

REPUBLIC OF KENYA




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REPORT

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DATE:	12 JUN 2025
	DAY: THURSDAY
TABLED BY:	MOTI-NAOMI WAGU, DEPUTY CHIEF WHIP
CLERK-AT THE-TABLE:	ANITA SHIBUKO

THE AUDITOR-GENERAL

ON

VIHIGA FRIENDS HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

VIHIGA COUNTY



OFFICE OF THE AUDITOR GENERAL
RECEIVED
P. O. BOX 1105, KISUMU



VIHIGA FRIENDS 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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1. Acronyms and Definition of Key Terms

Acronyms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSF	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

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 located in VIHIGA County, VIHIGA Sub-County

The school was registered in **05/1964** under registration number **GP/A/5008/07** and is currently categorized as an **Extra County** public school established, owned or operated by the Government

(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	Mr. Charles Omware	Chairman	14/03/2022
2	Mr. Daniel J. Mwachi	Secretary - Principal	14/03/2022
3	Mr. Kennedy Okila	P.A. Chairman	14/03/2022
4	Mrs. Grace adero	Member	14/03/2022
5	Mrs. Fanice Odera	Member	14/03/2022
6	Mr. Tom Onacha Kisia	Member	14/03/2022
7	Mrs. Alice K. Onacha	Member	14/03/2022
8	Prof. Egara Kabaji	Member – Rep CEB	14/03/2022
9	Mr. Edward Masika	Member Rep Teachers	14/03/2022
10	Mr. Amin Juma	Parents Rep	14/03/2022
11	Mrs. Mary Ogada	Members - Sponsor	14/03/2022
12	Mr. Josphat Otiende	Member - Sponsor	14/03/2022
13	Mrs. Ebby Sagala	Member Special Needs	14/03/2022
14	Dr. Robert Kati	Co-opted Member	14/03/2022
15	Ms. Eunice Lubekho	Co-opted Member	14/03/2022
16	Mr. Benard Busaka	Co-opted Member	14/03/2022

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 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.

Committees of the Board

Committees of the Board established by the Board and the names of the committee member

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Charles Omware Daniel J. Mwachi Kennedy Okila Grace Adero Alice Onacha	Chairman Secretary Member Member Member	2
2	Audit Committee	Egara Kabaji Daniel J. Mwachi Fanice Odera Josphat Otiende	Chairman Secretary Member Member	0
3	Finance, Procurement and General Purpose Committee	Robert Kati Daniel J. Mwachi Charles Omware Ebby Sagala Juma Amin	Chairman Secretary Member Member Member	2

4	Academic Committee	Benard Busaka Daniel Mwachi Prof. egara kabaji Edward Masika Kennedy Okila	Chairman Secretary Member Member Member	2
5	Development/SIC Committee	Tom Kisia Daniel Khaemba Daniel J. Mwachi Kennedy Okila Charles Omware Grace adero	Chairman Secretary Member Member Member Member	4
6	Discipline and welfare Committee	Josphat Otiende Daniel Mwachi Kenedy okila Alice Onacha Eunice Lubekho	Chairman Secretary Member Member Member Member	2
7	Adhoc Committee	Wakhu Goodrick Mary Musau Mavutsi Alexander	Chairman Secretary Member	3

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	Daniel J. Mwachi	TSC No. 306494
2	Deputy Principal- Administration	Daniel Khaemba	TSC No. 390463
3.	Deputy Principal- Academics	Wangalwa Alexander	TSC No. 440829
4.	School Bursar	Patrick C. Mbayagi	ICPAK No. ASSOC 3326

(c) Schools contacts

Post Office Box: 140, Maragoli
 Telephone: 0717582574
 E-mail: vihigaschool@gmail.com
 Website: www.vihigaboys.ac.ke
 Facebook:
 Twitter:

(d) School Bankers

The school operated 7 number of bank accounts in the following banks:

1. Name of Bank: KCB
 Branch: Mbale
 Account Number: 1102382272 – B.E.S. account
2. Name of Bank: KCB
 Branch: Mbale
 Account Number: 1102382116 – Operations account
3. Name of Bank: KCB
 Branch: Mbale
 Account Number: 1102368237 – Tuition account
4. Name of Bank: KCB
 Branch: Mbale
 Account Number: 1282360744 – Income Generating account

5. Name of Bank: KCB
Branch: Mbale
Account Number: 1277873321 – Service Gratuity account

6. Name of Bank: KCB
Branch: Mbale
Account Number: 1240065159 – Project Management Committee account

7. Name of Bank: Equity
Branch: Mbale
Account Number: 0960294579786 – School Infrastructure account

(e) Independent Auditors

Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
01000100
Nairobi, Kenya

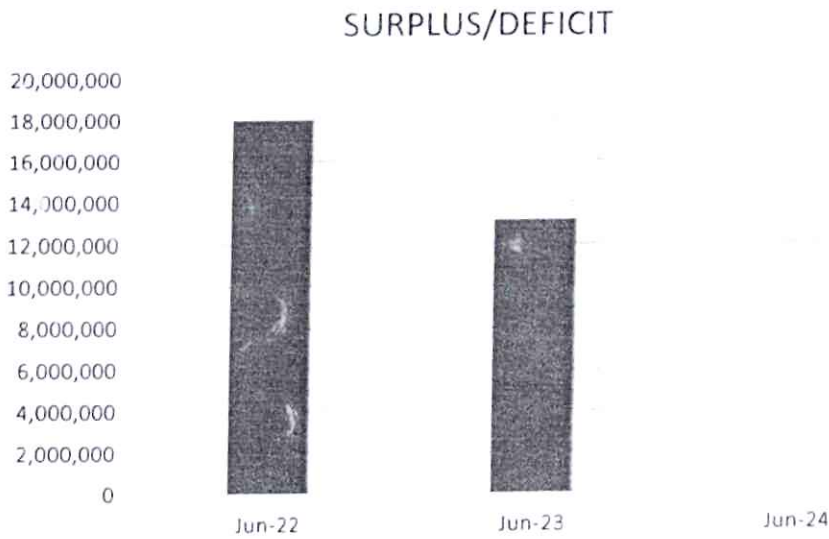
(a) **Summary Report of Performance of The School**

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

a) Financial performance:

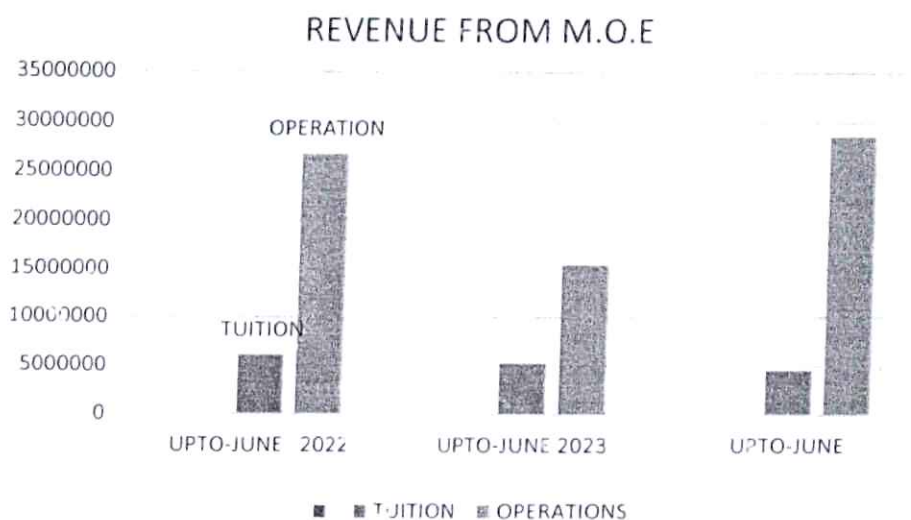
Surplus / deficit analysis

YEAR	JUNE 2022	JUNE 2023	JUNE 2024
SURPLUS/DEFICIT	17,986,407	13,170,316	28,003



Capitation Grants from M.O.E. for the last three years

YEAR	UPTO-JUNE 2022	UPTO-JUNE 2023	UPTO-JUNE 2024
TUITION	6,110,952	5,292,189	4,584,268
OPERATIONS	26,724,702	15,449,891	16,661,150



Ratio of capitation grant per student over the last three years;

YEAR	2021/2022	2022/2023	2023/2024
CAPITATION	1:17,720	1:14,835	1:17,472

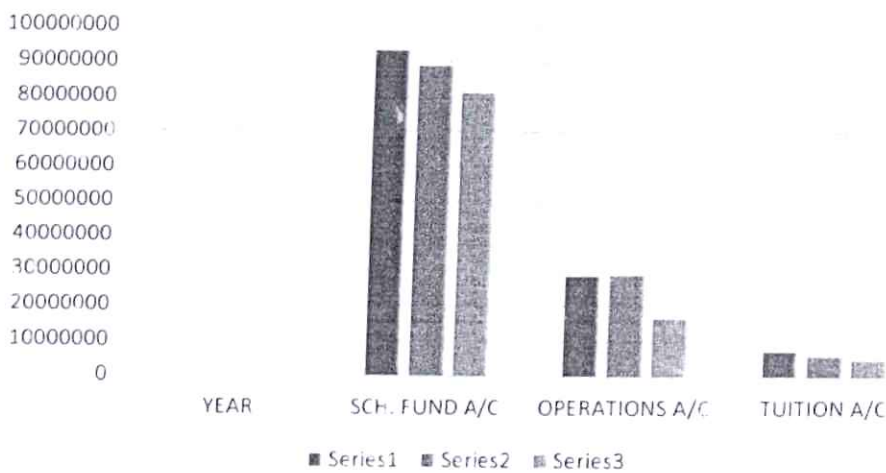
A three-year overview of growth of other income(s) earned by the school

YEAR	PARENTS FEES	HOUSE RENT	FARM INCOME	BAKERY	BUS HIRE	SALE OF SCRAP METAL
2022	91,110,780	79,550	440,348	14,000	103,000	169,150
2023	104,299,858	63,650	193,170	-	103,000	-
2024	81,903,464	37,200	26,450	-	464,000	-

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

YEAR	SCH. FUND A/C	OPERATIONS A/C	TUITION A/C	INFRASTRUCTURE A/C	TOTAL
2022	93,282,413	28,665,752	7,447,991		129,396,156
2023	88,880,686	28,928,866	6,038,274	14,653,858	124,847,826
2024	81,187,921	16,602,749	5,132,066	9,720,665	112,643,400

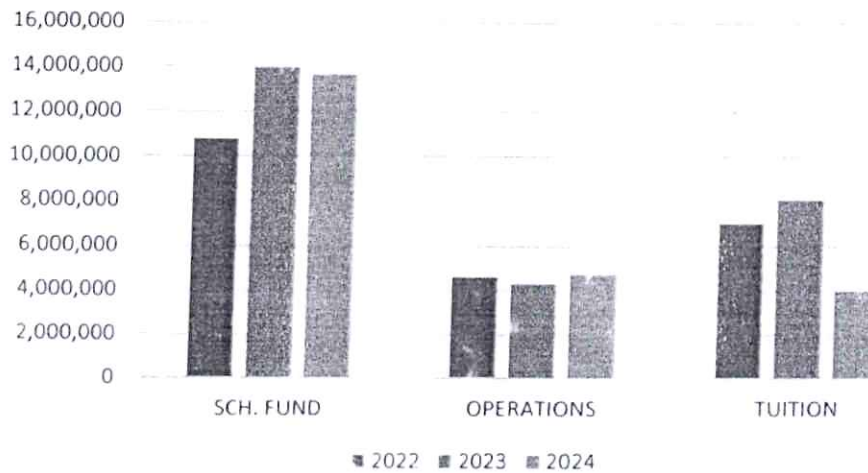
Chart Title



Movement of creditors of the school over the last three years

YEAR	TOTAL
2022	22,438,268
2023	39,613,120
2024	51,794,253

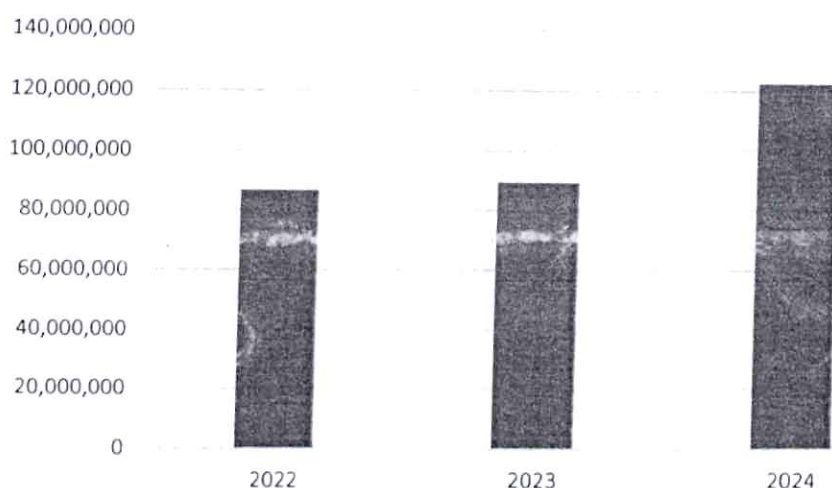
CHANGES IN CREDITORS FOR 3 YEAR PERIOD



Movement of debtors of the school over the last three years

YEAR	DEBTORS
2021/2022	86,898,569
2022/2023	111,628,219
2023/2024	122,635,879

DEBTORS



Movement of cash and bank balances over the last three years

ACCOUNTS	2022		2023		2024	
	CASH	BANK	CASH	BANK	CASH	BANK
SCH. FUND	79,605	698,642	21,636	698,642	107,500	(915,913)
OPERATIONS	-	16,388	-	16,388		4,464,135
TUITION	-	3,824	-	3,824		1,319,794
INFRASTRUCTURE		8,258,413		1,124,582		9,968
INCOME GEN.		19,514		246,866		86,770
SERVICE GRATUITY		7,595		119		7,415
PMC ACCOUNT						194,823
TOTAL	79,605	7,188,855	21,636	3,856,559	107,500	5,166,994

b) Teacher Student ratio:

Include the teacher to student ratio – 1: 45

Number of teachers recruited and posted to the school within the year – 0 on TSC and 0 on internship.

Number of teachers that were transferred - 3

And number employed by BOM. - 5

c) The mean score in the 2023 KCSE:

Performance of the school over the last three years

YEAR	MEAN SCORE/GRADE	C+ AND ABOVE	DEVIATION
2023	6.3856 - C	252 out of 555	+0.2849
2022	6.1007 - C+	159 out of 272	0.0889
2021	6.643 - C+	169 out of 342	-0.335

d) Number of Candidates in the 2023 KCSE:

Number of candidates sitting for KCSE over the last three years

YEAR	NUMBER OF CANDIDATES
2023	555
2022	272
2021	342

e) The capacity of the school:

Indicate the number of students in the school is 1957

Number of :-

Dormitories - 10

Dining hall- 1

Toilets- 56 doors

Laboratories- 4


Classrooms 44

f) Development projects carried out by the school:

LIST OF COMPLETED AND INCOMPLETE PROJECTS

2023/ 2024 PROJECTS

NO	PROJECT	Source of funds	Initial cost	STATUS	ACCOUNT
2.	Re-roofing, Additional walling and Painting of kitchen.	RMI – parents contribution	1,800,650	Incomplete	Boarding
3.	24 Door Pit Latrine	P.A contribution	3,800,400	complete	Infrastructure
3.	480 Bed Capacity Dormitory	Ministry of Education M&I	50,326,300	Incomplete	Infrastructure



 School Principal

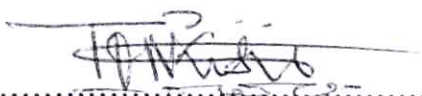
4. Statement of School Management Responsibility

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 *Vihiga Friends 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).

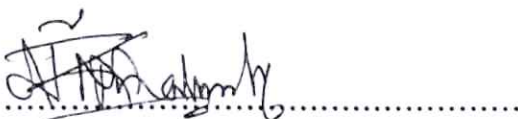
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.



.....
Name: Tom Kisia

Designation: Chairman, School Board of Management

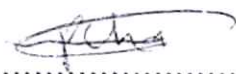
Date: 05/05/2025



.....
Name: Albert K. Masiolo

Designation: School Principal & Secretary to Board of Management

Date: 05/05/2025



.....
Name: Patrick C. Mbayagi

Designation: Bursar/ Finance Officer

Date: 05/05/2025

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON VIHIGA FRIENDS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – VIHIGA 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 Vihiga Friends High School - Vihiga County set out on pages 1 to 24, which comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of

Report of the Auditor-General on Vihiga Friends High School for the year ended 30 June, 2024 – Vihiga County

cash flows and statement of budgeted versus actual amounts for the year ended 30 June, 2024 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 Vihiga Friends High School - Vihiga 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, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Financial Statements

Review of the financial statements revealed the following inaccuracies and anomalies:

- i. Supporting schedules were not provided to support the amounts and balances reflected in the financial statements;
- ii. The amounts in the statement of budgeted versus actual amounts were not supported with approved budget;
- iii. Variances between amounts as per statement of cashflows and Notes;

Component	Note	Amount in the Statement of Cash Flows (Kshs.)	Amount in the Notes (Kshs.)	Variance (Kshs.)
Parents contribution fees	4	75,191,116	81,903,464	6,712,348
Cash outflows for tuition	6	3,946,556	5,132,066	1,185,510
Cash outflows for operations	7	14,143,903	16,602,749	2,458,846
Boarding and school fund payments	9	76,946,456	81,187,921	4,241,465

- iv. Annex 1 on analysis of accounts payables does not disclose the date contracted, amount paid to date and comparative amount of the accounts payable. Further, the annex reflects total payables of Kshs.22,376,751 but Note 14 to the financial statements reflects Kshs.39,285,737, resulting to unexplained variance of Kshs.16,908,986. In addition, the comparative amounts were not disclosed;

- v. Progress on follow up of Auditor-General's recommendations section was not filled.
- vi. The statement of budgeted versus actual amounts had errors as shown below; -
 - a. The statement reflects total expenditure of Kshs.138,605,790 instead of the re-casted amount of Kshs.112,643,400, resulting to unexplained variance of Kshs.25,962,390. Further, the percentage utilization on total expenditure was not disclosed;
 - b. The statement reflects, on page 8, an expenditure of Kshs.3,398,413 in respect of construction of toilets. However, the expense was not budgeted for and the source of funds was not explained or supported;
 - c. The total actual income and percentage utilization were not indicated.

In the circumstances, the accuracy and completeness of the annual report and financial statements could not be confirmed.

2. Accounts Receivables

2.1 Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.122,635,879 as disclosed in Note 13 to the financial statements. This balance relates to students' fees arrears. However, analysis schedules, basis of computation and supporting documents to show arrears for each student were not provided for audit.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.122,635,879 could not be confirmed.

2.2 Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.122,635,879 as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.79,858,682 which had been outstanding for more than two (2) years. However, 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.122,635,879 could not be confirmed.

3. Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.51,794,253 as disclosed in Note 14 to the financial statements. However, the detailed aging analysis, delivery notes, local purchase orders/local service orders, requisitions and unpaid invoices were not provided on creditors amounting to Kshs.16,908,986.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.51,794,253 could not be confirmed.

4. Unconfirmed Cash and Cash Equivalents

The statement of assets and liabilities reflects bank balance of Kshs.5,166,994 as disclosed in Note 10 to the financial statements. The balance is net of overdraft balance of Kshs.915,913 in one (1) bank account. However, this was contrary offset to Section 28(4) of the Public Finance Management Act, 2012 which states that 'an accounting officer for a national government entity shall not cause a bank account of the entity to be overdrawn beyond the limit authorised by the National Treasury or a board of a national government entity'.

In the circumstances, the accuracy and completeness of bank balance of Kshs.5,166,994 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Vihiga Friends 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.122,217,600 and Kshs.111,284,287 respectively, resulting to an under-funding of Kshs.10,933,313 or 9% of the budget. However, the School spent a balance of Kshs.112,643,400 against actual receipts of Kshs.111,284,287, resulting to an over-utilization of Kshs.1,359,113 or 1% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024.

Other Information

The Management are responsible for the other information set out on page ii to xvi which comprise of Key Entity Information and Management, Summary Report of Performance of the School and 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 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.81,187,921 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.585,750 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.585,750 could not be confirmed.

2. Failure to Prepare a 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 outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

3. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 21 January, 2025 instead of the statutory deadline of 30 September, 2024. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2024 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

4. Long Outstanding Payables

The statement of assets and liabilities reflects payables balance of Kshs.51,794,253 as disclosed in Note 14 to the financial statements. However, included in the balance are trade payables balance of Kshs.16,908,986 which had been outstanding for more than one (1) year. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

5. Irregular Transfer of Infrastructure Funds from Operations Bank

The statement of receipts and payments reflects infrastructure grants amount of Kshs.7,243,400 as disclosed in Note 3 to the financial statements from the Ministry of Education credited in the operations bank account. Infrastructure grants which were to be

transferred to infrastructure bank account for maintenance and improvement of the school's facilities were transferred after 15 days of receipt in operations account. This was contrary to The Ministry of Education Circular Ref. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

6. Non-Compliance with the Requirements of Audit Committee Meetings

Review of the board minutes revealed that the Audit Committee did not meet during the year under review, contrary to Regulation 179(1) of the Public Finance Management (National Government) Regulations, 2015 which provides that the Audit Committee shall meet at least once in every three months.

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

7. Unapproved Fees on Parents Association Support Programme

The statement of receipts and payments reflects miscellaneous income amount of Kshs.2,279,121 as disclosed in Note 5 to the financial statements. Included in the amount was PA Support Programme amount of Kshs.1,374,866 which was not approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on Guidelines on implementation of Free Day and Secondary Education programme which stipulates that parent will only pay for school uniforms, boarding related costs as reflected in the boarding fees structure and lunch for the day scholars.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my

report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.491,255,823 in respect of fixed assets which includes two parcels of land with a balance of Kshs.18,000,000. However, the land ownership documents were not provided for audit.

In the circumstances, the ownership of the land could not be confirmed.

2. Lack of Risk Management Policy

Review of the records provided for audit revealed that the School Management had not established a Risk Management Policy. This was contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which states that 'the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism and, a system of risk management and internal control that builds robust business operations'.

In the circumstances, Management was in breach of the law and was therefore not in a position to identify risks and develop mitigating strategies.

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain 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 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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, CBS
AUDITOR-GENERAL

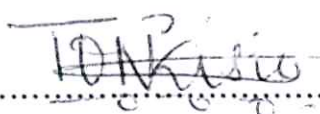
Nairobi

26 May, 2025

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

Description Of Vote Head	Note	2023-2024 K.shs	2022-2023 K.shs
Receipts			
Government grants for tuition	1	4,584,268	5,292,189
Government grants for operations	2	16,661,150	15,449,891
Government Grants for infrastructure	3	7,243,400	7,747,028
School fund income- parents' contributions	4	81,903,464	105,492,566
Miscellaneous incomes	5	2,279,121	4,036,468
Total Receipts		112,671,403	138,018,142
Payments			
Tuition	6	5,132,066	6,038,274
Operations	7	16,602,749	15,275,008
Infrastructure	8	9,720,665	14,653,858
Boarding and school fund	9	81,187,921	88,880,686
Total Payments		112,643,400	124,847,826
Surplus/Deficit		28,003	13,170,316

The school financial statements were approved on 05/05/2025 and signed by:



Name: Tom Kisia


Chair BOM

Date: 05/05/2025



Name: Albert Masiolo
School Principal/ Secretary to
BOM

Date: 05/05/2025



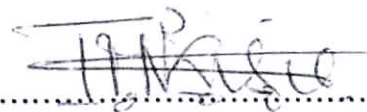
Name: Patrick Mbayagi
Bursar/ Finance Officer

Date: 05/05/2025

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

Description	Net #	2023-2024	2022-2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	5,166,994	4,051,382
Cash balances	11	107,500	21,636
Short term investments	12	-	-
Total cash and cash equivalent		5,274,494	4,073,018
Account's receivables	13	122,635,879	111,628,219
Total financial assets (a)		127,910,373	115,701,237
Financial liabilities			
Accounts payables	14	51,794,253	39,613,120
Total Financial Labilities (b)		51,794,253	39,613,120
Net financial assets (a-b)		76,116,121	75,893,295
Represented by			
Accumulated fund b/fwd	15	76,088,118	62,917,803
Surplus/deficit for the year		28,003	13,170,316
Net Assets		76,116,121	76,088,118

The school's financial statements were approved on 05/05/2025 and signed by:



Name: Tom Kisia

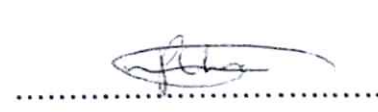
Chair BOM

Date: 05/05/2025



Name: Albert Masiolo
School Principal/ Secretary to
BOM

Date: 05/05/2025



Name: Patrick Mbayagi

Bursar/ Finance Officer


Date: 05/05/2025

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

Description	Note	2023-2024	2022-2023
		Ks.000	Ks.000
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	4,584,268	5,292,189
Government grants for operations	2	16,661,150	15,463,719
Government grants for infrastructure	3	7,243,400	7,747,028
School fund income- parents contributions/ fees	4	75,191,116	83,552,392
Other income	5	2,279,121	4,036,468
Total receipts		105,959,055	116,091,796
Payments			
Cash outflows for tuition	6	3,946,556	4,985,531
Cash outflows for operations	7	14,143,903	14,937,954
Cash outflows Boarding/lunch and school fund payments	9	76,946,456	86,720,239
Total payments		95,036,915	106,643,724
Net cash inflow/outflow from operating activities		10,922,141	9,448,072
Cash flow from investing activities			
Acquisition of assets	8	(9,720,665)	(14,653,858)
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		(9,720,665)	(14,653,858)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		1,201,476	(5,205,787)

Cash and cash equivalent at beginning of the FY		4,073,018	9,278,806
Cash and cash equivalent at end of the FY		5,274,495	4,073,019

The school's financial statements were approved on **05/05/2025** and signed by:



Name: Tom Kisia

Chair BOM

Date: 05/05/2025



Name: Albert Masiolo
School Principal/ Secretary to BOM

Date: 05/05/2025



Name: Patrick Mbayagi

Bursar/ Finance Officer

Date: 05/05/2025

VHIGA FRIENDS 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

Receipts/Expenses/Item	Original Budget Kshs	Adjustments Kshs	Final Budget Kshs	Actual On Comparable Basis Kshs	% Of Utilization =d/c % Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials		-			
Exercise Books		-			
Laboratory Equipment		-			
Internal Exams		-			
Teaching / Learning Materials	8,288,000	-	8,288,000	4,584,268	55%
Exams And Assessment		-			
(2) Capitation Grant on Operations					
Personnel Emoluments	11,510,000	-	11,510,000		0
Repairs And Maintenance	10,000,000	-	10,000,000		0
Local Transport / Travelling	3,666,000	-	3,666,000		
Electricity And Water	1,480,000	-	1,480,000		
Other voteheads				12,038,077	
Medical	4,000,000	-	4,000,000	1,555,050	38%
Administration Costs	2,144,000	-	2,144,000		
Activity	3,000,000	-	3,000,000	1,491,582	49%
CBC Classes				1,576,440	
Gratuity	901,690	-	901,690		0
TOTAL	36,701,690	-	36,701,690	16,661,150	45%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	a+b	d	c=d/a %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement MoE	10,000,000	-	10,000,000	7,243,400	72%
M&I parents' contribution	2,000,000	-	2,000,000	-	
Economic Stimulus Programs	-	-	-	-	
Transition Infrastructure Grants	-	-	-	-	
Administration Block	-	-	-	-	
(4) Fees Charged on Parents					
Personnel Emoluments	8,000,000	-	8,000,000	6,354,469	79%
Repairs And Maintenance	2,000,000	-	2,000,000	2,982,956	149%
Local Transport / Travelling	2,500,000	-	2,500,000	2,016,239	80%
Electricity And Water	8,000,000	-	8,000,000	6,284,819	78%
Medical	-	-	-	-	
Administration Costs	7,300,000	-	7,300,000	5,658,326	77%
Activity	500,000	-	500,000	424,205	84%
SMASSE	-	-	-	-	
Fee On Boarding Equipment and Stores	50,770,000	-	50,770,000	58,182,450	114%
TOTAL	79,070,000		79,070,000	81,903,464	104%
5) Miscellaneous Income					
Waste papers		-	-	51,500	
Rent income	129,600	-	129,600	37,200	28%
Income From Farming Activities	380,000	-	380,000	26,450	6%

VHIGA FRIENDS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipts/Expenses/Item	Original Budget Kshs	Adjustments Kshs	Final Budget Kshs	Actual Or Comparable Kshs	% Of Utilization Kshs
KMF Village				80,000	
Sale of booklets		-		21,600	
Income From Bus Hire	120,000	-	120,000	464,000	386%
Fee For Hire of Ground and Equipment	80,000	-	80,000	17,000	21%
Damages incorre		-		194,255	
Income From Hakey	350,000	-	350,000		
Total Income	122,217,600		122,217,600		
(6) Expenditure For Tuition					
Textbooks		-			
Reference Materials		-			
Exercise Books	2,998,100	-	2,998,100	200,000	6%
Laboratory Equipment	2,000,000	-	2,000,000	1,778,445	88%
Internal Exams		-			
Teaching / Learning Materials	858,250	-	858,250	2,941,940	342%
Chalks		-			
Exams And Assessment	6,477,750	-	6,477,750	207,900	3%
Teachers Guides		-			
Administration Costs		-			
Bank Charges		-		3,780	
TOTAL	12,334,100	-	12,334,100	5,132,066	42%

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

Receipt/Expenses Item	Original Budget Kshs	Adjustments Kshs	Final Budget Kshs	Actual On Comparable Basis Kshs	% Of Utilization =d/c % Kshs
(7) Expenditure For Operations					
Personnel Emoluments	11,510,000	-	11,510,000	7,465,027	64%
Repairs, Maintenance & Improvements	10,000,000	-	10,000,000		0
Local Transport / Travelling	3,666,000	-	3,666,000	2,795,366	76%
Electricity, Water and Conservancy	1,480,000	-	1,480,000	376,515	25%
Medical	4,000,000	-	4,000,000	237,800	5%
Administration Costs	4,144,000	-	4,144,000	4,005,739	96%
Activity Expenses	3,000,000	-	3,000,000	205,750	6%
Bank charges	-	-	-	10,042	
CBC Classes	-	-	-	1,508,510	
TOTAL	37,800,000	-	37,800,000	16,602,749	44%
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	290,200	
Construction of 24- Door Toilets	-	-	-	3,398,413	
Construction of DORMS 480 capacity	8,500,000	-	8,500,000	5,937,684	69%
Purchase of furniture	-	-	-	-	
Purchase of equipment	-	-	-	-	
Bank Charges	-	-	-	5,667	
TOTAL	8,500,000	-	8,500,000	9,720,664	114%

VIHIGA FRIENDS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expense Item	Original Budget		Adjustments		Final Budget		Actual On Comparable Basis		% of Utilization
	KShs	KShs	KShs	KShs	KShs	KShs	KShs	KShs	
(9) Expenditure For school fund/lunch/boarding									
Personel Emoluments	8,000,000	-	8,000,000	-	11,101,388	138%			
Repairs, Maintenance and Improvements	2,000,000	-	2,000,000	-	3,252,289	162%			
Local Transport / Travelling	2,500,000	-	2,500,000	-	5,605,019	224%			
Electricity, Water and Conservancy	8,000,000	-	8,000,000	-	2,555,864	31%			
Medical Expenses	-	-	-	-	305,400				
Administration Costs	7,300,000	-	7,300,000	-	15,688,635	214%			
Activity	500,000	-	500,000	-	2,519,795	503%			
Gratuity	901,690	-	901,690	-	664,040	73%			
Uniform Expenses	-	-	-	-	61,850				
Boarding Equipment and Stores	50,770,000	-	50,770,000	-	38,517,476	75%			
Loss and Damages	-	-	-	-	54,600				
Farm	-	-	-	-	102,100				
Bus Hire	-	-	-	-	173,000				
Refunds	-	-	-	-	526,575				
Bank Charges	-	-	-	-	59,889				
Loan Interest Repayment	-	-	-	-	-				
Loan Principal Repayment	-	-	-	-	-				
Acquisition Of Assets	-	-	-	-	2,500,000				
Totals	79,971,690	-	79,971,690	-	81,187,921	102%			
GRAND TOTAL EXPENDITURE	138,605,790		138,605,790		138,605,790	102%			

VIHIGA FRIENDS HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

- i) For boarding account receipts and Expenditure highlight under utilization because all fees are not received in full, there are some arrears
- ii) School accounts have been prepared on modified CASH basis. i.e. school debtors and Creditors have been incorporated into the financial statements
- iii) Tuition Total receipts utilization of 45%, Highlight an underutilization of 55%. This is due to the dwindling government capitation. The budget was made on the assumption of 100% capitation, of which a total of 55% was not received with other Tuition Funds being retained by the government for the supply of Textbooks and SEMASSSE programmes.
- iv) Operation Total receipts utilization of 45%, Highlight an underutilization of 55%. This is due to the dwindling government capitation. The budget was made on the assumption of 100% capitation, of which a total of 55% was not received
- v) Infrastructure Total receipts utilization of 72%, Highlight an underutilization of 28%. This is due to the dwindling government capitation. The budget was made on the assumption of 100% capitation, of which a total of 55% was not received
- vi) School fund Total receipts utilization of 104%, Highlight an overutilization of 4%. This is due to the Less capitation received by the school
- vii) School fund payment shows overutilization for Various items eg. personal Emolument 138%, Local transport and travel 224%. This is because of incorporation of creditors and Fees arrears in the financial statement

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	4,584,268	5,292,189
Others (<i>specify</i>)*	-	-
Total	4,584,268	5,292,189

2 Government Grants for Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	-	13,600
Repairs And Maintenance	-	-
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	1,555,050	389,900
Administration Costs	-	-
Activity	1,491,583	1,086,438
Other Vote Heads (Personal Emoluments, Electricity And Water, Administration Costs)	12,038,077	13,959,953
CBC Classes	1,576,440	-
Total	16,661,150	15,449,891

3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	Kshs	Kshs
Maintenance & Improvement	7,243,400	7,741,000
Transition infrastructure grants	-	
Administration Block	-	
Economic stimulus grants	-	6,028
Other (specify)(NGCDF and County govt.		
Total	7,243,400	7,747,028

4 School Fund Income - Parents Contribution/Fees

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	6,354,469	8,351,172
Repairs and maintenance	2,982,956	3,716,242
Local transport / travelling	2,016,239	2,466,498
Electricity and water	6,284,819.00	9,154,416
Medical		
Administration costs	5,658,326.00	7,922,908
Activity	424,205	657,315
Fee on Boarding Equipment and stores	58,182,450	72,031,307
PA Levies*		1,192,708
Others (specify)		
Total	81,903,464	105,492,566

5 Miscellaneous Incomes

	2023-2024	2022-2023
	Kshs	Kshs
Rent Income	37,200	43,400
Income From Farming Activities	26,450	193,170
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire	464,000	103,000
Fee For Hire of Ground and Equipment	17,000	
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income -Sale of booklets	21,600	
KMF Village	80,000	1,384,148
PA account	1,374,866	1,192,708
Uniform Income	12,250	200,100
Income from IGA Account		1,485,500
Income From Service Gratuity		485,500
Loss Recovery		141,650
Damages fee	194,255	
Waste Paper sale	51,500	
Total	2,279,121	4,036,468

6 Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Exercise Books	200,000	
Textbooks		
Reference materials		
Laboratory Equipment	1,778,445	1,405,913
Teaching / Learning Materials	2,941,940	4,146,980
Exams And Assessment	207,900	478,120
Teachers Guides		
Bank Charges	3,781	7,261
Others (<i>specify</i>)		
Total	5,132,066	6,038,274

7 Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	7,465,027	7,894,894
Service Gratuity	-	176,135
Administration Cost	4,003,739	4,074,602
Repairs And Maintenance & Improvements	-	732,200
Local Transport / Travelling	2,795,366	872,034
Electricity And Water	376,515	596,747
Medical	237,800	33,750
Activity Expenses	205,750	883,740
Insurance Cost	-	
CBC Classes	1,508,510	
Bank Charges	10,042	10,906
Total	16,602,749	15,275,008

8 Infrastructure

Description	2023-2024 Kshs	2022-2023 Kshs
Construction of classrooms	290,200	721,780
Construction of 24 -door Toilet	3,398,413	
Construction of dormitory (480 Capacity Dormitory)	5,937,684	13,324,099
Purchase of furniture	-	
Purchase of equipment	-	
Purchase of apparatus	-	
Drilling of boreholes		
Renovations	88,700	
CBC Classrooms		600,000
Bank Charges	5,667	7,979.40
Total	9,720,664	14,653,858.40

9 Boarding And School Fund

Description	2023-2024 Kshs	2022-2023 Kshs
Personnel Emoluments	11,101,388	8,509,156
Service Gratuity A/C		604,625
Repairs And Maintenance & Improvements	3,252,289	3,795,166
Local Transport / Travelling	5,605,019	5,478,605
Electricity And Water	2,555,864	3,561,955
Medical Expenses	305,400	458,270
Administration Costs	15,688,635	11,004,419
Lunch Programme		
Bank Charges	59,889	30,763
Expenses On Income Generating Activities**	-	1,777,318
Fee On Boarding Equipment and Stores	38,517,476	46,766,677
Rent Expenses	-	
Insurance Cost (Life Property)	-	161,741
Loan Principal Repayment	-	
Loan Interest Repayment	-	
Bus Hire	173,000	
PA expenses	-	
Others (specify)	-	
Bus Hire		40,000

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Farm	102,100	155,050
KMF Village		1,078,630
Uniform Expense	61,850	206,275
Terrazzo Flooring		1,712,127
Refunds	526,575	254,319
Activity	2,519,795	2,800,090
Service Gratuity	664,040	485,500
Loss and Damages	54,600	
Total	81,187,921	88,880,686

10 Bank Accounts

Account Name (Current)	Status	Bank Account Number	2023-2024 Kshs	2022-2023 Kshs
	Active/Dormant			
Tuition Account	Active	1102368237	1,319,794	382,082
Operations Account	Active	1102382116	4,464,135	2,012,997
School Fund Account/Boarding	Active	1102382272	(915,913)	89,912
Savings Account	Active	1277873321	7,415	119
Income Generating Activities Account	Active	1282360744	86,770	246,866
Infrastructural Account	Active	0960294579786	9,968	1,124,582
PMC Account	Dormant	1240065159	194,828	194,823
Total			5,166,994	4,051,382

11 Cash In Hand

Description	2023-2024 Kshs	2022-2023 Kshs
Notes and Coins	107,500	21,636
Total	107,500	21,636

12 Short Term Investments

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

13 Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
Fees Arrears	121,417,213		110,382,653	
Other Non-Fees Receivables				
Salary Advances (list/schedule attached)	74,700		74,700	
Imprest (list/schedule attached)				
Rent arrears (list/schedule attached)	737,650		764,550	
NSSF	345,949		345,949	
KUDHEIHA Workers	200		200	
PAYE	2,518		2,518	
HELB	36,863		36,863	
Union Dues	20,786		20,786	
Total	122,635,879		111,628,219	

13 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	18,115,331	15%	30,523,971	27%
Between 1- 2 years	23,443,200	20%	13,586,725	12%
Between 2-3 years	79,858,682	65%	66,271,957	60%
Over 3 years		%		%
Total (should tie to note 13 a)	121,417,213	100%	110,382,653	100%

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14 Accounts Payable

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	39,285,737	31,399,917
Prepaid Fees	7,155,657	2,860,345
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money	835,463	835,463
NHIF	1,780,238	1,780,238
Cooperative	2,718,232	2,718,232
Pocket Money	18,925	18,925
Total	51,794,252	39,613,119

14a. Ageing Analysis of Accounts Payable

Description	2023-2024		2022-2023	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	22,376,751	57%	19,899,841	63%
Between 1- 2 years	5,408,911	13%	6,088,670	19%
Between 2-3 years	11,500,075	30%	5,411,405	17%
Over 3 years		%		%
Total (should tie to note 14)	39,285,737	100%	31,399,917	100%

15 Fund Balance Brought Forward

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Balances	4,051,381	9,199,200
Cash Balances	21,636	79,605
Short Term Investments		
Receivables	111,628,219	90,942,773
Payables	29,613,119	37,303,776
Total	76,088,117	62,917,803

Other important disclosure notes

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

16 Non-current Liabilities Summary

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

17 Biological assets

Description	Numbers	2023-2024 Kshs	2022-2023 Kshs
Cattle	4		5
Goats	4		
Trees	96		94
Coffee Or Tea Plantation	-		-
Pou'try	-		-
Calves	0		1
Total	104		100

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

Other important disclosure notes

19 Stock/ Inventory

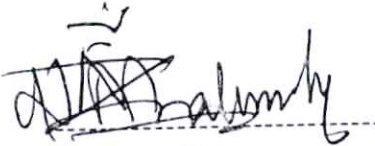
Description	2023-2024	2022-2023
	Kshs	Kshs
Food stuffs	280,320	450,170
Lab consumables	370,500	160,120
Farm produce		
Medication	25800	43000
Construction Materials		-
Others (specify)		-
	676,620	653,290

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20 Progress On Follow Up of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management Comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	NO Report	Issues in the draft report were responded to.	The report for 2022/2023 has been issued in April 2025. the BOM is to sit and discuss it.	


 Sign and Date
 Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Suppliers Of Goods or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance Current FY	Outstanding Balance Carried Over FY	Comments
Construction Of Buildings						
1.						
Sub-Total						
Supply Of Goods						
2. Sundry Creditors – Boarding a/c	12,489,332	1/7/2023		13,647,040		
3. Sundry Creditors – Operations A/c	2,719,670	"		4,735,096		
4. Sundry Creditors – Tuition a/c	3,939,089.	"		3,994,615		
Sub-Total	19,148,091	"				
Supply Of Services						
5. Benard Omung'ya	245,000	"				
6. Sunshine Automobiles	179,662	"				
7. Others See list Attached	506,750	"				
Sub-Total	931,412	"				
Grand Total	19,899,841	"		22,376,751		

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Annex 2 – Summary of Fixed Assets Register

Asset class	Date purchased	Location	Historical Cost (KSh)	Additional during the year (KSh)	Disposals during the year (KSh)	Historical Cost (KSh)
Land 1	1964		15,000,000	0	0	15,000,000
Land 2	1964		3,000,000	0	0	3,000,000
Buildings and structures			400,000,000	12000000	0	412,000,000
Motor vehicles :School Bus School Van	23/3/2016 30/3/2012	school	7,150,000 2,513,823	0 300	0 0	7,150,000 2,513,823
Office equipment, furniture and fittings			34,200,000	0,000	0	37,200,000
ICT Equipment, and Other ICT Assets	2017	Computer lab	1,850,000	1,015,000	0	2,865,000
Tools and apparatus	2018		600,000	0	0	600,000
Textbooks			12,600,000	0	0	12,600,000
Other Machinery and Equipment: Generator 1	2008	school	1,800,000	3,247,000	0	5,047,000
Heritage and cultural assets						
Intangible assets- soft ware: Accounting Program Zeraki Program for exams analysis	2018 2021	Accounts Office Evaluation office	150,000 200,000	80000 0	0 0	230,000 200,000
Total			471,913,823	19,342,000		491,255,823

N/B -School Assets have not been valued by a professional Valuer, this are estimates from the school assets register

