

REPUBLIC OF KENYA



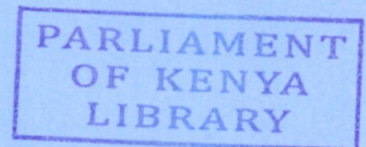
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 18 JUN 2026	DAY. Thursday
TABLED BY:	Hon. Samuel Chepkong'o (on behalf of leader of Majority)
CLERK-AT THE-TABLE:	

THE AUDITOR-GENERAL

ON

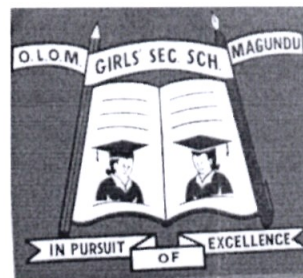


OUR LADY OF MERCY HIGH
SCHOOL - MAGUNDU

FOR THE YEAR ENDED
30 JUNE, 2023

THARAKA NITHI COUNTY

Revised 30th June 2023



OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU

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)

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

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1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	

2. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in THARAKA NITHI County, MAARA Sub-County

The school was registered in 30/1/2019 under registration number 13S00300499 and is currently categorized as a Extra County, public school established, owned or operated by the Government.

The school is a boarding school and had 1047 number of students as at 30th June 2023. It has 6 streams and 52 teachers of which 4 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	PRO JUSTUS MBAE	Chairperson	1/7/2022
2	MRS CATHERINE K MUTEMBEI	Secretary - Principal	„ „
3	REV FR PETER GICHUNGE	Member sponser rep	„ „
4	MS SUSAN GATWIRI NKONGE	Member - sponser rep	„ „
5	MR PAUL ARIMI MWAKI	Member - community rep	„ „
6	MRS MONICAH KANINI NJAGI	Member - community rep	„ „
7	MR PHINEAS KIRAI MARETE	Member -community rep	„ „
8	MR JAPHET NJAGI BENARD	Member -community rep	„ „
9	MR BENSON NJUE NYAGA	Member -community rep	„ „
10	MR MORRIS META MIRITI	Member -community rep	„ „
11	MS NANCY MAKENA MURIITHI	Member – Rep CEB	„ „
12	MR BATISTA MIRITI MNANU	Member -Special interest rep	„ „
13	MR ALEXIUS MIRITI NJUE	Member-Special Needs	„ „
14	MS FRIDAH NTIYARI KIRAGU	Member -Rep Teachers	„ „
15	MS YNONE MUTHONI	Member-Rep Students	„ „
16	MR DANIEL MASYUKI	Coopted parent rep	„ „
17	MR DICKENS KIMATHI	Coopted parent rep	„ „
18	MRS MERCY MUTEGI	Coopted parent rep	„ „

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function 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	PRO. JUSTUS MBAE MRS CATHERINE KMUTEMBEI MR PAUL MWAKI REV. DR. FR PETER GICHUNGE MR DICKENS KIMATHI	CHAIRMAN SECRETARY MEMBER MEMBER	6
2	Audit committee	MR PAUL MWAKI MR ALEXIUS MIRITI NJUE MR PHINEAS KIRAI MARETE	CHAIRMAN MEMBER " "	
3	Finance, procurement and general purposes Committee	MR PAUL MWAKI MRS MONICAH KANINI NJAGI MR JAPHET NJAGI BENARD MS NANCY MAKENA MURIITHI MR BENSON NJUE NYAGA	CHAIRMAN MEMBER " " " " " "	2
4	Academic Committee	MR PHINEAS KIRAI MARETE MS NANCY MAKENAMURIITHI MS FRIDAH NTIYARI KIRAGU MR MORRIS META MIRITI MR PAUL MWAKI	CHAIRMAN " " " " " " " "	2

5	Development Committee	MR BATISTA MIRITI MNANU MRS LUCY NTWIGA PRO JUSTUS MBAE MRS CATHERINE K MUTEMBEI REV. DR. FR PETER GICHUNGE SCDE-MAARA SUB COUNTY PHINEAS KIRAI MARETE	CHAIRMAN SECRETARY ” ” ” ” ” ” ” ”	7
6	Discipline and welfare Committee	MR DICKENS KIMATHI MR BENSON NJUE NYAGA MS SUSAN GATWIRI NKONGE REV. DR. FR PETER GICHUNGE MR ALEXIUS MIRITI NJUE	CHAIRMAN ” ” ” ” ” ” ” ”	2
7	Adhoc Committee (Tender and procurement committee)	MR SIMON KIRATU M/S ESTHER KIENDI MR EVANS KAIMENYI MR MBIU MR JOSES MWANDIKI	CHAIRMAN ” ” ” ” ” ” ” ”	

(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	TSC Number
1	Principal	CATHERINE K MUTEMBEI	381890
2	Deputy Principal	MRS LUCY NTWIGA MRS STELLA KUBANIA	393812 337324
3	School Bursar	MR JOSES MWANDIKI	ID :23818890

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 138 CHUKA
Telephone: 0701476622/0721426310
E-mail: olomghs@gmail.

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1.SCHOOL FUNDS ACCOUNT

Name of the bank =Co-operative bank
Branch =Chuka
Account Number =01129057830200

MPESA PAY BILL NO=400222 Account no= 664#

2.SCHOOL OPERATION ACCOUNT

Name of the bank =Equity Bank
Branch =Chuka
Account Number =0210291771230

3.SCHOOL TUITION ACCOUNT

Name of the bank =KCB
Branch =Chuka
Account Number =1103682385

4.SCHOOL INFRASTRUCTURE ACCOUNT

Name of the bank =Equity bank
Branch =Chuka
Account Number =0210277659923

•
(g)Independent Auditors

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

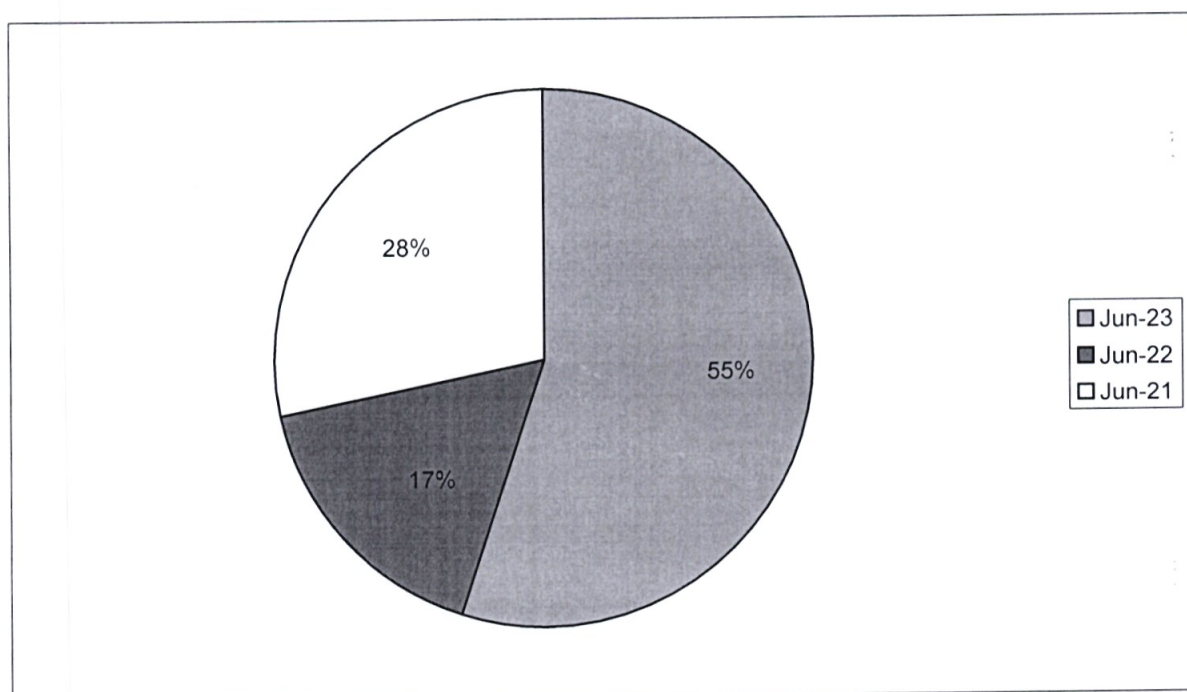
Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a).financial performance

	DETAILS	YEARS			TOTALS
		Jun-23	Jun-22	Jun-21	
1	SURPLUS/DEFICIT	-9742659.35	2,964,877.55	5,040,791.65	-1,736,990.15

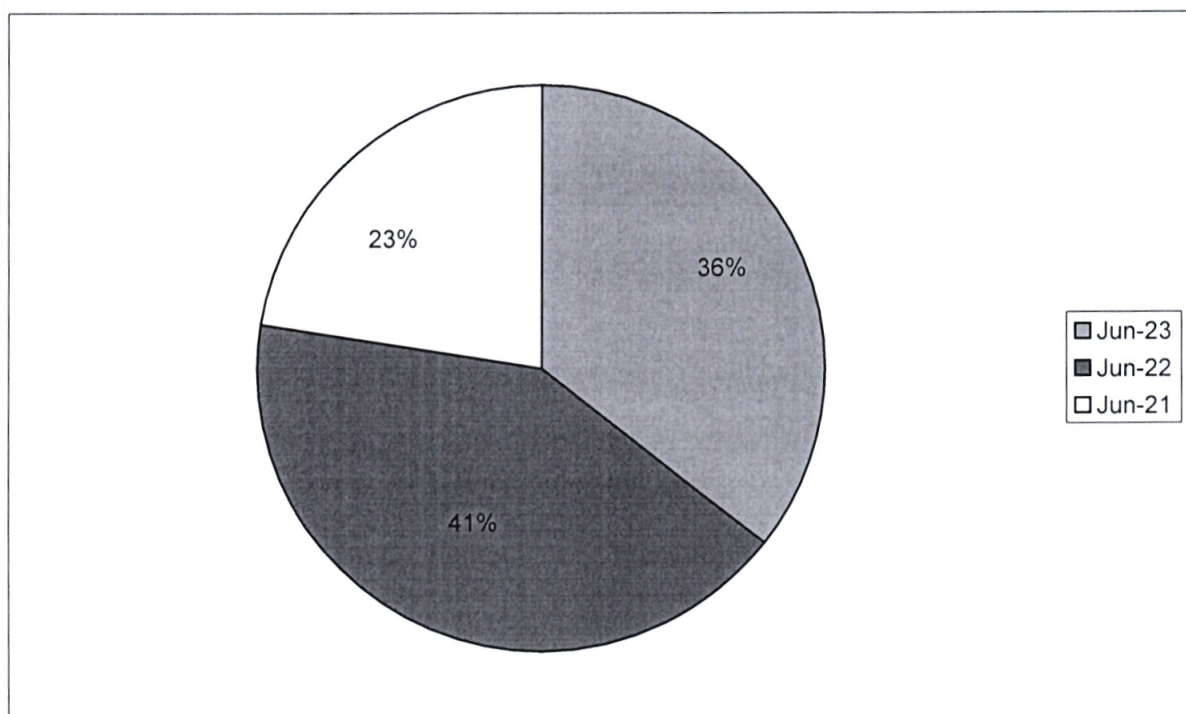
SURPLUS



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	DETAILS	YEARS			TOTALS
		Jun-23	Jun-22	Jun-21	
2	CAPITATION GRANTS	15,521,180.99	18,171,085.63	9,858,493.20	43,550,759.82

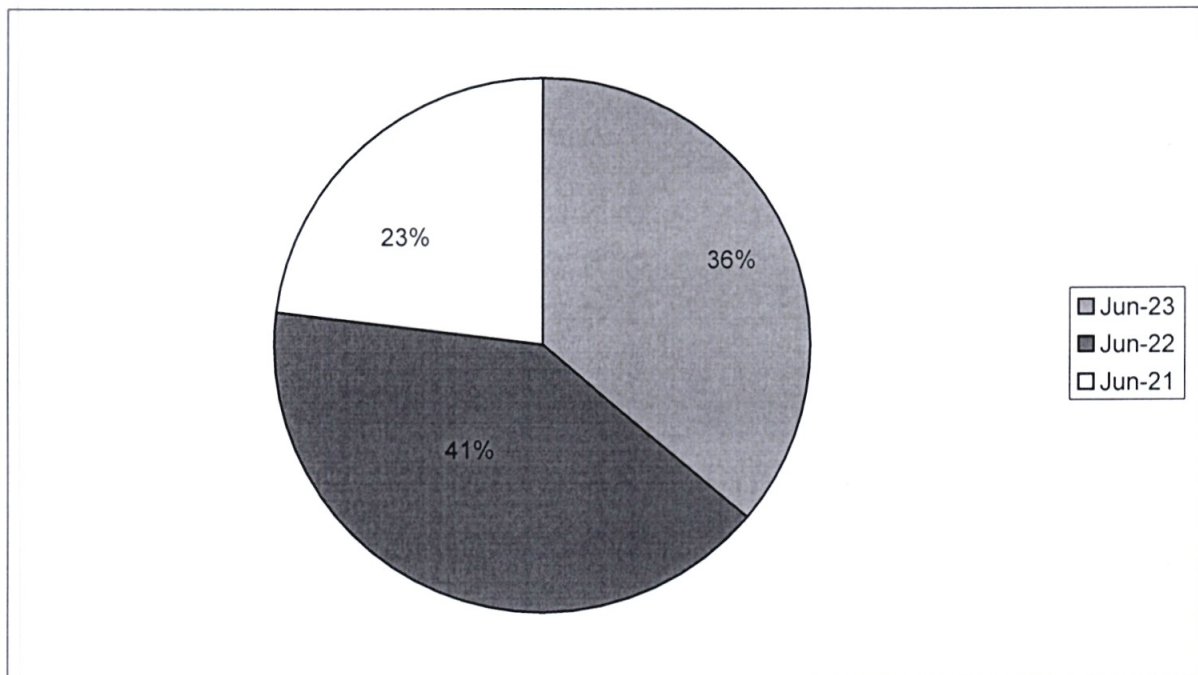
CAPITATION GRANTS



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	DETAILS	YEARS			TOTALS
		Jun-23	Jun-22	Jun-21	
3	RATIO OF CAPITATION PER STUDENTS	14,824.00	16,793.00	9,525.00	41,142.00

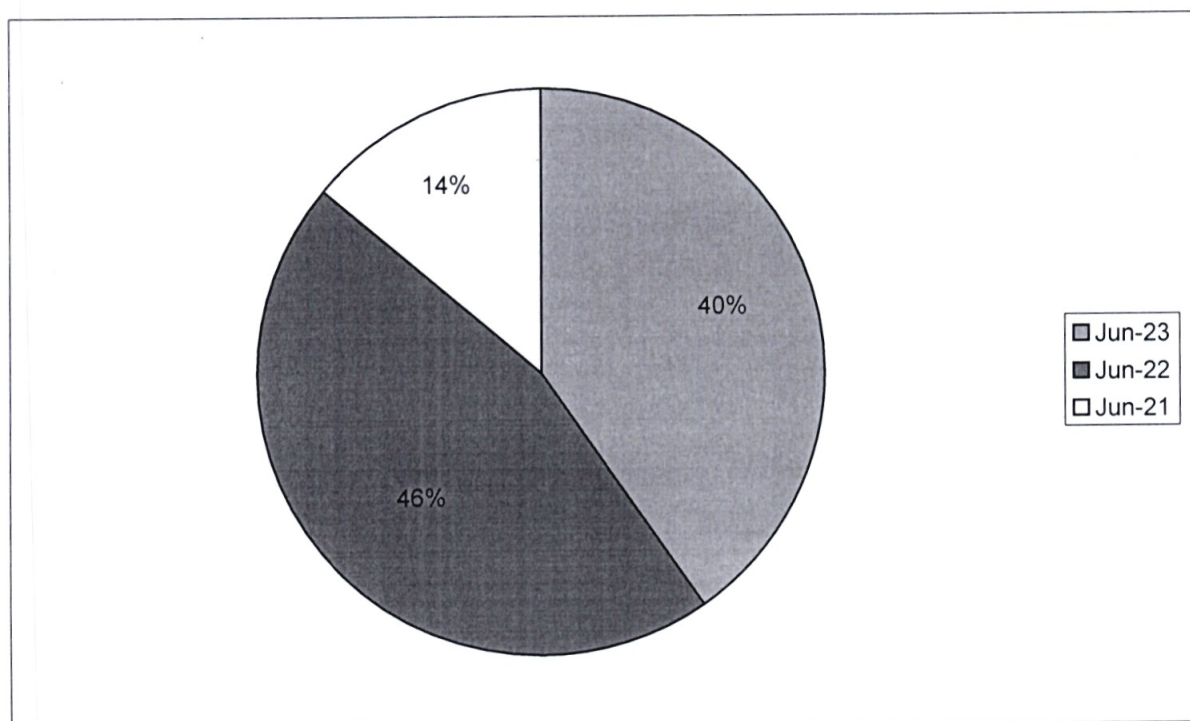
RATIO OF CAPITATION PER STUDENTS



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	DETAILS	YEARS			TOTALS
		Jun-23	Jun-22	Jun-21	
4	OTHER INCOMES	33,672,242.91	38,420,270.92	11,672,850.00	83,765,363.83

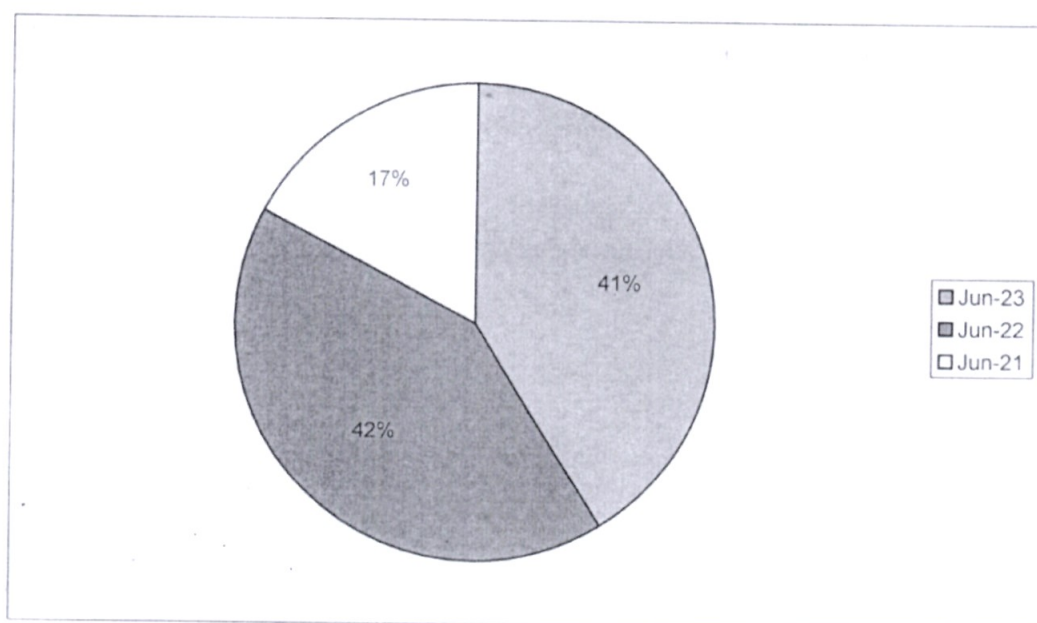
OTHER INCOMES



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 For the year ended 30th June 2023

DETAILS	YEARS			TOTALS
	Jun-23	Jun-22	Jun-21	
5 GROWTH IN EXPENDITURE	32,853,209.00	33,405,221.00	13,802,811.00	80,061,241.00

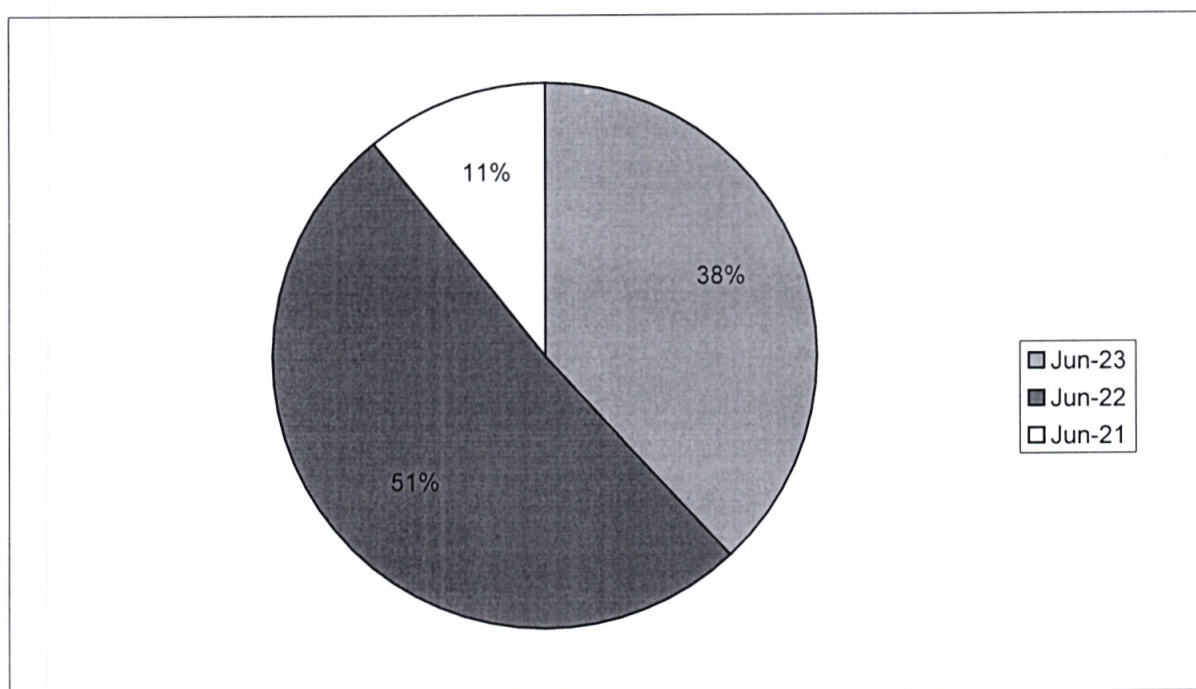
GROWTH IN EXPENDITURE



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	DETAILS	YEARS			TOTALS
		Jun-23	Jun-22	Jun-21	
6	DEBTORS	6,688,192.00	8,973,396.00	1,893,421.00	17,555,009.00

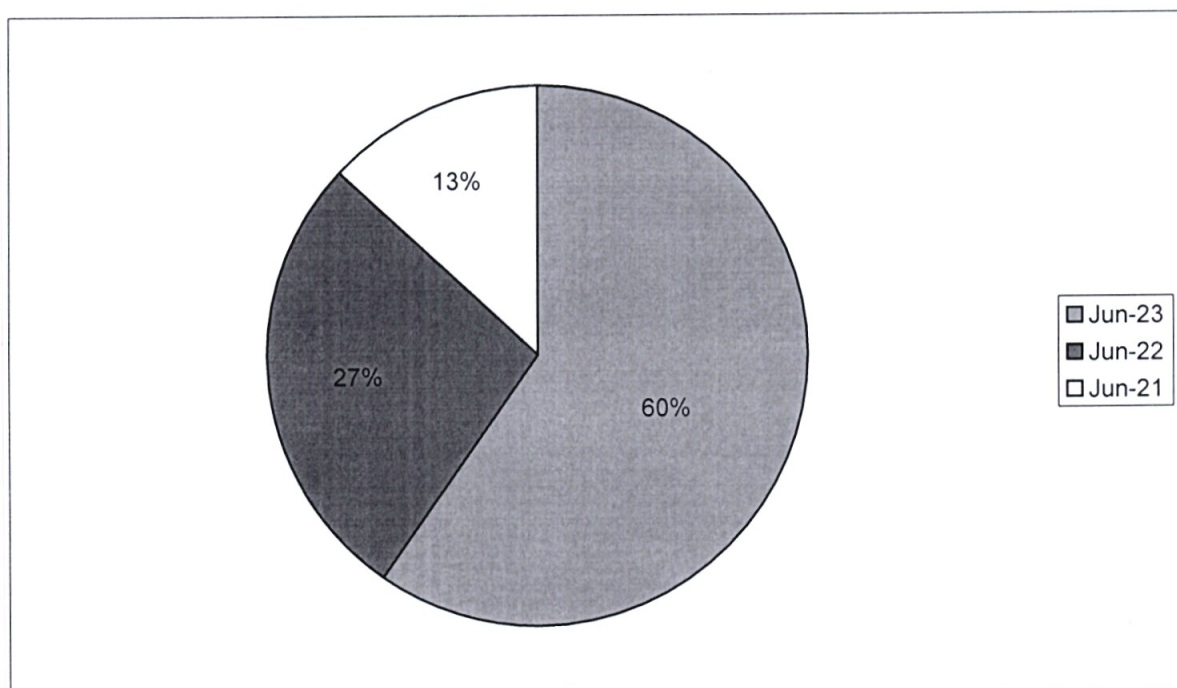
DEBTORS



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For the year ended 30th June 2023

	DETAILS	YEARS			TOTALS
		Jun-23	Jun-22	Jun-21	
7	CREDITORS	4,267,689.00	1,952,508.00	923,360.00	7,143,557.00

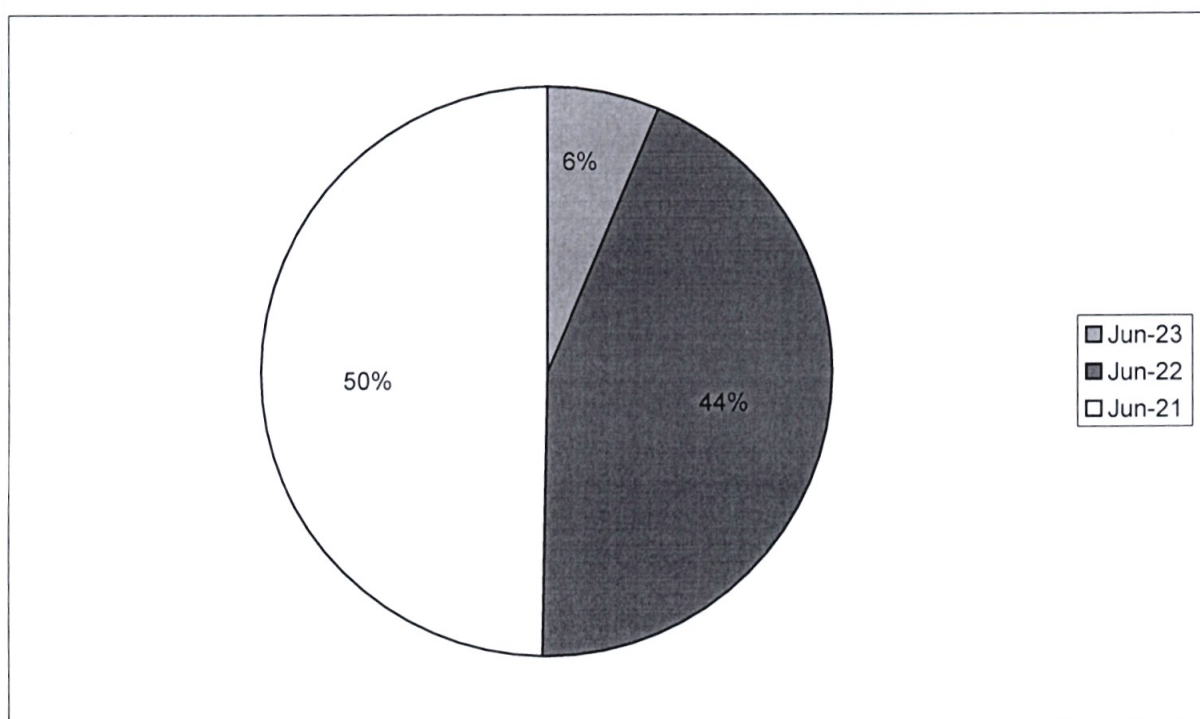
CREDITORS



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For the year ended 30th June 2023

	DETAILS	YEARS			TOTALS
		Jun-23	Jun-22	Jun-21	
8	CASH AND BANK BALANCES	1,852,131.11	12,519,082.86	14,282,154.31	28,653,368.28

CASH AND BANK BALANCES



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b) Teachers student ratio

TOTAL ENROLMENT	NO OF TEACHERS RECRUITED	NO OF TEACHERS TRANSFERED	NO OF TEACHERS RETIRED	NO OF TEACHERS DEPLOYED	TOTAL BOM TEACHERS	TOTAL TSC TEACHERS	TOTAL NO OF TEACHERS	RATIO
1047	1	5	1	0	4	48	52	1:20

c) Mean score in the 2020-2022 KCSE

YEAR	ENTRY	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	MEAN SCORE	GRADE
2022	271	0	0	0	0	6	14	44	77	75	49	6	0	4.6273	C-
2021	233	0	0	0	2	6	20	31	51	62	46	15	0	4.5622	C-
2020	252	0	0	1	5	14	19	57	73	48	26	9	0	5.1389	C-

d) Number of Candidates in the 2020-2022

YEAR	TOTAL REGISTERED	NO, THAT DID KCSE	% TRANSITION TO MIDDLE COLLEGES &
2022	274	271	52%
2021	233	233	47%
2020	252	252	38%

Annual Report and Financial Statements

OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU

For the year ended 30th June 2023

e) Capacity of the school

FACILITIES	QUANTITY	CAPACITY TO ACCOMODATE	REMARKS
DORMITORY BEDS	550	1100	
CLASSES	28	1300	
LABORATORY	6	250	
TOILETS	101	1100	More days sanitation block needed
DINNING HALL	1	800	shortage
LIBRARY	1	80	shortage
WORKSHOPS	1	45	2 more required
COMPUTOR ROOM	1	31	shortage
STAFFROOM	1	ALL SEATED	Administration block needed
TEXTBOOKS	23500pcs		<u>sufficient</u> English , Mathematics,Kishwahili, Biology, Chemistry, Physics,History, CRE <u>Insufficient</u> Geography F3,Geography F4,Home science F4, Agriculture F4 ,Computer F4,Business studies F4, <u>Not available</u> Agriculture F3 ,Computer F3,Business studies F3, Home science F3,French F1-F4
WATER	ADEQUATE		More storage water tanks needed
ELECTRICITY	ADEQUATE		

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OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
 For the year ended 30th June 2023

e) Development projects carried out by the school:

	YR	PROJECTS	NO	DATE OF APPROVAL	SOURCES OF FUNDS	AMOUNT	STATUS
1	2022/2023	PROPOSED ABLUTION BLOCK	2	14/3/2022	RMI	4006223.28	COMPLETED
2	2022/2023	PROPOSED COMPLETION WORKS DORMITORY BLOCK SECOND FLOOR PHASE I	1	22/12/2022	RMI	5988728.38	COMPLETED

OK

PRINCIPAL
 OUR LADY MERCY GIRLS SEC.
 SCHOOL - MAGUNDU
 P. O. Box 138 - 60400, CHUKA
 TEL: 0721 426 310 / 0701 476 622
 Date:
 Sign:

Sign

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 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 Our Lady of Mercy Girls High School-Magundu 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).

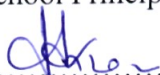
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.

Name: PRO Justus Mbae
Designation: Chairperson, School Board of Management

Sign: 

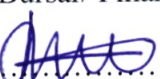
Date: 

Name: Mrs Catherine k Mutembei
Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 

Name: Mr Joses Mwandiki
Designation: Bursar/ Finance Officer

Sign: 

Date: 

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 OUR LADY OF MERCY GIRLS HIGH SCHOOL - MAGUNDU FOR THE YEAR ENDED 30 JUNE, 2023 - THARAKA NITHI 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 for Our Lady of Mercy Girls High School - Magundu set out on pages 1 to 16, which comprise of the statement of financial

Report of the Auditor-General on Our Lady of Mercy Girls High School - Magundu for the year ended 30 June, 2023 - Tharaka Nithi County

assets and financial 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respect, the financial position of Our Lady of Mercy Girls High School - Magundu 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 comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

Unreconciled Differences Between School Collections and Bank Account

The statement of receipts and payments reflects receipts amounting to Kshs.19,118,218 for school income—parents' contributions and Kshs.33,672,243 for other receipts, all totalling Kshs.52,790,460, as disclosed in Notes 3 and 4 to the financial statements. However, a review of the bank statement for the collection account reflected total collections of Kshs.48,726,180 for the year, resulting in an unexplained variance of Kshs.4,064,280 between the receipts reported in the financial statements and the bank statements. Management did not provide bank reconciliation statements or other supporting documentation explaining the variance for audit review.

In the circumstances, the accuracy and completeness of Kshs.19,118,218 on parents' contribution and Kshs.33,672,243 for other receipts could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Our Lady of Mercy Girls High School - Magundu Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.82,061,980 and Kshs.61,623,449 respectively, resulting in an under-funding of Kshs.20,438,530 or 25% of the budget.

Similarly, the School spent an amount of Kshs.53,945,842 against actual receipts of Kshs.61,623,449 resulting in under-utilization of Kshs.7,677,607 or 12% of 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 section, there were no other key audit matters to report in the year under review.

Other Information

The Management is responsible for the Other Information set out on pages iii to xix which comprises, which comprises the Key Entity Information and Management, The Board of Governance, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting. 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 the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Under Funding of Capitation Grants and Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,894,072 and Kshs.12,627,109, respectively, as disclosed in Notes 1 and 2 to the financial statements. During the year under review, National Education Management Information System (NEMIS) reported a total number of four thousand two hundred and seventeen (4,217) students while the enrolment records provided by the School indicated a total number of four thousand two hundred and sixty-nine (4,269) students, resulting in an unexplained variance of fifty-two (52) students. As a result of the variances, the School was underfunded by an amount of Kshs.157,878 using a rate of Kshs.3,036.12 per student.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.56,261,033 as disclosed in Note 8 to the financial statements. Included in the expenditure is an amount of Kshs.834,428 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 the funds transferred to KESSHA amounting to Kshs.834,428 could not be confirmed.

3. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 30 September, 2024, one year late, instead of the statutory deadline of 30 September, 2023. This was contrary to Ministry of Education Circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the school's financial statements should be ready by 30 September.

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

4. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.12,627,109 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.3,220,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.1,000,000 was transferred to infrastructure account, leaving a

balance of Kshs.2,220,000 as at 30 June, 2023. Further, this amount of Kshs.1,000,000 was transferred after one hundred and twenty-nine (129) days of receipt. This was contrary to the Ministry of Education Circular Ref. 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 circular.

5. Lack of a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

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 effect 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 an Internal Audit Function

During the year under review, the School had not constituted an Audit Committee and an Internal Audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which states that, the Internal Audit Unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.507,230,143 in respect of fixed assets which includes land with a balance of Kshs.19,200,000. However, the School occupies 13.4 hectares, but with no ownership documents.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

3. Non-Valuation of Biological Assets

Note 15 to the financial statements reflects a balance of Kshs.2,116,300 in respect to biological assets which includes cattle, pigs, trees, banana plantation and poultry. However, Management did not engage the services of a Sub County Agricultural officer to value the cattle, goats and poultry as well as the forester to value the trees owned by the School.

In the circumstances, effective management of biological 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 the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

22 May, 2026

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

6. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		Kshs	
RECEIPTS			
Government grants for tuition	1	2,894,071.50	3,391,954.60
Government grants for operations	2	12,627,109.49	14,779,131.03
Operation account -Other receipts	2b	709,873.00	443,718.00
School Fund Income- Parents' Contributions	3	19,118,218.00	20,112,599.00
School Fund Income- Other receipts	4	33,672,242.91	38,485,635.92
Government grant for Infrastructure account	5	1,000,000.00	9,306,656.00
TOTAL RECEIPTS		70,021,514.90	86,519,694.55
PAYMENTS			
Payments for Tuition	6	2,870,352.00	4,619,786.00
Payments for operations	7	12,137,483.00	18,918,152.00
Boarding and school fund payments	8	56,261,033.00	52,614,682.00
Infrastructure account	9	8,495,306.25	7,376,654.40
TOTAL PAYMENTS		79,764,174.25	83,529,274.40
Surplus /Deficit for the year		(9742659.35)	2,964,877.15

The school financial statements were approved on 28/3/2024 and signed by:

SIGN [Signature]

NAME PROF JUSTUS KBAE
CHAIRMAN BOM

DATE 1/4/2024

SIGN [Signature]

NAME CATHERINE-K. MUTEMBO
PRINCIPAL/SECRETARY BOM

DATE 1/4/2024

SIGN [Signature]

NAME JOSES MURANDI
BURSAR

DATE 1/4/2024

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

7. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	1,715,537.36	12,464,640.51
Cash Balances	11	136,593.75	54,441.95
Short term Investment			
Total Cash and cash equivalent		1,852,131.11	12,519,082.46
Account's receivables	12	19,570,794.75	15,102,641.75
TOTAL FINANCIAL ASSETS		21,422,925.86	27,621,724.21
FINANCIAL LIABILITIES			
Accounts Payables	13	5,496,369.00	3,350,584.00
NET FINANCIAL ASSETS		15,926,556.86	24,271,140.21
REPRESENTED BY			
Accumulated Fund b/fwd	14	25,669,216.21	21,306,263.06
Surplus/Deficit for the year		(9,742,659.35)	2,964,877.15
NET FINANCIAL POSSITION		15,926,556.86	24,271,140.21

The School's financial statements were approved on 28/3/2024 and signed by:

SIGN [Signature]

NAME PROF JUSTUS MBAE
CHAIRMAN BOM

DATE 1/4/2026

SIGN [Signature]

NAME CATHERINE-K MUTEUBA
PRINCIPAL/SECRETARY BOM

DATE 1/4/2026

SIGN [Signature]

NAME JOSEPH MURWANJIRI
BURSAR

DATE 1/4/2026

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

8. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts for operating income			
Government grants for tuition	1	2,894,071.50	3,391,954.60
Government grants for operations	2	12,627,109.49	14,779,131.03
Operation account -Other receipts	2b	709,873.00	443,718.00
School fund income- Parents contributions/ fees	3b	20,067,219.00	19,700,645.00
School fund income- other receipts	4b	29,483,768.91	33,145,182.92
Government grant for Infrastructure account	5	1,000,000.00	9,306,656.00
Total receipts		66,782,041.90	80,767,287.55
Payments			
Cash outflow for Tuition	6	2,870,352.00	4,619,786.00
Cash outflow for operations	7	12,137,483.00	18,918,152.00
Cash outflow Boarding and school fund	8b	53,945,852.00	51,615,767.00
Cash outflow for Infrastructure account	9	8,495,306.25	7,376,654.00
Total payments		77,448,993.25	82,530,359.00
Net cash flow from operating activities		.(10,666,951.35)	.(1,763,071.45)
CASHFLOW FROM INVESTING ACTIVITIES		0.00	0.00
Proceeds from Sale of Assets		0.00	0.00
Acquisition of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash flows from Investing Activities		0.00	0.00
CASHFLOW FROM BORROWING ACTIVITIES		0.00	0.00
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash flow from financing activities		0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENTS		.(10,666,951.35)	.(1,763,071.45)
Cash and cash equivalent at BEGINNING of the year		12,519,082.46	14,282,154.31
Cash and cash equivalent at END of the year		1,852,131.11	12,519,082.46

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 28/3/2024 and signed by:

SIGN _____

NAME PROF JUSTUS MBARE
CHAIRMAN BOM

DATE 1/4/2026

SIGN _____

NAME CATHERINE K. MUTEMBO
PRINCIPAL/SECRETARY BOM

DATE 1/4/2026

SIGN _____

NAME JOSEPH MUKAMUKU
BURSAR

DATE 1/4/2026

Annual Report and Financial Statements

OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU

For the year ended 30th June 2023

9. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNT FOR THE YEAR ENDING 30TH JUNE 2023

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis		% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Exercise books	2,948,945.00	0.00	2,948,945.00	1,447,037.50	1,501,907.50	49%
Laboratory equipment	1,180,675.00	0.00	1,180,675.00	579,379.00	601,296.00	49%
Teaching / learning materials	883,050.00	0.00	883,050.00	433,828.00	449,222.00	49%
Chalks	146,635.00	0.00	146,635.00	72,069.00	74,566.00	49%
Exams and assessment	444,260.00	0.00	444,260.00	217,620.00	226,640.00	48%
Teachers guides	289,970.00	0.00	289,970.00	144,138.00	145,832.00	49%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	9,559,200.00	0.00	9,559,200.00	5,437,020.00	4,122,180.00	57%
Repairs and maintenance	7,112,500.00	0.00	7,112,500.00	4,217,000.00	2,895,500.00	59%
Local transport / travelling	938,850.00	0.00	938,850.00	534,202.00	404,648.00	56%
			1,436,725.00			
Electricity, water and conservancy	1,436,725.00	0.00		817,138.93	619,586.07	56%
Medical	2,845,000.00	0.00	2,845,000.00	376,212.56	2,468,787.44	13%
Administration costs	1,436,725.00	0.00	1,436,725.00	817,136.00	619,589.00	63%
Activity	2,863,700.00	0.00	2,863,700.00	428,400.00	2,435,300.00	33%

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OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs

(3) FEES CHARGED ON PARENTS						
Personnel emoluments	4,686,850.00	0.00	4,686,850.00	4,114,773.00	572,077.00	87%
Repairs and maintenance	2,554,300.00	0.00	2,554,300.00	1,967,984.00	586,316.00	77%
Local transport / travelling	1,727,125.00	0.00	1,727,125.00	1,480,292.00	246,833.00	85%
Electricity, water and conservancy	6,908,650.00	0.00	6,908,650.00	5,372,727.00	1,535,923.00	77%
Medical	0.00	0.00	0.00	0.00	0.00	0%
Administration costs	3,715,625.00	0.00	3,715,625.00	3,374,074.00	341,551.00	90%
Activity	729,950.00	0.00	729,950.00	308,650.00	421,300.00	42%
Fee on Boarding Equipment and Stores	26,721,245.00	0.00	26,721,245.00	27,556,088.91	-834,843.91	103%
OTHER INCOME						
Rent income	0.00	0.00	0.00	36,850.00	-36,850.00	0%
Income from farming activities	2,932,000.00	0.00	2,932,000.00	1,660,830.00	1,271,170.00	56%
Income from Bus Hire	0.00	0.00	0.00	230,000.00	-230,000.00	0%
Fee for hire of ground and equipment	0.00	0.00	0.00	0.00		0%
TOTAL INCOME				46,102,268.91		
GRAND TOTALS			82,061,980.00	61,623,449.00		

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

(1) EXPENDITURE FOR TUITION

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Exercise books	2,948,945.00	0.00	2,948,945.00	1,418,578.00	1,530,367.00	48%
Laboratory equipment	1,180,675.00	0.00	1,180,675.00	579,379.00	601,296.00	49%
Teaching / learning materials	883,050.00	0.00	883,050.00	433,828.00	449,222.00	49%
Chalks	146,635.00	0.00	146,635.00	72,069.00	74,566.00	49%
Exams and assessment	444,260.00	0.00	444,260.00	217,620.00	226,640.00	48%
Teachers guides	289,970.00	0.00	289,970.00	144,138.00	145,832.00	R
Bank Charges	0.00	0.00	0.00	4,740.00	-4,740.00	0%
totals				2,870,352.00		
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	9,559,200.00	0.00	9,559,200.00	5,592,878.00	3,966,322.00	58%
Repairs, maintenance & improvements	7,112,500.00	0.00	7,112,500.00		7,112,500.00	0%
Local transport / travelling	938,850.00	0.00	938,850.00	534,202.00	404,648.00	56%
Electricity, water and conservancy	1,436,725.00	0.00	1,436,725.00	1,472,795.00	-36,070.00	102%
Medical	2,845,000.00	0.00	2,845,000.00	214,200.00	2,630,800.00	7%
Administration costs	1,436,725.00	0.00	1,436,725.00	2,109,520.00	-672,795.00	146%
Activity Expenses	2,863,700.00	0.00	2,863,700.00	1,190,758.00	1,672,942.00	41%
Bank Charges				11,230.00	-11,230.00	0%
Rent				11,900.00	-11,900.00	0%
infrastructure				1,000,000.00	-1,000,000.00	0%
totals				12,137,483.00		0%

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

**(3) EXPENDITURE FOR
SCHOOL FUND**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Personnel emoluments	4,686,850.00	0.00	4,686,850.00	4,636,321.00	50,529.00	98%
Repairs, maintenance and improvements	2,554,300.00	0.00	2,554,300.00		2,554,300.00	0%
Local transport / travelling	1,727,125.00	0.00	1,727,125.00	1,698,303.00	28,822.00	98%
Electricity, water and conservancy	6,908,650.00	0.00	6,908,650.00	5,447,740.00	1,460,910.00	78%
Medical Expenses	0.00	0.00	0.00		0.00	0%
Administration costs	3,715,625.00	0.00	3,715,625.00	3,434,893.00	280,732.00	90%
Activity	729,950.00	0.00	729,950.00	807,270.00	-77,320.00	110%
Boarding Equipment and Stores	26,721,245.00	0.00	26,721,245.00	29,675,010.00	-2,953,765.00	111%
Bank Charges		0.00		262,482.00	-262,482.00	0%
Rent				36,850.00		
Yes club				188,000.00		
Sundry creditors				1,952,508.00		
Farm				1,298,280.00		
Bus expenses				624,050.00		
RMI				3,884,145.00		
TOTALS		0.00	82,061,980.00	53,945,852.00		

Vote heads above 100% utilization was as result of high prices of commodities

Vote heads below 90% utilization was as result of =

- i. There was stock balances which were being used.
- ii. Activities in some vote heads were minimal hence below 90%.
- iii. Due to overbudgeting.

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 imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent event There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ending 30th June 2023.

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2023

11. NOTES TO THE FINANCIAL STATEMENTS

GOVERNMENT GRANT FOR TUITION

		2022-2023	2021-2022
		Kshs	Kshs
EXE BOOKS		1,447,037.50	1,695,977.00
LABORATORY EQUIPMENT		579,379	679,053.00
EXAM & ASSESMENTS		217,620.00	255,059.00
TEACHING MATERIALS		433,828.00	508,462.00
CHALKS		72,069.00	84,468.60
REFERENCE/TEACHING GUIDE		144,138.00	168,935.00
TOTALS		2,894,071.50	3,391,954.60

2. GOVERNMENT GRANT FOR OPERATIONS

		2022-2023	2021-2022
		Kshs	Kshs
R.M.I		4,217,000.00	5,009,259.00
LT&T		534,202.00	701,821.00
EW&C		817,138.93	1,073,374.00
ADM		817,136.00	1,073,374.00
P.EMOLUMENT		5,437,020.00	6,717,048.03
MEDICALS		376,212.56	204,255.00
ACTIVITY		428,400.00	0.00
TOTALS		12,627,109.49	14,779,131.03

2a. OTHER RECEIPT - OPERATION

		2022-2023	2021-2022
		Kshs	Kshs
RENT		11,900.00	18,700.00
OLOM NON TEACHING STAFF WELFARE		80,273.00	325,018.00
UNCLEARED CHEQUE		521,700.00	100,000.00
PARENT DEPOSIT		96,000.00	
TOTALS		709,873.00	443,718.00

3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

		2022-2023	2021-2022
		Kshs	Kshs
RMI		2,297,980.00	2,830,365.00
LT&T		1,686,540.00	1,804,226.00
ADM/CONTINGENCIES		3,778,319.00	3,536,285.00
E W & C		6,238,966.00	6,884,928.00
P.EMOLUMENT		4,725,265.00	4,618,820.00
ACTIVITY		391,148.00	437,975.00
TOTALS		19,118,218.00	20,112,599.00

3b. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

		2022-2023	2021-2022
		Kshs	Kshs
RMI		1,967,984.00	2,317,600.00
LT&T		1,480,292.00	1,483,748.00
ADM/CONTINGENCIES		3,374,074.00	2,908,147.00
E W & C		5,372,727.00	5,661,983.00
P.EMOLUMENT		4,114,773.00	3,798,396.00
ACTIVITY		308,650.00	309,782.00
SUNDRY DEBTORS(recovery)		2,220,039.00	1,822,913.00
PRE-PAYMENT		1,228,680.00	1,398,076.00
TOTALS		20,067,219.00	19,700,645.00

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4.OTHER RECEIPTS – SCHOOL FUND ACCOUNT

		2022-2023	2021-2022
		Kshs	Kshs
BES		31,744,562.91	37,073,295.92
FARM		1,660,830.00	692,875.00
RENT		36,850.00	11,200.00
BUS HIRE		230,000.00	642,900.00
CLUB (Y.C.S)		0.00	65,365.00
TOTALS		33,672,242.91	38,485,635.92

4b .OTHER RECEIPTS – SCHOOL FUND ACCOUNT

		2022-2023	2021-2022
		Kshs	Kshs
BES		27,556,088.91	31,732,842.92
FARM		1,660,830.00	692,875.00
RENT		36,850.00	11,200.00
BUS HIRE		230,000.00	642,900.00
CLUB (Y.C.S)		0.00	65,365.00
TOTALS		29,483,768.91	33,145,182.92

5.GOVERMENT GRANT FOR INFRASTRUCTURE

		2022-2023	2021-2022
		Kshs	Kshs
INFRASTRUCTURE		1,000,000.00	9,306,656.00
TOTALS		1,000,000.00	9,306,656.00

6.PAYMENTS FOR TUITION

		2022-2023	2021-2022
		Kshs	Kshs
EXE BOOKS		1,418,578.00	2,309,470.00
LABORATORY EQUIPMENT		579,379.00	924,690.00
EXAM & ASSESMENTS		217,620.00	347,323.00
TEACHING MATERIALS		433,828.00	692,390.00
CHALKS		72,069.00	115,022.00
REFERENCE/TEACHING GUIDE		144,138.00	230,045.00
BANK CHARGES		4,740.00	846.00
TOTALS		2,870,352.00	4,619,786.00

7. PAYMENTS FOR OPERATIONS

		2022-2023	2021-2022
		Kshs	Kshs
LT&T		534,202.00	856,464.00
EW&C		1,472,795.00	1,330,286.00
ADM		2,109,520.00	1,289,486.00
P.EMOLUMENT		5,592,878.00	8,715,779.00
INFRASTRUCTURE		1,000,000.00	6,508,792.00
MEDICAL		214,200.00	204,255.00
BANK CHARGES		11,230.00	13,090.00
ACTIVITY		1,190,758.00	
RENT		11,900.00	
TOTALS		12,137,483.00	18,918,152.00

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8. BOARDING AND SCHOOL FUND PAYMENTS

		2022-2023	2021-2022
		Kshs	Kshs
BES		30,894,029.00	32,326,051.00
LT&T		1,698,303.00	1,720,681.00
ADM/CONTINGENCIES		5,883,563.00	3,372,534.00
E W & C		5,447,740.00	6,566,118.00
P.EMOLUMENT		4,636,321.00	4,404,943.00
ACTIVITY		807,270.00	9,600.00
BUS HIRE		624,050.00	487,000.00
FARM		1,298,280.00	592,170.00
BANK CHARGES		262,482.00	291,286.00
RD CHEQUES		0.00	25,543.00
INFRASTRUCTURE		0.00	2,749,299.00
YCS CLUB		188,000.00	95,000.00
RENT		36,850.00	
RMI		4,484,145.00	
TOTALS		56,261,033.00	52,640,225.00

8b. BOARDING AND SCHOOL FUND PAYMENTS

		2022-2023	2021-2022
		Kshs	Kshs
BES		29,675,010.00	31,403,178.00
LT&T		1,698,303.00	1,610,394.00
ADM/CONTINGENCIES		3,434,893.00	3,156,373.00
E W & C		5,447,740.00	6,145,265.00
P.EMOLUMENT		4,636,321.00	4,122,609.00
ACTIVITY		807,270.00	9,600.00
BUS HIRE		624,050.00	487,000.00
FARM		1,298,280.00	592,170.00
BANK CHARGES		262,482.00	291,286.00
RD CHEQUES		0.00	25,543.00
INFRASTRUCTURE		0.00	2,749,299.00
YCS CLUB		188,000.00	95,000.00
RENT		36,850.00	0.00
RMI		3,884,145.00	0.00
SUNDRY CREDITOR		1,952,508.00	928,050.00
TOTALS		53,945,852.00	51,615,767.00

9. INFRASTRUCTURE PAYMENTS

		2022-2023	2021-2022
		Kshs	Kshs
MATERIAL COST		5,937,875.00	5,294,990.00
LABOUR COST		2,450,546.25	1,918,724.40
BANK CHARGES		2,885.00	2,940.00
CONTINGENCES		104,000.00	160,000.00
TOTALS		8,495,306.25	7,376,654.40

10. BANK ACCOUNTS

Name of Bank,	Bank Account	ACCOUNT NO	2022-2023	2021-2022
			Kshs	Kshs
TUITION ACCOUNT	KCB	1103682385	34,048.50	10,329.00
OPERATION ACCOUNT	EQUITY	0210291771230	1,417,870.93	218,321.44
SCHOOL FUND ACCOUNT/BOARDING	CO-OPERATIVE	01129057830200	53,210.78	4,530,276.67
INFRASTRUCTURE ACCOUNT	EQUITY	0210277659923	210,407.15	7,705,713.40
TOTALS			1,715,537.36	12,464,640.51

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11. CASH IN HAND

Description	2022-2023	2021-2022
	Kshs	Kshs
OPERATION ACCOUNT	53.00	103.00
SCHOOL FUND ACCOUNT/BOARDING	136,540.75	54,338.95
Total	136,593.75	54,441.95

12 ACCOUNTS RECEIVABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arreas	19,570,794.75	15,102,641.75
other non fees receivables		0.00
salary advance		0.00
imprest		0.00
total	19,570,794.75	15,102,641.75

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arreas for current year	6,688,192.00	8,973,396.00
fees arreas for previous year	8,973,396.00	1,893,421.00
fees arreas for prior period	3,909,206.75	4,235,824.75
total	19,570,794.75	15,102,641.75

12b Ageing Analysis of account receivable

Description	2022-2023		2021-2022	
	Kshs	% of the total	Kshs	% of the total
Less than 1year	6,688,192.00	34%	8,973,396.00	60%
Between 1-2 years	6,823,865.00	35%	603,895.00	45%
Between 2-3 years	533,387.00	3%	508,934.00	3%
over 3 years	5,525,350.75	28%	5,016,416.75	33%
Totals	19,570,794.75		15,102,641.75	

13 ACCOUNTS PAYABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors	4,267,689.00	1,952,508.00
prepaid fees	1,228,680.00	1,398,076.00
retention money		
total	5,496,369.00	3,350,584.00

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors for current year	4,267,689.00	1,952,508.00
Trade creditors for prevoius year		
trade creditor for prior periods		
total	4,267,689.00	1,952,508.00

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Description	2022-2023		2021-2022	
	Kshs	% of the total	Kshs	% of the total
Less than 1 year	4,267,689.00	100%	1,952,508.00	100%
Between 1-2 years	0.00		0.00	
Between 2-3 years	0.00		0.00	
over 3 years	0.00		0.00	
Totals	4,267,689.00		1,952,508.00	

14 FUND BALANCE BROUGHT FORWARD

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank balances	12,464,640.51		14,277,337.86	
cash balances	54,441.95		4,816.45	
short term investments	0.00		0.00	
receivables	15,102,641.75		7,952,158.75	
payable	(1,952,508.00)		(928,050.00)	
TOTALS	25,669,216.21		21,306,263.06	

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Other important disclosure notes

IPSAS I 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 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	7	560,000.00	753,000.00
Pigs	16	400,000.00	480,000.00
Trees	396	514,800.00	480,000.00
Banana plantation	625	437,500.00	425,000.00
Poultry	17	204,000.00	240,000.00
Total		2,116,300.00	2,378,000.00

16 Stock/Inventory

Description	2022-2023	2021-2022
Foodstuffs	2,608,967.00	2,256,700.00
Lab consumables	777,414.00	684,268.00
Farm produce	10,000.00	6,500.00
Stationery	1,992,089.00	1,645,824.00
Cleaning materials	294,900.00	243,500.00
Total	5,683,370.00	4,836,792.00

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For the year ended 30th June 2023

1 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

.....
Sign and Date
Principal

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12.ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To- Date c Kshs	Outstanding Balance June 2023 d=a-c Kshs	Outstanding Balance June-23 Kshs	Comments
Construction of buildings						
Ripana contractors	1,200,000.00		800,000.00	600,000.00	600,000.00	
Sub-Total	1200000.00		600000.00	600,000.00	600,000.00	
Supply of goods						
1.Ndege stores	2,684,207.00	30/6/2022				
		30/6/2023	2,429,672.00	254,535.00	254,535.00	payment of creditors
2. Erastus njagi	917,640.00	30/6/2022	843,840.00	73,800.00	73,800.00	started at the begging
		30/6/2023				
3. Green cut Butchery	1,011,560.00	30/6/2022	921,120.00	90,440.00	90,440.00	of july 2023
		30/6/2023				
4. Montiga Butchery	465,800.00	30/6/2022	388,700.00	77,100.00	77,100.00	
		30/6/2023				
5.Prumact enterprises	3,349,972.00	30/6/2022				
		30/6/2023	3,198,772.00	151,200.00	151,200.00	
Sub-Total	8,429,179.00		7,782,104.00	647,075.00	647,075.00	

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Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To- Date c Kshs	Outstanding Balance June 2023 d=a-c Kshs	Outstanding Balance June-23 Kshs	Comments
6.Lenham enterprises	4,072,280.00	30/6/2022	1,774,810.00	2,297,470.00	2,297,470.00	All creditors were
8.Dpl festive LTD	3,979,319.00	30/6/2022	3,607,539.00	723,144.00	723,144.00	of July 2023
Sub total	8,051,599.00		5,382,349.00	3,020,614.00	3,020,614.00	
Supply of services						
Sub-Total	0.00		0.00	0.00	0.00	
Grand Total	17,680,778.00		13,764,453.00	4,267,689.00	4,267,689.00	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land 1	1974	karimba	19,200,000.00	0.00	0.00	19,200,000.00
Land 2			0.00	0.00	0.00	0.00
Buildings and structures			426,099,951.35	9,994,951.66	0.00	436,094,903.01
Motor vehicles			1,950,000.00	0.00	0.00	1,950,000.00
Office equipment, furniture and fittings			20,666,000.00	263,600.00	0.00	20,929,600.00
ICT Equipment, and Other ICT Assets			12,663,000.00	554,500.00	0.00	13,217,500.00
Tools and apparatus			686,640.00	1,855,250.00	0.00	2,541,890.00
Textbooks			9,600,000.00	1,146,500.00	0.00	10,746,500.00
Other Machinery and Equipment: 30kva cummins GENERATOR,Chest refrigerator/Freezer			2,460,750.00	89,000.00	0.00	2,549,750.00
Heritage and cultural assets						
Total			493,326,341.35	13,903,801.66	0.00	507,230,143.01

