

REPUBLIC OF KENYA



Enhancing Accountability

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REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 20 NOV 2024	DAY.
TABLED BY:	Deputy Leader of Majority Party
CLERK-AT THE TABLE:	WILLIS OBIERO

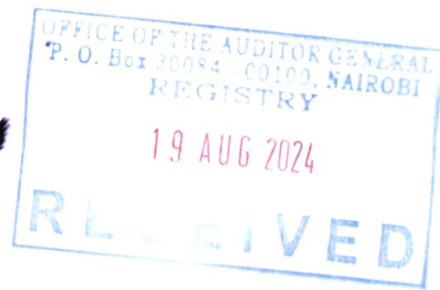
THE AUDITOR-GENERAL

ON

OTHAYA BOYS HIGH SCHOOL

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

NYERI COUNTY



Othaya Boys High School
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

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Othaya Boys High School
Annual Report and Financial Statements 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 Nyeri County, Nyeri South Sub-County.

The school was registered in **11-12-2020** under registration number **19S00300167** and is currently categorized as an **Extra County** (*National, Extra County, County and Sub County*) public school established, owned or operated by the Government.

The school is boarding school and had **1417** number of students as at 30th June 2023. It has **7** streams and **67** teachers of which **13** 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.	Ven. Prof. Wangari Mwai, OGW	Chairman	2022
2.	Mr. Waititu Edward Muchunu	Secretary - Principal	DEC 2017/JAN 2018
3.	Mrs. Margaret Wangechi Gichuhi	Member – Rep CEB	2022
4.	Mr. Wambugu Douglas Kibira	Member Rep Teachers	2022
3 Members - Sponsor			
5.	Ven. Prof. Wangari Mwai, Ogw	Sponsor	2022
6.	Mr. Allan Mwangi Wanjohi	Sponsor	2022
7.	Rev. Samuel Njoroge Kamau	Sponsor	2022
Member -Community			
8.	Ms. Winfred Wangui Mwai	Community	2022
9.	Dr. Joseph Kiragu	Community	2022
10.	Mrs. Margaret Wangechi Gichuhi	Community	2022
11.	Ms. Tabitha Wanjira Mutero	Community	2022
12.	Mr. Joe Gachii	Community	2022
13.	Dr. Paul Kibicho	Community	2022
14.	Ms. Agnes Njambi Mubeu	Member Special Needs	2022
15.	Chris Mwangi	Rep Students	2023

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Executive Committee			
		Ven. Canon Prof. Wangari Mwai, OGW	Bom Chairman	2
		Dr. Michael Musyoka	Pa Chairman	2
		Margaret Wangechi Gichuhi	Bom Member	2
		Tabitha Mutero	Bom Member	2
		Waititu Edward Muchunu	Principal	2
2.	Audit Committee			
		Joe Gachii		2
		Dr. Paul Kibicho		2
		Tabitha Wanjira Mutero		2

3.	Finance, procurement and general purposes Committee			
		Joe Gachie	Bom Member	2
		Rev. Samuel Njoroge Kamau	Bom Member	2
		Dr. Michael Musyoka	Pa Chairman	2
		Eng. Benjamin Maingi	Bom Member	2
		Jane Muthoni Karihe	Bom Member	2
4.	Academic Committee			
		Dr. Michael Musyoka	Pa Chairman	2
		Waititu Edward Muchunu	Bom Secretary	2
		Theuri Alexander Nduhiu	D/Principal (Admin.)	2
		Ondunga Charles	D/Principal Acad.	2
		Douglas Kibira Wambugu	Dean Of Studies	2
5.	Development Committee			
		Ven Canon Prof. Wangari Mwai	Bom Chairman	2
		Dr. Micheal Musyoka	Pa Chairman	2
		Eng. Benjamin Maingi	Bom Member	2
		Dr. Joseph Kiragu	Bom Member	2
		Waititu Edward Muchunu	Principal	2
		Nduhiu Alexander Theuri	D/Principal (Admin.)	2
		Ondunga Charles	D/Principal (Academic)	2
6.	Discipline and welfare Committee			
		Waititu Edward Muchunu	Principal	2
		Nduhiu Alexander Theuri	D/Principal (Admin.)	2
		Ondunga Charles	D/Principal Academic	2
		Ven Canon Prof Wangari Mwai	BOM Chairman	2

Othaya Boys High School

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

		Allan Wanjohi Mwangi	BOM V/Chairman	2
		Winfred Wangui Mwai	BOM Member	2
		Rev. Samuel Njoroge Kamau	BOM Member	2
7.	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	WAITITU E.M	TSC No.335464
2	Deputy Principal	NDUHIU ALEXANDER	TSC No.421998
3	Deputy Principal	ONDUNGA CHARLES	TSC No.334647
4	School Bursar	JAMES MAINA BENSON	13543239

(e) Schools contacts

Post Office Box: 64- 10106
Telephone: 0729 126 196
E-mail: othayaboys@sc.ke
Website: othayaboys.sc.ke

Facebook:
Twitter:

(f) School Bankers

The school operates thirteen (13) Kenya Shillings bank accounts and three (3) Pay bill numbers attached to the school fund accounts.

Bank	Account Name	Account No
Kenya Commercial Bank (Othaya)	School Fund Account/Boarding	1101547626
Kenya Commercial Bank (Othaya)	School Operations Account	1101563737
Kenya Commercial Bank (Othaya)	School Tuition Account	1101549068
Kenya Commercial Bank (Othaya)	Income Generating Canteen	1296993795
Kenya Commercial Bank (Othaya)	Savings Account	1103061208
Kenya Commercial Bank (Othaya)	Infrastructure account	1268388262
Equity Bank of Kenya(Othaya)	School Fund Account/Boarding	80294033060
Equity Bank of Kenya(Othaya)	Harambee/Donation Account	80275939463
Equity Bank of Kenya(Othaya)	Income Generating Canteen	80267918260
Equity Bank of Kenya(Othaya)	Bio Gas project Account	80260385251
Equity Bank of Kenya(Othaya)	Tuition Account	80290195365
Equity Bank of Kenya(Othaya)	Parents Teachers Account	80267918020
Taifa Sacco (Othaya Town)	Income Generating TAIFA Sacco	402 – 003 4300
Account Number: 38071K	MPESA Pay Bill No. 522123	Attached to bank account 1101547626
Account Number: 7646464	MPESA Pay Bill No. 522533	Attached to bank account 1101547626
Account Number: 646465	MPESA Pay Bill No.247247	Attached to bank account 80294033060

(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

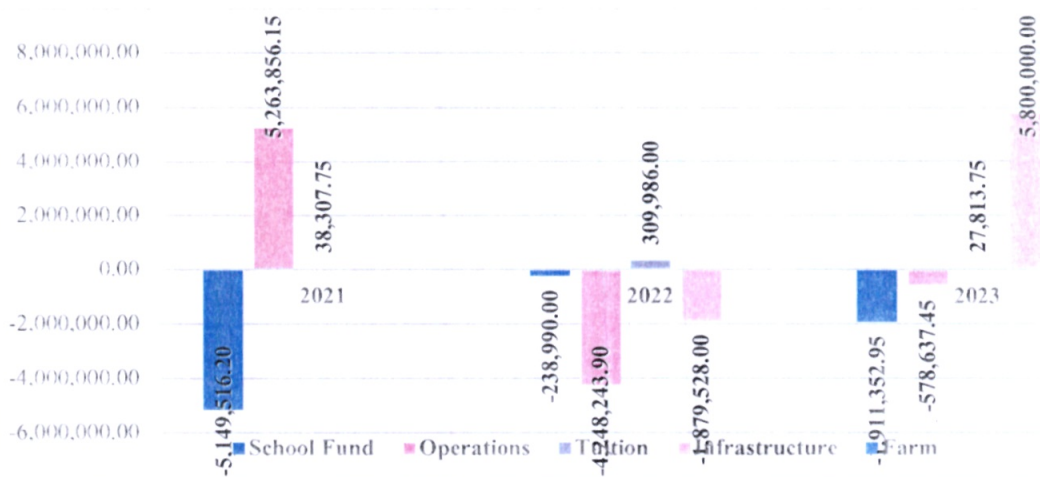
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Under this section, it reflects the actual financial performance trend for the last three years i.e 1st January 2021 to 30th June 2021, 1st July 2021 to 30th June 2022 & 1st July 2022 to 30th June 2023.

SURPLUS/DEFICIT FOR THE YEAR AND COMPARISON OF THE SAME FOR THE LAST THREE YEARS				
SNO	ACCOUNTS	2023	2022	2021
		Kshs	Kshs	Kshs
1	School Fund Account	-1,911,352.95	-238,990.00	-5,149,516.20
2	Operations Account	-578,637.45	-4,248,243.90	5,263,856.15
3	Tuition Account	27,813.75	309,986.00	38,307.75
4	Infrastructure Account	5,800,000.00	15,367	0.00
	TOTAL	3,337,823.35	-4,161,880.9	1,526,477.00
	Increase/Decrease	-824,057.65	-2,635,404	2,025,008.68

Trend Over the Last Three Years



CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS				
SNO	ACCOUNTS	2023	2022	2021
		KSHS	KSHS	KSHS
1	Operations Account	13,451,912	15,445,408	10,728,817
2	Tuition Account	2,740,143	4,415,275	1,710,513
	Total	16,192,054	19,860,683	12,439,330
	Increase/Decrease	3,668,629	7,421,353	- 7,221,548
	No of Students	1400	1400	1420
	Ratio of Capitation per student	1:14186	1:14186	27:00.1

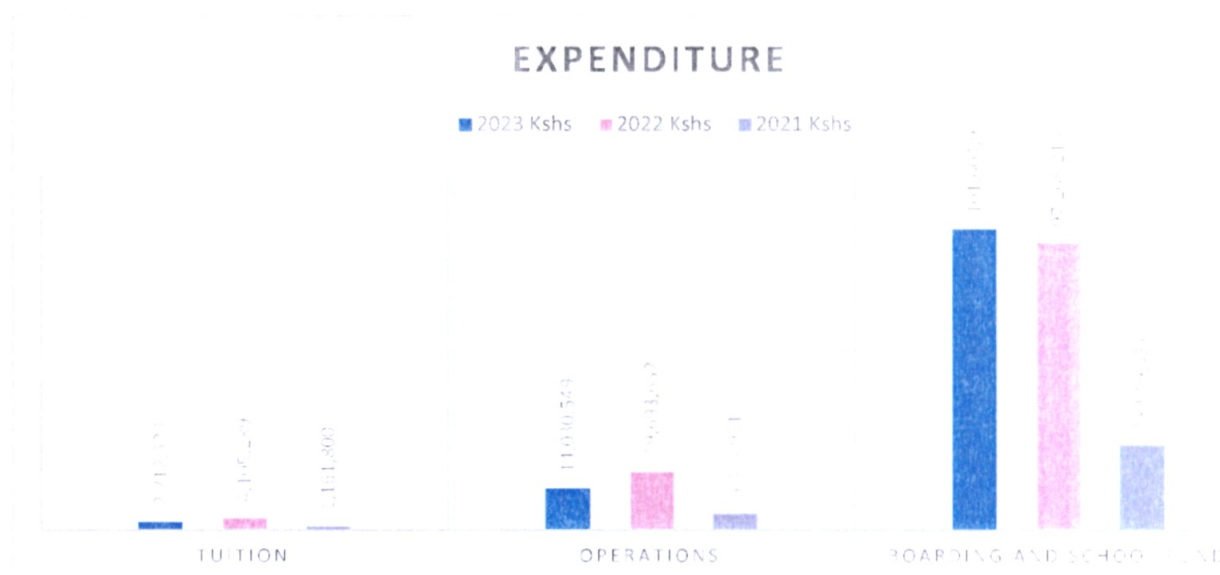
Trend Over the Last Three Years



SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

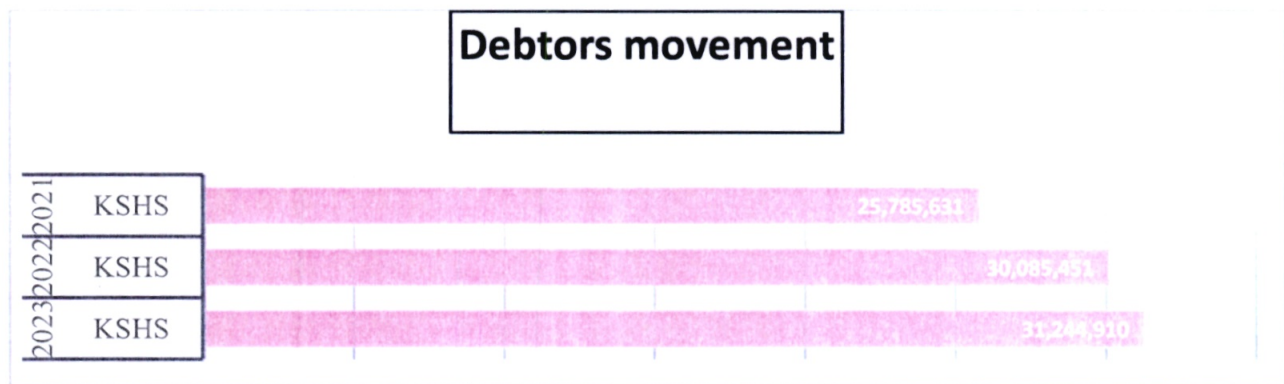
OVERVIEW OF NET GROWTH OF OTHER INCOME(S) (Note 21)					
SNO	ACCOUNTS	2023	2022	2021	
		KSHS	KSHS	KSHS	
1	Miscellaneous Incomes	66,175,030.80	38,292,566.25		
	Total	66,175,030.80	38,292,566.25		
	Increase/Decrease	27,882,464.55	0.00		

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL				
SNO	ACCOUNTS	2023	2022	2021
		Kshs	Kshs	Kshs
1	Tuition	2,712,329	4,105,289	1,161,800
2	Operations	14,030,549	19,693,652	5,464,961
3	Boarding and school fund	101,604,913	97,268,218	28,519,427
	Total	118,347,791.00	121,067,159	35,146,188
	Increase/Decrease	-2,719,368.00	85,920,971	-45,747,287

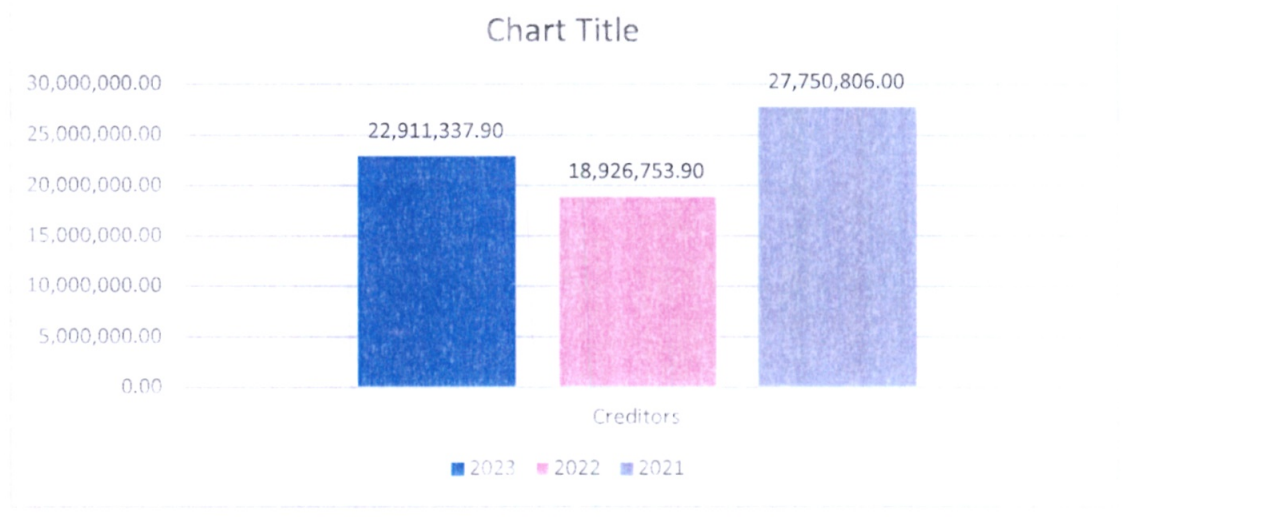


SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF DEBTORS OF THE SCHOOL				
SNO	ACCOUNTS	2023	2022	2021
1	School Fund Account	KSHS	KSHS	KSHS
a	Debtors	31,244,910	30,085,451	25,785,631
	Total	31,244,910	30,085,451	25,785,631
	Increase/Decrease	1,159,459	4,299,820	1,554,353

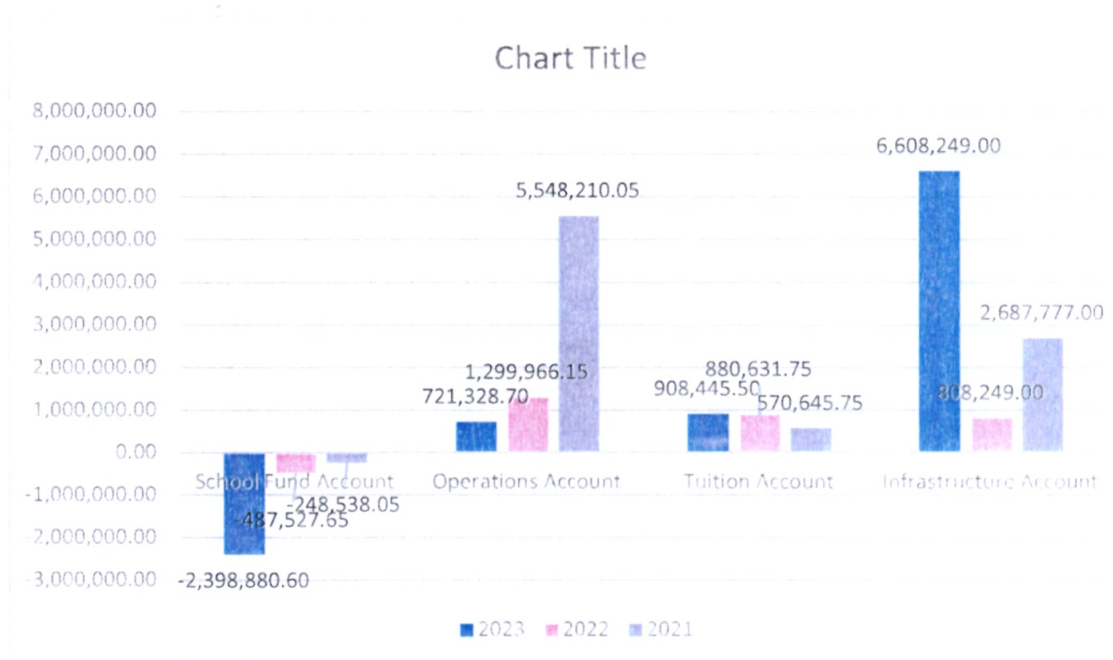


MOVEMENT OF CREDITORS OF THE SCHOOL				
SNO	ACCOUNTS	2023	2022	2021
1	School Fund Account	KSHS	KSHS	KSHS
a	Creditors	22,911,338.00	18,926,753.90	27,750,806.00
	Total	22,911,338.00	18,926,753.90	27,750,806.00
	Increase/Decrease	3,984,584.00	(8,824,052.10)	6,377,224.00



SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2023	2022	2021	2020
		KSHS	KSHS	KSHS	KSHS
1	School Fund Account	(2,398,880.60)	(487,527.65)	(248,538.05)	(501,036.55)
2	Operations Account	721,328.70	1,299,966.15	5,548,210.05	284,353.90
3	Tuition Account	908,445.50	880,631.75	570,645.75	21,933.00
4	Infrastructure Account	6,608,249.00	808,249.00	792,882.00	920,698.00
5	Savings A/C	2,405,458.00	1,348,199.00		
	Total	10,643,481.20	4,337,045.90	6,911,737.80	725,948.35
	Increase/Decrease	6,306,435.30	4,221,048.85	6,185,789.45	1,483,730.00



b) Teacher Student ratio:

There are 54 teachers posted by the Teachers Service Commission and 13 recruited by the Board of Management.

Although the teacher student ratio lies at 1:28, we have a shortage of **17 teachers** from the given CBE of **71 teachers**. This is due to subject specialization in Form 3 and Form 4

c) Mean score in the 2020,2021&2022 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2022	275	7.15	160	58.18	8.9	Positive deviation of 0.09 in transition rate.
2021	325	7.05	199	61.2	8.9	Negative deviation in transition rate. The least grade was C-(37) out of 325 all qualified for middle level colleges and university
2020	259	8.10	209	80.7	8.9	Positive deviation of 2.0 in transition rate. The least grade was a C (11) out of 209 all qualified for middle level colleges and university.

d) Number of Candidates in the 2020,2021 & 2022 KCSE:

2022	2021	2020
275	325	259

e) Capacity of the school:

No. of students	Dormitories	Dining hall	Laboratories	Toilets	Classes
1,417	15	1	3	76	27

f) Development projects carried out by the school:

S/NO	ITEM	NO. REQUIRED	UNIT COST (KSHS)	TOTAL (KSHS)	RATIONALE
1.	Dining hall extension		2,754,724	2,754,724	100% transition, health, safety and security of learners
2.	Ablution block	20 units	1,057,300	1,057,300	100% transition, health, safety and security of learners
3.	Perimeter fencing – dormitory area	Square Hollow Section posts and chain link	382,900	382,900	100% transition, health, safety and security of learners
4.	Students chairs and desks	200 units	5,250	1,050,000	100% transition, health, safety and security of learners
	Double decker beds	100	16,850	1,685,000	100% transition, health, safety and security of learners
5.	Classrooms renovation	Flooring, painting and decoration	135,800	135,800	100% transition, health, safety and security of learners
6.	Kitchen block extension		880,600	880,600	100% transition, health, safety and security of learners
7.	Dining hall and kitchen renovation	30 tables 60 benches Wall painting	1,168,500	1,168,500	100% transition, health, safety and security of learners
			TOTAL	9,114,824	



School Principal

29/09/2023

4. Statement of School Management Responsibility

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

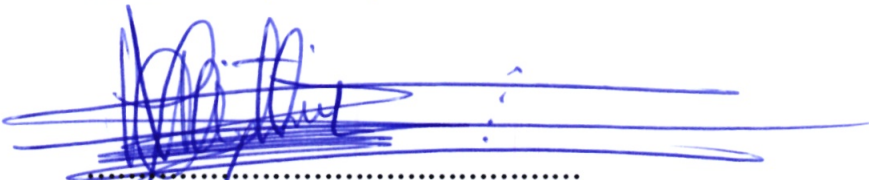
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

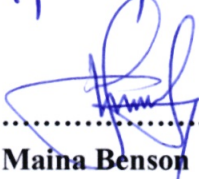
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.



.....
Name: Ven Canon Prof Wangari Mwai
Designation: Chairman, School Board of Management
Date: 29.09.2023



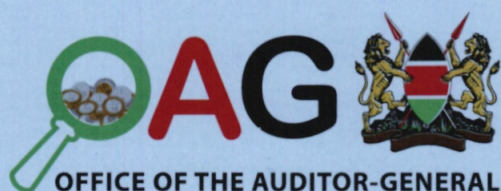
.....
Name: Waititu E.M
Designation: School Principal & Secretary to Board of Management
Date: 29/09/2023



.....
Name: James Maina Benson
Designation: Bursar/ Finance Officer
Date: 29/09/2023

REPUBLIC OF KENYA

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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON OTHAYA BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NYERI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Othaya Boys High School - Nyeri County set out on pages 1 to 20, which comprise of the statement of financial assets and

financial liabilities, as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget versus actual amount for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Othaya Boys High School-Nyeri County as at 30 June, 2023- Nyeri County 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 Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects a balance of Kshs.8,244,603 in respect to total cash and cash equivalents which includes bank balances of Kshs.5,556,415, cash balances of Kshs.282,730 and short-term investments balance of Kshs.2,405,458. However, monthly bank reconciliation statements and board of survey reports were not provided for audit.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.8,244,603 could not be confirmed.

2. Long Outstanding Students Receivables

The statement of financial assets and financial liabilities reflects a balance of Kshs.31,244,910 as accounts receivables and as disclosed in Note 12 to the financial statements. Included in trade receivables are long-outstanding receivables of Kshs.22,073,551 which have been outstanding for more than three (3) years. Management has not demonstrated any measures put in place to recover the outstanding students' debts.

In the circumstances, the recoverability and completeness of the long outstanding students' fees arrears of Kshs.22,073,551 could not be confirmed.

3. Inaccuracies in the Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.2,740,143 and Kshs.13,451,913, respectively as disclosed in Note 1 and Note 2 to the financial statements. However, review of records provided for audit revealed that there were discrepancies between the data held by the County Director of Education (CDE), National Education Management Information System (NEMIS) and the School records relating to the enrolment of students.

During the financial year 2022/2023, the NEMIS reported a total of 1,042 students while the enrolment record provided by the School indicated a total of 1,382 students, which resulted in a variance of 340 students outside the NEMIS system. As a result of the variance, the School was underfunded by Kshs.4,723,097 during the year under review. In addition, it was noted that the School had students who were not registered in NEMIS due to lack of birth certificates or duplicate birth certificate numbers.

In the circumstances, the accuracy and completeness of the capitation grants for tuition and operations amounts of Kshs.2,740,143 and Kshs.13,451,913, respectively could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

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

Review of documents revealed that the School transferred co-curricular funds totaling Kshs.1,899,020 to Kenya Secondary School Heads Association (KESSHA) which is a private entity that is not subject to Public Finance Management Act, 2012 without authority

or law governing such payments. The funds were wired from Government operation capitation grants account. The transfer to KESSHA is not supported by any legal framework since it's a welfare organization that draws its membership from Schools Principals only. This was contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015 which requires that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, the validity of the transfer of Kshs.1,899,020 could not be confirmed and the expenditure was not a proper charge to public funds.

2. Excess Supply of Books

Review of stores records revealed that the School received excess 2,454 books for various subjects. Further, the School received Islamic Religious Education textbooks from the Ministry of Education which is not among the subjects offered in the school.

In the circumstances, value for money obtained from the excess textbooks could not be confirmed.

3. Long Outstanding Accounts Payable

The statement of assets and liabilities reflects accounts payables amounting to Kshs.22,911,338 which as disclosed in Note 13 to the financial statements includes Kshs.20,005,772 owed to various suppliers. However, review of the aging analysis revealed that a total of Kshs.887,963 has remained unpaid for over three (3) years.

In the circumstances, failure to settle pending bills in the year to which they relate adversely affects the subsequent year's budget provisions, since the bills form a first charge to that year's budget provisions.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, 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 matter 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 overall governance were not effective.

Basis for Conclusion

Lack of Land Ownership Documents

Review of documents revealed that the School occupies 25 acres of land without the requisite ownership documents. In absence of these legal documents, the authentic ownership of the parcel of land and the accuracy of the reported valuation could not be confirmed.

In the circumstances, the ownership and safe custody of the fixed 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 International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the school to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the school to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

30 September, 2024

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

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,740,143	4,415,275
Government grants for operations	2	13,451,913	15,536,408
Government grants for infrastructure	3	5,800,000	6,565,000
School fund income- parents' contributions	4	91,639,851	26,828,837
Other Receipts – School Fund Account	5	38,292,566	112,378,843
Total Receipts		151,924,473	165,724,363
Payments			
Tuition	6	2,712,329	4,105,289
Operations	7	14,030,549	19,784,652
Infrastructure			6,549,633
Boarding and school fund	8	131,843,769	139,446,670
Total Payments		148,586,647	169,886,244
Surplus/Deficit		3,337,826	(4,161,881)

The school financial statements were approved on 29/9/2023 and signed by:

.....
 Ven Canon Prof. Wangari
 Mwai
 Chair BOM
 Date: 29.09.2023

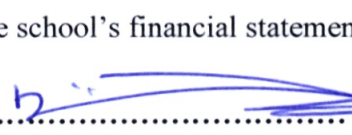

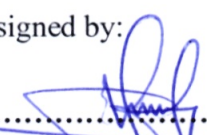
.....
 Waititu E.M
 School Principal/ Secretary to
 BOM
 Date: 29/09/2023

.....
 Name: James Maina Benson
 Bursar/ Finance Officer
 Date: 29/09/2023

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

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	9	5,556,415	2,260,780
Cash balances	10	282,730	240,539
Short term investments	11	2,405,458	1,348,199
Total cash and cash equivalent		8,244,603	3,849,518
Accounts receivables	12	31,244,910	30,085,451
Total financial assets		39,489,513	33,934,969
Financial liabilities			
Accounts payables	13	(22,911,338)	(18,926,754)
Net financial assets		16,578,175	15,008,215
Represented by			
Accumulated fund b/fwd	14	13,240,349	19,170,096
Surplus/deficit for the year		3,337,826	(4,161,881)
Net financial position		16,578,175	15,008,215

The school's financial statements were approved on 29/9/2023 and signed by:

Name: Ven Canon Prof Wangari Mwai
 Chair BOM
 Date: 29/09/2023

Name: Waititu E.M
 School Principal/ Secretary to BOM
 Date: 29/09/2023

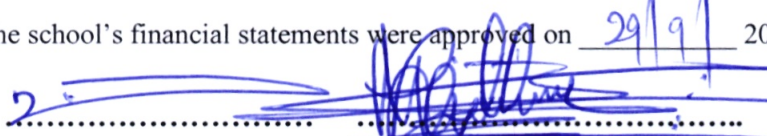
Name: James Maina Benson
 Bursar/ Finance Officer
 Date: 29/09/2023

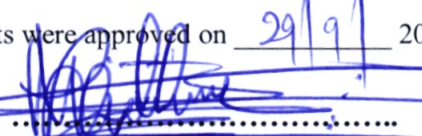
8. Statement of Cash Flows for the Year Ended 30th June 2023

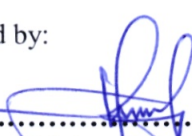
Description	Notes	2022-2023	2021-2022
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	2,740,143	4,415,275
Capitation grants for operations	2	13,451,913	15,536,408
Capitation grants for infrastructure	3	5,800,000	6,565,000
School fund income- parents' contributions	4	91,639,851	26,828,837
School fund income- other receipts	5	38,292,566	112,378,843
Total Receipts		151,924,473	165,724,363
Payments			
Cash outflows for tuition	6	2,712,329	4,105,289
Cash outflows for operations	7	14,030,549	19,784,652
Cash outflows Boarding /lunch and school fund payments	8	131,843,769	139,446,670
Infrastructure			6,549,633
Total Payments		148,586,647	169,886,244
Net cash inflow/outflow from operating activities		3,337,826	(4,161,881)
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of assets	11	1,057,259	142,442
Proceeds from investments (savings)			
Purchase of investments			
Net cash inflow/outflows from investing activities		1,057,259	142,442
Cashflow from financing activities			
Proceeds from borrowings/loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities		4,395,085	(4,019,439)
Net increase/decrease in cash and cash equivalents		4,395,085	(4,019,439)
Cash and cash equivalent at beginning of the FY		3,849,518	7,868,957
Cash and cash equivalent at end of the FY		8,244,603	3,849,518

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

The school's financial statements were approved on 29/9/2023 2023 and signed by:


.....
Name: Ven Canon Prof
Wangari Mwai
Chair BOM
Date: 29/09/2023


.....
Name: Waititu E.M
School Principal/ Secretary
to BOM
Date: 29/09/2023


.....
Name: James Maina Benson
Bursar/ Finance Officer
Date: 29/09/2023

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	908,600		908,600		0.00%
Exercise Books	1,600,000		1,600,000		0%
Laboratory Equipment	1,400,000		1,400,000		0%
Internal Exams	1,200,000		1,200,000		0.00%
Teaching / Learning Materials	650,000		650,000	2,740,143	421.56%
Chalk	25,000		25,000		0.00%
Teacher Guides	18,000		18,000		0.00%
SUB-TOTAL	5,801,600		5,801,600	2,740,143	47.23%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	10,780,000		10,780,000	5,449,443	50.55%
Repairs And Maintenance	7,000,000		7,000,000	4,167,000	59.52%
Local Transport / Travelling	784,000		784,000	327,289	41.74%
Electricity And Water	812,000		812,000	811,699	99.96%
Medical	2,800,000		2,800,000	222,100	7.93%
Administration Costs	1,064,000		1,064,000	921,833	86.63%
Activity	2,100,000		2,100,000	642,613	30.60%
School fund				909,935	
SUB-TOTAL	25,340,000		25,340,000	13,451,912	49.49%

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
3) FDSE for infrastructure					
Maintenance & Improvement MoE	7,000,000		7,000,000	5,800,00	82.85%
M&I parents' contribution					
SUB-TOTAL	7,000,000		7,000,000	5,800,00	82.85%
(4) Fees Charged on Parents					
Personnel Emoluments	6,878,200		6,878,200	8,896,198	129.33%
Repairs And Maintenance	2,800,000		2,800,000	3,537,754	126.34%
Local Transport / Travelling	3,610,600		3,610,600	4,417,917	122.35%
Electricity And Water	3,610,600		3,610,600	4,447,895	123.18%
Medical	0		0	0	0.00%
Administration Costs	3,610,600		3,610,600	4,575,306	126.71%
Activity	700,000		700,000	871,723	124.53%
Fee On Boarding Equipment and Stores	50,148,000	9,450,000.00	59,598,000	59,075,067	99.12%
Fees arrears	5,817,992		5,817,992	5,817,992	
SUB-TOTAL	77,175,992	9,450,000.00	86,625,992	91,639,852	105.78%
5) Miscellenous Income					
Rent Income	91,600		91,600	91,600	100%
Income From Farming Activities	1,074,315		1,074,315	1,074,315	100%
Bursary funds	11,273,846		11,273,846	11,273,846	100%
Contingencies	274,678		274,678	274,678	100%
Students refunds	14,000		14,000	14,000	100%
University app fee	150,000		150,000	150,000	100%

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
Clubs and societies	29,350		29,350	29,350	100%
Fee For Hire of Ground and Equipment	222,350		222,350	222,350	100%
Damages	192,695		192,695	192,695	100%
Uniform	6,390,185		6,390,185	6,390,185	100%
Savings A/c	13,105,000		13,105,000	13,105,000	100%
Prepayments	5,474,547		5,474,547	5,474,547	100%
Sub-total	38,292,566		38,292,566	38,292,566	100%
Total Income	115,468,558	9,450,000	124,918,558	151,924,473	127.72%
(6) Expenditure For Tuition					
Textbooks					
Reference Materials	908,600		908,600		0.00%
Exercise Books	1,600,000		1,600,000	1,300,000	81.25%
Laboratory Equipment	1,400,000		1,400,000	1,235,829	88.27%
Internal Exams	1,200,000		1,200,000		0.00%
Teaching / Learning Materials	650,000		650,000	176,500	27.15%
Chalks	25,000		25,000		0.00%
Exams And Assessment					
Teachers Guides	18,000		18,000		0.00%
Administration Costs					
Bank Charges					
SUB-TOTAL	5,801,600		5,801,600	2,712,329	47.06%

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
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	10,780,000		10,780,000	3,289,633	30.51%
Repairs, Maintenance & Improvements	7,000,000		7,000,000	5,800,000	82.85%
Local Transport / Travelling	784,000		784,000	38,423	4.90%
Electricity, Water and Conservancy	812,000		812,000	2,934,413	361.38%
Medical	2,800,000		2,800,000		0.00%
Administration Costs	1,064,000		1,064,000	45,000	4.22%
Activity Expenses	2,100,000		2,100,000	1,923,080	91.57%
Gratuity					
SUB-TOTAL	25,340,000		25,340,000	14,030,549	55.36%
<i>(8) Expenditure For infrastructure</i>					
Construction of classrooms					
Construction of LAB					
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	6,878,200		6,878,200	9,928,446	144.34%
Repairs, Maintenance and Improvements	2,800,000		2,800,000	1,835,933	65.56%
Local Transport / Travelling	3,610,600		3,610,600	2,776,419	76.89%
Electricity, Water and Conservancy	3,610,600		3,610,600	4,234,513	117.28%
Medical Expenses	234,655		234,655	234,655	0.00%
Administration Costs	3,610,600		3,610,600	12,683,022	351.27%
Activity	700,000		700,000	632,161	90.30%

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
Boarding Equipment and Stores	50,148,000	9,450,000	59,598,000	51,954,454	103.60%
Expenditure For Income Generating Activity	554,165		554,165	554,165	100%
University App. fee	137,500		137,500	137,500	100%
Uniforms	6,698,530		6,698,530	6,698,530	100%
Pocket money	18,900		18,900	18,900	100%
Facility hire	4,000		4,000	4,000	100%
Transfer to Savings account	12,300,577		12,300,577	12,300,577	100%
Transfer to Operations account	909,935		909,935	909,935	100%
Damages	4,480		4,480	4,480	100%
Contingencies	160,137		160,137	160,137	100%
Bursary	11,018,898		11,018,898	11,018,898	100%
Donations/Grants	360,000		360,000	360,000	100%
Prepayments	5,954,787		5,954,787	5,954,787	100%
Clubs & Societies	60,459.		60,459.	60,459.	100%
Sundry creditors paid	8,921,470		8,921,470	8,921,470	100%
Fees refund	460,329		460,329	460,329	100%
SUB-TOTAL	119,156,822	9,450,000	128,606,822	131,843,769	101%
Totals	150,298,422	9,450,000	159,748,422	148,586,648	144.96%

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

- i. Xxx
- ii. Xxx

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Teaching / Learning Materials	2,740,143	3,551,378
Transfer from operations		863,897
Total	2,740,143	4,415,275

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	5,449,445	4,853,329
Repairs and Maintenance	4,167,000	5,527,750
Local Transport / Travelling	327,289	970,666
Electricity and Water	811,699	2,911,997
Medical	222,100	
Administration Costs	921,833	1,061,666
Activity	642,612	211,000
Other Vote Heads(Boarding A/c)	909,935	
Total	13,451,913	15,536,408

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Dormitory	5,800,000	6,565,000
Total	5,800,000	6,565,000

Notes to the Financial Statements (continued)

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Fee on Boarding Equipment and Stores	59,075,067	
Personnel emoluments	8,896,197	8,553,915
Repairs and maintenance	3,537,754	3,541,248
Local transport / travelling	4,417,917	2,752,175
Electricity and water	4,447,895	6,301,216
Administration costs	4,575,306	4,897,048
Activity	871,723	783,235
Others (Sundry debtors)	5,817,992	
Total	91,639,851	26,828,837

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Fee on Boarding Equipment and Stores		44,160,131
Rent Income	91,600	138,900
Income From Farming Activities	1,074,315	778,000
Bursary funds	11,273,846	10,682,787
Contingencies	274,678	2,373,979
Students refunds	14,000	537,900
University app fee	150,000	175,620
Clubs and societies	29,350	31,000
Fee For Hire of Ground and Equipment	222,350	35,500
Caution	0	198,000
Damages	192,695	5,037,232
Uniform	6,390,185	21,333,960
Savings A/c	13,105,000	1,540,000
Transfer from Canteen		700,000
Exercise books		3,425

Othaya Boys High School

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Library fee		1,585
Fees arrears		2,043,681
Donations		1,883,035
Postal Corporation		4,500
Student ID		7,590
Transfer from Equity Tuition		17,713,000
Prepayments	5,474,547	2,999,018
Total	38,292,566	112,378,843

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	1,300,000	2,359,200
Laboratory Equipment	1,235,829	1,298,209
Teaching / Learning Materials	176,500	271,180
Creditors		176,700
Total	2,712,329	4,105,289

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personal Emoluments	3,289,633	7,074,691
Administration Cost	45,000	437,660
Repairs And Maintenance & Improvements	5,800,000	6,565,000
Local Transport / Travelling	38,423	
Electricity And Water	2,934,413	3,143,044
Activity Expenses	1,923,080	1,625,860
Creditors		31,000
Transfer to school fund		43,500
Transfer to Tuition		863,897
Total	14,030,549	19,784,652

Notes to the Financial Statements (continued)

8 Boarding And School Fund

Description	2023 Kshs	2022 Kshs
Personnel Emoluments	9,928,446	6,013,772
Repairs and Maintenance & Improvements	1,835,933	5,310,068
Local Transport / Travelling	2,776,419	2,960,197
Electricity and Water	4,234,513	3,590,791
Medical Expenses	234,655	194,785
Administration Costs	12,683,022	10,307,796
Activity	632,161	116,210
Expenses on Income Generating Activities	554,165	1,036,839
Fee on Boarding Equipment and Stores	51,954,453	39,152,946
University App. fee	137,500	161,500
Uniforms	6,698,530	18,155,270
Pocket money	18,900	611,135
Facility hire	4,000	14,800
Caution refund		1000
Transfer to Savings account	12,300,577	16,890,263
Transfer to Operations account	909,935	0
Damages	4,480	7,210,840
Contingencies	160,137	2,129,824
Bursary	11,018,898	10,595,379
Donations/Grants	360,000	310,745
Prepayments	5,954,787	4,611,754
Clubs & Societies	60,459.	45,290
Sundry creditors paid	8,921,470	7,997,099
Fees refund	460,329	197,052
Transfer to Equity	0	1,826,615
Postal corporation	0	4,500
Students ID	0	200
Total	131,843,769	139,446,670

Notes to the Financial Statements (continued)

9 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dor mant		Kshs	Kshs
School Fund Account/Boarding (KCB)	active	1101547626	-1,609,648	-317,506
School Operations Account (KCB)	active	1101563737	721,329	1,299,966
School Tuition Account (KCB)	active	1101549068	908,447	880,631
Infrastructure account (KCB)	active	1268388262	6,608,249	808,249
School Fund Account/Boarding (EQUITY)	active	008029403306 0	-1,071,962	-410,560
Total			5,556,415	2,260,780

10 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	282,730	240,539
Total	282,730	240,539

11 Short Term Investments

DESCRIPTION		2022 - 2023	2021 - 2022
KCB – Savings Account	1103061208	136,261	204,076
Equity – Donation Account	80275939463	3,105	668,345
Bio Gas project Account (EBK)	80260385251	13,613	13,613
Equity – Canteen Account	80267918260	615,786	329,214
Equity – Farm Account	80267918207	25,357	25,357
Equity – Tuition Account	80290195365	676,724	34,171
Equity – Donation Account	80267918020		
KCB -Canteen Account	1296993785	866,505	
TAIFA Sacco	402 – 003 4300	68,107	73,423
		2,405,458	1,348,199

Notes to the Financial Statements (continued)

12 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	31,072,410	30,085,451
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)	172,500	-
Total	31,244,910	30,085,451

12 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	6,767,852	21.78%	6,343,502	21.19%
Between 1- 2 years	562,609	1.81%	1,668,398	5.54%
Between 2-3 years	1,668,398	5.37%		0%
Over 3 years	22,073,551	71.04%	22,073,551	73.28%
Total (should tie to note 12 a)	31,072,410	100%	30,085,451	100%

13 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	20,005,772	15,927,736
Prepaid Fees	2,905,566	2,999,018
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	22,911,338	18,926,754

Notes to the Financial Statements (continued)

13b Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	12,996,506	65%	12,771,604	80.19%
Between 1- 2 years	6,121,303	31%	1,233,330	7.75%
Over 3 years	887,963	4%	1,922,802	12.08%
Total (should tie to note 13a)	20,005,772	100%	15,927,736	100%

14 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	2,260,780	6,586,956
Cash Balances	240,539	76,244
Short term investments	2,405,458	1,348,199
Receivables	31,244,910	30,085,451
Payables	(22,911,338)	(18,926,754)
Total	13,240,349	19,170,096

Other important disclosure notes

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

15 Biological assets

Description	Numbers	2023 Kshs	2022 Kshs
Cattle	8	560,000	770,000
Pig	45	270,000	228,000
Trees	19	95,000	110,000
Coffee Or Tea Plantation	3,500	105,000	105,000
Poultry	N/A		
Others (specify)			
Total		1,030,000	1,213,000

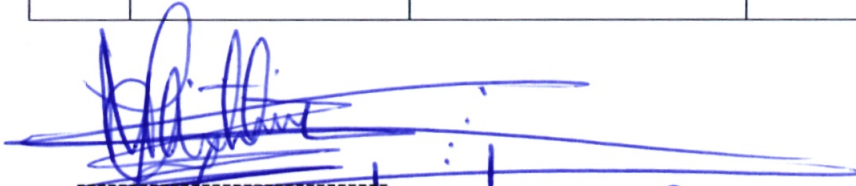
16 Stock/ Inventory

Description	2023 Kshs	2022 Kshs
Food stuffs	600,020	560,000
Lab consumables		240,000
Stationery	119,785	212,202
Medication		
Construction Materials		
Others (specify)		
	719,805	1,012,202.00

17 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

29/09/2023

12. Annexes

Annex I - Analysis of Pending Accounts Payable

S/no	Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at as 30/06/2023	Comment
		Kshs	Kshs	Kshs	Kshs	
		a	b	c	d=a-c	
	Infrastructure Account					
a	Construction of Buildings					
1	Othaya Central Supplies			-	1,290,745.00	
	Lanes Enterprises				674,000.00	
	Style Industries Ltd				762,000.00	
	Peter Njogo Kairu				1,735,000.00	
	Sub-Total (A)			-	4,461,745.00	
b	Supply of goods			-		
	Tuition Account					
	Central Scientific				33,194.00	
	KenyaSonic Scientific				68,890.00	
	Kenya Literature Bureau				17,580.00	
	Zytech Agencies				11,000.00	
	Compliant Inland				90,000.00	
	Geopak Printers			-	570,400.00	
					791,064.00	
c	Operations Account			-		
	Software for schools				22,000.00	

	Gilgal Ventures				110,442.00
					132,442.00
d	School Fund/Boarding Account				
	Peter Chege				245,545.00
	Sheikh Hardware				406,660.00
	Gaston Kenya				121,104.00
	P.N. Kabara				78,460.00
					851,769.00
	Prime Mattress				71,820.00
	P.N. Kabara				33,280.00
					105,100.00
	DZ Gen Shop				119,280.00
	Rikion Agencies				22,500.00
					141,780.00
	Muteru Computers				6,500.00
	Mbambu Comm.				18,560.00
	Wibestar Ventures				29,000.00
	Gallant Video				466,000.00
	Lanes Enterprises				378,050.00
	Daddy Millers				57,000.00
					898,110.00
	Jeremiah Ngugi				45,000.00
	Adracom. Gen Enterprises				204,000.00
	Waihura Enterprises				643,850.00
	Peter Mwangi Gikere				19,000.00
	Geopak Printers				1,330,150.00
	Wahuma Traders				1,566,220.00

	Samuel Gakiria				487,900.00	
	Joseph Wambugu				1,534,498.00	
	Ngewa Stores				1,404,800.00	
	Zaka Capital Enterprises				2,689,670.00	
	Waki Energy				281,000.00	
	Janta Othaya Enterprises				975,601.00	
	Gloliza Gen Supplies				89,650.00	
	Daniel Gichuki Wachira				238,700.00	
	Ka-Hinikai Chemicals				50,000.00	
	Peter Maina Auto Garage				262,648.00	
	Stage Glassmart				29,747.00	
	Jupiter Vet. Services				32,480.00	
	Rikion Agencies				62,700.00	
	Equity Insurance				108,798.00	
	Weaver Bird Garments				500,000.00	
	Grand Total (E=A+B+C+D)				20,005,772.00	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land	125,000,000	-	-	125,000,000
Buildings And Structures	348,421,360	8,000,000	-	356,421,360
Motor Vehicles	10,500,000	-	-	10,500,000
Office Equipment, Furniture And Fittings	29,500,000	500,000	-	30,000,000
Textbooks	30,000,000	-	-	30,000,000
ICT Equipment	9,700,000	300,000	-	10,000,000
Tools And Apparatus	20,000,000	200,000	-	20,000,000
Other Machinery And Equipment	8,000,000	2,000,000	-	10,000,000
Heritage And Cultural Assets	1,000,000	-	-	1,000,000
Intangible Assets- Soft Ware	6,000,000	4,000,000	-	10,000,000
Total	588,121,360	14,800,000	-	602,921,360