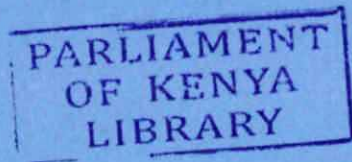


REPUBLIC OF KENYA



Enhancing Accountability

REPORT



OF

THE AUDITOR-GENERAL


ON

KOELEL HIGH SCHOOL

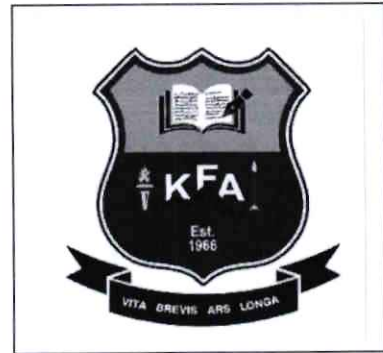
FOR THE YEAR ENDED

30 JUNE, 2023

NAKURU COUNTY

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 12 MAR 2025	
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Revised 30th June 2023.



KOELEL FORCES ACADEMY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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



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1. Acronyms and Glossary of Terms

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

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	

2. Key School Information and Management

(a) Background information

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

The school was registered in 10/07/2023 under registration number 32S30000247 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a boarding school and had 1806 number of students as at 30th June 2023. It has 09 streams and 75 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	PSONGOL E KONDOLTIONY	Chairman	
2	OBENGE PHILEMON OGOLA	Secretary - Principal	
3	FAITH WANJIRU KIBONJA	Member –Special Interest Group	23/05/2022
4	JOHN WACHIRA	Member –CO OPTED	30/06/2023
5	ERICK OTIENO	“	“
6	EVERLYNE MWANGO	“	“
8	ANN MBURU	Member – Rep CEB	23/05/2022
9	KENNEDY KIPKIRUI	Member Rep Teachers	“
	PSONGOL E KONDOLTIONY	3 Members - Sponsor	“
10	MAJOR T M NJAGI	“	“
11	MAJOR FR NDUNGU DUNCAN NDEGWA	“	“
12	BEATRICE WANJIKU MUIGAI	Member - Community	“
13	TONY KARIUKI NG'ANG'A	“	“
14	DAVID K GICHUKI	“	“
15	DINAH BOSIBORI NYAKWARA	“	“
16	OLIVER ASWANI	“	“

17	STEPHEN NJUNG'E KIHU	“	“
18	CHRISTINE ALWANGA	Member Special Needs	“
19	LAMECK NYOKAYE	Rep Students	“

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref.	Name of Board Member	Designation	Date of appointment
1	Psongol E Kondoltiony	Chairman/Sponsors	
2	Mr. Obenge Philemon Ogola	Secretary - Principal	
3	Mr John Wachira	Coopted P A Member	23/06/2022
4	Mr.Erick Otieno	Coopted P A Member	23/06/2022
5	Ms Evelyne Moraa	Coopted P A	23/06/2022
6	Ms. Ann Mburu	Member – Rep CEB	23/05/2022
7	Mr.Kennedy Kipkirui	Member Rep Teachers	23/05/2022
8	Mr. Oliver Aswani	Member - Community	23/05/2022
9	Major Tony Mwiti Njagi	Members - Sponsor	23/05/2022
10	Maj (FR) Ndung'u Duncan N	Members - Sponsor	23/05/2022
11	David K Gichuki	Member - Community	23/05/2022
12	Ms.Diana Bosibori	Member - Community	23/05/2022
13	Brig (RTD)Stephen Njunge Kihui	Member - Community	23/05/2022
14	Beatrice Wanjiku Muigai	Member - Community	23/05/2022
15	Mr. Tony Ng'ang'a	Member - Community	23/05/2022
16	Sylvia Christine Alwanga	Member Special Needs	23/05/2022
17	Ms Faith Wanjiru Kibonja	Member Special Interest	23/05/2022
18	Lameck Nyokaye	Rep Students	23/05/2022

Ref	Name of Committee	Name of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Lieutenant Col E P Kondoltiony 2. Philemon Obenge 3. Maj (FR) Ndung'u Duncan N 4. Ms. Ann Mburu 5. Beatrice Wanjiku Muigai	chairman Secretary BoM/Principal Member Member Member member	4
2	Audit Committee	1. Mr John Wachira 2. Sylvia Christine Alwanga 3. Ms Evelyne Moraa 4. Ms. Ann Mburu 5. Lieutenant Col E P Kondoltiony	chairman Member Member Member Member	0
3	Finance, procurement and general purposes Committee	1. Beatrice Wanjiku Muigai 2. Mr Tony Nganga Kariuki 3. Brig (RTD) Stephen Njunge Kihui 4. Ms. Ann Mburu 5. Lieutenant Col E P Kondoltiony	Chairman Member Member Member Member	0
4	Academics Standards Quality & Environment Committee	1. Brig (RTD) Stephen Njunge Kihui-	Chairman	1

		2. Mr olive Aswani 3. David K Gichuki- 4. Ms. Ann Mburu 5. Major Tony M Njagi 6. Lieutenant Col E P Kondoltiony	Member Member Member Member Member	
5	School Infrastructure Committee	1. Ms Ann Mburu- 2. Lieutenant Col E P Kondoltiony 3. Beatrice Wanjiku Muigai 4. Major Tony M Njagi 5. Mr Tony Nganga 6. Betsy Rono	Chairman Member Member Member Member SCDE	6
6	Discipline Ethics And Integrity Committee	1. Mr Tony Nganga Kariuki 2. Ms Faith Wanjiru K- 3. Beatrice Wanjiku Muigai- 4. Ms Diana Bosibori 5. Lieutenant Col E P Kondoltiony 6. Ms Ann Mburu	Chairman Member Member Member Member Member	1
7.	Adhoc Committee	1. Mr Francis Kihima 2. Mr. Peter Kuria 3. Ms. Ruth Ngugi 4. Ms. Salinah Chumba 5. Ms Jackline Masibo 6. Mr Patterson Mwaniki 7. Mr. Isaiah Chemjor		1

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	PHILEMON OBENGE	TSC No.374595
2	Deputy Principal	FRANCIS SAINA KIHIMA	TSC No.347682
3	Deputy Principal	PETER MAINA KURIA	TSC No.336368
4	School Bursar	RUTH NJERI NGUGI	ICPAK No.
5	Other (specify)		

(e) Schools contacts

Post Office Box: 151-20116
 Telephone: 0707486669
 E-mail: Koelelhigh@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

1. Name of Bank: EQUITY BANK-BOARDING ACCOUNT
 Branch: GILGIL
 Account Number: 0770298358081
2. Name of Bank: EQUITY BANK-SAVINGS ACCOUNT
 Branch: GILGIL
 Account Number: 0770298358114
3. Name of Bank: ABSA BANK
 Branch: NAKURU EAST
 Account Number: 027-1281110
4. Name of Bank: KCB-OPERATIONS ACCOUNT
 Branch: GILGIL
 Account Number: 1106219589
5. Name of Bank: KCB-TUITION ACCOUNT
 Branch: GILGIL
 Account Number: 1106219385

6. Name of Bank: KCB-TIG ACCOUNT
Branch: GILGIL
Account Number: 1265922586
7. Name of Bank: EQUITY- CDF ACCOUNT
Branch: GILGIL
Account Number: 0770278689486
8. MPESA Pay Bill No. 247247 attached to 0770298358081 bank account

Name of Bank:
Branch
Postal Address.

(g) Independent Auditors

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

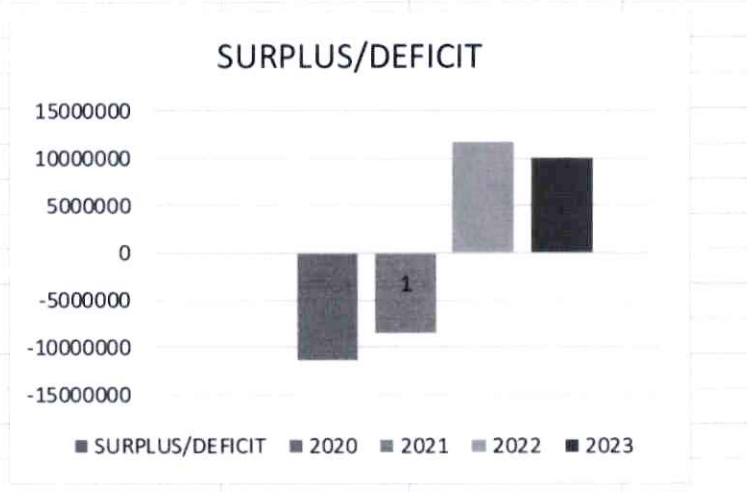
3. Summary Report of Performance of The School

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

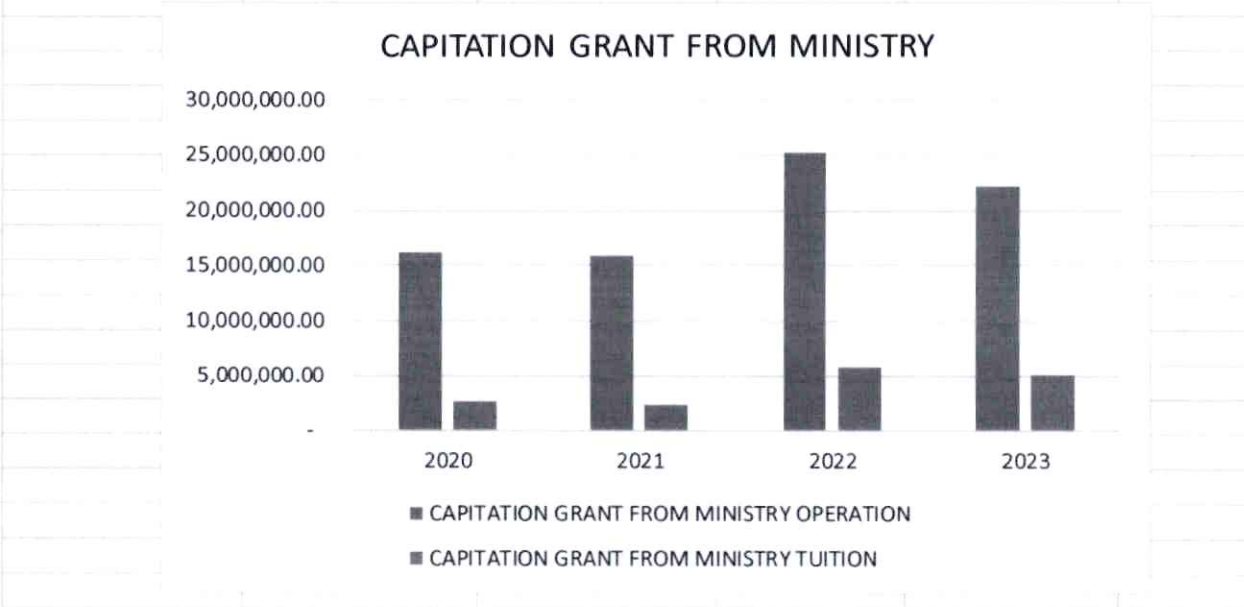
a) Financial performance:

a) Financial performance:

SURPLUS/DEFICIT	
2020	(11,336,315.35)
2021	(8,533,701.34)
2022	11,640,846.13
2023	10,001,822.12



CAPITATION GRANT FROM MINISTRY		
	OPERATION	TUITION
2020	16,082,625.00	2,570,458.00
2021	15,782,767.23	2,283,118.88
2022	25,212,432.07	5,724,701.91
2023	22,134,849.52	5,018,045.35



RATIO OF CAPITATION GRANT PER STUDENT

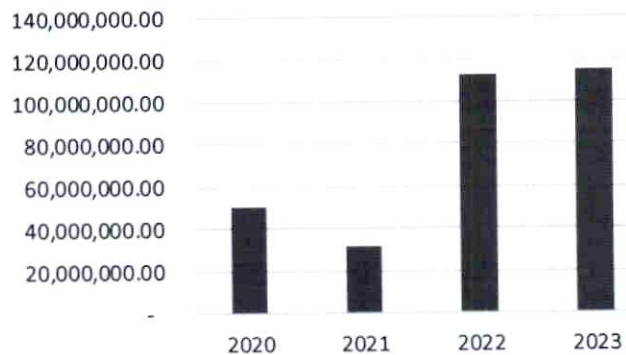
RATIO OF CAPITATION GRANT PER STUDENT			
YEAR	GRANT	NO OF STUDENTS	
2020	18,653,083.00	1586	11761.1
2021	18,065,886.11	1545	11693.1
2022	30,937,133.98	1741	17769.7
2023	27,152,894.87	1803	15059.8

OVERVIEW OF GROWTH OF OTHER INCOME

GROWTH OF OTHER INCOME

YEAR	INCOME
2020	50,430,366.78
2021	31,487,484.29
2022	112,687,945.90
2023	114,900,987.14

GROWTH OF OTHER INCOME
INCOME

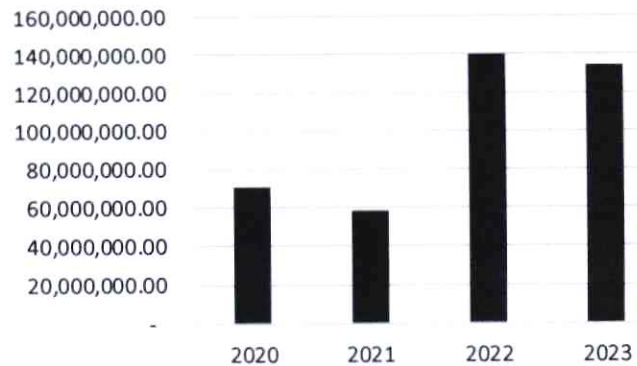


OVERVIEW OF GROWTH IN EXPENDITURE

GROWTH IN EXPENDITURE

YEAR	EXPENDITURE
2020	70,953,092.36
2021	58,087,071.74
2022	140,076,251.72
2023	134,158,462.85

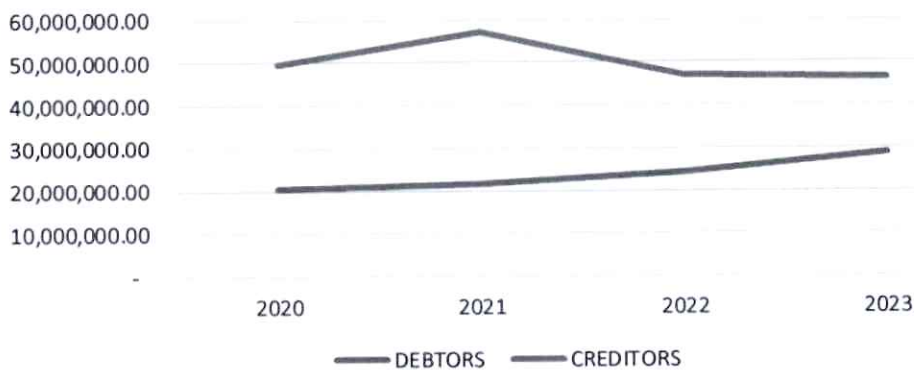
GROWTH IN EXPENDITURE
EXPENDITURE



MOVEMENT OF DEBTORS AND CREDITORS

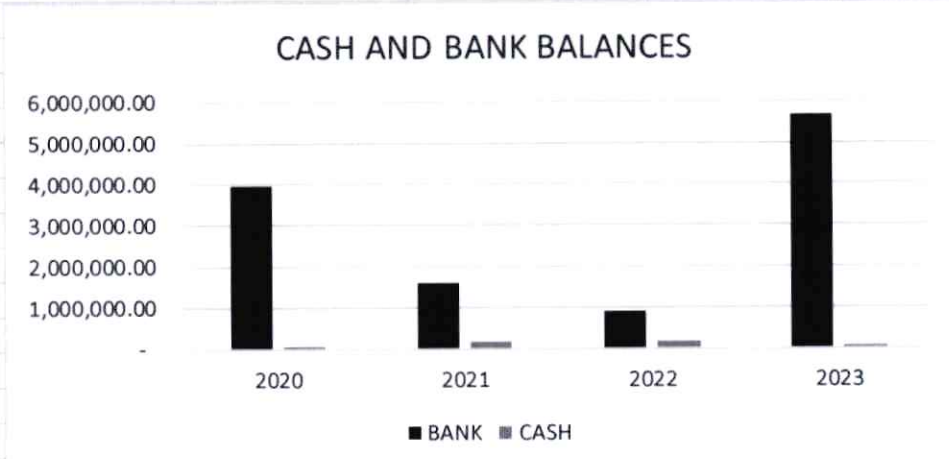
YEAR	DEBTORS	CREDITORS
2020	20,580,632.79	49,711,710.56
2021	21,583,433.02	57,001,164.84
2022	24,013,979.92	46,873,725.42
2023	28,653,229.74	46,183,360.28

MOVEMENT OF DEBTORS AND CREDITORS



CASH AND BANK BALANCES

YEAR	BANK	CASH
2020	3,975,633.32	59,433.00
2021	1,610,825.68	173,786.00
2022	886,852.84	148,971.00
2023	5,676,615.00	31,416.00



b) Teacher Student ratio:

1.Number of Students	1806
2.Teachers employed by TSC	57
3.Teachers to student ratio	1:32
4.Teachers Recruited and posted within the year	4
5.Teachers transferred	2
4.No.of teachers retired	0
6. Teachers employed by BOM	19

c) Mean score in the 2022 KCSE:

YEAR	MEAN SCORE	TRANSITION TO INSTITUTION OF HIGHER LEARNING
2020	7.0	188
2021	6.412	154
2022	6.11	134

d) Number of Candidates in the 2023 KCSE:

<i>YEAR</i>	<i>NO. OF CANDIDATES</i>
2021	345
2022	341
2023	406


e) Capacity of the school:

<i>Number of students</i>	1806
<i>Dormitories</i>	11
<i>Laboratories</i>	4
<i>Library</i>	1 (200 Capacity)
<i>Toilets</i>	120
<i>Classrooms</i>	43
<i>Dining Hall</i>	1 (1700 Capacity)

f) 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).

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of 6 No. classrooms	MI	Ongoing	9,105,000.00		F/Y 2023/2024

.....

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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.

.....

Name:

Designation: Chairman, School Board of Management

Date: 29/09/23



.....

Name: Obenge O.O.

Designation: School Principal & Secretary to Board of Management

Date: 29/09/23



Name: Ngugi Ruth N

Designation: Bursar/ Finance Officer

Date: 29/09/23

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 KOELEL HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NAKURU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Koelel High School - Nakuru County set out on pages 1 to 20, which comprise the statement of assets and liabilities

as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Koelel High School - Nakuru County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012, and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Accounts Payables

The statement of asset and liabilities reflects an amount of Kshs.46,183,360 for accounts payable as disclosed in Note 14 to financial statement. However, there were no schedules or ledgers to support the figure disclosed in Note 14 as accounts payables.

In the circumstances, the accuracy and completeness of accounts payables amounting to Kshs.46,183,360 could not be confirmed.

2. Accounts Receivables

2.1 Unsupported Accounts Receivables

The statement of assets and liabilities as disclosed in Note 13 to financial statements reflects Kshs.28,653,229 being accounts receivable with Nil balance for staff imprests and salary advances. However, it was observed that Management issued Kshs.130,000 as staff imprests and advances during the year but failed to maintain an imprest register or record imprest and advances issued.

2.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.28,653,229 as disclosed in Note 13 to the financial statements. The balance includes Kshs.28,498,549 in respect of fees arrears which were outstanding for more than two years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on their fair statement of the accounts receivables balance.

In the circumstances, the accuracy and recoverability of the accounts receivables balance of Kshs.28,653,229 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Koelel High School Management in

accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

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.113,818,587 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs. Kshs.1,064,000 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.1,064,000 could not be confirmed.

2. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grant amount of Kshs.14,739,849 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,915,000 in respect of infrastructure grants which was to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, the school did not transfer the amount to the infrastructure account within fifteen (15) days. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

3. Unapproved School Fees

The statement of receipts and payments reflects an amount Kshs.112,712,784 as disclosed in Note 3 to the financial statements as School Fund Income - Parents Contribution. Review of the fee structure provided revealed that the School charged an extra amount of Kshs.15,535 per year per student, contrary to the Ministry of Education Guidelines for Category B Schools.

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

4. Lack of Annual Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.145,160,941 and Kshs.135,159,119 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 states that 'a procuring entity 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.

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

5.1 The annual report and the financial statements presented for audit did not comply with the template provided by the Public Sector Accounting Standards Board (PSASB). The amounts reported in the financial statements were not rounded off to the nearest Kshs. This is contrary to the requirement of principal accounting policy number 1 on statement of compliance and basis of preparation of the financial statements. Further, page 20 on "other important disclosure note on - progress on follow up of Auditor's recommendation" was not signed by the Principal of the School.

5.2 The annual report and financial statements are named as Koelel Forces Academy instead of Koelel High School. The School received approval from the Ministry of Education for

change of School name from Koelel High School to Koelel Forces Academy with effect from 10 July, 2023 when the financial year ended 30 June, 2023 had lapsed.

In the circumstances, Management did not comply with the PSASB reporting requirements.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 procedure performed except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register with seven (7) classes of fixed assets owned by the School. The values of all assets listed is indicated as Nil. Among the assets listed is thirty (30) acres of land and four (4) motor vehicles. However, land ownership documents and motor vehicle log books were not provided for audit.

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

2. Irregularities in Stores Management

Audit of stores records revealed that the School had a substantive Stores Clerk, However, there were no stores requisitions/bin cards from user departments maintained by the officer.

In the circumstances, the effectiveness of internal controls on stores management and risk management could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease 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.

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

- Perform such other procedures as I consider necessary in the circumstances.

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

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



FCPA Nancy Gathungu, CBS
AUDITOR GENERAL

Nairobi

27 September, 2024

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

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

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

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.

- Perform such other procedures as I consider necessary in the circumstances.

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

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



FCPA Nancy Gathungu, CBS
AUDITOR GENERAL

Nairobi

27 September, 2024

6. Statement Of Receipts and Payments For the Year Ended 30th June 20XX

Description Of Vote Head	2022	2021-22	2020-21
Receipts			
Government grants for tuition	1	5,018,045.35	5,724,701.91
Government grants for operations	2	14,739,849.52	16,792,892.19
Government Grants for infrastructure	3	7,395,000.00	8,419,539.88
School fund income- parents' contributions	4	112,712,784.64	93,985,101.43
Miscellaneous incomes	5	5,295,262.00	14,030,756.14
Total Receipts		145,160,941.51	138,952,991.55
Payments			
Tuition	6	3,261,329.85	4,899,185.31
Operations	7	13,130,259.72	14,469,943.87
Infrastructure	8	4,948,942.00	8,812,403.05
Boarding and school fund	9	113,818,587.82	99,130,613.19
Total Payments		135,159,119.39	127,312,145.42
Surplus/Deficit		10,001,822.12	11,640,846.13

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

.....

Name:
Chair BOM

Date: 29/09/23

.....

Name: George P.O.
School Principal/ Secretary to BOM

Date: 29/09/23

.....

Name: NGUGI RUTH N
Bursar/ Finance Officer

Date: 29/09/23

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



7. Statement of Assets and Liabilities As At 30th June 2023

Description	No.	30 th JUN 23	
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	5,676,615.00	886,852.84
Cash balances	11	31,416.00	148,971.00
Short term investments	12	-	-
Total cash and cash equivalent		5,708,031.00	1,035,823.84
Account's receivables	13	28,653,229.74	24,013,979.92
Total financial assets		34,361,260.74	25,049,803.76
Financial liabilities			
Accounts payables	14	46,183,360.28	46,873,725.42
Net financial assets		(11,822,099.54)	(21,823,921.66)
Represented by			
Accumulated fund b/fwd	15	(21,823,921.66)	(33,464,767.79)
Surplus/deficit for the year		10,001,822.12	11,640,846.13
Net financial position		(11,822,099.54)	(21,823,921.66)

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

.....
Name: *[Signature]*
Chair BOM
Date: 29/09/23

.....
Name: Obenge P.O.
School Principal/ Secretary to BOM
Date: 29/09/23

.....
Name: NGUGI RUTH N
Bursar/ Finance Officer
Date: 29/09/23

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



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

Description	2022	2021
Cash from Operating Activities		
Receipts		
Government grants for tuition	5,018,045.35	5,724,701.91
Government grants for operations	14,739,849.52	16,942,151.07
Government grants for infrastructure	7,395,000.00	8,270,281.00
School fund income- parents contributions/ fees	114,900,987.14	112,687,945.90
Total receipts	142,053,882.01	143,625,079.88
Payments		
Cash outflows for tuition	4,651,362.85	5,971,752.31
Cash outflows for operations	12,971,724.72	17,232,530.36
Cash outflows Boarding/lunch and school fund payments	111,586,433.28	108,062,647.49
Total payments	129,209,520.85	131,266,930.16
Net cash inflow/outflow from operating activities	12,844,361.16	12,358,149.72
Cash flow from investing activities		
Acquisition of assets	(4,948,942.00)	(8,809,321.56)
Proceeds from sale of Assets	-	-
Proceeds from investments	-	-
Purchase of investments	-	-
Net cash inflow/outflows from investing activities	(4,948,942.00)	(8,809,321.56)
Cash flow from Financing activities		
Proceeds from borrowings/ loans	18	-
Repayment of principal borrowings	(3,223,212.00)	(4,297,616.00)
Net cash inflow/outflow from financing activities	(3,223,212.00)	(4,297,616.00)
Net increase/decrease in cash and cash equivalents	4,672,207.16	(748,787.84)
Cash and cash equivalent at beginning of the FY	1,035,823.84	1,784,611.68
Cash and cash equivalent at end of the FY	5,708,031.00	1,035,823.84

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

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

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

.....
 Name:
 Chair BOM
 Date: 29/09/23

.....
 Name: *George P.O.*
 School Principal/ Secretary to
 BOM
 Date: 29/09/23

.....
 Name: *NGUGI RUTH N*
 Bursar/ Finance Officer
 Date: 29/09/23

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



9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 20XX

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	a+b	d	d/a %
	Ksh	Ksh	Ksh	Ksh	Ksh
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	731,400.00	-	731,400.00	-	0%
Exercise Books	2,837,625.00	-	2,837,625.00	3,183,545.12	112%
Laboratory Equipment	1,098,825.00	-	1,098,825.00	736,455.44	67%
Whiteboard pens/dusters	182,850.00	-	182,850.00	-	0%
Teaching / Learning Materials	1,098,825.00	-	1,098,825.00	1,098,044.79	100%
Exams And Assessment	3,201,600.00	-	3,201,600.00	-	0%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	7,500,300.00	-	7,500,300.00	5,820,090.04	78%
Repairs And Maintenance	10,781,250.00	-	10,781,250.00	7,395,004.91	69%
Local Transport / Travelling	4,459,125.00	-	4,459,125.00	1,915,653.35	43%
Electricity And Water	4,053,750.00	-	4,053,750.00	2,462,408.20	61%
Medical/Insurance	4,312,500.00	-	4,312,500.00	364,993.64	8%
Administration Costs	4,253,850.00	-	4,253,850.00	3,135,502.03	74%
Activity	3,234,375.00	-	3,234,375.00	1,041,197.35	32%
Gratuity	-	-	-	-	

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/e %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement MoE	10,781,250.00	-	10,781,250.00	7,395,000.00	69%
M&I parents' contribution	-	-	-	-	
Economic Stimulus Programs	-	-	-	-	
Transition Infrastructure Grants	-	-	-	-	
Administration Block	-	-	-	-	
<i>(4) Fees Charged on Parents</i>					
Personnel Emoluments	8,842,350.00	517,726.00	9,360,076.00	9,846,323.18	105%
Repairs And Maintenance	4,091,700.00	239,572.00	4,331,272.00	5,847,890.15	135%
Local Transport / Travelling	5,250,900.00	307,444.00	5,558,344.00	6,289,270.62	113%
Electricity And Water	4,792,050.00	280,578.00	5,072,628.00	5,429,162.00	107%
Medical	-	-	-	4,000.00	
Administration Costs	4,990,425.00	292,193.00	5,282,618.00	6,140,679.33	116%
Activity	862,500.00	50,500.00	913,000.00	870,531.34	95%
Personnel Emoluments-BOM Teachers	7,762,500.00	454,500.00	8,217,000.00	11,760,008.41	143%
Fee On Boarding Equipment and Stores	42,614,400.00	2,495,104.00	45,109,504.00	45,239,023.40	100%
<i>5) Miscellenous Income</i>					
P A Classrooms	6,900,000.00	404,000.00	7,304,000.00	9,416,018.21	129%
Rent income	-	-	-	-	
Income From Farming Activities	-	-	-	-	
Insurance Compensation	-	-	-	-	
Income From Posho Mill	-	-	-	-	

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
Income From Bus Hire	-	-	-	-	
Fee For Hire of Ground and Equipment	-	-	-	-	
Interest Income	-	-	-	-	
Income From Any Other Investment	-	-	-	-	
Total Income	144,634,350.00	5,041,617.00	149,675,967.00	135,390,801.51	
<i>(6) Expenditure For Tuition</i>					
Textbooks		-	-	-	
Reference Materials	731,400.00	-	731,400.00	-	0%
Exercise Books	2,837,625.00	-	2,837,625.00	330,000.00	12%
Laboratory Equipment	1,098,825.00	-	1,098,825.00	34,800.00	3%
Internal Exams		-	-	-	
Teaching / Learning Materials	1,098,825.00	-	1,098,825.00	313,120.00	28%
Whiteboard pens/dusters	182,850.00	-	182,850.00	-	0%
Exams And Assessment	3,201,600.00	-	3,201,600.00	-	0%
Teachers Guides			-	-	
Administration Costs		-	-	-	
Bank Charges		-	-	-	
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	7,500,300.00	-	7,500,300.00	5,212,628.00	69%
Repairs, Maintenance & Improvements	10,781,250.00	-	10,781,250.00	7,395,000.00	69%
Local Transport / Travelling	4,459,125.00	-	4,459,125.00	-	0%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual Or Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity, Water and Conservancy	4,053,750.00	-	4,053,750.00	-	0%
Medical	4,312,500.00	-	4,312,500.00	558,135.00	13%
Administration Costs	4,253,850.00	-	4,253,850.00	1,909,500.00	45%
Activity Expenses	3,234,375.00	-	3,234,375.00	572,200.00	18%
Gratuity		-	-	-	#DIV/0!
SMASSE		-	-	-	#DIV/0!
<i>(8) Expenditure For infrastructure</i>					
Construction of classrooms		-	-	2,599,000.00	#DIV/0!
Construction of LAB		-	-	-	
Construction of DORMS		-	-	-	
Purchase of furniture		-	-	-	
Purchase of equipment		-	-	2,348,682.00	#DIV/0!
Purchase of machinery		-	-	-	
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	8,842,350.00	517,726.00	9,360,076.00	9,721,464.60	104%
Repairs, Maintenance and Improvements	4,091,700.00	239,572.00	4,331,272.00	2,225,575.14	51%
Local Transport / Travelling	5,250,900.00	307,444.00	5,558,344.00	7,201,753.81	130%
Electricity, Water and Conservancy	4,792,050.00	280,578.00	5,072,628.00	3,060,814.15	60%
Medical Expenses		-	-	656,050.00	#DIV/0!

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
Administration Costs	4,990,425.00	292,193.00	5,282,618.00	5,520,855.00	105%
Activity	862,500.00	50,500.00	913,000.00	2,158,507.00	236%
Gratuity			-		
Personnel Emoluments-BOM Teachers	7,762,500.00	454,500.00	8,217,000.00	3,897,707.00	47%
Boarding Equipment and Stores	42,614,400.00	2,495,104.00	45,109,504.00	42,103,453.92	93%
Expenditure For Income Generating Activity		-	-		
Insurance Costs		-	-	464,640.00	#DIV/0!
P A Classrooms	6,900,000.00	404,000.00	7,304,000.00	514,348.00	7%
Rent Expenses		-	-		
Bank Charges		-	-		
Loan Interest Repayment		-	-		
Loan Principal Repayment		-	-		
Acquisition Of Assets		-	-		
Totals	133,853,100.00	5,041,617.00	138,894,717.00	98,798,233.62	71%

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

- i. Xxx
- ii. Xxx

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	JUL 22 - JUN 23	JUL 21 - JUN 22
	Kshs	Kshs
Reference Materials	-	274,372.00
Exercise Books	3,183,545.12	823,591.60
Laboratory Equipment	736,455.44	583,620.00
Internal Exams	-	-
Teaching / Learning Materials	1,098,044.79	3,860,209.11
Others (specify)*	-	182,909.20
Total	5,018,045.35	5,724,701.91

*Include others as per MOE circulars

2 Government Grants for Operations

Description	JUL 22 - JUN 23	JUL 21 - JUN 22
	Kshs	Kshs
Personnel Emoluments	5,820,090.04	3,428,698.40
Repairs And Maintenance	-	-
Local Transport / Travelling	1,915,653.35	641,568.00
Electricity And Water	2,462,408.20	580,478.00
Medical	364,993.64	348,204.80
Administration Costs	3,135,506.94	11,793,942.99
Activity	1,041,197.35	-
Other Vote Heads (specify)*	-	-
Total	14,739,849.52	16,792,892.19

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	JUL 22 - JUN 23	JUL 21 - JUN 22
	Kshs	Kshs
Maintenance & Improvement	7,395,000.00	8,419,539.88
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.	-	-
Total	7,395,000.00	8,419,539.88

4 School Fund Income - Parents Contribution/Fees

Description	JUL 23 - JUN 23	JUL 21 - JUN 22
	KSh	KSh
Personnel emoluments	10,966,323.18	10,753,336.56
Repairs and maintenance	5,847,890.15	4,894,408.36
Local transport / travelling	7,269,270.62	2,393,614.02
Electricity and water	6,349,162.00	2,112,552.66
Medical	4,000.00	-
Administration costs	7,291,714.33	20,180,085.44
Activity	4,507,750.34	1,276,699.00
Fee on Boarding Equipment and stores	49,300,647.40	49,906,858.69
BOM Teachers	11,760,008.41	2,467,546.70
PTA Academic Programme	9,416,018.21	-
Total	112,712,784.64	93,985,101.43

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

5 Miscellaneous Incomes

Description	JUL 23 - JUN 23	JUL 21 - JUN 22
	KSh	KSh
Rent Income	-	-
KNEC Examinations	5,635.00	11,588.00
Uniform	5,175,548.00	11,521,180.60
Tender	48,000.00	164,000.00
University Registration	-	-
Income Generating KNEC	-	-
Income from Clubs and Societies	-	-
Student ID	5,932.00	14,468.00
Development Fund	-	2,301,371.54
Breakages and Losses	60,147.00	18,148.00
Total	5,295,262.00	14,030,756.14

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

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

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

Notes to the Financial Statements (continued)

6 Tuition

Description	JUN 30 - JUN 23	JUL 31 - JUN 22
	KShs	KShs
Exercise Books	330,000.00	2,435,300.00
Textbooks	-	233,400.00
Reference materials	-	-
Laboratory Equipment	440,085.00	1,329,406.00
Teaching / Learning Materials	2,488,928.00	658,620.00
Exams And Assessment	-	-
Internal Exams	-	229,300.00
Bank Charges	2,316.85	13,159.31
Total	3,261,329.85	4,899,185.31

7 Operations

Description	JUN 30 - JUN 23	JUL 31 - JUN 22
	KShs	KShs
Personnel Emoluments	5,212,628.00	8,162,958.20
Service Gratuity	-	-
Administration Cost	5,976,717.00	4,626,064.00
Repairs And Maintenance & Improvements	-	-
Local Transport / Travelling	-	469,294.00
Electricity And Water	-	550,076.00
Medical	558,135.00	-
Activity Expenses	871,400.00	655,200.00
Insurance Cost	508,800.00	-
Bank Charges	2,579.72	6,351.67
Total	13,130,259.72	14,469,943.87

Notes to the Financial Statements (continued)

8 Infrastructure

Description	JUL 22 - JUN 23	JUL 21 - JUN 22
	Kshs	Kshs
Construction of classrooms	2,599,000.00	-
Construction of laboratory	-	-
Construction of dormitory	-	8,809,321.56
Purchase of Equipment	2,348,682.00	-
Construction of Resource Centre	-	-
Construction of Perimeter Wall	-	-
Construction of Abulition Block	-	-
Bank Charges	1,260.00	3,081.49
Total	4,948,942.00	8,812,403.05

9 Boarding And School Fund

Description	JUL 22 - JUN 23	JUL 21 - JUN 22
	Kshs	Kshs
Personnel Emoluments	9,721,474.60	8,270,352.00
Repairs And Maintenance & Improvements	6,553,778.14	5,406,413.00
Local Transport / Travelling	7,201,753.81	7,620,904.22
Electricity And Water	3,250,714.15	2,883,461.52
Medical Expenses	318,000.00	814,631.00
Administration Costs	6,273,655.00	3,812,775.00
Activity	2,158,507.00	483,100.00
BOM Teachers	3,897,707.00	1,310,400.00
Uniform Expense	7,407,690.00	9,610,900.00
Tender	40,500.00	112,460.00
Bank Charges	102,167.20	122,782.00
PA Classroom	-	950,690.00
Fee On Boarding Equipment and Stores	62,346,290.92	52,303,215.45
Loan Principal Repayment	3,223,212.00	4,297,616.00
Loan Interest Repayment	-	-
Insurance	802,690.00	305,000.00
KNEC Examination	6,100.00	41,500.00
PTA Academic Programme	514,348.00	-
Breakages and Losses	-	407,100.00
Gratuity	-	377,313.00
Total	113,818,587.82	99,130,613.19

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

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	JUL 23 - JUN 23	JUL 22 - JUN 22
	Active/Deactivated		Kshs	Kshs
KCB - Tuition Account	Active	1106219325	✓ 830,671.65	✓ 463,989.15
KCB - Operations Account	Active	1106219589	✓ 1,876,905.50	✓ 108,780.70
EQUITY Bank - School Fund Account/Boar	Active	0770298358081	✓ (212,164.80)	✓ (54,959.00)
ABSA Bank - School Fees Collection Account	Active	0271281110	✓ 632,884.70	✓ 312,498.04
EQUITY Bank - Savings Account	Active	0770298358114	✓ 40,000.00	✓ (5,716.00)
KCB - Infrastructural Account	Active	1265922586	✓ 2,508,317.95	✓ 62,259.95
Total			5,676,615.00	886,852.84

11 Cash In Hand

Description	JUL 23 - JUN 23	JUL 22 - JUN 22
	Kshs	Kshs
Notes and Coins	✓ 31,416.00	✓ 148,971.00
Total	31,416.00	148,971.00

12 Short Term Investments

Description	JUL 23 - JUN 23	JUL 22 - JUN 22
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022 - JUN 22	2021 - JUN 21
	KSh	KSh
Fees Arrears	28,498,548.74	23,939,298.92
Other Non-Fees Receivables	24,681.00	24,681.00
Salary Advances (list/schedule attached)	130,000.00	50,000.00
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	28,653,229.74	24,013,979.92

13 b Ageing Analysis of Accounts Receivable

Description	2022 - JUN 22		2021 - JUN 21	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	11,798,843.00	41%	5,549,328.35	23%
Between 1- 2 years	3,276,445.48	11%	514,596.00	2%
Between 2-3 years	514,596.00	2%	17,875,374.57	75%
Over 3 years	12,908,664.26	45%	-	0%
Total (should tie to note 13 a)	28,498,548.74	100%	23,939,298.92	100%

14 Accounts Payable

Description	2022 - JUN 22	2021 - JUN 21
	KSh	KSh
Trade Creditors (See Ageing Below and Appendix)	42,629,911.00	39,479,498.32
Prepaid Fees	3,553,449.28	7,394,227.10
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (specify)	-	-
Total	46,183,360.28	46,873,725.42



Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	31.12.22 - JUN 23		30.06.21 - JUN 22	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	35,264,140.00	83%	23,092,438.00	58%
Between 1- 2 years	2,808,901.00	7%	16,387,060.32	42%
Between 2-3 years	4,556,870.00	11%	-	0%
Over 3 years	-	0%	-	0%
Total (should tie to note 14)	42,629,911.00	100%	39,479,498.32	100%

15 Fund Balance Brought Forward

Description	31.12.22 - JUN 23		30.06.21 - JUN 22	
	Kshs		Kshs	
Bank Balances	886,852.84		1,610,825.68	
Cash Balances	148,971.00		173,786.00	
Short Term Investments	-		-	
Receivables	24,013,979.92		21,583,433.02	
Payables	46,873,725.42		56,832,812.49	
Total	(21,823,921.66)		(33,464,767.79)	



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Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	JUL 22 - JUN 23	JUL 21 - JUN 22
	Kshs	Kshs
Bank Loans	1,086,000.00	3,917,583.00
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	1,086,000.00	3,917,583.00

17 Biological assets

Description	Numbers	JUL 22 - JUN 23	JUL 21 - JUN 22
		Kshs	Kshs
Cattle	-	-	-
Trees	-	-	-
Coffee Or Tea Plantation	-	-	-
Pigs	-	-	-
Total	-	-	-

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

Other important disclosure notes

19 Stock/ Inventory

Description	Insert Current 2022/2023 Kshs	Insert Comparative 2021/2022 Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

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



20 Progress On Follow Up Of Auditor Recommendations

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

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

Sign and Date
Principal



12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance Current 2023	Outstanding Balance Comparison 2022	Comments
	A	B	C	D = A - C	E	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings				3,322,510.00		
GIKIMWA ENTERPRISE	3,322,510.00			500,000.00		
KENYA ORDNANCE FACTORIES CORPORATION	500,000.00			734,360.00		
LAGSURE SUPPLIES	734,360.00			652,000.00		
STARTIC DISTRIBUTORS	652,000.00			843,093.00		
SAMARITAN DEALERS LIMITED	843,093.00			2,969,610.00		
GILGIL HARDWARE AND GLASSMART/PEROMA ENT LTD	2,969,610.00			1,998,653.00		
BUMWAMA SUPPLY	1,998,653.00			198,150.00		
KANJUIRI ENTERPRISES LTD	198,150.00			250,000.00		
TEEHA PROMOTIONS	250,000.00			6,277,369.00		
NAIVAS LIMITED	6,277,369.00			966,600.00		
ORACLE ENGINEERING CONSULTANTS	966,600.00			787,140.00		
GITHINJI GROCERY	787,140.00			403,380.00		
FARMWILL FARMERS CENTRE	403,380.00			612,060.00		
SHEPHERDS BUTCHERY	612,060.00			752,800.00		
ACACIA INNOVATIONS LIMITED	752,800.00			966,260.00		
SHUNGANI RESON SARUNI	966,260.00			536,920.00		
THE WHITEROCK SELF HELP GROUP	536,920.00			2,294,090.00		
ELENOX LIMITED	2,294,090.00			149,840.00		
RACESTER VENTURES	149,840.00			78,000.00		
BUHOTI INVESTMENTS	78,000.00			262,480.00		
JOY MINI SUPERMARKET	262,480.00			1,224,481.00		
REVAKH ENTERPRISES	1,224,481.00			725,000.00		
PETPAT ENTERPRISES	725,000.00			29,250.00		
ELISHIPHA WANGUI	29,250.00			24,000.00		
LYDIA MORAA	24,000.00					

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance Current 2023	Outstanding Balance Comparative 2022	Comments
	Kshs	Kshs	Kshs	Kshs	Kshs	
A B C CARAGE	17,010.00			17,010.00		
UNIPRO ENTERPRISES	202,000.00			202,000.00		
RUMINJEK ENVESTMENTS	78,000.00			78,000.00		
MURIOGO KURONOI	1,102,680.00			1,102,680.00		
ZIWANI ENTERPRISES	39,650.00			39,650.00		
FREMWATHI INVESTMENT	9,360.00			9,360.00		
FANCY CHEPTOO	3,440,500.00			3,440,500.00		
VEEGENT VENTURES	200,880.00			200,880.00		
KERSTREL LIMITED	376,500.00			376,500.00		
KAM'S ELECTRICALS & ELECTRONICS	189,900.00			189,900.00		
ELIDAAC ENTERPRISES	57,600.00			57,600.00		
GREENMARK S H G	294,440.00			294,440.00		
DOBEX SCHOOL SUPPLIERS	405,285.00			405,285.00		
MIMOSA OFFICE AND SCHOOL SUPPLIES	1,013,285.00			1,013,285.00		
JETLINK EDUCATIONAL ENTERPRISES	20,000.00			20,000.00		
CENTRAL SCIENTIFIC SUPPLIES LTD	452,581.00			452,581.00		
PATMAT BOOKSHOP	1,670,227.00			1,670,227.00		
NAKULABS & SCHOOL SUPPLIES	9,000.00			9,000.00		
LONG COLUMN ENTERPRISES	24,000.00			24,000.00		
PETPAT ENTERPRISES	2,168,390.00			2,168,390.00		
PATMAT BOOKSHOP	464,027.00			464,027.00		
SHANANGEL AGENCIES	217,000.00			217,000.00		
JACKMOT ENTERPRISES	450,000.00			450,000.00		
ELIDAAC ENTERPRISES	488,800.00			488,800.00		
KESHA -GILGIL	299,200.00			299,200.00		
HEZAG ENTERPRISES	593,750.00			593,750.00		
BEST MERGE COMPUTERS LTD	87,500.00			87,500.00		
DOTTSIE GENERAL SUPPLIES	191,500.00			191,500.00		
CIC GENERAL INSURANCE LTD	508,800.00			508,800.00		
TOTAL	42,629,911.00			42,629,911.00		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost (Kshs) 1 st July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 30 th June 2023
Land				30 acres
Buildings And Structures				249
Motor Vehicles				4
Office Equipment, Furniture And Fittings				54137
Textbooks				50002
ICT Equipment				122
Tools And Apparatus				3207
Other Machinery And Equipment				0
Heritage And Cultural Assets				0
Intangible Assets- Soft Ware				0
Total				

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

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