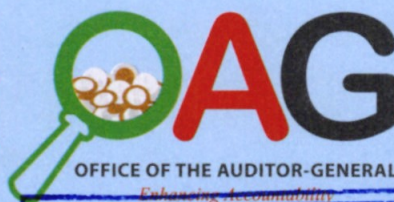


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 13 JUN 2026

DAY.

Tuesday

PARLIAMENT
OF KENYA
LIBRARY

TABLED
BY:

Hon. Naomi Wago, CBS, MP
(Deputy Majority Party Whip)

OF
CLERK-AT
THE-TABLE:

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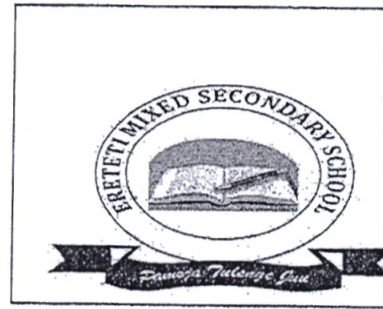
THE AUDITOR-GENERAL

ON

ERETETI MIXED DAY
SECONDARY SCHOOL

FOR THE YEAR
ENDED 30 JUNE, 2024

KAJIADO COUNTY



ERETETI MIXED DAY SECONDARY 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.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

ERETETI MIXED DAY SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

2. Key School Information and Management

1. 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 Kajiado County, isinya Sub-County.

The school was registered in 2012 under registration number PU/S/2/9564/12 and is currently categorized as a *Sub County* public school established, owned or operated by the Government.

The school is a day/boarding school and had 131 number of students as at 30th June 2024. It has 1 stream and 8 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	Mr Jeremiah Sailoji	Chairman	27/7/2022
2	Mr Paul Halake	Secretary - Principal	27/7/2022
3	Eva Mokishon	Member	27/7/2022
4	Mr. Luke Kimiti	Member	27/7/2022
5	Mr Philip Turere	Member	27/7/2022
6	Ms. Lucy Koitalel	V. Chairperson	27/7/2022
7	Mrs Violet Egefu	Member	27/7/2022
8	Ms.Eunice Musao	Member	27/7/2022
9	Mr Isaac Kiarie	Member	27/7/2022
10	Mr.Moses Lekuka	Member	27/7/2022
11	Mr Peter Asai	Member	27/7/2022
12	Mr Daniel Tumpes	Member	27/7/2022
13	Mr Clement Njoroge	Member	27/7/2022
14	Ruth Obonyo	Member	27/7/2022
15	John Nguni	Member	27/7/2022
16	Paul Murinka	Member	27/7/2022

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	Number of meetings attended during the year
1.	Executive Committee			
		Mr Jeremiah Sailoji	Bom Chair	3 of 3
		Mr Paul Halake	Principal	3 of 3
		Mr. Moses Lekuka	Pa Chair	3 of 3
		Mr. Luke Kimiti	Member	3 of 3
2.	Finance, Procurement and Audit Committee			
		Ms. Lucy Koitalel	Member	3 of 3
		Mr. Paul Tobiko	Pa Chair	3 of 3
		Mr Ngugi Gideon	Member	3 of 3
		Mr Peter Asai	Member	3 of 3
		Mr. Luke Kimiti	Member	3 of 3
3.	Academic Committee			
		Mr Paul Halake	Principal	
		Ms. Lucy Koitalel	Chair	
		Mr Ngugi Gideon	Member	
		Mr Jeremiah Sailoji	Member	
4.	Development Committee			
	(Infrastructure committee)			3

		Paul Halake	Member	
		Ngugi Gideon	D/Pricipal	
		Jeremiah Sailoji	Member	
		Luke Kimiti	Pa Chair	
		Mr.Moses Lekuka	Chair	
5.	Discipline and welfare Committee			
		Ngugi Gideon	D/Pricipal	
		Paul Tobiko	Member	
		Jeremiah Sailoji	Member	
		Luke Kimiti	Member	
		Peter Asai	Member	2
7	Adhoc Committee (if any during the year)			
		None		

d) .School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Mr Paul Halake Boya	307391
2	Deputy Principal	Mr Ngugi Gideon	347482
3	School Bursar		

(e) Schools contacts

Post Office Box: 98
 Telephone: 0721808276
 E-mail: N/A
 Website: NA
 Facebook: NA
 Twitter: NA

(f) School Bankers

Provide details of the school bankers.
 Name of Bank: KCB BANK
 Branch: KISERIAN
 Postal Address.kiserian

(g) Independent Auditors

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

ERETETI MIXED DAY SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

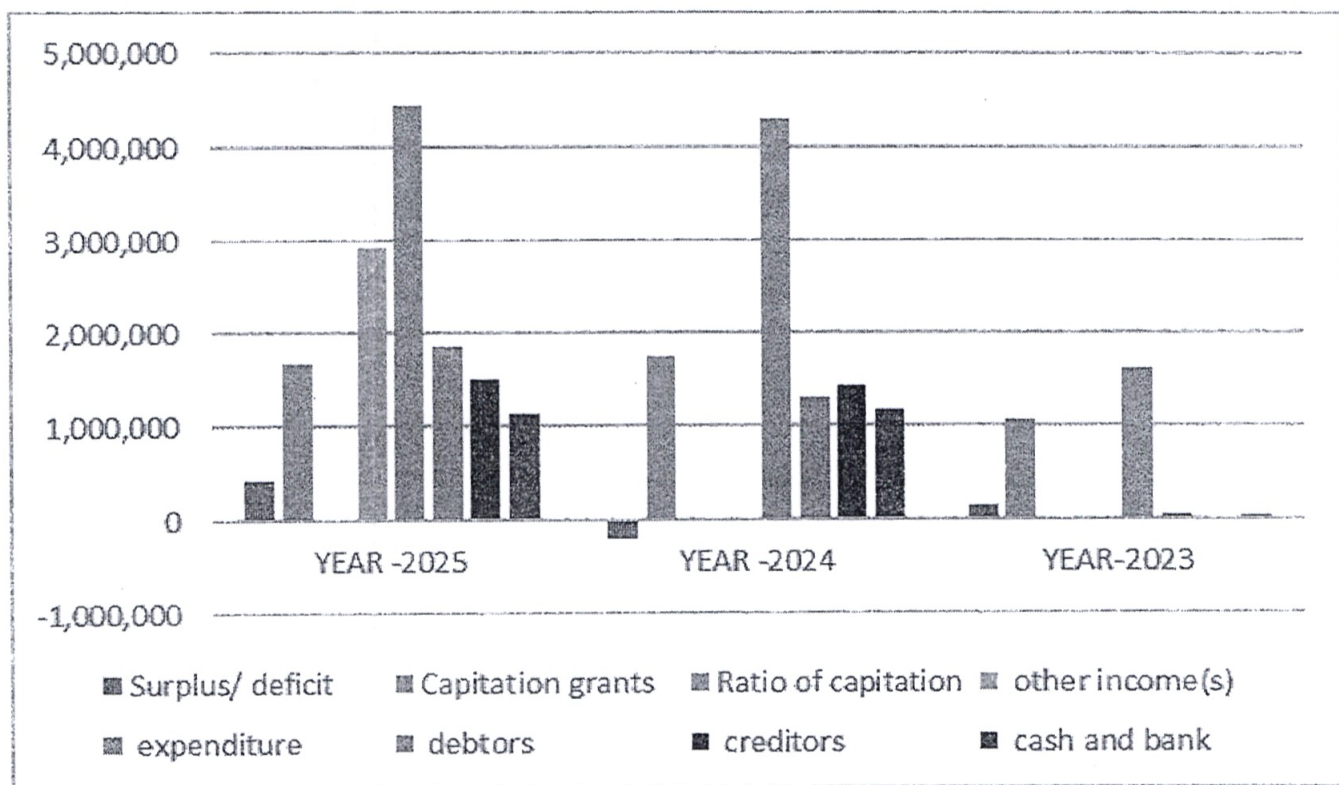
Summary Report of Performance of The School

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

Financial performance:

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

	YEAR -2024	YEAR-2023	YEAR-2022
Surplus/ deficit	(204,368.50)	157,544.95	176,421.50
Capitation grants from the Ministry of Education	1,743,303	1,070,847.00	784,992.00
Ratio of capitation grant per student	1:13,514	1:13,260.00	1:14,332.00
Growth of other income(s) earned by the school	2,361,838	0	0
Growth in expenditure of the school	4,304,742	1,609,043.00	1,650,959.50
Movement of debtors of the school	1,597,212	54,852.70	41,168.00
Movement of creditors of the school	1,252,253	21,641.85	37,571.85
Movement of cash and bank balances	1,174,541	36,399.30	16,649.90



Teacher Student ratio:

		YEAR-2024
The teacher to student ratio,		1:13
Number of teachers recruited and posted to the school within the year		0
Number of teachers that were transferred/ retired during the period		0
Number of teachers employed by TSC		9
Number employed by BOM		2
Teachers the school has for each subject	SUBJECT	NUMBER
	ENGLISH	3
	MATHEMATIC	2
	KISWAHILI	1
	CHEMISTRY	2
	BIOLOGY	1
	AGRICULTURE	2
	PHYSICS	1
	CRE	2
	HISTORY	2
	BUSINESS STUDIES	2

(b)Mean score in KCSE 2024

	YEAR-2024	YEAR-2023
Mean	2.04	2.76
<i>NO. of students who sat the exams</i>	38	43
<i>NO. of students transitioned to institutions of higher learning</i>	2	2

Capacity of the school:

No of students-131

<i>Facilities</i>	No.
Temporary kitchen-	1
Laboratory	1
Dorm capacity	N/A
Toilets	8 doors
Dining hall	0
Energy saving jikos	2
classrooms	6

ERETETI MIXED DAY SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

a) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount spent (Kshs)	Expected completion time
No Project					

Dabma. I. NODD
.....
School Principal

PRINCIPAL
ERETETI MIXED SECONDARY SCHOOL
P.O. Box 98-00206, KISUMU
TEL.....

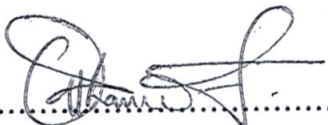
3. Statement of School Management Responsibility

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 (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.

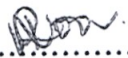
The Board of Management of ERETETI SECONDARY SCHOOL accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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


.....
To Name: Jeremiah Sailoji

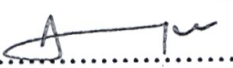
Designation: Chairman, School Board of Management

Date:


.....
Name: Paul Halake

Designation: School Principal & Secretary to Board of Management

Date:


.....
Name: Andrew Kinayia

Designation: Bursar/ Finance Officer

Date:

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON ERETETI MIXED DAY SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - KAJIADO 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 Ereteti Mixed Day Secondary School set out on pages 1 to 16, which comprise of the statement of assets and liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory information in

Report of the Auditor-General on Ereteti Mixed Day Secondary School for the Year ended 30 June, 2024 - Kajiado County

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of Ereteti Mixed Day Secondary School as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33 and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Non-Compliance with Public Sector Accounting Standards Board Presentation Template

The financial statements and as disclosed in Annex 2 to the financial statement reflects summary of fixed assets register which has disclosed historical costs of Kshs.20,038,000. However, additions during the year relating to construction of a laboratory amounting to Kshs.334,380 was not disclosed as required by the Public Sector Accounting Standards Board presentation template.

In the circumstances, the completeness and fair presentation of the summary of fixed assets could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ereteti Mixed Day 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

1. Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual amount on a comparable basis of Kshs.5,643,000 and Kshs.2,823,939 respectively, resulting to an under-funding of Kshs.2,819,061 or 50% of the budget. Similarly, the School spent an amount of Kshs.4,509,111 against actual receipts amounting to Ksh.2,823,939, resulting in an over-utilization of Kshs.1,685,172 or 60% of actual receipts.

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

Further, there were no explanatory notes for deviations of above 10% and on the components in the statement of budgeted versus actual amounts while items not budgeted were included in the statement.

2. Long Outstanding Accounts Payables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements, reflects payables balance of Kshs.1,432,219. Included in this balance are trade payables amounting to Kshs.1,277,234 which have been outstanding for more than one (1) year. Delayed settlement of trade payables may result to loss of public funds through litigations, interests and penalties.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an Approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization

of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

2. Failure to Establish a Functional Procurement Unit

Review of records revealed that Management had not established a procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. The procurement activities in the school were undertaken by individuals lacking the requisite qualifications.

Further, Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity shall 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.

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.

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 effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance, 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

Weakness in Management of Assets

Annex 2 to the financial statements reflects Kshs.12,000,000 in respect of land measuring 1.6 hectares on which the school is built. The land was donated to the School by a private person and title deed was yet to be transferred to the School. Further, Management did not maintain a fixed assets register.

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

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

Responsibilities of the Management and those charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

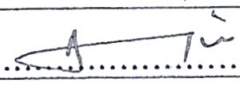
Nairobi

07 May, 2026

5. Statement Of Receipts and Payments for the Year Ended 30th June 2024

Description Of Note Head	Note	2023/2024 Kshs	2022/2023 Kshs
Receipts			
Government grants for tuition	1	297,203.80	300,345.25
Government grants for operations	2	1,446,100.	1,128,305.30
Government Grants for infrastructure	3	199,600	0.00
School fund income- parents' contributions	4	2,361,838	2,517,633.00
Total Receipts		4,304,742	3,946,283.55
Payments			
Tuition	5	247,469	233,836.00
Operations	6	1,681,179	1,086,666.00
Infrastructure	7	335,241	-
Boarding and school fund	8	1,631,222	2,560,323.00
Total Payments		3,895,111	3,880,825.00
Surplus/Deficit		409,631	65,458.55

The school financial statements were approved on _____ 2024 and signed by:

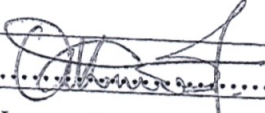
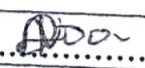
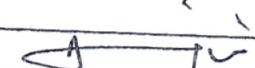
		
Name: Jeremiah Sailoji	Name: Paul Halake Boya	Name: Andrew Kinayia
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 18/3/2026	Date: 18/3/2026	Date: 18/3/2026

ERETETI MIXED DAY SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023/2024 KShs	2022/2023 KShs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,170,859	496,555
Cash balances	11	3,682	29,255
Total cash and cash equivalent		1,174,541	525,810
Account's receivables	12	1,308,597	1,449,738
Total financial assets (a)		2,483,138	1,975,548
Financial liabilities			
Accounts payables	13	(1,432,219)	(1,334,260)
Total Financial Liabilities (b)			
Net financial assets (a-b)		1,050,919	641,288
Represented by			
Accumulated fund b/fwd	14	641,288	514,829
Surplus/deficit for the year		409,631	126,459
Net Assets		1,050,919	641,288

The school's financial statements were approved on _____ 2024 and signed by:

		
Name: Jeremiah Sailoji	Name: Paul Halake	Name: Andrew Kinayia
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 18/3/26	Date: 18/3/26	Date: 18/3/26

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

Description	Note	2023/2024 Kshs	2022/2023 Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		297,204	579,278
Government grants for operations		1,446,100	1,989,522
Government grants for infrastructure		199,600	0.00
School fund income- parents contributions/ fees		1,910,972	2,015,072
Other income			
Total receipts		3,853,876	4,583,872
Payments			
Cash outflows for tuition		172,514	579,896
Cash outflows for operations		2,328,099	2,166,302
Cash outflows Boarding/lunch and school fund payments		1,681,124	1,495,470
Total payments		4,181,737	4,241,668
Net cash inflow/outflow from operating activities			
Cash flow from investing activities			
Acquisition of assets		(237,391)	(xxx)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		(565,251.50)	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(565,252)	-
Cash and cash equivalent at beginning of the FY		1,739,792	-
Cash and cash equivalent at end of the FY		1,174,541	1,739,802

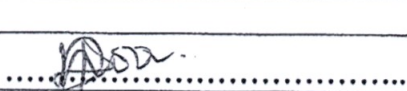
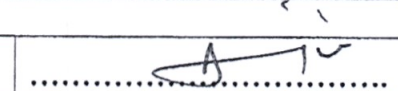
Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(The above presentation of the cash flow statement uses the direct method of cash flow presentation which encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSAS)

The school's financial statements were approved on _____ 2024 and signed by:

ERETETI MIXED DAY SECONDARY SCHOOL

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

		
Name: Jeremiah Sailoji	Name: Paul Halake	Name: Andrew Kinayia
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 18/3/26	Date: 18/3/26	Date: 18/3/26

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8. 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	% Utilization
	a	b	c=a+b	d	e=d/a %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / Learning Materials	723,000	0.00	723,000	297,204	42%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	400,000	-	400,000.00	240,775	60%
Repairs And Maintenance	600,000	-	600,000	447,700	75%
Local Transport / Travelling	300,000	-	300,000	209,000	70%
Electricity And Water	300,000	-	300,000	204,000	68%
activity	120,000	-	120,000	106,000	88%
Administration Costs	400,000	-	400,000	242,333	61%
<i>3) FDSE for infrastructure</i>					
Maintenance &Improvement MoE	300,000	-	300,000	199,600	65%
<i>(4) Fees Charged on Parents</i>					
Fee On Boarding Equipment and Stores	2,500,000	0.00	2,500,000	877,327	35%
Grand Totals	5,643,000		5,643,000	2,823,939	50 %

ERETETI MIXED DAY SECONDARY SCHOOL
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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
(6) Expenditure For Tuition					
Teaching / Learning Materials	300,000	0.00	300,000	246,390	82%
Bank Charges	1,079	0.00	1,079	1,079	100%
(7) Expenditure For Operations					
Personnel Emoluments	400,000	-	400,000	761,280.00	190%
Repairs, Maintenance & Improvements	600,000	-	600,000	242,333	40%
Local Transport / Travelling	300,000	-	300,000	974,286	100%
Electricity, Water and Conservancy	300,000	-	300,000	172,730	58%
Medical	120,000	-	120,000	26,900	90%
Administration Costs	400,000	-	400,000	17,650	22%
Lunch	400,000	-	400,000	100,000	25%
(8) Expenditure For infrastructure					
Repairs of classrooms	300,000	-	300,000	335,241	111%
(9) Expenditure For school fund/lunch/boarding					
Lunch Programme	2,500,000	0.00	2,500,000	1,622,673	65%
Bank Charges	0.00	0.00	0.00	8,549	
Totals	4,821,879		5,221,479	4,509,111	

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

- i. Payment of fees was not 100 percent paid

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 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.

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.

10. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Teaching / Learning Materials	297,204	300,345
Total	297,204	300,345

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	-	346,132
Repairs And Maintenance	-	282,173
Local Transport / Travelling	-	110,000.00
Electricity And Water	-	140,000.00
Administration Costs	-	150,000.00
Activity	-	100,000.00
Other Vote Heads-PE,EWC,LTT ADMIN	1,446,100	-
Total	1,446,100	989,305

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	199,600.00	100,000
Total	199,600.00	100,000

4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
lunch programme	2,361,838	2,517,633.00
Total	2,361,838	2,517,633

5 Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Teaching / Learning Materials	246,390	232,146.00
Bank Charges	1,079.25	1,690.00
Total	247,469.25	233,836.00

6 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	-	427,100
Administration Cost	-	429,230
Repairs And Maintenance & Improvements	-	79,000
Local Transport / Travelling	-	50,000
Electricity And Water	-	100,000
Others Vote-heads PE,EWC,LTT,ADMIN	1,681,179	-
Total	1,681,179	985,330

7 Infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Construction of laboratory	334,380	1,336
Bank charges	861.00	-
Total	335,241	1,336

8 Boarding And School Fund

Description	2023/2024	2022/2023
	Kshs	Kshs
Lunch Programme	1,622,673	2,559,003
Bank Charges	8,549	1,320.00
Total	1,631,222	2,560,323

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/2024	2022/2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active		192,484	67,794
Operations Account	Active	1141084031	336,411	
School Fund Account/Boarding	active	1199179450	500,803	245,321
Infrastructural Account	Active	1235942678	141,161	178,932
Total			1,170,859	496,555

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Notes and Coins	3,682	29,255
Total	3,682	29,255

12 a Accounts Receivable

Description	2023/2024 Kshs	2022/2023 Kshs
Fees Arrears	1,308,597	1,449,738
Other Non-Fees Receivables	-	-
Total	1,308,597	1,449,738

12 b Ageing Analysis of Accounts Receivable

Description	2023/2024 Kshs		2022/2023 Kshs	
	2024	% of the total	Comparative FY	% of the total
Less than 1 year	828,210	60%	763,000.00	60%
Between 1- 2 years	384,966	57%	425,000.00	50%
Between 2-3 years	95,421	77%	261,738	20%
Total (should tie to note 13 a)	1,308,597		1,449,738	

13 Accounts Payable

Description	2023/2024 Kshs	2022/2023 Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,432,219	1,334,260
Total	1,432,219	1,334,260

13 a. Ageing Analysis of Accounts Payable

Description	2023/2024 Kshs		2022/2023 Kshs	
	2023/2024	% of the total	2022/2023	% of the total
Less than 1 year	154,985	40%	162,852	45%
Between 1- 2 years	162,852	60%	985,000	57%
Between 2-3 years	1,114,382	65%	186,408	55%
Total (should tie to note 13)	1,432,219		1,334,260	

14. FUND BALANCE BROUGHT FORWARD

Description	2023/2024	2022/2023
Bank balances	496,555	23,904
cash	29,255	-
Receivables	1,449,738	857,731
Payables	1,334,260	(366,806)
	641,288	514,529

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.

12 Biological assets

Description	Numbers	2023/2024	2022/2023
		Kshs	Kshs
Trees	1200	1250	827
Total	1200	1250	827

Other important disclosure notes**13 Stock/ Inventory**

Description	2023/2024	2022/2023
	Kshs	Kshs
Food stuffs	13,400	50,000
Lab consumables	11,400	62,000
	24,800	112,000

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

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14 Progress On Follow Up of Auditor Recommendations

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

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

Sign and Date
Principal

18/3/26
PRINCIPAL
ERETETI MIXED SECONDARY SCHOOL
P.O. Box 98 - 00206, KISUMU
Kenya

ERETETI MIXED DAY SECONDARY SCHOOL
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11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
NSSF	154,985	30 th June 2021	-	154,985	154,985	
4.						
Sub-Total						
Supply Of Services						
5.						
6.						
7.						
Sub-Total						
Grand Total						

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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 2025
Land	12,000,000	NA	NA	12,000,000
Buildings And Structures	6,000,000	NA	NA	6,000,000
Motor Vehicles	NA	NA	NA	NA
Office Equipment, Furniture and Fittings	1,000,000	NA	NA	1,000,000
Textbooks	500,000	NA	NA	500,000
ICT Equipment	500,000	NA	NA	500,000
Tools And Apparatus	NA	NA	NA	NA
Other Machinery and Equipment	NA	NA	NA	NA
Heritage And Cultural Assets	NA	NA	NA	NA
Intangible Assets- Soft Ware	38,000	NA	NA	38,000
Total	20,038,000			20,038,000

