

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 30 JUL 2025	DAY Wednesday
TABLED BY:	Hon. Owen Bayo, CBS, MP Deputy Majority Leader
CLERK AT THE TABLE:	W. N. A. A.

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

KAINUK MIXED SECONDARY SCHOOL

FOR THE YEAR ENDED

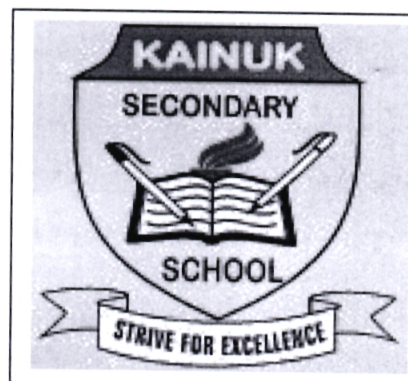
30 JUNE, 2023

TURKANA COUNTY

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**KAINUK MIXED SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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1. Acronyms and Definition of Key Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in **Turkana** County, **Aroo** Sub-County.

The school was registered on **26th March 2014** under registration number **PU/S/38427/14** and is currently categorized as County Public secondary school established, owned and operated by the Government.

The school is a **Mixed** Boarding Secondary School and had **640** students as at **30th June 2023**. It has **three** streams and **24** teachers of which **3** teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr. Peter Hereng Nazegira	Chairman	3/5/2022
2	Mr. Maurice Musundi	Secretary – Principal	3/5/2022
3	Mrs. Everlyne Emekwi	Member – Rep local Community	3/5/2022
4	Mrs. Vanice Longole	Member – Rep local Community	3/5/2022
6	Mr. Sammy Randale	Member – Rep local Community	3/5/2022
7	Mr. Francis Mbotela	Member – Rep local Community	3/5/2022
8	Mr. Peter Locham	Member – Rep local Community	3/5/2022
9	Mr. Darington Lokosio	Member – Rep local Community	3/5/2022
10	Ms. Rosebella Amodoi	Member – Co-opted	3/5/2022
11	Mr. Simion Kalotum	Member – Rep CEB	3/5/2022
12	Mr. Kisa Soyekwo	Member Rep Teachers	3/5/2022
13	Pst. Tum Amos	Member - Sponsor	3/5/2022
14	Fr. Antonio Zerani	Member - Sponsor	3/5/2022
15	Pst. Godnam Lokoel	Member - Sponsor	3/5/2022
16	Mrs. Margaret Lomulen	Member - Rep Special intrest group	3/5/2022
17	Ms. Clare Ame	Member Special Needs	3/5/2022
18	Lochio Daniel	Rep Students	3/5/2022

The functions of the School Board of Management are to:

- 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, of 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 paragraph 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Peter Hereng Mr. Maurice Musundi Mrs. Vanice Longole Mr. Lokosio Darlington Mrs. Margret Lomulen	Chairman Secretary Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee	Mr. Peter Hereng Mr. Lokoriso Darlington Mrs. Margret Lomulen Ms. Clare Ame Mr. Maxim Inganga	Chairman Secretary Member Member Schools Auditor	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
3	Finance, procurement and general purposes Committee	Mr. Peter Hereng Mr. Maurice Musundi Mrs. Vanice Longole Mrs. Margaret Lomulen	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
4	Academic Committee	Mr. Francis Mbotela Mrs. Everlyne Emekwi Mr. Darlington Lokosio Mr. Maurice Musundi	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3

5	Development Committee	Mr. Sammy Randale Mrs. Margaret Lomulen Mr. Maurice Musundi Mr. Godnam Lokoel Mr. Kitoi Johnstone	Chairman Secretary Member Member Scde- Ministry	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
6	Discipline Committee	Mr. Lokoel Godnam Mrs. Clare Ame. Mr. Mbotela Francis Mr. Maurice Musundi	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
7	SIMSC Committee	Mr. Churchil Allan Mrs. Mercy Nabalayo Mrs. Vanice Longole Mr. Godnam Lokoel	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
8	Tendering Committee	Mr. Sammy Randale Mr. Francis Mbotela Mr. Peter Hereng Mr. Lokosio Darlington Mrs. Margret Lomulen	Chairperson Secretary Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
9	Insepection and evaluation Committee	Mrs. Margret Lomulen Mr. Maurice Musundi Mr. Lokosio Darlington Mr. Francis Mbotela	Chairperson Secretary Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3

(a) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Mr. Maurice Musundi	TSC No. 333587
2	Deputy Principal	Mr. Allan Churchil Mingusa	TSC No. 502790
3	School Bursar	Mr. George Barasa	ID Number: 11659779

(b) Schools contacts

Post Office Box: 511 - 30500 Lodwar
Telephone: 07-95-95-40-56
E-mail: kainukmixedsec@gmail.com
Website: None
Facebook: None
Twitter: None

(c) School Bankers

Details of the school bankers.

1. Name of the Bank : Kenya Commercial Bank
Branch : Lodwar
Account Number : 1107209447
Account Name : School Fund Account
2. Name of the Bank : Kenya Commercial Bank
Branch : Lodwar
Account Number : 11077237211
Account Name : Operation Account
3. Name of the Bank : Kenya Commercial Bank
Branch : Lodwar
Account Number : 1107172608
Account Name : Tuition Account
4. Name of the Bank : Kenya Commercial Bank
Branch : Lodwar
Account Number : 1217355545
Account Name : Infrastructure Account
5. Name of the Bank : Kenya Commercial Bank
Branch : Lodwar
Account Number : 1113583843
Account Name : Economic stimulus Account
6. M- pesa Paybill Number: 522123, Account Number 85535K attached to KCB bank Account Number 1107209447.

(d) Independent Auditors

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

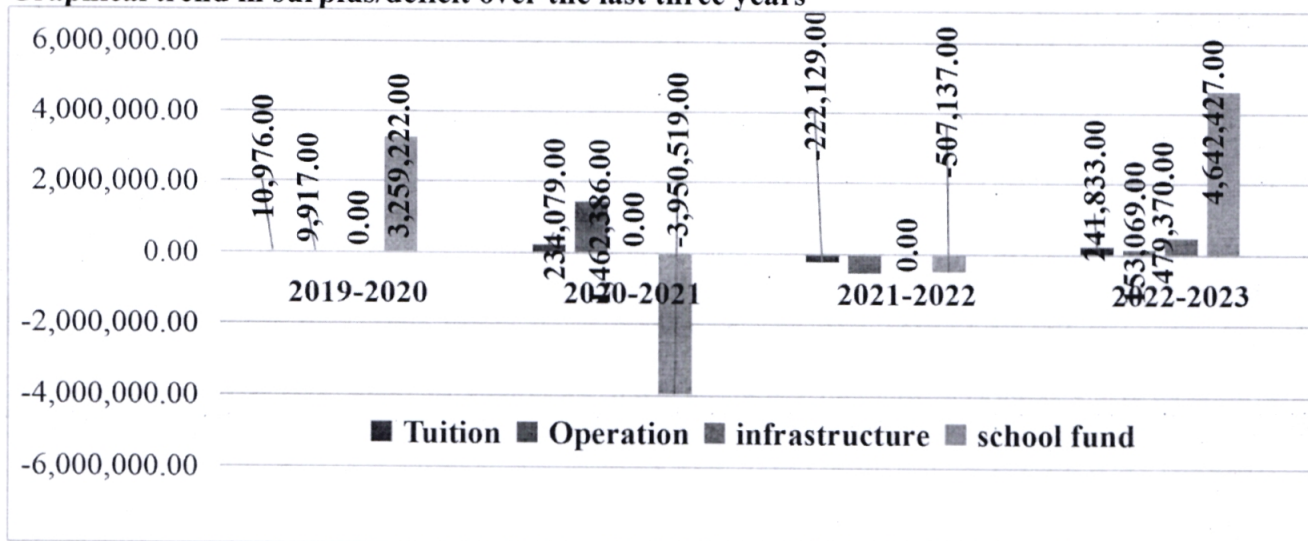
3. Summary Report Of Performance Of The School

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

a) Financial performance:

Surplus /deficit during the year and a comparison of the same for the last three years					
	Accounts	2022-2023	2021-2022	2020-2021	2019-2020
		Ksh.	Ksh.	Ksh.	Ksh.
1.	Tuition Account	241,833	(222,129)	234,079	10,976
2.	Operation Account	153,069	(533,901)	1,462,386	9,917
3.	Infrastructure Account	479,370	0	0	0
4.	School Fund Account	4,642,427	(507,137)	(3,950,519)	3,259,222
	Total	5,516,699	(1,263,167)	(2,254,054)	3,280,115
	<i>increase/decrease</i>	6,779,866	990,887	(5,534,169)	3,195,701

Graphical trend in surplus/deficit over the last three years

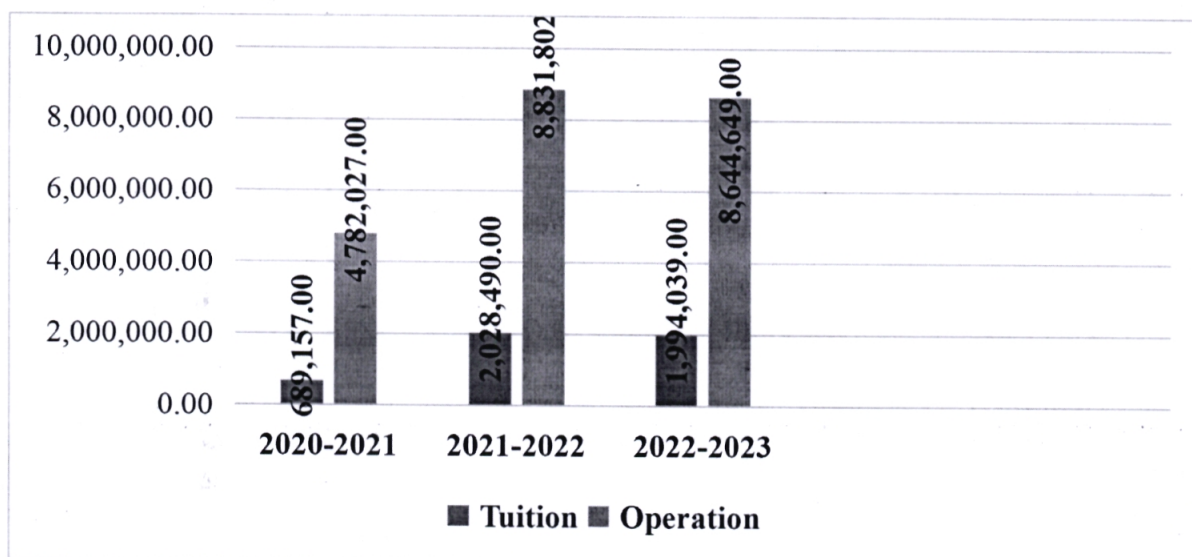


Explanations:

During the financial year 2022 – 2023 the school had a total surplus of Ksh. 5,516,699 while during the financial year 2021-2022 there was a deficit of Ksh. 1,263,167 representing an increase in total surplus by Ksh. 6,779,866. This is because during the financial year 2022-2023 the school was able to minimise its expenses.

Summary report of performance of the school

Capitation Grants from the Ministry of Education for the last three years				
S/No	Account	2022-2023	2021-2022	2020 – 2021
		Ksh	Ksh	Ksh
1	Tuition Account	1,994,039	2,028,490	689,157
2	Operation Account	8,644,649	8,831,802	4,782,027
	Total	10,638,689	10,860,292	5,471,184
	Increase/Decrease	(221,604)	5,389,108	(2,361,719)
	No of Students –NEMIS	640	611	611
	Actual number of students - class register	640	611	611
	Ratio of Capitation per student	1:16,622	1:8,820	1:8,820

Trend in capitation grants over the last three years**Explanations:**

The total capitation grants received by the school from the Ministry of Education during the financial year 2022-2023 was Ksh. 10,638,688 while the total capitation grants received by the school during financial year 2021-2022 was Ksh. 10,860,292 representing a decrease in total capitation by Ksh. 221,604. This is because during the financial year 2022-2023 there was a decrease in government capitation as a result of a decrease in students' population.

Summary report of performance of the school

Ratio of capitation for the past three years

Date	Actual number of students	Nemis Enrolment	Total capitation grants received for Tuition	Capitation rate for Tuition	Total Capitation grants received for Operation	Capitation Rate for Operation
2022-2023						
12/4/2023	640	640	276,160	1:431	1,888,224	1:2,950
29/12/2022	748	748	450,296	1:602	2,322,106	1:3,104
20/9/2022	748	748	670,395	1:896	2,329,452	1:3,114
30/6/2022	750	750	597,188	1:796	2,104,868	1:2,806
Totals	2,886	2,886	1,994,039	1:691	8,644,650	1:2,995
2021 -2022						
23/3/2022	611	611	641,917	1:1,050	1,805,383	1:2,955
23/12/2021	611	611	292,058	1:478	1,267,031	1:2,073
9/12/2021	111	111	81,030	1:730	499,500	1:4,500
27/9/2021	611	611	427,700	1:700	2,171,311	1:3,553
16/7/2021	481	481	351,130	1:481	2,164,500	1:4,500
30/6/2021	120	120	234,655	1:1,955	924,077	1:7,700
Totals	2,545	2,545	2,028,490	1:797	8,831,802	1:3,470
2020-2021						
16/4/2021	661	661	470,302	1:711	1,848,156	1:2,796
9/4/2021	480	480	288,600	1:601	1,617,600	1:3,370
7/12/2020	478	478	164,910	1:345	1,624,029	1:3,398
1/11/2020	200	200	234,655	1,173	(307,758)	1:1,538
	1,819	1,819	689,157		4,782,027	

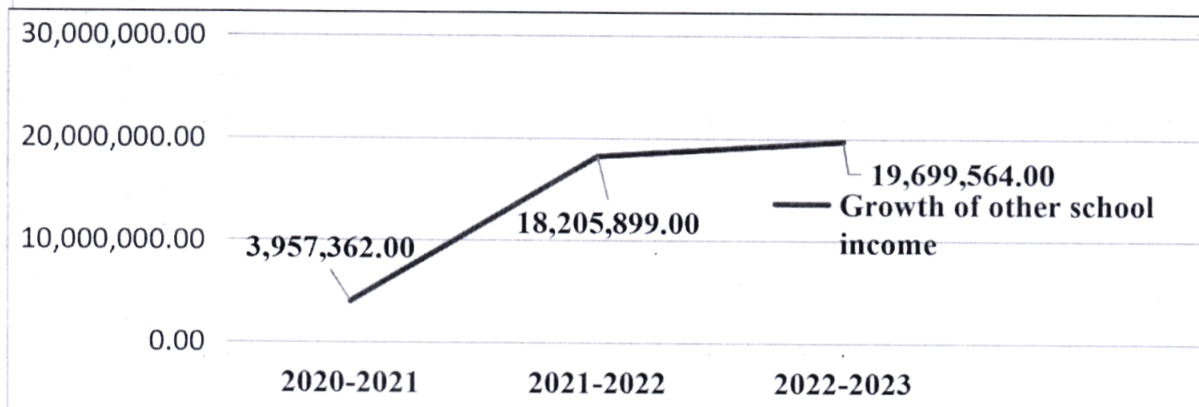
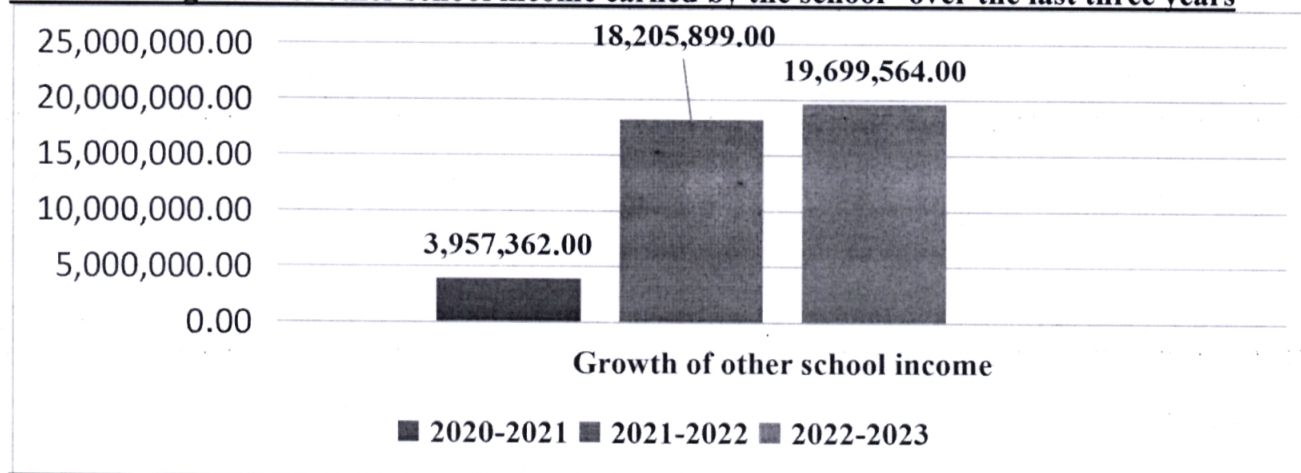
Comments:

The above data has been extracted from Nemis Capitation data summary.

Ministry of Education did not disburse all students' capitation grants to school as some funds were retained for purchase of students' textbooks from KICD while other funds were retained for students' insurance medical cover while funds for SMASSE were paid directly to CEMASTEAM. In addition, Some students lacked birth certificates for Nemis Registration. This also led to underfunding by the government.

Summary report of performance of the school

Overview of growth of other school income earned by the school over the last three years				
S/No	Account	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1	School Fund/Boarding Account	19,699,564	18,205,899	3,957,362
	Total	19,699,564	18,205,899	3,957,362
	Increase/Decrease	1,493,665	14,248,537	(11,288,740)

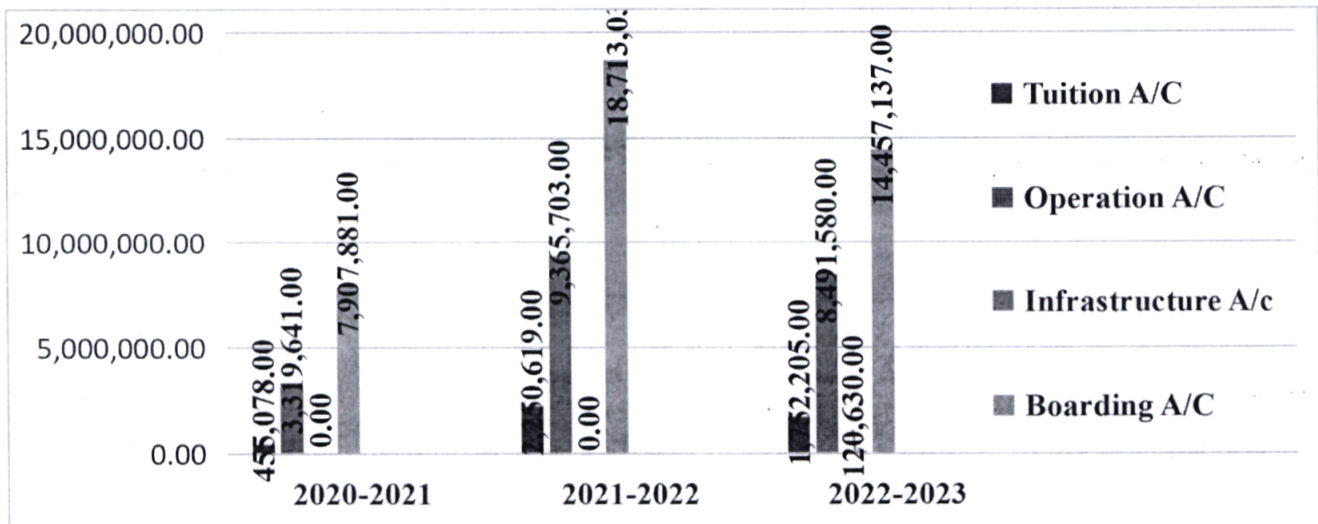
Overview of growth of other school income earned by the school over the last three years**Comments:**

The total growth of other income earned by the school as at 30th June 2023 was Ksh. 19,699,564 while the total growth of other income earned by the school as at 30th June 2022 was Ksh. 18,205,899. This represents an increase in total school fund income by Ksh. 1,493,655. This is because during the financial year 2022-2023 there was an increase in students income as a result of an increase in students population.

Summary report of performance of the school

Overview of growth in expenditure of the school for the last three years				
S/No	Account	2022 - 2023	2021 - 2022	2020-2021
		Ksh	Ksh	Ksh
1	Tuition Account	1,752,205	2,250,619	455,078
2	Operation Account	8,491,580	9,365,703	3,319,641
3	Infrastructure Account	120,630	0	0
3	School Fund/Boarding Account	14,457,137	18,713,036	7,907,881
	Total	24,821,552	30,329,358	11,682,600
	Increase/Decrease	(5,507,806)	18,646,758	(8,038,290)

Expenditure trend over the last three years



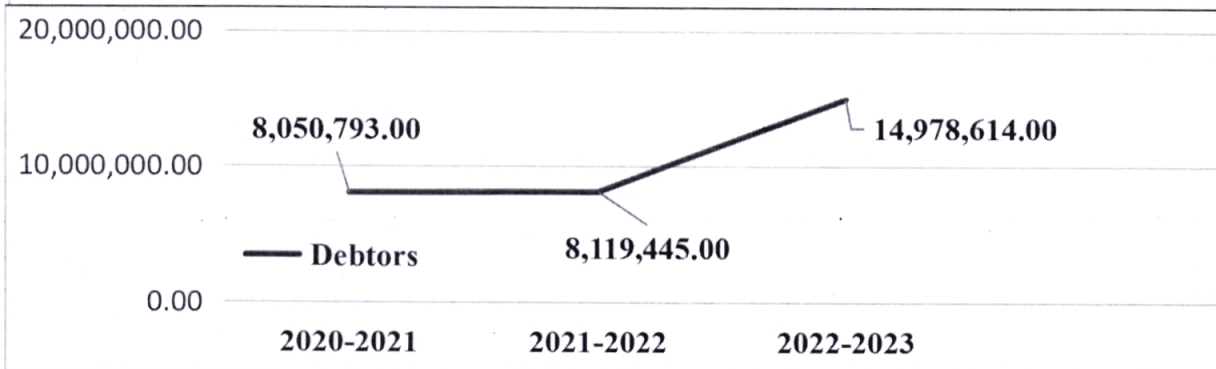
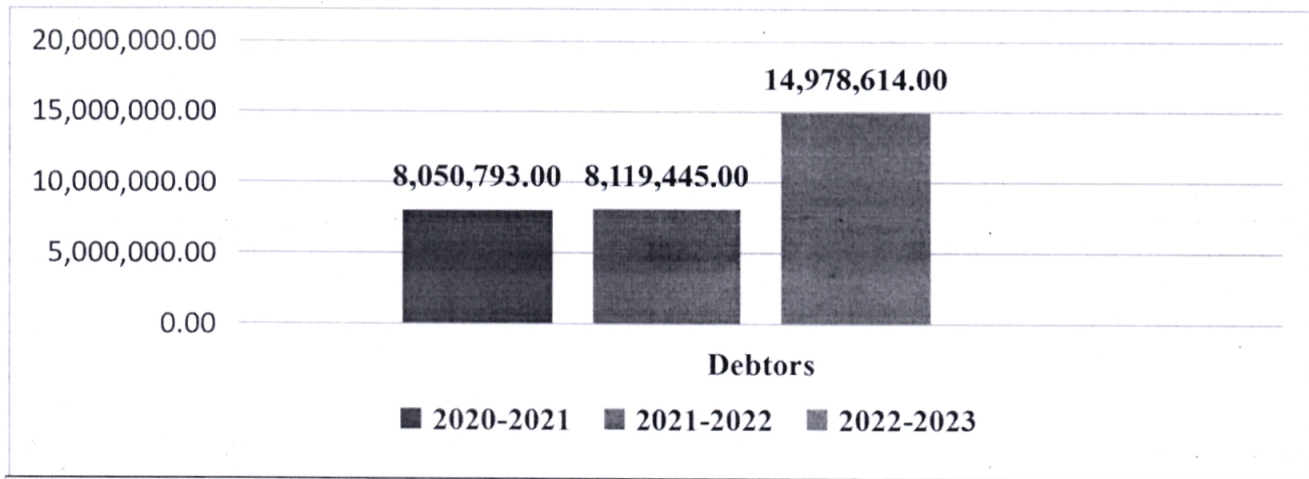
Comments:

The total school expenditures during the financial year 2022-2023 was Ksh. 24,821,552, while the total expenditure during the financial year 2021-2022 was Ksh. 30,329,358. This represents a decrease in total expenditure by Ksh. 5,507,806. This is because during the financial year 2022-2023 the school was able to minimise its expenses.

Summary report of performance of the school

Movement of debtors of the school over the last three years				
S/No	Accounts	2022 -2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1.	School Fund /Boarding Account	14,978,614	8,119,445	8,050,793
	Total	14,978,614	8,119,445	8,050,793
	Increase/Decrease	6,859,169	68,652	(6,397,141)

Trend of debtors over the last three years



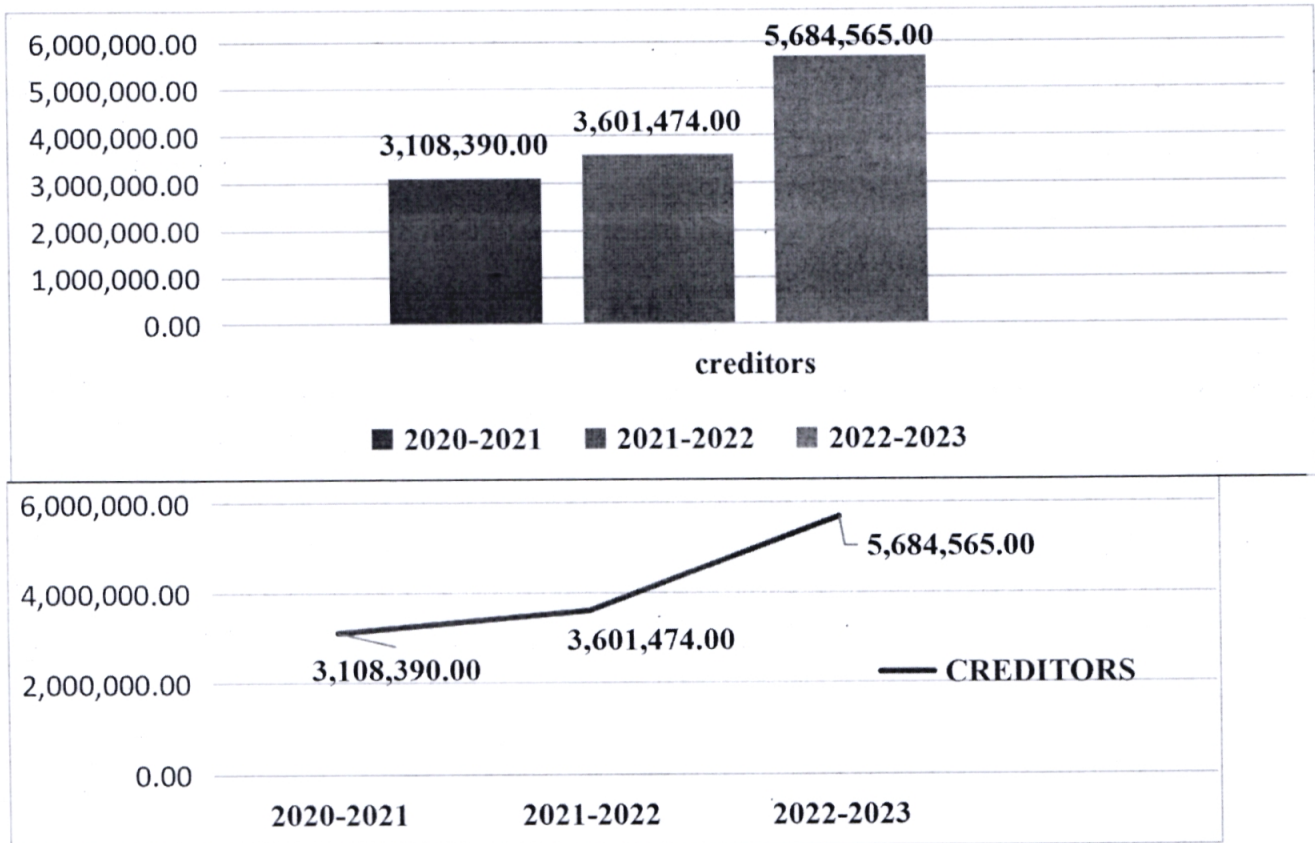
Comments:

The total debtors as at 30th June ,2023 were Ksh. 14,978,614 while the total debtors as at 30th June 2022 were Ksh. 8,119,445. This represents a decrease in total debtors by Ksh. 6,859,169. This is because most parents failed to pay students fees on time.

Summary report of performance of the school

Movement of Creditors of the school over the last three years				
SNo	Accounts	2022-2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1.	Creditors	5,684,565	3,601,474	3,108,390
	Total	5,684,565	3,601,474	3,108,390
	Increase/Decrease	2,083,091	493,084	(2,438,425)

Trend of creditors over the last three years



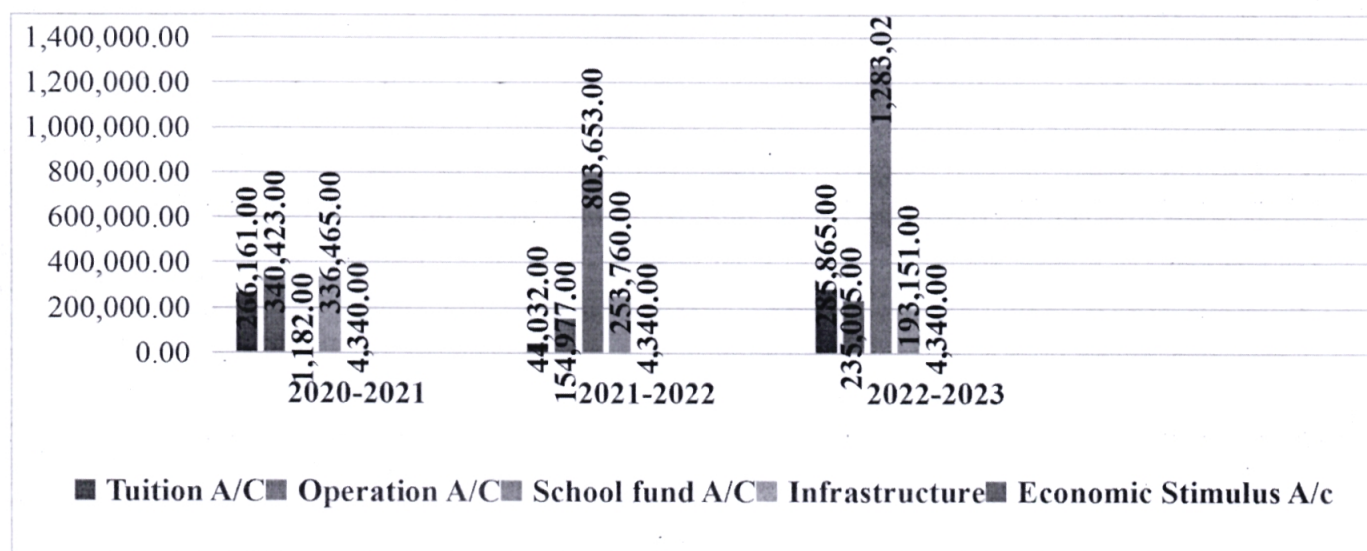
Comments: The total creditors as at 30th June 2023 were Ksh. 5,684,565 while the total creditors as at 30th June 2022 were Ksh. 3,601,474. There was an increase in total creditors during the year by 2,083,091 due to inadequate funding.

The school is determined to collect fees arrears and use the funds collected to pay outstanding creditors and other payables.

Summary report of performance of the school

Movement of Cash and Bank balances over the last three years				
S/no	Account	2022 – 2023	2021-2022	2020-2021
		Ksh	Ksh	Ksh
1	Tuition Account	285,865	44,032	266,161
2	Operation Account	235,005	154,977	340,423
3	School Fund Account	1,283,022	803,653	1,182
4	Infrastructure Account	193,151	253,760	336,465
5	Economic Stimulus Account	4,340	4,340	4,340
	Totals	2,001,383	1,260,762	2,099,497
	<i>Increase/ decrease</i>	740,621	(838,735)	1,704,682

Trend in cash and bank balances over the last three years



Comments:

The total cash and bank balances as at 30th June 2023 was Ksh. 2,001,383 while the total cash and bank balances as at 30th June 2022 was Ksh. 1,260,762, representing an increase in total cash and bank balances by 740,621. The school was able to minimise its expenses.

Summary report of performance of the school

b) Teacher Student ratio:

Between the month of 1st July 2022 and 30th June 2023, the status of the teaching staff was as follows:

Number of teachers employed by School BOM	3
Number of teachers employed by TSC	21
Number of TSC teachers who transferred into the school during the year	0
Number of TSC teachers who were recruited during the year	0
Number of TSC teachers who retired during the year	0
Total number of students during the year	640
Teacher : students ratio	1:27
Number of streams	1
Total subjects taught at school	11
Teacher shortage subject combination	Number of teachers required
Geography / Business Studies	1
Physics/ Chemistry	1
Kiswahili / History	1

Comments:

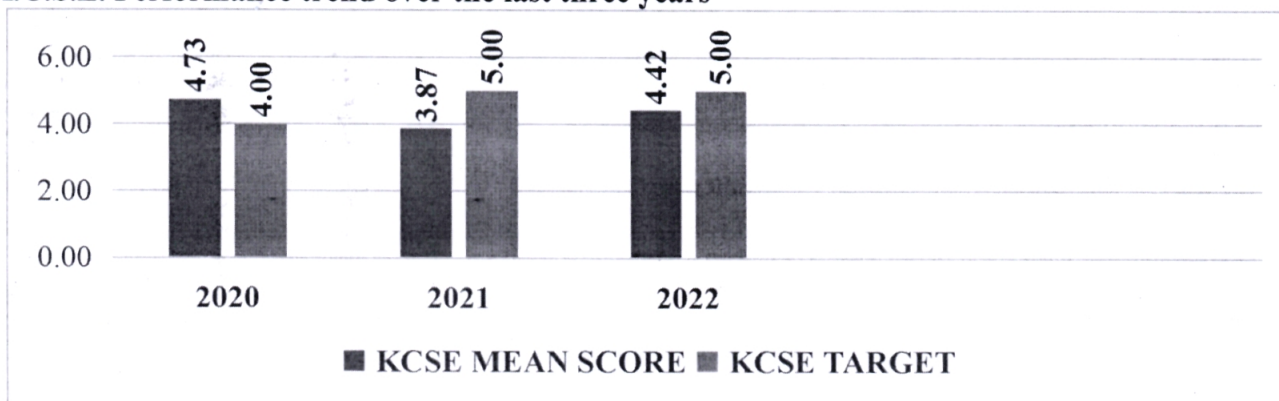
We have a shortage of **3** teachers as a challenge. This is as a result of increased students' population. The school has hired **3** additional teachers on BOM terms to ensure effective teaching and learning at school.

Summary report of performance of the school

(c)K.C.S.E Mean score in the year : 2020, 2021 and 2022.

K.C.S.E year	Enrolment of K.C.S.E candidates	Students transition to higher learning institutions after K.C.S.E.	K.C.S.E mean score	Deviation from previous mean	Deviation (%)	K.C.S.E school target	Comments
2022	115	6	4.730	+ 0.858	22%	5.000	There was a positive deviation
2021	149	6	3.872	-0.548	-12%	5.000	There was a drop in performance
2020	138	9	4.420	+0.365	9%	4.000	There was an improvement in performance

K.C.S.E. Performance trend over the last three years



Comments:

The school K.C.S.E target was achieved due to hardwork.

Summary report of performance of the school

(d) KCSE Number of Candidates in the 2020, 2021 and 2022:

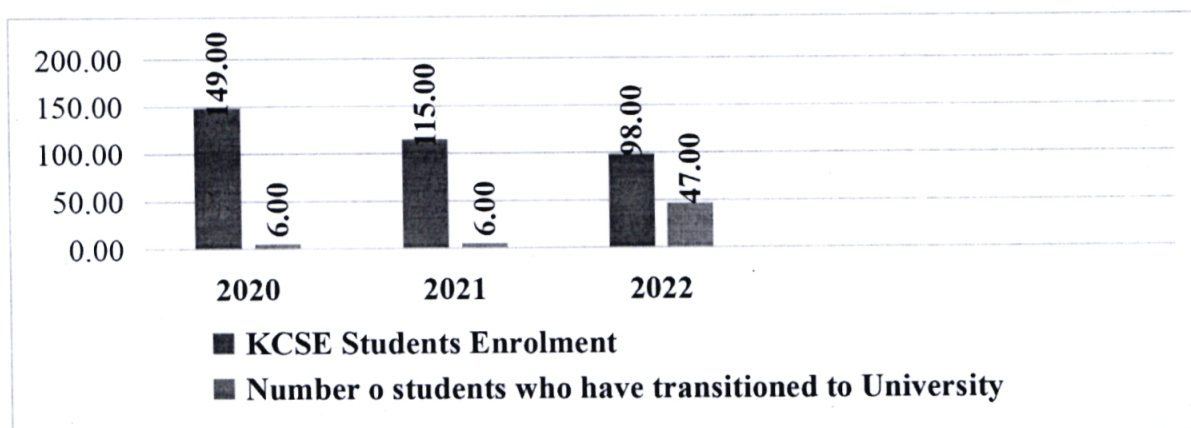
Number of candidates sitting for KCSE over the last three years.

Year	2022	2021	2020
KCSE No of candidates	98	115	149
Total	98	115	149
Increase/decrease	(17)	(34)	11

Number of candidates that transitioned to higher learning institutions (Those having C+ and above) for the last three years.

Year	2022	2021	2020
Number of students that transitioned to university	47	6	6
Total	102	47	6
Increase/decrease	55	41	(3)

K.C.S.E. Students' Enrolment and number of students who transitioned to higher learning institutions over the last three years



Comments:-

There was value addition to students as some students joined university while other students joined tertiary colleges for further education.

Summary report of performance of the school

(e) Capacity of the school:

Financial year		From 1st July 2022 - 30th June 2023			
<i>Total Number of students</i>		640			
<i>Total teaching staff</i>		24			
<i>Total support staff</i>		16			
Total Population		680			
School facilities		no. of facilities	Ratio students to population	Condition of the available facility	Comments
	Status				
Classrooms	Permanent	14 2	1:40	Good Incomplete	Adequate
Dormitory	Permanent	5	1: 128	Good	Adequate
Laboratory	Permanent	2 1	1: 320	Complete Incomplete	Adequate
Consumables Store	Permanent	1	1:1	Good	Adequate
Construction store	Semi-permanent	3	1:1	Good	Adequate
Staff quarters-Teachers	Permanent	5 door	1:8	Good	More required to meet increased staff population
Administration block	Permanent	7 offices	1:3	Good	Adequate
Kitchen	Permanent	1	1:640	Good	Adequate
Students toilets	Permanent	35 doors	1:18	Good	Adequate
Staff toilets	Permanent	10 doors	1:4		

Comments:

The school is required to Replacement of 12 classrooms windows , purchase o a water tank 10,000 litres ,Paint school compound around tuition area. during the next financial year.

Summary report of performance of the school

f) Development projects carried out by the school:

Year	Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2022-2023	Construction of 8 door pit latrine for students Repairs of roof for ICT classroom Repairs of floors for 12 classrooms Renovation of school kitchen	MOE	Complete	1,100,000	1,050,300	30/6/2023

Comments;

- The above stated projects were approved on 26th February 2023 by the Ministry of Education for commencement.
- The School has developed an Improvement Plan that provides a road map for improvement that the school needs to improve the school environment and learning outcomes which outlines the need, the way of developing, implementing, monitoring and evaluation of school Programmes.



.....

Mr. Maurice Musundi

School Principal

Date: 8th May, 2025



4. Statement of School Management Responsibility

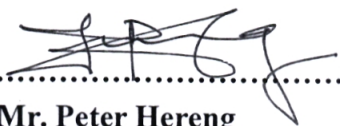
Kainuk Mixed Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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

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

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

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



.....
Name: Mr. Peter Hereng

Designation: Chairman, School Board of Management

Date: 8/5/2025



.....
Name: Mr. Maurice Musundi

Designation: School Principal & Secretary to Board of Management

Date: 8/5/2025



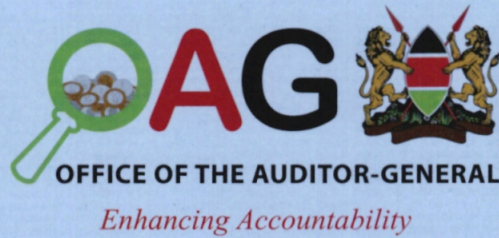
.....
Name: Mr. George Sande Barasa

Designation: Bursar

Date: 8/5/2025

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON KAINUK MIXED SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – TURKANA 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 Kainuk Mixed Secondary School set out on pages 1 to 20, which comprises of the statement of assets and liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and

statement of budget versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kainuk Mixed Secondary School as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracy in the Financial Statements

The statement of budget versus actual amount reflects actual total income of Kshs.30,338,251 while the statement of cash flows for the same period shows actual income of Kshs.24,627,869. This results in a variance of Kshs.5,710,382. Similarly, the statement shows actual payments of Kshs.24,821,552 while the statement of cash flows shows total cash outflow of Kshs.23,887,248 resulting in a variance of Kshs.934,304 that has not been reconciled.

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

2. Inaccuracies in the Statement of Cash Flows

The statement of cash flow reflects acquisition of assets amount of Kshs.120,630. However, the amount differs with the additions of assets during the year amounting to Kshs.600,000 as reflected in Annex 2 on summary of fixed assets resulting in an unreconciled variance of Kshs.479,370.

In the circumstances, the accuracy of acquisition of assets of Kshs.120,630 as reflected in the statement of cash flows could not be confirmed.

3. Unsupported Long Outstanding Student Account Receivables

The statement of financial position reflects accounts receivables balance of Kshs.14,978,614 as disclosed in Note 13 to the financial statement which was in respect of fee arrears from students which were over two (2) years. However, no ageing analysis or list of debtors were provided for audit verification.

In the circumstances, the accuracy, completeness and recoverability of the long-outstanding accounts receivable – student debtors balance of Kshs.18,227,774 could not be confirmed.

4. Lack of Ownership Documents for Fixed Assets

Annex 2 Summary of fixed assets reflects a total assets balance of Kshs.48,256,800. The balance includes land valued at Kshs.6,000,000. However, Management does not have land title deed to confirm the land ownership.

In the circumstances, the ownership of the land valued at Kshs.6,000,000 could not be confirmed.

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

Emphasis of Matter

Budget Control and Performance

The statement of budgeted versus actual amounts reflects total budgeted income of Kshs.33,306,164 against total actual income of Kshs.30,338,251 resulting in an under-funding of Kshs.2,967,913 or 9% of the budget. Similarly, the statement shows total actual income of Kshs. 33,306,164 against total actual payments of Kshs.24,821,552 resulting to under-utilization by Kshs.5,516,699 or 18% of the receipts.

In the circumstances, the under-funding and under-utilization affected the service delivery of the School.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Management is responsible for the other information set out on page iii to xi which comprises of Key Entity Information and Management, Summary Report of Performance

of the School, Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Annual Report and Financial Statements

The annual report and financial statements for the year ended 30 June, 2023 were submitted to the Auditor General for audit on 16 April, 2025. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate. In addition, there was no evidence to show that the School submitted the annual financial statements to the Controller of Budget as required by Section 68(2)(k) of the Public Finance Management Act, 2012.

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

2. Transfer of Funds to Turkana Secondary Schools Heads Association

During the year under review, the School transferred co-curricular funds totaling Ksh.545,000 to the Turkana Secondary Schools Heads Association, a private entity. This was contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015 which states that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a

written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

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

3. Failure to Transfer Infrastructure Funds from the Operations Bank Account

Review of records revealed that the School received operations capitation grants of Kshs.8,644,649 during the year under review out of which an amount of Kshs.2,886,000 was supposed to be transferred to the infrastructure account. However, only Kshs.600,000 was transferred to the account leading to non-transfer of Kshs.2,286,000. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry's regulations.

4. Lack of Approved Staff Establishment

A review of human resource records provided revealed that the School did not have an approved staff establishment. Therefore, contrary to Section B2(1) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 which provides that each state agency shall prepare human resource plans to support achievement of goals and objectives in their strategic plans which shall be based on comprehensive job analysis.

In the circumstances, Management was in breach of the Human Resource Policies and procedures.

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 Risk Management Policy

During the year ended 30 June 2023, there was no evidence to show that the School had a risk management policy. This was contrary to Section 165(1) of the Public Finance Management (National Government) Regulations, 2015 which requires that the Accounting Officer shall ensure that the national government entity develops - (a) risk management strategies, which include fraud prevention mechanism; and (b) a system of risk management and internal control that builds robust business operations.

In the circumstances, the effectiveness of risk management strategies could not be confirmed.

2. Weaknesses in Information and Communication Technology Control Environment

Review of IT governance documents and interviews with the management revealed that the School did not have an approved ICT policy for the period under review. Further, the School lacked IT Strategy Committee and IT Steering committee to oversee the School's IT assets, IT strategic plan and a formal, documented and tested emergency procedure in place. In addition, the audit review revealed that the School had not secured an offsite backup location to enhance business continuity in case of a natural disaster or malicious damage of the School's data and information.

In the circumstances, the effectiveness of Information and Communication Technology control environment could not be confirmed.

3. Poor Maintenance of Student Enrollment Data

During the financial year, the NEMIS reported an average total number of seven hundred and twenty-two (722) students. However, records maintained in the School registers reflected an average total number of four hundred and sixty-four (464) students resulting in an unexplained variance of two hundred and fifty-eight (258) students.

In the circumstances, the effectiveness of the management and record maintenance of the student enrollment data could not be confirmed.

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

Responsibilities of the Management and Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the

effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL


Nairobi

23 June, 2025

6. Statement Of Receipts and Payments for the Year Ended 30th June 2023


Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,994,038	2,028,490
Government grants for operations	2	8,644,649	8,831,802
Government Grants for infrastructure	3	600,000	
School fund income- parents' contributions	4	19,099,564	18,205,899
Miscellaneous incomes	5	0	0
Total Receipts		30,338,251	29,066,191
Payments			
Tuition	6	1,752,205	2,250,619
Operations	7	8,491,580	8,597,174
Infrastructure	8	120,630	768,529
Boarding and school fund	9	14,457,137	18,713,036
Total Payments		24,821,552	30,329,358
Surplus/Deficit		5,516,699	(1,263,167)

The school financial statements were approved on 8/5/2025 and signed by:



 Name:
Mr. Peter Hereng

Chair BOM

Date: 8/5/2025


 Name:
Mr. Maurice Musundi
School Principal/ Secretary to
BOM

Date: 8/5/2025


 Name:
Mr. George Barasa

Bursar

Date: 8/5/2025




7. Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022 - 2023	2021 - 2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,999,626	1,259,485
Cash balances	11	1,757	1,277
Short term investments	12	0	0
Total cash and cash equivalent		2,001,383	1,260,762
Account's receivables	13	14,978,614	8,119,445
Total financial assets (a)		16,979,997	9,380,207
Financial liabilities			
Accounts payables	14	(5,684,565)	(3,601,474)
Total Financial Liabilities (b)		11,295,432	5,778,733
Net financial assets (a-b)			
Represented by			
Accumulated fund b/fwd	15	5,778,733	7,041,900
Surplus/deficit for the year		5,516,699	(1,263,167)
Net Assets		11,295,432	5,778,733

The school's financial statements were approved on 8/5/2025 and signed by:


 Name: Mr. Peter Hereng


 Name: Mr. Maurice Musundi


 Name: Mr. George Barasa

Chair BOM

School Principal/ Secretary to BOM

Bursar

Date: 8/5/2025

Date: 8/5/2025

Date: 8/5/2025

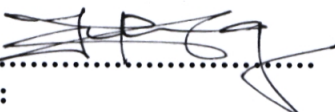


8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022 - 2023	2021 - 2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,994,038	2,028,490
Government grants for operations	2	8,644,649	8,831,802
Government grants for infrastructure	3	600,000	0
School fund income- parents contributions/ fees	4	13,389,182	19,067,721
Other income		0	0
Total receipts		24,627,869	29,928,013
Payments			
Cash outflows for tuition	5	1,752,205	2,250,619
Cash outflows for operations	6	8,564,620	8,587,174
Cash outflows Boarding/lunch and school fund payments	7	13,449,793	19,150,426
Total payments		23,766,618	29,998,219
Net cash inflow/outflow from operating activities		861,251	(70,206)
Cash flow from investing activities			
Acquisition of assets		(120,630)	(768,529)
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash inflow/outflows from investing activities		(120,630)	(768,529)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0	0
Repayment of principal borrowings		0	0
Net cash inflow/outflow from financing activities		0	0
Net increase/decrease in cash and cash equivalents		740,621	(838,735)
Cash and cash equivalent at beginning of the FY		1,260,762	2,099,497
Cash and cash equivalent at end of the FY		2,001,383	1,260,762

Kainuk Mixed Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

The school's financial statements were approved on 8/5/2025 and signed by:



.....
Name:
Mr. Peter Hereng

Chair BOM

Date: 8/5/2025



.....
Name:
Mr. Maurice Musundi
School Principal/ Secretary to
BOM

Date: 8/5/2025



.....
Name:
Mr. George Barasa

Bursar

Date: 8/5/2025



9. 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	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Government Grant for Tuition					
Teaching / learning materials	2,569,280	(497,280)	2,072,000	1,994,038	96%
Sub -Total	2,569,280	(497,280)	2,072,000	1,994,038	96%
(2) Government Grant for Operations					
Personnel emoluments	2,790,239	0	2,790,239	1,800,300	65%
Repairs and maintenance	3,100,000	0	3,100,000	2,886,000	93%
Local transport / travelling	730,325	0	730,325	642,549	88%
Electricity and water	1,171,196	728,804	1,900,000	1,800,200	95%
Medical	1,240,000	(1,090,000)	150,000	149,600	100%
Administration costs	1,135,516	764,484	1,900,000	962,800	51%
Activity	930,000	0	930,000	403,200	43%
Smasse	124,000	0	124,000	0	0%
Sub- Total	11,221,276	403,288	11,624,564	8,644,649	74%
(3) Government Grant for Infrastructure					
Maintenance & Improvement	0	0	0	600,000	0%
Transition infrastructure grants	0	0	0	0	0%
Administration Block	0	0	0	0	0%
Sub-Total	0	0	0	600,000	0%

Kainuk Mixed 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	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(4) Fees Charged on Parents</i>					
Personnel emoluments	3,464,661	(1,764,661)	1,700,000	1,664,331	98%
Repairs and maintenance	0	1,700,000	1,700,000	1,687,919	99%
Local transport / travelling	1,454,804	(754,804)	700,000	685,000	98%
Electricity and water	907,175	(557,175)	350,000	350,000	100%
Administration costs	1,410,484	(780,484)	630,000	610,000	97%
Activity	310,000	65,000	375,000	372,562	99%
Fee on Boarding Equipment and stores	14,154,600	0	14,154,600	13,729,752	97%
Sub-Total	21,701,724	(2,092,124)	19,609,600	19,099,564	97%
<i>(5) Miscellaneous Incomes</i>					
Income From Farming Activities	0	0	0	0	0%
Insurance Compensation	0	0	0	0	0%
Income From Bus Hire	0	0	0	0	0%
Fee For Hire of Ground and Equipment	0	0	0	0	0%
Sub-Total	0	0	0	0	0%
Total Income	35,492,280	(2,186,116)	33,306,164	30,338,251	91%
<i>(6) Expenditure For Tuition</i>					
Teaching / Learning Materials	2,569,280	(497,280)	2,072,000	1,750,112	84%
Bank Charges	0	0	0	2,093	0%
Sub -Total	2,569,280	(497,280)	2,072,000	1,752,205	85%

Kainuk Mixed 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	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(7) Expenditure For Operations</i>					
Personnel emoluments	2,790,239	0	2,790,239	2,700,600	97%
Repairs and maintenance	3,100,000	0	3,100,000	1,007,230	32%
Local transport / travelling	730,325	0	730,325	522,606	72%
Electricity and water	1,171,196	728,804	1,900,000	1,630,700	86%
Medical	1,240,000	(1,090,000)	150,000	17,300	12%
Administration costs	1,135,516	764,484	1,900,000	1,865,000	98%
Activity	930,000	0	930,000	744,600	80%
Bank Charges	0	0	0	3,544	0%
Smasse	124,000	0	124,000	0	0%
Sub- Total	11,221,276	403,288	11,624,564	8,491,580	73%
<i>(8) Expenditure for Infrastructure</i>					
Construction of 8 door pit latrine	0	0	0	120,000	0%
Bank Charges	0	0	0	630	0%
Sub-Total	0	0	0	120,630	0%
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel emoluments	3,464,661	(1,764,661)	1,700,000	1,576,050	93%
Repairs and maintenance	0	1,700,000	1,700,000	174,538	10%
Local transport / travelling	1,454,804	(754,804)	700,000	608,300	87%
Electricity and water	907,175	(557,175)	350,000	228,759	65%
Administration costs	1,410,484	(780,484)	630,000	575,600	91%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Activity	310,000	65,000	375,000	282,570	75%
Fee on Boarding Equipment and stores	14,154,600	0	14,154,600	10,997,806	78%
Bank charges	0	0	0	13,514	0%
Sub-Totals	21,701,724	(2,092,124)	19,609,600	14,457,137	74%
Total expenditure	35,492,280	(2,186,116)	33,306,164	24,821,552	75%

Explanation:

- a. There was underutilisation in operation income as a result of underfunding by the Ministry of Education.
- b. There was underutilisation on receipt of fees charged on Boarding equipment and stores since most parents did not pay students fees on time which affected school planned activities during the financial year.
- c. There was underutilization in expenditure for Activity Vote head as a result of availability of sports equipment.
- d. Few repairs were done leading to underutilisation in expenditure for electricity water and conservancy.
- e. There were less tours during the year hence this led to underutilisation on local transport and travel expenditure.
- f. There was underutilization in expenditure for repairs maintenance and improvement as a result of few repairs done during the year.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, 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 various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

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 an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

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.

11. Notes To the Financial Statements

1. Government Grants for Tuition

Description	2022 - 2023	2021-2022
	Kshs	Kshs
Reference Materials	0	0
Exercise Books	0	0
Laboratory Equipment	0	0
Internal Exams	0	0
Teaching / Learning Materials	1,994,038	2,028,490
Total	1,994,038	2,028,490

2. Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	1,800,300	2,060,520
Repairs and maintenance	2,886,000	3,123,596
Local transport / travelling	642,549	564,500
Electricity and water	1,800,200	1,317,000
Medical	149,600	122,200
Administration costs	962,800	1,643,986
Activity	403,200	0
Total	8,644,649	8,831,802

3. Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	600,000	0
Transition infrastructure grants	0	0
Economic stimulus grants	0	0
Total	600,000	0

Notes To the Financial Statements(continued)

4. School fund income – Parents Contribution

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Personnel emoluments	1,664,331	2,346,617
Repairs and maintenance	1,687,919	726,174
Local transport / travelling	685,000	259,481
Electricity and water	350,000	790,320
Administration costs	610,000	1,300,500
Activity	372,562	204,539
Fee on Boarding Equipment and stores	13,729,752	12,578,268
Total	19,099,564	18,205,899

5. Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Rent Income	0	0
Income From Farming Activities	0	0
Insurance Compensation	0	0
Income From Posho Mill	0	0
Income From Bus Hire	0	0
Fee For Hire of Ground and Equipment	0	0
Income From Grants and Donations	0	0
Interest Income	0	0
Dividends Income	0	0
Loans/Borrowings	0	0
Total	0	0

Notes To the Financial Statements(continued)

6. Payment for Tuition

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Exercise Books	0	0
Textbooks	0	0
Reference materials	0	0
Laboratory Equipment	0	0
Teaching / Learning Materials	1,750,112	2,248,387
Exams And Assessment	0	0
Teachers Guides	0	0
Bank Charges	2,093	2,232
Total	1,752,205	2,250,619

7. Payment for Operations

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Personnel emoluments	2,700,600	3,706,885
Repairs and maintenance	1,007,230	1,457,793
Local transport / travelling	522,606	550,600
Electricity and water	1,630,700	1,170,000
Medical	17,300	0
Administration costs	1,865,000	1,700,520
Activity	744,600	8,400
Bank Charges	3,544	2,976
Total	8,491,580	8,597,174

Notes To the Financial Statements(continued)

8. Payment for Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of students toilets	120,000	768,529
Bank charges	630	0
Total	120,630	768,529

9. Boarding And School Fund Payment

Description	2022- 2023	2021 - 2022
	Kshs	Kshs
Personnel emoluments	1,576,050	2,366,253
Repairs and maintenance	174,538	2,806,500
Local transport / travelling	608,300	764,154
Electricity and water	228,759	524,500
Administration costs	575,600	1,200,600
Activity	282,570	269,780
Fee on Boarding Equipment and stores	10,997,806	10,771,741
Bank charges	13,514	9,508
Totals	14,457,137	18,713,036

Notes To the Financial Statements(continued)

10. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022 - 2023	2021 - 2022
	Active		Kshs	Kshs
Tuition Account	Active	1107172608	285,865	44,032
Operations Account	Active	1107237211	233,248	154,540
School Fund Account/Boarding	Active	1107209447	193,151	252,920
Infrastructure Account	Active	1107185076	1,283,022	803,653
Economic Stimulus/ ICT Account	Dormant	1113583843	4,340	4,340
Total			1,999,626	1,259,485

11. Cash In Hand

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Notes and coins	1,757	1,277
Total	1,757	1,277

12. Short Term Investments

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

Notes To the Financial Statements(continued)

13. a) Accounts Receivable

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Fees Arrears	14,978,614	8,119,445
Other Non-Fees Receivables		
Salary Advances	0	0
Imprest	0	0
Rent arrears	0	0
Total	14,978,614	8,119,445

13 b) Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	14,217,362	95%	5,944,867	73%
Between 1- 2 years	761,252	5%	2,174,578	27%
Between 2-3 years	0	0%	0	0%
Over 3 years	0	0%	0	0%
Total (should tie to note 13 a)	14,978,614	100%	8,119,445	100%

14 a) Accounts Payable

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,535,780	2,671,000
Prepaid Fees	1,148,785	930,474
Retention Monies	0	0
Direct deposits	0	0
Caution money	0	0
Total	5,684,565	3,601,474

Notes To the Financial Statements(continued)

14b. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
		Kshs		Kshs
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	3,860,066	85%	2,671,000	100%
Between 1- 2 years	675,714	15%	0	0%
Between 2-3 years	0	0%	0	0%
Over 3 years	0	0%	0	0%
Total (should tie to note 14a)	4,535,780	100%	2,671,000	100%

15 Fund Balance Brought Forward

Description	2022 - 2023		2021 - 2022	
		Kshs		Kshs
Bank Balances		1,259,485		2,093,891
Cash Balances		1,277		5,606
Short Term Investments		0		0
Receivables		8,119,445		8,050,793
Payables		(3,601,474)		(3,108,390)
Total		5,778,733		7,041,900

Other important disclosure notes

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

16. Non-current Liabilities Summary

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	0	0

17. Biological assets

Description	Numbers	2022 - 2023	2021 - 2022
		Kshs	(Kshs)
Cattle	0	0	0
Goats	0	5	5
Indigenous Trees	121	150,000	130,000
Maize Plantation	0	0	0
Poultry	0	0	0
Total		150,000	130,000

18. Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	0	0
Balance at the end of the year	0	0

Other important disclosure notes

19. Stock/ Inventory

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Food stuffs	51,600	105,300
Lab consumables	76,000	140,000
Farm produce	0	0
Medication	2,500	4,250
Construction Materials	35,000	303,000
Totals	165,100	552,550

12. Annexes

Annex I - Analysis of Pending Accounts Payables

Supplier Of Goods or Services	Item supplied	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY 2022-2023	Outstanding Balance Comparative 2021-2022	Comments
		A	b	C	d=a-c		
		Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods							
1. Elimu Kaamoni Enterprises	Foodstuffs	1,770,150	Balance b/f 1/7/2022	0	1,825,340	1,770,150	To be paid when funds are available
2. Pajn stores	Foodstuffs	725,500	Balance b/f 1/7/2022	0	1,751,000	725,500	To be paid when funds are available
3. Pestigon Limited	Sanitary services	35,150	Balance b/f 1/7/2022	0	134,200	35,150	To be paid when funds are available
4. Ajakanut Enterprises	Fruits	0	Balance b/f 1/7/2022	86,600	86,600	0	To be paid when funds are available
5. Kainuk Amani Shop	Foodstuffs	134,400	Balance b/f 1/7/2022	134,400	0	134,400	To be paid when funds are available
6. Waki Supplies Agency	Sports wear	0	Balance b/f 1/7/2022	0	292,300	0	To be paid when funds

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Supplier Of Goods or Services	Item supplied	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY 2022-2023	Outstanding Balance Comparative 2021-2022	Comments
							are available
7. Lowaya Pharmacy	Medicine/ drugs	0	Balance b/f 1/7/2022	0	441,300	0	To be paid when funds are available
8. Lisa Paper works	Stationery	0	Balance b/f 1/7/2022	0	5,040	0	To be paid when funds are available
9. Possible Auto Spares	School bus repairs KBT 567 N	5,800	Balance b/f 1/7/2022	5,800	0	5,800	To be paid when funds are available
Totals		2,671,000		226,800	4,535,780	2,671,000	

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land (20 acres)	6,000,000	0	0	6,000,000
Buildings And Structures	19,900,000	120,630	0	20,020,630
Motor Vehicle KBT 567 N	4,700,000	0	0	4,700,000
Furniture and Fittings	6,125,000	0	0	6,125,000
Office Equipment	1,550,000	0	0	1,550,000
Science Laboratory tools and equipment	1,300,000	0	0	1,300,000
Farm tools and equipment	50,000	0	0	50,000
Kitchen tools and equipment	1,000,000	0	0	1,000,000
Sports equipment	100,000	0	0	100,000
First aid tools and equipment	4,000	0	0	4,000
Electricity tools and equipment	30,000	0	0	30,000
Water tanks	686,000	0	0	686,000
Textbooks	5,500,000	0	0	5,500,000
Machines	640,000	0	0	640,000

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Asset Class	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
ICT Tools and equipment	360,000	0	0	360,000
Computers	200,000	0	0	200,000
Heritage and cultural assets	111,800	0	0	111,800
Intangible assets	48,256,800	120,630	0	48,377,430
Total				