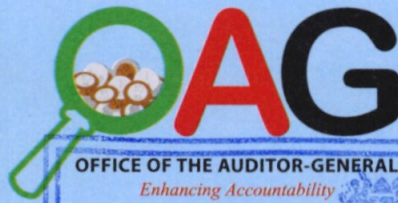


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 02 JUN 2026

DAY

Thursday

TABLED
BY:

Deputy Majority Whip
Hon. Naomi Wango

OF

CLERK-AT
THE-TABLE:

Halima Ahmed

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

AIC NZELUNI GIRLS' SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

KITUI COUNTY

44





PRINCIPAL
A.I.C NZELUNI GIRLS SEC. SCHOOL
P. O. Box 130, MWINGI
Date: _____ Sign: _____

*IA2 Revised
30th June 2024*



A.I.C NZELUNI GIRLS' SECONDARY SCHOOL

PUBLIC SECONDARY 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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PUBLIC SECONDARY SCHOOLS - (NZELUNI GIRLS SECONDARY SCHOOL)
Reports and Financial Statements
For the year ended 30th June 2024

I. KEY SCHOOL INFORMATION AND MANAGEMENT

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in 16.02.2023 under registration number 15830001222183 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a Boarding school and had 460 number of students as at 30th June 2024. It has 3 streams and 26 teachers of which 3 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	STEPHEN M. MUVENGEI	Chairman-B.O.M	4/5/2022
2	MS BETH N. MUKU	Secretary - Principal	4/5/2022
3	SYLVESTER NZEKA	PTA chairperson	4/5/2022
4	ESTHER KAMWAKI	Member	4/5/2022
5	JACOB K. NDAVI	Member	4/5/2022
6	DORCAS MWENDWA	Member	4/5/2022
7	SAMUEL K. MUTEMI	Member	4/5/2022
8	HELLEN KOKI	Member	4/5/2022
9	HELLEN MUE	Member	4/5/2022
10	JOHN KASEMBEI	Member	4/5/2022
11	JEREMIAH K, MWENDAKA	Member	4/5/2022
12	BENARD KALEKYE	Member	4/5/2022
13	NATHAN M. KIMANZI	Member-sponsor	4/5/2022
14	SAMMY SAVALI MANG'EE	Member	4/5/2022
15	PHOEBE KISEE	Member-community	4/5/2022
16	LILIAN MWINZI	Member	4/5/2022
17	MICHEAL KIINGWA	Rep-teacher	4/5/2022
18	FAITH WAMBUA	Rep-Student	4/5/2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

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 para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Provide the names of the various committees of the Board established by the Board and the names of the committee members:

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Stephen m. Muvengei Lilian mwinzi Beth Muku Sylvester nzeka Hellen koki vuthi	Bom chair D/chair Bom sec PTA chair Member	
2	Audit Committee	Stephen m. Muvengei Sylvester nzeka Beth Muku Phoebe kisee Lilian mutuo mwinzi	Bom chair PTA chair Bom sec Member Member	
3	Finance, procurement and general purposes Committee	Stephen m. Muvengei Lilian mutuo mwinzi Beth Muku Sylvester nzeka Hellen koki vuthi	Bom chair D/chair Bom sec PTA chair Member	
4	Academic Committee	Hellen joseph mue Sylvester nzeka Jacob k. Ndavi Jeremiah k. Mwendaka Samuel k. Mutemi Phoebe kisee	I/C PTA chair Member Member Member Member	
5	Development Committee	Stephen m. Muvengei Lilian mutuo mwinzi Beth Muku Sylvester nzeka Hellen koki vuthi	Bom chair D/chair Bom sec PTA chair Member	

(NZELUNI GIRLS SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2024

		Sylvester nzeka Nathan m. Kimanzi Micheal kiingwa Phoebe kisee Sammy savali mang'ee	PTA chair Member Member Member Member	
6	Discipline and welfare Committee			
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 2024 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	BETH N. MUKU	358272
2	Deputy Principal	MRS MUSYOKA E.K	389296
3	School Bursar	MR JAPHETH M. MALUKI	B.O.M

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 130-904000
Telephone: 0707 138 688
E-mail:
Website: XXXXXXXXX
Facebook:
Twitter:

(f) School Bankers

The following school operated 04 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: EQUITY
Branch: MWINGI
Account Number: 0590 291758 518 (SCHOOL FUND ACCOUNT)
2. Name of Bank: EQUITY
Branch: MWINGI
Account Number: 0590 291 380 963 (TUITION ACCOUNT)
3. MPESA Pay Bill No. 247247 A/C NO.758518#ADMNO. attached to Equity Bank Account
4. Name of Bank: EQUITY
Branch: MWINGI
Account Number: 0590 294 925 884 (INFRASTRUCTURE ACCOUNT)
5. Name of Bank: KCB
Branch: MWINGI
Account Number: 1107765757 (OPERATIONS ACCOUNT)

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(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:

Under this section, the following information should be given:

- *Surplus/ deficit for the year and a comparison of the same for the last three years*
2024-(3,822,313.03) 2023-(224,764.54) 2022-5,965,192.60
- *Capitation grants from the Ministry of Education for the last three years*
2024-6,141,869.81 2023-8,475,439.81 2022-9,299,680.60
- *Ratio of capitation grant per student over the last three years*
2024-1:15,628.17 2023-16,425.27 2022-1:20,104.30
- *A three-year overview of growth of other income(s) earned by the school.*
2024- 31,127,436.81 2023-36,245,830.81 2022-51,899,259.60
- *A three-year overview of growth in expenditure of the school*
2024-34,949,749.84 2023-36,470,595.25 2022-45,934,067.00
- *Movement of debtors and creditors of the school over the last three years*
Debtors 2024-22,153,364.00 2023-20,742,877.00 2022- 20,969,317.00
Creditors 2024-12,736,936.00 2023-9,863,330.00 2022-6,067,010.00
- *Movement of cash and bank balances over the last three years*
2024-1,646,561.18 2023-4,005,755.21 2022-207,759.75

Graphical presentation, ratio

s, tables, and pie charts should be used to show/ indicate trends.

b) Teacher Student ratio:

1:17

Tsc teachers-23 bom teachers-3

Mean score in the 2023 KCSE:

2023-5.8205 2022- 4.789 2021-5.368

c) Number of Candidates in the 2023 KCSE:

2023-126 2022-114 2021-125

d) Capacity of the school:

460 students

Facilities-i)dormitories-4 ii) dinning hall-1 ii)laboratories 3 iii)toilets- 88 iv)bathrooms-

e) **Development projects carried out by the school:**

Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format

<i>Year</i>	<i>RMI</i>	<i>Total</i>	<i>Project</i>	<i>Source of funds</i>
2023 2024	1,175,600.00	1,794,233.50	Students' toilets	MOE (Infrastructure funds)

Sign



School Principal

PRINCIPAL

A.L.C NZELUNI GIRLS SEC. SCHOOL

P. O. Box 130, MIWINGI

Date: 31/3/2026

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.

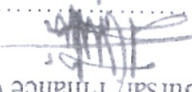
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of (AIC NZELUNI GIRLS 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 (IPASAS).

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.

Name: MR MUNYOKI MUVENGELI
Designation: Chairman, School Board of Management
Sign: 
Date: 31/03/2026

Name: MS BETH N. MUKU
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 31/03/2026
P.O. Box 130, Mwingi
AIC NZELUNI GIRLS SEC. SCHOOL
MUNYOKI

Name: MR JAPHETH MALUKI
Designation: Bursar/ Finance Officer
Sign: 
Date: 31/3/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON AIC NZELUNI GIRLS' SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024-KITUI COUNTY

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of AIC Nzeluni Girls' Secondary School set out on pages 23 to 39 which comprise the statement of financial assets and financial liabilities as at 30 June, 2024, and the statement of receipts and payments,

Report of the Auditor-General on AIC Nzeluni Girls Secondary School for the year ended 30 June, 2024-Kitui County

statement of cash flows and statement of comparison of budget and 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 AIC Nzeluni Girls' Secondary School as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Basic Education Act, 2013, and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of budgeted versus actual amounts reflects total actual receipts of Kshs.31,127,436. However, the recomputed amount indicated total receipts of Kshs.31,607,427, resulting in an unexplained variance of Kshs.479,991. Further, the statement of budgeted versus actual amounts reflects total actual expenditure of Kshs.34,949,749. However, the recomputed expenditure total Kshs.34,955,609, resulting in an unexplained variance of Kshs.5,860. In addition, the statement reflects final budget expenditure total of Kshs.32,451,865 while the recomputed amount is Kshs.33,225,312, resulting in unexplained variance of Kshs.773,447.

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

2. Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities reflects cash and cash equivalent balance of Kshs.1,646,561 as disclosed in Notes 10 and 11 to the financial statements. Included in the balance are Kshs.3,644 and Kshs.334,187 relating to tuition and School Fund/boarding accounts whose cash books and bank reconciliation statements were not provided for audit verification. Further, the balance includes an amount of Kshs.74,675 relating to cash in hand, which was not supported by Board of Survey report.

In the circumstances, the accuracy, completeness, existence and fair presentation of the cash and cash equivalents balance of Kshs.1,646,561 could not be confirmed.

3. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.22,153,364 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.18,275,129 which have been outstanding for more than two (2) years. However, there was no policy in place for the impairment of long-outstanding fees, casting doubt on the fair statement of the accounts receivable balance.

In the circumstances, the accuracy and completeness of accounts receivables could not be confirmed.

4. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.12,736,936 as disclosed in Note 11 to the financial statements. However, Local Service Order/Local Purchase Order, invoices and goods received notes were not provided for audit review.

In the circumstances, the accuracy, completeness, existence and fair presentation of the account's payables could not be confirmed.

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

Key Audit Matters

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

Other Information

Management is responsible for the Other Information set out on pages 19 to 22 which comprise of Key School Information and Management, Summary Report of Performance of the School and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements' balances presented were not rounded to the nearest whole number. Further, page numbering is not sequential, and several pages do not have appropriate headers, hence affecting the consistency of the financial statements.

In the circumstances, Management did not comply with the PSASB guidelines.

2. Late Submission of Financial Statements for Audit

The financial statements for the year under review were submitted for audit on 11 June 2025, which was after the statutory deadline of 30 September, 2022. This was contrary to Section 81(4) of the Public Finance Management Act, 2012, which states that not later than three (3) months after the end of each financial year, the Accounting Officer shall submit the entity's financial statements to the Auditor-General and a copy to the Controller of Budget and The National Treasury.

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

3. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.31,127,437 and Kshs.34,949,750 in respect of total receipts and payments, respectively. However, during the year, Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020, which requires a procuring entity to prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

4. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects operation payments amount of Kshs.5,444,712 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.318,055 transferred to the Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in the 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, value for money transferred to KESSHA amounting to Kshs.318,055 could not be confirmed.

5. Failure to Prepare School Improvement Plan

During the year/period under review, the School did not have an approved School Improvement Plan. This was 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 requiring 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 Ministry of Education Manual.

6. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amounts of Kshs.718,095 and Kshs.5,423,775, respectively, as disclosed in Notes 1 and 2 to the financial statements. During the financial year, NEMIS reported an average number of four hundred and eleven (411) students while the enrolment records provided by the School indicated an average of five hundred and twenty-one (521) students, resulting in an unexplained variance of one hundred and ten (110) students. As a result of the variance, the School was under funded by an amount of Kshs.1,639,990.

In the circumstances, the under-funding of the School may have affected service delivery to the public.

7. Unconfirmed Students' Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totaling Kshs.6,481,870. Comparison of data from the National Education Management Information System (NEMIS) with records from the School's register revealed that during the financial year ended 2024, NEMIS reflected an average of four hundred and eleven students (411) while the School's enrollment register had five hundred and twenty-one (521) students, resulting in an underfunding of the School by an amount of Kshs.1,639,990. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021, requiring all learners to be accurately registered in NEMIS.

In the circumstances, under-funding of the School may have affected service delivery to the students.

8. Failure to Pay Outstanding Accounts Payables as a First Charge

The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.12,736,936 as disclosed in Note 14 to the financial statements. However, included in the balance are trade payables balance of Kshs.880,500, which have been outstanding for more than two (2) years, was not paid as a first charge to the subsequent year budget. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015, which states that service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in

the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of an Approved Strategic Plan

During the year under review, the School did not have a Strategic Plan defining its long-term vision, mission, and core values, prioritizing, and achieving an actionable roadmap. This was contrary to Regulation 32(5) of Public Finance (National Government) Regulations, 2015, which requires all budget proposals to be supported by the National Government entity's strategic plan.

In the circumstances, the existence of an effective mechanism for implementing the School's strategic objectives could not be confirmed.

2. Lack of an Audit Committee

During the year under review, the School had not constituted an Audit Committee as required by Regulation 166(2) of the Public Finance Management (National Government), 2015, which states that each year the Audit Committee shall carry out an annual review of the independence, performance and competency of the Internal Audit unit and comment on their effectiveness in the annual report. Further, Section 61(2)(d) of the Basic Education Act 14 of 2013, which requires the Board of Management to establish the Audit Committee among other Board committees.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

3. Weaknesses in the Board of Management

During the year, the Board of Management held a total of four meetings, comprising of a full Board and Executive Committees meeting. However, there was no evidence provided to support the meetings held by the Board Committees. Further, no record of qualifications of Board Members was provided for audit verification to confirm whether the board members met the minimum qualifications required by the law. In addition, no certificate was provided for the appointment of a representative of people with special needs.

In the circumstances, the effectiveness of the governance mechanisms at the school could not be confirmed.

4. Deficiencies in the School's Accounting System

Review carried out on the School Information Management System (SIMS), revealed significant weaknesses that affect the accuracy and reliability of its financial reporting. Although SIMS is designed to generate general ledgers, trial balances, asset records, adjustments, segregation of duties, and system-assisted backups, these functionalities were not adequately utilized, resulting in incomplete and unsupported financial statements. Further, the general ledgers provided did not have essential details such as narrations, payee information, and budget codes, limiting audit trail and accountability.

In the circumstances, Management did not benefit from the operational efficiency and effectiveness intended from the accounting system.

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.

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

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

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

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


FCPA Nancy Gathungu CBS
AUDITOR-GENERAL

Nairobi

13 May, 2026

(NZELUNI GIRLS SECONDARY SCHOOL)
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2024

DESCRIPTION OF VOTE HEAD	Note	2023-2024	2022-2023
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	718,094.90	1,346,063.60
Capitation grants for operations	2	5,423,774.91	7,129,376.21
Government grants for infrastructure	3	340,000.00	-
School Fund Income- Parents' Contributions	4	21,004,610.00	27,113,930.00
School Fund Income- Other receipts	5	3,640,957.00	656,461.00
Proceeds from borrowings			
TOTAL RECEIPTS		31,127,436.81	36,245,830.81
PAYMENTS			
Payments for Tuition	6	715,818.60	1,357,660.00
Payments for operations	7	5,444,711.91	6,277,225.00
Payments for infrastructure	8	3,294,233.50	-
Boarding and school fund payments	9	25,494,985.83	28,835,710.25
TOTAL PAYMENTS		34,949,749.84	36,470,595.25
SURPLUS/DEFICIT		(3,822,313.03)	(224,764.54)

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

Sign: _____

Name: MUNTOKI MUVENGETI

Sign: _____

Name: BEZA MUKU

Sign: _____

Name: JAPHETH MALUKU

Chair BOM

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Date: 31/3/2026

Date: 31/3/2026
A.S. NZELUNI GIRLS SEC. SCHOOL
P.O. Box 120, MWINGI

Date: 31/3/2026

**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30TH JUNE 2024**

	Note	2023-2024 Kshs	2022-2023 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	1,571,885.48	4,225,594.91
Cash Balances	11	74,675.70	(219,839.70)
Short term Investment	12	-	-
Total Cash and cash equivalent		<u>1,646,561.18</u>	<u>4,005,755.21</u>
Account's receivables	13	22,153,364.00	20,742,877.00
TOTAL FINANCIAL ASSETS		23,799,925.18	24,748,632.21
FINANCIAL LIABILITIES			
Accounts Payables	14	(12,736,936.00)	(9,863,330.00)
NET FINANCIAL ASSETS		11,062,989.18	14,885,302.21
REPRESENTED BY			
Accumulated Fund b/fwd	15	14,885,302.21	15,110,066.75
Surplus/Deficit for the year		(3,822,313.03)	(224,764.54)
NET FINANCIAL POSSITION		11,062,989.18	14,885,302.21

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

Name: Stephen
M.Muvengei
Chairman, BOM

Sign:

Date: 31/03/2024

Name: Ms Beth N. Muka
School Principal Secretary
to BOM

Sign:

Date: 31/3/2024
Name: Japheth M. Maluki

Bursar Finance

Sign:

Date: 31/3/2024

(NZELUNI GIRLS SECONDARY SCHOOL)
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2024

		2023-2024	2022-2023
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	718,094.90	1,346,063.60
Capitation grants for operations	2	5,423,774.91	7,129,376.21
Government Grants for infrastructure	3	340,000.00	-
School fund income- Parents contributions/ fees	4	20,076,614.00	24646,182.00
School fund income- other receipts	5	3,602,887.00	656,461.00
Total receipts		30,161,370.81	33,778,082.81
Payments			
Payments for Tuition	6	715,818.60	1,357,660.00
Payments for operations	7	5,444,711.91	6,277,225.00
Payments for infrastructure	8	3,294,233.50	-
Boarding and school fund payments	9	23,065,800.83	21,929,681.25
Total payments		32,520,564.84	29,564,566.25
Net cash flow from operating activities		(2,359,194.03)	4,213,514.56
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets			
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		(2,359,194.03)	4,213,514.56
Cash and cash equivalent at BEGINNING of the year		4,005,755.21	207,759.75
Cash and cash equivalent at END of the year		1,646,561.18	4,005,755.21

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

PUBLIC SECONDARY SCHOOLS - (NZELUNI GIRLS SECONDARY SCHOOL)
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VIII. 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	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	656,410.00		656,410.00	656,410.00	0	100%
Exercise books						
Laboratory equipment	366,112.00		366,112.00	120,000.00	246,112.00	32.77%
Internal exams						
Teaching / learning materials	1,165,510.00		1,165,510.00	598,094.90	567,415.10	51.31%
Tuition						
Exams and assessment						
Teachers guides						
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	2,373,360.00		2,373,360.00	694,660.00	1,678,700.00	29.26%
Repairs and maintenance	2,640,000.00		2,640,000.00	1,175,600.00	1,464,400.00	44.53%
Local transport / travelling	967,824.00		967,824.00	357,169.00	610,655.00	36.90%
Electricity and water	1,056,000.00		1,056,000.00	441,117.65	614,882.35	41.77%
				314,250.00		
Medical						[P#DIV/0!]
Administration costs	671,616.00		671,616.00	418,188.26	253,427.74	62.26%
Activity	792,000.00		792,000.00	252,000.00	540,000.00	31.81%
Insurance	1,056,000.00		1,056,000.00	0	1,056,000.00	#DIV/0!
Infrastructure				1,576,440.80		#DIV/0!
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	1,900,800.00		1,900,800.00	1,783,611.00	468,123.00	75.37%
Repairs and maintenance	1,056,000.00		1,056,000.00	953,633.00	259,564.00	75.42%
Local transport / travelling	818,400.00		818,400.00	733,625.00	176,010.00	78.49%
Electricity and water	2,798,400.00		2,798,400.00	2,528,880.00	599,675.00	78.57%
Medical						

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Administration costs	1,161,600.00		1,161,600.00	1,046,720.00	303,106.00	73.90%
Activity	264,000.00		264,000.00	235,500.00	66,385.00	74.85%
SMASSE						
Fee on Boarding Equipment and Stores	13,403,280.00		13,403,280.00	13,722,641.00	1,814,846.00	86.45%
OTHER INCOME						
Rent income				13,000.00	(13,000.00)	#DIV/0!
Fees refund				619,633.00		
Strike damages compensation				357,930.00	(357,930.00)	#DIV/0!
Income tenders				31,000.00	(31,000.00)	#DIV/0!
Income from Bus Hire				315,100.00	(315,100.00)	#DIV/0!
bursary				479,725.00		
Rent arrears income				10,909.00	(10,909.00)	#DIV/0!
Salary advance				3,500.00		
Rmi strike				396,000.00		
nssf				181,440.00		
shif				77,000.00		
kudheihia				13,650.00		
Income from infrastructure account				1,500,000.00	(1,500,000.00)	#DIV/0!
TOTAL INCOME	33,147,312.00			31,127,436.81		
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	656,410.00		656,410.00	656,410.00	0	100%
Exercise books						
Laboratory equipment	366,112.00		366,112.00	120,000.00	246,112.00	32.77%
Internal exams						
Teaching / learning materials	1,165,510.00		1,165,510.00	595,000.00	570,510.00	51.05%
Tuition						
Exams and assessment						
Teachers guides						
Administration costs						
Bank Charges				818.60	(818.60)	#DIV/0!
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	2,373,360.00		2,373,360.00	1,855,730.00		

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Repairs, maintenance & improvements	2,640,000.00		2,640,000.00	3,294,233.50	(654,233.50)	124.78%
Local transport / travelling	967,824.00		967,824.00	52,140.00	915,684.00	5.38%
Electricity, water and conservancy	1,056,000.00		1,056,000.00	168,500.00	887,500.00	15.95%
Medical/Insurance	1,056,000.00		1,056,000.00	0	1,056,000.00	#DIV/0!
Administration costs	671,616.00		671,616.00	661,034.61	10,581.39	98.42%
Activity Expenses	792,000.00		792,000.00	414,643.00	377,357.00	52.35%
Gratuity						
Bank charges				1,673.50	(1,673.50)	#DIV/0!
Infrastructure account				1,576,440.80	(1,576,440.80)	#DIV/0!
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	1,900,800.00		1,900,800.00	3,409,340.00	789,570.00	141.53%
Repairs, maintenance and improvements	1,056,000.00		1,056,000.00	730,687.00	783,963.00	25.76%
Local transport / travelling	818,400.00		818,400.00	1,486,035.00	(667,635.00)	181.57%
Electricity, water and conservancy	2,798,400.00		2,798,400.00	903,535.00	1,894,865.00	32.39%
Medical Expenses						
Administration costs	1,161,600.00		1,161,600.00	1,615,694.00	(221,234.00)	119.04%
Activity	264,000.00		264,000.00	403,095.00	(139,095.00)	152.68%
bursary				479,725.00		
Caution money				9,000.00		
Boarding						
Equipment and Stores	13,403,280.00		13,403,280.00	14,974,957.50	3,681,744.00	72.53%
R/D cheques				202,500.00		
Tender costs				45,000.00	(45,000.00)	#DIV/0!
Other expenses on school bus				412,650.00	(369,650.00)	#DIV/0!
Fees refund				532,822.00		
Bank Charges				17,855.00	(17,855.00)	#DIV/0!
Caution money	78,000.00					
tender				45,000.00		
nssf				181,440.00		
nhif				77,000.00		
kudheih				13,650.00		
TOTALS	32,451,865.00			34,949,749.84		

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

IX. FICANT 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 imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

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.

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2023-2024	2022-2023
	Kshs	Kshs

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	2023-2024	2022-2023
	Kshs	Kshs
Textbooks and reference materials	0	
Exercise books	0	109,759.10
Laboratory equipment	120,000.00	143,330.00
Internal exams	0	0
Teaching / learning materials	598,094.00	1,092,974.00
Exams and assessment	0	0
Teachers guides	0	0
Total	718,094.00	1,346,063.60

2 CAPITATION GRANT FOR OPERATIONS

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	694,660.00	1,762,745.10
Repairs and maintenance	1,175,600.00	2,075,000.00
Local transport / travelling	357,169.00	538,544.00
Electricity and water	441,117.65	1,363,550.75
Medical	314,250.00	130,800.00
Administration costs	418,188.26	928,236.36
Activity	252,000.00	330,500.00
Nssf	129,600.00	0
Nhif	55,000.00	0
Kudheihia	9,750.00	0
Infrastructure classes (CBC)	1,576,440.00	0
Total	5,423,774.91	7,129,376.21

3 GOVERNMENT GRANTS FOR INFRASTRUCTURE

	2023-2024	2022-2023
	Kshs	Kshs
From operations account	340,000.00	0
Total	340,000.00	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. PARENTS CONTRIBUTIONS-SCHOOL FUND ACCOUNT

	2023-2024	2022-2023
	Kshs	Kshs
Fee on Boarding Equipment and Stores	13,722,641.00	16,457,085.00
Personal emoluments	1,783,611.00	2,612,080.00
Repairs and maintenance	953,633.00	1,615,290.00
Local transport/travelling	733,625.00	1,154,055.00
Electricity and water	2,528,880.00	3,558,605.00
Medical	0	0
Administration costs	1,046,720.00	1,454,115.00
Activity	235,500.00	262,700.00
Total	21,004,610.00	27,113,930.00

5. OTHER RECEIPTS-SCHOOL FUND ACCOUNT

	2023-2024	2022-2023
	Kshs	Kshs
Rent income	13,000.00	5,000.00
R/D cheques	0	202,500.00
Infrastructure classes (CBC)	1,500,000.00	0
tender	31,000.00	20,000.00
Income from Bus hire	315,100.00	133,500.00
Fees refund	619,633.00	277,370.00
Caution money	0	0
Bursary fund	479,725.00	0
Salary advance	0	1,000.00
Salary advance arrears	3,500.00	0
Rent arrears	10,909.00	17,091.00
Prepaid fees	0	623,968.00
RMI (Strike damages)	396,000.00	0
Nssf	181,440.00	0
Nhif	77,000.00	0
kudheihia	13,650.00	0
Total	3,640,957.00	656,461.00

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

6. PAYMENTS FOR TUITION

	2023-2024	2022-2023
	Kshs	Kshs
Textbooks and reference materials	0	0
Exercise books	0	140,000.00
Laboratory equipment	120,000.00	140,000.00
Internal exams	0	0
Teaching / learning materials	595,000.00	1,077,000.00
Exams and assessment	0	0
Administration Costs	0	0

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Bank Charges	818.60	660.00
Total	715,818.60	1,357,660.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. PAYMENTS FOR OPERATIONS

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments-Non teaching staff	693,500.00	816,220.00
-sub staff	967,230.00	1,208,490.00
- teaching staff	195,000.00	435,000.00
Service Gratuity	0	0
Administration Cost	661,034.61	614,206.00
Repairs and maintenance & improvements	520,200.00	1,234,376.00
Local transport / travelling	52,140.00	189,930.00
Electricity and water	168,500.00	368,260.00
Medical/insurance	0	0
Activity Expenses	414,643.00	409,010.00
SMASSE	0	0
Bank Charges	1,673.50	1,733.00
Infrastructure classes	1,576,440.80	1,000,000.00
Nssf	129,600.00	0
Nhif	55,000.00	0
Kudheihia	9,750.00	0
Salary Advance	0	0
TOTAL	5,444,711.91	6,277,225.00

8. PAYMENTS FOR INFRASTRUCTURE

	2023-2024	2022-2023
	Kshs	Kshs
School fund a/c	1,500,000.00	0
Class window repairs	121,500.00	0
Infrastructure latrines	1,507,456.00	0
Administration costs	164,630.00	0
Bank charges	647.50	0
TOTAL	3,294,233.50	0

9. BOARDING AND OTHER SCHOOL FUND PAYMENTS

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments-Non teaching staff	1,473,850.00	1,104,740.00
-Subordinate staff	1,575,490.00	1,771,221.00
Teaching staff	360,000.00	0

Service Gratuity	0	0
Repairs and maintenance & Improvements	730,687.00	1,127,970.00
Local transport / travelling	1,486,035.00	1,533,275.00
Electricity and water	903,535.00	1,167,890.00
Medical Expenses	0	0
activity	403,095.00	275,130.00
Administration costs	1,615,694.33	4,033,899.00
Hire of school bus	412,650.00	303,100.00
Bank Charges	17,855.00	16,605.25
Expenses on Income Generating Activities	0	0
Fee on Boarding Equipment and Stores	14,974,957.50	17,444,730.00
Fees refund	532,822.00	23,150.00
R/D cheques	202,500.00	0
Nssf	181,440.00	0
Nhif	77,000.00	0
kudheih	13,650.00	0
Salary advance	0	4,500.00
bursary	479,725.00	0
Caution money	9,000.00	11,500.00
Tender	45,000.00	18,000.00
Acquisition of Assets	0	0
TOTAL	25,494,985.83	28,835,710.25

*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.*

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2023-2024	2022-2023
		Kshs	Kshs
Tuition Account	0590291380963	3,644.30	1,368.00
Operations Account	1107765757	13,457.01	37,444.01
School Fund Account/Boarding	0590291758518	334,187.67	10,962.00
Savings Account			0
Parent Association Development Account			0
Income generating activities Account			0
Infrastructural Account	0590294925884	1,220,596.50	4,175,820.00
Total		1,571,885.48	4,225,594.91

11. CASH IN HAND

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition Account	-	-
Operation Account	3,060.70	10.70
School Fund Account	70,625.00	(219850.40)
Infrastructure Account	990.00	0
Total	74,675.70	(219,839.70)

12. SHORT TERM INVESTMENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. ACCOUNTS RECEIVABLE

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees arrears	22,153,364.00	20,742,877.00
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	22,153,364.00	20,742,877.00

[Include an ageing of the fees / non fees arrears below]

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees arrears for current year	3,327,909.00	2,467,748.00
Fees arrears for the previous year	550,326.00	6,433,639.00
Fees arrears for prior periods (over two years)	18,275,129.00	11,841,490.00
Total	22,153,364.00	20,742,877.00

14. ACCOUNTS PAYABLE

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	12,637,540.00	9,485,187.00
Prepaid fees	99,396.00	378,143.00
Caution money	-	-
Retention monies	-	-
Total	12,736,936.00	9,863,330.00

[Include an ageing of the creditor's arrears below]

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade creditors for current year	6,915,601.00	6,916,057.00
Trade creditors for the previous year	4,841,439.00	2,569,130.00
Trade creditors for prior periods (over two years)	880,500.00	0
Total	12,637,540.00	9,485,187.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. FUND BALANCE BROUGHT FORWARD

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank balances	1,571,885.48	4,225,594.91
Cash balances	74,675.70	(219,839.70)
Short Term Investments	-	0
Receivables	22,153,364.00	20,742,877.00
Payables	(12,736,936.00)	(9,863,330.00)
Total	11,062,989.18	14,885,302.21

Other important disclosure notes

IPSAS 1 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 loan(s)	0.00	0.00
Outstanding Leases	0.00	0.00
Hire purchase	0.00	0.00
Gratuity and leave provision	0.00	0.00
Total	0.00	0.00

17. Biological assets

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle		0.00	0.00
Goats		0.00	0.00
Trees		0.00	0.00
Coffee or tea plantation		0.00	0.00
Poultry		0.00	0.00
Total		0.00	0.00

18. Borrowings

Description	2023-2024	2022-2023
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments of during the year	(0.00)	(0.00)
Balance at end of the year	0.00	0.00

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Other important disclosure notes

19. Stock/ Inventory

Description	2023-2024	2022-2023
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	0.00	0.00
Stock/ inventory purchased during the year	0.00	0.00
Stock/ inventory issued during the year	0.00	0.00
Balance at end of the year	0.00	0.00

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)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance 2023-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1. BENJAMIN MENGI	335,000.00				335,000.00	
2. MODABEPE CONSTRUCTION	66,150.00				66,150.00	
3.						
Sub-Total	401,150.00				401,150.00	
Supply of goods						
4.FESTUS MULI MUSYOKA	270,000.00				270,000.00	
5.MUKAA GENERAL MERCHANTS	575,930.00				575,930.00	
6.GOSHEN MEGA SUPPLIERS	210,000.00				210,000.00	
7.WIZTEK CO. LTD	1,145,746.00				1,145,746.00	
8.ZAYIN COMPANY LTD	993,500.00				993,500.00	
9.IBBEX VENTURES	198,010.00				198,010.00	
10.BAHATI STORES	832,800.00				832,800.00	
11.COPY CAT LTD	494,880.00				494,880.00	
12.PEHERO ENTERPRISES	182,860.00				182,860.00	
13.JOSIGA AGENCIES	3,185,340.00				3,185,340.00	
14.CHOMA ZONE BUTCHERY	869,700.00				869,700.00	
15.ALICE ONDITI	208,700.00				208,700.00	
16.DPL FESTIVE LTD	661,826.00				661,826.00	
17. JAPHETH NGUI	32,000.00				32,000.00	
18. RP GREEN STORES	181,555.00				181,555.00	
Sub-Total	10,042,847.00				10,042,847.00	
Supply of services						
19.HIGH TECH GARAGE	43,000.00				43,000.00	
20.MATTY HOMES SERVICES	196,000.00				196,000.00	
21.SILENTWISE ENTERPRISES	57500.00				57500.00	
22.SERVICE GRATUITY-JULIANA KIOKO	220,640.00				220,640.00	