

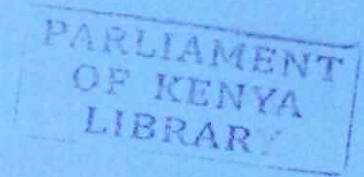
REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

**OF**



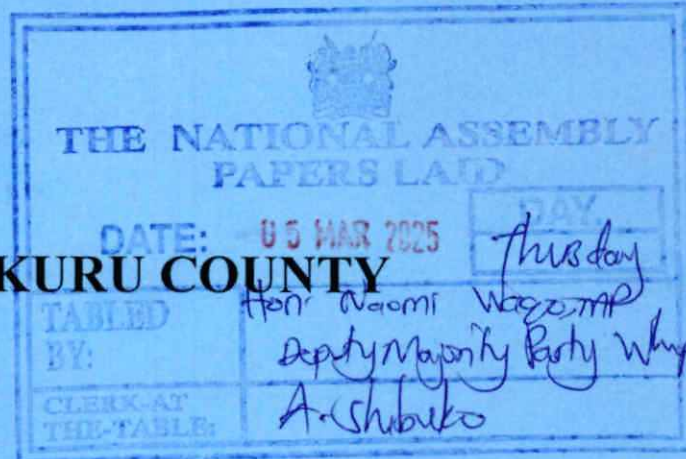
**THE AUDITOR-GENERAL**

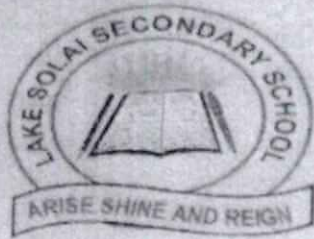
**ON**

**LAKE SOLAI SECONDARY SCHOOL**

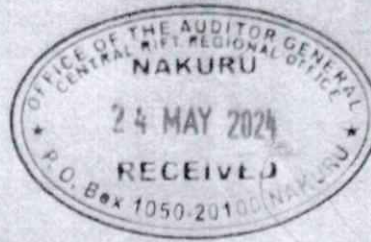
**FOR THE YEAR ENDED  
30 JUNE, 2023**

**NAKURU COUNTY**





Revised 30<sup>th</sup> June 2023.



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*LAKE SOLAI SECONDARY SCHOOL*  
**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2023**

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

*(Lake Solai Secondary School)*  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2023**

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Table of Contents

Page

I. KEY SCHOOL INFORMATION AND MANAGEMENT.....	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.....	6
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY.....	12
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF LAKE SOLAI SECONDARY SCHOOL FOR THE YEAR ENDING 30 <sup>TH</sup> JUNE 2023.....	13
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 <sup>TH</sup> JUNE 2023.....	14
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 <sup>TH</sup> JUNE 2023.....	15
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 <sup>TH</sup> JUNE 2023.....	25
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 <sup>TH</sup> JUNE 2023.....	11
IX. SIGNIFICANT ACCOUNTING POLICIES.....	16
X. NOTES TO THE FINANCIAL STATEMENTS.....	18

**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

**(a) Background information**

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Nakuru County, Rongai Sub-County.

The school was registered on 4/5/2005 under registration number GP/A/3255/2005 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day/boarding school and has 709 number of students as at 30<sup>th</sup> June 2023. It has 3 streams and 27 teachers of which 8 teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Adamson Bungei	Chairman	20/6/2022
2	Harry cheruiyot	Secretary - Principal	"
3	Nicholas Kiplagat	Member	"
4	Jarmin Kipyegon	Member	"
5	Jedidah Gikiru	Member	"
6	Margaret Cheboiwo	Member	"
7	Joan Cherutich	Member	"
8	William Kipkios	Member	"
9	Henry Kipng'ok	Member - Rep CEB	"
10	Antony Waruga	Member Rep Teachers	"
11	1. Esther Chebet 2. Joshua Cherop 3. Elijah Cheruiyot	3 Members - Sponsor	"
12	Job Kigen	Member - Community	"
13	Nancy Ndege	Member Special Needs	"
14	Francis Keitany	Member	"
15	Shadrack Kipyegon	Member	"

**KEY SCHOOL INFORMATION AND MANAGEMENT**

**The function of the School Board of Management include:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule paragraph 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Adamson Bungei 2. Harry cheruiyot 3. JarminKipyegon 4. Nancy Ndege 5. ShadrackKipyegon		3 out of 3
2	Audit Committee	1. Henry Kipng'ok 2. William Kipkios 3. Nancy Ndege	Chairperson	1 out of 3
3	Finance,procurement and general purposes Committee	1. JarminKipyegon 2. Elijah Cheruiyot 3. ShadrackKipyegon 4. Esther Chebet	Chairperson	2 out of 3
4	Academic Committee	1. Nicholas Kiplagat 2. Anthony Waruga 3. Francis Keitany 4. Joan Cherutich	Chairperson Member Member Member	2 out of 3
5	Development Committee	1. Job Kigen 2. Margaret Cheboiwo 3. ShadrackKipyegon	Chairperson	2 out of 3
6	Discipline and welfare Committee	1. Margaret Cheboiwo 2. ShadrackKipyegon 3. Joan Cherutich	Chair Member "	1 out of 3
7	Adhoc Committee (if any during the year)			

(Lake Solai Secondary School)

**PUBLIC SECONDARY SCHOOL**

**Annual Report and Financial Statements**

**For the year ended 30<sup>th</sup> June 2023**

**(d) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Harry Cheruiyot	349785
2	Deputy Principal	Mary Macharia	426804
3	School Bursar	Bernard Mitei	

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: 12199-20100, NAKURU  
Telephone: 0115429376  
E-mail: lakesolaisecondary@gmail.com  
Website: N/A  
Facebook: N/A  
Twitter: N/A

**(f) School Bankers**

The following school operated 6 number of bank accounts in the following banks:

1. Name of Bank: K.C.B  
Branch: NAKURU  
Account Number: 1101669136- TUITION
2. Name of Bank: K.C.B  
Branch: NAKURU  
Account Number: 1101673060-OPERATIONS
3. Name of Bank: K.C.B  
Branch: NAKURU  
Account Number: 1101672730-SCHOOL FUND
4. Name of Bank: BORESHA SACCO  
Branch: NAKURU  
Account Number: 504-601-628-01-SCHOOL FUND
5. Name of Bank: K.C.B  
Branch: NAKURU  
Account Number: 1266506225-INFRASTRUCTURE

**(g) Independent Auditors**

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

## II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

### a) Financial performance:

#### I. SURPLUS/DEFICIT - FOR YR COMPARISON

S/N	ACCOUNT	YEARS		
		2022	2021	2020
1.	TUITION	(41,359.60)	86,158.75	44,126.00
2.	OPERATIONS	1,097,465.40	(225,576.25)	47,235.00
3.	MAIN A/C	(9,237,579.00)	(6,721,125.00)	4,345,190.00
	<b>TOTALS</b>	<b><u>(8,181,473.20)</u></b>	<b><u>(6,860,542.50)</u></b>	<b><u>4,436,551.00</u></b>

#### 2. MoE GRANTS

S/N	ACCOUNT	YEARS		
		2022	2021	2020
1.	TUITION	2,387,097.40	918,438.75	1,166,171.00
2.	OPERATIONS	10,400,305.40	5,883,362.75	4,996,725.00
	<b>TOTALS</b>	<b><u>12,787,402.80</u></b>	<b><u>6,801,801.50</u></b>	<b><u>6,162,896.00</u></b>

#### CAPITATION GRANT FOR THE LAST THREE YEARS

ACCOUNT	YEARS		
	2022	2021	2020
TUITION	2,387,097.40	918,438.75	1,166,171.00
OPERATION	10,400,305.40	5,883,362.75	4,996,725.00
<b>TOTAL( KSH)</b>	<b><u>12,787,402.80</u></b>	<b><u>6,801,801.50</u></b>	<b><u>6,162,896.00</u></b>
ENROLLMENT	744	705	630
RATIO	17,187	9,648	9,782

**RATIO=TOTAL AMOUNT RECEIVED/NO OF STUDENTS**

### 3. OVERVIEW OF GROWTH OF OTHER INCOME

OTHER INCOMES	YEARS		
	2022	2021	2020
MAIN ACCOUNT	10,239,161.00	10,697,393.00	12,102,719.00
<b>TOTALS</b>	<b>10,239,161.00</b>	<b>10,697,393.00</b>	<b>12,102,719.00</b>

### 4. GROWTH IN EXPENDITURES

S/NO	EXPENDITURE:	PERIOD		
		2022	2021	2020
1.	TUITION	2,428,457.00	832,280.00	1,122,045.00
2.	OPERATIONS	9,302,840.00	6,108,939.00	4,949,490.00
3.	MAIN A/C	23,721,011.00	11,309,579.00	7,757,540.00
	<b>TOTALS</b>	<b>35,452,308.00</b>	<b>18,250,798.00</b>	<b>13,829,075.00</b>

### 5. MOVEMENT OF DEBTORS & CREDITORS

#### (I) Debtors:-

S/N	ACCOUNT	YEARS		
		2022	2021	2020
1.	TUITION	-	-	282,734.00
2.	OPERATION	-	-	663,426.00
3.	MAIN ACCOUNT	15,666,507.00	13,575,343.00	12,490,199.00
	<b>TOTALS</b>	<b>15,666,507.00</b>	<b>13,575,343.00</b>	<b>13,436,359.00</b>

#### (II) Creditors:-

ACCOUNT	PERIOD		
	2022	2021	2020
TUITION	787,495.00	469,830.00	48,215.00
-OPERATIONS	108,450.00	356,550.00	395,800.00
MAIN ACCOUNT	2,641,880.00	1,373,795.00	1,003,450.00
<b>TOTALS</b>	<b>3,537,825.00</b>	<b>2,200,175.00</b>	<b>1,447,465.00</b>

**6. MOVEMENT OF CASH AND BANK BALANCES**

ACCOUNT	YEARS		
	2022	2021	2020
TUITION	28,399.55	69,759.15	31,815.40
OPERATIONS	(87,123.85)	1,311,062.75	660,489.00
MAIN ACCOUNT	2,293,472.45	2,293,472.45	463,130.45
<b>TOTALS</b>	<b>2,234,748.15</b>	<b>3,674,294.35</b>	<b>1,155,434.85</b>

b) **Teacher Student ratio:**

- Teacher student ratio - 1:26.
- Teachers recruited and posted to the school - 2.
- Teachers transferred - 1.
- TSC Teachers - 18.
- BOM Teachers - 6

**TSC TEACHERS**

S/NO	TEACHERS' NAME	SUBJECT COMBINATION
1.	Mr. Harry Cheruiyot	English /literature
2.	Ms. Mary Macharia	Maths/chemistry
3.	Mr. Waruga A	Kisw/Geo
4.	Ms. Obonyo M.	English/Lit.
5.	Ms. Kibet C.	Bio/ Agric
6.	Mr. Tololwo D.	Physics/Maths
7.	Mr. Chumba K.	English/Lit
8.	Mr. Sunda W	English/Lit.
9.	Ms. Kiptoo S.	English/Lit.
10.	Ms. Leonidah K.	CRE/Hist.
11.	Mr. Bett P.	Kiswahili/Hist
12.	Ms. Kimeli P	Chem/Bio
13.	Mr. Tuitoek E.	Agri/Bio
14.	Mr. Oracho P.	Physics/Chem.
15.	Mr. Kipkios R.	Kiswahili/Hist.
16.	Ms. Kibuge M.	Physics/Maths
17.	Mr. Momanyi L.	Geo/Maths
18.	Ms. Labat G.	Kiswahili/Hist

(Lake Solai Secondary School)

**PUBLIC SECONDARY SCHOOL**

Annual Report and Financial Statements

For the year ended 30<sup>th</sup> June 2023

**BOMTEACHERS**

S/NO.	TEACHERS' NAME	SUBJECT COMBINATION
1.	Ms. Sydney	CRE/Hist
2.	Ms. Faith	Eng/LIT
3.	Ms. June	Bio/Chem
4.	Mr. Togocho	Bio/Agri
5.	Mr. Meshek	Math/Chem
6.	Mr. Toroitich	Maths/Business

**SHORTAGES**

1. Chemistry.
2. English.
3. Maths.
4. Business
5. Agriculture
6. Biology

**Mean Score 2019 - 2021**

YEAR	MEAN	NUMBER OF STUDENTS TO THE HIGHER INSTITUTE
2019	4.074	22
2020	4.554	17
2021	3.6989	8
2022	4.8013	19

**NUMBER OF CANDIDATES**

YEAR	NO. OF CANDIDATES
2019	149
2020	148
2021	181
2022	151

**c) Capacity of the school:**

	NO OF STUDENTS	DORMITORIES	DINING HALL	LABORATORIES	TOILETS	OTHER AMENITIES
BOYS	347	2	0		18	NONE
GIRLS	349	2	0		14	NONE
TOTAL	696	4	0	1	32	NONE

### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

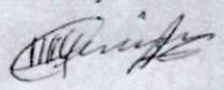
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

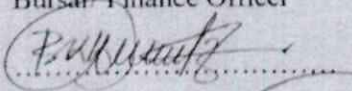
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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

**Name:** Adamson Bungei  
**Designation:** Chairperson, School Board of Management  
**Sign:** .....  
**Date:** 27/03/2024

**Name:** Mr. Harry Cheruiyot  
**Designation:** Secretary to Board of Management  
**Sign:**   
**Date:** 27/03/2024

**Name:** Mr. Benard Mitei  
**Designation:** Bursar/ Finance Officer  
**Sign:**   
**Date:** 27/03/2024



(Lake Solai secondary school)

**PUBLIC SECONDARY SCHOOL**

Annual Report and Financial Statements

For the year ended 30<sup>th</sup> June 2023

d) Development projects carried out by the school:

SNO	DEVELOPMENT PROJECT	SOURCE OF FUNDS
1.	BOYS DORMITORY	MoE- RMI
2.	ABLUTION BLOCK	MoE-RMI

Sign



School Principal



# REPUBLIC OF KENYA

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



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON LAKE SOLAI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NAKURU COUNTY**

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### **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.

A Disclaimer of Opinion is issued when the Auditor-General is unable to obtain sufficient appropriate audit evidence to form an opinion on the financial statements. 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.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Disclaimer of Opinion**

I have audited the accompanying financial statements of Lake Solai Secondary School set out on pages 13 to 28, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year 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 do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

## **Basis for Disclaimer of Opinion**

### **1. Unsigned Financial Statements**

The financial statements submitted for audit were not signed by the Chairman of the Board of Management, the School Principal and the Bursar to evidence ownership of the information and amounts presented therein. Further, failure to sign the financial statements was contrary to the template prescribed and published by the Public Sector Accounting Standards Board (PSASB).

In the circumstances, the financial statements are not owned and do not comply with the PSASB reporting requirements.

### **2. Inaccuracies in the Financial Statements**

#### **1.1 Variances between Prior Year Audited Balances and Reported Balances**

Examination of financial statements submitted for audit revealed that the opening balances (2021-2022) differed with the audited balances as shown below;

<b>Account Item</b>	<b>Note</b>	<b>Comparative Balance Reported in 2022-2023 (Kshs.)</b>	<b>Audited Balance (Kshs.)</b>	<b>Variance (Kshs.)</b>
School Fund Income- Parents' Contributions	4	20,264,787	13,547,111	6,717,676
School Fund Income-Other Receipts	5	0	10,239,161	-10,239,161

The variances have not been reconciled or explained.

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

### **3. Unsupported Receipts and Payments**

The statement of cash flows reflects total receipts and total payments of Kshs.27,539,867 and Kshs.26,944,374 respectively. However, the amounts were not supported by ledgers

to showing dates of occurrence, names of payees, purpose of payments or receipts and, amounts received by or paid by the School.

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

#### **4. Unsupported Cash and Cash Equivalent Balance**

The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs.3,224,936 as disclosed in Notes 10 and 11 to the financial statements. However, the bank balances were not supported by cash books, bank certificates and bank reconciliation statements. Further, cheques amounting to Kshs. 40,000 were stale as they had not been presented for payment within six (6) months.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs. 3,224,936 could not be confirmed.

#### **5. Unsupported Accounts Payables**

The statement of financial assets and liabilities reflects accounts payables balance of Kshs.5,769,470 as disclosed in Note 14 to the financial statements. However, invoices and supporting schedules to support the balance were not provided for audit review.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.5,769,470 could not be confirmed.

#### **6. Accounts Receivables**

##### **6.1 Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs. 14,274,503 as disclosed in Note 14 to the financial statements. The balance comprises other non-fees arrears for over two years of Kshs. 8,499,379, other non-fees arrears of less than one year of Kshs. 5,654,124 and imprests of Kshs. 121,000. However, supporting schedules and issued invoices for the balances were not provided for audit. Further, significant accounting policies on accounts receivables as disclosed in Note 5 is silent on the treatment of the students' fees balances which is the major source of income for the School.

##### **6.2 Long Outstanding Receivables**

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs. 14,274,503 in respect of fees arrears as disclosed in Note 14 to the financial statements. However, included in the balance are receivables amounting to Kshs.8,499,124 which had been outstanding for more than two (2) years. However, there

was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs. 14,274,503 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Lake Solai Secondary 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 audit of financial statements in Kenya.

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The statement of budgeted versus actual amounts reflect a final receipts budget and actual on a comparable basis of Kshs.22,860,136 and Kshs. 18,384,373 respectively, resulting to underfunding of Kshs. 4,475,712 or 20% of the budget. However, the School spent Kshs.32,831,167 against actual receipts of Kshs.18,384,373, resulting to overutilization of Kshs.14,446,794 or 79 % of actual receipts. Further, the revenue estimates did not match the expenditure estimates, resulting to unbalanced budget.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter

### **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

#### **Conclusion**

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### **Basis for Conclusion**

##### **1. Failure to Transfer Infrastructure Funds from Operations Bank Account to the Infrastructure Bank Account**

Note 3 to the financial statements reflects government grants for infrastructure of Kshs. 2,540,000. Included in the amounts is Kshs.2,540,000 in respect of infrastructure

grants which were to be transferred to infrastructure bank account for maintenance and improvement of School's facilities. However, only Kshs.1,996,000 was transferred to infrastructure account, leaving a balance of Kshs.544,000 as at 30 June, 2023. Further, an amount of Kshs. 687,000 was transferred after 15 days of receipt. This was contrary to The Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

## **2. Failure to Prepare a 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.

## **3. Unsupported Inventory Balance**

Note 19 to the financial statements does not reflect stock balance at the end of the year in monetary terms. Further, the School did not provide a stock take report as at 30 June, 2023. This was contrary to Section 162(2) of the Public Procurement and Asset Disposal Act, 2015 which requires the Head of Procurement Function to arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year, and conduct quarterly and annual inventory and stock-taking in order to ensure compliance with all respective governing laws and submit the report to the Accounting Officer.

In the circumstances, the accuracy and completeness of inventory balance could not be confirmed and Management was in breach of the law.

## **4. Failure to Issue Capitation Receipts to Learners**

Notes 1 and 2 to the financial statements reflects capitation grants for tuition and operations of Kshs. 1,720,627 and Kshs.5,575,466. However, the School has not been raising receipt vouchers for every capitation received by a student to confirm the actual receipt of funds as receipt vouchers constitute primary accounting sources of documents that must be raised and filled. This was contrary to Regulation 104 (1) of the Public Finance Management (National Government) Regulations, 2015. The regulation requires that, all receipts and payments vouchers of public moneys shall be properly supported by

pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

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

#### **5. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 24 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, 2023 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

#### **6. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. The financial statements do not have page headers on some pages;
- ii. The financial statements do not have page numbers;
- iii. Annexes are omitted both in the table of contents and in the body of the financial statements;
- iv. The number of board of management members disclosed in the financial statements is seventeen (17) instead of the recommended seventeen (17) in terms of composition, as stipulated in Section 56(1) and 56(3) of the Basic Education Act, 2013;
- v. Development projects carried out in the year and ongoing projects including; status of the project (new, ongoing, complete) initial cost of each project and amount spent on each project disclosed in a tabular format under summary report of performance of the school was not done;
- vi. The financial statements submitted for audit have not been signed by the chairperson of the board of management of the School;
- vii. The statement of receipts and payments is omitted;
- viii. The statement of cash flow statement has not been prepared in accordance to the recommended template;

- ix. The heading 'statement of budgeted versus actual amounts for the year ended 30 June 2023' has been omitted;
- x. Annex1-Analysis of Pending Accounts Payable and Annex 2- Summary of Fixed Assets Register have been omitted;
- xi. Progress on follow up of Auditor recommendations page has also been omitted and;
- xii. The financial statements and notes amounts have not been rounded off to the nearest shilling.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision making.

## **7. Inadequate Library, Dormitory and Laboratory Facilities**

During the audit in May 2024, it was observed that the School had a student population of six hundred and ninety-five (695) students but had only one laboratory with a capacity of forty-five (45) students and no library while the dormitories appeared congested. This was contrary to Kenya School Health Policy (2018) which requires that the facilities/infrastructure of a school should have reasonable standards that promote adequate housing and sanitation to the students.

In the circumstances, lack of facilities is likely to expose the boarders to poor sanitation, general health risk and unconducive learning environment.

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 in compliance, 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**

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

## **Basis for Conclusion**

### **1. Effectiveness in Management of Text Books**

#### **1.1 Lack of School Instructional Materials Selection Committee (SIMSC)**

Physical visit to the School in the month of May, 2024 revealed that the board of management did not constitute a School Instructional Materials Selection Committee (SIMSC) to be responsible for: Making a list of the textbooks, teachers' guides and other instructional materials that are already in the school; Doing annual needs assessment of the text books urgently needed by the school; Calling an SIMSC meeting and documenting in the minute book what SIMSC has decided, which text books are urgently needed in the school and keeping SIMSC minute book which must be signed by the secretary and the chairperson of the SIMSC respectively.

As a result, the opening balances of stock inventory of text books in the school from the inception of the orange book (when schools were given text book capitation) in terms of numbers and their monetary value could not be confirmed. Further, there was no evidence of documentation to show that a needs analysis was conducted to identify the type and number of text books the school urgently needed and the same communicated to the relevant authority before textbooks were delivered to schools.

There is risk of loss of text books issued to School as capitation through obsolete text book stock.

#### **1.2 Lack of Text Book Inventory and Stock Taking Report**

Annex 2-summary of fixed assets register has been omitted from the financial statements. Further, the School did not provide a report capturing a list of the textbooks, teachers' guides and other instructional materials that are already in the school as at 30 June, 2023 contrary to part E of the Orange Book which requires each school to capture data list of the textbooks, teachers' guides and other instructional materials that are already in the school. The school is in breach of the law to this extent.

In the circumstances, the accuracy and completeness of the text books, teachers' guides and other instructional materials could not be confirmed.

### **2. Non-Establishment of Board of Management Committees and Internal Audit Function**

During the year under review, the School had not constituted all the required board of management committees as required by Section 61(2) (a), (b),(c),(d),e) of the Basic Education Act, 2013. Further, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015.

This was contrary to Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 and Section 61(2) (a), (b), (c), (d), (e) of the Basic Education Act, 2013. These sections state that: the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury. The board of management of a school to establish (a) finance, procurement and general purposes committee; (b) academic standards, quality and environment committee; (c) discipline, ethics and integrity committee; (d) audit committee and; (e) human rights and student welfare committee.

In the circumstances, the School did not benefit from the oversight role and advice from the various board of management committee and the internal audit function.

### **3. Lack of Ownership Documents**

Annex 2 summary of fixed assets register has been omitted from the financial statements. Further, the title deed for the land was not provided for audit review.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

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

### **Responsibilities of Management and The Board of Management**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 the sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or 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 are in compliance with the authorities which govern them and that public resources are applied in an effective way.

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

### **Auditor-General's Responsibilities for The Audit**

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

27 September, 2024

II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES			
	Note	1ST JULY 2022- 30TH JUNE 2023	1ST JULY 2021- 30TH JUNE,2022
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	10	3,224,935.50	5,759,308
Cash Balances	11	-	-
Short term Investment	12	-	-
<b>Total Cash and Cash Equivalents</b>		<b>3,224,935.50</b>	<b>5,759,308</b>
Account's receivables	13	14,274,503.00	10,591,611
<b>TOTAL FINANCIAL ASSETS</b>		<b>17,499,438.50</b>	<b>16,350,919</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	14	5,769,470.00	3,014,702
<b>NET FINANCIAL SSETS</b>		<b>11,729,968.50</b>	<b>13,336,217</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	15	13,336,216.65	12,214,850
Surplus Defict for the year		(1,606,248.15)	1,121,367
<b>NET FINANCIAL POSITION</b>		<b>11,729,968.50</b>	<b>13,336,217</b>

0

**STATEMENT OF CASH FLOW**

		1ST JULY 2022- 30TH JUNE 2023	1ST JULY 2021- 30TH JUNE, 2022
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Government grants for tuition	1	1,720,626.75	2,387,097.40
Government grants for operations	2	5,535,466.10	10,400,305.40
Government grants for infrastructure	3	2,540,000.00	
School fund income-parents contribution/fees	4	17,743,774.00	13,547,111.00
Other income	5	0.00	10,239,161.00
Adjustment increase/Decrease of Debtors			3,053,732.00
<b>Total receipts</b>		<b>27,539,866.85</b>	<b>39,627,406.80</b>
<b>Payments</b>			
Cash outflows for tuition	6	2,190,545.00	2,428,457.00
Cash outflows for operations	7	6,137,447.00	9,302,840.00
Cash outflows for Boarding/ school fund payments	9	18,616,382.00	23,721,011.00
Adjustment increase/Decrease of creditors			541,853.00
<b>Total Payments</b>		<b>26,944,374.00</b>	<b>35,994,161.00</b>
<b>Net cash flow from operating activities</b>		<b>595,492.85</b>	<b>3,633,245.80</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			0.00
Acquisition of Assets	8	(3,129,865.00)	0.00
Proceeds from investments		0.00	0.00
<b>Net cash flows from Investing Activities</b>		<b>(3,129,865.00)</b>	<b>0.00</b>
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flows from Investing Activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(2,534,372.15)</b>	<b>3,633,245.80</b>
Cash and cash equivalent at BEGINNING of the year		5,759,308.15	2,126,062.35
Cash and cash equivalent at END of the year		3,224,936.00	5,759,308.15

0.50

0.50

14

1) CAPITATION GRANT ON TUITION							
Text books	118,080.00	118,080.00	86,047.40	32,032.60	72.87%		
Exercise books	836,800.00	836,800.00	860,345.30	(23,545.30)	102.81%		
Laboratory equipments and apparatus	700,200.00	368,000.00	344,125.25	23,874.75	93.51%		
Teaching/learning materials	728,560.00	158,800.00	228,277.50	(69,477.50)	143.75%		
Chalks	29,340.00	29,340.00	17,196.60	12,143.40	58.61%		
Internal exams	119,880.00	119,880.00	154,833.90	(34,953.90)	129.16%		
Reference books	30,000.00	30,000.00	29,800.80	199.20	99.34%		
Sub totals	2,562,860.00	2,562,860.00	1,720,626.75	842,233.25	67.14%		
2) CAPITATION GRANT ON OPERATIONS							
ENC	269,368.00	269,368.00	348,570.95	(79,202.95)	129.40%		
IT @ T	658,000.00	658,000.00	687,046.35	(29,046.35)	104.41%		
Medical and insurance	455,000.00	455,000.00	135,200.00	319,800.00	29.71%		
Personal emolument	3,948,000.00	3,948,000.00	2,810,788.00	1,137,212.00	71.20%		
Admin cost	987,000.00	987,000.00	1,218,810.80	(231,810.80)	123.49%		
Activity	583,900.00	583,900.00	375,050.00	208,850.00	64.23%		
Inter account Borrowing/Lend							
Sub total	6,901,268.00	6,901,268.00	5,575,466.10	1,325,801.90	80.79%		
EXPENSE FOR INFRASTRUCTURE							
Maintenance and improvement	3,415,000.00	3,415,000.00	2,540,000.00	875,000.00	74.38%		
Sub total	3,415,000.00	3,415,000.00	2,540,000.00	875,000.00	74.38%		
GILES CHARGED ON PARENTS							
Locust Program	4,393,450.00	4,393,450.00	4,604,316.00	(210,866.00)	104.80%		
Regener and Maintenance	670,500.00	670,500.00	855,160.00	(184,660.00)	127.54%		
Personal Emolument	1,592,840.00	1,592,840.00	855,160.00	737,680.00	53.69%		
Local transport and travelling	696,508.00	696,508.00	230,170.00	466,338.00	33.05%		
Activity	52,875.00	52,875.00	76,600.00	(23,725.00)	144.98%		

15

Ewc	1,973,510.00	1,973,510.00	1,142,763.00	830,747.00	57.91%
Administration costs	601,325.00	601,325.00	784,102.00	(182,777.00)	130.40%
Sub total	9,981,008.00	9,981,008.00	8,548,331.00	1,432,677.00	85.65%
<b>(5) MISCELLANEOUS INCOME</b>					
<b>GRAND TOTAL INCOME</b>	<b>22,860,136.00</b>	<b>22,860,136.00</b>	<b>18,384,423.85</b>	<b>4,475,712.15</b>	<b>80.42%</b>
<b>(1) EXPENDITURE FOR TUITION</b>					
Text books	118,080.00	118,080.00	50,000.00	68,080.00	42.34%
Exercise books	836,800.00	836,800.00	1,812,950.00	(976,150.00)	216.65%
Laboratory equipments and apparatus	700,200.00	700,200.00	368,000.00	332,200.00	52.56%
Teaching/learning materials	728,560.00	728,560.00	158,800.00	569,760.00	21.80%
chalks	61,700.00	61,700.00	29,340.00	32,360.00	47.55%
Internal exams	342,940.00	342,940.00	119,880.00	223,060.00	34.96%
sub totals	2,788,280.00	2,788,280.00	2,538,970.00	249,310.00	91.06%
<b>PAYMENTS FOR OPERATIONS</b>					
EWC	987,000.00	987,000.00	269,368.00	717,632.00	27.29%
LT @T	658,000.00	658,000.00	512,290.00	145,710.00	77.86%
Personal emolument	3,948,000.00	3,948,000.00	3,867,704.00	80,296.00	97.97%
Admin cost	987,000.00	987,000.00	1,106,225.00	(119,225.00)	112.08%
Activity	1,050,000.00	1,050,000.00	583,900.00	466,100.00	55.61%
Medical and insurance	455,000.00	455,000.00	8,600.00	446,400.00	1.89%
<b>SUBTOTALS</b>	<b>8,085,000.00</b>	<b>8,085,000.00</b>	<b>6,348,087.00</b>	<b>1,736,913.00</b>	<b>78.52%</b>
<b>INFRASTRUCTURE PAYMENTS</b>					
Construction of classrooms	3,415,000.00	3,415,000.00	3,129,865.00	285,135.00	91.65%
<b>SUBTOTALS</b>	<b>3,415,000.00</b>	<b>3,415,000.00</b>	<b>3,129,865.00</b>	<b>285,135.00</b>	<b>91.65%</b>
<b>BOARDING AND SCHOOL FUND PAYMENTS</b>					
Activity	52,875.00	52,875.00	717,290.00	(664,415.00)	1356.58%
IdCards	32,000.00	32,000.00	41,000.00	(9,000.00)	128.13%
Personnel emoluments	1,592,840.00	1,592,840.00	1,837,250.00	(244,410.00)	115.34%
Ewc	1,973,510.00	1,973,510.00	571,479.00	1,402,031.00	28.96%
Repairs and maintenance & Improvements	670,500.00	670,500.00	834,290.00	(163,790.00)	124.43%
Electricity and water	1,500,000.00	1,500,000.00	1,077,532.00	422,468.00	71.84%

Administration costs	601,325.00	0.00	601,325.00	625,598.00	(24,273.00)	104.04%
Lunch Programme	4,393,450.00		4,393,450.00	5,579,950.00	(1,186,500.00)	127.01%
Expenses on Income Generating Activities (school farm)	65,776.00		65,776.00	65,776.00		100.00%
Fee on Boarding Equipment and Stores	8,275,140.00		8,275,140.00	9,464,080.00	(1,188,940.00)	114.37%
SUBTOTALS	19,157,416.00		19,157,416.00	20,814,245.00	(1,656,829.00)	108.65%
TOTAL	33,445,696.00		33,445,696.00	32,831,167.00	614,529.00	98.16%

**I. NOTES TO THE FINANCIAL STATEMENTS**

**1. GOVERNMENT GRANTS FOR TUITION**

	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE, 2022
Text books	86,047.40	
Exercise books	860,345.30	1,192,548.70
Laboratory equipments and apparatus	344,125.25	477,419.50
Teaching/learning materials	228,277.50	348,480.00
Chalks	17,196.60	23,871.05
Internal exams	154,833.90	214,833.65
Reference books	29,800.80	119,354.85
Guides		9,584.50
<b>Total</b>	<b>1,720,626.75</b>	<b>2,387,097.25</b>

**2. CAPITATION GRANT FOR OPERATIONS**

	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE, 2022
EWC	348,570.95	660,147.00
LT @T	687,046.35	1,045,962.20
Medical and insurance	135,200.00	148,800.00
Personal emolument	2,810,788.00	4,183,637.00
Admin cost	1,218,810.80	1,129,759.10
Activity	375,050.00	
Medical and insurance		
RAM		3,342,000.00
Other Disbursements		

Inter Account Borrowing-Lunch			
<b>Total</b>		<b>5,575,466.10</b>	<b>10,400,305.40</b>
<b>3 GOVERNMENT GRANTS FOR INFRASTRUCTURE</b>			
		<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
Maintenance and Improvement		2,540,000.00	
Transition infrastructure Grants			
Administration block			
Economic stimulus grants			
Others(NGCDF, County government)			
<b>Total</b>		<b>2,540,000.00</b>	<b>-</b>
<b>4 SCHOOL FUND INCOME-PARENTS CONTRIBUTION/FEES</b>			
		<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
Lunch Pogram		4,604,316.00	10,100,390.00
Inter Account transfers Operations			
Fee Arrears			
Repairs and Maintenance		652,250.00	1,245,076.00

20

Personal Emoluments	855,160.00	1,455,094.00
Local transport and travelling	230,170.00	568,287.00
Activity	76,660.00	146,460.00
Ewe	1,142,763.00	1,841,501.00
Administration costs	784,102.00	890,473.00
Borsha Sacco	1,100,000.00	
Income from farming activities-farm		
Fee on Boarding and Equipment and stores	12,672,622.00	3,239,526.00
Income from Posho mill		
Income from Bus Hire		
Fee for hire of ground and equipment		1,600.00
ID card	28,800.00	57,880.00
PA Donations, School Van project		
Income from grants and donations* - Bursary		718,500.00
Interest income		
Dividends income		
Total	22,146,843.00	20,264,787.00
MISCELLANEOUS INCOMES		
ESTIMATE 2022-2023 (JUNE 2023)		ESTIMATE 2021-2022 (JUNE 2022)

Rent income			
Income from farming activities			
Insurance compensation			
Income from posho mill			
Income from bus hire			
Fee for hire of ground and equipment			
Income from grants and donations			
Interest income			
Loans/Borrowings			
<b>Total</b>			

**6 PAYMENTS FOR TUITION**

	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
Text books	50,000.00	
Exercise books	1,812,950.00	1,026,980.00
Laboratory equipments and apparatus	368,000.00	696,080.00
Teaching/learning materials	158,800.00	348,335.00
chalks	29,340.00	38,750.00
Internal exams	119,880.00	214,760.00
Reference books		93,984.00
teachers guide		9,568.00
Creditors		

	<b>Total</b>		<b>2,538,970.00</b>	<b>2,428,457.00</b>
<b>7</b>	<b>PAYMENTS FOR OPERATIONS</b>			
			<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
	EWC		269,368.00	527,975.00
	LT@T		512,290.00	865,100.00
	RMI			
	Personal emolument		3,867,704.00	3,821,005.00
	Admin cost		1,106,225.00	1,348,860.00
	Activity		583,900.00	489,800.00
	Medical and insurance		8,600.00	14,800.00
	Creditors			
	Bank charges		1,260.00	
	Acquisition of Asset			2,235,300.00
	<b>TOTAL</b>		<b>6,349,347.00</b>	<b>9,302,840.00</b>
<b>8</b>	<b>PAYMENTS FOR INFRASTRUCTURE</b>			
			<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
	Construction of classrooms		3,129,865.00	
	Construction of laboratory			
	construction of dormitory			
	Purchase of furniture			
	Purchase of equipment			
	Purchase of apparatus			
	Drilling of boreholes			
	<b>Total</b>		<b>3,129,865.00</b>	

**BOARDING AND SCHOOL FUND PAYMENTS**

9		1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
	Activity	717,290.00	450,060.00
	Idcards	41,000.00	
	Bus hire		
	Creditors		
	Bursary		
	Inter-Account Borrowing- Operation		
	Personnel emoluments	2,095,870.00	2,005,370.00
	Ewc	223,735.00	
	Repairs and maintenance & Improvements	571,479.00	1,440,765.00
	Local transport / travelling	834,290.00	923,940.00
	Electricity and water		590,708.00
	Medical Expenses		
	Administration costs	1,077,532.00	1,372,159.00
	Lunch Programme	5,579,950.00	3,501,532.00
	Bursaries		4,241,585.00
	Expenses on Income Generating Activities(school farm)	65,776.00	44,420.00
	Fee on Boarding Equipment and Stores	9,464,080.00	9,039,472.00
	Creditors		
	Savings Account School Van project		

Insurance Cost (Life Property)			
Boresha Sacco		900,000.00	
Tender fee			
Idcards			26,000.00
<b>TOTAL</b>	-	<b>21,571,002.00</b>	<b>85,000.00</b>
			<b>23,721,011.00</b>

*Expenses on income generating activities\*\* should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

**10 BANK ACCOUNTS**

Name of Bank, Account No. & Currency	Bank Account Number	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
Tuition Account		58,480.80	28,399.05
Operations Account		647,295.25	(87,123.85)
School Fund Account/Boarding		129,724.45	2,293,472.45
Savings Account			

24

Income generating activities Account-School Vn Project			
Infrastructural Account		2,389,435.00	3,524,560.00
Farm Account			
<b>Total</b>		<b>3,224,935.50</b>	<b>5,759,307.65</b>

**11 CASH IN HAND**

Description	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE, 2022
Tuition Account		
Operation Account		
School Fund account		
<b>Total</b>	-	-

**12 SHORT TERM INVESTMENTS**

Description	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE, 2022
Cooperative shares		
Treasury Bills		
Fixed deposit		
Equity stock		
Other investments		
<b>Total</b>	-	-

**13 ACCOUNTS RECEIVABLE**

Description	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE, 2022

	Fees arrears		
	<b>Other Non-Fees Receivables</b>		
		14,153,503.00	10,510,611.00
	Salary Advances(list/schedule attached)		
	Imprest(list/schedule attached)	121,000.00	81,000.00
	Rent Arrears (list/schedule attached)		
	<b>Total</b>	<b>14,274,503.00</b>	<b>10,591,611.00</b>
	[Include an ageing of the fees / non fees arrears below]		
13b	<b>Description</b>	<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
	Less than 1 year	5,654,124.00	
	Between 1-2 years		
	Between 2-3 years	8,499,379.00	10,510,611.00
	Over 3 years		
	<b>Total</b>	<b>14,153,503.00</b>	<b>10,510,611.00</b>
14	<b>ACCOUNTS PAYABLE</b>		
	<b>Description</b>	<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
	Trade creditors (See ageing below and appendix 1)	5,504,925.00	1,989,980.00
	Prepaid fees	264,545	1,024,722

Retention months			
Total		5,769,470.00	3,014,702.00
[Include an ageing of the creditor's arrears below]			
Ageing Analysis of Accounts			
14a Payable			
Description			
Less than 1 year		5,043,370.00	
Between 1-2 years			
Between 2-3 years		461,555.00	1,989,980.00
Over 3 years			
Total		5,504,925.00	1,989,980.00
15 FUND BALANCE BROUGHT FORWARD			
Description		EST. FUNDY 2022-30TH JUNE 2023	EST. FUNDY 2021-30TH JUNE 2022
Bank balances		5,759,307.65	2,125,882.35
Cash balances			180.00
Short Term Investments			
Receivables		10,591,611.00	13,645,343.00
Payables		3,014,702.00	3,556,558.00
Total		13,336,216.65	12,214,880.35
Other important disclosure notes			
16 Non-current Liabilities Summary			
Description			
Bank loan(s)			
Outstanding Leases			

	Hire purchase			
	Gratuity and leave provision			
	<b>Total</b>			
17	<b>Biological assets</b>			
	<b>Description</b>	<b>Number</b>	<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
		<b>rs</b>		
	Cattle			
	Goats			
	Pigs			
	Trees			
	Coffee or tea plantation			
	Poultry			
	<b>Total</b>			
18	<b>Borrowings</b>			
	<b>Description</b>		<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
	<b>a) Borrowings</b>			
	Borrowing at beginning of the year			
	Borrowings during the year			
	Repayments of during the year			
	<b>Balance at end of the year</b>			
19	<b>1 Stock/ Inventory</b>			
	<b>Description</b>		<b>1ST JULY 2022-30TH JUNE 2023</b>	<b>1ST JULY 2021-30TH JUNE 2022</b>
	<b>Stock/Inventory</b>			
	Stock/ inventory at beginning of the year			
	Stock/ inventory purchased during the year			
	Stock/ inventory issued during the year			
	<b>Balance at end of the year</b>			

TRIAL BALANCE AS AT 30TH JUNE 2023			
		DR	CR
<b>Cash and Cash equivalents</b>			
	Bank Balances	3,224,935.50	
	Cash Balances	0.00	
	Short term investments	0.00	
	Receivables	14,274,503.00	
<b>Payments</b>			
	Payments for Tuition	2,538,970.00	
	Payments for operations	6,349,347.00	
	Payment for infrastructure	3,129,865.00	
	Boarding and school fund payments	21,571,002.00	
<b>Receipts</b>			
	Government grants for tuition		1,720,626.75
	Government grants for operations		5,575,466.10
	Government grants infrastructure		2,540,000.00
	School Fund Income- Other receipts		22,146,843.00
	Other receipts		
	Payables		5,769,470.00
	Prior Year Adjustment		13,336,216.65
	Fund Balance b/f		
		51,088,622.50	51,088,622.50
<b>TOTAL</b>			