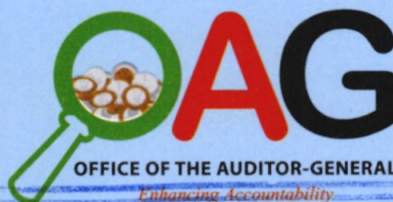


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 JUN 2026	DAY: Wed
REPORT BY: Hon. Owen Taa Barya Deputy Majority Leader	
CLERK-AT-THE-TABLE: Mado Afabo	

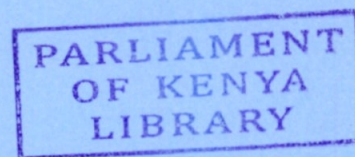
OF

THE AUDITOR-GENERAL

ON

KIINI HIGH SCHOOL

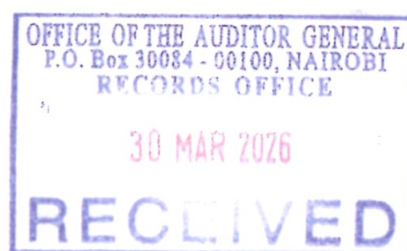
FOR THE YEAR ENDED
30 JUNE, 2022



THARAKA NITHI COUNTY

Revised 30th June 2022

KIINI HIGH SCHOOL



KIINI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2022

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

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in THARAKA NITHI County, MAARA Sub-County

The school was registered in 04/2014 under registration number pu/3/3/640/14 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 447 number of students as at 30th June 2022. It has 4 streams and 35 teachers of which 11 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1.	Poline Kageni	Chairman	2022
2.	James Rukenya	Secretary- Principal	2019
3.	Luyline Karimi	Member	2019
4.	Tartisio Mpanda	Member	2019
5.	Stephen Nyamu	Member	2019
6.	Jackline kinyua	Member	2022
7.	Irene kithinji	Member	2019
8.	Japhet Gitonga	Rep Teachers	2019
9.	Rev. Muchina	- Sponsor	2019
10.	Margaret M Njagi	Special Needs	2019
11.	Annis Muthoni	member	2019
12.	Kenneth Kanga	Member	2019
13.	Mercy Kanini	Member	2019
14.	Catherine Njeri	Member	2019
15.	Francis Mburu	Rep Students	2019

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

names of the various committees of the Board established by the Board and the names of the committee members:

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Executive Committee	1. Poline kageni	Chairman	13
		2. James Rukenya	Secretary	13
		3.		
		4. Lucyline Karimi	Member	13
		5. Stephen Nyamu	Member	13
		6. Kenneth Kanga	Member	13
2.	P.T.A Committee	7. Stephen Nyamu	ChairMan	1
		8. James Rukenya	Principal	1
		9. Jackline kinyua	D/Principal	1
		10. James Gikunda	Member	1
		11. Margaret Njeri	Member	1
		12. Grace Murugi	Member	1
		13. Rosalid Kangai	Member	1
		14. John Njiru	Member	1
		15. Bonface Muchiri	Member	1
		16. Catherine Njeri	Member	1
3.	Development Committe	1. Kenneth Kanga	Chairman	2
		2. Jackline kinyua	Secretary	2
		3. Stephen Nyamu	Member	2
		4. Lucyline Karimi	Member	2
		5.		
		6. James Rukenya	Member	2
4.	Academic Committee	Jackline kinyua	Chairman	2
		Jane Kimathi	Member	2
		Newton Kagendo	Member	2

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

		Muriuki Antony	Member	2
		Mwingi Joselyn	Member	2
		Japhet Gitonga	Member	2
6.	Discipline and welfare Committee	James Rukenya	Principal	3
		Jackline kinyua	D/principal	3
		Japhet Gitonga	Member	3
7.	Boarding Committee	Janet kagwiria	Member	2
		Mwenda kimundi	Member	2
		Riungu Mawira	Member	2
		Doreen Kangai	Member	2
		Gitonga Japhet	Member	2
		Nelly Kawira	Member	2
8.	Guidance & Counsiling	Nelly mbae	Member	2
		Mbae Mukira	Member	2
		Marnagu Felix	Member	2
		Nyaga Pauline	Member	2
		Nelly Kawira	Member	2

(d) School operation Management

For the financial year ended 30th June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	James Rukenya	374693
2	Deputy Principal	Jackline Kinyua	314371
3	School Bursar	Fridah Imathiu	12690834

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 91- Chuka
Telephone: 0722 352 414
E-mail: kiinihigh@gmail.com
Website: kiinisek.sc.ke
Facebook: kiinihigh
Twitter: @kiinihigh

(f) SchoolBankers

The following school operated 6 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: CHUKA
Account Number: 1103668668
2. Name of Bank: KCB
Branch: CHUKA
Account Number: 110367664
3. Name of Bank: EQUITY
Branch: CHUKA
Account Number: 0210291771488
4. Name of Bank: KCB
Branch: CHUKA
Account Number: 124144842
5. Name of Bank: SOUTHERNSTAR
Branch: CHUKA
Account Number: 93601003256
6. MPESA PayBill No. 40002K attached to KCB bank account

(g) Independent Auditors

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

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

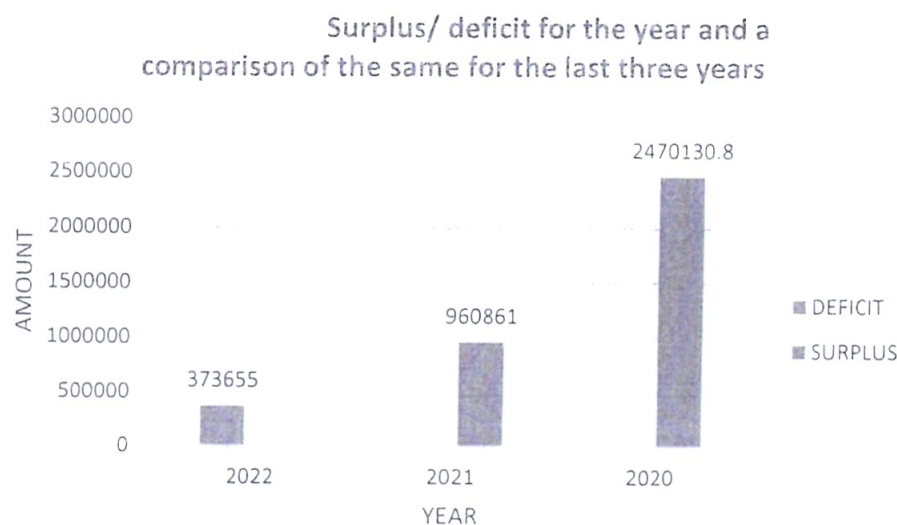
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance

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

DESCRIPTION	DEFICIT	SURPLUS
2022	373655	
2021		960861
2020		2470130.80



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

YEAR	DESCRIPTION	AMOUNT
2022		9857665
2021		5254247.90
2020		8481463

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022



Ratio of capitation grant per student over the last three years

YEAR	DESCRIPTION	AMOUNT/RATIO
2022		19141.09
2021		10202.42
2020		12466.95

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

Ratio of capitation grant per student over the last three years

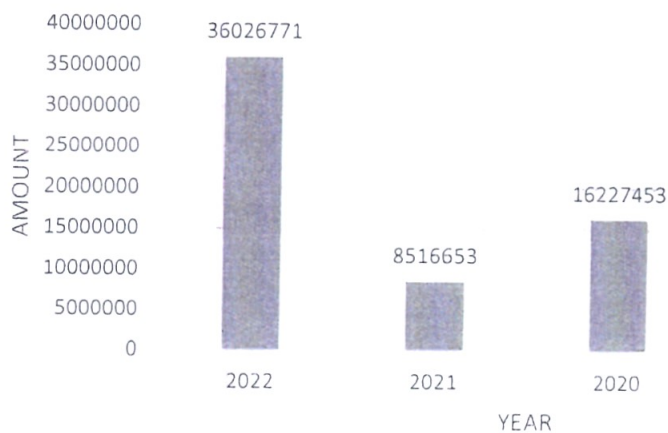


- A THREE-YEAR OVERVIEW OF GROWTH OF OTHER INCOME(S) EARNED BY THE SCHOOL.

BOARDING A/C (SCHOOL FUND)

SN	2022	2021	2020
	36026771	8516653.00	16227453.00

A THREE-YEAR OVERVIEW OF GROWTH OF OTHER INCOME(S) EARNED BY THE SCHOOL.

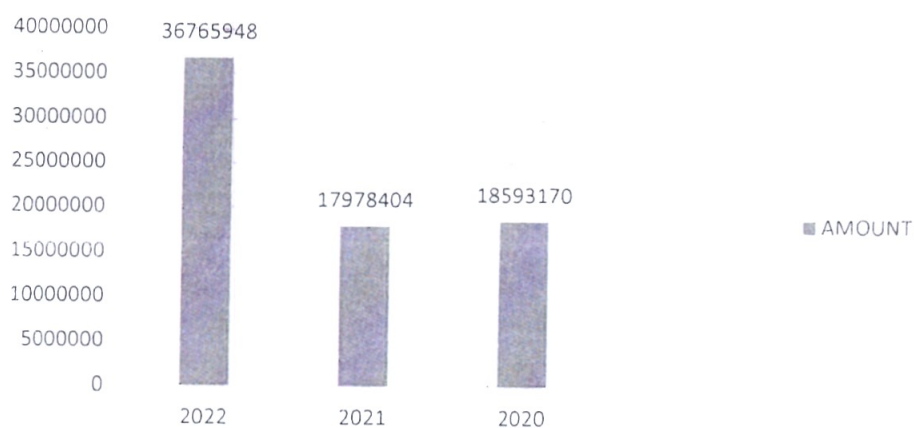


KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

A THREE YEAR OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL
EXPENDITURE

YEAR	AMOUNT
2022	36765948
2021	17978404
2020	18593170

EXPENDITURE



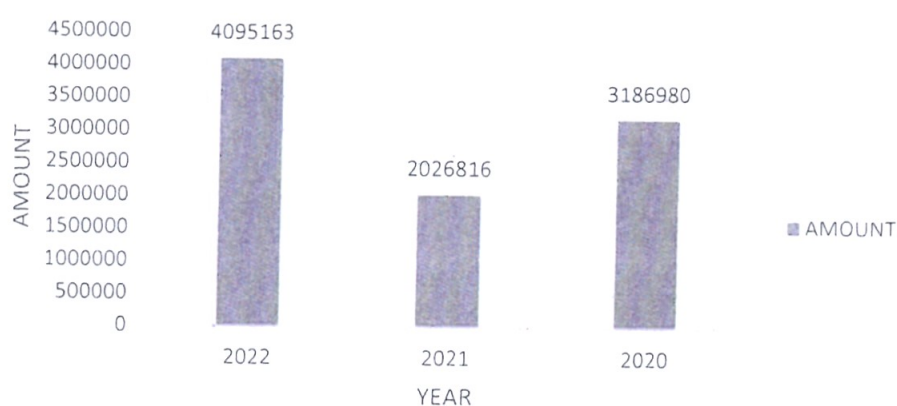
- MOVEMENT OF DEBTORS AND CREDITORS OF THE SCHOOL OVER THE LAST THREE YEARS

DEBTORS

YEAR	AMOUNT
2022	4095163.00
2021	2026816.00
2020	3186980.00

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

**MOVEMENT OF DEBTORS AND CREDITORS OF THE
SCHOOL OVER THE LAST THREE YEARS**



CREDITORS

YEAR	AMOUNT
2022	2010925.55
2021	3016070.00
2020	2583444.00

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

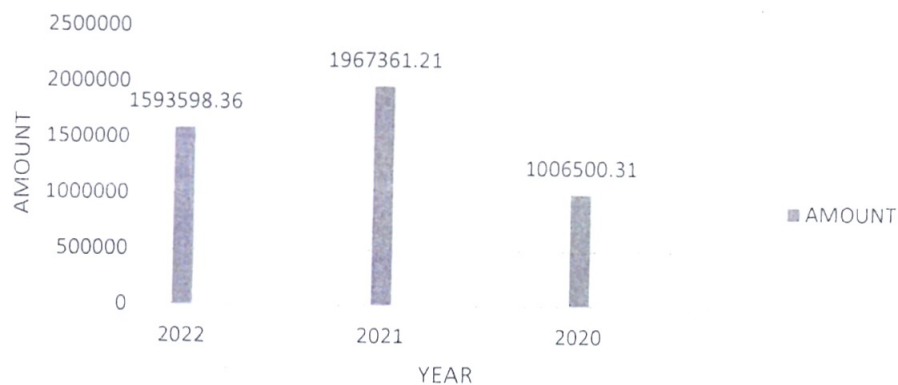
CREDITORS



MOVEMENT OF CASH AND BANK BALANCES OVER THE LAST THREE YEARS

YEAR	DESCRIPTION	AMOUNT
2022		1593598.36
2021		1967361.21
2020		1006500.31

MOVEMENT OF CASH AND BANK BALANCES OVER THE LAST THREE YEARS



KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

b) **Teacher Student ratio:**

THE TEACHER TO STUDENT RATIO,1:21

RECRUITED AND POSTED	4
Transferred	5
Retired	0
TSC Teachers	25
BOM Teachers	10

TEACHERS PER SUBJECT

SUBJECT COMBINATION	NO. OF TEACHERS	TSC	BOM
KISW.P.E	0	0	0
HOME SCIENCE	2	1	1
MATHS/CHEM	2	1	1
MATHS/ PHYSICS	3	2	1
HIST/GEO	1	1	0
BIO/AGRI	2	1	1
BIO/CHEM	4	4	0
KISW/CRE	5	3	2
BUST	1	1	0
HIST/CRE	3	2	1
CRE/ENG	0	0	0
KISW/GEO	1	1	0
MATHS/BST	2	1	1
ENG/LIT	6	6	0
MATHS/GEO	1	1	0
GEO/BST	1	0	1
COMPUTER STUDIES	1	0	1

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

c) Mean score in the 2021/KCSE:

YEAR	NO. OF CANDIDATES	NO OF STUDENTS TRANSITIONED	ACHIEVED SCORES	SET MEAN SCORE
2021	160	96	C- 4.3063	C+ 6.00
2020	189	24	c- 4.857	c + 5.50
2019	149	42	C 5.088	C + 6.00

d) NUMBER OF CANDIDATES IN THE 2021 KCSE:

NO. OF STUDENTS	160
-----------------	-----

TABULATE THE NUMBER OF CANDIDATES SITTING FOR KCSE OVER THE LAST THREE

YEAR	NUMBER OF CANDIDATES
2021	160
2020	189
2019	149

YEARS.

e) CAPACITY OF THE SCHOOL:

No. of Students	Facilities	No of Students divided by No of Facilities
Classes	14	447
Dormitories	8	447
Laboratories	4	447
Toilets	22	447
Dining Hall	1	447
Library	1	50
Administration	1	3
Staffroom	1	35
Computer lab	1	20
H/SCIENCE	1	15

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

f) Development projects carried out by the school:

NONE

Sign

School Principal

PRINCIPAL
KIINI SECONDARY SCHOOL
P. O. Box 91 - 60400,
CHUKA

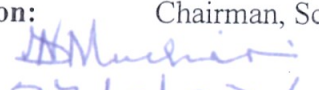
II. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

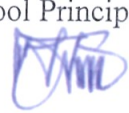
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

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

The Board of Management of (*kiini sec school*) accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.

Name: POLINE KAGENI
Designation: Chairman, School Board of Management
Sign: 
Date: 27/3/2026

Name: James Kinyua Rukenya
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 26/3/26

Name: Fridah Imathiu
Designation: Bursar/ Finance Officer
Sign: 
Date: 26/3/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KIINI HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – THARAKA NITHI 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 Kiini High School set out on pages 17 to 36, which comprise of the statement of assets and liabilities as at

30 June, 2022 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 Kiini High School as at 30 June, 2022 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 Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of assets and liabilities shows fund balance brought forward of Kshs.4,051,598. This differs with the previous year closing balance of Kshs.939,572 by Kshs.3,112,026. No explanation has been provided for failure to carry forward the correct balance.

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

2. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.1,593,706 as disclosed in Notes 8 and 9 to the financial statements. The balance is composed of cash amount of Kshs.108 and bank balance of Kshs.1,593,598. The bank balance relates to four (4) bank accounts with account balances totalling Kshs.1,593,598. However, the bank balances were not supported by cash books and bank reconciliation statements. In addition, the cash and bank balances are not supported by board of survey report.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.1,593,706 could not be confirmed.

3. Long Outstanding Accounts Receivable

The statement of assets and liabilities reflects accounts receivable balance of Kshs.4,095,163 as disclosed in Note 11 to the financial statements. However, review of the aging analysis revealed that fees arrears of Kshs.18,485,195 were outstanding for more than two (2) years.

Further, it was not clear why the total of accounts receivables in the aging analysis is Kshs.26,093,235 while in the statement of assets and liabilities is Kshs.4,095,163 resulting in an unexplained variance of Kshs.21,998,072.

In the circumstances, the accuracy, completeness and the recoverability of the long outstanding accounts receivables – student debtors balance of Kshs.4,095,163 could not be confirmed.

4. Long Outstanding Accounts payables

The statement of assets and liabilities shows accounts payable amount of Kshs.2,010,926 as detailed in Note 12 to the financial statements. Included in this balance are trade creditors' balance of Kshs.732,530 which have been outstanding for over two years. However, the accounts payables were not supported with, contract agreements, local purchase orders/local service orders, invoices, delivery notes, inspection and acceptance committee reports.

Further, the total of accounts payables in the aging analysis is Kshs.7,076,960 while in Note 12 is Kshs.2,010,926 leading to unexplained variance of Kshs.5,066,034.

It was also not clear why the payables did not form the first charge on the budget contrary to Regulation 42(1)(b) of the Public Finance Management (National Government) Regulations, 2015, which requires debt service payments to form the first charge on the budget of an entity in the subsequent year.

In the circumstances, the accuracy and completeness of the account payables balance of Kshs.2,010,926 could not be confirmed and Management was in breach of the law.

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

Emphasis of Matter

1. Material Uncertainty Related to Sustainability of Services

I draw your attention to the Statement of receipts and payments for the year ended 30 June, 2022 that shows total revenue of Kshs.40,882,410 against total expenses of Kshs.41,256,064 resulting in a deficit of Kshs.373,654.

The school therefore continues to operate at a loss, which, if not managed, may affect its future operations and sustainability of services as a going concern.

2. Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final revenue budget and actual on a comparable basis of Kshs.35,502,416 and Kshs.30,003,249 respectively leading to under collection of 5,449,167 or 15% of the budget. However, the School spent an amount of Kshs.30,742,425 against budgeted expenditure amounting to

Kshs.37,100,989 resulting in an under-utilization of Kshs.6,358,564 or 17% of budgeted expenditure.

The under-collection and under-expenditure affected the planned activities and may have negative impact on service delivery to the students.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Information

The Management are responsible for the Other Information set out on page 2 to 15 which comprises 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 USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 17 March, 2023 instead of the statutory deadline of

30 September, 2022. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires public entities to submit their financial statements to the Auditor-General three (3) months after the closure of the fiscal year to which accounts relate.

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

2. Unbalanced Budget

The statement of budgeted versus actual amounts reflects approved final revenue budget amount of Kshs.35,502,416 against an expenditure budget amount of Kshs.37,100,989 leading to a budget deficit of Kshs.1,598,573. Having a deficit budget is a violation of Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which provides that budget revenue and expenditure appropriations shall be balanced.

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

3. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,876,813 and Kshs.7,980,852, respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year, NEMIS reported a total number of two thousand, one hundred and twenty-nine (2,129) students while the enrolment records provided by the school indicated a total number of two thousand five hundred and sixty-seven (2,567) students, resulting in an unexplained variance of four hundred and thirty-eight (438) students. Capitation rate approved by the ministry of education being Kshs.22,244 per student, this resulted in the school being under funded by an amount of Kshs.9,742,872.

Failure to ensure accurate data on NEMIS is a violation of Ministry of Education Circular Ref. No:MOE.HQS/3/13/3 dated 16 June, 2021 which requires that the school must register and update learners records on NEMIS.

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

4. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.10,879,161. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2021/2022, NEMIS reflected two thousand, one hundred and twenty-nine (2129) students while records from the County Director of Education had two thousand, five hundred and sixty-seven (2567) students, resulting in a variance of four hundred and thirty-eight (438) students.

Using the capitation rate of Kshs.22,244 the school was underfunded by an amount of Kshs.9,742,872. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which

requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, Management was in breach of the Ministry of Education circular and the underfunding could have adversely affected delivery of quality education services.

5. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.7,980,852 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. The School management was supposed to transfer Kshs.266,000 to infrastructure from the operation account.

However, the management did not transfer any funds to infrastructure bank account contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3, 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 Ministry of Education circular.

6. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.40,882,410 and Kshs.41,256,064 in respect of total receipts and payments respectively. However, during the year, School Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

7. Asset Management - Fixed Asset Register

During audit review, the School Management did not provide a fixed asset register. The summary of fixed asset captured as annex 2 in the financial statement lacked key information such as the date the asset was purchased, its location, historical costs, additions during the year and disposals during the year.

Failure to maintain an assets register is a violation of Section 143(1) of Public Finance Management (National Government) Regulations, 2015 which prescribes that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

8. Procurement Without a Valid Contract

The statements of receipts and payment for the year ending 30 June, 2022 reflects expenditures totalling Kshs.41,256,064. However, review of payment vouchers and procurement files revealed that, there were no formal contracts which were prepared and signed in line with the award decisions. Further, the inspection and acceptance committee reports were not availed for audit.

Failure to ensure procurements are duly supported with contracts is a violation of Section 134(1) of the Public Procurement and Asset Disposal Act, 2015 which requires that, the accounting officer shall be responsible for preparation of contracts in line with the award decisions.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.30,742,425 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.633,275 transferred to Kenya Secondary School Heads Association (KESSHA) as detailed below:

Date	Description	Amount (Kshs.)	Cheque No
28/1/022	KESSHA MUTHAMBI	30,000	001368
3/5/022	MDKESSHA	79,000	001399
25/5/022	MDKESSHA	57,500	001410
15/6/022	MDKESSHA	70,000	001424
15/6/022	MDKESSHA	55,000	001425
7/9/021	MDKESSHA	108,775	003234
15/9/021	KESSHA MUTHAMBI DIV	97,000	003239
29/9/021	MDKESSHA	51,000	001332
17/11/021	KESSHA MUTHAMBI	12,000	003294
15/12/021	MDKESSHA	73,000	001357
		633,275	

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.633,275 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. Textbook Management

During the year under review, it was noted that the school had not received any textbook distributions from the Ministry of Education through the Kenya Institute of Curriculum Development (KICD) since the year 2021. Further examination of stores records and stock registers revealed that seven hundred and fifty-four (754) textbooks issued to the school during the 2018/2019 financial year were still held in the school store at the time of audit. The textbooks were confirmed to be obsolete and no longer in use following curriculum changes.

Further, one hundred and fifty-four (154) books on Islamic religious education were issued to the School in 2018/2019. However, the subject is not taught in the school.

No documented evidence was provided to demonstrate that:

- A needs assessment was conducted prior to requisition;
- Redistribution to other institutions was considered;
- Disposal procedures for obsolete stores were initiated;
- Periodic stock review was undertaken to identify slow-moving or obsolete items.

In addition, there was no evidence of communication to the Ministry regarding surplus or unusable stock.

In the circumstances, control on textbook management could not be confirmed.

2. Lack of a School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the

four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the Ministry of Education Operational Manual on School Improvement Plan.

3. Lack of Internal Audit Function and Audit Committee

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

In the circumstances, proper governance systems for the school could not be confirmed.

4. Lack of School Land Ownership Documents

The land on which the School operates, under title No.Muthambi/Gatua/712, is owned by Meru County Council reserved for Kiini Secondary School as per certificate of official search dated 02 February, 2009. The Land measures approximately 25.16 acres (10.18 Ha). However, the school lack title deed in its name. No explanation has been provided why the Management has not obtained title deed for the school land.

In the circumstances, the ownership of land where the school is located could not be confirmed.

5. Underutilized Infrastructure

A field verification carried in the School in March, 2026 revealed that the school had unutilized classes and dormitories. This was due to the 34% decrease in the number of students from five hundred and fifteen (515) in 30 June, 2021 to three hundred and thirty-eight (338) in 30 June, 2023.

Further, it was noted that the school dining hall does not have chairs and tables forcing the students to eat while standing.

In the circumstances, the value for money on utilization of classes and dormitories and proper equipping of dining hall could not be confirmed.

6. Under Utilized Legacy IT System

The School Management utilizes a legacy Information Technology System called profin for its financial management which was installed in 2019. However, review of the system revealed that the system capabilities are not fully utilized. The system is only used for receipting when students pay school fees. However, the system has capabilities to capture expenditure, generate cashbooks and reports.

In the circumstances, the efficiency of the system of management of school records could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is

not a guarantee that an audit conducted in accordance with ISSAI 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

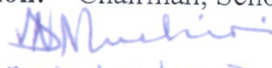
Nairobi

30 April, 2026

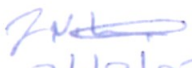
KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

I. STATEMENT OF RECEIPTS AND PAYMENTS

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
			Kshs
RECEIPTS			
Capitation grants for tuition	1	1,876,813	737,051
Capitation grants for operations	2	7,980,852	4,599,297
School Fund Income- Parents' Contributions		-	543,459
School Fund Income- Other receipts	4	30,003,249	10,004,282
infrastructure	3	1,021,496	350,000
TOTAL RECEIPTS		40,882,410	16,234,089
PAYMENTS			
Payments for Tuition	5	2,187,570	495,960
Payments for operations	6	8,326,069	4,220,594
Boarding and school fund payments	7	30,742,425	10,556,674
TOTAL PAYMENTS		41,256,064	15,273,228
deficit		(373,655)	960,861

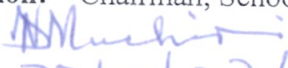
Name: POLINE KAGENI
Designation: Chairman, School Board of Management
Sign: 
Date: 27/3/2026

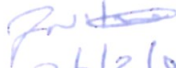
Name: James Kinyua Rukenya
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 26/3/26

Name: Fridah Imathi
Designation: Bursar/ Finance Officer
Sign: 
Date: 26/3/2026

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

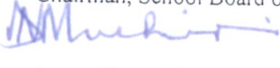
II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES				
	Note	2021-2022	2020-2021	
		Kshs	Kshs	
FINANCIAL ASSETS				
Cash and Cash Equivalents				
Bank Balances	8	1,593,598	1,962,870	
Cash Balances	9	108	4,491	
Short term Investment	10	-	-	
Total Cash and Cash Equivalents		1,593,706	1,967,361	
Account's receivables	11	4,095,163	2,026,816	
TOTAL FINANCIAL ASSETS		5,688,869	3,994,177	
FINANCIAL LIABILITIES				
Accounts Payable	12	2,010,926	3,054,605	
NET FINANCIAL SSETS		3,677,943	939,572	
REPRESENTED BY				
Fund balance b/fwd 1st July...	13	4,051,598	(21,289)	
deficit		(373,655)	960,861	
NET FINANCIAL POSITION		3,677,943	939,572	

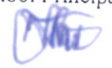
Name: POLINE KAGENI
Designation: Chairman, School Board of Management
Sign: 
Date: 27/3/2026

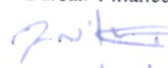
Name: James Kinyua Rukenya
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 26/3/26
Name: Fridah Imathiu
Designation: Bursar/ Finance Officer
Sign: 
Date: 26/3/2026

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

STATEMENT OF CASH FLOW			
		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	1,876,813	737,051
Capitation grants for operations	2	7,980,852	4,599,297
Infrastructure	3	1,021,496	350,000
School fund income- other receipts	4	30,003,249	10,547,741
Total Receipts		40882410	16,234,089
Payments			
Payments for Tuition		2,187,570	495,960
Payments for operations		8,326,069	4,220,594
Boarding and school fund payments		30,742,425	10,556,674
Total payments		41,256,064	15,273,228
Net cash flow from operating activities		(373,654)	960,861
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			-
Acquisition of Assets			-
Proceeds from investments			-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Financing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(373,654)	960,861
Cash and cash equivalent at BEGINNING of the year		1,967,361	1,006,500
Cash and cash equivalent at END of the year		1,593,706	1,967,361
			-

Name: POLINE KAGENI
Designation: Chairman, School Board of Management
Sign: 
Date: 27/3/2026

Name: James Kinyua Rukenya
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 28/3/26

Name: Fridah Imathiu
Designation: Bursar/ Finance Officer
Sign: 
Date: 26/3/2026

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Annual Report and Financial Statements
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Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Text books	950,000.00		950,000	602,187	347,813	63.4%
Exercise books						
Laboratory equipments and apparatus						
Teaching/learning materials	1,280,000.00		1,280,000	1,274,626	5,374	99.6%
chalks						
Internal exams						
Reference books						
TOTALS	2,230,000		2,230,000	1,876,813	353,187	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	2,262,000.00		2,262,000	1,703,646	558,354	75.3%
Repairs and maintenance	2,900,000.00		2,900,000	2,603,500	296,500	89.8%
Local transport / travelling	1,160,000.00		1,160,000	813,566	346,434	70.1%
Electricity and water	1,450,000.00		1,450,000	1,447,026	2,974	99.8%
Medical						
Administration costs	1,450,000.00		1,450,000	1,413,114	36,886	97.5%
Insurance						
Activity						
TOTALS	9,222,000.00		9,222,000	7,980,852	1,241,148	
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments						
Repairs and maintenance						
Local transport / travelling						

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
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Electricity and water						
Medical						
Administration costs						
Activity						
SMASSE						
Fee on Boarding Equipment and Stores						
OTHER INCOME						
BES	16,980,000.00		16,980,000	12,456,804	4,523,196	73.4%
RMI	1,160,000.00		1,160,000	1,843,810	(683,810)	159.0%
EWG	3,807,700.00		3,807,700	3,808,149	449	100.0%
LT@T	1,392,000.00		1,392,000	1,091,200	300,800	78.4%
ACTIVITY	221,500.00		221,500	221,975	475	100.0%
ADMIN COSTS	1,856,000.00		1,856,000	1,842,682	13,318	99.0%
Personal emolument	3,890,000.00		3,890,000	3,893,441	3,441	100.0%
Posho mill						
Hire ground and school bus	350,000.00		350,000	311,700	38,300	89.1%
House rent arrears						
House rent						
School farm	2,200,000.00		2,200,000	1,529,800	670,200	70.0%
Sales of borehole water						
Exam	258,400.00		258,400	118,360	140,040	46.0%
Fees arrears	2,026,816.00		2,026,816	1,486,062	540,754	73.3%
Fee prepayment				82,566		
Dev Fund	1,000,000.00		1,000,000	975,505	24,495	97.5%
uniform	360,000.00		360,000	341,195	18,805	94.7%
TOTAL	35,502,416		35,502,416	30,003,249	5,590,463	
(1) EXPENDITURE FOR TUITION						
Text books						
Exercise books						
Laboratory equipments and apparatus	950,000.00		950,000	938,000	12,000	99%
Teaching/learning materials	1,280,000.00		1,280,000	1,248,850	31,150	98%

KIINI SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

Chalks						
Internal exams						
Reference books						
Bank charges						
TOTAL	2,230,000	2,230,000	2,187,570	43,150		
PAYMENTS FOR OPERATIONS						
Personal Emoluments	2,262,000	2,262,000	5,040,729	(2,778,729)	222.80%	
Service Gratuity						
Administration Cost	1,450,000	1,450,000	1,093,740	356,260	75.40%	
Repairs and maintenance & improvements	2,900,000	2,900,000	1,128,860	1,771,140	39.00%	
Local transport / travelling	1,160,000	1,160,000	520,000	640,000	45.00%	
Electricity and water	1,450,000	1,450,000	535,170	914,830	37%	
Medical						
Activity Expenses						
SMASSE						
Insurance Cost						
Bank Charges						
Acquisition of Assets			7,570			
TOTAL	9,222,000	9,222,000	8,326,069	903,501		
BOARDING AND SCHOOL FUND PAYMENTS						
BES	16,980,000	16,980,000	16,911,911	68,089	99.60%	
RMI	1,160,000	1,160,000	1,118,910	41,090	96.50%	
EWC	3,807,700	3,807,700	275,998	3,531,702	7%	
LT@T	1,392,000	1,392,000	3,542,743	(2,150,743)	254.50%	
ACTIVITY	221,500	221,500	337,200	(115,700)	152.20%	
ADMIN COSTS	1,856,000	1,856,000	1,859,901	(3,901)	100%	
Personal emolument	3,890,000	3,890,000	893,565	2,996,435	0.20%	
Posho mill						
Hire ground and school bus	350,000	350,000	74,750	275,250	21%	

KIINI SECONDARY SCHOOL
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UNIFORM	360,000	360,000	352,900	7,100	98%
School farm	2,200,000	2,200,000	2,193,548	6,452	98%
Infrastructure grant,Borehole	604,887	604,887	604,887		
Bank charges	4,432	4,432	4,432		
creditors paid	3,016,070	3,016,070	1,400,000	1,616,070	46%
Expenses on Income Generating Activities					
Fee on Boarding Equipment and Stores					
EXAM	258,400	258,400	258,400	-	100%
Dev Fund	1,000,000	1,000,000	913,280	86,720	91%
Loan Principal repayment					
Loan Interest repayment					
Acquisition of Assets					
TOTAL	37,100,989	30,742,425	6,358,564		

1. ADMCOST,RM\$I,LT\$T,EW\$C in Operations account was underutilized because the funds were borrowed by PEM votehead.
2. PEM in school fund account was underutilized because the funds were borrowed by LT\$T and Activity voteheads
3. PEM in operations account was overutilized because the funds were borrowed from ADMCOST,RM\$I,LT\$T,EW\$C 4 LT\$T,ACTIVITY in school fund account was overutilized because the funds were borrowed from PEM

SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school* and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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.

Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

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 2022.

KIINI SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

I. NOTES TO THE FINANCIAL STATEMENTS					
1	CAPITATION GRANT FOR TUITION				-
			2021-2022	2020-2021	
			Kshs	Kshs	
	Text books		0		
	Exercise books		0		
	Laboratory equipments and apparatus		602,187	368,525.00	
	Teaching/learning materials		1,274,626	368,526.00	
	chalks				
	Internal exams				
	Reference books				
	Total		1,876,813.00	737,050.75	
2	CAPITATION GRANT FOR OPERATIONS				
			2021-2022	2021-2020	
			Kshs	Kshs	
	Personnel emoluments		1,703,646	818,038.00	
	Repairs and maintenance		2,603,500	1,583,645.00	
	Local transport / travelling		813,566	737,195.00	
	Electricity and water		1,447,026	524,699.00	
	Medical			500.00	
	Administration costs		1,413,114	736,703.00	
	Insurance				
	Activity			198,517.00	
	Total		7,980,851.60	4,599,297.15	

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3	INFRASTRUCTURE ACCOUNT	1,021,496.00	350,000.00
		2021-2022	2020-2021
		Kshs	Kshs
			-
			-
			-
			-
			-
			-
			-
	Total	-	-

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4	OTHER RECEIPTS – SCHOOL FUND ACCOUNT			
			2021-2022	2020-2021
			Kshs	Kshs
	BES		12,456,804	7,425,674.00
	RMI		1,843,810	114,996.00
	EWC		3,808,149	39,165.00
	LT@T		1,091,200	71,319.00
	ACTIVITY		221,975	24,547.00
	ADMIN COSTS		1,842,682	242,710.00
	Personal emolument		3893441	50,722.00
	Posho mill		0	
	Hire ground and school bus		311,700	129,000.00
	House rent arrears			-
	House rent			-
	School farm		1,529,800	547,520.00
	Sales of borehole water			-
	Exam		118,360.00	-
	Fees arrears		1,486,062.00	1,815,703.00
	Fee prepayment		82,565.55	38,535.00
	Dev Fund		975,505.00	-
	uniform		341,195.00	47,850.00
	Total		30,003,248.55	10,547,741.00
5	PAYMENTS FOR TUITION			
			2021-2022	2020-2021
			Kshs	Kshs
	Text books			-
	Exercise books			-
	Laboratory equipments and apparatus		938,000	100,000.00
	Teaching/learning materials		1,248,850	392,000.00
	chalks			-
	Internal exams			-
	Reference books			-
	Bank charges		720	3,960.00
			-	-
	Total		2,187,570.00	495,960.00

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6 PAYMENTS FOR OPERATIONS			
		2021-2022	2020-2021
		Kshs	Kshs
Personal Emoluments		5,040,729	2,069,470.00
Service Gratuity			-
Administration Cost		1,093,740	394,949.00
Repairs and maintenance & improvements		128,860	475,610.00
Local transport / travelling		520,000	508,700.00
Electricity and water		535,170	311,820.00
Medical			270.00
Activity Expenses			109,775.00
SMASSE			-
Insurance Cost			-
Bank Charges		7,570	-
Acquisition of Assets			-
Transfers		1,000,000.00	350,000.00
TOTAL		8,326,069.00	3,870,594.00

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7	BOARDING AND SCHOOL FUND PAYMENTS		
		2021-2022	2020-2021
		Kshs	Kshs
	BES	16,911,911	4,215,147.00
	RMI	1,118,910	545,380.00
	EWG	275,998	111,334.00
	LT@T	3,542,743	866,930.00
	ACTIVITY	337,200	333,375.00
	ADMIN COSTS	1,859,901	655,827.00
	Personal emolument	893,565	94,500.00
	Posho mill		-
	Hire ground and school bus	74,750	125,600.00
	UNIFORM	352,900	51,450.00
	School farm	2,193,548	483,920.00
	Infrastructure grant,Borehole	604,887	259,444.00
	Bank charges	4432	-
	creditors paid	1,400,000	2,782,167.00
	Expenses on Income Generating Activities		-
	Fee on Boarding Equipment and Stores		-
	medical		31,600.00
	Dev Fund	913,280	-
	Loan Principal repayment		-
	Loan Interest repayment		-
	EXAM	258,400	
	Acquisition of Assets		-
	TOTAL	30,742,425.41	10,556,674.00
	<i>Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.</i>		

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8	BANK ACCOUNTS			
	Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
			Kshs	Kshs
	Tuition Account		4,246.71	315,003.71
	Operations Account		34,492.70	376,525.10
	School Fund Account/Boarding		474,753.95	
	Savings Account			
	Income generating activities Account			
	Infrastructural Account		1,080,105.00	663,496.00
	Farm Account			
	Total		1,593,598.36	1,355,024.81
9	CASH IN HAND			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Tuition Account		-	
	Operation Account		102.00	3,287.00
	School Fund account		6.00	1,204.00
	Total		108.00	4,491.00
10	SHORT TERM INVESTMENTS			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Cooperative shares		-	-
	Treasury Bills		-	-
	Fixed deposit		-	-
	Equity stock		-	-
	Other investments		-	-
	Total		-	-

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11	ACCOUNTS RECEIVABLE		
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Fees arrears	4,095,163.00	2,026,816.00
	Other non-fees receivables		
	Salary advances		-
	Imprest	-	-
	Total	4,095,163.00	2,026,816.00
	[Include an ageing of the fees / non fees arrears below]		
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Fees arrears for current year	4,095,163.00	2,026,816.00
	Fees arrears recovered during the year	1,486,062.00	1,815,703.00
	Fees arrears for the previous year	2,026,816.00	3,186,980.00
	Fees arrears for prior periods (over two years)	18,485,194.95	19,971,256.95
	Total	26,093,235.95	27,000,755.95
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Non Fees arrears for current year		
	Non Fees arrears received during the year		
	Non Fees arrears for the previous year		
	Non Fees arrears for prior periods (over two years)		
	Total	-	-

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12	ACCOUNTS PAYABLE			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Trade creditors (See ageing below and appendix 1)		1,928,360.00	3,016,070.00
	Prepaid fees		82,565.55	38,535.00
	Retention monies			
	Total		2,010,925.55	3,054,605.00
	[Include an ageing of the creditor's arrears below]			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Trade creditors for current year		1,928,360.00	3,016,070.00
	Trade creditors paid during the year		1,400,000.00	2,782,167.00
	Trade creditors for the previous year		3,016,070.00	3,401,285.55
	Trade creditors for prior periods (over two years)		732,530.00	4,881,914.24
	Total		7,076,960.00	14,081,436.79
13	FUND BALANCE BROUGHT FORWARD			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Bank balances		1,962,870	1,006,299.00
	Cash balances		4,491	201.00
	Short Term Investments			
	Receivables		4,095,163.00	2,026,816.00
	Payables		2,010,925.55	3,054,605.00
	Total		4,051,598.66	(21,289.00)
	Other important disclosure notes			
14	Non-current Liabilities Summary			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Bank loan(s)		-	-
	Outstanding Leases		-	-
	Hire purchase		-	-
	Gratuity and leave provision		-	-
	Total		-	-
15	Biological assets			
			Kshs	Kshs
	Cattle		700,000.00	820,000.00

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	Goats		5,000.00	5,000.00
	Trees		4,500,000.00	5,000,000.00
	Coffee or tea plantation		217,500.00	217,500.00
	pigs		200,000.00	339,000.00
	rabbits		8,000.00	12,500.00
	totals		5,630,500.00	6,394,000.00
16	Borrowings			
	Description		2021-2022	2020-2021
			KShs	KShs
	a) Borrowings			
	Borrowing at beginning of the year		-	-
	Borrowings during the year		-	-
	Repayments of during the year		-	-
	Balance at end of the year		-	-
17	1 Stock/ Inventory			
	Description		2021-2022	2020-2021
			KShs	KShs
	Stock/Inventory			
	Stock/ inventory at beginning of the year		1,353,987.00	1,232,064.00
	Stock/ inventory purchased during the year		10,928,680.00	5,803,088.00
	Stock/ inventory issued during the year		11,745,238.00	5,681,165.00
	Balance at end of the year		537,429.00	1,353,987.00

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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)

Principal

sign



PRINCIPAL
KIINI SECONDARY SCHOOL
P.O. Box 91 - 60401
CHUKA

26/3/26

KIINI SECONDARY SCHOOL
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022	Comments
	a	b	c	d = a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
Sub-Total						
Supply of goods						
1. Zablou Karani	246520.00	2021	110000	146520.00		To be paid in the next financial year
2. Juliet	350030.00	2021	50000	300030.00		
3. John Gitari	591220.00	2021	200000	391220.00		
4. Didacos murithi	37500.00	2021	0	37500.00		
5. Noyfeeds	33550.00	2021	0	33550.00		
6. Wamo tech	430000.00	2021	100000	330000.00		
7. Rose Ndunyu	257850.00	2021		257850.00		
8. Destiny inspiration	54000.00	2024		54000.00		
Sub-Total				1550670.00		
Supply of services						
1. Kawira nancy	194000.00	2021	50000	144000.00		
2. Njagi njue	45000.00	2022	0	45000.00		
3. Zaberio gitari	58990.00			58990.00		
4. Fire chief	25700.00	2021	0	25700.00		
5. High mark services	104000.00	2021	0	104000.00		
Sub-Total				377690.00		

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022	Comments
Grand Total				1928360.00		

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	1971		100,000.00			100,000.00
Land 2						
BUILDINGS AND STRUCTURES						
1. Administration	1995	KIINI	3000000.00			
2. Classes	1980		10000000.00			
3. Dormitories	2003		10000000.00			
4. Labs						
Home science	1980		2000000.00			
Chemistry	1980		2000000.00			
Physics	1980		2000000.00			
5. Dining Hall	2016		15000000.00			
6. Ablution Block	2021		900000.00			
TOTALS						39500000.00
MOTOR VEHICLES	2011	KIINI	4780000.00			4780000.00
OFFICE EQUIPMENT, FURNITURE AND FITTINGS						
KIINI						
1. Cushion Chairs 50	2008		50000.00			

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Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
2. Sofa Sets 3	2004		18000.00			
3. Cabinet 2	1992		30000.00			
4. Tables 8,	1992		160000.00			
5. Executive Chairs 2	2016		130000.00			
TOTALS						388000.00
ICT EQUIPMENT, AND OTHER ICT ASSETS		KIINI				
1. Samsung TVs Screen -2	2019		130000.00			
2. Laptops -1	2016		25000.00			
3. Computer tables – 4	2013		32000.00			
4. Teachers Desk – 2	1988		6000.00			
5. Acer Computers – 11	2013		308000.00			
6. Printers -4	2016		60000.00			
7. Photocopying Machine - 1	2012		150000.00			
8. Duplicating Machine - 1	2016		40000.00			
9. Projectors - 3	2017		90000.00			
TOTALS						841000.00
TOOLS AND APPARATUS		KIINI				
1. Sewing Machines - 8	1990		200000.00			
2. Iron - 2			1000.00			
3. Electric Cookers - 4			80000.00			
4. Stove - 8			4800.00			

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Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
5. Gas Cylinder - 6			12000.00			
6. Jikos - 12			6000.00			
7. Mixture-1						
8. Oven - 1	2017					
9. Baking Tins - 36						
TOTALS						350,000.00
TEXTBOOKS 20,984 TOTALS		KIINI	14688800.00			
OTHER MACHINERY AND EQUIPMENT						14688800.00
1. Generator -1	1993		80000.00			
2. PoshoMill -1	2016		150000.00			
3. Welding Machine	2014		30000.00			
4. Solar Water heating System	2016		300000.00			
HERITAGE AND CULTURAL ASSETS						
INTANGIBLE ASSETS- SOFT WARE		KIINI				
1. WIFI	2021		15000.00			
2. Installed Programs						
Accounts	2016		120000.00			
Timetable			30000.00			
Exams			30000.00			
Messages			30000.00			

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Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
TOTAL						195000
TOTALS						66446600.00