REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*





# REPORT OF THE AUDITOR-GENERAL

# ON

# SHIMO LA TEWA SCHOOL

# FOR THE YEAR ENDED 30 JUNE, 2024

# MOMBASA COUNTY

# SHIMO LA TEWA 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 was established in 1932. It is located along the Mombasa – Malindi highway about 15 km from Mombasa town and about 1km from the Shimo la tewa Maximum Prisons.

The school was registered in 20/02/2013 under registration number PU/S/3/5540/13and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 1955 number of students as at 30th June2024. It has 33 streams and 70 teachers of which 14 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 | Maurice Aluku Omogo | Chairman | 8/6/2022 |
| 2 | Mutiso Mathew Mbinda | Secretary- Principal | 8/6/2022 |
| 3 | Joshua Mwavita Jave | Member | 8/6/2022 |
| 4 | Evans Mwasya | Member | 8/6/2022 |
| 5 | Fatuma Bakari | Member | 8/6/2022 |
| 6 | Naomi Munyoki | Member | 8/6/2022 |
| 7 | Jimmy Azangu | Member | 8/6/2022 |
| 8 | Dorothy Auma | Member – Rep CEB | 8/6/2022 |
| 9 | Patrice Sabuni | Member Rep Teachers | 8/6/2022 |
| 10 | Aidarus Abdirahman | 3 Members - Sponsor | 8/6/2022 |
| 11 | F.K. Bett | Member - Community | 8/6/2022 |
| 12 | Abdulaziz Shekuwe Athman | MemberSpecial Needs | 8/6/2022 |
| 13 | Dennis Oware | Rep Students | 8/6/2022 |
| 14 | Steven Orago | Member | 8/6/2022 |

**The functions of the School Board of Management are to:**

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

**(c) Committees of the Board**

| Ref: | Name of Committee | Names of Members | Designation | Numberofmeetings attended during the year |
|---|---|---|---|---|
| 1 | Executive Committee | 1.Maurice Aluku<br>2.Mutiso Mathew<br>3.Dorothy Auma<br>4.Steve Orago<br>5.Naomi Munyoki | Chairman<br>Secretary<br>Member<br>Member<br>Member | 4/5<br>5/5<br>3/5.<br>4/5<br>5/5 |
| 2 | Audit Committee | 1.Freddy Bett<br>2.Naomi Munyoki<br>3. Joshua Mwavita<br>4.Fatuma Bakari | Chairman<br>Member<br>Member<br>Member | 5/5<br>5/5<br>5/5<br>5/5 |
| 3 | Finance,procurement and general purposes Committee | 1.Naomi Munyoki<br>2.Maurice Aluku<br>3 Evans Mwasya | Chair<br>Member<br>Member | 5/5<br>5/5<br>4/5 |

| | | | | |
|---|---|---|---|---|
| | | 4.Juma Amana | Member | 4/5 |
| | | 5. Joshua Mwavita | Member | 5/5 |
| 4 | Academic Committee | 1.Dr. Samuel Libendi | Chair | 4/5 |
| | | 2.Dr. Juma Amana | Member | 4/5 |
| | | 3.Aidarus Abdirahman | Member | 3/5 |
| | | 5. Fatuma Bakari | Member | 4/5 |
| | | 6.Maurice Aluku | Member | 4/5 |
| | | 7.Patrice Sabuni | Member | 5/5 |
| 5 | Discipline and welfare Committee | 1.Maurice Aluku | Chair | 5/5 |
| | | 2.Aidarus Abdirahman | Member | 4/5 |
| | | 3.Evans Mwasya | Member | 5/5 |
| | | 4.Dr. Samuel Libendi | Member | 4/5 |
| | | 5.Dorothy Auma | Member | 5/5 |
| | | | | |

### (d) School operation Management

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

| Ref: | Designation | Name | Identification |
|---|---|---|---|
| 1 | Principal | Mathew Mutiso Mbinda | TSC No.304146 |
| 2 | Deputy Principal 1 | Rodgers Toola | TSC No. |
| 3 | Deputy Principal 2 | George Muriuki | TSC No.390515 |
| 4 | School Bursar | Iddi M. Dzombo | ID No.11460651 |
| 5 | Accounts Clerk 1 | Felix K. Maleu | ID No 28953239 |
| 6 | Accounts Clerk 2 | Caroline A. Gwendo | ID No 21999814 |

### (e) Schools contacts

Post Office Box: 90163-80100 MOMBASA
Telephone: 0726323221
E-mail: shimolatewaschool@yahoo.com
Website: www.shimolatewaschool.ac.ke
Face book: N/A
Twitter: N/A

### (f) School Bankers

National Bank
Branch; Nkrumah Road
Account no.01021007525000
Boarding Account

National Bank
Branch; Nkrumah Road
Account no.01025007525000
Tuition Account

National Bank
Branch; Nkrumah Road
Account no.01025007525000
Operation Account

Equity Bank
Branch; Mtwapa
Account no.1190260661473
Boarding/Collection Account

Equity Bank
Branch; Mtwapa

Account No. 1190260661510
Infrastructure Account

National Bank
Branch; Nkrumah Road
Account no.01242007736100
Savings Account

National Bank
Branch; Nkrumah Road
Account no.01242007699800
Savings Account

National Bank
Branch; Nkrumah Road
Account no.01242007744100
Savings Account

National Bank
Branch; Nkrumah Road
Account no. 01025091806600
PTA account

National Bank
Branch; Mtwapa Branch
Account no. 01041007525000
Pay bill Account

**(g) Independent Auditors**

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

## 3. Summary Report of Performance of The School

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

**a) Financial performance:**

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

| S/NO | ACCOUNT | 2023/2024 | 2022/2023 | 2021/2022 |
|---|---|---|---|---|
| 1 | Surplus/Deficit | 4,675,050 | 14,843,967 | (3,116,663) |

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

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

| S/NO | ACCOUNT | 2023/2024 | 2022/2023 | 2021/2022 |
|---|---|---|---|---|
| 1 | Tuition Account | 4,433,420 | 4,491,760 | 5,079,640 |
| 2 | Operation Account | 27,890,485 | 16,117,387 | 22,047,547 |
| TOTAL | | 32,323,905 | 20,609,147 | 27,127,187 |

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

| S/NO | ACCOUNT | 2023/2024 | 2022/2023 | 2021/2022 |
|---|---|---|---|---|
| 1 | Main Account | 15,897,841 | 39,004,484 | 21,458,349 |

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

| S/NO | ACCOUNT | 2023/2024 | 2022/2023 | 2021/2022 |
|---|---|---|---|---|
| 1 | Tuition Account | 3,092,168 | 6,009,560 | 4,810,729 |
| 2 | Operation Account | 31,190,708 | 12,109,083 | 22,178,018 |
| 3 | Main Account | 123,691,107 | 131,555,484 | 127,656,062 |

**(v)Movement of debtors and creditors of the school over the last three years**

| S/NO | PARTICULARS | 2023/2024 | 2022/2023 | 2021/2022 |
|---|---|---|---|---|
| 1 | Debtors | 44,694,944 | 42,163,716 | 36,028,971 |
| 2 | Creditors | 35,026,707 | 37,609,911 | 33,075,209 |

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

**b) Teacher Student ratio**:

| | |
|---|---|
| Teacher to student ratio | 1:26 |
| Number of teachers recruited/posted to the school within the year | 2 |
| Number of teachers transferred during the year | 2 |
| Number of teachers retired during the year | 0 |
| Number of teachers employed during the year by TSC | 58 |
| Number of teachers employed by the BOM | 14 |
| Subject Allocation: | |
| (i)Maths | 13 |
| (ii) English | 14 |
| (iii) Kiswahili | 11 |
| (iv) Chemistry | 7 |
| (v) Biology | 5 |
| (vi) Physics | 9 |
| (vii)Business Studies | 4 |
| (viii) Agriculture | 4 |
| (ix)Geography | 5 |
| (x)History & Government | 6 |
| (xi)CRE | 5 |
| (xii) IRE | 5 |
| (xiii)Arabic | 1 |
| (xiv)German | 1 |
| (xv)French | 2 |
| (xvi)Woodwork | 1 |
| (xvii)Drawing & Design | 1 |
| (xviii)Computer | 2 |
| | |
| | |

| **N.B:- Note that the school has a shortage of teachers for the following subjects** | |
|---|---|
| Computer | 1 |
| Bio/Agriculture | 1 |
| IRE/Arabic | 1 |
| Kiswahili/CRE | 1 |
| Kiswahili/Geography | 1 |
| Physics/Maths | 2 |
| Kiswahili/history | 1 |
| Biology/chemistry | 3 |
| Physics/chemistry | 3 |
| Maths/chemistry | 3 |

**c) The mean score in the 2024KCSE:**

| **Description** | **2023** | **2022** | **2021** |
|---|---|---|---|
| School Performance | C+ | C+ | C+ |
| Mean score | 6.71 | 6.74 | 7.14 |
| Students transition to higher learning | 213 | 169 | 232 |

**d) Number of Candidates in the 2024 KCSE:**

| **Description** | **2023** | **2022** | **2021** |
|---|---|---|---|
| KCSE Candidates | 392 | 331 | 361 |

**e) The capacity of the school:**

| **Description** | **2024** |
|---|---|
| No. of students | 1955 |
| Dormitories | 19 |
| Dining hall | 1 |
| Kitchen | 2 |

| **LABORATORIES:** | |
|---|---|
| ICT labs | 1 |
| Biology labs | 2 |
| Physics labs | 2 |
| Chemistry labs | 4 |
| Toilets | 120 |

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

| Projects | Source of funds | Status | Initial Cost (Kshs) | Amount Spent (Kshs) | Expected completion time |
|---|---|---|---|---|---|
| Toilet construction | Government | complete | 4,069,970 | 3,743,170 | |
| Renovation of dormitory | Government | complete | 3,094,850 | 2,942,151 | |
| | | | | | |

.....

**School Principal**

CHIEF PRINCIPAL
SHIMO LA TEWA SCHOOL
P. O. Box 90163,MOMBASA
Date: _____ Sign: _____

## 4. Statement of School Management Responsibility

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

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

The Board of Management of Shimo la tewa 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.

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**MAURICE ALUKU OMOGO**

**Designation:** Chairman, School Board of Management

**Date:** 12/6/2025

CHIEF PRINCIPAL
SHIMO LA TEWA SCHOOL
P. O. Box 90163, MOMBASA

.....

**MUTISO MATHEW MBINDA**

**Designation:** School Principal& Secretary to Board of Management

**Date:** 12/6/2025

.....

**IDDI M. DZOMBO**

**Designation:** Bursar/ Finance Officer

**Date:** 12/6/2025

# REPUBLIC OF KENYA

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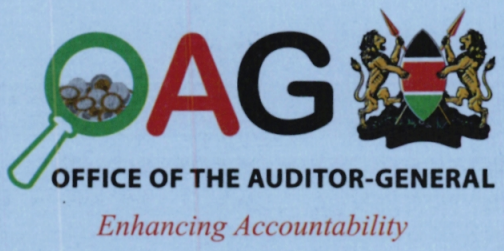
Website:www.oagkenya.go.ke




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

## REPORT OF THE AUDITOR-GENERAL ON SHIMO LA TEWA SHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – MOMBASA COUNTY

PREAMBLE

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

A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;

B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,

C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

**Qualified Opinion**

I have audited the accompanying financial statements of Shimo La Tewa School – Mombasa County set out on pages 1 to 22, which comprise the statement of assets and

liabilities as at 30 June, 2024, 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 Shimo La Tewa School 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 Basic education Act No 14 of 2013 and the Public Finance Management Act, 2012.

**Basis for Qualified Opinion**

**1. Inaccuracies in the Statement of Receipts and Payments**

The statement of receipts and payments reflects total payments of Kshs.157,973,983 which includes Kshs.29,761,040 in respect of operations which differs with Kshs.31,190,708 reflected in the statement of cash flows resulting to a variance of Kshs.1,429,668. Further, Note 8 to the financial statements reflects Kshs.1,429,668 in respect of infrastructure payments which differs with the ledger balance of Kshs.1,508,490 resulting to an unexplained variance of Kshs.78,822. In addition, the statement of cash flows reflects Kshs.1,429,668 in respect to Government grants for infrastructure while summary of fixed assets register reflects Nil balance.

In the circumstances, the accuracy and completeness of the total payments of Kshs.157,973,983 could not be confirmed.

**2. Inaccurate Statement of Assets and liabilities**

The statement of assets and liabilities reflects total net financial assets of Kshs.27,888,606 which includes Kshs.18,220,369 in respect of cash and cash equivalents. The cash and cash equivalents balance differ with Kshs.18,375,980 reflected in the statement of cash flows resulting to understatement of net financial assets by Kshs.155,611. Further, Note 15 to the financial statements reflets accumulated fund brought forward of Kshs.23,213,556 which differ with the closing balance carried down from the previous year audited balances of Kshs.22,950,728 thus overstating the reported net assets by Kshs.262,828.

In the circumstances, the accuracy and completeness of the net financial assets of Kshs. 27,888,606 could not be confirmed.

**3. Unsupported and Long Outstanding Accounts Receivables**

The statement of assets and liabilities and Note 13 to the financial statements reflects accounts receivables balance of Kshs.44,694,944 which was not supported by a schedule of individual ledgers. Further, accounts receivables totaling Kshs.32,160,999 remained

outstanding for more than two (2) years and no evidence was provided to show steps taken by management to recover the long overdue debts.

In the circumstances, the accuracy, fair value and recoverability of accounts receivables balance of Kshs.44,694,944 could not be confirmed.

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

**Emphasis of Matter**

**Budgetary Performance and Control**

The statement of budget versus actual amounts shows that the School spent Kshs.129,472,594 against actual receipts of Kshs.143,982,727 resulting to an under-utilization of Kshs.14,510,133 or 10% of actual receipts.

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

My opinion is not modified in respect of this matter.

**Key Audit Matters**

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

**Other Matter**

In the audit report for 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 has not resolved the issues to date or given any explanation for the failure to resolve the issues.

**Other Information**

The Management is responsible for the Other Information set out on page iii to xiii which comprise of Key School Information and Management, Summary report of performance of the School and Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

**Conclusion**

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

**Basis for Conclusion**

**1. Non-compliance with Procurement Law on Construction of Classroom Block**

The statement of receipts and payments and Note 8 to the financial statements reflects Kshs.1,429,668 in respect of infrastructure on construction of classrooms. However, management did not provide the bill of quantities, specifications, structural drawing and approvals by the Ministry of Education contrary to Section 68 (1) of the Public Procurement and Assets Disposal Act, 2015 which requires the accounting officer of a procuring entity to keep records for each procurement for at least six years after the resulting contract has been completed or if no contract resulted, after the procurement proceedings were terminated.

Further, physical verification of the project carried out on 15 April, 2025 revealed that the floor of one of the classrooms had not been cemented, the windows were incomplete and paint was peeling off yet retention money amounting to Kshs.78,822 had been released to the contractor on 29 November, 2023.

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

**2. Excess Supply of Text Books by the Ministry of Education**

Review of text book records and delivery notes from Kenya Institute of Curriculum Development (KICD) shows that the School received twenty-seven thousand and forty-seven (27047) text books against an optimum number of seventeen thousand and forty-four (17044) resulting to excess text books by ten thousand and three (10003).

This is contrary to Section 72 (1) (b) of the Public Finance Management Act, 2012 which requires Accounting Officer for a National government entity to manage assets in their custody in a way which ensures that the entity achieves value for money in acquiring, using and disposing of such assets.

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

### 3. Inaccurate Number of Student Enrollment Data

Review of the student enrolment records provided for audit shows that the School had a population of one thousand nine hundred and ninety-five (1995) students. Analysis of NEMIS data shows a student population of one thousand eight hundred and seventy-three (1873) resulting to a variance of one hundred and twenty-two (122) students. The inaccurate records resulted in underfunding by Kshs.506,995 which is contrary to the requirements under paragraph 3.2.5 of circular Ref no MOE.HQS/3/10/18/ (112) dated 15 November, 2022 issued guidelines on implementation of Free Day Secondary Education (FDSE) which requires Principals to ensure that Schools records on NEMIS are accurate at all times by regularly updating these records.

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

### 4. Dormant Bank Accounts

The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs.18,220,369 which includes Kshs.18,145,981 held in eleven (11) bank accounts. However, four (4) of the bank accounts with a combined balance of Kshs.177,597 remained idle for a long period while attracting bank charges contrary to Section 83 (2) of the Public Finance Management (National Government) Regulations, 2015 which requires sound cash management through avoiding accumulation of idle balances.

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

### 5. Irregular Procurement of Goods and Services

The statement of receipts and payments and Notes 6 and 7 to the financial statements reflects Kshs.3,092,168 and Kshs 29,761,040 in respect of tuition and operations payments respectively. However, payments totaling Kshs.2,640,078 on tuition and Kshs.6,085,980 on operations were not supported with procurement documents including inspection and acceptance reports and tender evaluation committee members and appointment letters to the tender committees contrary to Section 68 (1) of the Public Procurement and Assets Disposal Act, 2015 which requires an accounting officer of a procuring entity to keep records for each procurement for at least six years after the resulting contract has been completed or, if no contract resulted, after the procurement proceedings were terminated.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

**Conclusion**

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

**Basis for Conclusion**

**1. Failure to Submit Regular Board of Management Reports**

Review of records and correspondences relating to Board of Management revealed that the Board did not submit staffing advisory reports to the County Education Board contrary to Section 59 of the Basic Education Act, 2013 which requires the Board to advise the County Education Board on the staffing needs of the institution.

Further, it was noted that management had not developed an improvement plan to be used to measure improvement of activities and hold schools accountable, keep it in focus in achieving the target, prioritization of school needs, ensuring prudent utilization of resources and to improve accountability.

In the circumstances, the effectiveness of internal controls, risk management and governance of the School could not be confirmed

**2. Failure to Maintain a Register of Assets**

Review of records and physical verification in the month of April 2025 indicated that the School had several assets that stand on one hundred and one (101) acres of land that included buildings, school bus, fixtures and fittings, borehole and water reticulation equipment, modern kitchen equipment, equipped computer lab, CCTV installations, standby generators among other assets. However, no fixed asset register was provided for audit confirmation. Further, some of the assets had leaking roofs, faulty sinks and taps, broken dormitory windows and dilapidated floors, unfixed fire extinguishers lying in the store while some dormitories and the computer lab lacked the same, furniture and beds lying in open space rusting and rotting away and the computer lab is leaking and the window louvers could not close.

In the circumstances, the accuracy, occurrence and ownership of property, plant and equipment could not be confirmed.

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

**Responsibility of Management and the Board**

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

The Board of Management 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 IFPP 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**

**24 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 |
| **Receipts** | | | |
| Government grants for tuition | 1 | 4,433,420 | 4,491,760 |
| Government grants for operations | 2 | 19,937,845 | 16,117,387 |
| Government Grants for infrastructure | 3 | 7,952,640 | 3,400,000 |
| School fund income- parents' contributions | 4 | 114,427,287 | 130,060,449 |
| Miscellaneous incomes | 5 | 15,897,841 | 10,448,498 |
| **Total Receipts** | | **162,649,033** | **164,518,093** |
| | | | |
| **Payments** | | | |
| Tuition | 6 | 3,092,168 | 6,009,560 |
| Operations | 7 | 29,761,040 | 12,109,083 |
| Infrastructure | 8 | 1,429,668 | |
| Boarding and school fund | 9 | 123,691,107 | 131,555,484 |
| **Total Payments** | | **157,973,983** | **149,674,127** |
| | | | |
| **Surplus/Deficit** | | **4,675,050** | **14,843,967** |

The school financial statements were approved on 12/6/ 2025 and signed by:

| | | |
|---|---|---|
| ..... | ..... | ..... |
| **MAURICE ALUKU OMOGO** | **MUTISO MATHEW MBINDA** | **IDDI M. DZOMBO** |
| **Chair BOM** | **School Principal/ Secretary to BOM** | **Bursar/ Finance Officer** |
| **Date:** 12/6/2025 | **Date:** 12/6/2025 | **Date:** 12/6/2025 |

CHIEF PRINCIPAL
SHIMO LA TEWA SCHOOL
P. O. Box 90163, MOMBASA

## 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 | 18,145,981 | 18,114,587 |
| Cash balances | 11 | 74,388 | 9,723 |
| Short term investments | 12 | - | - |
| **Total cash and cash equivalent** | | **18,220,369** | **18,124,310** |
| | | | |
| Account's receivables | 13 | 44,694,944 | 42,436,329 |
| | | | |
| **Total financial assets (a)** | | **62,915,313** | **61,560,639** |
| | | | |
| **Financial liabilities** | | | |
| | | | |
| Accounts payables | 14 | 35,026,707 | 37,609,911 |
| **Total Financial Liabilities (b)** | | **35,026,707** | **37,609,911** |
| | | | |
| **Net financial assets (a-b)** | | **27,888,606** | **23,950,728** |
| | | | |
| **Represented by** | | | |
| | | | |
| **Accumulated fund b/fwd** | 15 | 23,213,556 | 9,106,762 |
| **Surplus/deficit for the year** | | 4,675,050 | 14,843,967 |
| | | | |
| **Net Assets** | | **27,888,606** | **23,950,728** |

The school's financial statements were approved on 12/6/ 2025 and signed by:

| | | |
|---|---|---|
| ..... | CHIEF PRINCIPAL SHIMO LA TEWA SCHOOL P. O. Box 90183, MOMBASA Date: sign: ..... | ..... |
| **MAURICE ALUKU OMOGO** | **MUTISO MATHEW MBINDA** | **IDDI M. DZOMBO** |
| **Chair BOM** | **School Principal/ Secretary to BOM** | **Bursar/ Finance Officer** |
| **Date:** 12/6/2025 | **Date:** 12/6/2025 | **Date:** 12/6/2025 |

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

| Description | Note | 2023-2024 | 2022-2023 |
|---|---|---|---|
| | | Kshs | Kshs |
| **Cash from Operating Activities** | | | |
| **Receipts** | | | |
| Government grants for tuition | | 4,433,420 | 4,695,760 |
| Government grants for operations | | 21,870,725 | 23,720,678 |
| Government grants for infrastructure | | 7,952,640 | - |
| School fund income- parents contributions/ fees | | 109,500,694 | 115,470,064 |
| Other income | | 15,897,841 | 94,987,785 |
| **Total receipts** | | **159,655,320** | **238,873,861** |
| **Payments** | | | |
| Cash outflows for tuition | | 3,092,168 | 5,061,550 |
| Cash outflows for operations | | 31,190708 | 16,771,874 |
| Cash outflows Boarding/lunch and school fund payments | | 123,691,107 | 210,933,786 |
| **Total payments** | | **157,973,983** | **232,767,210** |
| **Net cash flow from operating activities** | | **1,681,337** | **6,106,652** |
| | | | |
| **Cash flow from investing activities** | | | |
| Acquisition of assets | | - | - |
| Maintenance & Improvement | | - | 3,400,000 |
| **Total Receipts** | | | **3,400,000** |
| | | | |
| **Payments from investing activities** | | - | - |
| Government grants for Infrastructure | | 1,429,668 | - |
| **Net cash inflow/outflows from investing activities** | | **( 1,429,668)** | **3,400,000** |
| | | | |
| **Cash flow from Financing activities** | | | |
| Proceeds from borrowings/ loans | | - | - |
| Repayment of principal borrowings | | - | - |
| **Net cash inflow/outflow from financing activities** | | - | - |
| | | | |
| **Net increase/decrease in cash and cash equivalents** | | **251,669** | **9,506,652** |
| Cash and cash equivalent at beginning of the FY | | 18,124,311 | 8,617,659 |
| **Cash and cash equivalent at end of the FY** | | **18,375,980** | **18,124,311** |

The school's financial statements were approved on 12/6/25 2025 and signed by:

| | | |
|---|---|---|
| ..... | ..... | ..... |
| **MAURICE ALUKU OMOGO** | **MUTISO MATHEW MBINDA** | **IDDI M. DZOMBO** |
| **Chair BOM** | **School Principal/ Secretary to BOM** | **Bursar/ Finance Officer** |
| **Date:** 12/6/2025 | **Date:** 12/6/2025 | **Date:** 12/6/2025 |

CHIEF PRINCIPAL
SHIMO LA TEWA SCHOOL
P. O. Box 90163, MOMBASA

## 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 | | | | | |
| Exercise Books | | | | | |
| Laboratory Equipment | | | | | |
| Internal Exams | | | | | |
| Teaching / Learning Materials | 7,666,400 | - | 7,666,400 | 4,433,419 | 58% |
| Exams And Assessment | | | | | |
| | | | | | |
| *(2) Capitation Grant on Operations* | | | | | |
| OTHER VOTE HEADS | 22,925,000 | | 22,925,000 | 19,258,210 | 84% |
| Repairs And Maintenance | 9,250,000 | | 9,250,000 | 7,952,640 | 86% |
| Local Transport / Travelling | | | | | |
| Electricity And Water | | | | | |
| Medical | | | | | |
| Administration Costs | | | | | |
| Activity | | | | | |
| Gratuity | | | | | |
| | | | | | |

| 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 |
| ***3) FDSE for infrastructure*** | | | | | |
| Maintenance &Improvement MoE | 8,095,200 | | 8,095,200 | 8,095,200 | |
| M&I parents' contribution | | | | | |
| Economic Stimulus Programs | | | | | |
| Transition Infrastructure Grants | | | | | |
| Administration Block | | | | | |
| ***(4) Fees Charged on Parents*** | | | | | |
| B.E.S | 56,212,250 | | 56,212,250 | 55,925,522 | 99% |
| Repairs And Maintenance | 3,700,000 | | 3,700,000 | 3,431,195 | 93% |
| Local Transport / Travelling | 3,768,450 | | 3,768,450 | 3,090,034 | 91% |
| Electricity And Water | 14,320,850 | | 14,320,850 | 13,286,022 | 92% |
| Medical | | | | | |
| Administration Costs | 6,029,150 | | 6,029,150 | 4,763,626 | 79% |
| Activity | 1,476,300 | | 1,476,300 | 1,309,113 | 89% |
| SMASSE | | | | | |
| Personal Emoluments | 13,567,900 | | 13,567,900 | 12,003,096 | 88% |
| ***5) Miscellaneous Income*** | | | | | |
| Loans / Borrowing | | | | | |
| Rent income | | | | | |
| Income From Farming Activities | | | | | |
| Insurance Compensation | | | | | |
| Income From Posho Mill | | | | | |

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|---|---|---|---|---|---|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Income From Bus Hire | | | | | |
| Fee For Hire of Ground and Equipment | 5,000,000 | | 5,000,000 | 10,434,650 | 203% |
| Interest Income | | | | | |
| Income From Any Other Investment | | | | | |
| **Total Income** | **152,011,500** | | **152,011,500.00** | **143,982,727** | **95%** |
| ***(6) Expenditure For Tuition*** | | | | | |
| Textbooks | | | | | |
| Reference Materials | | | | | |
| Exercise Books | | | | | |
| Laboratory Equipment | | | | | |
| Internal Exams | | | | | |
| Teaching / Learning Materials | 7,666,400 | | 7,666,400 | 3,529,748 | 46% |
| Chalks | | | | | |
| Exams And Assessment | | | | | |
| Teachers Guides | | | | | |
| Administration Costs | | | | | |
| Bank Charges | 2,420 | | 2,420 | 2,420 | |
| | | | | | |
| ***(7) Expenditure For Operations*** | | | | | |
| Personnel Emoluments | 6,260,400 | | 6,260,400 | 12,101,006 | 193% |
| Repairs, Maintenance & Improvements | 3,700,000 | | 3,700,000 | 234,000 | 6% |
| Local Transport / Travelling | 1,739,000 | | 1,739,000 | 354,700 | 21% |

| 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 |
| Electricity, Water and Conservancy | 6,608,200 | | 6,608,200 | 3,387,339 | 51% |
| Medical | 3,700,000 | | 3,700,000 | 309,223 | 8% |
| Administration Costs | 2,782,400 | | 2,782,400 | 2,494,500 | 90% |
| Activity Expenses | 2,775,000 | | 2,775,000 | 2,630,000 | 95% |
| Gratuity | 417,459 | | 417,459 | 417,459 | |
| SMASSE | | | | | |
| | | | | | |
| ***(8) Expenditure For infrastructure*** | | | | | |
| Construction of classrooms-CBC | 1,429,668 | | 1,429,668 | 1,429,668 | |
| Construction of LAB | | | | | |
| Construction of DORMS | | | | | |
| Purchase of furniture | | | | | |
| Purchase of equipment | | | | | |
| Purchase of machinery | | | | | |
| ***(9) Expenditure For school fund/lunch/boarding*** | | | | | |
| Personnel Emoluments | 13,567,900 | | 13,567,900 | 9,535,366 | 70% |
| Repairs, Maintenance and Improvements | 3,700,000 | | 3,700,000 | 2,276,764 | 61% |
| Local Transport / Travelling | 3,768,450 | | 3,768,450 | 5,941,173 | (157%) |
| Electricity, Water and Conservancy | 14,320,850 | | 14,320,850 | 9,535,366 | 67% |
| Medical Expenses | 435,030 | | 435,030 | 435,030 | |

| 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 |
| Administration Costs | 6,029,150 | | 6,029,150 | 9,346,242 | 155% |
| Activity | 1,476,300 | | 1,476,300 | 4,914,700 | 333% |
| Gratuity | 695,000 | | 695,000 | 695,000 | |
| Lunch Programme | | | | | |
| Boarding Equipment and Stores | 56,212,250 | | 56,212,250 | 49,776,555 | 86% |
| Hire of facilities | 5,000,000 | | 5,000,000 | 10,126,335 | 203% |
| Insurance Costs | | | | | |
| Other Expenses On Investments | | | | | |
| Rent Expenses | | | | | |
| Bank Charges | | | | | |
| Loan Interest Repayment | | | | | |
| Loan Principal Repayment | | | | | |
| Acquisition Of Assets | | | | | |
| **Totals** | **142,285,877** | | **142,285,877** | **129,472,594** | **91%** |

## 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

## 11. Notes To the Financial Statements

### 1 Government Grants for Tuition

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Reference Materials/Textbooks | 4,433,362 | 4,491,760 |
| Exercise Books | - | - |
| Laboratory Equipment | - | - |
| Internal Exams | - | - |
| Teaching / Learning Materials | - | - |
| Others | - | - |
| **Total** | **4,433,362** | **4,491,760** |

### 2 Government Grants for Operations

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Personnel Emoluments | - | - |
| Repairs And Maintenance | - | - |
| Local Transport / Travelling | - | - |
| Electricity And Water | - | - |
| Medical | - | 166,800 |
| Administration Costs | - | - |
| Activity | 679,635 | 574,750 |
| Other Vote Heads | 19,258,210 | 12,257,837 |
| **Total** | **19,937,845** | **12,999,387** |

### 3 Government Grants for infrastructure

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Maintenance &Improvement | 7,952,640 | 6,518,000 |
| Transition infrastructure grants | - | - |
| Administration Block | - | - |
| Economic stimulus grants | - | - |
| Other *(specify)(NGCDF and County govt.* | - | - |

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| **Total** | **7,952,640** | **6,518,000** |

**4 School Fund Income -Parents Contribution/Fees**

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Personnel emoluments | 13,342,717 | 15,431,598 |
| Repairs and maintenance | 3,780,910 | 4,126,911 |
| Local transport / travelling | 3,656,122 | 4,052,457 |
| Electricity and water | 14,997,517 | 15,637,907 |
| Medical | - | - |
| Administration costs | 5,644,262 | 6,272,215 |
| BES | 73,105,759 | 56,245,303 |
| Fee on Boarding Equipment and stores | - | - |
| PA Levies* | - | - |
| Others (specify) | - | - |
| **Total** | **114,427,287** | **101,766,891** |

**5 Miscellaneous Incomes**

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Rent Income | 25,996 | 34,358 |
| PA Levies* | | |
| Insurance Compensation | - | - |
| Income From Posho Mill | - | - |
| Income From Bus Hire | - | - |
| Fee For Hire of Ground and Equipment | 10,434,650 | 10,414,140 |
| Uniform | 2,625,626 | 10,356,025 |
| CBC classrooms | - | 10,000,000 |
| Collection account | 55,000 | 5,300,000 |
| Activity | 1,521,930 | 1,599,403 |
| Pay bill acc | - | 262,828 |
| **Total** | **15,897,841** | **39,004,884** |

## 6 Tuition

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Exercise Books | 500,000 | 91,650 |
| Stationery | 965,000 | 5,108,390 |
| Reference materials | - | - |
| Laboratory Equipment | 900,000 | 807,830 |
| Teaching / Learning Materials | 643,480 | - |
| Exams And Assessment | - | - |
| Teaching aid | 81,268 | - |
| Bank Charges | 2,763 | 1,690 |
| **Total** | **3,092,511** | **6,009,560** |

## 7 Operations

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Personnel Emoluments | 12,101,006 | 5,398,684 |
| Service Gratuity | 417,459 | - |
| Administration Cost | 2,494,500 | 1,869,341 |
| Repairs And Maintenance & Improvements | 234,000 | 464,850 |
| Local Transport / Travelling | 354,700 | - |
| Electricity And Water | 3,387,339 | 2,459,482 |
| Medical | 309,223 | 166,511 |
| Rent | 2,000 | - |
| Stationary | 400,000 | 300,000 |
| Bank charges | 21,991 | 19,663 |
| Retention CBC | 78,822 | - |
| Activity | 2,630,000 | 800,000 |
| Salary arrears | 330,000 | 357,691 |
| BES | 7,000,000 | - |
| Uniforms | - | 272,860 |
| **Total** | **29,761,040** | **12,109,083** |
| | | |

**8 Infrastructure**

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Construction of classrooms (CBC) | 1,429,668 | - |
| Construction of laboratory | - | - |
| Construction of dormitory | - | - |
| Purchase of furniture | - | - |
| Purchase of equipment | - | - |
| Purchase of apparatus | - | - |
| Drilling of boreholes | - | - |
| Others (specify) | - | - |
| **Total** | **1,429,668** | - |

**9 Boarding And School Fund**

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Personnel Emoluments | 10,807,244 | 12,971,927 |
| Service Gratuity | 695,000 | 1,341,547 |
| Repairs And Maintenance &Improvements | 2,426,764 | 4,400,703 |
| Local Transport / Travelling | 5,941,173 | 5,406,267 |
| Electricity And Water | 12,285,196 | 11,723,142 |
| Medical Expenses | 435,030 | - |
| Administration Costs | 9,346,242 | 11,807,477 |
| Caution money | 12,500 | - |
| Bank Charges | 46,803 | 39,610 |
| uniform | 2,028,370 | 9,640,070 |
| Fee On Boarding Equipment and Stores | 61,224,141 | 57,541,234 |
| Hire of facilities | 10,126,335 | 6,355,890 |
| Insurance | - | 167,200 |
| Activity | 6,122,700 | 7,502,630 |
| Salary arrears | 270,000. | - |
| TLM | - | 1,800,000 |
| Prize giving | 757,500 | - |
| Miscellaneous expenses | 13,440 | 199,400 |
| SES | 1,152,670 | 658,386 |

| | | |
|---|---|---|
| **Total** | **123,691,107** | **131,555,484** |

## 10. Bank Accounts

| Account Name& Currency | Status | Bank Account Number | 2023-2024 | 2022-2023 |
|---|---|---|---|---|
| | Active/Dormant | | Kshs | Kshs |
| Tuition Account | Active | 01025007525000 | 1,244,418 | 288,166 |
| Operations Account | Active | 01025007525001 | 4,469,009 | 13,552,068 |
| School Fund Account/Boarding | Active | 01021007525000 | (112,057) | 91,305 |
| Collection –Paybill Acc | Active | 01041007525000 | 290,385 | 262,828 |
| Parent Association Development Account-current | Active | 01025091806600 | 1,672,637 | 72,637 |
| Collection acc- equity | Active | 1190260661473 | 115,083 | 750,736 |
| Infrastructural Account - Equity | Active | 1190260661510 | 10,063,909 | 3,182,076 |
| PTA Savings | Dormant | 01242007736100 | 49,900 | 49,900 |
| ESP | Dormant | | 30924 | 30,924 |
| Exam account | Dormant | 01242007699800 | 84,431 | 84,431 |
| Caution acc | Dormant | 01242007744100 | 12,342 | 12,342 |
| **Total** | | | **18,145,980** | **18,377,415** |

## 11.Cash In Hand

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| School fund account | 74,388 | 9,723 |
| **Total** | **74,388** | **9,723** |

## 12. Short Term Investments

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Cooperative Shares | - | - |
| Treasury Bills | - | - |
| **Total** | - | - |

**13.(a)Accounts Receivable**

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Fees Arrears | 44,694,944 | 42,163,717 |
| **Other Non-Fees Receivables** | | |
| Salary Advances | - | 272,612 |
| Imprest | - | - |
| Rent arrears | - | - |
| **Total** | **44,694,944** | **42,436,329** |

**13. (b) Ageing Analysis of Accounts Receivable**

| Description | 2023-2024 | | 2022-2023 | |
|---|---|---|---|---|
| | *Kshs* | | *Kshs* | |
| | **Current FY** | **% of the total** | **Comparative FY** | **% of the total** |
| Less than 1 year | 7,988,376 | 17.9% | 9,545,569 | 22.5% |
| Between 1- 2 years | 4,545,569 | 10.2% | 5,414,079 | 12.8% |
| Between 2-3 years | 32,160,999 | 71.9% | 27,204,069 | 64.7% |
| Over 3 years | - | - | - | - |
| **Total (should tie to note 13 a)** | **44,694,944** | **100%** | **42,436,329** | **100%** |

**14.(a)Accounts Payable**

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Trade Creditors (See Ageing Below and Appendix 1) | 22,471,269 | 24,209,539 |
| Prepaid Fees | 11,966,179 | 13,281,952 |
| Retention Monies | 118,420 | 118,420 |
| Unpaid salaries and statutory deductions | - | - |
| Caution money | 470,839 | - |
| Other payables | - | - |
| **Total** | **35,026,707** | **37,609,911** |

**14.(b). Ageing Analysis of Accounts Payable**

| Description | 2023-2024 | | 2022-2023 | |
|---|---|---|---|---|
| | *Kshs* | | *Kshs* | |
| | **2023-2024** | **% of the total** | **2023-2024** | **% of the total** |
| Less than 1 year | 12,254,950 | 54.50% | 13,643,220 | 56.4% |
| Between 1- 2 years | 10,216,319 | 45.5% | 1,357,700 | 5.6% |
| Between 2-3 years | - | - | 9,208,619 | 38.0% |
| Over 3 years | - | - | - | - |
| **Total (should tie to note 14)** | **22,471,269** | **100%** | **24,209,539** | **100%** |

**15. Fund Balance Brought Forward**

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Bank Balances | 18,377,415 | 8,516,700 |
| Cash Balances | 9,723 | 100,959 |
| Short Term Investments | - | - |
| Receivables | 42,436,329 | 36,370,471 |
| Payables | (37,609,910) | (36,881,368) |
| **Total** | **23,213,556** | **8,106,762** |

## 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 Loans | - | - |
| Outstanding Leases | - | - |
| Hire Purchase | - | - |
| Gratuity And Leave Provision | - | - |
| Others (specify) | - | - |
| **Total** | - | - |

### 17.Biological assets

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

### 18.Borrowings

| Description | Kshs | Kshs |
|---|---|---|
| Borrowings at beginning of the year | - | - |
| Borrowings during the year | - | - |
| Repayments during the year | - | - |
| **Balance at the end of the year** | - | - |

## Other important disclosure notes

### 19.Stock/ Inventory

| Description | 2023-2024 | 2022-2023 |
|---|---|---|
| | Kshs | Kshs |
| Food stuffs | 745,331 | 555,619 |
| Lab consumables | 658,254 | 575,330 |
| Farm produce | 52,000 | |
| Medication | 315,112 | - |
| Construction Materials | - | - |
| Others (specify) | - | - |
| | **1,770,697** | **1,130,949** |

### 20. Progress on Follow up of Auditor Recommendations

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

| Ref No. | Issue / Observations from Auditor | Management comments | Status: *(Resolved / Not Resolved)* | Timeframe: *(Put a date when you expect the issue to be resolved)* |
|---|---|---|---|---|
| | Accuracy of students enrolment in NEMIS | The actual enrolment was 1995 whereas showed 1873 | The school cannot comment on the data reported by CDEs office | |
| | Inaccuracies in Financial statements | There were inaccuracies reported by the auditors | Inaccuracies were rectified | |
| | Inaccuracies in Capitations | This was due to inaccuracies in the Nemis record | Resolved | |
| | Fees Arrears | Efforts to collect fees arrears are ongoing but mostly for the current students. For those students who left school it is a bit of a challenge | Ongoing | |
| | Register of Assets | We have prepared the Register of Assets. However, since they | Resolved | |

| Ref No. | Issue / Observations from Auditor | Management comments | Status: *(Resolved / Not Resolved)* | Timeframe: *(Put a date when you expect the issue to be resolved)* |
|---|---|---|---|---|
| | | were acquired a long time ago we could not establish their initial and current values. Awaiting valuers. | | |
| | Dormant Accounts | We have resolved to close off the dormant accounts. We are currently awaiting BOM approval. | Not resolved | |

CHIEF PRINCIPAL
SHIMO LA TEWA SCHOOL
P.O. BOX 90163, MOMBASA

---
Sign and Date
Principal

## 12. Annexes

### Annex I - Analysis of Pending Accounts Payable

| Supplier Of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 30th June 2024 | Outstanding Balance 30th June 2023 | Comments |
|---|---|---|---|---|---|---|
| | A | b | C | d=a-c | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| **Construction Of Buildings** | | | | | | |
| 1. Sheiko building Engineering | | | | | 368,869 | |
| 2. Agni Enterprises | | | | | 8,839,749 | |
| 3. | | | | | | |
| **Sub-Total** | | | | | | |
| **Supply Of Goods** | | | | | | |
| 4. Venty General Supplies | | | | | 573,700 | |
| 5. Nairobi Sports House | | | | | 345,000 | |
| 6. Tier Holdings | | | | | 89,000 | |
| 7. Rasu Transport Logistics | 4,488,200. | 5/8/2022 | 3,500,000 | 988,200 | | |
| 8. Leynuri Enterprises | 3,186,420 | 5/8/2022 | 2,400,500 | 785,920 | | |
| 9. Lydmo Enterprises | 4,563,001 | 5/8/2022 | 3,763,001 | 800,000 | | |
| 10. Suncity Butchery | 3,005,630 | 5/8/2022 | 2,130,630 | 875,000 | | |
| 11. Jaygon Agencies | 3,980,000 | 5/8/2022 | 3,160,000 | 820,000 | | |
| 12. Shekem General Supplies | 2,560,032 | 5/8/2022 | 1,948,032 | 612,000 | | |

| Supplier Of Goods or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 30th June 2024 | Outstanding Balance 30th June 2023 | Comments |
|---|---|---|---|---|---|---|
| 13. Doenath Ltd | 785,635 | 5/8/2022 | 442,635 | 343,000 | | |
| 14. Linux Digital options | 2,265,332 | 5/8/2022 | 1,927,332 | 338,000 | | |
| 15. Raphael Mutuma | 1,235,000 | 13/7/2023 | 1,010,000 | 225,000 | | |
| 16. Mfi Documents solutions | 600,000 | 137/2023 | 441,900 | 158,100 | | |
| 17. Island Uniforms ltd | 3,851,005 | 13/7/2023 | 3,131,635 | 719,370 | | |
| 18. Gentrade Supplies | 372,000 | 13/7/2023 | 222,000 | 150,000 | | |
| 19. Fremer Ltd | 5,100,620 | 13/7/2023 | 4,142,620 | 958,000 | | |
| 20. Shaki ltd | 5,348,246 | 13/7/2023 | 2,934,746 | 2,413,500 | | |
| 21. Glorius Traders | 3,641,170 | 13/7/2023 | 1,373,309 | 2,267,861 | | |
| **Sub-Total** | **44,982,291** | | **32,528,340** | | | |
| **Grand Total** | | | | **12,453,951** | **10,216,318** | |

**Annex 2 – Summary of Fixed Assets Register**

| Asset Class | Historical Cost b/f (Kshs) 1st July 2024 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30th June 2023 |
|---|---|---|---|---|
| Land | | | | |
| Buildings And Structures | | | | |
| Motor Vehicles | | | | |
| Office Equipment, Furniture and Fittings | | | | |
| Textbooks | | | | |
| ICT Equipment | | | | |

| Asset Class | Historical Cost b/f (Kshs) 1st July 2024 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30th June 2023 |
|---|---|---|---|---|
| Tools And Apparatus | | | | |
| Other Machinery and Equipment | | | | |
| Heritage And Cultural Assets | | | | |
| Intangible Assets- Soft Ware | | | | |
| **Total** | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Land 1 | | 103 Acres | New Mombasa/ Malindi road | | | | |
| **Buildings and structures** | | | | | | | |
| Classrooms | | 35 | New Mombasa/ Malindi RD | | | | |
| CBC classrooms | | 4 | | | | | |
| Dormitories | | 18 | | | | | |
| Laboratories | | 9 | | | | | |
| Library | | 1 | | | | | |
| Administration Block | | 1 | | | | | |
| Dining Hall | | 1 | | | | | |
| Teachers Quarters | | 33 | | | | | |
| Mosque | | 1 | | | | | |
| School Canteen | | 1 | | | | | |
| Toilets | | 110 | | | | | |
| **Motor vehicles** | | | | | | | |
| School bus | 2004 | 1 | | | | | |
| **Office equipment, furniture and fittings** | | 2 | Reception | | 1 | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Copy printers | | 2 | Office and Reception | | | | |
| Dispensers | | 50 | Office | | 20 | | |
| Office tables | | 140 | Office | | 40 | | |
| Office chairs | | 18 | Library | | | | |
| Librarytables | | 60 | Library | | | | |
| Library chairs | | 7 | Office | | | | |
| Printers | | 1750 | Classes | | | | |
| Chairs – Students | | 1750 | Classes | | | | |
| Lockers- Students | | | | | 63 | | |
| | | | | | 41 | | |
| **ICT Equipment, and Other ICT Assets** | | | | | | | |
| Desktops | | 36 | Office/computer lab | | | | |
| Projector | | 1 | ICT Lab | | | | |
| **Tools and apparatus** | | | | | | | |
| Stools | | 200 | Labs | | | | |
| Benches | | 30 | Labs | | | | |
| Gas taps | | 150 | Labs | | | | |
| Tripod stands | | 50 | Labs | | | | |
| Bunsen burners | | 50 | Labs | | | | |
| Portable burners | | 50 | Labs | | | | |
| Gas cylinders | | 6 | Labs | | | | |
| Fire extinguishers | | 40 | Labs | | | | |
| Electronic balance | | 4 | Labs | | | | |
| Beam balance | | 4 | Labs | | | | |
| Microscopes | | 40 | Labs | | | | |
| Retort stands | | 140 | Labs | | | | |
| Soft Boards | | 100 | Labs | | | | |
| Meter Bridge | | 4 | Labs | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Water Tanks | | 11 | School compound | | | | |
| Rheostats | | 80 | Labs | | | | |
| Atomic models | | 2 | Labs | | | | |
| Beakers | | 800 | Labs | | | | |
| Beehives | | 4 | Labs | | | | |
| Boiling tubes | | 250 | Labs | | | | |
| Cylinders | | 410 | Labs | | | | |
| Crucibles | | 30 | Labs | | | | |
| Deflagrating spoons | | 6 | Labs | | | | |
| Flasks | | 142 | Labs | | | | |
| Flasks Volumetrics | | 155 | Labs | | | | |
| Funnels | | 155 | Labs | | | | |
| First Aid kits | | 10 | Labs | | | | |
| Spatula | | 400 | Labs | | | | |
| Stopwatch | | 130 | Labs | | | | |
| Text tube holders | | 200 | Labs | | | | |
| Thermometers | | 142 | Labs | | | | |
| Text Tube racks | | 140 | Labs | | | | |
| Watch glass | | 200 | Labs | | | | |
| Weighing bottles | | 600 | Labs | | | | |
| Ammeters | | 366 | Labs | | | | |
| Cell holders | | 100 | Labs | | | | |
| Electrodes (copper /zinc) | | 20 | Labs | | | | |
| Galvanometers | | 90 | Labs | | | | |
| Jockeys | | 66 | Labs | | | | |
| Micrometre screw gauge | | 70 | Labs | | | | |
| Pendulum bobs | | 180 | Labs | | | | |
| Potentiometer | | 60 | Labs | | | | |
| Standard Resistances | | 40 | Labs | | | | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Trolley | | 3 | Labs | | | | |
| Voltmeters | | 90 | Labs | | | | |
| Capacitors | | 50 | Labs | | | | |
| Convex lens | | 281 | Labs | | | | |
| Concave mirrors | | 35 | Labs | | | | |
| Diode component D | | 50 | Labs | | | | |
| Masses with hooks | | 260 | Labs | | | | |
| Blade holders | | 10 | Labs | | | | |
| Cover slips | | 50 | Labs | | | | |
| Dissecting dishes | | 4 | Labs | | | | |
| Droppers | | 500 | Labs | | | | |
| Forceps | | 100 | Labs | | | | |
| Hand lenses | | 70 | Labs | | | | |
| Microscope mirrors | | 40 | Labs | | | | |
| Objectives | | 105 | Labs | | | | |
| Retri Dishes | | 100 | Labs | | | | |
| Syringes | | 40 | Labs | | | | |
| Millimetres | | 200 | Labs | | | | |
| White tiles | | 150 | | | | | |
| **Textbooks** | | | | | | | |
| Biology | | 2828 | | | 874 | - | |
| Physics | | 2081 | | - | 874 | - | |
| Chemistry | | 2456 | | - | 750 | - | |
| Maths | | 2974 | | - | 364 | - | |
| English | | 2783 | | - | 458 | - | |
| Kiswahili | | 2806 | | - | 654 | - | |
| Geography | | 2108 | | - | 556 | - | |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| History | | 2383 | Library/Students | - | 235 | - | |
| IRE | | 1378 | | - | 309 | - | |
| CRE | | 1837 | | - | 550 | - | |
| Agriculture | | 1476 | | - | 334 | - | |
| Business studies | | 1387 | | - | 650 | - | |
| Germany | | 459 | | - | - | - | |
| French | | 423 | | - | - | - | |
| Woodwork | | 213 | | - | - | - | |
| Computer | | 1862 | | - | - | - | |
| Drawing and Design | | 85 | | - | - | - | |
| Arabic | | 264 | | - | - | | |
| **Other Machinery and Equipment** | | | | | | | |
| Gas cookers | | 2 | Kitchen | - | - | - | |
| Microwave | | 1 | Office | - | - | - | |
| Fridge | | 1 | Office | - | - | - | |
| Freezer | 2022 | 1 | Kitchen | - | - | - | |
| Weighing machine | 2018 | 1 | Store | - | - | - | |
| Lawn Mower | 2020 | 2 | Store | - | - | - | |
| Welding machine | 2016 | 1 | Store | - | - | - | |
| **Heritage and cultural assets** | | | | - | - | - | |
| Public Address system | 2020 | 1 | Store | - | - | - | |
| School band equipment | 2020 | 12 | Store | - | - | - | |
| **Intangible assets- soft ware** | | | | | | | |
| Zeraki | | 1 | Deans of office | - | - | - | |
| Wi-Fi | | 1 | Office | - | - | - | |
| **Total** | | | | | | | |