

REPUBLIC OF KENYA



Enhancing Accountability



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REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 01 JUL 2025 DAY: Tuesday

TABLED BY: Hon. Kimani Ichung'wa, MP
Leader of Majority

CLERK AT THE TABLE: Ann Shibuko

THE AUDITOR-GENERAL

ON

KINNA SECONDARY SCHOOL

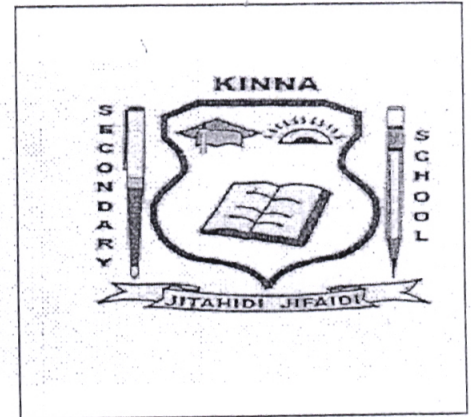
**FOR THE YEAR ENDED
30 JUNE, 2024**

ISIOLO COUNTY

Revised 30th June 2024.



OFFICE OF THE AUDITOR-GENERAL
ISIOLO REGIONAL OFFICE
19 MAY 2025
P. O. Box 1027 - 60300, ISIOLO
RECEIVED



KINNA SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

2. Key School Information and Management**(a) Background information**

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Isiolo County, Garbatulla Sub-County.

The school was registered in 1991 under registration number GP/A/625 and is currently categorized as a *Extra County* public school established, owned or operated by the Government.

The school is a day/boarding school and had 425 number of students as at 30th June 2024 It has 2 streams and 18 teachers of which 2 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Halkano huka	Chairman	05/9/2022
2	Guyo Bonaya	Secretary - Principal	05/9/2022
3	Jamila abdi wako	Member	05/9/2022
4	Abdullahi kulicha	Member	05/9/2022
5	Amina jillo	Member	05/9/2022
6	Issa hersi	Member	05/9/2022
7	mumina abdi	Member	05/9/2022
8	Yussuf jillo	Member – Rep CEB	05/9/2022
9	Jacob kailutha	Member Rep Teachers	05/9/2022
10	Sheikh hassan adan	3 Members - Sponsor	05/9/2022
11	Adan Ture	Member - Community	05/9/2022
12	Zeituna Abdi	Member Special Needs	05/9/2022
13	N/A	Rep Students	

The functions of the School Board of Management are to

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Guyo bonaya 2. Halkano huka 3. Jamila abdi 4. Yussuf jillo 5. Mumina abdi	Chairman member member member secretary	3/3 2/3 1/3 2/3 3/3
2	Audit Committee	1. yussuf jillo 2. mumina abbdi 3. sheikh hassan	chairman secretary member	1/3 1/3 1/3
3	Finance, procurement and general purposes Committee	1. zeituna abdi 2. Adan Ture 3. Abullahi kulicha 4. Amina jillo 5. Halkano huka	secretary chairman member member member	2/3 2/3 2/3 1/3 1/3
4	Academic Committee	1. Guyo bonaya 2. Jacob kailutha 3. yussuf jillo 4. Jamila abdi 5. Amina jillo	member secretary member member member	3/3 3/3 3/3 3/3 2/3
5	Development Committee	1. Halkano huka 2. mumina abdi 3. sheikh hassan	member chairman secretary	1/3 1/3 1/3 1/3
6	Discipline and welfare Committee	1. Guyo bonaya 2. Jacob kailutha 3. Mumina abdi 4. Adan Ture 5. Jamila Abdi	secretary member member chairman member	2/3 2/3 2/3 2/3 2/3

KINNA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024**

7	Adhoc Committee (if any during the year)		
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(d) School operation Management

For the financial year ended 30th June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Guyo bonaya	TSC No. 442582
2	Deputy Principal	Guyo kanchoro	TSC No. 529137
3	School Bursar	Samaon nyagah	cpa 94250
4	Other (specify)		

(e) Schools contacts

Post Office Box: 376-60600
Telephone: 0720899208
E-mail: kinnasecondary @gmail
Website: -
Facebook: -
Twitter: -

(f) School Bankers

Name of Bank: Consolidated bank
Branch isiolo
Postal Address. isiolo

Name of Bank: Kenya commercial bank
Branch maua
Postal Address. maua -meru

(g) Independent Auditors

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

KINNA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

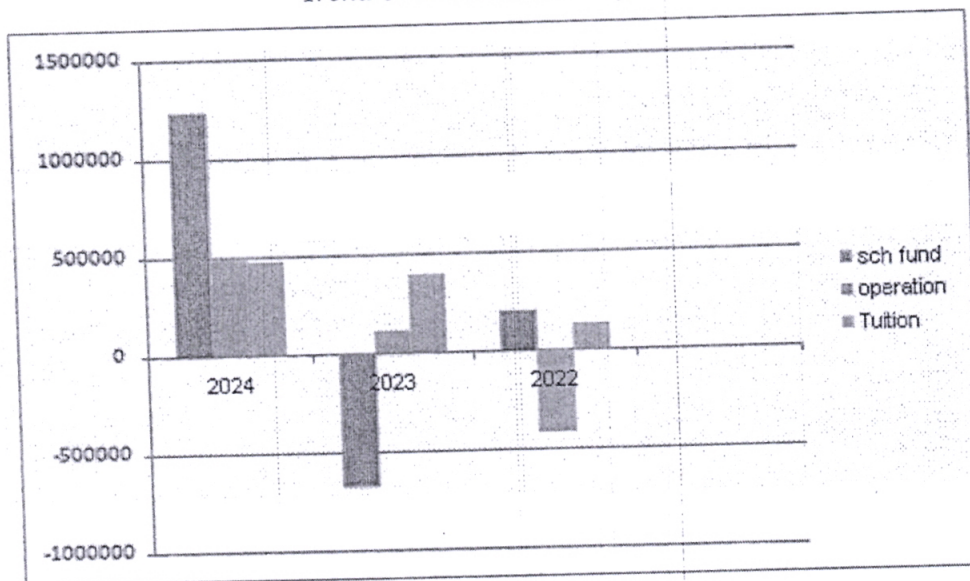
3. Summary Report of Performance of The School

The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS				
SNO		2024	2023	2022
		Kshs	Kshs	Kshs
1	School fund Account	1,238,372.00	(668,924.00)	205,659.00
2	Operation Account	494,704.00	119,730.0	(411,369.00)
	Tuition Account	478,120.00	398,189.00	136,269.00
4	Infrastructure Account	-	-	-
5	Farm Account	-	-	-
	TOTAL	2,211,196.00	(151,005.00)	(69,441.00)
	Increase/Decrease	2,060,191.00	220,446.00	(24,414.00)

Trend over the last three years

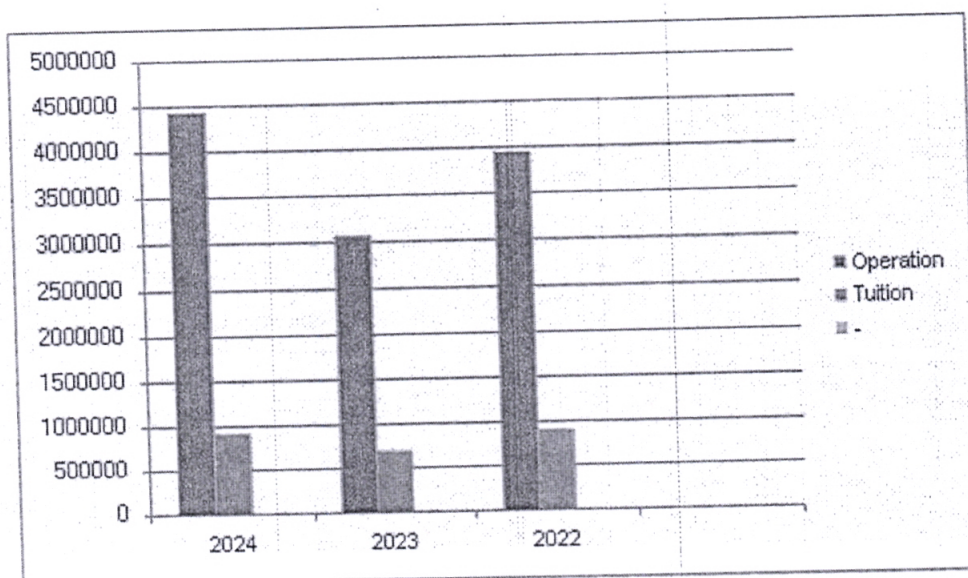


KINNA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

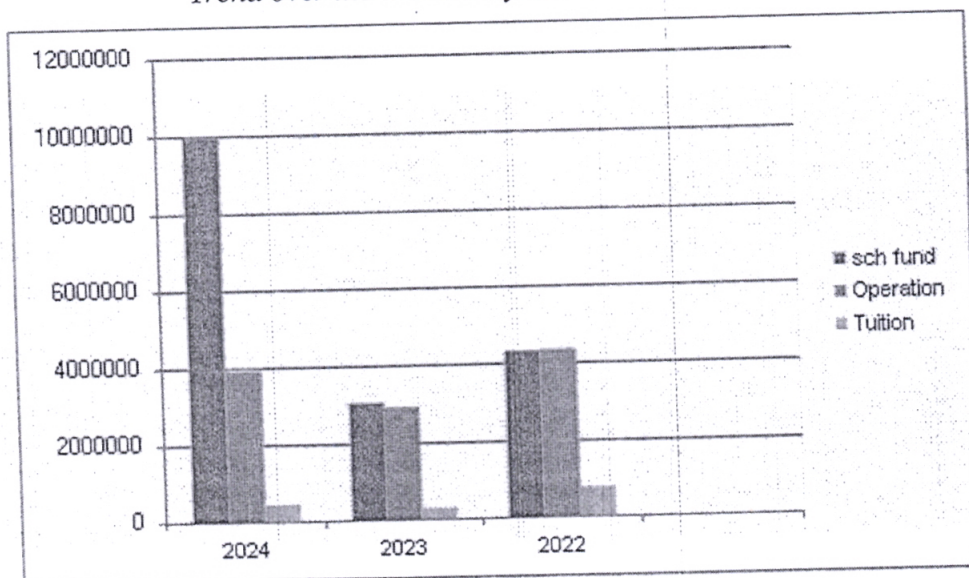
CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS				
SNO	ACCOUNTS	2024	2023	2022
		Kshs	Kshs	Kshs
1	Operation Accounts	4,431,906	3,065,528.00	3,947,330.00
2	Tuition Accounts	913,980.00	694,604.00	911,708.00
	Total	5,345,886.00	3,760,132.00	4,859,038.00
	Increase/Decrease	1,585,754.00	(1,098,906.00)	2,413,544.00
	No of student	425	350	288
	Ratio of capitation per student	1:12,578.55	1:10,743.23	1:16,871.66

Trend over the last three years



OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL FOR THE LAST THREE YEARS				
S/NO	ACCOUNTS	2024	2023	2022
		Kshs	Kshs	Kshs
1	School fund Acc	9,965,422.00	3,066,194.00	4,332,496.00
2	Operation accounts	3,937,202.00	2,945,798.00	4,358,699.00
3	Tuition Accounts	435,860.00	296,415.00	775,439.00
	Total	14,338,484.00	6,308,407.00	9,466,634.00
	Increase/Decrease	8,030,077.00	(3,158,227.00)	6,890,480.00

Trend over the last three years

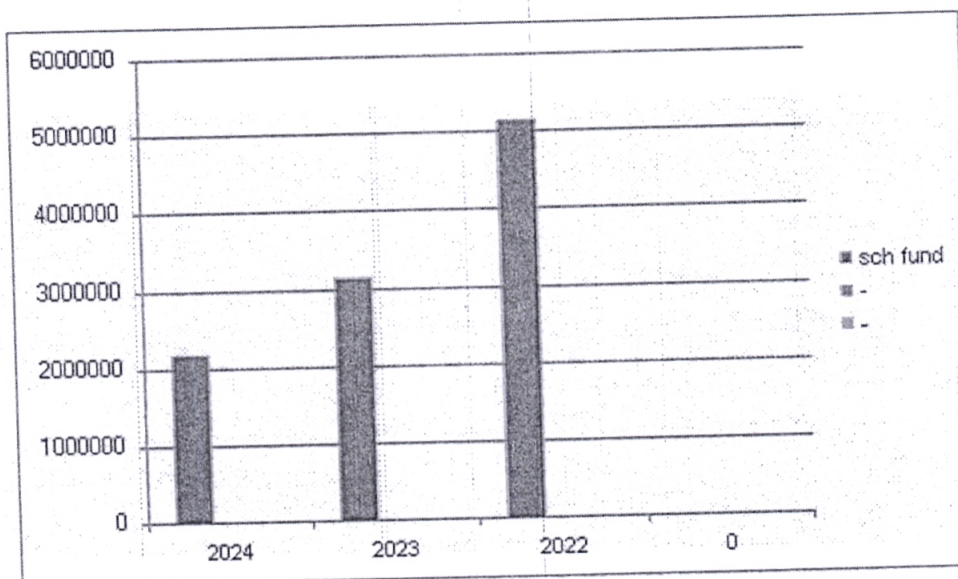


KINNA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

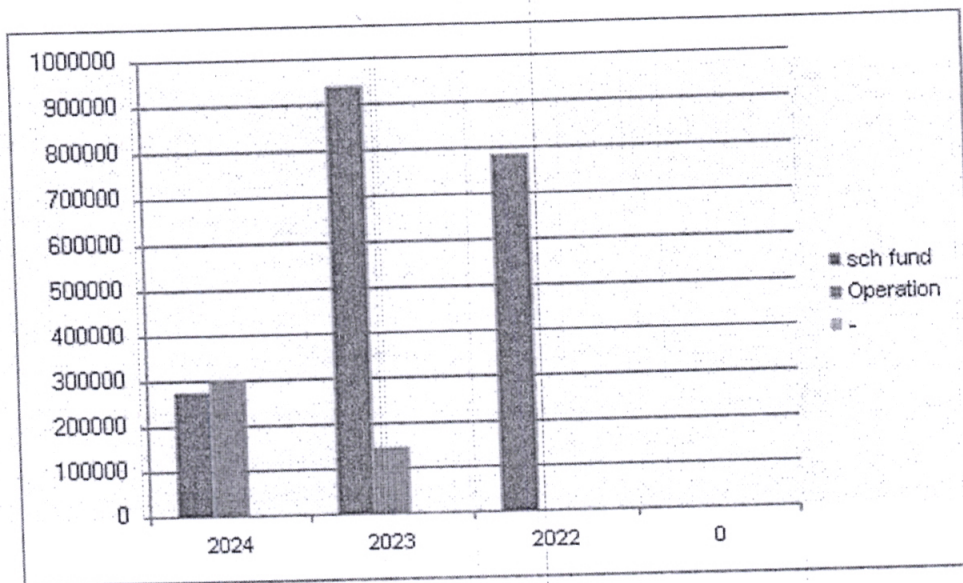
MOVEMENT OF DEBTORS OF THE SCHOOL OVER THE LAST THREE YEARS				
SNO	ACCOUNTS	2024	2023	2022
1	School Fund Account	Kshs	Kshs	Kshs
@	Debtors	2,191,266.00	3,152,400.00	5,134,796.00
	Total	2,191,266.00	3,152,400.00	5,134,796.00
	Increase/decrease	(961,134.00)	(1,982,396.00)	2,120,456.00

Trend over the last three year



MOVEMENT OF CREDITORS OF THE SCHOOL OVER THE LAST THREE YEARS				
SNO	ACCOUNTS	2024	2023	2022
	account	Kshs	Kshs	Kshs
1	school fund	275,000.00	939,200.00	783,700.00
2	operation	301,080.00	147,341.00	-
	Total	576,080.00	1,086,541.00	783,700.00
	Increase/decrease	(510,461.00)	302,841.00	655,696.00

Trend over the last three years



b) Teacher Student ratio:

Between the month of July 2023 and June 2024 the status of teaching staff is as follows:
There are 16 teachers posted by the TSC, 1 transferred to another school and 2 recruited by the BOM. Although the teacher-student ratio stand at 1:26, there is a shortage of teachers due to subject specialization in form 3&4.

c) The mean score in the 2024 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITIO N%	SCHOOL TARGET	COMMENTS
2024	60	3.87	36	60%	6.0	imrovement
2023	42	2.98	6	14%	5.0	decline
2022	67	3.20	23	34%	5.0	improvement

d) Number of Candidates in the 2024 KCSE:

YEAR	ENRLOMENT
2024	60
2023	42
2022	67

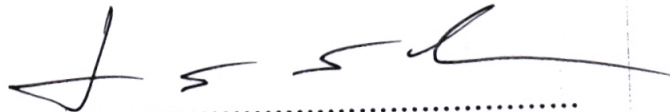
e) The capacity of the school:

425 Student (276 boys and 149 Girls)

Name of the facility	No	Name of the facility	No
Administration block	1	Football pitch	1
Classrooms	9 in use	Basketball pitch	1
Classrooms	4 dilapilated	Volleyball pitch	2
Laboratory	2	Bohehole(solar powered)	1
Library (not equiped)	1	10,000ltrs water tank	3
Dinning hall	2(1dilapila- ted)	-	
Toilets	19	-	
Dormitory	2	-	
Computer lab	1	-	
Basket ball pitch	1	-	

f) Development projects carried out by the school

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time



.....
School Principal

4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

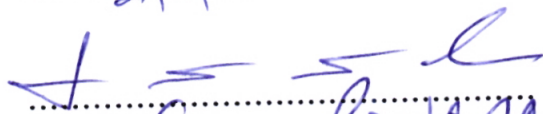
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of *kinna secondary school* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

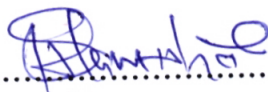
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.



.....
Name: *Halkano Huka*
Designation: Chairman, School Board of Management
Date: *2/5/25*

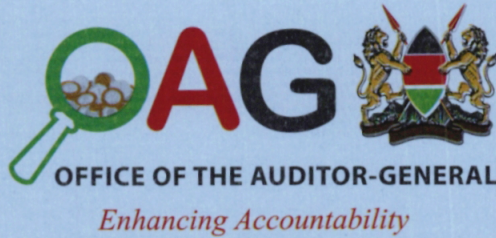


.....
Name: *Guyo Bonaya*
Designation: School Principal & Secretary to Board of Management
Date: *02/05/2025*



.....
Name: *Samson Nyagal*
Designation: Bursar/ Finance Officer
Date: *2/5/25*

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON KINNA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024- ISIOLO COUNTY

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 Kinna Secondary School set out on pages 1 to 22, which comprise the statement of assets and liabilities as at 30 June,

2024, and the statement of receipts and payments, statement of cash flows and the summary statement of Budgeted Versus Actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kinna Secondary School 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 (Cash Basis) and comply with the Basic Education Act 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements presented revealed the following errors;

1. Note 13 to the financial statements reflects fees arrears opening balance of Ksh.37,255,530 which differs with the prior year financial statements that has fee arrears of Ksh.38,103,893 leading to unreconciled variance of Kshs.848,363.
2. Note 15 to the financial statements indicates fund balances brought forward of Ksh.24,462,259 which differs with the prior year financial statements fund balance carried forward of Ksh.24,613,264 leading to unreconciled variance of Kshs.151,005.
3. The statement of assets and liabilities is not balancing by Ksh.166,082 as it reflects net financial assets of Ksh.30,963,774 against net assets of Ksh.30,797,692.
4. The table below shows variances detected between the cashflow statement and notes to the financial statements which contradicts the cash basis of accounting.

Item	Disclosed figure in the cashflow statement (Kshs.)	Disclosed figure in the statement of receipts and payments (Kshs.)	Unexplained Variance (Kshs.)
School fund income-parents contributions/ fees	11,203,794	13,395,060	2,191,266
Operations payments	3,937,202	3,508,714	428,488
Boarding and school fund payments	9,965,422	8,460,939	1,504,483

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

2. Long outstanding and Unsupported Student Accounts Receivables

The statement of assets and liabilities reflects an amount of Kshs.30,707,434 as disclosed in Note 13 in respect of accounts receivable. The accounts receivable balance relating to fees arrears, was not supported by the debtors' schedule showing the opening balances, receivables for the year and outstanding balances.

Further, fees arrears totaling Kshs.28,516,168 or 93% of the accounts receivable were one (1) year and above old. The school has not developed a mechanism to ensure payment of school fees in time, and some students have since left school with arrears. There was also no doubtful debt policy on the impairment of long-standing fees arrears, casting doubt on the position of the accounts receivable balance.

In the circumstances, the accuracy, completeness, and recoverability of the long outstanding accounts receivable of Kshs.30,707,434 could not be confirmed.

3. Unsupported Payables

The statement of Assets and Liabilities and Note 14 to the financial statements reflects total payables amounting to Kshs.2,120,938 as at 30 June, 2024. However, the payables schedule provided for audit review did not indicate the ageing analysis of prepaid fees and therefore it was not possible to ascertain how long the payables had been outstanding. In addition, the School did not maintain a ledger for the payables and there was no movement schedule to show the opening balance, additions, amounts settled during the year and the closing balance.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.2,120,398 could not be confirmed.

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

Emphasis of Matter

Budget Control and Performance

The statement of budgeted versus actual amounts for the year ended 30 June, 2024 reflects total budgeted income and expenditure of kshs.22,848,760 and kshs. 25,999,667 respectively. Analysis of the budget versus actual amounts shows that the management received on comparable basis total actual income of kshs.18,740,945 resulting in under collection of income of Kshs.4,107,814 or 22%. Similarly, the management spent on comparable basis total actual expenditure of kshs.12,405,513 resulting to under expenditure of Kshs.13,594,154 or 48%

Further, the management spent as shown in the table below Kshs.1,847,895 which is above the budgeted amount of Kshs.1,220,720 resulting to unbudgeted expenditure of Kshs.627,085 above the approved budget without authority. There is no evidence of reallocation done during the year that was approved by the management as could be evidenced by minutes of board meeting.

Item	Budget Amount (Kshs.)	Actual Expenditure (Kshs.)	Variance (Kshs.)
Adm Cost	630,720	1,109,905	(479,185)
Activity	300,000	333,000	(33,000)
Local Transport and travelling	290,000	404,900	(114,900)
Total	1,220,720	1,847,805	(627,085)

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matter(s) described in the Basis for Qualified Opinion section, I have determined that there were no key audit matters to report in the year under review.

Other Matter

There was no other matter to report in the year under review.

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(s) of the matter(s) described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements to the Auditor-General

During the year under review, management submitted the financial statements to the auditor-general on 26 March, 2025 instead of the statutory deadline of 30 September, 2024 in compliance with Section 164 (4)(a) of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Failure to Submit Annual Report on Governance to The Director of Basic Education

Kinna Secondary School did not prepare and submit an annual report on governance to the Director of Basic Education, contrary to Section 60 of the Basic Education Act, 2013 that requires every public school to submit, on an annual basis, a report to the Director of Basic Education on governance.

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

3. Lack of a School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan. This was contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas. The key areas include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

4. Non-Adherence to Basic Education Regulations on Safety of Learners

A physical inspection of the facilities carried out on 16 April 2025 at the school and discussion with management revealed that the school has not adhered to Basic Education regulations 2015 on safety of learners. The inspection revealed that the school's dormitories and classrooms windows have grills contrary to Regulation 83(g) of the Basic Education Regulations. It was also noted that the school did not have a functional alarm contrary to Regulation 83(i) of the Basic Regulations.

Further, the recommended space of at least 1.2 meters between beds in the dormitories was not adhered to contrary to Basic Regulation 83(k). It was further noted that, the school does not conduct regular fire disaster response drills as required by Regulation 83(f) in preparedness for fires and other disasters which may occur.

5. Failure to Carry out School Maintenance and Improvement

The statement of receipts and payments and note 3 to the financial statements reflects that the school was funded by the Ministry of Health Infrastructure Grants amounting Ksh.1,441,900. It was however noted and reported in the summary report of performance that no development project was carried in the school in the financial year ended 30 June, 2024. This is also in addition to information in the summary report of performance which indicates that the school had four classrooms and one dining hall which are dilapidated. This is contrary to Regulation 83 (b) of Basic Education Regulations, 2015 that requires classrooms, dormitories, offices, kitchens, toilets and other physical structures be well maintained, safe and properly utilized.

In the circumstance, management was in breach of the law.

6. Failure to transfer funds to an Infrastructure Bank Account

The statement of receipts and payments as at 30 June, 2024 reflects infrastructure grants amounting to Kshs.1,441,900 as disclosed in Note 3 to the financial statements. These are funds from the Ministry of Education which were credited in the operations bank account because the school management at that time had not opened an infrastructure account thus the grants were not transferred upon receipt to the school infrastructure account. This is contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

7. Irregular Procurement of Stationery using imprest

The statement of receipts and payments and Note 7 to the financial statements reflects operations payments of Kshs.3,508,714. Review of payment voucher number 94 under operation expenditure revealed that Management used imprest totaling to Kshs.100,000 to procure exercise books and other stationeries contrary to Regulation 91(1) of the Public Finance Management (National Governments) Regulations, 2015 which provides that imprest only be issued to officers who in their course of duty are required to make payments which cannot conveniently be made through the cash office of a government entity or bank account.

In addition, the goods were purchased without a requisition and were not inspected on delivery contrary to Section 48 of the Public Procurement and Asset Disposal Act, 2015 that requires inspection by an adhoc committee. Further, purchase of stationeries from operations account is also irregular as exercise books are procured from tuition grants.

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

8. Irregular transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of receipts and payments and Note 9 to the financial statements indicates payments for boarding and school fund of Kshs. 8,460,939. Included in the balance are co-curricular funds totaling Kshs.155,000 transferred to Kenya Secondary School Heads Association, a private entity that is not subject to Public Finance Regulations. The funds were wired from boarding and school fund received by the School at the rate of Kshs.640 per student. KESSHA is a welfare organization that draws its membership from School Principals only. The School may not have received value for the Kshs.155,000 transferred to KESSHA.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.155,000 could not be confirmed.

9. Failure to Remit Statutory Deductions

The statement of receipts and payments and Note 7 to the financial statements reflects operations payments totaling Kshs.3,508,714 which further includes Kshs.1,829,392 for personal emoluments. However, audit review revealed that statutory deductions amounting to Kshs.301,080 in respect to NSSF were not remitted to the Fund during the year under review contrary to the provisions of Section 20 (1A) of the National Social Security Fund Act, 2013 which require employers to deduct employee contributions to the fund on a monthly basis and remit before the ninth day of the subsequent month.

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

10.Excess Supply of Books

During the year under review, the Ministry of Education distributed textbooks to Kinna Secondary Schools through the Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed 1,172 books to the school while only 625 books were issued to the students, resulting in an unexplained excess of textbooks of 547 in the school store.

Further, some books issued in the financial year, totaling 128 textbooks, were still lying in the store as the subjects were no longer taught in the school.

In the circumstances, the value for money on the excess 547 textbooks could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect(s) of the matter(s) 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

1. Lack of a Formal Documented and Tested Emergency Procedures, Disaster Recovery Plan and Risk Management Framework

Review of documents provided for audit and discussion with management revealed that the school has not developed a formal documented and tested emergency procedures. In case of an emergency, the personnel involved might not be aware of what is expected from them which may lead to interference of operations.

In addition, there was no documented disaster recovery plan in place that would assist in recovering data in the event of a calamity. Further, the School did not have a Risk Management Policy in place which is key in the identification, mitigation and prevention of risks. Without a disaster recovery plan, the school may not recover from an interruption or disaster.

2. Lack of a Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.26,226,540 in respect of fixed assets which includes the school land (30 acres) valued at Ksh.21,300,000. It was however noted that management has not obtained a title deed for the land.

In the circumstances, ownership of the land 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 Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash 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 control, risk management and governance.

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

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

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

Those charged with governance are responsible for overseeing the school's financial reporting process, reviewing the effectiveness of how the 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.

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

05 June, 2025

KINNA SECONDARY SCHOOL

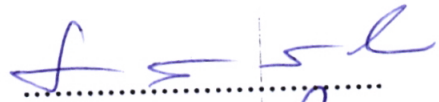
Annual Report and Financial Statements For the year ended 30th June 2024

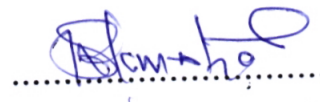
6. Statement Of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	913,980.00	694,604.00
Government grants for operations	2	2,990,006.00	2,046,528.00
Government Grants for infrastructure	3	1,441,900.00	1,019,000.00
School fund income- parents' contributions	4	13,395,060.00	2,397,270.00,
Miscellaneous incomes	5	-	-
Total Receipts		18,740,946.00	6,157,402.00
Payments			
Tuition	6	435,860.00	296,415.00
Operations	7	3,508,714.00	2,945,798.00
Infrastructure	8	-	-
-Boarding and school fund	9	8,460,939.00	3,066,194.00
Total Payments		12,405,513.00	6,308,407.00
Surplus/Deficit		6,335,433.00	(151,005.00)

The school financial statements were approved on _____ 2025 and signed by:


.....
Name: *Halkano Halko*
Chair BOM
Date: *2/5/25*


.....
Name: *Guyo Bona*
School Principal/ Secretary to
BOM
Date: *02/05/2025*


.....
Name: *Sanson Nyagol*
Bursar/ Finance Officer
Date: *2/5/25*


KINNA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	2,377,278.00	166,082.00
Cash balances	11	-	-
Short term investments	12	-	-
Total cash and cash equivalent		2,377,278.00	166,082.00
Account's receivables	13	30,707,434.00	37,255,530.00
Total financial assets (a)		33,084,712.00	37,421,612.00
Financial liabilities			
Accounts payables	14	2,120,938.00	12,959,353.00
Total Financial Labilities (b)		2,120,938.00	
Net financial assets (a-b)		30,963,774.00	24,462,259.00
Represented by			
Accumulated fund b/fwd	15	24,462,259.00	24,613,264.00
Surplus/deficit for the year		6,335,433.00	(151,005.00)
Net Assets		30,797,692.00	24,462,259.00

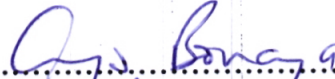
The school's financial statements were approved on _____ 2025 and signed by:



Name: Hallway Juro

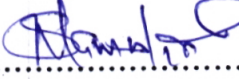
Chair BOM

Date: 2/5/25



Name: [Signature]
School Principal/ Secretary to
BOM

Date: 02/05/2025



Name: [Signature]
Bursar/ Finance Officer

Date: 02/05/2025

8. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	913,980.00	694,604.00
Government grants for operations	2	2,990,006.00	2,046,528.00
Government grants for infrastructure	3	1,441,900.00	1,019,000.00
School fund income- parents contributions/ fees	4	11,203,794.00	2,397,270.00
Other income		-	-
Total receipts		16,549,680.00	6,157,402.00
Payments			
Cash outflows for tuition	6	435,860.00	296,415.00
Cash outflows for operations	7	3,937,202.00	2,945,798.00
Cash outflows Boarding/lunch and school fund payments	8	9,965,422.00	3,066,194.00
Total payments		14,338,484.00	6,308,407.00
Net cash inflow/outflow from operating activities		2,211,196.00	(151,005.00)
Cash flow from investing activities			
Acquisition of assets			(-)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	(-)
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		(-)	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		2,211,196.00	(151,005.00)
Cash and cash equivalent at beginning of the FY		166,082.00	317,087.00
Cash and cash equivalent at end of the FY		2,377,278.00	166,082.00

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(The above presentation of the cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSASB).

KINNA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

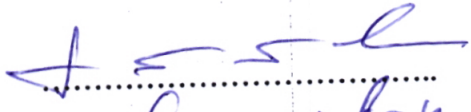
The school's financial statements were approved on _____ 2025 and signed by:



Name: Halkano Huda

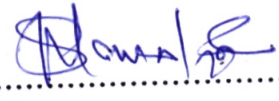
Chair BOM

Date: 21/5/25



Name: Gurpreet Bhatia
School Principal/ Secretary to
BOM

Date: 02/05/2025



Name: Sansar Dyal
Bursar/ Finance Officer

Date: 21/5/25

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference materias /Text books	212,500.00		212,500.00	74,390.00	35%
Exercise Books	637,500.00		637,500.00	197,496.00	31%
Laboratory Equipment	510,000.00		510,000.00	141,833.00	28%
Internal Exams	89,250.00		89,250.00	73,350.00	82%
Teaching / Learning Materials	301,325.00		301,325.00	408,860.00	135%
Exams And Assessment	-		-	-	
Chalk	10,625.00		10,625.00	18,050.00	169%
sub-total	1,761,200.00		1,761,200.00	913,979.00	52%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	2,295,000.00		2,295,000.00	1,242,980.00	54%
Repair and maintenace	0		0	0	0%
Local Transport / Travelling	340,000.00		340,000.00	288,372.00	85%
Electricity And Water	1,615,000.00		1,615,000.00	250,900.00	16%
Medical	185,000.00		85,000.00	397,275.00	467%
Administration Costs	1,020,000.00		1,020,000.00	510,323.00	50%
Activity	212,500.00		212,500.00	300,156.00	141%
Gratuity	0		0	0	0

KINNA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	a=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
sub-total	5,567,500.00		5,567,500.00	2,990,006.00	54%
3) FDSE for infrastructure			2,125,000.00	1,441,900.00	67%
Maintenance &Improvement MoE	2,125,000.00		2,125,000.00	1,441,900.00	67%
M&I parents' contribution	0		0	0	0
Economic Stimulus Programs	0		0	0	0
Transition Infrastructure Grants	0		0	0	0
Administration Block	0		0	0	0
(4) Fees Charged on Parents					
Personnel Emoluments	855,600.00		855,600.00	825,600.00	96%
Repairs And Maintenance	662,400.00		662,400.00	508,400.00	77%
Local Transport / Travelling	179,400.00		179,400.00	226,100.00	126%
Electricity And Water	1,352,400.00		1,352,400.00	269,600.00	20%
Medical/nhif	0		0	5,900.00	0%
Administration Costs	510,000.00		510,000.00	814,000.00	159%
Activity	41,400.00		41,400.00	96,120.00	232%
SMASSE	0		0	0	0%
Lunch	2,235,000.00		2,235,000.00	2,235,000.00	100%
Fee On Boarding Equipment and Stores	7,558,260.00		7,558,260.00	8,414,340.00	111%
5) Miscellaneous Income					
Loans / Borrowing	0		0	0	0

KINNA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Rent income	0		0	0	0
Income From Farming Activities	0		0	0	0
Insurance Compensation	0		0	0	0
Income From Posho Mill	0		0	0	0
Income From Bus Hire	0		0	0	0
Fee For Hire of Ground and Equipment	0		0	0	0
Interest Income	0		0	0	0
Income From Any Other Investment	0		0	0	0
Total Income	22,848,760.00		22,848,760.00	18,740,945.00	82%
(6) Expenditure For Tuition					
Refence materials/Textbooks	171,200.00		171,200.00	57,945.00	34%
Exercise Books	421,250.00		421,250.00	103,020.00	24%
Laboratory Equipment	650,000.00		650,000.00	0	0%
Internal Exams	130,935.00		130,935.00	0	0%
Teaching / Learning Materials	230,400.00		230,400.00	258,955.00	112%
Chalks	13,500.00		13,500.00	13,200.00	98%
Exams And Assessment	0		0	0	0%
Teachers Guides	0		0	0	0%
Administration Costs	0		0	2,740.00	0%
Bank Charges	0		0	2,740.00	0%
	1,612,285.00		1,612,285.00	435,860.00	27%

KINNA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	KShs	KShs	KShs	KShs	KShs
(7) Expenditure For Operations					
Personnel Emoluments	4,290,590.00		4,290,590.00	1,829,392.00	43%
Repairs, Maintenance & Improvements	2,125,000.00		2,125,000.00	0	0%
Local Transport / Travelling	341,400.00		341,400.00	423,100.00	124%
Electricity, Water and Conservancy	799,000.00		799,000.00	215,899.00	27%
Medical	0		0	0	0
Administration Costs	800,902.00		800,902.00	769,250.00	96%
Activity Expenses	175,000.00		175,000.00	265,400.00	151%
Gratuity	0		0	0	0%
SMASSE	0		0	0	0%
Bank charges	0		0	5,673.00	0%
	8,531,892.00		8,531,892.00	3,508,714.00	41%
(8) Expenditure For infrastructure					
Construction of classrooms	0	0	0	0	0
Construction of LAB	0	0	0	0	0
Construction of DORMS	0	0	0	0	0
Purchase of furniture	0	0	0	0	0
Purchase of equipment	0	0	0	0	0
Purchase of machinery	0	0	0	0	0
(9) Expenditure For school					

KINNA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>fund/lunch/boarding</i>					
Personnel Emoluments	1,022,750.00		1,022,750.00	169,000.00	17%
Repairs, Maintenance and Improvements	504,600.00		504,600.00	359,050.00	71%
Local Transport / Travelling	290,000.00		290,000.00	404,900.00	140%
Electricity, Water and Conservancy	288,000.00		288,000.00	172,722.00	60%
Medical Expenses	0		0	0	0%
Administration Costs	630,720.00		630,720.00	1,109,905.00	180%
Activity	300,000.00		300,000.00	333,000.00	111%
Gratuity	1,529,750.00		1,529,750.00	1,499,750.00	98%
Lunch Programme	2,235,000.00		2,235,000.00	1,332,707.00	60%
Boarding Equipment and Stores	9,045,770.00		9,045,770.00	3,070,595.00	40%
Expenditure For Income Generating Activity	0		0	0	0%
Insurance Costs	0		0	0	0%
Other Expenses On Investments	0		0	0	0%
Rent Expenses	0		0	0	0%
Bank Charges	8,900.00		8,900.00	9,310.00	105%
Loan Interest Repayment	0		0	0	0%
Loan Principal Repayment	0		0	0	0%
Acquisition Of Assets	0		0	0	0%
	15,855,490.00		15,855,490.00	8,460,939.00	53%
Totals	25,999,667.00		25,999,667.00	12,405,513.00	48%

KINNA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

- i. some of program were partilly/not funded by the Govenment caused overutilization .*
- ii. changes on financial year vs academic year occassioned underutilization*

10. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment, or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. 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 an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits, and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials	-	51,200.00
Exercise Books	197,496.00	136,872.00
Laboratory Equipment	141,834.00	280,300.00
Internal Exams	73,350.00	-
Teaching / Learning Materials	408,860.00	217,332.00
chalk	18,050.00	8900.00
Text books	74,390.00	-
Total	913,980.00	694,604.00

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	1,242,980.00	1,019,000.00
Repairs And Maintenance	-	-
Local Transport / Travelling	288,372.00	178,400.00
Electricity And Water	250,900.00	209,187.00
Medical	397,275.00	51,200.00
Administration Costs	510,323.00	445,065.00
Activity	300,156.00	143,675.00
Total	2,990,006.00	2,046,528.00

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	1,441,900.00	1,019,000.00
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify) (NGCDF and County govt.	-	-
Total	1,441,900.00	1,019,000.00

KINNA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****4 School Fund Income - Parents Contribution/Fees**

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	825,600.00	140,300.00
Repairs and maintenance	508,400.00	116,750.00
Local transport / travelling	226,100.00	35,500.00
Electricity and water	269,600.00	331,150.00
Medical	-	-
Administration costs	814,000.00	174,850.00
Activity	96,120.00	18,650.00
Fee on Boarding Equipment and stores	8,414,340.00	1,580,070.00
PA Levies*	-	-
Lunch	2,235,000.00	-
Nhif	5,900.00	-
Total	13,395,060.00	2,397,270.00

*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.

5 Miscellaneous Incomes

Description	2023-2024	2022-2023
	Kshs	Kshs
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
Total	-	-

(Include an explanation on the kind and source of grants/ donations received by the school.)

*Ensure proper authorization from MOE before obtaining loans/borrowings.

*Indicate what other income relates to including income arising from writebacks if any.

KINNA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****6 Tuition**

Description	2023-2024	2022-2023
	Kshs	Kshs
Exercise Books	103,020.00	42,400.00
Textbooks	57,945.00	3,675.00
Reference materials	-	-
Laboratory Equipment	-	201,450.00
Teaching / Learning Materials	258,955.00	41,110.00
Exams And Assessment	-	-
Teachers Guides	-	-
Chalk	13,200.00	6,600.00
Bank Charges	2,740.00	1,200.00
Total	435,860.00	296,415.00

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	1,829,392.00	1,586,866.00
Service Gratuity	-	-
Administration Cost	769,250.00	626,052.00
Repairs And Maintenance & Improvements	-	-
Local Transport / Travelling	423,100.00	341,400.00
Electricity And Water	215,899.00	58,129.00
Medical	-	-
Activity Expenses	265,400.00	175,000.00
Insurance Cost	-	-
Nhif	-	37,400.00
Nssf	-	110,030.00
Bank charges	5,673.00	10,921.00
Acquisition of assets	-	-
Total	3,508,714.00	2,945,798.00

KINNA SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2024**8 Infrastructure**

Description	2023-2024	2022-2023
	Kshs	Kshs
Construction of classrooms	-	-
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
Total	-	-

9 Boarding And School Fund

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	169,000.00	331,770.00
Service Gratuity	1,499,750.00	-
Repairs And Maintenance & Improvements	359,050.00	22,200.00
Local Transport / Travelling	404,900.00	286,900.00
Electricity And Water	172,722.00	12,500.00
Medical Expenses	-	35,400.00
Administration Costs	1,109,905.00	623,720.00
Lunch Programme	1,332,707.00	-
Bank Charges	9,310.00	5,614.00
Expenses On Income Generating Activities**	-	-
Fee On Boarding Equipment and Stores	3,070,595.00	1,438,380.00
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	16,010.00
PA expenses	-	-
Operation expenses	-	-
Activity	333,000.00	293,700.00
Total	8,460,939.00	3,066,194.00

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

KINNA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	10111203000089	424,521.00	166,402.00
Operations Account	Active	10111203000013	1,669,201.00	4,498.00
School Fund Account/Boarding	Active	1103263366	283,556.00	(4,818.00)
Savings Account			-	-
Parent Association Development Account			-	-
Income Generating Activities Account			-	-
Infrastructural Account			-	-
Total			2,377,278.00	166,082.00

11 Cash In Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	-	-
Total	-	-

12 Short Term Investments

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

KINNA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****13 Accounts Receivable**

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	30,707,434.00	37,255,530.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	30,707,434.00	37,255,530.00

13 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs	% of the total	Kshs	% of the total
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,191,266.00	7.13%	3,152,400.00	8.4%
Between 1- 2 years	2,237,376.00	7.28%	3,601,896.00	9.6%
Between 2-3 years	3,462,636.00	11.27%	4,962,636.00	13.3%
Over 3 years	22,816,156.00	74.3%	25,538,598.00	68.5%
Total (should tie to note 13 a)	30,707,434.00	%	37,255,530.00	%

14 Accounts Payable

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	275,000.00	2,786,889.00
Prepaid Fees	-	-
Retention Monies	-	-
PTA fund	328,061.00	328,061.00
Unpaid salaries and statutory deductions	301,080.00	733,421.00
Caution money	657,553.00	657,553.00
operation account	-	2,401,836.00
Tuition account	-	789,116.00
School fund		1,950,348.00
Maintenance and improvement		2,752,885.00
Cdtf	419,244.00	419,244.00
Service gratuity	140,000.00	140,000.00
Total	2,120,938.00	12,959,353.00

14a. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0.00	%	1,086,541.00	68%
Between 1- 2 years	391,080.00	4.2%	831,524.00	29.8%
Between 2-3 years	185,000.00	8.7%	432,080.00	15.5%
Over 3 years	1,544,858.00	0%	436,744.00	15.5%
Total (should tie to note 14)	2,120,938.00	%	2,786,889.00	%

15 Fund Balance Brought Forward

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Bank Balances	2,377,278.00		166,082.00	
Cash Balances	-		-	
Short Term Investments	-		-	
Receivables	30,707,434.00		37,255,530.00	
Payables	2,120,938.00		12,959,353.00	
Total	30,963,774.00		24,462,259.00	

Other important disclosure notes

IPSAS Cash Standard encourages an entity to disclose accrual-related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non-financial assets and liabilities.

16 Non-current Liabilities Summary**17 Biological assets**

Description	Numbers	2023-2024 Kshs	2022-2023 Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		-	-

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	(-)	(-)
Balance at the end of the year	-	-

Other important disclosure notes

19 Stock/ Inventory

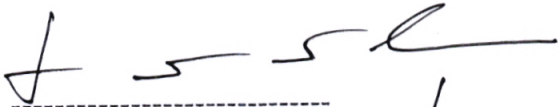
Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	155,00000	230,380.00
Lab consumables	-	72,850.00
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	155,000.00	303,230.00

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

20 Progress On Follow Up of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)



Sign and Date
Principal

2/05/2025

KINNA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.	-		-	-		
2.	-		-	-		
3.	-		-	-		
Sub-Total	-		-	-		
Supply Of Goods						
4. kinna young enterprises	481,550.00		296,550.00	185,000.00		
5. Mwaliko electrical	155,000.00		65,000.00	90,000.00		
Sub-Total	636,550.00		361,550.00	275,000.00		
Supply Of Services						
6. Nssf	432,080.00		131,000.00	301,080.00		
7.						
8.						
Sub-Total	432,080.00			301,080.00		
Grand Total	1,068,630.00		492,550.00	576,080.00		

KINNA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****Annex 2 – Summary of Fixed Assets Register**

Asset Class	Historical Cost b/f (Kshs) 31 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land	30acres			30acres
Buildings And Structures	21,300,000.00			21,300,000.00
Motor Vehicles	-			-
Office Equipment, Furniture and Fittings	450,000.00			450,000.00
Textbooks	2,543,710.00			2,543,710.00
ICT Equipment	1,366,000.00			1,366,000.00
Tools And Apparatus	346,940.00			346,940.00
Other Machinery and Equipment	-			-
Heritage And Cultural Assets	-			-
Intangible Assets- Soft Ware	-			-
Total	26,226,540.00			26,226,540.00

(The school should ensure that a detailed fixed assets register is maintained).