REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 26 JUN 202
DAY. THURSDAY
TABLED BY: LEADER OF THE MAJORITY PARTY
CLERK-AT THE-TABLE: NILLIS ORIERO

REPORT

OF

PARLIAMENT OF KENYA LIBRARY

THE AUDITOR-GENERAL

ON

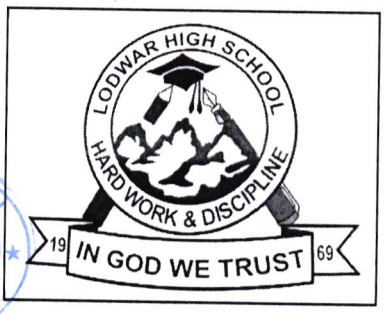
LODWAR BOYS HIGH SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2024

TURKANA COUNTY

Revised 30th June 2024.



LODWAR BOYS' HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2024

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

Table of Contents Page

1. Acronyms and Definition of Key Terms ii
2. Key School Information and Management iii
3. Summary Report of Performance of The School vii
4. Statement of School Management Responsibility xii
5. Report Of The Independent Auditors xiii
6 Statement Of Receipts and Payments for the Year Ended 30th June 2024 1
7. Statement of Assets and Liabilities As At 30th June 2024 2
8. Statement of Cash Flows for the Year Ended 30th June 2024 3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024 5
10. Significant Accounting Policies 8
11. Notes To the Financial Statements 10
12. Progress On Follow Up of Auditor Recommendations 17
13. Annexes 19

1. Acronyms and Definition of Key Terms

A. Acronyms.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

2. Key School Information and Management

(a) Background information

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

The school was registered in **18/1/2018** under registration number **23S30000345** and is currently categorized as a *National,* public school established, owned or operated by the Government.

The school is a boarding school and had 1200 number of students as at *30th June 2024* It has 5 streams and 54 teachers of which 21 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.	Fr. Imo Donald	Chairman- Sponsor	29/11/2022
2.	Mr. Patrick Lokwayen	Secretary – Principal	29/11/2022
3.	Mr. James Ekuwom atana	Member	29/11/2022
4.	Mr. Chris Erukudi	Member	29/11/2022
5.	Mr. Johnstone Ekamais	Member	29/11/2022
6.	Mr. Ali Abdullahi	Member	29/11/2022
7.	Mr. Ikolom Dominic	Member	29/11/2022
8.	Mr. Richard Ekutan	Member	29/11/2022
9.	Ms. Emmaculate	Member	29/11/2022
10.	Mrs. Selina Lokopu	Member	29/11/2022
11.	Bishop. Loote Simon	Member	29/11/2022
12.	Dr. Peter Adome	Member – Rep CEB	29/11/2022
13.	Mr. Joel Nyakundi	Member Rep Teachers	29/11/2022
14.	Mrs. Mary Tioko	3 Members – Sponsor	29/11/2022
15.	Mr. Geoffrey Apedor	Member – Sponsor	29/11/2022
16.	Mr. Keem Michael	Member – Community	29/11/2022
17.	Mrs. Mary Akiru	Member Special Needs	29/11/2022
18.	Maclevis Losike	Rep Students	01/07/2023

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Audit Committee	1. Mr. Chris Erukudi 2. Dr. Peter Edome 3. Mrs. James Ekuwom	Chairman Secretary Member	**0 out of 4**
2.	Finance,procurement and general purposes Committee	1. Fr. Imo Donald 2. Mr. Patrick Lokwayen 3. Mrs. Selina Lokopu 4. Mr. Simon Loote	Chairman Secretary Member Member	1 out of 4
3.	Academic Standard, Quality and Environment Committee	1. Mrs. Emmaculate 2. Mr. Richard Ekutan 3. Mr. Joel Nyakundi	Chairperson Secretary Member	1 out of 3
4.	Discipline, Ethics and integrity Committee	1. Mr. Abdullahi Jama 2. Mr. Johnstone Ekamais 3. Ms. Mary Tioko 4. Mr. Keem Michael	Chairman Secretary Member Member	4 out of 4
5	Human Rights and Students welfare	1. Mr. Geoffrey Apedor 2. Mr. Ikolom Dominic 3. Mr. Mary Akiru	Chairman Secretary Member	0 out of 3

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	MR. PATRICK LOKWAYEN	TSC No. 387626
2	Deputy Principal	MR. WALTER AGADE	TSC No. 415104
3	School Bursar	MR. WANYONYI SAUL	ID No. 28546740

(e) Schools contacts

Post Office Box: 38-30500 Lodwar
Telephone: 0706347461
E-mail: lodwarhighsch@gmail.com
Website: www.lodwarboys.sc.ke

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: KENYA COMMERICAL BANK
   Branch: LODWAR
   Account Number: 1107558573 – MAIN ACCOUNT
2. Name of Bank: KENYA COMMERICAL BANK
   Branch: LODWAR
   Account Number: 1107558220 – OPERATIONS ACCOUNT
3. Name of Bank: KENYA COMMERICAL BANK
   Branch: LODWAR
   Account Number: 1107210151 – TUITION ACCOUNT
4. Name of Bank: KENYA COMMERICAL BANK
   Branch: LODWAR
   Account Number: 1106343727- GENERAL ACCOUNT
5. Name of Bank: KENYA COMMERICAL BANK
   Branch: LODWAR
   Account Number: 1118337948 – ADB EDUCATION III
6. Name of Bank: KENYA COMMERICAL BANK
   Branch: LODWAR
   Account Number: 1141960281 – NATIONAL SCHOOL PROJECT
7. Name of Bank: KENYA COMMERICAL BANK
   Branch: LODWAR
   Account Number: 1113654945 – ECONOMIC STIMULUS

8. MPESA Pay Bill No. 522533 ACC NO. 8800146# attached to account 1107558573 Main Account.

(g) Independent Auditors

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

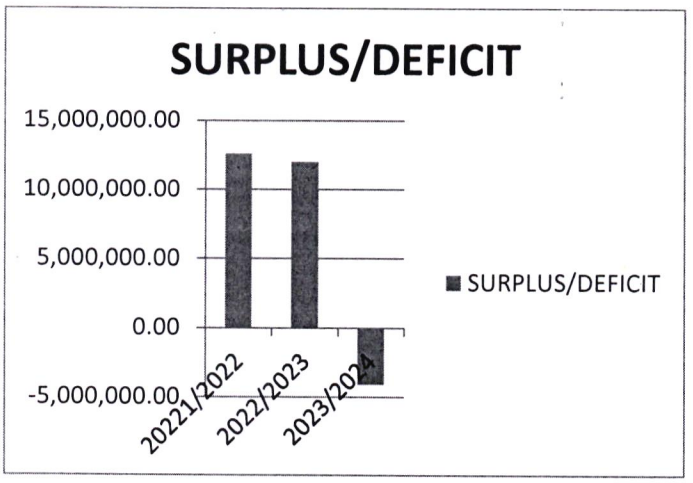
3. Summary Report of Performance of The School

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

a) Financial performance:

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

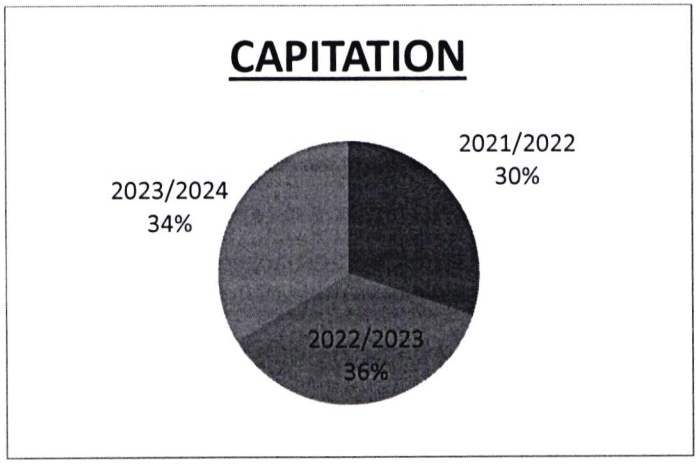
YEAR	SURPLUS/DEFICIT
20221/2022	12,597,794.66
2022/2023	11,988,658.60
2023/2024	(4,085,034.17)



- *The surplus decreases during the financial year because of poor fees payment and underfunded by the Ministry of Education thus decrease of income.*
- *The surplus also decreases due to the increase of expenditure during the financial year that was caused by the increase of enrolment.*

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

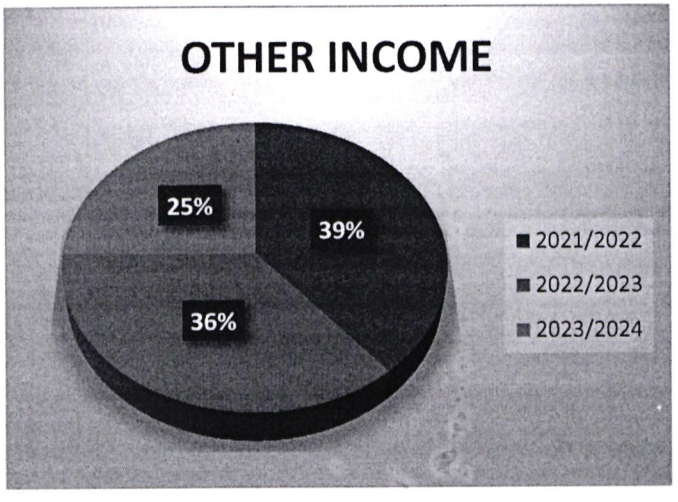
YEAR	CAPITATION
2021/2022	14,374,019.80
2022/2023	17,246,345.55
2023/2024	15,992,676.35



- *The Capitation decreased during the financial year 2023/2024 because of underfunded by the Ministry of Education thus decrease of income.*

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

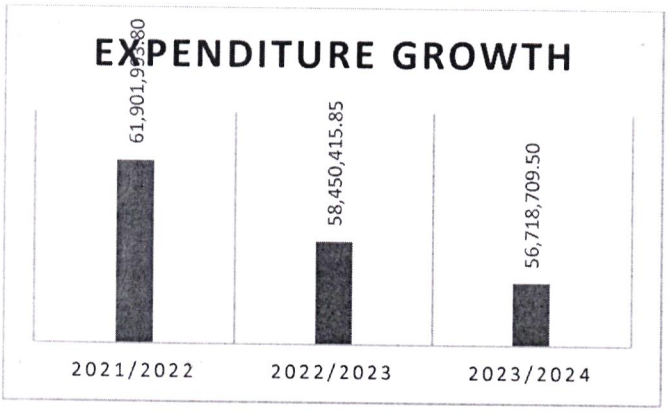
YEAR	OTHER INCOME
2021/2022	57,022,448.00
2022/2023	53,122,727.90
2023/2024	36,574,699.00



- *Financial Year 2023/2024 had other income decreased due to the poor fees payment and underfunded from the Ministry of Education*

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

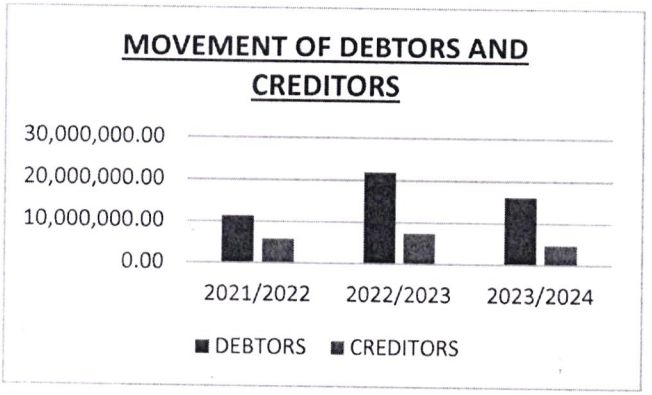
YEAR	EXPENDITURE GROWTH
2021/2022	61,901,993.80
2022/2023	58,450,415.85
2023/2024	56,718,709.50



- *The expenditure decreased during the FY 2023/2024 due to the poor fees payment and underfunded from the Ministry of Education*

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

YEAR	DEBTORS	CREDITORS
2021/2022	11,296,117.35	5,826,898.00
2022/2023	21,848,582.10	7,432,473.88
2023/2024	16,084,406.00	4,747,588.77



- *During the financial year 2023/2024 Debtors decreased due to new fees collection mechanism that leads to slight improvement of fees payment.*
- *Creditors decreased during the FY 2023/2024 because of improved fees payments and adhered to the approved budget.*

b) Teacher Student ratio:

YEARS	*TSC*	*BOM*	*RECRUITED*	*TRANSFERRED/RETIRED*	*RATIO*
2023/2024	*33*	*21*	*1*	*5*	*19:1*

Subject combination	***Number of teachers***	**Shortage of teachers**
English/Lit	*6*	4
Maths/Kisw	*1*	
Maths/Chem	*4*	2
Maths /Bio	*1*	2
Maths Phy	*2*	3
French/Hist	*1*	
Kisw/CRE	*2*	*2*
Kisw /Hist	*2*	*1*
Geo/ Hist	*2*	
Bio /Chem	*2*	*1*
Hist /CRE	*2*	
Maths /Geo	*1*	
Chem/ Phy		*1*
Maths/Business	*2*	*1*
Bio /Agriculture	*3*	

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

YEARS	MEAN SCORE	NUMBER OF STUDENT TO HIGHER LEARNING	TARGET	COMMENT
2021	6.9688	95	9.5	Target not met. Aim higher than this.
2022	6.8660	100	9.5	Target not met. Aim higher than this.
2023	7.0044	94	9.5	Target not met. Aim higher than this.

d) Number of Candidates in the 2023 KCSE:

YEARS	Number of Candidates
2021	161
2022	180
2023	152

e) The capacity of the school:

FACILITIES	NUMBER OF FACILITIES	CURRENT CAPACITY	TOTAL CAPACITY
Dormitories	8	1200	800
Dining Hall	1	1200	810
Laboratory	4	1200	100
Toilets	8	1200	810
Bathrooms	3	1200	810
Library	1	1200	810
Classrooms	28	1200	800
Conference Hall	1	1200	200

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Tuition Block	MOE	Complete	7,800,000.00	2,872,662.50	31st Dec. 2023

.....

School Principal

4. Statement of School Management Responsibility

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.

.....

Name: Fr. Imo Donald Bassols

Designation: Chairman, School Board of Management

Date: 19Th May, 2025

.....

Name: Mr. Patrick Lokwayen Esekon

Designation: School Principal & Secretary to Board of Management

Date: 19Th May, 2025

.....

Name: Mr. Wanyonyi Saul Wachango

Designation: Bursar/ Finance Officer

Date: 19Th May, 2025

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 LODWAR BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – TURKANA 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 Lodwar Boys High School set out on pages 1 to 18, which comprise of the statement of financial assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, 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 Lodwar Boys High School as at 30 June, 2024 – Turkana County and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Accounts Payable

The statement of assets and liabilities reflects accounts payable of Kshs.12,590,964 with a comparative prior year balance of Kshs.32,910,323 which, as disclosed in Note 15 to the financial statements include opening balance of Kshs.11,572,004 in respect of trade creditors. However, the ageing analysis for trade creditors at annex 1 to the financial statements includes nine (9) suppliers whose opening balance of Kshs.2,767,132 differs with previous year's audited amounts totalling to Kshs.1,789,295. The variance of Kshs.977,837 has not been explained or reconciled.

Further, accounts payable balance of Kshs.12,590,964 includes an amount of Kshs.435,500 owed to Lodwar Old Boys Association (LOBA) that was not supported with necessary documents such as board approval for the borrowing, terms of the borrowing, interest charged if any, security given and repayment terms.

In the circumstances, the accuracy, completeness and authenticity of the accounts payable balance of Kshs.12,590,964 could not be confirmed.

2. Variances in Additions to Fixed Assets

Annex 2 – Summary of Fixed Assets Register reflects Kshs.7,800,000 in respect of additions to fixed assets for 2023-2024 financial year. However, the amount differs with the infrastructure payments amount of Kshs.2,802,661 reflected in the statement of receipts and payments. The resultant variance of Kshs.4,997,339 has not been explained or reconciled. Further, the additions to fixed assets amount of Kshs.7,800,000 also differs with Kshs.1,827,730 reflected as additions in the fixed assets register by unexplained variance of Kshs.5,972,270.

In the circumstances, the accuracy and completeness of the additions to fixed assets amount of Kshs.7,800,000 could not be confirmed.

3. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects an amount of Kshs.5,725,897 in respect of cash and cash equivalents as disclosed in Note 11 and 12 to the financial statements. Included in the amount is cash at bank balance of Kshs.5,723,521 which however, differs with the verified balance of Ksh.10,762,433.00 by unexplained variance of Kshs.5,038,914 as detailed below;

Account Name	Financial Statement amount 30 June 2024 (Kshs.)	Verified Amount As at 30 June, 2024 (Kshs.)	Variance (Kshs.)
Tuition Account	843,849	843,849	0
Operations account	1,730,067	3,928,605	-2,198,538
School/Boarding	362,823	3,207,578	-2,844,755
G. Saving MI A/C	2,672,837	2,672,837	0
Project Account	85,282	83,861	1,421
Economic Stimulus account	2,336	1,144	1,192
Account (project 3)	26,326	24,560	1,766
	5,723,520	**10,762,434**	**-5,038,914**

Further, the bank reconciliation statement provided for audit does not include reconciling items between the bank and cashbook balances.

In the circumstances, the accuracy, completeness and existence of bank balance of Kshs.5,723,520 could not be confirmed.

4. Accounts Receivables

4.1. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.47,289,307 as disclosed in Note 14 to the financial statements. Included in the balance is Kshs.122,000 in respect to long outstanding imprest for eleven (11) staff members relating to the period between 2017 and 2021 and rent arrears for seven (7) staff quarters amounting to Kshs.33,000. However, the receivables have not been supported with the applicable rent rate, ageing analysis and steps or effort taken to recover the amounts due.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.47,289,307 could not be confirmed.

4.2. Long Outstanding Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.47,134,307 in respect of fees arrears as disclosed in Note 14 to the financial statements. Included in the balance are receivables amounting to Kshs.32,708,084 which

had been outstanding for more than three (3) 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.32,708,084 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.59,964,440 and Kshs.52,633,675 respectively, resulting to an underfunding of Kshs.7,330,765 or approximately 12% of the budget. Similarly, the statement reflects actual receipts and actual expenditure of Kshs.52,633,675 and Kshs.56,718,710 respectively resulting to an over expenditure amounting to Kshs.4,085,035 or approximately 8% of actual receipts.

The underfunding 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.

Key Audit Matters

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

Other Information

The Management is responsible for the other information set out on page III to XII which comprise of key entity information and management, summary report of performance of the school and statement of management's responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.47,524,181 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.208,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.208,500 could not be confirmed.

2. Accounts Payables – Long Outstanding Creditors

The statement of assets and liabilities reflects accounts payable amount of Kshs.12,590,964 as disclosed under Note 15 to the financial statements. Included in the balance are trade payables amounting to Kshs.3,897,452 which had been outstanding for more than one (1) year. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates.

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

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAI) 3000 and 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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Assets Ownership Documents

It was established that the School is built on land measuring 19.58 acres donated by the Catholic Church. However, the title deed to the land was not provided for audit. Further, it was established that the school has a sixty-two (62) seater bus whose logbook bears joint ownership with a commercial bank, and one (1) motor cycle whose logbook is in the name of another entity explained by Management to be a development partner.

In the circumstances, the ownership of the assets could not be confirmed.

2. Incomplete Fixed Asset Register

Audit verification revealed that details in the assets register are not complete with required information such as the location, computers or electronics serial numbers, vehicles registration, engine and chassis numbers, assets conditions, models and makes including acquisition costs for some items, opening balances at the start of the year, disposals and the closing balances at the end of the year. Further, the assets have not been tagged for identification purposes.

In the circumstances, the existence of effective internal controls over assets management could not be confirmed.

3. Lack of Disaster Recovery Plan

The audit established that the School did not have a data recovery strategy. Therefore, chances of data recovery in case of a calamity or disaster may not be possible. Further, no offsite back up storage facility exists which can be catastrophic if a disaster was to occur. This is compounded by lack of a trained IT officer and IT strategic committee which would advise on such gaps within the IT system.

In the circumstances, the effectiveness of internal controls over data and disaster preparedness could not be confirmed.

4. Lack of Human Resource Policies and Procedures Guideline

During the year under review, the School did not have an approved Human Resource policies and procedures guideline and salary structure. Although Management provided an Organogram for the institution, the same had not been optimally utilized. Further, there

was no proper guidance on remuneration of the teaching and non-teaching staff on temporary basis and the recruitment process, training and continuous development of employees.

In the circumstances, the effectiveness of internal controls over human resources could not be confirmed

5. Lack of Internal Audit Function and Audit Committee

During the year under review, 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) Regulations, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the institution through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

6. Failure to Prepare School Improvement Plan

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

In the circumstances, the effectiveness in utilization of capitation grants and other school funds could not be confirmed.

7. Lack of a Board Charter and Board Work Plan

The school management board did not prepare an annual Board ALMANAC and submit to State Corporations Advisory Committee (SCAC) detailing the organization's annual work plan, statutory obligations of the Board and available budget. Further, the Board did not carry out an annual evaluation of its performance resulting in an evaluation report with recommendations for implementation.

In the circumstances, the effectiveness of the Board in governance of the School could not be confirmed.

8. Lack of Adequate Facilities in the Institution

Verification of the facilities revealed that the school did not have sufficient and adequate facilities as required by the Basic Education Regulations as detailed below;

Facilities	Number of Facilities	Actual Usage Capacity	Ideal Facility Capacity	Number Over Ideal Capacity
Dormitories	8	1,200	800	400
Dining hall	1	1,200	500	700
Laboratory	4	1,200	400	800
Toilets	8	1,200	500	700
Bathrooms	3	1,200	500	700
Library	1	1,200	100	1,100
Classrooms	20	1,200	900	300
Conference hall	1	1,200	200	1,000

In the circumstances, the safety of the students and quality of learning outcomes maybe compromised.

9. Securing of the Students

Review of general operations and security of the school revealed the following;

i. The school's compound is not fenced all round to provide adequate security to the students from external danger.
ii. The science laboratories have dilapidated sinks, drawers, worktops, with non-functioning water taps in some instances
iii. Interview with Management revealed that regular fire disaster response drills are not conducted to create preparedness for fires and other disasters by all stakeholders;
iv. There is poor solid waste management as it was observed that the waste collection point was open which may pose health risk to the students

This was contrary to Regulation 83 of the Basic education Regulations, 2015.

In the circumstances, the adequacy of security of the students could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) 2315 and 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 Governors

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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 to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the School or 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 Governors is responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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

11 June, 2025

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

Description Of Vote Head	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,300,884.60	2,287,347.75
Government grants for operations	2	7,870,291.73	6,701,607.80
Government Grants for infrastructure	3	5,821,500.00	8,257,390.00
School fund income- parents' contributions	4	36,574,699.00	53,122,727.90
Miscellaneous incomes	5	66,300.00	70,000.00
Total Receipts		**52,633,675.33**	**70,439,073.45**
Payments			
Tuition	6	106,054.00	3,062,683.00
Operations	7	6,191,513.50	5,638,954.97
Infrastructure	8	2,802,661.00	7,028,019.00
Boarding and school fund	9	47,524,181.00	42,681,957.88
Boarding & school fund -Other Payment	10	94,300.00	38,800.00
Total Payments		**56,718,709.50**	**58,450,414.85**
SURPLUS/DEFICIT		**(4,085,034.17)**	**11,988,658.60**

The school financial statements were approved on 19Th may, 2025 and signed by:

.....	.....	.....
Name: : Fr. Imo Donald	**Name: : Mr. Patrick Lokwayen School Principal/ Secretary to BOM**	**Name: Mr. Wanyonyi Saul**
Chair BOM		**Bursar/ Finance Officer**
Date: 19Th May, 2025	**Date: 19Th May, 2025**	**Date: 19Th May, 2025**

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

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank Balances	11	5,723,520.97	2,345,404.42
Cash Balances	12	2,376.00	57,368.00
Short term Investment	13	-	-
Total Cash and Cash Equivalents		**5,725,896.97**	**2,402,772.42**
Account's receivables	14	47,289,306.80	75,016,824.43
Total financial assets		**53,015,203.77**	**77,419,596.85**
Financial liabilities			
Accounts Payable	15	12,590,963.77	32,910,322.68
Net financial assets		**40,424,240.00**	**44,509,274.17**
Represented by			
Fund balance b/fwd...	16	44,509,274.17	32,520,615.57
Surplus/Defict for the year		(4,085,034.17)	11,988,658.60
Net financial position		**40,424,240.00**	**44,509,274.17**

The school's financial statements were approved on 19Th May, 2025 and signed by:

.....	.....	.....
Name: : Fr. Imo Donald	**Name: Mr. Patrick Lokwayen**	**Name: Mr. Wanyonyi Saul**
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 19Th May, 2025	**Date: 19Th May, 2025**	**Date: 19Th May, 2025**

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

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	2,300,884.60	2,287,347.75
Government grants for operations	2	7,870,291.73	6,701,607.80
Infrastructure	3	5,821,500.00	8,257,390.00
School fund income- parents' contributions	4	36,574,699.00	53,122,727.90
Miscellaneous incomes	5	66,300.00	70,000.00
Total Receipts		**52,633,675.33**	**70,439,073.45**
Payments			
Tuition	6	106,054.00	3,062,683.00
Operations	7	6,191,513.50	5,638,954.97
(Infrastructure account)	8	2,802,661.00	7,028,019.00
Boarding and school fund	9	47,524,181.00	42,681,957.88
Boarding & school fund -Other Payment	10	94,300.00	38,800.00
Total Payments		**56,718,709.50**	**58,450,414.85**
Net cash flows from Operating Activities		**(4,085,034.17)**	
Cashflow from Operation activities			
Decrease in Receivable			(11,203,364.00)
Decrease in Payable			(1,188,430.55)
Net cash flows from Investing Activities			**(12,391,794.55)**
Cashflow from financing activities			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flows from borrowing Activities		-	-
interest income		-	
Net increase in cash and cash equivalent		**(4,085,034.17)**	**(403,135.95)**
Cash and cash equivalent at BEGINNING of the year 2023/2024		**2,402,772.42**	**2,805,908.37**
Cash and cash equivalent at END of the year 2023/2024		**5,725,896.97**	**2,402,772.42**

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

The school's financial statements were approved on 19Th May, 2025 and signed by:

.....	.....	.....
Name: Fr. Imo Donald	**Name: Mr. Patrick Lokwayen School Principal/ Secretary to BOM**	**Name: Mr. Wanyonyi Saul**
Chair BOM		**Bursar/ Finance Officer**
Date: 19Th May, 2025	**Date: 19Th May, 2025**	**Date: 19Th May, 2025**

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS					
(1) Capitation Grant on Tuition					
Teaching / Learning Materials	2,493,120	-	2,493,120	2,300,885	92%
Sub-totals	**2,493,120**	**-**	**2,493,120**	**2,300,885**	**92%**
(2) Capitation Grant on Operations					
Other voteheads	6,692,020		6,692,020	6,771,239	101%
Activity	546,380		546,380	507,191	93%
Insurance/ medical	590,000		590,000	591,862	100%
Sub-totals	7,828,400	-	7,828,400	7,870,292	101%
3) FDSE for infrastructure					
Maintenance &Improvement MoE	4,900,000		4,900,000	5,748,500	117%
M&I parents' contribution			-	73,000	
Sub-totals	**4,900,000**	**-**	**4,900,000**	**5,821,500**	**119%**
(4) Fees Charged on Parents					
Repairs and maintenance	2,520,000		2,520,000	2,571,893	102%
Activity	482,040		482,040	463,158	96%
Fee on Boarding Equipment and stores	29,777,300		29,777,300	21,551,040	72%
Others (specify)	11,963,580		11,963,580	11,988,608	100%
Sub-totals	**44,742,920**	**-**	**44,742,920**	**36,574,699**	**82%**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
5) Miscellenous Income					
KCSE			-	12,300	
Tender Fee			-	54,000	
Sub-totals	**-**	**-**	**-**	**66,300**	
TOTAL INCOME	**59,964,440**	**-**	**59,964,440**	**52,633,675**	**88%**
PAYMENTS					
(6) Expenditure For Tuition					
Exercise Books	12,000		12,000	-	0%
Teaching / Learning Materials	492,425		492,425	51,050	10%
Exams And Assessment	198,000		198,000	50,000	25%
Bank Charges			-	5,004	
Sub-totals	**702,425**	**-**	**702,425**	**106,054**	**15%**
(7) Expenditure For Operations					
Personnel Emoluments	3,929,505		3,929,505	3,814,088	97%
Service Gratuity	521,721		521,721	521,721	100%
Administration Cost	1,493,780		1,493,780	1,380,600	92%
Electricity And Water	477,320		477,320	463,076	97%
Bank Charges			-	12,029	
Sub-totals	**6,422,326**	**-**	**6,422,326**	**6,191,514**	**96%**
(8) Expenditure For infrastructure					
Construction of classrooms	4,100,000		4,100,000	2,800,000	68%
Others (specify)			-	2,661	

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	B	c=a+b	D	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-totals	**4,100,000**	**-**	**4,100,000**	**2,802,661**	**68%**
(9)Expenditure for Boarding/school fund					
Personnel Emoluments	6,007,400		6,007,400	6,013,685	100%
Repairs And Maintenance & Improvements	1,960,000		1,960,000	870,000	44%
Local Transport / Travelling	3,216,180		3,216,180	3,469,114	108%
Electricity And Water	2,248,000		2,248,000	2,018,924	90%
Administration Costs	10,192,000		10,192,000	9,550,775	94%
Bank Charges			-	72,157	
Fee On Boarding Equipment and Stores	29,777,300		29,777,300	24,374,464	82%
Other Payment			-	94,300	
Activity	782,040		782,040	1,155,062	148%
Sub-totals	**54,182,920**	**-**	**54,182,920**	**47,618,481**	**88%**
TOTAL EXPENDITURE	**65,407,671**	**-**	**65,407,671**	**56,718,710**	**87%**

i. *Underutilization were caused by payment of creditor and underfunded as per the votes.*

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching / Learning Materials	2,300,884.60	2,287,347.75
Total	**2,300,884.60**	**2,287,347.75**

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Other vote head	6,771,238.73	6,060,545.30
Medical	591,862.00	167,700.00
Activity	507,191.00	473,362.50
Total	**7,870,291.73**	**6,701,607.80**

3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	5,748,500.00	3,257,390.00
M&I parents' contribution	73,000.00	5,000,000.00
Total	**5,821,500.00**	**8,257,390.00**

4 School Fund Income - Parents Contribution/Fees

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	-	6,058,341.00
Repairs maintenance & improvement	2,571,893.00	2,409,665.00
Local transport / travelling	-	2,213,130.90
Electricity and water	-	5,479,645.00
Administration costs	-	6,483,315.00
Activity	463,158.00	968,493.00
Fee on Boarding Equipment and stores/Lunch	21,551,040.00	29,510,138.00
Others	11,988,608.00	
Total	**36,574,699.00**	**53,122,727.90**

5 Miscellaneous Incomes

Description	2023-2024	2022-2023
	Kshs	Kshs
Tender Fee	54,000.00	70,000.00
Other Income (KCSE)	12,300.00	
Total	**66,300.00**	**70,000.00**

6 Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Exercise Books		1,267,900.00
Laboratory Equipment		533,320.00
Teaching / Learning Materials	51,050.00	992,045.00
Exams And Assessment	50,000.00	87,580.00
Bank Charges	5,004.00	8,592.00
Others (Mark pen & ink)	-	173,246.00
Total	**106,054.00**	**3,062,683.00**

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	3,814,088.00	3,784,325.00
Service Gratuity	521,721.00	
Administration Cost	1,380,600.00	419,586.97
Local Transport / Travelling	-	390,192.00
Electricity And Water	463,076.00	675,585.00
Activity Expenses	-	355,537.00
Bank charges	12,028.50	13,729.00
Total	**6,191,513.50**	**5,638,954.97**

8 Infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Construction of Tuition Block	2,800,000.00	5,000,000.00
Renovation of Classroom	-	824,400.00
Purchase of furniture	-	1,200,000.00
Bank charges	2,661.00	3,619.00
Total	**2,802,661.00**	**7,028,019.00**

9 Boarding And School Fund

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	6,013,685.00	4,492,518.00
Repairs And Maintenance & Improvements	870,000.00	830,750.00
Local Transport / Travelling	3,469,114.00	1,602,902.88
Electricity, Water & conservancy	2,018,924.00	1,862,745.00
Medical Expenses	-	9,398.00
Administration Costs	9,550,775.00	5,861,449.00
Bank Charges	72,159.00	80,786.00
Fee On Boarding Equipment and Stores	24,374,464.00	27,410,859.00
Activity	1,155,062.00	530,550.00
Total	**47,524,181.00**	**42,681,957.88**

10 Boarding And School Fund-Other Payment

Description	2023-2024	2022-2023
	Kshs	Kshs
KCSE	65,800.00	-
Tender fee	28,500.00	38,800.00
Total	**94,300.00**	**38,800.00**

11 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1107210151	843,849.05	33,193.45
Operations Account	Active	1107558220	1,730,067.67	380,063.42
School Fund/Boarding	Active	1107558573	362,822.85	897,805.65
G. Savings/MI A/C	Active	1106343727	2,672,836.65	920,397.15
Project Account	Dormant	1141960281	85,282.40	85,282.40
ES Account	Dormant	1113654945	2,335.90	2,335.90
Account (Project 3)	Dormant	1118337948	26,326.45	26,326.45
Total			**5,723,520.97**	**2,345,404.42**

12 Cash In Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	2,376.00	57,368.00
Total	**2,376.00**	**57,368.00**

13 Short Term Investments

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

14 Accounts Receivable

Description	2023-2024	2022-2023
	Ksh	Ksh
Fees Arrears	47,134,306.80	74,861,824.43
Other Non-Fees Receivables	-	-
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	122,000.00	122,000.00
Rent arrears (list/schedule attached)	33,000.00	33,000.00
Total	**47,289,306.80**	**75,016,824.43**

14 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Ksh		Ksh	
	Current FY	**% of the total**	**Comparative FY**	**% of the total**
Less than 1 year	16,084,406.00	34%	21,848,582.10	29%
Between 1- 2 years	5,061,867.00	11%	650,899.25	1%
Between 2-3 years	1,546,471.00	3%	-	0%
Over 3 years	24,441,562.80	52%	52,362,343.08	70%
Total (should tie to note 14 a)	**47,134,306.80**	**100%**	**74,861,824.43**	**100%**

15 Accounts Payable

Description	2023-2024	2022-2023
	Ksh	Ksh
Trade Creditors (See Ageing Below and Appendix 1)	8,645,040.77	11,572,003.88
Prepaid Fees	3,945,923.00	21,338,318.80
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Total	**12,590,963.77**	**32,910,322.68**

15b. Ageing Analysis of Accounts Payable

Description	2023-2024 Kshs		2022-2023 Kshs	
	Current FY	**% of the total**	**Comparative FY**	**% of the total**
Less than 1 year	4,747,588.77	55%	7,432,473.88	64%
Between 1- 2 years	3,897,452.00	45%	4,139,530.00	36%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (should tie to note 15a)	**8,645,040.77**	**100%**	**11,572,003.88**	**100%**

16 Fund Balance Brought Forward

Description	2023-2024 Kshs	2022-2023 Kshs
Bank Balances	2,345,404.42	2,805,908.37
Cash Balances	57,368.00	-
Receivables	75,016,824.43	63,813,460.43
Payables	(32,910,322.68)	(34,098,753.23)
Total	**44,509,274.17**	**32,520,615.57**

Other important disclosure notes

IPSAS Cash Standard encourages an entity to disclose accrual-related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non-financial assets and liabilities.

17 Non-current Liabilities Summary

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

Total		-	-

18 Biological assets

Cattle		-	-
Goats		-	-
Trees	13	27,300.00	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total	**13**	**27,300.00**	-

Other important disclosure notes

19 Stock/ Inventory

Description	2023-2024 Ksh	2022-2023 Ksh
Food stuffs		
Description		
Balance at end of the year	2,972,043.00	1,442,883.00
Lab consumables		
Description		
Balance at end of the year	37,986.00	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-

12. Progress On Follow Up of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Late Submission of FS to OAG	Subsequent year was submitted as per the statutory timeline	Resolved	FY 2023/2024
2.	Capitation Transfers	Transfers will be made as per the MoE guidelines	Resolved	FY 2023/2024
3.	Uncollected Other Income	Introducing new mechanism	Not Resolved	2025
4.	KESSHA funding	Ministry to fund co-curricular activities at county level	Not Resolved	
5.	Unbudgeted expenditure	All expenditure should be spend within the approved budget.	Resolved	FY 2023/2024
6.	Weakness in the Tender Committee	The tender committee was reconstituted and operationalized.	Resolved	FY 2023/2024
7.	Establishment of Board Committees	To adhere to the Basic Education Act, 2013	Resolved	FY 2023/2024
8.	School Improvement plan	Committees was appointed to constitute the school improvement plan	Not Resolved	FY 2025/2026
9.	Ownership of Assets	Movable assets are awaiting for NTSA to transfer ownership	Not Resolved	FY 2024/2025
10.	Lack of Fixed Asset Register	Valuation of some assets to be done	Not Resolved	FY 2025/2026
11.	Variances in textbooks delivery	Records were reconciled with delivery notes.	Resolved	July 20224
12.	Lack of Adequate infrastructure Facilities	Using MIF to construct some of facilities, request NG-CDF and Ministry of Education to finance some of the facilities	Not Resolved	FY 2026/2027

Ref No.	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
13.	Failure to Establish an Audit Committee	To be established once the new BOM is inaugurated	Not Resolved	FY 2025/2026

Sign and Date
Principal

13. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY 2023/2024	Outstanding Balance Comparative FY 2022/2023	Comments
	A	B	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. ETELON SIMON	70,000.00	2024	0.00	70,000.00	70,000.00	
Sub-Total	**70,000.00**		**0.0**	**70,000.00**	**70,000.00**	
Supply Of Goods						
2. JORIA TRADERS	412,280.00	10/01/2021	0.00	412,280.00	412,280.00	
3. JULUOK ENTERPRISES	783,395.00	07/04/2023	186,135.00	597,260.00	597,260.00	
4. SUMLURCA ENTRPRISES	429,300.00	10/18/2022	202,825.00	226,475.00	226,475.00	
5. LISA PAPER WORKS	674,600.00	2/20/2023	360,833.00	313,767.00	313,767.00	
6. ALPHA WORKS ENTERPISES	235,000.00	10/12/2023	0.00	235,000.00	235,000.00	
7. MAJESTIC FIRE ENGINEERS	662,495.00	29/09/2023	0.00	907,990.00	907,990.00	
8. LEONARD NGANGA	45,000.00	25/6/2024	0.00	45,000.00	45,000.00	
9. WILSON ILEY NGASIKE	457,300.00	17/10/2022	0.00	457,300.00	457,300.00	
10. PEJUMA WORKS ENTERPRISES	129,900.00	10/01/2017	0.00	129,900.00	129,900.00	
11. BRIAN BUSINESS MACHINE	69,500.00	10/03/2022	0.00	69,500.00	69,500.00	
12. EVIAN INVESTMENT	455,310.00	2023	0.00	455,310.00	455,310.00	

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY 2023/2024	Outstanding Balance Comparative FY 2022/2023	Comments
13. JAMES ELIMLIM	327,640.00	31/01/2022	0.00	327,640.00	327,640.00	
14. CHUOD TECH SOLUTION & G. S.	100,100.00	2024	0.00	100,100.00	100,100.00	
15. ESENTA COMPUTER LAB	521,490.00	2024	0.00	521,490.00	521,490.00	
16. MASS LAB SUPPLIER	1,1140.00	24/03/2024	0.00	1,140.00	1,140.00	
17. COISIRE COMPANY	1,341,500.00	2024	0.00	1,341,500.00	1,341,500.00	
18. HOME GROCERY LODWAR	11,250.00	25/06/2024	0.00	11,250.00	11,250.00	
19. LOKWAMURU CONSRUCTION	279,650.00	01/03/2024	0.00	279,650.00	279,650.00	
20. PETER MURITHI NDICHU	506,700.00	30/6/2024	0.00	506,700.00	506,700.00	
21. MANUELA TRADERS	67,200.00	30/6/2024	0.00	67,200.00	67,200.00	
22. RIVER NILE GENERAL SUPPLIES	130,000.00	30/6/2023	0.00	130,000.00	130,000.00	
Sub-Total	**7,650,750.00**		**749,793.00**	**7,136,45200**	**7,136,452.00**	
Supply Of Services						
23. DAVID JUMA WANJALA	241,010.00	13/05/2024	0.00	241,010.00	241,010.00	
24. NATOTOL ONE GROUP	650,000.00	25/06/2023	0.00	650,000.00	650,000.00	
25. JULIUS OKUNGU	141,000.00	24/06/2024	0.00	141,000.00	141,000.00	
26. CENTRAL FARMERS GARAGE	406,578.77	30/5/2024	0.00	406,578.77	406,578.77	
Sub-Total	**1,438,588.77**		**0.0**	**1,438,588.77**	**1,438,588.77**	
Grand Total	**9,159,338.77**	**30/6/2024**	**749,793.00**	**8,645,040.77**	**8,645,040.77**	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land				
Buildings And Structures		7,800,000.00		7,800,000.00
Motor Vehicles	16,004,000			16,004,000
Office Equipment, Furniture And Fittings	1,628,000			1,628,000
ICT Equipment, And Other ICT Assets/Electronics	1,736,546.00			1,736,546.00
Tools And Apparatus	111,200			111,200
Laboratory	475,600.00			475,600.00
Intangible Assets- Soft Ware	82,700			82,700
Total	**18,190,300**	**7,800,000.00**		**25,990,300.00**