


REPUBLIC OF KENYA



*Enhancing Accountability*

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
<b>REPORT</b>	<b>DATE:</b> 19 JUN 2025
	<b>DAY:</b> Thursday
<b>TABLED BY:</b>	Hon. Wilfrido Aem (Majority Party Whip)
<b>CLERK-AT THE-TABLE:</b>	Anastacia

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**MOYALE BOYS SECONDARY SCHOOL**

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

**MARSABIT COUNTY**

Revised 30<sup>th</sup> June 2024.



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**MOYALE BOYS SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2024**

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

**MOYALE BOYS SECONDARY SCHOOL**

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

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**MOYALE BOYS SECONDARY SCHOOL**

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

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**1. Key School Information And Management****(a) Background information**

- (b) The school was domiciled in Kenya and its operations were governed by the Basic Education Act, 2013. It was located in **Marsabit County, Moyale Sub-County**.
- (c) The school was registered on **24<sup>th</sup> March, 2004** under registration number **GP/A/2505/2004** and is currently categorized as an **National public school** established, owned and operated by the Government.
- (d) The school was a boys boarding school and had **330** students by **30<sup>th</sup> June 2024**.
- (e) It had **1** stream for form 1, 2, 3, and 4 and **17** teachers of which **3** teachers were employed by the School Board of Management.

**(f) School Board of Management - Board Members**

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

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Mr. Denge Tulu	Chairman	03/08/2021
2	Mr. Dido Daki Dida	Secretary – Principal	03/08/2021
3	Hawo Iman Duo	Member	03/08/2021
4	Hussein Hassan Borbor	Member	03/08/2021
5	Ahme Abagana	Member	03/08/2021
6	Halima Ibrahim	Member	03/08/2021
7	Aisha Ibrahim	Member	03/08/2021
8	Rob Halkano Ali	Member -CEB	03/08/2021
9	Martin Kamore Mwaniki	Member –Teachers Rep.	03/08/2021
10	Safia Roba	Member -Sponsor	03/08/2021
11	Abdullah Shane	Member -Sponsor	03/08/2021
12	Abdo Bora	Member -Sponsor	03/08/2021
13	Michael Araru	Member – Community	03/08/2021
14	Waqo Jattani	Member – Special needs	03/08/2021
15	Hassan Abdikadir Yayo	Member – Student Rep.	03/08/2021

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)****The function of the School Board of Management included:**

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

**(g) Committees of the Board**

<b>Ref</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
1	Executive Committee	Mr. Denge Tullu Mr. Dido Daki Ms. Halima Ibrahim Mr. Hassan Omar Mr. Abdullah Shane	Chairman Secretary Member Member Member	3 meetings
2	Audit Committee	Mr.Dido Daki Dida Mr.Galgallo Guyo Mr.Denge Tullu Mr.Abdullah Shane	Principal Bursar BOM Chairperson PTA chair person	3 meetings
3	Finance, procurement and general-purpose Committee	Mr. Kenneth Mugendi Mr. Galgallo Guyo Mr. Godana Adi Mr.Martin Mwaniki Mr.Judith Jerono	Chairman Member Member Member Member	3 meetings
4	Academic Committee	Mr. Kenneth Mugendi Mr. Galgallo Guyo Mr. Bonaya Guyo Mr.martin mwaniki Mr.Judith Jereno	Chairman Member Member Member Member	3 meetings

**MOYALE BOYS SECONDARY SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

5	Development Committee	Mr. Dido Daki Dida Mr. Kenneth Mugendi Ms.Hawo Iman Duo Mr.Abdullahi Shane Mr.Martin Mwaniki Mr.Jattani Waqo	Principal Secretary Chair person Member Member Member	3 meetings
6	Discipline and Welfare Committee	Mr. Kenneth Mugendi Mr. Bonaya Guyo Mr. Matin mwaniki Madam Ritah Gaki Madam.Judith Jereno	Chairman Member Member Member Member	3 meetings

**(h) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Dido Daki Dida	431094
2	Deputy Principal	Kenneth Mugendi Njagi	398256
4	Bursar	Galgallo Guyo	NTS/024

**(i) Schools contacts**

Post Office Box: 22-60700 Moyale  
Mobile Number: 0727950924/0708992402  
Email: moyaleboyssecondary@gmail.com  
Website: N/A

**(j) School Bankers**

The school operated **six** bank accounts as follows:

- Name of Bank: KCB  
Branch: Moyale  
Account Number: 1105826961  
**Boarding account**
- Name of Bank: KCB  
Branch: Moyale  
Account Number: 1105825728  
**Operations account**
- Name of Bank: KCB  
Branch: Moyale  
Account Number: 1105825337  
**Tuition account**
- Name of Bank: KCB  
Branch: Moyale  
Account Number: 1169547370  
**Infrastructure fund A/C**

**MOYALE BOYS SECONDARY SCHOOL**

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

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5. Name of bank	EQUITY
Branch	Moyale
Account number	10294218179
<b>Boarding account 2</b>	
6. Name of bank	KCB
Branch	Moyale
Account number	1291430253
<b>Moyale boys BUS</b>	

**(k) Independent Auditors**

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

**MOYALE BOYS SECONDARY SCHOOL**

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

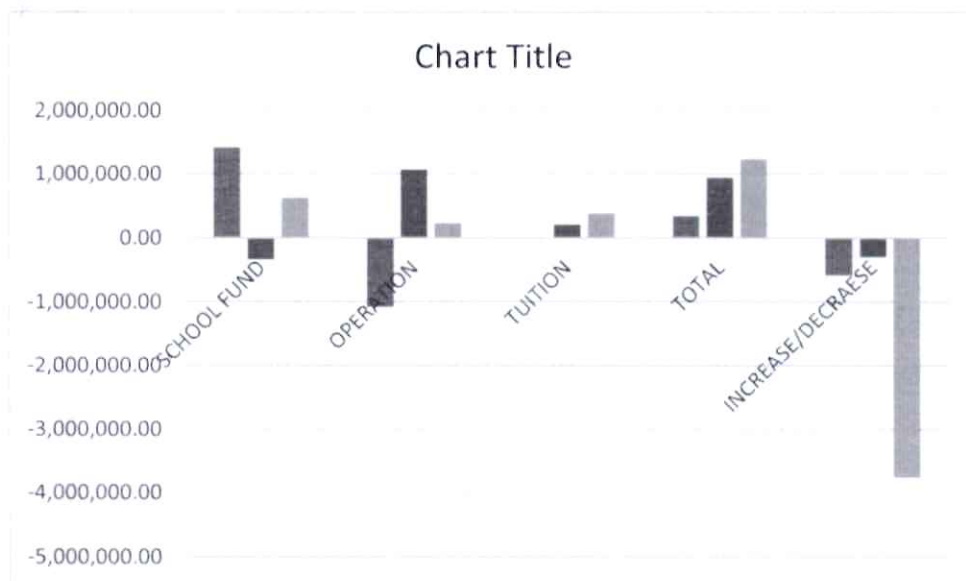
**2. Summary Report Of Performance Of The School**

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

**a) Financial performance:**

Under this section, it reflects the actual financial performance trend for the last two years period 30<sup>th</sup> June 2023 and June 2024 is summarised as follows:

<b>SURPLUS AND DEFICIT FOR THE YEAR AND COMPARISON FOR THE SAME IN THE LAST Two YEARS</b>			
<b>S/NO</b>	<b>ACCOUNT</b>	<b>2023-2024</b>	<b>2022-2023</b>
<b>1</b>	<b>SCHOOL FUND</b>	<b>4,411,361</b>	<b>781,586</b>
<b>2</b>	<b>OPERATION</b>	<b>1,090,715</b>	<b>25,927</b>
<b>3</b>	<b>TUITION</b>	<b>161,382</b>	<b>(27,307)</b>
	<b>TOTAL</b>	<b>5,663,458</b>	<b>780,205</b>
	<b>INCREASE/DECREASE</b>	<b>4,883,253</b>	<b>-439,288</b>

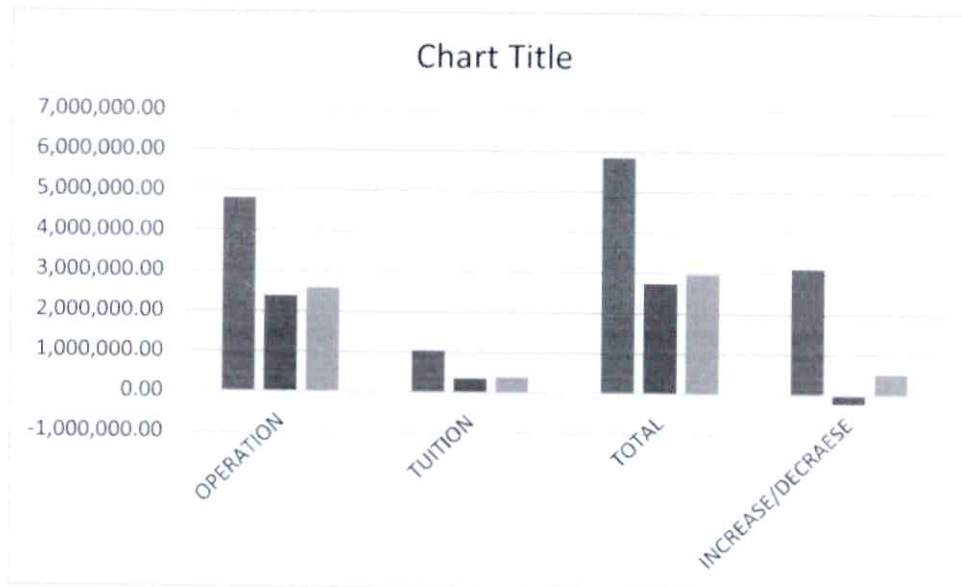


**Trend Over the Last Two Years**

The surplus for the financial year 2023/224 is Ksh 5,663,458 compared to Ksh 780,205 for F/Y 2022-2023 which represents an increase ksh 4,883,253

**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)**

<b>CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST TWO YEARS</b>			
<b>S/NO</b>	<b>ACCOUNT</b>	<b>2023-2024</b>	<b>2022-2023</b>
<b>1</b>	<b>OPERATION</b>	5,087,049	3,996,335
<b>2</b>	<b>TUITION</b>	1,051,625	890,243
	<b>TOTAL</b>	6,138,674	4,886,578
	<b>INCREASE/DECREASE</b>	<b>1,252,096</b>	<b>( 737,288,40)</b>
	No of Students	330	329
	Ratio of Capitation per student	1:3794	1:14,



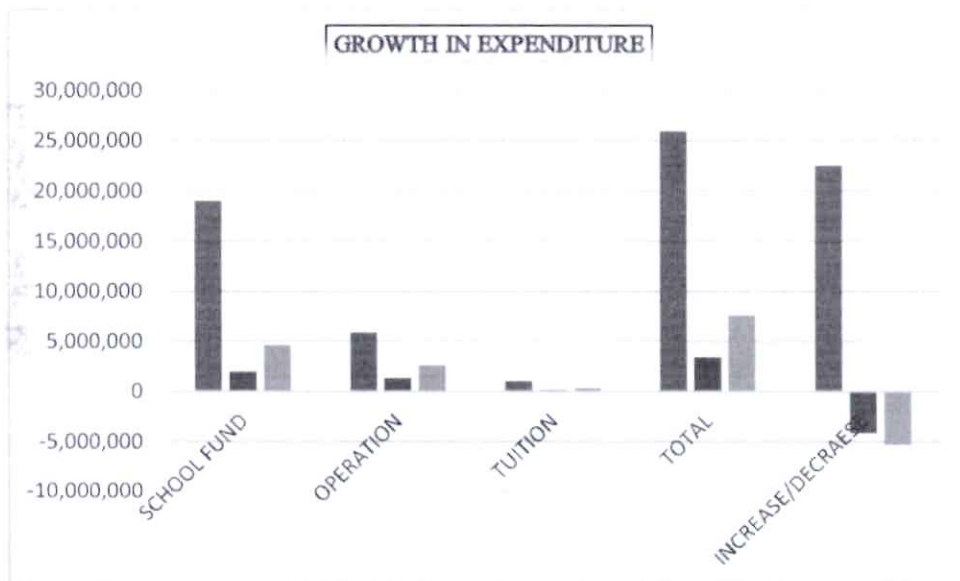
**Trend Over the Last Two Years**

The total capitation grants for the financial year 2023/2024 was Kshs 6,138,674 as compared to Kshs 4,886,578 for the financial year 2022-2023 representing an increase of Kshs 1,252,096.

**MOYALE BOYS SECONDARY SCHOOL**

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

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL			
S/NO	ACCOUNT	2023-2024	2022-2023
1	SCHOOL FUND	14,800,261	12,245,830
2	OPERATION	5,078,640	3,538,241
3	TUITION	826,460	794,850
	TOTAL	20,705,361	16,578,921
	<b>INCREASE/DECREASE</b>	<b>4,126,440</b>	<b>(7,076,117.90)</b>

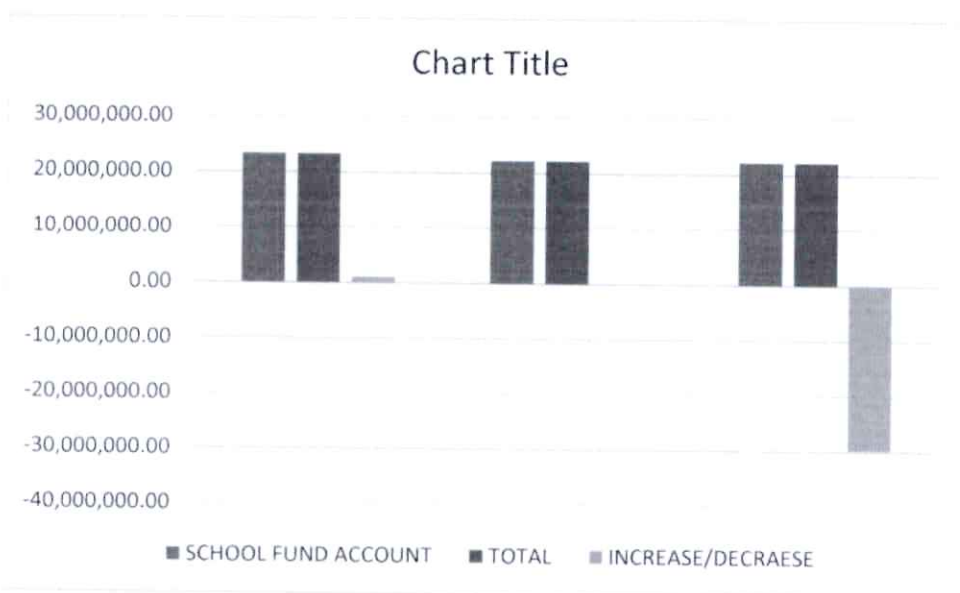


**Trend Over the Last Two Years**

In the financial year 2023/2024 shows an increase expenditure of ksh 4,054,892 as compared to financial year 2022/2023 because of increase in enrollment.

**MOYALE BOYS SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

MOVEMENT OF DEBTORS OF THE SCHOOL			
S/NO	ACCOUNT	2023-2024	2022-2023
1	SCHOOL FUND ACCOUNT	34,370,240.	28,875,188.50
	TOTAL	34,370,240.	28,875,188.50
	INCREASE/DECREASE	5,495,052.	3,743,743.00



**Trend Over the Last Two Years**

Total debtors for the financial year 2023/2024 is ksh 34,370,240 compared to Ksh 28,875,188. for F/Y 2022-2023 which represents an increase of Ksh 5,495,052.00. The main contributor to the increase in total debtors is poor fees payment by the students.

**MOYALE BOYS SECONDARY SCHOOL**

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

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MOVEMENT OF CREDITORS OF THE SCHOOL			
S/NO	ACCOUNT	2023-2024	2022-2023
1	SCHOOL FUND ACCOUNT	0	1,536,212.00
2	OPERATION		
3	TUITION	0	
	TOTAL	0	1,536,212.00
	INCREASE/DECREASE		<b>1,425,212.00</b>

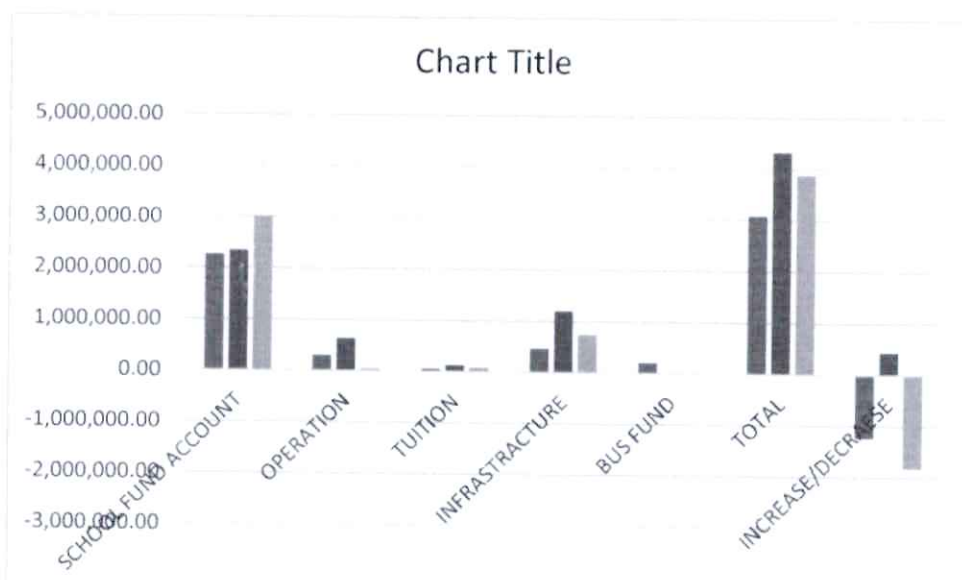
**Trend Over the Last Two Years**

Total Creditors for the financial year 2023/2024 is nil as compared to Ksh 1,536,212.00 for F/Y 2023 which represents a decrease

**MOYALE BOYS SECONDARY SCHOOL**

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

<b>MOVEMENT OF CASH AND BANK BALANCES</b>			
<b>S/NO</b>	<b>ACCOUNT</b>	<b>2023-2024</b>	<b>2022-2023</b>
1	SCHOOL FUND ACCOUNT	1,292,062	989,469
2	OPERATION	1,435,052	138,871
3	TUITION	377,398	150,739
4	INFRASTRUCTURE	611,026	1,001,615
5	BUS FUND	1,836	41,884
6	BOARDING ACCOUNT 11	85,698	
	<b>TOTAL</b>	<b>3,803,072</b>	<b>2,322,578</b>
	<b>INCREASE/DECREASE</b>	<b>1,480,495</b>	<b>(971,150.75)</b>



**MOYALE BOYS SECONDARY SCHOOL**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**b) Teacher Student ratio:**

<b>TEACHER STUDENT RATIO</b>	<b>TSC TEACHERS</b>			<b>B.O.M TEACHERS</b>			<b>TEACHERS RECRUITED</b>			<b>TEACHERS TRANSFERED</b>		
	<i>M</i>	<i>F</i>	<i>TOTAL L</i>	<i>M</i>	<i>F</i>	<i>TOTAL</i>	<i>M</i>	<i>T</i>	<i>TOTAL</i>	<i>M</i>	<i>F</i>	<i>TOTAL</i>
<i>1:18</i>	<i>11</i>	<i>2</i>	<i>13</i>	<i>2</i>	<i>2</i>	<i>4</i>	<i>2</i>	<i>-</i>	<i>2</i>	<i>2</i>	<i>-</i>	<i>2</i>

**c) Mean score in the 2021 2022 and 2023 KCSE:**

<b>YEAR</b>	<b>ENTRY</b>	<b>MEAN</b>	<b>TRANSITION</b>	<b>TRANSITION (%)</b>	<b>SCHOOL TARGET</b>	<b>COMMENTS</b>
2023	60	5.4	9	15	6.0	
2022	36	7.3	26	72	6.5	
2021	47	5.0	5	11	4.5	

**d) Number of Candidates in the 2021 2022 AND 2023 KCSE:**

<b>YEAR</b>	<b>NO. OF CANDIDATES FOR KCSE</b>
<i>2021</i>	<i>47</i>
<i>2022</i>	<i>36</i>
<i>2023</i>	<i>60</i>

**e) Capacity of the school:**

<b>ENROLMENT</b>	<b>CLASSES</b>	<b>DORMS</b>	<b>LABS</b>	<b>D/HALL</b>	<b>LIBRARY</b>	<b>TOILETS</b>	<b>WATER TANKS</b>
<i>330</i>	<i>21</i>	<i>9</i>	<i>3</i>	<i>1</i>	<i>2</i>	<i>23</i>	<i>8</i>

**MOYALE BOYS SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

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

<b>Sno.</b>	<b>Project</b>	<b>Year</b>	<b>Status</b>	<b>Amount</b>	<b>Fund Source</b>
1	Renovation of kitchen and store	2023/2024	complete	1,100,000	GOK/MOE
2					
3					



.....  
**School Principal**

20/5/2025

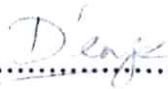
**3. Statement Of School Management Responsibility**

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

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

The Board of Management of *Moyale Boys Secondary 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).

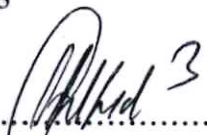
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2024, and of the school's financial position as at that date.



.....  
**Name: DENGE TULLU**

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

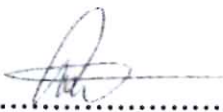
**Date:** 20/5/2025



.....  
**Name: DIDO DAKI DIDA**

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

**Date:** 20/5/2025



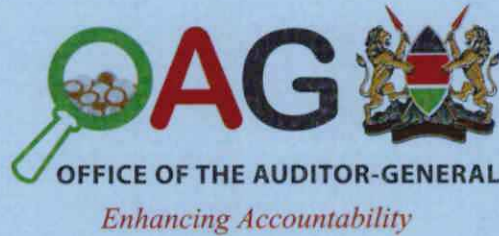
.....  
**Name: GALGALLO GUYO**

**Designation:** Bursar/ Finance Officer

**Date:** 20/5/2025

# 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 MOYALE BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – MARSABIT COUNTY**

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### **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 Moyale Boys Secondary School - Marsabit County set out on pages 1 to 30, 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 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 the Moyale Boys Secondary School - Marsabit 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. Inaccuracies of the Financial Statements**

Review of the financial statements revealed unexplained variances as indicated below;

- (i) The statement of assets and liabilities reflects account's receivables balances of Kshs.28,745,467 and Kshs.28,875,189 for 2023/2024 and 2022/2023 while Note 11 on receivables reflect the same as Kshs.33,747,732 and Kshs.28,745,467, resulting to unexplained variances of Kshs.5,002,265 and Kshs.129,722 respectively.
- (ii) The statement of assets and liabilities reflect total financial assets balance of Kshs.28,122,960 that includes Kshs.28,745,467, (Kshs.583,918), Kshs.268,500 and (Kshs.307,090) for accounts receivables, fees arrears recovered, salary advances and salary advance recovered respectively. However, accounts receivables balance of Kshs.28,745,467 and as shown in the unnumbered Note to the financial statements on account's receivables includes fees arrears recovered, salary advances and salary advance recovered balances of (Kshs.583,918), Kshs.268,500 and (Kshs.307,090) respectively, resulting in unexplained overstatement of the total financial assets balance of Kshs.28,122,960 by Kshs.622,507.
- (iii) The statement of assets and liabilities reflects fund balance brought forward as at 1 July, 2023 and 2022 of Kshs.27,209,255 and 26,790,919 while the note to the financial statements on fund balance brought forward reflects amounts of Kshs.29,531,832 and Kshs.32,204,249, resulting to unexplained variances of Kshs.2,322,577 and Kshs.5,413,330 respectively.
- (iv) The statement of budgeted versus actual amounts reflects Kshs.20,382,480, Kshs.20,382,480 and KShs.20,705,360 for original total expenditure budget, final budget and actual amount on comparable basis respectively. However, on recast the amounts are Kshs.19,754,240, Kshs.19,094,570 and Kshs.20,658,388, resulting to unexplained variances of Kshs.628,240, Kshs.1,287,910 and Kshs.46,972, respectively.
- (v) The statement of receipts and payments and Note 2 to the financial statements reflect capitation grants for operations and infrastructure of Kshs.5,087,049. However, the

National Education Management Information System (NEMIS) portal records shows disbursement of Kshs.4,790,049, resulting in an unexplained variance of Kshs.297,000.

- (vi) The statement of receipts and payments reflects total receipts of Kshs.21,919,065 and total payment balance of Kshs.20,705,360. However, review of the supporting ledgers for the following items revealed unexplained variances as tabulated below:

Description	Financial Statements	Ledger	Variance
Capitation grants for operation & infrastructure	5,087,049	5,175,334	88,285
School Fund Income- Parents' Contributions	15,200,441	15,373,989	173,548
School Fund Income- Other receipts	279,950	36,500	243,450
Payments for operations and infrastructure	5,078,639	4,004,592	1,074,047
Boarding and school fund payments	14,800,261	14,869,448	69,187

In the circumstances, the accuracy and completeness of the financial statements and balances reflected therein could not be confirmed.

## 2. Long Outstanding and Unsupported Accounts Receivables

The statement of assets and liabilities and Note to the financial statements reflect accounts receivables of Kshs.33,747,732 which include Kshs.25,131,445 that has been outstanding for over two (2) years. However, the amount was not supported with student's listing and fee statements. Further, the school does not have a debt policy in place and no explanation was provided on how to recover the amount.

In the circumstances, the accuracy and recoverability of the accounts receivables of Kshs.25,131,445 could not be confirmed.

## 3. Unsupported Payments

The statement of receipts and payments reflects total payments amount of Kshs.20,705,360 for tuition, operations and infrastructure, and school fund payments as disclosed in Notes 5, 6 and 7 to the financial statements. However, payments amounting to Kshs.4,992,900 were not supported by relevant documents such as requisitions, orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the accuracy and completeness of total payments amount of Kshs.20,705,360 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Moyale Boys Secondary School - Marsabit County Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I

believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

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

### **Other Matter**

#### **Unresolved Prior Year Matters**

The audit report for the previous year highlighted several issues in respect of the Financial Statements, Lawfulness and Effectiveness in Use of Public Resources and Effectiveness of Internal Control, Risk Management and Governance. The issues had not been resolved as at 30 June, 2024.

### **Other Information**

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

In connection with my audit on the Moyale Boys Secondary 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 a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

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

## **Basis for Conclusion**

### **1. Late Submission of Financial Statements to the Auditor-General**

The School's financial statements for the year ended 30 June, 2024 were submitted to the Office of the Auditor-General on 25 April, 2025, which was approximately seven (7) months after the statutory submission date of 30 September. This is contrary to Section 47(1) of Public Audit Act, 2015 which requires the audited entity to submit its financial statements to the Auditor-General within three months after the end of the financial year to which the respective accounts relate.

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

### **2. Delayed Transfer of Infrastructure Funds to Infrastructure Account**

The statement of receipts and payments and Note 2 to the financial statements reflect capitation grants for operation of Kshs.5,087,049, received from the Ministry of Education and credited to the operations bank account. The amount includes infrastructure grants amounting to Kshs.1,657,200 for the maintenance and improvement of the school's facilities. However, amount totalling Kshs.1,107,200 was transferred to the infrastructure account after fifteen (15) days from date of receipt in the operations account. This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June 2021, providing that infrastructure grants be transferred to the school's infrastructure account within fifteen (15) days of receipt in the operations account.

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

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

The statement of receipts and payments and Note 7 to the financial statements reflect boarding and school fund payments of Kshs.14,800,261.25 which include Kshs.279,100 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. This organization is not defined in Government Funding and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal controls systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA of Kshs.258,000 could not be confirmed.

### **4. Unconfirmed Student Enrolment Data**

The statement of receipts and payments and Notes 1 and 2 to the financial statements reflect capitation grants of Ksh.1,051,625 and Ksh.5,087,049 for tuition and operations respectively. Examination of documents provided for audit revealed that there were discrepancies between the data in the National Education Management Information

System (NEMIS) and the School records relating to the enrolment of students and as a result the School was over funded by Kshs.63,797 as analyzed below;

Term	Capitation per student	No. of Students per NEMIS	No. of students as per Register	Variance	Capitation variance
2023 Term 3	3,327.87	394	322	72	239,607
2024 Term 1	8,319.68	396	448	(52)	(432,623)
2024 Term 2	4,505.50	500	443	57	256,813
<b>Net Total</b>					<b>63,797</b>

This was contrary to the Ministry of Education Circular referenced MOE. HQS/3/13/3 of 16 June, 2021 which issued guidelines on implementation of Free Day Secondary Education (FDSE) requires that all learners be registered in NEMIS by the Principals to ensure their records are accurate.

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

### 5. Lack of School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

### 6. Failure to Conduct Annual Stock Take

The other important disclosure note reflects stock/inventory balance of Kshs.155,980 as at 30 June, 2024. However, the stock taking report to support the balance reported was not provided for audit. This is contrary to Section 162 (2) of the Public Procurement and Asset Disposal Act, 2015 which states that the head of procurement function shall arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year, and conduct quarterly and annual inventory and stock taking in order to ensure compliance with all respective governing laws and submit the report to the accounting officer.

In the circumstances, Management was in breach of 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 matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Unsupported Qualifications of Board of Management Members

Review of the qualifications of the sixteen (16) Board of Management members revealed that the files were not supported with relevant certification documents as required by Paragraph 6 of the Basic Education Regulations (2015) that requires the members to have a degree from a university recognized in Kenya and a Kenya Certificate of Secondary Education.

In the circumstances, the effectiveness of the School governance by the Board of Management could not be confirmed.

#### 2. Lack of Ownership Documents

Annex 2 to the financial statements, which summarizes the fixed assets register, includes two (2) parcels of school land valued at Kshs.40,100,000 and motor vehicles valued at Kshs.10,850,000. However, supporting ownership documents for both the land and the motor vehicles were not provided for audit verification.

In the circumstances, the School's legal ownership of the stated assets could not be confirmed.

#### 3. Lack of Risk Management Policy

During the year under review, the school did not have an approved risk management policy in place. Further, there is no evidence that the school has documented, identified, and assessed risks and consequently developed controls to respond to risks identified. This is contrary to Regulation 165 of the Public Finance Management (National Government) Regulations 2015, which provides that the accounting officer shall ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and system of risk management and internal controls that build robust business operation.

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

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

### **Responsibilities of Management and those Charged with Governance**

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

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

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

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

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 IFPP 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, SBS  
AUDITOR-GENERAL

Nairobi

03 June, 2025

**MOYALE BOYS SECONDARY SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024****5. Statement Of Receipts And Payments Period To 30<sup>th</sup> June 2024**

DESCRIPTION OF VOTE HEAD	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	1,051,625	890,233
Capitation grants for operations & infrastructure	2	5,087,049	3,996,335
School Fund Income- Parents' Contributions	3	15,200,441	6,394,880
School Fund Income- Other receipts	4	279,950	4,638,100
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>21,619,065</b>	<b>15,919,558</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	826,460.00	794,850
Payments for operations and infrastructure	6	5,078,639	3,538,241
Boarding and school fund payments	7	14,800,261	12,245,831
<b>TOTAL PAYMENTS</b>		<b>20,705,360</b>	<b>16,578,922</b>
<b>SURPLUS/DEFICIT</b>		<b>913,705</b>	<b>( 659,365)</b>

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

  
.....

**Name: DENGE TULLU**

**Chair BOM**

**Date: 20/5/2025**

  
.....

**Name: DIDO DAKI DIDA**  
**School Principal/ Secretary to**  
**BOM**

**Date: 20/5/2025**

  
.....

**Name: GALGALLO GUYO**

**Bursar/ Finance Officer**

**Date: 20/5/2025**

**MOYALE BOYS SECONDARY SCHOOL**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**6. Statement Of Assets And Liabilities As At 30<sup>th</sup> June 2024**


	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	3,803,072	2,266,884
Cash Balances	9	14,537	55,693.00
Short term Investment	10	-	-
<b>Total Cash and Cash Equivalents</b>		<b>3,817,609</b>	<b>2,322,577</b>
Account's receivables	11	<b>33,747,732</b>	<b>28,745,467</b>
Fees arrears recovered		-	-
Salary advances		-	-
Salary advance recovered		-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>33,747,732</b>	<b>28,745,467</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	12	-	1,536,212.00
<b>NET FINANCIAL SSETS</b>		<b>33,747,732</b>	<b>27,209,255</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	32,204,249	26,790,919
Surplus/Defict for the year		913,705	( 659,365)
<b>NET FINANCIAL POSITION</b>		<b>33,747,732</b>	<b>27,209,255</b>

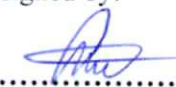
The school's financial statements were approved on \_\_\_\_\_ 2024 and signed by:

  
 Name: DENGGE TULLU

Chair BOM

Date: 20/5/2025

  
 Name: DIDO DAKI DIDA  
 School Principal/ Secretary to  
 BOM  
 Date: 20/5/2025

  
 Name: GALGALLO GUYO  
 Bursar/ Finance Officer  
 Date: 20/5/2025

**MOYALE BOYS SECONDARY SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024****7. Sstatement of Cash Flows for The Period Ended 30<sup>th</sup> June 2024**

		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts from operating activities</b>			
Capitation grants for tuition	1	1,051,625	890,243
Capitation grants for operations	2	5,087,049	3,996,335
School fund income- Parents contributions/ fees	3	15,200,441	6,394,880
School fund income- other receipts	4	279,950	4,638,100
<b>Total receipts</b>		<b>21,619,065</b>	<b>15,919,558</b>
<b>Payments</b>			
Payments for Tuition		826,460	794,850
Payments for operations		5,078,640	3,538,241
Boarding and school fund payments		14,800,261	12,245,831
<b>Total payments</b>		<b>20,705,360</b>	<b>16,568,922</b>
<b>Net cash flow from operating activities</b>	<b>a</b>	<b>913,705</b>	<b>(649,364)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			-
Acquisition of Assets		(1,100,000.00)	
Proceeds from investments		-	-
<b>Net cash flows from Investing Activities</b>	<b>b</b>	<b>(1,100,000.00)</b>	<b>-</b>
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flows from financing Activities</b>	<b>c</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	<b>d=a+b+c</b>	<b>(186,295)</b>	<b>( 649,364)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>e</b>	<b>2,920,417</b>	<b>3,534,065</b>
<b>Cash and cash equivalent at END of the year</b>	<b>f=d+e</b>	<b>3,817,609</b>	<b>2,920,417</b>

*(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).*

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

<b>Receipt/Expense Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilisation Difference</b>	<b>% of Utilisation</b>
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Text books	-	-	-	-	-	
Exercise books	-	-	-	-	-	
Laboratory equipments and apparatus				-	-	
Teaching/learning materials	1,581,360.00	-	1,581,360.00	1,051,625	529,735	67%
chalks			-	-	-	
Internal exams			-	-	-	
Reference books			-	-	-	
-			-	-	-	
-			-	-	-	
			-		-	
<b>(2) CAPITATION GRANT ON OPERATIONS</b>			-		-	
Personnel emoluments			-			

**MOYALE BOYS SECONDARY SCHOOL**

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

Repairs and maintenance	1,650,000.00	-	-	1,650,000.00	1,657,200.00	-	7,200.00	100%
Local transport / travelling		-	-	-	-	-	-	
Electricity ,water and conservancy		-	-	-	-	-	-	
Medical and insurance	659,670.00	-	-	659,670	334,500.00	-	325,170.00	51
Administration costs		-	-	-	-	-	-	
Other Votehead	4,062,630.00	-	-	4,062,630.00	2,758,649	-	1,303,982.00	68
Activity	414,480.00	-	-	414,480.00	336,700.00	-	77,780	81
<b>(3) FEES CHARGED ON PARENTS</b>								
Personnel emoluments	2,133,000.00	-	-	2,133,000.00	2,608,332.00	-	(475,332.00)	122%
Repairs and maintenance	420,000.00	-	-	420,000.00	516,471.00	-	(96,471.00)	123%
Local transport / travelling	539,910.00	-	-	539,910.00	667,097.00	-	(127,187.00)	124%
Electricity and water	1,428,000.00	-	-	1,428,000.00	1,422,098.00	-	5,902	100%
Medical		-	-	-	-	-	-	
Administration costs	945,000.00	-	-	945,000.00	1,697,958.00	-	(752,958.00)	180%
Activity				167,580.00				90%

**MOYALE BOYS SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

	167,580.00	-		150,972.00	16,608.00	
SMASSE		-	-		-	
Fee on Boarding Equipment and Stores	6,380,850.00		6,380,850.00	7,553,595.00	(1,172,745.00)	118%
			-		-	
<b>OTHER INCOME</b>			-		-	
<i>Cdf fund for the purchase of School Bus</i>		-	-	-	-	
<i>Boarding account 2</i>	-	-	-	93,000.00	-	
<i>Salary Advance</i>			-	-	-	
<i>fees arrears</i>			-	583,918.00	-	
<i>Sale of bore water</i>			-	-	-	
<i>House rent</i>			-	-	-	
<i>PTA fund</i>			-	-	-	
<i>Examination fund</i>				-	-	
					-	
<i>Uniform fund</i>				-	-	
<i>Interest income</i>	-	-	-	-	-	
<i>Insurance compensation</i>	-			-	-	





**MOYALE BOYS SECONDARY SCHOOL**

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

	-			1,100,000.00		
-				-		
<b>BOARDING AND SCHOOL FUND PAYMENTS</b>				-		
				-		
Fee on Boarding Equipment and Stores	6,380,850.00		6,380,850.00	5,878,701.00	502,149.00	92%
Other voteheads	-	-	-	-	-	
Purchase of School Bus			-	-	-	
Personnel emoluments	2,133,000.00	-	2,133,000.00	1,755,455.00	377,545.00	82%
School farm expenses				-	-	
Repairs and maintenance & Improvements	420,000.00	-	420,000.00	324,704.00	95,296.00	77%
Local transport / travelling	539,910.00	-	539,910.00	982,340.00	(442,430.00)	182%
Electricity , water and conservancy	1,428,000.00	-	1,428,000.00	1,023,294.00	404,706.00	72%
Medical Expenses	-	-	-	-	-	
Administration costs	945,000.00		945,000.00	1,572,055.00	(627,055.00)	166%
Activity	167,580.00		167,580.00	663,540.00	(495,960.00)	396%
Nssf				207,850.00	(207,850.00)	
Nhif				70,000.00	(70,000.00)	
Union				72,000.00	(72,000.00)	

**MOYALE BOYS SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Kessha				279,100.00	(279,100)	
Damages expenses	-	-	-	-	-	
Refund				143,500.00	(143,500.00)	
Insuaance and Property		-	-	75,000.00	(75,000.00)	
Pta fund expenditure			-	-		
Salary Advance			-	198,500.00		
Sundry creditors			-	1,536,212.00	(1,536,212.00)	
Sale of bore hole water expenses			-	-	-	
Bank charges	-		-	16,240	(16,240)	
<b>TOTAL</b>	<b>20,382,480.00</b>	<b>-</b>	<b>20,382,480.00</b>	<b>20,705,360</b>	<b>(322,880)</b>	<b>102</b>
	-	-	-	913,705	913,705	

The expenditure exceeds the original budget due to increase in enrollment as form one joined January 2024 and the budget estimates were done in May of the preceding year.



## **9. 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 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*.

### **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.

**Significant Accounting Policies (Continued)**

**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. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. 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. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

**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.

**10. Notes To The Financial Statements**

**1 Capitation Grant for Tuition**

		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Text books			
Exercise books			
Laboratory equipments and apparatus			
Teaching/learning materials		1,051,625	890,243
chalks			
Internal exams			
Reference books			
<b>Total</b>		<b>1,051,625</b>	<b>890,243</b>

**2 Capitation Grant for Operations**

		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments			
Repairs and maintenance		1,657,200	1,336,000.00
Local transport / travelling			
Electricity ,water and conservancy			
Medical/insurance		334,500	31,500
Other Voteheads (ltt,ewc,adm cost,p.e)		2,758,649	2,501,485
Administration costs			
Activity		336,700	127,350
<b>Total</b>		<b>5,087,049</b>	<b>3,996,335</b>

**MOYALE BOYS SECONDARY SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

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**3 Parents Contribution/Fees - School Fund Account**

		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Fee on Boarding Equipment and Stores		7,553,595.00	5,229,865.00
Other voteheads			-
Personnel emoluments		2,608,332.00	2,204,301.00
Repairs and maintenance		516,471.00	493,568.00
Local transport / travelling		667,097.00	511,632.00
Electricity ,water and conservancy		1,422,098.00	1,081,804.00
Land lease			270,100
arrears		583,918.00	291,122
Administration costs		1,697,958.00	840,584.00
Activity		150,972.00	110,004.00
<b>Total</b>		<b>15,200,441.00</b>	<b>11,032,980.00</b>

Notes to the Financial Statements (Continued)

**MOYALE BOYS SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**4 Other Receipts – School Fund Account**

		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Cdf fund for the purchase of School Bus		-	
Boarding account 2		93,000	4,425,500
Salary Advance			
Damages fees			
Sale of bore water			
House rent			
PTA fund			
Examination fund			
Uniform fund			
Interest income			-
Insurance compensation			-
Income from Posho mill			-
Income from Bus Hire		182,950	-
Fee for hire of ground and equipment		4,000	40,000
Income from grants and donations*			-
Interest income			-
Dividends income		-	-
<b>Total</b>		<b>279,950</b>	<b>4,465,500</b>

Notes to the financial statements (continued)

**MOYALE BOYS SECONDARY SCHOOL**

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

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**5 Payments For Tuition**

	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Text books		
Exercise books		-
Laboratory equipments and apparatus		
Teaching/learning materials	824,490.00	790,144
chalks		
Internal exams		
Reference books		
Bank charges	1,970.00	4,706
		-
		-
<b>Total</b>	<b>826,460.00</b>	<b>794,850</b>

**Notes To The Financial Statements (Continued)**

**6 Payments For Operations**

		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Personal Emoluments			
Other Voteheads		2,285,609	2,625,984
Administration Cost			
Repairs and maintenance & improvements		1,266,560	
Local transport / travelling			
Electricity, water and conservancy			
Medical and insurance		45,203	
Activity Expenses		137,000	176,900.00
Salary advance		70,000	
Nssf		126,070	
Nhif		43,600	
Bank Charges		4,598	6,224,00
Acquisition of Assets		1,100,000	729,133
<b>TOTAL</b>		<b>5,078,640</b>	<b>3,538,241.00</b>

**MOYALE BOYS SECONDARY SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024****Notes To The Financial Statements (Continued)****7 Boarding And School Fund Payments**

		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Fee on Boarding Equipment and Stores		5,878,701.00	4,171,724
Other vote heads			
Purchase of School Bus			
Personnel emoluments		1,755,455.00	3,065,142
School farm expenses			
Repairs and maintenance & Improvements		324,704.00	262,380
Local transport / travelling		982,340.00	895,043
Electricity , water and conservancy		1,023,294.00	1,256,112
Medical Expenses			
Administration costs		1,572,055.00	1,624,775
Activity		663,540.00	565,130
Salary advance		198,500.00	
Refund		143,500.00	26,000
Nssf		210,520.00	
Nhif		70,000.00	
Insuarance and Property		75,000.00	371,243
Kessha		278,200.00	
Pta fund expenditure			
Sundry creditors		1,536,212.00	
Union		72,000.00	-
Sale of bore hole water expenses			-
Bank charges		16,240	8,282.00
<b>TOTAL</b>		<b>14,800,261</b>	<b>12,245,831</b>

**Notes To The Financial Statements (Continued)**

**8 Bank Accounts**

<b>Name of Bank, Account No. &amp; currency</b>	<b>Bank Account Number</b>	<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Tuition Account		377,398	150,739
Operations Account		1,435,052	115,761
School Fund Account/Boarding		1,292,062	917,372
Boarding account 2		85,698	39,513
Income generating activities Account			
Infrastructural Account		611,026	1,001,615.00
Bus Fund Account		1,836	41,884
<b>Total</b>		<b>3,803,072</b>	<b>2,266,884</b>

**9 Cash In Hand**

<b>Description</b>		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Tuition Account			
Operation Account		1,826.00	23,110.00
School Fund account		12,711.00	32,583.00
<b>Total</b>		<b>14,537.00</b>	<b>55,693.00</b>

Notes to the financial statements (continued)

**Short Term Investments**

<b>Description</b>		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Cooperative shares		-	-
Treasury Bills		-	-
Fixed deposit		-	-
Equity stock		-	-
Other investments		-	-
<b>Total</b>		-	-

**MOYALE BOYS SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**Accounts Receivable**

<b>Description</b>		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Fees arrears		34,370,240.00	28,584,067
NSSF			
Kudheiha welfare			
Fees arrears recovered		(583,918)	
Salary advances		268,500.00	326,700
Salary advances recovered		(307,090.00)	(165,300)
<b>Total</b>		<b>33,747,732</b>	<b>28,745,467</b>

*[Include an ageing of the fees / non fees arrears below]*

<b>Description</b>		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Fees arrears for current year		5,495,052.00	3,743,743
Fees arrears for the previous year		3,743,743.00	1,070,926
Fees arrears for prior periods (over two years)		25,131,445.00	24,060,520
Fees arrears recovered		-	(291,122)
<b>Total</b>		<b>34,370,240</b>	<b>28,584,067</b>

Notes to the financial statements (continued)

**MOYALE BOYS SECONDARY SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024****Accounts Payable**

<b>Description</b>		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Trade creditors (See ageing below and appendix 1)		-	1,536,212
Union dues			
Prepaid fees			
Retention monies/caution money			
<b>Total</b>		<b>-</b>	<b>1,536,212</b>

*[Include an ageing of the creditor's arrears below]*

<b>Description</b>		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Trade creditors for current year		-	1,536,212
Trade creditors for the previous year		1,536,212.00	111,000
Trade creditors paid		(1,536,212)	(111,000)
Trade creditors for prior periods (over two years)		-	-
<b>Total</b>		<b>0</b>	<b>1,536,212</b>

**Notes to the Financial Statements (Continued)**

**MOYALE BOYS SECONDARY SCHOOL**

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

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**Fund Balance Brought Forward**

<b>Description</b>		<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Bank balances		2,266,884	3,415,329
Cash balances		55,693.00	154,453.00
Short Term Investments		-	-
Receivables		33,747,732	28,745,467
Payables		(1,536,212)	( 111,000)
<b>Total</b>		<b>34,534,097</b>	<b>32,204,249</b>

Notes to the financial statements (continued)

**MOYALE BOYS SECONDARY SCHOOL**

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

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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

**Non-current Liabilities Summary**

**Biological assets**

<b>Description</b>	<b>Numbers</b>	<b>2023-2024</b>	<b>2022-2023</b>
		<b>Kshs</b>	<b>Kshs</b>
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
<b>Total</b>		-	-

**Borrowings**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	-	-

Notes to the financial statements (continued)

**MOYALE BOYS SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2024**

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**Other important disclosure notes**

**Stock/ Inventory**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>Inventory</b>		
Stock/ inventory at beginning of the year	208,570	
Stock/ inventory purchased during the year	4,748,190	
Stock/ inventory issued during the year	4,800,780	
<b>Balance at end of the year</b>	<b>155,980</b>	

Notes to the financial statements.



**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.

<b>Ref No.</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1.	Late submission of financial statements for audit	Management will comply	Not resolved	One year
2.	Failure to prepare school improvement plan	Management will endeavour to put in place school improvement plan	In progress	One year
3.	Lack of , ownership documents	Management will put in place what is within its capacity.	Partially resolved	ONE YEAR.

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 Sign  
 20/ 5/2025  
 Principal.

**Annex 1 - Analysis Of Pending Accounts Payable**

<b>ANALYSIS OF ACCOUNTS PAYABLES AS AT 30TH JUNE 2024</b>					
<b>Supplier of Goods or Services</b>	<b>Original Amount</b>	<b>Date Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance</b>	<b>Comments</b>
				<b>30th June 2024</b>	
	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	
<b>Supply of goods</b>					
	-			-	
<b>Sub-Total</b>					
<b>Supply of services</b>					
			-		
			-		
<b>Sub-Total</b>			-		
<b>Grand Total</b>					

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

<b>Asset Class</b>	<b>Date purchased</b>	<b>Location</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/l (Kshs) 30<sup>th</sup> June 2024</b>
Land 1			-			
Land 2	1972	MOYALE	40,000,000	100,000	-	40,100,000'00
Buildings And Structures	1972		49,500,000		-	49,500,000
Motor Vehicles	10/5/2006	MOYALE	1,200,000	9,650,000	-	10,850,000
Office Equipment, Furniture And Fittings	15/04/2008	MOYALE	600,000	-	-	600,000
ICT Equipment, And Other ICT Assets	12/03/2010	MOYALE	225,000	-	-	225,000
Tools And Apparatus	1980	MOYALE	400,000			400,000
Textbooks	1980	MOYALE	4,400,000	-	-	4,400,000
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
<b>Total</b>			<b>96,325,000,000</b>	<b>9,750,000</b>		<b>106,075,000</b>

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

Acronyms

- 1.SMASSE –strengthening of mathematics and science in secondary education
- 2.KESSHA-Kenya secondary school heads association
- 3.NHIF-National hospital insurance fund
- 4.NSSF –National social security fund
- 5.CEB –County education board
- 6.BOM-Board of management
- 7.PTA-parents teachers association