD	BUDGETARY ALLOCATION 'KSH'	UNIVERSITIES		TERTIARY COLLEGES		SECONDARY		TOTALS	
			STUDENTS	AMOUNT 'KSH'	STUDENTS	AMOUNT 'KSH'	STUDENTS	AMOUNT 'KSH'	STUDENTS	AMOUNT 'KSH'
1	NGARIAMA	4,417,500	118	481,800	251	658,500	1,107	2,332,300	1,476	3,472,600
2	BARAGWI	7,417,500	25	101,000	43	151,500	1,288	3,038,700	1,356	3,291,200
3	KABARE	5,117,500	62	304,000	72	285,500	1,477	2,566,000	1,611	3,155,500
4	KARUMANDI	4,417,500	161	401,000	352	879,000	1,399	2,294,000	1,912	3,574,000
5	NJUKI-INI	4,417,500	179	564,500	321	806,000	1,766	3,391,800	2,266	4,762,300
6	KERUGOYA	6,417,500	115	455,000	219	704,000	1,889	4,222,800	2,223	5,381,800
7	MUTIRA	4,417,500	114	521,500	186	676,500	1,541	3,453,000	1,841	4,651,000
8	KANYEKI-INI	4,417,500	105	267,835	180	450,000	1,648	3,356,100	1,933	4,073,935
9	INOI	7,417,500	253	1,012,000	245	978,000	1,330	2,975,000	1,828	4,965,000
10	MUKURE	4,417,500	182	568,500	438	1,059,900	1,501	2,780,870	2,121	4,409,270
11	KIINE	4,917,500	118	539,000	116	520,000	976	2,642,500	1,210	3,701,500
12	KARITI	4,417,500	172	709,000	266	729,000	1,712	2,465,500	2,150	3,903,500
13	MUTITHI	4,417,500	173	606,500	280	878,500	1,407	2,932,500	1,860	4,417,500

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

	KANGAI	4,417,500	121	637,500	103	435,000	1,200	3,056,750	1,424	4,129,250
15	WAMUMU	5,417,500	123	676,000	138	512,500	1,102	2,851,850	1,363	4,040,350
16	THIBA	5,417,500	150	417,000	164	559,000	674	3,059,400	988	4,035,400
17	MURINDUKO	4,417,500	140	505,000	152	457,500	1,650	3,222,500	1,942	4,185,000
18	GATHIGIRIRI	5,417,500	268	851,500	231	650,000	1,630	2,851,900	2,129	4,353,400
19	NYANGATI	4,417,500	218	643,000	222	645,500	996	2,711,000	1,436	3,999,500
20	TEBERE	5,417,500	210	1,184,000	220	797,000	1,196	3,670,000	1,626	5,651,000
21	COUNTY EXECUTIVE BURSARY	6,650,000	10	213,500	10	220,000	84	1,353,661	104	1,787,161
	TOTAL	108,200,000	3,017	11,659,135	4,209	13,052,900	27,573	61,228,131	34,799	85,940,16

FY 2021/22

ANNUAL REPORT

INTRODUCTION

Kirinyaga County Education Bursary Fund (KCEBF) was established in the 2014-2015 financial year based on the Public Finance Management Act, 2012 legal framework to provide students ranging from orphans, specially-abled students, and those from poor backgrounds with financial assistance to enable them access education in secondary, tertiary, special schools, and university institutions.

The fund is administered by bursary committees domiciled in each of the 20 wards in Kirinyaga County which are guided by the values of fairness and equity; inclusivity and non-discrimination in ensuring that all residents are included in the process; public participation; accountability and transparency; and efficiency in funds disbursement.

The main objective of establishing the Kirinyaga County Education Bursary Fund is to ensure enrolment, retention, transition and completion of students supported under this Fund.

F/Y 2021-2022 FUND PERFORMANCE

In the 2021-2022 financial year, the County Government of Kirinyaga allocated KSh. 105,000,000 towards the Kirinyaga County Education Bursary Fund. This amount was disbursed to the Bursary Fund Accounts as per the prescribed percentages in the Kirinyaga County Education Bursary Fund Regulations, 2016.

A further 6 wards allocated additional amounts from their Ward Development kitties as highlighted in table 1 below towards the Kirinyaga County Education Bursary Fund. This enhanced the total bursary fund disbursed during the financial year to KSh. 125,600,000.

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

Table 1: Bursary Fund Enhancement

S/N	WARD	AMOUNT 'KSH'
1	MUTIRA	3,600,000
2	KARITI	2,000,000
3	NJUKIINI	1,000,000
4	BARAGWI	5,000,000
5	KERUGOYA	5,000,000
6	MUKURE	4,000,000
TOTAL		20,600,000

In the financial year, a total of 49,986 applicants submitted their applications for bursary support out of whom 47,129 (as shown in table 2 below) benefitted after a rigorous vetting process following the eligibility criteria set out in the Kirinyaga County Education Bursary Fund Regulations, 2016.

Table 2: F/Y 2022-2023 Bursary Beneficiaries

S/N	WARD	UNIVERSITIES STUDENTS	TERTIARY INST/COLLEGES	SECONDARY STUDENTS	TOTALS
1	NGARIAMA	253	306	1,645	2,204
2	BARAGWI	303	320	2,133	2,756
3	KABARE	342	158	2,286	2,786
4	KARUMANDI	219	186	1,535	1,940
5	NJUKI-INI	213	299	1,846	2,358
6	KERUGOYA	346	306	2,096	2,748
7	MUTIRA	426	342	2,129	2,897
8	KANYEKI-INI	273	254	1,441	1,968
9	INOI	317	217	1,486	2,020
10	MUKURE	610	447	3,151	4,208
11	KIINE	218	281	2,441	2,940
12	KARITI	391	277	2,607	3,275
13	MUTITHI	170	208	1,275	1,653
14	KANGAI	158	107	1,411	1,676

Kirinyaga County Education Bursary Fund
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15	WAMUMU	191	177	1,701	2,069
16	THIBA	188	116	1,442	1,746
17	MURINDUKO	155	91	1,723	1,969
18	GATHIGIRIRI	161	213	1,545	1,919
19	NYANGATI	172	169	1,422	1,763
20	TEBERE	256	291	1,687	2,234
	TOTAL	5,362	4,765	37,002	47,129

Academic performance of beneficiaries

Bursary support has been noted as an integral part of ensuring retention of students in schools thus ensuring that their academic performance is not compromised due to absence from school.

While undertaking routine monitoring and evaluation exercises, the monitoring committee noted general improvement in the academic performance of bursary beneficiaries from the Bursary Funds. This was attributed to longer contact hours with teachers as a result of retention in school among other factors.

Enrolment, Retention, Transition and Completion levels of Beneficiaries

The bursary issuance calendar has often times coincided with the school calendar in that applications are invited when schools are on session. The only exceptions are from ones who report to schools on later dates than continuing students. As such, the bursary fund has played an integral part in ensuring the enrolment, retention, transition and completion levels of its beneficiaries.

Noteworthy, a few cases reported to have dropped out as a result of huge fee arrears have been picked up in the Governor's bursary sponsorship program and have since gone back to school. This identification of needy cases is a collaborative exercise between local administrators and other opinion leaders to ensure it is efficient and transparent.

However, the rise in the cost of living among other factors has ensured that school fees across all institutions has been hiked the consequence of which is that the bursary offered to successful applicants alleviates only a small percentage of the school fees burden. It is our considered opinion that the kitty needs to be enhanced to ensure equitable distribution to different classes of applicants based on their levels of need.

As a department, we also propose the adjustment of the bursary issuance cycle to kick off earlier in the financial year to ensure that all classes of students are catered for during application.

Kirinyaga County Education Bursary Fund**Annual Report and Financial Statements for the year ended June 30, 2024****BURSARY ALLOCATION & DISBURSEMENT SUMMARY**

SN	WARD	BUDGETARY ALLOCATION 'KSH'	UNIVERSITIES		TERTIARY COLLEGES		SECONDARY		TOTALS	
			STUDENTS	AMOUNT 'KSH'	STUDENTS	AMOUNT 'KSH'	STUDENTS	AMOUNT 'KSH'	STUDENTS	AMOUNT 'KSH'
1	NGARIAMA	5,250,000	253	959,500	306	869,000	1,645	3,243,100	2,204	5,071,600
2	BARAGWI	10,250,000	303	1,214,000	320	1,283,000	2,133	8,532,000	2,756	11,029,000
3	KABARE	5,250,000	342	898,500	158	462,000	2,286	3,667,250	2,786	5,027,750
4	KARUMANDI	5,250,000	219	1,050,000	186	706,200	1,535	2,952,000	1,940	4,708,200
5	NJUKI-INI	6,250,000	213	856,000	299	925,800	1,846	4,859,450	2,358	6,641,250
6	KERUGOYA	10,250,000	346	1,946,000	306	1,387,000	2,096	7,161,565	2,748	10,494,565
7	MUTIRA	8,850,000	426	1,466,500	342	2,535,000	2,129	4,496,400	2,897	8,497,900
8	KANYEKI-INI	5,250,000	273	1,227,000	254	888,500	1,441	3,601,565	1,968	5,717,065
9	INOI	5,250,000	317	988,000	217	621,000	1,486	3,470,000	2,020	5,079,000
10	MUKURE	9,250,000	610	1,219,000	447	893,251	3,151	6,302,251	4,208	8,414,502
11	KIINE	5,250,000	218	706,000	281	681,000	2,441	3,310,500	2,940	4,697,000
12	KARITI	7,250,000	391	1,580,000	277	869,600	2,607	4,736,500	3,275	7,186,100
13	MUTITHI	5,250,000	170	927,500	208	880,125	1,275	2,882,050	1,653	4,689,675
14	KANGAI	5,250,000	158	959,000	107	450,500	1,411	3,342,680	1,676	4,752,180
15	WAMUMU	5,250,000	191	980,000	177	518,820	1,701	3,496,700	2,069	4,995,520
16	THIBA	5,250,000	188	1,335,000	116	530,000	1,442	3,559,100	1,746	5,424,100
17	MURINDUKO	5,250,000	155	857,500	91	380,500	1,723	3,553,500	1,969	4,791,500
18	GATHIGIRIRI	5,250,000	161	647,800	213	804,800	1,545	3,365,200	1,919	4,817,800
19	NYANGATI	5,250,000	172	962,500	169	550,000	1,422	3,823,000	1,763	5,335,500
20	TEBERE	5,250,000	256	969,500	291	589,500	1,687	3,293,000	2,234	4,852,000
	TOTAL	125,600,000	5,362	21,749,300	4,765	16,825,596	37,002	83,647,811	47,129	122,222,207

FY 2020/21

ANNUAL REPORT

INTRODUCTION

Kirinyaga County Education Bursary Fund (KCEBF) was established in the 2014-2015 financial year based on the Public Finance Management Act, 2012 legal framework to provide students ranging from orphans, specially-abled students, and those from poor backgrounds with financial assistance to enable them access education in secondary, tertiary, special schools, and university institutions.

The fund is administered by bursary committees domiciled in each of the 20 wards in Kirinyaga County which are guided by the values of fairness and equity; inclusivity and non-discrimination in ensuring that all residents are included in the process; public participation; accountability and transparency; and efficiency in funds disbursement.

The main objective of establishing the Kirinyaga County Education Bursary Fund is to ensure enrolment, retention, transition and completion of students supported under this Fund.

F/Y 2020-2021 FUND PERFORMANCE

In the 2020-2021 financial year, the County Government of Kirinyaga allocated KSh. 65,000,000 towards the Kirinyaga County Education Bursary Fund. This amount was disbursed to the Bursary Fund Accounts as per the prescribed percentages in the Kirinyaga County Education Bursary Fund Regulations, 2016.

A further 5 wards allocated additional amounts from their Ward Development kitties as highlighted in table 1 below towards the Kirinyaga County Education Bursary Fund. This enhanced the total bursary fund disbursed during the financial year to KSh. 76,500,000.

Table 1: Bursary Fund Enhancement

S/N	WARD	AMOUNT 'KSH'
1	BARAGWI	3,000,000
2	KARITI	1,000,000
3	MUTIRA	3,000,000
4	KERUGOYA	2,500,000
5	MUKURE	2,000,000
TOTAL		11,500,000

In the financial year, a total of 38,705 applicants submitted their applications for bursary support out of whom 37,040 (as shown in table 2 below) benefitted after a rigorous vetting process following the eligibility criteria set out in the Kirinyaga County Education Bursary Fund Regulations, 2016.

Kirinyaga County Education Bursary Fund
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Table 2: F/Y 2020-2021 Bursary Beneficiaries

S/N	WARD	UNIVERSITIES STUDENTS	TERTIARY INST/COLLEGES STUDENTS	SECONDARY STUDENTS	TOTALS
1	NGARIAMA	225	292	1,415	1,932
2	BARAGWI	284	399	2,194	2,877
3	KABARE	229	144	1,606	1,979
4	KARUMANDI	204	360	951	1,515
5	NJUKI-INI	154	159	1,190	1,503
6	KERUGOYA	294	165	1,552	2,011
7	MUTIRA	396	330	1,643	2,369
8	KANYEKI-INI	196	117	893	1,206
9	INOI	295	201	1,565	2,061
10	MUKURE	364	322	1,870	2,556
11	KIINE	267	260	2,004	2,531
12	KARITI	432	254	1,786	2,472
13	MUTITHI	112	148	1,048	1,308
14	KANGAI	59	51	1,438	1,548
15	WAMUMU	182	80	1,394	1,656
16	THIBA	194	113	1,383	1,690
17	MURINDUKO	124	64	879	1,067
18	GATHIGIRIRI	209	153	1,097	1,459
19	NYANGATI	196	162	1,108	1,466
20	TEBERE	257	246	1,331	1,834
	TOTAL	4,673	4,020	28,347	37,040

Academic performance of beneficiaries

Bursary support has been noted as an integral part of ensuring retention of students in schools thus ensuring that their academic performance is not compromised due to absence from school. While undertaking routine monitoring and evaluation exercises, the monitoring committee noted general improvement in the academic performance of bursary beneficiaries from the Bursary

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Funds. This was attributed to longer contact hours with teachers as a result of retention in school among other factors.

Enrolment, Retention, Transition and Completion levels of Beneficiaries

Bursary issuance in the financial year 2019/2020 was delayed due to the Covid-19 outbreak. This meant that the budgeted amount in that financial year was disbursed in 2020/2021 financial year. Following the break in school calendar in early 2020 and its resumption in September the same year, there were several cases of dropping out from school due to fee arrears. Bursary disbursement was done in early 2021 as schools reopened for Term 1 hence ensuring enrolment and retention numbers were high.

The bursary issuance calendar has often times coincided with the school calendar in that applications are invited when schools are on session. The only exceptions are from ones who report to schools later than continuing students. As such, the bursary fund has played an integral part in ensuring the enrolment, retention, transition and completion levels of its beneficiaries.

Noteworthy, a few cases reported to have dropped out as a result of huge fee arrears have been picked up in the Governor’s bursary sponsorship program and have since gone back to school. This identification of needy cases is a collaborative exercise between local administrators and other opinion leaders to ensure it is efficient and transparent.

However, the rise in the cost of living among other factors has ensured that school fees across all institutions has been hiked the consequence of which is that the bursary offered to successful applicants alleviates only a small percentage of the school fees burden. It is our considered opinion that the kitty needs to be enhanced to ensure equitable distribution to different classes of applicants based on their levels of need.

As a department, we also propose the adjustment of the bursary issuance cycle to kick off earlier in the financial year to ensure that all classes of students are catered for during application.

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			STUDENTS	AMOUNT ‘KSH’	STUDENTS	AMOUNT ‘KSH’	STUDENTS	AMOUNT ‘KSH’	STUDENTS	AMOUNT ‘KSH’
1	NGARIAMA	3,250,000	225	901,000	292	631,000	1,415	3,241,800	1,932	4,773,800
2	BARAGWI	6,250,000	284	1,136,000	399	1,199,200	2,194	4,388,350	2,877	6,723,550
3	KABARE	3,250,000	229	819,500	144	435,000	1,606	3,313,425	1,979	4,567,925
4	KARUMANDI	3,250,000	204	895,000	360	1,384,800	951	2,863,200	1,515	5,143,000
5	NJUKI-INI	3,250,000	154	469,925	159	412,000	1,190	1,862,900	1,503	2,744,825
6	KERUGOYA	5,750,000	294	1,794,000	165	713,500	1,552	4,453,500	2,011	6,961,000

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7	MUTIRA	6,250,000	396	1,725,500	330	954,825	1,643	5,001,000	2,369	7,602,200
8	KANYEKI-INI	3,250,000	196	1,026,250	117	468,000	893	2,780,625	1,206	4,274,875
9	INOI	3,250,000	295	883,500	201	503,000	1,565	3,130,000	2,061	4,516,500
10	MUKURE	5,250,000	364	1,191,000	322	895,000	1,870	4,103,500	2,556	6,189,500
11	KIINE	3,250,000	267	1,059,000	260	679,625	2,004	3,059,220	2,531	4,797,840
12	KARITI	4,250,000	432	1,805,500	254	841,100	1,786	3,204,000	2,472	5,850,600
13	MUTITHI	3,250,000	112	856,000	148	699,500	1,048	3,045,600	1,308	4,601,100
14	KANGAI	3,250,000	59	751,500	51	218,000	1,438	3,496,728	1,548	4,466,228
15	WAMUMU	3,250,000	182	1,187,500	80	376,200	1,394	2,944,875	1,656	4,508,575
16	THIBA	3,250,000	194	890,000	113	454,000	1,383	3,407,000	1,690	4,751,000
17	MURINDUKO	3,250,000	124	944,000	64	469,000	879	3,450,000	1,067	4,863,000
18	GATHIGIRIRI	3,250,000	209	919,000	153	567,600	1,097	3,350,600	1,459	4,837,200
19	NYANGATI	3,250,000	196	816,000	162	623,500	1,108	3,051,000	1,466	4,490,500
20	TEBERE	3,250,000	257	1,061,000	246	505,000	1,331	3,158,874	1,834	4,724,874
	TOTAL	76,500,000	4,673	21,131,175	4,020	13,029,850	28,347	67,306,197	37,040	101,467,200

The Bursary Fund is solely applied in supporting needy students enrolled in universities, tertiary colleges and secondary school within and outside the County. Therefore, there are no other investments nor projects implemented using the Fund. In order to provide more useful information, the application form was revised to make it easier for the applicants to fill and the committees to process.

In utilizing the Fund, management ensured compliance with the statutory and regulatory requirements. In particular, management ensured that 93% of the total amount allocated for bursary was used to award bursaries as stipulated in the Regulations.

Some of the risks facing the fund may include double allocation and falsification of applications. On the other hand, there may also be attempts for applicants to benefit from two or more wards. To mitigate these possible risks, the County Directorate of Internal Audit carries out audits of the Fund. On the other hand, applicants are supposed to attach identification documents and also have the form signed and stamped by local administration officials to avoid cross-ward applications.

On the other hand, the Fund faces a number of challenges which include the time it takes to collect the cheques and present them to the banks. There is also the delay in release of funds from National Treasury which affects the disbursement to the banks and subsequent issuance of the cheques. There is also the delay in obtaining to make early requisitions with the hope that funds will be released early to avoid the other acknowledgement letters and/or receipts from the educational institutions. Management will continue challenges.

10. Environmental and Sustainability Reporting

The fund does not have activities that involve environmental and sustainability activities.

11. Report of The Trustees/Committee

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

Principal activities

The principal activities of the Fund are:

- Providing education bursary to students enrolled in secondary schools. Colleges, universities and other institutions that offer tertiary education
- Meeting any expenditure related to administration of the fund as may be approved by the Executive Committee Member

Results

The results of the Fund for the year ended June 30, 2024 are set out on page xi to xii

Trustees

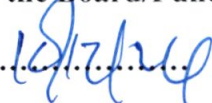
The Trustees who served during the year are shown on page vii. The changes in the Trustee during the financial year are as shown below:

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.

..... 

Chair of the Board/Fund Administration Committee

Date: 

12. Statement of Management’s Responsibilities

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

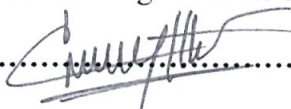
The Administrator of County Bursary Fund is responsible for the preparation and presentation of the Fund financial statements, which give a true and fair view of the state of affairs of the Fund for and as at the end of the financial year ended on June 30, 2024. This responsibility includes: (i) maintaining 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 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. 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, 2024, 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 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

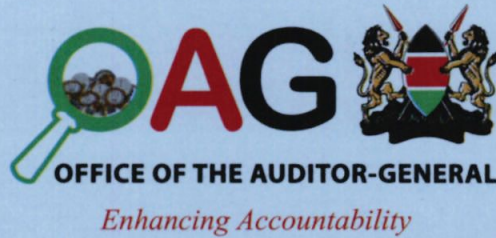
The Fund/Scheme’s financial statements were approved by the Trustee/Committee on 10/12 2024 and signed on its behalf by:

.....


Administrator of the *County Public* Fund

REPUBLIC OF KENYA

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HEADQUARTERS
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NAIROBI

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

PREAMBLE

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

- A. Report on 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 Kirinyaga County Education Bursary Fund set out on pages 1 to 25, which comprise of the statement of financial position as at 30 June, 2024 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, 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 Kirinyaga County Education Bursary Fund as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Kirinyaga County Education Bursary Fund Act, 2023 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Accumulated Surplus and Cash and Cash Equivalents

The statement of changes in net assets and statement of cashflow reflects Kshs.8,212,950 in respect of the restated opening balance of accumulated surplus and cash and cash equivalent after adjustment from the previous year audited closing balance of Kshs.33,594,598 by Kshs.25,381,648 described as adjustment for previous bank balances misstatements. However, the amount was not supported by a Note in the financial statement, analysis and documentary evidence.

In the circumstances, the accuracy and completeness of the accumulated surplus and cash and cash equivalents restated opening balance of Kshs.8,212,950 and closing balance of Kshs.5,269,028 could not be confirmed.

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

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 matters described in

the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the issues remained unresolved as at 30 June, 2024.

Other Information

Conclusion

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

Basis for conclusion

In connection with my audit on the Kirinyaga County Education 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 matter 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

Non-Compliance with County Education Bursary Fund Act and Regulations

The Kirinyaga County Education Bursary Fund Committee established the Ward Education Bursary Committee as outlined in Regulation 5(1) of the Kirinyaga County Education Bursary Fund Regulations, 2016. Audit review of ward education bursary committee minutes provided for audit revealed that the committee did not document or observe the requirements of Section 13(2) of the Kirinyaga County Education Bursary Fund Act, 2023 by awarding scores in each category out of a possible 100% while awarding the bursary. In addition, no evidence of the ranking report for the eligible applicants was provided for audit. Further, no evidence was documented on background check of applicants carried out to ascertain whether any of the beneficiaries had benefited from other similar schemes to determine the extent of need as required by Regulations 13(3) and (4) of the Kirinyaga County Education Bursary Fund Regulations, 2016.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Policy for Rate of Payment for Lunch Allowances and Airtime to Committee Members

During the year under review, it was observed the bursary committee members were paid lunch allowance at various rates for attending bursary ward meetings ranging from Kshs.1,500 for the Chairman and Kshs.1,000 for Members. In addition, the Chairman and Secretary of Bursary Ward Committee were paid airtime at a rate of Kshs.1,000. However, the basis of payment of the allowances was not described in the Kirinyaga County Education Bursary Fund Act, 2023 and the enabling regulation.

In the circumstances, the effectiveness of the internal controls in place for the payment of the lunch and airtime allowances 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 Fund Administration Committee

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

In preparing the financial statements, Management is responsible for assessing the Kirinyaga County Education Bursary 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.

The Fund Administration Committee are responsible for overseeing the Kirinyaga County Education Bursary 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 for 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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I 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

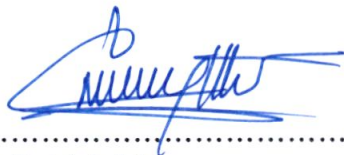
30 December, 2024

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

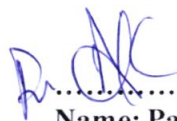
14. Statement of Financial Performance for the Year Ended 30th June 2024

Description	Note	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Revenue From Non-Exchange Transactions			
Transfers From the County Government	6	148,000,000	108,200,000
Public Contributions and Donations	7	-	-
		148,000,000	108,200,000
Revenue From Exchange Transactions			
Finance Income	8	-	-
Other income	9	-	-
Total Revenue		148,000,000	108,200,000
Expenses			
Bursary transfers	10	146,284,922	85,940,166
Scholarship grants	11	-	-
Use of Goods and Services	12	4,659,000	3,909,833
Total Expenses		150,943,922	89,849,999
Surplus/(Deficit) for the Period		(2,943,922)	18,350,001

(The notes set out on pages 6 to 24 form an integral part of these Financial Statements)



.....
Name: Patrick Mugo
Administrator/Accounting Officer



.....
Name: Pauline Ngondi
Fund Accountant
ICPAK Member Number:24974

Kirinyaga County Education Bursary Fund
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15. Statement of Financial Position as at 30 June 2024

Description	Note	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	13	5,269,028	8,212,950
Non-exchange receivables	14	-	-
Exchange Receivables	15	-	-
Total current assets		5,269,028	8,212,950
Total Assets (A)		5,269,028	8,212,950
Liabilities			
Current Liabilities			
Trade and Other Payables	16	-	-
Total current liabilities		-	-
Total Liabilities (B)		-	-
Net Asset (A-B)		5,269,028	8,212,950
Represented By:			
Accumulated Surplus		5,269,028	8,212,950
Net Assets		5,269,028	8,212,950

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 18/12 2024 and signed by:


 Name: Patrick Mugo
 Fund Administrator/Accounting Officer


 Name: Pauline Ngondi
 Fund Accountant
 ICPAK Member Number:24974

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

Description	Accumulated surplus	Total
	Kshs	Kshs
Balance as at 1 July 2022	15,244,597	15,244,597
Surplus/(Deficit) For the Year	18,350,001	18,350,001
Balance As At 30 June 2023	33,594,598	33,594,598
Adjustment for previous bank balances misstatement	(25,381,648)	(25,381,648)
Restated opening balance for net assets	8,212,950	8,212,950
Balance As At 1 July 2023	8,212,950	8,212,950
Surplus/(Deficit) For the Year	(2,943,922)	(2943,922)
Balance As At 30 June 2024	5,269,028	5,269,028

The opening bank balances have been restated since it was wrongly recorded in previous years. This has been supported by bank reconciliations figures which were posted in 2022/2023 financial statement in note 13 amounting to ksh.8,212,950. Balances in the statement of cashflow have been adjusted accordingly

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

Description	Note	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
Cash flows from operating activities			
Receipts			
Transfers From the County Government	6	148,000,000	108,200,000
Public Contributions and Donations		-	-
Finance Income		-	-
Other receipts		-	-
Total receipts		148,000,000	108,200,000
Payments			
Bursary Transfers	10	146,284,922	89,849,999
Scholarship grants		-	-
Use of goods and Services	12	4,659,000	-
Net cash flows from operating activities	17	(2,943,922)	18,350,001
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		(2,943,922)	18,350,001
Cash and cash equivalents at 1 July 2023		33,594,898	15,244,897
Prior year adjustment for bank balances		(25,741,648)	
Restated Cash and cash equivalents at 1 July 2023	13	8,212,950	15,244,897
Cash and cash equivalents at 30 June 2024	13	5,269,028	33,594,898

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

The opening cash and cash equivalent has been restated to Ksh 8,212,950 since previous years bank balances were wrongly posted as explained in the statement of changes in net assets. Refer to note 13 which shows previous year bank balances amounting to Ksh 8,212,950

Kirinyaga County Education Bursary Fund
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18. Statement of Comparison of Budget & Actual Amounts for Year Ended 30th June 2024

Description	Original budget	Adjustments	Final budget	Actual on comparable basis	Performance difference	% Utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
	A	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Revenue						
Transfers From the County Government	148,600,000	8,212,950	156,812,950	156,212,950	600,000	99.6%
Public Contributions and Donations	-	-	-	-	-	
Finance Income	-	-	-	-	-	
Other receipts	-	-	-	-	-	
Total Income	148,600,000	8,212,950	156,812,950	156,212,950	600,000	99.6%
Expenses						
Bursary Transfers	148,600,000	3,553,950	152,153,950	146,284,922	5,869,028	96.1%
Scholarship grants	-	-	-	-	-	
Use of goods & Services		4,659,000	4,659,000	4,659,000	-	100%
Total Expenditure	148,600,000	8,212,950	156,812,950	150,943,922	5,869,028	96.3%
Surplus For the Period	-	-	-	5,269,028	-	

Budget notes

In the year under review, the fund received Kshs.148,000,000 being transfers from the county government. The fund had Kshs.8,212,950 brought forward from the previous year, bringing the total amounts available for expenditure to Kshs.156,212,950. The fund spent Kshs.150,943,922 during the year, thus had a balance of Kshs.5,269,028 which was carried down to the following year.

19. Notes to the Financial Statements

Significant Accounting Policies

1. General Information

County Education Bursary Fund is established by and derives its authority from the Public Finance Management Act, 2012. The entity is wholly owned by the Kirinyaga County Government and is domiciled in Kenya. The County Bursary Fund principal activity is-

2. Statement of compliance and basis of preparation

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

3. Adoption of new and revised standards

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

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

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

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

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

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

(iii) Early adoption of standards

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

(State the standards, reason for early adopt, and impact on the on entity's financial statements.)

4.Summary of Significant Accounting Policies

a) Revenue recognition

i. Revenue from non-exchange transactions

Revenue transfers

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

ii. Revenue from exchange transactions

Interest income

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

b) Budget information

The original budget for FY 2023/2024 was approved by the County Assembly on 22nd May 2023. 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 County Education Bursary Fund upon receiving the respective approvals in order to conclude the final budget. The County Education Bursary Fund recorded additional appropriations of Kshs. 0 on the FY 2023/2024 budget following the governing body's approval.

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

In addition to the 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 financial performance has been presented under section xxx of these financial statements.

c) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. *The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements (amend as appropriate).* 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

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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. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note xx*.

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

e) Contingent liabilities

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

County Bursary Fund does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the County 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 County Bursary Fund creates and maintains reserves in terms of specific requirements. *Entity to state the reserves maintained and appropriate policies adopted.*

h) Changes in accounting policies and estimates

The 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 County Bursary Fund regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the County 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 county Bursary Fund financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

State all judgments, estimates, and assumptions made e.g.

a) Estimates and assumptions –

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

b) Useful lives and residual values

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

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

c) Provisions

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

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.

(Include provisions applicable for your organization e.g provision for bad debts, provisions of obsolete stocks and how management estimates these provisions)

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6. Transfers from the County Government

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Transfers From County Govt-Operations	148,000,000	108,200,000
Others (<i>Specify</i>)	-	-
Total	148,000,000	108,200,000

7. Public Contributions and Donations

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Donation From Development Partners	-	-
Contributions From the Public	-	-
Others (<i>Specify</i>)	-	-
Total	-	-

8. Finance income

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Interest Income on Bank Deposits	-	-
Others (<i>Specify</i>)	-	-
Total finance income	-	-

9. Other income

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Cheque write-backs	-	-
Others (<i>Specify</i>)	-	-
Total Other Income	-	-

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10. Bursary Transfers

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Universities	20,355,183	11,659,135
TVETs and Colleges	27,353,006	13,052,900
Secondary schools	98,576,733	61,228,131
Other (<i>Specify</i>)	-	-
Total	146,284,922	85,940,166

11. Scholarship grants

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Universities	-	-
TVETs and Colleges	-	-
Secondary schools	-	-
Other (<i>Specify</i>)	-	-
Total	-	-

12. Use of Goods and Services

Description	FY 2023-2024	FY 2022-2023
	Kshs.	Kshs.
Committee Allowances	1,700,000	-
Bank charges	-	168,833
Audit fees	-	-
Other (<i>Operating expenses</i>)	2,959,000	3,741,000
Total	4,659,000	3,909,833

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13. Cash and cash equivalents

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Current Account	4,188,698	3,864,036
Executive Bursary	1,080,330	4,348,914
Total Cash and Cash Equivalents	5,269,028	8,212,950

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

Financial Institution	Account number	FY 2023-2024	FY 2022-2023
		Kshs	Kshs
a) Current Account			
KCB-1163964123	Mukure	60,007	181,607
KCB-1161083677	Kabare	118,091.50	87,141.50
KCB-1161083561	Karumandi	120,464	16,464
KCB-1161083510	Ngariama	427,608.50	50,703.50
KCB-1161083472	Baragwi	1,080,385	438,886
KCB-1161083413	Njukiini	200,732	92,553
KCB-1205585184	Kangai	368,062	94,861.50
KCB-1205585958	Wamumu	35,326	380,169
KCB-1205586253	Mutithi	6,728	122,228
KCB-1205586091	Thiba	255,450	75,950
COOP-01141491690500	Gathigiriri	88,667	207,017
COOP-01141491693500	Murinduko	840,720	40,100
COOP-01141491690200	Nyangati	47,770	88,780
COOP-01141491690400	Tebere	39,196	30,736
KCB-1161615997	Inoi	37,222.50	950,265.50
KCB-1161093095	Mutira	310,268.50	84,266.50
KCB-1161080740	Kerugoya	7,414	30,795
KCB-1161561358	Kanyekiine	16,767	42,494
KCB-1152890018	Kariti	27,920	5,820
KCB-1274143055	Kiine	99,899	843,199
Sub- Total		4,188,698	3,864,036
b) Others			
KCB-1313570362	County Executive Bursary	1,080,330	4,348,914
Cash In Transit		-	-
Cash In Hand		-	-
Sub- Total		1,080,330	4,348,914
Grand Total		5,269,028	8,212,950

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14. Non-Exchange Receivables

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Revenue receivable	-	-
Others (<i>Specify</i>)	-	-
Total non-exchange receivables	-	-

15. Exchange Receivables

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Interest receivable	-	-
Others (<i>Specify</i>)	-	-
Total exchange receivables	-	-

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16. Trade and other payables

Description	FY 2023-2024		FY 2022-2023	
	Kshs		Kshs	
Trade Payables	-		-	
Other Payables (<i>specify</i>)	-		-	
Total Trade and Other Payables	-		-	
Ageing analysis (Trade and other payables)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (tie to above total)	-	-	-	-

17. Cash generated from operations.

Description	FY 2023-2024		FY 2022-2023	
	Kshs		Kshs	
Surplus/ (Deficit) For the Year	(2,943,922)		18,350,001	
Adjusted For:	-			
Working Capital Adjustments	-			
Increase In Receivables	(-)		(-)	
Increase In Payables	-		-	
Net Cash Flow from Operating Activities	(2,943,922)		18,350,001	

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) Board of Trustees, etc.

b) Related party transactions

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Transfers from related parties	-	-
Transfers to related parties	-	-

c) Key management remuneration

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Board of Trustees	-	-
Total	-	-

d) Due from related parties

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Due From County Government	-	-
Total	-	-

Other Disclosures Continued

e) Due to related parties

Description	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Due to County Government	-	-
Due to Key Management Personnel	-	-
Total	-	-

19. Contingent assets and contingent liabilities

Contingent Liabilities	FY 2023-2024	FY 2022-2023
	Kshs	Kshs
Court Case Against the Fund	-	-
Bank Guarantees	-	-
Total	-	-

20. Financial risk management

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

a) Credit risk

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

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Description	Total amount Kshs	Fully performing Kshs	Past due Kshs	Impaired Kshs
At 30 June 2023				
Receivables From Non-Exchange Transactions	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-
As at 30th June 2024				
Receivables From Non-Exchange Transactions	-	-	-	-
Receivables From Exchange Transactions	-	-	-	-
Bank Balances	-	-	-	-
Total	-	-	-	-

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

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 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.

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
At 30 June 2024				
Trade Payables	-	-	-	-
Current Portion of Borrowings	-	-	-	-
Provisions	-	-	-	-
Total	-	-	-	-
As at 30 June 2023				
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 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.

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

Description		Other currencies	Total
	Kshs	Kshs	Kshs
At 30 June 2024			
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 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
(2023/2024)			
Euro	10%	-	-
USD	10%	-	-
Other (<i>Specify</i>)	10%	-	-
(2022/2023)			
Euro	10%	-	-
USD	10%	-	-
Other (<i>Specify</i>)	10%	-	-

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 to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Fund deposits.

Management of interest rate risk

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

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs - (2023: Kshs -). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs - (2024 – Kshs -).

d) Capital risk management.

The objective of the Fund 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 2023-2024	FY 2022-2023
	Kshs	Kshs
Accumulated surplus	-	-
Total funds	-	-
Less: cash and bank balances	(-)	(-)
Net debt/ (excess cash and cash equivalents)	-	-
Gearing	-	-

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)


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20. Annexes

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

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Accumulated Surplus	Resolved	Resolved	
2	Cash and Cash Equivalents	The correct cash and cash equivalent was kshs.8,212,950 hence kshs.33,594,598 in the statement of cashflows was wrongly reported	Resolved	
3	Unresolved prior year matters	Resolved	Resolved	



 Fund Administrator/Accounting Officer
 Date.....10/12/24

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Annex II: Inter-Entity Confirmation Letter

Name of transferring entity KIRINYAGA COUNTY

Name of beneficiary entity KIRINYAGA COUNTY

Confirmation of amounts received by [Kirinyaga County Bursary Fund] as at 30 th June 2024						
Reference Number	Date Disbursed	Amounts Disbursed by [Treasury County Department] (Kshs) as at 30 th June 2024			Amount Received by Kirinyaga County Bursary Fund (Kshs) as at 30 th June 2024 (D)	Differences (KShs) (E)=(C-D)
		Recurrent (A)	Development (B)	Total (C)=(A+B)		
FT240514XW4P	20/02/2024	74,000,000	-	74,000,000	74,000,000	-
FT24094RW82P	02/04/2024	73,500,000	-	73,500,000	73,500,000	-
FT2418494QTD	02/07/2024	500,000	-	500,000	500,000	-
Total		<u>148,000,000</u>	=	<u>148,000,000</u>	<u>148,000,000</u>	-

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

Head of Accounts Department - Disbursing Entity:

Name Raymond Mwangi Sign [Signature] Date 10/12/24

Head of Accounts Department - Beneficiary Entity:

Name Patrick Mwa Sign [Signature] Date 10/12/24

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BURSARY FUND TRIAL BALANCE AS AT 30.06.2024

ACCOUNTS SUB ITEMS	DEBIT	CREDIT
Transfers From the County Government		148,000,000
Bursary transfers	146,284,922	
Use of Goods and Services	4,659,000	
Bank	5,269,028	
Accumulated Surplus		8,212,950
	156,212,950	156,212,950