

REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

REPORT THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 30 APR 2025

DAY.
Wed

OF

TABLED
BY:

Hon George Mung'ara
MP

CLERK-AT
THE TABLE:

P. Muig'a

THE AUDITOR-GENERAL

ON

KWALE HIGH SCHOOL

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

KWALE COUNTY



Kwale High School

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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



(Leave this page blank)

Table of Contents

Page

1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	vi
4. Statement of School Management Responsibility	xi
5. Report Of The Independent Auditors (<i>To be attached</i>)	xii
6. Statement Of Receipts and Payments For the Year Ended 30 th June 2023	1
7. Statement of Assets and Liabilities As At 30 th June 2023	2
8. Statement of Cash Flows for the Year Ended 30 th June 2023	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2023	4
10. Significant Accounting Policies	9
11. Notes To The Financial Statements	11
12. Annexes	20



1. Acronyms and Glossary of Terms

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

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



2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in **Kwale** County, **Matuga** Sub-County.

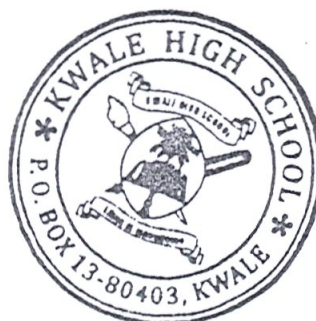
The school was registered in **Feb 2020** under registration number **KWL/S/02/105/925** and is currently categorized as a **National public school** established, owned or operated by the Government.

The school is a boarding school and had **1618** number of students as at **30th June 2023**. It has **30** streams and **65** teachers of which **19** teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Prof.Saeed Mwanguni	Chairman	25th July 2022
2	Mr.Michael Mutua	Secretary - Principal	„
3	Md.Fransciscah Kilonzo	Members - Sponsor	„
4	Mr. Omar Changomah	Member/Co-opted	„
5	Md.Ruth Mulongo	Member - Community	„
6	Rev. Fred Indiazi	Member - Community	„
7	Md. Mwanaisha Karim	Member - Community	„
8	Mr. Juma Mwatenga	Member – Rep CEB	„
9	Mr. Shughuli Mohammed	Member Rep Teachers	„
10	Mr. Benson Kaume	Member Special Needs	„
11	Mr. Stephen Kamwaji	Members - Sponsor	„
12	Md. Eunice Mutile	Member Special Interest Group	„
13	Mr. Salim Kassim	Member - Community	„
14	Mr. Bakari Gowa	Members - Sponsor	„
15	Mr. Rashid Mohamed	Member - Community	„
16	Mr. Ruwa Shaban	Member - Community	„
17	Eng. Jacob Ruwa	Member Special Interest Group	„
18	Master Mohamed Mgandi	Rep Students	„



The functions of the School Board of Management are to:

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

(c) Committees of the Board

(Provide the names of the various committees of the Board established by the Board and the names of the committee members):

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Prof SaeedMwaguni. 2.Mr. Michael Mutua 3.Md.Franciscah Kilonzo 4.Mr. Omar Changoma 5.Md. Ruth Mulongo	Chairperson Member Member Member Member	4 out of 6
2	Audit Committee	1.Mr. Juma Mwatenga 2.Mr.Fred Indiazi	Chairperson Member	2 out of 6
3	Finance,procurement and general purposes Committee	1.Mr Ruwa Shaban 2.Mr.Bakari Gowa 3.Mr. Ruwa Zecha 4.Stephen Kamwaji	Chairperson Member Member Member	3 out of 6
4	Academic Committee	1.Md. Mwanasha Karim 2.Mr.Shughuli Mohamed 3.Mr.Juma Mwatenga	Chairperson Member Member	5 out of 6
5	Development Committee	1.Md.Eunice Masila 2.Mr.Rashid Mohamed 3.Md.Franciscah Kilonzo 4.Eng. Zecha Ruwa	Chairperson Member Member Member	3 oout of 6
6	Discipline and welfare Committee	1.Rev,Fred Indiazi 2.Mr.Omar Changoma 3.Mr. Stephen Kamwaji	Chairperson Member Member	1 out of 6



(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	MICHAEL WAMBUA MUTUA	TSC No.358836
2	Deputy Principal	RAJAB MWAKWELI MWENZA	TSC No.487255
3	Other (D/PRINCIPAL)	DANIEL SAKWA	TSC No.478089
4	School Bursar	PETER KAZUNGU	ID NO.22562876

(e) Schools contacts

Post Office Box: 13-80403
Telephone: +254702 138 151
E-mail: kwalehighschool@gmail.com
Website: N/A
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

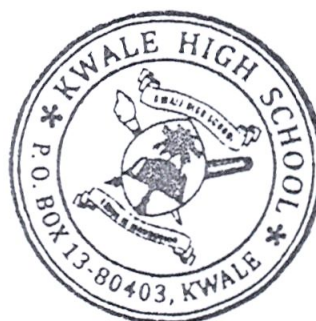
Name of Bank:: KCB
Branch: KWALE
Postal Address: P.O BOX 43-80403 KWALE

Name of Bank: EQUITY
Branch: KWALE
Postal Address: P.O BOX KWALE

Name of Bank: SAFARICOM LTD
Branch: NAIROBI
Postal Address: NAIROBI

(g) Independent Auditors

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



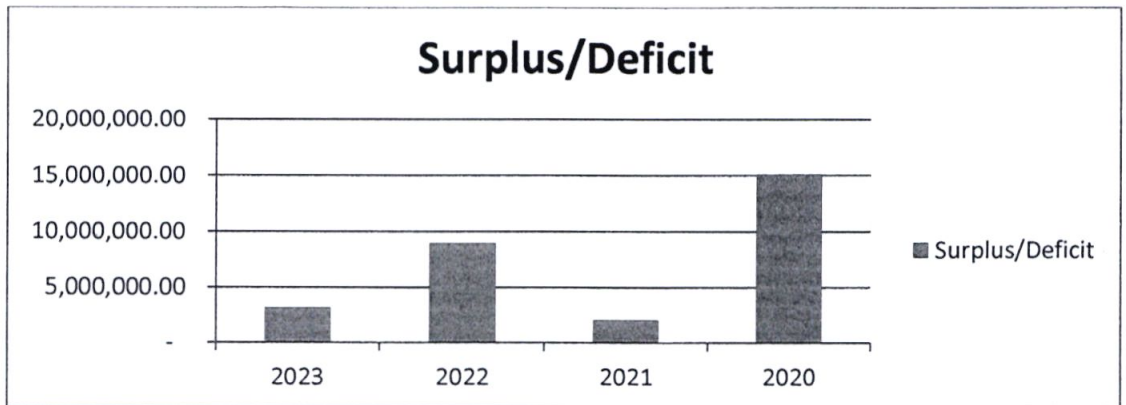
3. Summary Report of Performance of The School

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

a) Financial performance:

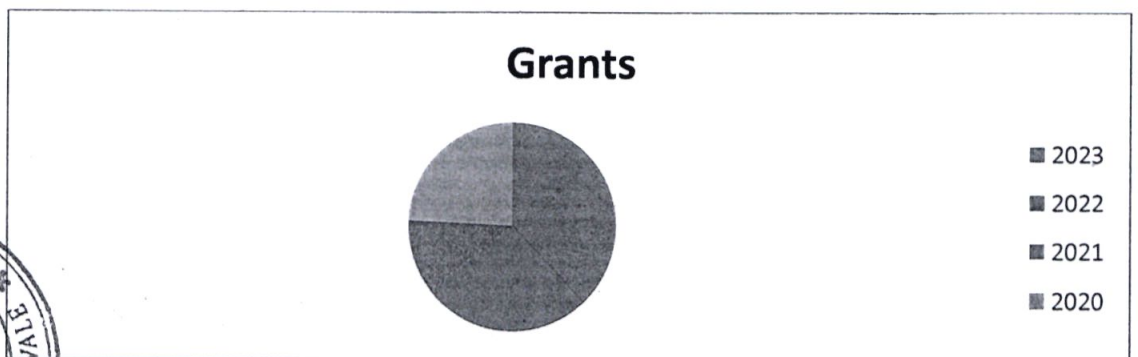
Surplus/ deficit for the year and a comparison of the same for the last three years

Year	2023	2022	2021	2020
Surplus/Deficit	3,155,146	8,955,970	2,040,527	15,041,404
Increase/Decrease	(5,800,823)	6,915,443	(13,000,877)	-



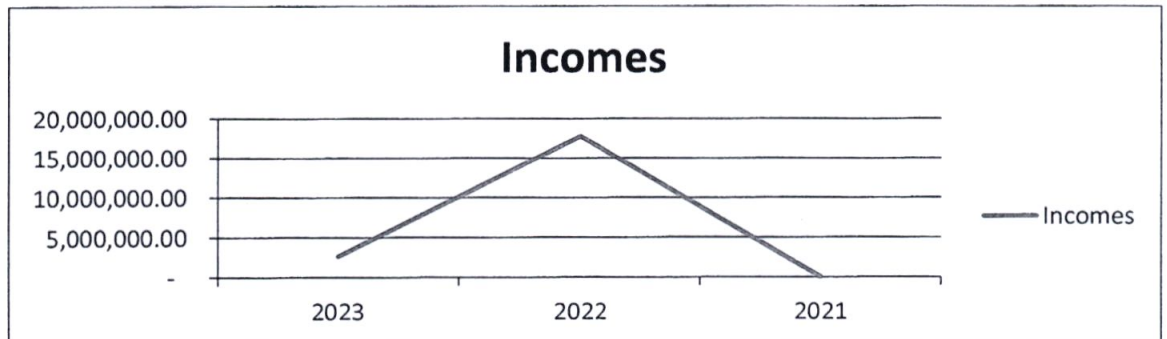
Capitation grants from the Ministry of Education for the last three years

Year	2023	2022	2021	2020
Grants	33,106,199	23,362,247	9,868,442	21,150,401
Increase/Decrease	9,743,951	13,493,805	(11,281,958)	-



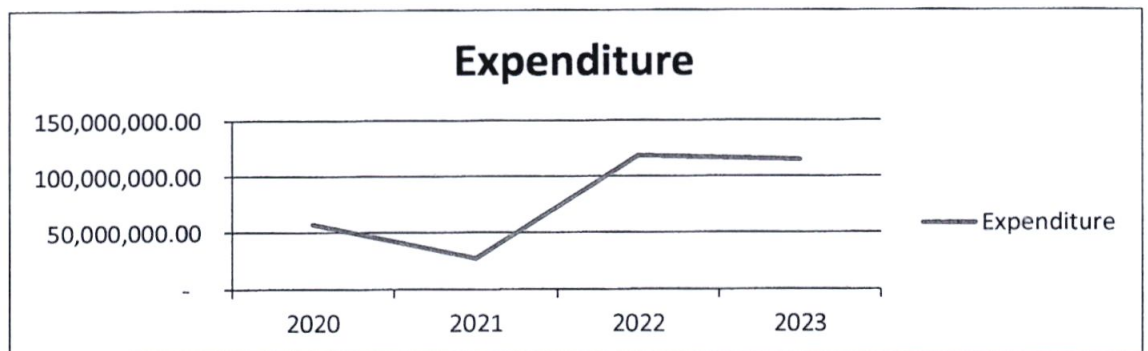
A three-year overview of growth of other income(s) earned by the school.

Year	2023	2022	2021
Incomes	2,644,873	17,763,038	40,000
Growth	(15,118,165)	17,723,038	-



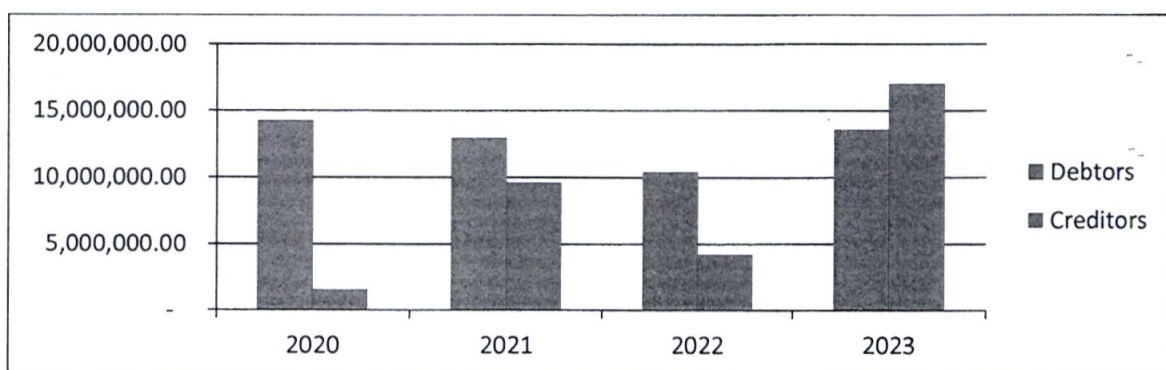
A three-year overview of growth in expenditure of the school

Year	2020	2021	2022	2023
Expenditure	57,414,944.40	27,300,622	118,709,709	114,999,545
Growth	-	(30,114,322)	91,409,087	(3,710,164)



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

Year	2020	2021	2022	2023
Debtors	14,232,749	12,955,715	10,391,948	13,604,120
Creditors	1,576,730	9,581,637	4,232,793	17,045,496

**b) Teacher Student ratio:**

The Teacher student ratio stands at 1:25 supported by the data below:

No of Students	1618
No of Teachers	65
Teachers Recruited/Posted within the year	5
Teachers Retired/Transferred within the year	0
TSC Teachers	46
BOM Teachers	19

c) Mean score in the 2020/21/22 KCSE:

Year	Entry	Mean Score	Improvement	University	% Transition
2020	235	7.7468	0.70	174	74.04
2021	289	7.1972	(0.55)	189	65.40
2022	342	8.3947	1.20	317	92.69
2023	347	-	-	-	-

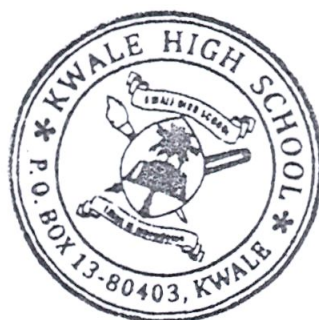


d) Number of Candidates in the 2020/21/22/23 KCSE:

Year	No.of Candidates
2020	235
2021	289
2022	342
2023	347

e) Capacity of the school:

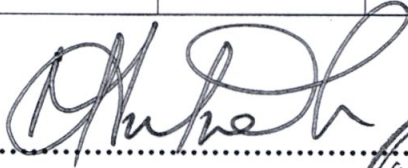
Facility	Number
Dining Hall	1 Hall
Classroom	30 Classrooms
Laboratories	3 Halls
Canteen	1 Canteen
Toilets	30 Pit Latrines
Fields	3 Fields
School Buses	2 Buses
Dormitories	11 Halls of Residencies



f) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of Dining Hall	MoE	Completed Final Phase IV	815,250	815,250	Complete
1NO Classroom	MoE	Completed	1,198,000	1,198,000	Complete



School Principal



4. Statement of School Management Responsibility

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

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

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

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

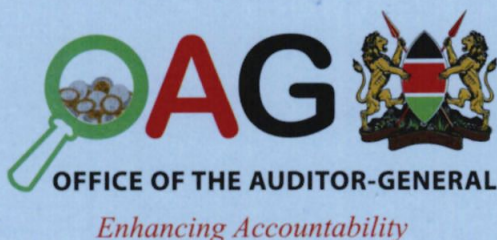
.....
Name: Prof. Saied M. Mwanguni
Designation: Chairman, School Board of Management
Date: 26/06/2024

.....
Name: Michael Mutiso
Designation: School Principal & Secretary to Board of Management
Date: 26/06/2024.



.....
Name: Peter Kazungu
Designation: Bursar/ Finance Officer
Date: 26/06/2024.

REPUBLIC OF KENYA



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

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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kwale High School – Kwale County set out on pages 1 to 22, which comprise of the statement of assets and liabilities

as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and the 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 Kwale High School – Kwale County as at 30 June, 2023, 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

Review of the financial statements presented for audit revealed that, the School Management uses SAMIS, which is a receipts and payments system, as the automated financial management system. However, the system was not able to generate ledgers and cashbooks to support the balances in the financial statements.

Further, review of the statement of receipts and payments amounts revealed variances with amounts reflected in the ledgers as tabulated below;

Description	Note	Statement of Receipts and Payments Kshs.	Ledger Amounts Kshs.	Variance Kshs.
Grants for Tuition	1	4,172,884	3,439,545	733,339
School Fund Income/Payments				
Administration Costs	4	10,734,652	8,734,652	2,000,000
Electricity and Water Payments	9	5,451,692	5,470,763	19,071

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

2. Failure to Maintain Cashbooks and Bank Reconciliation Statements

The statement of assets and liabilities reflects a total bank balance of Kshs.21,154,673 across ten bank accounts maintained by the School as disclosed in Note 10 to the financial statements. However, the cashbooks and bank reconciliation statements for savings, school fund and mpesa paybill accounts totaling to Kshs.2,366,970 were not provided in support of the bank balances. Further, it was noted that the motor vehicle and rent accounts were dormant. No reason was provided for failure to activate the said accounts.

In the circumstances, the accuracy and completeness of the of cash and cash equivalents balance of Kshs.21,154,673 could not be confirmed.

3. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.4,172,884 and Kshs.12,724,316 as disclosed in Note 1 and Note 2 to the financial statements. However, review of the National Education Management and Information System (NEMIS) capitation disbursements made to the School revealed amounts of Kshs.4,172,663 and Kshs.18,806,674. Further, the School receipted operations grant totalling Kshs.18,645,674. The variances were not explained or supported.

In the circumstances, the accuracy of tuition and operation grants totalling Kshs.16,897,200 could not be confirmed.

4. Inconsistencies in Student Enrollment Data

Examination of documents provided for audit revealed that there were variances between the data in the County Director of Education (CDE), National Education Management Information System (NEMIS) and School records relating to the enrolment of students as analyzed below;

Month	Capitation per Student	No. of Students NEMIS	No. of students Register	Variance in Student Enrolment	Capitation Received (Kshs)	Expected Capitation (Kshs)	Variance in Capitation Received (Kshs)
February, 2020	3971.25	1320	1311	9	5,242,050	5,206,308	35,741
January, 2021	2551.7	1458	1445	13	3,720,378	3,687,206	33,172
January, 2022	3806.42	1610	1605	5	6,128,336	6,109,304	19,032
January, 2023	3877.34	1686	1612	74	6,537,195	6,250,272	286,923
						Total	374,868

In the circumstances, the accuracy of the student enrollment data could not be confirmed.

5. Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balances of Kshs.23,959,462 as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.10,338,892 which had been outstanding for more than one (1) years. Further, significant accounting policies on accounts receivables as disclosed in Note 5 is silent on the treatment of the students' fees balances which is the major source of income for the School.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.23,959,462 could not be confirmed.

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

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.69,620,200 and Kshs.82,403,620 respectively, resulting to an over-funding of Kshs.12,783,420 or 18% of the budget. However, the School spent a balance of Kshs.73,647,115 against actual receipts of Kshs.82,403,620 resulting to an under-utilization of Kshs.8,756,505 or 11% of actual receipts.

The under-utilization 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.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN 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. Lack of Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.118,180,558 and Kshs.115,052,601 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

2. Transfer of Funds to Kenya Secondary Schools Heads Association

During the audit, it was noted that the School transferred co-curricular funds totalling to Kshs.950,000 to Kenya Secondary Schools Heads Association a private entity that is not subject to the Public Finance Management Act, 2012 or any other public finance regulations. The funds were vired from Government Operation Capitation grants received by the School per student. KESSHA is a welfare organization that draws its membership from School Principals only.

In the circumstances, the authenticity of Kshs.950,000 that was transferred to KESSHA account could not be confirmed.

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 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 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 overall governance were not effective.

Basis for Conclusion

1. Lack of Approved ICT Policy

Review of the School ICT environment revealed that there was no formal approved ICT policy in place. Further, it was noted that the School does not have a data security and disaster recovery plan in place. In addition, Management did not provide an ICT organization structure for audit review.

In the circumstances, the security and reliability of the School's data including the management information system could not be confirmed.

2. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and 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.

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error,

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to 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 control that are identified during the audit.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

20 September, 2024

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

DESCRIPTION OF VOTE HEAD	Note	2022 - 2023	2021 - 2022
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	4,172,884	4,781,908
Government grants for operations	2	12,724,316	21,317,789
Government Grants for infrastructure	3	16,209,000	
School fund income- parents' contributions	4	82,403,620	83,802,945
Miscellaneous incomes	5	2,670,738	17,816,094
Total Receipts		118,180,558	127,718,736
PAYMENTS			
Tuition	6	4,194,252	4,598,923
Operations	7	12,021,972	20,655,331
Infrastructure	8	4,533,658	
Boarding and school fund	9	94,302,719	93,455,456
Total Payments		115,052,601	118,709,710
Surplus/Deficit		3,127,957	9,009,026
		118,180,558	127,718,736

The school financial statements were approved on 19th September 2023 and signed by:

.....
 Name: Prof. Fred M. Muzuni

Chair BOM

Date: 26/06/2024

.....
 Name: Michael Mutha
 School Principal/ Secretary to BOM

Date: 26/06/2024

.....
 Name: Peter Karungu
 Bursar/ Finance Officer

Date: 26/06/2024



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

	Note	2022 - 2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	21,154,673	18,026,716
Cash Balances	9	-	-
Short term Investment	10	-	-
Total Cash and Cash Equivalents		21,154,673	18,026,716
Account's receivables	11	23,959,462	11,144,878
TOTAL FINANCIAL ASSETS		45,114,135	29,171,594
FINANCIAL LIABILITIES			
Accounts Payable	12	23,761,665	12,868,160
NET FINANCIAL SSETS		21,352,470	16,303,434
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	18,224,513	7,294,408
Surplus/Deficit for the year		3,127,957	9,009,026
NET FINANCIAL POSITION		21,352,470	16,303,434

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

Name: Prof. Sied M. Mwangi
Chair BOM

Date: 26/06/2024

Name: Michael Mutua
School Principal/ Secretary to BOM

Date: 26/06/2024

Name: Peter Kazungu
Bursar/ Finance Officer

Date: 26/06/2024



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

DESCRIPTION		2022 - 2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Government grants for tuition	1	4,172,884	4,781,908
Government grants for operations	2	12,724,316	21,317,789
Government grants for infrastructure	3	16,209,000	
School fund income- parents contributions/ fees	4	82,403,620	83,802,945
Miscellaneous incomes	5	2,670,378	17,816,094
Total receipts		118,180,558	127,718,736
Payments			
Cash outflows for tuition	6	4,194,252	4,598,923
Cash outflows for operations	7	12,021,972	20,655,331
Cash outflows for Infrastructure	8	4,533,658	-
Cash outflows Boarding/lunch and school fund payments	9	94,302,719	93,455,456
		115,052,601	118,709,710
Net cash flow from operating activities		3,127,957	9,009,026
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities			
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		3,127,957	9,009,026
Cash and cash equivalent at BEGINNING of the year		18,026,716	9,017,690
Cash and cash equivalent at END of the year		21,154,673	18,026,716

The school financial statements were approved on 19th September 2023 and signed by:

Name: Prof. Saed M. Muziguni
Chair BOM

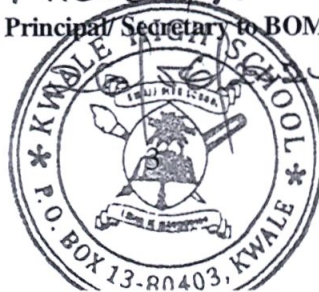
Date: 26/06/2024

Name: Michael Mutuo
School Principal/ Secretary to BOM

Date: 26/06/2024

Name: Peter Kazungu
Bursar/ Finance Officer

Date: 26/06/2024



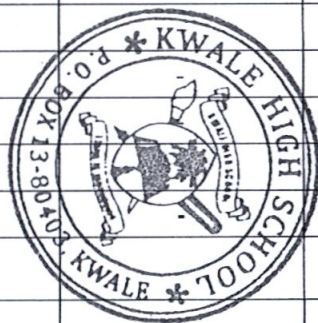
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/e %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Textbooks	1,651,000	-	1,651,000	-	-
Reference Materials	117,000	-	117,000	-	-
Exercise Books	1,202,500	-	1,202,500	-	-
Laboratory Equipment	481,000	-	481,000	-	-
SMASSE	260,000	-	260,000	-	-
Teaching / Learning Materials	364,000	-	364,000	4,172,884	1,146.40
Exams And Assessment	1,571,700	-	1,571,700	-	-
	5,647,200	-	5,647,200	4,172,884	73.89
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	6,181,500.00		6,181,500	6,404,560	103.61
Repairs And Maintenance	6,500,000.00		6,500,000	-	-
Local Transport / Travelling	1,082,900.00		1,082,900	-	-
Electricity And Water	3,042,000.00		3,042,000	2,416,717	79.44
Medical	2,600,000.00		2,600,000	322,200	12.39
Administration Costs	1,913,600.00		1,913,600	2,660,351	139.02
Activity	1,950,000		1,950,000	920,488	47.20
Gratuity					
	23,270,000	-	23,270,000.00	12,724,315.85	54.68

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement MoE	6,500,000	-	6,500,000	14,597,000	224.57
M&I parents' contribution	2,600,000	-	2,600,000	1,612,000	62.00
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
	9,100,000	-	9,100,000	16,209,000	178.12
(4) Fees Charged on Parents					
Personnel Emoluments	5,423,600	-	5,423,600	6,070,341	111.92
Repairs And Maintenance	2,600,000	-	2,600,000	3,271,286	125.82
Local Transport / Travelling	2,234,700	-	2,234,700	2,725,845	121.98
Electricity And Water	9,232,600	-	9,232,600	10,007,729	108.40
Medical	-	-	-	36,876	-
Administration Costs	9,591,400	-	9,591,400	8,734,652	91.07
Activity	1,037,400	-	1,037,400	1,052,631	101.47
SMASSE					
Fee On Boarding Equipment and Stores	39,500,500	-	39,500,500	50,504,260	127.86
	69,620,200	-	69,620,200	82,403,620	118.36
5) Miscellenous Income					
Boarding Items	-	-	-	819,712	-
Rent income	-	-	-		-
Meals and Accomodation	-	-	-	771,000	-
Private Candidates	-	-	-	96,000	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Uniforms	-	-	-	762,361	-
Income From Bus Hire	-	-	-	53,700	-
Fee For Hire of Ground and Equipment	-	-	-	100,700	-
Tender Fees	-	-	-	41,000	-
Income From Any Other Investment	-	-	-	-	-
Total Income	-	-	-	2,644,473	-
					-
(6) Expenditure For Tuition					-
Textbooks	1,651,000		1,651,000	-	-
Reference Materials	117,000		117,000	-	-
Exercise Books	1,202,500		1,202,500	-	-
Laboratory Equipment	481,000		481,000	-	-
SMASSE	260,000		260,000	-	-
Teaching / Learning Materials	364,000		364,000	2,124,660	583.70
Exams And Assessment	1,571,700		1,571,700	-	-
Bank Charges	-		-	3,675	-
	5,647,200	-	5,647,200	2,128,335	37.69
(7) Expenditure For Operations					-
Personnel Emoluments	6,181,500		6,181,500	10,267,795	166.11
Repairs And Maintenance	6,500,000		6,500,000	-	-
Local Transport / Travelling	1,082,900		1,082,900	-	-
Electricity And Water	3,042,000		3,042,000	239,532	7.87
Medical	2,600,000		2,600,000	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs	1,913,600		1,913,600	846,400	44.23
Activity	1,950,000		1,950,000		-
Gratuity	-		-		-
Bank Charges	-		-	11,485	-
	23,270,000	-	23,270,000	11,365,212	48.84
(8) Expenditure For infrastructure					-
Construction of classrooms	-	-	-	1,133,188	-
Construction of Dinning Hall	-	-	-	3,303,166	-
Construction of laboratory	-	-	-	-	-
Construction of dormitory	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of apparatus	-	-	-	-	-
Drilling of boreholes	-	-	-	-	-
Others (Bank Charges & Taxes)	-	-	-	97,304	-
				4,533,658	-
(9) Expenditure For school fund/lunch/boarding					-
Activity				3,297,245	-
Posho mill	-	-	-		-
Bus hire	-	-	-		-
Pocket Money - ID	-	-	-		-
caution Money	-	-	-		-
Personnel emoluments	-	-	-	4,626,846	-



Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Service Gratuity - OTHER VOTEHEADS	-	-	-		-
Repairs and maintenance & Improvements	-	-	-	1,612,000	-
Local transport / travelling - exam	-	-	-	995,185	-
Electricity and water	-	-	-	6,177,608	-
Medical Expenses	-	-	-	264,244	-
Administration costs	-	-	-	37,346,724	-
Refunds	-	-	-	1,226,736	-
Bank Charges	-	-	-	73,322	-

- i. *Over Expenditure was caused by change of Market Prices in the economy*
- ii. *Some students were left out by NEMIS because of age and failure to be released by their former schools.*
- iii. *The school experienced water shortage for the year under review.*



10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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



5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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



11. Notes To The Financial Statements**1 Government Grants for Tuition**

	2022 - 2023	2021 - 2022
	Kshs	Kshs
Text books	-	-
Exercise books	-	717,000
Laboratory equipments and apparatus	-	1,543,515
Teaching/learning materials	4,172,884	2,521,393
Internal exams		
Reference books		
Total	4,172,884	4,781,908

2 Government Grants for Operations

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Personnel emoluments	6,404,560	12,985,789
Repairs and maintenance	-	8,332,000
Local transport / travelling	-	-
Electricity and water	2,416,717	-
Medical	322,200	-
Administration costs	2,660,351	-
Insurance	-	-
Activity	920,488	-
Total	12,724,316	21,317,789

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Maintenance & Improvement	16,209,000	-
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.	-	-
Total	16,209,000	



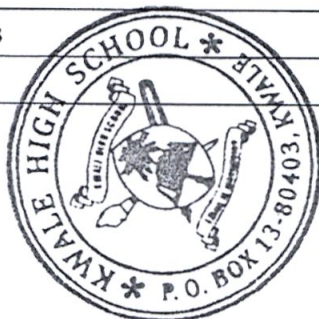
4 School Fund Income - Parents Contribution/Fees

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Fee on Boarding Equipment and Stores	50,504,260	51,636,109
Personnel emoluments	6,070,341	6,584,088
Repairs and maintenance	3,271,286	2,754,198
Local transport / travelling	2,725,845	2,618,188
Electricity and water	8,007,729	4,347,134
Medical	36,876	1,309,538
Administration costs	10,734,652	13,129,489
Activity	1,052,631	1,424,201
Total	82,403,620	83,802,945

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

5 Miscellaneous Incomes

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Rent income		20,850
Boarding Items	819,712	16,273,741
Laboratory damage recoveries	25,865	
Income from Posho mill		
Income from Bus Hire	53,700	53,056
uniform	762,361	560,342
Fee for hire of ground and equipment	100,700	155,105
Tender Fees	41,000	132,000
Conferences	771,400	426,200
Private Candidates	96,000	194,800
Total	2,670,738	17,816,094



Notes to the Financial Statements (continued)

6 Tuition

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Text books		-
Exercise books		570,000
Laboratory equipments and apparatus		1,500,650
Teaching/learning materials	2,124,660	2,176,027
Sundry Creditors	2,065,917	
Internal exams		
Reference books		350,500
Bank charges	3,675	1,746
Total	4,194,252	4,598,923

7 Operations

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Personal Emoluments	10,267,795	11,192,123
Service Gratuity		
Administration Cost	846,400	832,206
Repairs and maintenance & improvements	-	7,932,000
Local transport / travelling		29,300
Electricity and water	239,532	659,144
Sundry Creditors	656,760	
Activity Expenses		
Insurance Cost		
Bank Charges	11,485	10,558
TOTAL	12,021,972	20,655,331



Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Construction of classrooms	1,133,188	-
Construction of Dinning Hall	3,303,166	
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Drilling of boreholes	-	-
Others (Bank Charges & Taxes)	97,304	-
Total	4,533,658	-

9 Boarding And School Fund

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Activity	3,297,245	655,510
Posho mill		
Bus hire		
Pocket Money - ID		
caution Money		
Personnel emoluments	4,626,846	4,355,445
Service Gratuity - OTHER VOTEHEADS		
Repairs and maintenance & Improvements	1,612,000	
Local transport / travelling - exam	995,185	1,272,735
Electricity and water	5,451,692	7,079,786
Medical Expenses	264,244	274,414
Administration costs	36,346,724	31,363,098
Refunds	1,226,736	817,521
Bank Charges	73,322	87,306
Expenses on Income Generating Activities	1,003,218	12,614,480
Fee on Boarding Equipment and Stores	38,267,624	34,689,723
Sundry Creditors	1,003,240	-
Insurance Cost	134,643	245,436
TOTAL	94,302,719	93,455,456

Notes to the Financial Statements (continued)

10 Bank Accounts

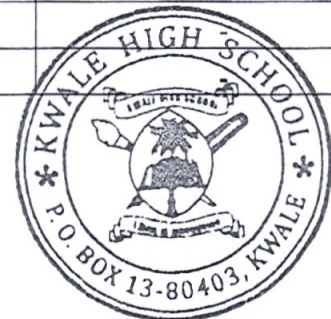
Account Name & Currency	Status	Bank Account Number	2022 - 2023	2021 - 2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1108009069	386,982	408,571
Operations Account	Active	1108600646	2,766,460	2,064,116
School Fund-KCB	Active	1108590403	1,347,678	4,882,175
Savings Account	Active	1200349490	790,507	661,532
School Fund -EQUITY	Active	0440299086486	900,617	3,931,377
Infrastructural Account	Active	1138884251	14,232,231	2,556,889
MPESA Paybill	Active	185777	675,846	3,467,703
Motor Vehicle Account	Dormant	0440297602950	1,295	1,295
Rent Account	Dormant	0440297602960	27,189	27,189
CDF Account	Dormant	1113263253	25,866	25,866
Total			21,154,673	18,026,716

11 Cash In Hand

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Notes and Coins	-	-
Total	-	-

12 Short Term Investments

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-



Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Fees arrears	23,405,522	10,391,948
Other Non-Fees Receivables		
Rent Arrears(List/Schedule Attached)	468,940	667,930
Salary advances(List/Schedule Attached)	-	-
Imprest(List/Schedule Attached)	85,000	85,000
Total	23,959,462	11,144,878

13 b Ageing Analysis of Accounts Receivable

Description	2022 - 2023		2021 - 2022	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	13,066,630	27%	10,338,892	18%
Between 1- 2 years	10,338,892	21%	-	-
Over 2 years		%	-	-
Total (should tie to note 13 a)	23,405,522	100%	10,338,892	100%

14 Accounts Payable

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Trade Creditors (See ageing below and appendix 1)	16,636,072	4,232,793
Unpaid Salaries and Statutory Deductions	409,424	
Prepaid fees	6,682,669	8,635,367
Prepaid Rent	33,500	
Retention monies	-	-
Total	23,761,665	12,868,160



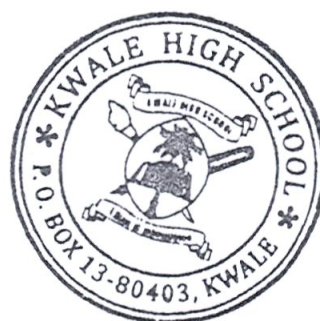
Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022 - 2023		2021 - 2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	16,636,072	100%	4,232,793	100%
Between 1- 2 years	-	%	-	%
Over 2 years	-	%	-	%
Total (should tie to note 14)	16,636,072	100%	4,232,793	100%

15 Fund Balance Brought Forward

Description	2022 - 2023		2021 - 2022	
	Kshs		Kshs	
Bank balances	18,026,716		9,017,690	
Cash balances	-		-	
Short Term Investments				
Receivables	11,144,878		13,645,635	
Payables	(10,947,081)		(15,368,918)	
Total	18,224,513		7,241,352	



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	2022 - 2023	2021 - 2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2022 - 2023	2021 - 2022
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees	3000 mature & seedlings	1,500,000	600,000
Coffee or tea plantation		-	-
Poultry		-	-
Total		1,500,000	600,000

18 Borrowings

Description	2022 - 2023	2021 - 2022
	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

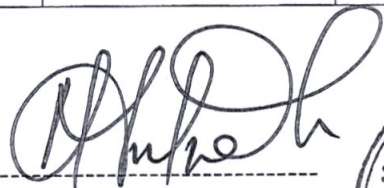
19 Stock/ Inventory

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Food stuffs	828,511	-
Lab consumables	551,384	-
Farm produce	1,207,518	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
Balance at end of the year	2,587,413	-

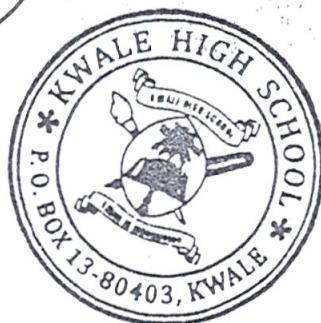
Progress On Follow Up Of Auditor Recommendations

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

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



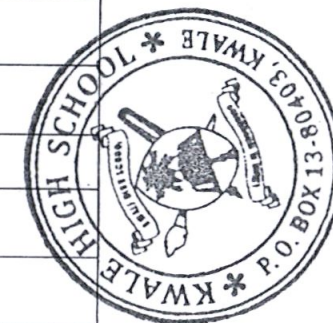
Sign and Date
Principal



12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 30 th June 2023	Comments
	A	B	C	D=A-C	
	Kshs.	Kshs	Kshs.	Kshs	
Construction of buildings					
Rhalfam Ltd	711,600		-	711,600	
Elite Paths	1,192,360		1,073,124	119,236	
Sub-Total	-		-	830,836	
Supply of goods					
Ibrahim Hajio Enterprises	5,204,420	01.07.2022	-	5,204,420	
Jasem Limited	2,241,000	01.07.2022	-	2,241,000	
Kwale Tumaini Butchery	1,952,450	01.07.2022	-	1,952,450	
Semi Arid Regions Env	1,012,000	01.07.2022	-	1,012,000	
Kelson & Co. Ltd	552,260	01.07.2022	-	552,260	
Chaka Trading Co.	1,037,790	01.07.2022	-	1,037,790	
Al-Noor General Stores	525,710	01.07.2022	-	525,710	



Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 30 th June 2023	Comments
Tonlect Enterprises	437,370	01.07.2022	-	437,370	
Makaya Agencies	377,500	01.07.2022	-	377,500	
Fastown	864,000	01.07.2022	-	864,000	
Sisters of St. joseph	140,280	01.07.2022	-	140,280	
Kasongolima Enterprises	303,600	01.07.2022	-	303,600	
Asal Printers	869,856	01.07.2022	-	869,856	
Sub-Total				15,518,236	
Supply of services					
Jasmart Pest Control	287,000	01.07.2022	-	287,000	
PAYE	6,555	01.07.2022	-	6,555	
NHIF	37,550	01.07.2022	-	37,550	
NSSF	120,136	01.07.2022	-	120,136	
KUDHEIHA	4,950	01.07.2022	-	4,950	
OLD MUTUAL	15,500	01.07.2022	-	15,500	
NTS WELFARE	224,733	01.07.2022	-	224,733	



Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 30 th June 2023	Comments
Sub-Total				696,424.00	
Grand Total				17,045,496.00	

Annex 2 – Summary of Fixed Assets Register

Land	108,000,000	-	-	108,000,000
Buildings And Structures	61,740,000	5,600,000	-	67,340,000
Motor Vehicles	5,437,500	-	-	5,437,500
Office Equipment, Furniture And Fittings	2,950,900	230,688	-	3,181,588
Textbooks	2,200,200	1,927,040	-	4,127,240
ICT Equipment	3,076,240	173,875	-	3,250,115
Tools And Apparatus	638,380	853,200	335,160	1,156,420
Other Machinery And Equipment	4,900,500	2,219,074	100,000	7,019,574
Heritage And Cultural Assets	-	340,700	-	340,700
Intangible Assets- Soft Ware	560,000	-	-	560,000
Total	189,503,720	11,344,577	435,160	200,413,137

