

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 29 JUL 2026

DAY.

WED

TABLED
BY:

Hon. Robert Pius

REPORT

PREPARED AT
THE TABLE:

J. Komen

OF

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

HURUMA GIRLS HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

NAIROBI CITY COUNTY



Huruma Girls High School

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

(Leave this page blank)

Table of Contents

Page

1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	vii
4. Statement of School Management Responsibility	xi
5. Report Of The Independent Auditors (<i>To be attached</i>)	xii
6. Statement Of Receipts and Payments For the Year Ended 30 th June 20XX	1
7. Statement of Assets and Liabilities As At 30 th June 20XX	2
8. Statement of Cash Flows for the Year Ended 30 th June 20XX	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 20XX	5
10. Significant Accounting Policies	10
11. Notes To The Financial Statements	12
12. Annexes	23

(a) Trial Balance for the five account both general and adjusted and bank reconciliation statements & Bank statements,

(b) List of Store Balances

© List of prepayment and Arrears

(d) Students List of Direct Bankings.

1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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	

2. Key School Information and Management

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in **December/2019** under registration number **47S30000299** and is currently categorized as an **Extra County** (*National, Extra County, County and Sub County*) public school established, owned or operated by the Government.

The school is a Boarding school and had **1,130** number of students as at *30th June 2023*. It has **5** streams and **45** teachers of which **11** teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Eng. Paul Maema	Chairman (Sponsor rep)	5th May 2022
2	Mary K. Mutethia	Secretary - Principal	3rd February 2023
3	Sr. Magdalene Musau	Member – Sponsor Rep	5th May 2022
4	Dorothy Ngethe	Member – PA rep.	5th May 2022
5	Wilfred Onderi	Member	5th May 2022
6	Edward Nyoike	Member – Sponsor Rep.	5th May 2022
7	Joseph N. Masakhalia	Member	5th May 2022
8	John D. Oduor	Member	5th May 2022
9	Phyllis Engefu	Member – Rep CEB	5th May 2022
10	Rebecca W. Mwangi	Member Rep Teachers	5th May 2022
11	Beatrice Mainga	Members	5th May 2022
12	Teresa A. Odongo	Member - Community	5th May 2022
13	Elizabeth M. Kinuthia	Member Special Needs	5th May 2022
14	Magdalene Musau	Rep Students	11th Oct 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, 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

(Provide the names of the various committees of the Board established by the Board and the names of the committee members):

Ref:	Name of Committee	Names of Members		Designation	Number of meetings attended during the year
1	Executive Committee	1.	Eng P. Maema	BoM Chair	2/2
		2.	Sr. Magdalene Musau.	BoM V.Chair	2/2
		3.	Mary K. Mutethia	Principal/Secretary	2/2
		4.	Dorothy Ngethe	PA chair	2/2
		5.	Wilfred Onderi	Finance Chair	2/2
		6.	Phyllis Engefu	Academic Chair	2/2
2	Audit Committee	1.	Mr. Wilfred Onderi	Chair	1/1
		2.	Ms. Doroty Ngethe	Member (PA Chair)	1/1
		3.	Mrs. Mary Mutethia	Member (Principal)	1/1
		4.	Eng. Paul Maema	Member (BoM Chair)	1/1

		5. Mrs. R. Mwangi	Member (Teacher rep)	1/1
3	Finance, procurement and general purposes Committee	1. Mr. Wilfred Onderi 2. Ms. Doroty Ngethe 3. Mrs. Mary Mutethia 4. Eng. Paul Maema 5. Mrs. R. Mwangi	Chair Member (PA Chair) Member (Principal) Member (BoM chair) Member (Teacher rep)	3/3 3/3 3/3 3/3 3/3
4	Academic Committee	1. Ms. Phyllis Engefu – 2. Sr. Magdalene Musau 3. Ms. Beatrice Mainga 4. Mrs. Rebecca Mwangi 5. Mr. Wilfred Onderi	Chair Member Member Member Member	1/1 1/1 1/1 1/1 1/1
5	Development Committee	1. Mr. Joseph Nandieri 2. Eng. Paul Maema 3. Mrs. Dorothy Ngethe 4. Mrs. Mary Mutethia 5. Mrs. Ingrid Moragwa 6. Mr. J. Koigi 7. Mr. Edward Nyoike 8. Teresa. Odongo	Chair Bom Chairperson PA Chairperson Principal Deputy Principal (As The Secretary) SCDE, Makadara Member Member	3/3 3/3 3/3 3/3 3/3 3/3 2/3 3/3
6	Discipline and welfare Committee	1. Ms. Elizabeth Mugure 2. Mr. John Oduor 3. Sr. Magdalene Musau 4. Mrs. Ingrid Moragwa	Chair Member Member Member	3/3 3/3 3/3 3/3
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 20XX the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Mary K. Mutethia	TSC No. 352397
2	Deputy Principal	Ingrid Moragwa	TSC No. 307685
3	School Bursar	Anne Kutwa	ICPAK No. ASSOC/540
4	Other (specify)		

(e) Schools contacts

Post Office Box: 49068-00100
Telephone: 0741 934 287
E-mail: hurumagirls@yahoo.com
Website: XXXXXXXXX
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

Name of Bank: EQUITY BANK	ABSA BANK	KCB BANK
Branch: DONHOLM BRANCH	QUEENSWAY	JOGOO ROAD
Postal Address.		

(g) Independent Auditors

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

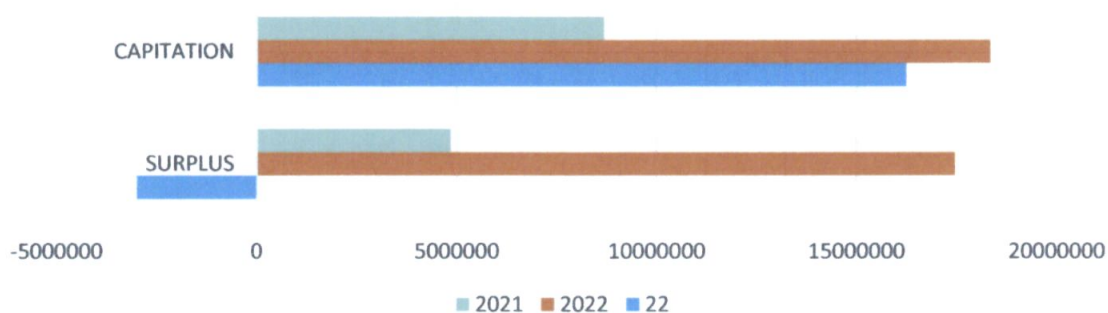
7. Summary Report of Performance of The School

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

a) Financial performance:

YEAR	2022-2023	2021-2022	2020-2021
SURPLUS	(3,089,345.00)	17,453,855.00	4,849,944.00
CAPITATION	16,241,691.00	18,338,976.00	8,697,454.00
OTHER INCOMES	82,797,198.00	72,766,654.00	21,079,484.00
CAPITATION RATIO	1040=1:15,617.00	970=1:18,906.00	824:1:10,555.00
GROWTH IN EXPENDITURE	102,008,620.00	70,551,776.00	24,877,968.00
MOVEMENT OF DEBTORS	23,707,408.00	13,479,049.00	12,006,931.00
MOVEMENT OF CREDITORS	2,744,751.00	3,833,082.00	4,572,347.00
CASH & BANK BALANCE	6,488,265.00	20,597,750.00	5,555,277.00

SURPLUS & CAPITATION



COMPARISON OF TOTAL INCOME VERSUS TOTAL EXPENDITURE

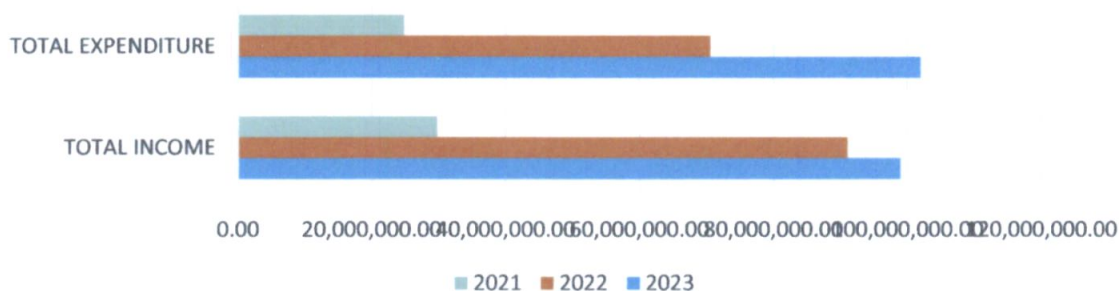
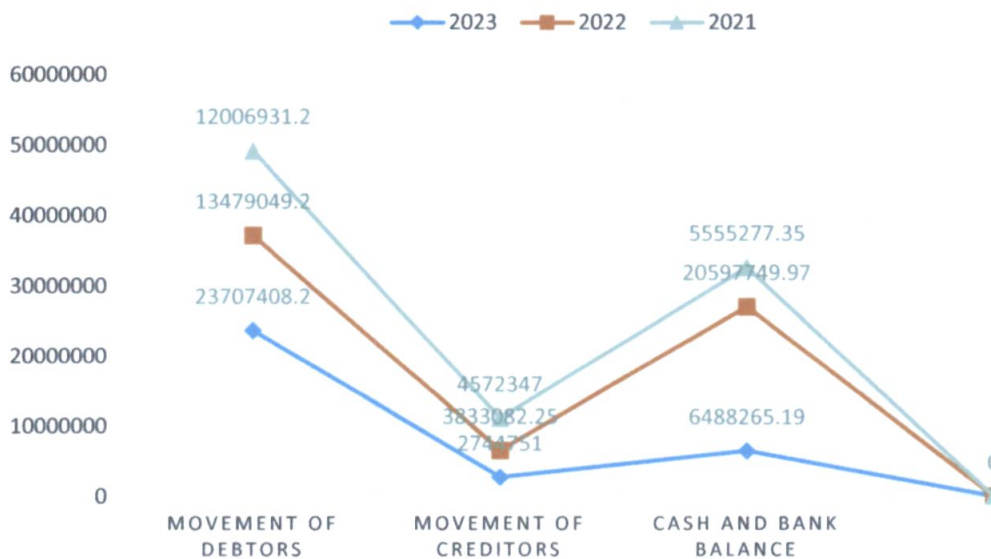


CHART TITLE



b) Teacher Student ratio:

Number of teachers on Duty = 47

TSC = 37

BoM = 10

- 7 teachers were employed by TSC within the year.
- Student population: 1,130

c) Mean score in the 2022 KCSE:

YEAR	ENTRY	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	MEAN	GRADE	DEV
2022	211	0	0	0	3	8	12	36	50	43	44	15	0	4.6	C-	0.72
2021	195			1	3	7	30	52	41	41	16	4		5.3	C-	-1.1
2020	161			7	10	24	33	38	31	9	7	1		6.41	C	0.69

- 2020 ~ 74 students transitioned to the University
- 2021 ~ 41 students transitioned to the University
- 2022 ~ 23 students transitioned to the University
- The School did not achieve the targeted mean of 6.5+ in the three years.

d) Number of Candidates in the 2022 KCSE:

YEAR	NO. OF STUDENTS WHO SAT FOR KCSE
2022	211
2021	195
2020	161

e) Capacity of the school:

The School has a student population of 1,130.

The following are the facilities;

1. Tuition facilities

- 19 classrooms
- 2 laboratories shared by 3 Science subjects.
- One Computer room
- A small library with a capacity of 30 students.

2. Boarding facilities

- 11(eleven) dormitories and one new dormitory hosting 254 students with room to go up to 2 storey levels
- Small Sanatorium next to the boarding area.

3. . Sanitation facilities

- 35 toilets and 36 bathrooms.
- A washing area with 56 sinks.

4. . Dinning and kitchen

- Steel Structure kitchen that was equipped with modern jikos.
- The school hall was converted into a dormitory, which is also congested, due to the high enrolment owing to the 100% transition policy.

The School has an acute shortage of facilities.

F) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	Parents & GOK	Complete	13,886,235.00	13,886,235.00	Complete
Classes	GOK & Parents	Complete	6,439,189.00	5,651,189.00	Complete
Administrator's Houses	Parents	Complete	3,882,102.00	3,882,102.00	Complete

N/B: The CBC classes above the balance remaining was the amount the government had allocated for the classes which was yet to be released to schools at that time.

.....

 School Principal

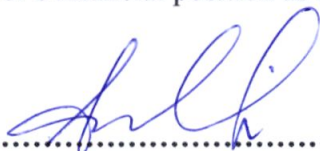
8. Statement of School Management Responsibility

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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of (*Name of 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, 2023, and of the school's financial position as at that date.



.....
Name: PAUL NGEI MAEMA

Designation: Chairman, School Board of Management

Date: 15/4/2026

.....
Name: MRS. MARY KINANU MUTETHIA

Designation: School Principal & Secretary to Board of Management

Date: 15/4/2026



.....
Name: ANNE WERE KUTWA

Designation: Bursar/ Finance Officer

Date: 15/04/2026

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 THE HURUMA GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NAIROBI CITY 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 Huruma Girls High School set out on pages 1 to 22, which comprise the statement of financial assets and financial

Report of the Auditor-General on Huruma Girls High School for the year ended 30 June, 2023 - Nairobi City County

liabilities as at 30 June, 2023 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 Huruma Girls High School as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Income

The statement of receipts and payments reflects total receipts of Kshs.98,919,275 while the cashbook reflects Kshs.114,242,959 resulting to unexplained variance of Kshs.15,323,684. The amount also differs with statement of cash flows and the statement of budgeted versus actual amounts of Kshs.90,124,332 and Kshs.83,978,162 resulting to unexplained variances of Kshs.8,794,943 and Kshs.14,941,113 respectively. Further, the amount was not supported with students' fee ledgers and invoices and omitted bursary income of Kshs.5,740,987. In addition, the receipts realized from hiring the school bus were co-mingled with the school fund account instead of being deposited into separate bank account.

In the circumstances, the accuracy and completeness of total receipts of Kshs.98,919,275 could not be confirmed.

2. Inaccuracies in Payments

The statement of receipts and payments reflects total payments of Kshs.102,008,620 while the cashbooks reflect Kshs.100,819,111 resulting to unexplained variance of Kshs.1,189,509. Further, the statement of budgeted versus actual amounts reflects total payments of Kshs.95,646,052 resulting to unexplained variance of Kshs.6,362,568. In addition, the statement of cash flows reflects total payments amount of Kshs.80,910,841 while the statement of receipts and payments reflects Kshs.102,008,620 resulting to unexplained variance of Kshs.21,097,779. Also, an amount of Kshs.4,630,805 was omitted from boarding and school fund payments and bursaries amounting to Kshs.5,740,987 were not supported with a list of beneficiaries and acknowledgements receipts and Management did not provide detailed breakdown of transactions or supporting schedules.

In the circumstances, the accuracy and completeness of payments of Kshs.102,008,620 could not be confirmed.

3. Unsupported Personnel Emoluments

The statement of receipts and payments reflects boarding and school fund payments of Kshs.72,099,112 as disclosed in Note 9 to the financial statements out of which Kshs.11,126,104 relates to personnel emoluments. However, payroll records for the months of July 2022 to February 2023 were not provided for audit. In addition, security services amount of Kshs.105,333 was erroneously classified under personnel emoluments.

In the circumstances, the accuracy and completeness of personnel emoluments amount of Kshs.11,126,104 could not be confirmed.

4. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities and as disclosed in Note 10 and Note 11 to the financial statements reflects cash and cash equivalents balance of Kshs.6,488,265. However, the balance was not supported with bank certificates and bank reconciliation statements as well as the board of survey certificate. Further, analysis of bank statements revealed cash withdrawals from school fund-boarding account amounting to Kshs.6,481,720 which was not supported by formal requests and memorandum cash book. Also, Management did not maintain a separate cashbook for the savings account. In addition, the statement of cash flows reflects prior year closing cash and cash equivalents balance of Kshs.20,694,300 while the 2021/2022 financial statements reflects Kshs.13,778,597 resulting to unexplained variance of Kshs.6,915,703.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.6,488,265 could not be confirmed.

5. Unsupported Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables balance of Kshs.23,707,408. However, the balance was not supported with ledgers, student fee registers, student invoices and ageing analysis. Further, the balance includes Kshs.10,790,943 which has been outstanding for more than one year and Management did not demonstrate measures put in place to recover the fee arrears.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.23,707,408 could not be confirmed.

6. Unsupported Accounts Payables

The statement of financial assets and financial liabilities and as disclosed in Note 14 to the financial statement reflects accounts payables balance of Kshs.2,744,751 however, Management did not support the balance with detailed ledger, aging analysis and payment receipts.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.2,744,751 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Huruma 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 comparable basis of Kshs.83,042,900 and Kshs.83,978,162 respectively, resulting to over-collection of Kshs.935,262. Similarly, the statement reflects total expenditure amount of Kshs.95,646,052 against actual receipts of Kshs.83,978,162 resulting to over absorption of Kshs.11,667,890 or 14% of the actual receipts.

The over expenditure demonstrates weaknesses in budget formulation and execution, cashflow planning and expenditure control and may have adversely affected the School's ability to deliver planned activities.

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 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 pages iii to xi which comprise 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 Huruma Girls Secondary 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 no 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. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 24 February, 2026 instead of the statutory deadline of 30 September, 2023. 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.

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

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflects boarding and school fund payments amount of Kshs.72,099,112. Included in the expenditure is an amount of Kshs.552,166 transferred to Kenya Secondary School Heads Association (KESSHA) a welfare organization that is not defined in Government Funding system. This was contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside the Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, value for money transferred to KESSHA, amounting to Kshs.552,166 could not be confirmed.

3. Irregularities in Procurement Process

The statement of receipts and payments reflects total payments amount of Kshs.102,008,620. However, 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 requires a procuring entity to prepare a procurement plan for each financial year as part of the annual budget preparation process. Further, Management initiated procurement processes without formal requisitions from the user departments and goods and services amounting to Kshs.2,269,119 were procured using low value procurement method without meeting the threshold matrix set out in the Second Schedule of the Public Procurement and Asset Disposal Regulations, 2020. In addition, procurement activities were undertaken by individuals lacking the requisite qualifications and Management had not made training arrangements to capacity build them.

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

4. Irregularities in Transfer of Infrastructure Funds

The statement of receipts and payments reflects Government grants for operations amount of Kshs.8,468,504. Included in the amount is Kshs.5,554,500 in respect to infrastructure grant but only Kshs.4,141,000 was transferred to infrastructure bank account resulting to unexplained variance of Kshs.1,413,500. Further, the amount was transferred after the lapse of the prescribed fifteen (15) days. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

5. Under Funding of Capitation Grants

During the financial year, the enrolment records indicated a total number of one thousand, one hundred and thirty-nine (1,139) students while National Education Management and information System (NEMIS) data indicated one thousand and forty-one (1,041) students

In the circumstances, the School was under funded by an amount of Kshs.9,114,403 and may have affected service delivery to the public.

6. Shortage in Supply of Books

Examination of records revealed that Kenya Institute of Curriculum Development (KICD) distributed one thousand eight hundred and seventy-three (1,873) textbooks out of the expected five thousand two hundred and forty-two (5,242) textbooks resulting to a shortage of three thousand, three hundred and sixty-nine (3,369) textbooks.

In the circumstances, issuance of less textbooks than the standard students ratio may have negatively affected performance.

7. Irregular Increase of School Fees

The statement of receipts and payments reflects school fund income - parents' contributions amount of Kshs.71,585,244 as disclosed in Note 3 to the financial

statements. Review of records revealed that the School charged an annual fee of Kshs.53,554 per learner for Forms 1–4, in excess of the approved fee of Kshs.45,000, resulting to an overcharge of Kshs.8,554 per learner and which had not been approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that a parent will only pay for school uniforms, boarding related costs as reflected in the boarding fee structure and lunch for the day scholars.

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

8. Lack of Service Level Agreements

Review of the records revealed that Management had engaged a service provider for financial system support and maintenance at Kshs.30,000 per annum. However, Management did not provide service level agreements (SLAs) or contracts for review to confirm the terms of engagement, service delivery standards and payment obligations. This was contrary to Section 53 of the Public Procurement and Asset Disposal Act, 2015 which mandates written contracts or service level agreements for all procured services specifying deliverables, timelines and performance standards.

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 the 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. Weak Controls on Management of Imprest

Note 7 to the financial statements reflects operations payments amount of Kshs.9,782,029 out of which Kshs.1,326,850 relates to local transport and travelling. However, Management did not maintain an imprest register contrary to Regulation

93(4)(c) of the Public Finance Management (National Government) Regulations, 2015 which requires the applicant to be recorded in the imprest register including the amount applied for.

In the circumstances, the effectiveness of internal controls on management of imprests could not be confirmed.

2. Failure to Prepare School Improvement Plan

During the year under review, Management did not have an approved School Improvement Plan (SIP) in place which is a Key Strategic Planning tool that guides academic performance targets, infrastructure development, resource allocation, and overall institutional growth.

In the circumstances, the effectiveness of overall governance could not be confirmed.

3. Weaknesses in Board of Management

The Board of Management did not have an Annual Work Plan, schedule of activities and had not constituted the Human Rights and Student Welfare Committee as well as the Audit Committee. In addition, the Board did not have one person to represent Special Interest Groups and a representative of the Students' Council who shall be an ex officio member. In addition, review of appointment letters revealed that two (2) Board Members had served for more than two (2) terms.

In the circumstances, the effectiveness of the governance mechanism could not be confirmed.

4. Lack of an Approved Staff Establishment

During the year under review, Management did not provide an approved staff establishment indicating the authorized number and categories of staff.

In the circumstances, the effectiveness of internal controls on management of gratuity and pension contributions could not be confirmed.

5. Failure to Maintain a Fixed Assets Register

During the year under review, Management did not maintain a fixed assets register indicating dates of asset acquisition, types of assets, values, custodians and location. Further, the assets were not tagged with unique identification numbers to trace, verify, or confirm ownership and custody of the assets.

In the circumstances, the effectiveness of internal controls on maintenance of fixed asset register 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 the Board of Management

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 sustaining services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to 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.

The Board of Management is 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 ISSAIs requires 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

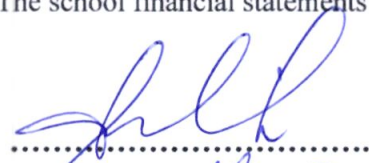
Nairobi

15 April, 2026

10. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	FY 2022-2023	FY 2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,632,186.00	3,419,169.00
Government grants for operations	2	8,468,504.00	9,692,307.00
Government Grants for infrastructure	3	4,141,000.00	5,127,500.00
School fund income- parents' contributions	4	71,585,245.00	49,430,169.00
Miscellaneous incomes	5	11,092,340.00	23,336,485.00
Total Receipts		98,919,275.00	91,005,631.00
Payments			
Tuition	6	4,100,094.00	3,364,408.00
Operations	7	9,782,029.00	12,973,265.00
Infrastructure	8	16,027,385.00	0.00
Boarding and school fund	9	72,099,112.00	57,117,553.00
Total Payments		102,008,620.00	73,455,226.00
Surplus/Deficit		(3,089,345.00)	17,550,405.00

The school financial statements were approved on 15/04/2026 and signed by:



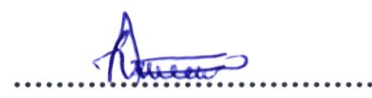
Name: Wilfred Odeni
Chair BOM

Date: 15/4/2026


Name: Mary Kinani
School Principal/Secretary to BOM

Date: 15/4/26





Name: Anne Sutor
Bursar/ Finance Officer

Date: 15/04/2026

(Comparative FY refers to the financial year preceding the current financial year.)

11. Statement of Assets and Liabilities As At 30th June 2023

Description	Note	FY 2022-2023	FY 2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	6,474,105.00	20,253,321.00
Cash balances	11	14,160.00	440,979.00
Short term investments	12	0.00	0.00
Total cash and cash equivalent		<u>6,488,265.00</u>	<u>20,694,300.00</u>
Account's receivables	13	23,707,408.00	13,479,049.00
Total financial assets		30,195,673.00	34,173,349.00
Financial liabilities			
Accounts payables	14	2,744,751.00	3,633,082.00
Net financial assets		27,450,922.00	30,540,267.00
Represented by			
Accumulated fund b/fwd.	15	30,540,267.00	12,989,862.00
Surplus/deficit for the year		(3,089,345.00)	17,550,450.00
Net financial position		27,450,922.00	30,540,267.00

The school's financial statements were approved on 15/04 2026 and signed by:

Name: Wilfred Andersen

Chair BOM

Date: 18/4/2026

Name: Ma/Manu
School Principal/ Secretary to
BOM

Date: 15 APR 26

Name: Anne Kutting

Bursar/ Finance Officer

Date: 15/04/2026

(Comparative FY refers to the financial year preceding the current financial year.)



12. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	FY 2022-2023	FY 2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government Grants for Tuition		3,632,186.00	3,419,169.00
Government grants for operations		8,468,504.00	9,692,307.00
Government grants for infrastructure		4,141,000.00	5,127,500.00
School fund income- parents contributions/ fees		73,441,129.00	81,339,072.00
Other income		441,513.00	0.00
Total receipts		90,124,332.00	109,658,338.00
Payments			
Cash outflows for tuition		3,737,074.00	3,523,877.00
Cash outflows for operations		11,203,179.00	13,107,171.00
Cash outflows Boarding/lunch and school fund payments		65,970,588.00	79,560,493.00
Total payments		80,910,841.00	96,191,541.00
Net cash inflow/outflow from operating activities		9,213,491.00	13,466,797.00
Cash flow from investing activities			
Acquisition of assets		23,419,526.00	3,642,811.00
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		23,419,526.00	3,642,811.00
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		(14,206,035.00)	9,823,986.00
Cash and cash equivalent at beginning of the FY		20,694,300.00	3,954,986.00
Cash and cash equivalent at end of the FY		6,488,265.00	13,778,597.00

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

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

The school's financial statements were approved on 15/04 2026 and signed by:

[Signature]

Name: PAUL N. MAEMA

Chair BOM

Date:

15/4/2026

[Signature]

Name: MARY KINANU

School Principal/Secretary to BOM

Date:



[Signature]

Name: ANNE W. KUTWA

Bursar/ Finance Officer

Date:

15/4/2026

(Comparative FY refers to the financial year preceding the current financial year.)

13. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	333,640.00	0.00	333,640.00	281,950.000	84%
Exercise Books	1,164,240.00	0.00	1,164,240.00	868,415.00	74%
Laboratory Equipment	831,600.00	0.00	831,600.00	682,564.00	82%
Internal Exams	665,280.00	0.00	665,280.00	445,647.00	66%
Teaching / Learning Materials	166,320.00	0.00	166,320.00	1,094,125.000	657%
Chalks	166,320.00	0.00	166,320.00	259,485.00	156%
Exams And Assessment	0.00	0.00		0.00	0%
TOTAL	3,327,400.00		3,327,400.00	3,632,186.00	
(2) Capitation Grant on Operations					
Personnel Emoluments	5,886,000.00	0.00	5,886,000.00	3,939,129.00	66%
Local Transport / Travelling	1,635,000.00	0.00	1,635,000.00	4,141,000.00	69%
Electricity And Water	1,744,000.00	0.00	1,744,000.00	1,138,426.00	80%
Medical	0.00	0.00	0.00	0.00	0%
Administration Costs	1,635,000.00	0.00	1,635,000.00	1,194,695.00	73%
Activity	880,000.00	0.00	880,000	585,200.00	66%
Gratuity	0.00	0.00	0.00	0.00	0%
TOTAL	11,780,000.00	0.00	11,781,000.00	10,998,450.00	0%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement MoE	5,500,000.00	0.00	5,500,000.00	4,141,000.00	75%
M&I parents' contribution	2,160,000.00	0.00	2,160,000.00	2,838,802.00	131%
Economic Stimulus Programs	0.00	0.00	0.0	0.00	0%
Transition Infrastructure Grants	0.00	0.00	0.00	0.00	0%
Administration Block	0.00	0.00	0.00	0.00	0%
TOTAL	7,660,000.00		7,660,000.00	6,979,802.00	
(4) Fees Charged on Parents					
Personnel Emoluments	12,261,680.00	0.00	12,261,680.00	12,293,741.00	99%
Local Transport / Travelling	3,636,360.00	0.00	3,636,360.00	2,838,802.00	131%
Electricity And Water	4,608,360.00	0.00	4,608,360.00	3,305,300.00	91%
Medical	0.00	0.00	0.00	0.00	0%
Administration Costs	3,636,360.00	0.00	3,636,360.00	3,848,242.00	106%
Activity	1,121,040.00	0.00	1,121,040.00	991,639.00	88%
SMASSE	0.00	0.00	0.00	0.00	0%
Boarding, Equipment & stores	35,008,200.00	0.00	35,008,200.00	37,811,803.00	108%
TOTAL	60,275,500.00		60,275,000.00	61,089,527.00	
5) Miscellaneous Income					
Loans / Borrowing					
PA LEVIES	0.00	0.00	0.00	1,278,197.00	0%
Rent income	0.0	0.00	0.0	0.00	0%

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
TOTAL	0.00	0.00	0.00	1,278,197.00	
Total Income	83,042,900.00	0.00	83, 042, 900.00	83,978,162.00	
(6) Expenditure For Tuition					
Textbooks	0.00	0.00	0.00	0.00	0.00
Reference Materials	0.00	0.00	0.00	0.00	0.00
Exercise Books	1,500,000.00	0.00	1,500,000.00	1,037,560.00	69%
Laboratory Equipment	500,000.00	0.00	500,000.00	989,195.00	197%
Internal Exams	1,128,000.00	0.00	1,128,000.00	670,496.00	59%
Teaching / Learning Materials	150,000.00	0.00	150,000.00	952,875.00	635%
Chalks	263,200.00	0.00	263,200.00	86,000.00	32%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00
Teachers Guides	0.00	0.00	0.00	0.00	0.00
Administration Costs	0.00	0.00	0.00	0.00	0.00
Bank Charges	2,000.00	0.00	2,000.00	948.00	47%
TOTAL	3,543,200.00		3,543,200.00	3,736,126.00	
(7) Expenditure For Operations					
Personnel Emoluments	4,957,200.00	0.00	4,957,200.00	4,618,620.00	93%
Repairs, Maintenance & Improvements	0.00	0.00	0.00	0.00	0%
Local Transport / Travelling	1,550,000.00	0.00	1,550,000.00	1,326,850.00	86%
Electricity, Water and Conservancy	1,600,000.00	0.00	1,600,000.00	1,882,849.00	118%
Medical	0.00	0.00	0.00	125,727.00	0%
Administration Costs	1,500,000.00	0.00	1,500,000.00	1,051,791.00	70%

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
Activity Expenses	1,600,000.00	0.00	1,600,000.00	776,192.00	48%
Gratuity	0.00	0.00	0.00	0.00	0%
SMASSE	0.00	0.00	0.00	0.00	0%
TOTAL	11,207,200.00		11,207,200.00	9,782,029.00	
(8) Expenditure For infrastructure					
Construction of classrooms	0.00	0.00	0.00	5,651,189.00	0%
Construction of LAB	0.00	0.00	0.00	0.00	0%
Construction of DORMS	12,960,000.00	0.00	12,960,000.00	13,886,235.00	108%
Purchase of furniture	2,000,000.00	0.00	2,000,000.00	1,487,450.00	75%
Purchase of equipment	0.00	0.00	0.00	0.00	0%
Purchase of machinery	0.00	0.00	0.00	0.00	0%
TOTAL	14,960,000.00		14,960,000.00	21,024,874.00	
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	12,482,800.00	0.00	12,482,800.00	11,002,104.00	88%
Repairs, Maintenance and Improvements	0.00	0.00	0.00	0.00	0%
Local Transport / Travelling	3,610,000.00	0.00	3,610,000.00	1,561,175.00	43%
Electricity, Water and Conservancy	3,610,000.00	0.00	3,610,000.00	2,592,537.00	71%
Medical Expenses	0.00	0.00	0.00	0.00	0%
Administration Costs	4,040,000.00	0.00	4,040,000.00	5,522,183.00	137%
Activity	660,000.00	0.00	660,000.00	1,300,945.00	197%

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
Gratuity	0.00	0.00	0.00	0.00	0%
Lunch Programme	0.00	0.00	0.00	0.00	0%
Boarding Equipment and Stores	34,809,420.00	0.00	34,809,420.00	39,124,079.00	112%
Totals	59,212,220.00		59,212,220.00	61,103,023.00	
TOTAL EXPENDITURE	88,922,620.00		88,922,620.00	95,646,052.00	

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

- i. The two accounts that is tuition and operation account are fully funded by the government thus the fluctuation on the income part depends on what was brought to school as per the funding schedules. We normally do the school budget based on the capitation of kshs. 22,244.00 yet the school receives less
- ii. The expenditure is based on when the finances are made available for schools that's why the activity vote head budget is more while the real expenditure is less.
- iii. The teaching/learning materials has a high amount both on income and expenditure. This was caused by receiving the first tranche under one vote head then later spent it out to the other vote heads
- iv. The over utilisation of expenditure for administration and activity is due to less capitation from the ministry under tuition for examination materials thus some expenses have been paid through administration especially for chalks, photocopy papers, foolscaps etc. for activity despite the government retaining funding for specific levels the schools are always asked to bail out activities at the sub county and at the county level.
- v. The over expenditure under boarding, equipment and stores has been brought by the increase in prices of basic commodities like rice, maize flour and wheat which are the main food supplies the school relies on.
- vi. In addition to food purchase the boarding vote head was also used to cater for the purchase of new beds for the dormitory and set of chair and lockers for additional students. This is because the repairs and maintenance funds were all geared towards the construction of the dormitory due to congestion caused by 100% transition.

14. Significant Accounting Policies

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

1. **Statement of compliance and basis of preparation**

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

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

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

2. **Recognition of receipts and payments**

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

3. **In-kind contributions**

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

4. **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

15. Notes To The Financial Statements

1 Government Grants for Tuition

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Reference Materials	281,949.00	3,419,169.00
Exercise Books	868,415.00	0.00
Laboratory Equipment	682,564.00	0.00
Internal Exams	445,647.00	0.00
Teaching / Learning Materials	1,094,125.00	0.00
Others- Chalk & Dusters	259,486.00	0.00
Total	3,632,186.00	3,419,169.00

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Personnel Emoluments	3,939,129.00	0.00
Repairs And Maintenance	0.00	0.00
Local Transport / Travelling	1,138,426.00	0.00
Electricity And Water	1,402,955.00	196,400.00
Medical	208,100.00	0.00
Administration Costs	1,194,694.00	0.00
Activity	585,200.00	0.00
Other Vote Heads(ewc, It&t, P.E. Admin)	0.00	9,495,907.00
Total	8,468,504.00	9,692,306.00

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Maintenance & Improvement	4,141,000.00	5,127,500.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (specify)(NGCDF and County govt.	0.00	0.00
Total	4,141,000.00	5,127,500.00

4 School Fund Income - Parents Contribution/Fees

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Personnel emoluments	14,461,929.00	4,112,363.00
Repairs and maintenance	3,079,657.00	2,764,592.00
Local transport / travelling	3,763,601.00	1,081,794.00
Electricity and water	4,328,701.00	1,400,626.00
Medical	43,263.00	0.00
Administration costs	4,459,338.00	1,140,967.00
Activity	1,091,321.00	1,076,413.00
Fee on Boarding Equipment and stores	40,357,435.00	37,824,437.00
Total	71,585,245.00	49,401,192.00

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

5 Miscellaneous Incomes

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Prepaid fees	0.00	28,977.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Parents Initiative	0.00	755,265.00
Other Income(EWC, LT&T, P.E, Admin)	0.00	18,085,219.00
Development	3,113,432.00	1,655,238.00
New Classroom	0.00	2,744,464.00
Students IDs	0.00	96,300.00
Other Income from Parents	441,513.00	0.00
PA levies	7,537,395.00	0.00
Total	11,092,340.00	23,365,463.00

(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 writebacks if any.*

Notes to the Financial Statements (continued)

6 Tuition

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Exercise Books	1,400,580.00	325,000.00
Textbooks	0.00	0.00
Reference materials	0.00	2,263,524.00
Laboratory Equipment	989,195.00	478,662.00
Teaching / Learning Materials	952,875.00	0.00
Exams And Assessment	670,496.00	254,000.00
Teachers Guides	0.00	0.00
Bank Charges	948.00	1,422.00
Others Chalk & Dusters	86,000.00	41,800.00
Total	4,100,094.00	3,364,408.00

7 Operations

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Personnel Emoluments	4,618,620.00	0.00
Service Gratuity	0.00	0.00
Administration Cost	1,051,791.00	0.00
Repairs And Maintenance & Improvements	0.00	0.00
Local Transport / Travelling	1,326,850.00	0.00
Electricity And Water	1,882,849.00	0.00
Medical	125,727.00	11,770.00
Activity Expenses	776,192.00	7,000.00
Insurance Cost	0.00	0.00
Others(Bank Charges)	0.00	2,940.00
Others(EWC, LT&T, P.E. Admin)	0.00	9,980,605.00
Maintenance& Improvement	0.00	2,970,950.00
Total	9,782,029.00	12,973,265.00

Notes to the Financial Statements (continued)

8 Infrastructure

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Construction of classrooms	720,000.00	0.00
Construction of laboratory	0.00	0.00
Construction of dormitory	13,886,235.00	0.00
Purchase of furniture	0.00	0.00
Purchase of equipment	0.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Others(Bank charges)	420.00	
Others (Repairs)	1,420,730.00	0.00
Total	16,027,385.00	0.00

9 Boarding And School Fund

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Personnel Emoluments	11,126,104.00	265,288.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	0.00	0.00
Local Transport / Travelling	1,561,175.00	78,477.00
Electricity And Water	2,897,337.00	97,804.00
Medical Expenses	75,146.00	0.00
Administration Costs	5,539,933.00	75,789.00
Lunch Programme	0.00	0.00
Bank Charges	0.00	0.00
Expenses On Income Generating Activities**	0.00	0.00
Fee On Boarding Equipment and Stores	39,835,064.00	32,683,855.00
Rent Expenses	0.00	0.00
Insurance Cost (Life Property)	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	3,642,811.00
Parents Initiative	0.00	1,099,900.00
PA expenses	0.00	0.00
Others (EWC, LT&T, P.E. &Admin)	0.00	17,045,175.00

Student IDs	0.00	97,200.00
RD Cheques	0.00	51,777.00
Activity	1,300,945.00	1,650,046.00
CBC Classroom	4,931,189.00	0.00
Others-Administrators house	3,882,102.00	0.00
Bank charges	2,647.00	0.00
Repairs, Maintenance & Improvement	66,720.00	0.00
BES-SAVINGS	880,750.00	0.00
RMI	0.0	278,500.00
Prepaid fees	0.00	50,930.00
Total	72,099,112.00	57,117,553.00

*(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).*

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	FY 2022-2023	FY 2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	0941656110	88,883.00	193,771.00
Operations Account	Active	1103533924	63,432.00	1,372,581.00
School Fund Account/Boarding	Active	0820293168314	128,833.00	1,190,767.00
Savings Account	Active	1301298743	2,198,842.00	6,915,702.00
Parent Association Development Account	N/A	n/a	0.00	0.00
Income Generating Activities Account	N/A	n/a	0.00	0.00
Infrastructural Account	Active	0820280552663	3,994,115.00	10,580,500.00
Total			6,474,105.00	20,253,321.00

11 Cash In Hand

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Notes and Coins	14,160.00	440,979.00
Total	14,160.00	440,979.00

12 Short Term Investments

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Fees Arrears	23,707,408.00	13,359,049.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	0.00	0
Imprest (list/schedule attached)	0.00	120,000.00
Rent arrears (list/schedule attached)	0.00	0.00
Total	23,707,408.00	13,479,049.00

13 b Ageing Analysis of Accounts Receivable

Description	FY 2022-2023		FY 2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	12,916,465.00	%	3,168,963.00	%
Between 1- 2 years	600,857.00	%	295,339.00	%
Between 2-3 years	295,339.00	%	2,355,775.00	%
Over 3 years	9,894,747.00	%	7,538,972.20	%
Total (should tie to note 13 a)	23,707,408.00	%	13,359,049.00	%

14 Accounts Payable

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,502,805.00	53,280.00
Prepaid Fees	1,241,946.00	3,579,802.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables (<i>specify</i>)	0.00	0.00
Total	2,744,751.00	3,633,082.00

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	FY 2022-2023		FY 2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,502,805.00	%	53,280.00	%
Between 1- 2 years	0.00	%	0.00	%
Between 2-3 years	0.00	%	0.0	%
Over 3 years	0.00	%	0.00	%
Total (should tie to note 14)	1,502,805.00	%	53,280.00	%

15 Fund Balance Brought Forward

Description	FY 2022-2023	FY 2021-2022
	Kshs	Kshs
Bank Balances	20,253,321.00	572,657.00
Cash Balances	440,979.00	17,317.00
Short Term Investments	0.00	0.00
Receivables	13,479,049.00	11,149,152.00
Payables	(3,633,082.00)	(3,648,207.00)
Total	30,540,267.00	8,090,918.00

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	<i>FY 2022-2023</i>	<i>FY 2021-2022</i>
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

17 Biological assets

Description	Numbers	<i>FY 2022-2023</i>	<i>FY 2021-2022</i>
		Kshs	Kshs
Cattle	0		
Goats	0		
Trees	500		
Coffee Or Tea Plantation	0		
Poultry	0		
Others (specify)	0		
Total			

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Other important disclosure notes**19 Stock/ Inventory**

Description	<i>FY 2022-2023</i>	<i>FY 2021-2022</i>
	Kshs	Kshs
Food stuffs	466,239.00	0.00
Lab consumables	0.00	0.00
Farm produce	0.00	0.00
Medication	0.00	0.00
Construction Materials	0.00	0.00
Others(Stationery)	258,595.00	0.00

(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)



Sign and Date
Principal

16. 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
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. The Assignee Merchants	99,600.00	01/03/2023	0.00	99,600.00	0.00	
5. Conso Holdings Ltd	191,350.00	01/07/2022	0.00	191,350.00	3,750.00	
6. Sumku General Stores	919,635.00	01/07/2022	400,000.00	519,635.00	0.00	
7. Tergo Care	205,200.00	01/03/2023	0.00	205,200.00	0.00	
8. Pawama Logistics	823,020.00	01/07/2022	460,000.00	363,020.00	0.00	
9. Annthaga Jowma Green Grocer	0.00	01/07/2022	0.00	0.00	15,780.00	
10. Santo Cielo Co. Ltd	0.00	01/07/2023	0.00	0.00	33,750.00	
Sub-Total				1,378,805.00	53,280.00	
Supply Of Services						

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
11. Patmol Security Services	124,000.00	01/07/2023	0.00	124,000.00		
12.						
13.						
Sub-Total				124,000.00		
Grand Total				1,502,805.00		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land 1	Catholic sponsored			
Land 2	N/A			
Buildings and structures		Makadara		
Two classrooms(CBC program)	N/A	6,439,1899.00	0.0	
Dormitory		13,886,235.00		
Deputy's residence		3,882,102.00	N/A	
17 Classrooms				
4 laboratories				
Office block				
HoD rooms				
Garage				
Kitchen				

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023	
11 rooms for boarding					
Motor vehicles					
Isuzu FVR MV 123) 62 SEATER	June 2007	Makadara	Kshs. 7,001,900	0	0
Office equipment, furniture and fittings		Makadara			
9 Workstations desks					
10 tables					
5 cabinets	March 2019		100,000.00		
40 chairs					
100 plastic chairs	June 2010		450,000.00		
4 pcs Television	March 2019		120,000.00		
Combined Jikos	December 2020		85,000.00		
ICT Equipment, and Other ICT Assets					
3 Laptops	4/6/2019	Makadara	200,000.00	0	0
22 Computers & accessories					
4 printers					
3 projectors	16th December 2019		126,000.00		
Tools and apparatus					
40pcs pangas		Makadara	12,000.00		
25 jembes			15,000.00	0	0
14pcs rakes	May 2016		7,000.00		
60 pcs slashers			21,000.00		
Textbooks					
Eng 1886					
Chem 1686					
Biology 1611		Makadara	Funded by the Govt.		
History 1619					

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023	
CRE 1154 Geog 571 Kisw 1686 Maths 1441 Physics 1157 Computer 684 H/sci 130 French 100 B/stds 670					
Other Machinery and Equipment					
Dough mixer machine	6/5/13		660,000.00		
Baking oven	6/5/13		175,000.00		
Digital Riso copier machine	07/05/12		435,000.00	0	
Lawn mower		Makadara			
46pcs fire extinguishers					
37 pcs CCTV cameras					
Welding machine	21/6/21		50,000.00	0	
Generator 450 KW	28/06/2017		1,852,157.00	0	
Grass cutter machine					
40 Dinning tables			280,000.00	0	0
Heritage and cultural assets	N/A	Makadara	0.00		
Intangible assets- soft ware	4	Makadara	350,000.00		
Total					

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

