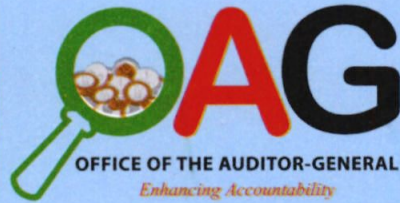


REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY	
DATE: 29 JUL 2026	DAY: WEDNESDAY
TABLED BY:	HON. MARGARET KITANYI
CLERK-AT THE-TABLE:	ON BEHALF OF LOM
	ESTHER NGINYO

BAVUNI SECONDARY SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2024

NAKURU COUNTY



BAVUNI SECONDARY SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30 JUNE 2024

**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

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

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 Nakuru County, Nakuru-North Sub-County.

The school was registered in 01/1984 under registration number 32S30000099 and is currently categorized as a *Sub County* public school established, owned or operated by the Government.

The school is a day/boarding school and had 1187 number of students as at 30th June 2024. It has 05 streams and 37 teachers of which 8 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	Edward Muriithi	Chairman	20th July 2022
2	Julius Mutahi	Secretary - Principal	20th July 2022
3	Jedida N Ngugi	Member	20th July 2022
4	Nelly Mutungi	Member	20th July 2022
5	Godwin K.	Member	20th July 2022
6	Pst David Njogu	Member	20th July 2022
7	Sammy Ngugi	Member	20th July 2022
8	David K. Wamukuru	Member – Rep CEB	20th July 2022
9	Graham Kinyanjui	Member Rep Teachers	20th July 2022
10	Titus K. Karanja	3 Members - Sponsor	20th July 2022
11	Paul Maina		
12	Anne Gichuki		
13	Pst Jane Mwangi	Member - Community	20th July 2022
14	Judy Mirango	Member Special Needs	20th July 2022
15	Veronicah Wanjiru	Member	20th July 2022
15	Victor Njau	Rep Students	20th July 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 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. Edward Muriithi 2. Julius Mutahi 3. Sammy Ngugi 4. Anne Gichuki	CHAIRMAN PRINCIPAL PA CHAIRPERSON	1 out of 3 1 out of 3 1 out of 3 1 out of 3
2	Audit Committee	Julius Mutahi Edward Muriithi Sammy Ngugi		
3	Finance, procurement and general purposes Committee	Julius Mutahi Sammy Ngugi David Gichini Anne Gichuki Pst Jane Mwangi		1 out of 3 1 out of 3 1 out of 3 1 out of 3 1 out of 3
4	Academic Committee	Jedidah ngugi Nelly Mutungi Graham Njenga Paul Maina Julius Mutahi		1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1
5	Development Committee	Rev. Titus Karanja Julius Mutahi Edward muriithi Judy Mirango Gerald Kinyua		1 out of 3 1 out of 3 1 out of 3 1 out of 3 1 out of 3
6	Discipline and welfare Committee	Julius mutahi Edward Muriithi Sammy Ngugi		1 out of 3 1 out of 3 1 out of 3

(d) School operation Management

For the financial year ended 30th June, 2024 the school's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Julius Gichuhi	TSC No. 361203
2	Deputy Principal-Administration/Academics	Pamela Obonyo	TSC No. 336627
3	Deputy Principal- Administration	Paul Kagunda	TSC NO. 363143
4	School Bursar	Naomi Kiratu	ID NO. 10511887

(e) Schools contacts

Post Office Box: 4061 Nakuru
 Telephone: 0769 886 982
 E-mail: bavunisec@gmail.com

(f) School Bankers

Name of Bank: EQUITY BANK	FAMILY BANK	NATIONAL BANK
Branch: GATEHOUSE NAKURU	FINANCE	NAKURU

(g) Independent Auditors

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

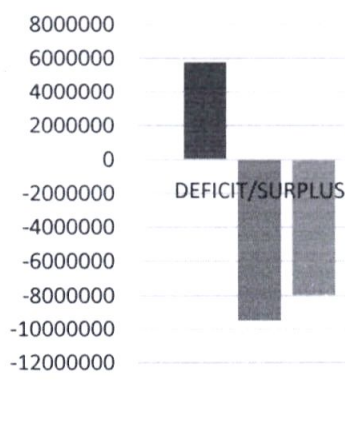
3. Summary Report of Performance of The School

a) Financial performance:

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

YEAR	2023-24	2022-23	2021-22
DEFICIT/SURPLUS	5,771,611	(9,490,098)	(7,974,276)

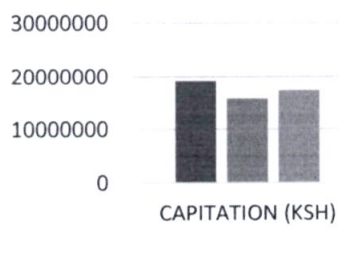
Surplus/ deficit for three years



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

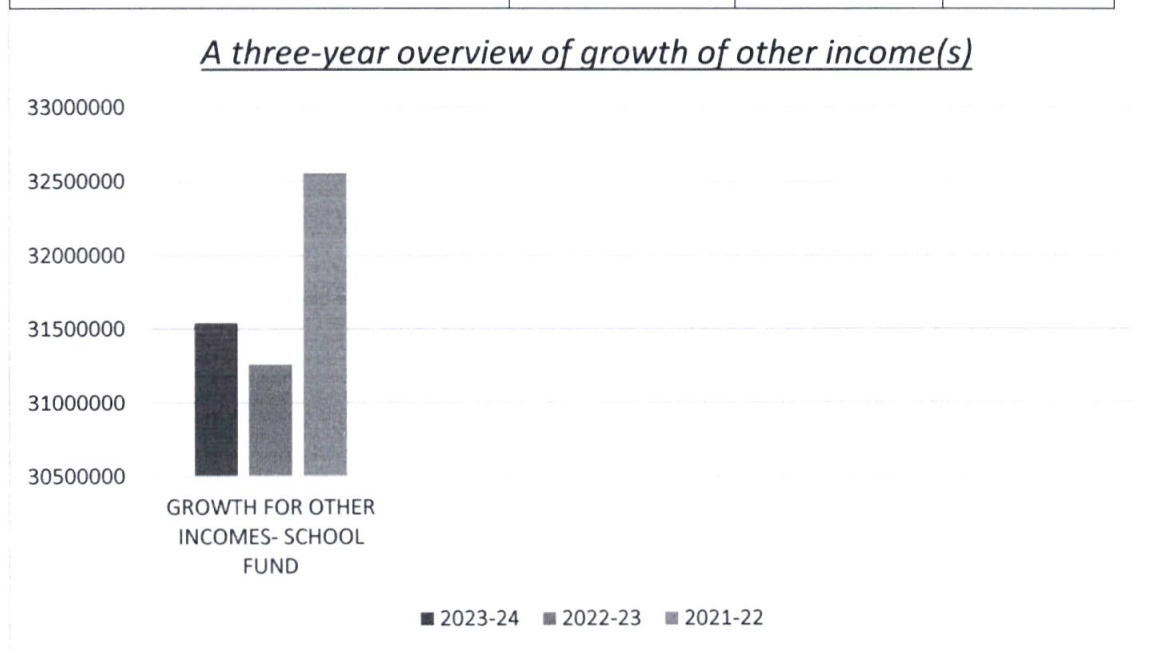
YEAR	2023-24	2022-23	2021-22
CAPITATION (KSH)	19,501,027	15,809,483	17,438,941

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



- A three-year overview of growth of other income(s) earned by the school.

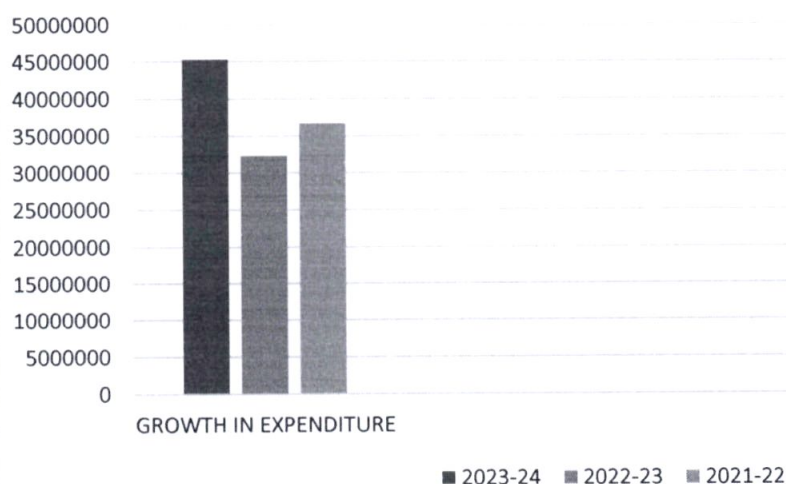
YEAR	2023-24	2022-23	2021-22
GROWTH FOR OTHER INCOMES- SCHOOL FUND	31,540,693	31,258,866	32,556,653



- *A three-year overview of growth in expenditure of the school*

YEAR	2023-24	2022-23	2021-22
GROWTH IN EXPENDITURE	45,270,109	32,304,488	36,675,119

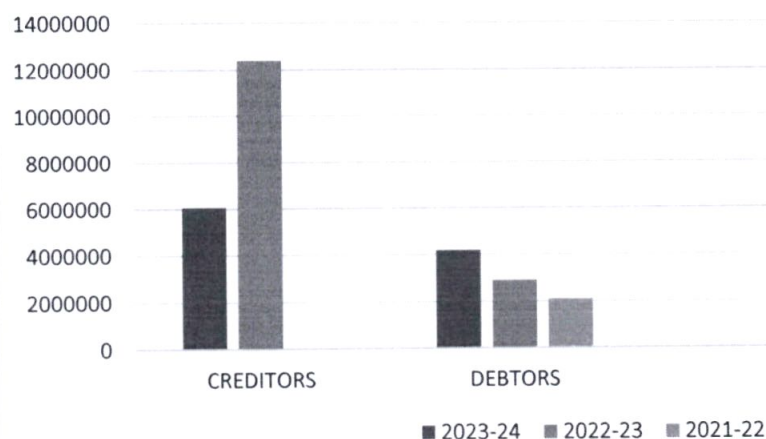
A three-year overview of growth in expenditure



- *Movement of debtors and creditors of the school over the last three years*

YEAR	2023-24	2022-23	2021-22
CREDITORS	6,063,672	12,405,178	-
DEBTORS	4,189,886	2,900,803	2,096,104

Movement of debtors and creditors for three years



b) Teacher Student ratio:

Between 1st July 2023 and 30th June 2024, the status of the teaching staff was as follows:

There were 31 teachers posted by the Teachers service commission and 11 Teachers employed by the Board of management. We are grateful to have one teacher posted to the school, one of our deputy's was promoted to a principal and we received anew deputy.

Financial year	No. of Teachers (TSC)	No. of Students	Teachers Student Ratio
30 th June 2024	43	1187	1:28
30 th June 2023	37	1223	1:33
30 th June 2022	34	1152	1:34

The student teachers ratio was 1:27 and we have a shortage of 25 from the given CBE.

SUBJECT	No of Teachers Required
English	1
Kiswahili	2
Mathematics	4
Biology	3
Physics	1
Chemistry	2
History	3
Geography	4
CRE	2
Agriculture	1
Business Studies	1
Computer	1

c) The mean score in the KCSE:

YEARS	2023	2022	2021
MEAN SCORE	4.927	5.2304	4.963
NO OF STUDENTS TRANSITIONED TO HIGHER LEARNING	41	36	34

d) Number of Candidates in KCSE:

YEAR	2023	2022	2021
NO. OF CANDIDATES	247	230	215

e) The capacity of the school:

S/NO	Amenities	No of amenities	No of students using the amenities
1	Classrooms	24	1187
2	Laboratories	2	1187
3	Kitchen	2	1187
4	Girls` toilets	2blocks	733 [€]
5	Boys` toilets	1block	454
6	School Hall	1	1187

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of Science Laboratory	FSE	On-going	16,243,381	12,474,790	31 st , Dec 2024

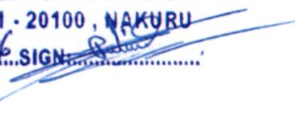
.....MUTAH. J. G.....

School Principal

PRINCIPAL

BAVUNI SENIOR SCHOOL

P.O. BOX 4061 - 20100, NAKURU

DATE: 31/03/26 SIGN: 

4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 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 *Bavuni 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, 2024t, and of the school's financial position as at that date.

.....
 Name: **EDWARD MYRITHI**
 Designation: Chairman, School Board of Management
 Date: **31st March 2026**

.....
 Name: **MUTAH I. G.**
 Designation: School Principal & Secretary to Board of Management
 Date: **PRINCIPAL**
BAVUNI SENIOR SCHOOL
 P.O. BOX 4061 - 20100, NAKURU
 DATE: **31/03/26** SIGN: **[Signature]**

.....
 Name: **NADMI KIDATO**
 Designation: Bursar/ Finance Officer
 Date:



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON BAVUNI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – NAKURU 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 Bavuni Secondary School set out on pages 1 to 16, which comprise of the statement of assets and liabilities as

at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Bavuni Secondary School as at 30 June, 2024 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. Non-compliance with the Prescribed Reporting Framework

Review of the annual report and financial statements revealed that the statement of budgeted versus actual amounts does not have budget notes to explain utilization differences of more than 10%. Further, the statement of budgeted versus actual amounts reflects a balance of Kshs.37,297,937 in respect of total payments on actual on comparable basis while the re-computed balance amounted to Kshs.45,270,109 resulting to unreconciled variance of Kshs.7,972,172. In addition, the financial statements do not comply with the accounting standards as prescribed by the Public Sector Accounting Standards Board

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

2. Accuracy of Capitation Grants for Operations and Infrastructure

The statement of receipts and payments reflects capitation grants for tuition, operations and transfers to infrastructure amounts of Kshs.2,972,797, Kshs.11,992,750 and Kshs.4,535,480 respectively as disclosed in Notes 1, 2 and 3 to the financial statements. Review of the capitation records on disbursements made to the School and the amount receipted revealed Kshs.12,710,950 in respect of government grants for operations and Kshs.3,329,280 in respect of the government grants for Infrastructure resulting to a variance of Kshs. (718,200) and Kshs.1,206,200. Further, the School did not display the receipts of capitation and the circulars accompanying the funds on the School noticeboard. In addition, the School did not provide a form signed by individual students as confirmation that they received the funds as required by the Ministry of Education vide circular number MOE.HQS/3/10/18(53).

In the circumstances, the accuracy and completeness of capitation grants for operations and infrastructure amounting to Kshs.11,992,750 and Kshs.4,535,480 respectively could not be confirmed.

3. Unconfirmed School Fund Income – Parents’ Contributions

The statement of receipts and payments reflects Kshs.31,233,083 and Kshs.307,610 in respect of school fund income - parents’ contributions fees and miscellaneous income respectively as disclosed in Notes 4 and 5 to the financial statements. However, included as part of the reported amount is Kshs.2,816,200 and Kshs.254,800 in respect of operations account and income from bus hire which has not been supported by schedules nor explained.

In the circumstances, the accuracy, completeness and fair presentation of the school fund income – parents’ contributions amount of Kshs.2,816,200 and miscellaneous income of Kshs.254,800 could not be confirmed.

4. Effectiveness in Use of Capitation for Students – Tuition and Operations

The statement of receipts and payments reflects tuition payments of Kshs.5,326,023, operations payments of Kshs.8,064,549 and infrastructure payments of Kshs.2,450,894 as disclosed in Notes 6, 7 and 8 to the financial statements. However, the following anomalies were noted as detailed below:

4.1 Unconfirmed Payments for Tuition

Included as part of the tuition’s payments are expenditures of Kshs.2,073,150, Kshs.2,833,175 and Kshs.412,360 that relates to payments incurred in respect of exercise books, laboratory equipment and learning materials. However, Management has not provided evidence of quotations from prequalified suppliers, details of delivery notes, stores ledgers and inspection committee reports confirming that the items procured were of the intended quality and quantity.

4.2 Unsupported Operations Expenses

Review of payment vouchers revealed that the School made payments amounting to Kshs.2,814,630 that relates to operations expenses to various suppliers on diverse dates during the period under review. However, the expenditures were not supported by quotations from the list of prequalified suppliers, local purchase orders indicating the items supplied, stores ledgers as evidence that the items were taken on charge in the store’s ledgers and inspection committee report to confirm that the items supplied and services rendered were of the intended quality and quantity. Further, the reported amount includes of Kshs.2,047,252 in respect of administration costs and Kshs.245,610 in respect of local transport expenses which has not been supported by workplan, evidence of travel from and back to work station nor explained.

In the circumstances, the accuracy, completeness and propriety of the expenditure of Kshs.5,318,685 in respect to tuition expenses and Kshs.2,814,630 in respect of operation expenses could not be confirmed.

5. Boarding and School Fund Payments

The statement of receipts and payments reflects an amount of Kshs. 29,428,643 in respect of boarding and school fund payments as disclosed in Note 9 to the financial

statements. The following audit issues were noted:

5.1. Unsupported Boarding and School Fund Payments Amount

The amount includes Kshs.5,681,680 paid to staff in cash, board of management teachers as motivation and local traders for supply of materials. However, the supporting quotations from the list of prequalified suppliers, local purchase orders indicating the items to be supplied, stores ledgers as evidence that the items were taken on charge in the store's ledgers, and inspection and acceptance committee report confirming that the items supplied and services rendered were of the intended quality and quantity, were not provided for audit:

5.2. Unconfirmed Payments in Respect of Boarding and School Fund Payments

The amount also includes Kshs.275,000, Kshs.1,379,630 and Kshs.931,200 in respect of infrastructure, creditors and inter-account borrowing-operations respectively which have not been supported with schedules, ledgers and cash book. Approval from the board to incur expenditure from the vote-heads were also not provided.

In the circumstances, the accuracy, completeness and propriety of the expenditure of Kshs.29,428,643 in respect of boarding and school fund payments and the value for money realized from the expenditure of Kshs.5,681,680 on the cash purchases could not be confirmed.

6. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.4,408,749 which comprises bank balances Kshs.4,408,726 and cash balances of Kshs.23 as disclosed in Notes 10 and 11 to the financial statements. However, Management did not provide cash books, certificates of bank balance and bank reconciliation statements for the bank accounts operated by the School. Further, the balance includes a credit balance of Kshs.(777,510) in respect of school fund account/boarding account number 130262191294. However, Management did not provide the authority from the board to operate an overdraft facility with the bank. Further, the overdraft should have been treated as a liability since it is a loan from bank. In addition, Management has not disclosed a bank account balance for account number 01021019540500 operated in National Bank of Kenya under the parent's school fund program, account number 0130278997613 operated in Equity Bank for NG-CDF and M-pesa pay bill 247247. Further audit review revealed that the cash in hand balance of Kshs.23 indicated has not been supported by imprest warrant and register indicating details of staff who had been issued with imprest as at the reporting date. Board of survey report confirming the cash balance was also not provided.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.4,408,726 could not be confirmed.

7. Unsupported Accounts Receivable Balance

The statement of assets and liabilities reflects an accounts receivable balance of Kshs.6,563,330 in respect of fees arrears as disclosed in Note 12 to the financial

statements. Included in this balance is fees arrears amounting to Kshs.2,373,444 or 36% that has been outstanding for more than two (2) years. However, no detailed debtors' movement schedule was provided as ledgers provided lacked a clear audit trail showing the opening balances, billings for the year, payments received from students, and adjustments made to arrive at the reported closing balances. Further, the audit revealed that the School does not have a policy on impairment or provisioning for long-outstanding receivables. In addition, the School did not have a documented debt recovery plan, and Management did not demonstrate sufficient efforts undertaken to recover the outstanding amounts.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivable balance of Kshs.6,563,330 could not be confirmed.

8. Unconfirmed Fixed Assets Balance

The financial statement under annex 2 – summary of fixed assets register reflects a balance of Kshs.43,900,000 in respect of School's total assets. Included as part of the balance is Kshs.16,000,000 in respect land, Kshs.13,200,000 for building and structures, Kshs.5,200,000 for office equipment, furniture and fittings and Kshs.9,500,000 for motor vehicles which have not been support by valuation report. Further, the audit revealed that the School did not maintain an updated fixed asset register to control its assets. Essential details and unique identifiers such as asset tags, year of purchase, location and condition were not indicated in the fixed Assets Register.

In the circumstances, the accuracy and completeness of the property, plant and equipment balance of Kshs.43,900,000 could not be confirmed.

9. Unconfirmed Accounts Payables

The statement of financial assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts payable balance of Kshs.13,408,099 in respect of accounts payables which entails Kshs.11,830,430 that relates to trade creditors and Kshs.1,217,667 for prepaid fees. However, Management has not provided the supporting details indicating the names of students, date and amount prepaid. Further, Management has not provided detailed movement schedule indicating the opening balances, invoice for the services rendered during the year, payments made towards the merchants, and adjustments made to arrive at the reported closing balances. In addition, Management did not demonstrate measures put in place to ensure that outstanding bills are paid in time to avoid further accumulation and the possibility of payment of interest and penalties on the unpaid amounts. Creditors movement schedule indicating how the balance have been accumulated over the years had also not been provided.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.13,408,099 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Bavuni Secondary School. Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical

responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual receipts on comparable basis of Kshs. 45,309,720 and Kshs.51,041,720 respectively, resulting in an over-collection of revenue of Kshs.5,732,000. However, the School spent an amount of Kshs.37,297,937 against actual revenue of Kshs.51,041,720 resulting in an under-utilization of Kshs.13,743,783 or 27% of the realized revenue.

In the circumstances, the under-utilization may have impacted negatively on service delivery to the students.

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 effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in the Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the School in 2024/2025 revealed that the following eleven (11) issues remained unresolved:

S/No.	Financial Year	Audit Issue
1	2022/2023	Variance in the financial statement
2	2022/2023	Overdrawn account and netting off bank balance
3	2022/2023	Late submission of financial statement for audit
4	2022/2023	Excess supply of books
5	2022/2023	Failure to prepare school improvement plan
6	2022/2023	Irregular transfer of funds to Kenya secondary school
7	2022/2023	Non-compliance with public sector accounting standards board
8	2022/2023	Lack of internal audit function and audit committee

Other Information

The Management is responsible for the Other Information set out on page iii to xii which comprises Key School, Summary Report of Performance of the School and

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 USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Implement an Imprest Management System

Review of the operations accounts, parents school fund account and infrastructure account bank statements revealed that Management made cash withdrawals amounting to Kshs.2,173,850 on diverse dates during the period under review. However, the School does not issue imprest warrants or record in the imprest register cash advances made to various staff for carrying out School's activities. Further, the audit revealed that the cash withdrawals were not supported by work-plan, evidence of work done or services rendered, cash sale receipts did not have electronic tax register generated receipts, quotations for competitive bidding not attached, items procured not taken on charge in the stores ledgers and deliveries made not inspected by the inspection and acceptance committee to ascertain the quality and quantity supplied. This is contrary to the established government imprest procedures.

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

2. Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of receipts and payments reflects payments for operations amounting to Kshs.8,064,549 as disclosed in Note 7 to the financial statements. Included in the payments is Kshs.400,000 transferred to the Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its

membership from school principals only. The organization is not defined in government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, the School may not have received value for the Kshs.400,000 transferred to KESSHA. Further, there is no evidence that the amount was included in the budget and approved by the board. Management was also in breach of the law.

3. Weaknesses in Contract Management and Projects Implementation

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects Kshs.2,450,894 in respect to payments for infrastructure which further includes an amount of Kshs.2,439,782 in respect to payment incurred towards the proposed construction of laboratory (storeyed) Project No. BSS/25/2023. Review of records revealed that the School in a letter dated 20 April, 2022 awarded a labour-based contract through tender number BSS/25/2022 for the construction of reinforced columns, building of first floor and staircase of science laboratory to local contractor at a quoted price of Kshs.1,440,102. The regional works officer, state department for public works in a bills of quantities dated January, 2024 prepared an engineers estimated for the proposed construction of the laboratory block billed at Kshs.12,938,870. In another letter ref: Bav/2024 dated 4 March, 2024, the School management awarded a local contractor in an evaluated labour contract for the construction of reinforced columns, building of first floor and staircase to science laboratory of Kshs.3,305,311 based on 30% of the value of the regional works officer, State Department for Public Works bills of quantities. Review of the payment records revealed that cumulative payments amounting to Kshs.11,321,700 had been made towards the project as at the reporting date. However, examination of the procurement records and sampled payment vouchers amounting to Kshs.4,511,532 revealed the following anomalies.

- i. Management has not provided approval from the Ministry Headquarters for the project as required by the Circular MOE.HQS/3/6/36 dated 14 January, 2021 for projects above Kshs.10 million.
- ii. Payments towards the supply of hardware materials, fabrication of grills and doors, supply of quarry materials have not been supported by quotations from prequalified suppliers, stores records to confirm actual delivery of the alleged items and inspection committee report confirming the quantity and quality of the items supplied.
- iii. Interim certificate for the work done from a competent engineer indicating measured work as per the bills of quantities to facilitate payment was not provided.
- iv. Management has not provided evidence that the merchants engaged in the supply of material are traders duly registered and remit taxes to the relevant authorities.
- v. The cash sales receipts attached to the payment vouchers appeared doubtful and were not accompanied by electronic tax registered generated receipts

Physical verification of the project on 18 March, 2026 revealed that the project was incomplete and not serving the intended purpose. Verification also revealed that works on the first floor were on going with finishing of worktops, plumbing work, wiring, floor finishing (tiling), fixing of window panes, painting, stair case finishes and finishing of the water tank slab not completed.

In the circumstance, value for money realized on the expenditure of Kshs.4,511,532 incurred in respect of the proposed construction of laboratory could not be confirmed.

4. Lack of a Finance and Accounting Policy Manual

Review of the records revealed that, the School has not developed finance and accounting manual to guide Management in processing financial transactions. This is contrary to Section 68 (2)(e) of The Public Finance Management Act, 2012 which states that an Accounting Officer for a National Government entity is accountable to the National School for ensuring that all applicable accounting and financial controls, systems, standards, laws and procedures are followed when procuring or disposing of goods, adequate arrangements are made for their custody, safeguarding and maintenance'.

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

5. Failure To Prepare School Improvement Plan

During the year under review, the School did not have an approved school improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

6. Non-Compliance with Law on Ethnic Diversity in Staffing

The statement of receipts and payments reflects total expenditure of Kshs.8,064,549 in respect of expenditure towards operations which includes personnel emoluments of Kshs.1,558,421 as detailed in Note 7 to the financial statements. Review of the payroll database for board of management teachers, non-teaching and subordinate staff revealed that the school has a total of fifty-two (52) employees, out of which thirty-one (31) which represent 60% comes from the same community contrary to Section 7(1) an (2) of the National Cohesion and Integration Act, 2008 that requires all public establishments to seek to represent the diversity of the people of Kenya in employment of staff.

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

7. Lack of Procurement Function

During the year under review, Management had not put in place a procurement function including recruitment of a procurement officer, to assist in preparation of procurement documents, giving professional opinion on procurement process and provide guidance on general adherence to procurement laws. For this reason, procurement of goods and services was done without use of tender documents including quotations, tender registers, tender opening/ evaluation reports and notification of award. Failure to establish a procurement function is a contravention of Section 45(1) of the Public Procurement and Assets Disposal Act, 2015.

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

8. Failure to Meet the Threshold on Recruitment of Persons with Disabilities

Analysis of the payroll revealed that the School had a total of fifty-two (52) employees, out of which none were people with disability in service. This was contrary to Section B.23 (2) of the Human Resource Policies and Procedures Manual for the Public Service, 2015 on Rights and Privileges of Persons with Disabilities which requires the Government to implement the principle that at least five (5) percent of all appointments are for persons with disabilities.

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 THE 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 Sufficient Details in the General Ledgers/Support Schedules

The statement of receipts and payments reflects total payments amount of Kshs.45,270,109 and total receipts of Kshs.51,041,720. However, the support ledgers and excel cash books provided for audit lacked relevant details such as narrations of

activities undertaken and vote heads for which the respective incomes and expenditures were budgeted and charged.

In the circumstances, the effectiveness of internal controls over maintenance of financial records could not be confirmed.

2. Lack of an Approved Staff Establishment and Human Resources Governing Instruments

Review of records revealed that during the period under review the School had a total of 52 employees which comprises of 18 non-teaching staff, 4 Board of Management teachers and 30 Teachers Service Commission posted teachers. However, Management did not provide an approved staff establishment. The absence of an approved staff establishment indicates that the School has not determined the skills and optimal staffing levels required to achieve its goals and objectives. Further, there was no evidence that the School had prepared a human resource plan based on a comprehensive job analysis. In addition, the School only had a draft human resource manual and, therefore, operated without a key governing document that could serve as a guide for critical human resource decisions.

In the circumstances, it was not possible to confirm whether the total staff employed by the School was at the optimal operating level and how key decisions regarding employees were made without an approved human resource policy.

3. Effectiveness in Management of Textbooks

Physical inspection in the month of March 2026 revealed that the School did not have a library and the textbook received from the Kenya Institute of Curriculum Development (KICD) and other donors were stacked together with other store items in a makeshift class within the compound. Further, review of the management of the text-books revealed that the School did not have a librarian and hence the number of text-books received from (KICD) and other donors could not be confirmed. Audit interview and discussion with the Management established that the books to learner's ratio was 1:2 as per the book's issuance records provided for audit examination, in contravention of the required 1:1 ratio. Further, the School during the period under review and previous years had an inventory of unquantified books of undisclosed value received from KICD. However, the written request relating to the type of books required was not provided for audit. In addition, Management did not provide evidence that the books were received and inspected by the inspection and acceptance committee as required by the Public Procurement and Asset Disposal Act but instead received in the principal's office. Further audit review revealed that the library records of books receipt and issue does not include dates, no depreciation is provided on the books and though the School have an inventory management system, it was not efficient in the management of books and experienced frequent break downs. Management has no manual system as back-up in case any eventuality.

In the circumstances, the effectiveness of the internal controls on the management of textbooks in the School could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit so as to obtain assurance as to

whether effective processes and systems of internal controls, risk management and overall governance was maintained 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 those Charged with Governance

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

The 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, the Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

20 April, 2026

6. Statement Of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023 -2024	2022 - 2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,972,797	2,938,509
Government grants for operations	2	11,992,750	12,870,974
Government Grants for infrastructure	3	4,535,480	5,454,000
School fund income- parents' contributions	4	31,233,083	31,258,866
Miscellaneous income	5	307610	
Total Receipts		51,041,720	52,522,349
Payments			
Tuition	6	5,326,023	6,358,733
Operations	7	8,064,549	11,952,435
Infrastructure	8	2,450,894	11,396,790
Boarding and school fund	9	29,428,643	32,304,488
Total Payments		45,270,109	62,012,446
Surplus/Deficit		5,771,611	(9,490,098)

The school financial statements were approved on _____ 2024 and signed by:

Name: EDWARD MURITHI
Chair BOM

Date: 31/03/2026

Name: MUTAH I. G.
School Principal/ Secretary to
BOM **PRINCIPAL**
BAVUNI SENIOR SCHOOL
Date: P.O. BOX 4061 - 20100, NAKURU
DATE: 31/03/26 SIGN: _____

Name: NAOMI KIRAU
Bursar/ Finance Officer

Date: _____



7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023 - 2024	2022 - 2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	4,408,726	1,047,641
Cash balances	11	23	66,728
Total cash and cash equivalent		4,408,749	1,114,369
Account's receivables	13	6,563,330	4,671,413
Total financial assets (a)		10,972,079	5,785,782
Financial liabilities			
Accounts payables	14	13,408,099	13,633,413
Total Financial Liabilities (b)		13,408,099	13,633,413
Net financial assets (a-b)		(2,076,020)	(7,847,631)
Represented by			
Accumulated fund b/fwd	15	(7,847,631)	1,642,467
Surplus/deficit for the year		5,771,611	(9,490,098)
Net Assets		(2,076,020)	(7,847,631)

The school's financial statements were approved on _____ 2024 and signed by:

.....
 Name: **EDWARD MURITHI**
 Chair BOM
 Date: **31/03/2026**

.....**MUTAHIL J. G.**.....
 Name:
 School Principal/ Secretary to
 BOM **PRINCIPAL**
BAVUNI SENIOR SCHOOL
 P.O. BOX 4061 - 20100, NAKURU
 Date: **31/03/26** SIGN: **[Signature]**

.....**NADOMI KIRAU**.....
 Name: **NADOMI**
 Bursar/ Finance Officer
 Date:



8. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023-2024	2022 -2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	2,972,797	2,938,509
Government grants for operations	2	11,992,750	12,870,974
Government grants for infrastructure	3	4,535,480	5,454,000
School fund income- parents contributions/ fees	4	30,558,835	31,258,866
Other income	5	307,610	
			12,647,215
Total receipts		50,367,472	65,169,564
Payments			
Cash outflows for tuition	6	2,046,338	6,358,733
Cash outflows for operations	7	10,123,549	11,952,435
Cash outflows Boarding/lunch and school fund payments	9	30,391,673	33,866,788
Total payments		42,561,560	52,177,956
Net cash inflow/outflow from operating activities		7,805,912	12,991,608
Cash flow from investing activities			
Acquisition of assets	8	(4,511,532)	(11,396,790)
Net cash inflow/outflows from investing activities		((4,511,532))	(11,396,790)
Net increase/decrease in cash and cash equivalents		3,294,380	1,594,818
Cash and cash equivalent at beginning of the F.Year		1,114,369	(480,448)
Cash and cash equivalent at end of the F.Year		4,408,749	1,114,369

The school's financial statements were approved on _____ 2024 and signed by:

.....

Name: **EDWARD MURITHI**

Chair BOM

Date: **31/03/2026**

..... **MUTAHU J. G.**

Name:
School Principal/ Secretary to
BOM

PRINCIPAL
Date: **BAVUNI SENIOR SCHOOL**
P.O. BOX 4061 - 20100, NAKURU
DATE: **31/03/26** SIGN: **[Signature]**

..... **Nadi**

Name: **NAMI KIPAGU**

Bursar/ Finance Officer

Date:



9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Exercise Books	1,170,680	-	1,170,680	379,592	32%
Laboratory Equipment	1,170,680	-	1,170,680	379,592	32%
Internal Exams	1,170,680	-	1,170,680	379,593	32%
Teaching / Learning Materials	1,170,680	-	1,170,680	1,834,020	157%
(2) Capitation Grant on Operations					
Personnel Emoluments	4,248,800	-	4,248,800	3,852,645	91%
Repairs And Maintenance	-	-	-	2,024,760	-
Local Transport / Travelling	2,124,400	-	2124400	1,056,646	50%
Electricity And Water	2,124,400	-	2124400	1,441,330	68%
Medical	-	-	-	999,450	-
Administration Costs	2,124,400	-	2,124,400	1,441,331	68%
Activity	1,695,000	-	1695000	963,588	57%
Inter-account borrowing - School Fund	-	-	-	213,000	-
3) FDSE for infrastructure					
Maintenance & Improvement MoE	5,650,000	-	5,650,000	4,260,480	75%
Inter acc borrowing - School fund				275,000	-

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
(4) Fees Charged on Parents					
Fee On Boarding Equipment and Stores	22,660,000	-	22,660,000	31,233,083	121%
Other income				307,610	
Total Income	45,309,720		45,309,720	51,041,720	102%
(6) Expenditure For Tuition					
Exercise Books	1,170,680	-	1,170,680	-	0%
Laboratory Equipment	1,170,680	-	1,170,680	1,224,645	105%
Internal Exams	1,170,680	-	1,170,680	-	0%
Teaching / Learning Materials	1,170,680	-	1,170,680	9,360	4%
Creditors				4,084,680	-
Bank Charges	-	-	-	7,338	--
(7) Expenditure For Operations					
Personnel Emoluments	4,248,800	-	4,248,800	1,558,421	37%
Repairs, Maintenance & Improvements	-	-	-	1,501,967	-
Local Transport / Travelling	2,124,400	-	2124400	245,610	12%
Electricity, Water and Conservancy	2,124,400	-	2,124,400	230,946	11%
Bank charges	-	-	-	13,713	0
Administration Costs	2,124,400	-	2,124,400	2,047,252	96%
Activity Expenses	1,695,000	-	1,695,000	558,140	33%
Creditors				1,908,500	-

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
(8) Expenditure For infrastructure					
Construction of LAB	5,650,000	-	5,650,000	1,851,532	33%
Creditors				599,362	-
(9) Expenditure For school fund/lunch/boarding		-			
Boarding Equipment and Stores	22,660,000	-	22,660,000	28,049,013	124%
Creditors				1,379,630	-
Totals	45,309,720	-	45,309,720	37,297,937	82%

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

- i. The school received 102% of the expected revenue from 1st July 2023 and June 30th, 2024, because we were able to correct fees arrears for the previous years.
- ii. The school utilized 82% of the fees collected.

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 after the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

11. Notes To the Financial Statements**1 Government Grants for Tuition**

Description	2023/24	2022/23
	Kshs	Kshs
Exercise Books	379,592	734,628
Laboratory Equipment	379,592	734,626
Internal Exams	379,592	734,626
Teaching / Learning Materials	1,834,019	734,629
Total	2,972,797	2,938,509

2 Government Grants for Operations

Description	2023/24	2022/23
	Kshs	Kshs
Personnel Emoluments	3,852,645	3,867,462
Repairs And Maintenance	2,024,760	4,298,000
Local Transport / Travelling	1,056,646	-
Electricity And Water	1,441,330	1,941,787
Medical	999,450	217,700
Administration Costs	1,441,331	1,941,787
Activity	963,588	604,238
Boarding	213,000	-
Total	11,992,750	12,870,974

3 Government Grants for infrastructure

Description	2023/24	2022/23
	Kshs	Kshs
Maintenance & Improvement	4,260,480	4,283,000
Lunch & boarding.	275,000	1,171,000
Total	4,535,480	5,454,000

4 School Fund Income - Parents Contribution/Fees

Description	2023/24	2022/23
	Kshs	Kshs
Personnel emoluments	809,063	1,190,563
Repairs and maintenance	670,383	936,469
Local transport / travelling	184,786	257,869
Electricity and water	1,303,906	1,872,698
Administration costs	595,874	799,262
Activity	41,609	57,631
Fee on Boarding Equipment and stores	24,808,862	25,848,324
Operations a/c	2,816,200	-
Bank Charges	2,400	-
Total	31,233,083	30,962,816

5 Miscellaneous Incomes

Description	2023/24	2022/23
	Kshs	Kshs
Income From Bus Hire	254,800	287,400
Damages	29,010	2,750
KCSE Repeaters	23,800	5,900
Total	307,610	29,6050

6 Tuition

Description	2023/24	2022/23
	Kshs	Kshs
Exercise Books	2,073,150	-
Laboratory Equipment	2,833,175	1,932,765
Teaching / Learning Materials	412,360	4,418,156
Bank Charges	7,338	7,812
Total	5,326,023	6,358,733

7 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	1,558,421	1,928,337
Administration Cost	2,047,252	2,980,997
Repairs And Maintenance & Improvements	1,501,967	4,283,000
Local Transport / Travelling	245,610	535,650
Electricity And Water	230,946	1,279,401
Activity Expenses	558,140	927,810
Bank charges	13,713	17,240
Lunch and boarding	1,908,500	-
Total	8,064,549	1,1952,435

8 Infrastructure

Description	2023/2024	2022/23
	Kshs	Kshs
Construction of laboratory	2,439,782	11,374,757
Bank charges	11,112	22,033
Total	2,450,894	11,396,790

9 Boarding And School Fund

Description	2023/24	2022/23
	Kshs	Kshs
Personnel Emoluments	11,880	1,235,677
Activity	75	29,980
Repairs And Maintenance & Improvements	2,185	39,720
Local Transport / Travelling	9,215	196,700
Electricity And Water	3,242	43,400
Administration Costs	57,135	346,370
Infrastructure	275,000	1,171,000
Bank Charges	47,484	-
Fee On Boarding Equipment and Stores	26,695,597	29,241,641
Creditors	1,379,630	-
Inter-account transfer -Operations	931,200	-
Bus hire	16,000	-
Total	29,428,643	32,304,488

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/24	2022/23
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	018000016742	928,176	1,717
Operations Account	Active	018000014807	4,227,252	2,296,190
School Fund Account/Boarding	Active	0130262191294/ 0102119540500	(777,510)	(1,254,527)
Infrastructural Account	Active	013027307408	30,809	4,261
Total			4,408,727	1,041,641

11 Cash In Hand

Description	2023/24	2022/23
	Kshs	Kshs
Notes and Coins	23	66,728
Total	23	66,728

12 Accounts Receivable

Description	2023/24	2022/23
	Kshs	Kshs
Fees Arrears	6,563,330	4,671,413
Total	6,563,330	4,671,413

13 b) Ageing Analysis of Accounts Receivable

Description	2023/24		2022/23	
	Kshs		Kshs	
	2023/24	% of the total	2022/23 FY	% of the total
Less than 1 year	4,189,886	64%	2,900,803	62%
Between 1- 2 years	2,373,444	36%	1,770,610	38%
Total	6,563,330	100%	4,671,413	100%

13 Accounts Payable

Description	2023/24	2022/23
	Kshs	Kshs
Trade Creditors	11,830,430	12,405,178
Prepaid Fees	1,217,669	1,228,235
Total	13,408,099	13,633,413

14a. Ageing Analysis of Accounts Payable

Description	2023/24		2022/23	
	Kshs		Kshs	
	2023/24	% of the total	2022/23	% of the total
Less than 1 year	6,063,672	54%	13,633,413	100%
Between 1- 2 years	5,766,758	46%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total	11,830,430	100%	13,633,413	100%

14 Fund Balance Brought Forward

Description	2023/24	2022/23
	Kshs	Kshs
Bank Balances	1,047,641	(480,448)
Cash Balances	66,728	-
Receivables	4,671,413	3,109,113
Payables	(13,633,413)	(986,198)
Total	(7,847,631)	1,642,467

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.

15 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)

MUTAHU. I. G.

Sign and Date
Principal

PRINCIPAL
BAVUNI SENIOR SCHOOL
P.O. BOX 4061 - 20100, NAKURU
DATE: 31/03/26 SIGN: 

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. SCINCE LABORATORY	12,938,870	19th April 2022	7,992,600	4,946,270		On going
2. 2 CLASSROOMS	5,150,000		3,255,880	1,894,120	1,894,120	Complete
Sub-Total						
Supply Of Goods						
3.						
4.						
Sub-Total						
Supply Of Services						
5.	3,305,311	27 th April 2022	2,599,470	705,841	1,455,841	
6.						
7.						
Sub-Total						

BAVUNI SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost e/f (Kshs) 30 th June 2024
Land	16,000,000	-	-	16,000,000
Buildings And Structures	13,200,000	-	-	13,200,000
Motor Vehicles	9,500,000	-	-	9,500,000
Office Equipment, Furniture and Fittings	5,200,000	-	-	5,200,000
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total	43,900,000			43,900,000

REPUBLIC OF KENYA

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

Ref: OAG/HBRO/BSS/2024/2025 (16)

30 June, 2026

Mr. Samuel J. Njoroge, CBS
Clerk of the National Assembly
Parliament Buildings
P.O. Box 41842-00100
NAIROBI

Dear Mr. Njoroge

REPORT OF THE AUDITOR-GENERAL ON BAVUNI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 AND 2025 - NAKURU COUNTY

I transmit the reports of the Auditor-General on the examination and audit of Bavuni Secondary School for the year ended 30 June, 2024 and 2025 in accordance with the provisions of Article 229(7) of the Constitution of Kenya for the necessary action as required by Article 229(8) of the Constitution.

Yours sincerely

FCPA Edwin Kamar
For: AUDITOR-GENERAL

Copy to: Dr. Chris Kiptoo, PhD., CBS
Principal Secretary
The National Treasury
P.O. Box 30007-00100
NAIROBI

Mr. John Lekakeny Ololtuaa, CBS
Principal Secretary
Ministry of Education
State Department for Basic Education
P.O. Box 30040-00100
NAIROBI

Mr. Julius Gachuhi Mutahi
The Principal
Bavuni Secondary School
P.O. Box 4061
NAKURU

