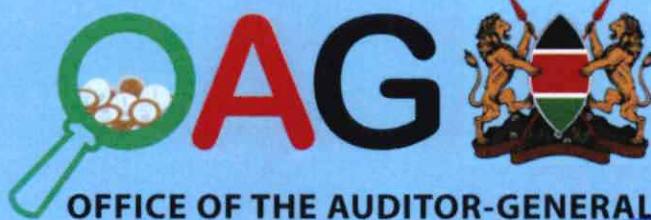


REPUBLIC OF KENYA



*Enhancing Accountability*



PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 JUN 2025	DAY: Wednesday
TABLED BY: Hon. Owen Boga, MP Deputy leader of Majority Party	
CLERK-AT THE-TABLE:	Wor. M. K. W. W. W.

**REPORT  
OF**

**THE AUDITOR-GENERAL**

**ON**

**LARMUDIAC HIGH SCHOOL**

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

**NAKURU COUNTY**



---

**LARMUDIAC HIGH SCHOOL**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2024**

---

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

<b>Table of Contents</b>	<b>Page</b>
1. Acronyms and Definition of Key Terms .....	ii
2. Key School Information and Management .....	iii
3. Summary Report of Performance of the School.....	viii
4. Statement of School Management Responsibility .....	xiii
5. Report of the Independent Auditors (To be attached).....	xiv
6. Statement of Receipts and Payments for the Year Ended 30 <sup>th</sup> June 2024.....	1
7. Statement of Assets and Liabilities as At 30 <sup>th</sup> June 2024.....	2
8. Statement of Cash Flows for the Year Ended 30 <sup>th</sup> June 2024 .....	3
9. Statement of Budgeted versus Actual Amounts for The Year Ended 30 <sup>th</sup> June 2024.....	5
10. Significant Accounting Policies .....	8
11. Notes To the Financial Statements .....	10
12. Annexes .....	18

**1. Acronyms and Definition of Key Terms**

**A. Acronyms.**

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

**B. Definition of Key Terms**

**Comparative Year-** Means the prior period.

**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 re-registered in 01/2024 under registration number 32S30000314 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is fully boarding and had 850 students as at 30<sup>th</sup> June 2024. It has 4 streams and 35 teachers of whom 9 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:

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
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-special need	23/05/2022
8	Mr.Newton Kamunge	Member –CEB rep	23/05/2022
9	Mr. Samson Kinyanjui	Member Teachers rep	23/05/2022
10	Fr.Faustin Litanda	Sponsor	23/05/2022
11	Mr.Maroko Wilson	Member – Community rep	23/05/2022
12	Ms Lucy Njeri	Member	23/05/2022
13	Ms Eundita Nyaguthie	Member-Students rep	23/05/2022
14	Mr.Simon Nampaso	P.A chairman	23/05/2022
15	Snr.Chief- Simon Mucheke Njuguna	Ex-official 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, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School’s affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils’ discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Dr.Stellamaris Muthoka 2.Mr.Herman Ndungu 3.Ms.Edith Wanjiku 4.Mr.Simon Nampaso 5. Fr.Faustin Litanda	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.Simon Nampaso 5.Mr. Newton Kamunge	Chairlady Secretary Member PA chair Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 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 5.Mr.Simon Nampaso	Chairman Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
4	Academic Committee	1.Dr.Lucy Njeri 2.Ms Agnes Wambui 3.Ms Benedetta Kariuki	Chair Member Member	3 out of 3 3 out of 3 3 out of 3

		4.Mr.Herman Ndungu	Member	3 out of 3
5	Development Committee	1.Mr.Herman Ndungu 2.Sub-county Director of Education 3.Mr.Wilson Maroko 4.Ms.Eudita Nyaguthie	Chair/Principal Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
6	Discipline and welfare Committee	1.Mr.Samson Kinyanjui 2.Mr.Simon Nampaso 3.Ms.Mercy Njeri 4.Mr.James Kiiru 5.Mr.Herman Ndungu	Chair Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
7	Adhoc Committee	N/A	N/A	N/A

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	NGUGI NDUNGU HERMAN	TSC No.255030
2	Deputy Principal	MARY MUNYAKA	TSC No.373354
3	School Bursar	HARUN JOHN	ICPAK No.

**(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

**(g) Independent Auditors**

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

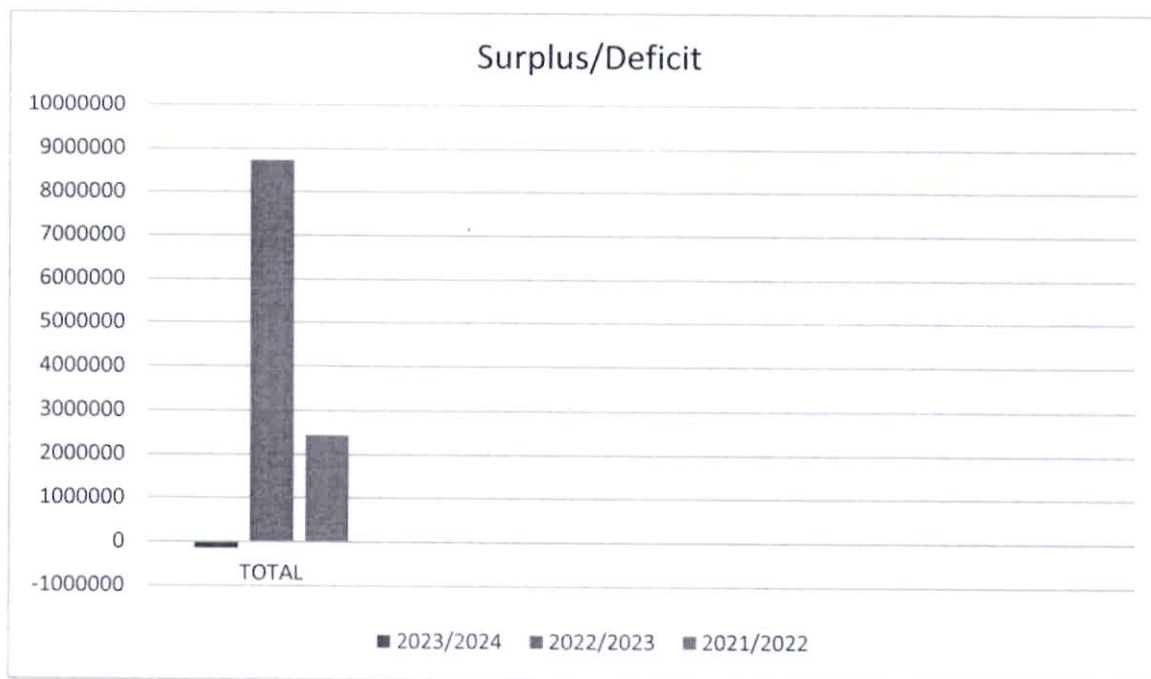
**3. Summary Report of Performance of The School**

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

**a) Financial performance:**

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

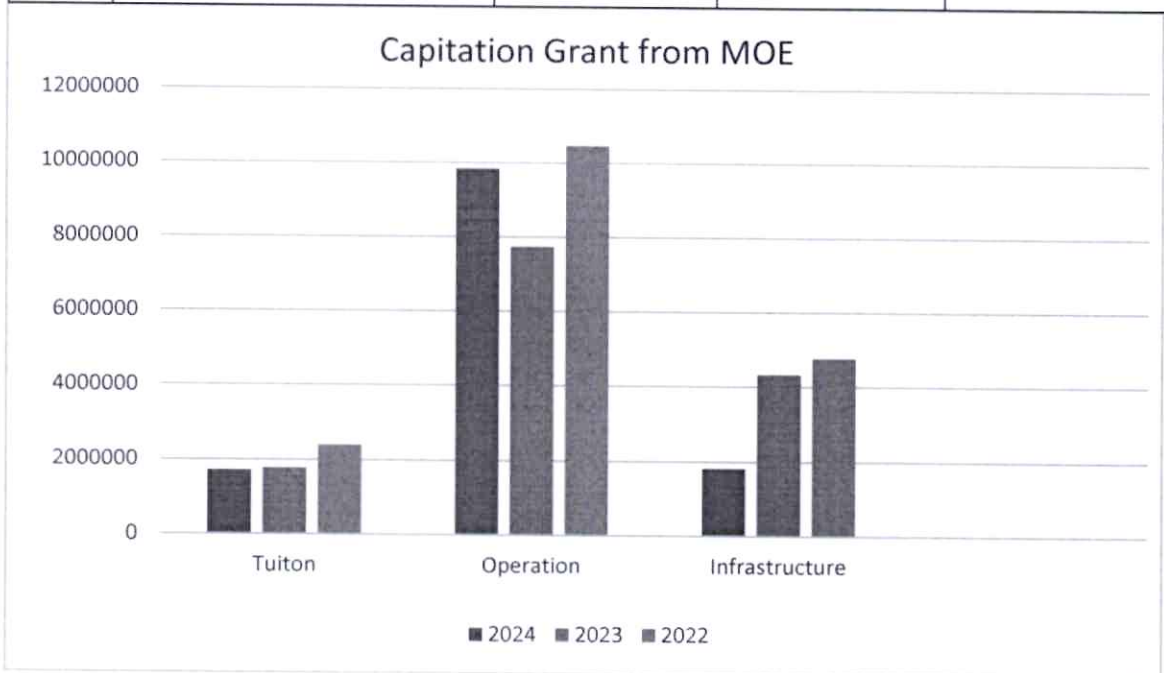
S/NO	YEAR	2023/2024 KSHS	2022/2023 KSHS	2021/2022 KSHS
1	TOTAL	(145,877.40)	8,730,712.87	2,431,792.50



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

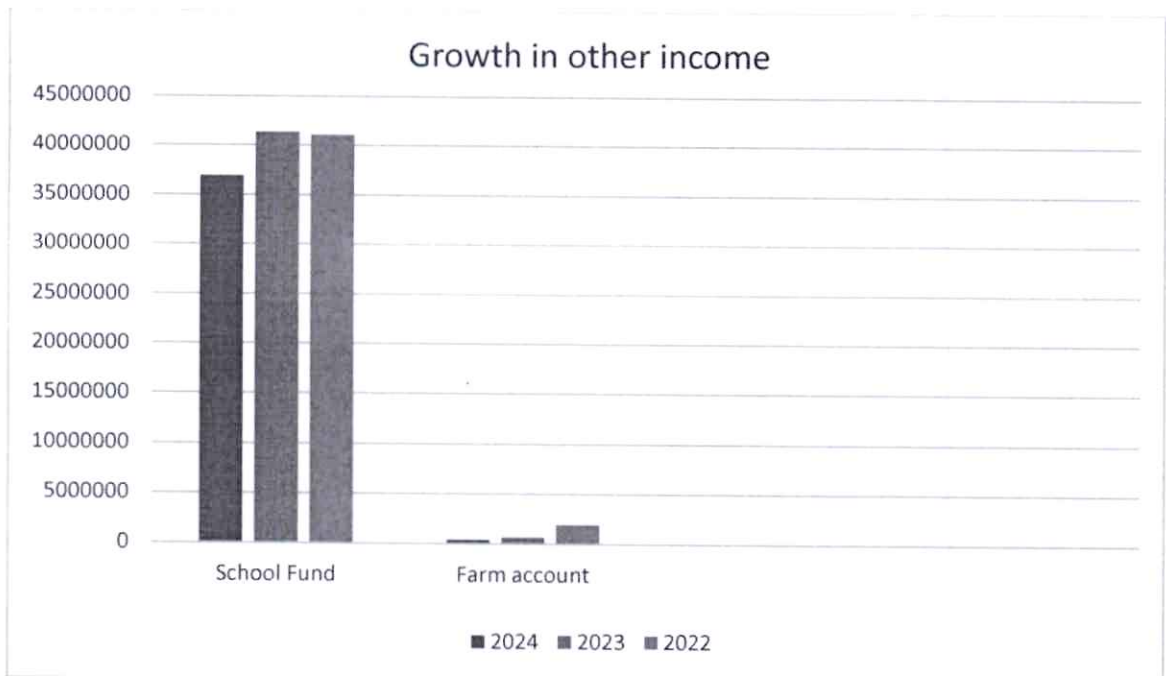
S/NO	ACCOUNTS	2023/2024 KSHS	2022/2023 KSHS	2021/2022 KSHS
1	TUITION	1,708,218.80	1,769,186.50	2,396,091.20
2	OPERATIONS	9,841,354.80	7,740,515.75	10,468,015.50
3	INFRASTRUCTURE	1,809,600.00	4,340,000.00	4,776,000.00
	TOTAL	<b>13,359,173.60</b>	<b>13,849,702.25</b>	<b>17,640,106.70</b>

	<b>ENROLMENT</b>	<b>850</b>	<b>693</b>	<b>620</b>
	<b>CAPITATION/STUDENT</b>	<b>13,587.70</b>	<b>13,722.50</b>	<b>20,748.60</b>



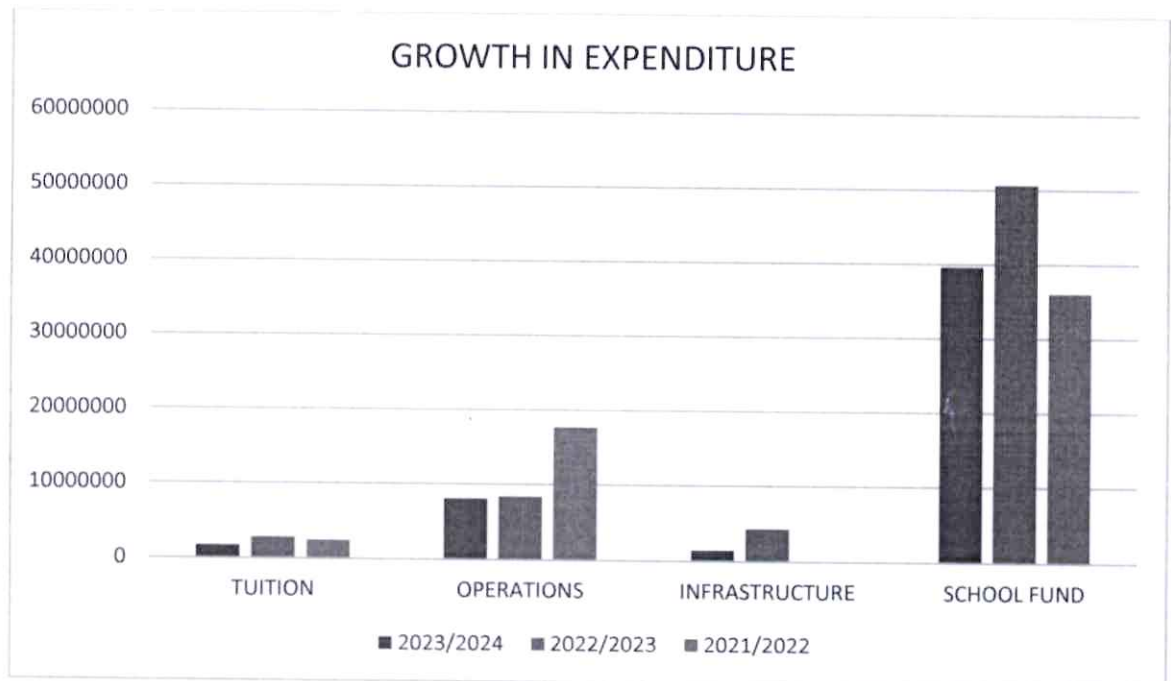
**- A three-year overview of growth of other income(s) earned by the school.**

S/NO	ACCOUNTS	2023/2024	2022/2023	2021/2022
1	School fund account	36,923,681.00	41,347,876.00	41,031,955.00
2	Farm Account	407,560.00	647,855.00	1,917,190.00



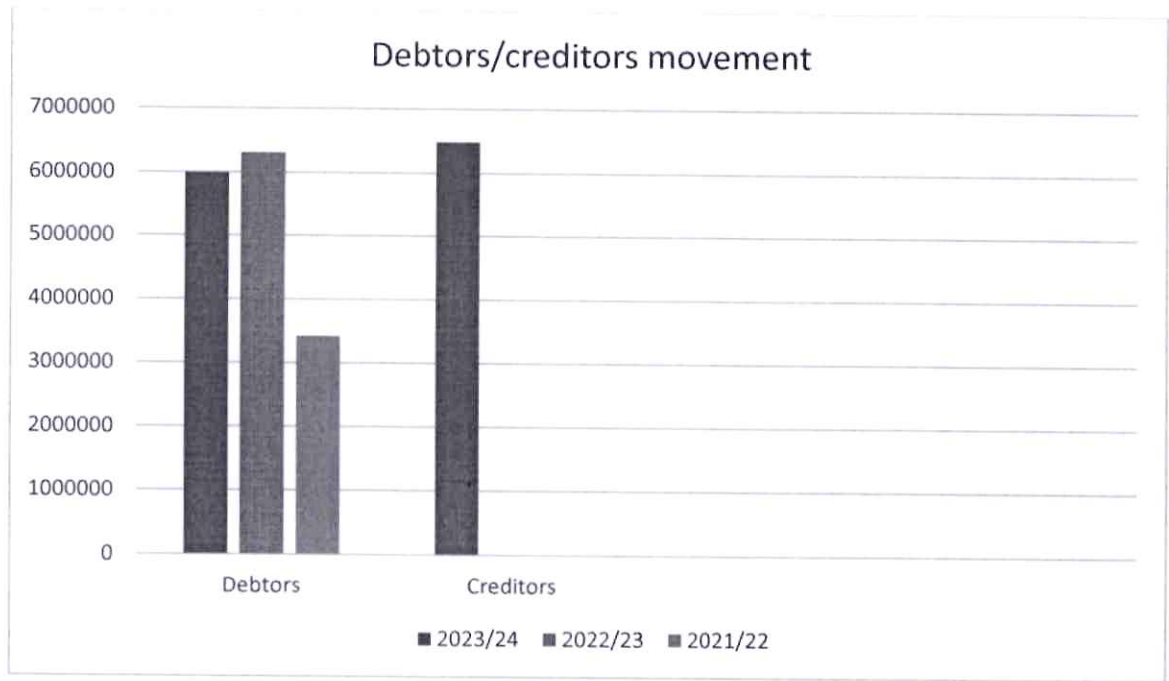
**- A three-year overview of growth in expenditure of the school**

S/NO	ACCOUNTS	2023/2024 KSHS	2022/2023 KSHS	2021/2022 KSHS
1	TUITION	1,694,181.00	2,794,962.00	2428555.00
2	OPERATION	8,075,844.00	8,392,402.00	17,759,760.00
3	INFRASTRUCTURE	1,458,350.00	4,336,397.00	
4	SCHOOL FUND	39,607,917.00	50,672,385.12	36,051,944.20



**- Movement of debtors and creditors of the school over the last three years**

S/NO	Details	2023/2024 kshs	2022/2023 Kshs	2021/2022 Kshs
1	Debtors	6,007,039.12	6,314,609.12	3,427,321.00
2	Creditors	6,492,994.00	NIL	NIL



**b) Teacher Student ratio:**

	<b>Details</b>	<b>Year 2024</b>
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	9
	<b>SUBJECT</b>	<b>NO OF TEACHERS/SUBJECT</b>
1	Mathematics	6
2	History	1
3	CRE	2
4	Geography	3
5	English	5
6	Biology	3
7	Chemistry	3
8	Physics	5
9	Agriculture	2
10	Business studies	2

**c) The mean score in the 2022-2024 KCSE:**

	<b>Year</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
1	Target means score	+5.2	+5.2	+5.2
2	Actual means score	-	4.7	4.23
3	Entry	138	136	217
4	Transition to higher learning		24	18

**d) Number of Candidates in the 2022-2024 KCSE:**

<b>S/NO</b>	<b>Year</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
1	Number of candidates	138	136	217

**e) The capacity of the school:**

<b>S/NO</b>	<b>Details</b>	<b>Year 2024</b>		
1	Enrolment	850		
2	Numbers dormitories	16		
3	Number of dining hall	1		
4	Number of laboratories	4		
5	Number of toilets 53	Boys-34 Girls-19		
6	Girls study room	1		

**f) Development projects carried out by the school:**

<b>Projects</b>	<b>Source of funds</b>	<b>Status</b>	<b>Initial Cost (Kshs)</b>	<b>Amount Spent (Kshs)</b>	<b>Expected completion time</b>
2023/2024	School Fund	Girls dormitory	4,340,000.00	4,334,495.00	Complete

*Handwritten signature*  
 .....  
**School Principal**

CHIEF PRINCIPAL  
 LARMUDIAC HIGH SCHOOL  
 P.O. Box 303-20107.NJORO  
 Date.....

**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 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 30<sup>th</sup> June, 2024, and of the school's financial position as at that date.

*Muthoka*  
.....

**Name: Stellamaris Muthoka**

**Designation:** Chairman, School Board of Management

**Date:**.....

*Herman Ndungu*  
.....

**Name: Herman Ndungu**

**Designation:** School Principal & Secretary to Board of Management

**Date:**.....



*Harun John*  
.....

**Name: Harun John**

**Designation:** Bursar/ Finance Officer

**Date:**.....

# REPUBLIC OF KENYA

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



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

## REPORT OF THE AUDITOR-GENERAL ON LARMUDIAC HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - NAKURU COUNTY

---

### PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

## REPORT ON THE FINANCIAL STATEMENTS

### Qualified Opinion

I have audited the accompanying financial statements of Larmudiac High School - Nakuru County set out on pages 1 to 17, which comprise of the statement of assets and liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows, and the 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, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### Basis for Qualified Opinion

#### 1. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.6,007,039 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in this balance are receivables amounting to Kshs.4,271,582 which have been outstanding for more than 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 and full recoverability of the outstanding receivables balance of Kshs.6,007,039 could not be confirmed.

#### 2. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects bank balances of Kshs.6,075,495 as disclosed in Note 10 to the financial statements. Included in the balance is an amount of Kshs.3,647,171 in respect to School fund account. However, review of the bank

reconciliation statement for the School fund account revealed a reconciled balance of Kshs.3,906,275 reported as unbanked MPESA Paybill deposits. Further, examination of the MPESA Paybill statement as at 30 June, 2024 indicated an actual balance of only Kshs.3,000, resulting to an unexplained variance of Kshs.3,906,275.

In the circumstances, the accuracy and completeness of the reported bank balance of Kshs.3,647,171 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.

### **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. Except for the matters described in the Basis for Qualified Opinion, I have determined that there are no other matters to communicate in my report.

### **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, 2024.

### **Other Information**

Management is responsible for the other information set out on pages ii to xiii which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Larmudiac High School financial statements, my responsibility is to read the other information and in doing so, consider whether the other

information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is no material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

## 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 effect of 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. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 22 April, 2025 after the statutory deadline of 30 September, 2024. This was contrary to the Ministry of Education Circular Ref. MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stipulated that the School's financial statements should be submitted for audit by 30 September each year in compliance with Section 81 of the Public Finance Management Act, 2012 regarding the preparation of the financial statements.

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

#### **2. Over Funding of Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.1,708,219 and Kshs.9,841,355 respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported a total number of two thousand and ninety-four (2094) students while the enrolment records provided by the School indicated only one thousand, three hundred and sixty five (1365) students, resulting in an unexplained variance of seven and twenty nine (729) students. As a result, the School was overfunded by Kshs.3,411,105.

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

### **3. Irregularities in Management of Imprest**

The statement of receipts and payments reflects Boarding and School fund payments of Kshs.39,607,917 as disclosed in Note 9 to the financial statements. Included in the amount is local transport/travelling expenditure of Kshs.1,838,457. Review of the payment vouchers revealed that the School did not maintain imprest register, imprest warrant to help in accounting for the imprest issued to officers in the School. This was contrary to Regulation 91 (2) and Regulation 93 (4) (c) of the Public Finance Management (National Government) Regulations, 2015 which requires issuance of imprest through an imprest warrant and the proper management and control of imprests.

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

### **4. Irregular Cash Purchases of Goods, Works and Services**

The statement of receipts and payments reflects Boarding and School fund payments of Kshs.39,607,917 as disclosed in Note 9 to the financial statements. The balance includes cash withdrawals amounting to Kshs.11,107,725 used for the purchase of goods, works and services that exceeded the Kshs.50,000 and Kshs.100,000 thresholds. These purchases should have utilized other appropriate procurement methods, as outlined in the threshold matrix of the Second Schedule of the Public Procurement and Asset Disposal Regulations, 2020. Further, there were no supporting documentation such as receipts, goods received notes or an updated petty cashbook.

In addition, the School does not have a documented cash handling policy to guide the processes for cash withdrawals, safekeeping, and usage of cash funds.

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

### **5. Irregular Procurement of Goods and Services from Unregistered Suppliers**

The statement of receipts and payments reflects Boarding and School fund payments of Kshs.39,607,917 as disclosed in Note 9 to the financial statements. Review of sampled documents revealed that payments amounting to Kshs.13,601,018 were made to suppliers for supply of goods and services who were not included in the list of registered suppliers contrary to Section 57 (1) of the Public Procurement and Asset Disposal Act, 2015.

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

### **6. Late Transfer of Infrastructure Funds from Operations Bank Account**

The statement of receipts and payments reflects infrastructure grants amount of Kshs.1,809,600 from the Ministry of Education as disclosed in Note 3 to the financial statements. The amount was credited to the operations bank account and was intended

to be transferred to the infrastructure bank account for the maintenance and improvement of the School's facilities. However, only Kshs.644,000 was actually transferred to infrastructure account, leaving a balance of Kshs.1,165,600 as at 30 June, 2024. This was contrary to The Ministry of Education's Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account within fifteen (15) days of receipt in the operations account.

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

#### **7. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects operations and School fund payment amounts of Kshs.8,075,844 and Kshs.39,607,917 as disclosed in Notes 7 and 9 to the financial statements. Included in the expenditure is an amount of Kshs.613,300 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system, and there is no guarantee that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.613,300 could not be confirmed.

#### **8. Failure to Prepare Procurement Plan**

The statement of receipts and payments reflects total payments of Kshs.50,836,292. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which requires a procuring entity to prepare a procurement plan for each financial year as part of the annual budget preparation process. Further, Management did not prequalify or register any suppliers during the year.

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

#### **9. Failure to Prepare School Improvement Plan**

During the year under review, the School did not have an approved School Improvement Plan. This was contrary to Section 2.2 of the Ministry of Education's Operation Manual for the Utilization of Learner Capitation Grants 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 categories 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.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and 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. This was contrary to Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires a National Government entity to assess effectiveness of its operations 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 internal audit function.

#### **2. Lack of Key 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 for mitigating operational, legal and financial risks. Consequently, Management did not conduct formal risk assessments on key financial areas such as cash, revenue and expenditure. Further,

it was noted that Management lacked a Disaster Recovery Plan and a Business Continuity Plan, which means that 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 its key financial matters. As a result, the School lacked sufficient safeguards and controls for managing its finances effectively.

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

### **3. Failure to Maintain a Fixed Assets Register**

During the year under review, the School did not prepare an asset register as required. In addition, Annexure 2 to the financial statements reflects a summary of fixed assets register in respect of fixed assets which include land. Physical verification conducted in April, 2024 revealed that the School had other assets including buildings, office equipment, Information Communication Technology (ICT) equipment and furniture and fittings. However, the values of the assets 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 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 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 as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**28 May, 2025**

6. Statement Of Receipts and Payments for the Year Ended 30<sup>th</sup> June 2024

Description Of Vote Head	Note	2023/2024	2022/2023
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	1,708,218.80	2,769,186.50
Government grants for operations	2	9,841,354.80	8,360,515.75
Government Grants for infrastructure	3	1,809,600.00	4,340,000.00
School fund income- parents' contributions	4	36,923,681.00	41,347,876.00
Miscellaneous incomes	5	407,560.00	647,855.00
<b>Total Receipts</b>		<b>50,690,414.60</b>	<b>57,465,433.25</b>
<b>Payments</b>			
Tuition	6	1,694,181.00	2,794,962.00
Operations	7	8,075,844.00	8,392,402.00
Infrastructure	8	1,458,350.00	4,336,397.00
Boarding and school fund	9	39,607,917.00	50,672,385.12
<b>Total Payments</b>		<b>50,836,292.00</b>	<b>66,196,146.12</b>
<b>Surplus/Deficit</b>		<b>(145,877.40)</b>	<b>8,730,712.87</b>

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

*Muthoka*  
.....

Name:Stellamaris Muthoka  
Chair BOM

Date:.....

*Herman Ndungu*  
.....

Name:Herman Ndungu  
School Principal/ Secretary to  
BOM

Date:.....

*Harun John*  
.....

Name:Harun John  
Bursar/ Finance Officer

Date:.....

CHIEF PRINCIPAL  
LARMUDIAC HIGH SCHOOL  
P.O. Box 303-20107.NJORO  
Date:.....

7. Statement of Assets and Liabilities As At 30<sup>th</sup> June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	6,075,495.43	(520,784.17)
Cash balances	11	58,619.50	212.50
Short term investments	12		
<b>Total cash and cash equivalent</b>		<b><u>6,134,114.93</u></b>	<b><u>(520,571.67)</u></b>
Account's receivables	13	6,007,039.12	6,314,609.12
<b>Total financial assets (a)</b>		<b>12,141,154.05</b>	<b>5,794,037.45</b>
<b>Financial liabilities</b>			
Accounts payables	14	6,492,994.00	
<b>Total Financial Labilities (b)</b>		<b>6,492,994.00</b>	
<b>Net financial assets (a-b)</b>		<b>5,648,160.05</b>	<b>5,794,037.45</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	5,794,037.45	14,524,750.32
Surplus/deficit for the year		(145,877.40)	(8,730,712.87)
<b>Net Assets</b>		<b>5,648,160.05</b>	<b>5,794,037.45</b>

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

*Muthoka*

Name:Stellamaris Muthoka

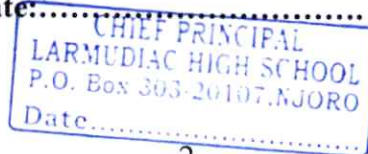
Chair BOM

Date:.....

*Herman Ndungu*

Name:Herman Ndungu  
School Principal/ Secretary to  
BOM

Date:.....



*Harun John*

Name:Harun John

Bursar/ Finance Officer

Date:.....

8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition	1	1,708,218.80	2,769,186.50
Government grants for operations	2	9,841,354.80	8,360,515.75
Government grants for infrastructure	3	1,809,600.00	4,340,000.00
School fund income- parents contributions/ fees	4	37,231,251.00	41,347,876.00
Other income	5	407,560.00	647,855.00
<b>Total receipts</b>		<b>50,997,984.60</b>	<b>57,465,433.25</b>
<b>Payments</b>			
Cash outflows for tuition	6	1,694,181.00	2,794,962.00
Cash outflows for operations	7	8,075,844.00	8,392,402.00
Cash outflows Boarding/lunch and school fund payments	9	33,114,923.00	50,672,385.12
<b>Total payments</b>		<b>42,884,948.00</b>	<b>61,859,749.12</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>8,113,036.60</b>	<b>(4,394,315.87)</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets	8	(1,458,350.00)	(4,336,397.00)
Purchase of investments			
<b>Net cash inflow/outflows from investing activities</b>		<b>(1,458,350.00)</b>	<b>(4,336,397.00)</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans	18		
<b>Net cash inflow/outflow from financing activities</b>			
<b>Net increase/decrease in cash and cash equivalents</b>		<b>6,654,686.60</b>	<b>(8,730,712.87)</b>
Cash and cash equivalent at beginning of the FY		(520,571.67)	8,210,141.20
<b>Cash and cash equivalent at end of the FY</b>		<b>6,134,114.93</b>	<b>(520,571.67)</b>

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

**Larmudiac High School**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

---

*Muthoka*  
.....

**Name:Stellamaris Muthoka**

**Chair BOM**

**Date:.....**

*Herman Ndungu*  
.....

**Name:Herman Ndungu**  
**School Principal/ Secretary to BOM**

**Date:.....**

*Harun John*  
.....

**Name:Harun John**

**Bursar/ Finance Officer**

**Date:.....**

CHIEF PRINCIPAL  
LARMUDIAC HIGH SCHOOL  
P.O. Box 303 20107 NJORO  
Date.....

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Receipts</b>					
<b>(1) Capitation Grant on Tuition</b>					
Laboratory Equipment	1,232,840.00		1,232,840.00	387,366.00	31.42%
Teaching / Learning Materials	2,289,560.00		2,289,560.00	1,320,852.80	57.69%
<b>(2) Capitation Grant on Operations</b>					
Personnel Emoluments	4,891,750.00		4,891,750.00	3,680,757.90	75.20%
Repairs And Maintenance	1,603,100.00		1,603,100.00	4,280,340.00	267%
Local Transport / Travelling	2,408,050.00		2,408,050.00	332,820.95	13.80%
Electricity And Water	978,350.00		978,350.00	300,000.00	31%
Medical	1,546,150.00		1,546,150.00	160,975.00	10.40%
Administration Costs	2,186,200.00		2,186,200.00	786,460.95	35.97%
Activity	1,067,600.00		1,067,600.00	300,000.00	28.1%
<b>3) FDSE for infrastructure</b>					
Maintenance &Improvement MoE				1,809,600.00	
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	2,720,000.00		2,720,000.00	2,262,787.00	83.20%
Repairs And Maintenance	2,040,000.00		2,040,000.00	1,800,067.00	88.20
Local Transport / Travelling	552,500.00		552,500.00	485,569.00	87.89%
Electricity And Water	2,465,000.00		2,465,000.00	2,270,377.00	92.10%
Administration Costs	3,272,500.00		3,272,500.00	2,707,114.00	82.70%
Activity	127,500.00		127,500.00	101,409.00	79.50%

**Larmudiac High School**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On	% Of Utilization
	a	b	c=a+b	Comparable Basis	
	Kshs	Kshs	Kshs	d	e=d/c %
Students ID Cards				4,000.00	
Fees arrears				1,735,457.00	
Fee On Boarding Equipment and Stores	23,277,250.00		23,277,250.00	25,556,901.00	123.60%
<b>5) Miscellaneous Income</b>					
Income From Farming Activities				407,560.00	
Insurance Compensation					
<b>Total Income</b>	<b>52,658,350.00</b>		<b>52,658,350.00</b>	<b>50,690,414.60</b>	<b>96.30%</b>
<b>(6) Expenditure For Tuition</b>					
Laboratory Equipment	1,232,840.00		1,232,840.00	581,050.00	47.10%
Teaching / Learning Materials	2,289,560.00		2,289,560.00	1,108,046.00	48.40%
Bank Charges				5,085.00	
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments	4,891,750.00		4,891,750.00	3,283,481.00	67.1%
Repairs, Maintenance & Improvements	1,603,100.00		1,603,100.00	3,386,040.00	211.20%
Local Transport / Travelling	2,408,050.00		2,408,050.00	66,920.00	2.78%
Electricity, Water and Conservancy	978,350.00		978,350.00	279,850.00	28.60%
Medical	1,546,150.00		1,546,150.00	121,821.00	7.9%
Administration Costs	2,186,200.00		2,186,200.00	714,947.00	32.70%
Activity Expenses	1,067,600.00		1,067,600.00	217,700.00	20.40%
Bank charges				5,085.00	0%
<b>(8) Expenditure For infrastructure</b>					

**Larmudiac High School**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	
Bank charges				4,740.00	0%
Construction of DORMS				1,453,610.00	0%
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Personnel Emoluments	2,720,000.00		2,720,000.00	2,516,845.00	92.50%
Repairs, Maintenance and Improvements	2,040,000.00		2,040,000.00	1,353,113.00	66.30%
Local Transport / Travelling	552,500.00		552,500.00	1,838,457.00	332.75%
Electricity, Water and Conservancy	2,465,000.00		2,465,000.00	2,482,352.00	100.70%
Expenses on income generating activity				421,890.00	0%
Administration Costs	3,272,500.00		3,272,500.00	3,287,252.00	102.90%
Activity	127,500.00		127,500.00	134,455.00	0%
Boarding Equipment and Stores	23,277,250.00		23,277,250.00	25,383,837.00	95%
Bank Charges				23,116.00	0%
Acquisition Of Assets				959,600.00	0%
<b>Totals</b>	<b>52,658,350.00</b>		<b>52,658,350.00</b>	<b>50,836,292.00</b>	<b>96.5%</b>

**10. Significant Accounting Policies**

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

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

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

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

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2024.

## 11. Notes To the Financial Statements

## 1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Laboratory Equipment	387,366.00	979,547.75
Teaching / Learning Materials	1,320,852.80	789,638.75
Inter account transfer-Operations		1,000,000.00
<b>Total</b>	<b>1,708,218.80</b>	<b>2,769,186.50</b>

## 2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	3,680,757.90	2,789,665.75
Repairs And Maintenance	4,280,340.00	500,000.00
Local Transport / Travelling	332,820.95	-
Electricity And Water	300,000.00	300,000.00
Medical	160,975.00	65,200.00
Administration Costs	786,460.95	1,270,000.00
Activity	300,000.00	231,650.00
Other Vote Heads-Infrastructure		2,584,000.00
Inter account borrowing-lunch		620,000.00
<b>Total</b>	<b>9,841,354.80</b>	<b>8,360,515.75</b>

## 3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	1,809,600.00	4,340,000.00
Transition infrastructure grants	-	-
Economic stimulus grants	-	-
<b>Total</b>	<b>1,809,600.00</b>	<b>4,340,000.00</b>

**4 School Fund Income - Parents Contribution/Fees**

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	2,262,787.00	3,686,750.00
Repairs and maintenance	1,800,067.00	2,669,173.00
Local transport / travelling	485,569.00	730,622.00
Electricity and water	2,270,377.00	3,618,131.00
Inter Account transfers-operations		620,000.00
Administration costs	2,707,114.00	4,254,125.00
Activity	101,409.00	138,205.00
Fee on Boarding Equipment and stores	25,556,901.00	19,928,638.00
PA Levies		5,543,039.00
Others-Students ID cards	4,000.00	159,193.00
Fees Arrears	1,735,457.00	
<b>Total</b>	<b>36,923,681.00</b>	<b>41,347,876.00</b>

**5 Miscellaneous Incomes**

Description	2023-2024	2022-2023
	Kshs	Kshs
Rent Income		
Income From Farming Activities	407,560.00	647,855.00
Other Income		
<b>Total</b>	<b>407,560.00</b>	<b>647,855.00</b>

**6 Tuition**

Description	2023-2024	2022-2023
	Kshs	Kshs
Laboratory Equipment	581,050.00	1,075,750.00
Teaching / Learning Materials	1,108,046.00	417,988.00
Bank Charges	5,085.00	1,224.00
Inter account transfer –school fund		1,300,000.00
<b>Total</b>	<b>1,694,181.00</b>	<b>2,794,962.00</b>

**7 Operations**

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	3,283,481.00	1,972,984.00
Administration Cost	714,947.00	1,257,058.00
Repairs And Maintenance & Improvements	3,386,040.00	454,450.00
Local Transport / Travelling	66,920.00	425,239.00
Electricity And Water	279,850.00	217,864.00
Bank charges	5,085	10,954.00
Activity Expenses	217,700.00	120,000.00
Medical	121,821.00	213,853.00
Infrastructure-Acquisition of asset		3,100,000.00
Inter account borrowing -Lunch		620,000.00
<b>Total</b>	<b><u>8,075,844.00</u></b>	<b><u>8,392,402.00</u></b>

**8 Infrastructure**

Description	2023-2024	2022-2023
	Kshs	Kshs
Construction of dormitory	1,453,610.00	4,334,495.00
Bank charges	4,740.00	1,902.00
<b>Total</b>	<b><u>1,458,350.00</u></b>	<b><u>4,336,397.00</u></b>

**9 Boarding And School Fund**

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	2,516,845.00	3,686,341.00
Activity	1,341,455.00	497,790.00
Repairs And Maintenance & Improvements	1,353,113.00	2,668,510.00
Local Transport / Travelling	1,838,457.00	2,486,729.00
Electricity And Water	2,482,352.00	3,618,016.00
Medical Expenses		85,856.00
Administration Costs	3,287,252.00	425,3807.00
Students ID CARD		165,000.00
Bank Charges	23,116.00	26,510.00
Expenses On Income Generating Activities	421,890.00	1,974,061.00

Fee On Boarding Equipment and Stores	25,383,837.00	22,806,726.12
Expenses on students uniform		5,543,039.00
Infrastructure	959,600.00	
Acquisition Of Assets		1,240,000.00
Inter account Borrowing –operations		620,000.00
Inter account Borrowing –Tuition		1,000,000.00
<b>Total</b>	<b><u>39,607,917.00</u></b>	<b><u>50,672,385.12,</u></b>

**10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1101678534	235,601.75	221,563.95
Operations Account	Active	1101678267	1,822,289.80	68,622.00
School Fund Account/Boarding	Active	1101720832	3,647,170.88	(848,158.12)
Income Generating Activities Account	Active	1134380720	11,221.00	29,226.00
Infrastructural Account	Active	1234927640	359,212.00	7,962.00
<b>Total</b>			<b>6,075,495.43</b>	<b>(520,784.17)</b>

**11 Cash In Hand**

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	58,619.50	212.50
<b>Total</b>	<b>58,619.50</b>	<b>212.50</b>

**12 Short Term Investments**

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

**Larmudiac High School**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**13 Accounts Receivable**

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	6,007,039.12	6,314,609.12
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
<b>Total</b>	<b>6,007,039.12</b>	<b>6,314,609.12</b>

**13 b) Ageing Analysis of Accounts Receivable**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,735,457.00	28.89%	5,710,111.00	90.4%
Between 1- 2 years			-	
Between 2-3 years	3,667,084.00	61.05%	604,498.12	9.6%
Over 3 years	604,498.12	10.06%	-	
<b>Total</b>	<b>6,007,039.12</b>	<b>100%</b>	<b>6,314,609.12</b>	<b>100%</b>

**14 Accounts Payable**

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors	6,492,994.00	NIL
Prepaid Fees	-	-
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (specify)	-	-
<b>Total</b>	<b>6,492,994.00</b>	<b>NIL</b>

**14a. Ageing Analysis of Accounts Payable**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	6,492,994.00	100%		
Between 1- 2 years	-			
Between 2-3 years	-			
Over 3 years	-			
<b>Total (should tie to note 14)</b>	<b>6,492,994.00</b>	<b>100%</b>	<b>NIL</b>	

**15 Fund Balance Brought Forward**

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Bank Balances	(520,784.17)		7,949,261.70	
Cash Balances	212.50		260,879.50	
Receivables	6,314,609.12		6,314,609.12	
Payables	-		-	
<b>Total</b>	<b>5,794,037.45</b>		<b>14,524,750.32</b>	

**Other important disclosure notes**

IPSAS Cash Standard encourages an entity to disclose accrual-related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non-financial assets and liabilities.

**16 Non-current Liabilities Summary**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Loans	-	-
Gratuity And Leave Provision	-	-
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

**17 Biological assets**

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle	12		
Trees	3000		
Sheep	15		
<b>Total</b>			

**18 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Repayments during the year	-	-
<b>Balance at the end of the year</b>	<b>NIL</b>	<b>NIL</b>

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

Description	As at 30 <sup>th</sup> June 2024	As at 30 <sup>th</sup> June 2023
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		

**Larmudiac High School**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**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	Overdrawn accounts	Many un-presented cheques at close of the year	Partially resolved	30 <sup>th</sup> June 2025
2	Unsupported payments	Avoid order by phone or verbal	Partially resolved	30 <sup>th</sup> June 2025
3	Non-compliance with laws on statutory deductions	Deduct all PAYE with arrears	Not solved	30 <sup>th</sup> June 2025

CHIEF PRINCIPAL  
LARMUDIAC HIGH SCHOOL  
P.O. Box 303-20107, NJORO  
Date.....

*[Handwritten Signature]*

Sign and Date  
Principal

## 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	
<b>Construction Of Buildings</b>						
1. -	-		-		-	
2. -	-		-		-	
3. -	-		-		-	
<b>Sub-Total</b>	-		-		-	
<b>Supply Of Goods</b>	-		-		-	
4. Patmat bookshop	346,737		155,684	191,053	Ni	
5. H.Downing	487,580		102,740	384,840	-	
6. Kinamba Evans Enterprises	121,990			121,990	-	
7. Mache Hardare Stores	346,615			346,615	-	
8. Copycate Enterprises	3,890,001		1,569,850	2,320,151	-	
9. School farm account	486,845		-	486,845	-	
10. Poly Energy saver	275,000		90,000	185,000	-	
11. Dunware Hardware suppllies	1,310,300		630,650	679,650	-	
12. Mary Wairimu Kimuhu	983,500		491,750	491,750	-	

**Larmudiac High School**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
13. Nakuru Wool Shop	1,104,950			1,104,950	-	
14. Nakulabs & School Supplies	1,100.00			1,100.00	-	
15. Nakuru press Shop	1,050			1,050	-	
16. Naftali Kiberu	43,200			43,200	-	
<b>Sub-Total</b>						
<b>Supply Of Services</b>						
17. Njoro Vet Services	10,400.00			10,400.00	-	
18. Francis Ruto	182,400.00		58,000.00	124,400.00	-	
<b>Sub-Total</b>						
<b>Grand Total</b>	<b>9,591,668.00</b>		<b>3,098,674.00</b>	<b>6,492,994.00</b>		

**Annex 2 – Summary of Fixed Assets Register**

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
<b>Land-15.93 hactares</b> Nakuru /Lare/Teret block 1/2591(Mutukanio)				
<b>Buildings And Structures</b> -admin block-1 -Laboratories-4				

**Larmudiac High School**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

<b>Asset Class</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2023</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2022</b>
-Dining hall-1 -Toilets boys-36 -Toilets girls-32 -Toilet staff-14 -Library-1 -Kitchen store-2 -General store-1 -Dormitory-boys-2 -Girls-3				
<b>Motor Vehicles</b> -Bus KAR 351L -Van KBZ092K				
<b>Office Equipment, Furniture and Fittings</b> -Students locker-860 -Students chairs-860 -Teachers tables-37 -Normal tables-94 -office chairs-70 -cabinets-7 -Laboratory stools-186 -Laboratory tables-19				
<b>Textbooks</b> -Assorted text books				
<b>ICT Equipment</b> -computers-33				

**Larmudiac High School**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

<b>Asset Class</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2023</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2022</b>
-projector-2 -printers-7 -Photocopiers-1 -Terevision sets-3 -WIFI-1 -CCTV Cameras-25				
<b>Tools And Apparatus</b> -Assorted laboratory equipment & apparatus				
<b>Other Machinery and Equipment</b> PA system -wall clock-20 -energy saving jikos 5 -sufurias-15 -assorted utensils & cuttery				
<b>Heritage And Cultural Assets</b> keyboard -2 -speakers-4 -microphones-4 -Amphlifier-2				
<b>Intangible Assets- Soft Ware</b> Exam and accounts software-3 SMS program-1 account office -Quickpay software program 1 account office -Zeraki exam program-1 exam office				
<b>Total</b>				

