

REPUBLIC OF KENYA



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Hon Naomi Wago
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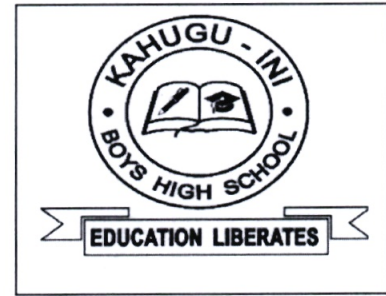
THE AUDITOR-GENERAL

ON

KAHUGUINI BOYS HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

KIAMBU COUNTY



KAHUGUINI BOYS HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

Prepared in accordance with the CashBasis of Accounting Method under the International Public Sector Accounting Standards

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1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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	

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 Kiambu County, Gatundu South Sub-County.

The school was registered in 01/21 under registration number 22S00300649 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a day/boarding school and had 850 number of students as at 30th June 2023. It has 5 streams and 32 teachers of which 11 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

1	FRANCIS MUHIA KIMORE	Chairman	23/11/2021
2	GEORGE GUCU MUNGAI	Secretary- Principal	23/11/2021
3	TERESIA WANJIKU MATHU	Member	23/11/2021
4	ELIJAH GATHUA MUTAARU	Member	23/11/2021
5	GEORGE GITAU	Member	23/11/2021
6	SILVESTER THUO	Member	23/11/2021
7	JOSEPH NGARUIYA	Member	23/11/2021
8	PETER KAMAU KARIUKI	Member – Rep CEB	23/11/2021
9	SAMMY WAINAINA	Member Rep Teachers	23/11/2021
10	FRANCIS KIERU	3 Members - Sponsor	23/11/2021
11	PURITY MUTHONI	Member - Community	23/11/2021
12	LUCY W. WAIGANJO	Member Special Needs	23/11/2021
		Rep Students	

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, 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

	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	i) Francis Muhia Kimore ii) Purity Muthoni iii) Teresia W. Mathu iv) Peter Kamau v) George G. Mungai	BOM Chairman P.A Chairperson BOM member BOM member BOM secretary	1
2	Audit Committee	i) Francis M. Kimore ii) Purity Muthoni iii) Silvester Thuo iv) Joseph Makimii v) George G. Mungai	BOM Chairman P.A Chairperson BOM member BOM member BOM secretary	1
3	Finance, procurement and general purposes Committee	i) Francis M. Kimore ii) Purity Muthoni iii) Silvester Thuo iv) Joseph Makimii v) George G. Mungai	BOM Chairman P.A Chairperson BOM member BOM member BOM secretary	1
4	Academic Committee	i) Elijah Mutaaru ii) Nelson Kimani iii) Joseph Makimii iv) Archmond Omwega v) George G. Mungai vi) Lawrence K. Mwaura	BOM Member BOM Member BOM Member Teacher Representative BOM Secretary Deputy principal	1
5	DEVELOPMENT	i) Francis Muhia Kimore ii) George G. Mungai iii) Purity Muthoni iv) Lawrence K. Mwaura	BOM Chairman BOM Secretary P.A Chairperson BOM Member (Deputy Principal)	3

		v)Peter Kamau vi)Silvester Thuo	BOM Member BOM Member	
6	Discipline and welfare Committee	i)Purity Muthoni ii) Ruth Njeri iii)George Gitau iv) Francis Ruo v) John Kaniaru vi)Sammy Wainaina	P.A Chairperson BOM Member BOM Member BOM Member BOM Member Teacher Representative	1
7	Adhoc Committee (if any during the year)			

School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	George G. Mungai	335138
2	Deputy Principal	Lawrence K. Mwaura	420512
3	School Bursar	Faith Wangari	22356476

(d) Schools contacts

Post Office Box: 92-01030
 Telephone: 0724 944 128
 E-mail: kahuginisecundary@gmail.com
 Website: Kahuguini secondary school
 Facebook:
 Twitter:

(e) School Bankers

- 1 Name of Bank: EQUITY BANK
Branch: GATUNDU BRANCH
Account Number: 0660261104161**

- 2 Name of Bank: FAMILY BANK
Branch: GATUNDU BRANCH
Account Number: 00400005281**

- 3 Name of Bank: FAMILY BANK
Branch: GATUNDU BRANCH
Account Number: 00400017599**

- 4 Name of Bank: FAMILY BANK
Branch: GATUNDU BRANCH
Account Number: 00400016696**

- 5 MPESA PayBill No. 649326 attached to Equity bank account 0660261104161**

Independent Auditors

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

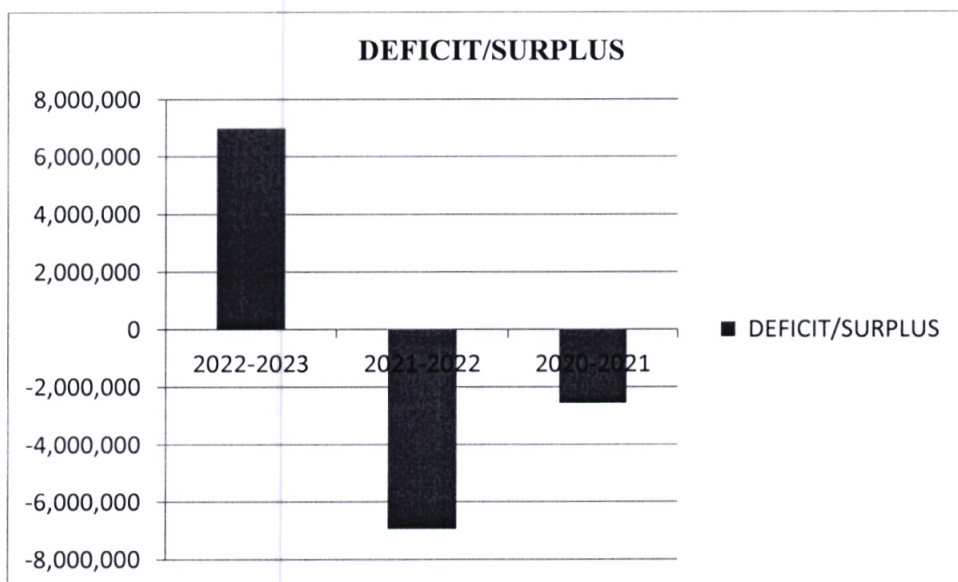
6 Summary Report of Performance of The School

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

a) Financial performance:

SURPLUS/DEFICIT FOR THE LAST THREE YEARS

YEAR	2022-2023	2021-2022	2020-2021
DEFICIT/SURPLUS	6,997,736	-6,941,907	-2,564,768

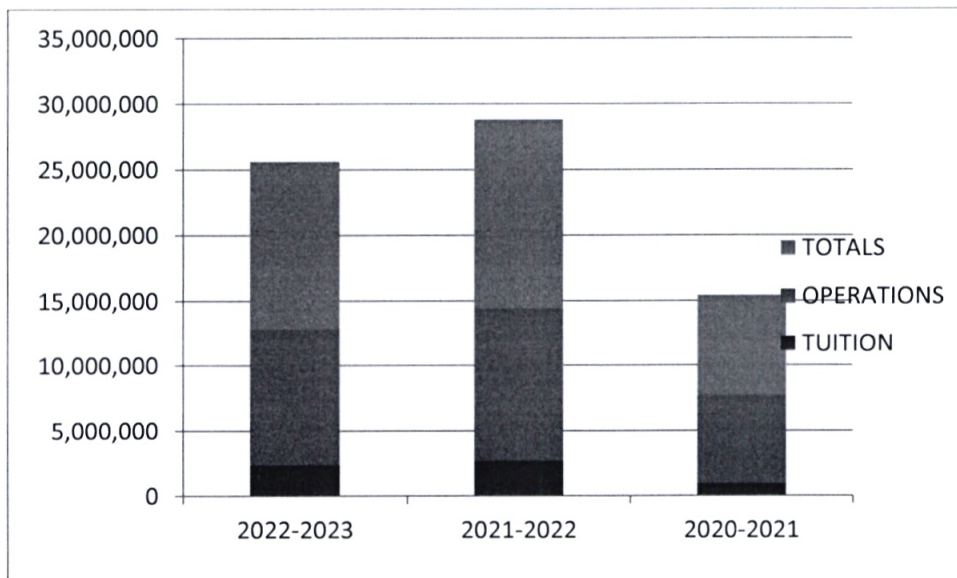


KAHUGUINI BOYS HIGH SCHOOL

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

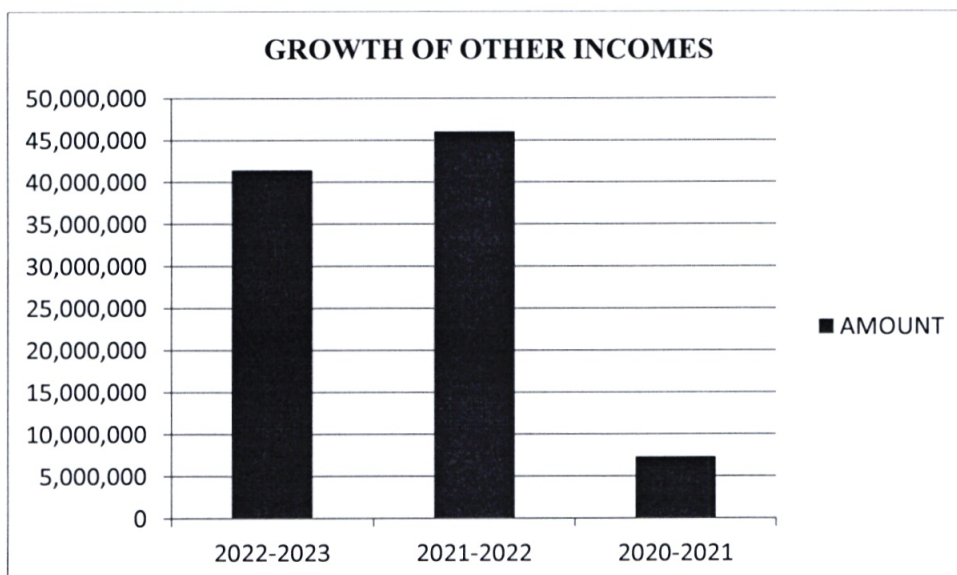
CAPITATION GRANTS FROM MINISTRY OF EDUCATION FOR THE LAST THREE YEARS

YEAR	2022-2023	2021-2022	2020-2021
TUITION	2,351,050	2,675,615	943,165
OPERATIONS	10,457,072	11,730,329	6,770,734
TOTALS	12,808,122	14,405,944	7,713,899



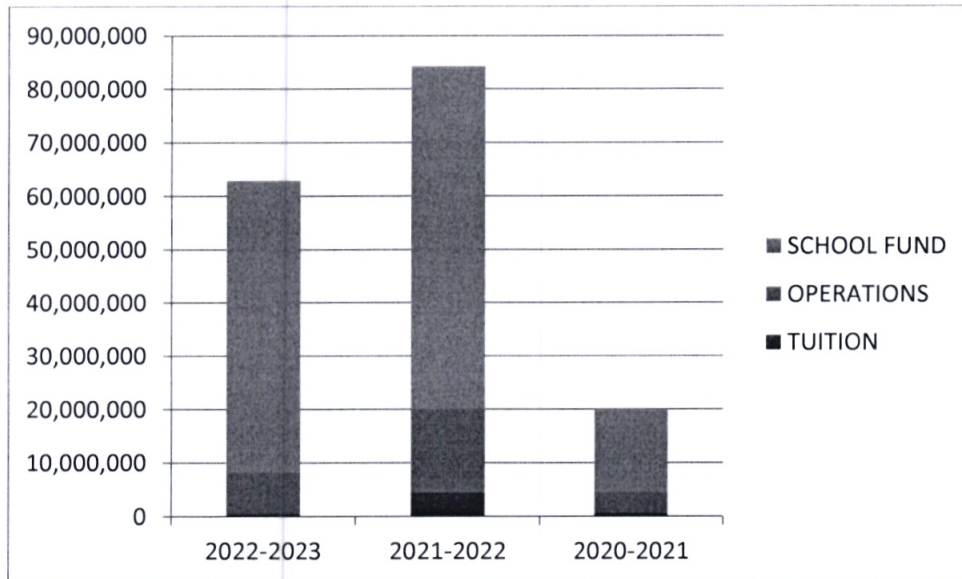
**GROWTH OF OTHER INCOMES FOR THE LAST 3 YEARS
SCHOOL FUND ACCOUNT**

YEAR	2022-2023	2021-2022	2020-2021
AMOUNT	41,451,306	46,031,920	7,313,190



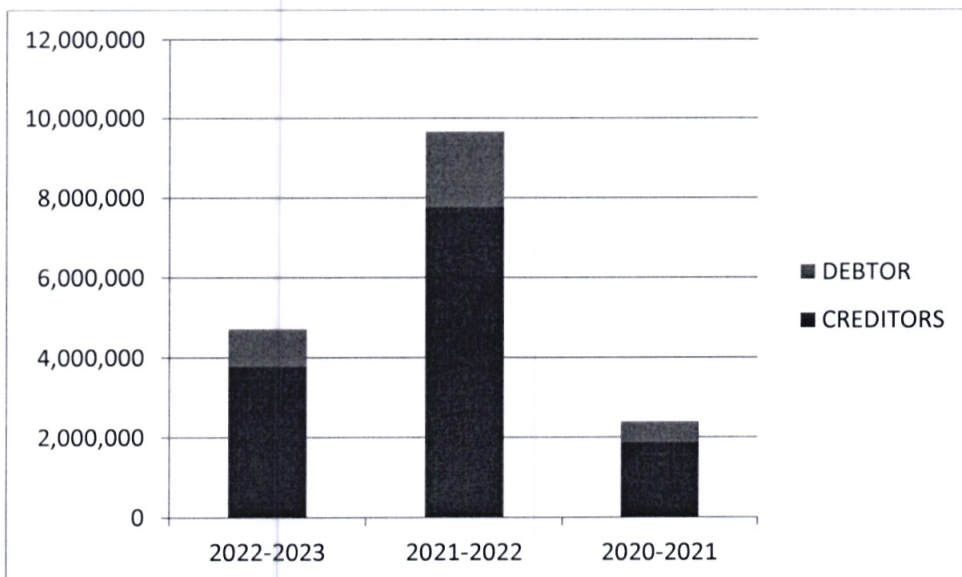
GROWTH IN EXPENDITURE FOR THE LAST 3 YEARS

ACCOUNT	2022-2023	2021-2022	2020-2021
TUITION	234,002	4,441,961	493,904
OPERATIONS	7,956,068	15,614,682	3,946,649
SCHOOL FUND	54,712,749	64,188,383	15,376,058



MOVEMENT OF DEBTORS AND CREDITORS OVER THE LAST 3 YEARS

YEAR	2022-2023	2021-2022	2020-2021
CREDITORS	3,765,298	7,754,099	1,865,181
DEBTOR	957,083	1,906,537	528,177



KAHUGUINI BOYS HIGH SCHOOL

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

b) Teacher Student ratio:

NO OF STUDENTS	BOM TEACHERS	TSC TEACHERS	TRANSFERRED	RETIRED
825	9	23	0	0

c) Mean score in the 2022-2023 KCSE:

School	Category	Candidature			A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	Mean Grade	Deviation
Kahuguini	County	Year	Gender	Total																
		2022-2023	Male	165	0	0	0	0	1	4	10	17	30	56	46	0	1	0	3.421	0.47
		2021-2022	Male	128	0	0	0	1	0	1	1	7	19	50	46	3	0	0	2.953	-0.907
		2020-2021	Male	117	0	0	1	2	2	4	9	17	23	29	29	0	1	0	3.86	+0.05

d) Number of Candidates in the 2023 KCSE:

YEAR	NO OF STUDENTS
2022-2023	165
2021-2022	128
2020-2021	117

e) Capacity of the school:


NO OF STUDENTS	DORMITORIES	DINNING HALL	LABORATORY	TOILET	LATRINES
825	5	1	2	20	16

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time

Two classrooms and a stair case	P.A FUNDS MIF FUNDS	COMPLETE	3,900,160.00	3,000,000 1,000,000	COMPLETE

PRINCIPAL
 KAHUGU-INI SEC SCHOOL
 P. O. Box 92-01030, GATUNDU

..... DATE: 10/7/23 SIGN: 

School Principal

7 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 *Kahuguini boys high 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: Francis Muhia Kimore
Designation: Chairman, School Board of Management
Sign: _____
Date: 10/7/24

Name: George Gucu Mungai
Designation: School Principal & Secretary to Board of Management
Sign: _____
Date: 10/7/24

PRINCIPAL
KAHUGUINI SEC SCHOOL
P. O. Box 92-01030, GATUNDU
DATE: 10/7/24 SIGN: _____

Name: Faith Wangari
Designation: Bursar
Sign: _____
Date: 10/7/24

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KAHUGUINI BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – KIAMBU COUNTY

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the 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 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 Government achieves value for money and that such funds are applied for the intended purpose.
- 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, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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 Kahuguini Boys High School – Kiambu County set out on pages 1 to 23, which comprise 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 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 Kahuguini Boys High School – Kiambu County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

- i. The statement of receipts and payments reflects receipts of Kshs.69,900,555, which are at variance with actual receipts of Kshs.68,883,227 in the statement of budgeted versus actual amounts, resulting in an unexplained and an unreconciled variance of Kshs.1,017,328.
- ii. The statement of assets and liabilities reflects accounts receivables balances of Kshs.16,600,456. However, re-computation of the movement in the accounts receivables made up of an opening balance of Kshs.15,869,903, total amount for the year of Kshs.69,900,555 and total actual receipts of Kshs.68,883,227 results in a balance of Kshs.16,887,231 leading to an unreconciled and an unexplained variance of Kshs.286,775.
- iii. The statement of assets and liabilities further reflects accounts payables balance of Kshs.13,241,114. However, analysis of movement in accounts payables balance made up of opening balance of Kshs.16,977,280, total amount for the year of Kshs.62,902,819 and total actual payments for the year of Kshs.66,352,210 results in a balance of Kshs.13,527,889. This leads to unreconciled and unexplained variance of Kshs.286,775. Further, Note 14a to the financial statements reflects accounts payable totalling Kshs.13,992,151 resulting in unexplained and unreconciled variance of Kshs.751,037.

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

2. Unsupported Long Outstanding Trade and Other Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.13,241,114. However, the balance was not supported by a list of the

payables. Included in the balance are payables balance of Kshs.7,877,885 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy and completeness of accounts payables totalling Kshs.13,241,114 could not be confirmed.

3. Undisclosed Assets

Summary of fixed assets register at Annex 2 to the financial statements discloses historical cost of fixed assets carried forward of Kshs.69,200,000 which includes land with undisclosed value.

In the circumstances, the accuracy and completeness of the Nil land could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues.

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 matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 20 May, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Unapproved Budget

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis amounts of Kshs.59,887,000 and Kshs.68,883,227 respectively, resulting to overfunding of Kshs.8,996,227 or 15% of the budget. Similarly, the School spent an amount of Kshs.64,160,702 against an approved budget of Kshs.56,085,000, resulting to over-expenditure of Kshs.8,075,702 or 14% of the budget. This was contrary to Regulations 40(2) of the Public Finance Management (National Government) Regulations, 2015 stipulates that each Accounting Officer prior to incurring any expenditure under paragraph (1), Accounting Officers shall seek the approval of The National Treasury, and if approval is granted by the Cabinet Secretary, it shall be communicated to the Accounting Officers through a notification which shall be copied to the Auditor-General and the Controller of Budget.

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

3. Unbalanced Budget

The statement of comparison of budget and actual amounts reflects Kshs.59,887,000 and Kshs.56,085,000 in respect to approved revenue and expenditure respectively resulting to variance of Kshs.3,802,000 contrary to Regulations 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that budget revenue and expenditure appropriations shall be balanced.

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

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

The statement of receipts and payments reflects operations grants amount of Kshs.9,607,072 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.3,454,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.1,060,000 was transferred to infrastructure account, leaving a balance of Kshs.2,394,000 as at 30 June, 2023. This is contrary to the Ministry of

Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which requires that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operation account.

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

5. Lack of Approved Staff Establishment

Management did not have an approved staff establishment and a human resource plan to support achievement of goals and objectives in the strategic plan. Therefore, optimal staffing levels for all cadre of staff have not been established. This was contrary to Section B.2(1)(2) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 states that requires every Ministry/State Department to prepare human resource plans to support achievement of goals and objectives in their strategic plans. The plans shall be based on comprehensive job analysis and shall be reviewed every year to address emerging issues and needs.

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

6. Non-Compliance with the National Cohesion and Integration Act, 2008

Review of personnel records revealed that all employees were from the same ethnic community. This was contrary to Section 7(2) of National Cohesion and Integration Act, 2008 which provides that the staff establishments of public entities to reflect the diversity of the people of Kenya with least 30% of employees are expected to be from other ethnic communities.

In the circumstances, Management was in breach of law.

7. Excess Supply of Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one thousand, eight hundred and ninety-one (1,891) books to the School while only one thousand five hundred and forty eight (1,548) books were issued to the students, resulting to an unexplained excess text books of three hundred and forty three (343) books in the School store.

In the circumstances, value for money on the excess three hundred and forty-three (343) textbooks could not be confirmed.

8. 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.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are complying, 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 matter 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 overall governance were not effective.

Basis of Conclusion

Non-Tagging of Fixed Assets

Physical verification of assets done in May, 2024 revealed that the School has several fixed assets that have been acquired over some time and all of the assets have not been coded/tagged with unique identification codes.

In the circumstances, the effectiveness of safeguarding measures for the assets owned by the School could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall 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 terminate the School or to cease its operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are following 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in

accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

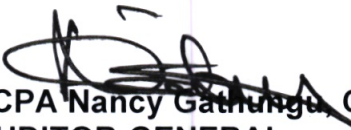
Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

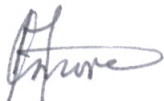
19 September, 2024

KAHUGUINI BOYS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

9 Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Vote	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,351,050	2,675,614
Government grants for operations	2	9,607,072	11730329
Government Grants for infrastructure	3	850,000	-
School fund income- parents' contributions	4	15,641,128	16,865,255
School fund other incomes	5	41,451,306	46,031,920
Total Receipts		69,900,555	77,303,119
Payments			
Tuition	6	234002	4,441,961
Operations	7	6,896,068	15,614,681
Infrastructure	8	1,060,000	-
Boarding and school fund	9	54,712,749	64,188,353
Total Payments		62,902,819	84,245,026
Surplus/Deficit		6,997,736	-6,941,907


The school financial statements were approved on _____ 2023 and signed by:



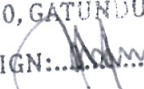
Name: Francis M. Kimore


Chair BOM

Date: 10/7/24



Name: George G. Mungai
School Principal/ Secretary to BOM

PRINCIPAL
 KAHUGU-INI SEC SCHOOL
 P. O. Box 92-01030, GATUNDU
Date: 10/7/24
 DATE: 10/7/24 SIGN: 



Name: Faith Wangari
Bursar/ Finance Officer


Date: 10/7/24

(Comparative FY refers to the financial year preceding the current financial year.)

10 Statement of Assets and Liabilities For the year ended 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	4,091,476	1,766,816
Cash balances	11	206,358	0
Short term investments	12	0	-
Total cash and cash equivalent		<u>4,297,834</u>	<u>1,766,816</u>
Account's receivables	13	16,600,456	15,869,903
Total financial assets		20,898,289	17,636,719
Financial liabilities			
Accounts payables	14	13,241,114	16,977,280
Net financial assets		7,657,175	659,439
Represented by			
Accumulated fund b/fwd	15	659,439	7,601,346
Surplus/deficit for the year		6,997,736	-6,941,907
Net financial position		7,657,175	659,439

The school's financial statements were approved on _____ 2023 and signed by:


.....

Name: Francis M. Kimore


Chair BOM

Date: 10/7/24


.....

Name: George G. Mungai
School Principal/ Secretary to
BOM **PRINCIPAL**
KAHUGU-INI SEC SCHOOL
Date: P. O. Box 92-01030, GATUNDU

DATE: 10/7/24 SIGN: 


.....

Name: Faith Wangari

Bursar/ Finance Officer

Date: 10/7/24

(Comparative FY refers to the financial year preceding the current Financial year.)

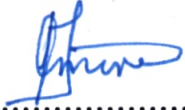
11 Statement of Cash Flows for the Year Ended 30th June 2023

Description	Notes	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,351,050	2,675,615
Government grants for operations		9,607,071	11,730,329
Government grants for infrastructure		850,000	-
School fund income- parents contributions/ fees		39,072,194	41,623,556
School fund receipts –Other income		17,002,912	21,245,555
Total receipts		68,883,227	77,275,055
Payments			
Cash outflows for tuition		1,656,557	2,551,910
Cash outflows for operations		8,870,976	9,663,549
Cash outflows Boarding/lunch and school fund payments		54,764,677	60,994,832
Total payments		65,292,210	73,210,291
Net cash inflow/outflow from operating activities		3,591,018	4,064,763
Cash flow from investing activities			
Acquisition of assets		(1,060,000)	(3,034,847)
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash inflow/outflows from investing activities		(1,060,000)	(3,034,847)
Cashflow 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		2,531,018	1,029,916
Cash and cash equivalent at beginning of the FY		1,766,816	736,900
Cash and cash equivalent at end of the FY		4,297,834	1,766,816

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

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

The school's financial statements were approved on _____ 2023 and signed by:



.....
Name: Francis M. Kimore

Chair BOM

Date: 10/7/24



.....
Name: George G. Mungai
School Principal/ Secretary to

BOM **PRINCIPAL**
KAHUGU-INI SEC SCHOOL
P.O. Box 92-01030, GATUNDU

Date: 10/7/24
DATE: 10/7/24 SIGN: [Signature]

.....
Name: Faith Wangari

Bursar/ Finance Officer

Date: 10/7/24

(Comparative FY refers to the financial year preceding the current Financial year.)

12 Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	838,200	0	838,200	0	0	0%
Laboratory equipment	746,300	0	746,300	730,246	16,054	97.8%
Internal exams	22,680	0	22,680	0	22680	0%
Teaching / learning materials	1,986,820	0	1,986,820	1,620,804	366,016	81.6%
Chalks	0	0	0	0	0	0
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	4,316,250	0	4,316,250	3,455,802	860,448	80.1%
Repairs and maintenance	1,414,500	0	1,414,500	3,574,000	(2,159,500)	192.6%
Local transport / travelling	1,374,750	0	1,374,75	924,000	450,750	67.2%
Electricity and water	2,363,250	0	2,363,250	924,357	1,438,893	39.1%
Medical	170,000	0	170,000	85,800	84,200	50.5%
Administration costs	1,179,000	0	1,179,000	924,000	255,000	78.4%
Activity	942,000	0	942,000	484,113	457,887	51.3%
infrastructure	0	0	0	850,000	0	0
Insurance	750,000	0	750,000	85,000	665,000	11.3%
(3) FEES CHARGED ON PARENTS						

KAHUGUINI BOYS HIGH SCHOOL

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Personnel emoluments	2,325,000	0	2,325,000	6,096,223	(3,766,703)	262%
Repairs and maintenance	1,800,000	0	1,800,000	2,162,604	(362,604)	120.1%
Local transport / travelling	487,500	0	487,500	1,660,643	(1,173,143)	340.6%
Electricity and water	3,675,000	0	3,675,000	3,038,428	636,572	82.7%
Medical	75,000	0	75,000	840	74,160	1.1%
Administration costs	1,387,500	0	1,387,500	2,330,100	(942,600)	167.9%
Activity	112,500	0	112,500	352,290	(239,700)	313.1%
Insurance				3,100		
Fee on Boarding Equipment and Stores	20,538,750	0	20,538,750	23,427,966	(2,889,216)	114.1%
OTHER INCOME						
P.A donations	3,750,000	0	3,750,000	7,952,782	(4,202,782)	204.1%
Arrears paid during the year				226,530		
Exams				33,175		
Prepayments				1,058,521		
Courses/motivation	6,000,000	0	6,000,000	4,058,150	1,941,850	67.6%
Uniform	3,632,000	0	3,632,000	3,673,754	(41,754)	101.1%
TOTAL INCOME	59,887,000	0	59,887,000	68,883,227	(8,508,492)	38.5%
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	0	0	0	0	0	0
Exercise books	838,200	0	838,200	0	838,200	0%
Laboratory equipment	746,300	0	746,300	111,736	634,564	0%
Internal exams	22,680	0	22,680	0	22,680	0%
Teaching / learning materials	1,986,820	0	1,986,820	122,012	1,864,808	0%

KAHUGUINI BOYS HIGH SCHOOL

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Bank charges				254	254	
SUB TOTALS	3,594,000	0	3,594,000	234,002	3,594,000	0%
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	4,316,250	0	4,316,250	1,127,000	3,225,590	25%
Repairs, maintenance & improvements	1,414,000	0	1,414,000	3,131,675	(1,319,675)	193%
Local transport / travelling	1,374,750	0	1,374,750	1,800	1,372,950	0%
Electricity, water and conservancy	2,363,250	0	2,363,250	165,000	2,198,250	7%
Medical/insurance	0	0	0	699,337	0	0%
Administration costs	1,179,000	0	1,179,000	795,260	383,740	67%
Activity Expenses	942,000	0	942,000	974,500	557,909	41%
Acquisition of assets				1,060,000		
Bank Charges				1,496		
SUB TOTALS	11,589,750	0	11,589,750	7,956,068	3,633,682	50%
(3) EXPENDITURE FOR SCHOOL FUND						
Personal Emolument	2,325,000	0	2,325,000	6,228,660	(3,903,660)	268%
Repairs, maintenance and improvements	1,800,000	0	1,800,000	8,925,455	-7,125,455	441%
Local transport / travelling	487,500	0	487,500	1,108,622	(621,122)	227%
Electricity, water and conservancy	3,675,000	0	3,675,000	922,324	2,752,676	25%
Medical Expenses	75,000	0	75,000	54,970	20,030	73%
Administration costs	1,387,500	0	1,387,500	1,823,184	(435,684)	131%
Activity	112,500	0	112,500	1,519,205	(1,406,705)	1350%

KAHUGUINI BOYS HIGH SCHOOL

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
B.E.S	20,538,750	0	20,538,750	26,492,287	(5,953,537)	120 %
Insurance costs	750,000	0	750,000	0	750,000	0%
Courses/motivation	6,000,000	0	6,000,000	4,160,540	1,839,460	69%
P.A Donations	3,750,000	0	3,750,000	0	3,750,000	0%
Bank charges				12,360		
Creditors paid during the year				1,376,420		
uniform	0	0	0	3076645	-3076645	0%
Exams	0	0	0	47,800		
Acquisition of assets	0	0	0	222160	-222160	0%
SUB TOTALS	40,901,250	0	40,901,250	55,970,632	(6,898,049)	115%
TOTALS	56,085,000		56,085,000	64,160,702	2,525,306	96%

13 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 the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. 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 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 fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has 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.

14 Notes To The Financial Statements**1 Government Grants for Tuition**

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials	0	0
Exercise Books	0	1,279,876
Laboratory Equipment	730,246	392,438
Internal Exams	0	0
Teaching / Learning Materials	1,620,803	1,003,300
Others (<i>specify</i>) *	0	0
Total	0	0
		0
	2,351,049	2,675,614

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	3,455,802	2,191,295
Repairs And Maintenance	2,724,000	5,342,082
Local Transport / Travelling	924,000	1,732,626
Electricity And Water	924,357	1,363,876
Medical	85,800	0
Administration Costs	924,000	938,250
Insurance	85,000	162,200
Activity	484,113	
Total	9,607,072	11,730,329

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	850,000.00	2,247,000.00
Transition infrastructure grants	0	0
Administration Block	0	0

Description	2022-2023	2021-2022
	Kshs	Kshs
Economic stimulus grants	0	0
Other (specify)(NGCDF and County govt.	0	0
Total	850,000.00	2,247,000.00

4 School Fund Income -Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	6,096,223	5,203,587
Repairs and maintenance	2,162,604	1,489,487
Local transport / travelling	1,660,643	1,731,673
Electricity and water	3,038,428	5,270,567
Medical	840	275
Administration costs	2,330,100	2,557,465
Activity	352,290	612,201
Fee on Boarding Equipment and stores	0	0
PA Levies	0	0
	0	0
EXAMS	0	0
Uniform	0	0
Motivation	0	0
Total	15,641,128	16,865,255

5 Other Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
PA levies	7,952,782	8,463,055
uniform	3,673,754	5,045,350
Insurance	3,100	0
motivation	4,058,150	5,815,777

KAHUGUINI BOYS HIGH SCHOOL

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

Boarding Equipment and Stores	25,763,520	26,707,738
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income (<i>specify</i>)*		
Total	41,451,306	46,031,920

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

**Ensure proper authorization from MOE before obtaining loans/borrowings.*

**Indicate what other income relates to including income arising from writebacks if any.*

Notes to the Financial Statements (continued)

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	0	0
Textbooks	0	0
Reference materials	0	0
Laboratory Equipment	111,736	1,453,655
Teaching / Learning Materials	122,012	2,846,296
Exams And Assessment	0	142,000
Teachers Guides	0	0
Bank Charges	254	0
Others (<i>specify</i>)	0	0
Total	234,002	4,441,961

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	1,127,000	3,122,034
Service Gratuity	0	149,600
Administration Cost	795,260	152,560
Repairs And Maintenance & Improvements	3,131,675	8,115,830
Local Transport / Travelling	1,800	0
Electricity And Water	165,000	83,251
Acquisition of assets	0	0
Activity Expenses	974,500	956,559
Insurance Cost	699,337	0
Bank charges	1,496	0
Total	6,896,068	12,579,834

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022-2023	2021-2022
	Kshs	0
Construction of classrooms	1,060,000	3,034,847
Construction of laboratory	0	0
Construction of dormitory		0
Purchase of furniture		
Purchase of equipment		
Others (specify)		
Total	1,060,000	3,034,847

9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	6,228,660	4,901,045
Service Gratuity	0	0
Repairs And Maintenance & Improvements	8,925,455	13,956,621
Local Transport / Travelling	1,108,622	676,120
Electricity And Water	922,324	517,508
Medical Expenses	54,970	213,650
Administration Costs	1,823,184	2,018,283
Lunch Programme	0	0
Bank Charges	12,360	3,672
Expenses On Income Generating Activities**	0	0
Fee On Boarding Equipment and Stores	26,880,784	31,693,155
Activity	1,519,205	494,570
Insurance Cost (Property)	0	796,509
UNIFORM	3,076,645	5,075,350
Motivation	4,160,540	3,841,900
Acquisition Of Assets	0	0
PA expenses	0	0
Others (specify)	0	0
Total	54,712,749	64,188,383

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account			583,547	-110,946
Operations Account			211,981	155,345
School Fund Account/Boarding			1,418,780	7,409
Infrastructural Account			1,877,167	1,715,007
Total			4,091,476	1,766,816

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	206,358.00	0
Total	206,358.00	0

12 Short Term Investments

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

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	16,600,456	15,869,903
Other Non-Fees Receivables		0
Salary Advances (list/schedule attached)	0	0
Imprest (list/schedule attached)	0	0
Rent arrears (list/schedule attached)	0	0
Total	16,600,456	15,869,902

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	957,083	5%	1,906,537	15%
Between 1- 2 years	1,680,007	10%	0	0%
Over 2 years	13,963,366	85%	13,963,366	85%
Total (should tie to note 13 a)	16,600,456	100%	15,869,903	100%

14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	13,992,151	15,631,984
Prepaid Fees	-751,037	1,345,296.00
Retention Monies	0	0
Unpaid salaries and statutory deductions	0	0
Caution money	0	0
Other payables (<i>specify</i>)	0	0
Total	13,241,114	16,977,280

Notes to the Financial Statements (continued)

14a. 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	3,765,298	30%	7,754,099	49.6%
Between 1- 2 years	2,348,968	16%	130,274	0.83%
Over 2 years	7,877,885	54%	7,747,611	49.56%
Total (should tie to note 14)	13,992,151	100%	15,631,984	100%

15 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	4,091,476	1,766,816
Cash Balances	206,358	0
Short Term Investments	0	0
Receivables	16,600,456	15,869,903
Payables	(13,241,114)	(16,977,280)
Total	7,657,175	659,439

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
Goats		0	0
Trees	65stems	65,000	65,000
banana Plantation	165stems	165,000	165,000
Poultry		0	0
Others (specify)		0	0
Total		230,000	230,000

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	00	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		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

20 Progress On Follow Up Of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)



 Sign and Date
 Principal

KAHUGUINI BOYS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

15 Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount A Kshs	Date Contracted B Kshs	Amount Paid To Date C Kshs	Outstanding Balance 2022-2023 D Kshs	Outstanding Balance 2022-2023 E Kshs	Complaints
Supply Of Goods						
1. ZAWAMU HARDWARE	162,000	2021-2022	0	162,000	162,000	
2. PENGU TRADERS	1,527,321	2021-2022	1,405,309	122,012	122,012	
3. JACKITOS ENTERPRISES	2,084,214	2021-2022	1,972,478	111,736	111,736	
4. GASTON KENYA	2,629,430	2021-2022	2,100,000	529,430	529,430	
5. CELCOM AFRICA	397,500	2021-2022	0	397,500	397,500	
6. GOLD WISE VENTURES	584,140	2022-2023	0	584,140	584,140	
7. ROLYIAN AGENCIES	482,365	2022-2023	0	482,365	482,365	
8. GOTU MEAT SUPPLIES	840,200	2022-2023	0	840,200	840,200	
9. KENSHIRE FARM	134,750	2022-2023	0	134,750	134,750	
10. TIMOTHY KIARIE NJAU	108,800.00	2022-2023	0	108,800	108,800	
Sub-Total	8,950,720				3,472,933	
Supply Of Services						
11. JIMTEX COMPUTERS	1,179,500	2020-2021	887,135	292,365	292,365	
Sub-Total	1,179,500				292,365	
Grand Total	10,130,220				3,765,298	

Annex 2 – Summary of Fixed Assets Register

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost b/f (Kshs) 30 th June 2023
Land 1			No valuer			No valuer
Buildings and structures			50,000,000			50,000,000
Motor vehicles			8,000,000			8,000,000
Office equipment, furniture and fittings			5,000,000			5,000,000
ICT Equipment, and Other ICT Assets			1,000,000			1,000,000
Tools and apparatus			1,000,000			1,000,000
Textbooks			1,000,000			1,000,000
Other Machinery and Equipment			3,000,000			3,000,000
Heritage and cultural assets			0			0
Intangible assets- soft ware			200,000			200,000
Total			69,200,000			69,200,000