

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 18 JUN 2025	DAY: Wednesday
TABLED BY:	Hon. Owen Baya, MP Deputy Majority Leader
CLERK-AT-THE-TABLE:	h. male

PARLIAMENT  
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**THE AUDITOR-GENERAL**

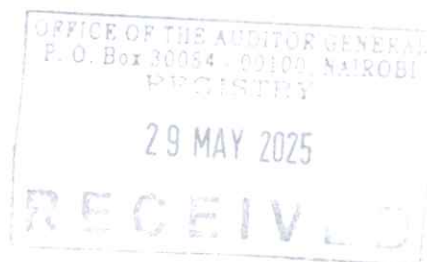
**ON**

**CHAVAKALI HIGH SCHOOL**

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

**VIHIGA COUNTY**

Revised 30<sup>th</sup> June 2024



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**CHAVAKALI HIGH SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> JUNE 2024**

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

**CHAVAKALI HIGH SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2024**

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## I. 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, Sabatia Sub-County

The school was re-registered in March 2020 under registration number **38S00300073** and is currently categorized as a National School.

The school is a boarding school and had **2122** number of students as at *30<sup>th</sup> June 2024*. It has **12 streams** and **93 teachers** of which **30 teachers** are employed by the School Board of Management.

### (b) School Board of Management - Board Members

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

Ref	Name of Board Member	Designation	Date of appointment
1	Mr. Rodgers Mulemi	Chairman	28 <sup>th</sup> May 2022
2	Mr. Edward Wachilonga	Secretary - Principal	28 <sup>th</sup> May 2022
3	Mr. Tom Alex Majani	Member -Rep CEB	..
4	Ms. Emily Kadenyi	Member - PA Chair	..
5	Mrs. Beatrice Agala	Member - Sponsor	..
6	Mr. Francis Omayo	Member - PA	..
7	Eng. Samson Kigen	Member- PA	..
8	Mrs. Lilian Gitau	Member -Community	..
9	Dr. Malweyi Inwani	Member -Community	..
10	Mr. Phelix Opondo	Members - PA Rep	..
11	Dr. Aggrey Lihanda	Member - Community	..
12	Mrs. Mical Wagah	Member -Community	..
13	Ms. Irene Wandia	Member -Teacher Rep	..
14	Ms. Pauline Anyango	Member - PA Rep	..
15	Ms. Milicent Anyango	Member - Special Needs	..
16	Mrs. Peninah Vulimu	Member -Sponsor	..
17	Beatrice Agala	Member - Sponsor	..
18	Mr. Benedict Khayati	D/Principal Acad	..
19	Mr. Evans Mackenzie	D/Principal Admin	..

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**The function of the School Board of Management include:**

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

**(c) Committees of the Board**

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Rodgers Mulemi Mical Wagah Francis Omayo Edward Wachilonga Emily Kadenyi SCDE Benedict Khayati Evans Mackenzie	Chair person Member " " " " " "	4
2	Finance, procurement and general purposes Committee	Felix Opondo Peninah Vulimu Edward Wachilonga Rodgers Mulemi Emily Kadenyi Evans Mackenzie Benedict Khayati	Chair Person Member " " " "	2
3	Academic Committee	Aggrey Lihanda Mical Wagah Edward Wachilonga Tom Alex Majani Emily Kadenyi Benedict Khayati Evans Mackenzie	Chair person Member " " " " "	3
4	SIC Committee	Samson Kigen Rodgers Mulemi Edward Wachilonga Emily Kadenyi CDE/SCDE Beatrice Agala Benedict Khayati	Chair person Member " " " " "	5

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		Evans Mackenzie	"	
5	Discipline and welfare Committee	Francis Omayo Rodgers Mulemi Edward Wachilonga Emily Kadenyi Lilian Gitau Milicent Anyango Evans Mackenzie Benedict Khayati	Chair person Member " " " " " "	5
6	Audit Committee	Tom Alex Majani Aggrey Lihanda Edward Wachilonga Samson Kigen Pauline Anyango Francis Omayo Evans Mackenzie	Chair person Member " " " " "	1

**(d) School operation Management**

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

Ref	Designation	Name	TSC Number
1	Principal	Edward Wachilonga	337993
2	Deputy Principal- Finance & Admin	Evans Mackenzie	314622
3	Deputy Principal- Academics	Benedict Khayati	380239
4	School Bursar	Jared Omunyole (March-June 2023)	CPA -14051



**(e) Schools contacts**

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**For the year ended 30<sup>th</sup> June 2024**



Post Office Box: 144-50300  
Telephone: 0714726527  
E-mail: chavahigh@yahoo.co.uk  
Web site:

**(f) School Bankers**

The following school operated 10 number of bank accounts in the following banks:

1. Name of Bank: KCB Bank  
Branch: Mbale  
Account Number: 1102302228 – Boarding Account  
1102302082 – Tuition Account  
1102309605 - Operations Account  
1110511930 – Savings A/c P.Emoluments  
1110511647 – Savings A/c Service Gratuity  
1255083204 - Parents Association A/c
  
2. Name of Bank: Equity Bank  
Branch: Mbale  
Account Number: 0960297321233 – SIC Account  
0960297321162 – Fees Collection Account - Boarding
  
3. Name of Bank: Cooperative Bank  
Branch: Mbale  
Account Number: 01129471133000 – Fees Collection A/c – Boarding
  
4. Name of Bank: Absa Bank  
Branch: Mbale  
Account Number: 2037268197 – Fees Collection A/c

**(g) Independent Auditors**

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

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**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**a) Financial performance:**

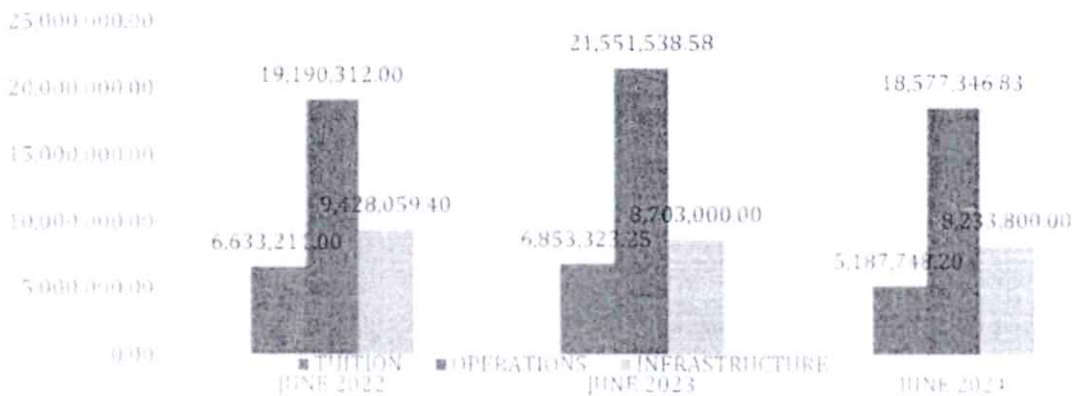
**Surplus and Deficit**

Year	June 2024	-	(25,942,875.04)
Year	June 2023	-	15,344,411.54
Year	June 2022	-	32,366,120.87

**Capitation grants**

	TUITION	OPERATIONS	INFRASTRUCTURE	TOTAL
June 2024	5,187,748.20	18,577,346.83	8,233,800.00	26,811,146.83
June 2023	6,853,323.25	21,551,538.58	8,703,000.00	37,107,861.83
June 2022	6,633,211.00	19,190,312.00	9,428,059.40	35,251,582.40

**CAPITATION GRANTS**



**CHAVAKALI HIGH SCHOOL**  
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**For the year ended 30<sup>th</sup> June 2024**

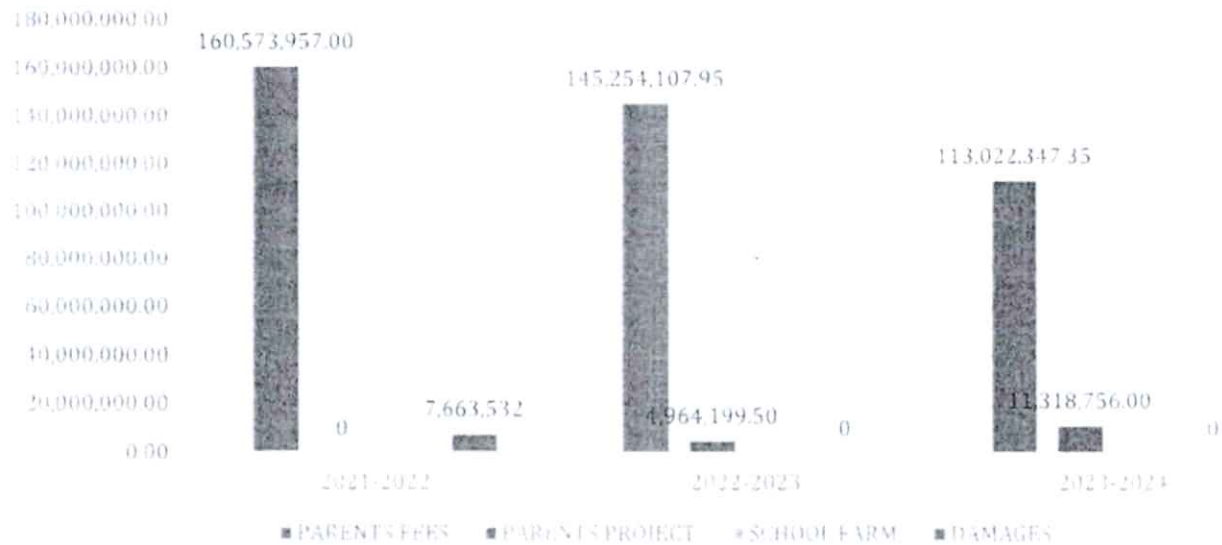
**Ratio of Capitation Grants per Student**

Year 2024	-	26,811,146.83/2122	=Kshs 12,635 per student
Year 2023	-	37,107,861.83/2195	=Kshs. 16,905.63 per student
Year 2022	-	35,251,582.40/2263	=Kshs. 15,577.40 per Student

**Other Income Growth**

YEAR	PARENTS FEES	PARENTS PROJECT	SCHOOL FARM	DAMAGES	TOTAL
2023-2024	113,022,347.35	11,318,756.00	246,050.00	-	124,587,153.35
2022-2023	145,254,107.95	4,964,199.50	-	-	150,218,307.45
2021-2022	160,573,957.00	-	-	7,663,532	168,237,489.00

**OTHER INCOME GROWTH**

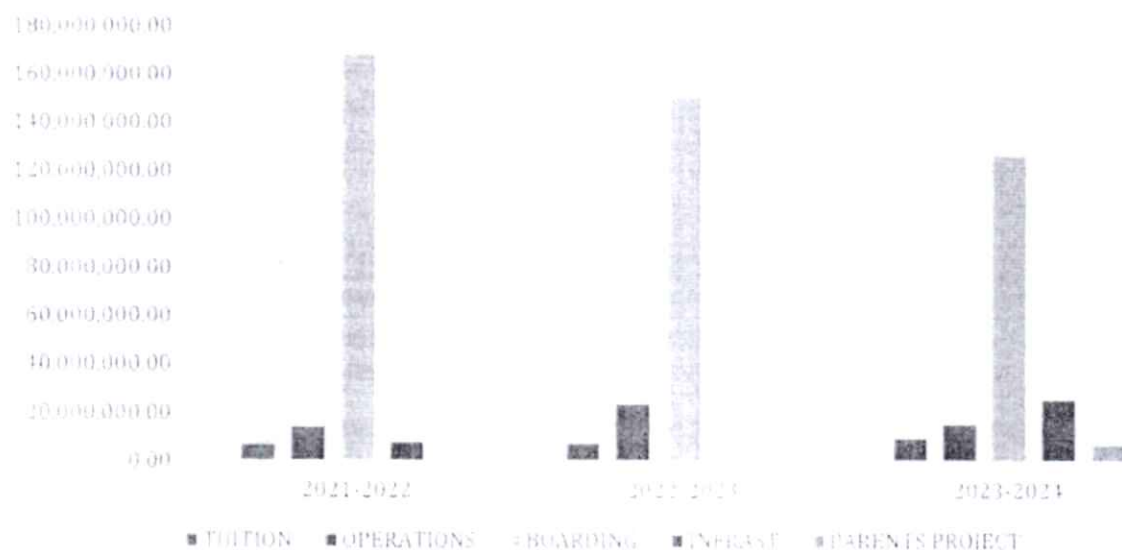


**CHAVAKALI HIGH SCHOOL**  
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**Growth in Expenditure**

YEAR	TUITION	OPERATIONS	BOARDING	INFRAST	PARENTS PROJECT	TOTAL
2023-2024	9,667,759.00	15,526,095.98	141,822,055.44	25,510,892	7,150,700	199,977,502.00
2022-2023	7,547,083.90	23,914,440.13	150,818,784.26	-		182,280,308.19
2021-2022	6,947,301.00	14,375,556.00	168,585,405.50	7,860,216.00		197,768,478.50

**GROWTH IN EXPENDITURE**

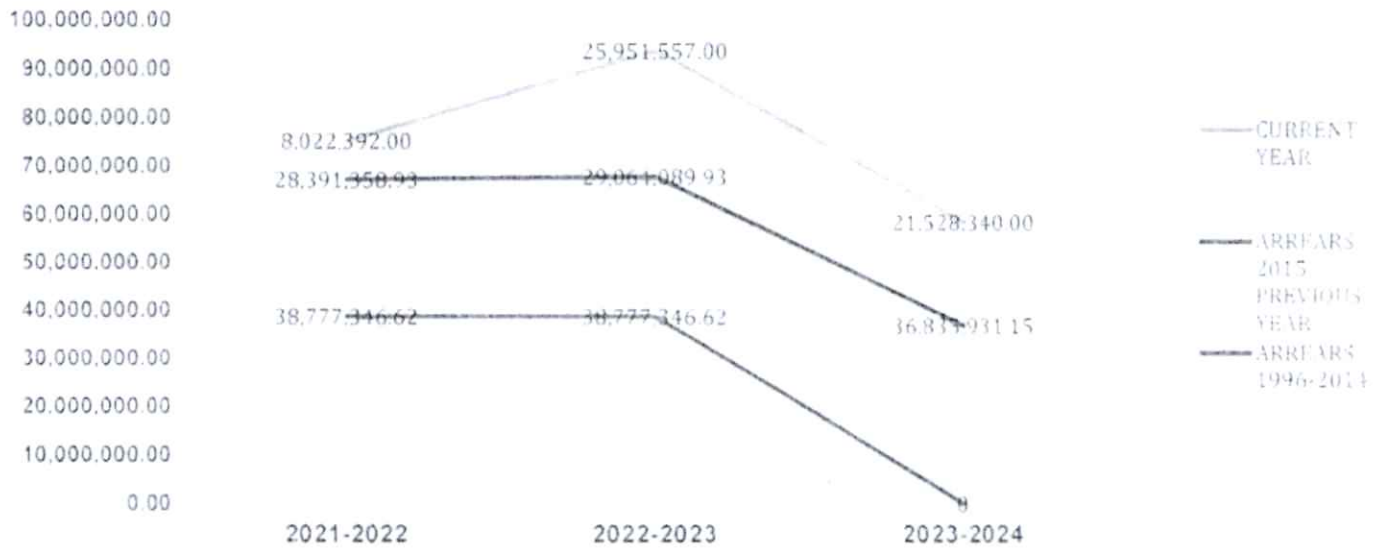


**Movement of Debtors (School Fees Arrears)**

YEAR	ARREARS 1996-2014	ARREARS 2015- PREVIOUS YEAR	CURRENT YEAR	TOTAL
2023-2024	Written Off	36,835,931.15	21,528,340.00	58,364,271.60
2022-2023	38,777,346.62	29,064,089.93	25,951,557.00	93,792,993.55
2021-2022	38,777,346.62	28,391,358.93	8,022,392.00	75,191,097.55

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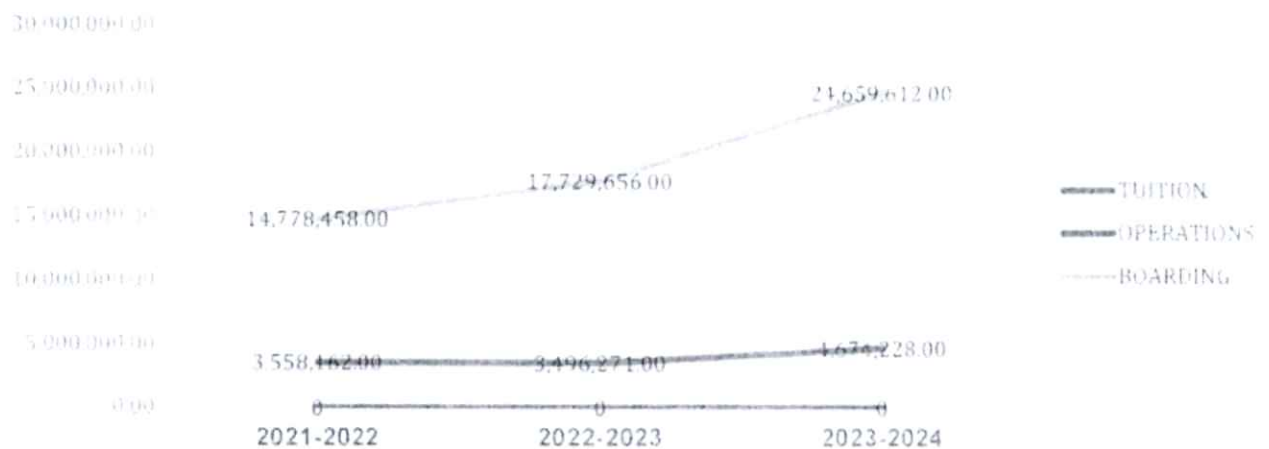
**MOVEMENT OF DEBTORS (SCHOOL FEES ARREAS)**



**Movement of Trade Creditors**

YEAR	TUITION	OPERATIONS	BOARDING	TOTAL
2023-2024	4,674,228.00	-	24,659,612.00	29,333,840.00
2022-2023	3,496,271.00	-	17,729,656.00	21,255,927.00
2021-2022	3,558,162.00	-	14,778,458.00	18,336,620.00

**MOVEMENT OF TRADE CREDITORS**

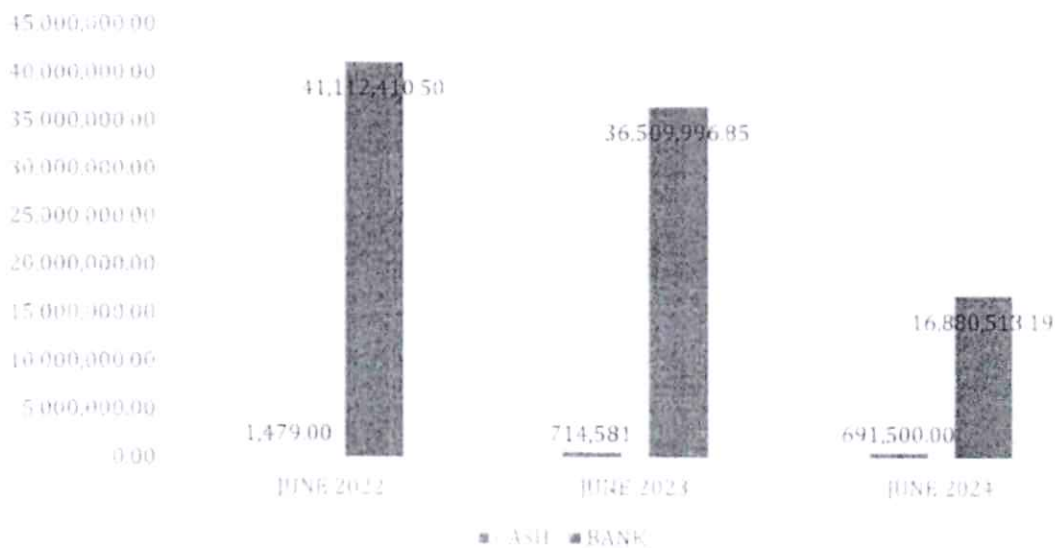


**CHAVAKALI HIGH SCHOOL**  
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**Movement of Cash and Bank Balances**

ACCOUNT	JUNE 2022		JUNE 2023		JUNE 2024	
	CASH	BANK	CASH	BANK	CASH	BANK
TUITION	-	79,610.40	-	329,773.75	-	(43,219.05)
OPERATIONS	1,479.00	7,364,529.42	581.00	847,550.87	-	4,185,656.42
BOARDING A/CS	-	14,018,142.68	714,000	1,288,166.18	691,500.00	2,540,719.37
INFRASTRUCTURE	-	16,309,910.00	-	27,036,190.00	-	2,556,088.00
SERVICE GRATUITY A/C	-	3,340,218.00	-	7,008,316.05	-	7,294,414.05
<b>TOTAL</b>	<b>1,479.00</b>	<b>41,112,410.50</b>	<b>714,581</b>	<b>36,509,996.85</b>	<b>691,500.00</b>	<b>16,533,659.00</b>

**MOVEMENT OF CASH AND BANK BALANCES**



**CHAVAKALI HIGH SCHOOL**  
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**b) Teacher Student ratio:**

Total No. of teachers	-	92		
No. of TSC teachers	-	62		
No. of BOM teachers	-	30		
No. of students	-	2122		
Teacher to student ratio	-	63 : 2122	=	1 : 34

**c) Mean score, candidature and university transition in the 2021, 2022 and 2023 KCSE:**

YEAR	MEAN	DEVIATION	CANDIDATURE	UNIVERSITY ENTRY
2021	8.0098	-0.5447	452	401
2022	7.9121	-0.09	535	417
2023	8.18	+0.27	561	443

**KCSE TREND FROM 2021 - 2023**



**d) Capacity of the school:**

**HAVAKALI HIGH SCHOOL**  
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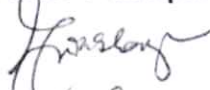
ENROLMENT	FACILITIES				
	CLASSROOMS	DORMITORIES	D/HALL	LABORATORIES	TOILETS, URINALS & WATER POINTS
2122	44	17	1	8	68

**e) Development projects carried out by the school:**

Construction of a 4 storey 20 classrooms tuition block. (Phase I which comprise of ground and 1<sup>st</sup> floor with 10 classrooms and 24 toilets)

**NAME :** Edward Wachilonga Namasaka

**DESIGNATION:** Senior Principal

**SIGN:** 

**DATE:** 16/5/23



**CHAVAKALI HIGH SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2024**

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**III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY**

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

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

The Board of Management of **Chavakali 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 half financial year ended 30<sup>th</sup> June, 2024, and of the school's financial position as at that date.

**Name:** CPA Rodgers Mulemi  
**Designation:** Chairman, School Board of Management

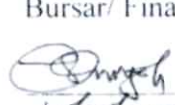
**Sign:**   
**Date:** 20/05/2025


**Name:** Mr. Edward Wachilonga Namasaka  
**Designation:** Senior Principal & Secretary Board of Management

**Sign:**   
**Date:** 16/5/2025



**Name:** CPA Jared Omunyole Ochieng  
**Designation:** Bursar/ Finance Officer

**Sign:**   
**Date:** 15/5/2025



# REPUBLIC OF KENYA

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*Enhancing Accountability*

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Anniversary Towers  
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P.O Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON CHAVAKALI HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - VIHIGA COUNTY

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### 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 Chavakali High School - Vihiga County set out on pages 1 to 17, which comprise of the statement of financial assets and

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

financial liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 Chavakali 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

##### **1.1 Variances in Opening Balances**

Review of the financial statements together with the accompanying Notes revealed that the opening balances on the various components in the financial statement differed with the balances reflected in the prior year certified financial statements as indicated below:

<b>Details</b>	<b>Note</b>	<b>Opening Balance as per 2023/2024 Financial Statements</b>	<b>Certified Balance 2022-2023 (Kshs)</b>	<b>Variance (Kshs)</b>
<b>Statement of Assets and Liabilities</b>				
Bank balances	10	37,719,657	44,505,112	6,785,455
Accounts receivables	13	59,345,961	98,823,490	39,477,529
Accounts payable	14	26,097,032	30,610,303	4,513,271
Accumulated fund balance b/fwd	15	56,338,757	98,088,469	41,749,712
<b>Statement of cashflows</b>				
Cash and cash equivalents at beginning of the year		35,202,644	41,988,099	6,785,455

## 1.2 Casting Errors in the Notes

Review of the financial statements revealed four (4) components whose balances as per Notes to the financial statements varied with the casted amounts as indicated below:

		Reported Amount as per Notes to Financial Statements	Casted Amount as per Note	Variance
Statement of Receipts and Payments	Notes	(Kshs)	(Kshs)	(Kshs)
Capitation for operations	2	18,592,947	18,608,547	15,600
Other receipts	5	20,353,801	20,693,801.00	340,000
<b>Statement of Assets and Liabilities</b>				
Bank accounts	10	17,648,135	1,787,600,831	1,769,952,696
Fund balance B/F	15	71,683,167	123,877,232	52,194,065

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

## 2. Inaccuracies in School Fund Income-Parents' Contributions

The statement of receipts and payments reflects Kshs.114,949,937 in respect of school fund income-parents' contributions as disclosed in Note 4 to the financial statements. However, the amount varies with the schedule amount of Kshs.220,791,139, resulting in unreconciled and unexplained variance of Kshs.105,841,202.

In the circumstances, the accuracy and completeness of the school fund income-parents' contributions amount of Kshs.114,949,937 could not be confirmed.

## 3. Inaccurate and Unsupported Boarding and School Fund Payments

The statement of receipts and payments reflects Kshs.141,822,055 in respect of boarding and school fund payments as disclosed in Note 9 to the financial statements. However, the amount varies with the schedule amount of Kshs.146,419,474, resulting in unreconciled and unexplained variance of Kshs.4,597,419. Further, examination of payment vouchers amounting to Kshs.25,088,340 revealed that Management made payments without proper support documents such as local purchase orders, evaluation minutes, inspection and compliance certificates and delivery notes.

In addition, Management incurred an amount of Kshs.11,733,856 on personnel emoluments of Board of Management staff without documentation to confirm their responsibilities, salaries earned and periods of engagement.

In the circumstances, the accuracy, completeness and regularity of the boarding and school fund payments of Kshs.141,822,055 could not be confirmed.

#### **4. Unsupported Cash and Cash Equivalents Balance**

The statement of financial assets and financial liabilities reflects Kshs.18,340,216 in respect of cash and cash equivalents balance as disclosed in Notes 10 and 11 to the financial statements. Included in the cash and cash equivalents balance are parents association development account, farm account and savings account- personal emoluments account balances of Kshs.666,310, Kshs.11,009 and Kshs.665,310, respectively, which were not supported by cash books, bank certificates and bank reconciliation statements. Further, a memorandum cash book was not provided to confirm the reported cash in hand balance of Kshs 692,081, contrary to Regulation 93 (14) of the Public Finance Management (National Government) Regulations, 2015 which requires a standing imprest holder to keep a memorandum cashbook to record all receipts and payments and that the balance on hand shall be agreed with the cash balance recorded in the memorandum cashbook.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.18,340,216 could not be confirmed and Management was in breach of the law.

#### **5. Unsupported Accounts Receivables Balance**

The statement of financial assets and financial liabilities reflects Kshs.62,730,585 in respect of accounts receivables balance as disclosed in Note 13 to the financial statements. However, supporting schedules including listing and aging analysis were not provided to support the balances. Further, Management wrote off school fees arrears of Kshs.38,777,346 relating to years 1996 to 2014 without any policy on provision for bad debt to support the treatment of the balance. Further no prior authority of The National Treasury was provided for audit for the write-offs.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.62,730,585 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Chavakali High School - Vihiga County 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.171,471,029 and Kshs.165,390,642 respectively, resulting in underfunding of Kshs.6,080,387 or 4% of the budget. However, the School spent a balance of Kshs.192,814,625 against actual receipts of Kshs.165,390,642, resulting in an over-utilization of Kshs.27,423,983 of actual receipts. Management has not supported that the over expenditure was appropriately approved and has not demonstrated the source of the funds used to cover the over expenditure. This is contrary to the provisions of Section 16(1) and (2) of the Fourth Schedule of the Basic Education Act, 2013 which states that 'the Board of Management of a public institution of basic education shall prepare annual estimates of revenue and expenditure for the institution under its charge, in such form and at such times as the Cabinet Secretary may prescribe. The Board of Management may incur expenditure for the purpose of the institution in accordance with estimates approved by the Cabinet Secretary, and any approved expenditure under any head of the estimates may not be exceeded without the prior written approval of the Cabinet Secretary'.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public and Management was in breach of the law.

### **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 is responsible for the Other Information set out on pages iii to xiv which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibilities. 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 and I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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 USE OF PUBLIC RESOURCES

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Lack of Accountability of Own Generated Revenue**

The statement of receipts and payments reflects an amount of Kshs.20,353,801 in respect of school fund income- other receipts as disclosed in Note 5 to the financial statements. However, Management did not operate a separate account for own generated revenue. Instead, the incomes from own generated revenue were all maintained in the school fund account- parents' contributions. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day Secondary Education (FDSE) which requires that schools with income generating activities to open separate bank accounts for the stream of income and account for it in accordance with financial regulations.

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

#### **2. Failure to Transfer Infrastructure Funds from Operations Bank Account**

The statement of receipts and payments reflects operations grants amount of Kshs.18,592,947 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.8,233,800 in respect of infrastructure grants which were to be transferred to

infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.6,022,800 was transferred to infrastructure account, leaving a balance of Kshs.2,211,000 as at 30 June, 2024 which was never 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, Management was in breach of the law.

### **3. Unconfirmed Students Enrollment Data**

The statement of receipts and payments reflects Kshs.18,592,947 in respect of capitation grants for operations as disclosed in Note 2 to the financial statements. Review of documents provided for audit and examination of the NEMIS system revealed that the School had enrolled one thousand, four hundred and twenty-six (1,426) students as of April, 2024 which differed with the records held at the School that indicated that there were one thousand, four hundred and thirty-four (1,434) students, resulting to unreconciled variance of eight (8) students. No explanation was provided for the failure to enroll students in NEMIS which resulted to underfunding by Kshs.33,200 by the Ministry of Education. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires that all learners to be registered in NEMIS and the principals to ensure the records are accurate.

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

### **4. Long Outstanding Payables**

The statement of financial assets and financial liabilities reflects Kshs.38,433,403 in respect of accounts payables as disclosed in Note 14 to the financial statements. However, included in the balance are trade creditors balance of Kshs.11,844,200 which have been outstanding for more than two (2) years leading to litigations against the School. 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. Unapproved Fees on Parents' Association Support Programme**

The statement of receipts and payments reflects Kshs.20,353,801 in respect of school fund income-other receipts as disclosed in Note 5 to the financial statements. Included in the amount is PA Support Programme (Parents Project) amount of Kshs.11,318,756

which was charged on the parents. However, the charges were 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.

#### **6. Irregular Income on Sale of School Uniforms**

The statement of receipts and payments reflects Kshs.20,353,801 in respect of school fund income-other receipts as disclosed in Note 5 to the financial statements. Included in the amount is Kshs.8,173,595 in respect of receipts from sale of uniforms to the students. This was contrary to Section 67 of the Basic Education Regulations, 2015 which provides that no institution shall prescribe a specific supplier of school uniforms or any other materials for the parent or guardian.

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

#### **7. 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.141,822,055 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.779,250 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.779,250 could not be confirmed.

#### **8. Irregular Payment of Board Allowances**

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.141,822,055 as disclosed in Note 9 to the financial statements. Included in this expenditure is an amount of Kshs.2,175,000 that relates to board expenses, out of which Kshs.570,000 was paid to the Principal, Deputy Principals, Bursar, Sub-County Director of Education and TSC Director of Education who are not members of the Board of Management. In addition, sitting allowances amounting to Kshs.10,000 were paid to each board member without supporting authority from the Salaries and Remuneration Commission.

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

## **9. Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements**

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. The acronyms and definitions, annexes are missing from the table of contents;
- ii. Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format were not disclosed;
- iii. The statement of budgeted versus actual amounts did not provide explanations for differences between actual and budgeted amounts (10% over/under) as per International Public Sector Accounting Standards (IPSAS) 24.14, and explanations for changes between original and final budget indicating whether the difference is due to reallocations or other causes as per (IPSAS 24.29);
- iv. Further, reconciliation of the budget figures where the total of actual on comparable basis does not tie to the statement of financial performance totals due to differences in accounting basis (budget is cash basis, statement of financial performance is accrual) was not provided;

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

## **10. Non-Compliance with the Requirements of Audit Committee Meetings**

Review of the board minutes revealed that the Audit Committee met once 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.

## **11. Failure to Adhere to the Two-Thirds Basic Salary Rule on Employee Deductions**

Review of payrolls for the months of January, February, and June, 2024 revealed that several Board of Management staff were earning less than two-thirds of their basic pay which was contrary to Section 19 of the Employment Act, Cap 226 which requires that the total amount of all deductions which under the provisions, may be made by an employer from the wages of his employee at any one time shall not exceed two-thirds of such wages or such additional or other amount as may be prescribed.

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

## 12. Un-Approved Budget

Analysis of the statement of budgeted versus actual amounts revealed that the Management spent without authority, on five (5) expenditure items with total amounts of Kshs.13,899,273 or 40% over and above the approved budget of Kshs.34,670,670 as shown in the table below: -

Payments	Final Budget (Kshs)	Actual on Comparable Basis (Kshs)	Budget Utilization Difference (Kshs)	% Difference
<b>Payments for Tuition</b>				
Laboratory Equipment and Apparatus	3,358,900	4,361,565	1,002,665	30
<b>Payments for Boarding</b>				
Local Transport/Travelling	4,661,551	11,826,179	7,164,628	154
Activity	4,582,000	6,361,560	1,779,560	39
Repairs, Maintenance & Improvements	5,825,500	7,091,041	1,265,541	22
Administration Costs	16,242,719	18,929,598	2,686,879	17
<b>Total</b>	<b>34,670,670</b>	<b>48,569,943</b>	<b>13,899,273</b>	<b>40</b>

Further, the statement of budgeted versus actual amounts reflected other income items amounts of Kshs.9,035,045, payment for operations items amounting to Kshs.973,562, infrastructure payments of Kshs.7,154,995 and boarding and school fund items amounts of Kshs.5,893,610 which had no corresponding budget figures. This was contrary to provisions of Section 16(2) of the Fourth Schedule of the Basic Education Act, 2013 which requires the Board of Management of a public institution of basic education to incur expenditure for the institution in accordance with estimates approved by the Cabinet Secretary, and any approved expenditure under any head of the estimates may not be exceeded without the prior written approval of the Cabinet Secretary.

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

## 13. Over-Funding of Capitation Grants

The statement of receipts and payments reflects Kshs.5,187,748 and Kshs.18,592,947 in respect of capitation grants for tuition and capitation grants for operations respectively, as disclosed in Notes 1 and 2 to the financial statements. During the financial year, NEMIS reported a total number of twelve thousand six hundred and twenty-four (12,624) students

while the enrolment records provided by the School indicated a total number of twelve thousand two hundred and seventy six (12,276) students, resulting to an unexplained variance of three hundred and forty-eight (348) students. As a result of the variances, the School was over funded by an amount of Kshs.928,495.

In the circumstances, the inaccurate recording of students in NEMIS may result to inaccurate funding to the School by the Ministry of Education.

#### **14. Virement (Reallocation) of Funds**

Records provided for review indicated that the School transferred Kshs.2,000,000 from the infrastructure account to the operations account to cater for Board of Management staff salaries. In addition, the School borrowed Kshs.5,000,000 from operation account to boarding account on diverse dates for personal emoluments and gratuities. This was contrary to Ministry of Education Circular Ref. No: MOE/G1/9/1/44 dated 9 January, 2008 and MOE.HQS/3/13/3 dated 16 June, 2021 which directs that under the operations account, schools may seek authority from the County Education Boards to vire savings or surplus funds from one item to another, when it is absolutely necessary.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for 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. Failure to Obtain Value for Money on ERP System Maintained**

The School has been operating an Enterprise Resource Planning System, Natshule soft, since the year 2022, which was acquired for Kshs.565,750 with annual maintenance fee of Kshs.120,000. A walkthrough review of the system revealed that the system

capabilities included recording of: fee receipts, capitation receipts, invoicing, processing, and payments to suppliers, any other payments, cashbook, and ledgers management. The system has six modules: accounts, the inventory module, the book manager for the library, the parents' dashboard, payroll, and students management. However, the following were observed;

- i. The library module was not in use;
- ii. Assets records were maintained manually despite the system's capability to record and maintain assets in the inventory module;
- iii. The system was not fully integrated to perform all the core functions such that a function like adjusting transactions with sundry creditors is done manually;
- iv. The system was only integrated with the National Bank, and generating reports on receipts on other income vote heads could not be possible due to the ERP limitations;
- v. The system produces duplicate receipts at the same time to various students, and sometimes skipping receipts numbers.

In the circumstances, value for money on the ERP has not been achieved.

## **2. Lack of Internal Audit Function**

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

In the circumstances, the School did not benefit from the oversight role and advice from the audit committee and the internal audit function.

## **3. Weaknesses in Management of Imprests**

Review and a walkthrough the imprests management cycle revealed the following unsatisfactory observations;

- i. During the year, Management issued an amount of Kshs.11,826,179 to various officers as domestic travel and subsistence allowances. However, Management failed to provide imprest warrants, expenditure schedules, evidence of travel, and signed attendance sheets for workshops and authority for various activities performed. It was therefore not possible to confirm whether the workshops and facilitation actually took place;

- ii. Management did not maintain an imprests register for the amounts applied for and issued but rather imprest forms which were filled by the Bursar without approval;
- iii. Some of the imprests were issued without filling in the imprests application forms or warrants and hence it was not possible to trace amounts applied for and amounts issued;
- iv. There was no record of amounts of imprests outstanding at the end of the financial year and those surrendered;
- v. Evidence of imprests applications/requests was not provided for imprests issued.

In the circumstances, the effectiveness and efficiency of the internal controls in place on management of imprests could not be confirmed.

#### **4. Dilapidated State of School Infrastructure**

The statement of receipts and payments reflects Kshs.141,822,055 in respect of boarding and school fund payments as disclosed in Note 9 to the financial statements, out of which, Kshs.7,091,041 was for repairs, maintenance and improvement of the School's facilities. However, during audit inspection in May, 2025, it was observed that the School's buildings were dilapidated as a result of neglect with some having broken or no window panes and old paintings with classes generally not well maintained. Further, the roofing was still made of asbestos which is being phased out.

In the circumstances, value for money amounting to Kshs.7,091,041 for repairs, maintenance and improvement could not be confirmed.

#### **5. Excess Supply of Books**

During the financial year, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed three hundred and twenty-three (323) home science text books to the School. However, the subject is not taught at the School.

In the circumstances, value for money on the three hundred and twenty-three (323) text books could not be confirmed.

#### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness

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

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

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

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

- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

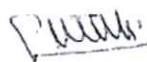
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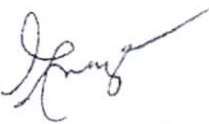

30 May, 2025


V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2024

DESCRIPTION OF VOTE HEAD	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	5,187,748.20	6,853,323.25
Capitation grants for operations	2	18,592,946.83	26,068,622.58
Grants for Infrastructure	3	11,551,595.00	-
School Fund Income- Parents' Contributions	4	114,949,937.15	160,769,589.85
School Fund Income- Other receipts	5	20,353,801.00	14,050,616.50
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>170,636,028.18</b>	<b>207,742,152.18</b>
<b>PAYMENTS</b>			
Payments for Tuition	6	9,667,759.00	7,547,083.90
Payments for operations	7	15,526,095.98	23,914,440.13
Payments for Infrastructure	8	32,665,887.00	-
Boarding and school fund payments	9	141,822,055.44	160,936,218.26
<b>TOTAL PAYMENTS</b>		<b>199,681,797.42</b>	<b>192,397,742.29</b>
<b>SURPLUS/DEFICIT</b>		<b>(29,045,769.24)</b>	<b>15,344,409.89</b>

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

Sign:   
 Name **RODGERS S. MULEMI**  
 Chair BOM  
 Date **20/5/2025**

Sign   
 Name **EDWARD WACHINDA**  
 School Principal/  
 Secretary to BOM  
 Date 

Sign   
 Name **JARED OMURTOKE**  
 Bursar/  
 Finance Officer  
 Date **15/5/2025**



**CHAVAKALI HIGH SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2024**

**VI STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	10	17,648,134.61	37,719,657.00
Cash Balances	11	692,081.20	714,581.00
Short term Investment	12	-	-
<b>Total Cash and cash equivalent</b>		<b><u>18,340,215.81</u></b>	<b><u>38,434,238.00</u></b>
Account's receivables	13	62,730,585.34	59,345,961.19
<b>TOTAL FINANCIAL ASSETS</b>		<b><u>81,070,801.15</u></b>	<b><u>97,780,199.19</u></b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	14	38,433,403.40	26,097,032.20
<b>NET FINANCIAL ASSETS</b>		<b><u>42,637,397.75</u></b>	<b><u>71,683,166.99</u></b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	15	71,683,166.99	56,338,757.10
Surplus/Deficit for the year		(29,045,769.24)	15,344,409.89
<b>NET FINANCIAL POSITION</b>		<b><u>42,637,397.75</u></b>	<b><u>71,683,166.99</u></b>

The School's financial statements were approved on 10/07/2024 and signed by


Name: RODGERS MULEMI  
 Chairman, BoM

Sign: [Signature]

Date: 20/6/24

Name: SANDU WATUMBE  
 School Principal Secretary  
 to BoM

Sign: [Signature]

Date: [Signature]  


Name: SANDU WATUMBE  
 Bursar Finance

Sign: [Signature]

Date: 12/6/2024



**CHAVAKALI HIGH SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2024**

**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>th</sup> JUNE 2024**

		2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	5,187,748.20	6,853,323.25
Capitation grants for operations	2	18,627,946.83	26,068,622.58
Grants for Infrastructure	3	11,551,595.00	-
School fund income- Parents contributions fees	4	111,530,313.00	142,386,639.00
School fund income- other receipts	5	20,353,801.00	14,050,616.50
<b>Total receipts</b>		<b>167,251,404.03</b>	<b>189,359,201.33</b>
<b>Payments</b>			
Payments for Tuition	6	8,489,802.00	7,547,083.90
Payments for operations	7	15,526,095.98	23,914,440.13
Boarding and school fund payments	8	130,663,641.24	154,666,085.00
<b>Total payments</b>		<b>154,679,539.22</b>	<b>186,127,609.03</b>
<b>Net cash flow from operating activities</b>	<b>a</b>	<b>12,571,864.81</b>	<b>3,231,592.30</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		-	-
Acquisition of Assets	9	32,665,887.00	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flows from Investing Activities</b>	<b>b</b>	<b>(32,665,887.00)</b>	-
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>	<b>c</b>	-	-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>a+b+c</b>	<b>(20,094,022.19)</b>	<b>3,231,592.30</b>
Cash and cash equivalent at BEGINNING of the year	10	38,434,238.00	35,202,644.20
Cash and cash equivalent at END of the year		18,340,215.81	38,434,238.00

(i)

(ii)

The School's financial statements were approved on \_\_\_\_\_ 2024 and signed by

Name: RODOLPH MULEMI  
 Chairman, BoM

Name: EDWARD KOREMUKA  
 Senior Principal Secre to BoM

Name: JARED OMONDI  
 Bursar Finance

Sign: [Signature]  
 Date: 24/5/23

Sign: [Signature]  
 Date: \_\_\_\_\_  


Sign: [Signature]  
 Date: 16/5/23  


STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2024

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>RECEIPTS</b>						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials	8,566,368	0	8,566,368	5,187,748	3,378,620	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	10,901,268.00		10,901,268.00		10,901,268.00	
Infrastructure Funds	10,860,000.00		10,860,000.00	8,233,800.00	2,626,200.00	
Local transport / travelling	3,040,800.00		3,040,800.00		3,040,800.00	
Electricity and water	2,599,884.00		2,599,884.00		2,599,884.00	
Medical & Insurance				1,764,000.00	(1,764,000.00)	
Administration costs	2,615,088.00		2,615,088.00		2,615,088.00	
Activity	3,258,000.00		3,258,000	1,692,579.00	1,565,421.00	
Other Voteheads				13,559,927.00	(13,559,927.00)	
CBC Classes				1,576,440.00	(1,576,440.00)	
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments	16,220,496.00		16,220,496.00	15,662,175.00	558,321.00	
Repairs and maintenance	5,170,000.00		5,170,000.00	4,245,600.00	924,400	
Local transport / travelling	4,115,940.00		4,115,940.00	4,022,709.00	93,231.00	

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Electricity and water	14,298,276.00		14,298,276.00	13,216,364.00	1,081,912.00
Medical					
Administration costs	11,661,468.00		11,661,468.00	9,408,143.00	2,253,325.00
Activity	1,733,256.00		1,733,256.00	1,706,852.00	26,404.00
SMASSE					
Fee on Boarding Equipment and Stores	65,996,220.00		65,996,220.00	64,760,504.00	1,235,716.00
<b>OTHER INCOME</b>					
Bus Hire				8,000.00	
Farm				246,050.00	
Student Ids				170,200.00	
Perimeter Wall					
Fees Refunds				15,000.00	
PA Fund Project	10,433,965.00		10,433,965.00	11,318,756.00	
Students Uniform x2 intakes				8,173,595.00	
Aviation Fees				422,200.00	
<b>TOTAL INCOME</b>	<b>171,471,029.00</b>		<b>171,471,029.00</b>	<b>165,390,642.00</b>	<b>6,080,387.00</b>
<b>(1) EXPENDITURE FOR TUITION</b>					
Reference materials				69,000.00	(69,000.00)
Exercise books	3,655,000.00		3,655,000.00	3,307,552.00	347,448.00
Laboratory equipment	3,358,900.00		3,358,900.00	4,361,565.00	-1,002,665.00
Internal exams	2,016,500.00		2,016,500.00	1,056,664.00	959,836.00
Teaching / learning materials	1,258,885.00		1,258,885.00	869,072.00	389,813.00
Bank charges				3,906.00	(3,906.00)
<b>(2) EXPENDITURE FOR OPERATIONS</b>					
Personnel emoluments	10,901,268.00		10,901,268.00	8,672,633.00	2,228,635.00

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NITA Contributions				18,250.00	(18,250.00)
Local transport / travelling	3,040,800.00		3,040,800.00	59,000.00	2,981,800.00
Electricity, water and conservancy	2,599,884.00		2,599,884.00	1,895,140.00	704,744.00
Bank Charges				9,899.00	(9,899.00)
Administration costs	2,615,088.00		2,615,088.00	1,999,995.00	615,093.00
Activity Expenses	3,258,000.00		3,258,000.00	400,000.00	2,858,000.00
CBC Classroom				1,497,817.00	
Infrastructure project	25,637,965.00		25,637,965.00	25,510,892.00	127,073.00
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>					
Personnel emoluments	16,732,117.00		16,732,117.00	11,733,856.00	4,998,261.00
Repairs, maintenance and improvements	5,825,500.00		5,825,500.00	7,091,041.00	(1,265,541.00)
Local transport / travelling	4,661,551.00		4,661,551.00	11,826,179.00	(7,164,628.00)
Electricity, water and conservancy	6,019,116.00		6,019,116.00	6,287,710.00	(268,594.00)
Medical Expenses	2,908,656.00		2,908,656.00	2,908,656.00	
Administration costs	16,242,719.00		16,242,719.00	18,929,598.00	(2,686,879.00)
Activity	4,582,000.00		4,582,000.00	6,361,560.00	(1,779,560.00)
Uniform Funds				10,024,900.00	
Boarding Equipment and Stores	69,794,000.00		69,794,000.00	60,372,945.00	9,421,055
Parents Project	10,433,965		10,433,965	7,154,995	3,278,970
<b>TOTALS</b>	<b>195,541,914.00</b>		<b>195,541,914.00</b>	<b>192,814,625.00</b>	<b>2,727,289.00</b>
					<b>0.98</b>

## VIII. 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 (IPAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

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

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

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

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

Adjustment was made downwards on the opening balances of the three fees collection savings accounts on Note 10 to the financial statements totalling to Kshs. 6,785,454.83 as follows: Absa Bank account Kshs. 190,504.30, Cooperative Bank account Kshs. 2,696,790.01 and Equity Bank account Kshs. 3,898,160.52 in order to reflect the reconciled cash book opening balance. This adjustment had also affected the opening amount of Accumulated Fund Brought Forward on Note 15 to the financial statements reducing the certified amount by the same sum above.

Adjustment was made on certified opening balance of Accounts Receivable to exclude bad debts of Kshs. 38,777,346 written off by management, this being fees arrears accumulated amount of the years 1996 to 2014. Similar adjustment was made of Kshs. 700,182 to correct an error caused by wrongly overstating the Accounts Receivable amount on the Statement of Assets and Liabilities by the same figure.

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Another adjustment was made on schedule of 2016 – 2018 payables to exclude a sum of Kshs. 2,530,560 of 2018 payables which had been paid and wrongly maintained on the schedule. Similarly, Kshs. 50,920 was expunged from the same list, this being a debt owed to a supplier – Pamela Kawai which had been cleared in 2023 February.

Caution money and NHIF balances of Kshs. 2,235,361 and 14,430 respectively, brought forward from old financial statements reporting format converted into IPSAS format, were written off by the Board of Management. The opening values of Accounts Payables were effectively adjusted to exclude these items. These adjustments had a reduction effect on the certified Accumulated Fund Brought Forward amount.

**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 30<sup>th</sup> June 2024:

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**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Textbooks and reference materials		495,660.00
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	5,187,748.20	6,018,463.25
SMASSE		339,200.00
Exams and assessment		
Teachers guides		
<b>Total</b>	<b>5,187,748.20</b>	<b>6,853,323.25</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments		8,581,938.18
Infrastructure Fund		4,517,084.00
Other Voteheads	13,559,926.93	-
Local transport / travelling	-	2,138,884.60
Electricity and water	-	3,696,717.50
Administration costs	-	2,076,316.55
Activity	1,692,579.90	2,318,749.75
Medical & Insurance	1,764,000.00	2,738,932.00
CBC Classes	1,576,440.00	-
Mufate Sacco	15,600.00	
<b>Total</b>	<b>18,592,946.83</b>	<b>26,068,622.58</b>

**3 CAPITATION GRANTS FOR INFRASTRUCTURE**

<b>Description</b>	<b>2023-2024</b>	<b>2022-2023</b>
	<b>Kshs.</b>	<b>Kshs.</b>
M&I From Operations Account	8,233,800.00	-
M&I Funds From BES Account	-	-
Administration Block	-	-
Insurance Compensation	3,317,795.00	
Other (specify)	-	-
<b>Total</b>	<b>11,551,595.00</b>	<b>-</b>

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**4 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	15,662,175.00	34,383,273.00
Fee on Boarding Equipment and Stores	64,760,503.50	83,223,578.95
Maintenance & Improvement	4,245,600.00	3,547,156.50
Local transport / travelling	4,022,709.00	5,401,189.00
Electricity and water	15,143,954.20	20,210,123.00
Medical	-	-
Administration costs	9,408,143.45	11,607,243.00
Activity	1,706,852.00	2,397,026.40
<b>Total</b>	<b>114,949,937.15</b>	<b>160,769,589.85</b>

**5 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	2023-2024	2022-2023
	Kshs	Kshs
Parents Project	11,318,756.00	4,964,199.50
Bus Hire	8,000.00	150,000.00
Aviation Fees	422,200.00	269,077.00
Dormitory reconstruction	-	138,540.00
Uniform Fund	8,173,595.00	8,372,950.00
Students IDs	170,200.00	155,850.00
Fees refunds	15,000.00	
Farm	246,050.00	
Transfer to Savings A/cs		
Donation	340,000.00	
<b>Total</b>	<b>20,353,801.00</b>	<b>14,050,616.50</b>

**6 PAYMENTS FOR TUITION**

	2023-2024	2022-2023
	Kshs	Kshs
Textbooks and reference materials	-	495,660.00
Exercise books	3,307,552.00	400,000.00
Laboratory equipment	4,361,565.00	986,724.00
Teaching / learning materials	869,072.00	5,291,188.00
SMASSE	-	339,200.00
Exams and assessment	1,056,664.00	-
Reference Books	69,000.00	30,000.00
Bank Charges	3,906.00	4,311.00
<b>Total</b>	<b>9,667,759.00</b>	<b>7,547,083.90</b>

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**7 PAYMENTS FOR OPERATIONS**

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	8,672,633.00	11,980,593.00
Administration Cost	1,999,995.00	3,276,615.65
Local transport / travelling	59,000.00	615,300.00
Electricity and water	1,895,140.00	2,331,281.00
Activity Expenses	400,000.00	1,886,712.50
Elimu Sacco	163,552.00	
Medical / Insurance Cost	-	3,449,329.00
NITA Contributions	18,250.00	
Bank Charges	9,898.98	5,544.00
Kudheiha Workers	12,900.00	
NHIF	55,550.00	
CBC Classes	1,497,617.00	
NSSH	210,740.00	
IG Sacco	326,592.00	
PAYE	50,398.00	
Workers Welfare	153,830.00	
Dormitory Construction		369,065.00
<b>TOTAL</b>	<b>15,526,095.98</b>	<b>23,914,440.13</b>

**8 PAYMENTS FOR INFRASTRUCTURE ACCOUNT**

Description	2023-2024	2022-2023
	Kshs.	Kshs.
Construction of Storey Tuition Block	25,510,892.00	-
Laying Paving Blocks (Cabros)	7,150,700.00	-
Bank Charges	4,295.00	-
<b>Total</b>	<b>32,665,887.00</b>	<b>-</b>

**9 BOARDING AND SCHOOL FUND PAYMENTS**

	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	11,733,856.00	20,799,853.00
Service Gratuity	3,134,316.00	-
Repairs and maintenance & Improvements	7,091,041.00	2,341,951.00
Local transport / travelling	11,826,179.00	5,929,050.00
Electricity and water	6,287,710.00	8,726,571.00
Administration costs	18,929,598.00	19,916,124.00
Students IDs	135,000.00	50,000.00
Medical	2,908,656.00	360,355.00

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Bank Charges	124,480.44	191,708.22
Net Salaries	-	2,057,086.00
Fee on Boarding Equipment and Stores	60,372,945.00	83,580,030.04
Activity Expenses	6,361,560.00	6,971,499.00
Aviation Expenses	392,000.00	-
Farm	280,100.00	-
Insurance Compensation	11,182.00	-
Uniform Fund	10,024,900.00	8,584,400.00
NITA Contribution	24,900.00	-
Bus Hire		130,000.00
Elimu Sacco	339,404.00	-
Dormitory Reconstruction		574,700.00
Housing Levy	46,724.00	
Kudheiha Workers	26,100.00	
NHIF	110,450.00	
NSSF	419,780.00	
Workers Welfare	299,146.00	592,111.00
PAYE	101,254.00	-
IG Sacco	624,528.00	
Mufate Sacco	13,000.00	
Refunds	203,246.00	130,780.00
<b>TOTAL</b>	<b>141,822,055.44</b>	<b>160,936,218.26</b>

**10 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2023-2024	2022-2023
		Kshs	Kshs
Tuition Account	1102302082	(43,219.05)	329,773.75
Operations Account	1102309605	4,185,656.42	847,550.87
School Fund Account/Boarding KCB	1102302228	1,370,062.37	(1,326,438.19)
S/ Acc – Absa Bank Collection Acc	2037268197	227,873.70	1089,090.70
S / Acc – Coop Bank Collection Acc	01129471133000	353,091.99	571,513.99
S / Acc – Equity Bank Collection Acc	0960297321162	589,690.68	953,999.68
Parent Association Development Acc	1255083204	666,310.00	533,620.00
Farm Account		11,009.00	11,009.00
Infrastructural Account	0960297321233	2,556,088.00	27,036,190.00
Savings acc – P. Emoluments	1110511930	665,031.15	665,031.15
Savings Acc – Gratuity Acc	1110511647	7,294,414.05	7,008,316.05
<b>Total</b>		<b>17,648,134.61</b>	<b>37,719,657.00</b>

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**11 CASH IN HAND**

Description	2023-2024	2022-2023
	Kshs	Kshs
Tuition Account	-	-
Operation Account	581.00	581.00
School Fund account	691,500.20	714,000.00
<b>Total</b>	<b>692,081.20</b>	<b>714,581.00</b>

**12 SHORT TERM INVESTMENTS**

Description	2023-2024	2022-2023
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**13 ACCOUNTS RECEIVABLE**

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees arrears	57,664,089.34	54,315,465.19
Rent Arrears	4,527,750.00	4,527,750.00
Salary advances	538,746.00	502,746.00
<b>Total</b>	<b>62,730,585.34</b>	<b>59,345,961.19</b>

An ageing of the fees arrears is as shown below

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees arrears for current year	21,528,340.00	25,951,557.00
Fees arrears for the previous year	7,771,841.15	672,731.00
Fees arrears for prior periods (over two years)	28,363,908.19	27,691,177.19
<b>Total</b>	<b>57,664,089.34</b>	<b>54,315,465.19</b>

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**14 ACCOUNTS PAYABLE**

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	29,333,840.00	21,225,927.00
Prepaid fees	8,816,701.40	4,645,343.20
Pocket Money	282,862.00	225,762.00
<b>Total</b>	<b>38,433,403.40</b>	<b>26,097,032.20</b>

An ageing of the creditors is as shown below

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade creditors for current year	17,489,640.00	7,820,527.00
Trade creditors for the previous year	-	-
Trade creditors for prior periods (over two years)	11,844,200.00	13,405,400.00
<b>Total</b>	<b>29,333,840.00</b>	<b>21,225,927.00</b>

**15 FUND BALANCE BROUGHT FORWARD**

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank balances	37,719,657.00	35,201,165.20
Cash balances	714,581.00	1,479.00
Short Term Investments	-	-
Receivables	59,345,961.19	41,516,193.90
Payables	26,097,032.20	20,380,081.00
<b>Total</b>	<b>71,683,166.99</b>	<b>56,338,757.10</b>

**Other important disclosure notes**

IPSAS 1 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	2022-2023
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Gratuity provision	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**17 Biological assets**

Description	Numbers	2023-2024 Kshs	2022-2023 Kshs
Cattle			370,000
Pigs			-
Trees			1,350,000
Coffee or tea plantation	-		-
Poultry	-		-
<b>Total</b>			<b>1,720,000</b>

**18 Borrowings**

Description	2023-2024 KShs	2022-2023 KShs
<b>a) Borrowings</b>	-	-
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	-	-

**Other important disclosure notes**

**19 Stock/ Inventory**

Description	2023-2024 KShs	2022-2023 KShs
<b>b) Stock / Inventory</b>		
Stock/ inventory at beginning of the year		
Stock/ inventory purchased during the year		
Stock/ inventory issued during the year		
<b>Balance at end of the year</b>		

**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)
1	Inaccuracy on Capitation Grants	To fully update NEMIS data	Not Resolved	January 2025
2	Unsupported School Fund Income and Payments	To Improve the Accounts Automated system to produce detailed listings	Being resolved	January 2025
3	Inaccuracy in Cash and Cash Equivalents	To maintain only required number of bank accounts.	Being resolved	January 2025

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4	Unsupported Long Outstanding Accounts Receivables	i)To write-off part of long outstanding school fees arrears. ii)To make follow up on accumulated rent arrears	No. i) Done	
5	Unsupported and Long Outstanding Accounts Payable	To Write-off Caution Money and NHIF. Invoices provided. Adjustments done for accuracy of listed creditors.		

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2024	Outstanding Balance 2023	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
1. None						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
2. James Ogore Kitinga	315,000	2016		315,000		
3. Pamellah Kavai	208,000	2016		208,000		
4. Humphrey Gaitano	100,000	2016		100,000		
5. Balakhonya Gen. Distribution	135,000	2016		135,000		
6. Broadcore Construction	850,000	2016		850,000		
7. Kwanusoga Investments	150,000	2016		150,000		
8. Essarke Enterprises	200,000	2016		200,000		
9. Joshua Kavinguha	245,000	2016		245,000		
10. LVVWAB	250,000	2016		250,000		
11. Petronila Andiba	125,000	2017		125,000		
12. Bathlomew Olang	50,000	2017		50,000		
13. Fum Ministries Office	750,000	2017		750,000		
14. Gerishom Muluha	242,430	2017		242,430		
15. Hakaki Enterprises	127,500	2017		127,500		
16. Carolyne Wanyonyi	42,500	2017		42,500		
17. Arnold Mamadi	129,500	2017		129,500		
18. Broadcore Construction	3,015,000	2017		3,015,000		
19. Nancy Madagwa	202,700	2017		202,700		
20. Sambamba Technologies	887,500	2017		887,500		
21. Lilian Muyesu	287,000	2017		287,000		
22. Lilian Irusa	377,000	2017		377,000		
23. Vidhi Gen. Store & Hardware	997,320	2023/2024		997,320		
24. Aryan Enterprises Ltd	560,000	2023/2024		560,000		
25. Luqman Supermarket	1,235,300	2023/2024	-	1,235,300		

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26. Nathan Ndiwa	1,491,000	“		1,491,000		
27. Lindah Atonya	179,000	“		179,000		
28. Lydinondicho Investments	730,000	“		730,000		
29. Kairali Enterprises	7,122,600	“	2,200,000	4,922,600		
30. Univer Uniforms	802,300	“		802,300		
31. Prime Mattresses	475,000	“		475,000		
32. White Coal Industries	360,000	“		360,000		
33. Medstown Pharmaceuticals	391,652	“		391,652		
34. Twin Eagles Distributors	234,500	“		234,500		
35. Cawosh SHG	543,000	“		543,000		
36. Dunlop Investments	371,450	“		371,450		
37. Daniel Kiptoo Cheruiyot	300,000	“		300,000		
38. Kenpera Insurance Agencies	600,000	“		600,000		
39. Ruth Asikoye	148,000	“		148,000		
40. Deborahs Women Group	16,000	“		16,000		
41. Philip Ochondo	82,800	“		82,800		
42. Jua Kali Structural Engineering	725,000	“		725,000		
43. Margaret Kavulani	8,000	“		8,000		
44. Text Book World	1,810,030	“		1,810,030		
45. Chavakali Bookshop	177,940	“		177,940		
46. Merry Glory Enterprises	460,000	“		460,000		
47. Startic Distributors	575,100	“		575,100		
48. Interpoint Supplies	521,228	“		521,228		
49. Vic Enterprises	67,192	“		67,192		
50. Vic Enterprises	325,695	“		325,695		
51. Yokhama Enterprises	278,883	“		278,883		
52. Symari Ventures	458,160	“		458,160		
<b>Sub-Total</b>	<b>28,728,280</b>			<b>28,728,280</b>		
<b>Supply of services</b>						
53. Geoviokibagro & Son	150,000	2023/24		150,000		

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2024
Land 1	1959	Chavakali	200,000,000			200,000,000
Buildings and structures		“	550,000,000		32,665,887	582,665,887
Motor vehicles		“	14,400,000		Adjustment as per Insurance Valuation	3,320,000
Office equipment, furniture and fittings		“	100,000,000			100,000,000
ICT Equipment, and Other ICT Assets		“	4,392,000			4,392,000
Tools and apparatus		“	2,500,000			2,500,000
Textbooks		“	7,631,000			7,631,000
Other Machinery and Equipment – (Generator, mowers, bakery, posho mill)		“	4,500,000			4,500,000
Heritage and cultural assets –(music band instruments,		“	1,200,000			1,200,000
Intangible assets- soft ware		“	1,800,000			1,800,000
<b>Total</b>			<b>888,423,000</b>		<b>32,665,887</b>	<b>910,008,887</b>

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

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54. Tedory Enterprises	256,560	“		256,560		
55. Edward Odhiambo	36,000	“		36,000		
56. Safari Exhouser	45,000	“		45,000		
57. Evans Ndeda	118,000	“		118,000		
<b>Grand Total</b>	<b>31,533,840</b>		<b>2,200,000</b>	<b>29,333,840</b>		