

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 17 JUN 2025	DAY. TUESDAY.
TABLED BY:	LEADER OF THE MAJORITY PARTY
CLERK-AT THE-TABLE:	WILLIS OBIRO

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

LORETO HIGH SCHOOL - MATUNDA

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

UASIN GISHU COUNTY

Revised 30th June 2024.



LORETO HIGH SCHOOL MATUNDA

REPORT AND FINANCIAL STATEMENTS

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

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

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LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL
Report and Financial Statements For the year ended 30th June 2024

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1. Acronyms and Glossary of Terms

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

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

**LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL**

Report and Financial Statements For the year ended 30th June 2024

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 **Uasin Gishu County, Soy Sub-County**

The school was registered in **May 2019** under registration number **27S300001208** 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 a day/**boarding school** and had **1427** number of students as at **30th June 2024**. It has **9** streams and **61** teachers of which **19** 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.	Dr. Martin Mudambo	Chairman/Sponsor	14/06/2022
2.	Mrs. Phylis Chepkok	Secretary - Principal	14/06/2022
3.	Dr. Mary Kerich	Member – Rep CEB	14/06/2022
4.	Mr. Steve Chumba	Member Rep Teachers	14/06/2022
5.	Fr. Paul Kipkoech	3 Members - Sponsor	14/06/2022
6.	Mrs. Ann Njogu	Members - Sponsor	14/06/2022
7.	Mr. Titus Kiplagat	Member - Community	14/06/2022
8.	RevSamuel Maina	Member – Community	14/06/2022
9.	Mr. Henry Ngetich	Member – Community	14/06/2022
10.	Ms. Judy Cheruiyot	Member – Community	14/06/2022
11.	Ms. Franscesca Chemutai	Member – Community	14/06/2022
12.	Mr. Alphoso Kiprono	Member - Community	14/06/2022
13.	Mr. Derrick Khaemba	Member Special Needs	14/06/2022
14.	Sr. Jane Fransis	Member Special Interest	14/06/2022
15.	Faith Kau Kockeidha	Rep Students	14/06/2022

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Report and Financial Statements For the year ended 30th June 2024

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	Dr. Martin Mudambo Mrs. Phylis Chepkok Mr. John Agesa Fr. Paul Kipkoech Ms. Judith Cheruiyot	Chair Secretary Member Member Member	5 out of 6
2	Audit Committee	Dr. Derrick Kutto Mr. Kenneth Lyambila Mary Kang'ong'a	Chair member	0 out of 6
3	Finance, procurement and general purposes Committee	Dr. Martin Mudambo Mrs. Phylis Chepkok Ms. Judith Cheruiyot Ms. Francescs chemutai Mr. John Agesa	Chair Secretary Member Member Member	2 out of 6
4	Academic Committee	Dr. Mary Kerich Mrs. Phylis Chepkok Mr. John agesa Mr. Alphonse Kiprono	Chair Secretary Member Member Member	3 out of 6
5	Development Committee	Mr. Titus Kiplagat Mrs. Phylis Chepkok Ms. Judith Cheruiyot	Chair Secretary Member	5 out of 6

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		Mr. Erick Obiri Dr. Martin Mudambo Mrs. Ann Ngugi	Member Member {SCDE} D/Principal/member	
6	Discipline and welfare Committee	Mr. Henry Ng'etich Mrs. Phylis chepkok Mr. John Agesa Fr. Paul Kipkoech Rev Samuel Maina Mrs Ann Njogu Mrs. Mary Kang'ong'a	Chair Secretary Member Member Member Member member	1 out of 6

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Mrs. Phylis Chepkok	336242
2	Deputy Principal	Mrs. Anne Ngugi	306463
3	School Bursar	Ms. Stella Chepkosgei	24796152

(e) Schools contacts

Post Office Box: Private bag Moi` bridge
 Telephone: 0705-400-915
 E-mail: loretohighmatunda@gmail.com
 Website: www.loretoamatunda.ac.ke
 Facebook: loreto high school matunda
 Twitter:

**LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL**

Report and Financial Statements For the year ended 30th June 2024

(f) School Bankers

The school operated 4 number of bank accounts as follows

1. Name of Bank: Standard Chartered Bank
Branch: Kitale
Account Number: 0102836055501
2. Name of Bank: Standard Chartered Bank
Branch: Kitale
Account Number: 0102036055501
3. Name of Bank: Standard Chartered Bank
Branch: Kitale
Account Number: 0102036055500
Tuition Account
4. Name of Bank: Standard Chartered Bank
Branch: Eldoret
Account Number: 0102017892600
Operation Account
5. Name of Bank: Kenya Commercial Bank
Branch: Moisbridge
Account Number: 1139458779
Farm Account
6. Name of Bank: Kenya Commercial Bank
Branch: Mois Bridge
Account Number: 1197797718
School fund Account
7. Name of Bank: Kenya Commercial Bank
Branch: MTRH
Account Number: 1278977333
Infrastructure Account
8. Name of Bank: Equity Bank
Branch: Kitale
Account Number: 0330283255964
Tuition Account
9. Name of Bank: Equity Bank
Branch: Kitale
Account Number: 0330283255887
Operation Account

**LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

10. Name of Bank: Equity Bank
Branch: Kitale
Account Number: 0330283255944
Welfare Account

11. Name of Bank: Cooperative Bank
Branch: Eldoret
Account Number: 01141598970900
CDF Account

MPESA Pay bill No. 522123 account no. 24590K attached to 1197797718 bank account
{KCB}

(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:

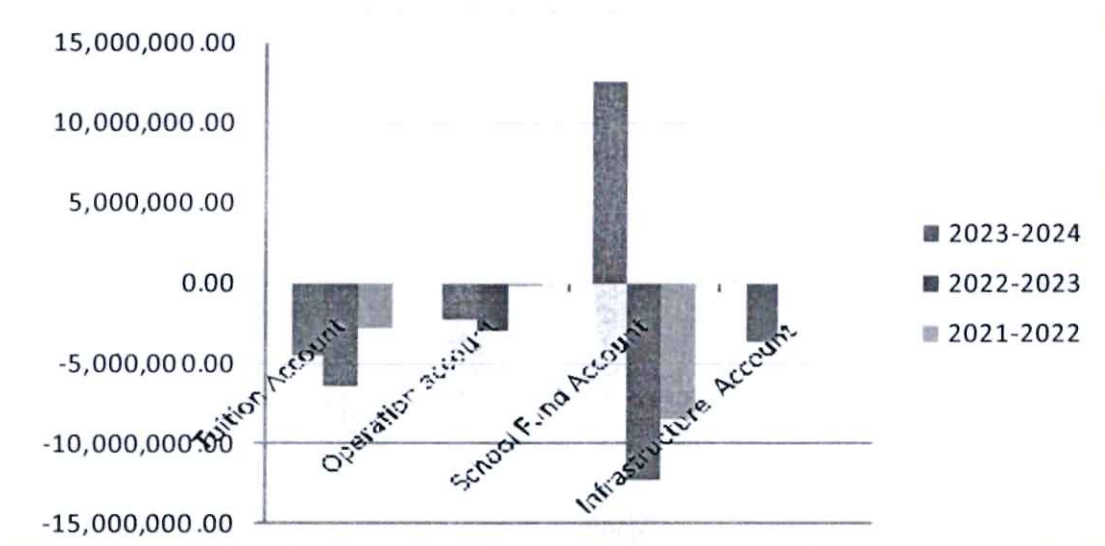
Under this section, it reflected the actual financial performance trend for the last three years.

Summarized as follows:

i) Surplus/ deficit for the year and a comparison of the same for the last three years

	2023-2024	2022-2023	2021-2022
Account	Kshs.Cts	Kshs.Cts	Kshs.Cts
Tuition Account	(4,519,001.00)	(6,429,275.00)	(2,697,758.00)
Operation account	(2,310,525.00)	(3,013,773.00)	(275,532.00)
School Fund Account	12,538,935.07	(10,722,520.00)	(8,510,777.00)
Infrastructure Account	(3,610,142.00)	-	
Total	2,099,267.07	(20,165,565.00)	(11,484,067.00)

Trend over the Last Three Years



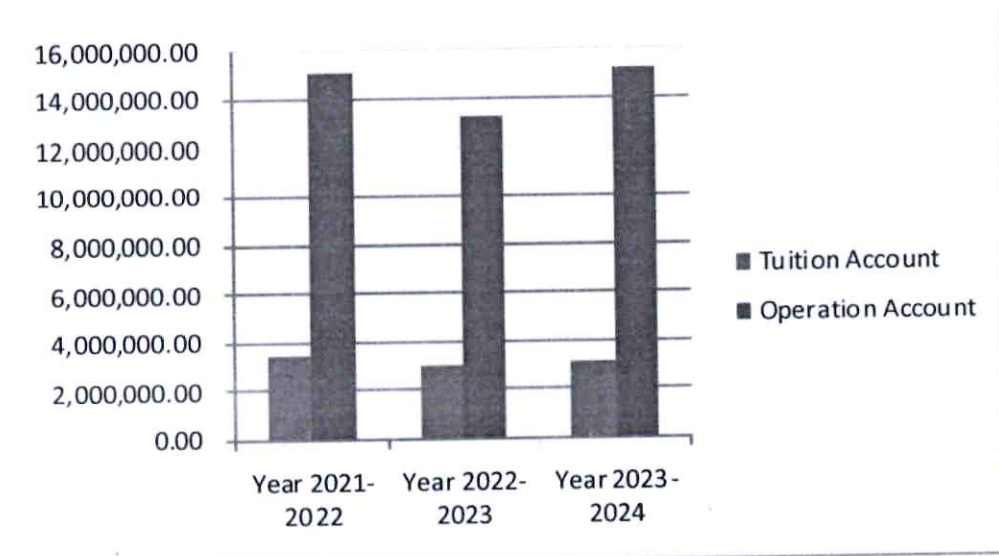
LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

ii) Ratio of capitation grant per student over the last three years

The government of Kenya through the Ministry of Education under Free Day Secondary Education funded the school through grants during the three years as follows:

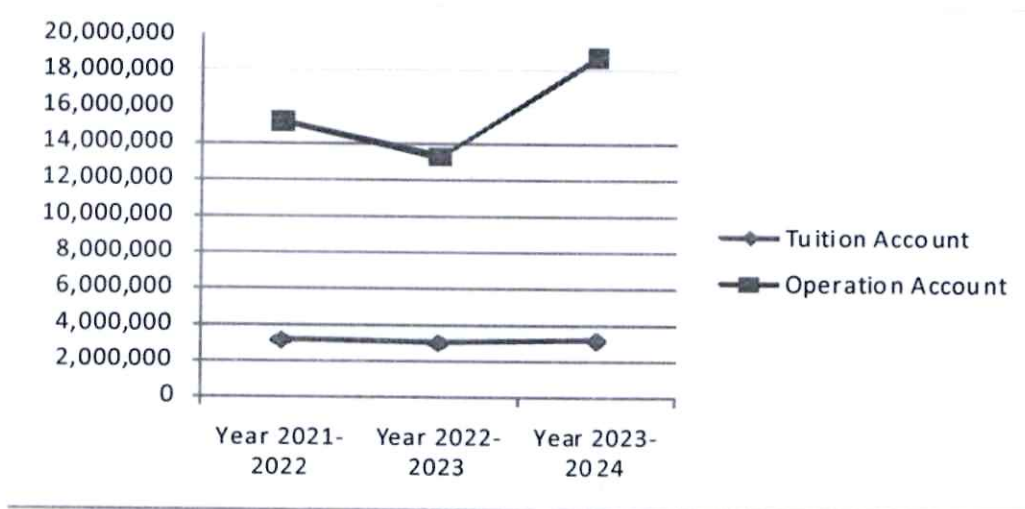
No.	Account	Year 2021-2022	Year 2022-2023	Year 2023-2024
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
1	Tuition Account	3,455,602.00	2,991,765.00	3,124,806.00
2	Operation Account	15,110,737.00	13,220,614.00	15,149,149.00
	Total Kshs.	18,566,339.00	16,212,379.00	18,273,955.00
	No. of students	1132	1205	1427
	Ratio of capitation Per student	1:16143	1:13,454	1:12806

Trend over the Last Three Years



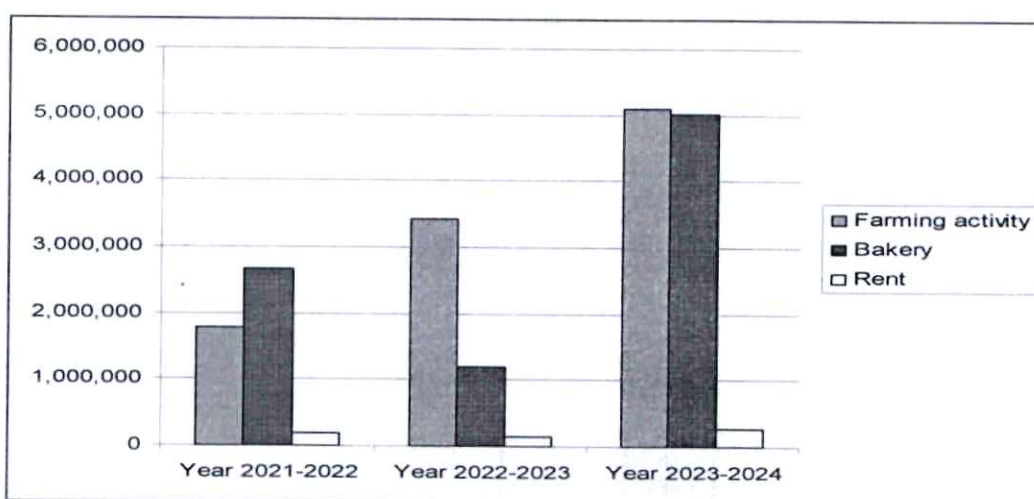
**LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL**

Report and Financial Statements For the year ended 30th June 2024



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

No.	Account	Year 2021-2022	Year 2022-2023	Year 2023-2024
1.	Farming activity	1,773,338	3,428,949	5,095,214
2.	Bakery	2,669,919	1,200,000	5,023,740
3.	Rent	183,300	152,200	265,000
	Total Kshs.	<u>4,626,557</u>	<u>4,781,149</u>	<u>10,383,254</u>

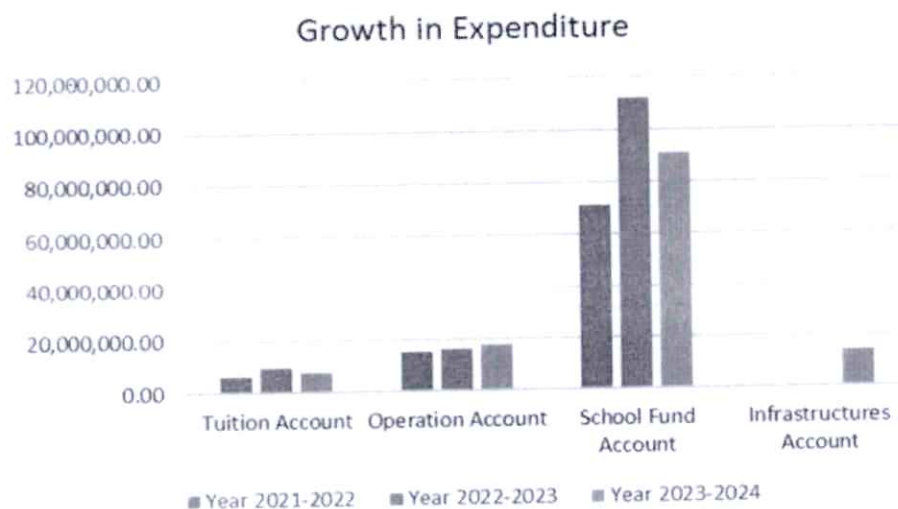


**LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

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

No.	Account	Year 2021-2022	Year 2022-2023	Year 2023-2024
		<i>Kshs.Cts</i>	<i>Kshs.Cts</i>	<i>Kshs.Cts</i>
1	Tuition Account	6,153,360.00	9,421,037.00	7,643,807.00
2	Operation Account	15,386,269.00	16,234,387.00	17,459,674.00
3	School Fund Account	70,908,856.00	112,086,462.00	90,674,300.93
4	Infrastructures Account	-	-	13,652,384.00
	Total Kshs.	<u>92,448,485.00</u>	<u>137,741,886.00</u>	<u>129,430,165.93</u>

Trend over the Last Three Years



**LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

v) *Movement of debtors and creditors of the school over the last three year*

MOVEMENT OF DEBTORS OF THE SCHOOL				
SNO	ACCOUNTS	2023-2024	2022-2023	2021-2022
1	School Fund Account	KSHS	KSHS	KSHS
a	Debtors	20,754,554.00	35,443,378.00	27,652,397.00
	Total	20,754,554.00	35,443,378.00	27,652,397.00
	Increase/Decrease	(14,688,824.00)	7,790,981.00	

Trend over the Last Three Years

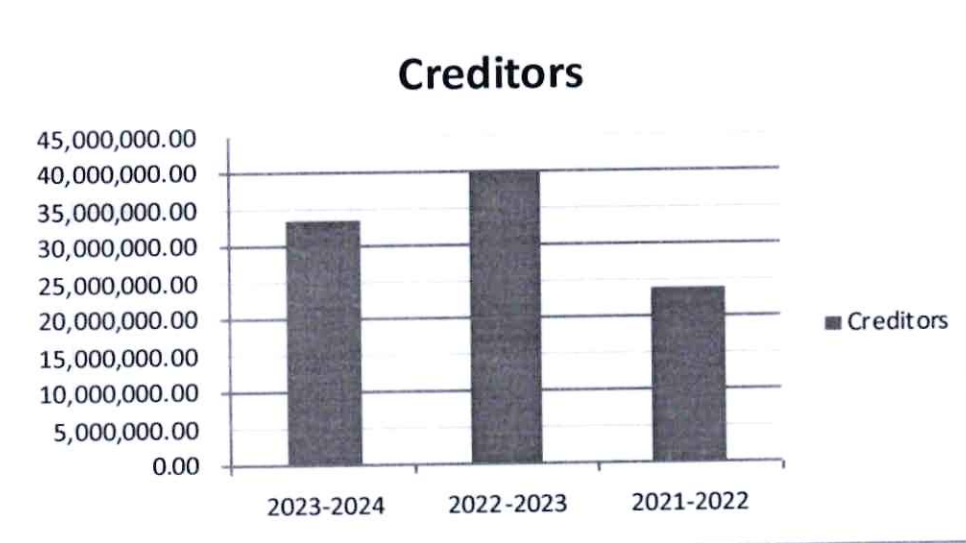


Total debtors as at 30th June 2024 decreased by Kshs 14,688,824.00 compared to Kshs 7,790,981.00 as at the end of the financial year 2023.

Vi MOVEMENT OF CREDITORS OF THE SCHOOL

SNO	ACCOUNTS	2023-2024	2022-2023	2021-2022
	School Fund ,operation and Tuition			
1	Account	KSHS	KSHS	KSHS
a	Creditors	33,449,145.00	48,001,669.00	19,483,400.00
	Total	33,449,145.00	48,001,669.00	19,483,400.00
	Increase/Decrease	(14,552,524 .00)	28,518,269.00	

Trend over the Last Three Years



Total creditors as at 30th June 2024 decreased by Kshs 14,552,524 .00 compared to Kshs an increase of 2,8518,269.00 as at the end of the financial year 2023. This is due to under funding by the ministry of education and price variation of the food and other materials.

**LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

b) Teacher Student ratio:

Between the month of July 2023 and June 2024, the status of the teaching staff is as follows:

There are 42 teachers posted by the Teachers Service Commission and 19 recruited by the Board of Management. One member of the teaching staff retired. There were 7 teachers transferred in and 4 teachers transferred out between July 2023 and June 2024. Although the teacher student ratio lies at 1: 34. We have a shortage of 25 teachers from the given CBE.

This is due to subject specialization in Form 3 and Form 4

c) Mean score in the 2021, 2022 and 2023 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2023	271	7.3653	187	69	9.0	Negative deviation of 0.1944 in the means score. The least grade was D+ 187 out of 271 students qualified to join university direct
2022	243	7.5637	191	79	8.5	Positive deviation of 12.8 in transition rate. The least grade was D+ 191 out of 243 students qualified to join university direct
2021	231	7.1645	153	66.2	9.5	Negative deviation of 16.8 in transition rate. The least grade was a D+ out of 231 students 153 qualified to join university direct.

D) KCSE Exam Entry Behavior

Year	2023	2022	2021
No. of Candidates	271	243	231

**LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

E) Capacity of the school:

1. Land	- 42 Acres
2. Class rooms	- 25
3. Laboratories	- 3
4. Plant	- 3
5. Staff Houses	- 19
6. Dormitories	-11
7. Dining Hall	-1
8. Kitchen	-1
9. Stores	- 3
10. Administration block	- 1
11. Livestock	- 7
12. Ablution block(Rooms)	-67

With the increased population the school needs more infrastructure

F) Development projects carried out by the school:

Sno.	Projects	Source of funds	status	Initial cost {Kshs.}	Amount spent {Kshs.}	Expected completion
1	Construction of 2 storeyed dormitory capacity 460 students	M.I	Phase I & II completed Phase III on going	66,103,335	35,000,000	2025



Philis Jepkosgei Bartoo (Mrs)
School Chief Principal

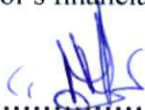
4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each 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 **LORETO HIGH SCHOOL- MATUNDA** accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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



.....
Dr. Martin Mudambo Dondo

Designation: Chairman, School Board of Management

Date: 07/05/2025



.....
Philis Jepkosgei Bartoo (Mrs)

Designation: School Principal & Secretary to Board of Management

Date: 07/05/2025



.....
Stellah Chepkosgei (Mrs)

Designation: Bursar/ Finance Officer

Date: 07/05/2025

REPUBLIC OF KENYA

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Enhancing Accountability

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Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON LORETO HIGH SCHOOL - MATUNDA FOR THE YEAR ENDED 30 JUNE, 2024 – UASIN GISHU 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.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Loreto High School Matunda set out on pages 1 to 21, which comprise of the statement of financial assets and liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows

Report of the Auditor-General on Loreto High School - Matunda for the year ended 30 June, 2024 – Uasin Gishu County

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Loreto High School Matunda as at 30 June, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with the 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 Income from Academic Support Programme

Statement of receipts and payments reflects miscellaneous income amount of Kshs.19,898,724 which includes income of Kshs.8,985,000 from academic support program as disclosed in Note 5 to the financial statements. However, supporting documents including student fee receipt summaries, bank statements and schedules were not provided for audit.

In the circumstances, the accuracy and completeness of Kshs.8,985,000 from Academy Support Programme could not be confirmed.

2. Accounts Receivable - Long Outstanding Fees Arrears

The statement of assets and liabilities reflects accounts receivable balance of Kshs.20,754,554 and as disclosed at Note 13 to the financial statements. However, Note 13(b) to the financial statements reflects under aging analysis, accounts receivable balance of Kshs.45,656,006 resulting to unexplained variance of Kshs.24,901,452. Further, Note 13(b) reflects accounts receivable balance of Kshs.25,166,452 that has been outstanding for more than one (1) year. There is no evidence that management has initiated appropriate interventions towards collection of the long outstanding arrears.

In the circumstances, the accuracy and recoverability of accounts receivable balance of Kshs.20,754,554 could not be confirmed.

3. Unsupported Accounts Payable

The statement of financial assets and liabilities reflects accounts payable balance of Kshs.33,449,145 as disclosed in Note 14 to the financial statements. However, no supporting documents including purchase orders, invoices, goods received notes, inspection and acceptance certificates, budgets and procurement plans were provided for review.

In the circumstances, the accuracy and completeness of the account's payables balance of Kshs.33,449,145 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Loreto High School Matunda 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 a final receipt budget and actual on comparable basis of Kshs.124,793,760 and Kshs. 131,529,433 respectively, resulting to an over-funding of Kshs.6,735,673 or 5.4% of the budget. However, the school spent Kshs.129,430,165 against actual receipts of Kshs. 131,529,433 resulting to under-utilization of Kshs.2,099,268 or 2% of actual receipt.

The underutilization 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 judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matters

Unresolved Prior Year Audit 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 the 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 2024.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness

and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Unbalanced Budget

The statement of comparison of budgeted versus actual amounts reflects a final income budget of Kshs.124,793,760 and final expenditure budget of Kshs.117,761,760 resulting to a surplus of Kshs.7,032,000. The unbalanced budget was contrary to the provisions of Section 33(c) of the Public Finance Management (National Governments) Regulations, 2015 which states that budget revenue and expenditure appropriation shall be balanced.

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

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

The statement of receipts and payments reflects payments for operations amount of Kshs.17,459,674 as disclosed in Note 7 to the financial statements. Included in this amount is Kshs.3,265,876 for administration costs which further includes an amount of Kshs.530,000 that was 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 transferred to KESSHA amounting to Kshs.530,000 could not be confirmed.

3. Unconfirmed Student Enrolment Data

Review of student enrolment data indicated that more students were enrolled in the school than the number of students reflected in National Education Management System (NEMIS) as shown below;

Description	No of students per NEMIS	Number of students per Manual Register	Variance / Student No
January, 2024 Operations	1196	1424	228
May, 2024-Operations	1437	1424	(13)
January, 2024 Tuition	1196	1424	228
September, 2023- Tuition	1197	1200	3
September, 2023 -Operations	1197	1200	3
May, 2024-Tuition	1437	1424	(13)

This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 of 16 June ,2021 that require all learners to be registered in National Education Management Information System (NEMIS) and School Principals to ensure their records are accurate.

In the circumstances, the operation of the school may have been affected by the under-funding of capitation due to under-disclosure of number of students in NEMIS.

4. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three year school improvement planning cycle, one priority area in each of the four key areas which include; curriculum implementation, foundational literacy and numeracy outcome, an enabling environment for learning and parental involvement and community engagement for implementation.

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

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

Provision for Service Gratuity

The statement of receipts and payments reflects payment for operations amount of Kshs.19,046,514 which includes personnel emoluments amount of Kshs.5,120,779 as disclosed in Note 7 to the financial statements. However, Management did not disclose a provision for service gratuity in the financial statements as part of personnel emoluments despite having budgeted for it.

In the circumstance, internal controls in the School may have not been effective.

Biological Assets

Note 17 to the financial statements discloses biological assets amounting to Kshs.13,560,000 which is a decrease from previous year amount of Kshs.15,600,000. However, there was neither valuation report to support the decrease nor disposal reports for the biological assets for verification.

In the circumstances, there are weak internal controls over biological assets.

Responsibilities of Management and those Charged with Governance

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

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

The Board of Management 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


My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAI's 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 Gatunga, CBS
AUDITOR-GENERAL

Nairobi


30 May, 2025

**LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL**
Report and Financial Statements For the year ended 30th June 2024


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

DESCRIPTION OF VOTE HEAD	Note	2023-2024	2022-2023
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	3,124,806.00	2,991,765.00
Government grants for operations	2	15,149,149.00	13,220,614.00
Government Grants for infrastructure	3	9,876,440.00	-
School fund income- parents' contributions	4	83,480,314.00	93,411,784.00
Miscellaneous incomes	5	19,898,724.00	7,952,067.00
TOTAL RECEIPTS		131,529,433.00	117,576,230.00
PAYMENTS			
Payments for Tuition	6	7,643,807.00	9,421,037.00
Payments for operations	7	17,459,674.00	16,234,387.00
Payments for infrastructure	8	13,652,384.00	-
Boarding and school fund payments	9	90,674,300.93	112,086,462.00
TOTAL PAYMENTS		129,430,165.93	137,741,886.00
SURPLUS/DEFICIT		2,099,267.07	(20,165,656.00)

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


.....
Dr. Martin Mudambo Dondo


.....
Philis Jepkosgei Bartoo (Mrs)


.....
Stellah Chepkosgei (Mrs)

**Chair,
Board of Management**

**Secretary,
Board of Management
/Principal**

Finance Officer

Date: 07/05/2025

Date: 07/05/2025

Date: 07/05/2025

LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL
Report and Financial Statements For the year ended 30th June 2024


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

	Note	2023-2024	2022-2023
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	4,419,928.07	2,222,133.00
Cash Balances	11	40,141.00	2,369.00
Short term Investment	12	-	-
Total Cash and Cash Equivalents		4,460,069.07	2,224,502.00
Account's receivables	13	20,754,554.00	35,443,378.00
TOTAL FINANCIAL ASSETS		25,214,623.07	37,667,880.00
FINANCIAL LIABILITIES			
Accounts Payable	14	33,449,145.00	48,001,669.00
NET FINANCIAL SSETS		(8,234,521.93)	(10,333,789.00)
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	(10,333,789.00)	9,831,869.00
Surplus/Deficit for the year		2,099,267.07	(20,165,658.00)
NET FINANCIAL POSITION		(8,234,521.93)	(10,333,789.00)


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



Dr. Martin Mudambo Dondo



Philis Jepkosgei Bartoo (Mrs)



Stellah Chepkosgei (Mrs)

**Chair,
Board of Management**

**Secretary,
Board of Management
/Principal**

Finance Officer

Date: 07/05/2025

Date: 07/05/2025

Date: 07/05/2025

LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL
Report and Financial Statements For the year ended 30th June 2024

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

		2023-2024	2022-2023
		Kshs	Kshs
Receipts from operating activities			
Government grants for tuition	1	3,124,806.00	2,991,765.00
Government grants for operations	2	15,149,149.00	13,220,614.00
Government Grants for infrastructure	3	9,876,440.00	-
School fund income- parents' contributions	4	83,480,314.00	96,796,671.00
Miscellaneous incomes	5	19,898,724.00	7,952,067.00
Total receipts		131,529,433.00	120,961,117.00
Payments			
Cash outflows for tuition	6	7,643,807.00	9,421,037.00
Cash outflows for operations	7	17,459,674.00	16,234,387.00
Cash outflows for infrastructure	8	13,652,384.00	-
Cash outflows Boarding/lunch and school fund payments	9	90,674,300.93	100,509,322.00
Total payments		129,430,165.93	126,164,746.00
Net cash flow from operating activities	A	2,099,267.07	(5,203,629.00)
Adjustments			
Decrease in Accounts Receivables		14,688,822.00	(7,790,981.00)
Decrease in Accounts Payables		(14,552,524.00)	28,518,269.00
		136,298	20,727,288.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets			(14,962,028.00)
Proceeds from investments		-	-
Net cash flows from Investing Activities	B	-	(14,962,028)
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans		-	
Repayment of principal borrowings		-	
Net cash flows from Investing Activities	c		
NET INCREASE IN CASH AND CASH EQUIVALENT	d	2,235,565.07	561,631.00
Cash and cash equivalent at BEGINNING of the year	e	2,224,504.00	1,662,873.00
Cash and cash equivalent at END of the year	f=d +e	4,460,069.07	2,224,504.00

**LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

*Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.
(The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cashflow as recommended by PSASB).*

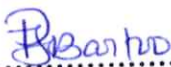
The school's financial statements were approved on _____ 2024 and signed by:



.....

Dr. Martin Mudambo Dondo
Chair,
Board of Management

Date: 07/05/2025



.....

Philis Jepkosgei Bartoo (Mrs)
Secretary,
Board of Management
/Principal

Date: 07/05/2025



.....

Stellah Chepkosgei (Mrs)
Finance Officer

Date: 07/05/2025

LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL
Report and Financial Statements For the year ended 30th June 2024

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f=d/c %
RECEIPTS	Kshs	Kshs			Kshs
(1) CAPITATION GRANT ON TUITION					
Reference materials	576,000.00	-	576,000.00	301,622.00	52%
Exercise books	1,584,000.00	-	1,584,000.00	829,461.00	52%
Laboratory equipment	1,440,000.00	-	1,440,000.00	754,056.00	52%
Internal exams	1,584,000.00	-	1,584,000.00	829,457.00	52%
Teaching / learning materials	576,000.00	-	576,000.00	301,626.00	52%
Chalks	207,360.00	-	207,360.00	108,584.00	52%
Total Income for Tuition	5,967,360.00	-	5,967,360.00	3,124,806.00	
(2) CAPITATION GRANT ON OPERATIONS					
Personnel emoluments	6,580,800.00	-	6,580,800.00	3,912,480.00	59%
Repairs and maintenance	5,760,000.00	-	5,760,000.00	4,397,635.00	76%
Local transport / travelling	1,915,200.00	-	1,915,200.00	1,218,759.00	64%
Electricity and water	2,880,000.00	-	2,880,000.00	1,832,715.00	64%
Medical	2,880,000.00	-	2,880,000.00	1,363,875.00	47%
Administration costs	2,160,000.00	-	2,160,000.00	1,394,545.00	65%
Activity	2,160,000.00	-	2,160,000.00	1,029,140.00	48%
Total	24,624,000.00	-	18,864,000.00	15,149,149	

LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL
Report and Financial Statements For the year ended 30th June 2024

(3) FDSE for Infrastructure					
Maintenance & improvement MOE	5,760,000.00	-	5,760,000.00	4,400,000.00	76%
Transitional Infrastructure Grants (TIG)				2,000,000.00	
CBC				1,576,440.00	
CDF				1,900,000.00	
Total	5,760,000.00	-	5,760,000.00	9,876,440.00	
4} FEES CHARGED ON PARENTS					
Personnel Emoluments	9,547,200.00	-	9,547,200.00	9,980,550.00	102%
Repairs and maintenance	2,880,000.00	-	2,880,000.00	3,058,519.00	106%
Local Transport/travelling	4,622,400.00	-	4,622,400.00	4,466,492.00	97%
Electricity and water	3,960,000.00	-	3,960,000.00	3,127,102.00	101%
Administration Costs	5,630,400.00	-	5,630,400.00	5,418,741.00	96%
Activity	360,000.00	-	360,000.00	359,250.00	99%
Fee on Boarding Equipment and Stores	42,314,400.00	-	42,314,400.00	48,483,012.00	114%
Development	10,080,000.00	-	10,080,000.00	8,307,378.00	82%
Welfare	-	-	-	278,910.00	
Farm	-	-	-	-	
Total income	79,682,400.00	-	79,682,400.00	83,480,314.00	

LORETO HIGH SCHOOL - MATUNDA

PUBLIC SECONDARY SCHOOL

Report and Financial Statements For the year ended 30th June 2024

<i>5} Miscellaneous Income</i>					
Rent income	212,400.00	-		265,000.00	%
Income from farming activities	4,736,880.00	-		5,095,214.00	12%
Income Academic Support Program	8,640,000.00	-	8,640,000.00	8,985,000.00	108%
Income from Bus Hire	-	-	-	337,600.00	104%
Fee for hire of Ground and Equipment	-	-	-		
Income from uniforms	-	-	-	136,745.00	
Income from Bakery	5,880,000.00	-	5,880,000.00	5,023,740.00	
Tender form	-	-	-	48,000.00	85%
Income from disposal items	-	-	-	7,425.00	
Income from Any other investment	-	-	-		
Total Income	19,469,280.00	-	14,520,000.00	19,898,724.00	
TOTAL INCOME	135,503,040.00	-	124,793,760.00	131,529,433.00	104%
<i>(6) Expenditure For Tuition</i>			-		
Reference materials	576,000.00	-	576,000.00	60,000.00	10%
Exercise books	1,584,000.00	-	1,584,000.00	778,680.00	49%
Laboratory equipment	1,440,000.00	-	1,440,000.00	2,343,734.00	163%
Internal exams	1,584,000.00	-	1,584,000.00	4,194,188.00	143%
Teaching / learning materials	576,000.00	-	576,000.00	143,000.00	25%
Chalks	207,360.00	-	207,360.00	95,000.00	46%
Bank charges				18,805.00	

LORETO HIGH SCHOOL - MATUNDA
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Report and Financial Statements For the year ended 30th June 2024

Total Expenditures for Tuition	5,967,360.00	-	5,967,360.00	7,643,807.00	
(7) Expenditure For Operations			-		
Personnel emoluments	6,580,800.00	-	6,580,800.00	5,120,779.00	78%
Repairs, maintenance & improvements	5,760,000.00	-	5,760,000.00	4,400,000.00	75%
Local transport / travelling	1,915,200.00	-	1,915,200.00	222,600.00	12%
Electricity, water and conservancy	2,880,000.00	-	2,880,000.00	1,070,000.00	41%
Medical	2,880,000.00	-	2,880,000.00	601,619.00	21%
Administration costs	2,160,000.00	-	2,160,000.00	3,265,876.00	151%
Activity Expenses	2,160,000.00	-	2,160,000.00	778,000.00	36%
SMASSE	288,000.00	0	288,000.00	-	100%
TIG		-		2,000,000.00	
Total Expenditures	24,624,000.00	-	24,624,000.00	17,459,674.00	
(8) Expenditure For infrastructure			-		
Construction of classrooms	-	-	-	6,279,947.00	
Construction of dormitories	-	-	-	4,563,437.00	
Purchase of furniture	-	-	-	1,770,000.00	
Drilling of borehole	-	-	-	1,039,000.00	
Total Expenditures				13,652,384.00	

LORETO HIGH SCHOOL - MATUNDA

PUBLIC SECONDARY SCHOOL

Report and Financial Statements For the year ended 30th June 2024

<i>(9) Expenditure For School Fund/Lunch/Boarding</i>					
Personnel emoluments	9,547,200.00	-	9,547,200.00	6,143,925.00	65%
Repairs, maintenance and improvements	2,880,000.00	-	2,880,000.00	153,460.00	5%
Local transport / travelling	4,622,400.00	-	4,622,400.00	3,024,754.00	65%
Electricity, water and conservancy	3,096,000.00	-	3,096,000.00	4,222,972.00	136%
Administration costs	5,630,400.00	-	5,630,400.00	6,069,408.00	108%
Activity	360,000.00	-	360,000.00	1,937,490.00	538%
Academic Support Programme	8,640,000.00	-	8,640,000.00	4,962,656.00	57%
Development fund	10,080,000.00	-	10,080,000.00	8,766,088.00	115%
Boarding Equipment and Stores	42,314,400.00	-	42,314,400.00	47,869,287.93	103%
Expenditure for income generating activity	-	-	-	7,415,702.00	
Welfare	-	-	-	108,558	
Bakery	-	-	-	-	
Rent Expenses	-	-	-	-	
Farm	-	-	-	-	
TOTALS	87,170,400.00	-	87,170,400.00	90,674,300.93	
TOTAL EXPENDITURE	117,761,760.00	-	117,761,760.00	129,430,165.93	110%

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.

**LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL**

Report and Financial Statements For the year ended 30th June 2024

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 2024.

**LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL**
Report and Financial Statements For the year ended 30th June 2024

11. Notes To The Financial Statements

1	Government Grants for Tuition		
		2023-2024	2022-2023
		Kshs	Kshs
	Text books	-	-
	Exercise books	829,461.05	818,928.00
	Laboratory equipments and apparatus	754,055.51	642,367.00
	Teaching/learning materials	301,626.04	353,548.00
	chalks	108,583.99	132,137.00
	Internal exams	829,457.21	760,611.00
	Reference books	301,622.20	284,171.00
	Total	3,124,806.00	2,991,762.00
2	Government Grants for Operations		
		2023-2024	2022-2023
		Kshs	Kshs
	P/Emolument	3,912,480.00	4,347,099.00
	Maintenance and Improvement	4,397,635.00	4,417,000.00
	Local transport / travelling	1,218,759.00	1,013,633.00
	Electricity and water	1,832,715.00	1,120,276.00
	Insurance & Medical	1,363,875.00	168,305.00
	Administration costs	1,394,545.00	1,423,101.00
	Activity	1,029,140.00	731,200.00
	Total	15,149,149.00	13,220,614.00
3	Government Grants for infrastructure		
		2023-2024	2022-2023
		Kshs	Kshs
	Maintenance & Improvement	4,400,000.00	4,417,000.00
	Transition infrastructure grants	2,000,000.00	-
	CBC	1,576,440.00	-
	NG-CDF	1,900,000.00	-
	Total	9,876,440.00	4,417,000.00

LORETO HIGH SCHOOL - MATUNDA
PUBLIC SECONDARY SCHOOL
Report and Financial Statements For the year ended 30th June 2024

4	School Fund Income - Parents Contribution/Fees	2023-2024	2022-2023
		Kshs	Kshs
	Boarding Stores & Equipment/Lunch	48,483,012.00	51,833,765.00
	Other voteheads		
	Development	8,307,738.00	
	Personnel emoluments	9,980,550.00	11,378,238.00
	Repairs and maintenance	3,058,519.00	13,933,768.00
	Local transport / travelling	4,466,492.00	4,247,645.00
	Electricity and water	3,127,102.00	3,464,643.00
	Welfare	278,910.00	
	Administration costs	5,418,741.00	6,568,316.00
	Activity	359,250.00	302,500.00
	Total	83,480,314.00	91,728,875.00
5	Miscellaneous Incomes	2023-2024	2022-2023
		Kshs	Kshs
	Infrastructure grant-3classrooms	-	-
	Income from Bus hire	337,600.00	-
	Income from Academic Support Programme	8,985,000.00	-
	Posho mill	-	-
	Income from uniforms	136,745.00	819,110.00
	Income from bakery	5,023,740.00	3,551,808.00
	House rent income-Net	265,000.00	152,200.00
	School farm	5,095,214.00	3,428,949.00
	Income from disposed items	7,425.00	
	Tender fee	48,000.00	136,745.00
	interest on savings		-
	Income from Bus Hire		
	Total	19,898,724.00	8,088,812.00

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6	PAYMENTS FOR TUITION	2023-2024	2022-2023
		Kshs	Kshs
		778,680.00	1,155,000.00
	Exercise Books	2,354,134.00	4,092,752.00
	Laboratory equipments and apparatus	60,000.00	
	Library/ref Materials	143,000.00	461,650.00
	Teaching/learning materials	4,194,188.00	3,660,515.00
	Internal exams	95,000.00	46,800.00
	Chalks	18,805.00	4,320.00
	Bank charges		
	Total	7,643,807.00	9,421,037.00
7	PAYMENTS FOR OPERATIONS	2023-2024	2022-2023
		Kshs	Kshs
	other vote heads		
	Personal Emoluments	5,120,779.00	4,987,133.00
	Local transport and travelling	222,600.00	789,592.00
	Administration Cost	3,265,876.00	3,639,348.00
	Maintenance & improvements	4,400,000.00	4,458,000.00
	Electricity and water	1,070,000.00	851,592.00
	Activity Expenses	778,800.00	934,450.00
	Infrastructure		
	Insurance Cost & Medical	601,619.00	574,272.00
	TIG	2,000,000.00	
	TOTAL	17,459,674.00	16,234,387.00

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8	Payments for infrastructure	2023-2024	2022-2023
		Kshs	Kshs
	Transition infrastructure grants		
	Construction of Dormitory	4,563,437.00	
	Other (specify)		
	Construction of classrooms	6,279,947.00	
	Purchase of Furnitures	1,770,000.00	
	Drilling of boreholes	1,039,000.00	
	Bank charges		
	Others (Administration Cost)		-
	Total	13,652,384.00	-
9	BOARDING AND SCHOOL FUND PAYMENTS		
		2023-2024	2022-2023
		Kshs	Kshs
	Activity	1,937,490.00	1,103,880.00
	Fee on Boarding Equipment and Stores/lunch	47,869,287.93	48,868,871.00
	Development	8,766,088.00	
	Personnel emoluments	6,143,925.00	10,543,753.00
	Welfare	108,558.00	
	Repairs and maintenance & Improvements	153,460.00	12,118,891.00
	Local transport / travelling	3,024,754.00	4,353,775.00
	Electricity and water	4,222,972.00	3,012,294.00
	Academic Support Programme	4,962,656.00	
	Administration costs	6,069,408.00	10,003,800.00
	Expenses on Income Generating Activities	7,415,702.00	7,119,170.00
	Acquisition of Assets	-	14,962,028.00
	TOTAL	90,674,300.93	112,086,462.00

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10	BANK ACCOUNTS		
	Name of Bank, Account No. & currency	2023-2024	2022-2023
		Kshs	Kshs
	Tuition Account- standard Chartered Bank	-	12,667.00
	Tuition Account – Equity Bank	223,101.00	235,490.00
	Operations Account – Standard chartered	-	23,329.00
	Operations Account – Equity Bank	1,141,171.07	623,168.00
	School Fund Account/Boarding- Savings A/c – standard Chartered Bank	93,143.00	199,618.00
	School Fund Account/Boarding- KCB	589,378.00	746,995.00
	Gratuity Account- Standard Chartered bank	26,827.00	105,608.00
	M&I Account - KCB	2,011,431.00	174,868.00
	Welfare Account – Equity Bank	170,352.00	-
	CDF Account – Co-operative Bank	40,414.00	
	Income Gen. Activities- KCB	124,111.00	100,390.00
	Total	4,419,928.07	2,222,133.00
11	CASH IN HAND		
	Description	2023-2024	2022-2023
		Kshs	Kshs
	Tuition Account		
	Operation Account	17.00	
	School Fund Account/Boarding	39,975.00	2,369.00
	M&I Account		
	Farm Account	150.00	-
	Total	40,141.00	2,369.00

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12	SHORT TERM INVESTMENTS		
	Description	2023-2024	2022-2023
		Kshs	Kshs
	Cooperative shares	-	-
	Treasury Bills	-	-
	Fixed deposit	-	-
	Equity stock	-	-
	Other investments	-	-
	Total	-	-
13	ACCOUNTS RECEIVABLE		
	Description	2023-2024	2022-2023
		Kshs	Kshs
	Fees arrears	20,489,554.00	35,443,378.00
	Other Non-Fees Receivables		
	Salary Advances (list/schedule attached)	-	-
	Imprest (list/schedule attached)	-	-
	Rent arrears (list/schedule attached)	265,000.00	-
	Total	20,754,554.00	35,443,378.00
	13 b Ageing Analysis of Accounts Receivable		
	Description	2023-2024	2022-2023
		Kshs	Kshs
	Current year arrears	20,489,554.00	9,417,478.00
	Between 1- 2 years	3,529,221.00	1,068,032.00
	Over 2 years	21,637,231.00	24,957,868.00
	Total	45,656,006.00	35,443,378.00

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14	ACCOUNTS PAYABLE		
	Description	2023-2024	2022-2023
		Kshs	Kshs
	Trade creditors (See ageing below and appendix 1)	30,440,923.00	40,307,326.00
	Prepaid fees	3,008,222.00	7,694,343.00
	Unpaid salaries and statutory deductions		
	Student fare	-	-
	Other payables (specify) - Retention Fee		
	Total	33,449,145.00	48,001,669.00
	14a. Ageing Analysis of Accounts Payable		
	Description	2023-2024	2022-2023
		Kshs	Kshs
	Less than 1 year	21,758,630.00	34,032,429.00
	Between 1- 2 years	7,206,293	5,760,845.00
	Between 2-3 years	1,476,000	514,052.00
	Over 3 years	-	-
	Total	30,440,923	40,307,326.00
15	FUND BALANCE BROUGHT FORWARD		
	Description	2023-2024	2022-2023
		Kshs	Kshs
	Bank balances-note 10	4,419,928.07	2,222,133.00
	Cash balances-note 11	40,141.00	2,369.00
	Short Term Investments-note 12	-	-
	Receivables-note 13	20,754,554.00	35,443,378.00
	Payables-note 14	(33,449,145.00)	(48,001,669.00)
	Total	4,419,928.07	(10,333,789.00)

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Other important disclosure notes			
Non-current Liabilities			
16	Summary		
Description		2023-2024	2022-2023
		Kshs	Kshs
	Bank loan(s)	-	-
	Outstanding Leases	-	-
	Hire purchase	-	-
	Gratuity and leave provision	-	-
	Total	-	-
17	Biological assets		
Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
	Cattle	11	500,000.00
	Trees	900	12,640,000.00
	Banana Plantation	50	70,000.00
	Pigs	25	350,000.00
	Others (specify)	-	-
	Total	13,560,000.00	15,600,000.00
		-	-
18	Borrowings		
Description		2023-2024	2022-2023
		Kshs	Kshs
	Borrowing at beginning of the year	-	-
	Borrowings during the year	-	-
	Repayments of during the year	-	-
	Balance at end of the year	-	-

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19	1 Stock/ Inventory	2023-2024	2022-2023
		Kshs	Kshs
	Description		
	Food stuffs	4,595,930.00	2,687,150.00
	Lab consumables	1,069,000.00	
	Farm produce	17,600.00	
	Medication	34,000.00	
	Construction Materials	20,000.00	
	Others (specify)		
		-	-
	Balance at end of the year	5,736,530	2,687,150.00

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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 provided to the auditor.

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



Sign and Date
Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier of goods or services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1. Teyana Limited	1,201,568	1/7/2023		1,201,568		
Sub total	1,201,568			12,04,568		
Supply of goods						
Tuition account						
2. Matunda Modern hardware	4,540,352	1/7/2023		4,540,352	6,243,506	
3. Teyana Limited	1,800,000	1/7/2023		1,800,000	5,284,431	
4. Suam hardware	1,816,250	1/7/2023		1,816,250	0	
5. Terry Enterprises	1,491,500	1/7/2023		1,491,500	1,251,500	
6. Wamumbi Supermarket	2,076,870	1/7/2023		2,076,870	3,337,318	
7. Jacobs General Suppliers	763,100	1/7/2023		763,100	25,000	
8. Ruth Chebet	700,000	1/7/2023		700,000	0	
9. Matunda Eagles Self Help Group	471,840	1/7/2023		471,840	441,780	
10. Sauti Furniture	300,000	1/7/2023		300,000	250,000	
11. Prestigious Filling Station	293,119	1/7/2023		293,119	227,883	
12. Oyla East Africa	282,792	1/7/2023		282,792	250,000	
13. Julius Kemboi	250,000	1/7/2023		250,000	0	
14. Kaluo Engineering	240,000	1/7/2023		240,000	680,000	
15. Kodong Engineering	400,000	1/7/2023		400,000	0	
16. Falcon Enterprises	510,500	1/7/2023		510,500	738,000	
17. Moi's Bridge Muungano	93,000	1/7/2023		93,000	54,000	
18. Briwa Merchants	16,000	1/7/2023		16,000	0	
19. Farm	2,314,497	1/7/2023		2,314,497	2,651,069	
20. Bakery	1,845,290	1/7/2023		1,845,290	1,200,000	
21. Kodam Agencies	1,183,200	1/7/2023		1,183,200	1,583,200	
22. Mwako Suppliers	675,020	1/7/2023		675,020	1,802,120	
23. Copy Cat	650,000	1/7/2023		650,000	0	
24. Starnobells Enterprises	678,680	1/7/2023		678,680	870,000	
25. Eldoline Enterprises	417,900	1/7/2023		417,900	517,900	
26. Pollyma Venture	120,000	1/7/2023		120,000	0	
27. Spearhead Enterprises	3,194,563	1/7/2023		3,194,563	2,714,881	
28. Pexel Limited	157,000	1/7/2023		157,000	392,000	
29. Patricks Sport Enterprises	135,800	1/7/2023		135,800	235,800	
30. Kitale Woolshop	121,500	1/7/2023		121,500	47,000	
31. Lifecare Pharmaceutical	99,372	1/7/2023		99,372	81,000	

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Supplier of goods or services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
32. Westmark Kenya Motors	87,200	1/7/2023		87,200	0	
33. Petmas Chemist	818,810	1/7/2023		818,810	1,256,187	
34. Guideline Images	10,200	1/7/2023		10,200	0	
35. Doroty Chemutai	23,000	1/7/2023		23,000	0	
Sub Total	<u>28,577.25</u>			<u>28,577.35</u>		
36. Robu Cleaning Services	246,000	1/7/2023		246,000	54,000	
37. Paul Wekesa	160,000	1/7/2023		160,000	112,000	
38. Titus Kimeli	136,000	1/7/2023		136,000	0	
39. Derrick Eshitemi	120,000	1/7/2023		120,000	0	
Sub- Total	662,000	1/7/2023		662,000		
Grand Total	30,440,923			30,440,923	40,304,326.99	

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Annex 2 – Summary of Fixed Assets Register

Asset class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year {Kshs.}	Disposals during the year {Kshs.}	Historical Cost c/f (Kshs) 30 th June 2024
Land 1	67,200,000	0	0	67,200,000
Buildings and structures	104,854,336	0	0	104,854,336
Motor vehicles	14,500,000	0	0	14,500,000
Office equipment, furniture and fittings	3,650,300	0	0	3,650,300
ICT Equipment, and Other ICT Assets	2,347,500	0	0	2,347,500
Tools and apparatus	538,400	0	0	538,400
Textbooks	5,000,000	0	0	5,000,000
Other Machinery and Equipment	10,498,000	0	0	10,498,000
Heritage and cultural assets	1,098,000	0	0	1,098,000
Intangible assets- soft ware	269,000	0	0	269,000
<u>Total</u>	<u>209,855,536</u>			<u>209,855,536</u>