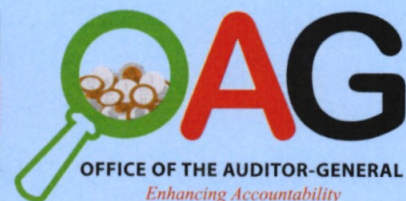


REPUBLIC OF KENYA

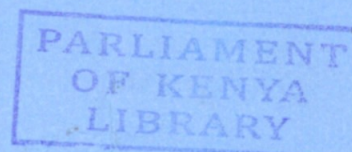


REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 24 JUN 2026	DAY: Wednesday
TABLED BY:	Hon Ourn Baya (Deputy Majority Party leader)
OF	
CLERK-AT THE-TABLE:	Anastacia

THE AUDITOR-GENERAL

ON

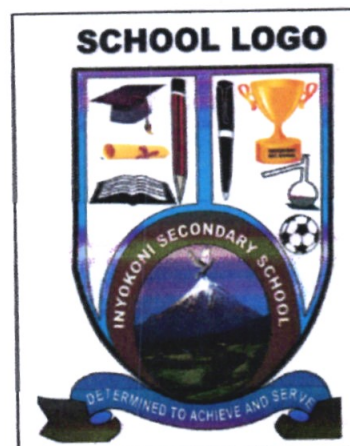


INYOKONI SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

MAKUENI COUNTY

Revised 30th June 2023.



INYOKONI 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 Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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 School Education

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 Kilungu Sub County, Makueni County.

The school was registered in 2/8/2022 under registration number 17S30000035 and is currently categorized as a, *County* public school established, owned or operated by the Government.

The school is a day/boarding school and had 409 number of students as at 30th June 2023. It has 8 streams and 15 teachers of which 5 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	JONES NDIVO	Member	21/7/2022
2	SIMON MUTUA	Member	21/7/2022
3	JACINTA MALUNI	Member	21/7/2022
4	STEPHEN MUOKI	Member	21/7/2022
5	GLORIA MWONGELI	Member	21/7/2022
6	DANIEL MUNGUTI	Member	21/7/2022
7	EARNEST KIMUYU	Member	21/7/2022
8	PATRICK GITAU	Member	21/7/2022
9	MIRRIAM MUTUA	Member	21/7/2022
10	JONES M. KAKUI	Chairman	21/7/2022
11	DAVID KALANI	Member	21/7/2022
12	JACKSON MUTUA	Member	21/7/2022
13	JOSEPHINE DAVID	Member	21/7/2022
14	CAROLINE MUSIU	Member	21/7/2022
15	NICOLAS KYALO	Member	21/7/2022
16	SAMUEL MAGENDI	Member	21/7/2022
17	MOSES KAMULA	Rep Students	21/7/2022

I 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, 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. Jones Musyoki 2. Mary Kyule 3. David Kalani 4. Jacinta Maluni 5. Jackson Mutua	BOM Chairperson. BOM Secretary. Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee			X out of XX
	Finance, procurement and general purposes Committee	1. Jones Musyoki 2. Mary Kyule 3. Jackson Mutua 4. Daniel Mutungi 5. Gloria Mwongeli 6. Stephen Muoki 7. Caroline Musiu 8. Josephine Nzibo	ChairPerson Secretary Member Member Member Member Member Member	N/A N/A N/A N/A N/A N/A
4	Academic Committee	1. Nicolas kyalo	ChairPerson	N/A

		2. Mary Kyule	Secretary	N/A
		3.Silvester Kilonzo	Member	N/A
		4.Simon Mutua	Member	N/A
		Miriam Mutua	Member	N/A
5	Development Committee	1. Mary Kyule	Secretary	N/A
		2. Jackson Mutua	ChairPerson	N/A
		3.Silvester Kilonzo	Member	N/A
		4.Jacinta Maluni	Member	N/A
		5.Samuel Mangendi	Member	N/A
6	Discipline and welfare Committee	1. Jones Musyoki	Chairperson.	N/A
		2. Mary Kyule	Secretary.	N/A
		3.David Kalani	Member	N/A
		4. Jacinta Maluni	Member	N/A
		5.Simon Mutua	Member	N/A
		6. Nicolas kyalo	Member	N/A
		7. Jones Ndivo	Member	N/A
		8.Silvester Kilonzo	Member	N/A
7	Adhoc Committee (if any during the year)			N/A

(d) 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	Mary Kyule	TSC No.348441
2	Deputy Principal	Silvester Kilonzo	TSC No.494386
3	School Bursar	James Muasa	Id no. 28319989

(e) Schools contacts

Post Office Box: P.O Box 112-90130
Telephone: 0792220474
E-mail: inyokonisecondaryschool@gmail.com
Website: XXXXXXXX
Facebook:
Twitter:

(f) School Bankers

The school operated four bank accounts in the following banks

ACCOUNT NAME : TUITUION ACCOUNT

1. Name of Bank: KCB
Branch: MACHAKOS
Account Number: 1106378148

ACCOUNT NAME : OPERATION ACCOUNT

2. Name of Bank: KCB
Branch: MACHAKOS
Account Number: 1106329058

ACCOUNT NAME : INFRASTRUCTURE ACCOUNT

3. Name of Bank: KCB
Branch: MACHAKOS
Account Number: 1260802264

ACCOUNT NAME : BOARDING ACCOUNT

4. Name of Bank: KCB
Branch: MACHAKOS
Account Number: 1107158575

MPESA: Pay Bill No. 36287kadmno

(g) Independent Auditors

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

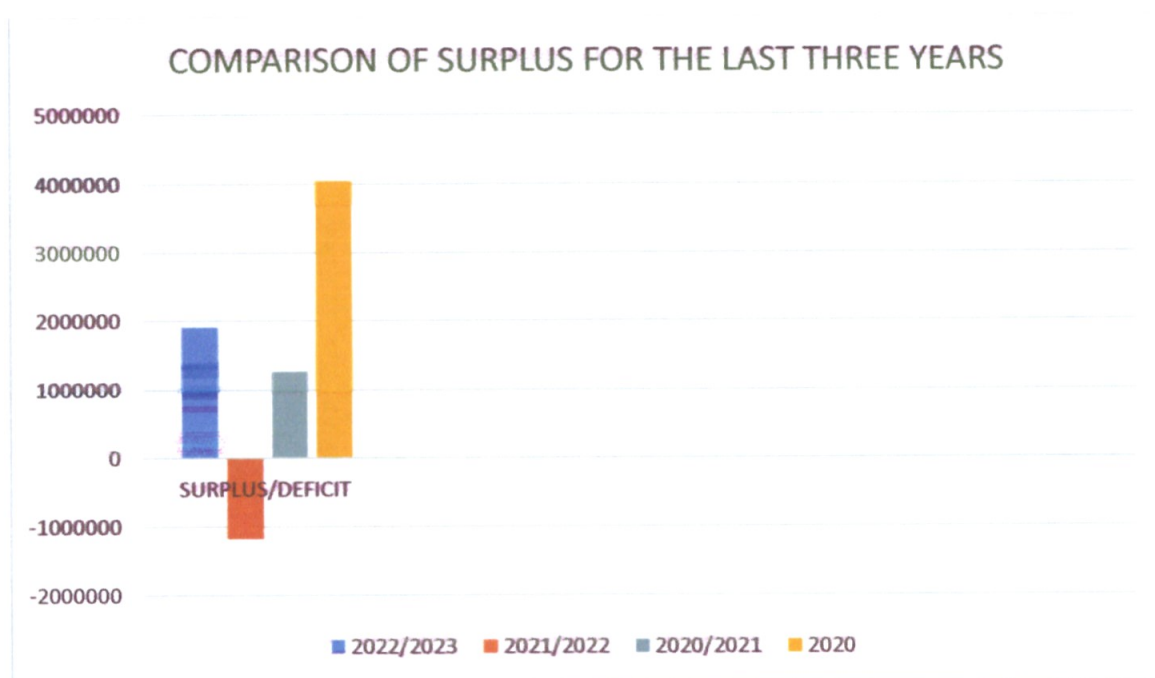
3. Summary Report of Performance of The School

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

a) Financial performance:

- *Surplus/ deficit for the year and a comparison of the same for the last three years*

ACCOUNT	2022/2023	2021/2022	2020/2021	2020
<i>Total</i>	<i>1,907,828.00</i>	<i>-1,169,606.00</i>	<i>1,267,606.00</i>	<i>4,046,691.00</i>

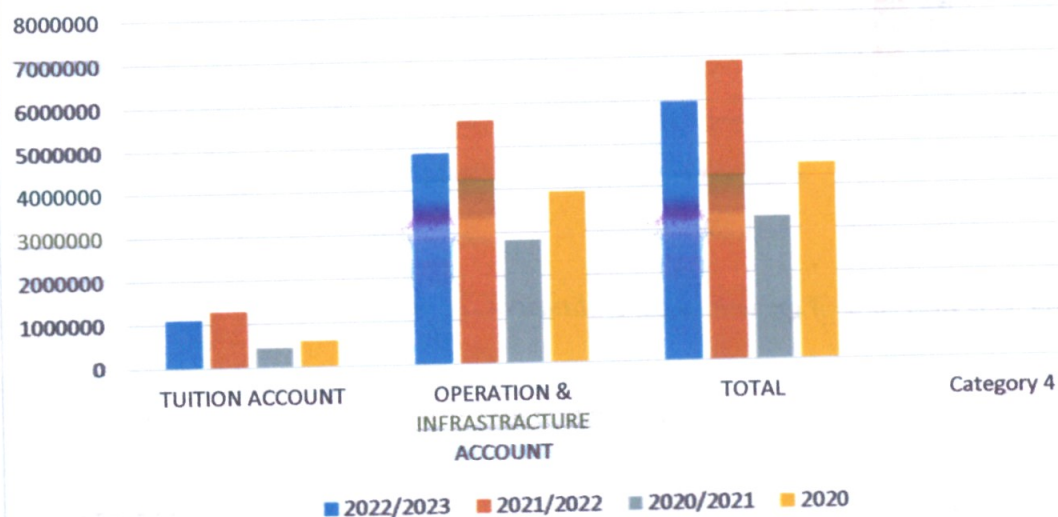


- *Capitation grants from the Ministry of Education for the last three years*

Year	Operation and Infrastructure Accounts	Tuition Account	Total

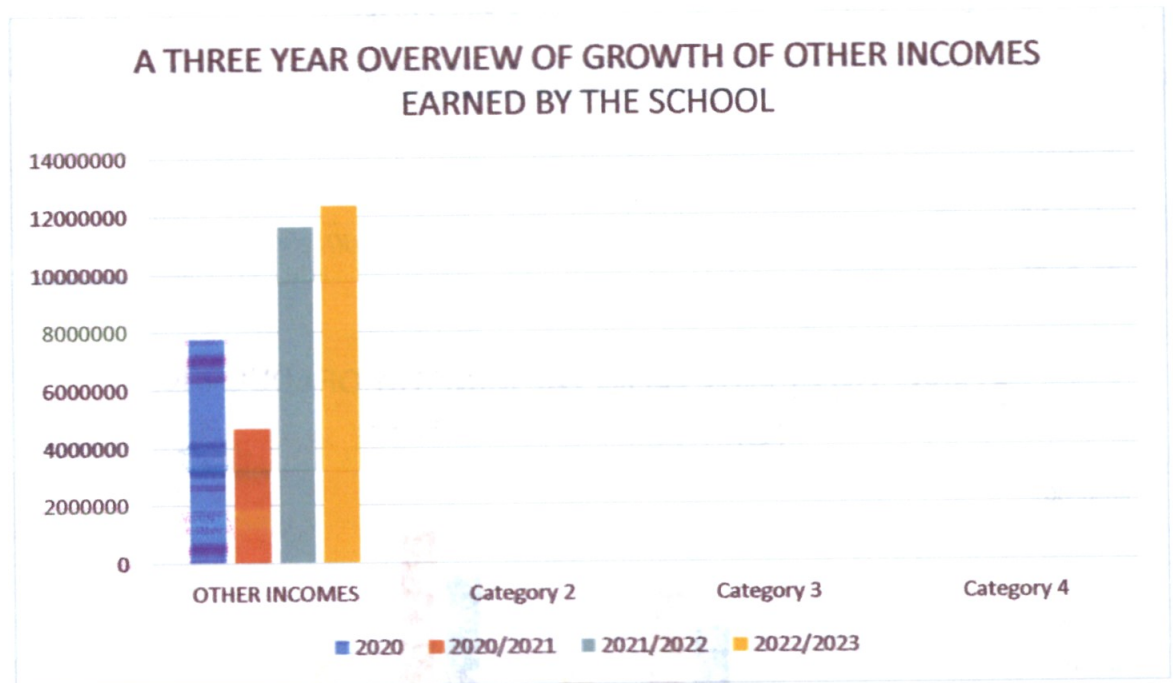
2020	3,922,500.00	592,340.00	4,514,840.00
2020/2021 <i>(6months)</i>	2,828,543.00	452,726.00	3,281,269.00
2021/2022	5,611,069.00	1,279,020.00	6,890,089.00
2022/2023	4,869,080.00	1,100,494.001	5,969,574.00

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS.



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

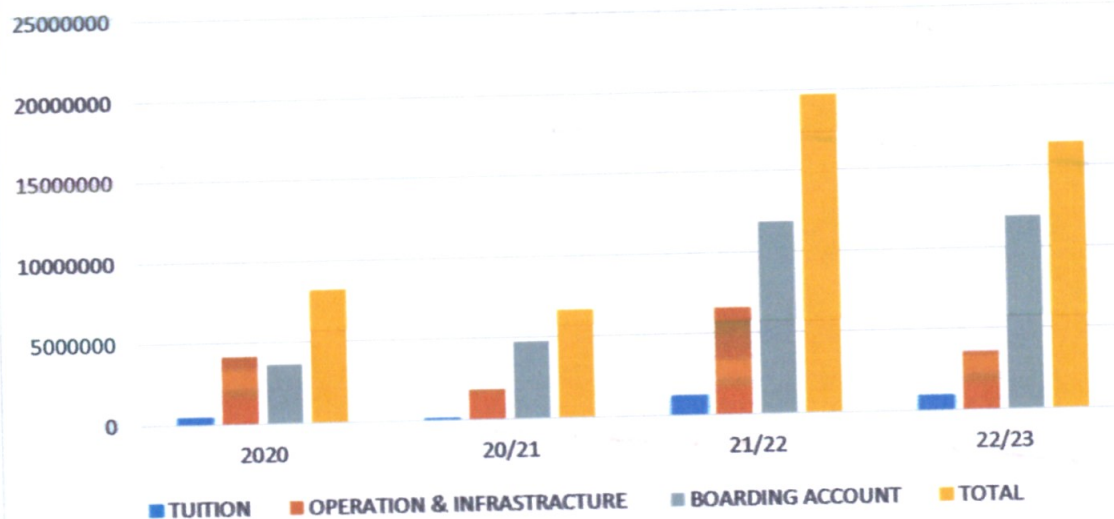
	OTHER INCOMES
2020	7,767,625.00
2020/2021 <i>(6months)</i>	4,675,158.00
2021/2022	11,645,765.00
2022/2023	12,381,764.00
TOTAL	36,470,312.00



A three year overview of growth in expenditure of the school

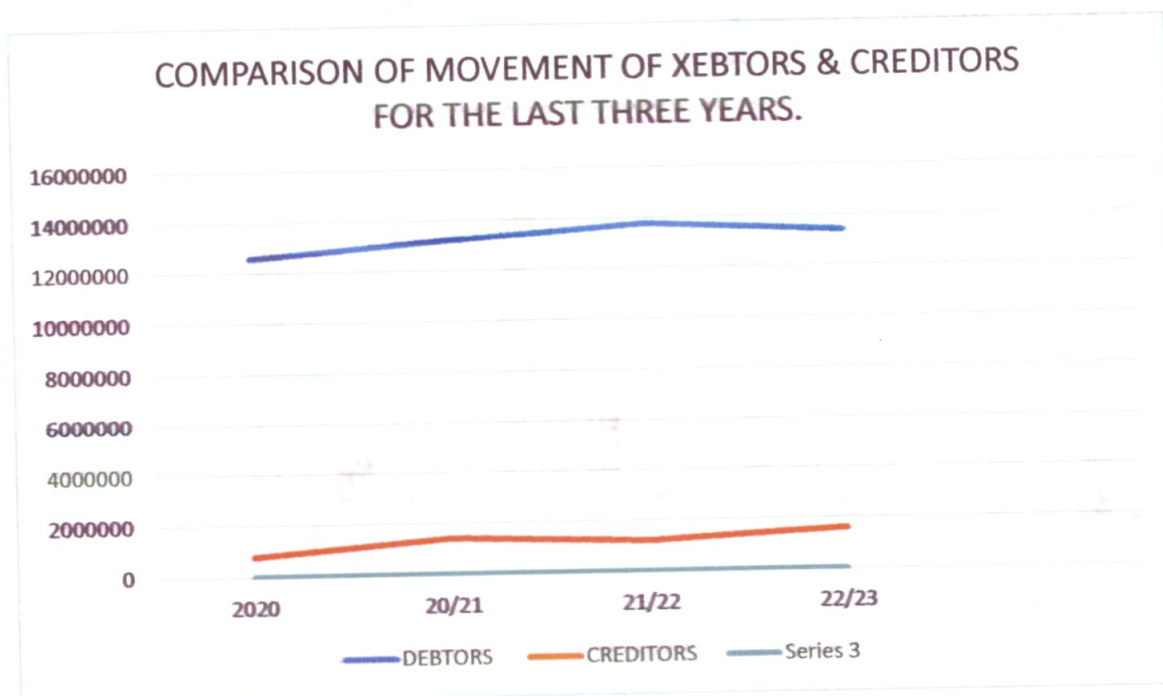
	<i>Tuition</i>	<i>Operation and infrastructure</i>	<i>Boarding</i>	<i>Total</i>
2020	467,876.00	4,124,024.00	3,643,874.00	8,235,774.00
2020/2021	146,858.00	1,817,032.00	4,725,229.00	6,689,119.00
2021/2022	1,238,201.00	6,596,237.00	11,871,022.00	19,705,460.00
2022/2023	935,736.00	3,555,651.00	11,952,123.00	16,443,510.00

THREE YEAR OVERVIEW OF GROWTH OF EXPENDITURE OF THE SCHOOL.



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

Year	Debtors	Creditors
2020	12,580,504.00	773,212.00
2020/2021 (6 months)	13,212,482.00	1,405,190.00
2021/2022	13,763,035.00	1,195,743.00
2022/2023	13,413,681.00	1,606,389.00



b) Teacher Student ratio:

Teachers Employed by BOM	Teachers employed by TSC	TSC intern Teachers	Retired/ transfer red	Total teachers	Total studen ts	Teacher student ratio	Shortage/ allocation of resources
5	10	0	0	15	409	27 students per teacher	9

c) Mean score in the 2023 KCSE:

Year	ENT	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	MS	GR AD E	IMPR/ DROP	Univ ersity quali fiers
2023					1	0	5	6	10	26	28	13	0	0	0	3.8652	D+	-0.6288	6
2022						2	6	8	20	31	11	5				4.4940	D+	-0.0644	8
2021					1	2	6	5	21	24	17	1				4.5584	C-	0.1853	9
2020					1	1	3	6	17	20	16	3	-	2		4.3731	D+	-0.4923	5

The mean score is below the school's set score of 5.2181.

d) Number of Candidates in the KCSE:

YEAR	2023	2022	2021	2020
NO OF CANDIDATES	89	83	77	69

e) Capacity of the school:

No of candidates	Laboratory	Classes	Toilets	Dining hall	Dormitories
409	3	8	22	1	3. Blocks

a) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Contructions of Toilet & Renovations of Classroom	MOE		765,000.00	649,981.00	30/6/2023
Total			765,000.00	649,981.00	

INYOKONI SECONDARY
SCHOOL
P.O. BOX 112 - 90130,
NUNGUNI.

Sign 

Name: Mary Kyule

Designation: School Principal & Secretary to Board of Management

Date: 25/09/2023

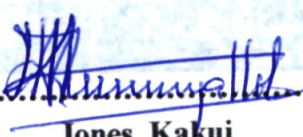
4. Statement of School Management Responsibility

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

Sign 

Name: **Jones Kakui**

Designation: **Chairman, School Board of Management**

Date: **25/09/2023**

Sign 

Name: **Mary Kyule**

Designation: **School Principal & Secretary to Board of Management**

Date: **25/09/2023**

**INYOKONI SECONDARY
SCHOOL
P.O BOX 112 - 90130,
NUNGUNI.**

Sign 

Name: **James Muasa**

Designation: **Bursar/ Finance Officer**

Date: **25/09/2023**

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 INYOKONI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - MAKUENI COUNTY

PREAMBLE

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

- A. Report on the 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 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 Government achieves value for money and that such schools are applied for intended purpose.
- 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, the risk management environment, and the 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 Inyokoni Secondary School – Makueni County, set out on pages 1 to 23, 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 and 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 Constitution⁸ 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 Inyokoni 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Financial Statements

Review of the financial statements revealed misstatements affecting the following;

- i. The statement of assets and liabilities and as disclosed in Note 12 to the financial statements and Annex i - analysis of pending accounts payable reflects a balance of Kshs.1,606,389 while the re-casted balance as per annex i is Kshs.1,193,157, resulting in an unexplained variance of Kshs.413,232;
- ii. Further, the annex reflects original and paid balances to-date of Kshs.7,248,239 and Kshs.5,579,866 respectively while the re-casted balances are Kshs.4,804,555 and Kshs.3,339,798, resulting in unexplained variances of Kshs.2,443,684 and Kshs.2,240,068 respectively;
- iii. Notes 11 to 17 to the financial statements were inconsistent with Notes reflected in the statement of assets and liabilities;
- iv. Note 13b to the financial statements reflects ageing analysis of accounts receivable balance of Kshs.13,413,681 while the re-casted balance is Kshs.104,103,681, resulting in an unexplained variance of Kshs.90,690,000. Further, the aging analysis of accounts receivable is reported as Note 13b instead of Note 11b. In addition, accounts receivable aged 1-2 years are erroneously reported as Kshs.10,0766,661. As a result of the typographical error, the correct amount could not be confirmed;
- v. The previous year's movement of creditors under summary report of performance of the School reflects a balance of Kshs.1,195,743 while the statement of assets and liabilities reflects a balance of Kshs.1,955,743 resulting in an unexplained variance of Kshs.760,000.

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

2. Unsupported Accounts Receivable Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.13,413,681 as disclosed in Note 11 to the financial statements. However, supporting schedules, detailed aging analysis and issued invoices were not provided for audit.

In the circumstances, the existence, accuracy and completeness of the accounts receivable balance of Kshs.13,413,681 could not be confirmed.

3. Unsupported Accounts Payable Balance

The statement of assets and liabilities reflects accounts payable balance of Kshs.1,606,389 as disclosed in Note 12 to the financial statements. However, Management did not ledgers, invoices, LPOs/LSOs, delivery notes, goods received notes to support the balance.

In the circumstances, the accuracy, existence and completeness of accounts payable balance of Kshs.1,606,389 could not be confirmed.

4. Unsupported Disclosure of Fixed Assets Balance

The statement of assets and liabilities reflects fixed assets balance of Kshs.22,720,000. However, there were no corresponding disclosure notes to the financial statements to support the balance. Further, the adopted financial reporting framework was IPSAS Cash Basis with modification on accounts payable and receivable, and therefore did not provide for recognition and disclosure of fixed assets in the financial statements.

In the circumstances, the accuracy, completeness, presentation and disclosure of fixed assets balance of Kshs.22,720,000 could not be confirmed.

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

Key Audit Matters

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

Other Information

The School Management is responsible for Other Information set out on pages iii to xiv which comprise of Key School Information and Management, the Summary Report of Performance of the School and Statement of School Management responsibility. 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. Late Submission of Financial Statements

During the year under review, management submitted the financial statements to the Auditor-General on 4 August, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the Ministry of Education circular Ref. MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that, the school's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

The statement of receipts and payments reflects boarding and school fund amount of Kshs.11,952,123 as disclosed in Note 7 to the financial statements. During the year under review, the School transferred co-curricular funds amounting to Kshs.427,300 to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare

organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of funds transferred to KESSHA amounting to Kshs.427,300 could not be confirmed.

3. Non-Compliance with Board of Management and Committees' Terms of Services and Entitlement

Review of records and documents relating to the Board of Management (BoM) for the School revealed the following unsatisfactory matters;

- i. The School BoM did not constitute a Human Rights and Students Welfare Committee as required under Section 61(2) of the Basic Education Act, 2013;
- ii. The BoM did not prepare annual work plan or schedule of activities for the year under review;
- iii. The personal files for the BoM did not contain the requirements of Chapter Six of the Constitution of Kenya, 2010.

In the circumstances, the Board of Management is in breach of the law.

4. Lack of Functional Procurement Unit

The School Management did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications. This may lead to non-compliance with procurement laws and increased risk of irregular or non-transparent procurement processes.

In the circumstances, the Board of Management is in breach of the law.

5. Long Outstanding Accounts Payable Balance

The statement of assets and liabilities and as disclosed in Note 12 to the financial statements reflects accounts payable balance of Kshs.1,606,389. However, included in the balance are trade payable balance of Kshs.748,283 or 47% which had been outstanding for over one (1) year. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that, an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates.

In the circumstances, Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

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. Long Outstanding Accounts Receivable Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.13,413,681 as disclosed in Note 11 to the financial statements. Included in the balance are accounts receivable balance of Kshs.10,076,661 or 75% which had been outstanding for over one (1) year. Further, there was no age analysis and policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivable balance.

In the circumstances, recoverability of the accounts receivable balance of Kshs.13,413,681 could not be confirmed.

2. Lack of Asset Ownership Document

As disclosed in the previous year, Annex 2 - summary of fixed assets register reflects a balance of Kshs.22,720,000 which includes one (1) parcel of land for the School identified as Land 1 with historical cost of Kshs.4,000,000. However, there were no ownership documents for the land, and Management did not provide evidence of any efforts made to obtain the ownership documents.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

3. Inadequate Board Oversight and Lack of Establishment of an Audit Committee

During the year under review, except for the Executive Committee which held three (3) meetings, the Finance, Procurement and General-Purpose Committee, Academic Committee, Development Committee and Discipline and Welfare Committee did not hold any meeting. This was contrary to Section 6 (1) of the Fourth Schedule of the Basic Education Act, 2013 that requires, the Board of Management to meet at least once every four months. Further, the School had not established an Audit Committee contrary to Section 61(2) (d) of the Basic Education Act, 2013 which states that, without prejudice to the provisions of subsection (1), the Board of Management to establish an Audit Committee.

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

4. Lack of Terms of Reference for Employees of Board of Management

Review of personnel records revealed that the School had five (5) teachers under Board of Management and fourteen (14) non-teaching staff with paid amount of Kshs.2,723,556. However, the School did not have terms of reference of service for employees of the Board of Management hence there is no clear guidelines on the terms of employment of the Board employees.

In the circumstances, the terms and conditions of employees of Board of Management are not clear.

5. Failure to Maintain Separate Account for Own Generated Income

The statement of receipts and payments and as disclosed in Note 4 to the financial statements reflects miscellaneous incomes amount of Kshs.1,420,010. Included in this amount is other incomes in respect of hiring of school bus amounting to Kshs.175,000. Review of documents revealed that the other income was collected and banked in the school Fund. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day Secondary Education (FDSE) which requires that, schools with income generating activities to open separate bank accounts for the stream of income and account for it in accordance with financial regulations.

In the circumstances, commingling of income from school bus hire with school Fund monies may increase the risk of misappropriation of funds, weakens financial control mechanisms, and undermines accountability and transparency in the management of public resources.

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 Board of Management

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.

The Board of Management is 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

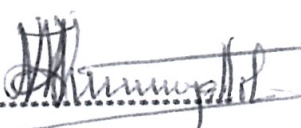
Nairobi

20 May, 2026

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

Description Of Vote Head	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,100,494.00	1,279,020.20
Government grants for operations & infrastructure	2	4,869,080.00	5,611,069.00
School fund income- parents' contributions	3	10,961,754.00	9,993,665.00
Miscellaneous incomes	4	1,420,010.00	1,652,100.00
Total Receipts		18,351,338.00	18,535,854.00
Payments			
Tuition	5	935,736.000	1,238,201.00
Operations & Infrastructure	6	3,555,651.00	6,596,237.00
Boarding and school fund	7	11,952,123.00	11,871,022.00
Total Payments		16,443,510.00	19,705,460.00
Surplus/Deficit		1,907,828.00	(1,169,606.00)

The school financial statements were approved on **25/09/2023** and signed by:

Sign.....

Name: Jones Kakui

Chair BOM

Date: 25/09/2023

Sign.....

Name: Mary Kyule
School Principal/ Secretary to
BOM

Date: 25/09/2023

INYOKONI SECONDARY
SCHOOL
P.O BOX 112 - 90130,
NUNGUNI.

Sign.....

Name: James Muasa

Bursar/ Finance Officer

Date: 25/09/2023

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

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	2,119,414	199,396
Cash balances	9	1,180	13,371
Short term investments	10	-	-
Total cash and cash equivalent		2,120,594	212,767
Account's receivables	11	13,413,681	13,763,035
		22,720,000	22,720,000
Total financial assets		38,254,275	36,695,802
Financial liabilities			
Accounts payables	12	1,606,389	1,955,743
Net financial assets		36,647,886	34,740,059
Represented by			
Accumulated fund b/fwd 1 july	13	34,740,059	35,909,664
Surplus/deficit for the year		1,907,828	(1,169,606)
Net financial position		36,647,886	34,740,059

The school's financial statements were approved on **25/09/2023** and signed by:

Sign.....

Name: Jones Kakui

Chair BOM

Date: 25/09/2023

Sign.....

Name: Mary Kyule
School Principal/ Secretary to
BOM

Date: 25/09/2023

Sign.....

Name: James Muasa

Bursar/ Finance Officer

Date: 25/09/2023

INYOKONI SECONDARY
SCHOOL
P.O BOX 112 - 90130,
NUNGUNI.

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	1	1,100,494.00	1,279,020.00
Government grants for operations & infrastructure	2	4,869,080.00	5,611,069.00
School fund income- parents contributions/ fees	4	10,961,754.00	9,993,665.00
Other income		1,420,010.00	1,652,100.00
Total receipts		18,351,338.00	18,535,854.00
Payments			
Cash outflows for tuition	5	935,736.00	1,238,201.00
Cash outflows for operations & infrastructure	6	3,555,651.00	6,596,237.00
Cash outflows Boarding/lunch and school fund payments	7	11,952,123.00	11,871,022
Total payments		16,443,510.00	19,705,460
Net cash inflow/outflow from operating activities		1,907,828.00	(1,169,606.00)
Cash flow from investing activities			
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		1,907,828.00	(1,169,606.00)
Cash and cash equivalent at beginning of the FY		212,766.00	1,382,373.00
Cash and cash equivalent at end of the FY		2,120,594.00	212,767.00

The school's financial statements were approved on 25/09/ 2023 and signed by:

Sign.....
Name: Jones Kakui

Sign.....
Name: Mary Kyule
School Principal/ Secretary to
BOM

sign.....
Name: James Muasa
Bursar/ Finance Officer

Chair BOM
Date: 25/09/2023

Date: 25/09/2023
INYOKONI SECONDARY
SCHOOL
P.O BOX 112 - 90130
NUNGUNI.

Date: 25/09/2023

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	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / Learning Materials	1,033,200		1,033,200	1,100,494	(67,294)	107%
Exams And Assessment						
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments						
Repairs And Maintenance						
Local Transport / Travelling						
Electricity And Water						

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
Other vote head	3,854,000		3,854,000	3,653,080	200,920	95%
Administration Costs						
Activity						
Gratuity						
3) FDSE for infrastructure						
M&I parents' contribution						
Economic Stimulus Programs						
Transition Infrastructure	1,216,000		1,216,000	1,216,000		100%
Administration Block						
(4) Fees Charged on Parents						
Fee On Boarding Equipment and Stores	12,180,000		12,180,000	10,180,289	1,999,711	84%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
Personnel Emoluments	779,000		779,000	176,750	602,250	23%
Repairs And Maintenance	116,400		116,400	116,400		100%
Local Transport / Travelling	105,000		105,000	106,750	(1,750)	102%
Electricity And Water	740,250		740,250	200,555	539,695	27%
Medical						
Administration Costs	322,500		322,500	143,935	178,565	45%
Activity	37,500		37,500	37,075	425	99%
SMASSE						
5) Miscellenous Income						
Loans / Borrowing						
Rent income						
Income From Farming Activities						
Kind	124,210		124,210	124,210		100%
Lost text book	1,400		1,400	1,400		100%
Income From Bus Hire	500,000		500,000	175,000	325,000	35%
Tender	20,000		20,000	20,000		100%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Id card	24,900		24,900	24,900		100%
Bursary	1,074,200		1,074,200	1,074,200		100%
uniform	300		300	300		100%
Total Income	22,128,860		22,128,860	18,351,338	3,777,522	83%
(6) Expenditure For Tuition						
Textbooks						
Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / Learning Materials	1,416,700		1,416,700	935,736	480,964	66%
Chalks						
Exams And Assessment						
Teachers Guides						
Administration Costs						
Bank Charges						

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
a	b	c=a+b	d	e=c-d	e=d/c %	a
Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(7) Expenditure For Operations</i>						
Personnel Emoluments						
Repairs, Maintenance & Improvements	1,777,027		1,777,027	705,020	1,072,007	40%
Local Transport / Travelling						
Electricity, Water and Conservancy						
Other votehead	5,255,486		5,255,486	2,845,670	2,409,816	54%
Administration Costs						
Activity Expenses						
SMASSE						
<i>(8) Expenditure For infrastructure</i>						
BANK CHARGES	4,961		4,961	4,961		100%
Construction of DORMS						
Purchase of furniture						

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
a	b	c=a+b	d	e=c-d	e=d/c %	a
Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
(9) Expenditure For school fund/lunch/boarding						
Personnel Emoluments	823,449		823,449	483,826	339,623	59%
Repairs, Maintenance and Improvements	2,630,000		2,630,000	106,940	2,523,060	4%
Local Transport / Travelling	78,643		78,643	405,180	(326,537)	515%
Electricity, Water and Conservancy	361,060		361,060	375,255	(14,195)	104%
Administration Costs	1,539,705		1,539,705	2,897,435	(1,357,730)	188%
Bus	78,000		78,000	78,000		100%
Gratuity	146,700		146,700	146,700		100%
kind	157,460		157,460	157,460		100%
Boarding Equipment and Stores	6,760,382		6,760,382	5,451,995	1,308,387	81%
Expenditure For Activity	638,000		638,000	478,800	159,200	75%
Insurance Costs	269,332		269,332	277,332	(8,000)	103%
Tender	6,000		6,000	6,000		100%
Fees refund	13,000		13,000	13,000		100%
Bursary	1,074,200		1,074,200	1,074,200		100%
Totals	23,030,105		23,030,105	16,443,510	6,586,595	71%

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

- i. Xxx
- ii. Xxx

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.

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
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	1,100,494.00	1,279,020.00
Others (specify) *		
Total	1,100,494.00	1,279,020.00

2 Government Grants for Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments		
Repairs And Maintenance	1,216,000.00	1,544,750.00
Local Transport / Travelling		
Electricity And Water		
Medical		
Administration Costs		
Activity		
Other Vote Heads (Administration Cost ,Local Transport / Travelling, Personnel Emoluments & Electricity And Water))	3,653,080.00	4,066,319.00
Total	4,869,080.00	5,611,069.00

3 School Fund Income - Parents Contribution/Fees

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	176,750.00	286,000.00
Repairs and maintenance	116,400.00	284,200
Local transport / travelling	106,750.00	68,150.00
Electricity and water	200,555.00	475,130.00
Medical	-	18,000.00

INYOKONI SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023**

Description	2022/2023	2021/2022
	Kshs	Kshs
Administration costs	143,935.00	206,550.00
Activity	37,075.00	19,500.00
Fee on Boarding Equipment and stores	10,180,289.00	8,594,635.00
PA Project	-	41,500.00
Others (specify)	-	-
Total	10,961,754.00	9,993,665.00

4 Miscellaneous Incomes

Description	2022/2023	2021/2022
	Kshs	Kshs
Rent Income		
Bursary income	1,074,200.00	1,518,770.00
Lost text book	1,400.00	1,400.00
Exam income		29,400.00
Income From Bus Hire	175,000.00	-
Students ID CARD	24,900.00	-
Income From Grants and Donations*	-	-
Fee payment in kind	124,210.00	34,200.00
Tender income	20,000.00	-
Uniform	300.00	68,330.00
Other Income (specify) *	-	-
Total	1,420,010.00	1,652,100.00

Notes to the Financial Statements

5 Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	-	-
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	935,736.00	1,236,227
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges		1,974.00
Others (specify)	-	-
Total	935,736.00	1,238,201.00

6 Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	-	-
RMI		2,570,690.00
Service Gratuity	-	-
Administration Cost	-	-
Repairs And Maintenance & Improvements	709,981.00	-
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	-	-
Activity Expenses	-	-
Bank charges		1,134.00
Others (Administration Cost ,Local Transport / Travelling, Personnel Emoluments & Electricity And Water)	2,845,670.00	4,024,413.00
Total	3,555,651.00	6,596,237.00

Notes to the Financial Statements (continued)**7 Boarding And School Fund**

Description	2022/2023	2021/2022
	Kshs	Kshs
Fee On Boarding Equipment and Stores	5,451,995.00	5,331,238.00
Service Gratuity	146,700.00	25,000.00
Repairs And Maintenance & Improvements	106,940.00	355,005.00
Local Transport / Travelling	405,180.00	197,005.00
Electricity And Water	375,255.00	437,623.00
Fee refund	13,000.00	-
Administration Costs	2,897,435.00	2,416,122.00
Personal Emoluments	483,826.00	664,560.00
INSURANCE COST (bus/ Van)	277,332.00	280,000.00
Payment in kind	157,460.00	
Uniform		92,000.00
Bursary	1,074,200.00	401,500.00
Tender expenses	6,000.00	
Bus /Van expenses	78,000.00	
School Bus loan		1,653,669.00
Exam		17,300.00
Activity	478,800.00	
Total	11,952,123.00	11,871,022.00

Notes to the Financial Statements (continued)**8 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1106378148	175,339.00	10,581.20
Operations Account	Active	1106329058	749,481.00	1,475.35
School Fund Account/Boarding	Active	1107158575	620,003.00	178,767.10
Infrastructural Account	Active	1260802264	574,591.00	8,572.00
Total			2,119,414.00	199,395.65

9 Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Operation account	(293.00)	307
School fund account	1,473.00	13,064.00
Total	1,180.00	13,371.00

10 Short Term Investments

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

Notes to the Financial Statements (continued)
11 Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	13,395,181	13,763,034
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	18,500	
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	13,413,681	13,763,034

13 b Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,337,020.00	25%	3,006,870.00	22%
Between 1- 2 years	10,076,661.00	75%	10,756,164.00	78%
Between 2-3 years				
Over 3 years				
Total (should tie to note 13 a)	13,413,681.00	100%	13,763,034.00	100%

12 Accounts Payable

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,606,389.00	1,955,743.00
Prepaid Fees	-	-
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (specify)	-	-
Total	1,606,389.00	1,955,743.00

Notes to the Financial Statements (continued)

14 Ageing Analysis of Accounts Payable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2022	% of the total
Less than 1 year	858,106.	54%	870,553	45%
Between 1- 2 years	748,283.00	46%	1,085,190	55%
Between 2-3 years				
Over 3 years				
Total (should tie to note 14)	1,606,389.00	100%	1,955,743	100%

15 Fund Balance Brought Forward

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Balances	199,396	1,362,343
Cash Balances	13,371	20,029
Fixed assets	22,720,000	22,720,000
Receivables	13,763,034	13,212,482
Payables	1,955,743	1,405,190
Total	34,740,058	35,909,664

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.

13 Non-current Liabilities Summary

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

14 Biological assets

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

15 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

16 Stock/ Inventory

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

17 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)
1	Sundry creditors 31/12/ 2020 Ksh. 473,212.00	To pay all outstanding trade Creditors	Resolved	June 2021
2	Sundry debtor as at 31/12/2020 Ksh.12,580,504.00	To recover the recoverable outstanding fees arrears	Resolved	Continuous as the students clears with the school
3	Procurement Process	To adhere to the procurement processes by forming the necessary ADHOC procurement committee	Resolved	January 2021
4	Funded account 12,215,299.00	This had been tied up in fees arrears	Not resolved	Continuous as the students clears the outstanding fees
5	Income and expenditure	To spent within Budgetary allocation	Resolved	Continuous

Sign  **INYOKONI SECONDARY SCHOOL**
Principal: Mary Kyule **PO BOX 112 - 90130, NUNGUNI.**
Date: 25/9/2023

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023	Outstanding Balance Comparative FY 2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Kuwait General stores	169,940	1/7/2022	109,940	60,000	-	
Sub-Total	169,940		109,940	60,000		
Supply Of Goods						
2. Muliko TRaders	459,800	1/7/2022	333,280	126,520		
3. DPL Festive	1,762,598	1/7/2022	1,717,878	44,720	480,000	
4. East Kenya Suppliers Ltd	2,209,267	1/7/2022	1,120,000	710,267	376,000	
5. Syekole Self Help Group				107,400	107,400	
6. Benjamin musimba					554,504	
7. Awards					230,943	
8. bom employee					206,896	
Sub-Total	4,431,665		3,171,158	988,907	1,955,743	
9. Samson Kioli Ngao	128,700	1/7/2022	28,700	100,000	-	
10. Jacob Ndilu Musyoki	74,250	1/7/2022	30,000	44,250	-	
Sub-Total	2,646,634		2,298,768	557,482		
Grand Total	7,248,239		5,579,866	1,606,389	1,955,743	

INYOKONI 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	4,000,000.00	-	-	4,000,000.00
Buildings And Structures	11,500,000.00			11,500,000.00
Motor Vehicles	3,700,000.00	-	-	3,700,000.00
Office Equipment, Furniture And Fittings	700,000.00			700,000.00
Textbooks	500,000.00			500,000.00
ICT Equipment	420,000.00			420,000.00
Tools And Apparatus	600,000.00			600,000.00
Other Machinery And Equipment	1,000,000.00			1,000,000.00
Heritage And Cultural Assets	200,000.00			200,000.00
Intangible Assets- Soft Ware	100,000.00			100,000.00
Total	22,720,000.00			22,720,000.00

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