

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	04 MAR 2025
DAY:	Tuesday
TABLED BY:	Deputy chief whip Hon. Naomi Jillo
CLERK-AT THE TABLE:	Benson Inzape

THE AUDITOR-GENERAL

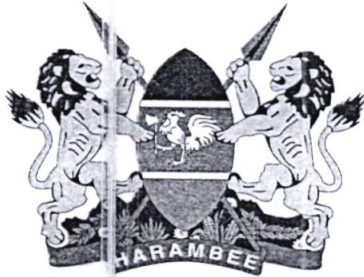
ON

MAGUTU GIRLS HIGH SCHOOL

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

NYERI COUNTY

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
18 OCT 2024
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MAGUTU GIRLS' HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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
FDSIE	Free Day Secondary Education

2. Key School Information and Management

(a) Background information

The School is domiciled in Kenya and its operations are governed under Basic Education Act, 2013. It is located in Nyeri County, Mathira East Sub-County.

The School was registered in 1978 under registration number 19s 0030 0078 and is currently categorized as County public school established, owned and operated by the Government of Kenya.

The School is a Girls' Boarding Secondary School and had a population of 653 as at 30th June 2023. Its 3 streamed and 27 teachers of whom 10 teachers are employed by the School Board of Management, and 17 teachers employed by Teachers Service Commission (TSC).

(b) School Board of Management - Board Members

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

Ref	Name of Board Member	Designation	Date of appointment
1	Simon Njogu	Chairman/Sponsor	5th March 2022
2	Peter Njogu	Member /Sponsor	5th March 2022
3	Joseph Githae	Member/Sponsor	5th March 2022
4	Rahab Githinji	Secretary/Principal	5th March 2022
5	Stanely Mwangi	Member /PA	20th May 2022
6	Winie Wambui	Member/PA	20th May 2022
7	Hilda Wanjiru	Member/PA	20th May 2022
8	James Mwangi	Member/Rep CEB	5th March 2022
9	Loise Karanja	Member Rep Teachers	5th March 2022
10	Carol Njiiri	Member/Community	5th March 2022
11	Evelyn Njeri	Member/Community	5th March 2022
12	Jacob Muthui	Member/Community	5th March 2022
13	Jane Wamaitha	Member/Community	5th March 2022
14	Kennedy Muriithi	Member/Community	5th March 2022
15	Prof. Wachira Mathenge	Member/Community	5th March 2022
16	Edwin Thangari	Member/Special Needs	5th March 2022
17	Francis Gundaru	Member/Special Needs	5th March 2022
18	Gloria Kamau	Member/Rep Students	5th March 2022

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Simon Njogu Rahab Githinji Starnely Mwangi Peter Njogu Carol Njiiri	Chairman Secretary/Principal Member Member Member	3/3
2	Audit Committee	Peter Njogu Carol Njiiri Stanely Mwangi		1/1
3	Finance, procurement and general purposes Committee	Carol Njiiri Rahab Githinji Evelyne Njeri Kennedy Muriithi	Chairman Secretary/Principal Member Member	3/3
4	Academic Committee	Prof. Wachira Mathenge Rahab Githinji Jacob Muthui Jane Wamaitha Loise Karanja	Chairman Secretary/Principal Member Member Member	3/3
5	Development Committee	Peter Njogu Rahab Wanjiru Simon Njogu Joseph Githae	Chairman Secretary/Principal Member Member	3/3

MAGUTU GIRLS' SECONDARY SCHOOL)
Annual Report and Financial Statements For the year ended 30th June 2023

		Kennedy Muriithi Edwin Thangari	Member Member	
6	Discipline and welfare Committee	Edwin Thangari Rahab Githinji Evelyne Wachira Francis Guandaru	Chairman Secretary/Principal Member Member	2/3
7	ADHOC Committee		Chairman Secretary/Principal Member Member	3/3

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref	Designation	Name	Identification
1	Principal	Githinji Rahab Wanjiku	TSC No. 304591
2	Deputy Principal	Gatimu Catherine n Njeri	TSC No. 350344
3	School Bursar	Mugo Faith Caroline K.	ID. No. 24595279
4	Other (specify)		

(e) Schools contacts

Post Office Box: 635-10101, Karatina.
 Telephone: 0724 55 33 69
 E-mail: magutugirlshigh@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

1. Name of Bank: Kenya Commercial Bank
 Branch: Karatina
 Account Number: 1105559513
2. Name of Bank: Kenya Commercial Bank
 Branch: Karatina
 Account Number: 1105566676
3. Name of Bank: Kenya Commercial Bank
 Branch: Karatina
 Account Number: 1105566951
4. Name of Bank: Kenya Commercial Bank
 Branch: Karatina
 Account Number: 1105258378
5. Name of Bank: Kenya Commercial Bank
 Branch: Karatina
 Account Number: 1138218030
6. Name of Bank: Equity Bank Limited
 Branch: Karatina
 Account Number: 0040297148634

7. MPESA Pay Bill No.522123 Account No. 34191k to Account 1105559513 held at KCB Bank Karatina.

(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

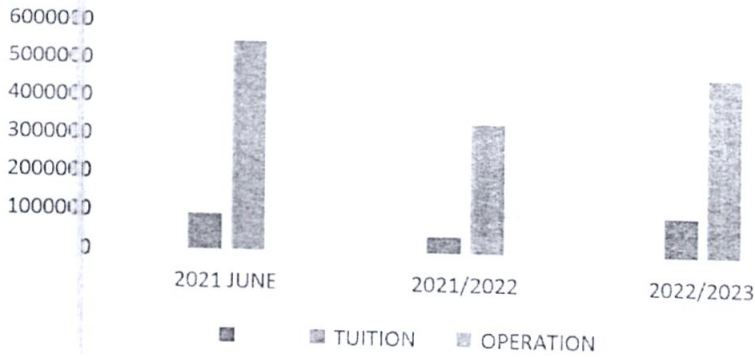
a) Financial performance:

Government Grant

CAPITATION GRANT

ACCOUNT	YEARS		
	2021 JUNE	2021/2022	2022/2023
	KSH	KSH	KSH
TUITION	943,891.00	447,722.00	1,027,838.00
OPERATION	5,498,225.00	3,402,592.00	4,672,293.00
TOTAL	6,442,116.00	3,850,314.00	5,700,131.00
NO. OF STUDENTS	448	336	423
RATIO PER CAPITATION	1:20,082	1:9,469	1:17,209

CAPITATION GRANT

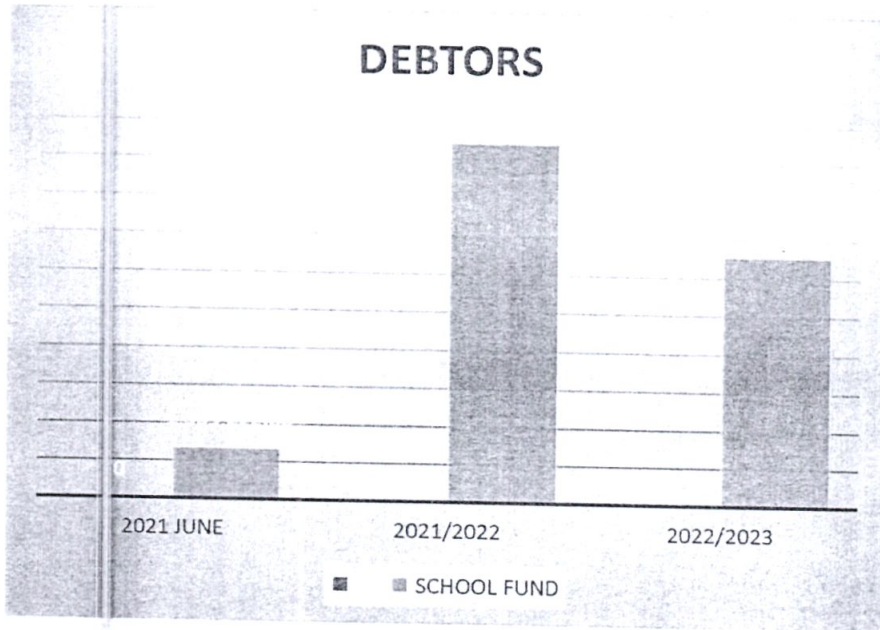


OVERVIEW OF CREDITORS

YEAR	2020/2021	2021/2022	2022/2023
AMOUNTY	0	1,308,106	740,244

OVERVIEW OF THE DEBTORS

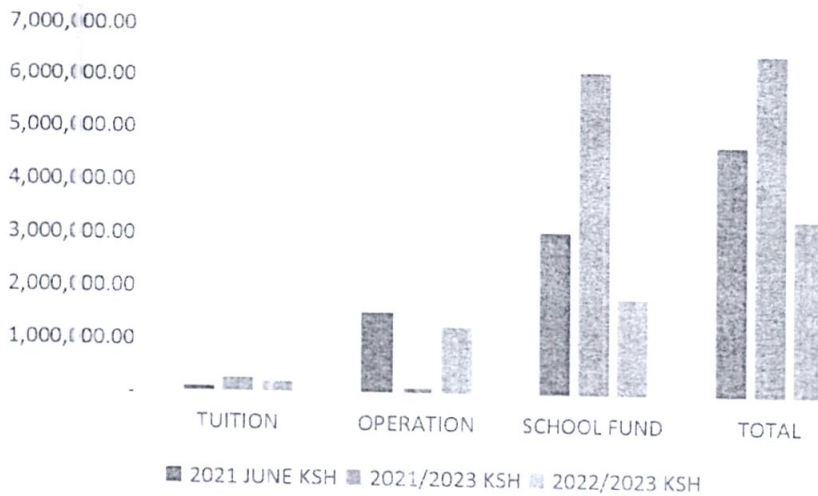
YEAR	2020/2021	2021/2022	2022/2023
AMOUNTY	1,365,222	9,471,262	6,579,360



BANK BALANCES FOR THE LAST 3 YEARS

Account	<u>2021 JUNE</u>	<u>2021/2022</u>	<u>2022/2023</u>
Tuition	100,325	255,384	217,190
Operation	1,544,622	107,583	1,296,463
School Fund	3,086,231	6,131,223	1,846,450
TOTAL	4,731,178	6,494,190	3,360,103

CASH AND BANK BALANCES



b) Teacher Student ratio:

653 Students/27 Teachers

Ratio 1:24

- Two TSC recruited teachers in the year 2022/2023:-
- One TSC transfer out of school- Geography/CRE

TOTAL NO. OF TEACHERS

TSC teachers	BOM Teachers	Total
7	10	27

TSC TEACHERS PER SUBJECT

Subject	Number	Shortage
Maths/Chemistry	2	1
English/Literature	3	1
Agriculture/Biology	1	2
History/CRE	1	1
Computer/Maths	1	1
Chemistry/Physics	1	2
Kiswahili/History	2	1
Kiswahili/CRE	1	1
Business/Geography	1	1
Geography/Biology	1	1
Maths/Business	1	1
Home science/PE	0	2
Geography/CRE	1	1

c) Mean score in the 2022 KCSE:

Year	2020	2021	2022
KCSE MEAN SCORE	5.410	5.0	5.0
TRANSITION TO HIGHER LEARNING	72	67	89

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

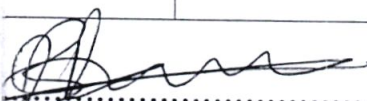
NO. of Candidates Who Sat for the Exam	168
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e) **Capacity of the school:**

FACILITY	Dormitory	Science Lab	D. Hall	Classes	Toilets
AVAILABLE	5	2	1	17	38
REQUIRED	1	1	-	-	22

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

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Book Store/Library	RMI-Infrastructure	Complete	1,300,000	1,202,460	
Staff Houses	Savings From School Fund Account	Complete	1,650,000	1,770,345	



 School Principal

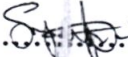
4. Statement of School Management Responsibility

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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of Magutu Girls' 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).

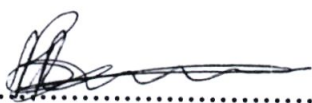
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023 and of the school's financial position as at that date.

.....


Name: Simon N. Mubiti

Designation: Chairman, School Board of Management

Date: 17/10/2024

.....


Name: Wanjiru R. Githinji

Designation: School Principal & Secretary to Board of Management

Date: 17/10/2024

.....

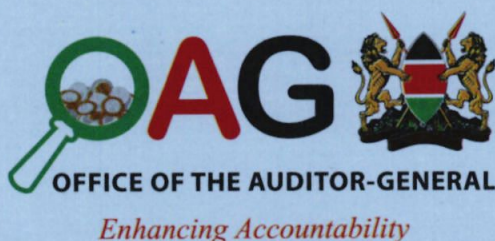

Name: Faith Caroline Mugo

Designation: Bursar/ Finance Officer

Date: 17/10/2024

REPUBLIC OF KENYA

Phone: +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 MAGUTU GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – NYERI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Magutu Girls High School - Nyeri County set out on pages 1 to 19, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a

summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Magutu Girls High School - Nyeri County as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

- (i) The statement of assets and liabilities reflects accounts receivable balance of Kshs.20,818,771. However, the corresponding Note 13 to the financial statements indicates a balance of Kshs.6,579,360 resulting to an unexplained and an unreconciled variance of Kshs.14,239,411.
- (ii) The statement of receipts and payments (SRP) and statement of assets and liabilities (SAL) indicate cross-reference to explanatory notes to the financial statements that are not consistent to the corresponding notes as follows:

Description	SRP & SAL Ref.	Note Reference
Miscellaneous Income	6	5
Payments for Tuition	7	6
Payments for Operations	8	7
Payments for Infrastructure	-	8
Bank Balances	8	10
Cash Balances	9	11
Short Term Investments	10	-
Account's Receivable	11	12
Accounts Payable	12	13
Accumulated Fund Brought Forward	13	14

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

2. Unsupported Rental Income from Staff Houses

Note 5 to the financial statements reflects rent income amount of Kshs.51,000. Information available and physical inspection revealed that the school has a total of twelve (12) rental units fully occupied with an annual expected income of Kshs.120,000 resulting

to an unreconciled variance of Kshs.69,000. Further, Management did not maintain a register of the number of houses, signed contracts/agreement, or any guiding policy on the rent charged.

In the circumstances, the accuracy and completeness of the rental income amount of Kshs.51,000 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects total cash and cash equivalents balance of Kshs.3,866,429 as disclosed in Note 10 and 11 to the financial statements. The balance includes bank balances of Kshs.3,717,507. However, the corresponding Note 10 to the financial statements reflects bank accounts balance of Kshs.3,939,072 resulting to a variance of Kshs.221,565 which has not been explained. Further, Management did not maintain a cashbook for the three (3) bank accounts. In addition, bank reconciliation statements and board of cash survey report were not provided for audit.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.3,866,429 could not be confirmed.

4. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.20,818,771 in respect of fees arrears as disclosed in Note 12 to the financial statements. Included in the balance are receivables amounting to Kshs.14,239,411 which had been outstanding for more than three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.20,818,771 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Magutu Girls 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.

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. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects payments for operations amount of Kshs.3,489,320 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.307,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of funds transferred to KESSHA amounting to Kshs.307,500 could not be confirmed.

2. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.4,672,563 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.981,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. An amount of Kshs.673,000 was transferred on 1 November, 2022 or 29 days of receipt. This was contrary to The Ministry of Education Circular Ref.No.MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

3. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.47,646,255 and Kshs.51,432,947 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public

Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

4. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.6,681,400. However, the School Management provided for audit review incomplete student registers and hence, audit was only able to verify student registers for the period 05 July, 2022 and 19 May, 2023. In addition, audit could not establish whether the school received sufficient or excess of capitation funding during the year. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstance, it was impossible to ascertain the actual number of students in the school from what is registered in NEMIS.

5. Failure to Prepare School Improvement Plan

During the year/period 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.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The Standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 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. Weak Information Communication Technology Controls

The School has implemented the School Accounting System as its core financial information system and an examination and timetable Management Systems. However, audit of the systems revealed weak Information Technology (IT) controls in place. The School has insufficient controls over Information Technology systems and processes which increases the risk of unauthorized access, data breaches, and potential manipulation or loss of critical data. Further, the School has not entered into service level agreements with the service providers. In addition, although Management demonstrated that data back-up is done weekly, this provides a wide window for data loss with no back-up policy, and hence no recovery point/time objectives.

In the circumstances, the Schools IT Control environment is weak and the integrity, availability, and confidentiality of financial information may be at risk.

2. Ineffective Management of Textbooks

Examination of the schools' textbook records provided for audit revealed that the school does not maintain complete records of books in the library. The physical records maintained are for delivered books and issued books which are prone to tare and were resulting to loss of books. Despite the growth in students' data and textbooks the School uses a manual system to manage its library/textbooks data. There were cases of unquantified number of textbooks with some were lying idle (in cartons) in the library, yet there was no evidence of communication to the Ministry of Education to stop supplying or returning the excess text books for redistribution to other needy schools.

In the circumstances, without a proper control system, there could be underutilization of textbooks at the expense of other deserving cases.

3. Composition of Board of Management

During the year under review, Management did not provide copies of academic qualifications for all board members to confirm that the qualifications of the Chairperson and other members of the Board of Management possess the necessary qualifications. Therefore, it was not possible to confirm that the Board of Management is constituted in accordance to Section 56 of the Basic Education Act, 2013 and Regulation 6 (b) of the Basic Education Regulations, 2015.

In the circumstances, the effectiveness of the School Board of Management to offer the requisite oversight could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to 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 its 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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit

report. However, future events or conditions may cause the School to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

25 September, 2024

MAGUTU GIRLS' SECONDARY SCHOOL)


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


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

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,027,837.00	1,294,984.00
Government grants for operations	2	4,672,563.00	2,218,027.00
Government Grants for infrastructure	3	981,000.00	2,557,500.00
School fund income- parents' contributions	4	37,227,954.00	38,738,827.00
Miscellaneous incomes	6	3,736,901.00	6,940,274.00
Total Receipts		47,646,255.00	51,749,612.00
Payments			
Payments for tuition	7	1,066,031.00	939,275.00
Payments for operations	8	3,489,320.00	3,364,142.00
Boarding and school fund payments	9	45,830,246.00	45,826,732.00
Payments for Infrastructure		1,047,350.00	-
Total Payments		51,432,947.00	50,130,149.00
Surplus/Deficit		(3,786,692.00)	1,619,463.00

The school financial statements were approved on 17/10 2024 and signed by:

.....


.....


.....


Name: Samuel H. MUGUTI
 Chair BCM

Name: KIANJIRA R.G
 School Principal/ Secretary to BOM

Name: Faith Caroline Mugo
 Bursar/ Finance Officer

Date: 17/10/2024

Date: 17/10/2024

Date: 17/10/2024

(Comparative FY refers to the financial year preceding the current financial year.)

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

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	3,717,507.00	6,918,394.00
Cash balances	9	148,922.00	734,727.00
Short term investment	10	-	-
Total cash and cash equivalent		3,866,429.00	7,653,121.00
Account's receivables	11	20,818,771.00	17,027,357.00
Total financial assets		24,685,200.00	24,680,478.00
Financial Liabilities			
Accounts payables	12	740,244.00	1,308,106.00
Net financial assets		23,944,956.00	23,372,372.00
Represented by			
Accumulated fund b/fwd	13	23,372,372.00	15,327,924.00
Surplus/deficit for the year		(3,786,692.00)	1,619,463.00
Increase in receivables		3,791,414.00	7,088,450.00
Increase in Payables		567,862.00	(663,465.00)
Net financial position		23,944,956.00	23,372,372.00

The school's financial statements were approved on 17th Oct 2024 and signed by:

.....
Name: Simon H. MUGUTU

Chair BOM Date:

.....
Name: Wanjiru R.G

School Principal/ Secretary to

.....
Name: Faith Caroline Mugo

Bursar/ Finance Officer

MAGUTU GIRLS' SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

BOM Date:

Date:

(Comparative FY refers to the financial year preceding the current Financial year.)

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

Description	Notes	2022-2023	2021-2022
		Kshs	Kshs
Operating activities			
Receipts			
Government grants for tuition	1	1,027,837	1,294,984
Government grants for operations	2	4,672,563	2,218,027
Government Grants for infrastructure	3	981,000	2,557,500
School fund income- parents' contributions	4	37,227,954	38,738,827
Miscellaneous incomes	5	3,736,901	6,940,274
Total receipts		47,646,255	51,749,612
Payments			
Payments for tuition	6	1,066,031	939,275
Payments for operations	7	3,489,320	3,364,142
Boarding and school fund payments	8	45,830,246	45,826,732
Payment for Infrastructure	9	1,047,350	-
Total payments		51,432,947	50,130,149
Net cash flow from operating activities		(3,786,692)	1,619,463
Cashflow from investing activities			
Proceeds from sale of assets			
Acquisition of assets			
Proceeds from investments			
Purchase of investments			
Net cash flows from investing activities			
Cashflow from borrowing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			

MAGUTU GIRLS' SECONDARY SCHOOL

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

Net increase in cash and cash equivalents		(3,786,692)	1,619,463
Cash and cash equivalent at beginning of the year		7,653,121	6,033,658
Cash and cash equivalent at end of the year		3,866,429	7,653,121

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

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

The school's financial statements were approved on 17th Oct 2024 and signed by:



Name: Simon H. Muleati

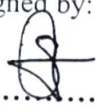
Chair BOM

Date: 17/10/2024



Name: Wangiri R.G.
School Principal/ Secretary to BOM

Date: 17/10/24



Name: Faith Caroline Mugo

Bursar/ Finance Officer

Date: 17/10/2024

(Comparative FY refers to the financial year preceding the current Financial year.)

MAGUTU GIRLS' SECONDARY SCHOOL)

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

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	139,300	-	139,300	24,500	18%
Exercise Books	695,000	-	695,000	280,000	40%
Laboratory Equipment	1,208,000	-	1,208,000	390,000	32%
Internal Exams	56,000	-	56,000	90,603	161%
Teaching / Learning Materials	607,000	-	607,000	256,736	42%
Exams And Assessment	195,500		195,500	56,000	29%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	3,290,000	-	3,290,000	933,303	28%
Repairs And Maintenance	3,500,000	-	3,500,000	1,558,000	45%
Local Transport / Travelling	133,300	-	133,300	80,302	60%
Electricity And Water	1,120,000	-	1,120,000	941,202	84%
Administration Costs	840,000	-	840,000	628,853	75%
Activity	602,000	-	602,000	452,000	75%
<i>(3) Fees Charged on Parents</i>					
Personnel Emoluments	2,100,000	-	2,100,000	2,545,462	121%

MAGUTU GIRLS' SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget		Adjustments		Final Budget		Actual On Comparable Basis		% Of Utilization
	a	Kshs	b	Kshs	c=a+b	Kshs	d	Kshs	
Repairs And Maintenance	1,400,000		-		1,400,000		1,648,461		118%
Local Transport / Travelling	1,400,000		-		1,400,000		645,175		46%
Electricity And Water	3,269,000		-		3,269,000		3,614,246		111%
Administration Costs	1,400,000		-		1,400,000		1,686,111		120%
Activity	350,000		-		350,000		267,990		77%
Fee On Boarding Equipment and Stores	14,581,000		-		14,581,000		22,929,141		157%
Total Income									
(4) Expenditure For Tuition									
Reference Materials	125,000		-		125,000		38,770		31%
Exercise Books	680,000		-		680,000		669,000		98%
Laboratory Equipment	1,150,000		-		1,150,000		531,000		46%
Internal Exams	55,000		-		55,000		69,000		125%
Teaching / Learning Materials	605,000		-		605,000		154,461		25%
Exams And Assessment	195,000		-		195,000		76,000		39%
(5) Expenditure For Operations									
Personnel Emoluments	3,290,000		-		3,290,000		929,211		28%
Repairs, Maintenance & Improvements	1,380,000		-		1,380,000		1,174,340		85%
Local Transport / Travelling	1,675,000		-		1,675,000		297,000		18%
Electricity, Water and Conservancy	1,120,000		-		1,120,000		352,798		31%
Administration Costs	799,300		-		799,300		137,381		17%
Activity Expenses	350,000		-		350,000		585,330		167%

MAGUTU GIRLS' SECONDARY SCHOOL)
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(6) Expenditure For school fund/lunch/boarding					
Personnel Emoluments					
Repairs, Maintenance and Improvements	1,390,000	-	1,390,000	1,648,461	118%
Local Transport / Travelling	1,378,000	-	1,378,000	645,175	47%
Electricity, Water and Conservancy	3,269,000	-	3,290,000	3,614,246	110%
Administration Costs	1,389,000	-	1,389,000	1,686,111	121%
Activity	350,000	-	350,000	516,876	148%
Boarding Equipment and Stores	16,624,560	-	16,624,560	22,929,141	138%
Totals					

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

- i. This is due to inflation where most of the projects could not be completed due to high cost.*
- ii. Inflation affected most of the consumable items, where they doubled in prices due to increase in fuel cost.*
- iii. It is also hard to predict expenses on Tuition account.*
- iv. Most of the parents had difficulties in paying school fees due to effect of COVID-19 Pandemic.*

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	80,000	167,400
Laboratory Equipment	400,602	202,780
Internal Exams	190,000	570,394
Teaching / Learning Materials	256,736	110,500
Exams/Assessment	24,500	176,910
Teachers Guide	76,000	67,000
Total	1,027,838	1,294,984

2 Government Grants for Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	933,704	693,348
Repairs And Maintenance	1,558,000	665,000
Local Transport / Travelling	80,303	-
Electricity And Water	941,202	450,912
Administration Costs	628,854	408,767
Activity	452,000	-
Medical Insurance	78,500	
Total	4,672,563	2,218,027

3 Government Grants for infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Maintenance & Improvement	981,000	2,557,500
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify)(NGCDF and County govt.		
Total	981,000	2,557,500

MAGUTU GIRLS' SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	2,545,462	3,742,435
Repairs and maintenance	1,648,461	2,069,567
Local transport / travelling	645,175	961,719
Electricity and water	3,614,246	5,117,801
Medical	-	-
Administration costs	1,686,111	2,069,567
Lunch	-	-
Prepayment	1,239,588	929,556
Activity	267,990	360,858
Bursary	2,604,802	1,688,954
Fee on Boarding Equipment and stores	22,929,141	21,768,554
Tuition account	46,978	29,816
PA Levies*	-	-
Total	37,227,954	38,738,827

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Rent Income	51,000	17,000
Income From Farming Activities	897,955	888,435
Insurance Compensation	-	-
Development Income	-	3,669,027
Arrears	2,787,946	2,382,812
Fee For Hire of Ground and Equipment	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (<i>Operation account</i>)	-	-
Total	3,736,901	6,940,274

MAGUTU GIRLS' SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

6 Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	-	29,000
Reference materials	-	-
Laboratory Equipment	238,770	357,105
Teaching / Learning Materials	754,461	469,600
Exams And Assessment	69,000	41,525
Teachers Guides	3,800	81,500
Others (<i>specify</i>)		
Total	1,066,031	939,275

7 Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	929,211	980,410
Administration Cost	137,381	212,260
Repairs And Maintenance & Improvements	1,174,340	230,340
Local Transport / Travelling	297,000	341,500
Electricity And Water	352,798	205,052
Infrastructure(MOE)	-	932,000
Activity Expenses	585,330	462,000
Medical Cost	13,260	580
Others (<i>specify</i>)		
Total	3,489,320	3,364,142

MAGUTU GIRLS' SECONDARY SCHOOL)

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

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Construction of classrooms	1,047,350	2,955,197
Total		

9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,379,744	1,004,255
Service Gratuity	-	-
Repairs And Maintenance & Improvements	3,814,951	2,631,411
Local Transport / Travelling	1,859,482	1,485,070
Electricity And Water	1,744,814	3,727,169
Medical Expenses	-	-
Administration Costs	4,099,950	2,649,506
Bank Charges	-	-
Expenses On Income Generating Activities	1,295,605	702,518
Prepayments	1,498,412	1,033,045
Development	-	9,341,454
House rent	6,000	12,000
Infrastructure	38,500	2,955,197
Fee On Boarding Equipment and Stores	24,661,134	18,124,708
Tuition account	1,870	6,000
Insurance Cost (<i>Life Property</i>)	-	-
Bursary	2,604,802	1,688,954
Activity	516,876	465,445
Sundry Creditors	1,308,106	-
Total	45,830,246	45,826,732

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1105566676	217,190	255,384
Operations Account	Active	1105566951	1,296,463	107,583

MAGUTU GIRLS' SECONDARY SCHOOL)

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

School Fund Account/Boarding	Active	1105559513	764,255	4,922,299
School Fund Account/Boarding	Active	0040297148634	1,082,195	1,208,924
Infrastructural Account	Active	1210466694	357,404	423,754
	Sub Total		3,717,507	
Savings Account	Active	1105258378	153,485	125,688
UTaNRMP Account	Dormant	1138218030	68,080	68,080
Total			3,939,072	6,918,394

11 Cash In Hand

Description	2022/2023	2021/2023
	Kshs	Kshs
Notes and Coins	148,922	734,727
Total		

MAGUTU GIRLS' SECONDARY SCHOOL)

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

Notes to the Financial Statements (continued)

12 Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	6,579,360	17,027,357
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total		

13 b Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year				
Between 1- 2 years	6,579,360	32 %	9,471,262	56%
Between 2-3 years	7,592,495	36 %	909,179	5%
Over 3 years	6,646,916	32 %	6,646,916	39%
Total (should tie to note 13 a)	20,818,771	100 %	17,027,357	100 %

13 Accounts Payable

Description	2023/2022	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	740,244	1,308,106
Prepaid Fees	1,083,206	
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (specify)		
Total	1,823,450	1,308,106

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	2022/2023	% of the total	2021/2022	% of the total
Less than 1 year	740244	100 %		
Between 1- 2 years			1,308,106	
Between 2-3 years				
Over 3 years				
Total (should tie to note 14)	740,244	100 %	1,308,106	100 %

14. Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	6,918,394	5,351,979
Cash Balances	734,727	681,679
Short Term Investments	-	-
Receivables	17,027,357	9,938,907
Payables	(1,308,106)	(644,641)
Total	23,372,372	15,327,924

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.

15 Non-current Liabilities Summary

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Bank Loans	545,192	1,545,192
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total	545,192	1,545,192

16 Biological assets

Description	Numbers	Insert Current 2022/2023	Insert Comparative 2021/2022
		Kshs	Kshs
Cattle	11 cows	712,000	616,000
Goats			
Trees	439 trees	1,950,000	1,843,800
Coffee Or Tea Plantation	400 stems	502,000	480,000
Poultry			
Others (specify)			
Total		3,164,000	2,939,800

17 Borrowings

Description	Kshs	Kshs
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

18 Stock/ Inventory

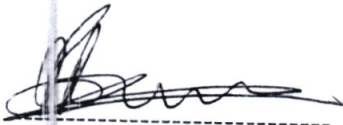
Description	Insert Current 2022/2023	Insert Comparative 2021/2022
	Kshs	Kshs
Food stuffs	1,560,000	2,400,600
Lab consumables	347,000	212,600
Farm produce	18,600	6,780
Medication	755	-
Construction Materials	8,560	-
Others -Stationary	76,800	54750
Total	2,011,715	2,674,730

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19 Progress On Follow Up Of Auditor Recommendations

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

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



 Sign and Date
 Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2022/2023	Outstanding Balance Comparative 2021/2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
Sub-Total						
Supply Of Goods						
2. DPL FESTIVE LTD				106,704	181,111	Supply of bread
3. THE COPY CAT LTD				-	255,200	Supply of Ink and Toner
4. ZAKA CAPITAL ENTERPRISES				524,000	265,000	Supply Of food stuff
5. CHAKIEL INVESTMENTS				-	250,000	Supply of Potato peeler
6. ROBERT MBOGO MAINA				18,000		Supply of Eggs
7. ZACHARIA MUNYIRI				33,600		Supply of meat
8. MASAWA STORES				31,200		Supply of animal feeds
9. HERI GENERAL MERCHANTS				20,740		Supply of Detergent/Kero l
10. GACHAMIO ENTERPRISES				6,000		Supply of Gas

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2022/2023	Outstanding Balance Comparative 2021/2023	Comments
Sub-Total						
Supply Of Services						
11. HYBRID AUTO SERVICES					171,855	School Buses Service
12. GEWAWA FABRICATIONS					184,910	Installation of Computer desks
Sub-Total						
Grand Total				740,000	1,308,106	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land	70,000,000			70,000,000
Buildings And Structures	90,000,000	1,200,000		91,200,000
Motor Vehicles	10,000,000			10,000,000
Office Equipment, Furniture And Fittings	3,000,000			3,000,000
Textbooks	3,000,000			3,000,000
ICT Equipment	2,000,000			2,000,000
Tools And Apparatus	1,500,000			1,500,000
Other Machinery And Equipment	4,500,000			4,500,000
Heritage And Cultural Assets	250,000			250,000
Intangible Assets- Soft Ware	1,300,000			1,300,000
Total	185,550,000	1,200,000		186,750,000