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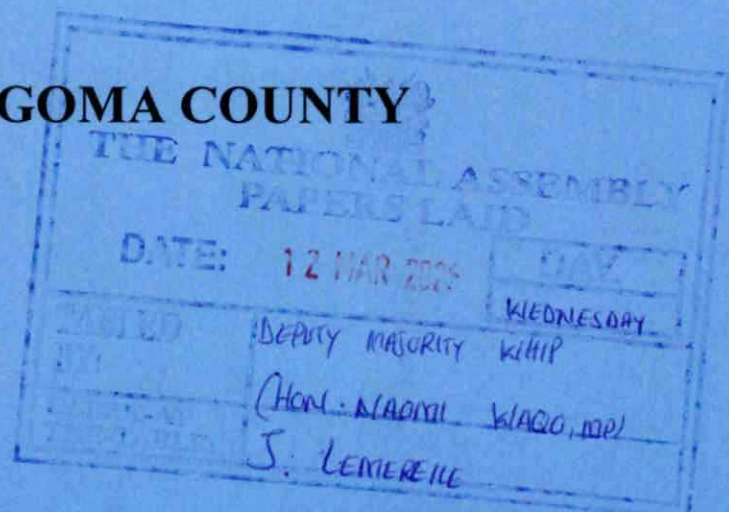
THE AUDITOR-GENERAL

ON

LUGULU GIRLS' HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

BUNGOMA COUNTY





Revised 30th June 2023.



LUGULU GIRLS HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

Prepared in accordance with the modified CashBasis of Accounting Method under the International Public Sector Accounting Standards (IPSAS)

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

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I. 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
CBC	Competency Based Curriculum

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 Bungoma County, Webuye West Sub-County.

The school was registered on 10/2019 under registration number 39S30000210 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 2,763 number of students as at 30th June 2023. It has 35 streams and 95 teachers of which 28 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.	Prof. Rose Kakai	Chairperson	21/11/2022
2.	Mrs. Cheruiyot Dinah, HSC	Secretary - Principal	21/11/2022
3.	Ms. Angela Chepwogen	Member	21/11/2022
4.	Mrs. Rukia Machengo	Member	21/11/2022
5.	Dr. Samuel Ndogo	V/Chair	21/11/2022
6.	Rev. Gideon Birech	Member	21/11/2022
7.	Rev. Laban Kiplagat	Member	21/11/2022
8.	Ms. Ruth Wanyonyi	Member	21/11/2022
9.	Mr. Amos Simiyu Makokha	Member	21/11/2022
10	Mr. John Otido	Member – Rep CEB	21/11/2022
11	Ms. Josephine N. Were	Member Rep Teachers	21/11/2022
12	C.P.A. Ambrose Makokha	Members - Sponsor	21/11/2022
13	Prof. Benard Misigo	Member Special Interest Group	21/11/2022
14	MR. Joash Abong'o	Member - Community	21/11/2022
15	Bishop. Lirhu Wafula	Member Special Needs	21/11/2022
16	Mrs. Gladys Aminga	Member	21/11/2022
17	Phoebe Onyango	Rep Students	21/11/2022

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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 paragraph 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Prof.Rose Kakai 2.Mrs. Dinah cheruiyot 3.Mr. Amos Simiyu 4.Dr. Samuel Ndogo 5.Ms. Angela Chepwogen	BOM chair Chief Principal PA Chair BOM V/chair Member	2 out of 3
2	Audit Committee	1.Bishop Gideon Birech 2. CPA Ambrose Makokha 2. Mrs. Gladys Aminga 3.Dr. Samuel Ndogo 5.Bishop Lirhu Wafula	Chairperson Member Member	1 out of 3
3	Finance,procurement and general purposes Committee	1.Mr. Kizito Wabwile 2.Ms. Angela Chepwogen 3.Comm.Joash Abongo	Chairperson	2out of 3
4	Academic Committee	1.Bishop Bernard Lirhu 2.Prof. Benard Misigo 3.Mrs. Rukia Machengo 4.Mr. Makokha Simiyu	Chairperson Member Member PA chair/Member	3out of 3
5	Development Committee	1.Mr. John Otido 2.S.C.D.E 3.Mrs. Dinah cheruiyot 4.Prof. Rose Kakai 5.D/P Administration	Chairperson Member Chief principal Chair BOM Secretary	3out of 3

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		6.Mr.Amos Makokha 7.Public Works 3.Bishop Birech	PA Chair Ex-officio	
6	Discipline and welfare Committee	1. Comm.Joash Abongo 2. Rev. Laban Kiplagat 3. Ms. Ruth Wanyonyi 4. Mr. Makokha Simiyu	Chairperson Member	1 out of 3
7	Adhoc Committee (if any during the year)			

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(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	Principal	Mrs. Cheruiyot Dinah, HSC	TSC No. 357973
2	Deputy Principal ADMIN	Mrs. Catherine Kakai	TSC No. 312918
3	School Bursar	CPA. Nathan Sipenji	ICPAK No.28300
4	Deputy Principal ACADEMIC	Mrs. Mary Masinde	TSC No. 421472

(e) Schools contacts

Post Office Box: PRIVATE BAG
Telephone: 0202634328
E-mail: lugulugschool@gmail.com
Website: lugulugirlshigh.ac.ke
Facebook: LUGULU NATIONAL SCHOOL
Twitter:

(f) School Bankers

Name of Bank: CO-OP BANK
Branch: WEBUYE
Postal Address: P.O. BOX 1221-50205, WEBUYE

Name of Bank: K.C.B
Branch: WEBUYE
Postal Address: P.O. BOX 332-50205, WEBUYE

(g) Independent Auditors

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

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

3. Summary Report of Performance of the School

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

a) Financial performance:

SURPLUS/DEFICIT FOR THE YEAR AND OTHER COMPARISONS

YEAR	2022/2023	2021/2022
1. SURPLUS/DEFICIT	68,426,599	17,237,899
2. CAPITATION GRANTS	39,370,473	40,108,301
3. PARENT CONTRIBUTION	218,398,830	163,177,661
4. OTHER INCOMES	20,299,496	30,770,145
5. EXPENDITURE	211,191,196	216,818,208
6. DEBTORS	72,131,262	29,907,070
7. CREDITORS	16,088,219	20,604,118

NB. The financial year 2022/2023 has high surplus of Ksh. 68,379,898.50 because of unspent infrastructure funds and high debtors from uncollected development levy introduced towards the end of the financial year.

b) Teacher Student ratio:

	2022/2023
1. TOTAL NO.OF TEACHERS	95
2. TOTAL NO. OF STUDENTS	2,763
3. TEACHER/STUDENT RATIO	1:29
4. TEACHERS TRANSFERRED/RETIRED	4
5. TEACHERS EMPLOYED BY TSC	2
6. TEACHERS EMPLOYED BY BOM	29

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S.N	SUBJECT	NO.OF TEACHERS
1.	MATHEMATICS	24
2.	ENGLISH	16
3.	KISWAHILI	15
4.	FRENCH	2
5.	CHEMISTRY	13
6.	PHYSICS	13
7.	BIOLOGY	17
8.	GEOGRAPHY	15
9.	BUSINESS STUDIES	5
10.	AGRICULTURE	6
11.	HISTORY	9
12.	HOMESCIENCE	2
13.	ART AND DESIGN	2
14.	MUSIC	1
15.	ICT	2
16.	CRE	14

c) Mean score in the 2022KCSE:

YEAR	NO.OF CANDIDATES	TARGET MEANS CORE	MEAN SCORE	TRANSITION	REMARKS
2022	493	9.0	8.663	97% University entry 3% Tertiary colleges	
2021	403	9.5	8.9	University entry 92% Tertiary colleges 8%	
2020	305	9.0	9.2262	University entry 97% Tertiary colleges 3%	

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d) Capacity of the school:

NO.	FACILITY	NO	STD CAPACITY	NO.OF STUDENT	REMARKS
1.	DINING HALL	0		2,763	No Dining hall
2.	DORMITORIES	16	2,000	2,763	Not enough
3.	LABORATORIES	7	1,000	2,763	Not enough
4.	TOILETS	220	1,500	2,763	Not Enough
5.	CLASSROOMS	40	1,800	2,763	Not Enough
6.	ASSEMBLY HALL	1	2,300	2,763	Not Enough

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e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	M.O.E & parents	On going	48,233,136	0	December 2023
Laboratory cum Library	Parents	On going	39,559,990	0	February, 2024
CBC Classrooms	M.O.E	Complete	1,576,440	0	



.....
School Principal

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

4. Statement of School Management Responsibility

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

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

The Board of Management of Lugulu Girls High School accepts responsibility for the school's financial statements, which have been prepared on the modified 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: Prof Rose Kakai
Designation: Chairman, School Board of Management

Sign: [Signature]

Date: 9/08/2024

Name: Sinah Chemut, HSC
Designation: School Principal- Secretary to Board of Management

Sign: [Signature]

Date: 09/08/2024

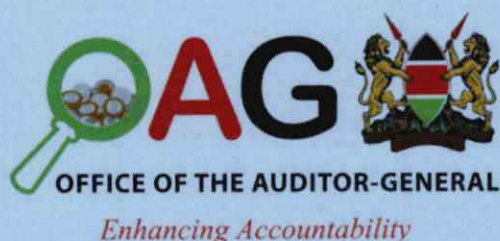
Name: Nathan W. Siparigi
Designation: Bursar/ Finance Officer

Sign: [Signature]

Date: 09/08/2024

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 LUGULU GIRLS' HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – BUNGOMA 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 Lugulu Girls High School – Bungoma County - set out on pages 2 to 19, which comprise of the statement of financial

assets and financial 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 Lugulu 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Accounts Receivables - Fees Arrears

The statement of financial assets and financial liabilities and as disclosed in Note 13 to the financial statements reflects accounts receivables of Kshs.72,131,262. However, Management provided a list of students' arrears totalling Kshs.47,118,813 leaving unsupported balance of Kshs.25,012,449.

In addition, the long outstanding student debtors of Kshs.15,236,813 includes debt from students who have completed school and therefore the recoverability of this amount is doubtful.

Further, included in receivable of Kshs.72,131,262 is suspense account of Kshs.7,467,569 receivable from the former principal dating back to year 2008. The recoverability of this balance is doubtful and Management did not give a clear plan on how to recover the balance.

In the circumstances, the completeness of accounts receivable balance of Kshs.72,131,262 and recoverability of long outstanding balance of Kshs.7,467,569 could not be confirmed.

2. Unsupported Account Payables

The statement of financial assets and financial liabilities and as disclosed in Note 14 to the financial statements reflect accounts payable of Kshs.16,088,219. Included in this amount is trade creditors of Kshs.9,910,100 which the audit was able to verify Kshs.8,919,570 leaving unverified balance of Kshs.990,530.

In addition, documentary evidence of retention monies of Kshs.683,228 were not provided for review.

In the circumstances, the accuracy and completeness of the trade creditors could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Lugulu Girls' 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 comparison of budget and actual amounts reflects total receipts budget and actual on comparable basis of Kshs.285,983,497 and Kshs.279,618,499 respectively resulting to an under-performance of Kshs.6,364,998 or 2% of the budget. However, the School spent Kshs.211,191,900 against the budget of Kshs.285,983,497 resulting to an under-utilization of Kshs.74,791,597 or 26%.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional 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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit 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. Failure to Prepare School Improvement Plan

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

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

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

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

The School irregularly transferred co-curricular funds totalling Kshs.180,000 to Kenya Secondary School Heads Association (KSSHA) an entity which is a welfare organization that draws its membership from school principals and not subject to Public Finance Management Act, 2012 and any other public finance regulations. The entity is not defined in Government funding and there is no assurance that it has implemented effective, efficient and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, the School might have engaged in unauthorized expenditure.

3. Unconfirmed Student Enrolment Data

Audit review of student enrolment data indicates that more students were enrolled in the School than the number of students reflected in National Education Management Information System (NEMIS) as shown below resulting to under-funding of capitation.

Month	No. of Students per NEMIS	No. of students as per Register	Variance
July, 2022 Operations	2649	2603	(46)
July, 2022 Tuition	2649	2603	(46)
September, 2022 Operations	2654	2602	(52)
September, 2022 Tuition	2654	2602	(52)
January, 2023 operation	2650	2759	109
January, 2023 Tuition	2650	2759	109
April, 2023 Operations	2768	2763	(5)

This is contrary to Ministry of Education Circular MOE.HQS/3/13/3 of 16 June, 2021 that requires all learners to be registered in National Education Management Information System and the School Principals to ensure their records are accurate.

In the circumstances, the operations of the School may have been affected by the under-funding.

The audit was conducted in accordance with ISSAI 4000. The standard requires 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 are in compliance, 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 matter 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 Fixed Asset Register

Annex 2 to the financial statements reflects a summary of fixed assets register totalling Kshs.633,437,065. However, the School does not maintain a detailed and comprehensive Fixed Asset Register (FAR) in accordance with the instructions provided at Annex 2 to the financial statements. The assets listing provided for audit review did not indicate the date of acquisition, detailed serial and tagging numbers, cost or valuation amount, depreciation rates amounts and net book values.

In the circumstances, lack of a comprehensive Fixed Asset Register may lead to loss of assets and inaccurate disclosure in financial statements.

2. Inventory Management

Note 19 to the financial statements reflects closing inventories balance of Kshs.6,243,296. However, Management did not provide a list of inventories and how the stock take was carried out for audit review.

In the circumstances, the accuracy of closing inventory could not be confirmed

3. Lack of a Disaster Management Committee

Review of the School's Policies revealed that disaster management committee was not in place. The Committees is mandated to oversee the implementation of disaster management initiatives and ensure that the School has a contingency plan in place.

In the circumstances, the School disaster preparedness could not be confirmed.

4. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a

National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

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

Responsibilities of Management and 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 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.

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

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 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 to 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

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

6. Statement of Receipts and Payments for the Year Ended 30th June 2023

Description Of Vote Head	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	7,277,606	7,463,156
Government grants for operations	2	21,371,867	20,569,145
Government Grants for infrastructure	3	12,271,000	12,076,000
School fund income- parents' contributions	4	218,398,830	163,177,661
Miscellaneous incomes	5	20,299,196	30,770,145
Total Receipts		279,618,499	234,056,107
Payments			
Tuition	6	6,154,663	8,583,541
Operations	7	19,444,743	34,675,845
Infrastructure	8	1,317	
Boarding and school fund	9	185,591,177	175,307,566
Total Payments		211,191,900	218,566,952
Surplus/Deficit		68,426,599	15,489,155

The school financial statements were approved on 25/09/2023 and signed by:

 Name: Prof. Rose Kikai Chair BOM Date: 9/08/2024	 Name: Dinali Chemiso HSC School Principal/ Secretary to BOM Date: 09/08/2024	 Name: Nathaniel K. Sipaiji Bursar/ Finance Officer Date: 09/08/2024
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Lugulu Girls High School
Annual Report and Financial Statements For the year ended 30th June 2023

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

Description	Note	2022/2023	2021/2022
		Ksus	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	24,985,473	3,295,217
Cash balances	11	377	4,125
Short term investments	12	-	-
Total cash and cash equivalent		24,985,850	3,299,342
Account's receivables	13	72,131,262	29,907,070
Total financial assets		97,117,112	33,206,412
Financial liabilities			
Accounts payables	14	16,088,219	20,604,118
Net financial assets		81,028,893	12,602,294
Represented by			
Accumulated fund b/fwd	15	12,602,294	(2,886,861)
Surplus/deficit for the year		68,426,599	15,489,155
Net financial position		81,028,893	12,602,294

The school's financial statements were approved on 25/09/2023 and signed by:

<i>Rose Kaku</i>	<i>Dinah Chemut, BSC</i>	<i>Nathaniel W. Siplingi</i>
Name: Prof. Rose Kaku	Name: Dinah Chemut, BSC	Name: Nathaniel W. Siplingi
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: 9/08/2024	Date: 09/08/2024	Date: 09/08/2024

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

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

Description	Note	2023/2023	2021/2022
		KShs	KShs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	7,277,606	7,463,156
Government grants for operations	2	21,371,867	20,569,145
Government grants for infrastructure	3	12,271,000	12,076,000
School fund income- parents contributions/ fees	4	218,398,830	163,177,661
Other income	5	20,299,196	30,770,145
Total receipts		279,618,499	234,056,107
Payments			
Cash outflows for tuition		6,154,663	8,583,541
Cash outflows for operations		19,444,743	34,675,845
Cash outflows for Infrastructure		1,317	
Cash outflows Boarding/lunch and school fund payments		185,591,177	175,307,566
Total payments		211,191,900	218,566,952
Net cash inflow/outflow from operating activities Before working capital adjustment		68,426,599	15,489,155.00
working capital changes			
Add/Less decrease/increase in receivables		(42,224,192)	(2,495,923)
Add/Less increase/decrease in payables		(4,515,899)	(12,888,732)
Net increase/decrease in cash and cash equivalents		21,686,508	104,500
Cash and cash equivalent at beginning of July 2022	10	3,299,342	3,194,842
Cash and cash equivalent at end of June 2023		24,985,850	3,299,342

The school's financial statements were approved on 25/09/2023 and signed by:

R. Kaka

Name: Prof. Rose Kaka

Chair BOM

Date: 9/8/2024

SD

Name: Dinah Chemigat, MTC
 School Principal/ Secretary to BOM

Date: 09/08/2024

Nathan K. Sipiigi

Name: Nathan K. Sipiigi

Bursar/ Finance Officer

Date: 09/08/2024

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

9. 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	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c.%
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RECEIPTS						
<i>(1) Capitation Grant on Tuition</i>						
Teaching / Learning Materials	10,774,400		10,774,400	7,277,606	3,496,794	68%
Sub-totals	10,774,400		10,774,400	7,277,606	3,496,794	68%
<i>(2) Capitation Grant on Operations</i>						
Others	24,440,000		24,440,000	19,330,867	5,109,133	79%
Medical& Insurance	5,200,000		5,200,000	530,400	4,669,600	10%
Activity	3,900,000		3,900,000	1,510,600	2,389,400	39%
Sub-totals	33,540,000	-	33,540,000	21,371,867	12,168,133	64%
<i>3) FDSE for infrastructure</i>						
Maintenance &Improvement MOE	13,000,000		13,000,000	10,721,000	2,279,000	82%
M&I parents' contribution	5,200,000		5,200,000	1,550,000	3,650,000	30%
Sub-totals	18,200,000	-	18,200,000	12,271,000	5,929,000	67%
<i>(4) Fees Charged on Parents</i>						
Personnel emoluments	15,527,200		15,527,200	19,111,618	(3,584,418)	123%
Repairs and maintenance	5,200,000		5,200,000	6,604,238	(1,404,238)	127%
Local transport / travelling	6,814,600		6,814,600	8,543,240	(1,728,640)	125%
Electricity, water& Cons.	18,881,200		18,881,200	21,445,087	(2,563,887)	114%
BES	107,292,326		107,292,326	98,708,536	8,583,790	92%
Administration costs	11,741,600		11,741,600	13,745,533	(2,003,933)	117%
Development	41,600,000		41,600,000	46,156,127	(4,556,127)	111%
Refund	-		-	799,098	(799,098)	-100%
Activity	3,900,000		3,900,000	3,285,353	614,647	84%
Sub-totals	210,956,926	-	210,956,926	218,398,830	(7,441,904)	104%
<i>5) Miscellenous Income</i>						

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

Income From Farming Activities	1,500,000		1,500,000	2,946,412	(1,446,412)	196%
Income From Bus Hire	100,000		100,000	57,000	43,000	57%
Income From Posho Mill	225,000		225,000	240,000	(15,000)	107%
Scrap metal			-	84,120	(84,120)	-100%
Income from Bakery	10,433,371		10,433,371	15,243,860	(4,810,489)	146%
Tender fee	150,000		150,000	151,000	(1,000)	101%
Rent Income	103,800		103,800	46,700	57,100	45%
Seminar fee			-	1,517,500	(1,517,500)	-100%
Saving a/c adjustment			-	12,604	(12,604)	-100%
Sub-totals	12,512,171	-	12,512,171	20,299,196	(7,787,025)	162%
TOTAL INCOME	285,983,497	-	285,983,497	279,618,499	6,364,998	98%
PAYMENTS						
(6) Expenditure For Tuition						
Exercise Books	2,232,712		2,232,712	1,273,860	958,852	57%
Laboratory Equipment	2,877,593		2,877,593	1,643,888	1,233,705	57%
Teaching / Learning Materials	3,533,046		3,533,046	2,018,275	1,514,771	57%
Chalks	165,919		165,919	95,000	70,919	57%
Exams And Assessment	1,963,130		1,963,130	1,121,720	841,410	57%
Bank Charges	2,000		2,000	1,920	80	96%
Sub-totals	10,774,400	-	10,774,400	6,154,663	4,619,737	57%
(7) Expenditure For Operations						
Personnel Emoluments	13,569,339		13,569,339	10,174,996	3,394,343	75%
Administration Cost	1,734,890		1,734,890	1,134,471	600,419	65%
Local Transport / Travelling	2,327,234		2,327,234	2,174,440	152,794	93%
Electricity And Water	6,906,037		6,906,037	4,570,983	2,335,054	66%
Medical	5,200,000		5,200,000	514,846	4,685,154	10%
Activity Expenses	3,900,000		3,900,000	872,716	3,027,284	22%
Bank Charges	2,500		2,500	2,291	209	92%
Sub-totals	33,640,000	-	33,640,000	19,444,743	14,195,257	58%
(8) Expenditure For infrastructure						
Construction of Lab/Library	39,559,990		39,559,990	-	39,559,990	0%
Construction of Dormitory	48,233,136		48,233,136	-	48,233,136	0%

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

Bank Charges	2,000	-	2,000	1,317	683	66%
Sub-totals	87,795,126	-	87,795,126	1,317	87,793,809	0%
<i>(9) Expenditure for Boarding/school fund</i>						
Personnel Emoluments	15,527,200		15,527,200	16,350,472	(823,272)	105%
Repairs And Maintenance & Improvements	5,200,000		5,200,000	4,843,850	356,150	93%
Local Transport / Travelling	6,814,600		6,814,600	12,166,535	(5,351,935)	179%
Electricity, Water&Conserv.	18,881,200		18,881,200	14,096,857	4,784,343	75%
Activity	3,900,000		3,900,000	3,504,140	395,860	90%
Administration Costs	11,741,600		11,741,600	15,558,915	(3,817,315)	133%
Income generating activities	12,308,371		12,308,371	20,223,436	(7,915,065)	164%
Fee On Boarding Equipment and Stores	79,001,000		79,001,000	93,832,403	(14,831,403)	119%
Infrastructure a/c			-	4,633,475	(4,633,475)	-100%
Bank charges	400,000		400,000	381,094	18,906	95%
Sub-totals	153,773,971	-	153,773,971	185,591,177	(31,817,206)	121%
TOTAL EXPENDITURE	285,983,497	-	285,983,497	211,191,900	74,791,597	74%

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

- i. Underfunding by MOE*
- ii. Received more students than the budgeted number.*
- iii. Because of inflation, prices for a number of commodities went up.*

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on modified 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.

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

11. Notes to the Financial Statements

1 Government Grants for Tuition

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Reference Materials				
Exercise Books				
Laboratory Equipment				
Internal Exams				
Teaching / Learning Materials		7,277,606		7,463,156
Total		7,277,606		7,463,156

2 Government Grants for Operations

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Personnel Emoluments				
Repairs And Maintenance				
Local Transport / Travelling				
Electricity And Water				
Medical		530,400		460,600
Administration Costs				
Activity		1,510,600		
Others		19,330,867		20,108,545
Total		21,371,867		20,569,145

3 Government Grants for infrastructure

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Maintenance & Improvement		10,721,000		12,076,000
Transition infrastructure grants				
Administration Block				
Economic stimulus grants				
Other- parents contribution		1,550,000		
Total		12,271,000		12,076,000

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

4 School Fund Income -Parents Contribution/Fees

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	19,111,618	25,357,465
Repairs and maintenance	6,604,238	8,755,781
Local transport / travelling	8,543,240	12,316,668
Electricity and water	21,445,087	25,214,126
Medical		
Administration costs	13,745,533	16,361,915
Activity	3,285,353	3,491,339.
Fee on Boarding Equipment and stores	98,708,536	71,680,367
PA Levies- Development	46,156,127	
Others refund	799,098	
Total	218,398,830	163,177,661

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

5 Miscellaneous Incomes

Description	2022/2023	2021/2022
	Kshs	Kshs
Rent Income	46,700	438,740
Income From Farming Activities	2,946,412	1,701,295
Scrap Metal	84,120	6,300
Income From Posho Mill	240,000	319,050
Income From Bus Hire	57,000	-
Income from Bakery	15,243,860	11,423,460
Income From Grants and Donations*		16,431,000
Tender fee	151,000	210,300
Seminar fee	1,517,500	240,000
Saving a/c adjustment (0111108991262)	12,604	
Total	20,299,196	30,770,145

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

Notes to the Financial Statements (continued)

6 Tuition

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Exercise Books	1,273,860		4,060,650	
Textbooks				
Chalks	95,000		240,076	
Laboratory Equipment	1,643,888		1,436,755	
Teaching / Learning Materials	2,018,275		982,820	
Exams And Assessment	1,121,720		1,861,560	
Bank Charges	1,920		1,680	
Total	6,154,663		8,583,541	

7 Operations

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Personnel Emoluments	10,174,996		5,523,936	
Administration Cost	1,134,471		3,050,785	
Repairs And Maintenance & Improvements			18,511,500	
Local Transport / Travelling	2,174,440		3,304,037	
Electricity, Water & Conservancy	4,570,983		2,785,587	
Medical	514,846			
Activity Expenses	872,716			
B.O.M-Teachers			1,500,000	
Bank charges	2,291.00			
Total	19,444,743		34,675,845	

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

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Bank charges	1,317	
Total	1,317	-

9 Boarding and School Fund

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	16,262,472	19,615,706
Service Gratuity	88,000	1,748,744
Repairs And Maintenance & Improvements	4,843,850	9,904,728
Local Transport / Travelling	12,166,535	10,488,405
Electricity And Water	14,096,857	8,178,954
Administration Costs	15,940,007	15,481,474
Activity Expenses	3,504,140	3,050,155
Expenses on Income Generating Activities	19,256,604	11,247,248
Tender fees	-	23,000
Rent Expenses	14,610	
Fee On Boarding Equipment and Stores	93,832,403	81,255,557
Seminar	952,224	238,750
Acquisition of Assets	4,633,475	14,074,845
Total	185,591,177	175,307,566

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

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status Active/Dormant	Bank Account Number	2022/2023	2021/2022
			Kshs	Kshs
Tuition Account	Active	01139011735700	53,972	5,299
Operations Account	Active	1107114632	1,683,042	37,835
School Fund Account/Boarding	Active	01129011735700	545,347	(3,731,511)
Savings Account- Gratuity	Active	1106088557	17,098	17,098
Parent Association Saving Account	Active	1108991262	3,474,413	24,452
Saving account- Project	Active	1106682807	37,052	37,178
Infrastructural Account	Active	1119670896	19,174,549	6,904,866
Total			24,985,473	3,295,217

11 Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Notes and Coins	377	4,125
Total	377	4,125

12 Short Term Investments

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

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

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	64,309,743	22,040,301
Other Non-Fees Receivables		
Other non-fees receivables Beryl- suspense	7,467,569	7,467,569
PAYE	25,100	25,100
Rent arrears (list/schedule attached)	328,850	374,100
Total	72,131,262	29,907,070

13 b Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2023	% of the total
Less than 1 year	47,118,813	73%	5,860,860	27%
Between 1- 2 years	1,954,117	3%	241,529	1%
Over 3 years	15,236,813	24%	15,937,912	72%
Total (should tie to note 13 a)	64,309,743	100%	22,040,301	100%

14 Accounts Payable

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	9,910,100	14,475,114
Prepaid Fees	5,494,891	5,445,776
Retention Monies*Gratuity Reserve fund	683,228	683,228
Unpaid salaries and statutory deductions		
Caution money		
Other payables (specify)		
Total	16,088,219	20,604,118

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

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current 2022/2023	% of the total	Comparative 2021/2022	% of the total
Less than 1 year	8,919,570	90%	14,475,114	100%
Between 1- 2 years	990,530	10%	0	0%
Between 2-3 years	0	0%	0	0%
Over 3 years	0	0%	0	0%
Total (should tie to note 14)	9,910,100	100%	14,475,114	100%

15 Fund Balance Brought Forward

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Bank Balances	3,295,217		3,192,684	
Cash Balances	4,125		2,158	
Short Term Investments				
Receivables	29,907,070		27,411,147	
Payables	(20,604,118)		(33,492,850)	
Total	12,602,294		(2,886,861)	

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

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	2022/2023	2021/2022
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	0	0

17 Biological assets

Description	Numbers	2022/2023	2021/2022
		Kshs	Kshs
Cattle		450,000	320,000
Pigs		742,500	1,445,000
Trees		2,750,000	2,500,000
oranges		192,500	188,000
Bananas		135,000	112,000
Beehives		448,400	-
Total		4,718,400	4,565,000

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	(0)	(0)
Balance at the end of the year	0	0

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

Other important disclosure notes

19 Stock/ Inventory

Description	2022/2023	Insert 2021/2022
	Kshs	Kshs
Food stuffs	3,109,260	
Lab consumables	640,190	
Farm produce	24,900	
Medication	86,103	
Construction Materials	146,123	
Others (Tuition materials)	2,236,720	
TOTAL	6,243,296	


(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)

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

20 Progress on Follow up Of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1				
2				
3				
4				



Sign and Date
Principal

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

12. 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. Komavi Enterprises	536,500		362,280	174,220		
Sub-Total				174,220		
Supply Of Goods						
1. Rose W. Wasike	51,910			51,910		
2. Eyat Royal Pharmacy	12,500			12,500		
3. John Masafu	55,500			55,500		
4. Dorcas Marauni	36,764			36,764		
5. Deborah N. Wafula	90,000			90,000		
6. Winny M. Wafula	36,764			36,764		
7. Mary Masika	13,140			13,140		
8. FelistusMamati	581,400			581,400		
9. Timothy B. Khaoya	18,840			18,840		
10. Catherine Nekesa	34,950			34,950		
11. JentrixWamalwa	60,800			60,800		
12. Felix M. Masinde	424,630			424,630		
13. Margaret Kwata	116,900			116,900		
14. Margaret Wabwile	109,542			109,542		
15. Daniel J. Wanjala	28,470			28,470		
16. Selestine M. Wafula	36,764			36,764		
17. Carbon Footprint Ltd	140,250			140,250		
18. Nira Distributors	13,050			13,050		
19. MaridahSimiyu	48,000			48,000		

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
20. Weston Commodities Ent. Ltd	85,500			85,500		
21. Morton J. Kimungui	157,500			157,500		
22. Step Office Supplies	295,000			295,000		
23. Lake Side Product Agencies	2,410,000		700,000	1,710,000		
24. Persie Procurement Ltd	1,859,810		500,000	1,359,810		
25. Jonawa Enterprises	283,140			283,140		
26. Anne K. Waliaula	94,000			94,000		
27. Webuye Printers & Stationers	44,600			44,600		
28. Sharin Pharmacy	65,700			65,700		
29. New Adatia Wholesalers Ltd	38,700			38,700		
30. Western Glass Hardware	21,800			21,800		
31. Guideline Images	27,850			27,850		
32. WebuyeUndugu Electricals	34,000			34,000		
33. Dialyn General Suppliers	78,000			78,000		
34. Kennedy W. Ndinyo	31,000			31,000		
35. Garg Enterprises	629,810			629,810		
36. Vaghela School Centre Ltd	968,390		700,000	268,390		
Sub-Total	9,034,974			7,134,974		
Supply Of Services						
1. Chakra Company Ltd	210,000			210,000		
2. Kplc	6,126			6,126		
3. Double Bee Ventures Ltd	55,000			55,000		
4. Margaret Kwata	60,000			60,000		
5. Dorine N. Simwelo	19,750			19,750		
6. Brian Mwangi	15,000			15,000		
7. BennyhinnWalubengo	15,000			15,000		
8. Jimmy K. Kinamedi	30,000			30,000		
9. Eric W. Nyongesa	673,500			673,500		
10. Richard Mwaturu	65,000			65,000		
11. Terramas Construction Co. Ltd	346,000			346,000		

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
12. The Rural Ideal Technologies	115,000			115,000		
Sub-Total	1,610,376			1,610,376		
Grand Total	11,181,850		2,262,280	8,919,570		

Annex 2 – Summary of Fixed Assets Register

ASSET CLASS	Historical Cost // (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost // (Kshs) 30 th June 2023
Land	48,750,000	-	-	48,750,000
Buildings And Structures	420,483,534	3,940,000	-	424,423,534
Motor Vehicles	24,616,258	-	-	24,616,258
Office Equipment, Furniture And Fittings	63,154,300	2,057,242	-	65,211,542
ICT Equipment	11,016,000	-	-	11,016,000
Tools And Apparatus	16,100,900	1,144,400	-	17,245,300
Text books	33,759,550	982,037	-	34,741,587
Other Machinery And Equipment	6,000,400	542,444	-	6,542,844
Heritage And Cultural Assets	250,000	-	-	250,000
Intangible Assets- Soft Ware	380,000	260,000	-	640,000
Total	624,510,942	260,000		633,437,065

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