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TABLED BY: Deputy chief whip
Hon. Naomi Jillo

CLERK-AT THE-TABLE: Benson Mwangi

THE AUDITOR-GENERAL

ON

ST. CHARLES LWANGA SECONDARY SCHOOL

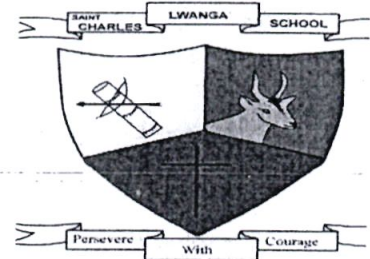
FOR YEAR ENDED

30 JUNE, 2023

KITUI COUNTY

04 SEP 2024

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**ST. CHARLES LWANGA
SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th June 2023



ST.CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

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ST.CHARLES LWANGA SECONDARY SCHOOL
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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
ICPAK	Institute of Certified Public Accountants of Kenya
MOE	Ministry of Education
TSC	Teachers Service commission

ST.CHARLES LWANGA SECONDARY SCHOOL

Annual Reports and Financial

Statements For the year ended 30th

June 2023

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

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

The school is a boarding school and had 1278 number of students as at 30th June 2023. It has 6 streams and 44 teachers of which 2 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	NICHOLAS M MULILA	Chairman	17/5/2022
2	DOMINIC MUSEMBI	Vice Chairman	17/5/2022
3	BENARD MALONZA	Secretary - Principal	17/5/2022
4	DR.KASIVU GEDION	P.A Chairman	17/5/2022
5	FR.BENSON MUTUA	Sponsor	17/5/2022
6	MD.MERCY MUTHUI	Member	17/5/2022
7	ANSELM KAMUTI	Member	17/5/2022
8	JEREMIAH M KISANGU	Member	17/5/2022
9	GEORGINAH MALOMBE	Member	17/5/2022
10	DONALD KIVUNGI	Member	17/5/2022
11	PROF.JONATHAN MWANIA	Member	17/5/2022
12	NZIVI EVANSON MUTUA	Member	17/5/2022
13	LYNETTE KASEE	Member	17/5/2022
14	EVERLYN NYAMAI	Member	17/5/2022
15	MUIMI PAUL MWAKI	Member	17/5/2022
16	BARUCH LWANGWA	Rep Students	17/5/2022

Annual Report and Financial Statements

For the year ended 30th June 2023

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr.Mulila Nicholas	Chairman	
		Dr.Kasivu Gideon	P.A Chairman	
		Md.Mercy Muthui	Member	
		Benard Malonza	Secretary	
		Fr.Benson Katua	Sponsor	
2	Audit Committee	Md.Lynnette Kasee	Chair person	
		Mr.Anselm Kamuti	Member	
		Benard Malonza	Secretary	
		Hon.Jeremiah Kisangu	Member	
3	Finance,procurement and general purposes Committee	Dr.Kasivu Gideon	Chair person	
		Md.Georgina Malombe	Member	
		Benard Malonza	Secretary	
		Md.Mercy Muthui	Member	
		Donard Kivungi	Member	
		Mr.Dominic Musembi	Member	

Annual Report and Financial Statements

For the year ended 30th June 2023

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

4	Academic Committee	Prof.Jonathan Mwanja	Chair person	
		Dr.Kasivu Gideon	Member	
		Md.Lynnette Kasee	Member	
		Md.Everlyn Nyamai	Member	
		Fr.Benson Katua	Member	
		Mr.Paul Mwaki	Member	
		Mr.Evason Nzivi	Member	
5	Discipline of students ,integrity & Human Rights Students Welfare Committee	Mr.Everlyn Nyamai	Chair person	
		Fr.Benson Katua	Member	
		Hon.Jeremiah Kisangu	Member	
		Mr.Paul Mwaki	Member	
		Evason Nzivi	Member	
6	Adhoc Committee (if any during the year)	N/A		

ST.CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

(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	BERNARD I MALONZA	TSC NO.380248
2	Deputy Principal	MR.ROBERT ORODHO	TSC NO.377077
3	School Bursar	ENOCK M MUTUA	ASSOC/895

(e) School Contacts

Post Office Box: P.O BOX 7-90200,KITUI
 Telephone: 743060750
 E-mail: stcharles_lwanga2010@yahoo.com
 Website: 0
 Facebook:Twiter: 0

(f) School Bankers

The school operated accounts in the following banks:

1	Name of Bank:	NATIONAL BANK-BOARDING A/C		
	Branch:	KITUI		
	Account Number:	01021051519400		
2	Name of Bank:	NATIONAL BANK-SAVING A/C		
	Branch:	KITUI		
	Account Number:	01243051519400		
3	Name of Bank:	NATIONAL BANK -OPERATION A/C		
	Branch:	KITUI		
	Account Number:	01021051519402		
4	Name of Bank:	NATIONAL BANK -TUITION A/C		
	Branch:	KITUI		
	Account Number:	01025051519400		
5	Name of Bank:	NATIONAL BANK -INFRASTRUCTURE A/C		
	Branch:	KITUI		
	Account Number:	01025051519401		
6	Name of Bank:	NATIONAL BANK-PQSAF A/C		
	Branch:	KITUI		
	Account Number:	01248053079000		
7	Name of Bank:	BARCLAYS BANK		
	Branch:	KITUI		
	Account Number:	0151100945		
8	Name of Bank:	KCB P.A ACCOUNT		
	Branch:	KITUI		
	Account Number:	1266251634		
9	MPESA Pay Bill No	459744	Attached to	NATIONAL BANK- 01021051519400 BOARDING A/C

(g) Independent Auditors

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

Annual Report and Financial Statements

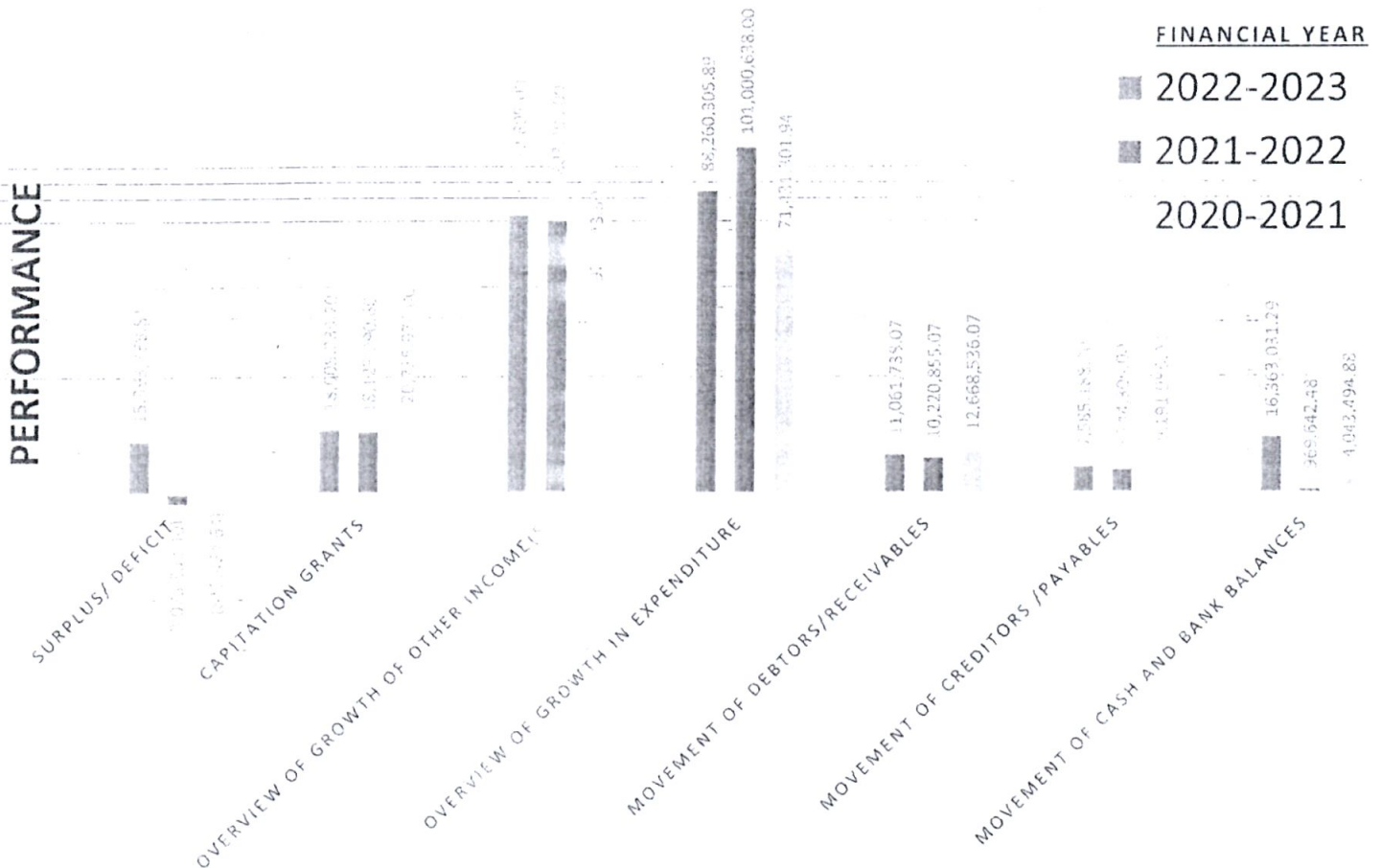
for the year ended 30th June 2023

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

Financial performance:	2022-2023	2021-2022	2020-2021
Surplus/ deficit	15,393,388.81	(3,073,852.40)	(818,484.64)
Capitation grants	18,605,889.70	18,123,090.60	20,735,974.00
Overview of growth of other income(s)	81,412,805.00	79,803,295.00	48,925,443.30
Overview of growth in expenditure	88,260,305.89	101,000,638.00	71,431,301.94
Movement of debtors/Receivables	11,061,738.07	10,220,855.07	12,668,536.07
Movement of creditors /Payables	7,585,188.00	6,744,305.00	9,191,986.00
Movement of cash and bank balances	16,363,031.29	969,642.48	4,043,494.88
Ratio of capitation grant per student over the last three years	1:14,558.60	1:16,475.54	20,073.55

GRAPH FOR SCHOOL FINANCIAL PERFORMANCE REPORT



ST.CHARLES LWANGA SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2023

II 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:

	2022-2023	2021-2022	2020-2021
b) Teacher Student ratio:			
The teacher to student ratio	1:25	1:25	1:23
Number of teachers recruited and posted to the school within the year	21	21	21
Number of teachers that were transferred/ retired during the period	6	6	6
Number of teachers employed by TSC	44	44	44
Number of teachers employed by BOM.	2	2	2
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
SUBJECTS	NO.of Teachers	NO.of Teachers	
MATHS	16	16	16
ENGLISH	9	9	9
KISWAHILI	8	8	8
CHEMISTRY	11	11	11
PHYSICS	8	8	8
BIOLOGY	6	6	6
HISTORY	5	5	5
CRE	7	7	7
AGRICULTURE	2	2	2
BUSINESS STUDIES	7	7	7
GEOGRAPHY	7	7	7
COMPUTER STUDIES	2	2	2
FRENCH	2	2	2
c) Mean score in the 2022 KCSE:			
performance of the school for each over the last three years			
Number of students that have since transitioned to institutions of higher learning.			114
Mean score			8.95
comment on improvement or otherwise as compared to the school's set score.			
d) Number of Candidates in the 2022 KCSE:			
Number of candidates sitting for KCSE over the last three years.		200	221
e) Capacity of the school:			
Number of students in the school	1278	1100	1033
Dormitories	12	12	12
Dinning hall,	1	1	1
laboratories,	4	4	4
Toilets-Doors	5	5	5
Land with legal ownership	4.6ha	4.6ha	4.6ha
	With Title Deed	With Title Deed	With Title Deed

S. CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

f) Development projects carried out by the school:

Project	Source of fund	Initial cost (Ksh)	Amount spent (Ksh)	Year	Expected Completion Time
Construction of Dormitory	MOE-FDSE		4,551,749	2021/2022	Jun-23

Sign



School Principal

ST.CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

3. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

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

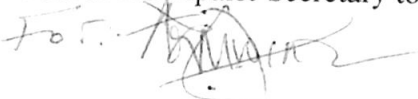
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.

Name: NICHOLAS MULILA
Designation: Chairman, School Board of Management

Sign: 

Date: 4/9/24

Name: BERNARD MALONZA
Designation: School Principal & Secretary to Board of Management

Sign: 

Date:

Name: ENOCK M MUTUA
Designation: Bursar/ Finance Officer

Sign: 

Date: 28/8/24

REPUBLIC OF KENYA

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Enhancing Accountability

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Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ST. CHARLES LWANGA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - KITUI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Charles Lwanga Secondary School - Kitui County set out on pages 1 to 21, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023, statement of receipts and

Report of the Auditor-General on St. Charles Lwanga Secondary School for the year ended 30 June, 2023 - Kitui County

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 St. Charles Lwanga Secondary School – Kitui County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012, and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements of the School reflects the following inaccuracies for the year ended 30 June, 2023.

1.1 Variances between the Financial Statements and the Statement of Budgeted Versus Actual Amounts

The statement of receipts and payments reflects the following amounts which are at variance with the balances in the statement of budgeted versus actual amounts resulting to unreconciled and unexplained variance as summarized below:

No.	Component	Financial Statements (Kshs)	Cashbook (Kshs)	Variance (Kshs)
1.	Capitation Operations	15,508,026	13,020,764	2,487,262
2.	Parents Contribution	64,003,343	57,402,841	6,600,502
3.	Expenditure on Tuition	3,098,051	2,330,950	767,101
4.	Operations	8,627,495	7,854,515	772,980
5.	Boarding and School Fund	71,983,011	56,701,544	15,281,467
6.	Government Grants for Infrastructure	3,635,219	3,135,000	500,219

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

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.16,363,031 as disclosed in Note 10 and 11 to the financial

statements. However, the bank certificates and bank reconciliation statements for six (6) bank accounts in support of the balances were not provided for audit.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.16,363,031 could not be confirmed.

3. Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects long outstanding student receivables balance of Kshs.11,061,738 as disclosed in Note 13 to the financial statements. However, included in the balance are receivables of Kshs.4,804,182 being fees arrears outstanding for over two (2) years. In addition, significant accounting policies on accounts receivables as disclosed in Note 13 is silent on the treatment of student's fees balances which is a major source of income for the School.

In the circumstances, the accuracy and completeness of the receivables balance of Kshs.11,061,738 could not be confirmed.

4. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.7,585,188 as disclosed in Note 14 to the financial statements. However, this balance was not supported with a schedule. Further, an ageing analysis revealed that the School had trade payables for more than one year amounting to Kshs.721,755. However, these payables were not supported by relevant Local Purchase Orders (LPOs), Local Service Orders (LSOs), Inspection and Acceptance Certificates and Delivery Notes.

In the circumstances, the accuracy and completeness of accounts payable balance of Kshs.7,585,188 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflect final receipts budget and actual on comparable basis of Kshs.78,396,266 and Kshs.76,656,467 respectively resulting to an under-funding of Kshs.1,739,799 or 2.2% of the budget. However, the School spent a balance of Kshs.70,522,108 against actual receipts of Kshs.76,656,467 resulting to an under-utilization of Kshs.6,134,359 or 8% of the actual receipts. Further, the statement reflects an unbalanced budget with final receipts budget of Kshs.78,396,268 and expenditure budget of Kshs.76,117,654.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect to this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects operations grant amount of Kshs.15,508,026 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.4,577,000 in respect of maintenance grants which were to be transferred for maintenance and improvement of school facilities. However, only Kshs.3,135,000 was transferred to the infrastructure account, leaving a balance of Kshs.1,442,000 as at 30 June, 2023. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which states that, infrastructure grants as well as Maintenance and improvement Funds (M&IF) should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds.

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

2. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.103,653,694 and Kshs.88,260,305 in respect of receipts and payments respectively. However, during the year under review, Management did not prepare an annual procurement plan as part of 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.

3. Non-Compliance with Necessary Authority on Procurement of Infrastructure Projects

During the year under review, the School had a fund raising event for infrastructure projects. The funds raised were to be used for construction of a two-storey dormitory. The Ministry of Education contributed Kshs.5,000,000 towards the project among other parties who pledged different amounts all totalling to Kshs.60,855,303. Amongst these parties is a foundation which pledged a support of Kshs.25,866,353. The other parties who contributed towards the funds drive included, teachers, parents, suppliers, non-teaching staff and Kitui Central NGCDF. However, the foundation volunteered to oversee the whole process of construction of the dormitory which was estimated to cost of Kshs.49,927,913. The Management of the foundation made a direct payment of Kshs.25,866,353b to the contractor.

However, the following anomalies were noted:

- i. Although the Foundation is not a government entity, it undertook the roles of identifying the contractor to construct the dormitory, evaluation of the tenders, supervision of the entire construction works and used their own engineer to issue completion certificates at various levels of the project.
- ii. The foundation would from time to time instruct the School to make payments to the contractor from the School funds.
- iii. At the time of audit in June, 2024, the School had paid the contractor a total of Kshs.22,185,629 from the School funds and the dormitory was complete and in use.
- iv. The School did not obtain approval from the Regional Coordinator of Education to commence the above said project. This was contrary to Ministry of Education Circular Ref.MOE.HQS/3/6/36 dated 12 February, 2021 which states that Economic Stimulus Programme (ESP) and Maintenance and Improvement (M&IF) should not be used for other purposes except for the authorized projects and no School will be allowed to commence on a project before approval is obtained.

- v. There were no advert or tender notice issued by the procurement entity, appointment letters to the tender opening and evaluation committees, signed evaluator's individual scoresheets. signed professional opinion, signed contract/agreement stipulating the terms and conditions of the contract.
- vi. Management commenced a project which was not signed and engaged a private entity to supervise the project instead of using a government agency.

In the circumstances, Management was in breach of the law and value for money in the project could not be confirmed.

4. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 20 May, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2023 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Ownership Documents and Failure to Update Asset Register

Annex 2 to the financial statements reflects summary of fixed assets register of Nil balance as at 30 June, 2023 in respect of fixed assets. However, no balances were disclosed by Management for the School's assets.

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

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

Responsibilities of Management and those Charged with Governance

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

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

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but

is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

20 November, 2024

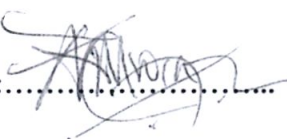
ST.CHARLES LWANGA SECONDARY SCHOOL
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5. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	3,097,862.75	3,350,141.40
Government grants for operations	2	15,508,026.95	14,773,349.20
Government grants for Infrastructure	3	3,635,000.00	-
School Fund Income- Parents' Contributions	4	64,003,343.00	65,949,647.00
Miscellaneous Income	5	17,409,462.00	13,853,648.00
TOTAL RECEIPTS		103,653,694.70	97,926,785.60
PAYMENTS			
Tuition	6	3,098,051.00	3,404,127.00
operations	7	8,627,495.00	9,294,611.00
Infrastructure	8	4,551,749.00	9,611,324.00
Boarding and school fund	9	71,983,010.89	78,690,576.00
TOTAL PAYMENTS		88,260,305.89	101,000,638.00
SURPLUS/DEFICIT		15,393,388.81	(3,073,852.40)

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

Sign: 

Sign: 

Sign: 

Name: Muhle N.M.
Chair BOM

Name: Mwiza A.K.
School principal/Secretary to BOM

Name: Ettock T. N. U. A.
Bursar/ Finance officer

Date: 4/9/24

Date: 28/8/2024

Date: 28/8/24

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6. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	16,362,406.99	955,254.48
Cash Balances	11	624.30	14,388.00
Short term Investment	12	-	-
Total Cash and cash equivalent		16,363,031.29	969,642.48
Account's receivables	13	11,061,738.07	10,220,855.07
TOTAL FINANCIAL ASSETS		27,424,769.36	11,190,497.55
FINANCIAL LIABILITIES			
Accounts Payables	14	7,585,188.00	6,744,305.00
NET FINANCIAL ASSETS		19,839,581.36	4,446,192.55
REPRESENTED BY			
Accumulated Fund b/fwd	15	4,446,192.55	7,520,044.95
Surplus/Deficit for the year		15,393,388.81	(3,073,852.40)
NET FINANCIAL POSITION		19,839,581.36	4,446,192.55

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

Name: Mutika N.M.
 Chairman, BoM

Name: Mwambi AK
 School principal/secretary to BoM

Name: Enock Hiuunt
 Bursar/Finance officer

Sign: [Signature]

Sign: [Signature]

Sign: [Signature]

Date: 4/9/24

Date: 28/8/24

Date: 28/8/24

ST.CHARLES LWANGA SECONDARY SCHOOL

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7. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2023

Description		2022-2023	2021-2022
CASHFLOW FROM OPERATING ACTIVITIES		Kshs	Kshs
Receipts			
Government grants for tuition		3,097,862.75	3,350,141.40
Government grants for operations		15,508,026.95	14,773,349.20
Government grants for Infrastructure		3,635,000.00	-
School fund income- Parents contributions/ fees		64,003,343.00	65,949,647.00
Other income		17,409,462.00	13,853,648.00
Total receipts		103,653,694.70	97,926,785.60
Payments			
Cash outflows for Tuition		3,098,051.00	3,404,127.00
Cash outflows for operations		8,627,495.00	9,294,611.00
Cash outflows Boarding /Lunch and school fund payments		71,983,010.89	78,690,576.00
Total payments		83,708,556.89	91,389,314.00
Net cash inflow/outflow from operating activities		19,945,137.81	6,537,471.60
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets-Construction of dormitory		(4,551,749.00)	(9,611,324.00)
Proceeds from Sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflow from Investing Activities		(4,551,749.00)	(9,611,324.00)
CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		15,393,388.81	(3,073,852.40)
Cash and cash equivalent at BEGINNING of the FY		969,642.48	4,043,494.88
Cash and cash equivalent at END of the FY		16,363,031.29	969,642.48

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

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

ST.CHARLES LWANGA SECONDARY SCHOOL

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For the year ended 30th June 2023

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

Name: Mwita N.M.
Chairman, BoM

Name: MWIZI AK
School principal/secretary to BoM

Name: Erick Muiya
Bursar/Finance officer

Sign: 

Sign: 

Sign: 

Date: 4/9/24

Date: 28/8/2024

Date: 28/8/24

ST.CHARLES LWANGA SECONDARY SCHOOL

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8. 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	f=d/c %
	Kshs	Kshs			Kshs
RECEIPTS					
<i>(1) CAPITATION GRANT ON TUITION</i>					
Textbooks and reference materials	-	-	-	-	-
Exercise books	-	-	-	-	-
Laboratory equipment	-	-	-	-	-
Teaching / learning materials	3,128,400.0	-	3,128,400.0	3,097,862.8	99.02%
Chalks	-	-	-	-	-
Internal exams	-	-	-	-	-
Exams and assessment	-	-	-	-	-
Teachers guides	-	-	-	-	-
TOTAL INCOME	3,128,400.0	-	3,128,400.0	3,097,862.8	99.02%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>					
Personnel emoluments	4,285,264.0	-	4,285,264.0	4,212,050.6	98.29%
Gratuity	-	-	-	-	-
Administration costs	-	-	-	-	-
Repairs and maintenance	4,560,000.0	-	4,560,000.0	4,457,000.0	97.74%
Local transport / travelling	-	-	-	-	-
Electricity and water	-	-	-	-	-
Medical	248,476.0	-	248,476.0	238,300.0	95.90%
Activity	-	-	-	-	-
SMASSE	-	-	-	-	-
Othervoteheads	4,213,414.0	-	4,213,414.0	4,113,413.85	97.63%
TOTAL INCOME	13,307,154.0	-	13,307,154.0	13,020,764.45	97.85%

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(3) FDSE for Infrastructure</i>					
Maintenance & Improvement MOE	3,170,000.00		3,170,000.00	3,135,000.00	98.90%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure grants					
Administration block					
<i>(4) FEES CHARGED ON PARENTS</i>					
Personnel emoluments	5,564,265.0	-	5,564,265.0	5,554,145.0	99.82%
Repairs and maintenance	2,787,000.0	-	2,787,000.0	2,785,549.0	99.95%
Local transport / travelling	2,626,500.0	-	2,626,500.0	2,582,339.0	98.32%
Electricity and water	6,550,750.0	-	6,550,750.0	6,448,443.0	98.44%
Medical	-	-	-	-	-
Administration costs	3,167,000.0	-	3,167,000.0	3,147,820.0	99.39%
Activity	473,111.0	-	473,111.0	462,457.0	97.75%
Fee on Boarding Equipment and Stores	37,622,088.0	-	37,622,088.0	36,422,088.0	96.81%
<i>(5) Miscellaneous Income</i>					
Rent income	-	-	-	-	-
Insurance compensation	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-
Interest income	-	-	-	-	-
TOTAL INCOME	53,226,449.0	-	58,790,714.0	57,402,841.0	97.64%

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(6) EXPENDITURE FOR TUITION					
Textbooks and reference materials	-	-	-	-	-
Exercise books	-	-	-	-	-
Laboratory equipment	-	-	-	-	-
Internal exams	-	-	-	-	-
Teaching / learning materials	3,128,400.0	-	3,128,400.0	2,330,950.00	74.51%
Chalks	-	-	-	-	-
Exams and assessment	-	-	-	-	-
Teachers guides	-	-	-	-	-
Administration costs	-	-	-	-	-
Bank Charges	-	-	-	-	-
TOTALS	3,128,400.00	-	3,128,400.00	2,330,950.00	74.51%
(7) EXPENDITURE FOR OPERATIONS					
Personnel emoluments	4,285,264.0	-	4,285,264.0	2,598,702.0	60.64%
Repairs, maintenance & improvements	-	-	-	-	-
Local transport / travelling	386,000.0	-	386,000.0	385,052.0	99.75%
Electricity, water and conservancy	875,000.0	-	875,000.0	865,917.0	98.96%
Medical	270,476.0	-	270,476.0	259,889.0	96.09%
Administration costs	2,032,300.0	-	2,032,300.0	2,031,470.0	99.96%
Activity Expenses	960,000.0	-	960,000.0	893,800.0	93.10%
Othervoteheads	829,500.0	-	829,500.0	819,685.0	98.82%
TOTALS	9,638,540.00	-	9,638,540.00	7,854,515.00	81.49%

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(8) EXPENDITURE FOR INFRASTRUCTURE					
Construction of Classrooms					
Construction of LAB					
Construction of DORMS	4,560,000.00		4,560,000.0	3,635,099.00	79.72%
Purchase of Furniture					
Purchase of Equipment					
Purchase of Machinery					
Renovation of Classrooms	-		-	-	
TOTALS	4,560,000.00	-	4,560,000.00	3,635,099.00	79.72%
(9) EXPENDITURE FOR SCHOOL FUND/LUNCH/BOARDING					
Personnel emoluments	5,564,265.00	-	5,564,265.0	5,832,193.0	104.82%
Repairs, maintenance and improvements	2,787,000.00	-	2,787,000.0	2,402,876.0	86.22%
Local transport / travelling	2,626,500.00	-	2,626,500.0	2,217,562.0	84.43%
Electricity, water and conservancy	6,550,750.00	-	6,550,750.0	3,756,738.0	57.35%
Medical Expenses	-	-	-	-	

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration costs	3,167,000.00	-	3,167,000.0	3,147,820.0	99.39%
Activity	473,111.00	-	473,111.0	1,105,110.0	233.58%
Income generating Activities	-	-	-	-	-
Gratuity	-	-	-	-	-
Boarding Equipment and Stores	37,622,088.00	-	37,622,088.0	40,239,245.9	106.96%
Expenditure for Income Generating Activity	-	-	-	-	-
Insurance costs	-	-	-	-	-
Other expenses on investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-
TOTALS	44,049,199.00	-	44,049,199.00	46,895,051.89	106.46%

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9. 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.

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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.

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10. NOTES TO THE FINANCIAL STATEMENTS

1 GOVERNMENT GRANTS FOR TUITION

	2022-2023	2021-2022
	Kshs	Kshs
Reference materials	-	-
Exercise books	-	-
Laboratory Equipments	-	-
Boarding Account	-	-
Teaching/learning materials	3,097,862.75	3,350,141.40
Textbooks	-	-
Internal Exams	-	-
SMASSE	-	-
Bank charges	-	-
Total	3,097,862.75	3,350,141.40

2 GOVERNMENT GRANTS FOR OPERATIONS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	4,212,050.60	7,422,410.0
Repairs and maintenance	1,322,000.00	5,324,500.00
Local transport / travelling	-	-
Electricity and water	-	-
Medical	238,300.00	205,800.00
Administration costs	-	-
House Rent	-	400.00
Activity	622,262.50	-
Other voteheads	4,113,413.85	1,805,689.20
MOE Bom	-	14,550.0
MOE Harambee	5,000,000.00	-
Total	15,508,026.95	14,773,349.2

3 GOVERNMENT GRANTS FOR INFRASTRUCTURE

	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	3,135,000.00	-
Transition Infrastructure grants	-	-
Administration block	-	-
Economic Stimulus grants	-	-
FDSE Infrastructue,dormitory(bes)	500,000.00	-
Total	3,635,000.00	-

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4 SCHOOL FUND INCOME-PARENTS CONTRIBUTION/FEES

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	5,554,145.00	3,019,679.00
Repairs and maintenance	2,785,549.00	3,230,700.00
Local transport / travelling	2,582,339.00	1,019,097.00
Electricity and water	6,448,443.00	2,147,934.00
Medical	-	-
Administration costs	3,147,820.00	1,477,603.00
Activity	462,457.00	805,026.00
Fee on Boarding Equipment and Stores	37,688,579.00	42,600,753.00
P.A project	5,334,011.00	-
Other voteheads	-	11,648,855.00
Total	64,003,343.00	65,949,647.00

5 MISCELLANEOUS INCOMES

	2022-2023	2021-2022
	Kshs	Kshs
Rent income	63,200.00	39,280.00
Income from farming activities-School Farm	-	24,000.00
Insurance compensation	-	-
Fees refund	-	-
Income from Bus Hire	1,694,248.00	-
Fee for hire of ground and equipment	-	-
Income from grants and donations*(CDF Bursary)	-	-
Interest income	-	7,277.00
Income from grants and donations(Harambee)	10,734,665.00	69,857.00
P.A Account	-	3,735,197.00
PQASF	622,646.00	7,746,193.00
operation Account	77,968.00	529,500.00
Uniform	382,200.00	434,428.00
Pocket Money	-	42,054.00
Savings	3,741,535.00	-
Tender fee	53,000.00	84,500.00
Loseses & Damages	40,000.00	1,141,362.00
Total	17,409,462.00	13,853,648.00

ST.CHARLES LWANGA SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 TUITION

	2022-2023	2021-2022
	Kshs	Kshs
Textbooks	-	-
Exercise books	546,596.00	315,000
Laboratory Equipments	347,650.00	100,000.00
Teaching/learning materials	1,885,573.00	2,715,627.00
Internal exams	149,500.00	212,000.00
Reference materials	168,732.00	-
Bank charges	-	-
Administration costs	-	61,500.00
Total	3,098,051.00	3,404,127.00

7 OPERATIONS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	2,598,702.00	5,761,471.00
Service Gratuity	-	-
Administration Cost	2,031,470.00	436,943.0
Repairs and maintenance	772,980.00	63,925.00
Local transport / travelling	385,052.00	108,800.0
Electricity and water	865,917.00	91,782.0
Medical	259,889.00	157,419.0
Activity Expenses	893,800.00	89,500.0
Transfer to Infrastructure A/C	-	1,306,925.0
Other voteheads	819,685.00	1,277,846.0
TOTAL	8,627,495.00	9,294,611.00

ST.CHARLES LWANGA SECONDARY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 INFRASTRUCTURE

	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms	-	-
Construction of Laboratory		
Construction of dormitory	4,551,749.00	9,611,324.00
Purchase of Furniture		
Purchase of Equipment		
Purchase of apparatus		
Drilling of boreholes		
TOTAL	4,551,749.00	9,611,324.00

9 BOARDING AND SCHOOL FUND

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	5,832,193.00	470,940.00
Service Gratuity	-	
Repairs and maintenance & Improvements	2,402,876.00	2,718,741.00
Local transport / travelling	2,217,562.00	684,229.00
Electricity and water	3,756,738.00	198,949.00
Medical Expenses	-	-
Administration costs	7,003,398.06	1,590,907.00
Expenses on IGA-Farm water	-	3,600.00
Damages	-	1,372,840.00
Boarding Equipment and Stores	45,488,184.89	43,569,868.00
Uniform	356,934.00	-
PQASF	-	9,784,450.00
Rent Expenses	-	-
Bus hire	42,980.00	-
P.A Account	-	57,516.00
Insurance Cost	-	-
Prepaid fee	-	-
Activity Expenses	1,105,110.00	148,260.00
Fees refund	-	2,281,344.00
Hire of ground and equipment	-	-
Fund transfer to operations	-	385.00
Caution refund	-	3,000.00
Teachears Motivation Trip	3,744,534.94	-
Pocket Money	-	5,250.00
Tender	32,500.00	24,000.00
Bursary payent to students	-	222,466.00
Other voteheads	-	15,553,831.00
TOTAL	71,983,010.89	78,690,576.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 BANK ACCOUNTS

Account Name & currency	Status	Bank Account Number	2022-2023	2021-2022
			Kshs	Kshs
Tuition Account	Active	01025051519400	3,685.15	3,873.40
Operations Account	Active	01243051519400	5,228,312.15	109,304.20
School Fund Account/Boarding-NBK	Active	01021051519400	124,390.81	526,379.00
School Fund Account/Boarding-Barclays	Active	0151100945	52,298.45	52,298.45
Savings Account/Investments	Active	01243051519400	1,811.06	2,696.06
P.A Account-KCB	Active	1266251634	10,950,905.00	216,240.00
PQSAF Account	Active	01248053079000	643.37	44,003.37
Infrastructural Account	Active	01025051519401	361.00	460.00
Total			16,362,406.99	955,254.48

11 CASH IN HAND

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes & Coins	624.30	14,388.00
Total	624.30	14,388.00

12 SHORT TERM INVESTMENTS

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit accounts	-	-
Other investments	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 ACCOUNTS RECEIVABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears	10,970,738.07	10,129,855.07
Other non-fees receivables		
Salary advances	91,000.00	91,000.00
Imprest		
Rent arrears		
Total	11,061,738.07	10,220,855.07

13b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	ksh		ksh	
	2022-2023	% of the total	2022-2023	% of the total
Less than 1 year	4,587,566.00	41.82%	1,578,990.00	15.59%
Between 1-2 years	1,578,990.00	14.39%	3,385,526.00	33.42%
Between 2-3 years	3,385,526.00	30.86%	5,165,339.07	50.99%
Over 3 years	1,418,656.07	12.93%	-	-
Total	10,970,738.07	100.00%	10,129,855.07	100.00%

14 ACCOUNTS PAYABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	7,585,188.00	6,744,305.00
Prepaid fees	-	-
Retention Monies		-
Unpaid salaries & Statutory Deductions		
Caution Money	-	-
Total	7,585,188.00	6,744,305.00

ST.CHARLES LWANGA SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (Continued)
14a Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	ksh		ksh	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	6,863,433.00	90.48%	5,236,460.00	77.64%
Between 1-2 years	693,291.00	9.14%	1,507,845.00	22.36%
Between 2-3 years	28,464.00	0.38%	-	
Over 3 years	-		-	
Total	7,585,188.00	100.00%	6,744,305.00	100.00%

15 FUND BALANCE BROUGHT FORWARD

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank balances	955,254.48	4,039,958.88
Cash balances	14,388.00	3,536.00
Receivables	10,220,855.07	12,668,536.07
Payables	(6,744,305.00)	(9,191,986.00)
Total	4,446,192.55	7,520,044.95

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Other important disclosure notes

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

a. Non-current Liabilities Summary

Description		2022-2023	2021-2022
		Kshs	Kshs
Bank loan(s)		-	-
Outstanding Leases		-	-
Hire purchase		-	-
Gratuity and leave provision		-	-
Total		-	-
17 Biological assets			
Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	-	-	-
Goats	-	-	-
Trees	-	-	-
Coffee or tea plantation	-	-	-
Pigs & Donkeys	-	-	-
Poultry	-	-	-
Total		-	-
18 Borrowings			
Description		2022-2023	2021-2022
		Kshs	Kshs
a) Borrowings			
Borrowing at beginning of the year		-	-
Borrowings during the year		-	-
Repayments of during the year		-	-
Balance at end of the year		-	-

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Other important disclosure notes

i. Stock/ Inventory


Description	2022-2023	2021-2022
	KShs	KShs
Food stuffs	219,000.00	289,998.00
Lab consumables	258,686.00	1,504,448.00
Stationeries	120,000.00	-
Farm Produce	65,257.00	-
Medication	(524,550.00)	(547,170.00)
Construction Materials	-	-
	138,393.00	1,247,276.00

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ii. 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: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>



 Sign and Date
 Principal

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance 2022	comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
Sub-Total	-					
Alii Hard ware	19,500.00	2019	19,500.00	-	19,500.00	
smile Africa Ltd	49,500.00	2022	49,500.00	-	49,500.00	
David Musyoni	189,454.00	2022	189,454.00	-	189,454.00	
Erick Charles	6,510.00	2022	6,510.00	-	6,510.00	
Jane Muthoki	40.00	2020	40.00	-	40.00	
Ebenezer Hardware	747,690.00	2022	747,690.00	-	747,690.00	
David Musyoni	103,600.00	2020	103,600.00	-	103,600.00	
latatrof system	313,000.00	2022	313,000.00	-	313,000.00	
Snow pharmacy	273,175.00	2022	205,470.00	67,705.00	273,175.00	
Cana General	25,000.00	2022	25,000.00	-	25,000.00	
Copy cat Ltd	138,232.00	2022	138,232.00	-	138,232.00	
Berbette Wholesallers ltd	765,550.00	2022	765,550.00	-	765,550.00	
Zombe Wood furniture	1,165,870.00	2022	1,165,870.00	-	1,165,870.00	
Bitetec System	97,500.00	2022	97,500.00	-	97,500.00	
Sheshe Mutwiri Enterprises	12,900.00	2022	12,900.00	-	12,900.00	
Mucklin general enterprises	30,000.00	2022	30,000.00	-	30,000.00	
Jozam chemicals	38,800.00	2022	38,800.00	-	38,800.00	
Software for schools kenya	150,000.00	2022	150,000.00	-	150,000.00	
Kitema Kinyili	90,000.00	2022	90,000.00	-	90,000.00	
Rosamu Gen Supplies	111,381.00	2021	-	111,381.00	108,800.00	
Dfl festive	20,910.00	2021	20,910.00	-	20,910.00	
Peter Mulei & sons ltd	406,371.00	2021	406,371.00	-	406,371.00	
Gaston Kenya Ltd	28,826.00	2021	28,826.00	-	28,826.00	
Cana General	30,000.00	2021	30,000.00	-	30,000.00	
Leechem Enterprises	46,831.00	2021	-	46,831.00	46,831.00	
Caliweb/Imella	40,000.00	2021	40,000.00	-	40,000.00	
Smartscore ltd	27,300.00	2021	27,300.00	-	27,300.00	
Justiel Ltd	26,800	2020	26,800.00	-	26,800.00	
Stephen M Mbindyo	4,650	2020	4,650.00	-	4,650.00	
Gaston Kenya Ltd	28,826	2020	-	28,826.00	28,826.00	
Kyandani Investment	215,580	2022	215,580.00	-	215,580.00	
Kalsyan Enterprises	135,000	2022	135,000.00	-	135,000.00	
Copycat Ltd	176,928	2020	176,928.00	-	176,928.00	
Wrma	8,247	2020	8,247.00	-	8,247.00	
Kalsyan Enterprises	21,000.00	2021	21,000.00	-	21,000.00	
sanaa Busmix ventures	54,800.00	2021	54,800.00	-	54,800.00	
Mucklin general enterprises	15,000.00	2020	15,000.00	-	15,000.00	
Tsunamitec Supplies Ltd	615,036.00	2022	262,640.00	352,396.00	615,036.00	
Eastlab Ltd	83,217.00	2022	83,217.00	-	83,217.00	
Eastlab Ltd	283,416.00	2021	263,246.00	20,170.00	283,416.00	
Snow pharmacy	165,565.00	2023		165,565.00		
Bitetec System	82,480.00	2023		82,480.00		
Zombe wood furniture	995,000.00	2023		995,000.00		
Smartscore ltd	34,000.00	2023		34,000.00		
Kyandani Investment	80,720	2023		80,720.00		
Copycat Ltd	142,100	2023		142,100.00		
Tsunamitec Supplies Ltd	390,556.00	2023		390,556.00		
Stem series	15,000.00	2023		15,000.00		
Aster ltd	348,000.00	2023		348,000.00		
Mckena ventures	38,700.00	2023		38,700.00		
Jane muthoki	111,820.00	2023		111,820.00		
Kitui ebenezer	497,580.00	2023		497,580.00		

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE *continued...*

Elimu world ltd	36,650.00	2023		36,650.00		
Bontech computer services	40,000.00	2023		40,000.00		
Imella enterprises	500,000.00	2023		500,000.00		
Stephen Vaati Mutiso	120,000.00	2023		120,000.00		
Lofre supplies solutions	8,500.00	2023		8,500.00		
Davco supplies	15,000.00	2023		15,000.00		
Litemore ltd	180,588.00	2023		180,588.00		
Asal agrovet	90,000.00	2023		90,000.00		
Lucia paul supplies	167,700.00	2023		167,700.00		
Moshangu enterprises	95,000.00	2023		95,000.00		
Kauma General supplies	391,900.00	2023		391,900.00		
Riziky world bentures	336,775.00	2023		336,775.00		
Cadenza printers	396,000.00	2023		396,000.00		
Naivas Ltd	902,089.00	2023		902,089.00		
Faith monthe musyoki	24,000.00	2023		24,000.00		
Print pro system	96,000.00	2023		96,000.00		
Dominic musyoki	14,400.00	2023		14,400.00		
Eastlab Ltd	20,170.00	2023		20,170.00		
Non-Teaching staff gratuity	151,653.00	2023		151,653.00		
Gaston Kenya Ltd	202,987.00	2023		202,987.00		
Sub-Total	7,036,037.00			4,239,299.00	7,490,742.00	6,593,859.00
Supply of services						
Conloop Technologies	56,000.00	2021	56,000.00	-	56,000.00	
Gaston Kenya Ltd	94,446.00	2022		94,446.00	94,446.00	
Sub-Total	2,388,958.00		2,294,512.00	94,446.00	150,446.00	
Grand Total	9,424,995.00		-	6,533,811.00	7,585,188.00	6,744,305.00

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Units	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land	4.1 Ha		-	-	
Buildings and structures	23		-	-	
Motor vehicles	1		-	-	
Office equipment, furniture and fittings	3178		-	-	
Textbooks	11562		-	-	
ICT Equipment	1732		-	-	
Tools and apparatus	5269		-	-	
Other Machinery and Equipment	15		-	-	
Heritage and cultural assets					
Intangible assets- software	5			-	
Total			-	-	

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