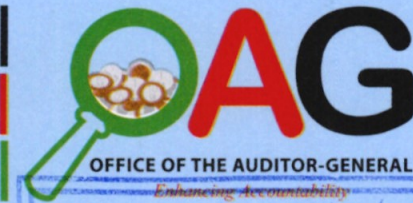


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 02 JUN 2026

DAY

Thursday

REPORT

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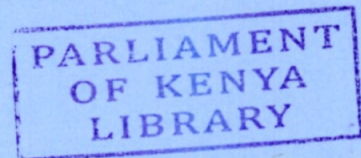
CLERK-AT
THE-TABLE:

Deputy Minister
Hon. N. G. W. W. W. W. W.
Halima Ahmed

OF

THE AUDITOR-GENERAL

ON



BISHOP OKIRING KAMUNERU ACK
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

BUNGOMA COUNTY



BISHOP OKIRING KAMUNERU ACK SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2023

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

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1. Acronyms and Glossary of Terms

BOM - Board of Management

CEB - County Education Boards

IPSAS - International Public Sector Accounting Standards.

KCSE -Kenya Certificate of Secondary Education

PFM -Public Finance Management

PSASB - Public Sector Accounting Standards Board

FY - Financial Year

FDSE - Free Day Secondary Education

TSC - Teachers Service Commission

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 situated in Bungoma County, Mt Elgon Sub-County.

The school is registered in 01/2001 under registration number GP/A/1550/2001 and is currently categorized as a Sub-County Public School established, owned by the Government of Kenya.

The school is a day and boarding school and had 350 number of students as at June 2023. It has single streams and 12 teachers of which 5 teachers are employed by the School Board of Management.

b. School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
	Duncan Chesosi	Current Chairman	28/7/2025
1	Mathew Okiring	Chairman	15/6/2022
2	Moses Sikowo	Secretary - Principal	15/6/2022
3	Idewe Moses	Member	15/6/2022
4	Petronilla Omela	Member	15/6/2022
5	Lucy Ekipara	Member	15/6/2022
6	Mr Wycliffe Cheprot	Member	15/6/2022
7	Mildred Chesang	Member	15/6/2022
8	Janet Akisa	Member – Rep CEB	15/6/2022
9	Felix Cheshari	Member Rep Teachers	15/6/2022
10	Petronilla Omela & Lucy Ekipara	3 Members - Sponsor	15/6/2022
11	Patrick Sululia	Member - Community	15/6/2022
12	Wycliffe Cheprot	MemberSpecial Needs	15/6/2022

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	Name of members	Designation
1	Executive committee	1. Mathew Okiring	Chairman
		2. Moses Sikowo	Secretary
		3. Idewe Moses	Vice chair person
		4. Petronilla Omela	Member
		5. Lucy Ekipara	Member
2	Audit team	1. Mr Wycliffe Cheprot	Chairperson
		2. Ven Idewa Moses	Member
		3. Mildred Chesang	Member
		4. kwalia Shaban	D/principal
		5. idewa Moses	Vice Chairperson
		6. Emily Bukelembe	Bursar
3	Finance Procurement and general Purposes committee	1. Mathew Okiring	Chairperson
		2. David Onyango	Secretary
		3. Jeal Chebet	Member
		4. Patrick Sululia	Member
		Emily Bukelembe	Member
4	Academic committee	1. John Shikuku Kiboi	Member
		2. David Onyango	Principal
		3. Alex Rasto	DOS secretary
		4. Hillary Maitui	Teacher
		5. Lucy Ekipara	Member
		6. Janet Akisa	Member
5	SIC (DEV.COMMITTEE)	Rev Moses Idewa	
		David Onyango	
6	Disciplinary/welfare committee	Rueben K. Cheprot	Chairman
		Caleb Boit	Member
		Mildred Chesang	Member
		Janet Opeto	Member
7	School Operation Management	David Onyango	Principal
		Tom Ambetsa	D/principal
		S/bursar	Emily Bukelembe

d. School Operation Management

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

Ref	Designation	Name	Identification
1.	Principal	Moses Sikowo	419786
2.	Deputy Principal	Tom Ambetsa	371774
3.	School Bursar	Emily Bukelembe	N/A
4.	Others (specify)		

Telephone: 0710501741

Email: Bbisokiringkam sec sch @gmail.com

f) School Bankers

The following school operated 07 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

Name of the bank: Kenya Commercial Bank (KCB)

BRANCH- Kimilili

1) School fund (saving)-1109508859

2) Bus A/C- 1272310248

Name of the bank: Co-Operative Bank

Branch: KIMILILI

1) Tuition- 01139049955600

2) Operation- 01139049955601

3) Infrastructure- 01139049955602

4) School fund- 1109508859

Postal Address: 37 Kapsokwony

g) Independent Auditors

Office of the Auditor General

Anniversary Towers, University Way

P.O BOX 30084

GPO 00100

Nairobi, Kenya

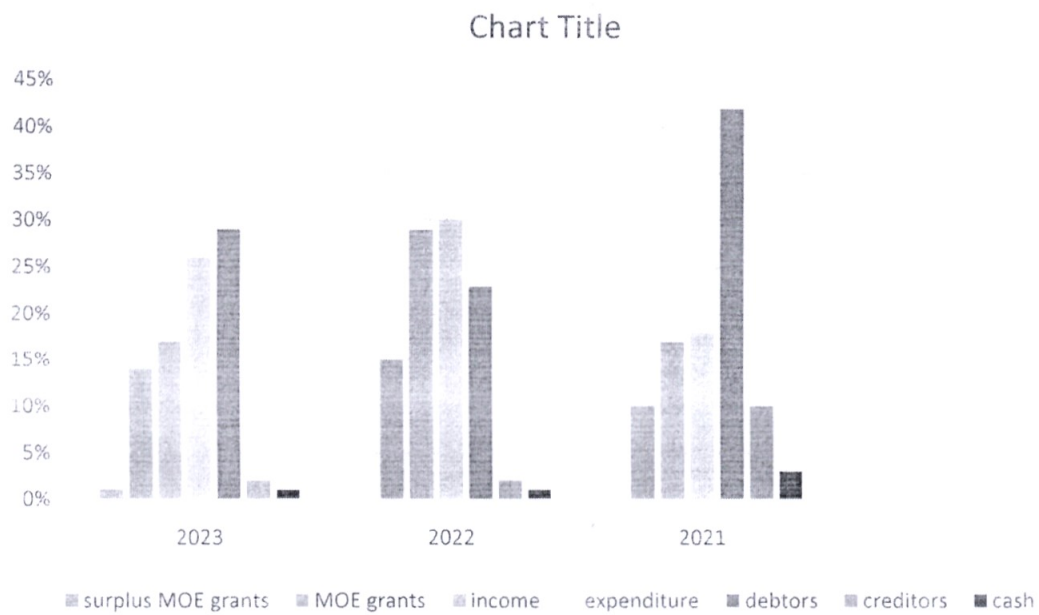
3. Summary Report of Performance of the School

a. Financial Performance

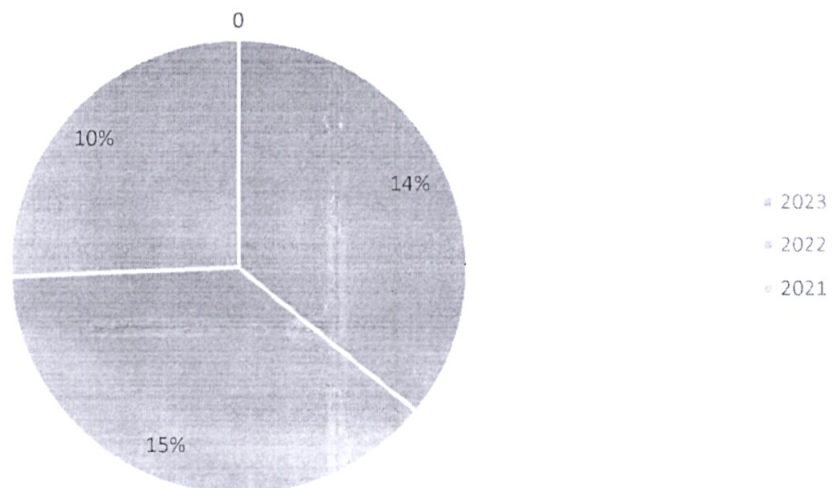
PARTICULARS SURPLUS/DEFICIT	2023	2022	2021
SURPLUS/DEFICIT	261,501	(180,995)	(448,453)
MOE GRANTS	4,074,727	6,460,237	2,885,475
GROWTH OF INCOME	9,669,103	12,680,344	4,729,974
GROWTH OF EXPENDITURE	9,407,602	12,861,340	5,178,228
MOVEMENT OF DEBTORS	10,534,530	10,122,719	11,849,765
MOVEMENT OF CREDITORS	857,700	933,595	2,917,404
MOVEMENT OF CASH AND BANK	76,539	302,744	740,512

	2023	2022	2021
SURPLUS	1%	0%	0%
MOE GRANT	14%	15%	10%
GROWTH OF INCOME	27%	29%	17%
GROWTH OF EXPENDITURE	26%	30%	18%
MOVEMENT OF DEBTORS	29%	23%	42%
MOVEMENT OF CREDITORS	2%	2%	10%
MOVEMENT OF CASH AND BANK	0%	1%	3%

BISHOP OKIRING KAMUNERU ACK SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023



Financial Performance 2023,2022,2021



BISHOP OKIRING KAMUNERU ACK SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

b. Teacher Student Ratio

1:41, 1 teacher representing 41 students. 7 teachers are employed by the Teachers Service Commission and 6 teachers employed by the Board of Management.

c) Mean Score in the 2022 KCSE

YEAR	MEAN SCORE	CANDIDATES ABOVE C+
2022	2.71	0
2021	3.13	3
2020	3.87	4

There was a drop among the three years: 2020,2021 & 2023

d)Number of candidates

Year	Capacity
2022	62
2021	61
2020	57

e) Capacity of the school 2023

	2023	2022
Capacity	290	352
Dormitory	2	2
Toilets	18 (6girls, 8 boys, 4 teachers)	15 (3 girls, 8 boys, 4 teachers)

f. Development projects carried out by the school

Project	Source of fund	status	Initial cost	Amount spent (Kshs)	Expected completion time
2 class rooms Construction	MOE	CLEARED	1,777,992	1,777,992	2021/2022
3 door toilet	MOE	CLEARED	498,490	498,490	2022/2023


MOSES SIKOWO

School Principal

PRINCIPAL
BISHOP OKIRING SEC. SCHOOL
P.O. Box 37-50203, KAPSOKWONY

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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 8 (3) requires the financial statement so prepared to be in a form that compiles with relevant accounting standards as prescribed by the Public Sector Accounting Standards as prescribed by the Public Standard s 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 kept proper all proper books and records f accounts of the income, expenditure and assets of the institution.

The Board of Management of Bishop Okiring ACK Kamuneru accepts the responsibility for the schools financial statement, 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 opinion that the schools financial statements give a true and fair view of the state of the schools transaction during the financial year 30th June 2023 and of the schools financial position as at that date

.....
Good For

Name: Duncan Chesosi

Designation: Chairman

Date: 19.5.23
.....
Duncan Chesosi

Name: Moses Sikowo

Designation: School Principal & secretary to Board of Management

Date: 19.5.23
.....
Moses Sikowo

Name: Emily Bukelembe

Designation: Bursar/Finance Officer

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 BISHOP OKIRING KAMUNERU ACK SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – BUNGOMA 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 Bishop Okiring Kamuneru ACK Secondary School set out on pages 1 to 19, which comprise the statement of assets and

*Report of the Auditor-General on Bishop Okiring Kamuneru ACK Secondary School for the year ended 30 June, 2023
- Bungoma County*

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 Bishop Okiring Kamuneru ACK 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. Unsupported Balances in the Financial Statements

The statement of receipts and payments reflects Kshs.9,669,104 and Kshs.9,407,601 in respect of total receipts and payments respectively. However, the supporting schedules and ledgers were not provided for audit.

In addition, the statement of receipts and payments reflect prior year capitation grants for tuition as Kshs.1,146,833 whereas Note 1 to the financial statements reports the amount as Kshs.375,548 resulting in an unexplained variance of Kshs.771,285.

Further, the statement of cash flows reflects total receipts as Kshs.8,440,255 but the recalculated amount is Kshs.7,446,290 resulting in an unexplained variance of Kshs.993,965. The statement also reports prior year's balance of net cash inflow/outflow from operating activities as Kshs.86,141,670 whereas the recalculated amount is Kshs.861,417 resulting in an unexplained variance of Kshs.85,280,253. Similarly, the statement reflects comparative balance of proceeds from investment as Kshs.94,835,165 while in the prior year's financial statements there was no value resulting in an unexplained variance of Kshs.94,835,165.

Note 11 to the financial statements reflect prior year accounts payable balance as Kshs.933,595 while on casting the amount is Kshs.2,933,595 resulting in an unexplained variance of Kshs.2,000,000.

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

2. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.963,025 and Kshs.3,111,702 respectively as disclosed in

Notes 1 and 2 to the financial statements. However, review of NEMIS capitation disbursements made to the school and the amount receipted by the school revealed an amount of Kshs.1,071,762 and Kshs.4,850,190 for tuition and operations respectively, resulting in unexplained cumulative variance of Kshs.1,847,226.

In the circumstances, the accuracy and completeness of the capitation grants for tuition and operations amounting to Kshs.4,074,727 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflect cash and cash equivalents balance of Kshs.76,539 as disclosed in Note 8 to the financial statements. However, the bank balances were not supported by bank reconciliation statements and board of survey report.

Further, the certificate of bank balances and bank statements for tuition account with a balance of Kshs.53,671 were not provided for audit.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.76,539 could not be confirmed.

4. Unsupported Accounts Receivable

The statement of assets and liabilities reflects accounts receivable balance of Kshs.10,534,530 as disclosed in Note 10 to the financial statements. However, the relevant schedules, supporting debtors' statements and their aging analysis were not provided for audit.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.10,534,530 could not be confirmed.

5. Unsupported Accounts Payable

The statement of assets and liabilities reflect accounts payable balance of Kshs.857,700 as disclosed in Note 11 to the financial statements. However, the detailed movement schedule indicating the particulars of creditors, opening balances, purchases, payments and the closing balance were not provided for audit.

In the circumstances, the accuracy, existence and completeness of payables balance of Kshs.857,700 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Bishop Okiring Kamuneru ACK 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.14,471,280 and Kshs.9,669,704 respectively resulting in an under-funding of Kshs.4,801,576 or 33% 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 judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on page iii to xii 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, 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. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The School received operations capitation grants of Kshs.4,850,190 from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,620,000 which was to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.745,000 was transferred to infrastructure account leaving a balance of Kshs.875,000 as at 30 June, 2023. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Government Guidelines.

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

The statement of receipts and payments reflects operation payments of Kshs.3,806,702 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.143,590 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.143,590 could not be confirmed.

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

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows:

- i. The statement of budgeted versus actual amounts did not have commentary on the significant under/overutilization of the budget.
- ii. The date the financial statements were approved was omitted.
- iii. The Principal did not append his signature and date on the progress on follow up of Auditor recommendations as required in the reporting template.
- iv. Annex 1 and 2 on analysis of pending accounts payable and summary of fixed assets register respectively were not detailed.

Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

In the circumstances, Management did not comply with the PSASB guidelines.

4. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 18 December, 2024 instead of the statutory deadline of 30 September, 2023. This was 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.

5. Human Resource Management Inefficiencies

Note 6 and 7 to the financial statements reflect payments for operations and boarding and school fund totaling Kshs.8,316,551. Included in this amount is Kshs.2,163,930 in respect of personnel emoluments paid to the School's Board of Management teachers and non-teaching staff. However, Management did not provide the approved staff establishment and terms and conditions of service to confirm the recruitment needs. This was contrary to Section 13 of the Fourth Schedule of the Basic Education Act, 2013 which requires the Board of Management to employ its staff, upon such terms and conditions of service as the County Education Board may determine.

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

6. Excess Supply of Books

During the year under review, the Ministry of Education (MOE) distributed text books to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one thousand and fifty-five (1,055) books to the school while only five hundred and thirty-seven (537) books were issued to the students, resulting in an unexplained excess text books of five hundred and eighteen (518) books in the school store.

In the circumstances, value for money on the excess five hundred and eighteen (518) text books could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Long Outstanding Accounts Receivable

The statement of assets and liabilities reflects accounts receivable balance of Kshs.10,534,530 as disclosed in Note 10 to the financial statements. Included in the balance is an amount of Kshs.6,836,975 which had been outstanding for more than two (2) years. However, there was no policy on impairment of long outstanding fees arrears 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.

2. Lack of Information Communication Technology (ICT) Facility

Review of the ICT environment revealed that the School does not have an established ICT set up. Further, it has not automated the accounting function and other critical operations which might lead to data manipulation and hence the accuracy, reliability and integrity of the data processed may be put in doubt.

In the circumstances, the effectiveness of the internal controls, risk management and governance could not be confirmed.

3. Weaknesses in the Board of Management

During the audit held in March 2025, the School Management did not provide for audit the appointment and acceptance letters of the Board of Management. Further, as per the Fourth Schedule of the Basic Education Act, 2013, the Board of Management was to constitute five committees, though, the list of committee members and evidence of meetings conducted, board calendar or workplan outlining the activities for the year were not provided for review.

In addition, review of payment vouchers revealed total amount of Kshs.75,000 was paid out as allowances to the Board members. However, it was not supported by attendance register, notice of meeting and minutes.

In the circumstances, the effectiveness of the governance mechanism at the School 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 Board of Management

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards 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 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

6. Statement of Receipts and Payment for the Year Ended 30th June 2023

Description of vote head	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	963,025	1,146,833
Capitation grants for operations	2	3,111,702	5,313,404
School fund income-parents contribution	3	436,027	682,217
Other receipts/ school fund account	4	5,158,350	5,537,890
Total receipts		9,669,104	12,680,344
Payments			
Tuition	5	1,091,050	1,542,720
Operations	6	3,806,702	5,722,578
Boarding and school fund	7	4,509,849	5,596,042
Total payments		9,407,601	12,861,340
Surplus/Deficit		261,501	-180,995

The school financial statements were approved on and signed by:

.....
Good For

Name: DUNCAN CHESOSI

Chair BOM
Officer

Date: 20-5-2026

.....
Moses SIKOWO

Name: MOSES SIKOWO

School principal/secretary to BOM

Date: 19.5.26

.....
Bukelembe Emily

Name: BUKELEMBE EMILY

Bursar/Finance

Date:

7. Statement of assets and liabilities as at 30th June 2023

Description	Note	2022/2023 Kshs	2021/2022 Kshs
Cash and cash Equivalent			
Bank balances	8	76,539	302,510
Cash balances	9	-	234
Short term investments			
Total cash and cash equivalent		76,539	302,744
Account's receivables	10	10,534,530	10,122,119
Total Financial Assets		10,611,069	10,425,463
Financials liabilities			
Account payables	11	(857,700)	(933,595)
Net financial assets		9,753,369	9,491,868
Represented by			
Accumulated fund b/fwd.	12	9,491,868	9,672,863
Surplus deficit for the year		261,501	180,995
Net financial position		9,753,369	9,491,868

The school financial statement were approved onand signed by:

.....
Emrod FOR

Name: Duncan Chesosi

Chair BOM
Officer

Date: 20-5-2026

.....
MOSES SIKOWO

Name: MOSES SIKOWO

School principal/secretary to BOM

Date: 19.5.2026

Name: EMILY BUKELEMBE

Bursar/Finance

Date

8. Statement of cash flows for the year ended 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Cash from operating activities			
Receipts			
Government grants from tuition		963,025	1146,833
Government grants for operations		3,111,742	4,138,354
Infrastructure		994,	
School fund income-parents contribution / Fees		3,261,029	4,093,470
Other income. Miscellaneous		109,500	464,900
Total receipts		8,440,255	9,843,557
Payments			
Cash outflows for tuition		917,175	1,247,220
Cash outflows for operations		3227082	4,291,428
Cash outflows Boarding/ lunch and school fund Payments		3,378,363	5,166,326
Total payments		7,522,620	10,704,974
Net cash inflow/ outflow from operating activities		917,635	86,141,670
Cash flow from investing activities			
Acquisition of assets			1,372,000
Proceeds from sale of asset			
proceed from investment		1,143,840	94,835,165
Purchase of investments			
Net cash inflow/ outflow from investing activities		1,143,840	423,648
Cash flow from financing activities			
Proceeds from borrowing/ loan			
Repayment of principal borrowings			
Net cash inflow /outflow from financing activities			
Net increase/decrease in cash and cash equivalents		226,205	437,768
cash and cash equivalents at beginning of the FY		302,744	740,512
cash and cash equivalents at end of the FY		76,539	302,744

The school financial statement were approved on June 2023 and signed by:

Name: Mathew Okiring
BUKELEMBE

Chair BOM
Officer

Date:

Name: MOSES SIKOWO

School principal/secretary to BOM

Date

Name: EMILY

Bursar/Finance

Date

9. Statement of budgeted versus actual amount for the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	-				
Exercise Books					
Laboratory Equipment	600,000		600,000	147,001	25%
Internal Exams					
Teaching / Learning Materials	933,280		933,280	816,024	87%
Exams And Assessment					
Sub-total	1,533,280		1,533,280	963,025	63%
(2) Capitation Grant on Operations					
Personnel Emoluments	3,478,000		3,478,000	2,474,257	71%
Repairs And Maintenance	1,850,000		1,850,000	373,000	20%
Local Transport / Travelling					
Electricity And Water					
Medical	740,000		740,000	74,500	10%
Administration Costs					
Activity	555,000		555,000	189,945	34%
Gratuity					
Subtotal	6,623,000		6,623,000	3,111,711	47%
3) FDSE for infrastructure					

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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
Maintenance &Improvement MoE	1,850,000		1,850,000	995,000	54%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Sub-total	1,850,000		1,850,000	995,000	54%
<i>(4) Fees Charged on Parents</i>					
Personnel Emoluments	187,450		187,450	151,594	81%
Others					
Local Transport / Travelling	36,150		36,150	24,487	68%
Administration cost	175,050		175,050	251,996	144%
Bus					
Tender					
Activity	12,500		12,500	7,950	64%
Fees on boarding equipment and stores	4,053,850		4,053,850	4,053,850	100%
Sub-total	4,465,000		4,465,000	4,489,877	101%
<i>5) Miscellaneous Income</i>					
Loans / Borrowing					
Rent income					
Tender fee				3,000	0%
Insurance Compensation					

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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 Posho Mill					
Income From Bus Hire				106,500	0%
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	14,471,280		14,471,280	9,669,704	67%
(6) Expenditure For Tuition					
Textbooks				100,000	0%
Reference Materials					
Exercise Books					
Laboratory Equipment	600,000		600,000	296,959	49%
Internal Exams					
Teaching / Learning Materials	933,280		933,280		
Chalks					
Exams And Assessment				77,845	0%
Teachers Guides					
Administration Costs					
Bank Charges				6,480	0%
Sub-total	1,533,280		1,533,280	1,091,050	71%
(7) Expenditure For Operations					
Personnel Emoluments					

BISHOP OKIRING KAMUNERU ACK SECONDARY SCHOOL
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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
Others	3,478,000		3,478,000	3,340,792	96%
Local Transport / Travelling					
Repair maintenance and improvement	1,850,000		1,850,000		
Medical	740,000		740,000	16,100	2%
Administration Costs					
Activity Expenses	555,000		555,000	449,810	81%
Gratuity					
SMASSE					
Sub-total	6,623,000		6,623,000	3,806,702	57%
(8) Expenditure For infrastructure					
Construction of classrooms	1,850,000		1,850,000	1,142,700	62%
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Bank charges				1,140	0%
Sub -total	1,850,000		1,850,000	1,143,840	62%
(9) Expenditure For school fund/lunch/boarding					
Personal emolument	187,450		187,450	172,620	92%
Activity	12,500		12,500		
Local transport and travelling	36,150		36,150	24,165	67%

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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
Administration cost	175,050		175,050	251,705	144%
Boarding equipment and stores	4,053,850		4,053,850	2,808,009	69%
Tender					
Bank charges				1	0%
Acquisition of assets					
sub-total	4,465,000		4,465,000	3,366,010	75%
TOTAL	14,471,280		14,471,280	9,407,602	65%

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 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* recognizes 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* recognizes 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.

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.

10. Notes to the financial statements

1. Government Grants for Tuition

Description	2022/2023	2021/2022
Laboratory equipment	147,001	99,360
Teaching/learning materials	816,024	276,188
Total	963,025	375,548

2. Government grants for operation

Description	2022/2023	2021/2022
Others	2,474,257	3,405,504
Repairs and maintenance	373,000	1,836,500
Local transport/travelling	-	-
Electricity and water	-	-
Medical	74,500	71,400
Administration costs	-	-
Activity	189,945	-
BOM teachers	-	-
Total	3,111,702	5,313,404

3. Parents contribution/fees school fund account

Description	2022/2023	2021/2022
Personnel emoluments	151,594	262,430
Local transportation /travelling	24,487	50,610
Electricity and water		15,900
Medical insurance		
Administrative costs	251,996	335,777
Activity	7,950	17,500
Bus hire		
Others		
Total	436,027	682,217

NOTES ON FINANCIAL STATEMENT (continued)

4. Other Receipt/ School fund Account

Description	2022/2023	2021/2022
Fee on Boarding Equipment and stores	4,053,850	4,079,390
Tender fees	3000	12,000
Income from bus hire	106,500	74,500
Income from grants and donation	995,000	1,372,000
Total	5,158,350	5,537,890

5. PAYMENTS FOR TUITION

	2022/2023	2021/2022
Exercise books	100,000	100,000
Internal exams	77,845	118,920
Laboratory equipment's	296,959	801,000
Teaching/learning materials	609,766	516,000
Bank charges	6,480	6,800
Total	1,091,050	1,542,720

6. PAYMENTS FOR OPERATION

Description	2022/2023	2021/2022
Personnel emoluments	1,991,300	1,111,030
Administrative costs	1,067,622	1,170,954
Repairs and maintenance	-	1,374,860
Local transport	79,530	40,800
Electricity and water	202,340	95,900
Medical	16,100	67,080
Activity expenses	449,810	296,459
Total	3,806,702	5,722,578

NOTES ON FINANCIAL STATEMENT (continued)

7. BOARDING AND SCHOOL FUND PAYMENT

Description	2022/2023	2021/2022
Personal emoluments	172,630	534,260
Repairs and maintenance		
Local transport/travelling	24,165	61,400
Electricity and water		29,700
Administration costs	251,705	370,775
Lunch program me	2,808,009	3,106,595
Bank charges	1,140	360
Tender fees	3,000	12,000
Activity	-	50,000
Fee on boarding equipment and stores	1,142,700	1,398,352
Rent expenses /bus hire	106,500	41,800
Activity	-	50,000
Total	4,509,849	5,596,042

8. BANK ACCOUNT

Description	2022/2023	2021/2022
Tuition account	53,671	7,821
Operation account	6426	13,927
School fund account/boarding	5,177	657
Infrastructural account	11,266	280,106
Total	76,539	302,510

9. CASH IN HAND

Description	2022/2023	2021/2022
Tuition account		234
Operation account		
School fund account/boarding		
Saving account		
Total		234

10. ACCOUNTS RECEIVABLES

Description	2022/2023	2021/2022
Fees arrears	10,534,530	9,822,719
Other non-fees receivables		300,000
Salary advances		
Imprest		
Total	10,534,530	10,122,719

10 b. AGEING ANALYSIS OF ACCOUNTS RECEIVABLES

Description	2022/2023		2022/2021	
	Kshs		Kshs	
	2023	% of the total	2022	% of the total
Less than 1 year	1,435,806	14%	1,300,254	13.2%
Between 1- 2 years	2,261,749	21%	-	-
Between 2-3 years	6,836,975	65%	8,522,465	86.8%
Over 3 years	-		-	-
Total	10,534,530	100%	9,822,719	100%

11. ACCOUNTS PAYABLE

Description	2022/2023	2021/2022
Trade creditors	813,495	2848,250
Prepaid fees	44,205	85,345
Retention monies		
Total	857,700	933,595

11 b. Ageing analysis of account payable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2023	% of the total	2022	% of the total
Less than 1 year	813,495	100%	811,130	95%
Between 1- 2 years			21,120	3%
Between 2-3 years			16,000	2%
Over 3 years				
Total (should tie to note 14)	813,495	100%	848,250	100%

12. FUND BALANCES BROUGHT FORWARD (CLOSING 2022/2023)

Description	2022/2023	2021/2022
Bank balances	302,510	739,428
Cash balances	234	1,084
Short term investment	-	-
Receivables/ Debtors	10,122,719	11,849,765
Payables/ Creditors	(933,595)	(2,917,414)
Total	9,491,868	9,672,863

Other important disclosure notes

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

Non-current Liabilities Summary

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

Biological assets

Description	Numbers	2023	2022
		Kshs	Kshs
Cattle	1	50,000	
Goats			
Trees			
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total		50,000	

Borrowings

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

Other important disclosure notes

Stock/ Inventory

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Food stuffs	-	-
Lab consumables	-	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-

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

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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

Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance Comparative 2022	Comments
	A	B	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
Construction of 3-door toilet	498,490	2022/2023	498,490	-		cleared
Sub-Total						
Supply Of Goods						
tuition				173,875		
Sub-Total				173,875		
Supply Of Services						
BOM teachers/non-teaching staff				518,820		
Activity				120,800		
Sub-Total				639,620		
Grand Total				813,495		

Annex 2 – Summary of Fixed Assets Register

	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs)
Asset Class	1 st July 20XX			30 th June 202
Land				
Buildings And Structures				12,378,490
Motor Vehicles				6,000,000
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				18,378,490

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