

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 01 JUL 2026

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WEDNESDAY

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BY:

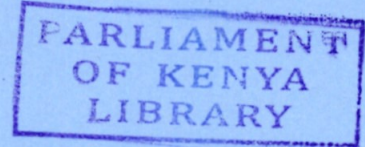
HON. DWEN BAYA, M.P.

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CHRISTINE NDIRITU

REPORT

OF



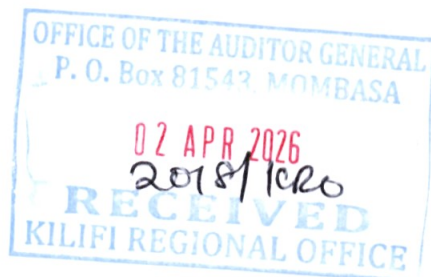
THE AUDITOR-GENERAL

ON

GODOMA SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

KILIFI COUNTY



**GODOMA SECONDARY SCHOOL
P.O. BOX 494 80108
KILIFI**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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1. Acronyms and Glossary of Terms

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

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 located in KILIFI County, GANZE Sub-County

The school was registered in 1968 under registration number 03S/3000/0145 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 753 number of students as at *30th June 2023*. It has Four streams and Thirty-Two teachers of which Ten 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	Rt. Rev Bishop Reuben Katite	Chairman	08/07/2022
2	Mr. Charles M Kyambi	Secretary - Principal	08/07/2022
3	Mr. Geoffrey Katana	Member	08/07/2022
4	Mr. Joseph R Fondo	Member	08/07/2022
5	Mr. Eric Maitha	Member	08/07/2022
6	Mr. Chilumo Rimba	Member	08/07/2022
7	Mr. Luganje Morris	Member	08/07/2022
8	Ven Esther Were	Member	08/07/2022
9	Mr. Rodgers K Ngala	Member	08/07/2022
10	Mr. Rashid Mjimba	Member – Rep CEB	08/07/2022
11	Mr Fredrick Charo	Member Rep Teachers	08/07/2022
12	Rt. Rev Bishop Reuben Katite, Rev Esther Were, Mr. Joseph Ruwa	3 Members - Sponsor	08/07/2022
13	Ms. Lillian Randu		08/07/2022
14	Mr Wilfred Baya		08/07/2022
15	Mr. Joseph Ruwa	Member community	08/07/2022
16	Jacob Sirya	MemberSpecial Needs	08/07/2022

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Bishop R Katite Charles Kyambi Lillian Randu Joseph Ruwa Rodgers Ngala	Chairman Secretary/Principal Member Member Member	1 meeting
2	Audit Committee	n/a	n/a	
3	Finance, procurement and general purposes Committee	Joseph Ruwa Alp Jacob Sirya Joseph Ruwa Lillian Randu	Chairman Member Member Member	1 meeting
4	Academic Committee	Wilfred Baya Charles Kyambi Lillian Randu Fredrick Charo	Chairman Secretary/Principal Member Member	1 meeting
5	Development Committee	Bishop R Katite Charles Kyambi Ven Esther Were Mr. Eric Maitha	Chairman Secretary/Principal Member Member	2 meetings

		Mr. Stephen Muna	Member Member	
6	Discipline and welfare Committee	Bishop R Katite Charles Kyambi Ven Esther Werer Eric Maitha	Chairman Secretary/Principal Member Member Member	1 meeting
7	Adhoc Committee (if any during the year)	Harambee Thoya Lennox Mambo Sammy Birya Rehema Mumbo	Chairman Secretary Member Member	2 meetings

(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	Charles M Kyambi	TSC No. 240312
2	Deputy Principal	Harambee C Thoya	TSC No. 336549
3	School Bursar	Lennox Mambo	ICPAK No. n/a
4	Other (specify)	n/a	n/a

(e) Schools contacts

Post Office Box: 494 80108 Kilifi
 Telephone: 0707577006
 E-mail: godomasec@gmail.com
 Website: www.godomasec.co.ke
 Facebook:
 Twitter:

(f) School Bankers

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

1. Name of Bank: KCB
 Branch: Kilifi
 Account Number: 1102211265
2. Name of Bank: KCB
 Branch: Kilifi
 Account Number: 1102210846
3. Name of Bank: KCB

- Branch Kilifi
Account Number: 1102209686
4. Name of Bank: KCB
Branch Kilifi
Account Number: 1236313852
5. MPESA Pay Bill No. 522123 attached to 1102211265 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:

Surplus/Deficit for the year

	30.06.2023	30.06.2022	30.06.2021
Surplus/(Deficit)	1,073,095.70	917,393.00	2,725,810.40

FSE Received from the Ministry

	30.06.2023	30.06.2022	30.06.2021
FSE Received	10,195,896.70	10,093,411.60	5,977,284.40

Ratio of Capitation per student

	30.06.2023	30.06.2022	30.06.2021
FSE	10,195,896.70	10,093,411.60	5,977,284.40
No. of students	753	674	546
Ratio	13,540	14,975	10,947

Overview of growth of other incomes

	30.06.2023	30.06.2022	30.06.2021
Other Incomes	405,150.00	1,240,979.00	438,528.00

Overview of growth of expenditure

	30.06.2023	30.06.2022	30.06.2021
Expenditure	49,302,991.00	42,558,575.00	13,687,070.00

Movement of debtors & creditors

b) Teacher Student ratio:

	30.06.2023	30.06.2022
Teacher student ratio	1:25	1:22
No. of teachers recruited/posted	0	01
No. of teachers transferred/retired	01	0
No. of TSC teachers	22	21
No. of BOM teachers	10	9

c) Mean score in the 2022 KCSE:

Year	No. of candidates	Mean Target	Mean Score	Transition	Comment
2022	94	6.00	5.98	75	Good
2021	137	6.50	5.60	104	Good
2020	137	6.50	5.71	112	Good

d) Number of Candidates in the 2023 KCSE:

	30.06.2023	30.06.2022	30.06.2021
No. of candidates	141	96	137

e) Capacity of the school:

Year	No. of students	No. of Dorms	No. of Toilets	No. of classes	Kitchen/ Dining	No. of Labs
2023	753	12	31	18	1	3
2022	674	12	31	18	1	2
2021	546	11	31	18	1	2

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Biology Lab completion	GoK	Completed	2,114,858.00	2,114,858.00	
2No Classes	GoK	Ongoing	2,794,457.00	2,182,610.00	31.08.2023
1No. laboratory	World Bank	Ongoing	N/a	N/a	30.09.2023

School Principal



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "GQDOMA SEC. SCHOOL", "P.O. BOX 494-81108, KILIF", and "01 APR 2023". To the right of the signature, the date "01/7/26" is handwritten in blue ink.

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 *GODOMA 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: *Walter*
Designation: Chairman, School Board of Management
Date: 01/4/26

.....
Name: *Reuben S. Kahle*
Designation: School Principal & Secretary to Board of Management
Date: 01/4/26

.....
Name: *Kennox Mamo*
Designation: Bursar/ Finance Officer
Date: 01/4/26 -

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON GODOMA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – KILIFI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Godoma Secondary School set out on pages 1 to 22, which comprise of the statement of assets and liabilities as

at 30 June, 2023 and 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, 2010, 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 the Godoma 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements revealed misstatements affecting the statements of receipts and payments, statement of assets and liabilities and the statement of cash flows as indicated below:

1.1. Statement of Receipts and Payments

The statement of receipts and payments reflects receipts totalling to Kshs.47,615,086. Included in the receipts is an amount of Kshs.1,575,496 in respect of capitation grants for tuition. However, the bank statement for tuition reflects Kshs.1,875,496 resulting in unexplained variance of Kshs.300,000. In addition, Notes 2 and 3 reflects capitation grants for operations and infrastructure totalling to Kshs.8,350,400 while the bank statement for operation reflects Kshs.8,340,400 resulting in unexplained variance of Kshs.10,000. Further, the statement reflects boarding and school fund payments amount of Kshs.35,588,188 as disclosed in Note 9 to the financial statements. However, the recalculated amount in Note 9 is Kshs.35,174,985 resulting to unexplained variance of Kshs.413,203. Similarly, the recalculation of the comparative amount in Note 9 gives Kshs.30,801,134 instead of the Kshs.31,239,884 reflected in the statement resulting to unexplained variance of Kshs.438,750. The reported surplus of Kshs.1,073,096 is therefore understated.

1.2. Statement of Assets and Liabilities

The statement of assets and liabilities reflects a net assets balance of Kshs.9,832,800 which when recalculated is Kshs.9,852,800 resulting to a variance of Kshs.20,000 attributed to errors in the surplus amount rendering the statement not to balance. In addition, Note 13 to the financial statements reflects accounts receivables comparative balance of Kshs.15,483,292 while recomputation gives a balance of Kshs.13,451,496 resulting in unexplained variance of Kshs.2,031,796.

1.3. Statement of Cash Flows

The statement of cash flows reflects amounts in five (5) items that varied with the 2021/2022 financial statements as detailed below:

Item	Financial Statements Comparative Amount (Kshs)	Audited Statement of Cash Flows (Kshs)	Unexplained Variance (Kshs)
Government Grants for Operations	5,082,261	8,237,261	3,155,000
School Fund Income	33,983,838	33,843,838	140,000
Other Income	2,488,117	1,240,979	1,247,138
Payment for Operations	6,496,602	9,590,894	3,094,292
Acquisition of Assets	2,674,448	0	2,674,448

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

2. Variances in and Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.16,026,979 as disclosed in Note 14 to the financial statements. However, the ledger reflects a balance of Kshs.8,503,797 resulting in an unexplained variance of Kshs.7,523,181. In addition, the balance was not supported with a detailed ageing analysis while Annex 1 on analysis of accounts payables reflects a balance of Kshs.8,534,707 which when recalculated gives Kshs.8,525,646 resulting to an unexplained variance of Kshs.9,061.

In the circumstances, the accuracy, existence and completeness of the accounts payables balance of Kshs.16,026,979 could not be confirmed.

3. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects a cash and cash equivalents balance of Kshs.4,668,342 which includes a bank balance of Kshs.4,587,660 as disclosed in Note 10 to the financial statements. However, the school bus saving bank account with a balance of Kshs.48,183 was not disclosed in the financial statements. In addition, the balance includes cash balance of Kshs.80,682 whose board of survey report was not provided for audit review.

In the circumstances, the accuracy, completeness, and existence of cash and cash equivalents balance of Kshs.4,668,342 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Godoma Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements to the Auditor-General

Management submitted the financial statements to the Auditor-General on 19 January, 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 the circumstances, Management was in breach of the law.

2. Irregular and Unauthorized Inter-Bank Account Borrowing

The statement of assets and liabilities reflects accounts receivables balance of Kshs.21,191,437 as disclosed in Note 13 to the financial statements. The balance includes Kshs.6,543,811 disclosed as receivable on boarding, operations and tuition. In addition, payables balance of Kshs.16,026,979 as disclosed in Note 14 to the financial statements includes Kshs.6,414,811 which is disclosed as payable to tuition, infrastructure, boarding and operations. These balances relate to outstanding inter-bank account borrowings. This was contrary to Regulation 54 (1) of the Public Finance Management (National Government) Regulations, 2015 which states that except as provided for in the Act and these Regulations, an Accounting Officer of an entity may not authorize payment to be made out of funds earmarked for specific activities for purposes other than those activities.

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

3. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure amount of Kshs.9,925,896 as disclosed in Notes 1, 2 and 3 to the financial statements. During the financial year, National Education Management and Information System (NEMIS) reported a total number of six hundred and seventy-four (674) students while the enrolment records provided by the School indicated a total number of six hundred and seventy-seven (677) students resulting in an unexplained variance of three (3). As a result of the variances, the School was under-funded by an amount of Kshs.131,960.

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

4. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure totalling Kshs.9,925,896. Comparison of data from National Education Management and Information System (NEMIS) reflected six hundred and seventy-four (674) students while records from the County Director of Education had six hundred and seventy-seven (677) students, resulting in an underfunding of the school by an amount of Kshs.131,960. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 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 stakeholders.

5. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects capitation grants for operations amount of Kshs.5,559,400 as disclosed in Note 2 to the financial statements from the

Ministry of Education credited in the operations bank account. Included in the amount is Kshs.2,700,355 2,791,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.2,019,000 was transferred to infrastructure account, leaving a balance of Kshs.681,355 as at 30 June, 2023. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

6. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.47,615,086 and Kshs.46,541,991 in respect of total receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

7. Lack of School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three (3) year School improvement planning cycle, one (1) priority area in each of the four (4) 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.

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

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows:

- i. Notes to the financial statements have guidance notes which ought to have been removed.
- ii. Progress on follow up of Auditor Recommendations is not on a separate page as required by the template.
- iii. The statement of budgeted versus actual amounts does not include total income, while the total expenditure is incorrectly presented.

- iv. Note 1 on significant accounting policies on basis of preparation states that the financial statements have been prepared and presented in Kenya shillings to the nearest shilling. However, the amounts and balances in the financial statements have not been rounded off to the nearest shilling.

Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Reports from Internal Audit and Audit Committee

During the year under review, the School had not constituted an audit committee while the audit reports by the Directorate of School Audit Services responsible for the internal audit function in public schools were not provided. This was contrary to Section 90 of the Basic Education Act, 2013 which states that the Cabinet Secretary shall establish mechanisms for school-based auditing and that the officers responsible for school-based auditing for public schools shall advise and work with the respective headteachers, principals, school administrators and governing bodies to ensure the proper maintenance of accounts and assets of the Institution.

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

2. Weaknesses in Management of Assets

Annex 2 on summary of fixed assets register reflects a balance of Kshs.89,004,000 in respect of fixed assets which include land valued at Kshs.22,500,000. However, land ownership documents were not provided for audit. In addition, Management did not

prepare an updated fixed assets register and the assets at the School were not tagged for ease of identification.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

3. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.21,191,437 which includes fees arrears balance of Kshs.14,647,626 as disclosed in Note 13 to the financial statements. Included in the fee arrears is an amount of Kshs.7,129,026 which had been outstanding for more than two (2) years. However, there was no age analysis and policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the existence of effective mechanisms for debt management could not be confirmed.

4. Weak Internal Controls in Stock/Inventory Management

Note 19 on other important disclosures reflects stock/inventory balance of Kshs.29,797,029. However, no evidence was provided to confirm that an annual stock take was conducted for the financial year under review. In addition, physical verification of the inventory receipt and issue system in the stores department revealed that stores records were maintained manually using stock cards. The manual system did not provide adequate details of who requested the inventory, the point or location of issue, thereby limiting the ability to trace issued inventory. Furthermore, the system lacks provisions for determining inventory utilization, reorder levels, and obsolete items held in store.

In the circumstances, the existence of effective measures in the management of stock/inventory 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 the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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 comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

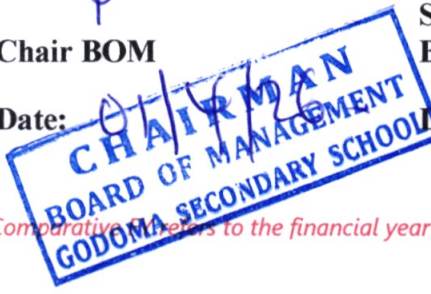
Nairobi

26 May, 2026

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

Description Of Vote Head	Note	30.06.2023	30.06.2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,575,496.25	1,856,150.00
Government grants for operations	2	5,559,400.45	8,237,261.00
Government Grants for infrastructure	3	2,791,000.00	3,155,000.00
P/Emol Savings Income		0.00	455,000.00
School fund income- parents' contributions	4	37,014,040.00	13,714,436.00
Miscellaneous incomes	5	405,150.00	19,528,121.00
Total Receipts		47,615,086.70	46,945,968.60
Payments			
Tuition	6	2,888,949.00	2,256,042.00
Operations	7	5,949,996.00	9,505,272.00
Infrastructure	8	2,114,858.00	2,651,669.00
P/Emol Savings		0.00	375,708.00
Boarding and school fund	9	35,588,188.00	31,239,884.00
Total Payments		46,541,991.00	46,028,575.60
Surplus/Deficit		1,073,095.70	917,393.00

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

Name: Leusio Kakte Name: Leusio Kakte Name: Leusio Kakte
 Chair BOM School Principal/ Secretary to BOM Bursar/ Finance Officer
 Date: 01/4/2023 Date: 01/4/2023 Date: 01/4/2023




(Comparative figures to the financial year preceding the current financial year.)

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

Description	Note	30.06.2023	30.06.2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	4,587,660.21	3,677,199.51
Cash balances	11	80,682.15	6,063.15
Short term investments	12	0.00	0.00
Total cash and cash equivalent		4,668,342.36	3,683,262.66
Account's receivables	13	21,191,437.12	15,463,203.12
Total financial assets		25,859,779.48	19,146,465.78
Financial liabilities			
Accounts payables	14	16,026,978.60	10,386,760.60
Net financial assets		9,832,800.88	8,759,705.18
Represented by			
Accumulated fund b/fwd	15	8,759,705.18	7,842,312.18
Surplus/deficit for the year		1,073,095.70	917,393.00
Net financial position		9,832,800.88	8,759,705.18

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

Name: *Reuben Kama*

Chair BOM

Date: *01/4/26*Name: *Wangeci A. A. A.*

School Principal/ Secretary to BOM

Date: *01/4/26*Name: *Lenny Mumbo*

Bursar/ Finance Officer

Date: *01/4/26*

(Comparative figures refer to the financial year preceding the current financial year.)

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

Description	Note	30.06.2023	30.06.2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,875,496.25	1,856,150.00
Government grants for operations		6,301,400.45	5,082,261.00
Government grants for infrastructure		2,019,000.00	3,155,000.00
School fund income- parents contributions/ fees		32,550,010.00	33,983,838.00
Other income		2,324,879.00	2,488,117
Total receipts		45,070,785.70	46,565,366.60
Payments			
Cash outflows for tuition		2,255,509.00	2,355,265.00
Cash outflows for operations		6,906,935.00	6,496,602.00
Cash outflows Boarding/lunch and school fund payments		32,839,313.00	35,209,151.00
Total payments		(42,001,757.00)	(44,061,018.00)
Net cash inflow/outflow from operating activities		3,069,028.70	2,504,348.60
Cash flow from investing activities			
Acquisition of assets		(2,083,949.00)	(2,674,448.00)
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		(2,083,949.00)	(2,674,448.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		(2,083,949.00)	(2,674,448.00)
Net increase/decrease in cash and cash equivalents		985,079.70	(170,099.40)
Cash and cash equivalent at beginning of the FY		3,683,262.66	3,853,362.06
Cash and cash equivalent at end of the FY		4,668,342.36	3,683,262.66

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

Name: *Levisi Kante*

Chair BOM

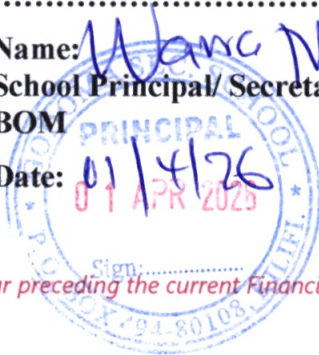
Date: *01/4/26*



Name: *Wang Nang*

School Principal/ Secretary to BOM

Date: *01/4/26*



Name: *Henry Mumbo*

Bursar/ Finance Officer

Date: *01/4/26*



(Comptative refers to the financial year preceding the current Financial year.)

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					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	55,500.00	0.00	55,500.00	63,021.00	114
Exercise Books	896,140.00	0.00	896,140.00	1,017,573.75	114
Laboratory Equipment	422,540.00	0.00	422,540.00	479,798.00	114
Internal Exams	107,300.00	0.00	107,300.00	121,840.00	114
Teaching / Learning Materials	114,700.00	0.00	114,700.00	130,242.50	114
Chalks	55,500.00	0.00	55,500.00	63,021.00	114
Exams And Assessment	0.00	0.00	0.00	0.00	114
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	4,847,000.00	0.00	4,847,000.00	3,130,439.10	65
Repairs And Maintenance	0.00	0.00	0.00	0.00	65
Local Transport / Travelling	628,000.00	0.00	628,000.00	408,535.00	65
Electricity And Water	296,000.00	0.00	296,000.00	192,391.25	65
Medical	1,036,000.00	0.00	1,036,000.00	673,375.80	65
Administration Costs	666,000.00	0.00	666,000.00	432,884.00	65
Activity	1,110,000.00	0.00	1,110,000.00	721,474.00	65
Gratuity	0.00	0.00	0.00	0.00	65

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
	xxx	xxx	xxx	xxx	x
3) FDSE for infrastructure					
Maintenance & Improvement MoE	3,700,000.00	0.00	3,700,000.00	2,761,000.00	75
M&I parents' contribution	1,480,000.00	0.00	1,480,000.00	1,566,332.00	106
Economic Stimulus Programs	0.00	0.00	0.00	0.00	0
Transition Infrastructure Grants	0.00	0.00	0.00	0.00	0
Administration Block	0.00	0.00	0.00	0.00	0
(4) Fees Charged on Parents					
Personnel Emoluments	4,070,000.00	0.00	4,070,000.00	3,892,320.00	95
Repairs And Maintenance	658,600.00	0.00	658,600.00	824,322.00	125
Local Transport / Travelling	1,480,000.00	0.00	1,480,000.00	2,735,170.00	185
Electricity And Water	925,000.00	0.00	925,000.00	1,043,874.00	113
Medical		0.00		0.00	0
Administration Costs	1,502,200.00	0.00	1,502,200.00	3,378,859.00	225
Activity	370,000.00	0.00	370,000.00	367,080.00	99
SMASSE	0.00	0.00	0.00		0
Fee On Boarding Equipment and Stores	15,414,200.00	0.00	15,414,200.00	15,079,531.00	98
5) Miscellenous Income					
Loans / Borrowing	0.00	0.00	0.00	0.00	0
Rent income		0.00	0.00	277,800.00	x
Income From Farming Activities	0.00	0.00	0.00	0.00	x
Insurance Compensation	0.00	0.00	0.00	0.00	x

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Posho Mill	0.00	0.00	0.00	0.00	0
Income From Bus Hire	0.00	0.00	0.00	75,000.00	x
Fee For Hire of Ground and Equipment	0.00	0.00	0.00	0.00	0
Interest Income	0.00	0.00	0.00	0.00	0
Income From Any Other Investment	0.00	0.00	0.00	0.00	0
Total Income					
<i>(6) Expenditure For Tuition</i>					
Textbooks	0.00	0.00	0.00	0.00	0
Reference Materials	0.00	0.00	0.00	0.00	0
Exercise Books	787,200.00	0.00	787,200.00	1,500,530.00	191
Laboratory Equipment	370,000.00	0.00	370,000.00	93,461.00	25
Internal Exams	94,000.00	0.00	94,000.00	57,500.00	61
Teaching / Learning Materials	40,000.00	0.00	40,000.00	0.00	0
Chalks	48,000.00	0.00	48,000.00	0.00	0
Exams And Assessment	0.00	0.00	0.00	0.00	0
Teachers Guides	100,277.00	0.00	100,277.00	0.00	0
Administration Costs	0.00	0.00	0.00	0.00	0
Bank Charges	0.00	0.00	0.00	0.00	0
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	4,847,000.00	0.00	4,847,000.00	3,715,491.00	77
Repairs, Maintenance & Improvements	0.00	0.00	0.00	0.00	0

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Local Transport / Travelling	629,000.00	0.00	629,000.00	1,172,220.00	186
Electricity, Water and Conservancy	296,000.00	0.00	296,000.00	316,611.00	107
Medical	1,036,000.00	0.00	1,036,000.00	14,000.00	1.4
Administration Costs	666,000.00	0.00	666,000.00	717,425.00	107
Activity Expenses	1,110,000.00	0.00	1,110,000.00	405,700.00	37
Gratuity	0.00	0.00	0.00	0.00	0
SMASSE	0.00	0.00	0.00	0.00	0
(8) Expenditure For infrastructure					
Construction of classrooms	0.00	0.00	0.00	0.00	0
Construction of LAB	2,668,500.00	0.00	2,668,500.00	2,083,949.00	78
Construction of DORMS	0.00	0.00	0.00	0.00	0
Purchase of furniture	0.00	0.00	0.00	0.00	0
Purchase of equipment	0.00	0.00	0.00	0.00	0
Purchase of machinery	0.00	0.00	0.00	0.00	0
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	4,070,000.00	0.00	4,070,000.00	3,892,320.00	96
Repairs, Maintenance and Improvements	658,600.00	0.00	658,600.00	824,322.00	125
Local Transport / Travelling	1,480,000.00	0.00	1,480,000.00	2,735,170.00	185
Electricity, Water and Conservancy	925,000.00	0.00	925,000.00	1,043,874.00	112

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
Medical Expenses	0.00	0.00	0.00	0.00	0
Administration Costs	1,502,200.00	0.00	1,502,200.00	3,378,859.00	225
Activity	370,000.00	0.00	370,000.00	367,080.00	99
Gratuity	0.00	0.00	0.00	0.00	0
Lunch Programme	0.00	0.00	0.00	0.00	0
Boarding Equipment and Stores	15,414,200.00	0.00	15,414,200.00	15,079,531.00	98
Expenditure For Income Generating Activity	240,000.00	0.00	240,000.00	335,050.00	140
Insurance Costs	0.00	0.00	0.00	0.00	0
Other Expenses On Investments	0.00	0.00	0.00	0.00	0
Rent Expenses	234,000.00	0.00	234,000.00	0.00	0
Bank Charges	0.00	0.00	0.00	0.00	0
Loan Interest Repayment	0.00	0.00	0.00	0.00	0
Loan Principal Repayment	0.00	0.00	0.00	0.00	0
Acquisition Of Assets	0.00	0.00	0.00	0.00	0
Totals	24,894,000.00	0.00	24,894,000.00	27,656,206.00	x

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

- i. Xxx
- ii. Xxx

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of

changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To The Financial Statements**1 Government Grants for Tuition**

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Reference Materials	63,021.00	62,370.00
Exercise Books	1,017,573.75	1,007,079.00
Laboratory Equipment	479,798.00	474,847.60
Internal Exams	121,840.00	120,584.00
Teaching / Learning Materials	130,242.50	128,900.00
Others (specify) * Chalks	63,021.00	62,370.00
Total	1,875,496.25	1,856,150.60

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Personnel Emoluments	3,130,439.10	2,866,245.40
Repairs And Maintenance	0.00	0.00
Local Transport / Travelling	408,835.80	378,116.90
Electricity And Water	192,391.75	393,835.70
Medical	673,375.80	175,038.00
Administration Costs	432,884.00	612,633.00
Activity	721,474.00	656,392.00
Other Vote Heads (specify)*	0.00	0.00
Total	5,559,400.45	5,082,261.00

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Maintenance & Improvement	2,761,000.00	3,155,000.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Other (specify)(NGCDF and County govt.	0.00	0.00
Total	2,761,000.00	3,155,000.00

4 School Fund Income - Parents Contribution/Fees

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Personnel emoluments	5,530,269.00	5,381,211.00
Repairs and maintenance	900,521.00	940,995.00
Local transport / travelling	2,006,490.00	2,008,654.00
Electricity and water	1,238,092.00	1,259,244.00
Medical	0.00	0.00
Administration costs	1,939,097.00	2,027,064.00
Activity	306,645.00	509,312.00
Fee on Boarding Equipment and stores	23,293,129.00	18,287,142.00
PA Levies*	0.00	0.00
Others (specify) M&I	1,799,797.00	1,727,956.00
Total	37,014,040.00	32,141,576.00

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

5 Miscellaneous Incomes

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Rent Income	272,800.00	188,000.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	75,000.00	85,500.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00

GODOMA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Other Income (<i>Tenders, KCSE fees repeaters, school magazine</i>)*	57,350.00	967,479.00
Total	405,150.00	1,240,979.00

Notes to the Financial Statements (continued)

6 Tuition

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Exercise Books	1,630,530.00	769,170.00
Textbooks	0.00	0.00
Reference materials	0.00	0.00
Laboratory Equipment	1,158,389.00	1,268,632.00
Teaching / Learning Materials	0.00	92,354.00
Exams And Assessment	57,500.00	52,500.00
Teachers Guides	0.00	0.00
Bank Charges	2,530.00	966.00
Others (Chalks)	40,000.00	72,420.00
Total	2,888,949.00	2,256,042.00

7 Operations

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Personnel Emoluments	4,323,688.00	3,788,691.00
Service Gratuity	0.00	375,102.00
Administration Cost	772,525.00	986,224.00
Repairs And Maintenance & Improvements	0.00	273,000.00
Local Transport / Travelling	117,220.00	367,940.00
Electricity And Water	316,611.00	253,013.00
Medical	14,000.00	97,650.00
Activity Expenses	405,700.00	268,754.00
Insurance Cost	0.00	0.00
Others (Bank Charges)	252.00	1,110.00
Total	5,949,996.00	6,411,484.00

Notes to the Financial Statements (continued)

8 Infrastructure

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Construction of classrooms	0.00	0.00
Construction of laboratory	2,114,858.00	2,441,165.60
Construction of dormitory	0.00	0.00
Purchase of furniture	0.00	210,000.00
Purchase of equipment	0.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Others (specify)	0.00	0.00
Total	2,114,858.00	2,651,165.60

9 Boarding And School Fund

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Personnel Emoluments	4,044,320.00	3,573,040.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	930,472.00	1,069,289.00
Local Transport / Travelling	2,735,170.00	1,447,690.00
Electricity And Water	1,043,874.00	898,529.00
Medical Expenses	183,826.00	567,600.00
Administration Costs	3,744,019.00	2,601,396.00
Lunch Programme	0.00	0.00
Bank Charges	0.00	0.00
Expenses On Income Generating Activities**	335,050.00	456,030.00
Fee On Boarding Equipment and Stores	20,612,893.00	18,624,312.00
Rent Expenses	0.00	0.00
Insurance Cost (<i>Life Property</i>)	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	1,409,411.00	836,348.00
PA expenses	0.00	0.00
Others (Sch magazine, tender expenses, KCSE repeaters)	135,950.00	726,900.00

Total	35,588,188.00	31,239,884.00
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Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	30.06.2023	30.06.2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1102210846	56,115.10	21,127.85
Operations Account	Active	1102209686	256,591.80	73,808.35
School Fund Account/Boarding	Active	1102211265	1,310,989.31	506,022.31
Savings Account	Active	1236314425	99,381.00	99,381.00
Income Generating Activities Account	Dormant		0.00	0.00
Infrastructural Account	Active	1236313852	2,864,583.00	2,976,860.00
Total			4,587,660.21	3,677,199.51

11 Cash In Hand

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Notes and Coins	80,682.15	6,083.15
Total	80,682.15	6,083.15

12 Short Term Investments

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Fees Arrears	14,647,626.12	9,063,844.42
Other Non-Fees Receivables		
Overdrawn accounts	0.00	302,636.70
Boarding A/c in Tuition	3,670,015.00	4,085,015.00
Operations A/c in Infrastructure	742,000.00	0.00
Operations A/c in Boarding	100,000.00	0.00
Tuition A/c in Boarding	2,031,796.00	0.00
Salary Advances (list/schedule attached)	0.00	0.00
Imprest (list/schedule attached)	0.00	0.00
Rent arrears (list/schedule attached)	0.00	0.00
Total	21,191,437.12	15,483,292.12

13 b Ageing Analysis of Accounts Receivable

Description	30.06.2023		30.06.2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	6,083,253.00	26.66	1,781,557.00	11.58
Between 1- 2 years	1,435,347.00	6.77	1,881,273.00	12.23
Between 2-3 years	7,129,026.12	33.70	5,401,014.42	35.11
Over 3 years	0.00	0	0	0
Overdrawn A/cs	0.00	0	302,636.70	1.97
Boarding A/c in Tuition	3,670,015.00	17.30	4,085,015.00	26.55
Operations A/c in Infrastructure & Boarding	842,000.00	2.97	0.00	0
Tuition A/c in Boarding	2,031,796.00	9.58	2,031,796.00	12.56
Total (should tie to note 13 a)	21,191,437.12	100	15,483,292.12	100

14 Accounts Payable

Description	30.06.2023	30.06.2022
	Kshs	Kshs

GODOMA SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Trade Creditors (See Ageing Below and Appendix 1)	8,534,706.60	3,397,136.60
Prepaid Fees	1,077,461.00	269,813.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables (<i>Inter Account Transfers</i>)		
Tuition A/c in Boarding	3,770,015.00	4,185,015.00
Operations A/c in Tuition	2,031,796.00	1,931,796.00
Operations	613,000.00	603,000.00
Total	16,026,978.60	10,386,760.60

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	30.06.2023		30.06.2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	8,292,206.00	51.74	3,443,259.60	33
Between 1- 2 years	242,500.00	1.51	(46,123.00)	0
Between 2-3 years	0.00	0	0.00	0
Over 3 years	0.00	0	0.00	0
Prepaid Fees	1,077,461.00	6.72	269,813.00	2.59
Tuition A/c in Boarding	3,770,015.00	23.52	4,185,015.00	40.11
Operations A/c in Tuition	2,031,796.00	12.65	1,931,796.00	18.52
Operations	613,000.00	3.82	603,000.00	5.78
Total (should tie to note 14)	16,026,978.60	100	10,386,760.60	100

15 Fund Balance Brought Forward

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Bank Balances	4,587,660.21	3,677,179.51
Cash Balances	80,682.15	6,063.15
Short Term Investments	0.00	0.00
Receivables	21,191,437.12	15,463,203.12
Payables	(16,026,978.60)	(10,386,760.60)
Total	9,832,800.88	8,759,705.18

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	30.06.2023	30.06.2022
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

17 Biological assets

Description	Numbers	30.06.2023	30.06.2022
		Kshs	Kshs
Cattle	3	0	60,000.00
Goats		0	0.00
Trees		0	0
Coffee Or Tea Plantation		0	0
Poultry		0	0
Others (specify)		0	0
Total		0	60,000.00

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Other important disclosure notes**19 Stock/ Inventory**

Description	30.06.2023	30.06.2022
	Kshs	Kshs
Food stuffs	20,612,893.00	18,624,312.00
Lab consumables	1,158,689.00	1,330,194.00
Farm produce	0.00	0.00
Medication	0.00	0.00
Construction Materials	1,984,470.00	1,496,660.00
Others (Exercise Bks, Various stationeries)	6,040,977.00	3,712,471.00
	29,797,029.00	25,163,637.00

20 Progress On Follow Up Of Auditor Recommendations

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

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

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 FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. The Amen Engineering	618,198.00	23.06.2022	(587,289.00)		30,000.00	
2. Vijuwe Enterprises	1,496,660.00	23.06.2022	(1,496,660.00)		0.00	
Sub-Total	2,114,858.00		(2,083,949.00)		30,909.00	
Supply Of Goods						
3. Balances b/f 01.07.2022	3,443,259.60	2022	(3,200,759.00)		242,500.00	
4. Pekele Stationery	40,000.00	12.06.2023	0.00		40,000.00	
5. Asal Printers	1,630,530.00	18.07.2022	(1,500,530.00)		130,000.00	
6. Zabach Enterprises	777,842.00	30.06.2023	0.00		777,842.00	
7. Zabash Enterprises	287,086.00	17.10.2022	0.00		287,086.00	
8. Bom teachers salaries	608,197.00	30.06.2023	0.00		608,197.00	
9. Pekele Stationery	55,100.00	30.06.2023	0.00		55,100.00	
10. Elphsons Enterprises	1,000,050.00	12.08.2022	0.00		755,350.00	
11. Bamba Albarakat	183,860.00	23.06.2023	0.00		183,860.00	
12. Bamba Gen Stores	1,010,280.00	31.03.2023	0.00		1,010,280.00	

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13. Bright Investments	1,674,227.00	10.02.2023	(359,070.00)		1,315,157.00	
14. Mikiriani Gen Contractors	518,400.00	19.06.2022	(60,000.00)		458,400.00	
15. Macmos Investments	982,920.00	07.10.2022	(246,420.00)		736,500.00	
16. Tambaliza Millers	828,000.00	09.05.2023	(79,300.00)		748,700.00	
17. Kilibamba Construction	179,600.00	30.06.2023	0.00		179,600.00	
18. Myksons Investments	122,700.00	21.03.2023	0.00		122,700.00	
19. Godoma SSW Group	173,815.00	30.06.2023	0.00		173,815.00	
20. Pekele Stationery	82,500.00	03.03.2023	0.00		82,500.00	
21. Jemwag Enterprises	329,000.00	30.06.2023	0.00		329,000.00	
22. BOM salaries	152,000.00	30.06.2023	0.00		152,000.00	
23. Nasrullah Hardware	106,150.00	27.03.2023	0.00		106,150.00	
Sub-Total	14,199,576.60		(5,695,779.00)			
Supply Of Services						
24.						
Sub-Total	0.00		0.00		0.00	
Grand Total	16,314,434.60		7,779,726.00		8,534,707.00	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land	22,500,000.00	0.00		22,500,000.00
Buildings And Structures	52,500,000.00	0.00		52,500,000.00
Motor Vehicles	4,767,000.00	0.00		4,767,000.00
Office Equipment, Furniture And Fittings	3,521,000.00	0.00		3,521,000.00
Textbooks	1,000,000.00	0.00		1,000,000.00
ICT Equipment	930,000.00	136,000.00		1,066,000.00
Jikos/Crockery	700,000.00	0.00		700,000.00
Tools And Apparatus	2,000,000.00	0.00		2,000,000.00
Other Machinery And Equipment	800,000.00	0.00		800,000.00
Heritage And Cultural Assets	0.00	0.00		0.00
Intangible Assets- Soft Ware	150,000.00	0.00		150,000.00
Total	88,868,000.00	136,000.00		89,004,000.00



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