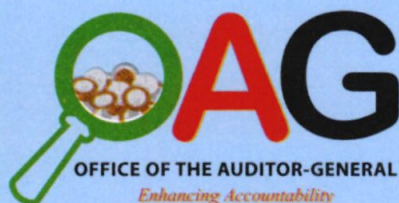


REPUBLIC OF KENYA



REPORT

OF

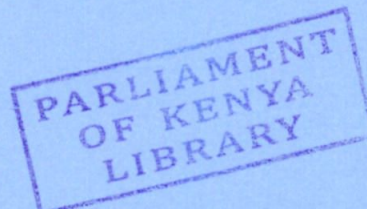
THE AUDITOR-GENERAL

ON

TALEK BOYS SECONDARY SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2023



NAROK COUNTY	
THE NATIONAL ASSEMBLY	
PAPERS LAID	
DATE: 28 JUL 2026	
DAY: TUE	
TABLED BY:	Deputy Majority Leader Hon. Owen Baya
CLERK-AT THE TABLE	Mr. Inzofu Machi



Revised 30th June 2023



TALEK BOYS' SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

**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.

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

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 located in Narok County, Narok west Sub-County

The school was registered in 3/9/2019 under registration number 33S38190819 and is currently categorized as a Sub- County public school established, owned or operated by the Government.

The school is a boys boarding Secondary school and had 1191 numbers of students as at 30th June 2023. It has 4 stream and 16 teachers of which 18 teachers are employed by the School Board of Management.

1. 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.	Mr Jacob Sairowua	chairman	02/08/2022
2.	Mr Malcom Mateu	Secretary - Principal	02/08/2022
3.	Mr Kimemia Taek	Member	02/08/2022
4.	Mrs Mary Naurori	Member	02/08/2022
5.	Mr Benard Naurori	Member	02/08/2022
6.	Mrs Dorcus Lenjir	Member	02/08/2022
7.	Mr Dominic Koya	Member	02/08/2022
8.	Mrs Lucy Rotiken	member	02/08/2022
9.	Mr Stephen Kileyia	Teacher rep	02/08/2022
10.	Mr Antony Ketikai	member	02/08/2022
11.	Mr Parkimaso Kiriamama	member	02/08/2022
12.	Mr John Tira	member	02/08/2022
13.	Mrs Purity Taek	Member	02/08/2022
14.	Mr Dickson Ntika	Member	02/08/2022

Key School Information and Management (Continued)/**The function of the School Board of Management include:**

- 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, 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.

2. Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Bom Executive Committee	Mr.Jacob Sairowua Mr ..Malcom Mateu Mr. Kimemia Taek Mrs. Mary Naurori Mr .John Tira	Chairman Member Member Member member	3
2	Audit committee	Mrs. Lucy Rotiken Mr. Kirيامa Parkimaso Mr. Antony Ketikai Mrs.purity Taek	chairperson Member Member member	2
3	Finance, Procurement and general purposes committee	Mr .George Kirيامa Mrs.Purity Taek Mrs.Lucy Ketere	Chairman Member Member member	2
4	Academic committee	Mr.John Tira Mr.Dominic Koya Mrs .Mary Naurori Mrs .Purity Taek	Chairman Member Member Member	2
5	Development committee	Mr.Jackson Sayialel Mrs.Eunice Letura Mr.Benard Naurori Mr.Tuleto Taek	Chairman Member Member member	2
6	Displine and welfare committee	Mr .Dickson Ntika Mr.Tuleto Taek Mr.Dominic Koya Mr.Antony Ketikai	Chairman Member Member Member	1
7	Adhoc committee(if any during the year)	-----		

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

3. School operation Management

For the financial year ended *30th June 2023* the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1.	Principal	Mr Malcom Mateu	TSC No 408983
2.	Deputy Principal	Mr Stephen Kileyia	ID 26865595
3.	School Bursar	Mr Stanley Nkoitiko	ID No 27047991
4.	Accounts Clerk	-	ID No

Key School Information And Management (Continued)

4. Schools contacts

Post Office Box: 518-20500

Telephone: 0721777884

E-mail: talekboys@gmail.com.

Website: -

Facebook: -

Twitter: -

School Banker

The following school operated five (5) numbers of bank accounts in the following banks:

- | | |
|------------------|-----------------------------|
| 1. Name Of Bank: | Kcb-Boarding Account |
| Branch: | Maasai Mara |
| Account Number: | 1200774841 |
| | |
| 2. Name Of Bank: | Kcb-Operations Account |
| Branch: | Maasai Mara |
| Account Number: | 1200776844 |
| | |
| 3. Name Of Bank: | Kcb -Tuition Account |
| Branch: | Maasai Mara |
| Account Number: | 1200775775 |
| | |
| 4. Name Of Bank: | Kcb- Infrastructure Account |
| Branch: | Maasai Mara |
| Account Number: | 1287963382 |

Pay Bill Numbers

- | | |
|--|------------------------|
| 5. Mpesa Pay Bill No. Business Number: | 522123 |
| Account Number: | 26107KAdmission Number |

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

(a) Independent Auditors

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

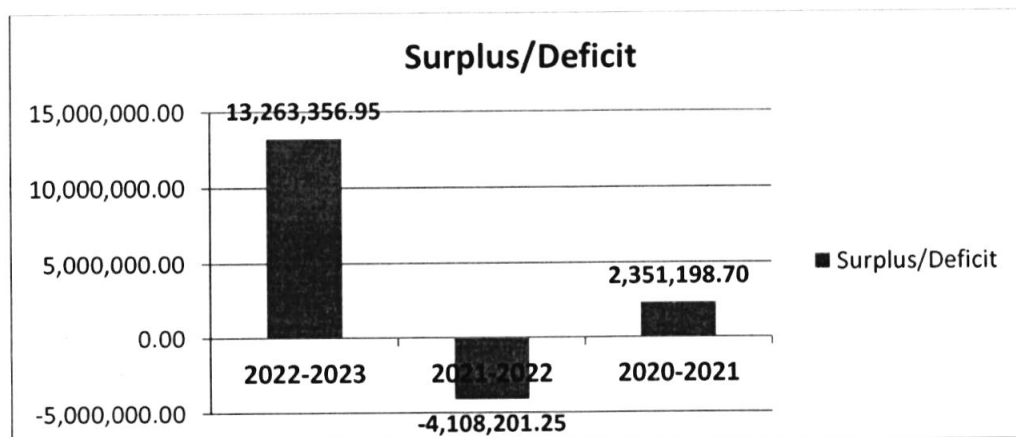
3. Summary Report of Performance of the School

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

a) Financial performance:

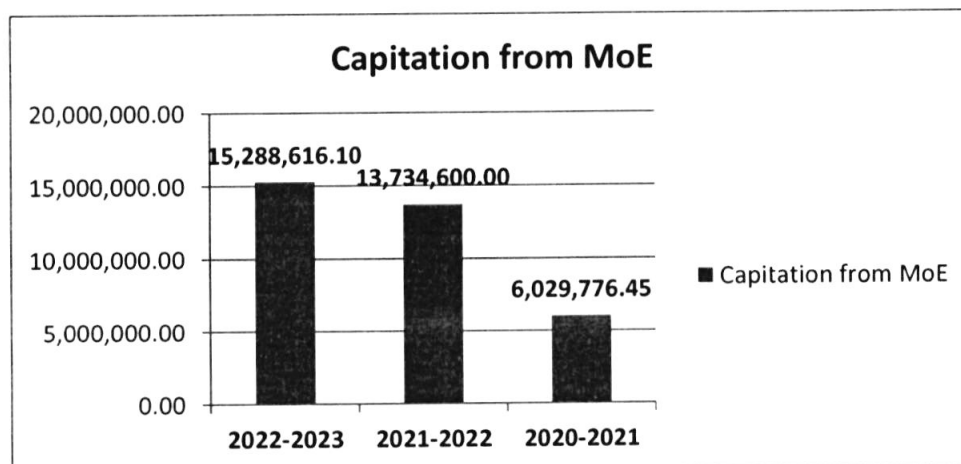
- Surplus/Deficit

Year	2023	2022	2021
Incomes	89,792,169.10	63,457,014.00	18,748,597.45
Expenditures	(76,528,812.15)	(67,565,215.25)	(16,397,398.75)
Surplus	13,263,356.95	(4,108,201.25)	2,351,198.70



- Capitation grants from the Ministry of Education for the last three year

Year	2023	2022	2021
Tuition	2,791,306.50	2,503,882.00	830,375.75
Operation	9,202,309.60	11,230,718.00	5,199,400.70
Infrastructure	3,295,000.00	0.00	0.00
Total	15,288,616.10	13,734,600.00	6,029,776.45
Students	1191	986	835
Ratio	1:12,837	1:13,930	1:7,221

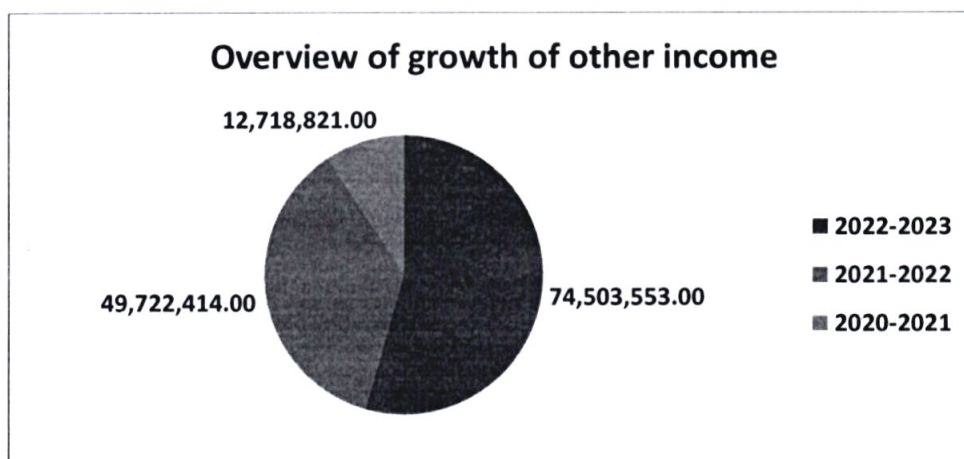


Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

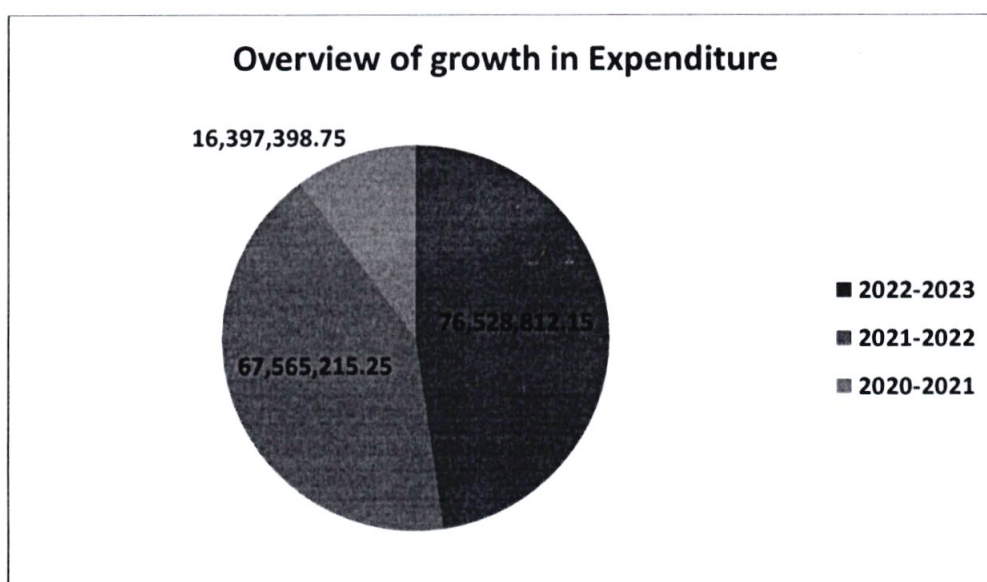
- A three-year overview of growth of other income(s) earned by the school.

Year	2023	2022	2021
School Fund Income	74,492,518.00	49,722,414.00	12,718,821.00
Other Receipts	11,035.00	0.00	0.00
Amount	74503553.00	49,722,414.00	12,718,821.00



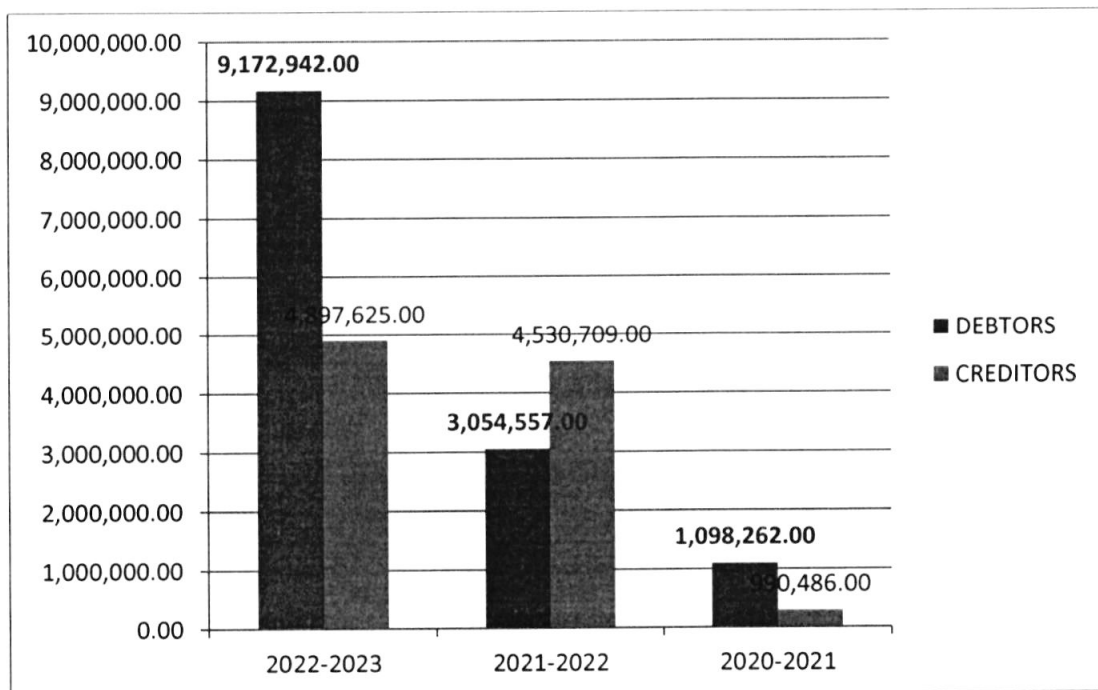
- A three-year overview of growth in expenditure of the school

Year	2022-2023	2021-2022	2020-2021
Tuition	2,772,869.00	2,707,491.00	808,966.75
Operation	5,733,569.00	12,158,565.00	4,865,291.00
Infrastructre	4,923,870.00	0.00	0.00
School Fund	63,098,504.15	52,699,159.00	10,723,141.00
Total	76,528,812.15	67,565,215.25	16,397,398.75



- *Movement of debtors and creditors of the school over the last three years*

Year	Debtors	Creditors	Ratio
2023	9,172,942.00	4,897,625.00	2:1
2022	3,054,557.00	4,530,709.00	4:1
2021	1,098,262.00	287,886.00	1:1



Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

b) Teacher Student ratio:

YEAR	No of Students	TSC Teachers	BOM Teachers	Total of Teachers	Ratio	Recruited/posted	Transferred
2023	1191	16	18	34	1:35	0	0
2022	986	16	16	32	1:30	5	0
2021	835	11	14	25	1:33	6	0

- Teachers Employed by TSC 16 BOM 18
- Shortage

Subject Combination		Eng	Math	Kis	Bio	Chem	Phy	His	Geo	CRE	Agr	Bst
Number of Teachers	Expect	6	6	6	3	3	4	4	4	4	2	4
	Avail	2	4	2	3	4	2	4	2	2	1	4
	Shortage	4	2	4	0	0	2	0	2	2	1	0

c) The mean score in the 2022 KCSE:

Year	Mean points	Mean Target	Mean score	Students who transitioned to institutions of higher learning	Comments
2022	5.7	7.2	5.7	36	Dropped
2021	6.7	6.7	6.7	85	Improve
2020	5.7	6.2	5.7	21	Improve

d) Number of Candidates in the 2022 KCSE

YEAR	Tabulation of students
2022	165
2021	145
2020	113

e) Capacity of the School:

S/No	Facility	No. of Students/ Staff	No of Available facilities	Optimum Required	Shortage/ Excess	Remarks
1	Classrooms	1191	20	20	0	Sufficient
2	Dormitories	1191	5	7	2	Not Sufficient
3	Laboratory	1191	1	3	2	Required 2
4	Library	1191	1	1	0	Modern required
5	ICT Room	1191	1	2	1	Required 1
6	Kitchenn	1191	1	1	0	Sufficient
7.	Dining Hall	1191	1	1	0	Sufficient
8.	Students' Toilets	1191	20	20	0	Sufficient
	Toilet -Staff	42	4	2	0	Sufficient
9.	Urinals	1191	2	3	1	Not Sufficient
10.	Staff Rooms	31	7	7	0	Sufficient
11.	Administration Block	5	1	1	0	Sufficient
12.	Football field	1191	1	2	1	Not sufficient
13.	Volleyball field	1191	1	3	2	Not sufficient
14.	Basket ball	1191	1	1	0	Modern required

F Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cos (Kshs)	Amount Spent (Kshs)	Expected completion time
Classroom,ict,library	MOE MI/Parents			7,923,870.00	complete

School Principal



Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

4. Statement of School Management Responsibility

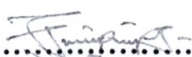
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of Talek Boys' Secondary School

S 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, 2023, and of the school's financial position as at that date.

.....


Name: Mr Jacob Sairowua

Designation: Chairman, School Board of Management

Date: 16/4/2026

.....


Name: Mr. Sabaya Nakola

Designation: School Principal & Secretary to Board of Management

Date: 16/04/2026

.....


Name: Mr. Stanley Nkoitiko

Designation: Bursar/ Finance Officer

Date: 16/04/2026

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 TALEK BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – NAROK 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 Talek Boys Secondary School set out on pages 1 to 18, which comprise of the statement of assets and

liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows, 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 Talek Boys Secondary School as at 30 June, 2023 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

Review of the financial statements revealed the following discrepancies:

- i) The summary report on performance of the School gives an expenditure of Kshs.7,923,870 on classrooms, ICT and library from MOE/MI/ parents which have not been explained nor supported as government grants for infrastructure.
- ii) Variances in the figures of the statement of receipts and payments and the cash flows statements as detailed below;

Item	Note	Statement of Receipts and Payments (Kshs.)	Statement of Cash flows (Kshs.)	Variance (kshs.)
School Fund Income-Parents Contribution	4	74,492,518	66,505,894	7,986,624
Payments for Tuition	6	2,772,869	2,675,009	97,860
Payments for Operations	7	5,733,569	5,783,969	(50,404)
Boarding and School Fund Payments	9	63,098,504	57,910,809	5,187,695

- iii) The statement of receipts and payments reflects total receipts of Kshs.89,792,169 while the statement of comparison of budget versus actual amount reflects a balance of Kshs.89,594,439 resulting to an unexplained variance of Kshs.197,730. Similarly, the statement of receipts and payments reflects a balance of Kshs.76,528,812 in respect of total payments while the

statement of budgets versus actual amounts reflects a balance of Kshs.79,010,712 translating to unexplained variance of Kshs.2,481,900.

- iv) The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects payments for tuition balance of Kshs.2,772,869 while the support schedules and ledgers provided amounted to Kshs.2,676,599 resulting to unreconciled variance of Kshs.96,270.
- v) The statement of receipts and payments reflects boarding and school fund amount of Kshs.63,098,504, while note 9 to the financial statement reflects an amount of Kshs.65,580,404 resulting to an unreconciled variance of kshs.2,481,900.
- vi) Review of the financial statements and the supporting schedules presented for audit revealed unreconciled and unexplained variances in parents' contribution/fees-school fund account as illustrated in the schedule below:

Component	Financial Statement Amount Balances (Kshs.)	Schedules Balances (Kshs.)	Variance (Kshs.)
Personnel emoluments	5,585,095	4,850,889	734,206
Repairs and maintenance	3,072,200	2,297,208	774,992
Local transport/ travelling	1,177,530	920,549	256,981
Electricity and water	8,712,060	7,279,663	1,432,397
Fee On Boarding Equipment and Stores	46,543,302	31,056,969	15,486,333
Administration costs	7,705,850	7,036,904	668,946
Activity	441,215	329,121	112,094
Student I.D	-	11,033	(11,033)
Government Grant for operation	9,202,309	14,496,310	(5,294,001)
Payments for operations	5,733,569	11,002,179	(5,258,610)
Boarding and school fund payments - Fess on boarding equipment and stores	41,169,462	37,076,496	4,092,966

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

2. Overstatement of Revenue

The statement of receipts and payments reflects total revenue of Kshs.89,792,169, which includes Kshs.74,492,518 in respect of school fund income from parents' contributions as disclosed in Note 4 to the financial statements. Review of student enrolment records during the year under review indicated that the School had a total of 986 students, with the approved fees per student amounting to Kshs.40,535. This translates to an expected total fee collection of Kshs.39,967,510. However, the

amount reported as school fund income from parents exceeded the expected amount by Kshs.34,525,008. Management explained that the variance arose from additional contributions made by parents to support school infrastructure development. However, minutes of the Parents Teachers Association (PTA) or Board of Management (BOM) meetings approving the additional contributions, approved fee structure, or other supporting documentation were not availed for audit review. Further review revealed that the School does not have a formal fees collection policy to guide the levying, approval and collection of additional charges from parents.

In the circumstances, the accuracy and completeness of the school fund income amounting to Kshs.74,492,518 could not be confirmed.

3. Unconfirmed Government Grants for Operations

The statement of receipts and payments reflects government grants for operations balance of Kshs. 9,202,309 as disclosed in Note 2 to the financial statements. However, during the audit, National Education Management Information System (NEMIS) student enrolment numbers for the year under review were not made available, preventing the comparison and confirmation of the NEMIS data and actual School enrolment data to confirm operational capitation.

In the circumstances the balance of governments grants for operations could not be confirmed.

4. Unconfirmed Accounts Receivables

The statement of financial assets and liabilities reflects an accounts receivables balance of Kshs.9,172,942 in respect of fees arrears as disclosed in Note 13 to the financial statements indicating an increase of Kshs.6,118,385 and or 200% as compared to Kshs.3,054,557. However, the ledgers provided in support of the balance lacked a clear audit trail showing the opening balances, billings for the year, payments received from students, and adjustments made to arrive at the reported closing balances. In addition, the School did not have a documented debt recovery plan, and Management did not demonstrate sufficient efforts undertaken to recover the outstanding amounts.

In the circumstances, the accuracy, completeness, and recoverability of the accounts receivable balance of Kshs.9,172,942 could not be confirmed.

5. Undisclosed Inventory

The approved financial reporting template for secondary schools requires a School to disclose its inventories at the close of the financial year under other important disclosures. However, the disclosure made by the School was incomplete since it did not include the value of the inventories as required. Further, the School did not conduct a stock take at the close of the year.

In the circumstance, the accuracy and completeness of the inventory nil balance could not be confirmed

6. Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.4,897,625 in respect of trade creditors as disclosed in Note 14 to the financial statements. However, the creditors movement schedule indicating the opening balance, payments made and the outstanding balance thereof was not provided. Further, the Management has also not provided reasons why the trade creditors were not paid as a first charge. Failure to settle payables may result in suppliers withholding the supply of goods and other essential items and hence adversely affect service delivery.

In the circumstances, the accuracy, completeness, and recoverability of the accounts receivable balance of Kshs.4,897,625 could not be confirmed.

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

My opinion is not modified in respect of this matter.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.98,400,000 and Kshs.89,594,439 respectively, resulting in an under-funding of Kshs.8,543,551 or 9% of the budget. However, the School spent an amount of Kshs.79,010,712 against actual receipts.

In the circumstance the under-funding and under-utilization may have affected planned activities and may have adversely impacted service delivery to the students of the School.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page iii to xiii which comprises Key School, Summary Report of Performance of the School and Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement receipts and payments reflect payments for operations balance of Kshs.5,733,569 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.1,510,000 was transferred to the Kenya Secondary School Heads Association (KESSHA). There is no evidence that the amount was included in the budget and approved by the board.

In the circumstances, the value for money transferred to KESSHA, amounting to Kshs.1,510,000 could not be confirmed.

2. Irregular Recruitment of Staff

During the year under review, the Board of Management recruited two new teachers to fill up the staffing needs of the School. However, interview with Management determined that whereas there may have been gaps in staffing, it was not formally established with a needs assessment. Further, Management did not provide evidence that the positions were advertised for qualified and interested candidates to apply. Management did not provide the application forms, the long list of applicants and short list of shortlisted applicants. Further review revealed that there was no appointment letters or staff files for those employees were presented for audit.

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

3. Failure to Prepare a School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, contrary to Paragraph 2.2 on School Improvement Planning in the

Ministry of Education Operation Manual for the Utilization of Learner Capitation Grants and Other School Funds, June 2020. The Manual requires schools to identify, in every three-year School Improvement Planning cycle, one priority area in each of the four key areas: 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. Weaknesses in the Procurement Function

Review of records and discussions with Management revealed that the School has not established a functional procurement unit managed by a qualified procurement professional nor were the roles delegated to a board or management committee and were exclusively handled by the school principal, contrary to Section 47(1)(2) of the Public Procurement and Asset Disposal Act, 2025. As a result, procurement functions have not been carried out in accordance with the legal requirements. Further, the audit revealed that the School lacked annual procurement plan, adhoc tender committees, evaluation committees, inspection and acceptance committees. In addition, no advertisement of tender for goods, service and works were carried out to invite for tenders. Further, audit review revealed that no procurement was made to allocate at least 30% of the procurement budget towards women, youth and persons with disabilities and other disadvantaged groups.

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 matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Missing of Essential Documents from Staff Files

Review of five staff file sampled for audit revealed that essential documents were missing from their records, including recruitment and employment records, letters of employment with job description and terms of engagement, employee bio data including KRA Tax PIN, NSSF, NHIF, certificate of good conduct from the Directorate

of Criminal Investigations, colored passport-sized photographs, and bank account details and next of kin details. Further, the staff files were not centrally maintained and retrieval was difficult with most of the files missing and not provided for audit.

In the circumstances, the effectiveness of internal controls and management of essential documents in the staff files in the School could not be confirmed.

2. Lack of an Approved Risk Management Policy

The audit revealed that the School did not have an approved risk management policy to help the in providing a framework for the management of risk and also to increase overall awareness of risk throughout the School.

In the absence of an approved risk management policy, the School has been left exposed as they cannot mitigate potential risks that may arise.

3. Lack of Segregation of Duties

The audit established that the School was using Natshule ERP system which is a Seamless School Management System with modules for finance, exam, library, payroll, admission and inventory. There were two users within the system and the bursar was a super user and could initiate, process, approve and reverse transactions, add, edit and delete user profiles, perform simple data entry tasks i.e fee payments. Similarly, within the system there was an accounts clerk user profile with similar rights as the bursar and the principal's rights within the system were view only.

In the circumstances, the individual user roles and responsibilities within the system could not be confirmed.

4. Lack of an ICT Environment and Business Continuity Plan/Data Recovery Mechanism

Review of the School's ICT environment revealed that there was no approved ICT policy in place during the year under review. This includes the absence of key policies such as a data security policy and disaster recovery plan. In addition, the ICT organizational structure was not provided for audit review. The School also did not have an Information Technology (IT) Steering Committee in place to oversee and guide the implementation of effective IT controls and strategies. Further review revealed that the School did not maintain data backups outside its premises and lacked an adequate data recovery mechanism in the event of data loss. There was also no evidence of an approved business continuity plan to ensure the continuity of operations in case of system disruptions. In addition, Management did not provide licenses, service level agreements, or acquisition or ownership documents for the software used by the School, including MS Suite, antivirus software and Natshule ERP.

In the circumstances, the legitimacy, licensing status, and ownership of the School's software could not be confirmed.

5. Textbook Management

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through the Kenya Institute of Curriculum Development (KICD). However, the School's inventory records for the period were incomplete hence, book balances could not be confirmed. A physical count of text books in the School's store revealed that books issued in the prior financial years were still lying in the store, as they were no longer in use and had been issued in excess.

In the circumstances, value for money on the excess 2,000 textbooks could not be confirmed.

6. Weakness in Board of Management

During the year under review, the Board of Management that is supposed to direct the School in achieving its strategic objectives was constituted by the County Education Board on 28 August, 2020. However, attendance registers and minutes of meetings for the finance, procurement and general-purpose committee, academic committee, discipline and welfare committee, and ad hoc committees as disclosed in the financial statements were not provided.

In the circumstances, the effectiveness of the governance mechanisms at the School could not be confirmed.

7. Non-Compliance with Statutory Requirements on Ethnic Diversity, Disability Inclusion, and Gender Balance

The statement of receipts and payments, as disclosed in Note 6 to the financial statements, reflects a balance of Kshs. 5,733,569 as expenditure on operations, of which Kshs. 2,272,587 relates to personnel emoluments expenditure. An analysis of staff data provided for audit revealed that the School had a total workforce of thirty-two (32) employees engaged by the Board of Management; eighteen (18) teachers and fourteen (14) non-teaching staff, all of whom, were drawn from the same dominant ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which stipulates that no public establishment shall have more than one-third of its staff from the same ethnic community. Further review indicated that none of the thirty-two employees was a person living with a disability. This contravenes Paragraph B.23(2) of the Human Resource Policies and Procedures Manual for the Public Service (2016), on the rights and privileges of persons with disabilities, which requires the Government to implement the principle that at least five percent (5%) of all appointments be reserved for persons with disabilities.

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

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance

with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

28 April, 2026

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022-2023 Kshs	2021-2022 Kshs
Receipts			
Government grants for tuition	1	2,791,306.50	2,503,882.00
Government grants for operations	2	9,202,309.60	11,230,718.00
Government Grants for infrastructure	3	3,295,000.00	0.00
School fund income- parents' contributions	4	74,492,518.00	49,722,414.00
Miscellaneous incomes	5	11,035.00	0.00
Total Receipts		89,792,169.10	63,457,014.00
Payments			
Tuition	6	2,772,869.00	2,707,491.25
Operations	7	5,733,569.00	12,158,565.00
Infrastructure	8	4,923,870.00	0.00
Boarding and school fund	9	63,098,504.15	52,699,159.00
Total Payments		76,528,812.15	67,565,215.25
Surplus/Deficit		13,263,356.95	(4,108,201.25)

The school financial statements were approved on _____ 2023 and signed by:

.....

Name: Mr. Jacob Sairowua

Chair BOM

Date: 16/4/2026

.....

Name: Mr. Sabaya Nakola
School Principal/ Secretary to BOM

Date: 16/04/2026

.....

Name: Mr stanley Nkoitiko

Bursar/ Finance Officer

Date: 16/04/2026

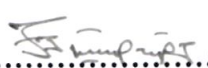
Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

7. Statement of Assets and Liabilities as At 30th June 2023

Description	Note	2022-2023 Kshs	2021-2022 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	7,758,948.76	194,841.81
Cash balances	11	56,831.90	109,050.90
Short term investments	12	0.00	0.00
Total cash and cash equivalent		7,815,780.66	303,892.71
Account's receivables	13	9,172,942.00	3,054,557.00
Total financial assets		16,988,722.66	3,358,449.71
Financial liabilities			
Accounts payables	14	4,897,625.00	4,530,709.00
Total Liabilities		4,897,625.00	4,530,709.00
Net financial assets		12,091,097.66	(1,172,259.29)
Represented by			
Accumulated fund b/fwd	15	(1,172,259.29)	2,935,941.96
Surplus/deficit for the year		13,263,356.95	(4,108,201.25)
Net financial position		12,091,097.66	(1,172,259.29)

The school's financial statements were approved on _____ 2023 and signed by

.....


Name: Mr. Jacob Sairowua

Chair BOM

Date: 16/4/2026

.....


Name: Mr Sabaya Nakola
School Principal/ Secretary to BOM

Date: 16/04/2026

.....


Name: Mr Stanley Nkoitiko
Bursar/ Finance Officer

Date: 16/04/2026

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022-2023 KShs	2021-2022 KShs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,791,306.50	2,503,882.00
Government grants for operations		9,202,309.60	11,230,718.00
Government grants for infrastructure		3,295,000.00	0.00
School fund income- parents contributions/ fees		66,505,894.00	49,920,286.00
Other income		11,035.00	0.00
Total receipts		81,805,545.10	63,654,886.00
Payments			
Cash outflows for tuition		2,675,009.00	2,520,091.25
Cash outflows for operations		5,783,969.00	5,158,165.00
Cash outflows Boarding/lunch and school fund payments		57,910,809.15	46,848,303.00
Total payments		66,369,871.15	54,526,559.25
Net cash inflow/outflow from operating activities		15,435,757.95	9,128,326.75
Cash flow from investing activities			
Acquisition of assets		7,923,870.00	10,950,000.00
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		7,923,870.00	10,950,000.00
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		7,511,887.95	(1,821,673.25)
Cash and cash equivalent at beginning of the FY		303,892.71	2,125,565.96
Cash and cash equivalent at end of the FY		7,815,780.66	303,892.71

The school's financial statements were approved on _____ 2023 and signed by:

.....

Name: Mr. Jacob Sairowua

Chair BOM

Date: 16/4/2026

.....

Name: Mr. Sabaya Nakola
School Principal/ Secretary to BOM

Date: 16/04/2026

.....

Name: Mr Stanley Nkoitiko

Bursar/ Finance Officer

Date: 16/04/2026

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

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					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	3,400,000.00		3,400,000.00	2,791,306.50	82%
Exams And Assessment					
Chalk					
(2) Capitation Grant on Operations					
Personnel Emoluments					
Repairs And Maintenance	2,500,000.00		2,500,000.00	2,000,000.00	80%
Administration Costs					
Local Transport / Travelling					
Electricity And Water					
Medical					
Other vote heads	7,500,000.00		7,500,000.00	7,202,309.60	96%
Activity					
Gratuity					
3) FDSE for infrastructure					
Maintenance &Improvement MoE	5,000,000.00		5,000,000.00	3,295,000.00	66%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	6,500,000.00		6,500,000.00	5,585,095.00	
Repairs And Maintenance	3,500,000.00		3,500,000.00	3,072,200.00	91%
Local Transport / Travelling	1,400,000.00		1,400,000.00	1,177,530.00	

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/a %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity And Water	10,000,000.00		10,000,000.00	8,712,060.00	
Medical					
Administration Costs	9,000,000.00		9,000,000.00	7,705,850.00	
Activity	600,000.00		600,000.00	441,215.00	65%
Other vote heads					96%
Fee On Boarding Equipment and Stores	49,300,000.00		49,300,000.00	46,543,302.00	94%
Prepayments				1,255,266.00	
Students ID				11,035.00	
5) Miscellaneous Income					
Loans / Borrowing					
Rent income					
Income From Farming Activities					
Insurance Compensation					
Income From Posho Mill					
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	98,400,000.00		98,400,000.00	89,594,439.10	91%
(6) Expenditure For Tuition					
Textbooks	300,000.00		300,000.00	244,930.00	82%
Reference Materials					
Exercise Books	1,200,000.00		1,200,000.00	988,350.00	82%
Laboratory Equipment	405,000.00		405,000.00	350,000.00	86%
Internal Exams					
Teaching / Learning Materials	900,000.00		900,000.00	746,870.00	83%
Chalks	150,000.00		150,000.00	106,000.00	71%
Exams And Assessment	440,000.00		440,000.00	333,389.00	76%
Teachers Guides					

Talek Boys' Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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
Bank Charges	5,000.00		5,000.00	3,330.00	67%
(7) Expenditure For Operations					
Personnel Emoluments	5,700,000.00		5,700,000.00	3,015,076.00	53%
Repairs, Maintenance & Improvements					
Local Transport / Travelling					
Other Vote Heads					
Medical					
Electricity ,Water &Conserv	2,100,000.00		2,100,000.00	1,457,951.00	69%
Administration Costs	1,800,000.00		1,800,000.00	1,029,342.00	57%
Activity Expenses	400,000.00		400,000.00	231,200.00	58%
Gratuity					
SMASSE					
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of LAB					
Construction of DORMS	5,000,000.00		5,000,000.00	4,923,870.00	98%
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
CCTV Installation					
(9) Expenditure For school fund lunch /boarding					
Personnel Emoluments	2,500,000.00		2,500,000.00	1,801,258.00	72%
Repairs, Maintenance and Improvements	5,500,000.00		5,500,000.00	3,851,000.00	70%
Local Transport / Travelling	2,000,000.00		2,000,000.00	1,489,550.00	74%
Electricity, Water and Conservancy	6,300,000.00		6,300,000.00	4,968,699.00	79%
Medical Expenses					
Administration Cost	12,500,000.00		12,500,000.00	9,957,386.15	80%
Other voteheads					
Activity	1,200,000.00		1,200,000.00	852,410.00	71%

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

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
Gratuity					
Lunch Programme					
Boarding Equipment and Stores	50,000,000.00		50,000,000.00	41,169,462.00	82%
Prepayments				1,395,639.00	
Text Books				95,000.00	
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments					
Rent Expenses					
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals	98,400,000.00		98,400,000.00	79,010,712.15	80%

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 the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually 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 insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

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 fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has 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 2023.

11. Notes to the Financial Statements

1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Textbooks and reference materials	0.00	0.00
Exercise books	0.00	0.00
Laboratory equipment	0.00	0.00
Internal exams	0.00	0.00
Teaching / learning materials	2,791,306.50	2,503,882.00
Chalks	0.00	0.00
Exams and assessment	0.00	0.00
Teachers guides	0.00	0.00
Total	2,791,306.50	2,503,882.00

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Other vote heads	7,202,309.60	0.00
Local transport / travelling	0.00	731,250.00
Repairs and maintenance and improv	2,000,000.00	4,348,000.00
Personnel emoluments	0.00	3,841,250.00
Administration costs	0.00	678,794.00
Activity	0.00	0.00
Medical and insurance	0.00	154,000.00
Electricity ,Water& Conservancy	0.00	1,477,424.00
Total	9,202,309.60	11,230,718.00

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	3,295,000.00	0.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (specify) (NGCDF and County govt.	0.00	0.00
Total	3,295,000.00	0.00

Talek Boys' Secondary School**Annual Report and Financial Statements For the year ended 30th June 2023**

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Boarding Equipment And Stores	46,543,302.00	34,646,567.00
Repairs and maintenance	3,072,200.00	2,133,479.00
Administration costs	7,705,850.00	2,167,065.00
Local transport / travelling	1,177,530.00	819,225.00
Other vote heads	0.00	0.00
Electricity ,Water& Conservancy	8,712,060.00	5,123,452.00
Activity	441,215.00	515,664.00
Personnel emoluments	5,585,095.00	4,316,397.00
Prepayments	1,255,266.00	0.00
Total	74,492,518.00	49,721,849.00

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Tender	0.00	0.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00
Student ID	11,035.00	0.00
Total	11,035.00	0.00

Notes to the Financial Statements (continued)

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Textbooks and reference materials	244,930.00	210,000.00
Exercise books	988,350.00	907,900.00
Laboratory equipment	350,000.00	301,241.00
Internal exams	0.00	0.00
Teaching / learning materials	746,870.00	664,300.00
Chalks	106,000.00	0.00
Exams and assessment	333,389.00	622,460.00
Reference Materials	0.00	0.00
Bank Charges	3,330.00	1,590.25
Total	2,772,869.00	2,707,491.25

7 OperationsaZ

Description	2022-2023	2021-2022
	Kshs	Kshs
Other vote heads	0.00	0.00
Local transport / travelling	0.00	214,300.00
Repairs and maintenance & improvements	0.00	3,350,000.00
Personnel emoluments	3,015,076.00	3,088,683.00
Administration Cost	1,029,342.00	992,300.00
Activity Expenses	231,200.00	88,500.00
Medical	0.00	0.00
Electricity and water	1,457,951.00	823,572.00
Bank Charges	0.00	1,210.00
RMI - Infrastructure	0.00	3,600,000.00
TOTAL	5,733,569.00	12,158,565.00

Talek Boys' Secondary School**Annual Report and Financial Statements For the year ended 30th June 2023****Notes to the Financial Statements (continued)****8 Infrastructure**

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms	0.00	0.00
Construction of laboratory	0.00	0.00
Construction of dormitory	4,923,870.00	0.00
Purchase of furniture	0.00	0.00
Purchase of equipment	0.00	0.00
Gate Construction	0.00	0.00
Drilling of boreholes	0.00	0.00
Bank Charges	0.00	0.00
Total	4,923,870.00	0.00

9 Boarding and School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Other Voteheads	0.00	0.00
Repairs and maintenance & Improvements	3,851,000.00	4,837,840.00
Personal Emoluments	1,801,258.00	2,872,845.00
Medical	0.00	0.00
Activity	852,410.00	679,220.00
Local Transport and Travellings	1,489,550.00	1,541,900.00
Bank Charges	0.00	0.00
Fees on Boarding Equipment and Stores	41,169,462.00	33,585,389.00
Administration Costs	9,957,386.15	3,606,050.00
Electricity ,Water and Conservancy	4,968,699.00	5,575,915.00
Prepayments	1,395,639.00	0.00
Text Books	95,000.00	0.00
TOTAL	65,580,404.15	52,699,159.00

Talek Boys' Secondary School**Annual Report and Financial Statements For the year ended 30th June 2023****Notes to the Financial Statements (continued)****10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1200775775	123,597.85	7,300.35
Operations Account	Active	1200776844	3,479,018.70	60,678.10
School Fund Account	Active	1200774841	3,884,412.21	126,073.36
Infrastructural Account	Active	1287963382	271,920.00	790.00
Total			7,758,948.76	194,841.81

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	56,831.90	109,050.90
Total	56,831.90	109,050.90

12 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

13 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	9,172,942.00	3,054,557.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	0.00	0.00
Statutory deductions	0.00	0.00
Rent arrears (list/schedule attached)	0.00	0.00
Total	9,172,942.00	3,054,557.00

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	9,172,942.00	100%	3,054,557.00	100%
Between 1- 2 years		%	0.00	
Between 2-3 years		%	0.00	
Over 3 years		%	0.00	
Total (should tie to note 13 a)	9,172,942.00	100%	3,054,557.00	100%

14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,897,625.00	2,662,470.00
Prepaid Fees	0.00	1,868,239.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables	0.00	0.00
Total	4,897,625.00	4,530,709.00

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs	% of the total	Kshs	% of the total
Less than 1 year	4,897,625.00	100%	4,530,709.00	100%
Between 1- 2 years	0.00		0.00	
Between 2-3 years	0.00		0.00	
Over 3 years	0.00	%	0.00	
Total (should tie to note 14)	4,897,625.00	100%	4,530,709.00	100%

15 Fund Balance Brought Forward

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank Balances	194,841.81		2,039,990.96	
Cash Balances	109,050.90		85,575.00	
Short Term Investments	0.00		0.00	
Receivables	3,054,557.00		1,098,262.00	
Payables	(4,530,709.00)		(287,886.00)	
Total	(1,172,259.29)		2,935,941.96	

16 Non-current Liabilities Summary

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank Loans				
Outstanding Leases				
Hire Purchase				
Gratuity And Leave Provision				
Others (specify)				
Total				

Talek Boys' Secondary School**Annual Report and Financial Statements For the year ended 30th June 2023****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.

17 Biological assets

Description	Numbers	2022-2023 Kshs	2021-2022 Kshs
Cattle	2		
Goats			
Trees	200		
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total			

18 Borrowings

Description	2022-2023 Kshs	2021-2022 Kshs
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		
Balance at the end of the year		

19 Stock/ Inventory

Description	2022-2023 Kshs	2021-2022 Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

Talek Boys' Secondary School**Annual Report and Financial Statements For the year ended 30th June 2023**

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



Talek Boys' Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 2023	Outstanding Balance 2022	Comments
	A	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
Sub-Total						
Supply Of Goods						
1. Mara Mubarak Whole sellers				871,660.00	592,680.00	
2. Fatuma Enterprise				319,300.00	73,300.00	
3. Bestech Africa				0.00	710,500.00	
4. Streamline Concept				0.00	248,800.00	
5. Reuben Langat				844,100.00	100,000.00	
6. School Canteen				0.00	75,210.00	
7. Mara Bookshop				114,410.00	144,970.00	
8. Bigi Electricals and Electronics				0.00	106,790.00	
9. Ready Graphics Agencies				170,850.00	187,400.00	
10. Level School Centre				0.00	180,760.00	
11. Innovative Computers				0.00	65,800.00	
12. Savannah Building Plumbing				0.00	45,360.00	
13. Juliet Lipore				0.00	23,500.00	
14. Samparuan Kiriama				0.00	16,000.00	
15. Sambraloi Bats Control				0.00	41,000.00	
16. NHIF				0.00	50,400.00	
17. Maisha Bazaar Ltd				55,200.00	0.00	
18. Mara Glory Shop				298,680.00	0.00	
18. Taowfiq Talek Ventures				2,119,745.00	0.00	
19. Ritika Enterprises				88,680.00	0.00	
20. Benson Macharia				15,000.00	0.00	
Sub-Total				4,897,625.00	2,662,470.00	
Supply Of Services						
1.						
2.						
3.						
Sub-Total						
Grand Total				4,897,625.00	2,662,470.00	

Talek Boys' Secondary School**Annual Report and Financial Statements For the year ended 30th June 2023**

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				