REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

BISHOP OKIRING KAMUNERU ACK SECONDARY SCHOOL

FOR THE SIX MONTHS' PERIOD ENDED 30 JUNE, 2021

BUNGOMA COUNTY

HARAMBEE

BISHOP OKIRING KAMUNERU ACK SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR 6 MONTHS PERIOD ENDED

30TH JUNE 2021

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

Table of Content Page

1. 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 2021. 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
	Mr. Duncan Chesosi	Current Chairman	28/07/2025
1	Mr. Leonard Momos Juma	Chairman	19/6/2019
2	David Onyango	Secretary – Principal	19/6/2019
3	Idewe Moses	Member	19/6/2019
4	Petronilla Omela	Member	19/6/2019
5	Lucy Ekipara	Member	19/6/2019
6	Mr Wycliffe Cheprot	Member	19/6/2019
7	Mildred Chesang	Member	19/6/2019
8	Janet Akisa	Member – Rep CEB	19/6/2019
9	Felix Cheshari	Member Rep Teachers	19/6/2019
10	Petronilla Omela & Lucy Ekipara	3 Members - Sponsor	19/6/2019
11	Patrick Sululia	Member - Community	19/6/2019
12	Wycliffe Cheprot	MemberSpecial Needs	19/6/2019

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. Mr. Leonard Momos Juma	Chairman
		2. David Onyango	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. Milderd Chesang	Member
		4. kwalia Shaban	D/principal
		5. idewa Moses	Vice Chairperon
		6. Emily Bukelembe	Bursar
3	Finance Procurement and general Purposes committee	1. Leonard momos	Chairperson
		2. David Onyango	Secretary
		3. Jeal Chebet	Member
		4. Patrick Sululia	Member
		5. Victor Bitei	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 2021 the school day-day management was under the following persons:

Ref	Designation	Name	Identification
1.	Principal	David Onyango	312688
2.	Deputy Principal	Ambetsa Tom	371774
3.	School Bursar	Emily Bukelembe	N/A
4.	Others (specify)		

e)School Contacts

POST OFFICE BOX: 37 KAPSOKWONY

TELEPHONE: 0710501741

Email: Bbisokiringkam sec sch @gmail.com

TWITTER

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

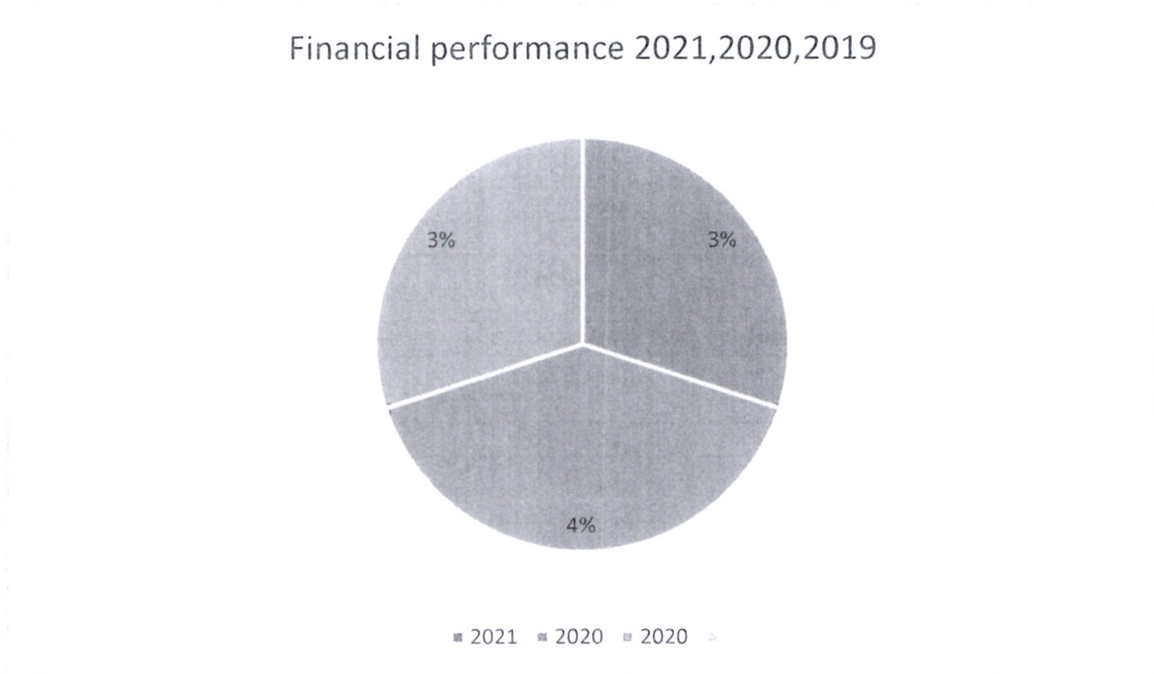
Nairobi, Kenya

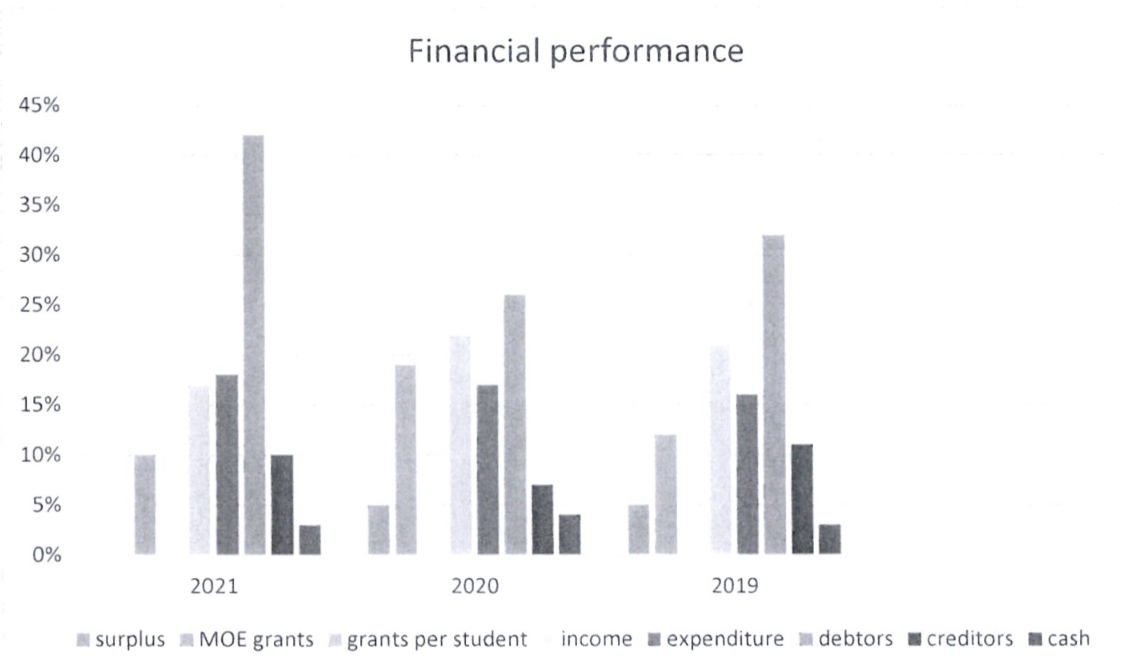
2. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

a) Financial performance

PARTICULARS SURPLUS/DEFICIT	2021	2020	2019
SURPLUS/DEFICIT	(448,453)	2,081,274	1,524,700
MOF GRANTS	2,885,474	8,521,044	3,959,993
GRANT RATIO PER STUDENT	9,984	29,484	13,702
GROWTH OF INCOME	4,729,975	9,788,157	7,090,976
GROWTH OF EXPENDITURE	5,178,228	7,706,883	5,556,277
MOVEMENT OF DEBTORS	11,849,765	11,503,275	10,958,520
MOVEMENT OF CREDITORS	2,917,404	3,050,869	3,857,371
MOVEMENT OF CASH AND BANK	740,512	1,668,911	938,894

	2021 (%)	2020 (%)	2019 (%)
SURPLUS	0	5	5
MOE GRANTS	10	19	12
GRANTS PER STUDENT	0	0	0
INCOME	17	22	21
EXPENDITURE	18	17	16
DEBTORS	42	26	32
CREDITORS	10	7	11
CASH AT BANK	3	4	3


Financial performance 2021,2020,2019
3%
3%
4%
2021
2020
2020


Financial performance
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
2021
2020
2019
surplus
MOE grants
grants per student
income
expenditure
debtors
creditors
cash

b. Teacher Student Ratio

1:32, one teacher representing 32 students. 9 teachers are employed by the Teachers Service Commission and 7 teachers employed by the Board of Management.

c) Mean Score in the 2020 KCSE

YEAR	MEAN SCORE	CANDIDATES ABOVE C+
2020	3.87	4
2019	3.85	1
2018	3.048	4

There was a slight improvement among the three years: 2018,2019,2020

d)Number of candidates

Year	Capacity
2020	57
2019	53
2018	42

e) Capacity of the school 2021

	2020	2021
Capacity	253	288
Dormitory	2	2
Toilets	15 (3 girls, 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

MOSES SIKOWO

School Principal

PRINCIPAL
OKIRING SEC. SCHOOL
... 37 - 50203 KAPSOKWONY
19.5.2026

3. 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 2021 and of the schools financial position as at that date

........Enod FOR........

Name: Duncan Chesosi

Designation

Date:

....

Name: Moses Sikowo

Designation: Principal

Date: 19.5.2026

PRINCIPAL
OKIRING SEC. SCHOOL
KAPSOKWONY

....

Name: Emily Bukelembe

Designation: Bursar

Date:

REPUBLIC OF KENYA

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

REPUBLIC OF KENYA

OAG
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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 SIX MONTHS' PERIOD ENDED 30 JUNE, 2021 – 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 13, which comprise the statement of financial assets and liabilities as at 30 June, 2021 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, 2021 and of its financial performance and its cash flows for the six months' period 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.4,729,775 and Kshs.5,178,228 in respect of total receipts and payments respectively. However, the supporting schedules and ledgers were not provided for audit.

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 Government grants for tuition and operation amounts of Kshs.375,549 and Kshs.2,509,926 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.648,069 and Kshs.2,413,076 for tuition and operation respectively, resulting in an unexplained cumulative variance of Kshs.175,670.

In the circumstances, the accuracy and completeness of the Government grants for tuition and operation amounting to Kshs.2,885,475 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflect cash and cash equivalents balance of Kshs.740,512. Included in the amount are bank balances and cash balances of Kshs.739,428 and Kshs.1,084 respectively as disclosed in Notes 10 and 11 to the financial statements. However, the cash and cash equivalents balance 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.108,708 were not provided for audit.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.740,512 could not be confirmed.

4. Unsupported Accounts Receivable

The statement of assets and liabilities reflects accounts receivable balance of Kshs.11,849,765 as disclosed in Note 12 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.11,849,765 could not be confirmed.

5. Unsupported Accounts Payable

The statement of assets and liabilities reflect accounts payable balance of Kshs.2,917,414 as disclosed in Note 13 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.2,917,404 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.9,775,700 and Kshs.4,729,775 respectively resulting in an under-funding of Kshs.5,045,925 or 52% of the budget. Similarly, the School spent Kshs.5,178,228 against the approved budget expenditure of Kshs.9,775,700 resulting in under-utilization of Kshs.4,597,472 or 47% of the budget.

The under-funding and under-utilization 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 Matter

Unaudited Comparative Balances

I draw attention to the fact that prior to the 2020/2021 financial year, Public Secondary Schools in Kenya did not prepare financial statements for audit. Consequently, the Public Sector Accounting Standards Board prescribed 30 June, 2021 as the first-time adoption of the International Public Sector Accounting Standards (IPSAS) – Cash Basis of Accounting by Public Secondary Schools.

The financial statements for the six (6) months period ended 30 June, 2021 include comparative information. However, the comparative figures were based on unaudited figures. My audit procedures were, therefore, limited to the extent that comparative information does not contain misstatements that materially affect the current period's financial statements. Accordingly, I do not express an opinion or any form of assurance on the comparative information. My audit opinion on the current period financial statements is not modified in respect of this matter.

Other Information

The Management is responsible for the Other Information set out on page ii to x 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 Government grant of Kshs.2,413,076 from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,259,539 which was to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, no amount was transferred to infrastructure account leaving a balance of Kshs.1,259,539 as at 30 June, 2021. 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.2,018,752 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.48,160 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.48,160 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 titles for statement of receipts and payments, statement of assets and liabilities and statement of cash flows were not aligned to the reporting template including the period or year ended.

ii. The statement of budgeted versus actual amounts did not have commentary on the significant under/overutilization of the budget.

iii. 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 period under review, Management submitted the financial statements to the Auditor-General on 15 February, 2023 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education Circular Ref. MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the school's financial statements should be ready by 30 September, 2021 or 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 7 and 9 to the financial statements reflect payments for operations and boarding and school fund totaling Kshs.3,644,756. Included in this amount is Kshs.859,570 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.

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.11,849,765 as disclosed in Note 12 to the financial statements. Included in the balance is an amount of Kshs.10,548,745 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 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

22 May, 2026

5. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021

Description of vote head	Note	2020/2021	2019/2020
		Kshs	Kshs
Receipts			
Government grants for tuition	1	375,549	467,113
Government grants for operation	2	2,509,926	2,983,500
Government grants for infrastructure	3	-	800,000
School fund income parents contribution	4	1,841,300	5,124,905
Miscellaneous income	5	3,000	230,000
Total receipts		**4,729,775**	**9,605,518**
Payments			
Tuition	6	355,480	324,420
Operation	7	2,018,752	3,166,139
Infrastructure	8	1,177,992	120
Boarding and school fund	9	1,626,004	4,398,843
Total payments		**5,178,228**	**7,889,522**
Surplus/deficit		**(448,453)**	**1,715,996**

The school financial statement was approved on 19/5/26 and signed by:

Duncan Chesosi	MOSES SIKOWO	EMILY BUKELEMBE
Signature:		
Chair BOM	School Principal/secretary BOM	Bursar/ Finance officer
Date: 20-5-2026	Date: 19.5.26	Date:

6. STATEMENT OF ASSETS AND LIABILITIES FOR THE 6 MONTHS PERIOD ENDED 30TH JUNE 2021

	NOTE	2020/2021	2019/2020
		KSH	KSH
Financial Assets			
Cash and cash equivalent			
Bank balances	10	739,428	1,668,911
Cash balances	11	1,084	-
Short term investments		-	-
Total cash and cash equivalent		**740,512.40**	**1,668,911**
Account receivables	12	11,849,765	11,503,275
Total financial assets		**12,590,277**	**13,172,186**
Financial liabilities			
Account payables	13	(2,917,414)	(3,050,869)
Net financial assets		**9,672,863**	**10,121,317**
Represented by			
Accumulated fund b/ fwd.	14	10,121,317	8,040,043
Surplus/deficit for the year		(448,453)	2,081,274
Net financial position		**9,672,863**	**10,121,317**

The schools financial statements were approved on 19/5/26 and signed by:

Duncan Chesosi	MOSES SIKOWO	EMILY BUKELEMBE
Signature	19.5.26	
Date 20-5-2026 FOR		
Chair BOM	School Principal	Bursar/Finance officer

PRINCIPAL
B.P OKIRING SEC. SCHOOL
BOX 37 - 50203, KAPSOKWONY

7. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2021

	note	2020/2021	2019/2020
Cash from operating activities			
Receipts			
Government grants for tuition		375,549	467,113
Government grants for operation		2,509,926	3,166,139
Government grants for infrastructure		-	800,000
School fund income-parents contribution		1,844,300	5,354,905
Total receipts		**4,729,775**	**9,788,157**
Payments			
Cash outflow for tuition		355,480	324,420
Cash outflow for operation		2,018,752	2,983,500
Cash outflow for school fund		2,105,949	4,398,843
Total payments		**4,480,186**	7,706,763
Net cash inflow/outflow from operating activities		**249,594**	**2,081,394**
Cash flow from investing activities			
Acquisition of assets		(1,177,992)	(120)
Net cash inflow/outflow from investing activities		**(1,177,992)**	**(120)**
Cash flow from financing activities			
Net increase/decrease in cash and cash equivalent		**(928,398)**	**2,081,274**
Cash and cash equivalent at the beginning of the FY		1,668,911	(412,363)
Cash and cash equivalent at the end of the FY		740,512	1,668,911

The schools financial statements were approved on 19/5/26 and signed by:

DUNCAN CHESOSI	MOSES SIKOWO	EMILY BUKELEMBE
Signature		
Date 20-5-2026 for		
Chair BOM	School principal	Bursar/Finance Officer

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

8. Statement of budgeted versus actual amounts for the year ended 30th June 2021

Receipts/expense item	Original budget	adjustment	Final budget	Actual on comparable basis	% of utilization
	A	B	C= a+b	D	C= d/c %
Receipts					
(1) capitation grant for tuition					
Teaching/learning materials	1,243,200		1,243,200	375,548.50	30%
Sub totals	**1,243,200**		**1,243,200**	**375,548.50**	**30%**
(2) capitation grant for operation					
Repairs and maintenance	-		-	1,080,000	0%
Others	2,820,000		2,820,000	1,429,926.40	51%
Activity	450,000		450,000	-	0%
Sub total	**3,270,000**		**3,270,000**	**2,509,926.40**	**77%**
3. **FDSE for infrastructure**					
Maintenance & improvement MoE					
Sub total	**1,500,000**		**1,500,000**	**-**	**0%**
4. **fees charged on parents**					
Others	373,650		373,650	79,363	21%
Lunch	3,33,,850		3,338,850	1,761,937	52%
Sub totals	**3,762,500**		**3,762,500**	**1,841,300**	**49%**
Total income	**9,775,700**		**9,775,700**	**4,729,774.90**	**48%**
(6) EXPENDITURE FOR TUITUION					
Teaching/learning materials	1,243,200		1,243,200	355,000	29%
Bank charges	0		0	480	0%
Sub total	**1,243,200**		**1,243,200**	**355,480**	**29%**
(7) EXPENDITURE FOR OPERTATION					
Others	2,820,000		2,820,000	1,960,442	70%
Activity expenses	450,000		450,000	58,310	13%
Sub total	**3,270,000**		**3,270,000**	**2,018,752**	**62%**
(8) EXPENDITURE FOR INFRASTRUCTURE					
Construction of classrooms	1,500,000		1,500,000	1,177,992	79%
Bank Charges				240	0%
Sub Total	1,500,000		1,500,000	1,177,992	79%
Activity expenses	450,000		450,000	58,310	13%
Sub total	**3,270,000**		**3,270,000**	**2,018,752**	**62%**
Lunch programme	3,338,850		3,388,850	1,285,020	38%
Others	373,650		373,650	340,984	91%
Sub totals	**3,762,500**		**3,762,500**	**1,626,004**	**43%**
Totals	**9,775,700**		**9,775,700**	**5,178,228**	**53%**

9. 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 authorized 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 fulfillment 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 2021.

10. Notes to the financial statements

1. Government Grants for Tuition

Description	2020/2021	2019/2020
Exercise books	99,360	253,000
Teaching/learning materials	276,188	214,113
Total	**375,549**	**467,113**

2. Government grants for operation

Description	2020/2021	2019/2020
Others	1,369,926	927,094
Repairs and maintenance	1,080,000	1,376,000
Local transport/travelling	-	148,300
Electricity and water	-	93,800
Medical	-	50,600
Administration costs	-	286,506
Activity	-	101,200
BOM teachers	60,000	-
Total	**2,509,926**	**2,983,500**

3. Government grants for infrastructure

Description	2020/2021	2019/2020
Maintenance & improvements	0	800,000
Total	**0**	**800,000**

4. **School fund income – Parents contribution fees**

Description	2020/2021	2019/2020
Personal emoluments	12,700	10,698
Local transport/ travelling		1,446
Electricity and water	65,940	
Administration cost	723	
Activity		780
Lunch	1,761,937	2,641,306
FDSE		2,470,675
TOTAL	**1,841,300**	**5,124,904**

5. **Miscellaneous incomes**

Description	2020/2021	2019/2020
Income from bus hire		222,000
Tender	3,000	8,000
Total	**3,000**	**230,000**

6. **Tuition**

Description	2020/2021	2019/2020
Exercise books	-	200,000
Laboratory equipment	200,000	100,000
Teaching/learning material	155,000	21,600
Bank charges	480	2,820
Total	**355,480**	**324,420**

7. Operation

Description	2020/2021	2019/2020
Personal emoluments	834,570	1,397,135
Administration costs	795,366	574,635
Repairs, maintenance & improvement	53,120	1,052,120
Local travelling/	51,900	35,661
Electricity and water	178,986	20,000
Medical	-	1000
Activity expenses	58,310	78,268
Bank charges		7,320
BOM teachers	46,500	-
Total	**2,018,752**	**3,166,139**

8. Infrastructure

Description	2020/2021	2019/2020
Construction of classrooms	1,177,752	-
Bank charges	240	120
Total	**1,177,992**	**120**

9.Boarding and school fund

Description	2020/2021	2019/2020
Personnel Emolument	25,000	65,000
Repairs, maintenance and improvements	12,500	
Local transport/travelling	37,500	108,000
Electricity and water	29,700	74,100
Administrative costs	236,284	342,390
Lunch programme	1,285,020	1,254,699
Bank charges	-	4,679
Bus	-	68,300
Activity		3000
Tender fees	-	8000
FDSE grant	-	2,470,675
Total	**1,626,004**	**4,398,843**

10. Bank accounts

Account names & currency	Status	Bank account number	2020/2021	2019/2020
Tuition Account	Active	01139049955600	108,708	88,640
Operation Account	Active	01139049955601	221,737	4,051
School fund Account	Active	1109508859	52,167	41,411
Infrastructure Account	Active	01139049955602	356,817	1,534,811
Total			**739,428**	**1,668,913**

11. Cash in hand

Description	2020/2021	2019/2020
Operation	234	-
School fund	850	
Total	**1,084**	

12. Accounts Receivable

Description	2020/2021	2019/2020
Fees arrears	11,849,765	11,503,275
Total	**11,849,765**	**11,503,275**

12 b. Ageing analysis of account receivables

Description	Current 2021		Comparative financial year for 2020	
	Current 2021	% of the total	Comparative 2020	% of the total
Less than 1 year	355,190	3%	954,530	8%
Between 1-2 years	945,530	8%	970,051	8%
Between 2-3 years	10,548,745	89%	9,578,694	83%
Total	**11,849,465**	**100%**	**11,503,275**	**99%**

13. Accounts payable

Description	2020/2021	2019/2020
Trade creditors (see Ageing below and appendix 1)	2,917,414	3,050,869
Total	**2,917,414**	**3,050,869**

13 b. Ageing analysis of accounts payable

Description	Current 2021		2020	
	2021	% of the total	Comparative 2020	% of the total
Less than 1 year	-	-	264,375	9%
Between 1-2 years		100%	315,100	11%
Between 2-3 years	2,917,414		2,471,394	81%
Over 3 years	-	-	-	-
Total	**2,917,414**	**100%**	**3,050,869**	**100%**

14. Fund balances brought forward

Description	2021	2020
Bank balance	1,668,912	938,894
Receivables	11,503,275	10,958,520
Payables	(3,050,869)	(3,857,371)
Total	**10,121,317**	**8,040,043**

15.Other important disclosure notes

Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
a) **Borrowings**		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
Balance at end of the year	-	-

16. 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)*

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2021-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
Construction of two classrooms	-	-	-	-	1,777,992	
Sub-Total	-			-	-	
Supply of goods						
Learning and teaching materials	-				866,197	
Sub-Total						
Supply of services						
BOM teachers and workers					273,225	
Grand Total					**2, 917,414**	

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1						
Land 2						
Buildings and structures			10,000,000			10,000,000
Motor vehicles	2021		6,000,000	-		6,000,000
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total			16,000,000			16,000,000

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