

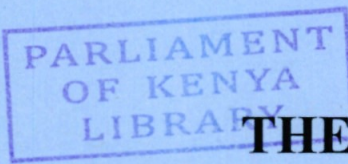
REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL <i>Enhancing Accountability</i>	
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 13 JUN 2026	DAY: Tuesday
TABLED BY:	Hon. Naomi Wabara CBS, MP (Deputy Majority Party Whip)
CLERK-AT THE-TABLE:	Lomale

REPORT

OF



THE AUDITOR-GENERAL

ON

KATHAANA DEB SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

MACHAKOS COUNTY



KATHAANA D.E.B SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2024

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

Kathaana D.E.B Secondary School

Annual Report and Financial Statements For the 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**

Kathaana D.E.B secondary school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Machakos County, Kangundo Sub-county, Kangundo West ward.

The school was registered in the year **2014** under the registration number **PU/S/2/10165/14** and is currently categorized as a **sub-county school**.

Kathaana D.E.B secondary school is a **mixed day school** and had **273** students as 30th June 2024. It had two streams and **13** teachers of which 2 were employed by the B.O.M. The number of support staff stood at eight (**8**).

The school was established in 2012 and sits on 2 acres piece of land. It is a **DEB sponsored** school. The first infrastructure was donated by CDF which comprises of 4 classrooms and 1 administration block. The school's present development has come through the grants from the CDF projects, parents' contribution and Ministry of Education (M.O.E). As at 30th June 2024, the school infrastructure consisted of 8 permanent classrooms, 1 Administration block and a Kitchen.

(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	Dr. Anncent Kituku	Chairman	8/3/2022
2	Ms. Virginia Muli	Secretary - Principal	8/3/2022
3	Mr. Dennis Makau	Member - Sponsor	8/3/2022
4	Mr. Kyengo Maweu	Member - Sponsor	8/3/2022
5	Mr. Thomas Mukola	Member - Sponsor	8/3/2022
6	Mr. Dancan Wambua	Member – Rep CEB	8/3/2022
7	Ms. Catherine Mutiso	Member Rep Teachers	8/3/2022
8	Ms. Ann Mueni	Member - Community	8/3/2022
9	Ms. Sarah Ngina Kieti	Member - Community	8/3/2022
10	Mr. Gideon Nzuki	Member - Community	8/3/2022
11	MS. Agnes Kanini Mbatha	Member - Community	8/3/2022
12	Mr. Lawrence Nzioka	Member - Community	8/3/2022
13	Ms. Mary Mutindi	Member - Community	8/3/2022
14	Mr. Zakayo Makau	Member Special Needs	8/3/2022
15	Simon N. Mutisya	Rep Students	8/3/2022

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Dr. Anncent Kituku Mr. Gideon Nzuki Ms. Virginia Muli Mr. Lawrence Nzioka Ms. Agnes Mbatha	Chairperson Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Finance and Audit Committee	Mr. Lawrence Nzioka Mr. Dancan wambua Ms. Agnes Mbatha Ms. Virginia Muli	Chairperson Member Member member	3 out of 3 3 out of 3 3 out of 3 3 out of 3

3	Academic Committee	Mr. Zakayo Makau Mr. Gideon Nzuki Ms. Catherine Mutiso	Chairperson Member member	3 out of 3 3 out of 3 3 out of 3
4	Development Committee	Mr. Lawrence Nzioka Ms. Ann Mueni Mr. Thomas Mukola Ms. Virginia Muli	Chairperson Member Member member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
5	Discipline ,Ethics and Integrity, human rights and students' welfare committee	Ms. Mary Mutindi Mr. Dancan wambua Ms. Sarah Kieti	Chairperson Member Member	3 out of 3 3 out of 3 3 out of 3

(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	Ms. Virginia Muli	TSC No. 362651
2	Deputy Principal	Ms. Pauline Mwinzi	TSC No. 371869
3	School accounts clerk	Ms. Elizabeth Nzioka	ICPAK No. N/A

(e) Schools contacts

Post Office Box: 1190-90115, Kangundo.

Phone: 0795358285

E-mail: kathaanas@gmail.com

Facebook: N/A

Website: N/A

(f) School Bankers

- | | | |
|----|-----------------|--|
| 1. | Name of Bank: | kathaana DEB Secondary School |
| | Branch: | Equity Bank - Tala |
| | Address | 343-00641 Tala |
| | Account Number: | 0900XXXXXXXXXX (Operational A/C) |
| 2. | Name of Bank: | kathaana DEB Secondary School |
| | Branch: | Equity Bank - Tala |
| | Address | 343-00641 Tala |
| | Account Number: | 0900XXXXXXXXXX (Lunch programme /PTA A/C/) |
| 3. | Name of Bank: | kathaana DEB Secondary School |
| | Branch: | Equity Bank - Tala |
| | Address | 343-00641 Tala |
| | Account Number: | 0900XXXXXXXXXX (Infrastructure A/C) |
| 4. | Name of Bank: | kathaana DEB Secondary School |
| | Branch: | Equity Bank - Tala |
| | Address | 343-00641 Tala |
| | Account Number: | 0900XXXXXXXXXX (Tuition A/C) |

(g) Independent Auditors

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

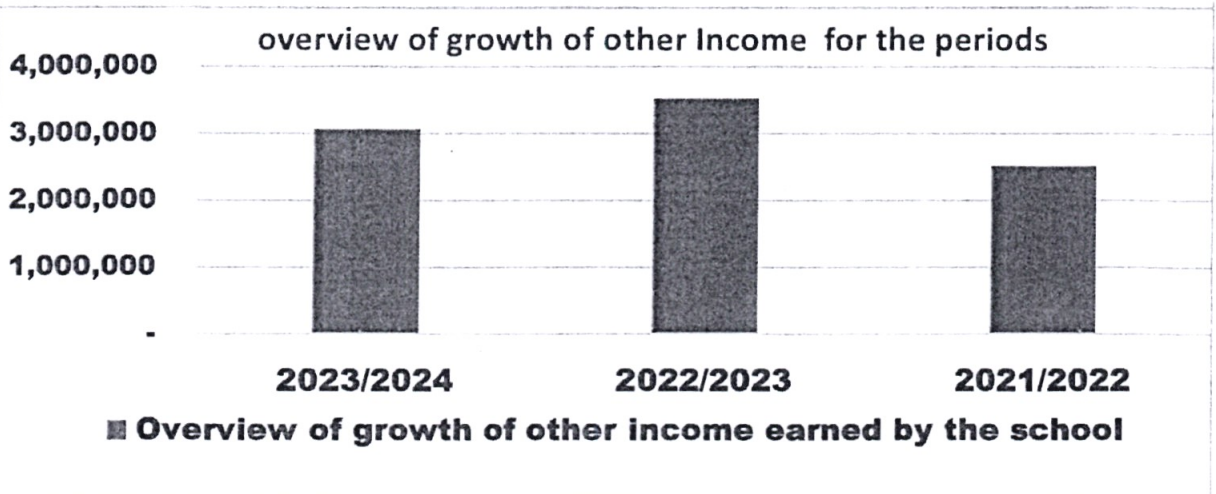
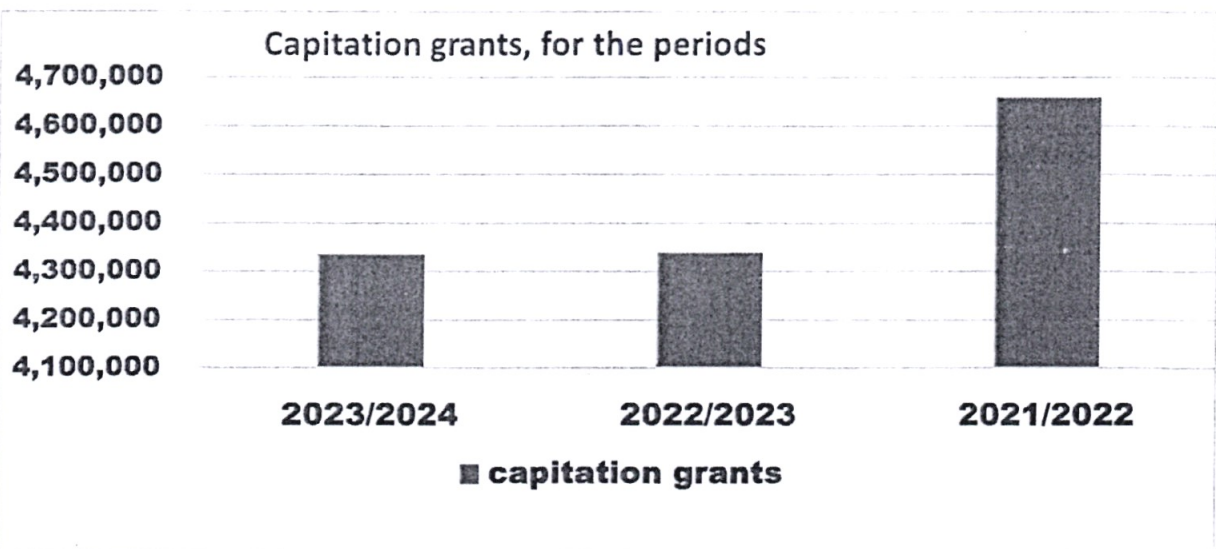
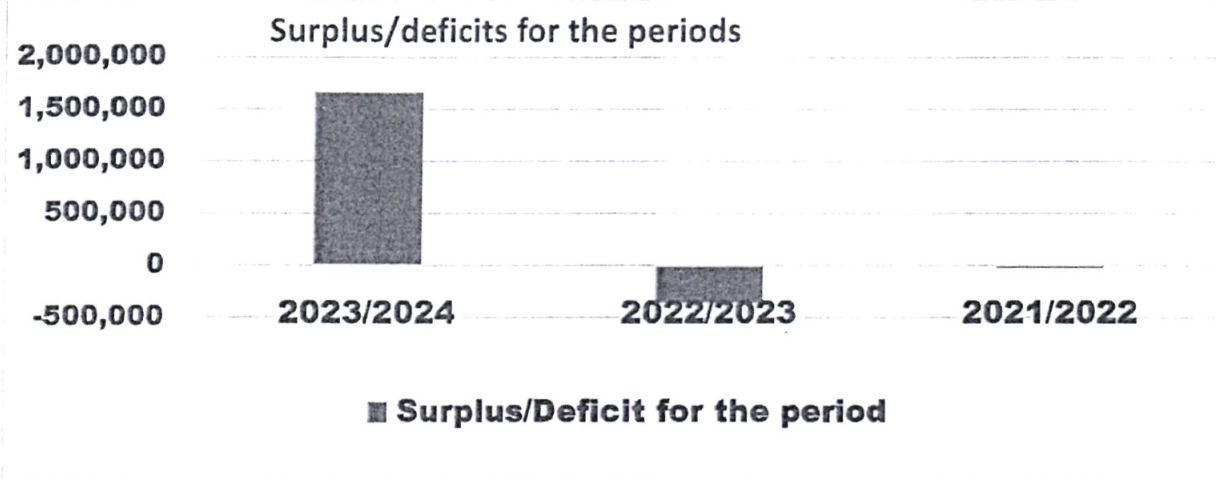
3. Summary Report of Performance of The School

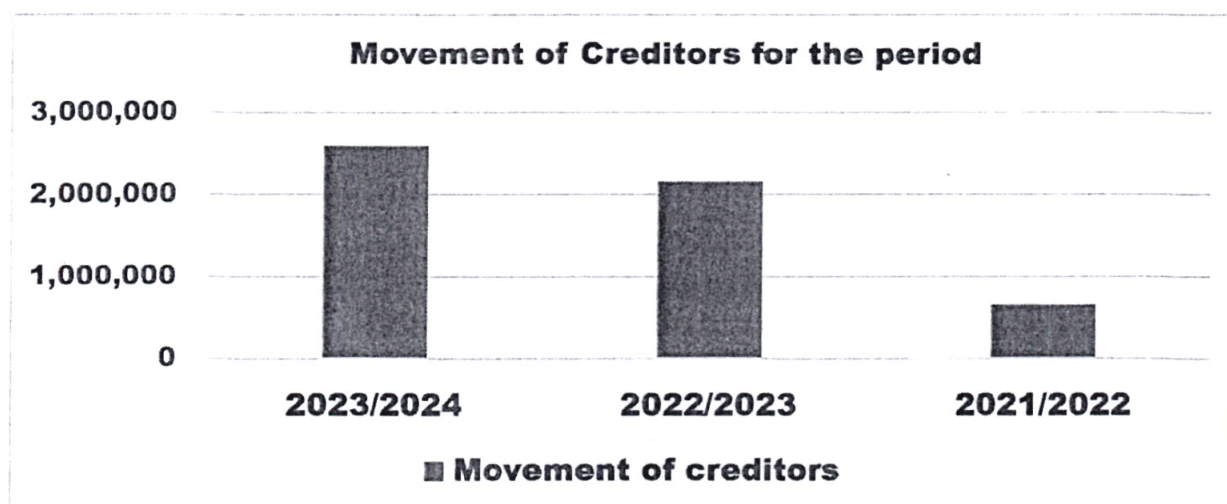
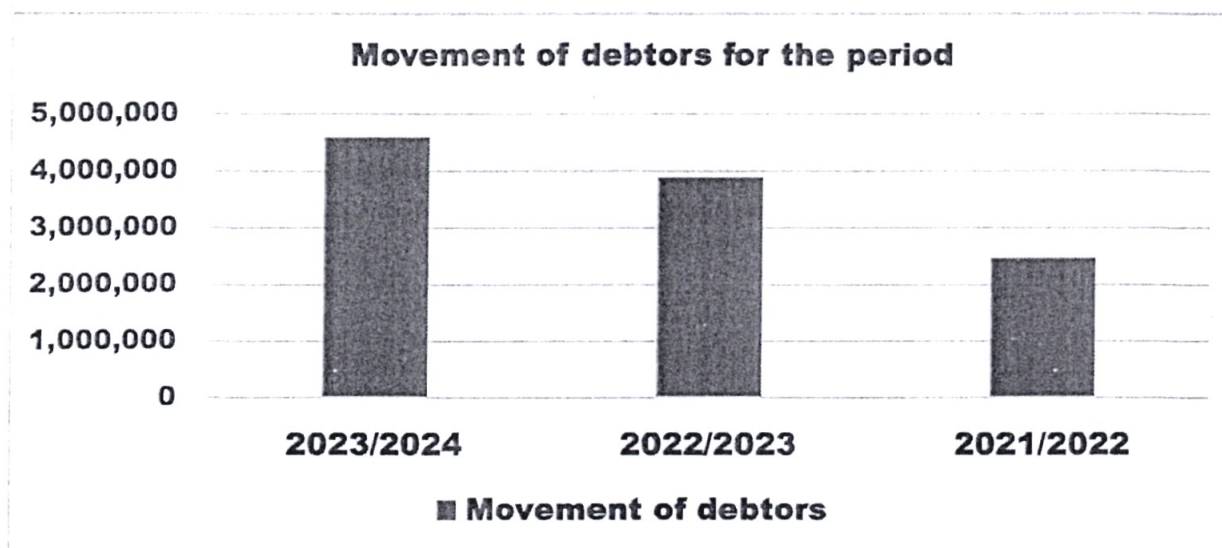
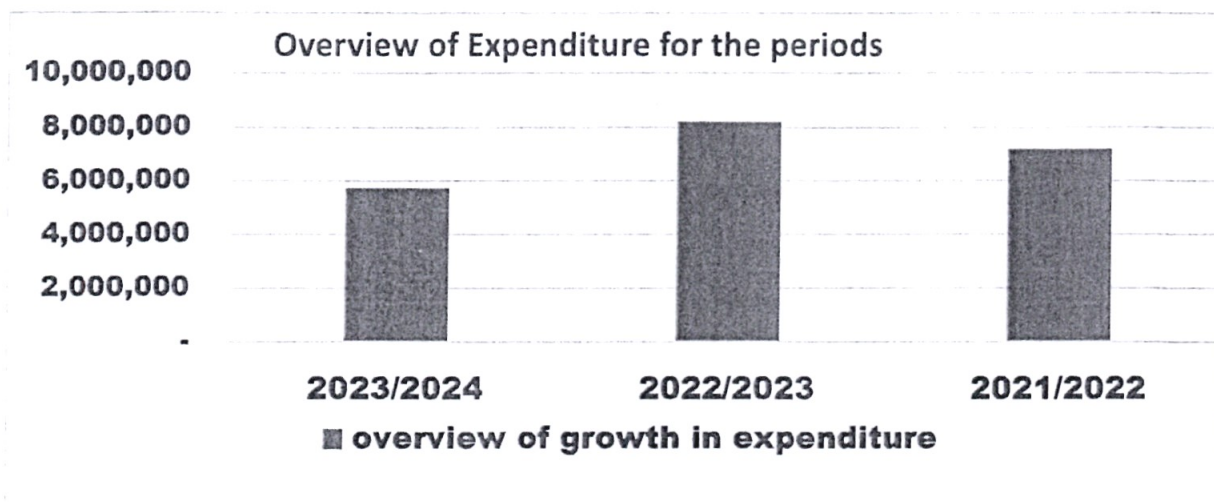
The following is a summary report of the performance of the school against the set performance evaluation criteria:

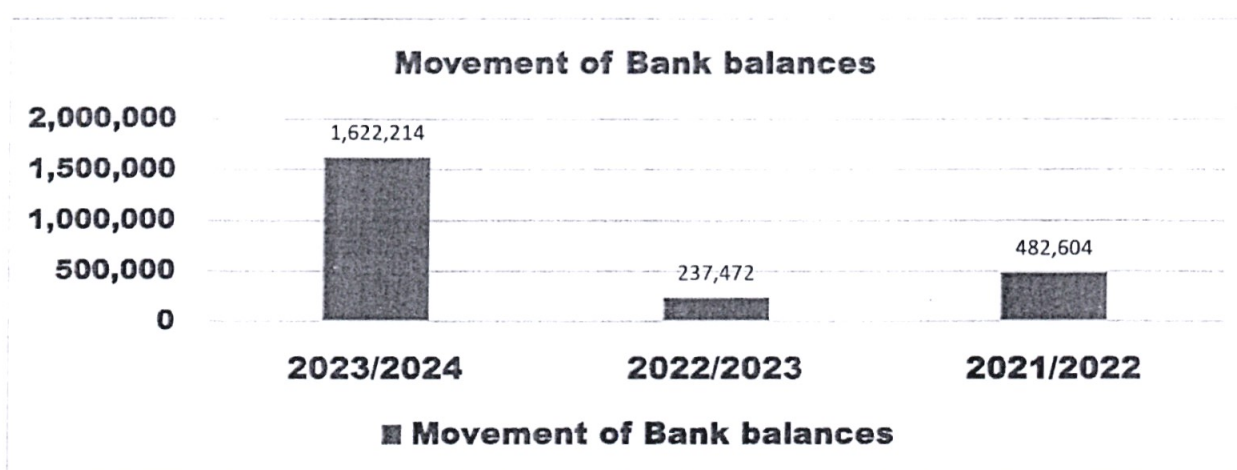
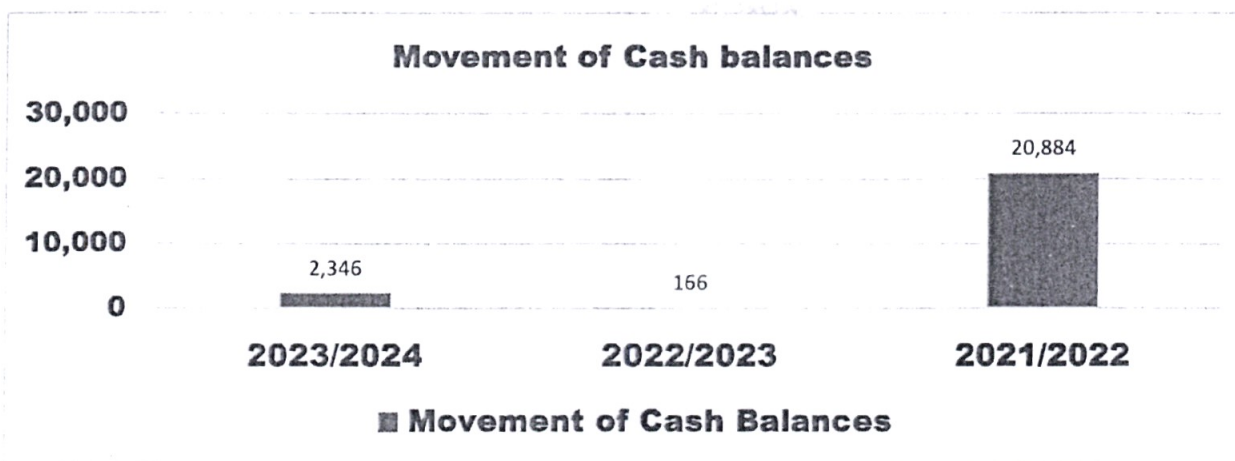
a) Financial performance:

DATAILS	2023/2024	2022/2023	2021/2022
Surplus/Deficit for the year	1,659,857	(352,399)	(20,468)
Capitation grants	4,335,728	4,338,905	4,658,127
Ratio of capitation grant per student	1:15,766	1:14,367	1:15,373
Overview of growth of other income earned by the school	3,062,786	3,520,802	2,513,657
Overview of growth in expenditure of the school	5,738,657	8,212,106	7,192,252
Movement of debtors of the school	4,591,705	3,886,499.00	2,471,255
Movement of creditors of the school	2,589,196	2,156,925	655,132
Movement of cash balances	2,346	166	20,884
Movement of bank balances	1,622,214	237,472	482,604

GRAPHICAL PRESENTATION OF FINANCIAL PERFORMANCE.







b) Teacher Student ratio:

The teacher to student ratio as at 30th June 2024 was **1:25**

- One teacher was recruited and another one posted within this period.
- The head of institution Ms.Esther w. Ithiga was transferred and replaced by Ms Virginia Muli
- The teachers in Each subject were as follows:

SUBJECT	NO OF TEACHERS
MATHEMATICS	3
ENGLISH	2
KISWAHILI	3
BIOLOGY	3
CHEMISTRY	2
PHYSICS	1
GEOGRAPHY	1
HISTORY & GOVERNMENT	2

CRE	3
BUSINESS STUDIES	1
AGRICULTURE	1
PHYSICAL EDUCATION	N/A

c) The mean score in the 2024 KCSE:

	2024	2023	2022	2021
MEAN SCORE	3.00	2.75	2.54	2.39
comments	There was a positive deviation of 0.25	Slight improvement	Slight improvement	There was slight drop
Students admitted to universities	2	1	1	none
Students admitted to colleges	9	9	3	3
Students admitted to vocational/technical institution	16	20	50	36

d) Number of Candidates in the 2024 KCSE:

YEAR	NO OF CANDIDATES
2024	40
2023	45
2022	59

e) The capacity of the school:

NO OF STUDENTS	FACILITY	NO OF FACILITIES	STUDENTS TO FACILITY RATIO
275	Classroom	8	34:1
	Laboratory	0	-
	Dining Hall	0	-
	Kitchen	1	275:1
	Toilets	26	11:1
	Washing points	9	31:1
	Water source	Quarry	275:1

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of a stone wall	Ministry of education	complete	200,000	119,685	complete
TOTAL			200,000	119,685	

Name: KYENGO KATHITA MANGEU
 Designation: Chairman, School Board of Management
 Date: 13/4/2024

Name: VIRGINIA M. MUKI
 Designation: School Principal & Secretary to Board of Management
 Date: 13/4/2024

Name: ELIZABETH M. NZUKA
 Designation: Bursar/ Finance Officer
 Date: 13/4/2024



4. Statement of School Management Responsibility

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

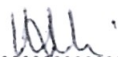
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.



.....
Name: KYENJO KATHANA MAWEU

Designation: Chairman, School Board of Management

Date: 13/4/2026



.....
Name: VIRGINIA M. MULI

Designation: School Principal & Secretary to Board of Management

Date: 13/4/2026



.....
Name: ELIZABETH M. NJOROGE

Designation: Bursar/ Finance Officer

Date: 13/4/2026



**5. Report Of The Independent Auditors On Annual report and Financial Statements of
Kathaana DEB Secondary School for the year ended 30th June 2024**

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 KATHAANA DEB SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - MACHAKOS 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 Kathaana DEB Secondary School set out on pages 1 to 20, which comprise of the statement of assets and liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the year then ended and a

Report of the Auditor-General on Kathaana DEB Secondary School for the year ended 30 June, 2024-Machakos County

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 Kathaana DEB Secondary School as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Scholarships and Bursaries

The statement of receipts and payments reflects school fund income-parents' contributions of Kshs.3,056,786, which includes bursaries of unspecified amounts received from various institutions and donors. However, the School did not maintain a register or a control account for bursaries and scholarships received. As a result, there was no record detailing the amounts allocated and credited to each beneficiary student, outstanding fees, or any excess balances carried forward.

In the circumstances, the accuracy and completeness of the School fund income-parents' contributions of Kshs.3,056,786 could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.4,591,705 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are debtors balance of Kshs.3,634,085, which have been outstanding for more than two (2) years. However, the School did not have in place a policy for the impairment of long-outstanding fees, casting doubt on the fair statement of the accounts receivable balance.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.3,634,085 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kathaana DEB Secondary 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 the Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.9,386,050 and Kshs.6,714,981, respectively, resulting in under-funding of Kshs.2,671,068 or 28% of the budget. However, the School spent an amount of Kshs.5,328,059 out of the actual receipts of Kshs.Kshs.6,714,981, resulting in under-utilization of Kshs.1,386,922 or 21% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the Public.

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

Other Information

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

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

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 effect of 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 operations payments amount of Kshs.2,812,379 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.119,800 transferred to the Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in the Government Funding system and there is no assurance that has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, the regularity and value for money transferred to KESSHA, amounting to Kshs.119,800, could not be confirmed.

2. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements for audit on 27 March, 2025 after the statutory deadline of 30 September, 2024. This was contrary to Section 81(4) of the Public Finance Management Act, 2012, which states that not later than three (3) months after the end of each financial year, the Accounting Officer shall submit the entity's financial statements to the Auditor-General and a copy to the Controller of Budget and The National Treasury.

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

3. Compliance with Law on Staff Composition

Review of staff bio data revealed that all eight (8) non-teaching staff engaged by the School Board of Management are drawn from one ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which provides that no public establishment shall have more than one-third of its staff from the same ethnic community.

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

4. Irregular Procurements

4.1 Irregular Use of Low-Value Procurement

During the year under review, the School incurred a total expenditure of Kshs.5,738,657. Included in this expenditure is an amount of Kshs.1,901,090 for goods and services that were procured using the low value procurement method. However, the amount exceeds the allowable threshold matrix of Kshs.50,000 per item in a financial year as stipulated in the Second Schedule threshold matrix of the Public Procurement and Asset Disposal Regulations, 2020. Further, the expenditure was not supported with a procurement plan contrary to Section 45(3)(a) and (b) of the Public Procurement and Asset Disposal Act, 2015 which provides that, all procurement processes shall be within the approved budget

Report of the Auditor-General on Kathaana DEB Secondary School for the year ended 30 June, 2024-Machakos County

of the procuring entity and shall be planned by the procuring entity concerned through an annual procurement plan and as per the threshold matrix.

4.2 Failure to Maintain a List of Registered Suppliers

During the year under review, the School Management did not maintain a list of registered suppliers. This was contrary to Section 57(1) and (2) of the Public Procurement and Asset Disposal Act, 2015, which provides that the head of the procurement function of a procuring entity shall maintain and update lists of registered suppliers, contractors and consultants in the categories of goods, works or services according to its procurement needs.

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

5. Failure to Pay Outstanding Accounts Payables as a First Charge

The statement of financial assets and liabilities reflects accounts payable balance of Kshs.2,589,196, which includes trade payables and statutory deductions of Kshs.2,541,271 as disclosed in Note 14 to the financial statements. The payables were not settled during the year but were instead carried forward to the financial year 2024/2025. No reason was provided for the delay in paying the creditors' as a first charge to the budget, contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 and The National Treasury Circular No. 10-2020 of 16 June, 2020 on prioritization of pending bills.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Audit Review

During the year under review, the School had not constituted an audit committee as required by Regulation 166(2) of the Public Finance Management (National Government) Regulations, 2015, which states that each year the Audit Committee shall carry out annual

Report of the Auditor-General on Kathaana DEB Secondary School for the year ended 30 June, 2024-Machakos County

review of the independence, performance and competency of the Internal Audit unit and comment on their effectiveness in the annual report. Further, Section 61(2)(d) of the Basic Education Act 14 of 2013, which requires the Board of Management to establish the Audit Committee among other Board committees.

In the circumstances, the existence of effective oversight mechanisms could not be confirmed.

2. Lack of Approved Human Resource Instruments

During the year under review, the School had ten (10) staff members hired by the Board of Management. Records indicate that eight (8) non-teaching staff were paid salaries totalling Kshs.1,317,375. However, the School did not have key Human Resource instruments, including employment contracts, an approved Human Resource Policies and Procedures Manual, a Scheme of Service and an established Salary Structure in place. As a result, there was no clear framework outlining how vacancies were identified, recruitment processes were conducted and how staff were remunerated. Further, no evidence was provided to confirm that statutory deductions for pension funds and gratuity payments were remitted.

In the circumstances, the existence of structured human resource management practices could not be confirmed.

3. Ineffective Accounting System

Review of the accounting system revealed that the School uses an accounting software to manage School fee payments and student receivables. However, key documents, including the purchase contract, service level agreement and certificate of approval, were not provided for review. Further, the system could not generate essential financial and management reports, including students' master data, aging analysis of student debtors and prepayments, and summaries of amounts invoiced, paid and balance at the end of the financial year.

In the circumstances, Management did not realize the intended operational effectiveness and operational benefits of the system.

4. Excess Supply of Textbooks

During the financial year under review, the School received various books. However, key records such as store receipts, issuance lists, records of returned books, lists of lost and replaced books, and the closing balances of books in the library were not provided for audit review. Further, it was noted that the total supply of textbooks in various categories exceeded the student–textbook ratio prescribed by the Kenya Institute of Curriculum Development guidelines, resulting in an excess of 240 textbooks.

In the circumstances, the existence of an effective mechanism for the management of the textbooks could not be confirmed.

5. Weaknesses in Assets Management

The School occupies land of undetermined acreage and value, which was allocated through the School Management Committee minutes dated 4 March, 2011 and hived off from Kathaana Primary School. However, the School has not engaged a surveyor to carry out a formal subdivision and had not completed the process of transferring the title deed into the School's name.

In the circumstances, the effectiveness of measures put in place to safeguard the School's assets could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 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 comply with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

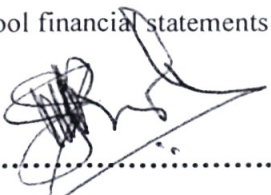
Nairobi

29 April, 2026

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

Description Of Vote Head	Note	2023/2024	2022/2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	738,009	797,565
Government grants for operations	2	2,407,319	2,372,340
Government Grants for infrastructure	3	1,190,400	1,169,000
School fund income- parents' contributions	4	3,056,786	3,508,302
Miscellaneous incomes	5	6,000	12,500
Total Receipts		7,398,514	7,859,707
Payments			
Tuition	6	585,745	1,220,917
Operations	7	2,812,379	2,809,833
Infrastructure	8	119,685	1,614,121
Boarding and school fund	9	2,220,848	2,567,235
Total Payments		5,738,657	8,212,106
Surplus/Deficit		<u>1,659,857</u>	<u>(352,399)</u>

The school financial statements were approved on 13/04/2026 and signed by:



Name: KYENGO R. MAMEU

Chair BOM

Date: 13/4/2026



Name: VIRGINIA M. MULI
School Principal/ Secretary to
BOM

Date: 13/4/2026



Name: ELIZABETH M. NZIOKA

Bursar/ Finance Officer

Date: 13/4/2026



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

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,622,214	237,472
Cash balances	11	2,346	166
Short term investments	12	-	-
Total cash and cash equivalent		1,624,560	237,638
Account's receivables	13	4,591,705	3,886,499
Total financial assets (a)		6,216,265	4,124,137
Financial liabilities			
Accounts payables	14	2,589,196	2,156,925
Total Financial Labilities (b)		2,589,196	2,156,925
Net financial assets (a-b)		<u>3,627,069</u>	<u>1,967,212</u>
Represented by			
Accumulated fund b/fwd	15	1,967,212	2,319,611
Surplus/deficit for the year		1,659,857	(352,399)
Net Assets		<u>3,627,069</u>	<u>1,967,212</u>

The school's financial statements were approved on 13/04/2026 and signed by:

Name: Kyento K. Maweu

Chair BOM

Date: 13/4/2026

Name: VIRGINIA M. MULI
School Principal/ Secretary to
BOM

Date: 13/4/2026

Name: ELIZABETH M. NIZOKA

Bursar/ Finance Officer

Date: 13/4/2026



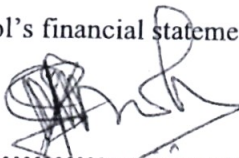
8. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023/2024	2022/2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	738,009	797,565
Government grants for operations	2	2,407,319	2,372,340
Government grants for infrastructure	3	1,190,400	1,169,000
School fund income- parents contributions/ fees	4	2,328,705	2,130,658
Other income	5	50,548	12,500
Total receipts		6,714,981	6,482,063
Payments			
Cash outflows for tuition	6	532,425	931,730
Cash outflows for operations	7	2,796,327	2,578,495
Cash outflows Boarding/lunch and school fund payments	9	1,879,622	2,355,716
Total payments		(5,208,374)	(5,865,941)
Net cash inflow/outflow from operating activities		1,506,607	616,122
Cash flow from investing activities			
Acquisition of assets	8	(119,685)	(881,972)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		(119,685)	(881,972)
		-	
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		1,386,922	(265,850)
Cash and cash equivalent at beginning of the FY		237,638	503,488
Cash and cash equivalent at end of the FY		1,624,560	237,638

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

(The above presentation of the cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS and recommended by PSASB.

The school's financial statements were approved on 13/04/2026 and signed by:


.....

Name: KYENGO K. MAWERE

Chair BOM

Date: 13/4/2026


.....

Name: VIRGINIA M. NDUHI
School Principal/ Secretary to
BOM

Date: 13/4/2026


.....

Name: ELIZABETH M. NDUKA

Bursar/ Finance Officer

Date: 13/4/2026



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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Teaching / Learning Materials	1,342,280	-	1,342,280	738,009	55%
(2) Capitation Grant on Operations					
Personnel Emoluments	1,432,056	-	1,432,056	668,846	47%
Local Transport / Travelling	314,080	-	314,080	501,176	160%
Electricity And Water	230,400	-	230,400	150,000	65%
Medical	342,770	-	342,770	255,000	74%
Administration Costs	862,264	-	862,264	590,500	69%
Activity	453,000	-	453,000	241,797	53%
3) FDSE for infrastructure					
Maintenance &Improvement MoE	1,510,000	-	1,510,000	1,190,400	79%

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
(4) Fees Charged on Parents					
Personnel Emoluments	-	-	-	-	-
Lunch Program	2,899,200		2,899,200	2,328,705	80%
5) Other Income – tenders	-	-	-	6,000	0%
Salary advance recovered	-	-	-	31,700	-
Statutory Recoveries not submitted	-	-	-	12,848	-
Total Income	9,386,050		9,386,050	6,714,981	72%
(6) Expenditure For Tuition					
Teaching / Learning Materials	1,342,280	-	1,342,280	226,760	17%
Bank Charges		-	-	2,765	-
Creditor				302,900	-
(7) Expenditure For Operations					
Personnel Emoluments	1,432,056	-	1,432,056	1,219,985	85%
Repairs, Maintenance & Improvements	-	-	-	-	-
Local Transport / Travelling	314,080	-	314,080	704,530	224%
Electricity, Water and Conservancy	230,400	-	230,400	56,382	24%
Medical	342,770	-	342,770	-	-
Administration Costs	862,264	-	862,264	377,342	44%
Activity Expenses	453,000	-	453,000	206,750	46%

Sundry creditor			-	231,338	-
(8) Expenditure For infrastructure					
Construction of stone wall	1,510,000	-	1,510,000	116,700	8%
Bank charges	-	-	-	2,985	-
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
(9) Expenditure For school fund/lunch/boarding					
Lunch Programme	2,899,200	-	2,899,200	923,652	32%
LT&T	-	-	-	194,500	-
Activity	-	-	-	223,990	-
Bank charges	-	-	-	9,005	-
fees refund	-	-	-	13,200	-
Salary advance	-	-	-	2,000	-
Creditors	-	-	-	513,275	
Totals	9,386,050.00	-	9,386,050.00	5,328,059	53%
Total expenditure less infrastructure Of kshs.119,685 as the total payments in the cashflow statement				5,208,374	
Surplus/(Deficit)	-	-	-	1,506,607	-

Commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%
Comments

- i. On the capitation grant on tuition under teaching and learning materials we have a 55% of utilization. This is because the government did not disburse the expected capitation for tuition account
- ii. On the Capitation grant on Operational account under P.E we have a 47% of utilization since the government didn't disburse enough capitation as expected.
- iii. On the Capitation grant on Operational account under LT&T we have a 160% of utilization. The expenditure became more than what we had planned .Some unbudgeted expenditure which needed transport facilitation come up such as board meeting and local travels therefore more allocation was done to the vote head.
- iv. On the Capitation grant on Operational account under EWC we have a 65% of utilization since the government didn't disburse enough capitation as expected.
- v. On the Capitation grant on Operational account under medical we have 74% of utilization since we allocated more funds to other voteheads which were taken as emergencies considering the inadequate capitation from the government. This is also the same case to activity and administration votehead which had 53 % and 69 % of utilization.
- vi. On the Capitation grant on FDSE for infrastructure we also received inadequate funds which made us not complete the projects which we had planned to do that's why we have a 79 % of utilization
- vii. On the fees charged on parent we have a 80% of utilization. This is because most of the parents did not pay school fees as they were waiting for bursaries.
- viii. On the Payments on tuition under teaching and learning materials we have a 17% of utilization. This is because some of the teaching and learning materials (exercise books and printing papers) we had planned to purchase were not purchased because of low capitation from the government.
- ix. On the payments on Operational account under P.E we have 85% of utilization. The expenditure we had budgeted for was based on the full distribution of capitation where we had set aside some funds for salary increment.
- x. On the Capitation grant on Operational account under LT&T we have a 224% of utilization. The expenditure became more than what we had planned .Some unbudgeted expenditure which needed transport facilitation come up such as board meetings and local travels.
- viii. On the payments on Operational account under EWC we have a 24% of utilization we did not have high bills, also we had planned for wiring on the classrooms which was never done, the low power bill was settled with school fund account.

- ix. On the payments on Operational account under medical we have a 0% of utilization since we couldn't spend because we did not receive capitation for medical from the government
- x. On the payments on Operational account under administration we have a 44% of utilization. The expenditure was reduced since the office machines were not done frequent maintenance and repairs.
- xi. On the payments on Operational account under activity we have a 46% of utilization since most of students who participated in games did not qualify to the next level.
- xii. On the payments on infrastructure we have a 8% of utilization since we received less money from the government for Infrastructure therefore we spent less.
- xiii. On the expenditure for school fund we have a 32% of utilization. The parents did not clear fees balances and therefore we could not pay our suppliers on time.

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**

Description	2023/2024	2022/2023
	Kshs	Kshs
Teaching / Learning Materials	738,009	797,565
Total	738,009	797,565

2 Government Grants for Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	668,846	1,300,130
Local Transport / Travelling	501,176	316,105
Electricity And Water	150,000	110,000
Medical	255,000	60,000
Administration Costs	590,500	466,105
Activity	241,797.	120,000
Total	2,407,319	2,372,340

3 Government Grants for infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Maintenance & Improvement	1,190,400	1,169,000
Total	1,190,400	1,169,000

4 School Fund Income - Parents Contribution/Fees

Description	2023/2024	2022/2023
	Kshs	Kshs
Lunch programme	3,056,786	3,508,302
Total as per receipts and payments	3,056,786	3,508,302
Add fees arrears recovered during the year	222,714	47,150
Add prepaid fees for the year	47,925	41,100
Less fees arrears for the current year	(957,620)	(1,432,694)

Description	2023/2024	2022/2023
	Kshs	Kshs
Less prepaid fees for previous year	(41,100)	(33,200)
Total as per the cash flow statement	2,328,705	2,130,658

5 Miscellaneous Incomes

Description	2023/2024	2022/2023
	Kshs	Kshs
Tender fees	6,000	12,500
Salary advance receipt	31,700	-
Statutory recoveries	12,848	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Total	50,548	12,500

6 Tuition

Description	2023/2024	2022/2023
	Kshs	Kshs
Teaching / Learning Materials	582,980	1,218,517
Bank Charges	2,765	2,400
Total as per receipts and payments	585,745	1,220,917
Less creditors for the year	(356,820)	(556,607)
Add creditors paid during the year	303,500	267,420
Total as per the cash flow statement	532,425	931,730

7 Operations

Description	2023/2024	2022/2023
	Kshs	Kshs
Personnel Emoluments	1,317,375	1,436,330
Administration Cost	527,342	757,393
Local Transport / Travelling	704,530	396,250
Electricity And Water	56,382	14,300
Medical	-	-
Activity Expenses	206,750	205,560
Total as per receipts and payments	2,812,379	2,809,833
Add creditors paid	231,338	-
Less creditors for the year	(260,238)	231,338
Statutory unpaid	12,848	
Total as per the cash flow statement	2,796,327	2,578,495

8 Infrastructure

Description	2023/2024	2022/2023
	Kshs	Kshs
Construction of a stone wall	116,700	-
Construction of laboratory	-	1,614,121
Bank charges	2,985	-
Total as per receipts and payments	119,685	1,614,121
Less creditors for the year	-	749,630
Add creditors paid	-	17,481
Total as per the cash flow statement	119,685	881,972

9 Boarding and School Fund

Description	2023/2024	2023/2024
	Kshs	Kshs
Local Transport / Travelling	194,500	-
Electricity And Water	-	18,900
Fees Refund	13,200	-
Administration Costs	-	-
Lunch Programme	1,780,153	2,532,060
Bank Charges	9,005	5,775
Activity expenses	223,990	-
Tenders	-	10,500
Total as per receipts and payments	2,220,848	2,567,235
Less creditors for the year	(856,501)	(470,825)
Add creditor paid	513,275	229,606
Add salary advance given to employees	2,000	29,700
Total as per the cash flow statement	1,879,622	2,355,716

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023/2024	2022/2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	0900xxxxxxxxxx (Equity bank-Tala branch)	206,288	704
Operations Account	Active	0900xxxxxxxxxx (Equity bank-Tala branch)	561,872	198,926
School Fund Account	Active	0900xxxxxxxxxx (Equity bank-Tala branch)	78,981	15,484
Infrastructural Account	Active	0900xxxxxxxxxx (Equity bank-Tala branch)	775,073	22,358
Total			1,622,214	237,472

11 Cash In Hand

Description	2023/2024	2022/2023
	Kshs	Kshs
Notes and Coins	2,346	166
Total	2,346	166

12 Short Term Investments

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

13 Accounts Receivable

Description	2023/2024	2022/2023
	Kshs	Kshs
Fees Arrears	4,591,705	3,856,799
Other Non-Fees Receivables		
Salary Advances	-	29,700
Imprest	-	-
Total	4,591,705	3,886,499

13 b) Ageing Analysis of Accounts Receivable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	957,620	21%	1,432,694	37%
Between 1- 2 years	-	0%	-	0%
Between 2-3 years	1,209,980	26 %	858,353	22%
Over 3 years	2,424,105	53 %	1,565,752	41%
Total	4,591,705	100 %	3,856,799	100%

KATHAANA D.E.B SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2024**14 Accounts Payable**

Description	2023/2024	2022/2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,411,893	1,996,487
Prepaid Fees	47,925	41,100
Retention Monies	-	-
Unpaid salaries and statutory deductions	129,378	119,338
Caution money	-	-
Total	2,589,196	2,156,925

14a. Ageing Analysis of Accounts Payable

Description	2023/2024		2022/2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,343,581	56 %	1,889,062	95%
Between 1- 2 years	1,068,312	44 %	107,425	5%
Between 2-3 years	-	0 %	-	0%
Over 3 years	-	0 %	-	0%
Total	2,411,893	100 %	1,996,487	100%

15 Fund Balance Brought Forward

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Balances	1,622,214	237,472
Cash Balances	2,346	166
Short Term Investments	-	-
Receivables	4,591,705	3,886,499
Payables	(2,589,196)	(2,156,925)
Total	3,627,069	1,967,212

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2023/2024	2022/2023
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2023/2024	2022/2023
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees	60	19,000	17,000
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		19,000	17,000

18 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**19 Stock/ Inventory**

Description	2023/2024	2022/2023
	Kshs	Kshs
Opening balance	22,000	30,000
Food stuffs	3,000	2,000
Lab consumables	-	-
Farm produce	-	-
Medication	-	-
Construction Materials	14,000	20,000
Others (specify)	-	-
Less consumed opening balance	(22,000)	(30,000)
	17,000	22,000

KATHAANA D.E.B SECONDARY SCHOOL

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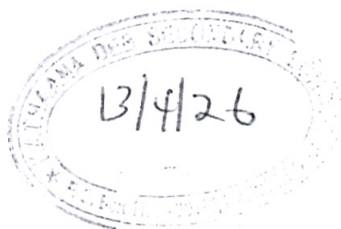
20 Progress on Follow up of Auditor Recommendations

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

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



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 2023/2024	Outstanding Balance 2022/2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Jawpitam Suppliers	146,707	July 2022	60,000	-	86,707	To be cleared when funds will be available
2. Speed links Technologies	403,220	Aug 2022	140,000	356,220	47,000	To be cleared when funds will be available
3. Loidel Supplies	30,400	Aug 2022	10,400	-	20,000	To be cleared when funds will be available
4. Stewin Ndavi Merchants	490,130	July 2022	-	-	490,130	To be cleared when funds will be available
5. James Muinde Suma	169,500	July 2022	-	-	169,500	To be cleared when funds will be available
6. Evolution Concept Limited	90,000	July 2022	-	-	90,000	To be cleared when funds will be available
7. Sohcahtoa	522,100	July 2022	-	364,300	157,800	To be cleared when funds will be available
8. Bekarren Enterprises	119,181	Aug 2023	-	119,181	-	To be cleared when funds will be available
9. Mwikali Mutiso	353,880	Aug 2023	-	353,880	-	To be cleared when funds will be available
10. Mama Sam stores	7,175	June 2022	-	-	7,175	To be cleared in July 2024
11. Salcom Investments	150,000	July 2022		150,000	-	To be cleared when funds will be available

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023/2024	Outstanding Balance 2022/2023	Comments
Sub-Total	2,482,293		210,400	1,343,581	1,068,312	
Supply Of Services						
12. Salaries for supports staff & teachers	103,530	June 2023		103,530	-	To be cleared in July 2024
13. Africa security services	13,000	June 2023	-	13,000	-	To be cleared in July 2024
14. NSSF	9,948	June 2023	-	9,948	-	To be cleared in July 2024
15. NHIF	2,900	June 2023	-	2,900	-	To be cleared in July 2024
Sub-Total	129,378			129,378	-	
Grand Total	2,611,671			1,472,959	1,068,312	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2024
Land				
Buildings And Structures	16,883,437	119,685	-	17,003,122
Motor Vehicles	-	-	-	-
Office Equipment, Furniture And Fittings	518,381	-	-	518,381
Textbooks	200,000	-	-	200,000
ICT Equipment	100,000	-	-	100,000
Tools And Apparatus	-	-	-	-
Other Machinery And Equipment	300,000	-	-	300,000
Heritage And Cultural Assets	-	-	-	-
Intangible Assets- Soft Ware		-	-	
Total	18,001,868	119,685	-	18,121,503