

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

OF


THE AUDITOR-GENERAL

ON

LUGULU GIRLS HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2024**

BUNGOMA COUNTY

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 12 JUN 2025	DAY: THURSDAY
TABLED BY:	HON. HADJI WAQO, DEPUTY CHIEF WHIP.
CLERK-AT THE-TABLE:	AM SHIBUKO



Revised 30th June 2024.



LUGULU GIRLS HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH 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.

1. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Bungoma County, Webuye West Sub-County.

The school was registered on 10/2019 under registration number 39S30000210 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 3,215 students as at 30th June 2024. It has 42 streams and 112 teachers of which 38 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.	Prof. Rose Kakai	Chairperson	21/11/2022
2.	Mrs. Cheruiyot Dinah, HSC	Secretary – Principal	21/11/2022
3.	Ms. Angela Chepwogen	Member	21/11/2022
4.	Mrs. Rukia Machengo	Member	21/11/2022
5.	Dr. Samuel Ndogo	V/Chair	21/11/2022
6.	Rev. Gideon Birech	Member	21/11/2022
7.	Rev. Laban Kiplagat	Member	21/11/2022
8.	Ms. Ruth Wanyonyi	Member	21/11/2022
9.	Mr. Amos Simiyu Makokha	Member	21/11/2022

(Lugulu girls High School)

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

10.	Mr. John Otido	Member - Rep CEB	21/11/2022
11.	Ms. Josephine N. Were	Member - Rep Teachers	21/11/2022
12.	C.P.A. Ambrose Makokha	Members – Sponsor	21/11/2022
13.	Prof. Benard Misigo	Member - Special Interest Group	21/11/2022
14.	MR. Joash Abong'o	Member – Community	21/11/2022
15.	Bishop Lirhu Wafula	Member - Special Needs	21/11/2022
16.	Mrs. Gladys Aminga	Member	21/11/2022
17.	Miss. Noel Khakasa	Rep. Students	21/11/2023

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.Prof.Rose Kakai 2.Mrs. Dinah cheruiyot 3.Mr. Amos Simiyu 4.Dr. Samuel Ndogo 5.Ms. Angela Chepwogen	BOM chair Chief Principal PA Chair BOM V/chair Member	2 out of 3
2	Audit Committee	1.Bishop Gideon Birech 2. CPA Ambrose Makokha 2. Mrs. GladysAminga 3.Dr. Samuel Ndogo 5.Bishop Lirhu Wafula	Chairperson Member Member	1 out of 3
3	Finance, Procurement and General Purposes Committee	1.Mr. Kizito Wabwile 2.Ms.Angela Chepwogen 3.Comm.Joash Abongo	Chairperson Member	2 out of 3
4	Academic Committee	1.Bishop Bernard Lirhu 2.Prof. Benard Misigo 3.Mrs. Rukia Machengo 4.Mr. Makokha Simiyu	Chairperson Member Member PA chair/Member	3 out of 3
5	Development Committee	1.Mr.John Otido 2.S.C.D.E 3.Mrs. Dinah cheruiyot 4.Prof. Rose Kakai 5.D/P Administration	Chairperson Member Chief principal Chair BOM Secretary	3 out of 3

		6.Mr.Amos Makokha 7.Public Works 3.Bishop Birech	PA Chair Ex-officio	
6	Discipline and Welfare Committee	1. Comm.Joash Abongo 2. Rev. Laban Kiplagat 3. Ms. Ruth Wanyonyi 4. Mr. Makokha Simiyu	Chairperson Member	1 out of 3
7	Adhoc Tender Opening & Evaluation Committees	1. Mr. Wafula Hosea 2. Mr. Wafula George 3. Mrs. Ogada Jennifer 4. Mr. Sipeji Nathan 5. Mr. Imbiakha Felix 6. Mr. Kasamani Sylvester 7. Public Works	Chairperson Secreatry Member Member Member Member Member	3 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	Chief Principal	Mrs. Cheruiyot Dinah, HSC	TSC No. 351973
2	Deputy Principal Administration	Mrs. Mukwana Evaline	TSC No. 336246
3	Deputy Principal Academics	Mrs. Masinde Mary	TSC No. 421472
4	Deputy Principal Boarding	Mrs. Ndombi Joyce	TSC No. 420285
5	School Bursar	CPA. Nathan Spenji	ICPAK No.28300

(e) Schools contacts

Post Office Box: P.O. PRIVATE BAG-50205 WEBUYE
Telephone: 0202634328
E-mail: lugulugschool@gmail.com
Website: lugulugirlshigh.ac.ke
Facebook: LUGULU NATIONAL SCHOOL

(f) School Bankers

Name of Bank: CO-OPERATIVE BANK
Branch: WEBUYE
Postal Address: P.O. BOX 1221-50205, WEBUYE

Name of Bank: KENYA COMMERCIAL BANK
Branch: WEBUYE
Postal Address: P.O.BOX 332-50205, WEBUYE

(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

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

a) Financial performance:

	YEAR	2023/2024	2022/2023	2021/2022
1	SURPLUS/DEFICIT	(45,590,459)	68,426,599	17,237,899
2	CAPITATION GRANTS	43,463,961	39,370,473	40,108,301
3	PARENT CONTRIBUTION	203,480,324	218,398,830	163,177,661
4	OTHER INCOMES	16,287,480	20,299,496	30,770,145
5	EXPENDITURE	308,822,224	211,191,196	216,818,208
6	DEBTORS	66,319,815	72,131,262	29,907,070
7	CREDITORS	38,822,981	16,088,219	20,604,118

b) Teacher Student ratio:

		2023/2024
1.	TOTAL NO.OF TEACHERS	112
2.	TOTAL NO. OF STUDENTS	3,215
3.	TEACHER/STUDENT RATIO	1:29
4.	TEACHERS TRANSFERRED/RETIRED	1
5.	TEACHERS EMPLOYED BY TSC	5
6.	TEACHERS EMPLOYED BY BOM	15

S.N	SUBJECT	NO.OF TEACHERS	
		T.S.C	B.O.M
1.	MATHEMATICS	20	14
2.	ENGLISH	15	4
3.	KISWAHILI	11	8
4.	FRENCH	3	
5.	CHEMISTRY	13	8
6.	PHYSICS	9	6
7.	BIOLOGY	15	5
8.	GEOGRAPHY	12	4
9.	BUSINESS STUDIES	6	2
10.	AGRICULTURE	6	1
11.	HISTORY	7	8
12.	HOME.SCIENCE	2	
13.	ART AND DESIGN	1	
14.	MUSIC		1
15.	ICT	3	
16.	CRE	8	11

c) **The mean score in the 2023 KCSE:**

YEAR	NO.OF CANDIDATES	TARGET MEANS CORE	MEAN SCORE	TRANSITION	REMARKS
2023	605	9.0	9.0006	99.84% University entry	Almost achieved 100% transition
2022	493	9.0	8.663	97% University entry 3% Tertiary colleges	
2021	403	9.5	8.9	University entry 92% Tertiary colleges 8%	

d) The capacity of the school:

NO.	FACILITY	NO	STD CAPACITY	NO.OF STUDENT	REMARKS
1.	DINING HALL	0		3,215	No Dining hall
2.	DORMITORIES	17	2,200	3,215	Not enough
3.	LABORATORIES	9	1,000	3,215	Not enough
4.	TOILETS	220	2,200	3,215	Not Enough
5.	CLASSROOMS	44	2,200	3,215	Not Enough
6.	ASSEMBLY HALL	1	2,500	3,215	Not Enough

e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	M.O.E & Parents	On going	48,233,136	35,194,040	Dec. 2023
Laboratory Cum Library	Parents	On going	39,559,990	25,723,450	Feb. 2024
Perimeter wall	Parents	Complete	3,194,268	Nil	March, 2024



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School Principal

LUGULU GIRLS' HIGH SCHOOL
Tel: 020 263 4328
24 SEP 2024
P. O. PRIVATE BAG
WEBUYE - 50200

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 Lugulu girls 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, 2024, and of the school's financial position as at that date.

Rose Kalca
.....
Name: *Prof Rose Kalca*
Designation: Chairman, School Board of Management
Date: *24/9/2024*

[Signature]
.....
Name: *Pinali Chughtai, HSC*
Designation: School Principal & Secretary to Board of Management
Date: *24/9/24*



[Signature]
.....
Name: *Nathan W. Sipiengi*
Designation: Bursar/ Finance Officer
Date: *24/09/2024*

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON LUGULU GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - BUNGOMA 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.
- 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 Lugulu Girls High School- Bungoma County set out on pages 1 to 20, 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 Lugulu Girls High 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements submitted for the audit had the following inaccuracies

- (i) The statement of receipts and payments reflect balances which differ from the general ledger as detailed below;

Item Details	Amount as per financial statements (Kshs)	Amount as per General Ledger (Kshs)	Variance (Kshs)
Infrastructure Receipts	11,318,000	42,476,397	31,158,397
School Fund Income and Miscellaneous Receipts	219,767,804	257,379,390	37,611,586
Payments for Tuition	4,601,868	5,500,068	898,200
Payments for operations	22,069,819	51,780,518	29,710,699
Boarding and school fund payments	207,450,345	245,052,375	37,602,030

- (ii) The statement of budgeted and actuals reflects a balanced budget of Kshs.266,367,100 while the approved budget reflect a balanced budget of Kshs.219,571,171 resulting in unreconciled variance of Kshs.46,795,929.
- (iii) The statement of receipts and payments reflects infrastructure payments of Kshs.74,700,192 while the statement of cash flows reflect cash outflow from investing activities of Kshs.61,585,004 and fixed assets register reflect assets

addition of Kshs.90,682,857. Variances between the three records has not been reconciled.

- (iv) The statement of assets and liabilities reflects bank balances of Kshs.7,940,855 as disclosed in Note 10 to the financial statements. The balance was arrived at after deducting bank overdraft of Kshs.2,612,279 in respect of School fund account. However, the cashbook for the school fund account reflects a balance of Kshs.9,587,691 while the bank statements indicated a balance of Kshs.2,978,271. The balances between the records have not been reconciled.

In the circumstances the completeness and accuracy of balances reflected in the financial statements could not be confirmed

2. Accounts Receivables Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.66,319,815 as disclosed in Note 13 to the financial statements. Included in the balance is student fee arrears of Kshs.58,449,156 out of which student arrears is Kshs.17,062,513 has been outstanding for over three (3) years without clear strategy to ensure on recovery of the same. Further, there was no policy on the impairment of the long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In addition, the balance includes a suspense account balance of Kshs.7,467,569, owed by a former principal, stemming from a 2008 audit by the Ministry of Education. Review of records revealed that the audit identified a total of Kshs.9,406,349 where Kshs.7,467,569 was attributed to the principal's actions and Kshs.1,738,497 to unidentified creditors. However, while the amount attributed to the principal was recognized in the receivables details of treatment of the Kshs.1,738,498 was not provided. The same appears to have been written off without approval while the management did not give a clear plan to recover the amount owed by the former principal.

In the circumstances, the completeness, accuracy and recoverability of the outstanding receivables balance of Kshs.66,319,815 could not be confirmed.

3. Unsupported Accounts Payables

The statement of assets and financial liabilities reflect payables balance of Ksh.38,822,981 as disclosed in Note 14 to the financial statements. The balance includes retention monies gratuity reserve fund of Kshs.683,228 which was the same in the two previous years. The management did not explain nor give details and documentary evidence to support what comprises the balance

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.38,822,981 could not be confirmed.

4. Unsupported Payments for Operations

The statement of receipts and payments reflects payments for operations of Ksh.22,069,819 as disclosed in Note 7 to the financial statements. However, examination of payment vouchers of Kshs.420,000 in respect of fuel expenses revealed that Management made payments without proper support documents such as agreement with the fuel supplier details of the fuelled motor vehicles and fuelling schedules.

In the circumstances, the regularity, accuracy and completeness of the payments for operations of Ksh.22,069,819 could not be confirmed.

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

Key Audit Matters

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

Other 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 as at 30 June, 2024.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects school fund and boarding payments of Kshs.207,450,345 as further disclosed in Note 9 to the financial statements. Included in the expenditure is Kshs.1,236,403 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from high school principals. 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, legality and value for money transferred to KESSHA amounting to Ksh.1,236,403 could not be confirmed.

2. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure grants totalling Kshs.43,463,961. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education and the school records revealed that during the financial year/period 2023/2024 there were variances between the NEMIS system and students records maintained by the school resulting in underfunding of the school by Kshs.3,320,183.

In the circumstance, under-funding of the school may have affected service delivery to the students.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the 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. Weaknesses in Governance of the School

During the year under review, the school board audit committee met once during the year contrary to regulation 179(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the audit committee to meet once in every three months. Further, the school paid sitting allowances of Kshs.6,000 per sitting and travel allowances of Kshs.10,000 to board members. However, the rates of allowances paid were not supported by any approval or authority.

In the circumstances, the school did not benefit from the oversight and advisory role of the school Board audit committee and value for money on board expenses could not be confirmed.

2. Lack of Terms of Employment for School Board of Management Employees

The statement of receipts and payments reflects payments for operation of Kshs.22,069,819 and boarding and school fund payments of Kshs.207,450,345 as disclosed in Note 7 and 9 to the financial statements respectively. Included in the payments is Kshs.7,714,720 paid to the School's Board of Management employees. However, audit review of staff files revealed that the school lacked documented terms of service including remuneration amounts, employment terms and gratuity entitlements. Further, the school Board of Management had not approved a policy on scheme of service for the Board's employees detailing the employees' pay rates and terms of employment for the various cadres engaged.

In the circumstances, the validity, engagement and legality of terms of Board of Management employees could not be confirmed.

3. Lack of Information Communication Technology Policy

Audit review of the Schools governance and the approved policies and procedures indicated that there was no Information Communication Technology (ICT) Policy to guide on the operation of the information technology systems infrastructure run by the school. The management did not provide details of how it managed and provided oversight on the ICT assets in absence of the policy.

In the circumstances, the schools ICT assets are exposed to misuse and lack of a policy may result in private data infiltration exposing the entity to litigation.

4. Lack of Adequate Facilities in the Institution

During the period under review, inspection of the school revealed a shortage of essential facilities needed to adequately support its student population. These facilities were

outlined as priorities in the school's strategic plans for 2018–2022 and 2023–2027. Notably, some key infrastructure goals have not been achieved, including the construction of a dining hall, sanatorium, and a sports complex.

In the circumstances, the effectiveness of Management to provide suitable learning environment, student safety and overall well-being could not be confirmed.

5. Incomplete Fixed Assets Register

Annex 2 to the financial statements reflect summary of fixed assets balance of Kshs.724,117,422. However, the school did not provide a fixed asset register which include details such as unique identifier, cost of each asset, year of purchase custodian, and date of delivery or installation as required by Asset and Liability Management in the Public Sector, 2020 guideline issued by The National Treasury. Further, detailed analysis and schedule of the specific assets comprising each asset class and their cost was not provided for audit. In addition, the balance includes four (4) parcels of land valued at Kshs.48,750,000 and measuring 4.7 hectares as per the title deeds. However, two of the parcels were in the name of Elgon Religious Society of Friends and the value of each of the parcels of land was not included in the assets register.

In the circumstances, the effectiveness of the school in management of assets could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

3 June, 2025

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	7,160,638	7,277,606
Government grants for operations	2	24,985,323	21,371,867
Government Grants for infrastructure	3	11,318,000	12,271,000
School fund income- parents' contributions	4	203,480,324	218,398,830
Miscellaneous incomes	5	16,287,480	20,299,196
Total Receipts		263,231,765	279,618,499
Payments			
Tuition	6	4,601,868	6,154,663
Operations	7	22,069,819	19,444,743
Infrastructure	8	74,700,192	1,317
Boarding and school fund	9	207,450,345	185,591,177
Total Payments		308,822,224	211,191,900
Surplus/Deficit		(45,590,459)	68,426,599

The school financial statements were approved on 24/09/24 and signed by:

Ruvani

Name: Prof Rose
KAKAL
Chair BOM

Date: 24/9/2024

[Signature]

Name: Onda cheryot, MC
School Principal/ Secretary to
BOM

Date: 24/9/24

[Signature]

Name: Nathan W. Gipping
Bursar/ Finance Officer

Date: 24/09/2024

LUGULU GIRLS' HIGH SCHOOL
Tel: 020 263 4328
24 SEP 2024
P. O. PRIVATE BAG
WEBUYE - 56222

(Lugulu girls High School)

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

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	7,940,855	24,985,473
Cash balances	11	745	377
Short term investments	12	-	-
Total cash and cash equivalent		7,941,600	24,985,850
Account's receivables	13	66,319,815	72,131,262
Total financial assets (a)		74,261,415	97,117,112
Financial liabilities			
Accounts payables	14	38,822,981	16,088,219
Total Financial Liabilities (b)		38,822,981	16,088,219
Net financial assets (a-b)		35,438,434	81,028,893
Represented by			
Accumulated fund b/fwd	15	81,028,893	12,602,294
Surplus/deficit for the year		(45,590,459)	68,426,599
Net Assets		35,438,434	81,028,893

The school's financial statements were approved on 24/09/2024 2024 and signed by:

Mheran
Name: Prof Rose Kakai
Chair BOM
Date: 24/9/2024

[Signature]
Name: Dina Chyot, H.C.
School Principal/ Secretary to BOM
Date: 24/9/24

[Signature]
Name: Nathan W. Sepingi
Bursar/ Finance Officer
Date: 24/09/2024



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		7,160,638	7,277,606
Government grants for operations		24,985,323	21,371,867
Government grants for infrastructure		11,318,000	12,271,000
School fund income- parents contributions/ fees		219,783,402	218,398,830
Other income		16,238,340	20,299,196
Total receipts		279,485,703	279,618,499
Payments			
Cash outflows for tuition		5,316,108	6,154,663
Cash outflows for operations		22,069,819	19,444,743
Cash outflows Boarding/lunch and school fund payments		207,559,022	185,591,177
Total payments		234,944,949	(211,190,583)
Net cash inflow/outflow from operating activities		44,540,754	68,427,916
Add/less Decrease/Increase in Receivables			(42,224,192)
Add/less Decrease/Increase in Payables			(4,515,899)
Cash flow from investing activities			
Acquisition of assets		(61,585,004)	(1,317)
Net cash inflow/outflows from investing activities		(61,585,004)	
Cash flow from Financing activities			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(17,044,250)	21,686,508
Cash and cash equivalent at beginning of July 2023		24,985,850	3,299,342
Cash and cash equivalent at end of June 2024		7,941,600	24,985,850

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

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

The school's financial statements were approved on 24/09/2024 and signed by:

.....
Name: Prof ROSE Kakai

Chair BOM

Date: 24/9/2024

.....
Name: Dinah Umoy, etc
School Principal/ Secretary to BOM

Date: 24/09/2024

.....
Name: William W. Spenzi
Bursar/ Finance Officer

Date: 24/09/2024



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					
Teaching / learning materials	10,774,400	2,072,000	12,846,400	7,160,638	56
Sub-totals	10,774,400	2,072,000	12,846,400	7,160,638	
(2) CAPITATION GRANT ON OPERATIONS					
Medical	5,200,000	1,000,000	6,200,000	2,343,000	38
CBC			0	1,576,440	
Activity	3,900,000	750,000	4,650,000	2,312,969	50
Others(P.E,L.T&T,EWC,ADM)	24,440,000	4,700,000	29,140,000	18,752,915	64
Sub-totals	33,540,000	6,450,000	39,990,000	24,985,323	
3) FDSE FOR INFRASTRUCTURE					
Maintenance &Improvement MoE	13,000,000	2,500,000	15,500,000	11,318,000	73
Sub-totals	13,000,000	2,500,000	15,500,000	11,318,000	
(4) FEES CHARGED ON PARENTS					
Personnel emoluments	15,527,200	2,986,000	18,513,200	20,023,919	108
Repairs and maintenance	5,200,000	1,000,000	6,200,000	6,798,927	110
Local transport / travelling	6,814,600	1,310,500	8,125,100	10,082,952	124
Electricity and water	18,881,200	3,631,000	22,512,200	24,843,662	110
Refund			0	422,344	
Administration costs	11,741,600	2,258,000	13,999,600	16,452,182	118
Activity	2,074,800	399,000	2,473,800	2,679,731	108

(Lugulu girls High School)

Annual Report and Financial Statements 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
Fee on Boarding Equipment and Stores	79,001,000	15,192,500	94,193,500	103,991,173	110
Development	15,600,000	3,000,000	18,600,000	18,185,434	98
Sub-totals	154,840,400	29,777,000	184,617,400	203,480,324	
(5) OTHER INCOME					
Rent income	103,800		103,800	99,660	96
Income from farming activities	1,898,500		1,898,500	2,049,010	108
Scrab Metal			0	2,500	
Medical bill			0	6,000	
Income from Bus Hire			0	15,000	
Fee for hire of ground and equipment			0	3,600	
Income from Bakery	11,091,000		11,091,000	12,344,475	111
SMASSE			0	1,331,300	
Seminer fee			0	73,750	
Tender fee	320,000		320,000	362,185	113
Sub-totals	13,413,300	-	13,413,300	16,287,480	121
TOTAL INCOME	225,568,100	40,799,000	266,367,100	263,231,765	
PAYMENTS					
(6) EXPENDITURE FOR TUITION					
Exercise books	2,230,301	428,904	2,659,205	1,633,500	61
Laboratory equipment	2,876,765	553,224	3,429,989	1,535,453	45
Teaching / learning materials	3,542,622	681,274	4,223,896	673,785	16
Chalks	161,616	31,080	192,696	229,120	119
Exams and assessment	1,960,941	377,104	2,338,045	528,100	23
Bank Charges	2,569		2,569	1,910	74

(Lugulu girls High School)

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	e=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-totals	10,774,814	2,071,586	12,846,400	4,601,868	
(7) Expenditure For Operations					
Personnel emoluments	14,820,000	2,850,000	17,670,000	14,322,396	81
Administration Cost	3,113,000	600,000	3,713,000	870,127	23
Local transport / travelling	3,900,000	750,000	4,650,000	2,853,382	61
Electricity and water	2,600,000	500,000	3,100,000	2,344,299	76
Medical\$ insurance	5,200,000	1,000,000	6,200,000	883,300	14
Activity Expenses	3,900,000	750,000	4,650,000	790,195	17
Bank Charges	7,000		7,000	6,120	87
Sub-totals	33,540,000	6,450,000	39,990,000	22,069,819	
(8) Expenditure For infrastructure					
Construction of Dormitory Block			0	34,946,392	
Lab.Cum Library Block			0	18,497,079	
lab block extra works			0	2,786,457	
Environment Impact Assement			0	187,792	
CBC Classrooms			0	1,536,801	
Labaratory Instalation			0	15,002,470	
perimeter			0	1,737,157	
Maintenance &Improvement MoE	13,000,000	2,500,000	15,500,000	-	
Bank Charges			0	6,044	
Sub-totals	13,000,000	2,500,000	15,500,000	74,700,192	
(9)Expenditure for Boarding/school fund					
Personnel emoluments	14,624,479	2,986,000	17,610,479	13,516,765	77

(Lugulu girls High School)

Annual Report and Financial Statements 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
Service Gratuity	902,721		902,721	909,115	101
Repairs and maintenance & Improvements	5,200,000	1,000,000	6,200,000	5,480,481	88
Local transport / travelling	6,814,600	1,310,500	8,125,100	12,330,247	152
Electricity and water	18,881,200	3,631,000	22,512,200	13,791,015	61
Activity Expenses	2,074,800	399,000	2,473,800	3,255,750	132
Administration costs	11,441,600	2,258,000	13,699,600	19,987,140	146
Seminar			0	1,167,929	
Bank Charges	300,000		300,000	275,762	92
Bank Charges-Saving A/c Project			0	3,795	
farming activities	1,898,500		1,898,500	-	-
Fee on Boarding Equipment and Stores	79,001,000	15,192,500	94,193,500	112,793,150	120
Rent Expenses	103,800		103,800	-	-
Tender expenses	320,000		320,000	211,000	66
Posho Mill expenses, farm and Bakery			0	17,746,261	
Refund			0	741,685	
Development (lab/lyb)	15,600,000	3,000,000	18,600,000	5,240,250	28
Bakery	11,091,000		11,091,000	-	-
Sub-totals	168,253,700	29,777,000	198,030,700	207,450,345	
TOTAL EXPENDITURE	225,568,514	40,798,586	266,367,100	308,822,224	

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

I. Underfunding by the Ministry of Education and parents defaulting in fees payment

(Lugulu girls High School)

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

- II. *Rising of prices of some commodities because of inflation*
- III. *Fees collected in 3rd term for 1st & 2nd (academic terms) are reflected as arrears hence understating income in various vote heads.*

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits, and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	7,160,638	7,277,606
Total	7,160,638	7,277,606

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments		
Repairs And Maintenance		
Local Transport / Travelling		
Electricity And Water		
Medical	2,343,000	530,400
CBC	1,576,440	
Activity	2,312,969	1,510,600
Other	18,752,915	19,330,867
Total	24,985,323	21,371,867

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	11,318,000	10,721,000
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other-parents contribution		1,550,000
Total	11,318,000	12,271,000

4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel emoluments	20,023,919	19,111,618
Repairs and maintenance	6,798,927	6,604,238
Local transport / travelling	10,082,952	8,543,240
Electricity and water	24,843,662	21,445,087
Development	14,091,339	
Administration costs	16,452,182	13,745,533
Activity	2,679,731	3,285,353
Fee on Boarding Equipment and stores	103,991,173	98,708,536
Lab. Cum library	4,094,095	46,156,127
Others refund	422,344	799,098
Total	203,480,324	218,398,830

*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.

5 Miscellaneous Incomes

Description	2023/2024	2022/2023
	Kshs	Kshs
Rent Income	99,660	46,700
Income From Farming Activities	2,049,010	2,946,412
Scrap Metal	2,500	84,120
Income From Posho Mill		240,000
Income From Bus Hire	15,000	57,000
Income from Bakery	12,344,475	15,243,860
Income Hall Hire	3,600	
Medical bill	6,000	
Smasse Seminar	1,331,300	
Tender fee	362,185	151,000
Seminar fee	73,750	1,517,500
Saving a/c adjustment (0111108991262)		12,604
Total	16,287,480	20,299,196

(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 write backs if any.

6 Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Exercise Books	1,633,500	1,273,860
Textbooks		
Chalks	229,120	95,000
Laboratory Equipment	1,535,453	1,643,888
Teaching / Learning Materials	673,785	2,018,275
Exams And Assessment	528,100	1,121,720
Bank Charges	1,910	1,920
Total	4,601,868	6,154,663

7 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	14,322,396	10,174,996
Administration Cost	870,127	1,134,471
Local Transport / Travelling	2,853,382	2,174,440
Electricity And Water	2,344,299	4,570,983
Medical	883,300	514,846
Activity Expenses	790,195	872,716
Bank charges	6,120	2,291
Total	22,069,819	19,444,743

8 Infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Construction of dormitory Block	34,946,392	
Lab.Cum Library Block	18,497,079	
lab block extra works	2,786,457	
Environment impact Assessment	187,792	
CBC Classrooms	1,536,801	
Laboratory Installation	15,002,470	
Drilling of boreholes	1,737,157	
Bank charges	6,044	1,317
Total	74,700,192	1,317

9 Boarding and School Fund

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	13,516,765	16,262,472
Service Gratuity	909,115	88,000
Repairs And Maintenance & Improvements	5,480,481	4,843,850
Local Transport / Travelling	12,330,247	12,166,535
Electricity And Water	13,791,015	14,096,857
Medical Expenses		
Administration Costs	19,987,140	15,940,007
Activity Expenses	3,255,750	3,504,140
Bank Charges	275,762	
Bank charges –Saving a/c project	3,795	
Expenses On Income Generating Activities**		19,256,604
Fee On Boarding Equipment and Stores	112,793,150	93,832,403
Rent Expenses		14,610
Seminar	1,167,929	952,224
Posho Mill expenses, Farm and Bakery	17,746,261	
Refund	741,685	
Tender expenses	211,000	
Acquisition of Assets		4,633,475
Development levy (laboratory and Library)	5,240,250	
Total	207,450,345	185,591,177

(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).

(Lugulu girls High School)

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

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/2024	2022/2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01139011735700	1,898,502	53,972
Operations Account	Active	1107114632	6,475,776	1,683,042
School Fund Account/Boarding	Active	01129011735700	(2,612,279)	545,347
Savings Account-Gratuity	Active	1106088557	17,098	17,098
Parent Association saving account	Active	1108991262	470,618	3,474,413
Saving account- project	Active	1106682807	1,625,197	37,052
Infrastructural Account	Active	1119670896	65,942	19,174,549
Total			7,940,855	24,985,473

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Operation Account	333	3
School Fund account	412	374
Total	745	377

12 Short Term Investments

Description	2023/2024	2022/2023
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
Total		

13 Accounts Receivable

Description	2023/2024	2022/2023
	Kshs	Kshs
Fees Arrears	58,449,156	64,309,743
Other Non-Fees Receivables		
Other non –fees receivables Beryl -suspense	7,467,569	7,467,569
PAYE	25,100	25,100
Rent arrears	377,990	328,850
Total	66,319,815	72,131,262

13 b) Ageing Analysis of Accounts Receivable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current 2023/2024	% of the total	Comparative 2022/2023	% of the total
Less than 1 year	25,333,884	43%	47,118,813	73%
Between 1- 2 years	16,052,759	27%	1,954,117	3%
Over 3 years	17,062,513	30%	15,236,813	24%
Total (should tie to note 13 a)	58,449,156	100%	64,309,743	100%

14 Accounts Payable

Description	2023/2024	2022/2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	27,697,262	9,910,100
Prepaid Fees	10,442,491	5,494,891
Retention Monies*Gratuity reserve fund	683,228	683,228
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	38,822,981	16,088,219

14a. Ageing Analysis of Accounts Payable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current 2023/2024	% of the total	Comparative 2022/2023	% of the total
Less than 1 year	23,148,430	83%	8,919,570	90%
Between 1- 2 years	4,548,832	17%	990,530	10%
Between 2-3 years			0	0%
Over 3 years			0	0%
Total (should tie to note 14)	27,697,262	100%	9,910,100	100%

15 Fund Balance Brought Forward

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Balances	24,985,473	3,295,217
Cash Balances	377	4,125
Short Term Investments	-	
Receivables	72,131,262	29,907,070
Payables	(16,088,219)	(20,604,118)
Total	81,028,893	12,602,294

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	2023/2024	2022/2023
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total		

17 Biological assets

Description	Numbers	2023/2024	2022/2023
		Kshs	Kshs
Cattle	6	320,000	450,000
Pigs	117	1,755,000	742,500
Trees		2,750,000	2,750,000
Oranges		0	192,500
Avocado	430	129,000	-
Bananas	420	246,500	135,000
Beehives	50	448,400	448,400
Total		5,648,900	4,718,400

18 Borrowings

Description	2023/2024	2022/2023
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		
Balance at the end of the year		

Other important disclosure notes

19 Stock/ Inventory

Description	2023/2024	2022/2023
	Kshs	Kshs
Food stuffs	10,225,042	3,109,260
Lab consumables	542,859	640,190
Farm produce	86,400	24,900
Medication	188,900	86,103
Construction Materials	245,846	146,123
Tuition materials	3,668,380	2,236,720
	14,957,427	6,243,296

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

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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)
1	Lack of disaster management committee	The committee was constituted and it's now in place.	Resolved	
2	Lack of detailed and comprehensive fixed assets register	The school management is in the process of updating its fixed assets register with all the required details.	Not resolved	31/12/2024
3	Suspense account of Kshs. 7,467,569 against former Principal Mrs. Beryl Wabwile	The school management has made communication to the former principal with view to recover the amount suspended against her.	Not resolved	30/06/2025

Sign and Date
Principal



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12. 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 Current 2023/2024 d=a-c Kshs	Outstandi ng Balance Comparat ive 2022/2023 Kshs	Comments
Construction Of Buildings						
1. Maties Suppliers Ltd	3,202,342	01/11/2023	1,000,000	1,737,157		Ksh. 465,185 Retention
2. Terramas Construction Co. Ltd	48,233,136	24/02/2023	39,104,504	1,926,431		NB. Outstanding balance is for certificates issued
3. Skullab Enterprises		24/03/2024		1,675,425		
4. Skullab Construction & Material Ltd		24/03/2024	2,488,742	7,776,175		
5. Bomer Construction Co. Ltd	39,559,990	09/06/2023	19,524,270	13,115,188		
Sub-Total						
Supply Of Goods						
6. Martha Simiyu	120,000	24/06/2024		120,000		
7. Lakeside Product Agencies	2,855,860	18/01/2024		2,855,860		
8. Bomer Construction Co. Ltd	118,000	13/03/2024		118,000		
9. Ombaba Enterprises	255,000	09/02/2024		255,000		
10. Daniel Waswa Simiyu	300,000	09/02/2024		300,000		
11. Morton J. Kimungui	204,000	10/05/2024		204,000		

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
12. Ferdinand Muyebele	63,245	30/06/2024		63,245		
13. Hellen Nafula Simiyu	38,780	30/06/2024		38,780		
14. Mary Snaida Mwigai	285,000	22/12/2023		285,000		
15. Ivan K. Kiplagat	30,000	29/04/2024		30,000		
16. Webuye Undugu Electricals	128,700	30/06/2024		128,700		
17. Beyond Lugulu Girls H.S.W.	165,000	19/02/2024		165,000		
18. Komavi Enterprises	395,015	12/06/2024		395,015		
19. Eyat Royal Pharmacy	49,750	25/05/2024		49,750		
20. New Adatia Wholesalers Ltd	1,651,957	05/05/2024		1,651,957		
21. Martha Wafula	11,620	30/06/2024		11,620		
22. Margaret Wabwile	29,330	30/06/2024		29,330		
23. Daniel Juma Wanjala	13,720	30/06/2024		13,720		
24. Felistus Mamati	914,000	24/06/2024		914,000		
25. Nira Distributors Ltd	8,100	30/06/2024		8,100		
26. Timothy Khaoya	6,230	30/06/2024		6,230		
27. Rose W. Wasike	54,260	30/06/2024		54,260		
28. Cleophas M. Ngaira	40,500	30/06/2024		40,500		
29. Deborah N. Wafula	100,800	30/06/2024		100,800		
30. Jentrix Wamalwa	74,060	30/06/2024		74,060		
31. Margaret Kwata	48,000	30/06/2024		48,000		
32. Catherine Nekesa	40,400	30/06/2024		40,400		
33. Build Simple Enterprise	39,000	30/06/2024		39,000		
34. Sella Wasike	40,500	30/06/2024		40,500		
35. One Highland Testimony Enterprise	383,200	30/06/2024		383,200		
36. Clare Muhuyi	48,000	17/06/2024		48,000		
37. Merlissy Enterprise	116,000	25/06/2024		116,000		

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
38. Winny M. Wafula	59,535	25/06/2024		59,535		
39. Dorcas Marauni	48,720	19/06/2024		48,720		
40. Faith Joy Smooth Enterprise	27,450	21/06/2024		27,450		
41. Meltech Ventures	300,000	22/12/2023		300,000		
42. Peter Wanyama Wasilwa	7,500	27/06/2023		7,500		
43. Margret Busisa	10,500	10/06/2024		10,500		
44. Elijah Ezavo Ong'eng'e	131,600	08/06/2024		131,600		
45. Nassie Décor & Households Ltd	17,000	12/04/2024		17,000		
46. Vaghela School Centre Ltd	183,960	01/06/2024		183,960		
Sub-Total				9,414,292		
Supply Of Services						
47. Ibrahim Mutoka Khisa	234,500	30/06/2024		234,500		
48. Yosiah M.C. Wanyama	90,650	26/06/2024		90,650		
49. Mary Amboka	43,500	30/06/2024		43,500		
50. Philip Wafula	28,300	30/06/2024		28,300		
51. Moses Wamalwa Sipaki	37,500	30/06/2024		37,500		
52. Nassie Décor & House holds Ltd	184,500	13/06/2024		184,500		
Sub-Total				618,950		
Grand Total				23,148,430		

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land	48,750,000			48,750,000
Buildings And Structures	424,423,534	87,782,587		512,206,121
Motor Vehicles	24,616,258			24,616,258
Office Equipment, Furniture and Fittings	65,211,542	1,681,980		66,893,522
Textbooks	34,741,587	297,800		35,039,387
ICT Equipment	11,016,000	189,400		11,205,400
Tools And Apparatus	17,245,300	58,400	2,500	17,301,200
Other Machinery and Equipment	6,542,844	672,690		7,215,534
Heritage And Cultural Assets	250,000			250,000
Intangible Assets- Soft Ware	640,000			640,000
Total	633,437,065	90,682,857	(2,500)	724,117,422

Annex 2 – Summary of Fixed Assets Register

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