


REPUBLIC OF KENYA



*Enhancing Accountability*

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**REPORT**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>OF DATE:</b> 04 MAR 2025	<b>DAY:</b> Tuesday
<b>TABLED BY:</b>	Deputy chief whip Hon. Naomi Jillo
<b>CLERK OF THE HOUSE:</b>	Benson Inogwa

**THE AUDITOR-GENERAL**

**ON**

**ST. CHARLES LWANGA SECONDARY SCHOOL**

**FOR YEAR ENDED  
30 JUNE, 2022**

**KITUI COUNTY**

04 SEP 2024

RECEIVED



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**ST. CHARLES LWANGA  
PUBLIC SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>th</sup> June 2022**

**ST. CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and financial statements For the year ended 30<sup>th</sup> June 2022**

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**ST. CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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# ST. CHARLES LWANGA SECONDARY SCHOOL

## Reports and Financial Statements

For the year ended 30<sup>th</sup> June 2022

### 1. KEY SCHOOL INFORMATION AND MANAGEMENT

#### (a) Background information

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

The school was registered in 18/06/2010 under registration number GP/A/873810 and is currently categorized as a Etra - county, public school established, owned or operated by the Government.

The school is a boarding school and had 1100 number of students as at 30<sup>th</sup> June 2022. It has 5 streams and 44 teachers of which 2 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	JOHN MUTUA	Chairman	3/5/2019
2	CHARLES KAVAI MULEE	Vice Chairman	3/5/2019
3	BENARD MALONZA	Secretary - Principal	3/5/2019
4	ANSELM KAMUTI	Member	3/5/2019
5	BETTY KIMWELE	Member	3/5/2019
6	MERCY MUTHUI	Member	3/5/2019
7	AGNES MBATHA	Member	3/5/2019
8	MARGARET THOMAS	Member	3/5/2019
9	LYNNETTE KASEE K	Member	3/5/2019
10	EVERYLYN NYAMAI	Member	3/5/2019
11	NZIVI EVANSON M	Member Rep Teachers	3/5/2019
12	FR.BENSON KATUA	Sponsor	3/5/2019
13	MUIMI PAUL MWAKI	Member Special Needs	3/5/2019
14	MULI DAVID MUTUA	Rep Students	3/5/2019

# ST. CHARLES LWANGA SECONDARY SCHOOL

## Reports and Financial Statements

For the Year ended 30th June 2022

### KEY SCHOOL INFORMATION AND MANAGEMENT

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

- Promote the best interests of the School and ensure its development.

Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013

- Ensure and assure the provision of proper and adequate facilities for the School

Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health

- Advise the County Education Board on the staffing needs of the School.

- Determine cases of pupils discipline and make reports to the CEB

Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB

- Administer and manage the resources of the School

Receive, collect and account for any funds accruing to the institution in accordance with

Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance

Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

#### (c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	MR.Dominic Dniel Musembi	Chair person	1 out of 1
		MR.John Mutua	Member	1 out of 1
		Mercy Muthui	Member	1 out of 1
		MR.Benard Malonza	Secretary	1 out of 1
		Margaret Thomas Katele	Member	1 out of 1
2	Audit Committee	Anselm Kamuti	Chair person	1 out of 1
		Fr.Benson Mutia	Member	1 out of 1
		Benard Malonza	Secretary	1 out of 1
		Dominic Musembi	Member	1 out of 1
3	Finance, procurement and general purposes Committee	Charles Mulee	Chair person	1 out of 1
		Dominic Musembi	Member	1 out of 1
		Benard Malonza	Secretary	1 out of 1
		Betty Kimwele	Member	1 out of 1
		Lynette Kkatheu	Member	1 out of 1

**Reports and Financial Statements  
For the Year ended 30th June 2022**

**KEY SCHOOL INFORMATION AND MANAGEMENT**

4	Academic Committee	Everlyne Nyamai	Chair person	1 out of 1
		Dominic Musembi	Member	1 out of 1
		Margaret Katele	Member	1 out of 1
		Benard Malonza	Secretary	1 out of 1
		Charles Mulee	Member	1 out of 1
5	Development - Infrastructure Committee	Dominic Musembi	Chair person	1 out of 1
		Benard Malonza	Secretary	1 out of 1
		Evason Nzivi	Member	1 out of 1
		Mercy Muthui	Member	1 out of 1
6	Discipline of students &	Mercy Muthui	Chair person	1 out of 1
		Agnes Mbatha Tom	Member	1 out of 1
		Everlyne Nyamai	Member	1 out of 1
		Domic Musembi	Member	1 out of 1
		Bernard Malonza	Secretary	1 out of 1
7	Human Rights & Students Welfare committee	Paul Muimi Mwaki	Chair person	1 out of 1
		Evason Nzivi	Member	1 out of 1
		Bernard Malonza	Secretary	1 out of 1
		Everlyne Nyamai	Member	1 out of 1
		Agnes Mbatha Tom	Member	1 out of 1
		Isaac Mutua Joseph	Student	1 out of 1

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	NAME	TSC Number
1	Principal	BERNARD I MALONZA	380248
2	Deputy Principal	MR.ROBERT ORODHO	377077
3	School Bursar	ENOCK M MUTUA	ID 23602600

# ST. CHARLES LWANGA SECONDARY SCHOOL

## Reports and Financial Statements

for the Year ended 30th June 2022

### KEY SCHOOL INFORMATION AND MANAGEMENT

Post Office Box: P.O BOX 7-90200,KITUI  
Telephone: 0743060750  
E-mail: stcharles\_lwanga2010@yahoo.com  
Website: 0  
Facebook: Twiter 0  
(f) School Bankers

The school operated accounts in the following banks:

1 Name of Bank: NATIONAL BANK-BOARDING A/C  
Branch: KITUI  
Account Number: 01021051519400

2 Name of Bank: NATIONAL BANK-SAVING A/C  
Branch: KITUI  
Account Number: 01243051519400

3 Name of Bank: NATIONAL BANK-PQSAF A/C  
Branch: KITUI  
Account Number: 01248053079000

4 Name of Bank: NATIONAL BANK -OPERATION A/C  
Branch: KITUI  
Account Number: 01021051519402

5 Name of Bank: NATIONAL BANK -TUITION A/C  
Branch: KITUI  
Account Number: 01025051519400

6 Name of Bank: NATIONAL BANK -INFRASTRUCTURE A/C  
Branch: KITUI  
Account Number: 01025051519401

7 Name of Bank: BARCLAYS BANK  
Branch: KITUI  
Account Number: 0151100945

8 Name of Bank: KCB P.A ACCOUNT  
Branch: KITUI  
Account Number: 1266251634

9.MPESA Pay Bill No. 459744 attached to Boarding bank account

**g) Independent Auditors**  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**T. CHARLES LWANGA**

**Reports and Financial Statements For the year ended 30th June 2022**

**.SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

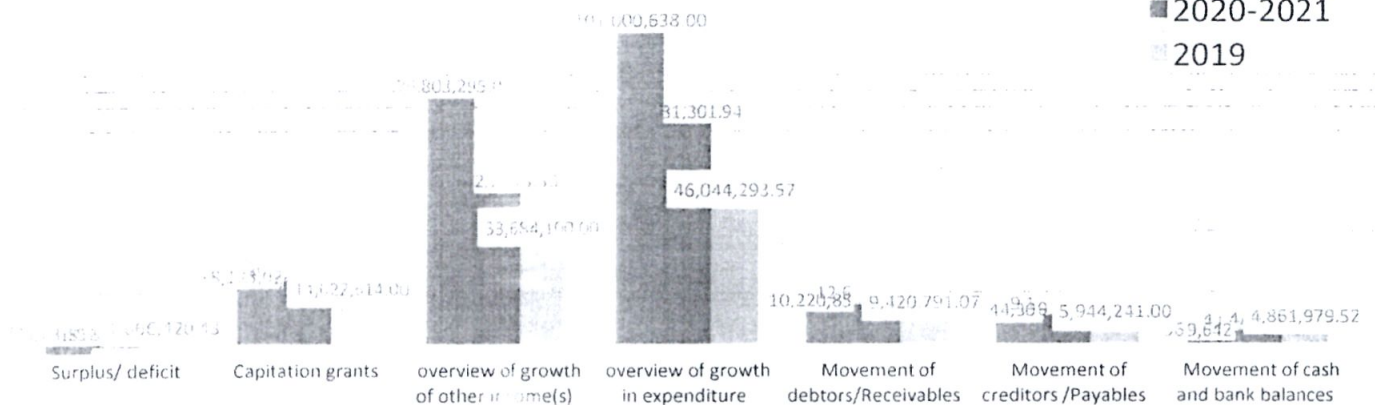
The following is a table summary report of the performance of the school

Financial performance:	2021-2022	2020-2021	2019
Surplus/ deficit	(3,073,852.40)	(818,484.64)	1,666,420.43
Capitation grants	18,123,090.60	20,735,974.00	14,022,614.00
Overview of growth of other income(s)	79,803,295.00	48,925,443.30	33,684,100.00
Overview of growth in expenditure	101,000,638.00	71,431,301.94	46,044,293.57
Movement of debtors/Receivables	10,220,855.07	12,668,536.07	9,420,791.07
Movement of creditors /Payables	6,744,305.00	9,191,986.00	5,944,241.00
Movement of cash and bank balances	969,642.48	4,043,494.88	4,861,979.52
Ratio of capitation grant per student over the last three years	1:16,475.54	20,073.55	21,827.34
Surplus/ deficit	(3,073,852.40)	(818,484.64)	1,666,420.43

**GRAPH FOR SCHOOL FINANCIAL PERFORMANCE REPORT**

FINANCIAL YEAR

- 2021-2022
- 2020-2021
- 2019



**Reports and Financial Statements  
for the Year ended 30th June 2022**
**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:

	2021-2022	2020-2021	2019
<b>b) Teacher Student ratio:</b>			
The teacher to student ratio	1:25	1:23	1:38
Number of teachers recruited and posted to the school within the year	21	21	0
Number of teachers that were transferred/ retired during the period	6	6	0
Number of teachers employed by TSC	44	44	23
Number of teachers employed by BOM.	2	2	15
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
<b>SUBJECTS</b>	<b>NO. of Teachers</b>		
MATHS	16	16	5
ENGLISH	9	9	4
KISWAHILI	8	8	4
CHEMISTRY	11	11	5
PHYSICS	8	8	4
BIOLOGY	6	6	3
HISTORY	5	5	3
CRE	7	7	3
AGRICULTURE	2	2	2
BUSINESS STUDIES	7	7	3
GEOGRAPHY	7	7	5
COMPUTER STUDIES	2	2	1
FRENCH	2	2	1
<b>c) Mean score in the 2021 KCSE:</b>			
<b>performance of the school for each over the last three years</b>			
Number of students that have since transitioned to institutions of higher learning.		114	141
Mean score		8.95	8.35
comment on improvement or otherwise as compared to the school's set score.			
<b>d) Number of Candidates in the 2021 KCSE:</b>			
Number of candidates sitting for KCSE over the last three years.	200	221	160
<b>e) Capacity of the school:</b>			
Number of students in the school	1100	1033	950
Dormitories	12	12	12
Dinning hall,	1	1	1
laboratories,	4	4	4
Toilets	5	5	5
Land with legal ownership	4.6ha	4.6ha	4.6ha
	With Title Deed	With Title Deed	With Title Deed
Other amenities.			

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**for the Year ended 30th June 2022**

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

<b>Project</b>	<b>Source of fund</b>	<b>Initial cost (Ksh)</b>	<b>Amount spent (Ksh)</b>	<b>Year</b>	<b>Expected Completion Time</b>
Construction of Dormitory	MOE-FDSE		6,638,325	2020	Jun-22
			9,611,324	2021	Jun-22

*Sign*

*School Principal*

**ST. CHARLES LWANGA SECONDARY SCHOOL**

**Reports and Financial Statements**

**For the Year ended 30th June 2022**

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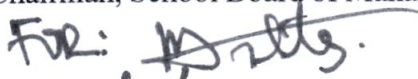
**III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY**

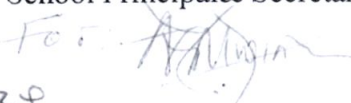
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

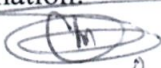
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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

Name: JOHN MUTUA  
Designation: Chairman, School Board of Management  
Sign: For:   
Date: 4/9/24

Name: BERNARD MALONZA  
Designation: School Principal & Secretary to Board of Management  
Sign: For:   
Date: 28/8/2024

Name: ENOCK M MUTUA  
Designation: Bursar/ Finance Officer  
Sign:   
Date: 28/8/2024

# REPUBLIC OF KENYA



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON ST. CHARLES LWANGA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KITUI COUNTY**

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### PREAMBLE

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

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

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 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 St. Charles Lwanga Secondary School - Kitui County set out on pages 1 to 20, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022, statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for

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*Report of the Auditor-General on St. Charles Lwanga Secondary School for the year ended 30 June, 2022 - Kitui County*

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 St. Charles Lwanga Secondary School - Kitui County as at 30 June, 2022, 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. Inaccuracies in the Financial Statements**

The financial statements of the School reflects the following inaccuracies for the year ended 30 June, 2022.

#### **1.1 Variances Between the Statement of Receipts and Payments and the Cashbook**

The statement of receipts and payments and the cashbook reflects the following variances which have not been reconciled as shown in the table below.

<b>No.</b>	<b>Component</b>	<b>Statement of Receipts and Payments (Kshs)</b>	<b>Cashbook (Kshs)</b>	<b>Variance (Kshs)</b>
1	Capitation Grants on Operations	14,773,349	14,641,734	131,615
2	School Fund Income	65,949,647	62,088,073	3,861,575
4	Other Income	13,853,648	15,422,005	1,568,357
5	Boarding and School Fund Payments	78,690,576	78,202,735	487,841

#### **1.2 Variances Between Financial Statements and Statement of Budgeted Versus Actual Amounts**

The statement of receipts and payments balances vary with the balances in the statement of budgeted versus actual amounts and which have not been reconciled as summarized in the table below:

No.	Component	Statement of Receipts and Payments (Kshs)	Budgeted Versus Actual Amounts (Kshs)	Variance (Kshs)
1	Capitation Operations	14,773,349	15,873,349	1,100,000
2	Expenditure on Tuition	3,404,127	4,031,237	627,110
4	Operations	18,905,935	17,588,010	1,317,925
5	School Fund	78,690,576	65,565,164	13,125,412

Further, the statement of receipts and payments reflects total receipts and payments amounts of Kshs.97,926,785 and Kshs.101,000,638 while the statement of budgeted versus actual amounts reflects total receipts and total payments of Kshs.88,192,816 and Kshs.87,184,301 resulting in unexplained variances of Kshs.3,073,853 and Kshs.1,008,515 respectively

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

## 2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities as at 30 June 2022 reflects cash and cash equivalents balance of Kshs.969,642 as disclosed in Note 8 and 9 to the financial statements. However, the following anomalies were noted in arriving at the balances:

- i. The bank statements and bank reconciliation statements for bank accounts totalling Kshs.550,979 were not provided for audit.
- ii. Monthly review of the cashbook to detect and correct casting errors was not done.
- iii. Monthly review of bank reconciliations is not prepared and end of the year board of survey was not done.
- iv. Reconciling items in the bank reconciliation statements did not indicate the dates, payee and cheque numbers.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.969,642 could not be confirmed.

## 3. Long Outstanding Accounts Receivables

The financial statements reflect accounts receivable balance of Kshs.10,220,855 as disclosed in Note 11 to the financial statements. However, included in the receivables balance is Kshs.5,165,339 which was outstanding for more than two (2) years and was not supported with supporting schedules. In addition, significant accounting policies on accounts receivables as disclosed in Note 11 is silent on the treatment of students' fee balances which is a major source of income for the School.

In the circumstances, the accuracy and completeness of accounts receivable of Kshs.10,220,855 could not be confirmed and recoverability of long outstanding debts is doubtful.

#### **4. Unsupported Accounts Payables**

The statement of financial assets and financial liabilities reflects accounts payable balance of Ksh.6,744,305 as disclosed in Note 12 to the financial statements. However, the balance was not supported with a schedule and relevant documents such as, Local Purchase Orders (LPOs), Local Service Orders (LSOs), Inspection and Acceptance Certificates and Delivery Notes.

In the circumstances, the accuracy and completeness of accounts payable balance of Kshs.6,744,305 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Charles Lwanga Secondary School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing 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 budget actual amounts reflects final budget and actual on comparable basis of Kshs.89,604,661 and Kshs.88,192,816 respectively, resulting to under-collection of Kshs.1,411,845 of the approved budget. However, the School spent Kshs.87,184,301 against actual receipts of Kshs.88,192,816 resulting in under-utilization of Kshs.1,008,515 of the actual receipts. In addition, the School's budget was not balanced.

The under-collection and under-utilization 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 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, 2022.

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

The statement of receipts and payments reflects operations grant amount of Kshs.14,773,349 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the balance is Kshs.5,113,000 in respect of infrastructure grants which were to be transferred to infrastructure account for maintenance and improvement of school facilities. However, only Kshs.3,961,500 was transferred to the infrastructure account, leaving a balance of Kshs.1,151,500 as at 30 June, 2022. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which states that, infrastructure grants as well as Maintenance and improvement Funds (M &IF) should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds.

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

#### 2. Irregularities in Construction of a Storey Dormitory Building

During the year under review, the School commenced the construction of a storey dormitory. However, the following anomalies were noted:

- i. Management entered into a contract with a contractor on 6 December, 2019 for the construction of a storey dormitory building vide tender number SCL/01/2020. This contract was later terminated following the demise of the director of the company and the family members could not continue with the project as approved by the Board of Management meeting held on 10 July, 2021.
- ii. The School contracted another contractor, on 15 October, 2021 for the completion of the project. However, there was no advert or tender notice issued by the procurement entity for the re-advertisement for the completion of the project.
- iii. There was no existence of signed evaluators individual score sheets to show the individual rating results from the evaluation of the bidders. The audit could not therefore confirm and verify the credibility of the evaluation process.

- iv. There evaluation report presented for audit was not signed by all the evaluators.
- v. There was no signed professional opinion issued by the procurement entity.
- vi. The contractor was paid a total amount of Kshs.8,912,800 however no completion certificate was issued to guarantee the final payments.
- vii. Further, the same contractor, was awarded another contract of Kshs.2,341,990 for the construction of proposed 90,000 liter septic tank for the School through direct procurement contrary to Section 103 of the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, value for money on the amount spent on construction of the dormitory could not be confirmed and Management was in breach of the law.

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

During the year under review, Management submitted the financial statements to the Auditor-General on 20 May, 2024. instead of the statutory deadline of 30 September, 2022. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2022 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **Lack of Ownership Documents and Failure to Update Asset Register**

Annex 2 to the financial statements reflects summary of fixed assets register Nil balances as at 30 June, 2022 in respect of fixed assets. However, no balances were disclosed by Management for the School assets.

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 its 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 time 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 School's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment 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 controls.

- 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 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 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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**

**19 November, 2024**

**ST. CHARLES LWANGA SECONDARY SCHOOL**

**Reports and Financial Statements**

**For the Year ended 30th June 2022**

**V.STATEMENT OF RECEIPTS AND PAYMENTS YEAR TO 30<sup>TH</sup> JUNE 2022**

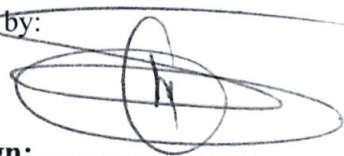
DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	3,350,141.40	2,639,865.00
Capitation grants for operations	2	14,773,349.20	19,047,509.00
School Fund Income- Parents' Contributions	3	65,949,647.00	39,134,206.00
School Fund Income- Other receipts	4	13,853,648.00	9,791,237.30
Proceeds from borrowings		-	-
<b>TOTAL RECEIPTS</b>		<b>97,926,785.60</b>	<b>70,612,817.30</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	3,404,127.00	2,604,303.00
Payments for operations	6	18,905,935.00	21,107,538.00
Boarding and school fund payments	7	78,690,576.00	47,719,460.94
<b>TOTAL PAYMENTS</b>		<b>101,000,638.00</b>	<b>71,431,301.94</b>
<b>SURPLUS/DEFICIT</b>		<b>(3,073,852.40)</b>	<b>(818,484.64)</b>

The school financial statements were approved on \_\_\_\_\_

and signed by: 

Sign: .....

Sign: .....

Sign: .....

Name: MULILAN M.  
Chair BOM

Name: Mwenda A.  
School principal/Secretary to BOM

Name: Enoch M. Mutua  
Bursar

Date: 4/9/2022.....

Date: 28/8/2022.....

Date: 28/8/2022.....

**ST.CHARLES LWANGA SECONDARY SCHOOL**

**Reports and Financial Statements**

**For the Year ended 30th June 2022**

**VI.STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2022**

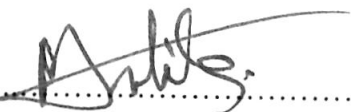
	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	955,254.48	4,039,958.88
Cash Balances	9	14,388.00	3,536.00
Short term Investment	10	-	-
<b>Total Cash and cash equivalent</b>		<b>969,642.48</b>	<b>4,043,494.88</b>
Account's receivables	11	10,220,855.07	12,668,536.07
<b>TOTAL FINANCIAL ASSETS</b>		<b>11,190,497.55</b>	<b>16,712,030.95</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	6,744,305.00	9,191,986.00
<b>NET FINANCIAL ASSETS</b>		<b>4,446,192.55</b>	<b>7,520,044.95</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	7,520,044.95	8,338,529.59
Surplus/Deficit for the year		(3,073,852.40)	(818,484.64)
<b>NET FINANCIAL POSITION</b>		<b>4,446,192.55</b>	<b>7,520,044.95</b>


The school financial statements were approved on \_\_\_\_\_ and signed by:

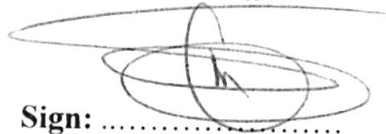
Name: MULILA N.M.  
Chairman, BoM

Name: Mwambi AC  
School principal/secretary to BoM

Name: Eric M. MUSA  
Bursar/Finance officer

Sign: 

Sign: 

Sign: 

Date: 4/9/22

Date: 28/8/2022

Date: 28/8/2022

**CHARLES LWANGA SECONDARY SCHOOL**

**Reports and Financial Statements  
for the Period ended 30th June 2022**

**VII.STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022**

		2021-2022	2020-2021
		Kshs	Kshs
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>			
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	3,350,141.40	2,639,865.00
Capitation grants for operations	2	14,773,349.20	19,047,509.00
School fund income- Parents contributions/ fees	3	65,949,647.00	39,134,206.00
School fund income- other receipts	4	13,853,648.00	9,791,237.30
<b>Total receipts</b>		<b>97,926,785.60</b>	<b>70,612,817.30</b>
<b>Payments</b>			
Payments for Tuition		3,404,127.00	2,604,303.00
Payments for operations		18,905,935.00	21,107,538.00
Boarding and school fund payments		78,690,576.00	47,719,460.94
<b>Total payments</b>		<b>101,000,638.00</b>	<b>71,431,301.94</b>
<b>Net cash flow from operating activities</b>		<b>(3,073,852.40)</b>	<b>(818,484.64)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		-	-
Acquisition of Assets-Construction of dormitory		(9,611,324.00)	(6,638,325.00)
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flows from Investing Activities</b>		<b>(9,611,324.00)</b>	<b>(6,638,325.00)</b>
<b>CASHFLOW FROM BORROWING/FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(3,073,852.40)</b>	<b>(818,484.64)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>4,043,494.88</b>	<b>4,861,979.52</b>
<b>Cash and cash equivalent at END of the year</b>		<b>969,642.48</b>	<b>4,043,494.88</b>

*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.*

ST.CHARLES LWANGA SECONDARY SCHOOL

Reports and Financial Statements

For the Year ended 30th June 20 22

VIII.STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> J

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Bud Utili Diff
	a	b	c=a+b	d	e:
	Kshs	Kshs			K
<b>RECEIPTS</b>					
<i>(1) CAPITATION GRANT ON TUITION</i>					
Textbooks and reference materials	-	-	-	-	
Exercise books	-	-	-	-	
Laboratory equipment	-	-	-	-	
Teaching / learning materials	3,444,737.5	-	3,444,737.5	3,350,141.4	
Chalks	-	-	-	-	
Internal exams	-	-	-	-	
Exams and assessment	-	-	-	-	
Teachers guides	-	-	-	-	
<b>TOTAL</b>	<b>3,444,737.50</b>	<b>-</b>	<b>3,444,737.50</b>	<b>3,350,141.40</b>	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>					
Personnel emoluments	7,422,410.0	-	7,422,410.0	7,422,410.0	
Gratuity	-	-	-	-	
Administration costs	-	-	-	-	
Repairs and maintenance	5,855,000.0	-	5,855,000.0	5,324,500.0	
Local transport / travelling	-	-	-	-	
Electricity and water	-	-	-	-	
Medical	206,300.0	-	206,300.0	205,800.0	
Activity	-	-	-	-	
SMASSE	-	-	-	-	
Othervoteheads	3,171,500.0	-	3,171,500.0	2,920,639.2	
<b>TOTAL</b>	<b>16,655,210.00</b>	<b>-</b>	<b>16,655,210.00</b>	<b>15,873,349.20</b>	<b>78</b>

## ST. CHARLES LWANGA SECONDARY SCHOOL

## Reports and Financial Statements For

the Year ended 30th June 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	3,021,000.0	-	3,021,000.0	3,019,679.0	1,321.0	99.96%
Repairs and maintenance	3,231,500.0	-	3,231,500.0	3,230,700.0	800.0	99.98%
Local transport / travelling	1,019,097.0	-	1,019,097.0	1,019,097.0	-	100.00%
Electricity and water	2,148,000.0	-	2,148,000.0	2,147,934.0	66.0	100.00%
Medical	-	-	-	-	-	-
Othervoteheads	11,658,000.0	-	11,658,000.0	11,648,855.0	9,145.0	99.92%
Administration costs	1,478,000.0	-	1,478,000.0	1,477,603.0	397.0	99.97%
Activity	805,500.0	-	805,500.0	805,026.0	474.0	99.94%
Fee on Boarding Equipment and Stores	43,121,038.0	-	43,121,038.0	42,600,753.0	520,285.0	98.79%
Personnel emoluments	3,021,000.0	-	3,021,000.0	3,019,679.0	1,321.0	99.96%
<b>OTHER INCOME</b>						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
<b>TOTAL INCOME</b>	<b>66,482,135.0</b>	<b>-</b>	<b>66,482,135.0</b>	<b>65,949,647.0</b>	<b>532,488.0</b>	<b>99.20%</b>

ST.CHARLES LWANGA SECONDARY SCHOOL  
 Reports and Financial Statements  
 For the Year ended 30th June 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(1) EXPENDITURE FOR TUITION</b>						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	318,000.0	-	318,000.0	315,000.0	3,000.0	99.06%
Laboratory equipment	101,000.0	-	101,000.0	100,000.00	1,000.0	99.01%
Internal exams	212,500.0	-	212,500.0	212,000.00	500.0	99.76%
Teaching / learning materials	3,404,737.5	-	3,404,737.5	3,404,127.00	610.5	99.98%
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
<b>TOTAL</b>	<b>4,036,237.50</b>	<b>-</b>	<b>4,036,237.50</b>	<b>4,031,127.00</b>	<b>5,110.50</b>	<b>99.87%</b>
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	5,751,410.0	-	5,751,410.0	5,750,471.0	939.0	99.98%
Repairs, maintenance & improvements	9,675,000.0	-	9,675,000.0	9,675,249.0	(249.0)	100.00%
Local transport / travelling	109,000.0	-	109,000.0	108,800.0	200.0	99.82%
Electricity, water and conservancy	92,000.0	-	92,000.0	91,782.0	218.0	99.76%
Medical & Insurance	158,300.0	-	158,300.0	157,419.0	881.0	99.44%
Administration costs	-	-	-	-	-	-
Activity Expenses	90,000.0	-	90,000.0	89,500.0	500.0	99.44%
Othervoteheads	1,715,500.0	-	1,715,500.0	1,714,789.0	711.0	99.96%
<b>TOTAL</b>	<b>17,591,210.00</b>	<b>-</b>	<b>17,591,210.00</b>	<b>17,588,010.00</b>	<b>3,200.00</b>	<b>99.98%</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Personnel emoluments	391,500.00	-	391,500.0	390,940.0	560.0	99.86%
Repairs, maintenance and improvements	1,200,000.00	-	1,200,000.0	1,100,000.0	100,000.0	91.67%
Local transport / travelling	685,000.00	-	685,000.0	684,229.0	771.0	99.89%
Electricity, water and conservancy	199,000.00	-	199,000.0	198,949.0	51.0	99.97%
Medical Expenses	-	-	-	-	-	
Administration costs	1,700,000.00	-	1,700,000.0	1,590,907.0	109,093.0	93.58%
Activity	-	-	-	-	-	
Othervoteheads	16,555,000.00	-	16,555,000.0	15,553,831.0	1,001,169.0	93.95%
Income generating Activities	3,600.00	-	3,600.0	3,600.0	-	100.00%
Gratuity	1,473,000.00	-	1,473,000.0	1,372,840.0	100,160.0	93.20%
Lunch programme	-	-	-	-	-	
Boarding Equipment and Stores	43,689,038.00	-	43,689,038.0	43,569,868.0	119,170.0	99.73%

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>TOTALS</b>	<b>65,896,138.00</b>	<b>-</b>	<b>65,896,138.00</b>	<b>65,565,164.00</b>	<b>330,974.00</b>	<b>99.50%</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

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

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

**ST. CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks	-	-
Exercise books	-	-
Laboratory Equipments	-	-
Teaching/learning materials	3,350,141.40	2,639,865.00
Chalks	-	-
Internal exams	-	-
Reference materials	-	-
SMASSE	-	-
Bank charges	-	-
<b>Total</b>	<b>3,350,141.40</b>	<b>2,639,865.00</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	7,422,410.00	-
Repairs and maintenance	5,324,500.00	3,104,000.00
Local transport / travelling	-	-
Electricity and water	-	-
Medical	205,800.00	159,400.00
Boarding Account	-	945,000.00
Activity	-	318,800.00
Other voteheads	1,805,689.20	10,408,409.00
Insurance	-	-
MOE Bom	14,550.00	480,000.0
Infrastructure	-	3,625,500.0
House Rent	400.00	6,400.0
<b>Total</b>	<b>14,773,349.20</b>	<b>19,047,509.0</b>

**3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	3,019,679.00	-
Repairs and maintenance	3,230,700.00	1,420,497.00
Local transport / travelling	1,019,097.00	-
Electricity and water	2,147,934.00	-
Medical	-	-
Administration costs	1,477,603.00	-
Activity	805,026.00	160,737.00
Fee on Boarding Equipment and Stores	42,600,753.00	26,207,603.00
Other voteheads	11,648,855.00	11,345,369.00
<b>Total</b>	<b>65,949,647.00</b>	<b>39,134,206.00</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Rent income	39,280.00	308,730.00
Income from farming activities	-	-
Transfer from infrastructure account	529,500.00	2,829,494.00
Salary advance	-	57,502.00
Income from Bus Hire	-	2,000.00
Fee for hire of ground and equipment	-	-
Income from grants and donations*( CDF Bursary)	-	115,004.00
Interest income	7,277.00	-
Income from grants and donations	-	55,000.00
P.A Account	3,735,197.00	1,447,334.00
PQASF	7,746,193.00	4,455,825.30
Uniform	434,428.00	-
Damages	1,141,362.00	-
Prepaid fee	-	320,946.00
Pocket Money	42,054.00	158,652.00
Tender fee	84,500.00	1,000.00
Income generating activities-Shool farm	24,000.00	39,750.00
Donations	69,857.00	-
<b>Total</b>	<b>13,853,648.00</b>	<b>9,791,237.30</b>

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

**5 PAYMENTS FOR TUITION**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Textbooks	-	-
Exercise books	315,000.00	-
Laboratory Equipments	100,000.00	-
Teaching/learning materials	2,715,627.00	2,579,303.00
Chalks	-	-
Internal exams	212,000.00	-
Reference materials	-	25,000.00
Administration costs	61,500.00	-
<b>Total</b>	<b>3,404,127.00</b>	<b>2,604,303.00</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**

Reports and Financial Statements For the

**Year ended 30th June 2022****NOTES TO THE FINANCIAL STATEMENTS (Continued)****6 PAYMENTS FOR OPERATIONS**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	5,761,471.00	-
Service Gratuity	-	-
Administration Cost	436,943.00	120.00
Repairs and maintenance & improvements	63,925.00	875,000.00
Local transport / travelling	108,800.00	7,500.00
Electricity and water	91,782.00	-
Medical	157,419.00	131,775.00
Activity Expenses	89,500.00	1,077,600.00
Insurance Cost	-	142,586.00
Acquisition of Assets-Construction of dormitory	9,611,324.00	6,638,325.00
BES	-	805,915.00
Transfer to Infrastructure A/C	1,306,925	-
Other voteheads *	1,277,846.00	11,428,717.00
<b>TOTAL</b>	<b>18,905,935.00</b>	<b>21,107,538.00</b>

Expenses on Other voteheads \* includes cost of NSSF, NHIF &amp; KUDHEIHA Deductions

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

**7 BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	470,940.00	-
Service Gratuity	-	-
Repairs and maintenance & Improvements	2,718,741.00	1,012,607.00
Local transport / travelling	684,229.00	-
Electricity and water	198,949.00	-
Medical Expenses	-	-
Administration costs	1,590,907.00	-
Expenses on IGA-Farm water	3,600.00	-
Boarding Equipment and Stores	43,569,868.00	27,408,090.00
Rent Expenses	-	15,000.00
Pocket Money	5,250.00	24,650.00
Bus hire	-	25,000.00
P.A Account	57,516.00	-
Transfer to Operation account	385.00	-
Damages	1,372,840.00	-
Caution refund	3,000.00	1,000.00
Activity Expenses	148,260.00	272,260.00
Fees refund	2,281,344.00	1,810,398.00
PQASF	9,784,450.00	2,885,100.00
Tender	24,000.00	-
Bursary payent to students	222,466.00	-
Other voteheads	15,553,831.00	14,265,355.94
<b>TOTAL</b>	<b>78,690,576.00</b>	<b>47,719,460.94</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Report and Financial Statements**  
**For the Year ended 30th June 2022**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	01025051519400	3,873.40	57,859.00
Operations Account	01021051519402	109,304.20	110,184.00
School Fund Account/Boarding-NBK	01021051519400	526,379.00	454,208.00
School Fund Account/Boarding-Barclays	0151100945	52,298.45	52,298.45
Savings Account	01243051519400	2,696.06	2,696.06
P.A Account-KCB	1266251634	216,240.00	273,636.00
PQSAF Account	01248053079000	44,003.37	44,123.37
Infrastructural Account	01025051519401	460.00	3,044,954.00
<b>Total</b>		<b>955,254.48</b>	<b>4,039,958.88</b>

**9 CASH IN HAND**

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	13,885.00	1,097.00
School Fund account	503.00	2,439.00
Infrastructural Account	-	-
<b>Total</b>	<b>14,388.00</b>	<b>3,536.00</b>

**10 SHORT TERM INVESTMENTS**

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11 ACCOUNTS RECEIVABLE**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	10,129,855.07	12,668,536.07
Other non-fees receivables	-	-
Salary advances	91,000.00	(38,000.00)
Imprest	-	-
<b>Total</b>	<b>10,220,855.07</b>	<b>12,630,536.07</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,578,990.00	3,385,526.00
Fees arrears for the previous year	3,385,526.00	3,185,878.00
Fees arrears for prior periods (over two years)	5,165,339.07	6,097,132.07
<b>Total</b>	<b>10,129,855.07</b>	<b>12,668,536.07</b>

**12 ACCOUNTS PAYABLE**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	6,744,305.00	9,191,986.00
Prepaid fees	-	-
Caution Money	-	-
<b>Total</b>	<b>6,744,305.00</b>	<b>9,191,986.00</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	5,236,460.00	9,191,986.00
Trade creditors for the previous year	1,507,845.00	-
Trade creditors for prior periods (over two years)	-	-
<b>Total</b>	<b>6,744,305.00</b>	<b>9,191,986.00</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**13 FUND BALANCE BROUGHT FORWARD**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	4,039,958.88	4,861,904.52
Cash balances	3,536.00	75.00
Receivables	12,668,536.07	9,420,791.07
Payables	(9,191,986.00)	( 5,944,241.00)
<b>Total</b>	<b>7,520,044.95</b>	<b>8,338,529.59</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**

**Reports and Financial Statements**

**For the Year ended 30th June 2022**

**Other important disclosure notes**

i) The comparative Period 2020-2021 was prepared for 18 months. The reason for preparing financial statements for longer period is due to the adoption of IPSAS for school and change from calendar year to government fiscal year.

The comparative information may not be comparable due to longer period covered by the previous financial period

ii) IPSAS I 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.

**14 Non-current Liabilities Summary**

Description					2021-2022	2020-2021
					Kshs	Kshs
Bank loan(s)	N/A				-	-
Outstanding Leases	N/A				-	-
Hire purchase	N/A				-	-
Gratuity and leave provision	N/A				-	-
<b>Total</b>						

**15 Biological assets**

Description	Numbers	Opening Balance in Units	Increase during the year	Disposals during the year	At the end of the year	2021-2022	2020-2021
						Kshs	Kshs
Cattle	-	0	0	0	0	-	-
Goats	-	0	0	0	0	-	-
Trees	-	0	0	0	0	-	-
Coffee or tea	-	0	0	0	0	-	-
Pigs & Donkeys	-	0	0	0	0	-	-
Poultry		0	0	0	0	-	-
<b>Total</b>							

**16 Borrowings**

Description					2021-2022	2020-2021
					Kshs	Kshs
<b>a) Borrowings</b>						
Borrowing at beginning of the	N/A				-	-
Borrowings during the year	N/A				-	-
Repayments of during the year	N/A				-	-
<b>Balance at end of the year</b>	N/A				-	-

**ST.CHARLES LWANGA SECONDARY SCHOOL**

**Reports and Financial Statements**

**For the Year ended 30th June 2022**

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**other important disclosure notes**

**17 Stock/ Inventory**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>KShs</b>	<b>KShs</b>
Stock/ inventory at beginning of the year	988,945.00	1,247,276.00
Stock/-inventory purchased during the year	-	12,840,086.00
Stock/ inventory issued during the year	-	(13,098,417.00)
Balance at end of the year	<b>988,945.00</b>	<b>988,945.00</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the Year ended 30th June 2022**

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**18 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.

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

ST.CHARLES LWANGA SECONDARY SCHOOL  
 Reports and Financial Statements  
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	comments
	a	b	c	d=a-c	2021	
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
	-			-	-	
Sub-Total	-			-	-	
Alii Hard ware	19,500.00	2019	-	19,500.00	19,500.00	
Lucia Kamanthe	15,150.00	2020	15,150.00	-	15,150.00	
Piters Enterprises	398,500.00	2020	398,500.00	-	398,500.00	
Zombe Wood furniture	440,000.00	2020	440,000.00	-	440,000.00	
smile Africa Ltd	49,500.00	2022	-	49,500.00	-	
David Musyoni	189,454.00	2022	-	189,454.00	-	
St Columbas	245,000.00	2020	245,000.00	-	245,000.00	
Erick Charles	6,510.00	2022	-	6,510.00	-	
Jemijor Enterprises	78,700.00	2020	78,700.00	-	78,700.00	
Reuverline	19,700.00	2020	19,700.00	-	19,700.00	
Jane Muthoki	40.00	2020	-	40.00	40.00	
St.Charles Lwanga Canteen	580.00	2020	580.00	-	580.00	
Ebenezer Hardware	747,690.00	2022	-	747,690.00	-	
David Musyoni	103,600.00	2020	-	103,600.00	103,600.00	
latatof system	313,000.00	2022	-	313,000.00	-	
Jocajo Enterprises	8,700.00	2020	8,700.00	-	8,700.00	
Snow pharmacy	273,175.00	2022	-	273,175.00	-	
Can General	25,000.00	2022	-	25,000.00	-	
Copy cat Ltd	138,232.00	2022	-	138,232.00	-	
Berbette Wholesalers ltd	765,550.00	2022	-	765,550.00	-	
Zombe Wood furniture	1,165,870.00	2022	-	1,165,870.00	-	
Bitetec System	97,500.00	2022	-	97,500.00	-	
Sheshe Mutwiri Enterprises	12,900.00	2022	-	12,900.00	-	
Mucklin general enterprises	30,000.00	2022	-	30,000.00	-	
Jozam chemicals	38,800.00	2022	-	38,800.00	-	
Software for schools kenya	150,000.00	2022	-	150,000.00	-	
Kitema Kinyili	90,000.00	2022	-	90,000.00	-	
Zombe wood furniture	61,210.00	2021	61,210.00	-	61,210.00	
Jadmwa Enterprises	403,320.00	2021	403,320.00	-	403,320.00	
Rosamu Gen Supplies	521,700.00	2021	412,900.00	108,800.00	521,700.00	
lofe supplies solutions	53,000.00	2021	53,000.00	-	53,000.00	
Snow pharmacy	90,990.00	2021	90,990.00	-	90,990.00	
Dfl festive	359,813.00	2021	338,903.00	20,910.00	359,813.00	
Reuverline Investment	203,220.00	2021	203,220.00	-	203,220.00	
Mckena Ventures	396,982.00	2021	396,982.00	-	396,982.00	
Jane Muthoki	292,330.00	2021	292,330.00	-	292,330.00	
Great Yatta Merchants	22,850.00	2021	22,850.00	-	22,850.00	
Peter Mulei & sons ltd	1,028,247.00	2021	621,876.00	406,371.00	1,028,247.00	
Matheka Electrical	109,620.00	2021	109,620.00	-	109,620.00	
Gaston Kenya Ltd	28,826.00	2021	-	28,826.00	28,826.00	
Can General	30,000.00	2021	-	30,000.00	30,000.00	
Muthaka Technologies	10,000.00	2021	10,000.00	-	10,000.00	
Erick Charles	39,110.00	2021	39,110.00	-	39,110.00	
Zombe wood furniture	197,750.00	2021	197,750.00	-	197,750.00	
Leechem Enterprises	91,215.00	2021	44,384.00	46,831.00	91,215.00	
Petlaw market ventures	30,000.00	2021	30,000.00	-	30,000.00	
St.charles Lwanga canteen	26,820.00	2021	26,820.00	-	26,820.00	
Caliweh/Imella	40,000.00	2021	-	40,000.00	40,000.00	
Samson Kithongo Kithome	15,850.00	2021	15,850.00	-	15,850.00	
Smartscore ltd	38,800.00	2021	11,500.00	27,300.00	38,800.00	

Stevemalon Resolutions	96,900.00	2020	96,900.00	-	96,900.00
Justiel Ltd	26,800	2020	-	26,800.00	26,800.00
Stephen M Mbindyo	4,650	2020	-	4,650.00	4,650.00
Gaston Kenya Ltd	28,826	2020	-	28,826.00	28,826.00
Kyandani Investment	215,580	2022	-	215,580.00	-
Kalsyan Enterprises	135,000	2022	-	135,000.00	-
Copycat Ltd	176,928	2020	-	176,928.00	176,928.00
Wrma	8,247	2020	-	8,247.00	8,247.00
Great Yatta Merchants	35,200.00	2021	35,200.00	-	35,200.00
Kalsyan Enterprises	86,000.00	2021	65,000.00	21,000.00	86,000.00
sanaa Busmix ventures	54,800.00	2021	-	54,800.00	54,800.00
Mucklin general enterprises	40,000.00	2020	25,000.00	15,000.00	40,000.00
Tsunamitec	193,872	2020	193,872.00	-	193,872.00
Copycat Ltd	158,400.00	2020	158,400.00	-	158,400.00
Tsunamitec Supplies Ltd	615,036.00	2022	-	615,036.00	-
Eastlab Ltd	83,217.00	2022	-	83,217.00	-
Eastlab Ltd	14,800.00	2020	14,800.00	-	14,800.00
Eastlab Ltd	317,040.00	2021	33,624.00	283,416.00	317,040.00
Copy cat Ltd	180,032.00	2021	180,032.00	-	180,032.00
Tsunamitec Supplies Ltd	53,856.00	2021	53,856.00	-	53,856.00
<b>Sub-Total</b>	<b>7,036,037.00</b>		<b>4,239,299.00</b>	<b>6,593,859.00</b>	<b>6,897,474.00</b>
<b>Supply of services</b>					
Conloop Technologies	56,000.00	2021	56,000.00	56,000.00	56,000.00
Moshangu Enterprises		2020			
Non-Teaching staff salaries	1,119,256.00	2020	1,119,256.00	-	1,119,256.00
Gaston Kenya Ltd	94,446.00	2022	-	94,446.00	-
Lofre Suplies solutions	-	2020	-	-	-
Non-Teaching staff salaries	1,119,256.00	2020	1,119,256.00	-	1,119,256.00
	-			-	-
<b>Sub-Total</b>	<b>2,388,958.00</b>		<b>2,294,512.00</b>	<b>150,446.00</b>	<b>2,294,512.00</b>
<b>Grand Total</b>	<b>9,424,995.00</b>		<b>6,533,811.00</b>	<b>6,744,305.00</b>	<b>9,191,986.00</b>

**ST.CHARLES LWANGA SECONDARY SCHOOL****Reports and Financial Statements****For the Period ended 30th June 2022****ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

<b>Asset class</b>	<b>Date purchased</b>	<b>Location</b>	<b>Units</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Dispo du the (K</b>
Land 1			4.1 ha			
Land 2						
Buildings and structures			21			
Motor vehicles-School bus			1			
Office equipment, furniture and fittings			2692			
ICT Equipment, and Other ICT Assets			1698			
Tools and apparatus			4892			
Textbooks			11392			
Other Machinery and Equipment			13			
Heritage and cultural assets						
Intangible assets- software			4			
<b>Total</b>						

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