

REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

**THE NATIONAL ASSEMBLY
PAPERS LAID**

DATE: 16 JUN 2026

DAY:

Tuesday

TABLED
BY:

Hon. Naomx Wago, CBS, MP

Deputy Majority Party Whip

CLERK-AT
THE-TABLE:

Lomale

THE AUDITOR-GENERAL

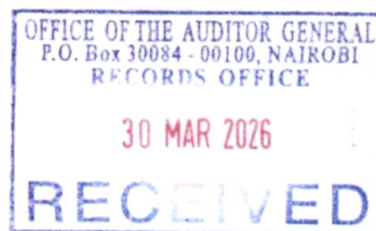
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KYAMBOO SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2022**

KITUI COUNTY



KYAMBOO 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)**

KYAMBOO SECONDARY SCHOOL

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

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KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2022****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 Kitui County, Mwingi west Sub-County

The school was registered in **14/2/2016** under registration number **90/A/7647/10** and is currently categorized **County** public school established, owned or operated by the Government.

The school is a Boarding/day school and had **339** students as at **30th June 2022**. It has **2** streams and **19** teachers of which **0** are employed by the School Board Of Management.

(b) School Board of Management - Board Members

	NAME	DESIGNATION	DATE OF APPOINTMENT
1	STEPHEN K. NGULI	Chairman	16/07/2022
2	MR. MULATYA	Secretary - Principal	16/07/2022
3	TITUS NGULUTU	Member	16/07/2022
4	NGANGASU MAITHYA	Member	16/07/2022
5	JOSEPH KIVE	Member	16/07/2022
6	MWANIKI NZAMBU	Member	16/07/2022
7	MALIA MWINZI	Member	16/07/2022
8	SERAH MBITHI	Member – Rep CEB	16/07/2022
9	DOUGLAS NGUNGUTI	Member Rep Teachers	16/07/2022
10	REV.JOHNSON MUTUA	Sponsor	16/07/2022
11	STEPHEN MUSYOKA MUNYITHYA	Member - Community	16/07/2022
12	LENA MUNUVE	MemberSpecial Needs	16/07/2022
13	TONY KASANDA	Rep Students	16/07/2022

KYAMBOO 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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.STEPHEN K NGULI	Chair	3 of 3
		2.MR. MULATYA	Principal/BOM Sec	
		3.JOSEPH KIVE	Member	
		4.GRACE KIMANZI	Member	
2	Audit Committee	1.TITUS NGULUTU	Member	3 of 3
		2.SERAH MBITHI	Member	
		3.MESHACK NGANASU	Member	
		4.LENA MUNUVE	Member	
		5.MR. MULATYA	Principal/BOM Sec	
3	Finance Committee	1.MESHACK NGANASU	Chair	3 of 3
		2.MR. MULATYA	Principal/BOM Sec	
		3.JOSEPH KIVE	Member	
		4.MR.VINCENT NZAMBU	Member	

KYAMBOO SECONDARY SCHOOL

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

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

4	Academic Cittee	1.MRS GRACE KIMANZI	Chair	3 of 3
		2.MR. MULATYA	Principal/BOM Sec	
		3.MR.KILYUNGI	D/Principal	
		4.REV.JOHNSON MUTUA	Sponsor	
		5.MR.NGUNGUTI	Member	
5	Development Committee	1.MS.MALIA MWINZI	Chair	3 of 3
		2.MR.KILYUNGI	D/Principal	
		3.MR. MULATYA	Principal/BOM Sec	
		4.STEPHEN K NGULI	Chair	
		5.MR.JOSEPH KIVE	P.A Representative	
		6.MR.MUHAMED ABEY	SCDE	
6	Discipline & welfare Committee	1.MR. MULATYA	Principal/BOM Sec	3 of 3
		2.REV.JOHNSON MUTUA	Member	
		3.MR.JOSEPH KIVE	Member	
		4.TITUS NGULUTU	Chair	
		5.STEPHEN MUSYOKA MUNYITHYA	Member	
7	Adhoc Committee (if any during the year)	N/A		

(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	MR. MULATYA	374393
2	Deputy Principal	MR KILYUNGI	239224
3	School Bursar	ONESMUS K. MUKUTHI	ID.12960520

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 20****KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)****(e) Schools contacts**

Post Office Box: P.O BOX 130-90402,MIGWANI

Telephone: 0722671621

E-mail: 0

Website 0

Facebook:Twiter 0

(f) School Bankers

The school operated accounts in the following banks:

- 1 Name of Bank: EQUITY BANK-BOARDING A/C
Branch: MWINGI
Account Number: 0590261726768
- 2 Name of Bank: EQUITY BANK-BUS A/C
Branch: MWINGI
Account Number: 0590277334074
- 3 Name of Bank: EQUITY BANK-CDF A/C
Branch: MWINGI
Account Number: 0590261485165
- 4 Name of Bank: KCB -OPERATION A/C
Branch: MWINGI
Account Number: 1102980765
- 5 Name of Bank: KCB -TUITION A/C
Branch: MWINGI
Account Number: 1102970859
- 6 Name of Bank: KCB -INFRASTRUCTURE A/C
Branch: MWINGI
Account Number: 1261925939
- 7 MPESA Pay Bill No. 477316 Attached to EQUITY BANK-0590261726768

(g) Independent Auditors

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

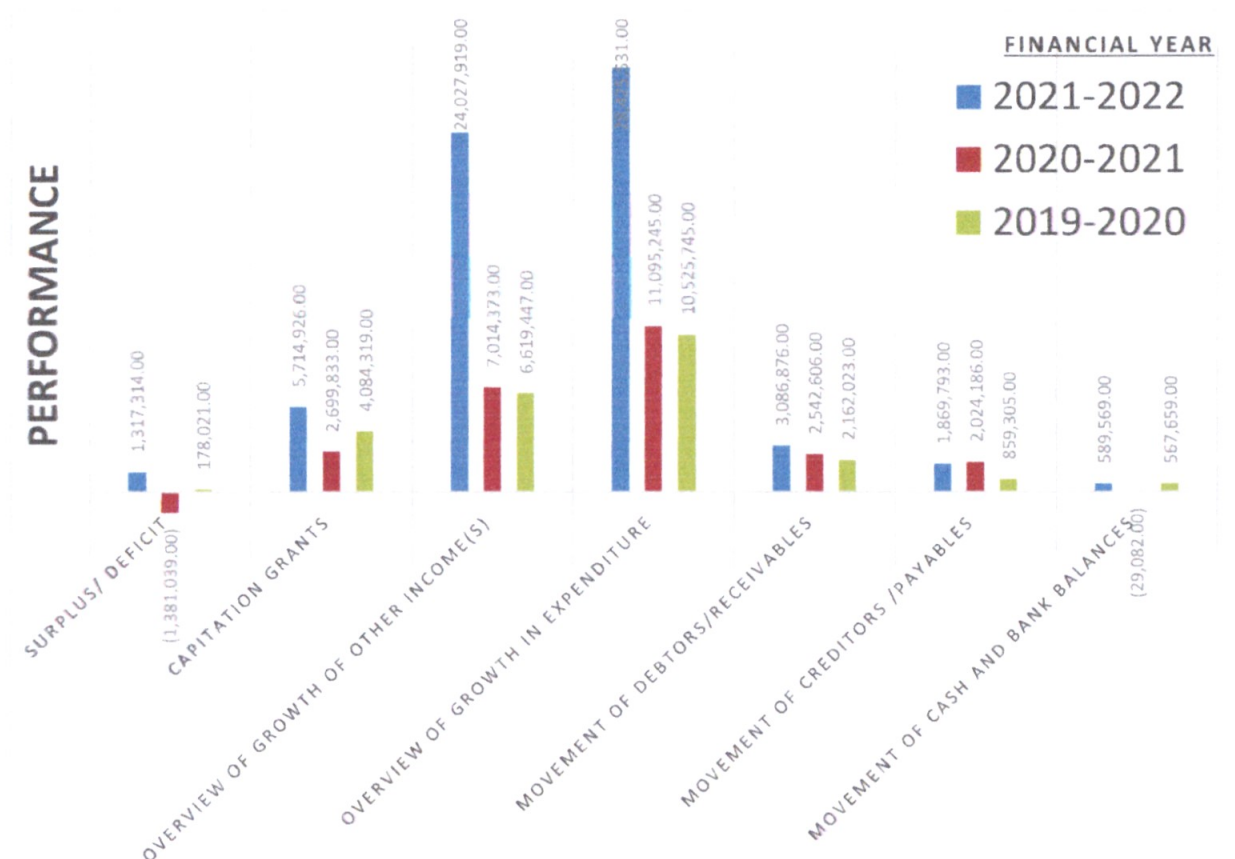
KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements for the year ended 30th June 2022

II SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

The following is a table summary report of the performance of the school

a) Financial performance:	2021-2022	2020-2021	2019-2020
Surplus/ deficit	1,317,314.00	(1,381,039.00)	178,021.00
Capitation grants	5,714,926.00	2,699,833.00	4,084,319.00
overview of growth of other income(s)	24,027,919.00	7,014,373.00	6,619,447.00
overview of growth in expenditure	28,425,531.00	11,095,245.00	10,525,745.00
Movement of debtors/Receivables	3,086,876.00	2,542,606.00	2,162,023.00
Movement of creditors /Payables	1,869,793.00	2,024,186.00	859,305.00
Movement of cash and bank balances	589,569.00	(29,082.00)	567,659.00
Ratio of capitation grant per student over the last three years	1:16,858.19	1:8,181	1:15,015



KYAMBOO 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:

	2021-2022	2020-2021	2019-2020
b) Teacher Student ratio:			
The teacher to student ratio	1:21	1:17	1:16
Number of teachers recruited and posted to the school within the year	3	3	1
Number of teachers that were transferred/ retired during the period	2	2	1
Number of teachers employed by TSC	16	16	14
Number of teachers employed by BOM.	3	3	4
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
SUBJECTS	No.of Teachers		
MATHS	4	4	3
ENGLISH	3	3	3
KISWAHILI	2	2	2
CHEMISTRY	2	2	2
PHYSICS	3	3	2
BIOLOGY	1	1	1
HISTORY	2	2	2
CRE	1	1	1
AGRICULTURE	1	1	0
BUSINESS STUDIES	2	2	1
GEOGRAPHY	6	6	3
COMPUTER STUDIES	1	1	1
c) Mean score in the 2022 KCSE: 6.20			
performance of the school for each over the last three years			
Number of students that have since transitioned to institutions of higher learning.		56	63
Mean score		7.35	6.7
comment on improvement or otherwise as compared to the school's set score.		Target at	Target at
		not achieved	not achieved
d) Number of Candidates in the 2022 KCSE:			
Number of candidates sitting for KCSE over the last three years.	74	75	70
e) Capacity of the school:			
Number of students in the school	339	330	272
Dormitories	3	3	3
Dinning hall,	0	0	0
laboratories,	1	1	1
Toilets and	28	28	28
Land with legal ownership	5.0Ha, No title deed	5.0Ha, No title deed	5.0Ha, No title deed
Other amenities.			

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2022****f) Development projects carried out by the school:**

Project	Source of fund	Initial cost (Ksh)	Amount spent (Ksh)	Year	Expected Completion Time
Construction of classroom	MOE	1.2M	1.2M	2021	Completed
Outside Benches	Parents	45,000	45,000	2,021	Completed
Construction of classroom	MOE		1,646,570	2021/2022	Completed

*Sign**School Principal*

KYAMBOO SECONDARY SCHOOL

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

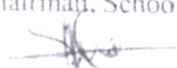
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

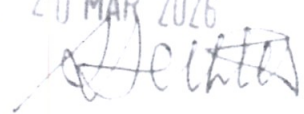
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of Kyamboo sec.sch 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).

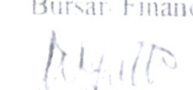
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.

Name: Stephen K. Ngugi
Designation: Chairman, School Board of
Management Sign: 

Date: 20/3/2022

Name: Samuel John Mile
Designation: School Principal & Secretary to Board of
Management Sign: 

Date: 20 MAR 2022

Name: Onesmus K. Mukuthi
Designation: Bursar Finance
Officer Sign: 

Date: 20/3/2022

WOLEN BURS
KYAMBOO SF

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 KYAMBOO SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022-KITUI 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 Kyamboo Secondary School -Kitui County set out on pages 1 to 18, which comprise of the statement of financial assets and financial 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

Report of the Auditor-General on Kyamboo Secondary School for the year ended 30 June, 2022-Kitui County

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 Kyamboo Secondary School-Kitui County 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, and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements as prepared and presented for audit revealed the following errors and inconsistencies:

- i. The statement of receipts and payments reflects boarding and School fund-parents contribution of Kshs.18,636,128 as disclosed in Note 3 to the financial statements. However, review of the schedules provided for audit reflects an amount of Kshs.17,556,616, resulting in an unexplained variance of Kshs.1,069,512.
- ii. The statement of receipts and payments reflects boarding and School fund payments of Kshs.22,362,711 as disclosed in Note 7 to the financial statements. However, review of the schedules provided for audit reflects an amount of Kshs.15,000,738, resulting in an unexplained variance of Kshs.7,361,973.
- iii. The statement of budget versus actual amounts contains inaccuracies as detailed below:

Component	Balance in the Statement of Budgeted Versus Actual Amount (Kshs.)	Recomputed Amount (Kshs.)	Variance (Kshs.)
Total Income-Final Budget	16,396,929	22,862,985	(6,466,056)
Total Income-Actual Amount	18,561,459	24,276,384	(5,714,925)
Total Expenditure-Final Budget	17,630,768	23,753,024	(6,122,256)
Total Expenditure-Actual Amount	16,943,686	22,595,140	(5,651,454)

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

2. Long Outstanding Accounts Receivable

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.3,086,876 in respect of fees arrears as disclosed in Note 11 to the

financial statements. The balance includes fees arrears of Kshs.617,249, which have been outstanding for more than 2 years. However, the School had no policy in place for the impairment of long outstanding fees arrears, casting doubt on the fair statement of the accounts receivable balance.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.617,249 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Kyamboo 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.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on pages iv to xi which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of the 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 effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in 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

The financial statements for the year under review were submitted for audit on 25 November, 2025 after the statutory deadline of 30 September 2022. This was contrary to Section 81(4) of the Public Finance Management Act, 2012, which states that not later than three (3) months after the end of each financial year, the accounting officer shall submit the entity's financial statements to the Auditor-General and a copy to the Controller of Budget and The National Treasury.

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

2. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,031,728 and Kshs.4,683,198 respectively, as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total of three hundred and thirty-four (334) students, while the enrolment records provided by the School indicated a total of three hundred and eighty-four (384) students, resulting in an unexplained variance of fifty (50) students. As a result of the variance, the School was underfunded by an amount of Kshs.1,112,200.

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

3. Unconfirmed Students' Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totaling Kshs.5,714,926. Comparison of data from National Education Management Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2022, NEMIS reflected three hundred and thirty-four (334) students while records from the County Director of Education had three hundred and eighty-four (384) students, resulting in an underfunding of the School by an amount of Kshs.1,112,200. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2022, requiring all learners to be accurately registered in NEMIS.

In the circumstances, under-funding of the School may have affected service delivery to the students.

4. Lack of a School Improvement Plan

During the year/period 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 guidelines.

5. Outstanding Accounts Payables

The statement of financial assets and financial liabilities as disclosed in Note 12 to the financial statements reflects accounts payable balance of Kshs.1,869,793, which had not been settled by the end of the financial year but were instead carried forward to the financial year 2022/2023. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015, which states that, service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of an Audit Committee

During the year under review, the School had not constituted an Audit Committee as required by Regulation 166(2) of the Public Finance Management (National Government), Regulations, 2015, which states that each year the Audit Committee shall carry out an annual review of the independence, performance and competency of the internal audit unit and comment on their effectiveness in the annual report. Further, Section 61(2)(d) of the Basic Education Act No.14 of 2013, requires the Board of Management to establish an Audit Committee among other Board committees.

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

2. Internal Control Weaknesses in Assets Management

Annex 2 to the financial statements reflects summary of fixed assets register, comprising buildings, furniture and fittings, computers, and other classes of assets. However, it was

noted that the asset register did not have key details such as dates of acquisition, historical costs, current carrying values, manufacturer's warranty periods (where applicable), maintenance history, remaining useful lives, asset disposals during the year, and salvage values (where applicable). Further, several assets at the School had not been tagged with unique identification numbers.

In the circumstances, the existence of effective measures for the management of assets could not be confirmed.

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

Responsibilities of Management and the Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control 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 its 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 April, 2026

KYAMBOO SECONDARY SCHOOL

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

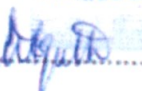
v. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Ksh s	Ksh s
RECEIPTS			
Capitation grants for tuition	1	1,031,728.00	354,705.00
Capitation grants for operations	2	4,683,198.00	2,345,129.00
School Fund Income- Parents' Contributions	3	18,636,128.00	6,160,590.00
School Fund Income- Other receipts	4	5,391,791.00	853,783.00
Proceeds from borrowings		-	-
TOTAL RECEIPTS		29,742,845.00	9,714,206.00
PAYMENTS			
Payments for Tuition	5	1,404,344.00	816,422.00
Payments for operations	6	4,658,476.00	2,823,636.00
Boarding and school fund payments	7	22,362,711.00	7,455,187.00
TOTAL PAYMENTS		28,425,531.00	11,095,245.00
SURPLUS/DEFICIT		1,317,314.00	(1,381,039.00)

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

Sign: 

Sign: 

Sign: 

Name: Stephen K. Nguli
Chair BOM

Name: Stephen K. Nguli
School principal/Secretary to BOM

Name: Onesmus Mukuthi
Bursar

Date: 20/3/2026

Date: 20 MAR 2026

Date: 20/3/2026

KYAMBOO SECONDARY SCHOOL

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

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	584,761.00	(29,989.00)
Cash Balances	9	4,808.00	907.00
Short term Investment	10	-	-
Total Cash and cash equivalent		589,569.00	(29,082.00)
Account's receivables	11	3,086,876.00	2,542,606.00
TOTAL FINANCIAL ASSETS		3,676,445.00	2,513,524.00
FINANCIAL LIABILITIES			
Accounts Payables	12	1,869,793.00	2,024,186.00
NET FINANCIAL ASSETS		1,806,652.00	489,338.00
REPRESENTED BY			
Accumulated Fund b/fwd	13	489,338.00	1,870,377.00
Surplus/Deficit for the year		1,317,314.00	(1,381,039.00)
NET FINANCIAL POSITION		1,806,652.00	489,338.00

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

Sign: _____

Sign: _____

Sign: _____

Name: Stephen K. Nguli
Chair BOM

Name: Samuel John Mile
School principal/Secretary to BOM

Name: Onesmus K Mukuthi
Bursar

Date: 20/3/2026

Date: _____

Date: 20/3/2026

CLERIC/BURSAR
KYAMBOO SEC. SCHOOL

SENIOR PRINCIPAL
KYAMBOO SEC. SCHOOL
20 MAR 2026
P.O. Box 130-90402, MIGWANI

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2022****VI. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022**

		2021-2022	2020-2021
CASHFLOW FROM OPERATING ACTIVITIES		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,031,728.00	354,705.00
Capitation grants for operations	2	4,683,198.00	2,345,129.00
School fund income- Parents contributions/ fees	3	18,091,858.00	5,780,007.00
School fund income- other receipts	4	5,391,791.00	853,783.00
Total receipts		29,198,575.00	9,333,623.00
Payments			
Payments for Tuition		992,979.00	353,407.00
Payments for operations		2,938,105.00	1,468,810.00
Boarding and school fund payments		23,002,270.00	6,914,096.00
Total payments		26,933,354.00	8,736,313.00
Net cash flow from operating activities		2,265,221.00	597,310.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets-Construction of classroom		(1,646,570.00)	(1,194,051.00)
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		(1,646,570.00)	(1,194,051.00)
CASHFLOW FROM BORROWING/FINANCING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		618,651.00	(596,741.00)
Cash and cash equivalent at BEGINNING of the year		(29,082.00)	567,659.00
Cash and cash equivalent at END of the year		589,569.00	(29,082.00)

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

KYAMBOO SECONDARY SCHOOL

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

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Teaching / learning materials	1,400,136.0	-	1,400,136.0	1,031,727.6	368,408.4	73.69%
Chalks	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
TOTAL	1,400,136.00	-	1,400,136.00	1,031,727.60	368,408.40	73.69%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Repairs and maintenance	1,759,000.0	-	1,759,000.0	1,703,000.0	56,000.0	96.82%
Local transport / travelling	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Activity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-
Other vote heads	3,306,920.0	-	3,306,920.0	2,980,198.3	326,721.7	90.12%
TOTAL	5,065,920.00	-	5,065,920.00	4,683,198.30	382,721.70	186.94%

KYAMBOO SECONDARY SCHOOL

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	-	-	-	-	-	
Repairs and maintenance	1,167,100.0	-	1,167,100.0	1,037,724.0	129,376.0	88.91%
Local transport / travelling	-	-	-	-	-	
Electricity and water	-	-	-	-	-	
Medical	-	-	-	-	-	
Other vote heads	5,802,165.0	-	5,802,165.0	5,909,487.0	(107,322.0)	101.85%
Administration costs	-	-	-	-	-	
Fee on Boarding Equipment and Stores	9,427,664.0	-	9,427,664.0	11,614,248.0	(2,186,584.0)	123.19%
IGA	-	-	-	-	-	
OTHER INCOME						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME	16,396,929.0	-	16,396,929.0	18,561,459.0	(2,164,530.0)	313.96%

KYAMBOO SECONDARY SCHOOL

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

Receipt/expenses Item	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs				Kshs	Kshs
(1) EXPENDITURE FOR TUITION							
Textbooks and reference	-	-		-	-	-	-
Exercise books	-	-		-	-	-	-
Laboratory equipment	-	-		-	-	-	-
Internal exams	-	-		-	-	-	-
Teaching / learning materials	1,331,752.0	-		1,331,752.0	992,979.00	338,773.0	74.56%
Administration costs	-	-		-	-	-	-
Bank Charges	-	-		-	-	-	-
TOTAL	1,331,752.00	-		1,331,752.00	992,979.00	338,773.00	74.56%
(2) EXPENDITURE FOR OPERATIONS							
Personnel emoluments	-	-		-	-	-	
Repairs, maintenance & improvements	1,709,000.0	-		1,709,000.0	1,646,570.0	62,430.0	96.35%
Local transport / travelling	-	-		-	-	-	
Electricity, water and conservancy	-	-		-	-	-	
Medical	-	-		-	-	-	
Administration costs	-	-		-	-	-	
Activity Expenses	262,500.0	-		262,500.0	105,200.0	157,300.0	40.08%
Other vote heads	2,819,004.0			2,819,004.0	2,906,705.9	(87,701.9)	103.11%
TOTAL	4,790,504.00	-		4,790,504.00	4,658,475.90	132,028.10	239.53%

KYAMBOO SECONDARY SCHOOL

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	-	-	-	-	-	
Repairs, maintenance and improvements	1,334,859.00	-	1,334,859.0	514,338.0	820,521.0	38.53%
Local transport / travelling	-	-	-	-	-	
Electricity, water and conservancy	-	-	-	-	-	
Medical Expenses	-	-	-	-	-	
Administration costs	-	-	-	-	-	
Activity	-	-	-	-	-	
Other vote heads	7,725,034.00	-	7,725,034.0	8,706,450.0	(981,416.0)	112.70%
Income generating Activities	-	-	-	-	-	
Lunch programme	-	-	-	-	-	
Boarding Equipment and Stores	8,570,875.00	-	8,570,875.0	7,722,898.0	847,977.0	90.11%
TOTALS	17,630,768.00	-	17,630,768.00	16,943,686.00	687,082.00	241.34%

KYAMBOO SECONDARY SCHOOL

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

VIII.SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

KYAMBOO SECONDARY SCHOOL

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. ~~Non-current assets~~

~~Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.~~

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2022****X.NOTES TO THE FINANCIAL STATEMENTS****1 CAPITATION GRANT FOR TUITION**

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks	-	-
Exercise books	-	-
Laboratory Equipments	-	-
Teaching/learning materials	1,031,728.00	354,705.00
Chalks	-	-
Internal exams	-	-
Reference materials	-	-
Bank charges	-	-
Total	1,031,728.00	354,705.00

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	1,703,000.00	1,088,500.00
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Other voteheads	2,980,198.00	1,256,629.00
Insurance	-	-
Total	4,683,198.00	2,345,129.00

3 PARENTS CONTRIBUTION/FEEs - SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	-	682,957.00
Repairs and maintenance	1,037,724.00	229,119.00
Local transport / travelling	-	37,750.00
Electricity and water	-	305,142.00
Administration costs	-	126,428.00
Activity	74,669.00	637.00
Fee on Boarding Equipment and Stores	11,614,248.00	4,778,557.00
Other voteheads	5,909,487.00	-
Total	18,636,128.00	6,160,590.00

KYAMBOO SECONDARY SCHOOL

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022 2021	2020- 2021
	Kshs	Kshs
Rent income	-	-
Insurance compensation	-	-
Salary advance	4,000.00	-
Fees refund	-	-
Income from Bus Hire	563,261.00	297,300.00
Fee for hire of ground and equipment	-	-
Income from grants and donations*(CDF Bursary)	729,940.00	556,483.00
Income from grants and donations*(CDF)	3,620,000.00	-
Prepaid fees	393,590.00	-
Tender fee	81,000.00	-
Total	5,391,791.00	853,783.00

(Include an explanation on the kind and source of grants/ donations received by the school.)

5 PAYMENTS FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks	-	-
Exercise books	-	-
Laboratory Equipments	-	-
Teaching/learning materials	1,404,344.00	814,115.00
Chalks	-	-
Internal exams	-	-
Reference materials	-	-
Bank charges	-	-
Administration costs	-	2,307.00
Total	1,404,344.00	816,422.00

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2022****NOTES TO THE FINANCIAL STATEMENTS (Continued)****6 PAYMENTS FOR OPERATIONS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Administration Cost	-	-
Repairs and maintenance & improvements	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Activity Expenses	105,200.00	-
Infrastructure -Construction of Classroom	1,646,570	1,194,051.00
Other voteheads	2,906,706.00	1,629,585.00
TOTAL	4,658,476.00	2,823,636.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	-	1,482,399.00
Repairs and maintenance & Improvements	514,338.00	236,428.00
Local transport / travelling	-	461,900.00
Electricity and water	-	250,445.00
Administration costs	4,381.00	435,330.00
Boarding Equipment and Stores	8,182,374.00	3,736,808.00
Rent Expenses	-	18,000.00
Bus hire	569,381.00	276,074.00
Activity Expenses	7,000.00	-
Tender	33,500.00	-
Bursary payent to students	729,940.00	556,483.00
Other voteheads	8,706,450.00	1,320.00
CDF-Construction of boys dormitory	3,615,347.00	-
TOTAL	22,362,711.00	7,455,187.00

KYAMBOO SECONDARY SCHOOL

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

	Bank Account Number		
Name of Bank, Account No. & currency		2020-2021	2021-2022
		Kshs	Kshs
Tuition Account	1102970859	1,322.00	40,071.00
Operations Account	1102980765	(77,929.00)	28,585.00
School Fund Account/Boarding	0590261726768	(389,035.00)	95,791.00
Bus Account	0590277334074	20,805.00	13,245.00
CDF Account	0590261485165	174.00	1,886.00
Infrastructural Account	1261925939	414,674.00	405,183.00
Total		(29,989.00)	584,761.00

9 CASH IN HAND

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	1,500.00	-
School Fund account	3,308.00	907.00
Bus Account	-	-
Total	4,808.00	907.00

10 SHORT TERM INVESTMENTS

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

KYAMBOO SECONDARY SCHOOL

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	3,086,876.00	2,542,606.00
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	3,086,876.00	2,542,606.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,712,625.00	757,002.00
Fees arrears for the previous year	757,002.00	973,535.00
Fees arrears for prior periods (over two years)	617,249.00	812,069.00
Total	3,086,876.00	2,542,606.00

12 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	1,869,793.00	2,024,186.00
Prepaid fees	-	-
Caution Money	-	-
Total	1,869,793.00	2,024,186.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	944,642.00	1,784,876.00
Trade creditors for the previous year	685,841.00	239,310.00
Trade creditors for prior periods (over two years)	239,310.00	-
Total	1,869,793.00	2,024,186.00

KYAMBOO SECONDARY SCHOOL

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	584,761.00	(29,989.00)
Cash balances	4,808.00	907.00
Receivables	3,086,876.00	2,542,606.00
Payables	1,869,793.00	2,024,186.00
Total	1,806,652.00	489,338.00

KYAMBOO SECONDARY SCHOOL

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

Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

14 Non-current Liabilities Summary

Description					2021-2022	2020-2021
					Kshs	Kshs
Bank loan(s)	N/A				-	-
Outstanding Leases	N/A				-	-
Hire purchase	N/A				-	-
Gratuity and leave provision	N/A				-	-
Total						-

15 Biological assets

Description	Numbers	Opening Balance in Units	Increase during the year	Disposals during the year	At the end of the year	2021-2022	2020-2021
						Kshs	Kshs
Cattle	-	0	0	0	0	-	-
Goats	-	0	0	0	0	-	-
Trees	-	0	0	0	0	-	-
Coffee or tea plantation	-	0	0	0	0	-	-
Pigs & Donkeys	-	0	0	0	0	-	-
Poultry		0	0	0	0	-	-
Total						-	-

16 Borrowings

Description					2021-2022	2020-2021
					Kshs	Kshs
a) Borrowings						
Borrowing at beginning of the year	N/A				-	-
Borrowings during the year	N/A				-	-
Repayments of during the year	N/A				-	-
Balance at end of the year	N/A				-	-

KYAMBOO SECONDARY SCHOOL

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

Other important disclosure notes

17. Stock/ Inventory

Description	2021-2022	2020-2021
	KShs	KShs
Stock/ inventory at beginning of the year	1,202,353.00	516,093.00
Stock/ inventory purchased during the year	3,787,270.00	3,787,270.00
Stock/ inventory issued during the year	(3,101,010.00)	(3,101,010.00)
Balance at end of the year	1,888,613.00	1,202,353.00

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2022****18 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)
2021	Avoid huge Fees Balances from students	School to be innovative	Not resolved	DEC 2022
		Deal decisively with defaulters		
		Allow parent to pay school fee in kind.		
		Allow piece meal payment		
2021	Prompt payment of creditors	Adhere to the budget	Not resolved	JUNE 2022
		Clear all old debts the soonest		
		Budget for what you have		
		Avoid any unbudgeted expenses		
2021	Streamline a tender committees	School to comply	Not resolved	MAY 2022
2021	Strict adherence to budget	School to come up with a very realistic budget	Resolved	JAN 2022

KYAMBOO SECONDARY SCHOOL

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

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 2021	Comments
		a	b	c	d=a-c		
		Kshs		Kshs	Kshs	Kshs	
	Construction of buildings						
1	Ikoo Ltd-Building Materials	139,394	2020	139,394	-	139,394	
2	Ikoo Ltd-Building Materials	119,831	2021	119,831	-	119,831	
3	Ikoo Ltd-Building Materials	113,226	2022	-	113,226	-	
	Sub-Total	259,225		259,225	113,226	259,225	
	Supply of goods						
1	Pilgrim B/s services	14,000	2021	14,000	-	14,000	
2	Vero Commercial Agencies	82,500	2021	82,500	-	82,500	
3	Petube Enterprises	112,800	2021	20,800	92,000	112,800	
4	Brain Waves Solution	24,000	2020	-	24,000	24,000	
5	Brain Waves Solution	15,000	2021		15,000	15,000	
6	Davency Electicals	16,200.00	2021	16,200.00	-	16,200	
7	white copy Enterprises	97,500	2022		97,500	-	
8	Said islam said	190,000	2022		190,000	-	
9	Joand General Suppliers	13,750	2022		13,750	-	
10	Ngeta Steel Workshop	45,000	2022		45,000	-	
11	Variotech Enterprises	14,500	2020	-	14,500	14,500	
12	Josman Enterprises Ltd	61,416	2020	-	61,416	61,416	
13	Josman Enterprises Ltd	68,301	2022		68,301	-	
14	Migwni sec school	5,500.00	2022		5,500	-	
15	Vero Commercial Agencies	64,000	2021	64,000	-	64,000	
16	Munyao Mwendwa	90,000	2021	90,000	-	90,000	
17	Pitnac Enterprises	131,000	2021	131,000	-	131,000	
18	Stemma Enterprises	421,310	2021	421,310	-	421,310	
19	Dematech Gen Supplies	310,520	2021		310,520	310,520	
20	Wego Publishers	18,000	2021		18,000	18,000	
21	Cana Gen.Supplies	30,000	2021		30,000	30,000	
22	Everest B/s supplies	29,000	2021		29,000	29,000	
23	Meko supplies Printing Plus	144,750	2021		144,750	144,750	
24	Variotech Enterprises	185,965	2021		185,965	185,965	
25	Dematech Gen Supplies	115,000	2022		115,000	-	
26	Variotech Enterprises	49,970	2022		49,970	-	
27	Meko supplies Printing Plus	246,395	2022		246,395	-	
	Sub-Total	2,596,377		839,810	1,756,567	1,764,961	
	Supply of services				-	-	
					-	-	
	Sub-Total	-		-	-	-	
	Grand Total	2,855,602		1,099,035	1,869,793	2,024,186	

ACCOUNT	CREDITOR	<u>SUMMARY</u>		2020	2021	TOTAL
		Payments	Bal			
BOARDING	403,894	133,500.00	270,394	-		270,394
OPERATION	61,416.00	-	61,416	-		61,416
TUITION	14,500	-	14,500	718,235		732,735
	479,810	133,500.00	346,310	718,235		1,064,545

KYAMBOO SECONDARY SCHOOL

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

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Units	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1		Kyamboo	5.0 Hactres	-	-	-	-
Land 2		Kyamboo		-	-	-	-
Buildings and structures		Kyamboo		1,200,000.00	1,646,570.00	-	2,846,570.00
Motor vehicles-School bus		Kyamboo		4,650,000.00	-	-	4,650,000.00
Office equipment, furniture and fittings		Kyamboo		1,500,000.00	-	-	1,500,000.00
ICT Equipment, and Other ICT Assets		Kyamboo		200,000.00	-	-	200,000.00
Tools and apparatus		Kyamboo		50,000.00	-	-	50,000.00
Textbooks		Kyamboo		-	-	-	-
Other Machinery and Equipment				-	-	-	-
Heritage and cultural assets				-	-	-	-
Intangible assets- software		Kyamboo		120,000.00	-	-	120,000.00
Total							9,366,570.00

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

KYAMBOO SECONDARY SCHOOL

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

Other important disclosure notes

17 Stock/ Inventory

Description	Units in kgs	Opening Balance		Purchases during the		Consumption/issue during the year			Balance at the end of the year
		Units	Amount	Units	Amount	Units	Price	Amount	
b) Borrowings									
RICE	kgs	436	38,368.00	6650	585,200.00	5605	88.00	493,240.00	130,328.00
BEANS	kgs	530	53,000.00	7830	783,000.00	7012	100.00	701,200.00	134,800.00
WHEAT FLOUR	kgs	0	-	72	100,800.00	72	1,400.00	100,800.00	-
SUGAR	kgs	642	70,620.00	3800	418,000.00	3046	110.00	335,060.00	153,560.00
MAIZE FLOUR	kgs	64	8,320.00	1200	156,000.00	969	130.00	125,970.00	38,350.00
COCOA	Tins		-		-		-	-	-
COOKING OIL	Ltrs	155	23,250.00	4060	609,000.00	3540	150.00	531,000.00	101,250.00
SALT	kgs	74	1,480.00	440	8,800.00	506	20.00	10,120.00	160.00
TEA LEAVES	Pkts	5	125.00	0	-	0	25.00	-	125.00
NDENGU	kgs		-		-		-	-	-
STEEL WIRE	kgs		-		-		-	-	-
SORGUM	kgs		-		-		-	-	-
FULL SCAPES	Rims		-		-		-	-	-
PRINTING PAPERS	Rims		-	320	208,000.00		650.00	-	208,000.00
BIRO PENS	Pkts	2	1,100.00	6	3,300.00		550.00	-	4,400.00
SPRING FILES	pcs		-		-		-	-	-
PENCILS	pcs		-		-		-	-	-
PRITT GLUE	pcs		-		-		-	-	-
3Q COUNTER BOOKS	pcs		-	20	5,200.00		260.00	-	5,200.00
2Q COUNTER BOOKS	pcs		-	20	4,600.00		230.00	-	4,600.00
1Q COUNTER BOOKS	pcs		-	20	4,000.00		200.00	-	4,000.00
S1 LEDGER	pcs		-		-		-	-	-
CELL TAPE	pcs	24	1,200.00		-		50.00	-	1,200.00
S2 LEDGER	pcs		-		-		-	-	-
WHITEBOARD MAKER	pcs		-		-		-	-	-
MARKER PEN	pcs	12	1,500.00		-		125.00	-	1,500.00
STEPULAS	pcs		-		-		-	-	-
STAPLES	Box	12	3,120.00		-		260.00	-	3,120.00
GENERATOR FUEL	Ltrs	0	-	900	116,100.00	900	129.00	116,100.00	-
TISSUE PAPER	Bales	10	2,500.00	20	5,000.00		250.00	-	7,500.00
MARK BOOKS	pcs	7	1,260.00	12	2,160.00		180.00	-	3,420.00
MASKING TAPE	pcs	24	1,080.00	36	1,620.00		45.00	-	2,700.00
WHITE OUT	pcs	0	-	34	9,860.00		290.00	-	9,860.00
CHALK	Pkts		-		-		-	-	-
MANILLA PAPER	pcs		-	75	2,250.00		30.00	-	2,250.00
OFFICE GLUE	pcs		-		-		-	-	-
MILK	Pkts	55	2,750.00	140	7,000.00		50.00	-	9,750.00
EGGS	Crates	10	3,500.00	30	10,500.00		350.00	-	14,000.00
DETERGENT	Jericans	0	-	400	-	400	-	-	-
DISINFECTANT	Jericans	0	-	700	-	700	-	-	-
CABBAGES	pcs		-		-		-	-	-
ONIONS	kgs	170	17,000.00	1400	140,000.00	1532	100.00	153,200.00	3,800.00
POTATOES	kgs		-		-		-	-	-
LEMOGEL	Jericans		-		-		-	-	-
JK	Jericans		-		-		-	-	-
FRUITS	pcs		-		-		-	-	-
GREENS	Bunches		-		-		-	-	-
TOMATOES	kgs		-		-		-	-	-
BRULUBAND	kgs		-		-		-	-	-
MAIZE	kgs	218	8,720.00	7072	282,880.00	5258	40.00	210,320.00	81,280.00
MEAT	kgs	0	-	540	324,000.00	540	600.00	324,000.00	-
EXCISE BOOKS	Grosses	1980	277,200.00		-		140.00	-	277,200.00
TOTAL			516,093.00		3,787,270.00			3,101,010.00	1,202,353.00

REPUBLIC OF KENYA



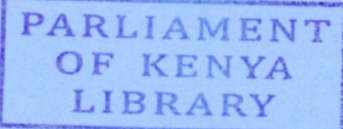
REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE:	16 JUN 2026	DAY:	Tuesday
TABLED BY:	Hon. Naomi Wago, CBS, MP (Deputy Majority Party WASS)		
CLERK AT THE:	Loma		

THE AUDITOR GENERAL

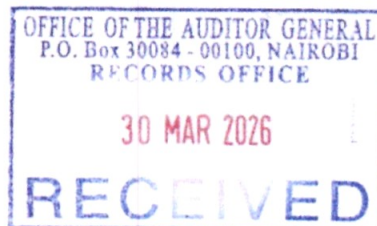
ON



KYAMBOO SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

KITUI COUNTY



KYAMBOO SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2023

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

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

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I. KEY SCHOOL INFORMATION AND MANAGEMENT**(a) Background information**

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is Kitui County, Mwingi west Sub-County

The school was registered in **14/2/2016** under registration number **90/A/7647/10** and is currently categorized **County** public school established, owned or operated by the Government.

The school is a Boarding/day school and had **339** students as at **30th June 2023**. It has **2** streams and **19** teachers of which **0** are employed by the School Board of Management.

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	STEPHEN K. NGULI	Chairman	16/07/2022
2	SAMUEL JOHN MILE	Secretary - Principal	16/07/2022
3	TITUS NGULUTU	Member	16/07/2022
4	NGANGASU MAITHYA	Member	16/07/2022
5	JOSEPH KIVE	Member	16/07/2022
6	MWNIKI NZAMBU	Member	16/07/2022
7	MALIA MWINZI	Member	16/07/2022
8	SERAH MBITHI	Member	16/07/2022
9	DOUGLAS NGUNGUTI	Member – Rep CEB	16/07/2022
10	REV JOHNSON MUTUA	Member Rep Teachers	16/07/2022
11	STEPHEN M. MUNYITHYA	Sponsor	16/07/2022
12	LENA MUNUVE	Member - Community	16/07/2022
13	TONY KASADA	Member Special Needs	16/07/2022

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****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.

(b) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. STEPHEN K. NGULI	CHAIR	3 out of 3
		2. SAMUEL J. MILE	PRINCIPAL/BOM SEC	
		3. JOSEPH KIVE	MEMBER	
		4. GRACE KIMANZI	MEMBER	
2	Audit Committee	1. TITUS NGULUTU	MEMBER	3 out of 3
		2. SERAH MBITHI	MEMBER	
		3. MESHACK NGANGASU	MEMBER	
		4. LENA MUNUVE	MEMBER	
		5. SAMUEL JOHN MILE	MEMBER	
3	Finance, procurement and general purposes Committee	1. MESHACK NGANGASU	CHAIR	3 out of 3
		2. SAMUEL JOHN MILE	PRINCIPAL/BOM SEC	
		3. JOSEPH KIVE	MEMBER	
		4. VINCENT NZAMBU	MEMBER	

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

4	Academic Committee	1.GRACE KIMANZI	CHAIR	3 OUT OF 3
		2.SAMUEL JOHN MILE	PRI/BOM SEC	
		3.MR KILYUNGI	D/PRINCIPAL	
		4.REV JOHNSON MUTUA	SPONSOR	
		5. MR NGUNGUTI	MEMBER	
5	Development Committee	1. MALIA MWINZI	CHAIR	3 OUT OF 3
		2.MR KILYUNGI	D/PRINCIPAL	
		3.MR MILE	PRI BOM/SEC	
		4.STEPHEN K. NGULI	CHAIR	
		5. MR JOSEPH KIVE	REPRESENTATIVE	
		6..MR MUHAMED ABBEY	SCDE	
6	Discipline and welfare Committee	1. MR MILE	PRI/BOM SEC	3 OUT OF 3
		2.REV JOHNSON MUTUA	MEMBER	
		3.MR JOSEPH KIVE	CHAIR	
		4.TITUS NGULUTU	MEMBER	
		5.STEPHEN MUSYOKA	MEMBER	
7	Adhoc Committee (if any during the year)		N/A	

(c) School operation Management

was under the following persons:

Ref	Designation	Name	TSC Number
1	Principal	Mr. Mile	364198
2	Deputy Principal	Mr Kilyungi	374393
3	School Bursar	Onesmus K.Mukuthi	ID 12960520

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

d) Schools contacts

Post Office Box: P.O BOX 130-90402,MIGWANI
Telephone: 0722671621
E-mail: 0
Website 0
Facebook:Twiter 0

e) School Bankers

The school operated accounts in the following banks:

- | | | | |
|---|--|--------------------|-----------------------|
| 1 | Name of Bank: EQUITY BANK-BOARDING A/C
Branch: MWINGI
Account Number: 0590261726768 | | |
| 2 | Name of Bank: EQUITY BANK-BUS A/C
Branch: MWINGI
Account Number: 0590277334074 | | |
| 3 | Name of Bank: EQUITY BANK-CDF A/C
Branch: MWINGI
Account Number: 0590261485165 | | |
| 4 | Name of Bank: KCB -OPERATION A/C
Branch: MWINGI
Account Number: 1102980765 | | |
| 5 | Name of Bank: KCB -TUITION A/C
Branch: MWINGI
Account Number: 1102970859 | | |
| 6 | Name of Bank: KCB -INFRASTRUCTURE A/C
Branch: MWINGI
Account Number: 1261925939 | | |
| 7 | MPESA Pay Bill No. 477316 | Attached to | EQUITY BANK-059026172 |

f) Independent Auditors
Office of Auditor General
Anniversary towers, University Way
PO BOX 30084
GPO 00100
Nairobi Kenya

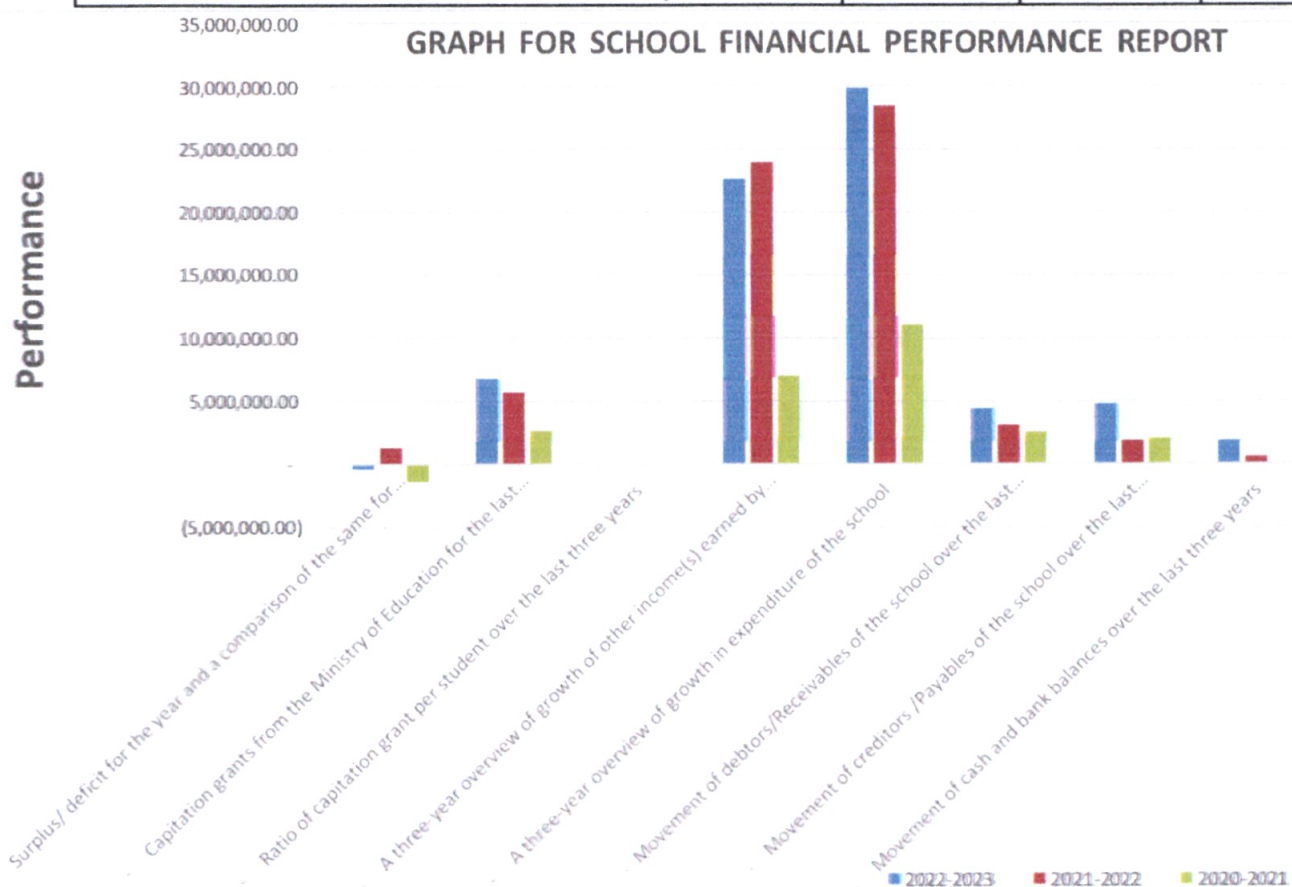
KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

II SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

The following is a table summary report of the performance of the school

a) Financial performance:	2022-2023	2021-2022	2020-2021
- Surplus/ deficit for the year and a comparison of the same for the last three years	(342,922.00)	1,317,314.00	(1,381,038.8)
- Capitation grants from the Ministry of Education for the last three years	6,828,922.85	5,714,925.90	2,699,833
- 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.	22,663,949.00	24,027,919.00	7,014,373
- A three-year overview of growth in expenditure of the school	29,835,793.00	28,425,530.00	11,095,245
- Movement of debtors/Receivables of the school over the last three years	4,383,469.00	3,086,876.00	2,542,606
- Movement of creditors /Payables of the school over the last three years	4,775,321.00	1,869,793.00	2,024,186
- Movement of cash and bank balances over the last three years	1,855,583.00	589,769.00	(29,082)



KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

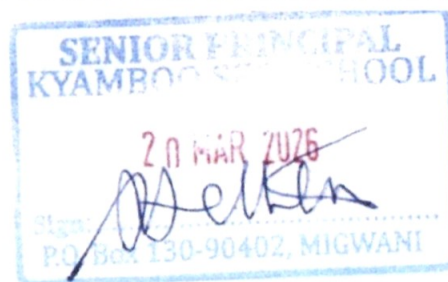
II SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

	2022-2023	2021-2022	2020-2021
b) Teacher Student ratio:			
The teacher to student ratio	01:21	01:21	01:17
Number of teachers recruited and posted to the school within the year	3	3	3
Number of teachers that were transferred/ retired during the period	1	2.00	2
Number of teachers employed by TSC	17	16	16
Number of teachers employed by BOM.	3	3	3
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
SUBJECTS	No.of Teachers		
MATHS	4	4	4
ENGLISH	3	3	3
KISWAHILI	2	2	2
CHEMISTRY	2	2	2
PHYSICS	3	3	3
BIOLOGY	1	1	1
HISTORY	2	2	2
CRE	1	1	1
AGRICULTURE	1	1	1
BUSINESS STUDIES	2	2	2
GEOGRAPHY	6	6	6
COMPUTER STUDIES	1	1	1
c) Mean score in the 2023 KCSE: 7.24			
performance of the school for each over the last three years	28		56
Number of students that have since transitioned to institutions of higher learning.			
Mean score	6.27		
comment on improvement or otherwise as compared to the school's set score.			
d) Number of Candidates in the 2023 KCSE:			
Number of candidates sitting for KCSE over the last three years.			
	74	74	75
e) Capacity of the school:			
Number of students in the school	393	330	272
Dormitories	3	3	3
Dining hall,	0	0	0
laboratories,	1	1	1
Toilets	28	28	28
Land with legal ownership	5.0 Ha	5.0 Ha	5.0 Ha
Other amenities.			

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****f) Development projects carried out by the school:**

Project	Source of fund	Initial cost (Ksh)	Amount spent (Ksh)	Expected Completion Time
Construction of classroom	MOE	1.2m	1.2m	2021
Outside Benches	Parents	45,000.00	45,000.00	2021
<i>Construction of Classroom</i>	MOE	1,645,570.00	1,646,570.00	2021-2022

*Sign**School Principal*

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

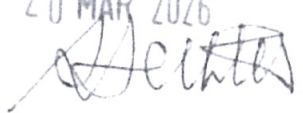
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of **KYAMBOO** Sec sch 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).

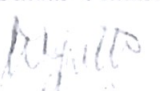
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.

Name: Stephen K. Nguli
Designation: Chairman, School Board of
Management Sign: 

Date: 20/3/2026

Name: Samuel John Mile
Designation: School Principal & Secretary to Board of
Management Sign: 

Date: 20 MAR 2026

Name: Onesmus K Mukuthi
Designation: Bursar Finance
Officer Sign: 

Date: 20/3/2026

CLERK/BURS
KYAMBOO SF



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 KYAMBOO SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023-KITUI 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 Kyamboo Secondary School-Kitui County set out on pages 1 to 18, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the year

Report of the Auditor-General on Kyamboo Secondary School for the year ended 30 June, 2023-Kitui County

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 Kyamboo Secondary School-Kitui County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012, and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Note 13 reflects total receivables of Kshs.4,383,469, which differs from a balance of Kshs.4,479,745 reflected in Note 13b on the ageing analysis, resulting in an unexplained variance of Kshs.96,276. Further, the statement of budget versus actual amount contains inaccuracies as analyzed below:

Component	Balance in the Statement of Budgeted Versus Actual Amounts (Kshs.)	Recomputed Amount (Kshs.)	Variance (Kshs.)
Total Income-Final Budget	13,764,401	22,185,209	(8,420,808)
Total Income-Actual Amount	16,816,038	22,256,960	(5,440,922)
Total Expenditure-Final Budget	13,764,401	22,185,209	(8,420,808)
Total Expenditure-Actual Amount	17,382,559	22,039,640	(4,657,081)

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

2. Unsupported Accounts Payable Balance

The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.4,775,321 as disclosed in Note 14 to the financial statements. However, the supporting schedule reflected payables of Kshs.3,500,221, resulting in an unexplained variance of Kshs.1,275,100.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.4,775,321 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Kyamboo 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.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on pages iv to xi, which comprise of Key School Information and Management, Summary Report of Performance of the School and the Statement of the 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 effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in 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

The financial statements for the year under review were submitted for audit on 25 November, 2025 after the statutory deadline of 30 September, 2023. This was contrary to Section 81(4) of the Public Finance Management Act, 2012, which states that not later than three (3) months after the end of each financial year, the accounting officer shall submit the entity's financial statements to the Auditor-General and a copy to the Controller of Budget and The National Treasury.

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

2. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and grants for operations amount of Kshs.936,098 and Kshs.4,504,824, respectively, as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported a total of three hundred and seventy-six (376) students, while the enrolment records provided by the School indicated a total of four hundred and seventeen (417) students, resulting in an unexplained variance of forty-one (41) students.

As a result of the variance, the School was underfunded by an amount of Kshs.912,004.

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

3. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and grants for infrastructure totaling Kshs.6,828,922. Comparison of data from the National Education Management Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2023, NEMIS reflected three hundred and seventy (376) students while records from the County Director of Education had four hundred and seventeen four (417) students, resulting in an underfunding of the School by an amount of Kshs.912,004. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2023, requiring all learners to be accurately registered in NEMIS.

In the circumstances, under-funding of the School may have affected service delivery to the students.

4. Long Outstanding Accounts Payable

The statement of assets and liabilities reflects payables balance of Kshs.4,775,321, as disclosed in Note 14 to the financial statements. The balance includes an amount of Kshs.1,275,100, which has been outstanding for more than two (2) years, which may pose a risk of loss of public funds through litigations, interests and penalties. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015, which states that service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of an Audit Committee

During the year under review, the School had not constituted an Audit Committee as required by Regulation 166(2) of the Public Finance Management (National Government) Regulations, 2015, which states that each year the Audit Committee shall carry out an annual review of the independence, performance and competency of the internal audit unit and comment on their effectiveness in the annual report. Further, Section 61 (2)(d) of the Basic Education Act 14 of 2013, requires the Board of Management to establish an Audit Committee among other Board committees.

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

2. Internal Control Weaknesses in Assets Management

Annex 2 to the financial statements reflects summary of fixed assets register, comprising buildings, furniture and fittings, computers and other classes of assets. However, it was noted that the asset register did not have key details such as dates of acquisition, historical costs, current carrying values, manufacturer's warranty periods (where applicable), maintenance history, remaining useful lives, asset disposals during the year, and salvage values (where applicable). Further, several assets at the School were not tagged with unique identification numbers.

In the circumstances, the existence of effective measures for the management of assets could not be confirmed.

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

Responsibilities of Management and the Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control 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 its 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

28 April, 2026

KYAMBOO SECONDARY SCHOOL

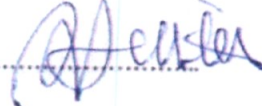
Annual Report and Financial Statements For the year ended 30th June 2023

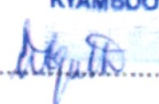
v. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		Ksh	Ksh
		s	s
RECEIPTS			
Capitation grants for tuition	1	936,098.00	1,031,727.00
Capitation grants for operations	2	4,504,824.00	4,683,198.00
Infrastructure grant	3	1,388,000.00	
School Fund Income- Parents' Contributions	4	19,694,834.00	18,636,128.00
Miscellaneous incomes	5	2,969,115.00	5,391,791.00
Proceeds from borrowings		-	-
TOTAL RECEIPTS		29,492,871.00	29,742,844.00
PAYMENTS			
Payments for Tuition	6	1,752,336.00	1,404,344.00
Payments for operations	7	4,013,647.00	4,658,475.00
Infrastructure	8	1,031,001.00	
Boarding and school fund payments	9	23,038,809.00	22,362,711.00
TOTAL PAYMENTS		29,835,793.00	28,425,530.00
SURPLUS/DEFICIT		(342,922.00)	1,317,314.00

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

Sign: 

Sign: 

CLERIC/BURSAR
KYAMBOO SEC. SCHOOL
Sign: 

Name: Stephen K. Nguli
Chair BOM

SENIOR PRINCIPAL
KYAMBOO SEC. SCHOOL
Name: Stephen K. Nguli
School principal/Secretary to BOM

Name: Onesmus Mukuthi
Bursar

Date: 20/3/2026

Date: 
P.O. Box 130-90402, MUGWANI

Date: 20/3/2026

KYAMBOO SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023
VLSTATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	1,784,793.00	584,961.00
Cash Balances	11	70,790.00	4,808.00
Short term Investment	12	-	-
Total Cash and cash equivalent		1,855,583.00	589,769.00
Account's receivables	13	4,383,469.00	3,086,876.00
TOTAL FINANCIAL ASSETS		6,239,052.00	3,676,645.00
FINANCIAL LIABILITIES			
Accounts Payables	14	4,775,321.00	1,869,793.00
NET FINANCIAL ASSETS		1,463,731.00	1,806,852.00
REPRESENTED BY			
Accumulated Fund b/fwd	15	1,806,652.00	489,338.00
Surplus/Deficit for the year		(342,922.00)	1,317,314.00
NET FINANCIAL POSITION		1,463,730.00	1,806,652.00

The School's financial statements were approved on 21/10/2023 and signed by:

Sign: 

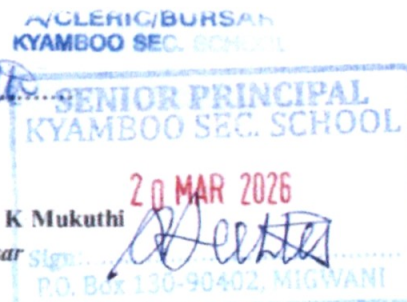
Sign:

Name: Stephen K. Nguli
Chair BOM

Name: Samuel John Mile
School principal/Secretary to BOM

Sign: 

Name: Onesmus K. Mukuthi
Bursar



Date: 20/3/2026

Date:

Date: 20/3/2026

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

VI. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2023

		2022-2023	2021-2022
		Kshs	Kshs
CASHFLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Capitation grants for tuition	1	936,098.00	1,031,727.00
Capitation grants for operations	2	4,504,824.00	4,683,198.00
Government grants for infrastructure	3	1,388,000.00	
School fund income- Parents contributions/ fees	4	18,427,941.00	18,091,858.00
other receipts	5	2,969,115.00	5,391,791.00
Total receipts		28,225,978.00	29,198,574.00
Payments			
Cash outflow for tuition		801,496.00	992,979.00
Cash outflow for Operation		4,002,388.00	2,938,105.00
Cash outflow for infrastructure			
Cash outflow for Boarding/Lunch and school fund		21,095,380.00	23,002,270.00
Total payments		25,899,264.00	26,933,354.00
Net cash flow from operating activities		2,326,714.00	2,265,220.00
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets-Construction of classroom		(1,031,001.00)	(1,646,570.00)
Preceeds from sale of asset		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		(1,031,001.00)	(1,646,570.00)
CASHFLOW FROM BORROWING/FINANCING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,295,713.00	618,651.00
Cash and cash equivalent at BEGINNING of the year		589,569.00	(29,082.00)
Cash and cash equivalent at END of the year		1,885,283.00	589,569.00

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

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

VIII .STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2023

Receipt/expenses Item		Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
		a	b	c=a+b	d	e=c-d	f=d/c %
		Kshs	Kshs			Kshs	Kshs
RECEIPTS							
(1) CAPITATION GRANT ON TUITION							
Textbooks and reference materials	1	-	-	-	-	-	-
Exercise books	2	-	-	-	-	-	-
Laboratory equipment	3	-	-	-	-	-	-
Teaching / learning materials	4	1,583,008.0	-	1,583,008.0	936,098.0	646,910.0	0.59
Chalks	5	-	-	-	-	-	-
Internal exams	6	-	-	-	-	-	-
Exams and assessment		-	-	-	-	-	-
Teachers guides		-	-	-	-	-	-
TOTAL		1,583,008.00	-	1,583,008.00	936,098.00	646,910.00	59.00
(2) CAPITATION GRANT ON OPERATIONS							
Personnel emoluments	1	-	-	-	-	-	-
Gratuity	2	-	-	-	-	-	-
Administration costs	3	-	-	-	-	-	-
Repairs and maintenance	4	1,910,000.0	-	1,910,000.0	1,388,000.0	522,000.0	73.00
Local transport / travelling	5	-	-	-	-	-	-
Electricity and water	6	-	-	-	-	-	-
Medical	7	764,000.0	-	764,000.0	67,800.0	696,200.0	9.00
Activity	8	573,000.0	-	573,000.0	196,700.0	376,300.0	34.00
SMASSE	9	-	-	-	-	-	-
Othervoteheads	10	3,590,800.0	-	3,590,800.0	2,852,324.0	738,476.0	79.00
TOTAL		6,837,800.00	-	6,837,800.00	4,504,824.00	2,332,976.00	195.00

3 FDSE FOR INFRASTRUCTURE									
Maintenance & improvement	1	-	-	-	-	-	-	-	-
M&I parents contribution	2	-	-	-	-	-	-	-	-
Economic stimulus programs	3	-	-	-	-	-	-	-	-
Admiration block	4	-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-	-	-

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(4) FEES CHARGED ON PARENTS						
Personnel emoluments	-	-	-	-	-	-
Repairs and maintenance	993,600.0	-	993,600.0	1,098,380.0	(104,780.0)	111.00
Local transport / travelling	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Othervoteheads	4,347,000.0	-	4,347,000.0	4,976,963.0	(629,963.0)	114.00
Administration costs	-	-	-	-	-	-
Activity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-
Fee on Boarding Equipment and Stores	8,423,801.0	-	8,423,801.0	10,740,695.0	(2,316,894.0)	128.00
IGA	-	-	-	-	-	-
5. Miscellaneous income						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME	13,764,401.0	-	13,764,401.0	16,816,038.0	(3,051,637.0)	-

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparabl e Basi s	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(6) EXPENDITURE FOR TUITION						
Textbooks and reference	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	1,583,008.0	-	1,583,008.0	797,368.00	785,640.0	50.00
Chalks	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
TOTAL	1,583,008.00	-	1,583,008.00	797,368.00	785,640.00	-
(7) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	-	-	-	-	-	-
Repairs, maintenance & improvements	1,910,000.0	-	1,910,000.0	1,388,000.0	3,298,000.0	73.00
Activity	573,000.0	-	573,000.0	601,651.0	(28,651.0)	105.00
Other voteheads	3,590,800.0	-	3,590,800.0	1,870,062.0	1,720,738.0	52.00
Medical	764,000.0	-	764,000.0	-	764,000.0	-
TOTAL	6,837,800.00	-	6,837,800.00	3,859,713.00	5,754,087.00	230.00
(8) EXPENDITURE FOR INFRASTRUCTURE						
Construction of classrooms	-	-	-	-	-	-
Construction of Lab	-	-	-	-	-	-
Construction of dormitory	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(9) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	-	-	-	-	-	-
Repairs, maintenance and improvements	993,600.00	-	993,600.0	369,902.0	623,698.0	37.00
Local transport / travelling	-	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-	-
Medical Expenses	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Activity	-	-	-	-	-	-
Othervoteheads	4,347,000.00	-	4,347,000.0	7,162,556.0	(2,815,556.0)	165.00
Boarding Equipment and Stores	8,423,801.00	-	8,423,801.0	9,850,101.0	(1,426,300.0)	117.00
Expenditure for Income Generating Activity	-	-	-	-	-	-
Insurance costs	-	-	-	-	-	-
TOTALS	13,764,401.00	-	13,764,401.00	17,382,559.00	(3,618,158.00)	

Commentary on significant underutilization (below 90% of utilization) and overutilization above 100%]

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****NOTES TO THE FINANCIAL STATEMENTS****1 GOVERNMENT GRANT FOR TUITION**

Description	2022-2023	2021-2022
	Kshs	Kshs
Textbooks	-	-
Exercise books	-	-
Laboratory Equipments	-	-
Teaching/learning materials	936,098.00	1,031,728.00
Reference materials	-	-
Total	936,098.00	1,031,728.00

2 GOVERNMENT GRANT FOR OPERATIONS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	1,388,000.00	1,703,000.0
Local transport / travelling	-	-
Electricity and water	-	-
Medical	67,800.00	-
NHIF	-	-
Activity	196,700.00	-
Other voteheads	2,852,325.00	2,980,198.0
Insurance	-	-
Total	4,504,825.00	4,683,198.0

3 GOVERNMENT GRANT FOR INFRASTRUCTURE

	0	0
	Kshs	Kshs
Infrastructure grant	1,388,000.00	-
Total	1,388,000.00	-

4.PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	1,098,380.00	1,037,724.00
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	111,676.00	74,669.00
Fee on Boarding Equipment and Stores	13,507,815.00	11,614,248.00
Other voteheads	4,976,963.00	5,909,487.00
Total	19,694,834.00	18,636,128.00

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****NOTES TO THE FINANCIAL STATEMENTS (Continued)****5. MISCELLANEOUS INCOME**

	2022-2023	2021-2022
	Kshs	Kshs
Rent income	-	-
Insurance compensation	-	-
Salary advance	-	4,000.00
NHIF	-	-
Income from Bus Hire	1,082,413.00	563,261.00
Operation account	-	-
Income from grants and donations*(Bursary from CDF)	1,183,780.00	729,940.00
Income from grants and donations*(from CDF)	-	3,620,000.00
Prepaid fees	669,922.00	393,590.00
Uniform	-	-
Student ID	-	-
Tender fee	33,000.00	81,000.00
Total	2,969,115.00	5,391,791.00

(Include an explanation on the kind and source of grants/ donations received by the school.)**6. PAYMENTS FOR TUITION**

	2022-2023	2021-2022
	Kshs	Kshs
Textbooks	-	-
Exercise books	-	-
Laboratory Equipments	-	-
Teaching/learning materials	1,748,208.00	1,404,344.00
Chalks	-	-
Internal exams	-	-
Reference materials	-	-
Bank charges	4,128.00	-
Administration costs	-	-
	-	-
Total	1,752,336.00	1,404,344.00

KYAMBOO SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023
NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. PAYMENTS FOR OPERATIONS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Administration Cost	-	-
Repairs and maintenance & improvements	1,388,000.00	-
Local transport / travelling	-	-
Electricity and water	-	-
Development fund	-	-
Infrastructure	-	1,646,570.00
Activity Expenses	601,651.00	105,200.00
Boarding account	-	-
NHIF	-	-
Bank charges	6,458.00	-
Other voteheads *	2,017,538.00	2,906,705.90
TOTAL	4,013,647.00	4,658,475.90

8. PAYMENTS FOR INFRASTRUCTURE

	0	0
	Kshs	Kshs
Infrastructure	677,233.00	-
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of equipments	-	-
Bank charges	3,768.00	-
Operation	350,000.00	-
TOTAL	1,031,001.00	-

9. BOARDING AND SCHOOL FUND PAYMENTS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	-	514,338.00
Service Gratuity	-	-
Repairs and maintenance & Improvements	369,302.00	-
Administration costs	-	4,381.00
Expenses on IGA-Farm water	-	-
Fee on Boarding Equipment and Stores	12,253,014.00	8,182,374.00
Operation	-	-
Rent Expenses	-	-
Imprest	20,000.00	-
Prepayments	931,415.00	-
Bus hire	912,517.00	569,381.00
Refund	26,085.00	-
Bank charges	17,880.00	-
Activity Expenses	96,760.00	7,000.00
Tender	65,500.00	33,500.00
Bursary payent to students	1,183,780.00	729,940.00
Other voteheads	7,162,556.00	8,706,450.00
CDF-construction of boys dormitory	-	3,615,347.00
TOTAL	23,038,809.00	22,362,711.00

KYAMBOO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****NOTES TO THE FINANCIAL STATEMENTS (Continued)****10. BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2022-2023	2021-2022
		Kshs	Kshs
Tuition Account	1102970859	174,673.00	40,071.00
Operations Account	1102980765	532,522.00	28,585.00
School Fund Account/Boarding	059026161726768	136,609.00	95,791.00
Bus account	0590277334074	176,921.00	13,245.00
CDF Account	0590261485165 1,886.00		1,886.00
Infrastructure Account	1261925939	762,182.00	405,183.00
Total		1,784,793.00	584,761.00

11. CASH IN HAND

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Account	-	-
Operation Account		1,500.00
School Fund account	64,990.00	3,308.00
Bus account	5,800.00	-
Infrastructure Account	-	-
Total	70,790.00	4,808.00

12. SHORT TERM INVESTMENTS

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. ACCOUNTS RECEIVABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears	4,383,469.00	3,086,876.00
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	4,383,469.00	3,086,876.00

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears for current year	2,767,120.00	1,712,625.00
Fees arrears for the previous year	1,712,625.00	757,002.00
Fees arrears for prior periods (over two years)	-	617,249.00
Total	4,479,745.00	3,086,876.00

14. ACCOUNTS PAYABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,775,321.00	1,869,793.00
Prepaid fees	-	-
Caution monies	-	-
Unpaid salaries and statutory deductions	-	-
Other payables	-	-
Total	4,775,321.00	1,869,793.00

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

Description	2022-2023	2021-2022
	Kshs	Kshs
trade creditors for current year	3,500,221.00	944,642.00
Trade creditor for previous year	-	685,841.00
Trade creditor for prior periods (over two years)	1,275,100.00	239,310.00
Total	4,775,321.00	1,869,793.00

KYAMBOO SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

NOTES TO THE FINANCIAL STATEMENTS (Continued)
15. FUND BALANCE BROUGHT FORWARD

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank balances	1,784,793.00	584,761.00
Cash balances	70,790.00	4,808.00
Receivables	4,383,469.00	3,086,876.00
Payables	4,775,321.00	1,869,793.00
Total	1,463,731.00	1,806,652.00

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities.

The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

16. Non-current Liabilities Summary

Description					2022-2023	2021-2022
					Kshs	Kshs
Bank loan(s)	N/A				-	-
Outstanding Leases	N/A				-	-
Hire purchase	N/A				-	-
Gratuity and leave provision	N/A				-	-
Total						

17. Biological assets

Description	Numbers	Opening Balance in Units	Increase during the year	Disposals during the year	At the end of the year	2022-2023	2021-2022
						Kshs	Kshs
Cattle		-	-	-	-	-	-
Goats		-	-	-	-	-	-
Trees		-	-	-	-	-	-
Coffee or tea		-	-	-	-	-	-
Pigs & Donkeys		-	-	-	-	-	-
		-	-	-	-	-	-
Poultry	0	0	0	0	0	-	-

18. Borrowings

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

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

19 .Stock/ Inventory

Description	2022-2023	2021-2022
	KShs	KShs
Stock/ inventory at beginning of the year	1,888,613.00	1,202,353.00
Stock/ inventory purchased during the year	10,322,979.00	3,787,270.00
Stock/ inventory issued during the year	(11,124,293.00)	(3,101,000.00)
Balance at end of the year	1,087,299.00	1,888,623.00

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

20. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

2022	Avoid huge Fees Balances from students	School to be innovative	Not resolved	DEC 2023
		Deal decisively with defaulters		
		Allow parent to pay school fee in kind.		
		Allow piece meal payment		
2022	Prompt payment of creditors	Adhere to the budget	Not resolved	JUNE 2023
		Clear all old debts the soonest		
		Budget for what you have		
		Avoid any unbudgeted expenses		
2022	Streamline a tender committees	School to comply	Not resolved	MAY 2023
2022	Strict adherence to budget	School to come up with a very realistic budget	Resolved	JAN 2023
2022	Avoid huge Fees Balances from students	School to be innovative	Not resolved	DEC 2023

KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

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 2020	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1 IKOO LTD	324,570.00	0	-	-	324,570.00	
Sub-Total	324,570.00	0	-	-	324,570.00	
Supply of goods						
2. MEKO SUPPLIERS PRINTING PLUS	300,150.00				300,150.00	
3. WAGON INVESTMENT LTD	45,200.00				45,200.00	
4 VARIOTECH ENTERPRISES LTD	6,000.00				6,000.00	
5 JOCAJO ENTERPRISES LTD	113,421.00				113,421.00	
6 JOGRANA BOOKSHOP	36,420.00				36,420.00	
7 DEMATECH GENERAL SUPPLIES	507,540.00				507,540.00	
8 ZAKA CAPITAL ENTERPRISES	882,300.00				882,300.00	
9 RICHARD MUTUNGI	4,200.00				4,200.00	
10 MAKAA ENTERPRISES	987,050.00				987,050.00	
11 MUE MUINDU MASILA	66,000.00				66,000.00	
12 KKIM WATER PROJECT	2,800.00				2,800.00	
13 KIMWASCO MWINGI	16,805.00				16,805.00	
14 WHITE COPPY ENTERPRISES	10,000.00		-	-	10,000.00	
15.KIMUTU SELLERS	16,000.00				16,000.00	
16 JOHAND GENERAL SUPPLIERS	15,750.00				15,750.00	
17 MWENDO GROCERIES	77,430.00				77,430.00	
sub total	3,122,226.00				3,122,226.00	
supply of services						
18 KSSHA KITUI COUNTY	16,000.00				16,000.00	
19 KICOSSA	18,645.00				18,645.00	
20 MIGWANI DISTRICT KSSHA WELFARE	12,000.00				12,000.00	
21 CEB MIGWANI SUB COUNTY	6,780.00				6,780.00	
sub total	58,425.00				58,425.00	
Grand Total	3,500,221.00				3,500,221.00	

SUMMARY OF CREDITORS AS AT 30TH JUNE 2023

1 SCHOOL FUND ACCOUNT	2,402,905.00
2. OPERATION ACCOUNT	146,476.00
3. TUITION ACCOUNT	950,840.00
TOTAL	<u>3,500,221.00</u>

ARREARS FOR THE YEAR ENDED 30TH JUNE 2023

CLASS	AMOUNT
FORM 1	214,109.00
FORM 2	743,621.00
FORM 3	748,962.00
FORM 4	1,060,428.00
TOTAL	<u>2,767,120.00</u>



KYAMBOO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Units	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				5.0 Hactares		-	5.0 Hactares
Buildings and structures				2,846,570.00		-	2,846,570.00
Motor vehicles				4,650,000.00		-	4,650,000.00
Office equipment, furniture and fittings				1,500,000.00		-	1,500,000.00
ICT Equipment, and Other ICT Assets				-		-	-
Tools and apparatus				300,000.00		-	300,000.00
Other Machinery and Equipment				-		-	-
Heritage and cultural assets				-		-	-
Intangible assets- soft ware				120,000.00		-	120,000.00
Total				9,416,570.00			9,366,570.00

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