

REPUBLIC OF KENYA



Enhancing Accountability

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LIBRARY

REPORT

DATE: 14 JUN 2025

DAY.

Thursday

OF

TABLED
BY:

Hon. SIVANUS OROO
(Majority Party Whip)

CLERK-AT
THE-TABLE:

Anastacia

THE AUDITOR-GENERAL

ON

VOI BOYS HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2024**

TAITA TAVETA COUNTY



VOI BOYS HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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



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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

2. Key School Information and Management**(a) Background information**

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Taita Taveta County, Voi Sub-County. The school was registered in 1964 under registration number PU/S/2/9890/12 and is currently categorized as a County Public School established, owned and operated by the Government.

The school is a boarding school and had 1273 number of students as at 30th June 2024. It has 7 streams and 44 teachers of which 11 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	Mr. Lawrian Mseri	Chairman	4/8/2022
2	Mr. Patrick Wambua	Secretary	1/1/2024
3	Md. Emily Chao	Member	4/8/2022
4	Mr. Ernest Kisaka	Member	4/8/2022
5	Md. Loice Kaingu	Member	4/8/2022
6	Md. Caroline Mwasi	Member	4/8/2022
7	Mr. James Mwang'ombe	Member	4/8/2022
8	Md. Fatuma Mwamburi	Member	4/8/2022
9	Mr. Mwakio Vincent	Member	4/8/2022
10	Mr. Maurice Nzioka	Member	4/8/2022
11	Mr. Vincent Ogola	Member	4/8/2022
12	Mr. Alfred Mlolwa	Member	4/8/2022
13	Mr. Nicholas Ronoh	Member	1/10/2023
14	Mr. Kennedy Mutunga	Member	4/8/2022

VOI BOYS HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****The function of the School Board of Management include:**

- Promote the best interests of the school and ensure its development;
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013;
- Ensure and assure the provision of proper and adequate facilities for the school
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health;
- Advise the County Education Board on the staffing needs of the school;
- Determine cases of pupils' discipline and make reports to the CEB;
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB;
- Administer and manage the resources of the school; and
- 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	Lawrian Mseri	BOM Chair	
		Patrick Wambua	BOM Secretary	
		Tyson Elias Mberi	PA Chair	11
		Emily Chao	Executive BOM	
		Maurice Nzioka	Executive BOM	
2	Audit Committee	Patrick Wambua	Member	
		Lawrian Mseri	Member	
		Nicholas Rono	Chair	1
		Emily Chao	Member	
		Fatuma Mwamburi	Member	
3	Finance, procurement and general purposes Committee	Vincent Ogola	Chair	
		Patrick Wambua	Member	
		Ernest Kisaka	Member	8
		Nicholas Rono	Member	
		Loice Kaingu	Chair	
4	Academic Committee	Fatuma Mwamburi	Member	
		Lawrian Mseri	Member	

VOI BOYS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Ref	Name of Committee	Name of Members	Designation	Number of meetings attended during the year
		James Mwangombe	Member	4
		Rita Kavashe	Chair	
		Vincent Mwakio	Member	
5	Development Committee	Patrick Wambua	Member	
		Lawrian Mseri	Member	
		John Mwangi	Chair	
		SCDE	Member	4

		Tyson Elias Mberi	Member	
		Caroline Mwasi	Member	
		Fatuma Mwamburi	Member	
		Public works	Member	
6	Discipline and welfare Committee	Maurice Nzioka	Chair	
		Patrick Wambua	Member	
		Tyson Elias Mberi	Member	11
		Emily Chao	Member	
		Alfred Mlolwa	Member	
		Alii Tambo	Member	
7	Adhoc Committee (if any during the year)	John Mwangi	Chair	
		Mary Zala	Member	
		Miriam Wanzetse	Member	
		Moses Kenga	Member	2
		Mary Mkandoe	Member	

(d) School operation Management

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

Ref	Designation	Name	Identification
1	Principal	Patrick L. Wambua	TSCNO: 442311
2	Deputy Principal	John K. Mwangi	TSCNO: 462340
3	School Bursar	Mary Z. Mwakai	ICPAKNO: 19318511

VOI BOYS HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024**

(e) Schools contacts

Post Office Box: P.O BOX 36,80800 MWATATE
Telephone: 0202600379
E-mail: voiboysecondary@hotmail.com
Website

(f) School Bankers

The school operated accounts in the following banks:

1	Name of Bank:	KCB
	Branch:	VOI
	Account Number:	1104882825
2	Name of Bank:	KCB
	Branch:	VOI
	Account Number:	1104889250
3	Name of Bank:	KCB
	Branch:	VOI
	Account Number:	1104889366
4	Name of Bank:	KCB
	Branch:	VOI
	Account Number:	1104084406
5	Name of Bank:	KCB
	Branch:	VOI

VOI BOYS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

- | | | |
|---|--|---------------|
| 6 | Name of Bank: | 1103920553 |
| | Branch: | EQUITY |
| | Account Number: | VOI |
| | | 0790261307639 |
| 7 | MPESA Pay Bill No.512624 | |
| | Attached to KCB bank account number 1104882825 | |

(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:	2023-2024 Kshs	2022-2023 Kshs
Surplus/ deficit for the year and a comparison of the same for the last three years	(12,156,393)	15,387,243
Capitation grants from the Ministry of Education for the last three years	25,998,224	14,966,383
Capitation grant per student over the last three years	Kshs. 16,410	Kshs. 12,338
A two-year overview of other income(s) earned by the school (Boarding plus Miscellaneous)	57,883,446	66,576,026
A two-year overview of growth in expenditure of the school	96,038,063	96,929,652
Debtors/Receivables of the school over the last two years	10,244,374	11,034,849
Creditors /Payables of the school over the last two years	55,249,518	29,771,626
Cash and bank balances over the last two years	10,479,624	850,267

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

Performance Information	2023-2024	2022-2023	2021-2022
b) Teacher Student ratio:			
The teacher to student ratio	1:29	1:22	1:20
Number of teachers recruited and posted to the school within the year	6		
Number of teachers that were transferred/retired during the period	9	2	2
Number of teachers employed by TSC	33	36	39
Number of teachers employed by BOM.	11	11	11

VOI BOYS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Performance Information	2023-2024	2022-2023	2021-2022
Number of teachers the school has for each subject:			
SUBJECTS	No. of Teachers	No. of Teachers	No. of Teachers
Mathematics	10	10	10
English	9	10	8
Kiswahili	4	4	4
Chemistry	5	5	5
Physics	4	4	4
Biology	7	5	5
History	4	5	5
CRE	6	4	4
Agriculture	2	2	2
Business studies	2	4	4
Geography	4	6	4
Computer studies	0	1	1
c)Mean score KCSE:			
Performance of the school for each over the last three years			
Number of students that have since transitioned to institutions of higher learning.	36	58	63
Mean score	4.99	5.63	5.83
Number of candidates sitting for KCSE over the last three years.	213	209	211
Number of students in the school	1273	1123	1018
Dormitories	10	9	9
Dining hall,	1	1	1
Laboratories,	3	3	3
Toilets	38	38	38
Land with legal ownership	1	1	1
Other amenities. Classrooms	27	24	22

f) Development Projects Carried Out by The School During the Year:

Project	Source of fund	Initial cost (Ksh)	Amount spent (Ksh)	Expected Completion Time
Generator Loan	Parents	3,954,150	590,928	2027
<i>Lab repairs/Class</i>	SIC	1,138,302	1,138,302	Apr-24
<i>Furniture</i>	SIC	2,400,000	2,400,000	Jan-24
<i>650lt boiler</i>	SIC	530,257	530,257	Apr-24
<i>Deckers</i>	Parents	1,340,000	1,340,000	Jan-24
<i>CBC Class</i>	MOE	764,573	764,573	Jul-23
<i>Lab repairs/Class</i>	Parents	140,000	140,000	Apr-24

Sign:

Name:

School Principal

Patrick . Wambua

5/5/2025

PRINCIPAL
VOI BOYS HIGH SCHOOL
P.O. Box 26 - 80300, Voi
.....

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

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



Name: Mr. Lawrian Mseri

Designation: Chairman, School Board of Management

Date: 5/5/2025



Name: Patrick L. Wambua

Designation: School Principal

Date: 5/5/2025



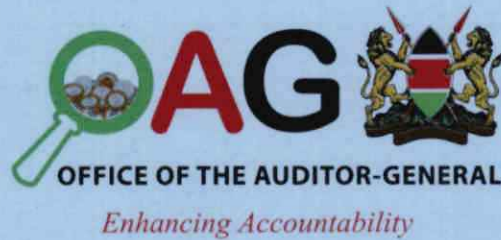
Name: Mary Z. Mwakai

Designation: Bursar/ Finance Officer

Date: 5/5/2025

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON VOI BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – TAITA TAVETA 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.
- 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 Voi Boys High School – Taita Taveta County set out on pages 1 to 21, which comprise of the statement of assets and

liabilities as at 30 June, 2024 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 the Voi Boys High School – Taita Taveta County as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.3,381,945 and Kshs.17,366,039 as disclosed in Note 1 and Note 2 to the financial statements respectively. Review of the NEMIS capitation disbursements made to the school and the bank statements revealed capitation grants for tuition and operations of Kshs.2,891,761 and Kshs.14,014,441 resulting to an unexplained variance of Kshs.490,184 and Kshs.3,351,598 respectively.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations of Kshs.3,381,945 and Kshs.17,366,039 respectively could not be confirmed.

2. Unsupported Cash Withdrawals

The statement of receipts and payments reflects total expenditure of Kshs.96,038,063. Review of the bank statements and supporting documentation revealed that Management withdrew a total of Kshs. 15,704,311 in cash to facilitate various expenditures, including petty cash, payments to casual laborers, field trips, fuel, and allowances. However, the withdrawals were not supported by standing imprest warrants and registers, approval letters, or memorandum cash books. Further, the surrender vouchers for various purchases were not supported with Electronic Tax Register (ETR) receipts.

In the circumstances, the regularity, accuracy and completeness of the operations and infrastructure amounting to Kshs.15,704,311 could not be confirmed.

3. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.10,244,374 in respect of fees areas and rent arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to

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.10,244,374 could not be confirmed.

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

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 matter 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 Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024.

Other Information

The Board of Management is responsible for the other information set out on page iii to xi which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of 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.

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 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. Irregular Borrowings from Commercial Banks

The statement of assets and liabilities reflects borrowings of Kshs. 3,800,826 as disclosed in Note 18 to the financial statements. The balance relates to a loan of Kshs.4,154,150 obtained on 28 July, 2023 for a period of six (6) years, ending on 28 July, 2029 to finance the purchase of a new 100KVA 415 3 Phase 1500 RPM generator at a variable interest rate of 17.8%. As of 30 June, 2024, total loan repayments amounted to Kshs.534,496, comprising principal and interest repayments of Kshs.353,324 and Kshs.181,172 respectively. However, there was no record available to confirm that the loan had been approved by the Cabinet Secretary of The National Treasury, as required by Section 51(2) of the Public Finance Management Act, 2012, which stipulates that a national government entity must obtain approval from the Cabinet Secretary for any borrowing, refinancing, and loan repayment program.

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

2. Unapproved Fees on Parents Association Support Programme

The statement of receipts and payments reflects miscellaneous income amount of Kshs.6,030,501 which, as disclosed in Note 5 to the financial statements, includes PTA Levies amount of Kshs.2,062,285 collected from parents without necessary approvals. This was contrary to Section 45 of the Basic Education Regulation 2015, which stipulated that no person or Board of Management in a public institution of basic education and training shall alter or increase fees without written authority from the Cabinet Secretary.

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 and capitation grants for operations amount of Kshs.3,381,945 and Kshs.17,366,039, respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of one thousand two hundred and thirty-two (1,232) students while the enrolment records provided by the School indicated a total of one thousand, two hundred and seventy-three (1,273) students, resulting to an

unexplained variance of forty one (41) students. As a result of the variance, the School was under funded by an amount of Kshs.912,004.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.70,954,394 as disclosed in Note 9 to the financial statements. Included in the expenditure is activity expenses of Kshs.3,323,250 out of which an amount of Kshs.2,733,500 was transferred to the Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, the value for money for the funds transferred to KESSHA amounting to Kshs. 2,733,500 could not be confirmed.

5. Excess Supply of Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through the Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one hundred and sixty-five (165) books to the School while only fifty-two (52) books were issued to the students, resulting to an unexplained excess text books of one hundred and thirteen (113) books in the school store. Further, some books issued in the prior financial years were still lying in the store as they were no longer in use.

In the circumstances, value for money on the excess one hundred and thirteen (113) text books could not be confirmed.

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 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 overall governance were not effective.

Basis for Conclusion

1. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.15,269,291 in respect of fixed assets which includes land of undetermined value. However, land ownership document were not provided for audit. Further, the School did not maintain a comprehensive and updated asset register as required by regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to be responsible for maintaining a register of assets under his or her possession as prescribed by the relevant laws.

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

2. Lack of Information Technology Controls

Review of the information systems operated by the School revealed that the accounting system in place was only partially utilized and not up to date, limiting its ability to generate historical reports. Although the system contains multiple modules, most were inactive, resulting in manual processing of transactions. Further, the accounting staff lacked backend access to the system, and there was no Service Level Agreement (SLA) in place with the service provider. Additionally, there was no approved IT Security Policy to guide data protection, and data backups were being done on unsecured portable devices. Physical inspection also revealed that the server was housed in a shared operations room with no access restrictions, and the institution lacked a Disaster Recovery Plan. The School's computers were also not equipped with antivirus software.

In the circumstances, the confidentiality, integrity, and availability of the School's data could not be assured.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

3 June, 2025

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

DESCRIPTION OF VOTE HEAD	Note	2023-2024	2022-2023
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	3,381,945	2,345,085
Government grants for operations	2	17,366,039	9,501,298
Government Grants for Infrastructure	3	5,250,240	3,120,000
School Fund Income- Parents' Contributions	4	51,852,945	61,899,301
School Fund Income- Miscellaneous income	5	6,030,501	4,676,725
TOTAL RECEIPTS		83,881,670	81,542,409
PAYMENTS			
Tuition	6	3,269,920	2,358,398
Operations	7	14,490,789	9,505,389
Infrastructure	8	7,322,960	7,012,920
Boarding and school fund	9	70,954,394	78,052,945
TOTAL PAYMENTS		96,038,063	96,929,652
SURPLUS/DEFICIT		(12,156,393)	(15,387,243)

The school financial statements were approved on 5/5/25 and signed by:

Lawrian Mseri

Name: Mr. Lawrian Mseri

Chair BOM

Date: 5/5/2025

Patrick L. Wambua

Name: Patrick L. Wambua

School: Principal/ Secretary to BOM

Date: 5/5/2025

Mary Z. Mwakai

Name: Mary Z. Mwakai

Bursar/ Finance Officer

Date: 5/5/2025


7. Statement of Assets and Liabilities as at 30th June 2024

DESCRIPTION	Note	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances	10	10,475,953	847,135
Cash Balances	11	3,671	3,132
Short term Investment	12	-	-
Total Cash and cash equivalent		10,479,624	850,267
Accounts receivables	13	10,244,374	11,034,849
Total Financial Assets		20,723,998	11,885,116
Financial Liabilities			
Accounts Payables	14	55,249,518	38,330,426
Borrowings		3,800,826	0
Total Financial Liabilities		59,050,344	38,330,426
Net Financial Assets		(38,326,346)	(26,445,310)
REPRESENTED BY			
Accumulated Fund b/fwd	15	(26,445,310)	(11,058,067)
Prior year Adjustment		275,357	
Surplus/(Deficit) for the year		(12,156,393)	(15,387,243)
Net Financial Position		(38,326,346)	(26,445,310)

The school's financial statements were approved on 5/5/2025 and signed by:


Name: Mr. Lawrian Mseri


Name: Patrick L. Wambua


Name: Mary Z. Mwakai

Chair BOM

School: Principal/ Secretary
to BOM

Bursar/ Finance Officer

Date: 5/5/2025

Date: 5/5/2025

Date: 5/5/2025

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

Description	Note	2023-2024	2022-2023
		Kshs	Kshs
Cashflow From Operating Activities			
Receipts for Operating Income			
Government grants for tuition		3,381,945	2,345,085
Government grants for operations		17,366,039	9,501,298
Government Grants for Infrastructure		5,250,240	3,120,000
School fund income- Parents contributions/ fees		57,416,786	83,437,676
School fund income- Miscellaneous income		5,867,251	-
Total receipts		89,282,261	98,404,059
Payments			
Tuition Payments		3,269,920	2,358,398
Operations Payments		14,490,789	9,505,389
Boarding/lunch and school fund payments		58,998,743	83,328,947
Infrastructure Payments		-	1,796,300
Total Payments		76,759,452	96,989,034
Net Receipts/(Payments)		12,522,810	1,415,025
Adjust for:			
Prion year cheques reversed		275,357	
Net cash flow from operating activities		12,798,167	1,415,025
Cashflow From Investing Activities			
Acquisition of Assets (Infrastructure payments)		(3,368,810)	(5,216,620)
Net cash flows from Investing Activities		(3,368,810)	(5,216,620)
Cashflow from Financing Activities			
Borrowings from KCB		200,000	-
Net cash flow from financing activities		200,000	-
Net increase/decrease in cash and cash equivalents		9,629,357	(3,801,595)
Cash and cash equivalent at beginning of the FY		850,267	4,651,862
Cash and cash equivalent at END of the year		10,479,624	850,267

Notes

1. Total capitation grants (Tuition and Operations) amounted to Kshs. 20,747,984.
2. Operations grants of Kshs. 17,366,039 comprised of Maintenance and improvement funds transferred to the infrastructure bank account of Kshs. 3,052,000.
3. Infrastructure grants of Kshs. 5,250,240 comprised of:
 - a. Maintenance and improvement funds of Kshs. 3,052,000
 - b. Disbursement by the Ministry of Education of Kshs. 788,040

- c. Additional receipts in the infrastructure account of Kshs. 1,410,200 that were recorded in the cashbook but not in the bank statement.
- 4. The statement of cash flow indicates School fund income from school fund of Kshs. 57,416,786 which differs with the amount in the statement of receipts and payments of Kshs. 51,852,945, resulting to a variance of Kshs. 5,563,841. The variance is explained by decrease in receivables of Kshs. 953,725; receipting of prior year prepaid fees of Kshs. 1,773,868; and prepaid fees in the current financial year not receipted of Kshs. 6,383,984.
- 5. The statement of cash flow indicates Miscellaneous income of Kshs. 5,867,251 which differs with the amount in the statement of receipts and payments of Kshs. 6,030,501, resulting to a variance of Kshs. 163,250 explained by rental arrears during the year.
- 6. The statement of cash flows indicates total school fund payments of Kshs. 58,998,743 compared with the statement of receipts and payments which reflects an amount of Kshs. 70,954,394. The variance of Kshs. 11,955,651 is explained by part increase in accounts payables.
- 7. The statement of cash flow reflects prior year adjustments of Kshs. 275,357 explained by reversal of prior year unrepresented cheques in the Equity Collection Account.
- 8. The statement of cash flows reflects acquisition of assets (Infrastructure payments) amount of Kshs. 3,368,810 which differs with the amount in the statement of receipts and payments of Kshs. 7,322,960 resulting to a variance of Kshs. 3,954,150 explained by an asset financing loan from Kenya Commercial Bank (KCB) for a Generator. The payment to the supplier were made directly by KCB and not the school.
- 9. The statement of cash flows reflects proceeds from borrowings of Kshs. 200,000 from Kenya Commercial Bank. The total borrowings during the year was Kshs. 4,154, 150 of which, Kshs. 200,000 was transferred to the school account while Kshs. 3,954,150 was paid directly to the supplier who had been contracted to supply a Generator to the school.

The school's financial statements were approved on 5/5/2025 and signed by:



Name: Mr. Lawrian Mseri

Chair BOM

Date: 5/5/2025



Name: Patrick L. Wambua

School: Principal/ Secretary to BOM

Date: 5/5/2025



Name: Mary Z. Mwakai

Bursar/ Finance Officer

Date: 5/5/2025

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% of Utilization
	a	b	c=a+b	d	e=d/c
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials		-	0	2,105,658	>100%
Exercise Books	1,059,828	-	1,059,828	682,980	64%
Laboratory Equipment	2,119,656	-	2,119,656	593,307	28%
Internal Exams	-	-	-	-	0%
Teaching / Learning Materials	1,059,828	-	1,059,828	-	<100%
Exams And Assessment		-	-	-	0%
Sub-total	4,239,312	-	4,239,312	3,381,945	80%
(2) Capitation Grant on Operations					
Personnel Emoluments	4,552,350	-	4,552,350	4,317,256	95%
Repairs And Maintenance	5,115,000	-	5,115,000	4,850,849	95%
Local Transport / Travelling	1,278,750	-	1,278,750	1,212,712	95%
Electricity And Water	2,762,100	-	2,762,100	2,619,458	95%
Medical	2,046,000	-	2,046,000	1,940,340	95%
Administration Costs	1,023,000	-	1,023,000	970,170	95%
Activity	1,534,500	-	1,534,500	1,455,255	95%
SMASSE	-	-	-	-	0%

VOI BOYS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% of Utilization
Sub-total	18,311,700	-	18,311,700	17,366,039	95%
3) FDSE for infrastructure					
Infrastructure grant in cashbook	-		-	1,410,200	100%
Construction of CBC Classroom	-		-	788,040.00	>100%
Maintenance and Improvement Funds	-	-	-	3,052,000	>100%
Sub-total	-		-	5,250,240	>100%
(4) Fees Charged on Parents					
Personnel Emoluments	6,900,000		6,900,000	6,721,340	111%
Repairs And Maintenance	2,300,000		2,300,000	2,558,428	111%
Local Transport / Travelling	1,150,000		1,150,000	1,279,214	111%
Electricity And Water	4,600,000		4,600,000	5,116,857	111%
Medical	-		-		
Administration Costs	2,185,000		2,185,000	2,430,507	111%
Activity	287,500		287,500	319,804	111%
Fee On Boarding Equipment and Stores	29,192,750		29,192,750	32,472,851	111%
sub-total	46,615,250		46,615,250	50,899,001	111%
5) Miscellaneous Income					
Rent income	-	-	-	186,200	>100%
Insurance compensation	-	-	-	0	0%
Refunds	-	-	-	1,638,130	>100%
Income from Bus Hire	-	-	-	125,000	>100%

VOI BOYS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% of Utilization
Fee for hire of ground and equipment - Accom	-	-	-	1,410,075	>100%
Income from grants and donations*(Bursary from CDF)	-	-	-	0	
PTA LEVIES	-	-	-	2,062,285	>100%
Clubs	-	-	-	379,342	>100%
Text books	-	-	-	126,969	>100%
Tender fee	-	-	-	102,500	>100%
Sub-total	-	-	-	6,030,501	>100%
TOTAL INCOME	69,166,262		69,166,262	82,927,726	119%
(6) Expenditure For Tuition					
Exercise Books	1,059,828	-	1,059,828	1,231,820	116%
Laboratory Equipment	2,119,656	-	2,119,656	987,790	47%
Internal Exams	-	-	-	-	0%
Teaching / Learning Materials	1,059,828	-	1,059,828	1,047,930	99%
Bank Charges				2,380	>100%
Exams And Assessment	-	-	-	-	0%
Sub-total	4,239,312	-	4,239,312	3,269,920	77%
(7) Expenditure For Operations					
Personnel Emoluments	4,552,350	-	4,552,350	4,063,219	89%
Repairs, Maintenance & Improvements	5,115,000	-	5,115,000	3,052,000	60%
Local Transport / Travelling	1,278,750	-	1,278,750	1,011,927	79%
Electricity, Water and Conservancy	2,762,100	-	2,762,100	2,185,761	79%

VOI BOYS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% of Utilization
Medical	2,046,000	-	2,046,000	1,619,083	79%
Administration Costs	1,023,000	-	1,023,000	809,541	79%
Activity Expenses	1,534,500	-	1,534,500	1,214,312	79%
SMASSE	-	-	-	-	0%
Loan Repayment	-	-	-	534,946	>100%
Sub total	18,311,700		18,311,700	14,490,789	79%
(8) Expenditure For infrastructure					
Generator Purchase	-	-	-	3,954,150	>100%
Energy saving	-	-	-	530,257	>100%
Purchase of furniture	-	-	-	1,738,302	>100%
Bank Charges	-	-	-	1,495	>100%
Purchase of apparatus CCTV	-	-	-	40,000	>100%
Lab repairs	-	-	-	294,183	>100%
CBC Classroom	-	-	-	764,573	>100%
Sub-total	-	-	-	7,322,960	>100%
(9) Expenditure For school fund boarding					
Personnel emoluments	6,900,000	-	6,900,000	8,264,610	120%
Service Gratuity	2,300,000	-	2,300,000	336,066	15%
Repairs and maintenance & Improvements	1,150,000	-	1,150,000	1,750,448	152%
Local transport / travelling	4,600,000	-	4,600,000	1,660,200	36%
Refunds	0	-	0	1,526,193	>100%
Electricity and water	2,185,000	-	2,185,000	5,979,848	274%

VOI BOYS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% of Utilization
Medical Expenses	287,500	-	287,500	221,220	77%
Administration costs	0	-	0	4,600,000	>100%
Accommodation/clubs	0	-	0	1,784,928	4%
Fee on Boarding Equipment and Stores	29,192,750		29,192,750	29,192,750	>100%
Bank Charges				5,905	>100%
Insurance Cost - Bus				0	0%
Activity Expenses				3,323,250	>100%
Tender				0	0%
Others specify - Clubs				0	0%
Sub total	46,615,250		46,615,250	58,645,418	126%
Total Payments	69,166,262	-	69,166,262	83,729,087	121%

Notes

- There was no supplementary budget during the year.
- Actual total receipts in the statement of Comparison of Budget versus actuals was Kshs. 82,927,726 while the statement of receipts and payments reflects an amount of Kshs. 83,881,670 resulting to a variance of Kshs. 953,944 explained by decrease in receivables.
- Actual total payments in the statement of comparison of budget versus actuals was Kshs.83,729,087 while the statement of receipts and payments reflects an amount of Kshs.96,038,063 resulting to a variance of Kshs.12,308,976 explained by an increase in part payables of the same amount.
- Budgeted receipts were Kshs.69,166,262 compared to actual receipts of Kshs.82,927,726 indicating an over-funding of Kshs.13,761,464 or 19%.
- Budgeted payments were Kshs.69,166,262 compared to actual payments of Kshs.83,729,087 indicating an over-absorption of Kshs. 14,562,825 or 21% explained by increases in the prices of commodities.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call, and highly liquid investments with an original maturity of three months or less, which

are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

VOI BOYS HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****11. Notes To the Financial Statements****1. Government Grants for Tuition**

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference materials		
Exercise books	845,486	460,950
Laboratory Equipment	1,690,973	409,600
Teaching/learning materials	845,486	1,474,535
Internal exams	-	0
Total	3,381,945	2,345,085

2. Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	4,317,256	2,861,200
Repairs And Maintenance	4,850,849	3,066,000
Local Transport / Travelling	1,212,712	409,600
Electricity And Water	2,619,458	1,276,950
Medical	1,940,340	204,800
Administration Costs	970,170	996,774
Activity	1,455,255	409,600
Others -Operation		66,374
Transfer BES		210,000
Total	17,366,039	9,501,298

3. Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	3,052,000	2,440,000
Infrastructure Amounts in cashbook	1,410,200	680,000
CBC Classroom	788,040	-
Total	5,250,240	3,120,000

VOI BOYS HIGH SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2024**4. School Fund Income - Parents Contribution/Fees**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Personnel emoluments	6,721,340		8,194,538	
Repairs and maintenance	2,558,428		2,833,723	
Local transport / travelling	1,279,214		1,269,088	
Electricity and water	5,116,857		5,817,922	
Medical	-		0	
Administration costs	2,430,507		2,069,936	
Activity	319,804		424,318	
Fee on Boarding Equipment and Stores	32,472,851		37,747,167	
P.A Levies	-		1,702,611	
Clubs	-		1,839,998	
Increase/(decrease) in receivables	(953,725)			
Total	51,852,945		61,899,301	

- The increase in decrease in receivables of Kshs. 953,725 has been adjusted for under school fund income as required by the PSASB Guidelines on implementation of IPSAS by Public Secondary Schools.

5. Miscellaneous Incomes

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Rent income	349,450		88,100	
Insurance compensation	-		-	
Refunds	1,638,130		1,005,168	
Income from Bus Hire	125,000		10,000	
Fee for hire of ground and equipment - Accom	1,410,075		1,761,120	
PTA LEVIES	2,062,285		1,380,000	
Clubs	343,061		161,535	
Text books	-		130,802	
Tender fee	102,500		140,000	
Total	6,030,501		4,676,725	

VOI BOYS HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****6. Tuition Payments**

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Reference materials	-	-
Exercise books	1,231,820	170,660
Laboratory equipment's	987,790	1,051,051
Teaching/learning materials	1,047,930	1,114,071
Chalks	-	-
Internal exams	-	20,000
Bank charges	2,380	2,616
Total	3,269,920	2,358,398

7. Operations Payments

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Personnel Emoluments	4,063,219	1,902,228
Repairs, Maintenance & Improvements	3,052,000	3,120,000
Local Transport / Travelling	1,011,927	1,613,951
Electricity, Water and Conservancy	2,185,761	175,220
Medical	1,619,083	210,500
Administration Costs	809,541	1,143,150
Activity Expenses	1,214,312	146,940
Gratuity	-	1,193,400
Loan repayment	534,946	-
TOTAL	14,490,789	9,505,389

8. Infrastructure Payments

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Generator Purchase	3,954,150	493,160
Energy saving	530,257	-
Purchase of furniture	1,738,302	-
Bank Charges	1,495	-
Purchase of apparatus CCTV	40,000	3,558,500
Lab repairs	294,183	2,961,260

VOI BOYS HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024**

CBC Classroom	764,573	
TOTAL	7,322,960	7,012,920

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Generator Purchase	3,954,150	493,160
Energy saving	530,257	-
Purchase of furniture	1,738,302	-
Bank Charges	1,495	-
Purchase of apparatus - CCTV	40,000	3,558,500
Lab repairs	294,183	2,961,260
CBC Classroom	764,573	-
Total	7,322,960	7,012,920

9. Boarding and School Fund

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Personnel emoluments	8,264,610	10,599,426
Service Gratuity	336,066	0
Repairs and maintenance & Improvements	1,750,448	3,261,172
Local transport / travelling	1,660,200	2,102,509
Refunds	1,526,193	-
Electricity and water	5,979,848	7,334,005
Medical Expenses	221,220	77,010
Administration costs	4,600,000	7,749,448
Accommodation/clubs	1,784,928	1,576,368
Fee on Boarding Equipment and Stores	29,192,750	40,319,289
Bank Charges	5905	4,620
Insurance Cost - Bus	-	57,206
Activity Expenses	3,323,250	4,049,800
Tender	-	63,500
Increase In trade and other payables	12,308,976	858,592
TOTAL	70,954,394	78,052,945

The increase in trade and other payables of Kshs. 12,308,976 has been accounted for as per the PSASB Guidelines on implementation of IPSAS by Public Secondary Schools, Par. 4.2.3.

VOI BOYS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

10. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/ Dormant		Kshs	Kshs
Tuition Account	Active	1104889250	117,227	5201
Operations Account	Active	1104889366	2,190,029	905
School Fund Account/Boarding	Active	1104882825	1,805,134	458,529
Parent Association Development Account	Active	1104084406	13,288	14,595
Reserve Fund	Active	1103920553	3,839	5145
Infrastructural Account	Active	0790277910870	1,426,652	335,304
Examination's account	Active	1104709406	0	2415
Equity collection account	Active	0790261307639	4,919,784	25,041
Total			10,475,953	847,135

11. Cash in Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	3,671	3,132
Total	3,671	3,132

12. Short Term Investments

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

13. Accounts Receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	10,081,124	11,034,849
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)		-
Rent arrears (list/schedule attached)	163,250	
Total	10,244,374	11,034,849

VOI BOYS HIGH SCHOOL
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13 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Fees arrears Less than 1 year	5,418,599	54%	7,970,258	72%
Fees arrears Between 1- 2 years	4,662,525	46%	971,406	9%
Between 2-3 years	-		2,093,185	19%
Over 3 years	-			
Total (should tie to note 13a)	10,081,124	100%	11,034,849	100%

14. Accounts Payable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Trade Creditors (See Ageing Below and Appendix 1)	48,865,534		36,556,558	
Prepaid Fees	6,383,984		1,773,868	
Retention Monies	-		-	
Unpaid salaries and statutory deductions	-		-	
Caution money	-		-	
Other payables	-		-	
Total	55,249,518		38,330,426	

14a. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% Of the total	Comparative FY	% Of the total
Less than 1 year	19,988,372	41%	32,454,284	%
Between 1- 2 years	26,136,645	53%	4,102,274	0%
Between 2-3 years	2,740,517	6%	-	0%
Over 3 years	-	0%	-	0%
Total (should tie to note 14)	48,865,534	100%	36,556,558	100%

VOI BOYS HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****15. Fund Balance Brought Forward – 1 July**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Balances	847,135	4,648,548
Cash Balances	3,132	3,314
Short Term Investments	-	0
Receivables	11,034,849	5,390,574
Payables	38,330,426	(21,100,503)
Total	(26,445,310)	(11,058,067)

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	2023-2024	2022-2023
	Kshs	Kshs
Bank Loan - KCB	3,800,826	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	3,800,826	0

17. Biological assets

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle		0	0
Goats		0	0
Trees		0	0
Coffee Or Tea Plantation		0	0
Poultry		0	0
Others (specify)		0	0
Total		0	0

18. Borrowings

Description	2023-2024	2022-2023
	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	4,154,150	0
Repayments during the year (Principal)	(353,324)	(0)
Balance at the end of the year	3,800,826	0

- The borrowing during the year of Kshs. 4,154,150 comprises Kshs. 3,194,150 taken on 28 July 2023 and an additional loan of Kshs. 200,000 during the year. The loan was taken from Kenya Commercial Bank (KCB).
- The proceeds from the borrowing of Kshs. 3,194,150 were not disbursed to the school accounts. The proceeds were paid directly to the supplier of the Generator.
- The proceeds from the borrowing of Kshs. 200,000 were disbursed to the operations bank account.

19. Stock/ Inventory

Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	0	0
Lab consumables	0	0
Farm produce	0	0
Medication	0	0
Construction Materials	0	0
Others (specify)	0	0
	0	0

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 / Observation (From Auditor)	Management Comments	Status	Remarks
1	Failure to Maintain a Cashbook The school did not maintain cash books or prepare bank reconciliations for several accounts (PTA, savings, reserve fund, equity collection, and exam accounts), making the cash and cash equivalents balance of Kshs.850,267 unverifiable.	Cash books and reconciliations are prepared for operational accounts; management commits to start maintaining cash books for savings accounts.	Resolved	
2	Failure to Transfer Infrastructure Funds Kshs.102,300 was not transferred to the infrastructure account as required by Ministry circulars, creating a variance.	Management acknowledges and will ensure timely and accurate transfers moving forward.	Resolved	
3	Long Outstanding Student Receivables Student debts of Kshs.3,064,591 are overdue for more than two years.	Continuing students are encouraged to pay fees at the start of the year; efforts ongoing to collect from former students.	Ongoing	
4	Material Uncertainty in Relation to Going Concern The school had a deficit of Kshs.15,387,243 and negative working capital of Kshs.26,445,562, indicating insolvency risk.	Management is seeking ways to improve financial sustainability and meet obligations.	Ongoing	
5	Long Outstanding Accounts Payable Bills totaling Kshs.4,102,274 are over one year old, risking budget disruptions and possible penalties.	Management is committed to settling all dues promptly and procedurally.	Not Resolved	
6	Poor Installation of a Financial Management System The contractor failed to install key system features despite full payment of Kshs.305,400.	Management wrote to the SHACCS system developers and has since -Updated the system and allowed use of other modules and not just the receipt module	Resolved	
7	Poor Storage Management The school's store is too small, limiting effective inventory control.	Management acknowledges the issue and to resolve the matter short term it has -Put more man power to organize the stores and take maintain proper Inventory records showing current stock levels. Also plans are underway to budget for construction of storage spaces.	Resolved- Updated Inventory. Not Resolved - Space issue	

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8	Lack of a Fixed Asset Register No asset register or tagging, and land title documentation was missing.	Assets will be tagged, and a fixed asset register is now being maintained.	Resolved - Asset register maintenance Not resolved- Tagging of assets -But in the budget of financial year 2024-2025	
9	Inaccurate Student Enrolment Data Discrepancy of 34 students between NEMIS and manual records.	Management commits to align NEMIS data with actual enrolment.	Resolved	
10	Over-Supply of Textbooks 499 textbooks were oversupplied, raising questions on stock control.	Management has written to authorities on their current status with a stock report of the books status and what was required.	Resolved	


 Sign and Date
 Principal *5/5/2025*

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount (KSh)	Date Contracted	Amount Paid (KSh)	Outstanding Balance (KSh)	Comments
Construction of buildings					
1	-	-	-	-	
2	-	-	-	-	
3	-	-	-	-	
Sub Total	-	-	-	-	
Supply of goods					
Food staffs	35,246,364	01/07/2023	0	35,246,364	Part paid in July 2024
Maint .& Improvement	6,345,000	01/07/2023	0	6,345,000	Part paid in July 2024
Administration	3,150,000	01/07/2023	0	3,150,000	Part paid in July 2024
Activity	526,800	01/07/2023	0	526,800	Part paid in July 2024
Utilities	1,750,000	01/07/2023	0	1,750,000	Part paid in July 2024
Gratuity	1,847,370	01/07/2023	0	1,847,370	Part paid in July 2024
Sub Total	48,865,534			48,865,534	
Total	48,865,534			48,865,534	

ANNEX 2- SUMMARY OF FIXED ASSET REGISTER

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land (21.9 Hectares)	-	-	-	-
Buildings And Structures	-	1,058,756	-	1,058,756
Motor Vehicles	6,900,000	-	-	6,900,000
Office equipment, furniture and fittings	30,000	1,738,302	-	1,768,302
ICT Equipment, and Other ICT Assets	-	-	-	-
Textbooks	182,826	-	-	182,826
Tools And Apparatus	105,000	-	-	105,000
Other Machinery & Equipment	-	4,524,407	-	4,524,407
Heritage And Cultural Assets	430,000	-	-	430,000
Intangible assets- Soft Ware	300,000	-	-	300,000
Total	7,947,826	7,321,465	-	15,269,291

Note:

- The statement of receipts and payments indicates infrastructure payments of Kshs. 7,322,960 which differs with the acquisition of assets amount in the summary of fixed asset register of Kshs. 7,321,465 resulting to a variance of Kshs. 1,495, explained by bank charges payments. Bank charges are not capitalized.