

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 04 JUN 2025

DAY.

Wednesday

TABLED
BY

CLERK-AT
THE-TABLE:

Hon. Baya Yasmir
Deputy Leader of the Opposition
Halima Ahmed

PARLIAMENT
OF KENYA
LIBRARY

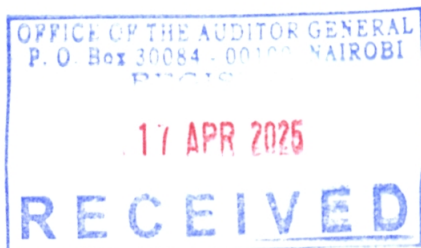
THE AUDITOR-GENERAL

ON

MWAANI GIRLS' HIGH SCHOOL

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

MAKUENI COUNTY



MWAANI GIRLS HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

Prepared in accordance with the Cash Basis of Accounting Method under the International Public 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
CPA	Certified Public Accountant
ICPAK	Institute of Certified Public Accountant of Kenya

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)

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

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

The school was registered in **11/2020** under registration number **17S30000014** and is currently categorized as an **Extra County public school** established, owned or operated by the Government.

The school is a boarding school and had **1694 number of students** as at **30th June, 2024**. It has 10 streams and **59 teachers** of which **17 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. Fredrick Kitema	Chairman	27/06/2022
2	Dr. Elizabeth Mutinda	Secretary - Principal	02/01/2024
3	Md Faith Moses	Member	27/06/2022
4	Mr. Stephen Wambua	Member Rep CEB	27/06/2022
5	Mr. Alex Kioko	Member	27/06/2022
6	Mr. George Kieti	Member Co- opted	18/06/2022
7	Rev.Stanslaus Mbuvo	Member- Sponsor	27/06/2022
8	Md.Esther Nzula Levu	Member – sponsor	27/06/2022
9	Md.Felisters Mutisya	Member	27/06/2022
10	Mr. Boniface Mule	Member	27/06/2022
11	Mrs. Ruth Munyao	Member	27/06/2022
12	Mr.Cleophas Mbuvi	Member Special Needs	27/06/2022
13	Mrs.Jemmima Kitema	Member co-opted	18/07/2022
14	Mr. Kennedy Mwendwa	Teacher Rep	27/06/2022

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 paragraph 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	1.Mr. Fredrick Kitema 2.Dr. Elizabeth Mutinda 3.Md.Faith Moses 4.Rev. Boniface Musau	Bom Chair Secretary Vice chair Bom PA Chair	4/4 2/4 4/4 4/4
2	Audit Committee	N/A	N/A	N/A
3	Finance,procurement and general purposes Committee	1.Mr. Alex Kioko 2.Dr. ElizabethMutinda 3.Mr. Boniface Musau 4.Md. Faith Moses	Coordinator Principal Member Member	2/2 1/2 2/2 1/2

4	Academic Committee	1. Md.Faith Moses 2. Dr.ElizabethMutinda 3. Mr. Alex Kioko 4. Rev. Boniface Musau 5. Md. Felister Mutisya	Coordinator Principal Member Member Member	3/3 1/3 3/3 1/3 0/3
5	Development Committee	1.Mr. Stephen Wambua 2.Dr. Elizabeth Mutinda 3..Mr. Boniface Mule 4.Mr. Boniface Musau 5.Md. Esther Levu	Coordinator Principal Member Member Member	3/3 3/3 1/3 3/3 2/3
6	Discipline and welfare Committee	1. Rev.Stanslaus Mbuvo 2. Dr.ElizabethMutinda 3. Md.Faith Moses 4. Rev. Boniface Musau 5. Md.Jemima Kitema 6. Md. Ruth Munyao	Coordinator Principal Member Member Member Member	1/1 1/1 0/1 1/1 1/1 1/1
7	Adhoc Committee (if any during the year)	N/A	N/A	N/A

(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	Dr. Elizabeth N. Mutinda	TSC No.372836
2	Deputy Principal	Mrs. Eunice M. Mutava	TSC No. 295299
3	School Bursar	CPA John K.Maithya	ICPAK No. 18528

(e) Schools contacts

Post Office Box: 21-90300 Wote-Makueni
Telephone: 0719111281
E-mail: Mwaanigirls2020@gmail.com
Website: <https://mwaanigirls.sc.ke>
Face book: -
Twitter: -

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: KCB -BOARDING ACCOUNT

Branch : WOTE
Account Number : 1105240622

Attached to Pay bill

Pay bill Number : 522123
Account Number: 33555K

2. Name of the Bank: KCB WOTE -OPERATION ACCOUNT

Branch : WOTE
Account Number: 1105240126

3. Name of the Bank : KCB - TUITION ACCOUNT

Branch : WOTE
Account Number : 1108805248

4. Name of the Bank : KCB -DEVELOPMENT ACCOUNT

Branch : WOTE

Account Number : 1236669630

5. Name of the Bank :KCB- SAVINGS ACCOUNT

Branch : WOTE

Account Number : 1104700719

6. Name of the Bank : ABSA

Branch : Wote

Account Number : 2029885799(Dormant)

7. Name of the Bank : Equity Bank -CDF ACCOUNT(Dormant)

Branch : Wote

Account Number : 0670292921590

(g) Independent Auditors

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

3. Summary Report of Performance of The School

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

a) Financial performance:

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

Account	2023/2024	2022/2023	2021/2022	JAN-JUN 2021
Boarding a/c	(2,545,586.00)	1,899,790.00	2,111,362.00	5,394,724.00
Operation a/c	1,226,047.00	(384,008.00)	1,841,398.00	2,546,207.00
Tuition a/c	787,077.00	782,890.00	(501,236.00)	668,493.00
Infrastructure/Devt a/c	2,737,778.00	-	-	-
Total	2,205,316.00	2,298,672.00	3,451,524.00	8,609,424.00

- Capitation grants from the Ministry of Education for the last three years

Account	2023/2024	2022/2023	2021/2022	JAN-JUN 2021
Operation a/c	11,809,117.00	14,892,314.00	16,882,631.00	8,432,157.00
Tuition a/c	3,625,987.00	3,364,503.00	3,848,577.00	1,343,535.00
Infrastructure a/c	5,711,700.00	-	-	-
Total	21,146,804.00	18,256,817.00	20,731,208.00	9,775,692.00

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

Account	2023/2024	2022/2023	2021/2022	JAN- JUN 2021
Parents contributions & Other incomes	76,472,133.00	80,861,250.00	75,729,411.00	23,254,565.00
Total	76,472,133.00	80,861,250.00	75,729,411.00	23,254,565.00

Mwaani Girls High School

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

- A three-year overview of growth in expenditure of the school

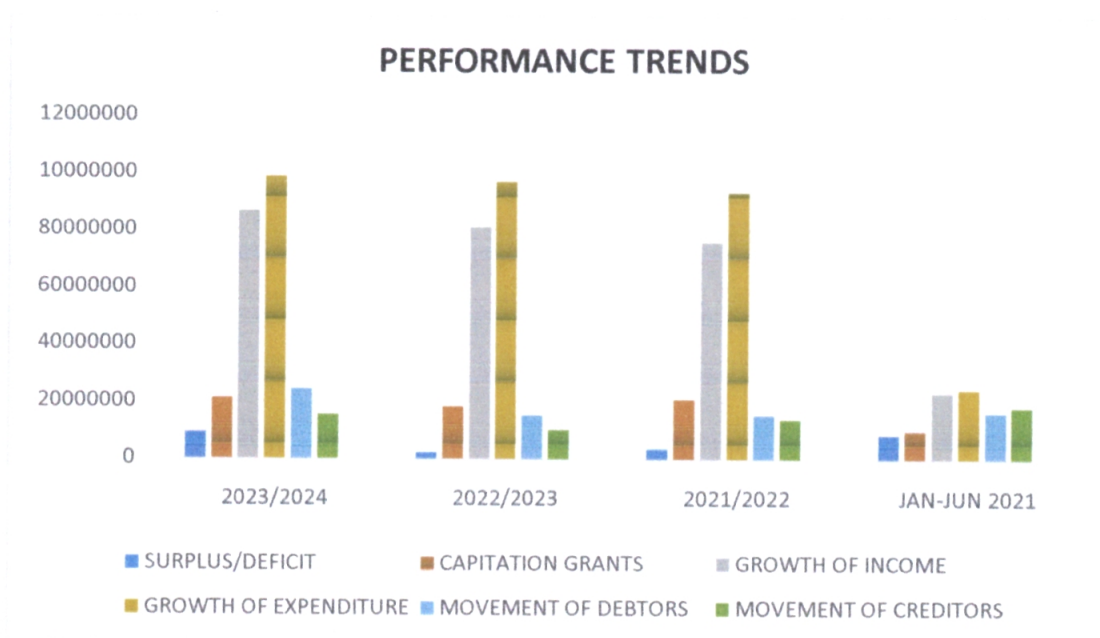
ACCOUNT	2023/2024	2022/2023	2021/2022	JAN-JUN 2021
Boarding a/c	79,017,719.00	78,961,460.00	73,618,049.00	17,859,841.00
Operation a/c	10,583,069.00	9,302,924.00	15,040,301.00	5,885,296.00
Tuition a/c	2,838,910.00	2,581,613.00	4,349,813.00	675,041.00
Infrastructure/c	2,973,922.00	5,973,398.00	-	-
Total	95,413,621.00	96,819,395.00	93,008,163.00	24,420,178.00

- Movement of debtors

Particulars	2023/2024	2022/2023	2021/2022	JAN-JUN 2021
Debtors	17,538,481.00	15,213,114.00	15,361,036.00	16,292,132.00
Total	17,538,481.00	15,213,114.00	15,361,036.00	16,292,132.00

- Creditors of the school over the last three years

Particulars	2023/2024	2022/2023	2021/2022	JAN-JUN 2021
Creditors	15,421,190.00	10,282,943.00	13,894,880.00	18,293,179.00
Total	15,421,190.00	10,282,943.00	13,894,880.00	18,293,179.00



B) i) Teacher Student ratio:

Year	2023/2024	2022/2023	2021/2022	JAN-JUN 2021
The teacher to student ratio	1:24	1:32	1:26	1:28
Number of teachers recruited and posted to school during the year	25	8	2	2
Number of teachers that were transferred /retired during the period	8	7	6	5
Number of teachers employed by TSC	42	33	33	28
Number of teachers employed by BOM	17	10	11	7

ii) Teachers School has per subject

Year	2023/2024	2022/2023	2021/2022	JAN-JUNE 2021
Mathematics	11	10	9	7
English	7	9	8	5
Kiswahili	8	7	6	4
Chemistry	8	7	6	4
Physics	5	3	5	3
Biology	6	7	8	5
History	7	7	7	5
CRE	12	11	10	4
Agriculture	4	2	2	2
Business studies/ Economics	5	3	2	2
Geography	4	4	4	2
Computer	2	2	1	1

C) The mean score in the last three years

Year	2023/2024	2022/2023	2021/2022	JAN-JUNE 2021
Kcse Mean score	6.45	7.19	6.74	-
University qualifiers	96	146	98	-

D) Number of Candidates in the KCSE for the last three years

Year	2023/2024	2022/2023	2021/2022	JAN-JUNE 2021
Candidature	210	189	171	-

E) .The capacity of the school:

Particulars	2023/2024	2022/2023	2021/2022	JAN-JUNE 2021
Number of students	1694	1371	1143	1028
Dormitories	10	10	9	9
Dining hall	2	2	2	2
Laboratories	4	3	3	3
Toilets	108	108	108	108
Land with legal documents	11.7Ha	11.7Ha	11.7Ha	11.7Ha
Dispensary	1	1	1	1
Incinerator	1	1	1	1
Class room	22	20	20	20

b) Development projects carried out by the school during the financial year

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory 2024	Parents and GOK	Work in progress	10,051,390.00	3,025,000.00	30/08/2024
Fencing around Kitema dorm and dh	Parents and GOK	Completed	886,380.00	886,380.00	31/7/2023
Construction of septic tank, soak pit and foul drainage	Parents and GOK	Completed	757,630.00	757,630.00	31/7/2023
Renovation of Kitchen ,Kitchen store and ca tress office	Parents and GOK	Completed	1,020,050.00	1,020,050.00	31/7/2023
Purchase of double Decker and chairs	Parents and GOK	Completed	600,000.00	600,000.00	15/2.2024
Continuous repairs on school infrastructure, making beds and metallic seats (materials and labor).	Parents and GOK	continuous	4,033,735.00	1,666,620.00	Continuous
Total			17,349,185.00	7,955,680.00	

Note: Dormitory construction 2024 is a work in progress. The unpaid amount was not treated as creditor because the contractor at the end of the financial year was at walling stage.

$(10,051,390.00 - 3,025,000.00) = \text{Kshs } 7,026,390.00$ to be factored in next financial year.



.....
School Principal/Secretary BOM



4. Statement of School Management Responsibility

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

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

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

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

.....
Name: Mr. Fredrick M. Kitema

Designation: Chairman, School Board of Management

Date: April 10, 2025

.....
Name: Dr. Elizabeth Mutinda

Designation: School Principal & Secretary to Board of Management

Date: April 10, 2025

.....
Name: CPA John K. Maithya

Designation: Bursar/ Finance Officer

Date: April 10, 2025



REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MWAANI GIRLS' HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - MAKUENI 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 Mwaani Girls' High School – Makueni County set out on pages 1 to 24 which comprise the statement of assets and

Report of the Auditor-General on Mwaani Girls' High School for the year ended 30 June, 2024 - Makueni County

liabilities at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Mwaani Girls' High 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 the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Students Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.17,542,481 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.12,954,868 which had been outstanding for more than three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the long outstanding receivables balance of Kshs.12,954,868 could not be confirmed.

2. Overdrawn Account and Netting off of Bank Balance

The statement of assets and liabilities reflects cash and cash equivalents overdrawn net balance of Kshs.4,203,920 as disclosed in Note 10 to the financial statements. However, included in the balance, is a School fund /Boarding bank account with an overdrawn balance of Kshs.1,991,494 which was offset against bank balances of Kshs.6,195,414. This was contrary to the provisions of International Public Sector Accounting Standards (IPSAS) cash basis paragraph 1.3.20 which requires reporting of cash receipts, payments and balances on a gross basis except in the circumstances identified by paragraph 1.3.13 of the standard. This case does not qualify under the circumstances listed in paragraph 1.3.13.

In the circumstances, the accuracy and completeness of the cash and cash equivalents overdrawn balance of Kshs.4,203,920 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mwaani Girls' High 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 Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.104,366,932 and Kshs.97,618,937 respectively, resulting to an under-funding of Kshs.6,747,995 or 7% of the budget. Similarly, the School spent an amount of Kshs.95,413,621 against actual receipts of Kshs.97,618,937 resulting to an under-utilization of Kshs.2,205,316 of the actual receipts.

The under-funding and under-expenditure 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

Unresolved Prior Year Issues

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

Other Information

Management is responsible for other information set out on page iii to xiv which comprise of key school information and management, the 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.

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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

During the year under review, the School transferred co-curricular funds totalling to Kshs.1,592,023 to the Kenya Secondary School Heads Association (KESSHA), a private entity that is not subject to the Public Finance Management Act, 2012 without authority or law governing such payments. The funds made from the Government operation capitation grants account to KESSHA without any supporting legal framework as the entity is a welfare organization that draws its membership from School Principals.

In the circumstances, the propriety and regularity of the expenditure totalling Kshs.1,592,023 could not be confirmed.

2. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.3,625,987 and Kshs.11,809,117 respectively as disclosed in Note 1 and Note 2 to the financial statements respectively. During the financial year, National Education Management Information System (NEMIS) reported a total number of one thousand, three hundred and fifty-two (1,352) students in January, 2024 while the enrolment records provided by the School indicated a total number of one thousand six hundred ninety-three (1,693) students for the same month resulting to unexplained variance of three hundred and forty-one (341) students. As a result of the variances, the School was under funded by an amount of Kshs.2,582,013 for the period under review.

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

3. Long Outstanding Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.15,420,790 as disclosed in Note 14 to the financial statements.

However, upon review, it was observed that a large portion of the payables amounting to Kshs.6,980,572 is made up of long outstanding payables that have remained unpaid since the year 2017.

These long outstanding payables have not been properly addressed, and there is no clear indication of efforts to resolve them contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which requires that debt service payments be a first charge on the consolidated fund and the accounting officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

In the circumstances, the School Management was in breach of the law and there is a risk of loss of public funds through litigations, interest and penalties.

4. Failure to Prepare School Improvement Plan

During the period under review, the School did not have an approved School Improvement plan. This was 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.

5. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.11,809,117 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. During the year under review, the School received Kshs.5,711,700 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the School management only transferred Kshs.3,000,000 to the infrastructure bank accounting leaving a balance of Kshs.2,711,700. This is contrary to paragraph 3.5 of circular MOE.HQS/3/10/18/(112) which requires that the funds be transferred within fifteen (15) days upon receipt.

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

6. Co-mingling of Own Generated Revenue with School Fund Income

The statement of receipts and payments reflects a miscellaneous income of Kshs.1,078,910 as disclosed in Note 5 to the financial statements. However, it was noted that the miscellaneous income is commingled with the School fund account-parent contributions contrary to Ministry of Education circular Ref: MOE.HQS/3/13/3 dated 16 June, 2021 which requires that schools with income generating activities open

separate bank accounts for the stream of income and account for it in accordance with financial regulations.

In the circumstances, Management was in breach of the law

7. Late Submission of Financial Statements

During the year under review, the School Management submitted to the Auditor-General the financial statements for the year ended 30 June, 2024 on 25 March, 2025, six (6) months after the statutory deadline of 30 September, 2024. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, School Management did not benefit from the oversight role and advice from the audit committee and the internal audit function.

2. Lack of Land and Motor Vehicles' Ownership Documents

The School sits on three (3) parcels of land out of which two (2) parcels did not have ownership documents. It was observed that the parcel referred to as Tsetse Fly Camp and where most of the School's building structures sit on is registered under the State Department for Agriculture. This means that the School has not had ownership documents for the land since its inception in 1969. There was no evidence of any action being taken towards transfer of land ownership.

In addition, a motor vehicle-Isuzu bus/coach is registered jointly with a financial Institution hence the audit could not ascertain the ownership of the motor vehicle.

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

3. Failure to prepare a Fixed Assets Register in the Prescribed Format

The School did not maintain a fixed asset register in the prescribed format as the historical cost, additions and serial number are not recorded in the register as required by Public Sector Accounting Standards reporting template. This makes it difficult to establish the conditions and current values of the School's assets.

In the circumstances, the conditions, valuation and accuracy of the School assets could not be ascertained.

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 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.

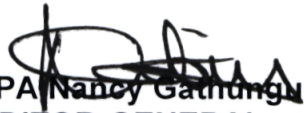
Auditor-General's Responsibilities for the Audit

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

08 May, 2025

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

Description Of Vote Head	Note	2023/2024	2022/2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,625,987.00	3,364,503.00
Government grants for operations	2	11,809,117.00	9,903,314.00
Government Grants for infrastructure	3	5,711,700.00	4,989,000.00
School fund income- parents' contributions	4	75,393,223.00	80,197,585.00
Miscellaneous incomes	5	1,078,910.00	663,665.00
Total Receipts		97,618,937.00	99,118,067.00
Payments			
Tuition	6	2,838,910.00	2,581,613.00
Operations	7	10,583,070.00	9,302,924.00
Infrastructure	8	2,973,922.00	5,973,398.00
Boarding and school fund	9	79,017,719.00	78,961,460.00
Total Payments		95,413,621.00	96,819,395.00
Surplus/Deficit		2,205,316.00	2,298,672.00

The school financial statements were approved on **April 10, 2025** and signed by:



Name: Mr. Fredrick M. Kitema

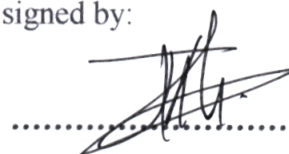
Chair BOM

Date: April 10, 2025



Name: Dr. Elizabeth N. Mutinda
School Principal/ Secretary to BOM

Date: April 10, 2025



Name: CPA John K. Maithya

Bursar/ Finance Officer

Date: April 10, 2025

7. 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	4,203,920.00	1,915,960.00
Cash balances	11	9,718.00	92,363.00
Short term investments	12	-	-
Total cash and cash equivalent		<u>4,213,638.00</u>	<u>2,008,323.00</u>
Accounts receivables	13	17,542,481.00	15,213,114.00
Total financial assets (a)		21,756,118.00	17,221,437.00
Financial liabilities			
Accounts payables	14	15,420,790.00	13,091,424.00
Total Financial Liabilities (b)		15,420,790.00	13,091,424.00
Net financial assets (a-b)		6,335,328.00	4,130,013.00
Represented by			
Accumulated fund b/fwd	15	4,130,012.00	1,831,341.00
Surplus/deficit for the year		2,205,316.00	2,298,672.00
Net Assets		6,335,328.00	4,130,012.00

The school's financial statements were approved on 10th April, 2025 and signed by:

.....
Name: Mr. Fredrick Kitema

Chair BOM

Date: 10th April, 2025

.....
Name: Dr. Elizabeth N. Kaumbulu
School Principal/ Secretary to
BOM

Date: 10th April, 2025

.....
Name: CPA John K. Maithya

Bursar/ Finance Officer

Date: 10th April, 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		3,625,987.00	3,364,503.00
Government grants for operations		11,809,117.00	9,903,314.00
Government grants for infrastructure		5,711,700.00	4,989,000.00
School fund income- parents contributions/ fees		75,393,223.00	81,443,174.00
Other income		1,078,910.00	572,390.00
Total receipts		97,618,937.00	100,272,381.00
Payments			
Cash outflows for tuition	6	2,838,910.00	3,404,597.00
Cash outflows for operations	7	10,583,070.00	9,903,314.00
Payments infrastructure	8	2,973,922.00	-
Cash outflows Boarding/lunch and school fund payments	9	79,017,719.00	81,987,456.00
Total payments		95,413,621.00	94,694,977.00
Net cash inflow/outflow from operating activities		2,205,316.00	5,577,404.00
Cash flow from investing activities			
Acquisition of assets		-	(4,025,541.00)
Proceeds from sale of Assets		-	91,275.00
Proceeds from investments(Debtors adjustments)		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		-	(3,934,266.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	1,643,138.00
Net increase/decrease in cash and cash equivalents		2,205,316.00	1,643,138.00
Cash and cash equivalent at beginning of the FY		2,008,322.00	365.185.00
Cash and cash equivalent at end of the FY		4,213,638.00	2,008,322.00

Mwaani Girls High School

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

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 is encouraged under IPSAS. Schools should therefore adopt the direct method of cash flow as recommended by PSASB).

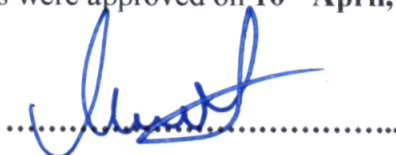
The school's financial statements were approved on 10th April, 2025 and signed by:



Name: Mr Fredrick Kitema

Chair BOM

Date: 10th April, 2025



Name: Dr. Elizabeth Mutinda
School Principal/ Secretary to
BOM

Date: 10th April, 2025



Name: CPA John K. Maithya

Bursar/ Finance Officer

Date: 10th April, 2025



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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Teaching / Learning Materials	5,733,224.00	-	5,733,224.00	3,625,986.00	63%
TOTAL	5,733,224.00	-	5,733,224.00	3,625,987.00	63%
(2) Capitation Grant on Operations					
Other vote heads(PE,LT&T,EWC & ADM.COSTS)	13,004,900.00	-	13,004,900.00	9,502,409.00	73%
Medical	2,767,000.00	-	2,767,000.00	1,144,125.00	41%
Activity	2,075,250.00	-	2,075,250.00	1,162,582.00	56%
Total	17,847,150.00	-	17,847,150.00	11,809,117.00	66%
3) FDSE for infrastructure					
Maintenance &Improvement MoE	6,917,500.00	-	6,917,500.00	5,711,700.00	83%
Total	6,917,500.00	-	6,917,500.00	5,711,700.00	83%
(4) Fees Charged on Parents					
Personnel Emoluments	7,379,858.00	-	7,379,858.00	7,151,100.00	97%
Repairs And Maintenance	2,809,959.00	-	2,809,959.00	2,937,659.00	106%
Local Transport / Travelling	1,265,119.00	-	1,265,119.00	1,322,400.00	105%
Electricity And Water	6,887,868.00	-	6,887,868.00	7,031,757.00	102%

Mwaani Girls High School
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs	2,600,521.00	-	2,600,521.00	2,712,324.00	104%
Activity	351,195.00	-	351,195.00	346,116.00	98%
SMASSE	290,000.00	-	290,000.00	-	-
PA Projects	10,389,018.00	-	10,389,018.00	6,259,438.00	60%
Prize/Thanks Giving	-	-	-	2,815,500.00	-
Medical				13,935.00	-
Fees refunds	-	-	-	14,000.00	-
Fee On Boarding Equipment and Stores	41,895,520.00	-	41,895,520.00	44,788,994.00	104%
Total Boarding account	73,869,058.00		73,869,058.00	75,393,223.00	102%
5) Miscellaneous Income					
Rent income	-	-	-	152,000.00	-
Income From Bus Hire	-	-	-	148,000.00	-
Fee For Hire of Ground and Equipment	-	-	-	417,000.00	-
Uniforms	-	-	-	289,395.00	-
Scrap and containers	-	-	-	46,050.00	-
Tender fee			-	20,000.00	-
Pocket money			-	6,465.00	-
Total Income		-	-	1,078,910.00	-
Grand Total	104,366,932.00	-	104,366,932.00	97,618,937.00	94%
(6) Expenditure For Tuition					

Mwaani Girls High School
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Laboratory Equipment	-	-	-	26,680.00	-
Bank charges	-	-	-	1,410.00	-
Teaching / Learning Materials	5,733,224.00	-	5,733,224.00	2,810,820.00	49%
Total	5,733,224.00	-	5,733,224.00	2,838,910.00	49%
(7) Expenditure For Operations					
Other vote heads(PE,LT&T,EWC & ADM.COSTS)	13,004,900.00	-	13,004,900.00	9,905,697.00	76%
Repairs, Maintenance & Improvements	6,917,500.00	-	6,917,500.00	518,750.00	7%
Medical/Insurance Expenses	2,767,000.00	-	2,767,000.00	5,095.00	0.20%
Activity Expenses	2,075,250.00	-	2,075,250.00	153,528.00	7%
SMASSE	290,000.00		290,000.00	-	-
Total operations	25,054,650.00		25,054,650.00	10,583,070.00	
(8) Expenditure For infrastructure					
Construction of dorm 2024	-	-	-	1,025,000.00	-
Construction of dorm 2023	-		-	1,947,857.00	-
Bank charges	-	-	-	1,065.00	-
Total Infrastructure	-	-	-	2,973,922.00	-
(9) Expenditure For school fund/lunch/boarding					

Mwaani Girls High School
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Personnel Emoluments	7,379,858.00	-	7,379,858.00	7,289,215.00	99%
Repairs, Maintenance and Improvements	2,809,959.00	-	2,809,959.00	1,567,785.00	56%
Local Transport / Travelling	1,265,119.00	-	1,265,119.00	5,171,161.00	409%
Electricity, Water and Conservancy	6,887,868.00	-	6,887,868.00	3,643,532.00	54%
Medical Expenses	-	-	-	451,678.00	-
Administration Costs	2,600,521.00	-	2,600,521.00	7,429,069.00	286%
Activity	351,195.00	-	351,195.00	4,279,715.00	1219%
Boarding Equipment and Stores	41,895,520.00	-	41,895,520.00	42,689,405.00	102%
PA Expenses	10,389,018.00	-	10,389,018.00	5,873,455.00	57%
Miscellaneous	-	-	-	1,000.00	
Pocket	-	-	-	5,000.00	
Hall hire	-	-	-	165,720.00	-
Fees Refund	-	-	-	450,984.00	-
Totals BES Expenses	73,579,058.00	-	73,579,058.00	79,017,719.00	107%
Grand Total Expenses	104,366,932.00	-	104,366,932.00	95,413,621.00	91%

- Vote heads under "Other incomes appear to be over utilized because budgetary allocation is not enough as compared to what the vote heads should fund. Those vote head include Local Travel & Transport, Activity fee and administration costs).
- All the voted head funded by parents recorded increased receipts compared to budget due to high number of form one enrolment.
- PA project income was reduced since the school did levy parents in term one 2024 academic year.

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
Teaching / Learning Materials	3,625,987.00	3,364,503.00
Total	3,625,987.00	3,364,503.00

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Medical/Insurance	1,144,125.00	229,000.00
Activity	1,162,583.00	680,788.00
Other Vote Heads (PE.,EWC, LT&T &ADM. COSTS)*	9,502,409.00	8,993,527.00
Total	11,809,117.00	9,903,315.00

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	5,711,700.00	4,989,000.00
Total	5,711,700.00	4,989,000

4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel emoluments	7,151,100.00	7,653,784.00
Repairs and maintenance	2,937,659.00	2,850,200.00
Local transport / travelling	1,322,400.00	1,277,305.00
Electricity and water	7,031,757.00	6,958,261.00
Medical	13,935.00	52,000.00

Description	2023/2024	2022/2023
	Kshs	Kshs
Administration costs	2,712,324.00	2,637,129.00
Activity	346,116.00	356,970.00
Fee on Boarding Equipment and stores	44,788,994.00	44,593,902.00
PA Project	6,259,438.00	11,081,961.00
Prize/Thanks Giving	2,815,500.00	2,339,259.00
Fees Refund	14,000.00	396,814.00
Total	75,393,223.00	80,197,585.00

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

5 Miscellaneous Incomes

Description	2023/2024	2022/2023
	Kshs	Kshs
Rent Income	152,000.00	128,150.00
Tender fee	20,000.00	-
Income From Bus Hire	148,000.00	50,000.00
Fee For Hire of Ground and Equipment	417,000.00	299,200.00
Pocket Money	6,465.00	-
Uniform	289,395.00	95,040.00
Scrap and containers	46,050.00	91,275.00
Total	1,078,910.00	663,665.00

(Include an explanation on the kind and source of grants/ donations received by the school.)

*Ensure proper authorization from MOE before obtaining loans/borrowings.

*Indicate what other income relates to including income arising from write backs if any.

6 Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Text Books	-	90,000.00
Exercise Books	-	314,496.00
Laboratory Equipment	26,680.00	534,815.00
Teaching / Learning Materials	2,810,820.00	1,271,058.00
Exams And Assessment	-	366,920.00
Bank Charges	1,410.00	4,324.00
Total	2,838,910.00	2,581,613.00

7 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	4,409,566.00	6,077,304.00
Administration Cost	1,810,353.00	182,558.00
Repairs And Maintenance & Improvements	518,750.00	1,990.00
Local Transport / Travelling	2,772,222.00	1,833,318.00
Electricity And Water	913,556.00	626,654.00
Medical/Insurance	5,095.00	-
Activity Expenses	153,528.00	581,100.00
Total	10,583,070.00	9,302,924.00

8 Infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Construction of dormitory 2023	1,947,857.00	5,539,525.00
Construction of dormitory 2024	1,025,000.00	-
Purchase of furniture	-	430,400.00
Bank charges	1,065.00	3,473.00
Total	2,973,922.00	5,973,398.00

9 Boarding and School Fund

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	7,289,215.00	3,618,950.00
Repairs And Maintenance & Improvements	1,567,785.00	2,984,215.00
Local Transport / Travelling	5,171,161.00	4,490,236.00
Electricity And Water	3,643,532.00	3,180,214.00
Medical Expenses	451,678.00	450,464.00
Administration Costs	7,429,069.00	3,226,239.00
Activity	4,279,715.00	4,061,290.00
Fee On Boarding Equipment and Stores	42,689,405.00	47,221,517.00
PA expenses	5,873,455.00	6,068,705.00
Hall hire	165,720.00	-
Miscellaneous	1,000.00	-
Pocket Money	5,000.00	
Fees Refund	450,984.00	985,755.00
Prize/ Thanks giving	-	2,673,875.00
Total	79,017,719.00	78,961,460.00

(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	1108805248	836,785.00	49,708.00
Operations Account	Active	1105240126	5,171,693.00	1,235,519.00
School Fund Account/Boarding	Active	1105240622	(1,991,494.00)	469,874.00
Savings Account	Active	1104700719	68,828.00	68,828.00
Infrastructural Account	Active	1236669630	118,108.00	92,030.00
Total			4,203,920.00	1,915,959.00

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Operation account	1,084.00	443.00
Boarding account	8,634.00	91,920.00
Total	9,718.00	92,363.00

12 Short Term Investments

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

13 Accounts Receivable

Description	2023/2024	2022/2023
	Kshs	Kshs
Fees Arrears	17,538,481.00	15,209,114.00
Other Non-Fees Receivables		
Returned cheque	4000.00	4,000.00
Total	17,542,481.00	15,213,114.00

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	3,362,447.00	19%	1,157,442.00	8%
Between 1- 2 years	124,362.00	1%	442,122.00	3%
Between 2-3 years	1,096,804.00	6%	13,609,550.00	89%
Over 3 years	12,954,868.00	74%	-	
Total (should tie to note 13 a)	17,538,481.00	100%	15,209,114.00	100%

14 Accounts Payable

Description	2023/2024	2022/2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	13,559,762.00	10,282,943.00
Prepaid Fees	1,855,223.00	2,804,141.00
Pocket Monies	5,805.00	4,340.00
Total	15,420,790.00	13,091,424.00

14a. Ageing Analysis of Accounts Payable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	8,745,615.00	64%	-	-
Between 1- 2 years	-	%	5,211,812.00	51%
Between 2-3 years	677,159.00	%	934,143.00	9%
Over 3 years	4,136,988.00	36%	4,136,988.00	40%
Total (should tie to note 14)	13,559,762.00	100%	10,282,943.00	100%

15 Fund Balance Brought Forward

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Balances	1,915,960.00	326,562.00
Cash Balances	92,363.00	38,622.00
Short Term Investments	-	-
Receivables	15,213,114.00	15,361,036.00
Payables	(13,091,424.00)	(13,894,880.00)
Total	4,130,012.00	1,831,340.00

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(Mango trees)	125	-	-
Bananas	213	-	-
Poultry		-	-
Others (specify)		-	-
Total	338	-	-

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	1,535,120.00	1,308,580.00
Lab consumables	51,780.00	-
Construction Materials	-	25,800.00
Stationery	1,030,608.00	485,980.00
Total	2,617,508.00	1,820,360.00

(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)

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)
1	Inaccuracies in financial statements	-The management provided an analysis of all variances as it was elaborated in the draft audit report submitted to the office of auditor General. Inaccuracies were as a result of adjustments on the notes to the financial statements. The notes were adjusted to factor fees arrears, creditors, prepayments & fees recovered during the financial year.	Resolved	30/06/2024
2	Unsupported Accounts Receivables	-Schedules were prepared and submitted to the AOG officer through the Gmail account	Resolved	It was done immediately.
3	Long outstanding Receivables	-The management noted that it was great challenge for school to collect the arrears since students who left the school; management has no control over them. The situation was made complicated when government issued directive to principals to release all certificate whether former student has balance or not.	Not resolved	No timeline
4	Variances in school fund income-Parents contributions	-The management provided the following factors which led to the variances; 1. Change of enrolment 2. The extra levies as elaborated in the draft audit report.	Explained /Resolved	The management should charge only approved levies.
5	Variance in tuition payments	-As a result of adjustments on payments, the creditors were not	Resolved	Immediately

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		reported under receipts and payments but reported under cash flow statements.		
6	Understatement of Receipts	The management the through draft audit report elaborated the understatement of Receipts and payments. The following were reasons listed for understatement; 1. Arrears which was recovered in the current financial year, were not factored in receipts and payment statement rather was considered as statement of financial position item. 2. Clearance accounts (NSSF, NHIF & Kudhehiha) was not considered as an item of receipts and payment since the items are already factored in personal emoluments. 3. Bursary was not considered since it is already factored in various vote heads.	Resolved	Immediately
6	Unsupported Bank Balances	-The saving account did not have any transaction during the year, hence necessity to maintain I did not arise. -Bank reconciliation were prepared and presented to the audit team as at 30th June, 2023.	Resolved	Immediately
7	Irregular increase of school fees	-The PA & BOM Came to an agreement with parents to improve the school infrastructure and cater for teachers 'motivation. The parents agreed to pay 2500 termly to support school development and Kshs1500 to support teachers motivation	Resolved	Resolved

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		who leave the school as late as 11pm and attend students as early as 4am		
8	Long outstanding Accounts payable	-The management reported that the suppliers were invited for verification of their debts and most of them didn't turn up for the verification exercise and school could not have to pay unverified payables. The school is open to remaining suppliers who wish to carry the verification process with school.	Not resolved	Continuous process of verification is normally conducted when affected suppliers enquires.
9	Irregular transfer of funds to Kenya secondary school Heads Association	-School makes payment to kessha as per the circulars from various kessha branched and levels.	Not resolved	Awaiting directive from MOE
10	Failure to transfer infrastructure funds from the operations bank account	-The management will make sure the required Amount is transferred as it is guided by ministry of education guidelines	Resolved	Financial year 2024/2025
11	Non-banking of school fee receipts	-The management was in agreement with finding. The school uses JBS which is school information management system and when cash is collected is immediately entered into the system and it prudent use is guaranteed.	Not resolved	2024/2025 financial year
12	Unconfirmed students Enrolment data	-This disparity was orchestrated by challenges to update enrolment because some parents did not provide the required documents to update the records. The school management will push the parents to supply the school with the required documents.	In process	Continuous
13	Use of cash to procure Goods,	-As elaborated in management letter responses the goods in	Cash payments are	Continuous

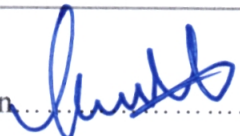
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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	works and services	appendix 4 was stated by the OAG as if it were paid in cash, although it was not a true position. The amount which was stated has been paid in cash was Kshs 6,009,109 of which Kshs 5,905,970 was paid in cheque as provided in table appendix 4 in draft audit report responses.	been done in small quantities	
14	Lack of internal audit function	-The management will operationalize the audit committee in future to comply with the law, although BOM finance committee was used to check on audit reports and internal control systems in the school	Not resolved	BOM to elect committee members.
15	Management of textbooks	-The management will appoint school instructional selection committee to help in management of text books and other instructional materials	Resolved	Immediately
16	Lack of an imprest register	-Upon withdrawal of cash from the bank, the same is entered into cash book which also acts as a control book. The school pays exact money for the specific purpose. If it is travel, we pay exact cost for travel. in addition, the measures school had put in place, it will introduce petty cash book for future operations.	Resolved	2024/2025 Financial year
17	Lack of ownership documents	-The school management in consultation with ministry of education will initiate discussion with land ministry so that the process of transferring land No.MAKUENI/UNOA/417 to	Not resolved	It will depend on several stakeholders affected since has no full control of processes

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Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		begin. Secondly, the school owns one acre piece of land in parcel number MAKUENI/UNOA/176, at this parcel is where administration block sit. The BOM will follow up with administrators of the estate of the deceased Isika Muthoka to speed up the inheritance process(succession) -The BOM will initiate process to clear with the NIC Bank and log book be transferred to Mwaani Girls.		

Sign  Date 10th April, 2025.**Principal/Secretary BOM**

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21. Annexes
Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Maridadi Glass and Hardware	6,475,802.00	From 2017	3,383,725.00	5,198,423.00	3,092,077.00	The supply is active supplier to school so as debt is paid it keeps increasing bill increases
Sub-Total	6,475,802.00		3,383,725.00	5,198,423.00	3,092,077.00	
Supply Of Goods						
2. United investors	77,180.00	2017	0	77,180.00	77,180.00	2017 supply
3. Change ltd	370,400.00	27/12/2017	0	370,400.00	370,400.00	2017 supply
4. Pezi ltd	56,720.00	27/12/2017	0	56,720.00	56,720.00	2017 supply
5. Empire Pharmacy	40,277.00	27/12/2017	11,708.00	28,569.00	28,569.00	2017 supply
6. Amedo centre Kenya ltd	71,025.00	27/12/2017	0	71,025.00	71,025.00	2017 supply
7. Central farmers garage	179,540.00	27/12/2017	49,185.00	130,355.00	130,355.00	2017 supply

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
8. George Kiteme Peter	100,000.00	27/12/2017	0	100,000.00	100,000.00	2017 supply
9. Brilliant system company ltd	48,000.00	27/12/2017	0	48,000.00	48,000.00	2017 supply
10. Top grade promotions	135,000.00	27/12/2017	0	135,000.00	135,000.00	2017 supply
11. Trim tab enterprises	200,000.00	27/12/2017	0	200,000.00	200,000.00	2017 supply
12. Arun data	100,000.00	27/12/2017	0	100,000.00	100,000.00	2017 supply
13. Rhamkey chemicals ltd	59,900.00	27/12/2017	0	59,900.00	59,900.00	2017 supply
14. ManthiArtline	330,000.00	27/12/2017	0	330,000.00	330,000.00	2017 supply
15. Prime tech investment	75,000.00	27/12/2017	0	75,000.00	75,000.00	2017 supply
16. Wote water & sewerage co.ltd	107,200.00	1/6/2024	0	107,200.00	0	Supply of water
17. Eddumartt General supplies	43,500.00	15/05/2024	0	43,500.00	0	Stationary
18. Exclusive Fashions & General supplies	1,821,300.00	1/6/2024	0	1,821,300.00	0	Cereals
19. MutuiMuseo Investments	363,310.00	1/6/2024	0	363,310.00	0	Fruits and vegetables
20. Stesyl Enterprises	393,250.00	1/6/2024	0	393,250.00	0	Meat
21. Cereal Mart stores	1,094,700.00	1/6/2024	0	1,094,700.00	0	Processed foodstuff
22. Lehyli Agencies	177,210.00	1/6/2024	0	177,210.00	0	Vegetables
23. Reeves Investments	335,430.00	1/6/2024	0	335,430.00	0	Eggs
24. NdiuNzau General supplies	136,130.00	21/05/2024	0	136,130.00	0	Stationary

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
25. Emmanuel ICT training Centre Ltd	205,320.00	20/6/2024	0	205,320.00	0	Stationary
26. Johari Investments ltd	34,100.00	1/6/2024	0	34,100.00	0	Stationary
27. Jokim Investments	80,560.00	10/5/2024	0	80,560.00	0	Apparatus and chemical
28. Sarah MutheuKiio	172,400.00	31/5/2024	0	172,400.00	0	Curtains and tents
29. KBO Ventures Ltd	787,200.00	1/5/2024	0	787,200.00	0	Games equipment
Sub-Total	7,594,652.00		60,893.00	7,533,759.00	1,782,149.00	
Supply Of Services						
30. New Kayana motor	278,550.00	27/12/2017	77,860.00	200,690.00	200,690.00	2017 supply
31. Sede Security	92,000.00	1/5/2024	0	92,000.00	-	Security services
32. Soft eye Media consultants	30,000.00	1/3/2024	0	30,000.00	-	Website maintenance
33. Phipmu Auto Electricals	90,850.00	1/6/2024	0	90,850.00	-	Vehicles repair
34. Trunskey supplies	85,000.00	1/6/2024	0	85,000.00	-	Transport services
35. Paul N. Makilya	58,000.00	1/6/2024	0	58,000.00	-	Welding repairs
36. Bamato& general supplies	17,040.00	28/05/2024	0	17,040.00	-	Repair of sewing machines

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
37. Musoe Investments	250,000.00	25/6/2024	0	250,000.00		Latrine removal
38. NdanuMwaniki	2,000.00	24/6/2024	0	2,000.00		Wages
39. Patty taxis	2,000.00	30/6/2024	0	2,000.00		Taxi services
Sub-Total	905440.00		77,860.00	827,580.00	200,690.00	
Grand Total	14,975,894.00		3,522,478.00	13,559,762.00	5,074,916.00	
Add:1) Prepaid fees				1,855,223.00		
2) Pocket money not issued				5,805.00		
Total payables				15,420,790.00		

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Annex 2 – Summary of Fixed Assets Register

Note: The values stated are estimated figures and may change incase valuation expert conducts a professional valuation.

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land	50,000,000.00	0	0	50,000,000.00
Buildings And Structures	152,451,980.00	757,630.00	0	153,209,610.00
Motor Vehicles	4,150,000.00	0	0	4,150,000.00
Office Equipment, Furniture and Fittings	14,132,000.00	3,885,000.00	0	18,017,000.00
Textbooks	9,877,600.00	0	0	9,877,600.00
ICT Equipment	4,150,000.00	0	0	4,150,000.00
Tools And Apparatus	4,656,250.00	1,168,095.0	0	5,824,345.00
Other Machinery and Equipment	7,274,780.00	0	0	7,274,780.00
Heritage And Cultural Assets	0	0	0	0
Intangible Assets- Soft Ware	530,000.00	0		530,000.00
Total	247,222,610.00	5,810,725.00	0	253,033,335.00



