

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 19 JUN 2025	DAY. Thursday
TABLED BY:	Hon. Silvanus Osoo (Majority Party Whip)
CLERK-AT THE-TABLE:	Anastacia

OF

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**ST. JOSEPH'S NYABIGENA BOYS
HIGH SCHOOL**

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

KISII COUNTY

THE STATE OF TEXAS
COUNTY OF [illegible]
I, [illegible], County Clerk of said County, do hereby certify that the within and foregoing is a true and correct copy of the [illegible] filed for record in my office on the [illegible] day of [illegible] 19[illegible].
WITNESSED my hand and the seal of said County at [illegible] this [illegible] day of [illegible] 19[illegible].
[illegible] County Clerk

[illegible]



ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024**

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1. *Acronyms and Definition of Key Terms*

A. **Acronyms.**

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

2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in **Kisii County, Gucha South** Sub-County.

The school was registered in **January 1991** under registration number **45S30001123** and is currently categorized as *Extra County* public school established, owned or operated by the Government.

The school is a **boarding school** and had **1,008** students as at *30th June 2024*. It has **28** streams and **50** teachers of which **11** 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:

1	Prof. Joseph Abuya	Chairman	07/05/2022
2	Mr. Dismas Omoke	Secretary - Principal	21/06/2023
3	Mr. Joseph Ogaro	Member	07/05/2022
4	Mr. Kennedy Mokuia	Member	07/05/2022
5	Mr. Beth Lumasai	Member	07/05/2022
6	Mrs. Elphina Bitengo	Member	07/05/2022
7	Mr. Joseph Onyancha	Member – Rep CEB	07/05/2022
8	Mr. Richard Nyarigoti	Member – Rep CEB	07/05/2022
9	Mr. Benard Okeno	Member Rep Teachers	07/05/2022
10	Fr. Timothy Ong'era	Members - Sponsor	07/05/2022
11	Mr. Kingsley Kiage	Members - Sponsor	07/05/2022
12	Mrs. Everlyne Nyabonyi	Members - Sponsor	07/05/2022
13	Mr. Zebedeo Ong'uti	Member - Community	07/05/2022
14	Mr. Philip Ochwando	Member Special Needs	07/05/2022
15	Mr. Nyamaicho Moses	Rep Students	

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Committees of the Board				
1	Executive Committee	1. Prof. Joseph Abuya 2. Dismas Omoke 3. Kennedy Mokua 4. Everlyne Nyabonyi 5. Elphinah Bitengo	Chairman Secretary member member member	5 out of 6 6 out of 6 5 out of 6 4 out of 6 6 out of 6
2	Audit Committee	1. Joseph Ogaro 2. Joseph Onyancha 3. Dismas Omoke 4. Kennedy Mokua	Chair Member Secretary member	0 0 0 0
3	Finance, procurement and general purposes Committee	1. Joseph Ogaro 2. Joseph Onyancha 3. Dismas Omoke 4. Kennedy Mokua	Chair Member Secretary member	2 out of 2 2 out of 2 2 out of 2 2 out of 2
4	Academic Committee	1. Kingsley Kiage	Chair	2 out of 2

		2. Kennedy Mokuu 3. Dismas Omoke 4. Zebedeo Ong'uti 5. Betty Lumasai	Member Secretary Member Member	1 out of 2 2 out of 2 2 out of 2 1 out of 2
5	Development Committee	1. Philip Ochwando 2. Dismas Omoke 3. Richard Nyarigoti 4. Kennedy Mokuu	Chair secretary member Member	2 out of 2 2 out of 2 1 out of 2 2 out of 2
6	Discipline and welfare Committee	1. Kingsley Kiage 2. Kennedy Mokuu 3. Dismas Omoke 4. Zebedeo Ong'uti Betty Lumasai	Chair Member Secretary Member Member	2 out of 2 2 out of 2 2 out of 2 1 out of 2 2 out of 2
7	Adhoc Committee (if any during the year)	There was no adhoc committee		

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Dismas Omoke	TSC No.303121
2	Deputy Principal-Admin	Fredrick Ocharo	TSC No.413306
3	Deputy principal-cur	Tom Sosi	TSC NO.373890
4	School Bursar	Wilson Nyakwama	NAC/302284

(e) Schools contacts

Post Office Box: 833-40200, Kisii
 Telephone: 0719-222-555
 E-mail: st.josephnyabigena@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

The school operated five numbers of bank accounts in the following banks;

1. Name of Bank: KCB
 Branch;KISII
 Account Number;1182445640/1223208877Boarding/saving
2. Name of Bank: EQUITY
 Branch;KISII
 Account Number;0510297035444-CDF A/C
3. Name of Bank: ABSA
 Branch;KISII
 Account Number;0081108463-BOARDING A/C 2
4. Name of Bank: EQUITY
 Branch;KISII
 Account Number;0510274729787-Infrastructure account
5. Name of Bank: EQUITY
 Branch;KISII
 Account Number;0510291350902-Tuition account
6. Name of Bank: EQUITY
 Branch;KISII
 Account Number;0510291746862-Infrastructure account

(g) Independent Auditors

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

3. *Summary Report of Performance of The School*

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

a) **Financial performance:**

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

YEAR	2023/2024	2022/2023	2021/2022
SURPLUS/DEFICIT	3,469,527	2,025,849	(6,257,531)

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

YEAR	2023/2024	2022/2023	2021/2022
OPERATION ACCOUNT	9,567,939	11,612,907	20,502,228
TUITION ACCOUNT	2,220,765	2,736,522	5,273,393
TOTAL	11,788,765	14,797,939	25,775,621

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

YEAR	2023/2024	2022/2023	2021/2022
AMOUNT(KSHS.)	43,993,474	59,402,884	79,867,348

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

YEAR	2023/2024	2022/2023	2021/2022
EXPENDITURE	40,523,947	57,377,035	82,546,594

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

YEAR	2023/2024	2022/2023	2021/2022
DEBTORS	49,642,962	47,527,094	43,009,885
CREDITORS	19,612,541	17,506,788	11,992,136

b) Teacher Student ratio:

Number of teachers recruited	0
Number of teachers posted	0
Number of teachers transferred	3
Number of teachers retired	0
Number of teachers employed by TSC	0
Number employed by BOM.	11

SUBJECT	MATHS	ENG	KISW	CHEM	BIO	PHY	HIST	C.RE	GEO	MUSIC	AGRIC	COMP	B/S
TEACHERS	6	8	5	7	10	3	7	6	3	1	4	1	3

c) The mean score in the 2023, 2022 & 2021 KCSE:

YEAR	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	MS
2021	0	2	9	8	25	51	70	92	75	56	6	0	0	5.365
2022	0	0	3	12	18	53	78	70	43	10	0	0	1	5.829
2023	0	0	0	1	4	26	53	60	26	3	0	0	0	5.514

N/B: Students transitioned to institutions of higher learning in the past three years-212

Targets mean score over the last three years-7.500. The target mean score has never been achieved.

Number of Candidates in the 2021, 2022 & 2023 KCSE:

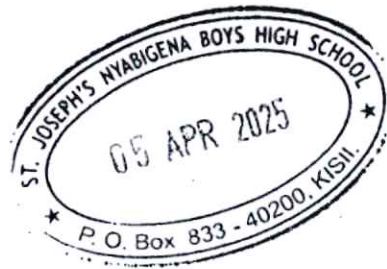
YEAR	2021	2022	2023	TOTAL
ENTRY	394	288	173	855

d) The capacity of the school:

DORM	LAB	D/H	TOILET	SHOWERS
8	6	1	48	25

e) Development projects carried out by the school:

Project		Status	Estimated Cost	Actual Cost	Remarks
DORMITORY	MIF-MOE	ON- GOING	12,627,000	8,452,720	SUBJECT FOR AVAILABILITY OF FUND



[Handwritten signature]

.....
School Principal

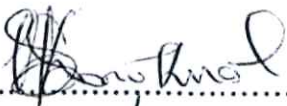
4. Statement of School Management Responsibility

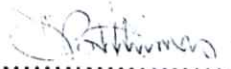
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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


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

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

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

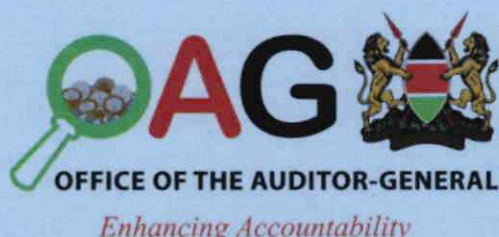

.....
Name: KENNETH MUTHUA
Designation: Chairman, School Board of Management
Date: 05/05/2025


.....
Name: DENNIS Ombae
Designation: School Principal & Secretary to Board of Management
Date: 5/5/2025


.....
Name: WILSON NTAI KWAMA
Designation: Bursar/ Finance Officer
Date: 05/05/2025

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – KISII COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Joseph's Nyabigena Boys

Report of the Auditor-General on St. Joseph's Nyabigena Boys High School for the year ended 30 June, 2024 – Kisii County

High School set out on pages 1 to 26, which comprise the statement of financial assets and financial 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 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 St. Joseph's Nyabigena Boys High 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variances Between Financial Statement and Schedules

Comparison of amounts reflected in the financial statements with amounts in the supporting schedules revealed variances as analyzed below:

Component	Financial Statements Amount (Kshs.)	Schedules (Kshs.)	Variance (Kshs.)
Personnel emoluments	2,170,000	1,234,335	935,665
Repairs and maintenance	1,400,000	1,050,402	349,598
Local transport/ travelling	1,400,000	843,866	556,134
Electricity and water	2,800,000	1,710,132	1,089,868
Administration costs	2,660,000	2,224,244	435,756
Activity	175,000	167,500	7,500
Fee on Boarding equipment and stores	20,269,310	18,797,909	1,471,401
Government grants for tuition	2,220,765	2,200,765	20,000
Boarding and school fund	33,245,007	25,813,980	7,431,027
Prepaid Fees	1,721,859	1,617,653	104,206

In the circumstances, the accuracy and completeness of the financial statement could not be confirmed.

2. Understatement of Capitation Grants for Operation

The statement of receipts and payments reflects Government grants for operations amount of Kshs.9,468,399 as disclosed in Note 2 to the financial statements. However,

review of the bank statements for the Operations Bank Account revealed receipts of Kshs.10,868,399 from the Ministry of Education, leading to unexplained variance of negative Kshs.1,400,000.

In the circumstances, the accuracy and completeness of the Government grants for operations amount of Kshs.9,468,399 could not be confirmed.

3. Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statement reflects Kshs.49,642,962 in respect of accounts receivables (fees arrears). Included in the balances are receivables amounting to Kshs.38,408,945 which had been outstanding for more than one year. Management did not make any provision for bad and doubtful debts in the financial statements. Further, there was no evidence that Management had instituted measures or put strategies in place on how to recover the fee arrears and mitigate their accumulation.

In the circumstances, the accuracy and recoverability of the Kshs.38,408,945 accounts receivables balance could not be confirmed.

4. Long Outstanding Accounts Payable

The statement of assets and liabilities and as disclosed by Note 14 to the financial statements reflects accounts payable balance of Kshs.19,612,541 which includes trade creditors totalling Kshs.17,890,682 whose supporting payment vouchers were not provided for audit. Further, included in the trade creditor balance is a balance of Kshs.9,926,680 that had been outstanding for more than one (1) year, contrary to Regulation 42 (1)(b) of the Public Finance Management (National Government) Regulations, 2015, which requires debt service payments to form the first charge.

In the circumstances, the existence, accuracy, and authenticity of the Kshs.17,890,682 trade creditor balances could not be confirmed. Also, Management may have breached the law.

5. Incomplete Fixed Asset Register

Annex 2 on summary of fixed assets register to the financial statements reflects Kshs.406,500,000 in respect to fixed assets. However, review of the fixed asset register provided for audit revealed that whereas the fixed assets were listed, their corresponding valuations were not indicated.

In the circumstances, the accuracy and completeness of total assets balance of Kshs.406,500,000 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Joseph's Nyabigena Boys High School 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects total income budget and actual on comparable basis amounts of Kshs.50,907,200 and Kshs.43,993,474 respectively, resulting in underfunding of Kshs.6,913,726 or 14% of the budget. Similarly, the School spent Kshs.40,523,947 out of the actual income of Kshs.43,993,474, resulting in underutilization of Kshs.3,469,527 or 8%.

The underfunding and underutilization affected planned activities and may have negatively impacted learning in the School.

My opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. 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 Information

The Management is responsible for the Other Information set out on page i to xi which comprises Key School Information and Management, Summary Report of Performance of the School, Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the College'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.

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 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of receipts and payments reflects operations amount of Kshs.6,268,801 which includes Kshs.516,200 transferred to the Kenya Secondary School Heads Association (KESSHA) in respect of co-curricular activities and administrative costs. However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools. This was contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015, which states that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, Management was in breach of the law, and the value for money realized from the expenditure of Kshs.516,200 could not be confirmed.

2. Accuracy of the Student Enrollment Data

The statement of receipts and payments as disclosed by Notes 1 and 2 to the financial statements reflected Kshs.2,220,765 and Kshs.9,468,399 as Government grants for tuition and operations, respectively. However, examination of the student attendance registers and the National Education Management Information System (NEMIS) relating to student enrolment revealed that during the financial year, there a variance of 581 students between the enrolment reported in NEMIS and the number of students according to the attendance registers. This may be an indication that the School may have received excess capitation grants for tuition and operations of Kshs.3,401,996 during the year

under review. Further, Management did not provide evidence of attempts to reconcile the variance of 581 students.

In the circumstances, the regularity and value for money of the Kshs.3,401,996 received as excess capitation grants could not be confirmed.

3. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments as disclosed by Note 2 to the financial statements reflected Kshs.9,468,399 as capitation grants for operations. However, review of the School's NEMIS portal and the operation account bank statement revealed that the School received capitation grants for operation of Kshs.10,868,399.84 during the period under review, out of which Kshs.3,512,000 was to be transferred to the infrastructure account. However, only Kshs.1,400,000 was transferred, resulting in an unreconciled variance of Kshs.2,112,000. Further, it was noted the funds to be transferred to the infrastructure bank accounts had been irregularly diverted to the operations of the School, contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June 2021, which directed that infrastructure grants and maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

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

4. Irregular Encashment of Cheques on the School's Operation and School Fund Account/Boarding Bank Accounts

The statement of financial assets and liabilities and as disclosed by Note 10 to the financial statements reflects Kshs.6,261,591 in respect of bank balances, which includes operation bank account and school fund account/boarding bank account balances of Kshs.3,107,346 and Kshs.364,065 respectively. However, analysis of the bank statements of the two (2) bank accounts revealed an encashment of cheques amounting to Kshs.1,690,000 on the operation account and Kshs.2,232,000 on the boarding/school fund account, both amounting to Kshs.3,922,000. The withdrawn amounts were not included in the ledgers presented for audit review.

Further, although the School's bursar indicated the amounts to be petty cash, the memorandum cash book accounting for the expenditure was not provided for audit, contrary to Regulation 91(14) of the Public Finance Management (National Government) Regulations, 2015, which requires the holder of a standing Imprest to keep a memorandum cash book to record all receipts and payments and the balances on hand to agree with the cash balance recorded in the c/ash book.

In addition, the School Principal was the recipient of the withdrawals. However, there was no justification provided on why the Principal received the money and not School's Bursar. The payment vouchers relating to the expenditure of the cash, the minutes by the

Board of Management approving the withdrawal of the funds from operation and infrastructure bank accounts were not provided for audit review.

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

5. Direct Procurement of Teaching and Learning Materials

The statement of receipts and payments reflected tuition payments of Kshs.1,010,139 as disclosed in Note 6 to the financial statements. However, review of the payment vouchers on the tuition expenditure revealed that there was direct procurement of teaching and learning materials amounting to Kshs.900,000 from various suppliers. Further, there was no justification provided for the use of the direct procurement method, as required by Regulation 90 (1)(a) of the Public Procurement and Asset Disposal Regulations, 2020, and Section 103 of the Public Procurement and Asset Disposal Act, 2015, thus the method may have been used to avoid competition. Further, the inspection and acceptance certificates were not provided for audit review.

In the circumstances, the value for money realized from the expenditure of Ksh.900,000 could not be confirmed. Also, 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect(s) of the matter(s) 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. Lack of Internal Audit Function

Review of the internal controls of the School revealed that the School had not instituted arrangements in place for the conducting of internal audit, contrary to Section 73 (1a) of the Public Finance Management Act 2012, which requires each National Government entity to ensure it has appropriate arrangements for conducting internal audits according

to the guidelines issued by the Accounting Standards Board. Further, it was noted that although the school's Board had an audit committee in place, the committee did not conduct a single meeting in the year under review.

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

2. Failure to Prepare School Improvement Plan

Review of the School's governance structure revealed that the school had not prepared a School Improvement Plan (SIP). Further, there were no policies in place to address changes in the school's needs to improve its environment and learning outcomes. In addition, there were no measures in place for the school's improvement activities, hold School accountable, keep the school in focus in achieving its target, prioritization of the school needs, ensuring prudent utilization of resources and to improve accountability.

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

3. Weak IT Internal Controls

Annex 2 on summary of the fixed assets register reflects total historical cost of fixed assets balance of Kshs.406,500,000 as at 30 June, 2024. Included in the balance are ICT equipment valued at Kshs.46,250,000 and intangible assets, specifically software, valued at Kshs.1,500,000. Review of the School's Information and Communication Technology (ICT) environment revealed that, apart from physical records, the school used various computerized information management systems, including the National Education Management Information System (NEMIS), the Integrated Financial Management System, a library management system for library services, and smart school technologies for student biometric data. However, management did not provide an approved ICT policy, disaster recovery plan, and ICT strategic plan.

In the circumstances, the reliability, integrity and recoverability of the school's data could not be confirmed.

4. Weaknesses in the Management of Textbooks

Annex on summary of fixed assets register reflects historical cost of Kshs.406,500,000, which included textbooks valued at Kshs.47,000,000. However, audit revealed that the school had not implemented an inventory management software to automate and streamline the record-keeping processes. Further, it was noted that books had been supplied in excess as compared to the number of students taking the subjects, resulting in an overstocking. This may have been an indication that the school had not been involved in the requisition of the books.

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

5. Poor Inventory Controls and Management

Other important disclosures (Note 19) of the financial statements reflects Kshs.2,232,035 in respect of total value of the inventory. However, review of records provided for audit revealed that the Management did not carry out a stock take on a quarterly basis and no stock or inventory policy had been developed.

In the circumstances, the effectiveness of internal controls over inventory and store management 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 Management and the Board of Management

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

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

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

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

The Board of Management is responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and

systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

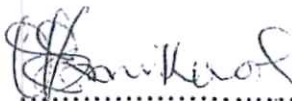
Nairobi

15 May, 2025

6. Statement Of Receipts and Payments for the Year Ended 30th June 2024

Receipts			
Government grants for tuition	1	2,220,765	2,736,522
Government grants for operations	2	9,468,399	11,612,907
Government Grants for infrastructure	3	1,400,000	2,581,509
School fund income- parents' contributions	4	30,874,310	41,573,546
Miscellaneous incomes	5	30,000	898,400
Total Receipts		43,993,474	59,402,884
Payments			
Tuition	6	1,010,139	5,312,543
Operations	7	6,268,801	8,869,371
Infrastructure	8	-	6,241,777
Boarding and school fund	9	33,245,007	36,953,344
Total Payments		40,523,947	57,377,035
Surplus/Deficit		3,469,527	2,025,849

The school financial statements were approved on 05/05/2025 and signed by:



Name: HANEDY NOKUT

Chair BOM

Date: 05/05/2025



Name: DISMAS OPIRE
05/05/2025
 School Principal/ Secretary to
 BOM

Date: 05/05/2025



Name: KILSEN NYAKWAPU

Bursar/ Finance Officer

Date: 05/05/2025

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7. Statement of Assets and Liabilities As At 30th June 2024

Financial Assets			
Cash and cash equivalents			
Bank balances	10	6,261,591	2,816,504
Cash balances	11	51,841	27,400
Short term investments	12	-	-
Total cash and cash equivalent		6,313,432	2,843,904
Account's receivables	13	49,642,962	47,527,094
Total financial assets		55,956,394	50,370,998
Financial liabilities			
Accounts payables	14	(19,612,541)	17,506,788
Total Financial Liabilities		19,612,541	17,506,788
Net financial assets		36,343,853	32,874,210
Represented by			
Accumulated fund b/fwd	15	32,874,326	30,848,361
Surplus/deficit for the year		3,469,527	2,025,849
Net financial position		36,343,853	32,874,210

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



Name: Kenneth Nkomo

Chair BOM

Date: 05/05/2025



Name: Njira Njira
 School Principal/ Secretary to BOM

Date: 05/05/2025



Name: Wilson Ntshangwa

Bursar/ Finance Officer

Date: 05/05/2025

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8. Statement of Cash Flows for the Year Ended 30th June 2024

Statement of Cash Flows for the Year Ended 30 th June 2024			
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	2,220,765	2,736,522
Government grants for operations	2	9,468,399	11,612,907
Government grants for infrastructure	3	1,400,000	2,581,509
School fund income- parents contributions/ fees	4	30,874,310	41,573,546
Other income	5	30,000	898,400
Total receipts		43,993,474	59,402,884
Payments			
Cash outflows for tuition	6	1,010,139	5,312,543
Cash outflows for operations	7	6,268,801	8,869,371
Cash outflows Infrastructure	8	-	6,241,777
Cash outflows Boarding/lunch and school fund payments	9	33,245,007	36,953,344
Total payments		(40,523,947)	(57,377,035)
Net cash inflow/outflow from operating activities		3,469,527	2,025,849
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		3,469,527	2,025,849
Cash and cash equivalent at beginning of the FY		2,843,904	818,055
Cash and cash equivalent at end of the FY		6,313,431	2,843,904


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



Name: **Kenneth P. Muthoni**

Chair BOM

Date: **05/05/2025**



Name: **Dimas Simace**
 School Principal/ Secretary to BOM

Date: **05/05/2025**



Name: **Wilson Mwakhamu**
 Bursar/ Finance Officer

Date: **05/05/2025**

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

Receipts					
(1) Capitation Grant on Tuition					
Text books	450,000	-	450,000	-	0
Exercise Books	550,000	-	550,000	-	0
Laboratory Equipment	850,000	-	850,000	-	0
Internal Exams	305,370	-	305,370	-	0
Teaching / Learning Materials	835,000	-	835,000	2,220,765	266
Exams And Assessment	324,830	-	324,830	-	0
(2) Capitation Grant on Operations					
Personnel Emoluments	5,904,800	-	5,904,800	-	0
Repairs And Maintenance	-	-	-	424,000	100
Local Transport / Travelling	229,682	-	229,682	-	0
Electricity And Water	785,208	-	785,208	-	0
Medical	1,600,000	-	1,600,000	159,000	9.9
Administration Costs	600,310	-	600,310	-	0
FDSE	-	-	-	3,431,937	100
Activity	1,200,000	-	1,200,000	116,600	100
CBC	-	-	-	788,040	

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OTHERS(LTT,P.E.ADMIN & EWC)	-	-	-	4,648,362	100
3) FDSE for infrastructure				-	
Maintenance & Improvement MOE	5,600,000	-	5,600,000	1,400,000	25
M&I parents' contribution		-	-	-	0
Economic Stimulus Programs		-	-	-	0
Transition Infrastructure Grants		-	-	-	0
Administration Block		-	-	-	0
(4) Fees Charged on Parents					
Personnel Emoluments	2,480,000	-	2,480,000	2,170,000	88
Repairs And Maintenance	-	-	-	1,400,000	0
Local Transport / Travelling	1,600,000	-	1,600,000	1,400,000	88
Electricity And Water	3,200,000	-	3,200,000	2,800,000	88
Medical	-	-	-	-	0
Administration Costs	3,040,000	-	3,040,000	2,660,000	88
Activity	200,000	-	200,000	175,000	88
Fee On Boarding Equipment and Stores	20,308,000	-	20,308,000	20,169,770	99
5) Miscellaneous Income					
Loans / Borrowing	-	-	-	-	0
Rent income	-	-	-	-	0
Income From Farming Activities	420,000	-	420,000	-	0
Income from tender	-	-	-	30,000	100

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Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Income From Posho Mill	-	-	-	-	0
Income From Bus Hire	-	-	-	-	0
Fee For Hire of Ground and Equipment	-	-	-	-	0
Interest Income	-	-	-	-	0
Income From Any Other Investment	-	-	-	-	0
Total Income	50,483,200	-	50,907,200	43,993,474	88
(6) Expenditure For Tuition					
Textbooks	450,000	-	450,000	-	0
Reference Materials	-	-	-	-	0
Exercise Books	550,000	-	550,000	-	0
Laboratory Equipment	850,000	-	850,000	571,504	67
Internal Exams	305,370	-	305,370	-	0
Teaching / Learning Materials	835,000	-	835,000	433,950	52
Chalks	-	-	-	-	0
Exams And Assessment	324,830	-	324,830	-	0
Teachers Guides	-	-	-	-	0
Administration Costs	-	-	-	-	0
Bank Charges	-	-	-	4,685	100
(7) Expenditure For Operations					
Personnel Emoluments	5,904,800	-	5,904,800	1,702,972	29
Repairs, Maintenance & Improvements	-	-	-	60,969	0

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Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/c % Kshs
Local Transport / Travelling	229,682	-	229,682	526,806	229
Electricity, Water and Conservancy	785,208	-	785,208	703,428	90
Medical	1,600,000	-	1,600,000	275,209	17
Administration Costs	600,310	-	600,310	1,779,052	296
Activity Expenses	1,200,000	-	1,200,000	432,325	36
CBC	-	-	-	788,040	100
SMASSE	-	-	-	-	0
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	0
Construction of LAB	-	-	-	-	0
Construction of DORMS	5,600,000	-	5,600,000	-	0
Purchase of furniture	-	-	-	-	0
Purchase of equipment	-	-	-	-	0
Purchase of machinery	-	-	-	-	0
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	2,480,000	-	2,480,000	5,932,107	239
Repairs, Maintenance and Improvements	-	-	-	446,371	0
Local Transport / Travelling	1,600,000	-	1,600,000	1,133,059	71
Electricity, Water and Conservancy	3,200,000	-	3,200,000	1,799,748	56

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Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Fee refund	-	-	-	13,993	100
Administration Costs	3,040,000	-	3,040,000	3,420,434	113
Activity	200,000	-	200,000	616,705	308
Tender	-	-	-	116,000	100
Farm	420,000	-	420,000	54,350	13
Boarding Equipment and Stores	20,308,000	-	20,308,000	19,626,320	97
Expenditure For Income Generating Activity	-	-	-	-	0
Insurance Costs	-	-	-	-	0
Other Expenses On Investments	-	-	-	-	0
Rent Expenses	-	-	-	-	0
Gratuity	-	85,920	85,920	85,920	100
Loan Interest Repayment	-	-	-	-	0
Loan Principal Repayment	-	-	-	-	0
Acquisition Of Assets	-	-	-	-	0
Totals	50,483,200	85,920	50,569,120	40,523,947	81

- i. **INCOME**; Under tuition and operation account the underutilization vote heads arises from not receiving 100% grants from the ministry and overutilization is due to receiving the grants from the ministry's guideline under one vote head(teaching and learning materials/Others).
- ii. **EXPENDITURE**; Underutilization in operation and boarding accounts rises when vote heads are interchanging ie p.e vote head is transferred from operation account to parents account to pay salaries the same case applied to overutilization.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To the Financial Statements

1 Government Grants for Tuition

Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	2,220,765	2,736,522
Others (specify)*	-	-
Total	2,220,765	2,736,522

*Include others as per MOE circulars

2 Government Grants for Operations

Personnel Emoluments	-	-
Repairs And Maintenance	325,060	1,764,491
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	159,000	249,100
Administration Costs	-	-
FDSE	3,431,937	-
CBC	788,040	-
Activity	116,000	326,000
Other Vote Heads (PE,EWC,LTT & ADMIN)	4,648,362	9,273,316
Total	9,468,399	11,612,907

*Include others as per MOE circulars

3 Government Grants for infrastructure

Maintenance & Improvement	1,400,000	2,581,509
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-

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Other (specify) (NGCDF and County govt.	-	-
Total	1,400,000	2,581,509

4 School Fund Income - Parents Contribution/Fees

Personnel emoluments	2,170,000	3,783,964
Repairs and maintenance	1,400,000	1,560,002
Local transport / travelling	1,400,000	2,026,521
Electricity and water	2,800,000	3,928,320
Medical	-	-
Administration costs	2,660,000	5,041,300
Activity	175,000	195,000
Fee on Boarding Equipment and stores	20,269,310	25,038,439
PA Levies*	-	-
Others (specify)	-	-
Total	30,874,310	41,573,546

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

5 Miscellaneous Incomes

Rent Income	-	-
Income From Farming Activities	-	142,000
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	18,000
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations(cdf)	-	600,000
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (Tender)	30,000	138,000
Total	30,000	898,400

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6 Tuition payments

Exercise Books	-	2,817,190
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	571,504	1,849,903
Teaching / Learning Materials	433,950	641,040
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	4,685	4,410
Others (<i>specify</i>)	-	-
Total	1,010,139	5,312,543

7 Operations payments

Personnel Emoluments	1,702,972	211,873
Service Gratuity	-	-
Administration Cost	1,779,052	3,493,207
Repairs And Maintenance & Improvements	60,969	2,133,000
Local Transport / Travelling	526,806	228,407
Electricity And Water	703,428	1,717,380
Medical	275,209	368,734
Activity Expenses	432,325	716,770
Insurance Cost	-	-
Others (CBC)	788,040	-
Total	6,268,801	8,869,371

8 Infrastructure payments

Construction of classrooms	-	-
Construction of laboratory	-	627,402
Construction of dormitory	-	5,611,725
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (Bank charges)	-	2,650
Total	-	6,241,777

9 Boarding And School Fund payments

Personnel Emoluments	5,932,107	9,142,148
Activity	616,705	790,680
Repairs And Maintenance & Improvements	446,371	2,174,672
Local Transport / Travelling	1,133,059	999,481
Electricity And Water	1,799,748	1,643,901
Medical Expenses	-	-
Administration Costs	3,420,434	3,233,158
Service gratuity	85,920	-
Bank Charges	-	-
Expenses On Income Generating Activities**	-	-
Fee On Boarding Equipment and Stores	19,626,320	18,242,366
Farm	54,350	-
Tender	116,000	-
Loan Principal Repayment	-	-
Fee refund	13,993	73,938
Acquisition Of Assets	-	595,000
PA expenses	-	-
Others (bus hire)	-	58,000
Total	33,245,007	36,953,344

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10 Bank Accounts

	Account	Account Number	Balance	Balance
Tuition Account	Active	0510291350902	819,051	38,531
Operations Account	Active	0510291746862	3,107,346	1,413,427
School Fund Account/Boarding	Active	1182445640	364,065	840,648
Savings Account	Dormant	1223208877	50,598	3,170
CDF	Active	0510297035444	10,927	10,927
SCHOOL FUND -2	Active	0081108463	-	197
Infrastructural Account	Active	0510274729787	1,909,604	509,604
Total			6,261,591	2,816,504

11 Cash In Hand

Notes and Coins	51,841	27,400
Total	51,841	27,400

12 Short Term Investments

Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

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13 Accounts Receivable

Fees Arrears	49,642,962	47,527,094
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	49,642,962	47,527,094

13 b) Ageing Analysis of Accounts Receivable

	Current 2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	11,234,017	23%	7,630,660	16%
Between 1- 2 years	2,910,537	6%	8,761,506	19%
Between 2-3 years	4,482,086	9%	10,222,475	22%
Over 3 years	31,016,322	62%	20,912,453	43%
Total (should tie to note 13 a)	49,642,962	100%	47,527,094	100%

14 Accounts Payable

Trade Creditors (See Ageing Below and Appendix 1)	17,890,682	16,229,672
Prepaid Fees	1,721,859	1,277,116
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	19,612,541	17,506,788

14a. Ageing Analysis of Accounts Payable

	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	7,964,002	45%	15,557,187	96%
Between 1- 2 years	9,254,195	52%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	672,485	3%	672,485	4%
Total (should tie to note 14)	17,890,682	100%	16,229,672	100%

15 Fund Balance Brought Forward

Bank Balances	2,816,504	810,269
Cash Balances	37,400	17,786
Short Term Investments	-	-
Receivables	47,527,210	43,009,885
Payables	(17,506,788)	(12,989,579)
Total	32,874,326	30,848,361

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Other important disclosure notes

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

16 Non-current Liabilities Summary

Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Cattle	6	480,000	350,000
pigs	14	368,000	75,000
Trees	255	3,060,000	400,000
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		3,908,000	825,000

18 Borrowings

Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

Other important disclosure notes

19 Stock/ Inventory

Food stuffs	1,734,930	-
Lab consumables	80,500	-
Farm produce	347,340	-
Medication	31,265	-
Construction Materials	38,000	-
Others (specify)	-	-
TOTAL	2,232,035	-

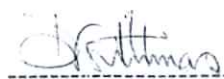
20 Progress On Follow Up of Auditor Recommendations

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

1	Inaccuracies in the Financial Statements.	Management took note and has been corrected the errors.	Not resolved	
2	Accuracy of Capitation Grants	The variance was school fees erroneously deposited in government grant accounts instead of boarding account	Not resolved	
3	Long Outstanding Student Accounts Receivables	Management shall seek to write off balances deemed irrecoverable.	Not resolved	
4	Long Outstanding Accounts Payable	Management shall endeavor to adhere in future.	Not Resolved	
5	Lack of Effectiveness in the Management of Text Books	Management took note and shall devise mechanisms to improve on textbooks control	Not resolved	
6	Budgetary Control and Performance	This was caused by unforeseen changes in student enrolments	Not resolved	
7	Physical Verification of the Infrastructure Projects	Uncertainties with funding or lack of funds forced management to stall projects.	Not Resolved	

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2024/2025				
8	Failure to Transfer Infrastructure Funds from the Operations Bank Account	Management took note and shall endeavor to follow policy guidelines	Not resolved	
9	Tenure of the Board of Management	Management took note and shall follow up with the appointing authority	Not resolved	
10	Late submission of books	Management took note and shall be corrected in future	Not resolved	


 Sign and Date
 Principal



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12. Annexes

Annex I - Analysis of Pending Accounts Payable

	KShs.	KShs.	KShs.	KShs.	KShs.	
Construction Of Buildings						
1. VENACO EAST AFRICA	1,000,000	01.01.2018	700,000	300,00	300,000	TO BE PAID
2. WENAWA SUPPLIES	2,126,900	01.12.2021	600,000	1,526,900	2,126,900	TO BE PAID
3. TIUMA AGENCIES	1,413,331	01.12.2021	787,070	626,261	1,413,331	TO BE PAID
4. VINCENT MOKA OKECHI	39,120	01.12.2021	-	39,120	39,120	TO BE PAID
5. JONYAO ENTERPRISES	23,000	01.12.2021	-	23,000	23,000	TO BE PAID
Sub-Total	4,602,351		2,087,070	2,515,281	3,902,351	TO BE PAID
Supply Of Goods						TO BE PAID
6. JEP ENGINEERING SERVICES	1,067,900	01.06.2021	150,000	917,900	1,067,900	TO BE PAID
7. CHACHE BUILDING CONTRACTORS	809,943		126,000	683,956	809,943	TO BE PAID
8. MOZAMAD INVESTMENT	562,485	01.01.2018	190,000	372,485	572,485	TO BE PAID
9. JONYAO ENTERPRISES	1,547,500		480,000	1,067,500	1,547,500	TO BE PAID
10. EVASAR INVESTMENT LTD	305,750		100,000	205,750	305,750	TO BE PAID
11. ODHIS AUTOCARE	222,300		100,000	134,000	222,300	TO BE PAID

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12. SHAMEX AGENCIES	868,700		300,000	568,700	868,700	TO BE PAID
13. OURU SUPERSTORE LTD	683,810		200,000	483,810	683,810	TO BE PAID
14. VINCENT MOKAMA OKECHI	3,270,160		1,271,000	1,999,160	3,270,160	TO BE PAID
15. CHANCEZ TECHNOLOGIES	935,400		500,000	435,400	935,400	TO BE PAID
16. EVAKI TECHNICAL SERVICES	37,000		0	37,000	37,000	TO BE PAID
17. KISCEN ENTERPRISES	68,950		0	68,950	68,950	TO BE PAID
18. UP-HILL ENGINEERING LTD	258,560		100,000	158,560	258,560	TO BE PAID
19. BREXIT COPIERS AND PRINTER	137,000		130,000	7,000	137,000	TO BE PAID
20. AWENDO EBENEZZER LABCHEMS & SUPPLIES	1,138,783		590,000	548,783	1,138,783	TO BE PAID
21. SKYPOINT TECHNOLOGIES LTD	80,040		0	80,040	80,040	TO BE PAID
22. RENTESH ENTERPRISES	2,059,440		920,000	1,139,440	2,059,440	TO BE PAID
23. DOLVINE KERUBO MASAGEGE	820,750		400,000	420,750	820,000	TO BE PAID
24. MOSMIR AGENCIES LTD	1,200,000		299,000	901,000	-	TO BE PAID
25. JOKEO UNIFORM SUPPLIES	200,500		158,000	42,500	-	TO BE PAID
26. NYABIGENA TEACHERS WELFARE	463,740		174,650	289,090	-	TO BE PAID
27. RODGERS OGEKA	7,500		0	7,500	-	TO BE PAID
28. JOSEPH NYANGARES!	5,000		0	5000	-	TO BE PAID
29. CHARENA ENTERPRISES	170,000		70,000	100,000	-	TO BE PAID
30. MAYFAIR HOLDING COMPANY	187,000		0	187,000	-	TO BE PAID

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31. ANJEMA GENERAL STORES	2,949,000		500,000	2,449,000	-	TO BE PAID
32. TRANSWIDE PHARMACEUTICAL LTD	51,027		0	51,027	-	TO BE PAID
33. JESA ENGINEERING	383,000		300,000	83,000	-	TO BE PAID
34. GRACE MORAA OIGARA	16,183		0	16,183	-	TO BE PAID
35. JOMI GENERAL SUPPLIES	140,000		0	140,000	-	TO BE PAID
36. BOLARY INTERNATIONAL LTD	140,000		0	140,000	-	TO BE PAID
37. KISII UNIFORM CENTRE	216,830		0	216,830	-	TO BE PAID
38. BESKON INVESTMENT CO.LTD	363,440		0	363,440	-	TO BE PAID
39. NICODEMUS MIRUKA	1,284,500		500,000	784,500	-	TO BE PAID
40. BUNDI SUPPLIES INVESTMENT	50,160		0	50,160	-	TO BE PAID
Sub-Total	22,702,351		7,758,650	14,955,401	14,883,721	
Supply Of Services						
41. RETIREES	720,000		300,000	420,000	-	TO BE PAID
Sub-Total	720,000		300,000	420,000	-	
Grand Total	28,024,702		10,145,720	17,890,682	10,721,224	

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Annex 2 – Summary of Fixed Assets Register

Land-1	31,050,000	-	-	31,050,000
Land-2	14,750,000	-	-	14,750,000
Buildings And Structures	150,500,000	-	-	150,500,000
Motor Vehicles	9,750,000	-	-	9,750,000
Office Equipment, Furniture and Fittings	43,200,000	-	-	43,200,000
Textbooks	47,000,000	-	-	47,000,000
ICT Equipment	46,250,000	-	-	46,250,000
Tools And Apparatus	25,000,000	-	-	25,000,000
Other Machinery and Equipment	35,000,000	-	-	35,000,000
Heritage And Cultural Assets	2,500,000	-	-	2,500,000
Intangible Assets- Soft Ware	1,500,000	-	-	1,500,000
Total	406,500,000	-	-	406,500,000

Annex 3 - Analysis of Pending Accounts Receivable Summary

Less than 1 year	11,234,017
Between 1- 2 years	2,910,537
Between 2-3 years	4,482,086
Over 3 years	31,016,322
Total	49,642,962

Annex 3 – TRIAL BALANCE AS AT 30.06.2024

CASH AND CASH EQUIVALENTS			
	Bank Balances	6,261,591	
	Cash Balances	51,841	
	Short term investments	-	
	Receivables	49,642,962	
PAYMENTS			
	Payments for Tuition	1,010,139	
	Payments for operations	6,268,801	
	Boarding and school fund payments	33,245,007	
RECEIPTS			
	Capitation grants for Tuition		2,220,765
	Capitation grants for operation		9,468,399
	Capitation grants for infrastrstructure		1,400,000
	Capitation grants for school fund –parents contribution		30,874,310
	School fund income-othe receipts		30,000
	Proceeds from borrowings		-
	Payables		19,612,541
	Prior year adjustment		-
FUND BALANCE B/F			32,874,326
TOTAL		96,480,341	96,480,341