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REPORT

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ON

LARMUDIAC HIGH SCHOOL

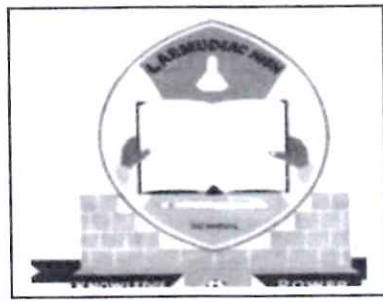
FOR THE YEAR ENDED

30 JUNE, 2023

NAKURU COUNTY

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 12 MAR 2025	DAY: WEDNESDAY
TABLED BY: J. LEMERELLE	DEPUTY MAJORITY WHIP (HON. NAOMI KIAGO, MP)
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OFFICE OF THE AUDITOR GENERAL
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LARMUDIAC 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)**

Larmudiac High School
Annual Report and Financial Statements For the year ended 30th June 2023

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

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1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education.

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 NAKURU County, NJORO Sub-County.

The school was registered in 12/2011 under registration number PU/S/2/501/11 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 693 number of students as at 30th June 2023. It has 4 streams and 32 teachers of which 6 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	Dr.Stellamaris Muthoka	Chairman	23/05/2022
2	Mr Ngugi Ndungu Herman	Secretary - Principal	10/07/2023
3	Mr.Samuel Kamau	Member	23/05/2022
4	Ms Faith Kamaitha	Member	23/05/2022
5	Ms Mercy Njeri	Member	23/05/2022
6	Mr. James Kiiru	Member	23/05/2022
7	Ms Edith Wanjiku	Member	23/05/2022
8	Mr.Newton Kamunge	Member – Rep CEB	23/05/2022
9	Mr. Samson Kinyanjui	Member Rep Teachers	23/05/2022
10	Fr.Faustin Litanda	Members – Sponsor rep	23/05/2022
11	Ms Agnes Wambui Mburu	Member –Sponsor rep	23/05/2022
12	Mr.Maroko Wilson	Member - Community	23/05/2022
13	Ms Lucy Njeri	Member Special Needs	23/05/2022
14	Ms Benedettah Kariuki	Special need persons	23/05/2022
15	Ms Eundita Nyaguthie	Co-opted memembr	23/05/2022
16	Mr.Simon Nampaso	co-opted member	23/05/2022
17	Mr.Reuben Rono	co-opted member	23/05/2022

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

Ref :	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Dr.Stellamaris Muthoka 2.Mr.Herman Ndungu 3.Ms.Edith Wanjiku 4.Mr.SimonNampaso	Chairlady Secretary Member PA chair	3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee	1.Dr.Stellamaris Muthoka 2.Mr.Herman Ndungu 3.Ms.Edith Wanjiku 4.Mr.SimonNampaso	Chairlady Secretary Member PA chair	1 out of 3
3	Finance,procurement and general purposes Committee	1.Mr.Kamunge Newton 2.Dr.Stellamaris Muthoka 3.Mr.Herman Ndungu 4.Ms.Benedetta Kariuki	Chairman Member Member Member	1 out of 3
4	Academic Committee	1.Dr.Lucy Njeri 2.Ms Agnes Wambui	Chair Member	

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Chief Principal	JAMES M.WANJOHI	TSC No.236177
2	Deputy Principal	MARY MUNYAKA	TSC No.373354
3	School Bursar	HARUN JOHN	ICPAK No.
4	Other (specify)		

(e) Schools contacts

Post Office Box: 303-20107
Telephone: 0716777825
E-mail: larmudiachigh@gmail.com
Website: larmudiachighschool.ac.ke
Facebook: N/A
Twitter: N/A

(f) School Bankers

1. Name of Bank: Kenya Commercial Bank P.O Box 18
Branch: Nakuru
Account Number: 1101720832 (**Main account**)
2. Name of Bank: Kenya Commercial Bank P.O Box 18
Branch: Nakuru
Account Number: 1101678267 (**Operations accounts**)
3. Name of Bank: Kenya Commercial Bank P.O Box 18
Branch: Nakuru
Account Number: 1101678534 (**Tuition Account**)
4. Name of Bank: Kenya Commercial Bank P.O Box 18
Branch: Egerton
Account Number: 1134380720 (**Farm account**)
5. Name of Bank: Kenya Commercial Bank P.O Box 18
Branch: Nakuru
Account Number: 1234927640 (**Infrastructure account**)
6. **M-PESA** paybill number 842953 attached to KCB bank account number -1101720832

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

(g) Independent Auditors

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

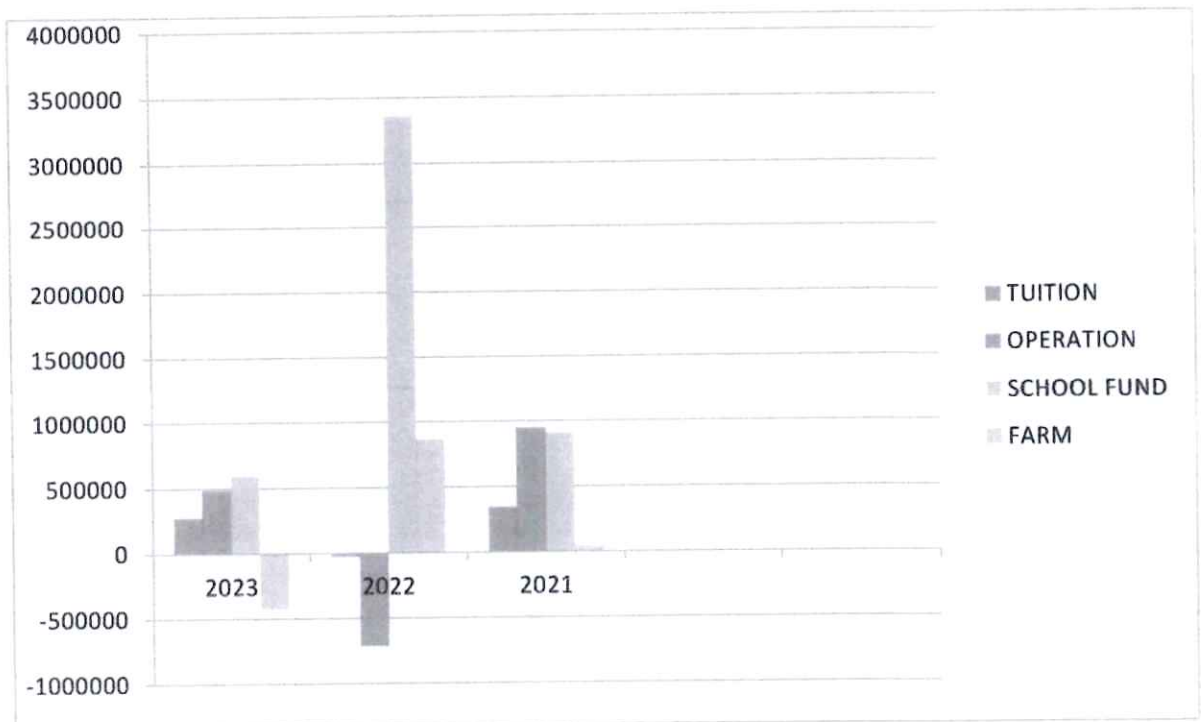
3. Summary Report of Performance of The School .

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

a) Financial performance:

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

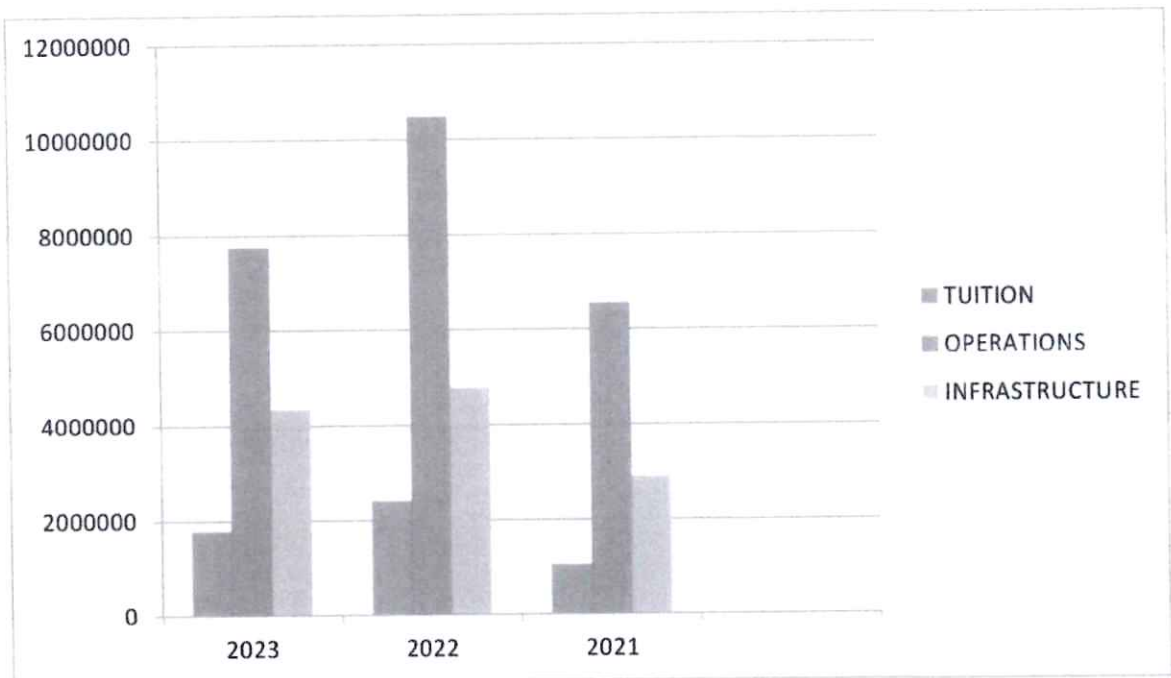
S/NO	ACCOUNTS	2023 KSHS	2022 KSHS	2021 KSHS
1	TUITION	274,224.50	(32,463.80)	344,258.75
2	OPERATION	484,113.75	(714,929.50)	946,040.10
3	SCHOOL	599,662.88	3,359,518.00	908,523.00
4	FARM	(426,206)	866,204.00	41,205.00



Surplus/deficit for 2023 and comparison for 2022 and 2021.

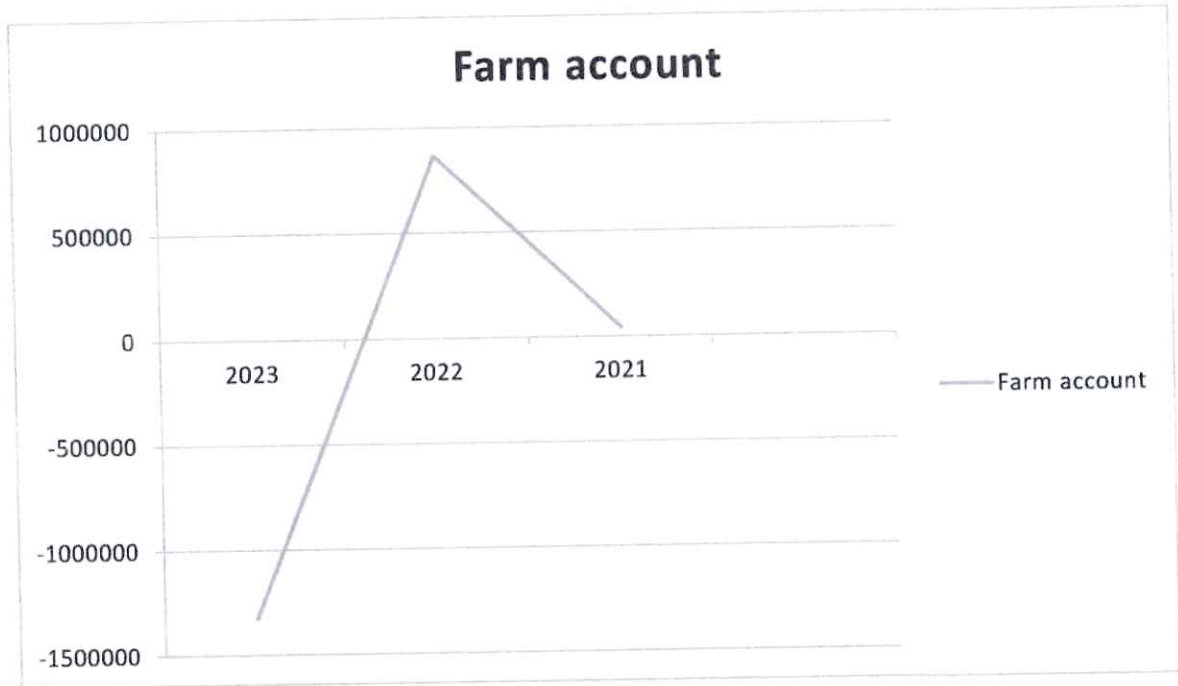
(ii) Capitation grants from the Ministry of Education for the last three years

S/NO	ACCOUNTS	2023 KSHS	2022 KSHS	2021 KSHS
1	TUITION	1,769,186.50	2,396,091.20	1,040,862.75
2	OPERATIONS	7,740,515.75	10,468,015.50	6,530,273.10
3	INFRASTRUCTURE	4,340,000.00	4,776,000.00	2,880,000.00



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

S/NO	ACCOUNTS	2023	2022	2021
1	Farm Account	(1,326,20.006)	866,204.00	41,205.00



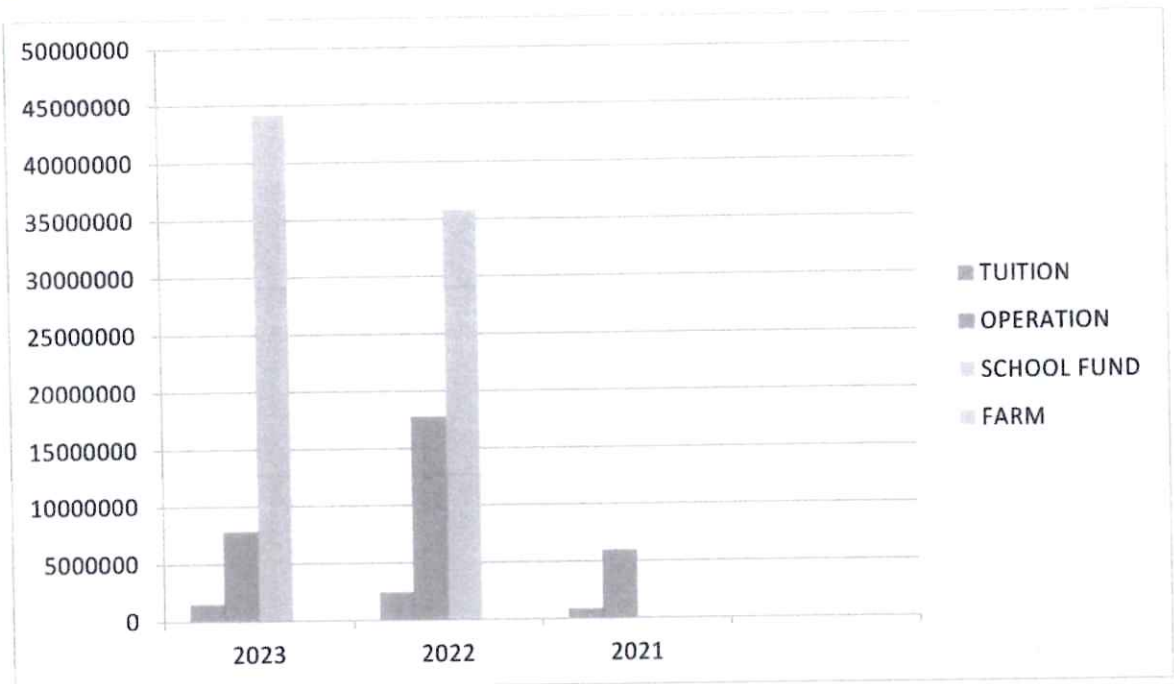
A three-year graphical overview of growth of other income(s) earned by the school.

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

S/NO	ACCOUNTS	2023 KSHS	2022 KSHS	2021 KSHS
1	TUITION	1,494,962.00	2,428,555.00	834,209.00
2	OPERATION	7,772,402.00	17,759,760.00	5,928,608.00
3	SCHOOL FUND	44,191,036.00	35,836,273.00	12,156,372.00
4	FARM ACCOUNT	1,074,061.00	1,050,986.00	153,510.50

Larmudiac High School

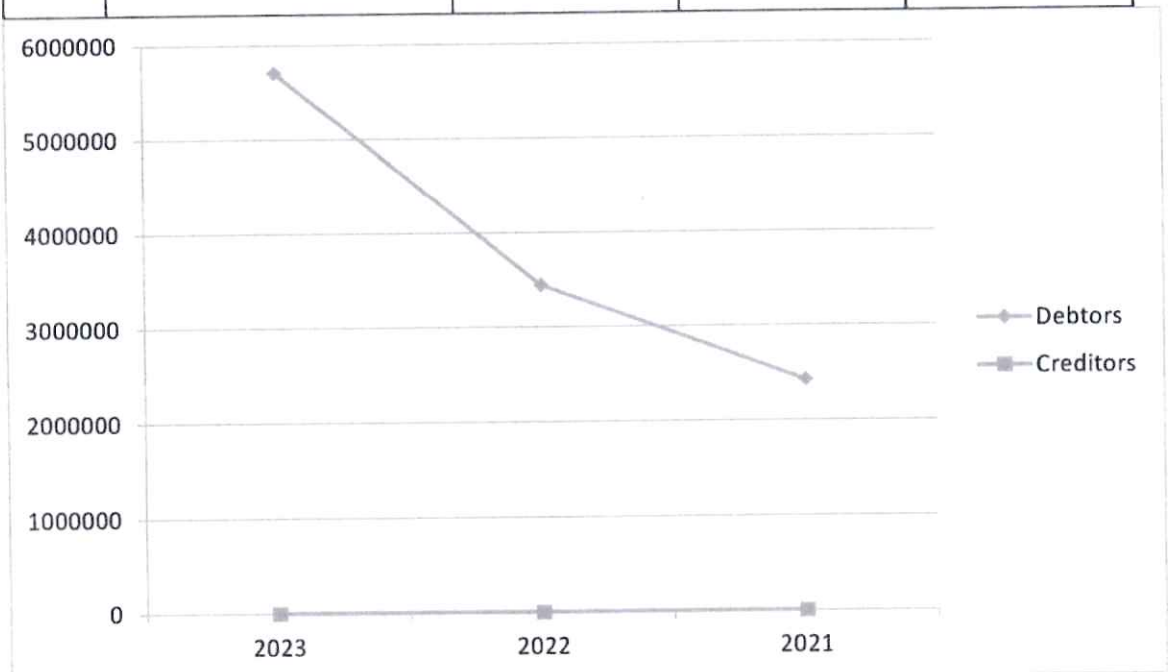
Annual Report and Financial Statements For the year ended 30th June 2023



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

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

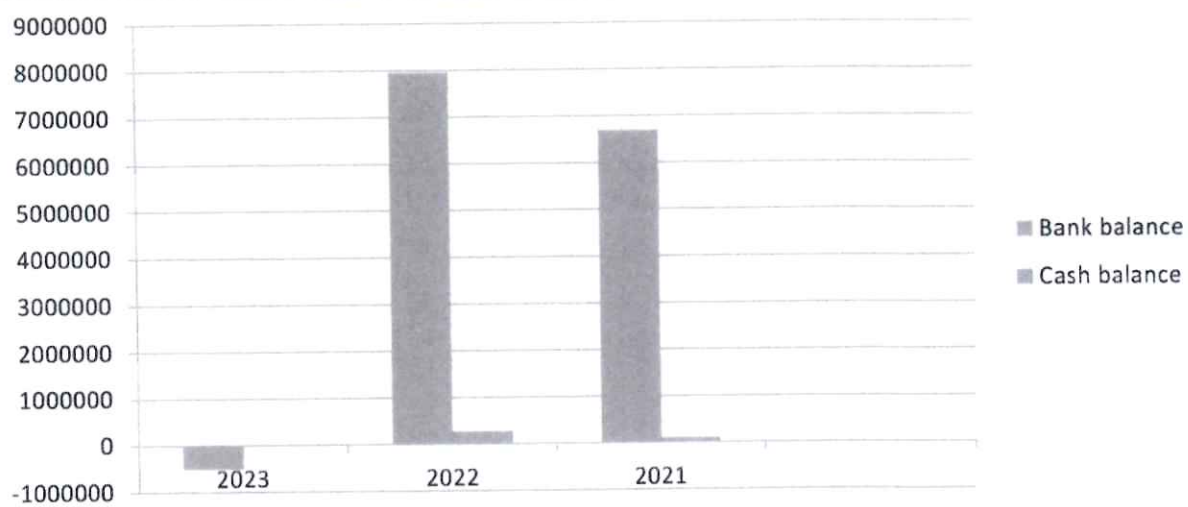
S/NO	Details	2023 kshs	2022 Kshs	2021 Kshs
1	Debtors	5,710,111.00	3,448,461.00	2,427,321.00
2	Creditors	NIL	NIL	NIL



A graphical movement of debtors and creditors of the school over the last three years

(vi) Movement of cash and bank balances over the last three years

<i>S/NO</i>	<i>ACCOUNTS</i>	<i>2023</i> <i>KSHS</i>	<i>2022</i> <i>KSHS</i>	<i>2021</i> <i>KSHS</i>
1	Bank balance	(520,784.17)	7,949,261.70	6,682,837.00
2	Cash balances	212.50	260,879.50	95,512.00



b) Teacher Student ratio:

	Details	Year 2023
1	Teachers/students ratio	1:22
2	number of teachers recruited and posted	3
3	No. of teachers that were transferred/retired	2
4	number of teachers employed by TSC	26
5	number employed by BOM	6
	SUBJECT	NO OF TEACHERS/SUBJECT
1	Mathematics	6
2	History	1
3	CRE	2
4	Geography	3
5	English	5

Larmudiac High School**Annual Report and Financial Statements For the year ended 30th June 2023**

6	Biology	3
7	Chemistry	3
8	Physics	5
9	Agriculture	2
10	Business studies	2

(c) Mean score in the 2023 KCSE:

	Year	2023	2022	2021
1	Target means score	+5.2	+5.2	+5.2
2	Actual means score	-	4.23	4.2
3	Entry	136	217	139
4	Transition to higher learning	-	18	13

(d) Number of Candidates in the 2023 KCSE:

S/NO	Year	2023	2022	2021
1	Number of candidates	136	217	139

(e) Capacity of the school:

S/NO	Details	2023	2022	2021
1	Enrolment	693	620	726
2	Numbers dormitories	16	15	15
3	Number of dining hall	1	1	1
4	Number of laboratories	4	4	4
5	Number of toilets 53	Boys-34 Girls-19	Boys-34 Girls-19	Boys-34 Girls-19
6	Girls study room	1	1	1

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

(f) Development projects carried out by the school:

Period of the project	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2019	Ministry of Education	Expansion of girls dormitory	7,713,048		Complete
2020	-Ministry of Education -School fund	-Renovation of boys dormitory -Renovation of ICT room -Plastering of 3 laboratories -Renovation of general laboratory	5,082,000		Complete
2021	M.O.E -School fund	-Construction of food store -renovation of classrooms	5,051,400	4,480,454	Complete
2022	M.O.E -School fund	-Ceiling of the classrooms -Tiling of the classrooms	4,645,000	6,576,185	Complete
2023	M.O.E -School fund	-Girls dormitory	4,340,000	4,334,495	Complete

Sign *Stylygundungui*

School Principal



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

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

Muthoka

.....
Name: STELLAMARIS MUTHOKA

Designation: Chair, School Board of Management

Date:

24/6/2024

James M. Wanjohi



.....
Name: JAMES M. WANJOHI

Designation: School Principal & Secretary to Board of Management

Date:

Harun John

.....
Name: HARUN JOHN

Designation: Bursar/ Finance Officer

Date: 21/6/2024

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON LARMUDIAC HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NAKURU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Larmudiac High School - Nakuru County set out on pages 18 to 33, which comprise of the statement of receipts and payments, statement of assets and liabilities as at 30 June, 2023, statement of cashflow,

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

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects a negative balance of Kshs.520,571 in respect of cash and cash equivalents as disclosed in Note 10 and Note 11 to the financial statements. Included in this balance are overdrawn bank and cash in hand balances of Kshs.520,784 and Kshs.212 respectively. However, the bank and cash in hand balances were not supported by bank reconciliation statements and board of survey report. Further, the School had unreported bank account balance of Kshs.215,721 while its paybill number had unreported balance of Kshs.12,564. Further, it was observed that the School did not maintain cashbooks and prepare bank reconciliation statements for the two accounts.

In the circumstances, the accuracy and completeness of the negative balance of Kshs.520,571 in respect of cash and cash equivalents balance could not be confirmed.

2. Overdrawn Account and Offsetting of Bank Balance

The statement of assets and liabilities reflects a negative balance of Kshs.520,571 in respect of cash and cash equivalents as disclosed in Notes 10 and Note 11 to the financial statements. Included in the balance is school fund bank account with an overdraft of Kshs.848,158 which was offset against bank balances of Kshs.327,373. This was contrary to Section 28(4)(5) of the Public Finance Management Act, 2012 which requires an Accounting Officer for a national government entity not to cause a bank account of the entity to be overdrawn beyond the limit authorized by The National Treasury or a board of a national government entity.

In the circumstances, the accuracy and completeness of the negative balance of Kshs.520,571 in respect of cash and cash equivalents could not be confirmed and Management was in breach of the law.

3. Unsupported School Fund Income

The statement of receipts and payments reflects an amount of Kshs.41,347,876 in respect of school fund income as disclosed in Note 4 to the financial statements.

However, the supporting ledger and fee collection reports were not provided for verification. Further, the School did not have fees collection system that could generate reports such as invoice per student, fees paid and outstanding balances.

In the circumstances, the accuracy and completeness of school fund income amount of Kshs.41,347,876 could not be confirmed.

4. Unsupported Payments

The statement of receipts and payments reflects an amount of Kshs.63,308,858 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements, include payments for tuition, payments for operations and school fund payments. However, examination of payment vouchers revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the occurrence, accuracy and completeness of payments amount of Kshs.63,308,858 could not be confirmed.

5. Unsupported Accounts Receivables Balance

The statement of assets and liabilities reflects a balance of Kshs.6,314,609 in respect of accounts receivables as disclosed in Note 13 to the financial statements. The supporting schedules, detailed aging analysis and issued invoices were not provided for audit. Included in the balance are receivables amounting to Kshs.3,448,461 which had been outstanding for two (2) 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, completeness and recoverability of the accounts receivables balance of Kshs.6,314,609 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.47,705,700 and Kshs.59,640,401 respectively resulting in over-collection of Kshs.11,934,701 or 20% of the budget. However, the School spent an amount of Kshs.61,794,797 against actual receipts of Kshs.59,640,401 resulting in an over-utilization of Kshs.2,154,396 or 3% of actual receipts.

The over-utilization affected the planned activities and may have impacted negatively on service

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Procurement Laws

The statement of receipts and payments reflects an amount of Kshs.63,308,858 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements, includes payments for tuition, payments for operations, payments for infrastructure and school fund payments. However, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Section 53(2) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to prepare an annual procurement plan which is realistic in a format set out in the Regulations as part of the annual budget preparation process. Further, Management did not prequalify any suppliers during the year. Thus, the audit could not establish the criteria used in issuing requests for quotation and awards. In addition, Management neither issued letters of award nor appointed ad hoc tender opening and tender evaluation committees. This was contrary to Section 46(1) and Section 78(1) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to ensure that an ad hoc tender opening and tender evaluation committees are established.

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

2. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects an amount of Kshs.8,360,515 in respect of operations grants as disclosed in Note 2 to the financial statements. Included in the grants is an amount of Kshs.2,585,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.650,000 was transferred to infrastructure account, leaving a balance of Kshs.1,965,000 as at 30 June, 2023. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/10/18(62) of 5 October, 2022 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.

3. Over Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.2,769,186 and Kshs.8,360,515 respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year, NEMIS reported a total number of six hundred and fifty-five (655) students while the enrolment records provided by the School indicated a total number of six hundred and twelve (612) students, resulting in an unexplained variance of forty-three (43) students. As a result of the variances, the School was over funded by an amount of Kshs.318,362.

In the circumstances, the over-funding of the School may have affected service delivery to the other schools which did not receive capitation for students and value for money could not be confirmed

4. Non-Compliance with Laws on Management of Imprest Transactions

The statement of receipts and payments reflects an amount of Kshs.47,785,097 in respect of school fund payments which, as disclosed in Note 9 to the financial statements, includes expenditure of Kshs.2,486,729 in respect of local travel/transport. However, Management did not issue imprest warrants while advancing cash to its staff for operating expenses such as transport and subsistence allowance. This was contrary to Regulation 91(1) of the Public Finance Management (National Government) Regulations, 2015 which requires an officer authorized to hold and operate imprest to make formal application for the imprest through an imprest warrant. In addition, Management did not maintain an imprest register and had no imprest management system in place.

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

5. Non-Compliance with Laws on Statutory Deductions

During the year under review, Management failed to deduct and remit Pay As You Earn (PAYE) deductions from personnel emolument payments of Kshs.3,686,341 as disclosed

in Note 9 to the financial statements. This was contrary to Section 37(1) of the Income Tax Act that requires an employer paying emoluments to an employee to deduct therefrom, and account for tax thereon, to such extent and in such manner as may be prescribed. Failure to remit statutory deductions could result in legal actions and penalties from the relevant authorities.

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

6. 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.

7. Irregular Use of Force Account Procurement Method

The statement of receipts and payments reflects an amount of Kshs.4,336,397 in respect of payments for infrastructure as disclosed in Note 8 to the financial statements. Review of payment vouchers and supporting documents revealed that the School irregularly utilized the force account procurement method for construction of a dormitory. Further, there was no proof of approval sought to use the procurement method. This was contrary to Regulation 97(1)(a)(b) of the Public Procurement and Asset Disposal Regulations, 2020 which requires an entity to seek approval from the accounting officer and ensure that the approval sought is supported by a report which shall include an assessment and availability of a public officer's capacity including public assets, equipment and labour. In addition, inspection of the constructed dormitory revealed major cracks on the walls despite having been repaired immediately after completion of construction works. This posed great danger to the students occupying it.

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

8. Non-Compliance with Laws on Basic Education

Review of the certificate of registration for the School revealed that its registration validity period had lapsed and had not been renewed. This was contrary to Section 76(1) of the Basic Education Act, 2013 which requires that a person shall not offer basic education in Kenya unless the person is accredited and registered. Further, physical verification of the condition of learning facilities in the School conducted in the month of May, 2024 revealed that the dormitories lacked emergency exits and sufficient spacing between beds in the dormitories. In addition, the dormitory area lacked sufficient street light for use at night and the School's boundary was not clearly demarcated. This was contrary to Section 82(2)(b) of the Basic Education Act, 2013 which requires the County Education Board to

license and register a basic education and training institution only if the institution has appropriate teaching and learning facilities.

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

9. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 12 April, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the requirements of Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

10. Non-Compliance with the Public Sector Accounting Standards Board Requirements

The annual report and the financial statements presented for audit did not comply with the template provided by the Public Sector Accounting Standards Board (PSASB). The page numbers were not consistent as they were repeated. Further, the amounts reported in the financial statements were not rounded off to the nearest Kshs. This is contrary to the requirement of principal accounting policy number 1 on statement of compliance and basis of preparation of the financial statements.

In the circumstances, Management did not comply with the PSASB reporting requirements.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

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

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

2. Lack of Policy Documents

During the financial year under review, the School did not have a Risk Management Strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks. Consequently, Management did not perform formal risk assessments on all key financial risk areas such as cash, revenue and expenditure. Further, it was noted that the Management lacked a Disaster Recovery Plan/Business Continuity Plan and therefore crucial information may never be recovered in the event of a disaster. In addition, the School was operating without an approved Finance Management Policy to guide on key financial matters. Therefore, the School lacked sufficient safeguards and controls for managing its finances.

In the circumstances, the effectiveness of the internal controls of the School could not be confirmed.

3. Incomplete Textbook Records

Review of text books records revealed that the School had been in receipt of textbooks from Kenya Institute of Curriculum Development. However, the records were not up to date with closing balances for each period. Further, textbooks returned to the store were not recorded. In addition, Management could not establish number of books lost by the students and those not returned after use. Stock take reports were also not provided for audit.

In the circumstances, the effectiveness of the internal controls of the School could not be confirmed.

4. Weakness in Management and Distribution of Inventory

Review of text books records provided for audit by the School revealed that the School had received textbooks from Kenya Institute of Curriculum Development. However, the records were not up to date with closing balances for each period and the number of textbooks returned to the store were not recorded. Further, the School could not establish number of books lost by the students and those not returned. In addition, stock take reports were also not availed for audit. This was contrary to Regulation 168 (a) and (b) of the Public Procurement and Disposal Regulations, 2020 which requires that an Accounting Officer of a procuring entity shall ensure proper management and distribution of inventory, stores and assets by ensuring that: (a) they are received and taken on charge; (b) they are consumed in the course of public business and a record of the same is maintained.

In the circumstances, the existence of effectiveness measures of inventory management could not be confirmed.

5. Lack of Valuation for Assets

Annexure 2 to the financial statements reflects summary of fixed assets register in respect of fixed assets which include land. Physical verification conducted in May, 2024 revealed that the School had other assets which included buildings, office equipment, Information Communication Technology (ICT) equipment and furniture and fittings. However, the values of the assets listed had not been determined.

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

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


 FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 September, 2024

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

Description Of Vote Head	Note	1 ST JULY 2022- 30 TH JUNE 2023	1 ST JULY 2021- 30 TH JUNE 2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,769,186.50	2,396,091.20
Government grants for operations	2	8,360,515.75	15,244,015.50
Government Grants for infrastructure	3	4,340,000.00	
School fund income- parents' contributions	4	41347876.00	41,031,995.00
Miscellaneous incomes-Farm Income	5	647,855.00	
Total Receipts		57,465,433.25	58,672,101.70
Payments			
Tuition	6	2,794,962.00	2,428,555.00
Operations	7	8,392,402.00	17,759,760.00
Infrastructure	8	4,336,397.00	
Boarding and school fund	9	47,785,097.00	36,051,994.20
Total Payments		63,308,858.00	56,240,309.20
Surplus/Deficit		(5,843,424.75)	2,431,792.50

The school financial statements were approved on 21/6/24 2023 and signed by:

Muthoka

Name: Dr. Stellamaris Muthoka
Chair BOM

Date: 24/06/24

James M. Wanjohi

Name: James M. Wanjohi
School Principal/ Secretary to
BOM

Date:



Harun John

Name: Harun John
Bursar/ Finance Officer

Date: 21/6/2024

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

Description	Note	2022-2023	2021-2022
		KSHS	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	(520,784.17)	7,949,261.70
Cash balances	11	212.50	260,879.50
Short term investments	12		
Total cash and cash equivalent		(520,571.67)	8,210,141.20
Account's receivables	13	6,314,609.12	3,427,321.00
Total financial assets		5,794,037.45	11,637,462.20
Financial liabilities			
Accounts payables	14		
Net financial assets		5,794,037.45	11,637,462.20
Represented by			
Accumulated fund b/fwd	15	11,637,462.20	9,205,669.70
Surplus/deficit for the year		(5,843,424.75)	2,431,792.50
Net financial position		5,794,037.45	11,637,462.20

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

Stellamaris Muthoka

Name: Stellamaris Muthoka

Chair BOM

Date: 24/06/24

James M. Wanjohi

Name: James M. Wanjohi
School Principal/ Secretary to
BOM

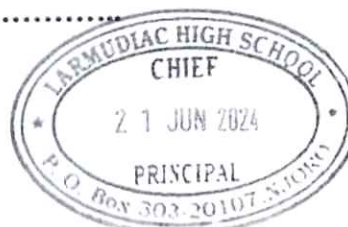
Date:

Harun John

Name: Harun John

Bursar/ Finance Officer

Date: 21/6/2024



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

Description	Note	1 ST JULY 2022- 30 TH JUNE 2023	1 ST JULY 2021- 30 TH JUNE 2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,769,186.50	2,396,091.20
Government grants for operations		8,360,515.75	15,244,015.50
Government grants for infrastructure		4,340,000.00	
School fund income- parents contributions/ fees		41,995,731.00	41,031,995.00
Other income			
Adjustment Increase/Decrease of Debtors		(2,887,288.12)	(1,000,000.00)
Total receipts		54,578,145.13	57,672,101.70
Payments			
Cash outflows for tuition		2,794,962.00	2,428,555.00
Cash outflows for operations		8,392,402.00	17,759,760.00
Cash outflows Boarding/lunch and school fund payments		47,785,097.00	36,051,994.20
Total payments		58,972,461.00	56,240,309.20
Net cash inflow/outflow from operating activities		(4,394,315.87)	1,431,792.50
Increase in receivables			
Cash flow from investing activities			
Acquisition of assets		(4,336,397.00)	
Proceeds from sale of Assets			
Purchase of investments			
Net cash inflow/outflows from investing activities		(4,336,397.00)	
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(8,730,712.87)	1,431,792.50
Cash and cash equivalent at beginning of the FY		8,210,141.20	6,778,348.70
Cash and cash equivalent at end of the FY		(520,571.67)	8,210,141.20

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

The school's financial statements were approved on 21/6/24 2023 and signed by:

Muthoka.....

Name: Stellmaris Muthoka

Chair BOM

Date: 24/06/24.....

Stamandungi.....

Name: James M.W
School Principal/ Secretary to BOM

Date:.....

Harun John.....

Name: Harun John

Bursar/ Finance Officer

Date: 21/6/2024.....



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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utili
	a	b	c=a+b	d	e=c-d	f=d/c
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Tuition	0.00		0.00	0.00	0.00	#DIV/
Exercise books	1,055,923.00		1,055,923.00	0.00	1,055,923.00	0.00%
Laboratory equipments and apparatus	764,120.00		764,120.00	979,547.75	(215,427.75)	128.19%
Teaching/learning materials	291,373.00		291,373.00	789,638.75	(498,265.75)	271.01%
Library materials	0.00		0.00	0.00	0.00	#DIV/
Internal exams	789,384.00		789,384.00	0.00	789,384.00	0.00%
Reference books	0.00		0.00	0.00	0.00	#DIV/
Inter account transfers- Boarding	0.00		0.00	1,000,000.00	(1,000,000.00)	#DIV/
Inter account transfers- Operations	0.00		0.00	0.00	0.00	#DIV/
Sub totals	2,900,800.00		2,900,800.00	2,769,186.50	131,613.50	95.46%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>			0.00		0.00	#DIV/
EWC	2,205,700.00		2,205,700.00	300,000.00	1,905,700.00	13.60%
LT @T	1,283,100.00		1,283,100.00	0.00	1,283,100.00	0.00%
RMI	1,320,200.00		1,320,200.00	500,000.00	820,200.00	37.87%
Personal emolument	4,028,500.00		4,028,500.00	2,789,665.75	1,238,834.25	69.25%
Admin cost	1,100,400.00		1,100,400.00	1,270,000.00	(169,600.00)	115.41%

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

Activity	879,200.00		879,200 00	231,650 00	647,550.00	26 35
Medical and insurance	1,273,300.00		1,273,300.00	65,200 00	1,208,100 00	5.12%
Infrastructure Grant	0.00		0.00	2,584,000.00	(2,584,000 00)	#DIV.
Contingencies	0 00		0.00	0 00	0.00	#DIV.
Inter Account Borrowing-Lunch	0 00		0.00	620,000 00	(620,000.00)	#DIV.
Sub totals	12,090,400.00		12,090,400.00	8,360,515.75	3,729,884.25	69 15
(3)FDSE FOR INFRASTRUCTURE			0.00		0.00	#DIV.
Maintenance and Improvement	4,340,000.00		4,340,000.00	4,340,000.00	0.00	100.00
Transition infrastructure Grants	0.00		0 00	0.00	0.00	#DIV.
Administration block	0.00		0.00	0.00	0.00	#DIV.
Economic stimulus grants	0 00		0.00	0.00	0.00	#DIV.
Others(NGCDF,County government)	0.00		0.00	0.00	0.00	#DIV.
Sub total	4,340,000.00		4,340,000.00	4,340,000.00	0 00	100 00
(4)FEES CHARGED ON PARENTS			0.00		0.00	#DIV.
Boarding	19,169,500.00		19,169,500.00	19,928,638 00	(759,138.00)	103.90
Inter Account transfers Operations	0.00		0.00	620,000 00	(620,000.00)	#DIV.
Fee Arrears	0.00		0.00	2,822,822.88	(2,822,822 88)	#DIV.
Repairs and Maintenance	1,680,000 00		1,680,000 00	2,669,173.00	(989,173.00)	158.88
Personal Emoluments	2,240,000.00		2,240,000.00	3,686,750 00	(1,446,750.00)	164.59
LTT	455,000 00		455,000.00	730,622.00	(275,622 00)	160.58
Activity	105,000.00		105,000 00	138,205.00	(33,205 00)	131 62
EWC	3,430,000 00		3,430,000.00	3,618,131.00	(188,131 00)	105 48
Admin costs	1,295,000.00		1,295,000.00	4,254,125.00	(2,959,125.00)	328 50
Rent income	0 00		0.00		0 00	#DIV.
Sub total	28,374,500.00		28,374,500.00	38,468,466.88	(10,093,966.88)	135.5%
(5) MISCELLANEOUS INCOME			0.00		0.00	#DIV.

Larmudiac High School
Annual Report and Financial Statements For the year ended 30th June 2023

<i>Income from students uniform</i>	0.00		0.00	5,543,039.00	(5,543,039.00)	#DIV/
<i>Income from farming activities</i>	-		0 00	0.00	0.00	#DIV/
<i>Income from students ID cards</i>	0 00		0.00	159,193.00	(159,193 00)	#DIV/
<i>Income from posho mill</i>	0.00		0 00	0.00	0 00	#DIV/
<i>Income from bus hire</i>	0 00		0.00	0.00	0.00	#DIV/
<i>Fee for hire of ground and equipment</i>	0.00		0.00	0.00	0.00	#DIV/
<i>Income from grants and donations</i>	0.00		0.00	0.00	0 00	#DIV/
<i>Interest income</i>	0 00		0.00		0.00	#DIV/
<i>Loans/Borrowings</i>	0 00		0 00		0.00	#DIV/
SUB TOTAL	0.00		0.00	5,702,232.00	(5,702,232 00)	#DIV/
GRAND TOTAL INCOME	47,705,700.00		47,705,700.00	59,640,401.13	(11,934,701.13)	125.02
(1) EXPENDITURE FOR TUITION			0 00		0.00	#DIV/
Tuition			0.00	0.00	0 00	#DIV/
Exercise books	1,055,923.00		1,055,923.00	0 00	1,055,923.00	0.00 ^c
Laboratory equipments and apparatus	764,120.00		764,120.00	1,075,750.00	(311,630.00)	140.78
Teaching/learning materials	291,373.00		291,373 00	417,988.00	(126,615 00)	143.4 ^c
chalks	0.00		0.00	0 00	0 00	#DIV/
Internal exams	789,384.00		789,384 00	0.00	789,384.00	0 00 ^c
Inte account borrowing-School fund	0.00		0.00	0.00	0.00	#DIV/
Bank charges	0.00		0.00	1,224 00	(1,224.00)	#DIV/
Creditors	0.00		0.00	0.00	0.00	#DIV/
Inter account borrowing -boarding			0.00	1,300,000 00	(1,300,000 00)	#DIV/
sub totals	2,900,800.00		2,900,800.00	2,794,962.00	105,838.00	96.35
PAYMENTS FOR OPERATIONS			0.00		0 00	#DIV/
EWC	2,205,700.00		2,205,700.00	217,864.00	1,987,836.00	9.88 ^c
LT @T	1,283,100.00		1,283,100 00	425,239 00	857,861 00	33 14

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

RMI	1,320,200.00		1,320,200.00	454,450.00	865,750.00	34.42
Personal emolument	4,028,500.00		4,028,500.00	1,972,984.00	2,055,516.00	48.98
Admin cost	1,100,400.00		1,100,400.00	1,257,058.00	(156,658.00)	114.24
Activity	879,200.00		879,200.00	120,000.00	759,200.00	13.65
Medical and insurance	0.00		0.00	213,853.00	(213,853.00)	#DIV/0!
Creditors	0.00		0.00	0.00	0.00	#DIV/0!
NHIF	0.00		0.00	0.00	0.00	#DIV/0!
Inter Account Borrowing-Lunch	0.00		0.00	620,000.00	(620,000.00)	#DIV/0!
Bank charges	0.00		0.00	10,954.00	(10,954.00)	#DIV/0!
Infrastructure	0.00		0.00	3,100,000.00	(3,100,000.00)	#DIV/0!
SUBTOTALS	10,817,100.00		10,817,100.00	8,392,402.00	2,424,698.00	77.58
INFRASTRUCTURE PAYMENTS					#VALUE!	#VALUE!
Construction of classrooms	0.00		0.00	0.00	0.00	#DIV/0!
Construction of laboratory	0.00		0.00	0.00	0.00	#DIV/0!
construction of dormitory	4,340,000.00		4,340,000.00	4,334,495.00	5,505.00	99.87
Purchase of furniture	0.00		0.00	0.00	0.00	#DIV/0!
Purchase of equipment	0.00		0.00	0.00	0.00	#DIV/0!
Bank charges	0.00		0.00	1,902.00	(1,902.00)	#DIV/0!
Drilling of boreholes	0.00		0.00	0.00	0.00	#DIV/0!
SUBTOTALS	4,340,000.00		4,340,000.00	4,336,397.00	3,603.00	99.92
BOARDING AND SCHOOL FUND PAYMENTS			0.00		0.00	#DIV/0!
Activity	105,000.00		105,000.00	497,790.00	(392,790.00)	474.09
Academic improvement	0.00		0.00	0.00	0.00	#DIV/0!
Bus hire	0.00		0.00	0.00	0.00	#DIV/0!
Farm expenses	0.00		0.00	0.00	0.00	#DIV/0!

Annual Report and Financial Statements For the year ended 30th June 2023

Bursary	0.00	0.00	460,000.00	(460,000.00)	#DIV/
Inter-Account Borrowing-Operation	0.00	0.00	620,000.00	(620,000.00)	#DIV/
Personnel emoluments	2,240,000.00	2,240,000.00	3,686,341.00	(1,446,341.00)	164.57
Inter-Account Borrowing-Tuition	0.00	0.00	1,000,000.00	(1,000,000.00)	#DIV/
Repairs and maintenance & Improvements	1,680,000.00	1,680,000.00	2,668,510.00	(988,510.00)	158.84
Local transport / travelling	455,000.00	455,000.00	2,486,729.00	(2,031,729.00)	546.53
Electricity and water	3,430,000.00	3,430,000.00	3,618,016.00	(188,016.00)	105.48
Medical Expenses	0.00	0.00	85,856.00	(85,856.00)	#DIV/
Administration costs	1,295,000.00	1,295,000.00	4,253,807.00	(2,958,807.00)	328.48
#REF!		0.00	0.00	0.00	#DIV/
Fee on Boarding Equipment and Stores	19,169,500.00	19,169,500.00	19,919,438.00	(749,938.00)	103.91
Creditors	0.00	0.00	0.00	0.00	#DIV/
Uniform Account	0.00	5,543,039.00	5,543,039.00	0.00	100.00
Infrastructure	0.00	0.00	1,240,000.00	(1,240,000.00)	#DIV/
Students ID cards	0.00	0.00	165,000.00	(165,000.00)	#DIV/
Bank charges	0.00	0.00	26,510.00	(26,510.00)	#DIV/
NSSF	0.00	0.00	0.00	0.00	#DIV/
SUBTOTALS	28,374,500.00	28,374,500.00	46,271,036.00	(17,896,536.00)	163.07
TOTAL	46,432,400.00	46,432,400.00	61,794,797.00	(15,362,397.00)	133.09

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3 Government Grants for infrastructure

Description	1 ST JULY 2022-30 TH JUNE 2023	1 ST JULY 2021-30 TH JUNE 2022
	Kshs	Kshs
Maintenance & Improvement	4,340,000.00	4,776,000.00
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.	-	-
Total	4,340,000.00	4,776,000.00

4 School Fund Income - Parents Contribution/Fees

Description	1 ST JULY 2022-30 TH JUNE 2023	1 ST JULY 2021-30 TH JUNE 2022
	Kshs	Kshs
Personnel emoluments	3686750.00	2,710,977.00
Repairs and maintenance	2669173.00	1,965,354.00
Local transport / travelling	730622.00	1,157,254.00
Electricity and water	3618131.00	2,611,436.00
Inter Account transfers-operations	620000.00	-
Administration costs	4254125.00	2,371,818.00
Activity	138205.00	99,862.00
Fee on Boarding Equipment and stores	19928638.00	21,517,987.00
Students Uniform	5543039.00	6,433,610.00
Others-ID Cards	159193.00	246,507.00
Total	41,347,876.00	39,114,805.00

Larmudiac High School

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5 Miscellaneous Incomes

Description	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
	Kshs	Kshs
Rent Income	-	-
Income From Farming Activities	647,855.00	1,917,190.00
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
Total	647,855.00	1,917,190.00

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	<i>1ST JULY 2022-30TH JUNE 2023</i>	<i>1ST JULY 2021-30TH JUNE 202</i>
	Kshs	Kshs
Fees Arrears	6,314,609.12	3,427,321.00
Other Non-Fees Receivables	-	-
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	6,314,609.12	34,27,321.00

13 b Ageing Analysis of Accounts Receivable

Description	<i>1ST JULY 2022-30TH JUNE 2023</i>		<i>1ST JULY 2021-30TH JUNE 202</i>	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	5,710,111.00	90.4%	3,448,461.00	100.6%
Between 1- 2 years	3,448,461.00	54.6%	1,161,531.00	33.89%
Less recoveries	(2,843,962.88)	45%	(2,448,461.00)	71.43%
Over 3 years		%	1,265,790.00	36.93%
Total (should tie to note 13 a)	6,314,609.12	100%	3,427,321.00	100%

14 Accounts Payable

Description	<i>1ST JULY 2022-30TH JUNE 2023</i>	<i>1ST JULY 2021-30TH JUNE 202</i>
	Kshs	Kshs
Trade Creditors	-	-
Prepaid Fees	-	-
Retention Monies	-	-
Caution money	-	-
Total	NIL	NIL

Larmudiac High School

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Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	1 ST JULY 2022-30 TH JUNE 2023		1 ST JULY 2021-30 TH JUNE 202	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (should tie to note 14)	NIL	%	NIL	%

15 Fund Balance Brought Forward

Description	1 ST JULY 2022-30 TH JUNE 2023	1 ST JULY 2021-30 TH JUNE 202
	Kshs	Kshs
Bank Balances	7,949,261.70	6,682,837.20
Cash Balances	260,879.50	95,511.50
Short Term Investments	-	-
Receivables	3,427,321.00	2,427,321.00
Payables	-	-
Total	11,637,462.20	9,205,669.70

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.

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

16 Non-current Liabilities Summary

Description	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021- 30TH JUNE 202
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	NIL	NIL

17 Biological assets

Description	Numbers	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021- 30TH JUNE 202
		Kshs	Kshs
Cattle		12	16
Goats			0
Trees		3350	3,645
Rabbit		15	
Poultry			
Sheep		13	32
Total		3490	3,693

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	NIL	NIL

Larmudiac High School

Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

19 Stock/ Inventory

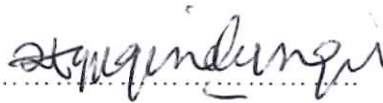
Description	1 ST JULY 2022-30 TH JUNE 2023	1 ST JULY 2021-30 TH JUNE 2022
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

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.....



Date.....

Principal



11. Annexes**Annex I - Analysis of Pending Accounts Payable**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total						

Annex 2 – Summary of Fixed Assets Register

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 2022
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				