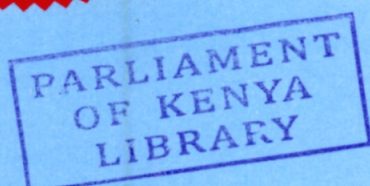


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 JUL 2025	DAY: Wednesday
TABLED BY: Hon. (Dr.) Robert Ouko on behalf of the Leader of the Opposition	
CLERK-AT-THE-TABLE: Halima Salema	

THE AUDITOR-GENERAL

ON

KIROBON BOYS HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

NAKURU COUNTY

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 23 JUL 2025	DAY: Wednesday
TABLED BY: Hon. Owen Bora (Deputy Majority Leader)	
CLERK-AT-THE-TABLE: Anastacia	



KIROBON BOYS HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

(Kirobon Boys High School)

Annual Report and Financial Statements For the Year ended 30 June 2024

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1) Acronyms and Glossary of Terms

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	

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 NAKURU County, RONGAI Sub-County.

The school was registered in December 2010 under registration number GP/A/8606 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a boarding school and had 845 number of students as at *30 June 2024*. It has 4 streams and 33 teachers of which 11 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	EDNA CHEPNGETICH NDIWA	Chairlady	23/05/2022
2	JARED NANDI	Secretary – Principal	23/05/2022
3	JOYCE CHEPKEMOI	Member	23/05/2022
4	VICTOR KENNEDY OMARE	Member	23/05/2022
5	PAUL MWANGI	Member	23/05/2022
6	ENG. ERICK MAINA	Member	23/05/2022
7	ROSE KOECH	Member	23/05/2022
8	PAUL JOSEPH ORIEDI	Member – Rep CEB	23/05/2022
9	MELLEN NYACHIRO	Member Rep Teachers	23/05/2022
10	ROSE KOECH	3 Members – Sponsor	23/05/2022
11	EDWARD LEKARIAP	Member – Community	23/05/2022
12	HILDA KANDIE	Member Special Needs	23/05/2022
13	PETER ALITH	Rep Students	23/05/2022
14	REBECCA NGANGA	Member	23/05/2022
15	IRINE CHEBET	Member	23/05/2022

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.JARED NANDI 2.EDNA CHEPNGETICH NDIWA 3.BENSON KIREU	SECRETARY BOM CHAIR PTA CHAIR	2 out of 2 2 out of 2 2 out of 2
2	Audit Committee	PAUL MWANGI EDNA CHEPNGETICH NDIWA JOYCE CHEPKEMOI	Member Member Member	— — —
3	Finance,procurement and general purposes Committee	EDNA CHEPNGETICH NDIWA ENG. ERICK MAINA REBECCA NGANGA	Member Member Member	1 out of 1 1 out of 1 1 out of 1
4	Academic Committee	PAUL JOSEPH ORIEDI	Member	1 out of 1

		HILDA KANDIE	Member	1 out of 1
		IRINE CHEBET	Member	1 out of 1
5	Development Committee (SIC)	EDNA CHEPNGETICH	Member	2 out of 2
		NDIWA		
		JARED NANDI	Member	2 out of 2
		MR KIPCHUMBA	CDE	2 out of 2
		JOSEPH KAMAU	Secretary	2 out of 2
		ENG. ERICK MAINA	Member	2 out of 2
6	Discipline and welfare Committee	BENSON KIREU	Member	1 out of 1
		PAUL MWANGI	Member	1 out of 1
		ROSE KOECH	Member	1 out of 1

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	JARED NANDI	TSC No- 372289
2	Deputy Principal	JOSEPH KAMAU	TSC No- 379930
3	School Bursar	NANCY RUGUT	ICPAK No-NIL

(e) Schools contacts

Post Office Box: 4335 - 20100
Telephone: 0796260920
E-mail: kirobonbysec@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

Name of Bank: KCB
Branch: MENENGAI CRATER
Account Number: 1132411068 (Main Account)

Name of Bank: KCB
Branch: MENENGAI CRATER
Account Number: 1132438810 (Operation Account)

Name of Bank: KCB
Branch: MENENGAI CRATER
Account Number: 1132438918 (Tuition Account)

Name of Bank: KCB
Branch: MENENGAI CRATER
Account Number: 1270245325 (Infrastructure Account)

MPESA Pay Bill No. Business No :- 522123
Account No :- 28356k

(g) Independent Auditors

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

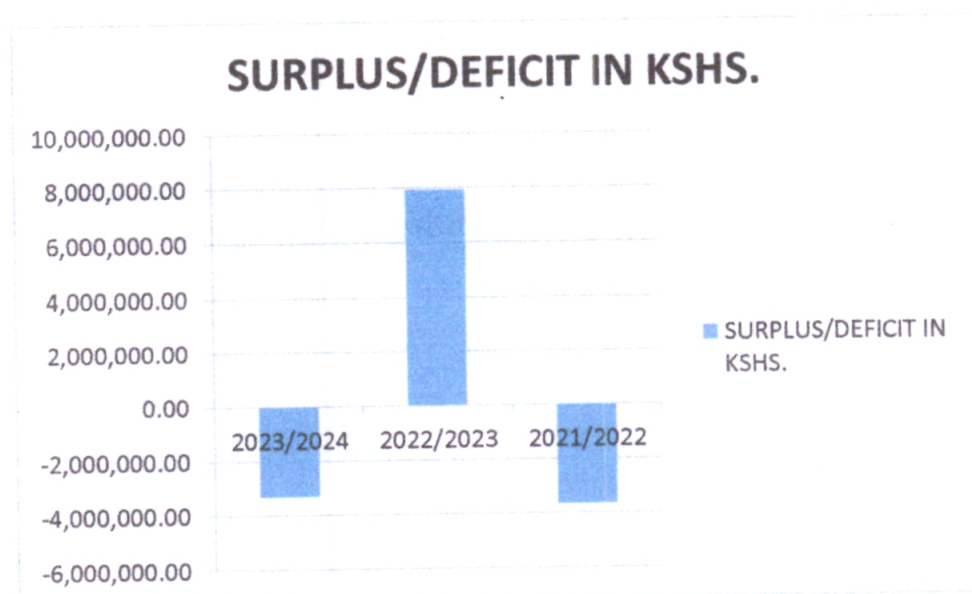
3) Summary Report of Performance of The School

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

a) Financial performance:

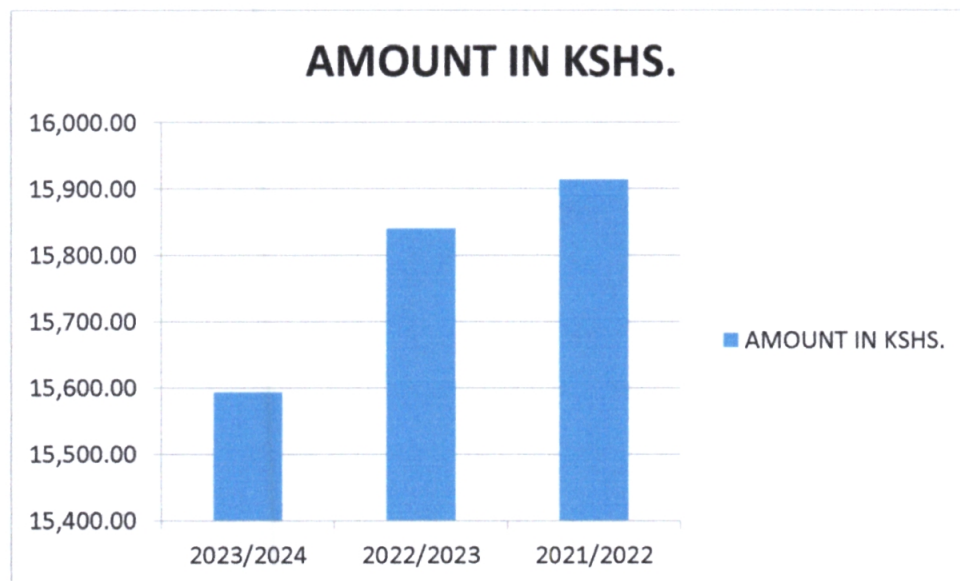
(Surplus/ deficit for the year and a comparison of the same for the last three years

YEARS	2023/2024	2022/2023	2021/2022
SURPLUS/DEFICIT IN KSHS.	-3,325,634.35	7,924,981.00	-3,678,890.00



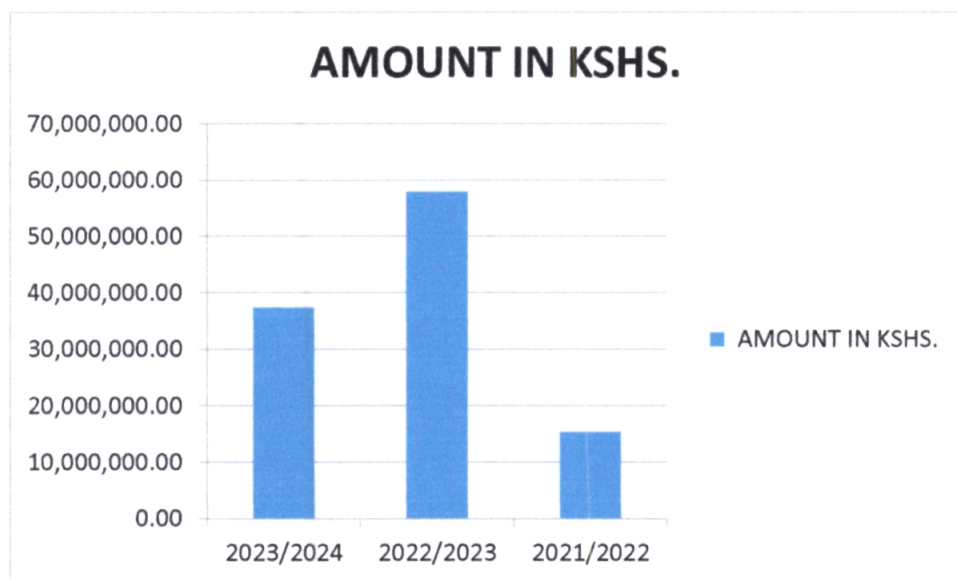
Ratio of Capitation Grants from the Ministry of Education for the last three years

YEARS	2023/2024	2022/2023	2021/2022
AMOUNT IN KSHS.	15,593.00	15,840.00	15,914.00



- *A three-year overview of growth of school fund income earned by the school.*

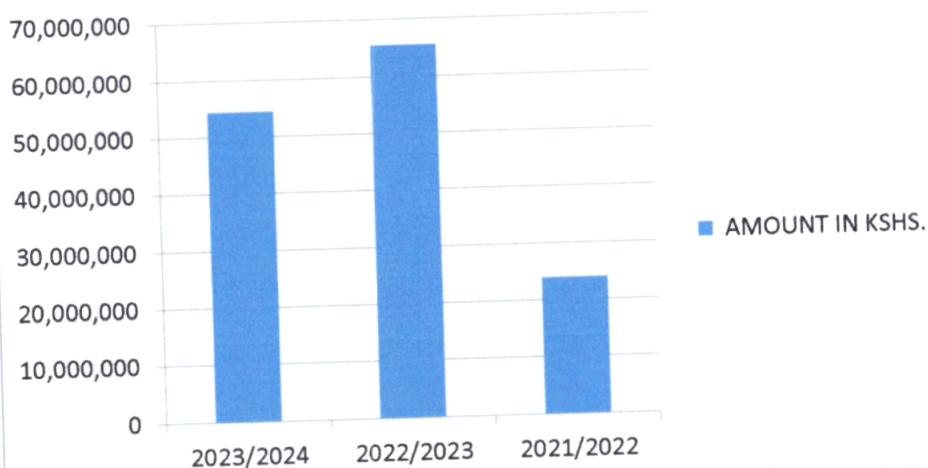
YEARS	2023/2024	2022/2023	2021/2022
AMOUNT IN KSHS.	37,430,305.35	57,920,875.00	15,372,856.00



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

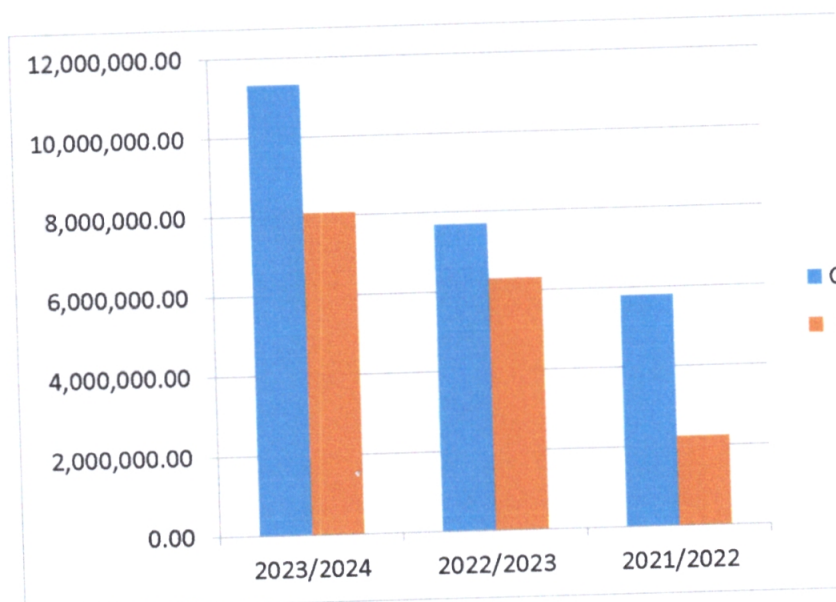
YEARS	2023/2024	2022/2023	2021/2022
AMOUNT IN KSHS.	58,010,479.70	65,508,528.00	23,983,131.00

AMOUNT IN KSHS.



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

YEARS	2023/2024	2022/2023	2021/2022
CREDITORS	11,327,158.00	7,699,987	5,802,099
DEBTORS	8,065,604.00	6,305,685	2,241,035



b) Teacher Student ratio:

37 teachers against 904

- Number of teachers recruited and posted to the school - 3
- Number of teachers transferred/ retired - 0
- Number of teachers employed by T.S.C - 29
- Number of teachers employed by B.O.M - 8

Number of teachers for each subject and shortage and teacher to student ratio

S/N O	SUBJECT	NUMBER OF TEACHERS	EMPLOYED BY T.S.C / B.O.M	REMARKS
1.	ENGLISH/LIT	6	3TSC, 2BOM	Adequate
2.	MATHEMATICS	6	4TSC, 2 BOM	Inadequate
3.	CHEMISTRY	5	2TSC, 1 BOM	Inadequate
4.	KISWAHILI	6	3TSC, 1BOM	Inadequate
5.	BIOLOGY	6	1TSC, 3 BOM	Inadequate
6.	C.R.E	3	1TSC, 1 BOM	Inadequate
7.	AGRICULTURE	3	1TSC, 3 BOM	Inadequate
8.	HISTORY	5	4TSC, 1BOM	Inadequate
9.	GEOGRAPHY	3	2TSC, 1BOM	Inadequate
10.	PHYSICS	4	2TSC, 0BOM	Inadequate
11.	BUSINESS STUDIES	3	1TSC, 1 BOM	Inadequate

c) Mean score in the academic year 2023 KCSE:

The number of candidates sitting for KCSE over the last three years.

YEAR	ENTRY	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	M/S	DEV
2023	197	0	0	0	5	12	19	30	45	51	31	4	0	5.0	+0.375
2022	184	0	0	1	1	5	9	28	47	54	32	7	0	4.625	-0.39
2021	124	0	0	1	3	8	12	20	28	23	27	2	0	5.205	+0.165

d) Capacity of the school:

NO. OF STUDENT	CLASSES	DORM	DINING H.	LAB	TOILETS
904	17	4	1	2	45

e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
DINING HALL (RESTRUCTURING)	MOE & PARENTS FUNDS	IN PROGRESS	9,980,000.00	1,847,000.00	2025



.....
School Principal

4) Statement of School Management Responsibility

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

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

The Board of Management of the 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 30 June 2024 and of the school's financial position as at that date.

.....
Name: EDNA C. NDIWA
Designation: Chairperson, School Board of Management
Date:

.....
Name: Jared Nandi
Designation: School Principal & Secretary to Board of Management
Date: 5/6/25



.....
Name: NANCY DUGUT
Designation: Bursar/ Finance Officer
Date:

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000

Email: info@oagkenya.go.ke

Website: www.oagkenya.go.ke



Enhancing Accountability

HEADQUARTERS

Anniversary Towers

Monrovia Street

P.O Box 30084-00100

NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KIROBON BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – NAKURU 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 that 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 Kirobon Boys High School set out on pages 1 to 19, which comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and the 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

Report of the Auditor-General on Kirobon Boys High School for the year ended 30 June, 2024 – Nakuru County

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 Kirobon Boys High School as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2022 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Failure to Disclose Material Uncertainty Related to Sustainability of Services

The statement of assets and liabilities reflects financial liabilities balance of Kshs.12,024,067 which exceeds the financial assets balance of Kshs.9,485,586 resulting to a negative working capital of Kshs.2,538,481. The School is therefore, technically insolvent and its ability to continue to sustain its services is dependent upon support from the Government and its creditors. However, this material uncertainty has not been disclosed in the financial statements.

Further, the statement of receipts and payments reflects a deficit of Kshs.3,325,634 for the year under review. In addition, the statement of assets and liabilities reflects a negative net assets position of Kshs.2,538,481 which is indicative of material uncertainty related to the sustainability of services of the School.

In the circumstances, the School may not meet its short-term financial obligations as and when they fall due.

2. Inaccuracies in the Financial Statements

Review of the annual report and financial statements revealed the following anomalies:

- i. The statement of receipts and payments reflects school fund income-parents' contributions amounting to Kshs.37,430,305 as disclosed in Note 4 to the financial statements. However, the supporting bank statements, receipt vouchers and fees arrears schedules indicate an amount of Kshs.48,971,435 resulting to an unreconciled and unexplained variance of Kshs.11,541,130.
- ii. The statement of receipts and payments reflects operations payments amounting to Kshs.5,743,650 as disclosed in Note 7 to the financial statements. However, the supporting ledger reflects an amount of Kshs.10,864,172 resulting to an unexplained and unreconciled variance of Kshs.5,120,522
- iii. In addition, the statement reflects boarding and school fund payments amounting to Kshs.45,720,093 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.24,974,190 incurred on foodstuff. However, only an amount of Kshs.9,562,039 was supported by ledgers resulting to an unsupported expenditure of Kshs.15,412,151.

- iv. The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.1,419,983 which includes balances of Kshs.1,354,342 and Kshs.65,641 in respect of bank and cash balances respectively and as disclosed in Note 10 and 11 to the financial statements. However, review of Note 10 to the financial statements revealed balance of Kshs.2,051,251 resulting to an unreconciled and unexplained variance of Kshs.696,908
- v. The statement of cash flows reflects an overdrawn balance of Kshs.2,207,189 in respect of cash and cash equivalents. However, review of statement of financial position and Note 10 to the financial statements revealed balances of Kshs.1,354,342 and Kshs.2,051,251 resulting to unreconciled and unexplained variances of Kshs.3,561,531 and Kshs.4,258,440 respectively.

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

3. Unsupported Payments for Infrastructure

The statement of receipts and payments reflects infrastructure payments amounting to Kshs.5,270,055 as disclosed in Note 8 to the financial statements. However, the expenditure was not supported with purchase orders, invoices, delivery notes, inspection and acceptance reports, tender evaluation minutes and professional opinions.

In the circumstances, accuracy and completeness of the infrastructure payments amounting to Kshs.5,270,055 could not be confirmed.

4. Unsupported Accounts Payables Balance

The statement of assets and liabilities reflects accounts payables balance of Kshs.11,327,158 and as disclosed in Note 14 to the financial statement. However, the balance was not supported with invoices, purchase orders, delivery notes, quotations, tender award committee minutes and creditors statements.

In the circumstances, the accuracy, completeness and existence of the accounts payables balance of Kshs.11,327,158 could not be confirmed.

5. Unsupported Overdrawn Bank Account Balance

The statement of financial assets and financial liabilities reflects bank balance of Kshs.1,354,342 as disclosed in Note 10 to the financial statements. Further, the statement reflects an overdrawn bank account balance of Kshs.696,909 in relation to financial liabilities which was contrary to Section 28(4) and (5) of the Public Finance Management Act, 2012. Management did not provide the justification or approval from the National Treasury to overdraw the bank account.

In the circumstances, the accuracy, completeness and validity of the overdrawn bank balance of Kshs.696,909 could not be confirmed.

6. Failure to Disclose Valuation of Biological Assets

Note 17 to the financial statements reflects various biological assets that the School owns but their cost or values have not been indicated. Management did not provide the valuation report for biological assets or an explanation for the failure to disclose the value of the assets.

An audit inspection of the assets owned by the institution revealed the school has two (2) bulls, nine (9) cows, two (2) calves, an undetermined number of trees, plantations and vegetation which were not valued or included in the financial statements.

In the circumstances, the accuracy, completeness and valuation of the biological assets owned by the School could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects budgeted revenue and actual on comparable amounts of Kshs.63,744,813 and Kshs.54,684,845 respectively resulting to an under funding of Kshs.9,059,968 or 14% of the budget. Further, the statement reflects that the School spent an amount of Kshs.58,010,480 against the actual receipts of Kshs.54,684,845 resulting in an over-absorption of Kshs.3,325,635 or 6% of the actual receipts.

In addition, the statement reflects total receipts budget amount of Kshs.63,744,813 against total expenditure budget amounting to Kshs.62,021,363 resulting to a variance of Kshs.1,723,450. Management did not provide an explanation for the unbalanced budget contrary to the Regulation 33 (c) of the Public Finance Management (National Government) Regulations, 2015.

The under-funding affected the planned activities of the School and may have impacted negatively on service delivery to the public.

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

Other Matter

1. Unresolved Prior Year Matters

In the audit report of the previous year, some issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management has not indicated how the issues raised have been resolved or otherwise in the progress on follow up of auditor's recommendations in the financial statements. No explanation has been provided for this unsatisfactory situation.

2. Accuracy of Student Enrollment Data

Review of documents provided for audit revealed that there were discrepancies between the data in the County Director of Education (CDE), National Education Management Information System (NEMIS) and School records relating to the enrolment of students.

During the financial year 2023/2024, the NEMIS reported a total number of 2,609 students while the enrolment records provided by the School indicated a total of 2,535 students, which resulted in variance as analyzed below;

Month	Capitation per Student Kshs.	Number of Students as per NEMIS	No. of students as per Register	Variance	Variance (Kshs)
Term 3 2023	3,327.87	847	772	75	249,590.25
Term 1 2024	8,319.68	844	893	-49	-407,664.32
Term 2 2024	4,505.50	918	870	48	216,264.00
Total Under-funding					58,189.93

Management has not provided any explanation for the discrepancies observed that may have led to underfunding of capitation by Kshs.58,190 for the period ended 30 June, 2024.

In the circumstances, the School may be underfunded which may affect its planned activities and the overall objectives.

Other Information

Management is responsible for the other information set out on page iii to xiv which comprise of Key School Information and Management, Summary Report of Performance of the School and Summary 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

The School's financial statements for the financial year 2023/2024 were submitted for audit on 14 October, 2024 which was fourteen (14) days after the expected submission date of 30 September, 2024. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

2. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects government grants for infrastructure amounting to Kshs.5,255,440 as disclosed in Note 3 to the financial statements. However, capitation grants amounting to Kshs.1,576,440 received during the period under review that were supposed to be transferred to the infrastructure account were not transferred as required. This is contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education policies.

3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

During the year, the School transferred co-curricular funds totaling Kshs.228,750 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 transferred to KESSHA amounting to Kshs.228,750 could not be confirmed.

4. Irregular Procurement of Foodstuff

The statement of receipts and payments reflects boarding and school fund payments amounting to Kshs.45,720,093 and as disclosed in Note 9 to the financial statements.

Included in the expenditure is an amount of Kshs.24,974,190 in relation to fees on boarding equipment and stores and procurement of various foodstuffs.

Review of the supporting expenditure documents revealed the following observations:

- i. Procurement of the foodstuffs from different suppliers was done without a procurement plan contrary to Regulation 40(1) of the Public Procurement and Asset Disposal Regulations 2020.
- ii. There was no list of registered suppliers. Hence it was not possible to establish how the various suppliers were identified contrary to Section 93(1) of the Public Procurement and Assets Disposal Act, 2015.

Procurement documents for the supply of foodstuff were not supported with requisitions as required. Further, the tender opening minutes were not signed by all tender opening committee members contrary to Regulation 78 of the Public Procurement and Asset Disposal Regulations, 2020. In addition, there was no evidence that evaluation of tenders was done since no evaluation report from the evaluation committee was provided. There were no appointment letters for individual members to form part of the evaluation committee. This is contrary to Regulations 46 and 80 of the Public Procurement and Assets Disposal Regulations 2020 that requires an ad hoc evaluation committee be established and evaluation committee prepare an evaluation report.

- iii. The payment documents were not supported with professional opinions. This is contrary to Section 84 of the Public Procurement and Assets Disposal Act, 2015 that requires that in making a decision to award a tender, the Accounting Officer to take into account the views of the head of procurement in the signed professional opinion.
- iv. All payments made to various suppliers for the supply of foodstuff were not supported with purchase orders nor contract agreements. This is contrary to Section 135 of the Public Procurement and Disposal Act, 2015 that requires the Accounting Officer to enter into contracts with successful tenderers.

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

5. Irregular Procurement of Infrastructure Projects, Goods and Services

The statement of receipts and payments reflects infrastructure payments of Kshs.5,270,055 and as disclosed in Note 8 to the financial statements. Included in the expenditure is an amount of Kshs.3,693,500 incurred for the renovation of a multipurpose hall which had a contract sum of Kshs.9,980,000. However, the approval for the project was sought from the County Director of Education instead of the Regional Director of Education as required by Circular No. MOE.HQS/3/6/36 dated 14 January, 2021. In addition, relevant appointment letters of the tender opening and evaluation committees, tender opening and evaluation minutes, statement of professional opinion, acceptance and reject letters, notification of award, signed contract agreements and project photos were not provided for audit verification.

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

6. Irregular Procurement Procedures in Acquisition of Assets

Annex 2 to the financial statements on summary of fixed assets register reflects assets with a total recomputed value of Kshs.395,765,540. The balance includes additions during the year amounting to Kshs.7,129,520. Review of the assets register and procurement records provided for audit revealed the following anomalies:

- i. The School used the direct procurement for the purchase of furniture and equipment worth Kshs.409,600, text books amounting to Kshs.201,600 and intangible assets amount of Kshs.25,180. This was contrary to Regulation 90(1) of the Public Procurement and Asset Disposal Regulations, 2020 which stipulates the circumstances under which direct procurement method may be used.
- ii. The asset register was not updated with the following information: location of assets, tagging numbers of the assets and date of purchase. This was contrary to Regulation 143 (1) of Public Finance Management (National Government) Regulations, 2015.
- iii. All procurements for assets acquired within the year under review were not guided by a procurement plan. This was contrary to Section 53(2) of the Procurement and Assets Disposal Act, 2015.

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. Effectiveness in Management of Textbooks

During the year under review, the school received four hundred and thirty-three (433) 'Nguvu za Jadi' set books for Form 3 and Form 4 classes against a combined population of three hundred and ninety-four (394) students resulting to textbook excess of thirty-nine (39). The School did not therefore achieve the textbook to student ratio of 1:1 as required. In addition,

the school does not maintain a record of lost textbooks. Therefore, there are no mechanisms put in place to effectively manage the textbooks.

In the circumstances, the effectiveness of internal controls in relation to management of textbooks could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.8,065,604 as disclosed in Note 13 to the financial statements. However, included in the amount are receivables totaling Kshs.1,285,501 which have been outstanding for over three (3) years. In addition, Management has not put in place measures to recover the long outstanding accounts receivables.

In the circumstances, the recoverability of long outstanding accounts receivables of Kshs.1,285,501 could not be confirmed.

3. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.11,327,158 which as disclosed in Note 14 to the financial statements relates to trade creditors. The balance represented an increase by Kshs.3,627,171 or 32% from the amount of Kshs.7,699,987 reflected in the previous financial year 2022/2023. Further, review of the creditors ageing analysis revealed that payables totaling Kshs.3,138,430 have been outstanding for more than one (1) year. However, there were no specific measures to facilitate payment of the long outstanding pending bills.

In the circumstances, the School is at risk of incurring additional and avoidable interests and penalties on delayed payments to creditors.

4. Failure to Develop a School Improvement Plan

During the year under review, Management did not develop a school improvement plan to be used to measure the School's improvement activities, improve accountability, keep the School in focus in achieving its targets, prioritize its needs, ensure prudent utilization of resources and to help improve the School's performance as well as promote teamwork. There was also no evidence that the school had formed a school improvement planning team as required.

In the circumstances, the effectiveness of the School's improvement planning process as contemplated in the guidelines from the Ministry of Education could not be confirmed.

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

Responsibilities of Management and the 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 to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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 for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 June, 2025

6) Statement Of Receipts and Payments For the Year Ended 30 June 2024

Description Of Vote Head	Note	2023/2024	2022/2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,134,164.80	2,290,082.25
Government grants for operations	2	7,024,935.20	10,075,552.35
Government Grants for infrastructure	3	5,255,440.00	3,147,000.00
School fund income- parents' contributions	4	37,430,305.35	57,920,875.00
Miscellaneous incomes	5	2,840,000.00	—
Total Receipts		54,684,845.35	73,433,509.60
Payments			
Tuition	6	1,276,682.00	4,031,521.00
Operations	7	5,743,650.00	9,815,098.00
Infrastructure	8	5,270,055.00	3,300,000.00
Boarding and school fund	9	45,720,092.70	48,361,909.00
Total Payments		58,010,479.70	65,508,528.00
Surplus/Deficit		(3,325,634.35)	7,924,981.60

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

.....

Name: EDNA C NDIWA

Chair BOM

Date: 5/6/2025

.....

Name: JARED NANDI
School Principal/ Secretary to
BOM

Date: 5/6/2025



.....

Name: NANCY RUGUT

Bursar/ Finance Officer

Date: 5/6/2025

7) Statement of Assets and Liabilities As At 30 June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,354,341.60	377,182.60
Cash balances	11	65,641.00	44,354.00
Short term investments	12		
Total cash and cash equivalent		1,419,982.60	421,536.60
Account's receivables	13	8,065,604.00	8,065,604.00
Total financial assets		9,485,585.60	8,487,140.60
Financial liabilities			
Accounts payables	14	11,327,158.00	7,699,987.00
Overdrawn Bank Account		696,909.35	
Net financial assets		(2,538,480.75)	787,153.60
Represented by			
Accumulated fund b/fwd	15	787,153.60	(7,137,828.00)
Surplus/deficit for the year		(3,325,634.35)	7,924,981.60
Net financial position		(2,538,480.75)	787,153.60

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

.....
Name: EDNA C NDIWA

Chairperson BOM

Date: 5/6/2025

.....
Name: JARED NANDI

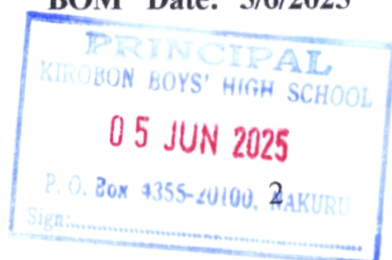
Name: JARED NANDI

School Principal/ Secretary to
BOM Date: 5/6/2025

.....
Name: NANCY RUGUT

Name: NANCY RUGUT
Bursar/ Finance Officer

Date: 5/6/2025



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

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	2,134,164.80	2,290,082.25
Government grants for operations	2	7,024,935.20	10,075,552.35
Government grants for infrastructure	3	5,255,440.00	3,147,000.00
School fund income- parents contributions/ fees	4	37,430,305.35	57,920,875.00
Other income	5	2,840,000.00	
Total receipts		54,684,845.35	73,433,509.60
Payments			
Cash outflows for tuition	6	1,276,682.00	4,031,521.00
Cash outflows for operations	7	5,743,650.00	9,815,098.00
Cash outflows Boarding/lunch and school fund payments	9	45,720,092.70	54,539,691.00
Total payments		52,740,424.70	68,386,310.00
Net cash inflow/outflow from operating activities		1,944,420.65	5,047,199.60
Cash flow from investing activities			
Acquisition of assets		(5,270,055.00)	5,047,199.60
Proceeds from sale of Assets		—	—
Proceeds from investments		—	—
Purchase of investments		—	—
Net cash inflow/outflows from investing activities	10	(5,270,055.00)	(3,300,000.00)
Cash flow from Financing activities			
Overdrawn Bank Account		696,909.35	
Proceeds from borrowings/ loans		—	—
Repayment of principal borrowings		—	—
Net cash inflow/outflow from financing activities		—	—
Net increase/decrease in cash and cash equivalents		(2,628,725.00)	1,747,199.60
Cash and cash equivalent at beginning of the FY		421,536.60	(1,325,663.00)
Cash and cash equivalent at end of the FY		(2,207,189.00)	421,536.60

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

.....

Name: EDNA C NDIWA
Chair BOM

Date: 5/6/2025

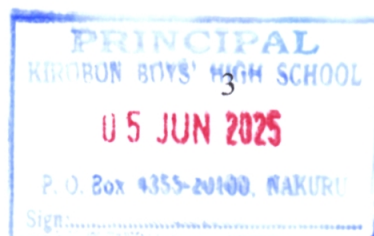
.....

JARED NANDI
School Principal/ Secretary to
BOM Date: 5/6/2025

.....

Name: NANCY RUGUT
Bursar/Finance Officer

Date: 5/6/2025



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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	114,523.00	—	114,523.00	108,998.40	95%
Exercise Books	1,149,746.00	—	1,149,746.00	1,094,331.00	95%
Laboratory Equipment	460,341.00	—	460,341.00	438,166.40	95%
Teaching / Learning Materials	392,547.00	—	392,547.00	328,084.00	83.6%
Exams And Assessment	172,915.00	—	172,915.00	164,585.00	95%
Sub Totals	2,290,072.00		2,290,072.00	2,134,164.80	93%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	3,190,015.00	—	3,190,015.00	2,056,371.90	64.5%
Repairs And Maintenance	708,890.00	—	708,890.00	561,160.20	71.4%
Local Transport / Travelling	611,577.00	—	611,577.00	512,495.00	83.8%
Electricity And Water	1,579,962.00	—	1,579,962.00	1,083,142.10	68.6%
Administration Costs	1,334,600.00	—	1,334,600.00	911,405.00	68.3%
Activity	575,000.00	—	575,000.00	561,011.00	97.6%
Medical and Insurance	1,339,350.00		1,339,350.00	1,339,350.00	100%
Sub Totals	9,339,394.00	—	9,339,394.00	7,024,935.20	75.2%
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE	4,881,946.00	—	4,881,946.00	3,679,000.00	75.4%
M&I parents' contribution	—	—	—	1,576,440.00	—

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
Economic Stimulus Programs	—	—	—	—	—
Transition Infrastructure Grants	—	—	—	—	—
Administration Block	—	—	—	—	—
Sub Totals	4,881,946.00		4,881,946.00	5,255,440.00	107%
(4) Fees Charged on Parents					
Personnel Emoluments	6,848,199.00	—	6,848,199.00	4,953,346.00	72.3%
Repairs And Maintenance	1,927,672.00	—	1,927,672.00	1,845,674.00	95.7%
Local Transport / Travelling	1,541,665.00	—	1,541,665.00	1,952,468.00	126.6%
Electricity And Water	3,006,361.00	—	3,006,361.00	2,724,477.00	91%
Administration Costs	2,889,146.00	—	2,889,146.00	1,684,620.00	58.3%
Activity	370,543.00	—	370,543.00	330,184.00	89.1%
SMASSE	—	—	—	—	—
Fee On Boarding Equipment and Stores	26,432,410.00	—	26,432,410.00	17,443,291.35	66%
Arrears	8,065,604.00	—	8,065,604.00	4,336,596.00	54%
Development Fee	3,000,000.00	—	3,000,000.00	2,159,649.00	72%
Sub Totals	47,233,401.00		47,233,401.00	37,430,305.35	79%
5) Miscellenous Income					
Loans / Borrowing	—	—	—	2,840,000	—
Rent income	—	—	—	—	—
Income From Farming Activities	—	—	—	—	—
Income From Bus Hire	—	—	—	—	—

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
Income From Any Other Investment	—	—	—	—	—
Sub Totals				2,840,000.00	
Total Income	63,744,813.00	—	63,744,813.00	54,684,845.35	85.7%
<i>(6) Expenditure For Tuition</i>				—	
Textbooks	—	—	—	—	—
Reference Materials	166,680.00	—	166,680.00	55,000.00	33%
Exercise Books	309,800.00	—	309,800.00	100,000.00	32%
Laboratory Equipment	701,400.00	—	701,400.00	479,277.00	68.3%
Internal Exams	—	—	—	—	—
Teaching / Learning Materials	430,350.00	—	430,350.00	628,730.00	146%
Chalks	—	—	—	—	—
Exams And Assessment	20,000.00	—	20,000.00	12,000.00	60%
Teachers Guides	—	—	—	—	—
Bank Charges	5,548.00	—	5,548.00	1,675.00	30.1%
Sub Totals	1,633,778.00		1,633,778.00	1,276,682.00	78%
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	3,617,628.00	—	3,617,628.00	2,521,426.00	70%
Repairs, Maintenance & Improvements	800,700.00	—	800,700.00	799,607.00	99.9%
Local Transport / Travelling	400,300.00	—	400,300.00	413,900.00	103%
Electricity, Water and Conservancy	596,320.00	—	596,320.00	666,532.00	111%
Medical	83,500.00	—	83,500.00	70,000.00	84%
Administration Costs	538,760.00	—	538,760.00	640,155.00	118%

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
Activity Expenses	638,965.00	—	638,965.00	632,030.00	98%
SMASSE	—	—	—	—	—
Sub Totals	6,676,173.00		6,676,173.00	5,743,650.00	86%
<i>(8) Expenditure For infrastructure</i>					
Construction of CBC classrooms(TIG)	1,576,439.80	—	1,576,439.80	1,576,440.00	100%
Construction of LAB	—	—	—	—	—
Construction of Dormitory and other repair	4,881,946.00	—	4,881,946.00	3,693,500.00	75.6%
Bank charges				115	
Sub Totals	6,458,385.80		6,458,385.80	5,270,055.00	82%
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	6,073,586.00	—	6,073,586.00	7,192,774.00	118.4%
Repairs, Maintenance and Improvements	2,801,111.00	—	2,801,111.00	1,766,390.00	63%
Local Transport / Travelling	2,117,155.00	—	2,117,155.00	1,869,220.00	88.3%
Electricity, Water and Conservancy	2,653,449.00	—	2,653,449.00	2,709,693.00	102%
Medical Expenses	—	—	—	—	—
Administration Costs	2,999,000.00	—	2,999,000.00	2,449,425.35	81.7%
Activity	729,900.00	—	729,900.00	799,245.00	110%
Gratuity	—	—	—	—	—
Fees Refund	179,075.00		179,075.00	179,075.00	
Lunch Programme	—	—	—	—	—
Boarding Equipment and Stores	26,699,750.00	—	26,699,750.00	24,974,190.00	93.5%

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Development Fee	3,000,000.00	—	3,000,000.00	800,000.00	27%
Insurance Costs	—	—	—	—	—
Other Expenses On Investments	—	—	—	—	—
Bank Charges	—	—	—	—	—
Loan Interest Repayment	—	—	—	—	—
Loan Principal Repayment	—	—	—	2,760,380.35	—
Farming Activities	—	—	—	—	—
Acquisition Of Assets	—	—	—	219,700.00	—
Sub Totals	47,253,026.00	—	47,253,026.00	45,720,092.70	96.7%
Total Expenditure	62,021,362.80	—	62,021,362.80	58,010,479.70	93.5%

NOTES

1. Budgeted income is more the actual income because the fees structure which was used in budgeting was KSh 53,554 but later on it was reduced to KSh 40,535

2. Percentage of votehead expenditure for Tuition account was less than 100% because some funds in the same account was used to pay creditors which related to the equivalent voteheads.

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 2024.

11) Notes To The Financial Statements

1 Government Grants for Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Reference Materials	108,998.40	114,523.00
Exercise Books	1,094,331.00	1,149,746.00
Laboratory Equipment	438,166.40	460,351.00
Internal Exams	164,585.00	172,915.25
Chalks	—	47,847.00
Teaching / Learning Materials	328,084.00	344,700.00
Total	2,134,164.80	2,290,082.25

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	2,056,371.90	3,190,015.65
Repairs And Maintenance	561,160.20	3,108,896.90
Local Transport / Travelling	512,495.00	611,577.00
Electricity And Water	1,083,142.10	1,579,962.10
Medical	1,339,350.00	83,500.70
Administration Costs	911,405.00	1,334,600.00
Activity	561,011.00	167,000.00
M.I/Infrastructure	—	—
Total	7,024,935.20	10,075,552.35

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	3,679,000.00	3,147,000.00
Transition infrastructure grants	—	—
Administration Block	—	—
CBC Classroom	1,576,440.00	—
Total	5,255,440.00	3,147,000.00

4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel emoluments	4,953,346.00	6,894,767.00
Repairs and maintenance	1,845,674.00	2,336,048.00
Local transport / travelling	1,952,468.00	1,761,473.00
Electricity and water	2,724,477.00	7,090,444.00
Medical	—	—
Administration costs	1,684,620.00	3,251,549.00
Activity	330,184.00	1,078,827.00
Fee on Boarding Equipment and stores	17,443,291.35	31,990,144.00
Arrears	4,336,596.00	
Development Fund	2,159,649.00	3,517,623.00
Total	37,430,305.35	57,920,875.00

5 Miscellaneous Incomes

Description	2023/2024	2022/2023
	Kshs	Kshs
Rent Income	—	—
Income From Farming Activities	—	—
Insurance Compensation	—	—
Income From Posho Mill	—	—
Income From Bus Hire	—	—
Fee For Hire of Ground and Equipment	—	—
Income From Grants and Donations*	—	—
Interest Income	—	—
Dividends Income	—	—
Loans/Borrowings*	2,840,000.00	—
Other Income (specify) *	—	—
Total	2,840,000.00	—

Notes to the Financial Statements (continued)

6 Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Exercise Books	100,000.00	920,800.00
Textbooks	—	—
Reference materials	55,000.00	211,680.00
Laboratory Equipment	479,277.00	1,216,027.00
Teaching / Learning Materials	628,730.00	1,437,234.00
Exams And Assessment	12,000.00	245,300.00
Administration costs	—	—
Chalks	—	—
Teachers Guides	—	—
Bank Charges	1,675.00	—
Others (specify)	—	—
Total	1,276,682.00	4,031,521.00

7 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	2,521,426.00	3,609,459.00
Service Gratuity	—	—
Administration Cost	640,155.00	1,698,914.00
Repairs And Maintenance & Improvements	799,607.00	3,147,000.00
Local Transport / Travelling	413,900.00	208,300.00
Electricity And Water	666,532.00	812,460.00
Medical	70,000.00	—
Activity Expenses	632,030.00	338,965.00
TIG/Infrastructure	—	—
Insurance Cost	—	—
Bank Charges	—	—
Total	5,743,650.00	9,815,098.00

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Construction of classrooms	3,693,500.00	—
Construction of laboratory	—	—
Construction of dormitory other repairs	—	3,300,000.00
CBC classroom	1,576,440.00	—
Purchase of furniture	—	—
Purchase of equipment	—	—
Bank Charges	115.00	—
Total	5,270,055.00	3,300,000.00

9 Boarding And School Fund

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	7,192,774.00	6,073,586.00
Repairs And Maintenance & Improvements	1,766,390.00	5,031,963.00
Local Transport / Travelling	1,869,220.00	4,080,065.00
Electricity And Water	2,709,693.00	2,653,449.00
Medical Expenses	—	—
Administration Costs	2,449,425.35	4,465,229.00
Lunch Programme	—	—
Bank Charges	—	—
Expenses On Income Generating Activities	—	—
Fee On Boarding Equipment and Stores	24,974,190.00	24,993,131.00
Development Fee	800,000.00	—
Fees Refund	179,075.00	134,596.00
Insurance Cost (Life Property)	—	—
Loan	2,760,380.35	—
Loan Principal Repayment	—	—
Loan Interest Repayment	—	—
Acquisition Of Assets	—	—
Activity Money	799,245.00	602,110.00
Farming Activities Expenses	219,700.00	327,780.00
Total	45,720,092.70	48,361,909.00

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/2024	2022/2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1132438918	192,018.10	64,635.30
Operations Account	Active	1132438810	1,156,298.50	286,725.30
School Fund Account/Boarding	Active	1132411068	696,909.35	5,182.00
Savings Account	—	—	—	—
Parent Association Development Account	—	—	—	—
Income Generating Activities Account	—	—	—	—
Infrastructural Account	Active	1270245325	6,025.00	20,640.00
Total			2,051,250.95	377,182.60

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Infrastructure Account	—	—
Tuition Account	—	—
Operation Account	28,262.00	17,552.00
School Fund Account	37,379.00	26,802.00
Total	65,641.00	44,354.00.00

12 Short Term Investments

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

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2023/2024	2022/2023
	Kshs	Kshs
Fees Arrears	8,065,604.00	8,065,604.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	—	—
Imprest (list/schedule attached)	—	—
Rent arrears (list/schedule attached)	—	—
Total	8,065,604.00	8,065,604.00

13 b Ageing Analysis of Accounts Receivable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	4,336,596.00	54.6%	6,305,685.00	78.18%
Between 1- 2 years	1,969,089.00	23.94%	474,418.00	5.88%
Between 2-3 years	474,418.00	5.77%	1,285,501.00	15.94%
Over 3 years	1,285,501.00	15.63%	—	0.00%
Total (should tie to note 13 a)	8,065,604.00	100%	8,065,604.00	100%

14 Accounts Payable

Description	2023/2024	2022/2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	11,327,158.00	7,699,987.00
Prepaid Fees	—	—
Retention Monies	—	—
Unpaid salaries and statutory deductions	—	—
Caution money	—	—
Other payables (<i>specify</i>)	—	—
Total	11,327,158.00	7,699,987.00

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	8,188,728.00	72%	7,699,987.00	100%
Between 1- 2 years	3,138,430.00	28%	8,362,099.00	108.6%
Between 2-3 years	—	0%	976,602.00	12.7%
Creditors paid	—		(9,338,701)	(121.3)
Total (should tie to note 14)	11,327,158.00	100%	7,699,987.00	100%

15 Fund Balance Brought Forward

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Balances	377,182.60	(1,342,220.00)
Cash Balances	44,354.00	16,557.00
Short Term Investments	—	—
Receivables	8,065,604.00	3,526,536.00
Payables	7,699,987.00	9,338,701.00
Total	787,153.60	(7,137,828.00)

Other important disclosure notes

16 Non-current Liabilities Summary

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Loans	2,840,000.00	—
Outstanding Leases	—	—
Others (specify)	—	—
Total	2,840,000.00	—

17 Biological assets

Description	Numbers	2023/2024	2022/2023
		Kshs	Kshs
Cattle - Dairy	11	—	—
Goats	—	—	—
Trees	125	—	—
Vegetable Plantation	1 acre	—	—
Poultry	30 heads	—	—
Others (specify)		—	—
Total	167	—	—

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	—	—
Borrowings during the year	2,840,000.00	—
Repayments during the year	2,760,380.35	—
Balance at the end of the year	79,619.65	—

Other important disclosure notes

19 Stock/ Inventory

Description	2023/2024	2022/2023
	Kshs	Kshs
Stock/inventory at beginning of the year	—	—
Stock/inventory purchased during the year	—	—
Stock/inventory issued during the year	—	—
Balance at the end of the year	—	—

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)
OAG/KIROBONBSS/2021/2022/2023	Understatement of Receipts		Not Resolved	
	Ovestatement of payments for Tuition		Not Resolved	
	Unsupported Cash and Cash Equivalents		Not Resolved	
	Budgetary Control and Performance		Not Resolved	
	Failure to Approve Safe Access Point to the School		Not Resolved	
	Late Submission of Financial Statements for Audit		Not Resolved	
	Failure to Transfer Infrastructure Funds		Not Resolved	
	Lack of Internal Audit Function and Audit Committee		Not Resolved	
	Non-compliance with PSASB		Not Resolved	
	Lack of Ownership Documents		Not Resolved	

Sign and Date
Principal



12) Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023/2024	Outstanding Balance 2022/2023	Comments
	A	B	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
Supply Of Goods						
1. LYNN YATOR	771,950.00	2023/2024	345,000.00	426,950.00	104,700.00	
2.MACHE HARDWARE SUPPLIES	787,140.00	2023/2024	—	787,140.00	408,502.00	
3.MILLICENT CHIETA	1,448,000.00	2023/2024	933,000.00	515,000.00	420,000.00	
4.BOTTO SOLAR LTD	197,000.00	2023/2024	—	197,000.00	195,000.00	
5.QUICK CLEAN DETERGENTS	379,000.00	2023/2024	304,000.00	39,060.00	75,000.00	
6.SHARON JEPKOECH	380,000.00	2023/2024	200,000.00	180,000.00	510,000.00	
7.GRAND MOSOP LTD	3,332,440.00	2023/2024	1,798,330.00	1,534,110.00	813,050.00	
8.VALLEY CONFECTIONARY LTD	2,000,217.00	2023/2024	982,195.00	1,018,030.00	1,090,650.00	
9.ELICA SUPPLIES	704,900.00	2023/2024	350,000.00	354,900.00	611,000.00	
10.STELOTECH STATIONERS	237,500.00	2023/2024	100,000.00	137,500.00	233,300.00	
11.BENARD K. MUTAI				2,407,038.00		
12.CYNTHIA CHEROTICH	372,000.00	2023/2024	240,000.00	132,000.00	99,300.00	
13. NAOMI CHERUIYOT		2023/2024		460,000.00		
Total				8,188,728.00	7,699,987.00	

(Kirobon Boys High School)

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

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land 32.5 acres	325,000,000.00	–	–	325,000,000.00
Buildings And Structures	56,343,140.00	6,493,140.00	–	62,836,280.00
Motor Vehicles 1 bus 52 seater isuzu KAN 165U	–	–	–	–
Office Equipment, Furniture And Fittings	935,600.00	409,600.00	–	1,345,200.00
Textbooks	6,192,100.00	201,600.00	–	6,393,700.00
ICT Equipment	–	–	–	–
Tools And Apparatus	–	–	–	–
Other Machinery And Equipment	–	–	–	–
Heritage And Cultural Assets	–	–	–	–
Intangible Assets- Soft Ware	165,180.00	25,180.00	–	190,360.00
Total	388,636,020.00	7,129,520.00		395,765,540.00

