

REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 01 JUN 2026

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REPORT

TABLED
BY:

Hon. Owen Oduka
Deputy Majority leader

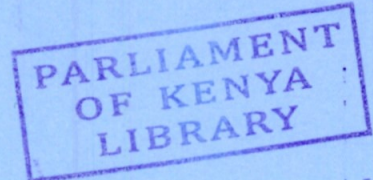
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OF

THE AUDITOR-GENERAL

ON



KAGUMO
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

MURANG'A COUNTY



KAGUMO SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2023

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

KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

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KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

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KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

I. Key School Information And Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Murang'a County, Kahuro Sub-County

The school was registered in 2018 under registration number 21530000228 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day/boarding school and had 320 number of students as at 30 June 2023. It has 2 streams and 12 teachers of which 2 teachers are employed by the School Board Of Management.

(a) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr.Josphat Watheka	Chairman	15-2-2022
2	Mrs,Grace Muthoni Maina	Secretary – Principal	15-2-2022
3	Mr.David Kuria Chege	Special needs	15-2-2022
4	Mr.Kenneth Muiru	Sponsor	15-2-2022
5	Rev.Peris Wanjeri Kariuki	Sponsor	15-2-2022
6	Mr.Ben Wayoike	Member-Community	15-2-2022
7	Mr.Elijah Waweru	Member-Community	15-2-2022
8	Mrs.Loise Njoya	Member – Rep CEB	15-2-2022
9	Mr.Anthony Kariuki	Member Rep Teachers	15-2-2022
10	Ms.Caroline Wanjiru	Community	15-2-2022
11	Mr.Julius Kabiru	Community	15-2-2022
12	Mr.Humphry Kimani	Community	15-2-2022
13	Judy Kamene	Rep Students	15-2-2022

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Reports and financial statements for the year ended 30 June 2023

(b) School Board of Management - Board Members

Key School Information and Management (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr.Josphat Watheka Mrs.Grace M Maina Mr.Humpry Kimani	Bom Chair Bom secretary Member Member Teachers Rep Member Member	0 0 0 0 0 0 0
2	Audit Committee	Mr.Kenneth Muiru Mr.Ben Wanyoike Mr.David Kuria	Member Bom chair Member Member	0 0 0 0
3	Finance, procurement and general purposes Committee		Bom Chairman Member Bom Secretary Member P.A chair Member Member	0 0 0 0 0 0 0
4	Academic Committee	Mrs.Grace M.Maina Mr.Anthony Kariuki MRs.Lose Njoya	Bom Secretary Dean Member Member	0 0 0 0

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			Member	
5	Development Committee	Mr,Kenneth Muiru Mrs.Grace M Mai Mr.Elijah waweru Mr.James Mureithi	Bom Chair Bom Secretary P.A Chair Bom Member D/Principal	0 0 0 0 0
6	Discipline and welfare Committee	Mr,James Mureithi MRs.Loise Njoya MRs.Grace M Maina Mr.Anthony Kariuki	Member Bom Member D/principal Bom Member Bom Member Principal Bom Member Bom Member Bom Member	0
7	Adhoc Committee (if any during the year)		Bom Secretary D/Principal Bom Member Bom Member Bom Member Bom Member Bom Member	0

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Grace M. Maina	324576
2	Deputy Principal	James Muriithi	312931
3	School Accounts clerk	David Mwangi	ID 20849515

(e) Schools contacts

Post Office Box: 620, MARAGUA
 Telephone: 0722334498
 E-mail: kagumomsc@gmail.com
 Website:
 Facebook:
 Twitter:

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(f) School Bank

The school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
 Branch: MURANG'A
 Account Number: 1109273509 (School Fund Account)
 1107188717 (Operational Account)
 1260887677 (Infrastructure Account)

2. Name of Bank: EQUITY
 Branch: MURANG'A
 Account Number: 0220291400323(Tuition Account)
 0220193188967 (Farm Account)

3. MPESA Pay Bill No. N/A

(g) Independent Auditors

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

KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

II. 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:

(Under this section, the following information should be given:

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

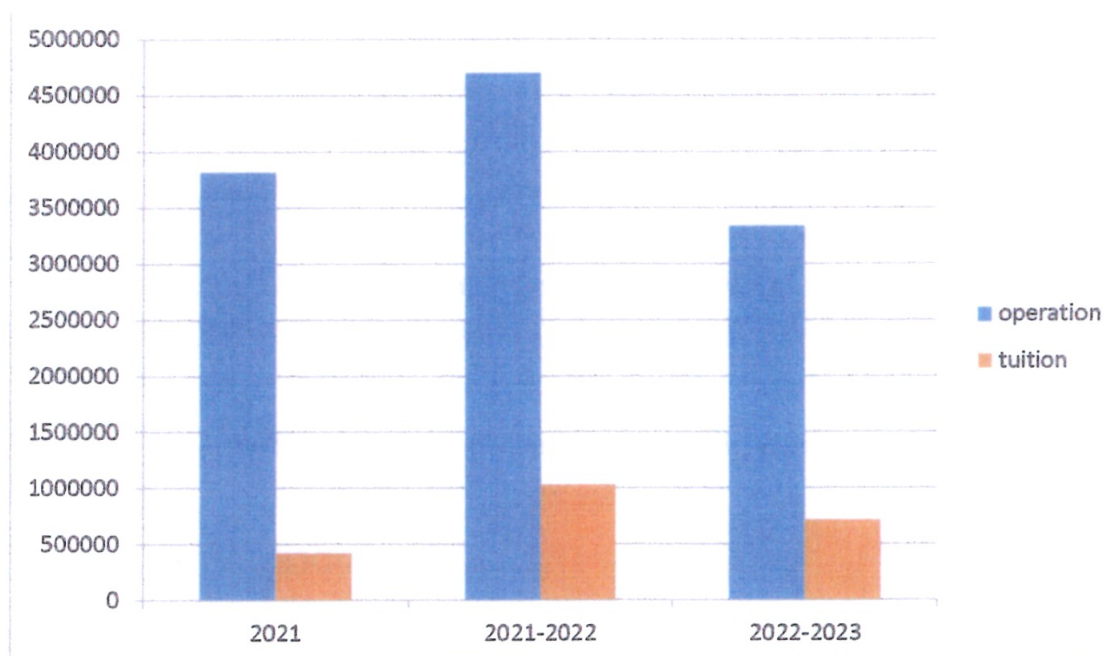
Year	2022-2023	2021-2022	2021
Surplus/deficit	(319,615)	(1,570,242)	1,198,492



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

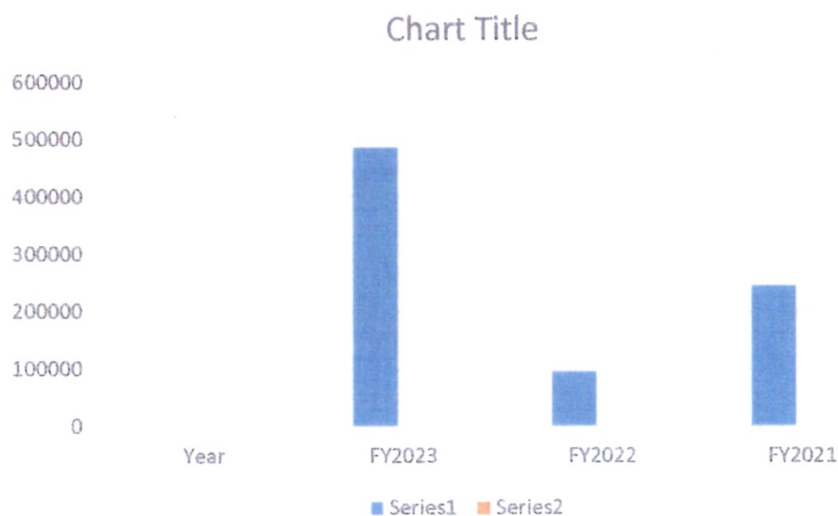
Year	2022-2023	2021-2022	2021
Operation	3,340,157	4,487,901	2,619,966
Tuition	718,645	1,030,618	418,662

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023



- Ratio of capitation grant per student over the last three years
- A three-year overview of growth of other income(s) earned by the school.

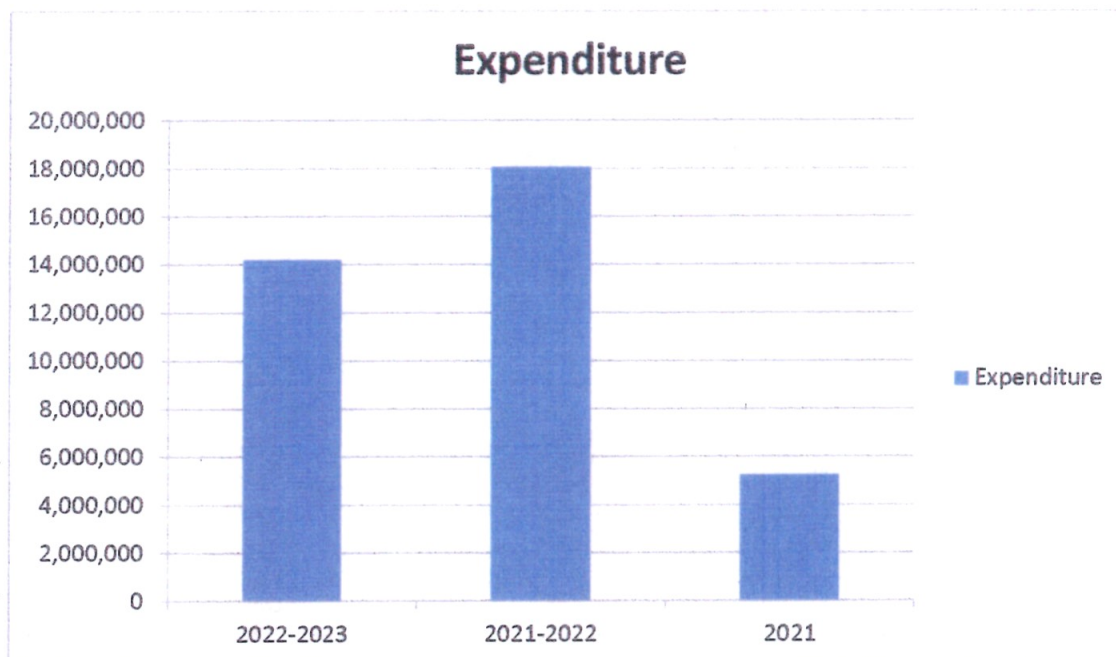
Year	2022-2023	2021-2022	2021
School fees earned	487,636	95,511	245,737



KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

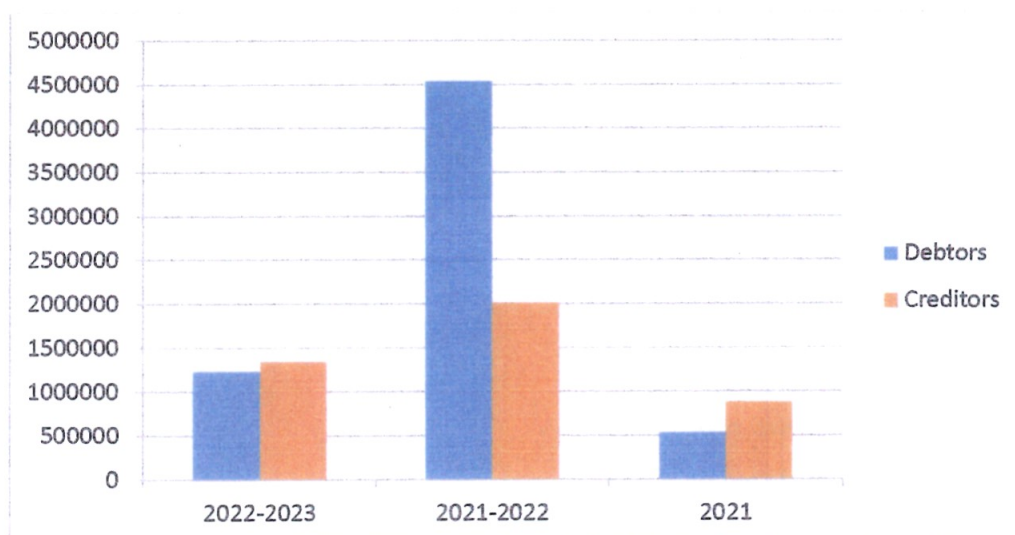
three-year overview of growth in expenditure of the school

Year	2022-2023	2021-2022	2021
Expenditure	14,228,543	17,513,153	5,285,408



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

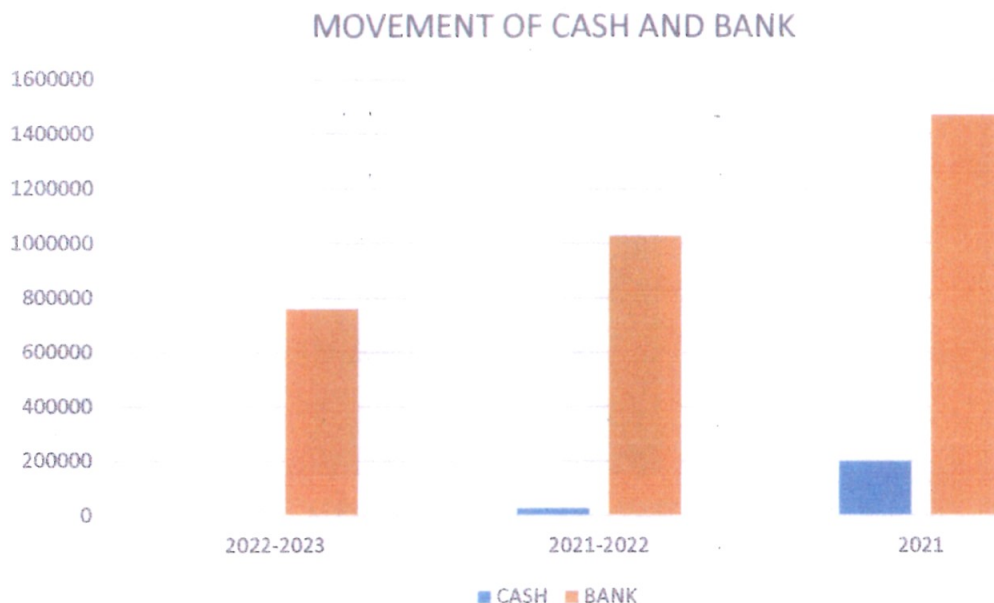
Year	2022-2023	2021-2022	2021
Debtors	5,181,345	4,541,307	4,279,127
Creditors	3,372,464	2,708,567	1,489,045



KAGUMO SECONDARY SCHOOL
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- *Movement of cash and bank balances over the last three years*

Year	2022-2023	2021-2022	2021
Cash	116	28,439	198,900
Bank	760,851	1,028,285	1,470,723



Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends).

b) Teacher Student ratio:

(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).

Teacher Student ratio

Number of teachers=12

Number of students=320

Teacher Student ratio=1:26

Teachers employed by B.O.M

1) Maths/ Biology 1

2) Kiswahili/History 1

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

Teachers Employed by Tsc and their subjects;

<i>subject</i>	<i>number</i>	<i>deficit</i>
<i>English</i>	<i>3</i>	<i>Nil</i>
<i>Kiswahili</i>	<i>2</i>	<i>1</i>
<i>Mathematics</i>	<i>5</i>	<i>1</i>
<i>Biology</i>	<i>1</i>	<i>1</i>
<i>Chemistry</i>	<i>2</i>	<i>1</i>
<i>Physics</i>	<i>2</i>	<i>Nil</i>
<i>History</i>	<i>3</i>	<i>Nil</i>
<i>C.R.E.</i>	<i>2</i>	<i>1</i>
<i>Geography</i>	<i>1</i>	<i>1</i>
<i>Agriculture</i>	<i>1</i>	<i>1</i>
<i>Business Studies</i>	<i>1</i>	<i>1</i>

C) Mean score in the 2023 KCSE

YEAR	2023	2022	2021
MEAN SCORE	3.145	3.195	3.345
ENTRY	76	78	92

STUDENTS TRANSITION TO INSTITUTIONS OF HIGHER LEARNING.

YEAR	2023	2022	2021
NO.OF STUDENTS	1	4	4

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

d)Number of Candidates in the 2023 KCSE:

YEAR	2023		2022		2021			
GENDER	BOYS	GIRLS	BOYS	GIRLS	BOYS	GIRLS		
NUMBER	50	26	59	19	52	40		

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

(Tabulate the number of candidates sitting for KCSE over the last three years).

e)Capacity of the school:

NUMBER OF STUDENTS :320 AND FACILITIES.

FACILITY	NUMBER	COMMENTS
DINNING HALL	1	ADEQUATE
CLASSROOMS	9	DEFICIT 2
LABORATORY	2(PHYSICS/CHEMISTRY	DEFICIT 1(BIOLOGY)
DORMITORIES	1-PERMANENT 1-TEMPORARY	DEFICIT 1(PERMANENT)
TOILETS	14-DOORS FOR GIRLS 4-DOOR FOR BOYS	DEFICIT 2 DEFICIT 2
KITCHEN AND STORE	1-PERMANENT	ADEQUATE

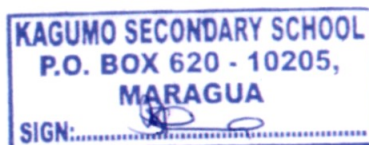
(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).

KAGUMO SECONDARY SCHOOL**Reports and financial statements for the year ended 30 June 2023****f) Development projects carried out by the school:**

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

<i>Project</i>	<i>Source of funds</i>	<i>Amount(ksh)</i>	<i>Status</i>
<i>School Structures Renovations</i>	<i>M.O.E</i>	<i>-Class paintings ksh.413,800 -Bathrooms Repair ksh. 94,000 -Class plastering ksh.133,700 -Electricity maintenance ksh 208,160 -Kitchen Jikos Repairs ksh 28,800 TOTALS Ksh 878,640</i>	<i>Work completed</i>

Grace M. Maina



School Principal

KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

III. Statement Of School Management Responsibility

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

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

The Board of Management of *Kagumo 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 30 June, 2023 and of the school's financial position as at that date.


.....
Name: Julius M. Kabiru
Designation: Chairman, School Board of Management
Date: 25/5/2026

KAGUMO SECONDARY SCHOOL
P.O. BOX 620 - 10205,
MARAGUA
SIGN: 

.....
Name: Grace M. Maina
Designation: School Principal & Secretary to Board of Management
Date: 25/5/2026


.....
Name: David Mwangi
Designation: Bursar/ Finance Officer
Date: 25/5/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KAGUMO SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – MURANGA COUNTY

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kagumo Secondary School set out on pages 1 to 19, which comprise of the statement of financial assets and financial

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 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 Kagumo 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. Undisclosed Bank Account

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.760,967 as disclosed in Note 8 and Note 9 to the financial statements. However, review of records revealed that the school operated a National Government Constituency Development Fund (NGCDF) project account with a closing balance of Kshs.3,815 which was not disclosed in the School's financial statements. Further, the School Management did not carry out a board of survey at the close of the financial year.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.760,967 could not be confirmed.

2. Unsupported Accounts Receivable

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.5,181,345 as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.5,175,345 relating to fees arrears. However, receivables balance amounting to Kshs.3,940,204 was not supported with detailed schedules indicating the students and their respective outstanding balances.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.5,181,345 could not be confirmed.

3. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.3,372,464 as disclosed in Note 12 to the financial statements. Included in the balance are trade creditors balance of Kshs.2,334,927. However, the balance differs with amount reflected under Annex 1 to the financial statements on pending accounts payables of Kshs.1,344,022, resulting in an unsupported variance of Kshs.990,905. Further, the balance includes retention monies amounting to Kshs.437,958 which were not supported with a schedule indicating the contractors and their respective amount.

In the circumstances, the accuracy, existence and completeness of payables balance of Kshs.3,372,464 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.15,259,570 and Kshs.12,186,151 respectively, resulting in an under-funding of Kshs.3,073,419 or 20% of the budget.

The under-funding affected the planned activities 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 judgment, 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, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on page iv to xv which comprise of Key School Information and Management, 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 and 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 2 March, 2026 instead of the statutory deadline of 30 September, 2023. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires financial statements be submitted to the Auditor-General within three (3) months after the end of the financial year to which the accounts relate.

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

2. Lack of a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(1) 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.

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

3. Failure to Prepare a School Improvement Plan

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

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

4. Excess Supply of Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD).

Examination of records revealed that the Institute distributed one thousand six hundred and eighty-six (1,686) set books to the school while only eight hundred and eight (808) books were issued to the students, resulting in an unexplained excess textbooks of eight hundred seventy-eight (878) books in the school store.

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

5. Irregular Transfer of Funds to Kenya Secondary School Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.9,893,926 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.451,000 transferred 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.451,000 could not be confirmed.

6. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations totaling Kshs 4,058,802 as disclosed in Note 1 and Note 2 to the financial statements. During the year under review, National Education Management and Information System (NEMIS) reported a total number of two hundred and seventy-three (273) students while the enrolment records provided by the school indicated a total number of three hundred and twelve (312) students resulting in an unexplained variance of thirty-nine (39) students. As a result of the variances, the School was under-funded by an amount of Kshs.765,488.

In the circumstances, the under-funding of the school may have affected service delivery to the public.

7. Long Outstanding Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.3,372,464 as disclosed in Note 12 to the financial statements. However, included in the balance are trade payables amounting to Kshs.155,785 which had been outstanding for more than two (2) years. This was contrary to Section 74(4d) of the Public Finance Management Act, 2012 which requires accounting officers to promptly pay eligible and approved bills where funds are provided for.

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. Lack of Internal Audit Function

During the year under review, the School had not constituted an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury. Further although the school had an audit committee it was not functional.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

2. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.5,181,345 as disclosed in Note 11 to the financial statements. Included in the balance are fees arrears amounting to Kshs.5,175,345 out of which Kshs.3,996,051 had been outstanding for more than two years. However, no policy on the impairment of long outstanding fees arrears was provided for audit review, casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the existence of effective mechanisms for debt management could not be confirmed.

3. Lack of an Approved Staff Establishment and Scheme of Service

Review of the School's personnel records provided for audit revealed that the School had teaching and non-teaching employees of the Board of Management. However, the school did not maintain a comprehensive approved staff establishment outlining the optimal number for each category of staff employed by the Board of Management. Further, the School did not provide approved formal terms and conditions of service to define the rights and obligations of an employee and the school in the employment contract. In

addition, there were no approved job descriptions or clearly defined roles and responsibilities for staff members.

In the circumstances, the absence of an approved establishment, and formalized terms of service, the adequacy and appropriateness of staffing levels could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial

statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

26 May, 2026

KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

V. Statement Of Receipts And Payments Period To 30 June 2023

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	718,645	1,030,618
Capitation grants for operations	2	3,340,157	4,487,901
School Fund Income- Parents' Contributions	3	9,362,490	10,328,881
School Fund Income- Other receipts	4	487,636	95,511
Proceeds from borrowings			
TOTAL RECEIPTS		13,908,928	15,942,911
PAYMENTS			
Payments for Tuition	5	1,068,405	1,661,552
Payments for operations	6	3,266,212	5,249,741
Boarding and school fund payments	7	9,893,926	10,601,861
TOTAL PAYMENTS		14,228,543	17,513,153
SURPLUS/DEFICIT		(319,615)	(1,570,242)

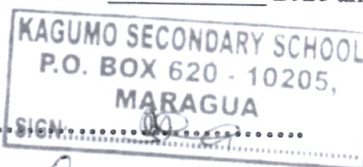
The school financial statements were approved on _____ 2026 and signed by:



Name: Julius M. Kabiru

Chair BOM

Date: 25/5/2026



Name: Grace M. Maita

School Principal/ Secretary to BOM

Date: 25/5/2026



Name: David Mwangi

Bursar/ Finance Officer

Date: 25/5/2026

KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

VI. Statement Of Financial Assets And Financial Liabilities As At 30 June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	760,851	1,028,284
Cash Balances	9	116	28,439
Short term Investment	10	-	-
Total Cash and Cash Equivalents		760,967	1,056,723
Account's receivables	11	5,181,345	4,541,307
TOTAL FINANCIAL ASSETS		5,942,312	5,598,030
FINANCIAL LIABILITIES			
Accounts Payable	12	3,372,464	2,708,567
NET FINANCIAL SSETS		2,569,849	2,889,463
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	2,889,464	4,459,705
Surplus/Defict for the year		(319,615)	(1,570,242)
NET FINANCIAL POSITION		2,569,849	2,889,463

The school's financial statements were approved on 2026 and signed by:



Name: Julius M. Kabiru

Chair BOM

Date: 25/5/2026

KAGUMO SECONDARY SCHOOL
P.O. BOX 620 - 10205,
MARAGUA

Signature: 

School Principal/ Secretary to
BOM

Date: 25/5/2026



Name: David Mwangi

Bursar/ Finance Officer

Date: 25/5/2026

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

VII Statement of Cash Flows for The Period Ended 30 June 2023

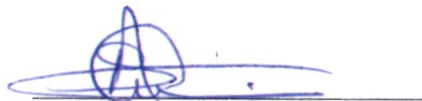
		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	718,645	1,030,618
Capitation grants for operations	2	3,980,157	4,487,902
School fund income- Parents contributions/ fees	3	11,261,741	10,070,701
School fund income- other receipts	4	58,189	95,511
Total receipts		16,018,732	15,684,732
Payments			
Payments for Tuition		814,440	935,877
Payments for operations		3,814,520	5,403,601
Boarding and school fund payments		11,685,528	9,958,154
Total payments		16,314,488	16,297,632
Net cash flow from operating activities		(295,756)	(612,900)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			-
Acquisition of Assets			-
Proceeds from investments			-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Financing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(295,756)	(612,900)
Cash and cash equivalent at BEGINNING of the year		1,056,724	1,669,624
Cash and cash equivalent at END of the year		760,967	1,056,724

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

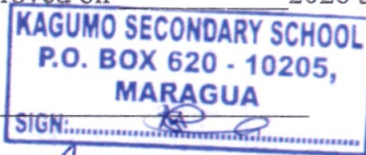
KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

The school financial statements were approved on 2026 and signed by



Name: Julius M. Kabiru



Name: Grace M. Muna



Name: David Mwangi

Chair/BOM

School Principal/BOM Secretary

Bursar/Finance Officer

Date 25/6/2026

Date 25/6/2026

Date 25/6/2026

VIII Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 June 2023

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Text books		-	-		-	
Exercise books	-	-	-	8,921	(8,921)	
Laboratory equipments and apparatus	663,040	-	663,040	426,006	237,034	64.3%
Teaching/learning materials	331,520	-	331,520	278,718	52,803	84.1%
Exams	92,610	-	92,610	5,000	87,610	5.3%
TOTALS	1,087,170		1,087,170	718,645	368,525	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments/others	1,504,400	-	1,504,400	1,099,101	405,299	73.1%
Repairs and maintenance	1,600,000	-	1,600,000	1,058,000	542,000	66.1%
Local transport / travelling	501,440	-	501,440	266,327	235,113	53.1%
Electricity and water	501,120	-	501,120	358,622	142,498	71.6%
Medical		-	-	52,000	(52,000)	
Administration costs	501,440		501,440	357,882	143,558	71.4%
Activity	480,000		480,000	148,225	331,775	30.9%
TOTALS	5,088,400		5,088,400	3,340,157	1,748,243	
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments	1,023,975		1,023,975	754,238	269,737	73.7%

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

Repairs and maintenance	351,000		351,000	287,742	63,258	82.0%
Local transport / travelling	341,550		341,550	362,455	(20,905)	106.1%
Electricity and water	341,550		341,550	541,790	(200,240)	158.6%
Medical	-	-	-	-	-	-
Administration costs	341,550	-	341,550	277,515	64,035	81.3%
Activity	87,075	-	87,075	77,557	9,518	89.1%
SMASSE	-	-	-	-	-	-
BES/LUNCH	6,597,300		6,597,300	5,826,052	771,248	88.3%
TOTALS	9,084,000		9,084,000	8,127,349	956,651	-
OTHER INCOME			-		-	-
<i>School farm</i>			-	10,020	(10,020)	-
<i>House rent</i>	-	-	-	18,000	(18,000)	-
<i>Prepayments-receipted fees</i>			-	401,427	(401,427)	-
<i>Salary advance</i>	-	-	-	3,000	(3,000)	-
<i>Milk proceeds-farm a/c</i>			-	58,189	(58,189)	-
TOTAL INCOME	-	-	-	490,636	(490,636)	0.0%
GRAND TOTAL	15,259,570	-	15,259,570	12,186,151	3,073,419	
(1) EXPENDITURE FOR TUITION		-	-	-	-	-
Text books			-	-	-	-
Exercise books	283,500		283,500	156,100	127,400	55.1%
Laboratory equipments and apparatus	663,040	-	663,040	10,950	652,090	1.6%
Teaching/learning materials	331,520	-	331,520	19,400	312,120	5.8%
Teachers guide	-	-	-	82,000	(82,000)	-
Internal exams	92,610	-	92,610	18,900	73,710	20.4%
Adm costs	-	-	-	108,370	(108,370)	-
Bank charges		-	-	3,720	(3,720)	-
TOTALS	1,370,670		1,370,670	399,440	971,230	

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

PAYMENTS FOR OPERATIONS						
Personal Emoluments	1,504,400	-	1,504,400	934,225	570,175	62.0%
Administration Cost	501,440	-	501,440	580,110	(78,670)	115%
Repairs and maintenance & improvements	1,600,000	-	1,600,000	785,000	815,000	49.0%
Local transport / travelling	501,120	-	501,120	238,000	263,120	47.4%
Electricity and water	501,120	-	501,120	60,805	440,315	12.1%
Activity Expenses	567,075		567,075	218,660	348,415	38.6%
Bank Charges	-	-	-	2,170	(2,170)	-
TOTALS	5,175,155		5,175,155	2,818,970	2,356,185	
BOARDING AND SCHOOL FUND PAYMENTS						
Fee for Boarding Equipment and Stores	6,597,300	-	6,597,300	3,782,663	2,814,637	57.3%
Repairs, Maintenance and Improvements	351,000	-	351,000	353,190	(2,190)	100.6%
Electricity, water and Conservancy	341,550	-	341,550	284,970	56,580	83.4%
Local travels and Transport	341,550	-	341,550	1,076,000	(734,450)	315%
Activity	567,075	-	567,075	465,683	101,392	82.1%
Administration costs	341,550	-	341,550	1,260,517	(918,967)	369%
Personal emolument	1,023,975	-	1,023,975	1,334,479	(310,504)	130%
School farm			-	53,350	(53,350)	
Bank charges	-	-	-	3,623	(3623)	0.0%
Prepayments-receipted fees	-	-	-	358,140	(358,140)	0.0%
Salary advances	-	-	-	5,000	(5,000)	-
Rent Expenses			-	-	-	
Farm a/c(Animal feeds,barns,treatment)	-		-	80,380	(80,380)	0.0%
TOTAL	9,564,000		9,564,000	9,057,995	506,005	
GRAND TOTAL	16,109,825		16,109,825	12,276,405	3,833,420	

- i) Underutilization of below 90% is as a result of parents failure to clear all fees allocated and students dropping out of school and this affects revenue collections.
- ii) Overutilization above 100%

This has been caused by the over expenditure of affected vote heads like Local travels and Administration costs and Repairs whereby expenses exceeds income collected due to effect of Kiharu Masomo Bora programme introduced by M.P affecting our Budget utilization.

There arises unexpected expenditures like teachers symposiums, Committee meetings, Seminars, Travels and subsistence's which exceeds the budgeted amount.

Others regular Maintenances of furniture's like students desks, chairs and benches, Office machines and water hydrum pump affecting our budget.

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023
IX 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 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*.

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.

KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

Significant Accounting Policies (Continued)

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. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. 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. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

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.

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023
X Notes To The Financial Statements

1 Capitation Grant for Tuition

	2022-2023	2021-2022
	Kshs	Kshs
Text books		
Exercise books	8,921	250,419
Laboratory equipments and apparatus	426,006	557,549
Teaching/learning materials	278,718	222,650
Exams	5,000	
Internal exams		
Reference books		
Total	718,645	1,030,618

2 Capitation Grant for Operations

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments/others	1,099,101	1,324,304
Repairs and maintenance	1,058,000	1,619,750
Local transport / travelling	266,327	568,732
Electricity and water	358,622	456,101
Medical	52,000	62,600
Administration costs	357,882	456,414
Activity	148,225	
Total	3,340,157	4,487,901

3 Parents Contribution/Fees - School Fund Account

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	871,328	1,090,481
Repairs and maintenance	394,088	646,940
Local transport / travelling	450,776	361,632
Electricity and water	752,162	373,599
Lunch/BES	6,437,859	7,295,957
Administration costs	370,020	397,762
Activity	86,257	162,510
Total	9,362,490	10,328,881

KAGUMO SECONDARY SCHOOL**Reports and financial statements for the year ended 30 June 2023****4 Other Receipts – School Fund Account**

	2022-2023	2021-2022
	Kshs	Kshs
Salary advance		
Hire ground and school bus	-	
House rent	18,000	2,000
School farm	10,020	93,511
Bursary	-	-
Milk proceeds	58,189	-
Other receipts	401,427	
Total	487,636	95,511

5 Payments For Tuition

	2022-2023	2021-2022
	Kshs	Kshs
Text books		
Exercise books	156,100	243,150
Laboratory equipments and apparatus	634,385	1,210,470
Teaching/learning materials	19,400	63,000
Teachers guide	127,530	25,544
Internal exams	18,900	50,300
Adm costs	108,370	66,560
Bank charges	3,720	2,527
Total	1,068,405	1,661,551

KAGUMO SECONDARY SCHOOL**Reports and financial statements for the year ended 30 June 2023**

	2022-2023	2021-2022
	Kshs	Kshs
6 Payments For Operations		
Personal Emoluments	1,060,200	1,618,314
Service Gratuity		-
Administration Cost	580,110	879,770
Repairs and maintenance & improvements	1,052,950	2,043,422
Local transport / travelling	238,000	389,600
Electricity and water	114,122	226,325
Medical		-
Activity Expenses	218,660	91,950
SMASSE	-	-
Other payments		-
Bank Charges	2,170	360
TOTAL	3,266,212	5,249,741

7 Boarding And School Fund Payments

	2022-2023	2021-2022
	Kshs	Kshs
Fee on Boarding Equipment and Stores	4,453,260	5,032,171
Repairs, Maintenance and Improvements	467,775	1,157,510
Electricity, Water and Conservancy	305,520	668,313
Local Travel and Transport	1,071,200	955,640
Activity fee	455,797	295,566
Administration Costs	1,256,831	1,617,944
Personal emolument	1,373,450	685,707
School farm	67,950	189,010
Other payments	358,140	
Bank harges	3,623	-
Animal feeds,treatment,cow barn maintenance and charges	80,380	-
Acquisition of Assets	-	-
TOTAL	9,893,926	10,601,861

*(Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

KAGUMO SECONDARY SCHOOL

Reports and financial statements for the year ended 30 June 2023

8 Bank Accounts

Name of Bank, Account No. & currency			2022-2023	2021-2022
			Kshs	Kshs
Tuition Account	Active	0220291400323	586	96,381
Operations Account	Active	1107188717	132,094	11,437
School Fund Account/Boarding	Active	1109273509	116,971	432,125
Farm Account	Active	0220193188967	805	22,996
Infrastructural Account	Active	1260887677	510,395	465,345
Total			760,851	1,028,284

9 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Account	-	-
Operation Account	28	98
School Fund account	88	28,341
Total	116	28,439

10 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit	-	-
Equity Stock	-	-
Other Investments	-	-
Total	-	-

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

11 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears	5,175,345	4,537,307
Other non-fees receivables	1,000	
Salary advances	5,000	4,000
Imprest	-	-
Total	5,181,345	4,541,307

[Include an ageing of the fees / non fees arrears below]

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears for current year	1,235,141	541,256
Fees arrears recovered during the year	597,103	-
Fees arrears for the previous year	541,256	256,593
Fees arrears for prior periods (over two years)	3,996,051	3,739,458
Total	5,175,345	4,537,307

Description	2022-2023	2021-2022
	Kshs	Kshs
Non Fees arrears for current year	-	-
Non Fees arrears received during the year	3,000	-
Non Fees arrears for the previous year	4,000	-
Non Fees arrears for prior periods (over two years)		-
Total	1,000	-

Note. The non fees arrears was salary advanced to B.o.m employee Joseph Chege which was not cleared by the end of financial year

12 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	2,334,927	2,016,196
Prepaid fees	599,579	254,413
Retention monies	437,958	437,958
Total	3,372,464	2,708,567

KAGUMO SECONDARY SCHOOL
Reports and financial statements for the year ended 30 June 2023

[Include an ageing of the creditor's arrears below]

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors for current year	1,344,022	1,860,411
Trade creditors paid during the year	1,025,291	-
Trade creditors for the previous year	1,860,411	155,785
Trade creditors for prior periods (over two years)	155,785	-
Total	2,334,927	2,016,196

13 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank balances	1,028,285	1,470,723
Cash balances	28,439	198,900
Short Term Investments		-
Receivables	4,541,307	4,279,127
Payables	2,708,567	(1,489,045)
Total	2,889,464	4,459,705

Other important disclosure notes

IPSAS 1 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.

14 Non-current Liabilities Summary

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Total	-	-

KAGUMO SECONDARY SCHOOL
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15 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	3	255,000	240,000
Goats		-	-
Trees	100	250,000	270,000
Coffee Or Tea Plantation		-	-
Poultry		-	-
Total		505,000	510,000

The cows were valued at current market prices for 3 cows @85,000 for the year 2023 and for year 2022 valued @80,000

100 trees were valued @ 2500. Being the cost estimated for the same sizes available in the farm and as per area market prices year 2023 and for year 2022 valued 94@3000.

16 Borrowings

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

Other important disclosure notes

17 Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	10,196,589	6,276,678
Stock/ inventory purchased during the year	2,827,063	3,919,944
Stock/ inventory issued during the year	2,827,063	3,919,944
Balance at end of the year	10,196,589	6,276,678

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Stock at the end of financial year was valued at prevailing market prices as at 30/6/2023

KAGUMO SECONDARY SCHOOL**Reports and financial statements for the year ended 30 June 2023****Progress On Follow Up Of Auditor Recommendations**

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

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

Sign and Date
Principal

KAGUMO SECONDARY SCHOOL**Reports and financial statements for the year ended 30 June 2023****Annex 1 - Analysis Of Pending Accounts Payable**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance 2022	Comments		
	a	b	C	d=a-c				
	Kshs	Kshs	Kshs	Kshs	Kshs			
Supply of goods								
1.Equiplab suppliers ltd	1,038,435	1/1/2022	415,000	623,435	1,038,435			
2.Kahuti water company ltd	54,945	1/7/2021	1628	53,317	54,945			
3.Wellington fire appliances	71,600	13/5/2022		-	71,600			
Bom employees salaries	372,356	30/6/2022	196,381	175,975	196,381			
5.Margaret W. Maina	716,605	1/1/2022	375,315	325,290	340,340			
6.Belons office machines	93,400	23/5/2022	-	-	93,400			
7.Miriam Muthini Mbuthia	22,310	28/6/2022	-	-	22,310			
8.Josphat Mburu Njoroge	4,000	29/1/2022	-	-	4,000			
9.Vision Avenue Ltd	23,000	18/8/2021	-	-	23,000			
10.Kpic	31,000	30/6/2022	15,000	16,000	16,000			
11.EWAM PLUS LTD	127,530	21/7/2022	82,000	45,530	-			
12.tRUE LINK LOGISTICS	36,530	30/6/2023	-	36,530	-			
13.DPL FESTIVE LTD	29,445	30/6/2023	-	29,445	-			
14.KIRIA KABETE CEREALS	38,500	30/6/2023	-	38,500	-			
Grand Total			1,083,696	1,344,022.00	1,860,411			

KAGUMO SECONDARY SCHOOL**Reports and financial statements for the year ended 30 June 2023****Annex 2 – Summary Of Fixed Assets Register**

Asset Class	Date purchased	Location	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
1. Land	-	S/compound	shared with pry.sch.	-	-	-
2. Building and structures	-	entralised in sch.	14,300,000	-	-	14,300,000
3. B.E.S	-	Boarding Dpt	1,082,000	-	-	1,082,000
4. Student Furnitures	-	classes	1,585,000	-	-	1,585,000
5. Staffs furnitures	-	Departments	265,000	-	-	265,000
6. Reception chair	1/4/2022	front office	20,000	-	-	20,000
7. Books selves	-	Library	36,000	-	-	36,000
8. Carbinets	-	Principals office	116,330	-	-	116,330
9. Laptop	1/2/2022	Deans office	-----	-	-	45,000
10.Power saw	22/6/2023	Boarding store	-----	-	-	59,500
11.Mini Sewing machines	19/6/2023	H/science dpt	-----	-	-	19,400
12.Printers	12/1/2022	Offices	-----	-	-	84,500
13.Automatic bell	8/11/2020	Compound	25,000	-	-	25,000

Note.the Assets without date of purchase was recorded with estimated prevailing market prices and not actuals.