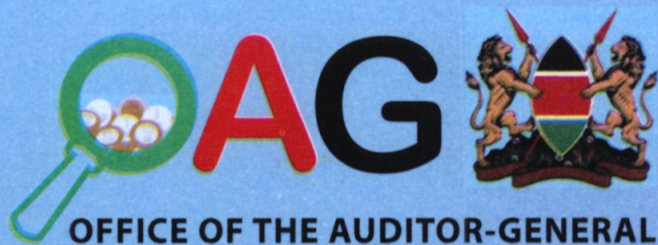
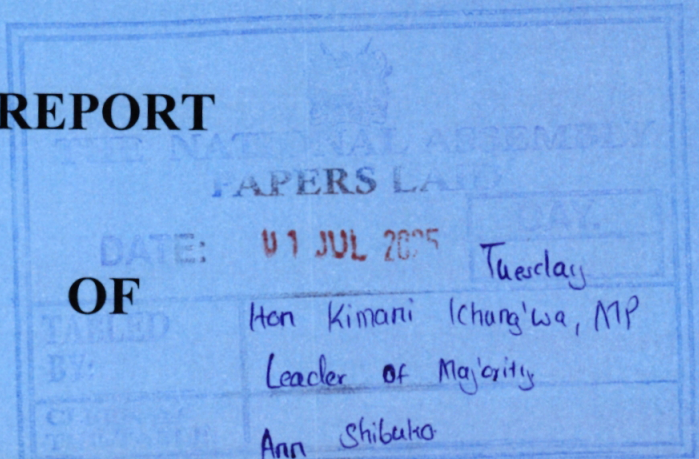
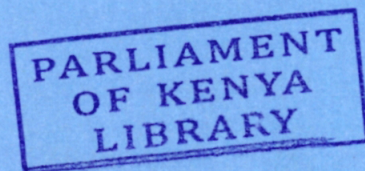


REPUBLIC OF KENYA



Enhancing Accountability

REPORT



OF

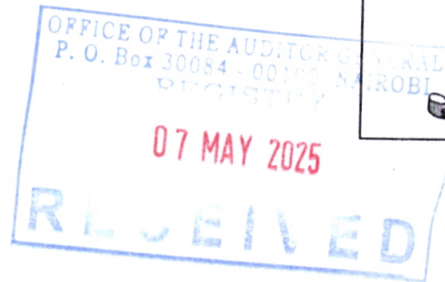
THE AUDITOR-GENERAL

ON

KAGUMO HIGH SCHOOL

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

NYERI COUNTY



KAGUMO HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL

STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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

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Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

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1. Acronyms and Definition of Key Terms

A. Acronyms.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

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 in Nyeri County, Nyeri Central Sub-County.

The school was renewed in January 2021 under registration number 19S00300162 and is currently categorized as a *National* public school established, owned or operated by the Government.

The school is a boarding school and had 2300 number of students as at 30th June 2024. It has 45 streams and 90 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:

	Name of Board Member	Designation	Date of appointment
1	Dr.Mathenge Nduhiu	Chairman	05/03/2022
2	Dr.Silas Mwirigi	Secretary – Principal	05/03/2022
3	Hon.Justice Joseph SergonK	Member	05/03/2022
4	Mr.Mohammed Abdullahi	Member	05/03/2022
5	Mrs.Joy Nkirote Ngeera	Member	05/03/2022
6	Dr.Simeon Otieno Onyango	Member	05/03/2022
7	Dr.Jane Kinya Miriti	Member	05/03/2022
8	Pastor Dorcas Rigathi	Member Rep Teachers	05/03/2022
9	Mr Vindesio Ngari	3 Members – Sponsor	05/03/2022
10	Rev.Peter Wambugu Ngunjiri	Member – Community	05/03/2022
11	Bishop Edward Buria	Member Special Needs	05/03/2022
12	Mrs.Anne Thuita Kimemia	Rep Students	05/03/2022
13	Ms.Lear Mumbi	Rep Special interest	05/03/2022
14	Pastor John Njoroge	Member	05/03/2022
15	Eng. Ben kingori	Member	05/03/2022
16	Eng.Robert Njoroge	Member	05/03/2022

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive term 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 paragraph 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	1.Dr.Nduhiu Mathenge 2.Dr.Silas Mwirigi 3.Egn.Robert Njoroge 4.Mrs.Joy kirote Ngeera 5.Dr. Jane Kinya Miriti	Chairman Secretary Member Member Member	4 out of 6
2	Audit Committee	1.Dr.Nduhiu Mathenge 2.Dr.Silas Mwirigi 3.Eng.Rober Njoroge 4.Hon.Justice J Serгон 5.Pastor Dorcas Rigathi	Chairman Secretary Member Member Member	
3	Finance, procurement and general purposes Committee	1.Mrs.Joy Nkirote Ngeera 2.Dr.Silas Mwirigi 3.Arch Benson Mwenje 4.Rev.Canon Wambugu 5.Ngunjiri 6.Pastor Dorcas Rigathi	Chairman Secretary Member Member Member	3 out 3
4	Academic Committee	1.Mr. Mr.Mohammed Adan 2.Dr.Silas Mwirigi 3.Dr.Jane Kinya Miriti		3 out of 3

Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024**

		4.Pst.Patrick Njoroge 5.Mr.Vindesio Ngari.		
5	Discipline and welfare Committee	1.Bishop Edward 2.Dr.Silas Mwirigi 3.Dr.Simeon Onyango 4.Eng.Ben kingori 5.Mr.Kinyua Karuiru	Chairman Secretary Member Member Member	3 out of 3
6	Welfare committee	1.Hon.Justice JosephSergon 2.Dr.Silas Mwirigi 3.Ms.Lear Mumbi Njoroge 4.Mrs,Anne ThuitaKimemia 5.Mr.Daniel Gitonga	Chairman Secretary Member Member Member	3 out of 3

Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Dr.Silas Mwirigi	TSC No.335817
2	Deputy Principal	Charles Maina Kingori	TSC No.421143
3	Deputy Principal	Daniel King'ori Gitonga	TSC No.406896
4	School Bursar	Stephen Kariuki Mwangi	ID No.22556544

(e) Schools contacts

Post Office Box: 69-10102
Telephone: 0713425959
E-mail: kagumoh@gmail.com

(f) School Bankers

The school operated 7 numbers of bank accounts and 1 Pay bill number as follows:

1. Name of Bank: KCB
Branch: Nyeri
Account Number: 1101878959
2. Name of Bank: KCB
Branch: Nyeri
Account Number: 1101890789
3. Name of Bank: KCB
Branch: Nyeri
Account Number: 1101892943
4. Name of Bank: KCB
Branch: Nyeri
Account Number: 1135521670
5. Name of Bank: ABSA
Branch: Nyeri
Account Number: 2029792693
6. Name of Bank: Equity Bank
Branch: Nyeri
Account Number: 0110295367739
7. Name of Bank; Co-operative
Branch: Nyeri
Account Number: 01100653205001
8. MPESA Pay Bill No.: Business Number: 247247,
Account Number: 367739
Attached to bank account 0110295367739

(g) Independent Auditors

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

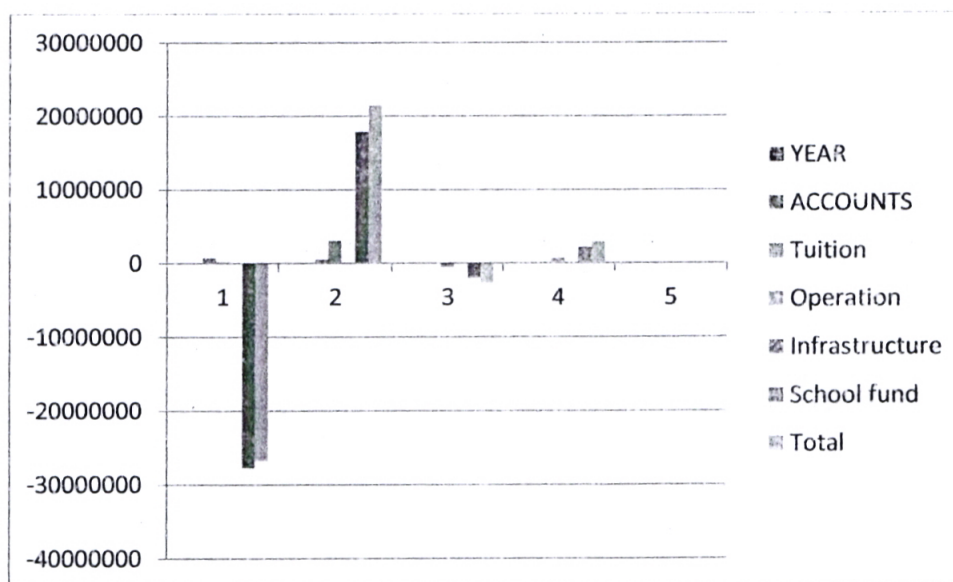
3. Summary Report of Performance of The School

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

a) Financial performance:

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

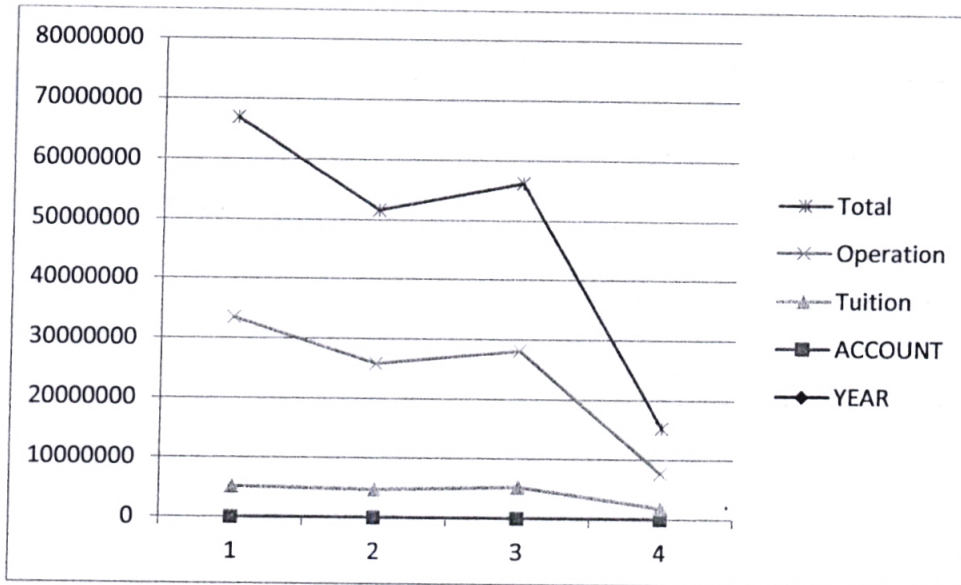
YEAR	1 st july 2023 to 30 th june2024	1 st july 2022 to 30 th june2023	1 st july 2021 to 30 th june 2022	1 st jan 2020 to 30 th Dec2020
ACCOUNTS	KSHS	KSHS	KSHS	KSHS
Tuition	748,450	538,242.00	(49,920)	31,266
Operation	183,354	3,057,139.00	(570,106)	686,067
Infrastructure	-	(2,130)	(5,156)	-
School fund	(27,757,379)	17,857,882	(2,067,985)	2,164,303
Total	(26,825,575)	21,451,133	(2,693,167)	2,881,636
Increase/decrease	(48,276,708)	24,144,300	(5,574,803)	6,432,997



Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

- *Capitation grants from the Ministry of Education for the last three years*

YEAR	1 st july 2023 to 30 th june2024	1 st july 2022 to 30 th june 2023	1 st july 2021 to 30 th june 2022	1 st jan 2020 to 30 th Dec2020
ACCOUNT	KSHS	KSHS	KSHS	KSHS
Tuition	5,122,975	4,721,402	5,234,886	1,876,866
Operation	28,338,929	21,102,930	22,868,583	5,760,855
Total	33,461,904	25,824,332	28,103,469	7,637,721
Increase/Decrease	7,637,572	(2,279,137)	20,465,748	(6,339,063)
No of students	2362	1817	1618	1484
Ratio of capitation grant	1:14,167	1:14,127	1:15,467	1:4,720
Retained capitation		8,117	6,777	17,524



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

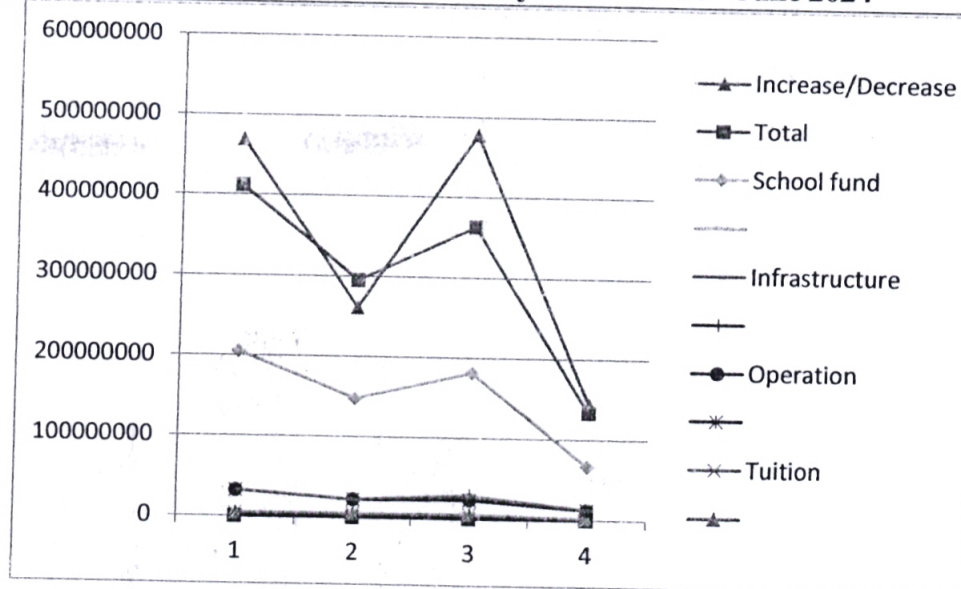
Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024**

YEAR	1st july 2023 to 30thjune2024	1st july 2022 to 30thjune2023	1st july 2021 to 30thjune 2022	1st jan 2020 to 30th Dec2020
	Kshs	Kshs	Kshs	Kshs
<i>No other income</i>	-	-	-	-
Total	-	-	-	-
increase/decrease				

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

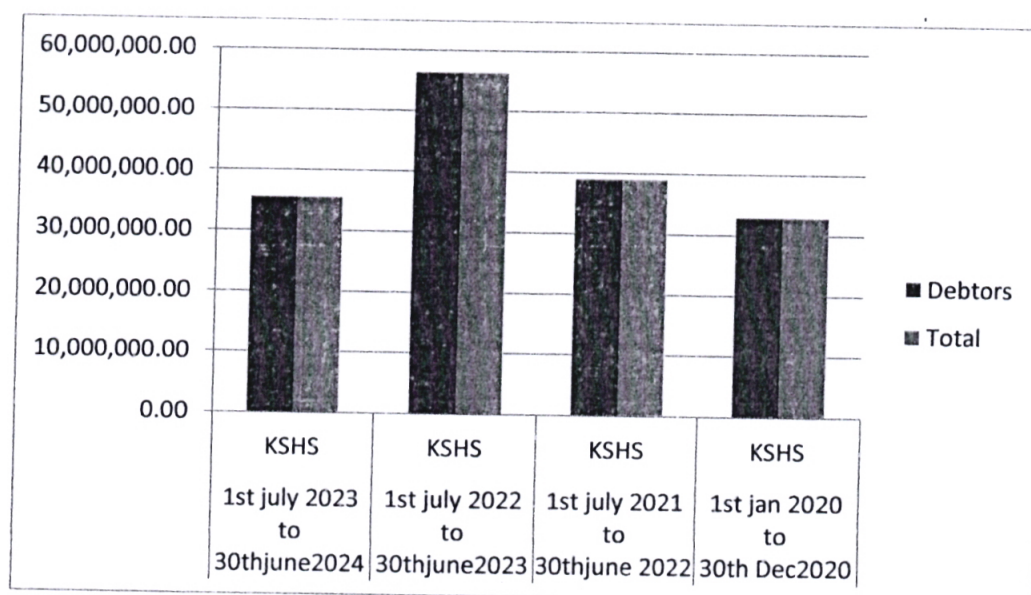
YEAR	1st july 2023 to 30thjune2024	1st july 2022 to 30thjune2023	1st july 2021 to 30thjune 2022	1st jan 2020 to 30th Dec2020
ACCOUNT	<i>KSHS</i>	<i>KSHS</i>	<i>KSHS</i>	<i>KSHS</i>
Tuition	4,374,525	4,183,160	5,284,806	1,845,596
Operation	28,155,575	18,045,791	18,438,689	11,074,788
Infrastructure		2,130	5,005,156	-
School fund	172,950,906	125,326,961	152,702,772	53,450,437
Total	205,481,005	147,558,042	181,431,423	66,370,821
Increase/Decrease	57,922,963	(33,873,381)	115,060,602	11,014,731

Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024



- Movement of debtors and creditors of the school over the last three years

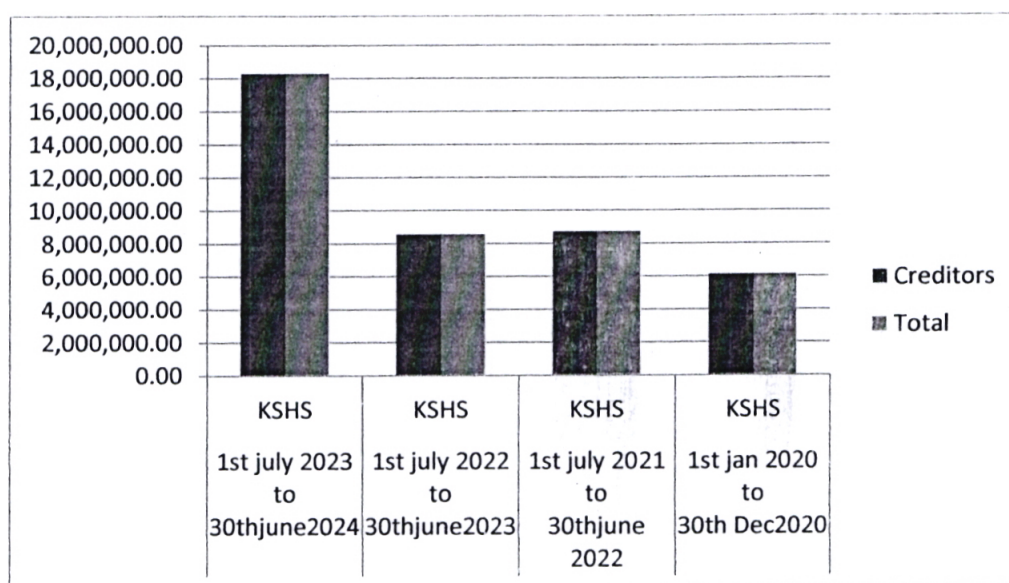
YEAR	1 st july 2023 to 30 th june2024 KSHS	1 st july 2022 to 30 th june2023 KSHS	1 st july 2021 to 30 th june 2022 KSHS	1 st jan 2020 to 30 th Dec2020 KSHS
Debtors	35,466,537	56,296,156	39,024,692	32,887,348
Total	35,466,537	56,296,156	39,024,692	32,887,348
Increase/Decrease	(20,829,619)	17,271,464	6,137,344	1,223,453



Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

Movement of creditors of the school for the year and a comparison of the last three years

Description	1 st july 2023 to 30 th june2024	1 st july 2022 to 30 th june2023	1 st july 2021 to 30 th june 2022	1 st jan 2020 to 30 th Dec2020
	KSHS	KSHS	KSHS	KSHS
Creditors	18,287,483	8,572,292	8,717,356	6,120,720
Total	18,287,483	8,572,292	8,717,356	6,120,720
Increase/Decrease	9,715,191	(145,064)	2,596,636	2,354,438



Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024**

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

b) Teacher Student ratio:

Between the month of 1st July 2023 and 30th June 2023, the status of the teaching staff as follows:

No of Teachers (TSC)	No of Students	Teachers Student Ratio
77	2331	1:30

There are 77 teachers posted by Teachers Service Commission and 13 recruited by the Board of management. We have a shortage of 15 teachers from CBE. This is due to increase in enrolment.

- No. of teachers recruited within the year 2024 2 teachers.
- No of teachers posted to the school within the year 13
- No. of teacher transferred to the school within 6

SUBJECT	ENG	KISW	MATH	BIO	CHEM	PHY	B/ST	AGR	GEO	HIST	C.R. E
No. of TSC teachers	14	20	16	10	11	11	09	03	04	13	08
No of B.O.M teachers	02	0	04	06	02	01	02	01	03	00	00
Surplus	-	-	-	-	-	-	-	-	-	-	-
Shortage	01	0	02	03	02	01	-	-	02	-	-

c) The mean score in the 2023 KCSE:

Year	Gender	Entry	MSSS	Grade	Dev	Comment	University Entry
2023	M	396	9.101	B	-0.47	Negative Deviation 0.47	360-(91%
2022	M	391	9.58	B+	0.19	Negative Deviation of 0.19	374
2021	M	347	9.77	B+	0.36	Improvement	336
2020	M	285	9.41	B	0.42	Improvement	273

d) Number of Candidates in the 2024 KCSE:

Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024**

<i>Year</i>	<i>2024</i>	<i>2023</i>	<i>2022</i>	<i>2021</i>
<i>No. of candidates</i>	<i>447</i>	<i>396</i>	<i>391</i>	<i>347</i>

e) The capacity of the school:

The school has an enrolment of 2362 students and the enrolment is expected to increase rapidly next year 2024-2025.

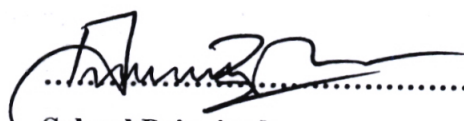
Below is the table tabulating the capacity of the school facilities.

S/no	Facility	Expected	Current	Shortage	Comment
1	Dining Hall	4	2	2	There is need to construct 2 more dining hall which can accommodate 2000 students
2	Laboratories	10	5	5	There is need to construct 5 more laboratories in order to reduce number of groups during KCSE science practical
3	Toilets	186	186	-	There are enough toilets as per Ministry of Health (MOH)
4	Classrooms	53	45	8	There is need to construct 8 more classrooms to decongest the current enrolment

Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

f) Development projects carried out by the school:

Project Name	Project Description	Project Status	Estimated Cost (KShs)	Amount Spent (KShs)	Expected completion time
CLASSROOM	MOE	COMPLETE	748,809	748,809	COMPLETE



 School Principal

4. Statement of School Management Responsibility

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

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

The Board of Management of *Kagumo 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, 2024, and of the school's financial position as at that date.



.....
Name: Dr .Nduhiu Mathenge

Designation: Chairman, School Board of Management

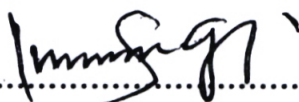
Date: 6TH May 2025.



.....
Name: Dr .Silas Mwirigi, OGW

Designation: Chief principal/BOM Secretary

Date: 6TH May 2025.



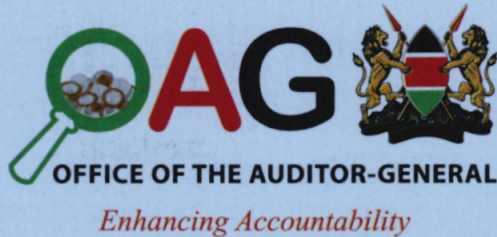
.....
Name: Stephen Kariuki Mwangi

Designation: Bursar/ Finance Officer

Date: 6TH May 2025.

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON KAGUMO HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024-NYERI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kagumo High School-Nyeri County set out on pages 1 to 16, which comprise the statement of financial assets and

Report of the Auditor-General on Kagumo High School for the year ended 30 June, 2024-Nyeri County

financial liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of Budget 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 Kagumo High School-Nyeri County as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act of 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.5,122,975 and Kshs.28,338,929 as disclosed in Notes 1 and 2 to the financial statements respectively. Review of the NEMIS capitation disbursements made to the school against the amount receipted by the school revealed an amount of Kshs.29,924,179 whereas the NEMIS capitation reflects an amount of Kshs.27,399,027.69, resulting to an unexplained variance of Kshs.2,525,151. Further, comparison of bank statements and the NEMIS revealed amounts of Kshs.33,461,904 and Kshs.27,399,027.69 respectively, resulting to an unexplained variance of Kshs.6,062,876.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations balances could not be confirmed.

2.0 Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs. 33,188,696 in respect of fees arrears as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs. 19,145,696 which had been outstanding from four (4) to forty-four (44) years. Further, no recoveries were made in the years 1980 – 2006 and the year under review casting doubt on their recoverability. Further, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs. 19,145,696 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kagumo High School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical

responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.213,420,336 and Kshs.167,917,235 respectively, resulting to an under-funding of Kshs.45,503,101 or 21% of the budget. However, the School spent a balance of Kshs.185,869,528 against actual receipts of Kshs. 167,917,235 resulting to budget over expenditure of Ksh.17,952,293 or 11% of actual receipts.

The underfunding could have affected the planned activities and negatively impacted 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. There were no key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the 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, 2024.

Other Information

The Board of Management is responsible for the other information set out on page ii to xvi which comprise of Acronyms and definition of key terms, Key School Information and Management, Summary Report of Management and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the school's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I

conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of receipts and payments reflects payments for operations amounts of Kshs.28,155,575, which as disclosed in note 5 to the financial statements includes Kshs.300,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a private entity and a welfare organization that draws its membership from School Principals only. This organization is not defined in Government Funding and there is no assurance that it has implemented effective, efficient and transparent financial management and internal controls systems to manage the funds transferred by schools.

In the circumstances, the value for money transferred to KESSHA amounting Kshs.300,000 could not be confirmed.

2. Excess Text Books

During the year under review, the Ministry of Education distributed textbooks to the school. However, audit verification revealed that the books delivered to the school were 11,895 whereas only 9,050 books were issued to the students, resulting to an unutilized textbooks of 2,845 books in the School Library. Further, some books issued. This indicates that the Ministry of Education does not involve the users (Schools) in need identification and corroborate with actual enrolment for each subject.

In the circumstances, value for money on the excess 2,845 textbooks could not be confirmed.

3. Accuracy of Student Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.5,122,975 and Kshs.28,338,929, respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the

financial year, NEMIS reported 1965, 1960, 1958 and 2362 while the enrolment records provided by the school indicated 1987, 1987, 2300 and 2300 for term 2 2023, term 3 2023, term 1 2024 and term 2 2024 respectively, resulting to an unexplained variance of negative 329 students. However, the School was over funded by an amount of Kshs.208,663.69.

In the circumstances, the over-funding of the school may have affected service delivery to the other schools which did not receive capitation for students

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.28,338,929 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.2,511,970 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the funds were not transferred to infrastructure account. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

5. Incomplete Fixed Assets Register.

Annex 2-Summary of Fixed Assets to the Financial Statements reflects Historical cost of assets balance of Ksh.633,712,550. However, the Management did not maintain an asset register in the prescribed format indicating the description, financier, serial/log book number, acquisition date, location, opening balances, additions or disposals during the year and the closing balances. Further, the entity had also not tagged its assets which include computers and related accessories, office equipment, furniture and fittings thus the ownership of the said assets could not be confirmed.

In addition, up to date valuation report of assets was not provided for audit thus it is not clear how the value of the assets was arrived at.

In the circumstances, the completeness, valuation and existence of assets at historical value of Kshs633,712,550 could not be confirmed.

6. Lack of Inspection and Acceptance Committee Reports

Review of payments made revealed that the Accounting Officer did not appoint the inspection and acceptance committee as required in Section 48. (1) of PPADA, 2015 and therefore there was no inspection and acceptance report for the goods and services paid during the financial year.

In the circumstances, goods and services may not have been delivered in the correct quantity, quality and specification.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit and Audit Committee

During the year under review, the school had constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management 2015 which states that the internal audit unit of a National Government Entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to the National Treasury. In addition, the Audit Committee was not operationalized as there was no record of minutes for meetings held by the Committee during the year under review.

In the circumstances, the school did not benefit from the oversight role and advice from the audit committee and Internal Audit function

2. Lack of Risk Management Policy

During the year under review, the school did not have an approved Risk Management Policy and a Risk Register to document risks emanating from the users and the mitigation factors in place to minimize the risks.

In the circumstances, the risk management strategies, which includes fraud prevention mechanism and a system of risk management and internal control that builds robust business operations could not be confirmed.

3. Delayed transfer of Vehicle ownership.

Kagumo High School acquired a Bus/Coach Motor vehicle registration no. KBL526G on 29 July 2010. Examination of various records revealed that Contract no. MG-1024200077 was entered into with Kenya Commercial Bank (KCB) for financing with a maturity date

of 30 May 2014. Further, a deposit/down payment, bank financed balance and total cost balance were kshs.1,500,000, kshs.6,400,000 and kshs.7,900,000 respectively. However, audit verification revealed that the vehicle was still co owned with KCB having cleared the loan on 30 May 2014. In addition, the original log book was not availed for audit review. No clear explanations were provided on why the vehicle ownership had not been transferred back to the school.

In the absence of a valid logbook, ownership of KBL 526 G could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards Cash Basis and for maintaining effective internal controls as 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 ability to continue to sustain its services , disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the school or 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 is 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.

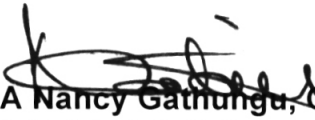
Auditor-General's Responsibilities for the Audit

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 IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, SBS
AUDITOR-GENERAL

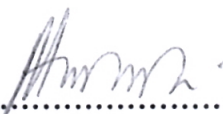
Nairobi

09 June, 2025

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	5,122,975	4,721,402
Government grants for operations	2	28,338,929	21,102,930
School fund income- parents' contributions	3(c)	142,915,686	143,184,844
Total Receipts			
		176,377,590	169,009,175
Payments			
Tuition	4	4,374,525	4,183,160
Operations	5	28,155,575	18,045,791
Infrastructure	6	-	2,130
Boarding and school fund	7(c)	172,950,906	125,326,961
Total Payments		205,481,005	147,558,042
Surplus/Deficit		(29,103,415)	21,451,133

The school financial statements were approved on Date:6TH May 2025.and signed by:



Name: Dr. Nduhiu Mathenge

Chair BOM.

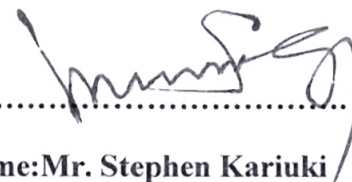
Date: Date:6TH May 2025.



Name:Dr. Silas Mwirigi ,OGW

Chief Principal /BOM Secretary.

Date: Date:6TH May 2025.



Name:Mr. Stephen Kariuki

Bursar.

Date: Date:6TH May 2025.

Kagumo High School

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

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

Description		2023-2024 Kshs	2022-2023 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	12,154,191	8,455,005
Cash balances	9	43,600	23,550
Total cash and cash equivalent		12,197,791	8,478,555
Account's receivables	10	33,188,696	56,296,157
Total financial assets (a)		45,386,487	64,774,712
Financial liabilities			
Accounts payables	11	18,287,483	8,572,292
Total Financial Liabilities' (b)		18,287,483	8,572,292
Net financial assets (a-b)		27,099,005	56,202,420
Represented by			
Accumulated fund b/fwd	12	56,202,420	34,751,288
Surplus/deficit for the year		(29,103,415)	21,451,133
Net Assets		27,099,005	56,202,420

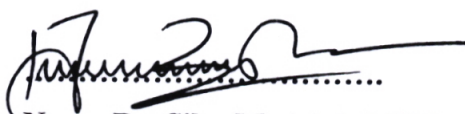
The school's financial statements were approved on **Date:6TH May 2025.**and signed by:


.....

Name: Dr. Nduhiu Mathenge

Chair BOM.

Date:6TH May 2025.


.....

**Name:Dr. Silas Mwirigi ,OGW
Chief Principal /BOM
Secretary.**

Date:6TH May 2025.


.....

Name:Mr. Stephen Kariuki

Bursar.

Date:6TH May 2025.

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

Description	Note	2023-2024 KShs	2022-2023 KShs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	5,122,975	4,721,402
Government grants for operations	2	28,338,929	21,102,930
School fund income- parents contributions/ fees	3 (b)	173,363,780	123,959,909
Total receipts		206,825,684	149,784,240
Payments			
Cash outflows for tuition	4	4,374,525	4,183,160
Cash outflows for operations	5	28,155,575	18,045,791
Cash outflow for infrastructure	6	-	2,130
Cash outflows Boarding/lunch and school fund payments	7 (b)	170,576,348	123,518,556
Total payments		203,106,448	145,749,637
Net cash inflow/outflow from operating activities		3,719,236	4,034,603
Cash flow from investing activities			
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		3,719,236	4,034,603
Cash and cash equivalent at beginning of the 2024		8,478,555	4,443,952
Cash and cash equivalent at end of the 2024		12,197,791	8,478,555

The above presentation of the cash flow statement uses the direct method of cash flow presentation.

The school's financial statements were approved on **Date: 6TH May 2025** and signed by:

.....
Name: Dr. Nduhiu Mathenge

Chair BOM.

Date: 6TH May 2025.

.....
Name: Dr. Silas Mwirigi, OGW
Chief Principal /BOM
Secretary.

Date: 6TH May 2025.

.....
Name: Mr. Stephen Kariuki

Bursar.

Date: 6TH May 2025.

Kagumo High School
Annual 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	E=D/C %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Teaching/learning materials	5,122,975	-	5,122,975	5,122,975	100%
(2) Capitation Grant on Operations					
Electricity water & conservancy	5,080,662	-	5,080,662	2,648,311	52%
Local transport & travel	-	-	-	2,961,113	
Repair maintenance & repair	6,236,646.	-	6,236,646	-	0%
Personal emolument	12,436,555	-	12,436,555	12,568,336	101%
Admin cost	3,713,064	-	3,713,064	1,397,258	38%
Activity	2,714,216	-	2,714,216	2,714,216	100%
(4) Fees Charged on Parents					
Boarding Equipment & store	128,540,200	-	128,540,200	99,386,296	77%
Repairs And Maintenance	6,991,520	-	6,991,520	4,943,160	71%
Local Transport / Travelling	3,828,802	-	3,828,802	2,825,300	74%
Administration Costs	8,304,792	-	8,304,792	6,254,200	75%
Electricity And Water	14,885,324	-	14,885,324	13,584,020	91%
Activity	1,884,876	-	1,884,876	1,257,751	67%
Personal Emolument	13,680,704	-	13,680,704	12,254,300	90%
Total income	213,420,336	-	213,420,336	167,917,236	79%
(6) Expenditure For Tuition					

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
Teaching / Learning Materials	5,080,662	-	5,080,662	4,369,766	86%
(7) Expenditure For Operations					
Electricity water & conservancy	5,080,662.	-	5,080,662	3,060,000	60%
Local transport & travel	-	-	-	1,615,200	
Repair maintenance & repair	6,236,646	-	6,236,646	2,903,300	47%
Personal emolument	12,436,555.	-	12,436,555	8,281,703	67%
Admin cost	3,713,064	-	3,713,064	602,149	16%
Activity	2,714,216	-	2,714,216	200,000	7%
(9) Expenditure For school fund/lunch/boarding					
Boarding Equipment & store	128,540,200	-	128,540,200	132,722,070	103%
Repairs And Maintenance	6,991,520	-	6,991,520	4,957,145	71%
Local Transport / Travelling	3,828,802	-	3,828,802	3,864,200	101%
Administration Costs	8,304,792	-	8,304,792	4,527,300	55%
Electricity And Water	14,885,324	-	14,885,324	7,200,145	48%
Activity	1,884,876.	-	1,884,876	1,054,250	56%
Personal Emolument	13,680,704	-	13,680,704	10,512,300	77%
TOTAL EXPENDITURE	213,378,023	-	213,378,023	185,869,528	87 %

i.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Teaching / Learning Materials	5,122,975	4,721,402
Total	5,122,975	4,721,402

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	12,568,336	5,456,123
Repairs and maintenance	-	4,893,084
Local transport / travelling	2,961,113	3,356,872
Electricity and water	2,648,311	3,356,872
Administration costs	1,397,258	3,356,872
Activities	2,714,216	641,207
Medical	-	41,900.
Music festival hosting	2,749,685	-
CBC classroom	788,040	-
Infrastructure	2,511,970	-
Total	28,338,929	21,102,930

3 School Fund Income - Parents Contribution/Fees

Description	2023-2024	2022-2023
	Kshs	Kshs
Fee on Boarding Equipment and Stores	99,386,296	73,394,274
Personnel emoluments	12,254,300	5,489,899
Repairs and maintenance	4,943,160	31,186,302
Local transport / travelling	2,825,300	7,789,423
Electricity and water	13,584,020	9,983,277
Administration costs	6,254,200	10,502,825
Activity	1,257,751	4,838,844

Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

Description	2023-2024	2022-2023
	KSh	KSh
3(a)Total	-	143,184,844
Cash flow adjustment		
less fees arrears 2023	-	(23,512,794)
Less pre-paid fees 2022	-	(5,279,487)
Sub total	-	114,392,563
Fess arrears recovered	21,668,766	6,241,329
Prepaid fees	11,189,987	3,326,017
3(b)Total	173,363,780	123,959,909
Receipt & payment adjustment		
add fees arrears 2024	11,520,436	-
less pre-paid fees 2024	(11,189,987)	-
less fees arrears paid 2024	(34,627,897)	-
add pre-paid fees 2023	3,849,354	-
3(c) Net Total	142,915,686	123,959,909

4 Tuition

Description	2023-2024	2022-2023
	KSh	KSh
Teaching/learning materials	4,369,766	4,174,500
Bank charges	4,759	8,660
Total	4,374,525	4,183,160

5 Operations

Description	2023-2024	2022-2023
	KSh	KSh
Personal Emoluments	8,281,703	8,344,304
Administration Cost	602,149	653,850
Repairs and maintenance & improvements	2,903,300	6,923,773
Local transport / travelling	1,615,200	-
Electricity and water	3,060,000	1,336,664
Activity Expenses	200,000	787,200
Music festival hosting	2,741,200	-
CBC classroom	748,809	-
Lab equipment	2,500,000	-
Teaching and learning materials	3,500,000	-

Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024**

Lab equipment	2,000,000	-
Bank charges	3,214	-
TOTAL	28,155,575	18,045,791

6. Infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank charges	-	2,130.
Total	-	2,130

7 Boarding And School Fund

Description	2021-2022	2022-2023
Personal emolument	10,512,300	285,833
Repairs and maintenance & Improvements	4,957,145	25,378,867
Local transport / travelling	3,864,200.	6,789,423
Electricity and water	7,200,145	7,387,030
Medical Expenses/insurance	1,016,000	-
Administration	4,527,300	10,477,286
Activity	1,054,250	3,459,940
Board Equipment & stores	132,722,070	71,548,582
7(a)Total	-	125,326,961
Cash flow adjustments		
less sundry creditors 2023	-	(4,722,938.)
Sub total	-	120,604,023
Creditors paid	4,722,938	2,914,533
7(b)Total	170,576,348	123,518,556
Receipt & payment adjustment		
add sundry creditors	7,097,496	-
less creditors paid	(4,722,938)	-
7(c)Net Total	172,950,906	123,518,556

8. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2022	2022-2024
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1101890789	1,289,101	540,650
Operations Account	Active	1101892943	3,378,451	3,197,897
School fund- KCB	Active	1101878959	1,762,469	2,532,111
School fund -Equity	Active	0110295367739	1,949,053	2,139,043
School fund -ABSA	Active	2029792693	560,962	17,127
School fund-Co-operative	Active	01100653205001	3,185,979	-
Infrastructural Account	Active	1135521670	28,177	28,177
Total			12,154,191	8,455,005

Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024****9 Cash In Hand**

Description	2023-2024 Kshs	2022-2023 Kshs
Notes and coins	43,600	23,550
Total	43,600	23,550

10 Accounts Receivable

Description	2023-2024 Kshs	2022-2023 Kshs
Fees Arrears	33,188,696	56,296,157
Total	33,188,696	56,296,157

10 b) Ageing Analysis of Accounts Receivable

Description	2023-2024 Kshs		2022-2023 Kshs	
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	11,520,436	35%	23,512,794	42%
Between 1- 2 years	2,522,564	8%	22,632,288	40%
Between 2-3 years	15,716,156	47%	10,151,075	18%
Over 3 years	3,429,540	10%	-	-
Total (should tie to note 10 a)	33,188,696	100%	56,296,157	100%

11 Accounts Payable

Description	2023-2024 Kshs	2022-2023 Kshs
Trade Creditors (See Ageing Below and Appendix 1)	7,097,496	4,722,938
Prepaid Fees	11,189,987	3,849,354
Total	18,287,483	8,572,292

11a. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	KShs	KShs	KShs	KShs
	2023-2024	% of the total	2022-2023	% of the total
Less than 1 year	7,097,496	100%	4,722,938	100%
Between 1- 2 years	4,722,938	-	-	-
Between 2-3 years	-	-	-	-
-Over 3 years	-	-	-	-
L-ess creditors paid	(4,722,938)	-	-	-
Total (should tie to note 11)	7,097,496	100%	4,722,938	100%

12 Fund Balance Brought Forward

Description	2023-2024		2022-2023	
	KShs	KShs	KShs	KShs
Bank Balances	8,455,005		4,371,532	
Cash Balances	23,550		72,420	
Receivables	56,296,157		39,024,692	
Payables	(8,572,292)		(8,717,356)	
Total	56,202,420		34,751,288	

Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024****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.

13 Biological assets

Description	Number	2023-2024	2022-2023
		Kshs	Kshs
Cattle	-	-	-
Goats	-	-	-
Trees	1914	1,531,200	
Coffee Or Tea Plantation	-	-	-
Poultry	-	-	-
Others (specify)	-	-	-
Total		1,531,200	-

14 Stock/ Inventory

Description	2023-2024	2022-2023
	KSh	KSh
Food stuffs	2,821,886	-
Lab consumables	836,952	-
Farm produce	-	-
Medication	357,587	-
Stationery	219,720	-
		-
Total	4,236,145	-

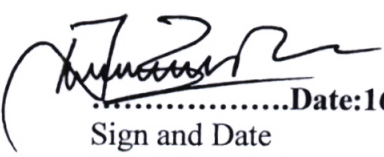
NB. Stocks to be valued at net realisable value.

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

Kagumo High School**Annual Report and Financial Statements For the year ended 30th June 2024****15 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)
1	Unsupported bank balances	Bank reconciliation statement has been prepared and the bank balance certificates availed for verification.	Resolved	1 month
2	Long outstanding account receivables	The management resolved to write a request letter to the ministry of education to be allowed to write off long outstanding irrecoverable fees arrears	Not resolved	1 year
3	Irregular transfer of funds to Kenya secondary school heads association	The school management resolved that it will make the follow up from the ministry education	Not resolved	1 year
4	Excess supply of text books	The school management has no control on the supply of text books, since this is done by the ministry of education.	Not resolved	Beyond school management time frame
5	Lack of internal audit and audit committee	The school management will enhance the audit committee to be active.	Resolved	1 year



.....Date:16th April 2025

Sign and Date
Chief Principal

9. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Amount Paid To Date	Outstanding Balance 2022-2023	Outstanding Balance 2023-2024	Comments
	KShs	KShs	KShs	KShs	
Supply Of Goods					
1. Zaka capital Enterprises	8,545,325	4,045,075	4,500,250		
2. Ngewa stores	1,728,361	500,000	1,258,361		
3 Kenya power and lighting			415,155		
4.Nyewasco ltd			654,200		
5.Medi one Pharmacy.			269,530.		
Sub-Total					
Grand Total	10,273,686	4,545,075	7,097,496		

Annex 2 – Summary of Fixed Assets Register

Kagumo High School
Annual Report and Financial Statements For the year ended 30th June 2024

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	352,800,000	-	-	352,800,000
Buildings And Structures	248,993,000	-	-	248,993,000
Motor Vehicles	8,300,000	-	-	8,300,000
Office Equipment, Furniture and Fittings	8,790,000	-	-	8,790,000
Textbooks	5,415,200	300,150	-	5,115,150
ICT Equipment	2,700,000	-	-	2,700,000
Tools And Apparatus	967,550	103,250	-	864,300
Other Machinery and Equipment	4,358,400	-	-	4,358,400
Heritage And Cultural Assets	145,000	-	-	145,000
Intangible Assets- Soft Ware	840,000	-	-	840,000
Total	633,309,150	403,400	-	633,712,550

(The school should ensure that a detailed fixed assets register is maintained).