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REPORT

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TABLED BY:	HON. AHADU MUKURUWA, DEPUTY CHIEF WHIP
CLERK-AT THE-TABLE:	ANN SHIBUKO

OF

THE AUDITOR-GENERAL

ON

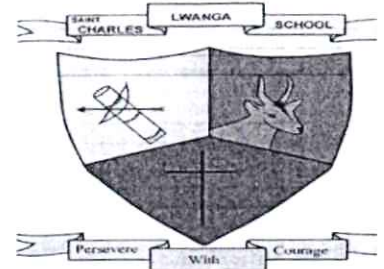
**ST. CHARLES LWANGA
SECONDARY SCHOOL**

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

KITUI COUNTY



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
13 MAY 2025
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ST.CHARLES LWANGA SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th June 2024

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

ST.CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2024

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ST.CHARLES LWANGA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2024

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
FDSE	Free day Secondary Education
ICPAK	Institute of Certified Public Accountants of Kenya
MOE	Ministry of Education
TSC	Teachers Service commission

ST.CHARLES LWANGA SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2024

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 located in Kitui County, Kitui central Sub-County

The school was registered in 18/06/2010 under registration number GP/A/873810 and is currently categorized as a (underline one) (*National Etra-county, county and Sub County*) public school established, owned or operated by the Government.

The school is a boarding school and had 1478 number of students as at 30th June 2024. It has 6 streams and 66 teachers of which 6 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	NICHOLAS M MULILA	Chairman	17/5/2022
2	DOMINIC MUSEMBI	Vice Chairman	17/5/2022
3	ARCHIPPUS MWINZI	Secretary - Principal	17/5/2022
4	DR.KASIVU GEDION	P.A Chairman	17/5/2022
5	FR.BENSON MUTUA	Sponsor	17/5/2022
6	MD.MERCY MUTHUI	Member	17/5/2022
7	ANSELM KAMUTI	Member	17/5/2022
8	JEREMIAH M KISANGU	Member	17/5/2022
9	GEORGINAH MALOMBE	Member	17/5/2022
10	DONALD KIVUNGI	Member	17/5/2022
11	PROF.JONATHAN MWANIA	Member	17/5/2022
12	NZIVI EVANSON MUTUA	Member	17/5/2022
13	LYNETTE KASEE	Member	17/5/2022
14	EVERLYN NYAMAI	Member	17/5/2022
15	MUIMI PAUL MWAKI	Member	17/5/2022
16	BARUCH LWANGWA	Rep Students	17/5/2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health
- Advise the County Education Board on the staffing needs of the School.
 - Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr.Mulila Nicholas	Chairman	
		Dr.Kasivu Gideon	P.A Chairman	
		Md.Mercy Muthui	Member	
		Archippus Mwinzi	Secretary	
		Fr.Benson Katua	Sponsor	
2	Audit Committee	Md.Lynnette Kasee	Chair person	
		Mr.Anselm Kamuti	Member	
		Archippus Mwinzi	Secretary	
		Hon.Jeremiah Kisangu	Member	
3	Finance,procurement and general purposes Committee	Dr.Kasivu Gideon	Chair person	
		Md.Georgina Malombe	Member	
		Archippus Mwinzi	Secretary	
		Md.Mercy Muthui	Member	
		Donard Kivungi	Member	
		Mr.Dominic Musembi	Member	

Annual Report and Financial Statements

For the year ended 30th June 2024

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

4	Academic Committee	Prof.Jonathan Mwanja	Chair person	
		Dr.Kasivu Gideon	Member	
		Md.Lynnette Kasee	Member	
		Md.Everlyn Nyamai	Member	
		Fr.Benson Katua	Member	
		Mr.Paul Mwaki	Member	
		Mr.Evason Nzivi	Member	
5	Discipline of students ,integrity & Human Rights Students Welfare Committee	Mr.Everlyn Nyamai	Chair person	
		Fr.Benson Katua	Member	
		Hon.Jeremiah Kisangu	Member	
		Mr.Paul Mwaki	Member	
		Evason Nzivi	Member	
6	Adhoc Committee (if any during the year)	N/A		

(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	ARCHIPPUS MWINZI	TSC NO.380248
2	Deputy Principal	MR.BONIFACE ITUTE	TSC NO.377077
3	School Bursar	ENOCK M MUTUA	ASSOC/895

(e) School Contacts

Post Office Box: P.O BOX 7-90200,KITUI
 Telephone: 743060750
 E-mail: stcharles_lwanga2010@yahoo.com
 Website 0
 Facebook:Twiter 0

(f) School Bankers

The school operated accounts in the following banks:

- 1 Name of Bank: NATIONAL BANK-BOARDING A/C
 Branch: KITUI
 Account Number: 01021051519400
- 2 Name of Bank: NATIONAL BANK-SAVING A/C
 Branch: KITUI
 Account Number: 01243051519400
- 3 Name of Bank: NATIONAL BANK -OPERATION A/C
 Branch: KITUI
 Account Number: 01021051519402
- 4 Name of Bank: NATIONAL BANK -TUITION A/C
 Branch: KITUI
 Account Number: 01025051519400
- 5 Name of Bank: NATIONAL BANK -INFRASTRUCTURE A/C
 Branch: KITUI
 Account Number: 01025051519401
- 6 Name of Bank: NATIONAL BANK-PQSAF A/C
 Branch: KITUI
 Account Number: 01248053079000
- 7 Name of Bank: BARCLAYS BANK
 Branch: KITUI
 Account Number: 0151100945
- 8 Name of Bank: KCB P.A ACCOUNT
 Branch: KITUI
 Account Number: 1266251634

ST.CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2024

School Bankers –Continued

- | | | |
|----|-----------------|-----------------------------|
| 9 | Name of Bank: | KCB BANK-PROJECT A/C |
| | Branch: | KITUI |
| | Account Number: | 1316814467 |
| 10 | Name of Bank: | EQUITY BANK |
| | Branch: | KITUI |
| | Account Number: | 0720284353459 |
| 11 | Name of Bank: | SIDIAN BANK ACCOUNT-DORMANT |
| | Branch: | KITUI |
| | Account Number: | 01017710004414 |

MPESA Pay Bill No: 459744 ATTACHED TO NATIONAL BANK-
BOARDING A/C KITUI
01021051519400

Independent Auditors

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

ST.CHARLES LWANGA SECONDARY SCHOOL

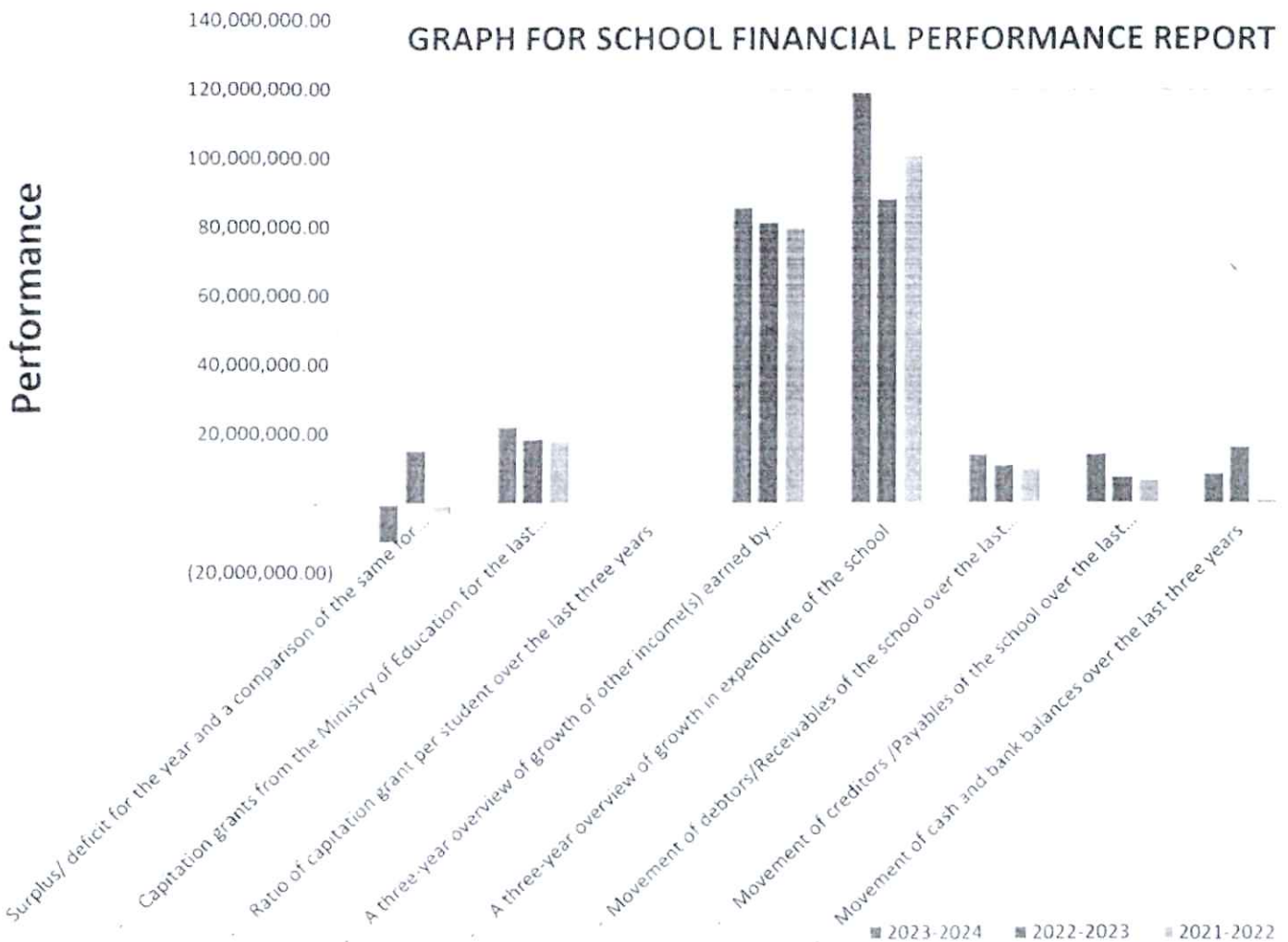
**Annual Report and Financial Statements For
the year ended 30th June 2024**

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

The following is a table summary report of the performance of the school

a) Financial performance:	2023-2024	2022-2023	2021-2022
- Surplus/ deficit for the year and a comparison of the same for the last three years	(12,214,264)	15,393,388	(3,073,852)
- Capitation grants from the Ministry of Education for the last three years	19,722,300	18,605,889	18,123,091
- Ratio of capitation grant per student over the last three years	13,343	14,558	16,476
- A three-year overview of growth of other income(s) earned by the school.	105,299,636	81,412,805	79,803,295
- A three-year overview of growth in expenditure of the school	137,236,202	88,260,305	101,000,638
- Movement of debtors/Receivables of the school over the last three years	14,381,087	11,061,738	10,220,855
- Movement of creditors /Payables of the school over the last three years	16,127,263	7,585,188	6,744,305
- Movement of cash and bank balances over the last three years	9,371,491	16,363,031	969,642

GRAPH FOR SCHOOL FINANCIAL PERFORMANCE REPORT



ST.CHARLES LWANGA SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2024

II 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:

	2023-2024	2022-2023	2021-2022
b) Teacher Student ratio:			
The teacher to student ratio	1:23	1:25	1:23
Number of teachers recruited and posted to the school within the year	1	21	21
Number of teachers that were transferred/ retired during the period	1	6	6
Number of teachers employed by TSC	60	44	44
Number of teachers employed by BOM.	6	2	2
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
SUBJECTS	NO.of Teachers	NO.of Teachers	
MATHS	12	16	16
ENGLISH	11	9	9
KISWAHILI	9	8	8
CHEMISTRY	11	11	11
PHYSICS	7	8	8
BIOLOGY	11	6	6
HISTORY	8	5	5
CRE	8	7	7
AGRICULTURE	5	2	2
BUSINESS STUDIES	4	7	7
GEOGRAPHY	7	7	7
COMPUTER STUDIES	4	2	2
FRENCH	2	2	2
c) Mean score in the 2023 KCSE:			
performance of the school for each over the last three years			
Number of students that have since transitioned to institutions of higher learning	253	198	114
Mean score	8.972	8.18	8.95
comment on improvement or otherwise as compared to the school's set score.			
d) Number of Candidates in the 2022 KCSE:			
Number of candidates sitting for KCSE over the last three years.	253	198	221
e) Capacity of the school:			
Number of students in the school	1478	1278	1033
Dormitories	12	12	12
Dinning hall,	1	1	1
laboratories,	4	4	4
Toilets-Doors	5	5	5
Land with legal ownership	4.6ha	4.6ha	4.6ha
	With Title Deed	With Title Deed	With Title Deed

ST.CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2024

f) Development projects carried out by the school:

Project	Source of fund	Initial cost (Ksh)	Amount spent (Ksh)	Year	Expected Completion Time
Construction of Dormitory	MOE-FDSE				
MPESA Dormitory			46,744,906	2023/2024	Completed
CCTV Cameras			493,181	2023/2024	Completed
TOTAL			47,238,087		

Sign

School Principal

ST.CHARLES LWANGA SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2024

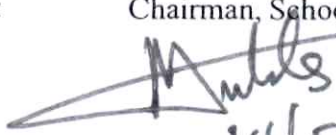
4. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

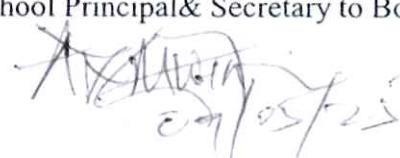
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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


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

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

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

Name: NICHOLAS MULILA
Designation: Chairman, School Board of Management
Sign: 
Date: 14/5/25

Name: ACHIPPUS MWINZI
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 29/05/25

Name: ENOCK M MUTUA
Designation: Bursar/ Finance Officer
Sign: 
Date: 9/5/2025

REPUBLIC OF KENYA



Enhancing Accountability

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 ST. CHARLES LWANGA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – KITUI 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.
- 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 St. Charles Lwanga Secondary School – Kitui County set out on pages 1 to 21, which comprise the statement of assets

and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and 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 effects 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 St. Charles Lwanga Secondary School 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.14,381,087 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.7,160,092 which had been outstanding for more than one (1) year. 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.7,160,092 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.9,371,491 which, as disclosed in Note 10 and Note 11 to the financial statements, includes bank balances of Kshs.9,371,089 held in eleven (11) bank accounts and cash balances of Kshs.402. However, the operation bank account reconciliation statement as at 30 June, 2024 includes two unrepresented stale cheques amounting to Kshs.46,278 which had not been reversed and replaced in the cash book. Further, the bank balance of Kshs.9,371,491 includes an amount of Kshs.176,848 in the school fund bank account. However, the school fund bank account reconciliation statement as at 30 June, 2024 includes two unrepresented stale cheques amounting to Kshs.45,316 which had not been reversed and replaced in the cash book.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.9,371,491 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Charles Lwanga Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other

Report of the Auditor-General on St. Charles Lwanga Secondary School for the year ended 30 June, 2024- Kitui County

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 judgement, are of most significance in the audit of the financial statements. Except for the matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year 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

The Board of Management is responsible for the other information set out on page III to XI which comprise of Key Entity Information and Management, Summary Report of Performance of the School and Statement of Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Inefficiencies in Management and Accounting for Miscellaneous Income

The statements of receipts and payments reflects miscellaneous income amount of Kshs.44,928,175 which, as disclosed in Note 5 to the financial statements, includes income from bus hire of Kshs.66,050 and other charges amounting to Kshs.3,021,531. The School has a fifty-one (51) seater bus which it hires out from time to time. However, Management does not maintain a separate bank account for other income generating activities. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day Secondary Education (FDSE) which requires that schools with income generating activities to open separate bank accounts for the stream of income and account for it in accordance with financial regulations. Further, the monthly rental charges and school bus hire charge out rates are not supported by contracts/lease agreements and approved fees/charge out rates. This was contrary to Regulation 104 (1) of the Public Finance Management (National Government) Regulations, 2015 states that all receipts and payment vouchers of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

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

2. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.3,235,379 and Kshs.10,582,881 respectively as disclosed in Note 1 and Note 2 to the financial statements, respectively. During the financial year, NEMIS reported a total number of one thousand, four hundred and five (1,405) students while the enrolment records provided by the school indicated a total number of one thousand four hundred and eighty-three (1,483) students, resulting to an unexplained variance of seventy-eight (78) students. As a result of the variances, the School was under funded by an amount of Kshs.1,130,607.

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

3. Delay in Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects infrastructure grants amount of Kshs.5,904,040 which was received from the Ministry of Education and credited in the operations bank account. The amount of Kshs.5,904,040 was to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.4,095,500 was transferred to infrastructure account, leaving a balance of Kshs.1,808,040 as at 30 June, 2024. Further, the amount of Kshs.4,095,500 was transferred after the expiry of fifteen (15) days of receipt of the funds. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement

funds should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations bank account.

In the circumstances, Management was in breach of the Ministry of Education directive.

4. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 10 April, 2025 instead of the statutory deadline of 30 September, 2024. This was contrary to section 81(4) of the Public Finance and Management Act, 2012 which requires that not later than three (3) months after the end of each financial year the Accounting Officer for the entity shall submit the entity's financial statements to the Auditor-General for audit.

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

5. Irregular Transfer of Funds to the Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.76,737,190 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.838,000 transferred to the 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 the Government funding system 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, value for money transferred to KESSHA amounting to Kshs.838,000 could not be confirmed.

6. Failure to Maintain an Asset Register

Annex 2 to the financial statements- summary fixed assets register reflects assets balance of Kshs.275,310,050 as at 30 June, 2024 comprising of buildings and structures- Kshs.265,130,050, motor vehicles- Kshs.1,400,000, office equipment furniture and fittings- Kshs.8,480,000 and intangible assets amount of Kshs.300,000. However, the Management does not keep and maintain an asset register. This was contrary to Section 149 (2) (o) of the Public Finance Management Act, 2012 which requires an Accounting Officer of an entity to ensure that the respective entity has adequate systems and processes in place to plan for, procure, account for, maintain, store and dispose of assets, including an asset register that is current, accurate and available to The National Treasury and the Auditor-General.

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

7. Long Outstanding Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.16,127,263 as disclosed in Note 14 to the financial statements. However, included in the balance are trade payables of Kshs.721,755 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of 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 governance were not effective.

Basis for Conclusion

Weak Internal controls in Management of School Textbooks

Review and physical verification of the school library revealed that the school library has a collection of various text books in various subjects. The Management keeps and maintains a record of library books borrowed and returned. However, there was no complete inventory of books in the library to ensure mitigation against losses, wastage and misuse.

In the circumstances, effectiveness of the internal controls in the management of textbooks could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for 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

30 May, 2025

ST.CHARLES LWANGA SECONDARY SCHOOL

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For the year ended 30th June 2024

6. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2024

DESCRIPTION OF VOTE HEAD	Note	2023-2024	2022-2023
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	3,235,379	3,097,862
Government grants for operations	2	10,582,881	15,508,026
Government grants for Infrastructure	3	5,904,040	3,635,000
School Fund Income- Parents' Contributions	4	60,371,461	64,003,343
Miscellaneous Income	5	44,928,175	17,409,462
TOTAL RECEIPTS		125,021,936	103,653,694
PAYMENTS			
Tuition	6	3,005,327	3,098,051
operations	7	10,255,596	8,627,495
Infrastructure	8	47,238,087	4,551,749
Boarding and school fund	9	76,737,190	71,983,010
TOTAL PAYMENTS		137,236,201	88,260,305
SURPLUS/DEFICIT		(12,214,264)	15,393,388

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

Sign: 

Sign: 

Sign: 

Name: Nicholas Muli
Chair BOM

Name: ARCHIPPUS MWANGI
School principal/Secretary to BOM

Name: FRANK M MWANGI
Bursar/ Finance officer

Date: 14/5/2025

Date: 9/5/2025

Date: 9/5/2025

ST.CHARLES LWANGA SECONDARY SCHOOL
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7. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2024

	Note	2023-2024	2022-2023
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	9,371,089	16,362,406
Cash Balances	11	402	624
Short term Investment	12	-	-
Total Cash and cash equivalent		9,371,491	16,363,031
Account's receivables	13	14,381,087	11,061,738
TOTAL FINANCIAL ASSETS		23,752,578	27,424,769
FINANCIAL LIABILITIES			
Accounts Payables	14	16,127,263	7,585,188
NET FINANCIAL ASSETS		7,625,315	19,839,581
REPRESENTED BY			
Accumulated Fund b/fwd	15	19,839,581	4,446,192
Surplus/Deficit for the year		(12,214,264)	15,393,388
NET FINANCIAL POSITION		7,625,315	19,839,581

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

Name: Nicholas Muli
14/5/25
 Chairman, BoM

Name: ARCHIPPUS HIRIHI
 School principal/secretary to BoM

Name: FRANK M. MWAN
 Bursar/Finance officer

Sign: [Signature]

Sign: [Signature]

Sign: [Signature]

Date:

Date: 9/5/2025

Date: 9/5/2025

ST.CHARLES LWANGA SECONDARY SCHOOL

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For the year ended 30th June 2024

8. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE 2024

Description	2023-2024	2022-2023
	Kshs	Kshs
CASHFLOW FROM OPERATING ACTIVITIES		
Receipts		
Government grants for tuition	3,235,379	3,097,862
Government grants for operations	17,221,955	15,508,026
Government grants for Infrastructure	5,904,040	3,635,000
School fund income- Parents contributions/ fees	77,901,189	64,003,343
Other income	49,295,412	17,409,462
Total receipts	153,557,975	103,653,694
Payments		
Cash outflows for Tuition	2,183,000	3,098,051
Cash outflows for operations	15,133,915	8,627,495
Cash outflows Boarding /Lunch and school fund payments	95,994,512	71,983,010
Total payments	113,311,428	83,708,556
Net cash inflow/outflow from operating activities	40,246,547	19,945,137
CASHFLOW FROM INVESTING ACTIVITIES		
CCTV Cameras	(493,181)	-
Construction of dormitory(MPESA Dormitory)	(46,744,906)	(4,551,749)
Net cash inflow/outflow from Investing Activities	(47,238,087)	
CASHFLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings/ loans	-	-
Repayment of principal borrowings	-	-
Net cash inflow/outflow from financing activities	-	
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	(6,991,539)	15,393,388
Cash and cash equivalent at BEGINNING of the FY	16,363,031	969,642
Cash and cash equivalent at END of the FY	9,371,491	16,363,031

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

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

ST.CHARLES LWANGA SECONDARY SCHOOL

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For the year ended 30th June 2024

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

Name: Nicholas Mutle
Chairman, BoM

Name: [Signature]
School principal/secretary to BoM

Name: Ettaok M + Nua
Bursar/Finance officer

Sign: [Signature]

Sign: ARCHIPPUS MWINZI

Sign: [Signature]

Date: 14/5/25

Date: 9/5/2025

Date: 9/5/2025

ST.CHARLES LWANGA SECONDARY SCHOOL

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9. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2024

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs			Kshs
RECEIPTS					
<i>(1) CAPITATION GRANT ON TUITION</i>					
Textbooks and reference materials	-	-	-	-	-
Exercise books	-	-	-	-	-
Laboratory equipment	-	-	-	-	-
Teaching / learning materials	5,710,432	-	5,710,432	3,235,379	56%
Chalks	-	-	-	-	-
Internal exams	-	-	-	-	-
Exams and assessment	-	-	-	-	-
Teachers guides	-	-	-	-	-
TOTAL INCOME	5,710,432	-	5,710,432	3,235,379	56%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>					
Personnel emoluments		-	-	-	-
Gratuity	-	-	-	-	-
Administration costs	-	-	-	-	-
Repairs and maintenance		-			
Local transport / travelling					
Electricity and water					
Medical	2,756,000	-	2,756,000	1,061,625	382%
Activity	2,067,000	-	2,067,000	1,045,986	50%
OTHERS	10,751,156	-	10,751,156	8,475,271	78%
TOTAL INCOME	15,574,156	-	15,574,156	10,582,882	67%

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(3) FDSE for Infrastructure</i>					
Maintenance & Improvement MOE	6,890,000	-	6,890,000	5,903,540	85%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure grants					
Administration block					
<i>(4) FEES CHARGED ON PARENTS</i>					
Personnel emoluments	6,544,752	-	6,544,752	4,827,166	73%
Repairs and maintenance	2,767,600	-	2,767,600	2,538,768	91%
Local transport / travelling	3,110,352	-	3,110,352	3,107,954	99%
Electricity and water	5,177,072	-	5,177,072	5,803,100	112%
Medical	-	-	-	-	
Administration costs	3,345,994	-	3,345,994	3,183,680	95%
Activity	353,703.00	-	353,703.00	314,559.00	88%
Fee on Boarding Equipment and Stores	35,769,809	-	35,769,809	36,561,930	102%
<i>(5) Miscellaneous Income</i>					
Rent income	-	-	-	-	
Insurance compensation	-	-	-	-	
Income from Bus Hire	-	-	-	-	
Interest income	-	-	-	-	
TOTAL INCOME	57,069,282	-	57,069,282	56,337,157	98%

ST.CHARLES LWANGA SECONDARY SCHOOL
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(6) EXPENDITURE FOR TUITION					
Textbooks and reference materials	-	-	-	-	-
Exercise books	-	-	-	-	-
Laboratory equipment	-	-	-	-	-
Internal exams	-	-	-	-	-
Teaching / learning materials	5,710,432	-	5,710,432	1,745,654	30%
Chalks	-	-	-	-	-
Exams and assessment	-	-	-	-	-
Teachers guides	-	-	-	-	-
Administration costs	-	-	-	-	-
Bank Charges	-	-	-	-	-
TOTALS	5,710,432	-	5,710,432	1,745,654	30%
(7) EXPENDITURE FOR OPERATIONS					
Personnel emoluments	-	-	-	-	-
Repairs, maintenance & improvements	-	-	-	-	-
Local transport / travelling	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-
Medical	2,756,000	-	2,756,000	205,982	7%
Administration costs	-	-	-	-	-
Activity Expenses	2,067,000	-	2,067,000	1,093,180	52%
Other voteheads	10,751,156	-	10,751,156	7,278,000	67%
TOTALS	15,574,156	-	15,574,156	8,577,162	55%

ST. CHARLES L'WANGA SECONDARY SCHOOL
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Receipt/expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	% of Utilization f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(8) EXPENDITURE FOR INFRASTRUCTURE					
Construction of Classrooms					
Construction of LAB					
Construction of DORMS					
Purchase of Furniture					
Purchase of Equipment					
Purchase of Machinery					
Renovation of Classrooms	-		-	-	
TOTALS					
(9) EXPENDITURE FOR SCHOOL FUND/LUNCH/BOARDING					
Personnel emoluments	6,544,752	-	6,544,752	6,146,645	93%
Repairs, maintenance and improvements	2,767,600	-	2,767,600	1,716,657	62%
Local transport / travelling	3,110,352	-	3,110,352	2,640,787	84%
Electricity, water and conservancy	5,177,072	-	5,177,072	4,872,255	94%
Medical Expenses	-	-	-	-	

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration costs	3,345,994	-	3,345,994	4,085,865	122%
Activity	353,703	-	353,703	1,451,470	410%
Income generating Activities	-	-	-	-	
Gratuity	-	-	-	-	
Boarding Equipment and Stores	35,769,809	-	35,769,809	38,636,145	108%
Expenditure for Income Generating Activity	-	-	-	-	-
Insurance costs	-	-	-	-	-
Other expenses on investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-
TOTALS	57,069,282	-	57,069,282	59,549,824	104%

ST.CHARLES LWANGA SECONDARY SCHOOL
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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 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.

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For the year ended 30th June 2024

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.

ST.CHARLES LWANGA SECONDARY SCHOOL
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11. NOTES TO THE FINANCIAL STATEMENTS

a. GOVERNMENT GRANTS FOR TUITION

	2023-2024	2022-2023
	Kshs	Kshs
Reference materials	-	-
Exercise books	-	-
Laboratory Equipments	-	-
Boarding Account	-	-
Teaching/learning materials	3,235,379	3,097,862
Textbooks	-	-
Internal Exams	-	-
SMASSE	-	-
Bank charges	-	-
Total	3,235,379	3,097,862

b. GOVERNMENT GRANTS FOR OPERATIONS

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	-	4,212,050
Repairs and maintenance	-	1,322,000
Local transport / travelling	-	-
Electricity and water	-	-
Medical	1,061,625	238,300
Administration costs	-	-
House Rent	-	-
Activity	1,045,985	622,262
Other voteheads	8,475,270	4,113,413
	-	-
MOE Harambee	-	5,000,000
Total	10,582,881	15,508,027

3 GOVERNMENT GRANTS FOR INFRASTRUCTURE

	2023-2024	2022-2022
	Kshs	Kshs
Maintenance & Improvement	5,903,540	3,135,000
M-pesa Foundation(safaricom)	-	-
Boarding account/donation	500.00	-
Economic Stimulus grants	-	-
FDSE Infrastructue,dormitory(bes)	-	500,000
Total	5,904,040	3,635,000

ST.CHARLES LWANGA SECONDARY SCHOOL
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4 SCHOOL FUND INCOME-PARENTS CONTRIBUTION/FEEES

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	5,449,796	5,554,145
Repairs and maintenance	2,902,099	2,785,549
Local transport / travelling	3,367,957	2,582,339
Electricity and water	6,432,647	6,448,443
Medical	-	-
Administration costs	3,480,803	3,147,820
Activity	362,425	462,457
Fee on Boarding Equipment and Stores	38,375,734	37,688,579
P.A project		5,334,011
Other voteheads	-	
Total	60,371,461	64,003,343

5 MISCELLANEOUS INCOMES

	2023-2024	2022-2023
	Kshs	Kshs
Rent income	93,600	63,200
Infrastructure (Students & M-Pesa foundation)	29,803,209	
Magazine	705,693	-
Income from Bus Hire	66,050	1,694,248
Bakery proceeds	2,226,968	-
Farm	12,420	
Income from grants and donations(Harambee)		10,734,665
P.A Account	18,000	
PQASF	11689335	622,646
operation Account	-	77,968
Uniform	214,500	382,200
Savings		3,741,535
Tender fee	88,000	53,000
Losses & Damages	10,400	40,000
Total	44,928,175	17,409,462

ST.CHARLES LWANGA SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 TUITION

	2023-2024	2022-2023
	Kshs	Kshs
Textbooks	-	-
Exercise books		546,596
Laboratory Equipments		347,650
Teaching/learning materials	3,005,269	1,885,573
Internal exams	-	149,500
Reference materials		168,732
Bank charges	57	-
Administration costs	-	
Total	3,005,327	3,098,051

7 OPERATIONS

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	-	2,598,702
Transfer to school fund	-	-
Administration Cost	-	2,031,470
Repairs and maintenance	843,819	772,980
Local transport / travelling	-	385,052
Electricity and water	-	865,917
Medical	324,952	259,889
Activity Expenses	1,224,205	893,800
Tuition account	-	
Other voteheads	7,862,620	819,685
Infrastructure account	-	
TOTAL	10,255,596	8,627,495

ST.CHARLES LWANGA SECONDARY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 INFRASTRUCTURE

	2023-2024	2022-2023
	Kshs	Kshs
CCTV Cameras	493,181	-
Construction of dormitory	-	4,551,749
Construction of dormitory (MPESA dormitory)	46,744,906	
TOTAL	47,238,087	4,551,749

9 BOARDING AND SCHOOL FUND

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	6,146,645	5,832,193
Repairs and maintenance & Improvements	1,812,057	2,402,876
Local transport / travelling	2,640,787	2,217,562
Electricity and water	5,622,708	3,756,738
Administration costs	4,658,707	7,003,398
Boarding Equipment and Stores	45,357,067	45,488,184
Uniform	155,700	356,934
PQASF	7,651,073	
Bus hire	11,000	42,980
Magazine	486,000	
Activity Expenses	1,582,495	1,105,110
Bakery proceeding	538,870	
School farm	16,380	
Teachears Motivation Trip		3,744,534
Tender	40,000	32,500
Bank charges-other bes accounts	17,701	
TOTAL	76,737,190	71,983,010

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 BANK ACCOUNTS

Account Name & currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01025051519400	1,056,064	3,685
Operations Account	Active	01243051519400	4,744,010	5,228,312
School Fund Account/Boarding-NBK	Active	01021051519400	176,848	124,390
School Fund Account/Boarding-Barclays	Active	0151100945	52,298	52,298
Savings Account/Investments	Active	01243051519400	3,917	1,811
P.A Account-KCB	Active	1266251634	66,297	10,950,905
Savings Account 2	Active	01248053079000	1,974,213	643
KCB –Project Account	Active	1316814467	6420	-
School Fund Account-Equity Bank	Active	0720284353459	13,733	-
CDF-Sidian bank	Dormant	01017710004414	2,000	-
Infrastructural Account	Active	01025051519401	1,275,286	361
Total			9,371,089	16,362,406

11 CASH IN HAND

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes & Coins	402	624
Total	402	624

12 SHORT TERM INVESTMENTS

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit accounts	-	-
Other investments	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 ACCOUNTS RECEIVABLE

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees arrears	14,196,487	10,970,738
Other non-fees receivables		
Salary advances	91,000	91,000
Imprest		
Rent arrears	93,600	
Total	14,381,087	11,061,738

13b Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	ksh		ksh	
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	7,036,512	49%	4,587,566	41%
Between 1-2 years	776,803	6%	1,578,990	14%
Between 2-3 years	4,187,713	29%	3,385,526	30%
Over 3 years	2,195,459	15%	1,418,656	12%
Total	14,196,487	100%	10,970,738	100%

14 ACCOUNTS PAYABLE

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	13,601,112	7,585,188
Prepaid fees	2,362,201	-
Students Welfare	163,950	-
Unpaid salaries & Statutory Deductions		
Caution Money	-	-
Total	16,127,263	7,585,188

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NOTES TO THE FINANCIAL STATEMENTS (Continued)
14a Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	ksh		ksh	
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	10,772,032	79%	6,863,433	90%
Between 1-2 years	2,107,325	15%	693,291	9%
Between 2-3 years	721,755	6%	28,464	0.0%
Over 3 years	-		-	
Total	13,601,112	100.00%	7,585,188	100%

15 FUND BALANCE BROUGHT FORWARD

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank balances	9,371,089	16,362,406
Cash balances	402	624
Receivables	14,381,087	11,061,738
Payables	(16,127,263)	(7,585,188)
Total	7,625,315	19,839,581

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Other important disclosure notes

IPSAS 1 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.

a. Non-current Liabilities Summary

Description		2023-2024	2022-2023
		Kshs	Kshs
Bank loan(s)		-	-
Outstanding Leases		-	-
Hire purchase		-	-
Gratuity and leave provision		-	-
Total			-
17 Biological assets			
Description		2023-2024	2022-2023
		Kshs	Kshs
Cattle		110,000	-
Goats		-	-
Trees		125,000	-
Coffee or tea plantation		-	-
Pigs		120,000	-
Poultry		11,200	-
Total		366,200	-
18 Borrowings			
Description		2023-2024	2022-2023
		Kshs	Kshs
a) Borrowings			
Borrowing at beginning of the year		-	-
Borrowings during the year		-	-
Repayments of during the year		-	-
Balance at end of the year		-	-

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Other important disclosure notes

i. Stock/ Inventory

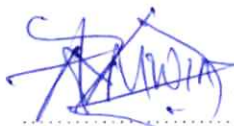
Description	2023-2024	2022-2023
	KShs	KShs
Food stuffs	745,952	219,000
Lab consumables	158,652	258,686
Stationeries	250,150	120,000
Farm Produce	25,300	65,257
Medication	58,580	(524,550)
Construction Materials	-	-
	1,238,634	138,393


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ii. 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)
2023	Inaccuracies in financial statements	The financial statements has been revised to amend the variances	Resolved	
2023	Unsupported accounts payables	The accounts payables has been supported	Resolved	
2023	Unsupported cash and cash equivalents	The bank reconciliation statements, Bank balance certificates and cash survey certificate has been provided to support the balances stated in the financial statements	Resolved	
2023	Long outstanding accounts receivables	The management will formulate a policy for debt collection and writing off bad debts	Not Resolved	2025/2026
2023	Budgetary control and performance	The school is underfunded by the government	Not Resolved	
2023	Failure to transfer infrastructure funds from operations bank account to infrastructure bank account	The management has already implemented	Resolved	
2023	Lack of procurement plan	The management has a procurement plan already in place	Resolved	
2023	Noncompliance with necessary authority on procurement of infrastructure	The management is already compliant	Resolved	
2023	Late submission of financial statements	The financial statements will be submitted as per the guidelines	Not Resolved	2024/2025
2023	Lack of ownership documents and failure to update asset register	The management has ownership documents and updated asset register	Resolved	


 Sign and Date
 Principal



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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2024	Outstanding Balance 2023	comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
Sub-Total						
Snow pharmacy	67,705	2022	67,705	0	67,705	
Rosamu Gen Supplies	111,381	2021	111,381	0	111,381	
Leechem Enterprises	46,831	2021	46,831	0	46,831	
Gaston Kenya Ltd	28,826	2020		28,826	28,826	
Tsunamitec Supplies Ltd	301,096	2022		301,096	51,300	
Eastlab Ltd	20,170	2021	20,170	0	20,170	
Snow pharmacy	165,565	2023	165,565	0	165,565	
Bitetec System	82,480	2023		82,480	82,480	
Zombe wood furniture	995,000	2023		995,000	995,000	
Smartscore ltd	34,000	2023		34,000	34,000	
Kyandani Investment	80,720	2023		80,720	80,720	
Copycat Ltd	142,100	2023	142,100	0	142,100	
Tsunamitec Supplies Ltd	390,556	2023	216,360	174,196	390,556	
Stem series	15,000	2023		15,000	15,000	
Aster ltd	348,000	2023	348,000	0	348,000	
Mckena ventures	38,700	2023	38,700	0	38,700	
Jane muthoki	111,820	2023	111,820	0	111,820	
Kitui ebenezer	520,384	2023	442,900	54,680	497,580	
Elimu world ltd	36,650	2023		36,650.00	36,650	
Bontech computer services	40,000	2023		40,000.00	40,000	
Imella enterprises	500,000	2023		500,000.00	500,000	
Stephen Vaati Mutiso	120,000	2023		120,000.00	120,000	
Lofre supplies solutions	8,500	2023	8,500	0	8,500	
Davco supplies	15,000	2023		15,000.00	15,000	
Litemore ltd	180,588	2023	180,588	0	180,588	
Asal agrovet	90,000	2023	90,000	0	90,000	
Lucia paul supplies	167,700	2023	164,700	3,000.00	167,700	
Moshangu enterprises	95,000	2023	95,000	0	95,000	
Kauma General supplies	391,900	2023	391,900	0	391,900	
Riziky world bentures	336,775	2023	336,775	0	336,775	
Cadenza printers	396,000	2023	396,000	0	396,000	
Naivas Ltd	902,089	2023	902,089	0	902,089	
Faith monthe musyoki	24,000	2023	24,000	0	24,000	
Print pro system	96,000	2023	96,000	0	96,000	
Dominic musyoki	14,400	2023	5,198	9,202	14,400	
Eastlab Ltd	20,170	2023	20,170	0	20,170	
Non-Teaching staff gratuity	151,653	2023	132,560	19,093	151,653	
Gaston Kenya Ltd	202,987	2023		202,987	202,987	
Zombe wood furniture	1,637,274	2024		1,637,274		
Bititec systems	280,000	2024		280,000		
East lab supplies	855,020	2024		855,020		
Kitui Ebenezer	217,150	2024		217,150		
Kalysyan enterprises	314,500	2024		314,500		
Kiteme kinyili	74,000	2024		74,000		
Joski enterprise	221,000	2024		221,000		
Arkmunicipal general supplies	56,000	2024		56,000		

Dulamax supplies	95,400	2024		95,400		
Jprisemega solutuins ltd	72,000	2024		72,000		
Schaccs technologies ltd	35,000	2024		35,000		
Moshangu enterpriese	75,000	2024		75,000		
Jocajo enterprises	43,200	2024		43,200		
Elimu world ltd	371,525	2024		371,525		
Deanscan supplies	50,000	2024		50,000		
Joylight electricals	26830	2024		26830		
Rosalia muia kathoka	865,050	2024		865,050		
Barbette wholesalers	771,645	2024		771,645		
Alphakim computers	45,000	2024		45,000		
Mwose enterprises	55,500	2024		55,500		
Topgrade grade bookshop	90,000	2024		90,000		
David musyoni	25,000	2024		25,000		
Lecchem suppliers	7,160	2024		7,160		
Aster ltd	321,160	2024		321,160		
Jamu energy jiko workshop	244,000	2024		244,000		
Jerex sports centre	262,050	2024		262,050		
Mukan general supplies	220,000	2024		220,000		
Masterpiece hardware	78,645	2024		78645		
Mujo technical agencies	293,000	2024		293,000		
Moshangu enterprises	90,000	2024		90,000		
Naivas ltd	1,780,853	2024		1,780,853		
Ngomango and co ltd	1,080,100	2024		1,080,100		
Snow pharmacy ltd	118,870	2024		118,870		
Sub-Total	18,061,678		4,555,012	13,506,666	7,490,742	
Supply of services						
Gaston Kenya Ltd	94,446			94,446	94,446	
Sub-Total	94,446		0	94,446	94,446	
Grand Total	18,156,124	-	4,555,012	13,601,112	7,585,188	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land			-	-
Buildings and structures	212,000,000	53,130,050	-	265,130,050
Motor vehicles	1,400,000	-	-	1,400,000
Office equipment, furniture and fittings	8,480,000	-	-	8,480,000
Textbooks		-	-	-
ICT Equipment		-	-	-
Tools and apparatus		-	-	-
Other Machinery and Equipment		-	-	-
Heritage and cultural assets				
Intangible assets- software	300,000		-	300,000
Total	222,180,000	53,130,050		275,310,050

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