REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

MURURIA BOYS SECONDARY SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2023

KIAMBU COUNTY

MURURIA SECONDARY SCHOOL

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)

(Leave this page blank)

Table of Contents

Page

1. Acronyms and Glossary of Terms

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 Kiambu County, Gatundu South Sub-County.

The school was registered in 15th May 2017 under registration number 22500300299and is currently categorized as a County public school established and operated by the Government.

The school is a boys boarding school and had 1070 number of students as at *30th June 2023*. It has 5 streams and 40 teachers of which 8 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Prof.Peter w. muriu	Chairman	7 th March 2022
2	Stephen K. Muniu	Secretary - Principal	7th March 2022
3	John Ruku	Member	7th March 2022
4	Francis Gitau	Member	7 th March 2022
5	Ann Waithira	Member	7th March 2022
6	Benson Thandi	Member	7th March 2022
7	Nahashon Kinuthia, Erastus Gitonga	Member	7th March 2022
8	Michael Kimata	Member – Rep CEB	7th March 2022
9	Stephen N.Kanyingi	Member Rep Teachers	7th March 2022
10	Prof. Muriu,Fr Hunja, Francis Kuria	3 Members - Sponsor	7th March 2022
11	Mary Mugwimi	Member - Community	7th march 2022
12	Salome Kimata	Member Special Needs	7th March 2022
13	Kelvin Kagiri	Rep Students	7th March 2022

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

The school board management established under section h 55 of the Basic Education Act, 2013, is composed of the following;

Ref:	Name of committee	Names of Members	Designation	No.of meetings attended during the year
1	Executive Committee	Dr. Peter Muriu	BOM Chairperson	3/3
		Mr. Stephen Muniu	BOM Secretary	3/3
		Mr. Benson Thandi	BOM Member	2/3
2	Audit committee	Mr. Stephen Muniu	BOM Secretary	1/1
		Dr. Peter Muriu	BOM Chairperson	1/1
		Mr. Stephen Kanyingi	BOM Member	1/1
3	Finance Procurement	Mr. Stephen Muniu	BOM Secretary	1/1
	And General	Mr. John Ruku	BOM Member	1/1
	Purposes	Mr. Francis Gitau	BOM Member	1/1
	Committee	Mrs. Mary Mugwimi	BOM Member	1/1
		Mr. Benson Thandi	BOM Member	1/1
4	Academic Committee	Mr. Benson Thandi	PA Representative	4/4
		Mr. Kelvin Kagiri	BOM Member	2/4
		Fr. Hunja	BOM Member	2/4
		Mr Francis Kuria	BOM Member	2/4
		Mr. Kaburi	Deputy Principal	4/4
		Mr. Stephen Kanyingi	Dean of Studies	4/4
5	Development	Mrs Mugwimi	BOM Member	3/3

	Committee	**Mr. Francis Gitau**	**BOM Member**	**2/3**
		Dr. Peter Muriu	**BOM Chairperson**	**3/3**
		Mr. Benson Thandi	**BOM Member**	**3/3**
		Mr. Michael Kimata	**BOM Member**	**2/3**
		Mrs Ann Waithera	**BOM Member**	**2/3**
6	**Discipline and**	**Mr. Benson Thandi**	**PA Representative**	**3/3**
	Welfare committee	**Mr. Stephen Muniu**	**BOM Secretary**	**3/3**
		Mr. John Kaburi	**Deputy Principal**	**3/3**
		Mr. Stephen Kanyingi	**Teachers Rep.**	**3/3**
7	**Adhoc Committee**	**NA**		

(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	Stephen Kamau Muniu	TSC No.305989
2	Deputy Principal	John Kaburi Kanguru	TSC No.348141
3	Deputy Principal	Stanley Kariuki Ndichu	TSC No 416398
3	School Bursar	Beth Wanjiku Mbatia	ICPAK No.
4	Other (specify)		

(e) Schools contacts

Post Office Box: 95 01030
Telephone: 0706425904
E-mail: Mururiasecondary school@ g mail.com
Website: XXXXXXXX
Facebook:
Twitter:

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks:

1. Name of Bank:Equity
   Branch: Gatundu
   Account Number:0660295491552

2. Name of Bank: KCB
   Branch : Gatundu
   Account Number:1234293781

3. Name of Bank :KCB
   Branch: Gatundu
   Account Number:1234293587

4. Name of Bank: KCB
   Branch : Gatundu
   Account Number:1234286467

2. MPESA Pay Bill No. 407878 attached to 0660295491552 bank account.

(g) Independent Auditors

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

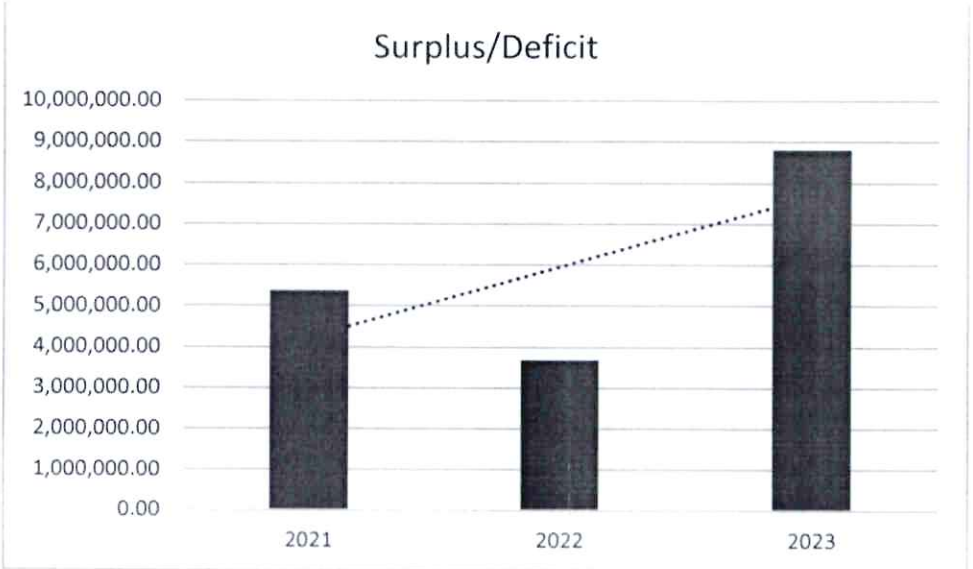
3. Summary Report of Performance of The School

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

a) Financial performance:

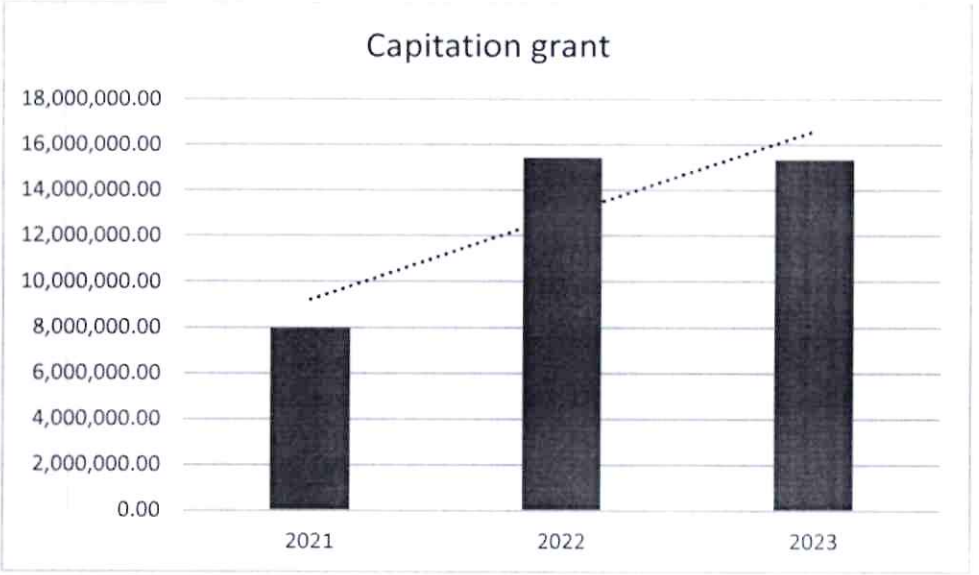
i)Surplus/ deficit for the year and a comparison of the same for the last three years

YEAR	2021	2022	2023
Surplus/Deficit			
School Fund a/c	**2,518,397.00**	-	-
Operation a/c	**2,972,953.05**	-	-
Tuition a/c	**-118,417.25**	-	-
Infrastructure a/c	-	-	-
Surplus/Deficit	**5,372,993.8**	**3,687,711.00**	**8,807,653.55**



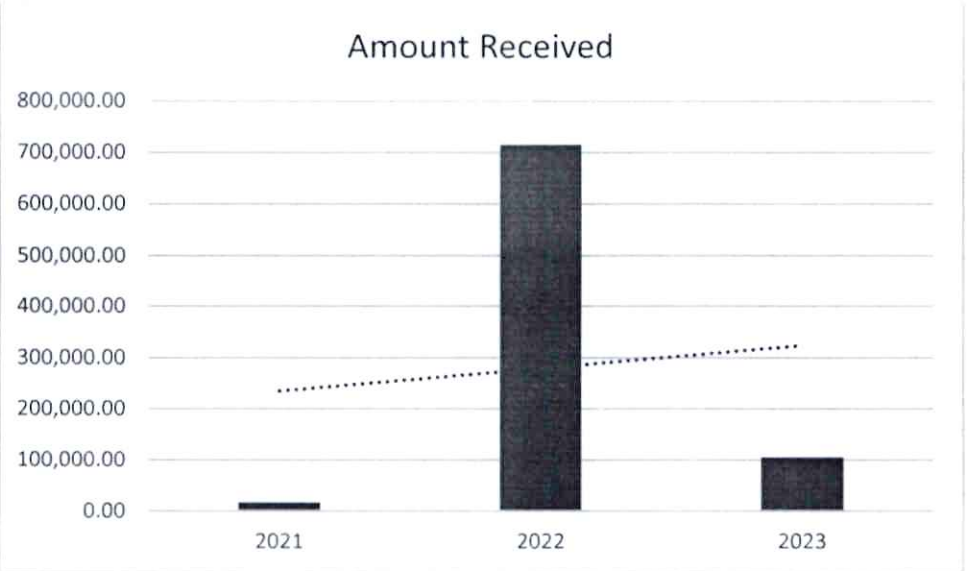
ii)Capitation grants from the Ministry of Education for the last three years

YEAR	2021	2022	2023
Operation	7,000,694.05	12,651,209.55	12,332,594.30
Tuition	975,908.75	2,795,133.20	3,026,032.75
TOTAL	7,976,602.8	15,446,342.75	15,358,627.05



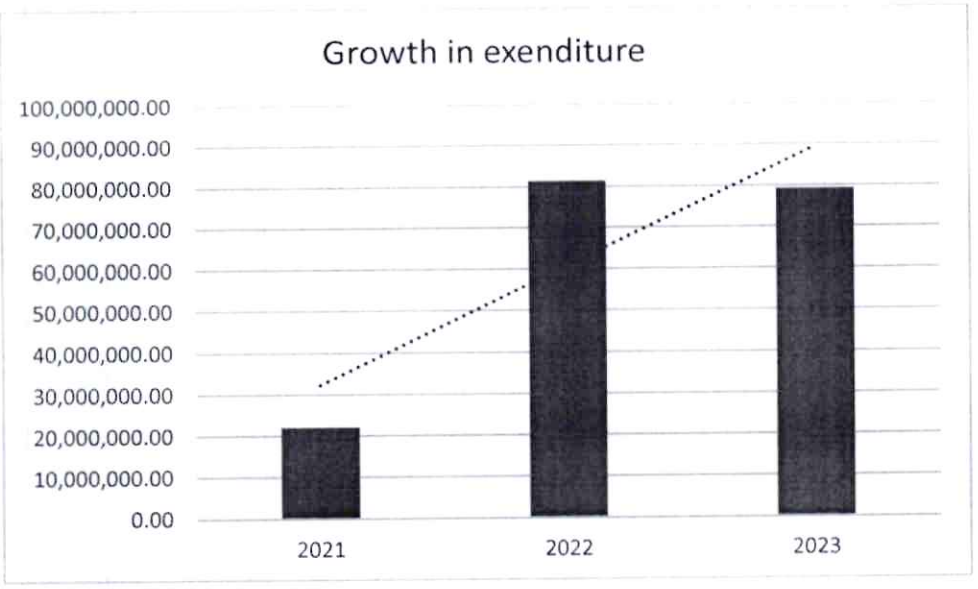
iii)A three-year overview of growth of other income(s) earned by the school.

YEAR	2021	2022	2023
Amount Received	16,730.00	715,075.95	105,958.00



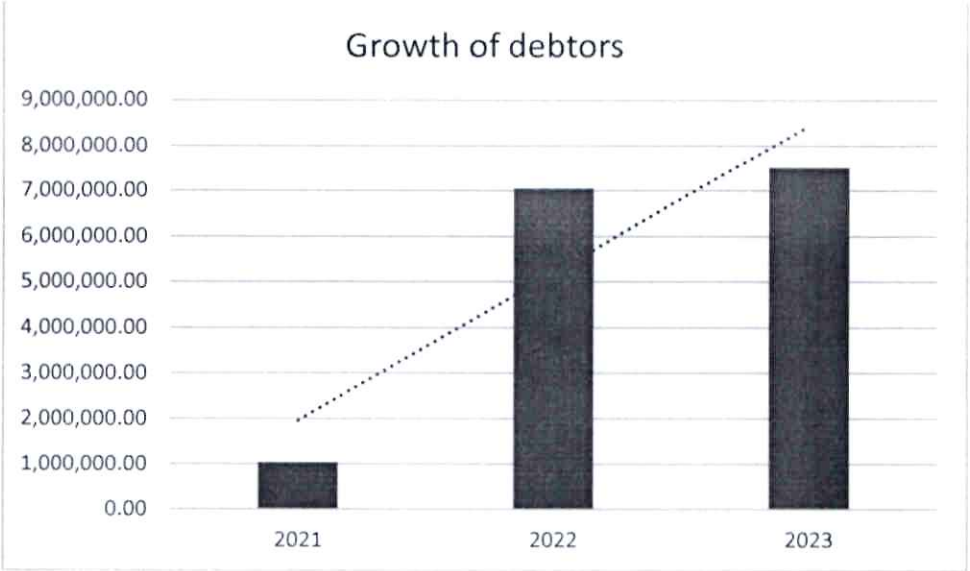
iv)A three-year overview of growth in expenditure of the school

YEAR	2021	2022	2023
School Fund	16,673,437.00	63,143,848.77	64,506,863.50
Operation	4,367,752.00	15,295,091.85	11,736,177.00
Tuition	1,094,326.00	2,928,240.00	2,998,656.00
Total	22,135,515.00	81,367,180.00	79,241,696.50



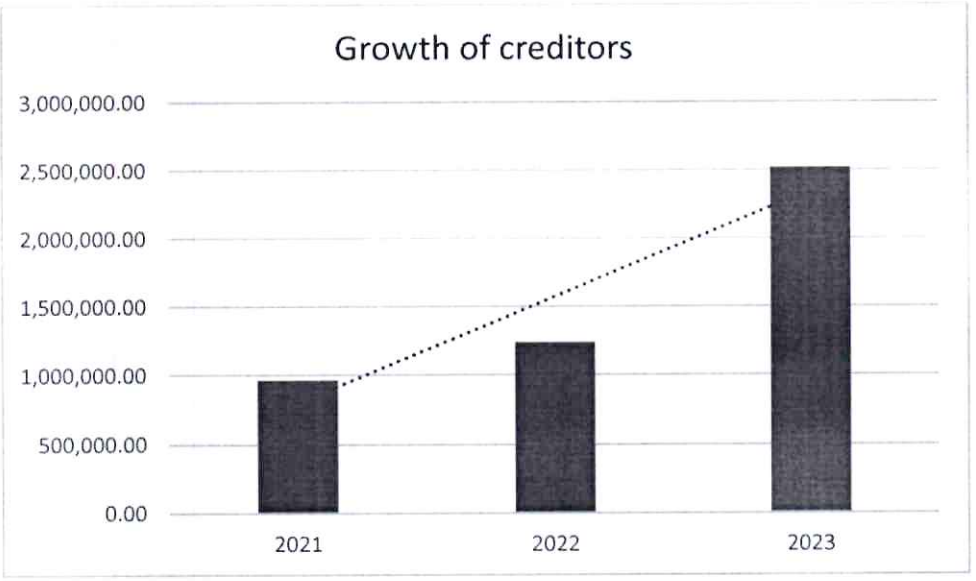
v)Movement of debtors of the school over the last three years

YEAR	2021	2022	2023
School Fund	1,037,827.00	7,049,865.00	7,510,766.00
Tuition	-	-	
Operation	-	-	
Total	1,037,827.00	7,049,865.00	7,510,766.00



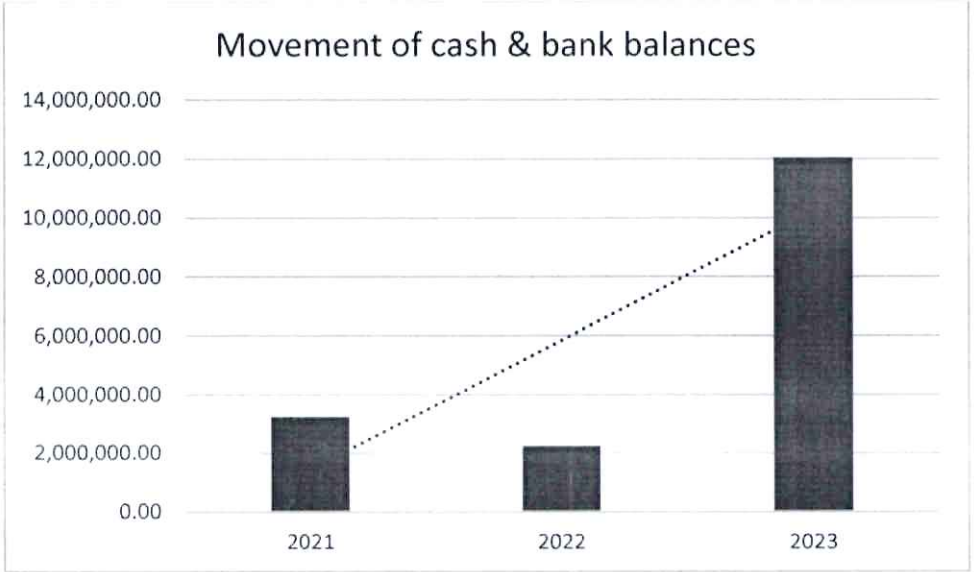
vii) Movement of creditors of the school over the last three years

YEAR	2021	*2022*	*2023*
School Fund	965,194.00	1241,227.00	2,520,290.00
Tuition A/c	-	-	
Operation A/c	-	-	
Total	965,194.00	1241,227.00	2,520,290.00



viii) Movement of cash and bank balances over the last three years.

YEAR	2021	2022	2023
School Fund A/c	341,447.18	2,129,484.36	11,306,586.86
Tuition A/c	2,695,795.58	67,262.10	94,638.85
Operation A/c	200,368.90	52,322.28	648,739.58
Total	3,237,611.66	2,249,068.74	12,049,965.29



b) Teacher Student ratio:

The school had 32 teachers of which 6 were BOM teachers in the year 2022/2023 and the students population was 1200.Therefore the teacher students ratio was1:38. There was only 1 teacher posted..

c) Mean score in the *2023* KCSE:

YEAR	2021	2022	2023
KCSE Performance	6.112 (C)	5.594 (C)	5.512(C)
Target MSS	7.3	7.5	7.6
No of students to Institutions of higher learning	48	62	63

d) Number of Candidates in the 2023 KCSE:

YEAR	2021	2022	2023
No. of Students	132	132	205

e) Capacity of the school:

Students population: 1200

No. of dormitories:11 which can accommodate 950

Dinning hall:1 with a capacity of 1100

Laboratories: 2 laboratories

Toilets: 4 blocks pit latrines

Birthrooms: 38

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
N/A					

.....

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

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

.....

Name: Prof. Peter W. Muriu

Designation: Chairman, School Board of Management

Date:

.....

Name:Stephen K. Muniu

Designation: School Principal & Secretary to Board of Management

Date: 6/8/2024

.....

Name:Beth W. Mbatia

Designation: Bursar/ Finance Officer

Date: 6/8/2024

REPUBLIC OF KENYA

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

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON MURURIA BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – KIAMBU 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 the 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, risk management environment and 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 Mururia Boys Secondary School set out on pages 1 to 20, which comprise of 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 Mururia Boys Secondary School 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. Failure to Appoint Board of Survey

During the year under review, the School Management did not appoint a board of survey to confirm bank and cash balances of Kshs.12,049,965 as at 30 June, 2023.

In the circumstances, the accuracy and completeness of cash and bank balance as at 30 June, 2023 could not be confirmed.

2. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.27,617,948 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.20,176,832 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.27,617,948 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.75,643,227 and Kshs.88,049,350 respectively

resulting to an over-funding of Kshs.12,406,123 or 16% of the budget. Similarly, the School spent Kshs.79,241,697 against actual receipts of Kshs.88,049,350 resulting to an under-utilization of Kshs.8,807,653 or 10% of the receipts.

The 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.

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. Unconfirmed Students Enrollment Data

Review of documents provided for audit revealed discrepancies between the data in the National Education Management Information System (NEMIS) which indicated that the School had a total number of one thousand and seventy two (1072) students against one thousand, one hundred (1100) students reflected in school enrolment records resulting to a variance of twenty eight (28).

This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

2. Unapproved Fees on Parents Association Support Programme

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflects boarding and school fund amount of Kshs.64,506,864 which further includes Kshs.4,964,650 at Kshs.2,000 per student per year in respect of PTA Contribution included in the School's fees structure without approval from the Ministry of Education. In addition, Note 4 to the financial statements reflects Kshs.72,584,765 in respect to school fund income – parents contribution which further includes Kshs.2,754,890 development project which was charged in the school's fees structure at Kshs.3,000 per student to support the programme which had not been approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that parents will only pay for school uniforms, boarding related costs as reflected in the boarding fees structure and lunch for the day scholars.

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

3. Failure to Transfer Infrastructure Funds from the Operations Account

NEMIS data indicates that Kshs.3,887,000 was to be transferred from the operations accounts to the infrastructure account. However, no money was transferred as per the Ministry of Education's guidelines. This was contrary to The Ministry of Education Circular 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.

4. Lack of Appointment Letter for Board of Management

During the year under review, the School had a total of fourteen (14) Board members. However, their nomination letters by the County Education Board was not provided for audit review. It was not clear how the Board of Management was appointed contrary to Section 56(1) of Basic Education Act, 2013 which states that the Board of Management should be appointed by the County Education Board.

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

5. Irregular Signing of Cheques by the Chairperson of Board of Management

Review of School records indicate that the chairperson of the Board of Management is a compulsory signatory to all bank accounts of the School, implying that he is actively involved in the day to day management of the School affairs. This results to conflict of interest as the Board of Management should also oversight and put checks and balances on transactions he is involved to process.

Further, it was observed that the Chairperson of the Board of Management was paid sitting allowances whenever called upon to sign cheques without approval from the Cabinet Secretary and SRC which leads to misuse of School and public funds contrary to Section 63 of the Basic Education Act, 2013.

6. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflects Kshs.64,506,864 in respect to payments for boarding and school fund, which further includes Kshs.4,359,983 in respect of administration cost which further includes Kshs.1,121,750 transferred to Kenya Secondary School Heads Association which is a private entity contrary to Regulation 23(2)(c) of the Public Finance Management (National Government) Regulations, 2015.

There were no clear guidelines from Kenya Secondary Schools Heads Association (KESSHA) on how the School needs to contribute with clear information of how the funds paid were to be utilized by Kenya Secondary Schools Heads Association (KESSHA) casting doubt on the authenticity of the payments.

In the circumstances, the validity, authenticity and regularity of the Kshs.1,121,750 expenditure could not be confirmed.

7. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 10 June, 2024 instead of the statutory deadline of 30 September 2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2023 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

8. Failure to Prepare School Improvement Plan

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

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

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 procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.248,000,000 in respect of fixed assets which includes land with no value and motor vehicles with a balance of Kshs.3,000,000. 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.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of 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 overall 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 controls 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 controls would not necessarily disclose all matters in the internal controls 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 controls 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 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 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 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 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

22 January, 2025

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022- 2023	2021- 2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,026,032.75	2,795,133.20
Government grants for operations	2	12,332,594.30	12,651,209.55
Government Grants for infrastructure	3		0
School fund income- parents' contributions	4	72,584,765.00	70,091,338.00
Miscellaneous incomes	5	105,958 .00	715,075.95
Total Receipts		**88,049,350.05**	**86,252,756.70**
Payments			
Tuition	6	2,998,656.00	2,928,240.00
Operations	7	11,736,177.00	15,296,156.85
Infrastructure	8		
Boarding and school fund	9	64,506,863.50	64,340,648.77
Total Payments		**79,241,696.50**	**82,565,045.62**
Surplus/Deficit		**8,807,653.55**	**3,687,711.08**

The school financial statements were approved on 17th JUNE 2024 and signed by:

.....	.....	.....
Name:Prof.Peter W. Muriu	**Name:Stephen K. Muniu**	**Name:Beth W. Mbatia**
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date:	**Date:** 6/8/2024	**Date:** 6/8/2024

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

Description	Note	2022-2023	2021 -2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	12,000,242.36	2,221,783.81
Cash balances	11	49,722.93	27,284.93
Short term investments	12		
Total cash and cash equivalent		**12,049,965.29**	**2,249,068.74**
Account's receivables	13	27,617,948.00	26,676,457.00
Total financial assets		**39,667,913.29**	**28,925,525.74**
Financial liabilities			
Accounts payables	14	4,349,017.00	2,414,283.00
Net financial assets		**35,318,896.29**	**26,511,242.74**
Represented by			
Accumulated fund b/fwd	15	26,511,242.74	22,823,531.61
Surplus/deficit for the year		8,807,653.55	3,687,711.13
Net financial position		**35,318,896.29**	**26,511,242.74**
			-

The school's financial statements were approved on 17TH JUNE 2024 and signed by:

.....	.....	.....
Name:Prof. Peter W. Muriu	**Name:Stephen k. Muniu**	**Name:Beth Wanjiku Mbatia**
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date:	**Date:** 6/8/2024	**Date:** 6/8/2024.

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

Description	Note	2022 - 2023	2021 -2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		3,026,032.75	2,795,133.20
Government grants for operations		12,332,594.30	12,651,209.55
Government grants for infrastructure			
School fund income- parents contributions/ fees		72,584,765.00	70,091,338.00
Other income		105,958.00	715,075.95
Total receipts		**88,049,350.05**	**86,252,756.70**
Payments			
Cash outflows for tuition		2,998,656.00	2,928,240.00
Cash outflows for operations		11,736,177.00	15,296,156.85
Cash outflows Boarding/lunch and school fund payments		64,506,863.50	64,340,648.77
Total payments		**79,241,696.50**	**82,565,045.62**
Adjusted for		-	-
Prior year Adjustment			
Decrease(increase in accounts receivables		**(941,491.00)**	**(5,061,247.00)**
Increase(Decrease in accounts payables		**1,934,734.00**	**327,068.00**
Net cash flow from operating activities		**9,800,896.55**	**(1,046,467.92)**
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
		-	-
Net increase/decrease in cash and cash equivalents		**9,800,896.55**	**(1,046,467.92)**
Cash and cash equivalent at beginning of the FY		2,249,068.70	3,295,536.61
Cash and cash equivalent at end of the FY		**12,049,965.25**	**2,249,068.70**

The school's financial statements were approved on 17TH JUNE 2024 and signed by:

.....	.....	.....
Name:Prof. Peter W. Muriu	**Name:Stephen K. Muniu**	**Name:Beth W. Mbatia**
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date:	**Date:** 6/8/2024	**Date:** 6/8/2024

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books	300,000.00		300,000.00	300,000.00	100%
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	2,726,032.75		2,726,032.75	2,726,032.75	100%
Exams And Assessment					
Total	**3,026,032.75**		**3,026,032.75**	**3,026,032.75**	
(2) Capitation Grant on Operations					
Personnel Emoluments	4,000,000.00		4,000,000.00	4,000,000.00	100%
Repairs And Maintenance	3,887,000.00		3,887,000.00	3,887,000.00	100%
Local Transport / Travelling	200,000.00		200,000.00	200,000.00	100%
Electricity And Water	312,500.00		312,500.00	312,500.00	100%
Medical	210,557.95		210,557.95	210,557.95	100%
Administration Costs	2,673,523.85		2,673,523.85	2,673,523.85	100%
Activity	1,049,012.50		1,049,012.50	1,049,012.50	100%
Gratuity					
TOTAL	**12,332,594.30**		**12,332,594.30**	**12,332,594.30**	
3) FDSE for infrastructure					
Maintenance &Improvement MoE	-				
M&I parents' contribution	-				
Economic Stimulus	-				

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
Programs					
Transition Infrastructure Grants	-				
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	3,720,000.00		3,720,000.00	5,128,895.00	137%
Repairs And Maintenance	2,880,000.00		2,880,000.00	3,355,015.00	116%
Local Transport / Travelling	780,000.00		780,000.00	1,228,147.00	157%
Electricity And Water	5,880,000.00		5,880,000.00	7,301,420.00	124%
Medical	720,000.00		720,000.00	624,000.00	86%
Administration Costs	2,340,000.00		2,340,000.00	2,996,738.00	128%
Activity	180,000.00		180,000.00	609,546.00	338%
Development project	3,600,000.00		3,600,000.00	2,754,890.00	77%
PTA	7,200,000.00		7,200,000.00	8,156,498.00	113%
Fee On Boarding Equipment and Stores	32,862,000.00		32,862,000.00	40,429,616.00	123%
5) Miscellenous Income					
Rent income	66,000.00		66,000.00	16,350.00	25%
Examination	56,600.00		56 600.00	49,608.00	88%
Loss damages				40,000.00	
total	**60,284,600.00**		**60,284,600.00**	**72,690,723.00**	
Total Income	**75,643,627.05**		**75,643,227.05**	**88,049,350.05**	
(6) Expenditure For Tuition					
Textbooks					
Reference Materials					
Exercise Books	300,000.00		300,000.00	892,880.00	298%
Laboratory Equipment					
Internal Exams					
Teaching / Learning	2,726,032.75		2,726,032.75	1,807,056.00	66%

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
Materials					
Chalks					
Exams And Assessment					
Teachers Guides					
Operation account				298,000.00	
Bank Charges				720.00	
TOTAL	**3,026,032.75**		**3,026,032.75**	**2,998,656.00**	
(7) Expenditure For Operations					
Personnel Emoluments	4,000.000.00		4,000,000.00	3,985,950.00	99%
Repairs, Maintenance & Improvements	3,887,000.00		3,887,000.00	2,109,210.00	102%
Local Transport / Travelling	200,000.00		200,000.00	252,756.00	126%
Electricity, Water and Conservancy	312,500.00		312,500.00	578,210.00	185%
Medical	210,557.95		210,557.95	651,640.00	309%
Administration Costs	2,673,523.85		2,673,523.85	2,641,661.00	98%
Activity Expenses	1,049,012.50		1,049,012.50	1,516,750.00	144%
Gratuity	--		-	-	-
SMASSE	--		-	-	-
Total	**12,332,594.30**		**12,332,594.30**	**11,736,177.00**	
(8)* Expenditure *For infrastructure			-	-	-
Construction of classrooms	-		-	-	-
Construction of LAB	-		-	-	-
Construction of DORMS	-		-	-	-
Purchase of furniture	-		-	-	-
Purchase of equipment	-		-	-	-
Purchase of machinery	-		-	-	-

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
(9) Expenditure For school fund/lunch/boarding	-		-	-	-
Personnel Emoluments	3,720,000.00		3,720,000.00	3,530,276.00	95%
Repairs, Maintenance and Improvements	2,880,000.00		2,880,000.00	8,270,308.00	287%
Local Transport / Travelling	780,000.00	-	780,000.00	3,141,000.00	403%
Electricity, Water and Conservancy	5,880,000.00	-	5,880,000.00	3,471,700.00	59%
Medical Expenses	720,000.00	-	720,000.00	1,560,110.00	217%
Administration Costs	2,340,000.00	-	2,340,000.00	4,359,982.50	186%
Activity	180,000.00	-	180,000.00	603,935.00	336%
Gratuity	-	-	-	-	-
Lunch Programme	-	-	-	-	-
Boarding Equipment and Stores	32,862,000.00	-	32,862,000.00	34,548,302.00	105%
Expenditure For Income Generating Activity	-	-	-	-	-
PTA	7,200,000.00	-	7,200,000.00	4,964,650.00	69%
Development project	3,600,000.00	-	3,600,000.00	-	0%
Rent Expenses	66,000.00	-	-	-	-
Exam	56,600.00	-	56,600.00	56,600.00	100%
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-
total	**60,284,600.00**		**60,284,600.00**	**64,506,863.50**	
Total expenditure	**75,643,227.05**	**-**	**75,643,227.05**	**79,241,696.50**	**-**

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	2022- 2023	2021- 2022
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	300,000.00	2,190,880.00
Laboratory Equipment	-	604,253.20
Internal Exams	-	-
Teaching / Learning Materials	2,726,032.75	-
Others *(specify)**	-	-
Total	**3,026,032.75**	**2,795,133.20**

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2022- 2023	2021- 2022
	Kshs	Kshs
Personnel Emoluments	4,000,000.00	4,400,000.00
Repairs And Maintenance	3,887,000.00	4,495,500.00
Local Transport / Travelling	200,000.00	150,000.00
Electricity And Water	312,500.00	850,000.00
Medical	210,557.00	600,000.00
Administration Costs	2,673,523.85	1,655,709.55
Activity	1,049,012.50	500,000.00
Other Vote Heads (specify)*	-	-
Total	**12,332,594.30**	**12,651,209.55**

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	-	-
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other *(specify)(NGCDF and County govt.*	-	-
Total	**-**	**-**

4 School Fund Income - Parents Contribution/Fees

Description	2022- 2023	2021- 2022
	Kshs	Kshs
Personnel emoluments	5,128,895.00	4,850,355.00
Repairs and maintenance	3,355,015.00	3,433,874.00
Local transport / travelling	1,228,147.00	900,986.00
Electricity and water	7,301,420.00	7,598,722.00
Medical	624,000.00	1,054,306.00
Administration costs	2,996,738.00	2,930,047.00
Activity	609,546.00	348,931.00
Fee on Boarding Equipment and stores	40,429,616.00	39,135,061.00
Development project	2,754,890.00	3,820,671.00
PTA	8,156,498.00	6,018,385.00
Total	**72,584,765.00**	**70,091,338.00**

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

5 Miscellaneous Incomes

Description	2022- 2023	2021- 2022
	Kshs	Kshs
Rent Income	16,350.00	19,625.95
Loss damages	40,000.00	661,650.00
Exam	49,608.00	33,800.00
Development project	-	-
School programme	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income *(specify)**	-	-
Total	**105,958.00**	**715,075.95**

Notes to the Financial Statements (continued)

6 Tuition

Description	**2022- 2023**	**2021 -2022**
	Kshs	**Kshs**
Exercise Books	892,880.00	2,190,880.00
Textbooks	-	-
¤ Reference materials	-	-
Laboratory Equipment	-	642,420.00
Teaching / Learning Materials	1,807,056.00	44,100.00
Exams And Assessment	-	-
Teachers Guides	-	50,000.00
Bank Charges	720.00	-
Operation account	298,000.00	-
Total	**2,998,656.00**	**2,928,240.00**

7 Operations

Description	**2022- 2023**	**2021 2022**
	Kshs	**Kshs**
Personnel Emoluments	3,985,950.00	4,949,828.00
Service Gratuity	-	-
Administration Cost	2,641,661.00	2,538,985.85
Repairs And Maintenance & Improvements	2,109,210.00	2,726,195.00
Local Transport / Travelling	252,756.00	145,478.00
Electricity And Water	578,210.00	826,850.00
Medical	651,640.00	622,050.00
Activity Expenses	1,516,750.00	1,082,450.00
Bank charges	-	-
Others (specify)	-	-
Total	**11,736,177.00**	**12,891,836.85**

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022- 2023	2021 - 2022
	Kshs	Kshs
Construction of classrooms	-	
Construction of laboratory	-	2,403,255.00
Bank charges	-	1,065.00
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
Total	**-**	**2,404,320.00**

9 Boarding And School Fund

Description	2022- 2023	2021- 2022
	Kshs	Kshs
Personnel Emoluments	3,530,276.00	2,757,131.00
¤ Service Gratuity	-	-
Repairs And Maintenance & Improvements	8,270,308.00	8,540,030.00
Local Transport / Travelling	3,141,000.00	2,193,616.50
Electricity And Water	3,471,700.00	3,428,230.00
Medical Expenses	1,560,110.00	1,581,470.00
Administration Costs	4,359,982.50	5,396,653.27
Lunch Programme	-	-
Bank Charges	-	-
PTA	4,964,650.00	5,247,250.00
Fee On Boarding Equipment and Stores	34,548,302.00	28,538,522.00
Exam	56,600.00	52,600.00
Activity	603,935.00	569,035.00
Development project	-	6,036,111.00
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
PA expenses	-	-
Others (specify)	-	-
Total	**64,506,863.50**	64,340,648.77

*(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	2022 - 2023	2021- 2022
	Active/Dormant		Kshs	Kshs
Tuition Account		1234293587	94,638.85	67,262.10
Operations Account		1234293781	647,027.50	26,448.20
School Fund Account/Boarding		0660295491522	11,258,173.01	2,127,670.51
Savings Account		-	-	-
Parent Association Development Account		-	-	-
Income Generating Activities Account		-	-	-
Infrastructural Account		1234286467	403.00	403.00
Total			**12,000,242.36**	**2,221,783.81**

11 Cash In Hand

Description	2022- 2023	2021- 2022
	Kshs	Kshs
Notes and Coins	49,722.93	27,284.93
Total	**49,722.93**	**27,284.93**

12 Short Term Investments

Description	2022 - 2023	2021 -2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	**-**	**-**

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022 - 2023	2021 -2022
	Kshs	Kshs
Fees Arrears	27,617,948.00	26,676,457.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	**27,617,948.00**	**26,676,457.00**

13 b Ageing Analysis of Accounts Receivable

Description	2022 - 2023		2021- 2022	
	Kshs		*Kshs*	
	Current 2023	% of the total	Comparative 2022	% of the total
Less than 1 year	7,490,766.00	27%	7,049,865.00	26%
Between 1- 2 years	550,240.00	2%	-	%
Between 2-3 years		%	-	%
Over 3 years	19,626,592.00	71%	19,626,592.00	74%
Total (should tie to note 13 a)	**27,617,948.00**	**100%**	**26,676,457.00**	**100%**

14 Accounts Payable

Description	2022- 2023	2021- 2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,520,290.00	
Prepaid Fees	1,828,727.00	2,414,283.00
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables *(specify)*		
Total	**4,349,017.00**	**2,414,283.00**

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	**2022- 2023**		**2021- 2022**	
	Kshs		***Kshs***	
	Current 2023	**% of the total**	**Comparative 2022**	**% of the total**
Less than 1 year	2,520,290.00	100%	1,241,227.00	100%
Between 1- 2 years	-	%		%
Between 2-3 years	-	%		%
Over 3 years	-	%		%
Total (should tie to note 14)	**2,520,290.00**	**100%**	**1,241,227.00**	**100%**

15 Fund Balance Brought Forward

Description	**2022 - 2023**	**2021- 2022**
	Kshs	**Kshs**
Bank Balances	12,000,242.36	2,221,783.81
Cash Balances	49,722.93	27,284.93
Short Term Investments		
Receivables	27,617,948.00	26,676,457.00
Payables	(4,349,017.00)	(2,414,283.00)
Total	**35,318,896.29**	**26,511,242.74**

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	2022 - 2023	2021- 2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2022- 2023	2021 -2022
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
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	2022 - 2023	2021 - 2022
	Kshs	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 Comparative 2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.	-	--	-	-	-	
2.	-	-	-	-	-	
3.	-	-	-	-	-	
Sub-Total	-	-	-	-	-	
Supply Of Goods						
4. JOYWAECH ENTERPRISES	700,000.00	-	-	700,000.00	700,000.00	No funds
5. BERNARD NDUNGU	1,120,080.00	-	-	1,120,080.00	1,120,080.00	
6. FRAWAH GENERAL SUPPLIER	685,115.00	-	-	685,115.00	685,115.00	
7. GITWE CITY STORES	15,095.00	-	-	15,095.00	15,095.00	
Sub-Total	**2,520,290.00**	-	-	**2,520,290.00**	**2,520,290.00**	
Supply Of Services						
8.						
Sub-Total						
Grand Total	**2,520,290.00**			**2,-520,290.00**	**2,520,290.00**	

Annex 2 – Summary of Fixed Assets Register

Asset Class	ESTIMATED Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	ESTIMATED Historical Cost c/f (Kshs) 30th June 2023
Land	NO VALUER	-	-	-
Buildings And Structures	240,000,000.00	-	-	240,000,000.00
Motor Vehicles	3,000,000.00	-	-	3,000,000.00
Office Equipment, Furniture And Fittings	1,200,000.00	-	-	1,200,000.00
Textbooks	-	-	-	-
ICT Equipment	1,000,000.00	-	-	1,000,000.00
Tools And Apparatus	1,500,000.00	-	-	1,500,000.00
Other Machinery And Equipment	1,000,000.00	-	-	1,000,000.00
Heritage And Cultural Assets	-	-	-	-
Intangible Assets- Soft Ware	300,000.00	-	-	300,000.00
Total				248,000,000.00