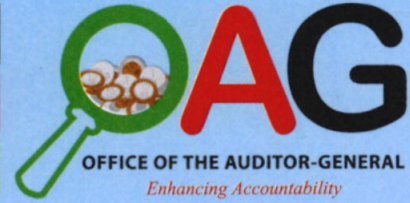



REPUBLIC OF KENYA



**REPORT**

 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>	
DATE: 09 JUN 2026	DAY. Tuesday
TABLED BY:	Hon. Naomi Wago
CLERK AT THE TABLE:	Mchaw

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

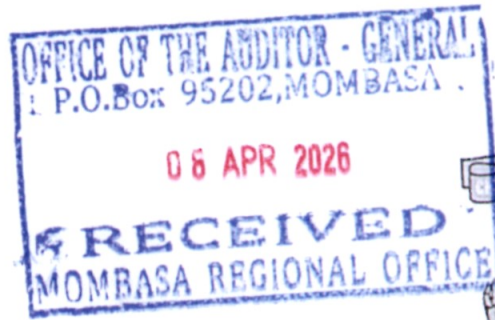
**ON**

**CHAANI SECONDARY SCHOOL**

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

**MOMBASA COUNTY**

Revised 30<sup>th</sup> June 2023.



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**CHAANI SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>TH</sup> JUNE 2023**

---

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

Chaani Secondary School  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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**1. Acronyms and Glossary of Terms**

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
CRE	Christian Religious Education
IRE	Islamic Religious Education
TSC	Teachers Service Commission
ICPAK	Institute of Certified Public Accountants of Kenya
CDF	Constituency Development Fund
PA	Parents Association

## 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 Mombasa County, Changamwe Sub-County.

The school was registered in 02/2018 under registration number 013000210 and is currently categorized as a Sub - County public school established, owned or operated by the Government.

The school is a day mixed school and had 386 Number of students as at 30<sup>th</sup> June 2023. It has 2 streams and 16 teachers of which 6 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	James Ngari Yaa	Chairman	1/3/2022
2	Lucas Kalu Jefwa	Secretary - Principal	1/3/2022
3	Rashid Khamis Bakuly	Member	1/3/2022
4	Julius Njoroge Mokuia	Member	1/3/2022
5	Milcar Titus	Member	1/3/2022
6	Juma Shumbwana	Member	1/3/2022
7	Fatma Chokwe	Member	1/3/2022
8	Eisha Mohammed	Member – Rep CEB	1/3/2022
9	Nelson Mandela	Member Rep Teachers	1/3/2022
10	Mwangangi kakunia	Member - Sponsor	1/3/2022
11	Twalip Bwajuma	Member – sponsor	1/3/2022
12	Phoebe Akinyi	Member – sponser	1/3/2022
13	George Mbogholi	Member - Community	1/3/2022
14	Urbanas Mutisya	Member Special Needs	1/3/2022
15	Kitwa John Wambua	Rep Students	1/3/2022
16	James Sangura	Member	1/3/2022
17	Elias Fondo	Member	1/3/2022
18	Josephine Yumbya	Member	1/3/2022

**The functions of the School Board of Management are to:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 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	1.Mr.James Ngari Yaa 2.Mr.Lucas Kalu Jefwa 3.Mr.Rashid khamis Bakuly 4.Md.Fatma Chokwe 5.Md. Micar Titus	Chairpesron Secretary Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3

2	Audit Committee	1.Mr. James Sangura 2.Mr.Twalib Bwajuma 3.Mr.Mwangangi Kakunia 4.Md. Phoebe Akinyi	Chairperson Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
3	Finance,procurement and general purposes Committee	1.Mr. Rahid Khamis Bakully 2.Md.Josephine Yumbya 3.Mr.Julius Njoroge 4.Md. Milcar Titus	Chairperson Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
4	Academic Committee	1.Mr.Juma Shumbwana 2.Mr.Nelson Mandela 3.Mr. George Mbogholi 4.Mr. Rashid khamis Bakully 5.Md. Esha Mohammed 6 Md. Fatma Chokwe	Chairperson secretary Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
5	Development Committee	1.Mr. Rahid Khamis Bakully 2.Md.Josephine Yumbya 3.Mr.Julius Njoroge 4.Md. Milcar Titus	Chairperson Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
6	Discipline and welfare Committee	1.Mr.Julius Njoroge 2.Md.Fatuma Chokwe 3.Mr. Urbanus Mutisya 4.Mr. George Mbogholi	Chairperson Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
7	Human Rights and Welfare Committee	1.Mr.Elias Fondo 2.Md. Esha Mohammed 3.Mr.Urbanus Mutisya 4.Mr.James Sangura 5.Md.Milcar Titus	Chairperson Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3

**(d) School operation Management**

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

Ref:	Designation	Name	Identification
1	Principal	Lucas Kalu Jefwa	TSC No.358909
2	Deputy Principal	Esther Wairimu Mungai	TSC No.305651
3	School Bursar	Maranga Nyabei Amos	ICPAK No.

**(e) Schools contacts**

Post Office Box: 93200 – 80102  
Changamwe

Telephone:

E-mail: chaanisecondaryschool@yahoo.com

Website: N/A

Facebook: N/A

Twitter: N/A

**(f) School Bankers**

The school operates 7 bank accounts with equity bank – Changamwe branch

S/No	Account Name	Account Number	Bank	Branch
1	Operation Account	1200262143619	Equity Bank	Changamwe
2	Tuition Account	1200262143419	Equity Bank	Changamwe
3	PA Account	1200269660599	Equity Bank	Changamwe
4	Infrastructure Account	1200267164527	Equity Bank	Changamwe
5	Saving Account	1200197035813	Equity Bank	Changamwe
6	CDF Account	1200262741593	Equity Bank	Changamwe
7	Main Account	1200262143362	Equity Bank	Changamwe

Pay bill Number: 247247

Account Number: 660599

Attached to Equity bank

Chaani Secondary School

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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**(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

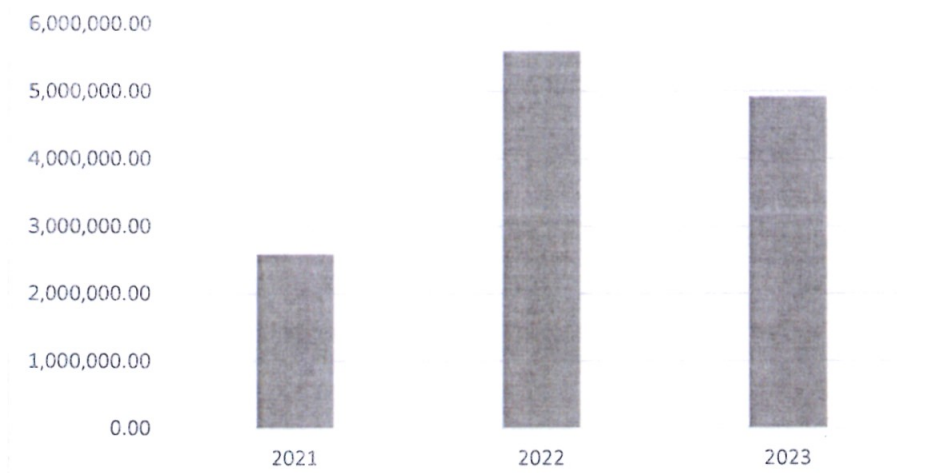
S/No	Year	Surplus /Deficit
1	2021	(145,308)
2	2022	(3,210,313.00)
3	2023	866,959.00



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

S/No	Year	Capitation
1	2021	2,589,971
2	2022	5,597,172
3	2023	4,922,690

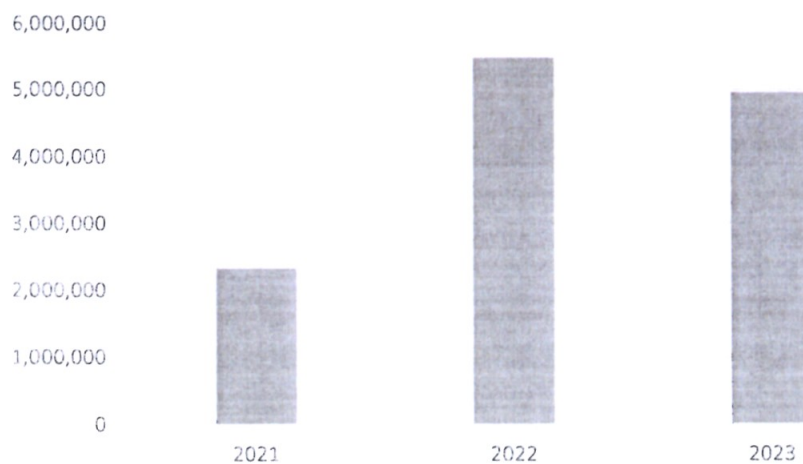
Capitation for year 2021,2022 and 2023



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

S/No	Year	Growth of income earned by the school
1	2021	2,335,018
2	2022	5,481,498
3	2023	4,958,338

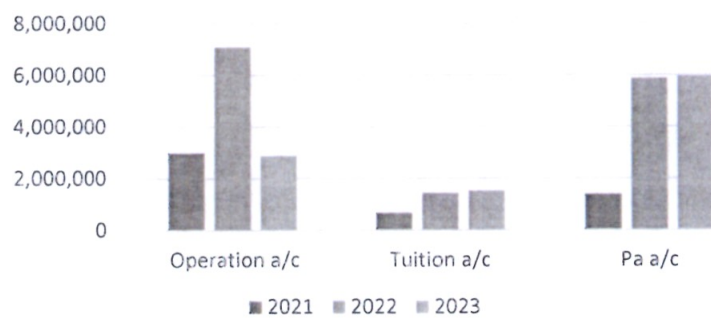
Growth of income earned by the school



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

S/No	Year	Operation a/c	Tuition a/c	Pa a/c
1	2021	2,999,519	674,185	1,396,762
2	2022	7,088,904	1,452,648	5,863,031
3	2023	2,879,154	1,524,001	5,949,505

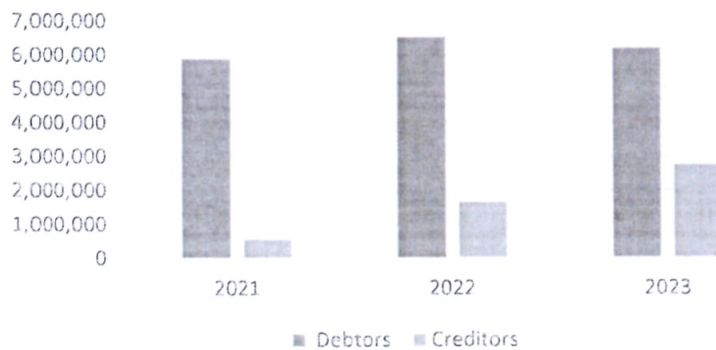
Growth of expenditure for 3 years



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

S/No	Year	Debtors	Creditors
1	2021	5,891,524	571,668
2	2022	6,529,882	1,656,951
3	2023	6,183,888	2,747,356

Movement of Debtors and Creditors



**b) Teacher Student ratio:**

S/No.	No. of Teachers	No. of Students	Teachers students ratio	No. of Teachers Transferred
1	16	386	1.25	1

S/no	Subject	No.of TSC Teachers	No. of BOM Teachers	Shortages
1	English	1	1	1
2	Kiswahili	3	1	0
3	Mathematics	2	1	1
4	Chemistry	3	1	0
5	Biology	1	2	1
6	Physics	1	1	1
7	History	2	1	0
8	Geography	1	1	1
9	CRE	0	1	1
10	IRE	2	0	1
11	Business Studies	1	1	0
12	Agriculture	0	1	0

**c) Mean score in the 2022 KCSE:**

S/No	Year	Mean Score	No of Students transited to institution of higher learning
1	2020	3.16	2
2	2021	2.75	0
3	2022	2.95	1

**d) Number of Candidates in the 2022 KCSE:**

S/No	Year	Number of candidates
1	2020	43
2	2021	61
3	2022	56

**e) Capacity of the school:**

S/No	No. of Students	Toilets	Laboratories	Lockers	Chairs
1	386	6	2	386	386

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

The school did not carry out any project for the year 2022 – 2023

Chaani Secondary school land is a subject of two court cases; as follows

1. ELC SUIT NO.335 OF 2017

In the Environment and Land court (High Court - Mombasa.)

Lawrence Nginga Maranga vs. BOM of Chaani Primary school

BOM of Chaani Secondary school

The dispute involves two issues

- a. Boundary dispute between the private developer and the school
- b. Developer's demand for an access road through the school land to his premises.

2. ELC SUIT NO 159 OF 2017

In the Environmental and land Court (High court - Mombasa)

Mnazi Holdings Ltd vs BOM of Chaani Primary school

BOM of Chaani Secondary school

The dispute involves ownership of the school land. A private developer by the name Mnazi Holdings Ltd claims full Ownership of the school land.



School Principal

**CHIEF PRINCIPAL**  
CHAANI SECONDARY SCHOOL  
P.O BOX 93200-80102, CHANGAMWE  
Date:..... Sign:.....

#### 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 **Chaani secondary 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 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.

.....  
Name: Jay Odhiambo  
Designation: Chairman, School Board of Management  
Date: 7/4/2026

.....  
Name: Munira M. Abeid  
Designation: School Principal & Secretary to Board of Management  
Date: 7/4/2026

**CHIEF PRINCIPAL**  
CHAANI SECONDARY SCHOOL  
P.O BOX 93200-80102, CHANGA  
Date:.....Sign:.....

.....  
Name: Maranya Nyabei Amos  
Designation: Bursar/ Finance Officer  
Date: 7/4/2026

# 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 CHAANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – MOMBASA 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 Chaani Secondary School set out on pages 1 to 23, 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 statement of comparison of budget and 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 Chaani Secondary School and of its statement of assets and liabilities and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Statement of Receipts and Payments**

The statement of receipts and payments reflects payments for operations of Kshs.2,879,154 which differ with the supporting schedule amount of Kshs.3,664,804 resulting to a variance of Kshs.785,650. Further, school fund payments of Kshs.5,949,505 differ with supporting schedule amount of Kshs.5,102,036 resulting to a variance of Kshs.847,469 which was not explained or reconciled. In addition, the statement reflects total payments of Kshs.11,014,069 which differs with corresponding payments reported in the statement of cash flows of Kshs.9,577,741 resulting in an unexplained variance of Kshs.1,436,328.

In the circumstances, the accuracy and completeness of the statement of receipts and payments could not be confirmed.

#### **2. Overstatement of Payments for Operations**

The statement of receipts and payments reflects payments for operations amounting to Kshs.2,879,154 as disclosed in Note 7 to the financial statements. However, review of expenditure records revealed that the amount includes security expenses of Kshs.300,000, which were erroneously classified under personnel emoluments instead of administration costs under boarding and school fund resulting in overstatement of operations expenditure by similar amount, thereby distorting the presentation and comparability of expenditure categories in the financial statements.

In the circumstances, the accuracy and classification of payments for operations could not be confirmed.

#### **3. Unsupported Local Transport Payments**

The statement of receipts and payments and Note 9 to the financial statements reflects boarding and school fund payments of Kshs.5,949,505 which includes local transport and travelling expenses of Kshs.328,780. However, supporting schedules provided for audit reflects an amount of Kshs.661,580 resulting to understatement of the payments by Kshs.322,800. Further, review of imprest records revealed that the School did not maintain an imprest register as required and therefore issuance and surrender of imprests could not be adequately verified.

In the circumstances, the accuracy and completeness of boarding and school fund payments could not be confirmed.

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

### **Key Audit Matters**

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

### **Other Information**

Management is responsible for the Other Information set out on page iii to xiv which comprise of Key School Information and Management, Summary Report of Performance of the School, and Statement of School Management Responsibility, The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the school financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

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

## **Basis for Conclusion**

### **1. Irregular Transfer of Funds to County Secondary School Heads Association and Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects payments in respect of operations and School fund amounting to Kshs.2,879,154 and Kshs.5,949,505 respectively, as disclosed in Notes 7 and 9 to the financial statements. Review of documents provided for audit revealed that the School transferred an amount of Kshs.412,000 from operations account to Kenya Secondary Schools Heads Association (KESSHA) and Kshs.255,280 from boarding and School fund to Mombasa County Secondary School Heads Association (MCSSHA). However, KESSHA and MCSSHA are welfare associations drawing its membership from School Principals and is not recognized under the Government funding framework as an authorized beneficiary of public - school funds. Further, there was no evidence provided to confirm that the Association has established effective, efficient and transparent financial management and internal control systems to safeguard and account for public funds transferred to it as required under Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015.

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 amounting to Kshs.4,011,225, as disclosed in Note 2 to the financial statements, received from the Ministry of Education and credited to the operations bank account. Included in this amount is Kshs.3,339,000 in respect of infrastructure grants, which were to be transferred to the infrastructure bank account for maintenance and improvement of school facilities. However, only Kshs.466,500 was transferred leaving a balance of Kshs.2,872,500 in the operations account as at 30 June, 2023. 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. Irregular Open-Ended Security Services Contract.**

The statement of receipts and payments reflect payments for operations balance of Kshs.2,879,154 as disclosed in Note 7 to the financial statements. Included in this amount is security expenses amount of Kshs.300,000 incurred under administration costs. Review of contract files revealed that a local security firm was awarded an open-ended contract, on 22 January, 2020 for the provision of security services to the School facilities. However, the contract did not specify the commencement or end period. Further, there was no documented evidence of agreed financial obligations, including the number of guards to be deployed and the rates payable per guard.

In the circumstances, value for money on the security contract could not be confirmed.

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

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

### Basis for Conclusion

#### 1. Weak Controls on Procurement Management

The statement of receipts and payments reflects an amount of Kshs.11,014,169 in respect of total payments out of which an amount of Kshs.9,490,068 was spent on goods and services. However, review of procurement activities during the year under review revealed weaknesses in the School's procurement management framework as follows:

##### 1.1 Lack of a Functional Procurement Unit

The School did not have an established procurement unit managed by a qualified procurement professional as required by Section 47(2) of the Public Procurement and Asset Disposal Act, 2015. Procurement activities were instead undertaken by individuals lacking the requisite qualifications.

##### 1.2 Failure to Prepare an Annual Procurement Plan

Management did not prepare an annual procurement plan as part of the annual budget preparation process to guide procurement activities during the financial year.

##### 1.3 Unstructured Procurement Processes

Review of procurement relating to infrastructure projects revealed that the School lacked key procurement documentation and processes including budgets, need analysis reports, procurement plans, tender advertisements, appropriate procurement methods and compliance with bid evaluation procedures.

##### 1.4 Weaknesses in Record Keeping

Audit review revealed that the school failed to maintain complete procurement records including tender documents, tender advertisements, bid evaluation reports, supplier correspondences, contract agreements, payment certificates and contract performance monitoring reports.

In the circumstances, effectiveness of internal controls and risk management on procurement processes could not be confirmed.

## **2. Weaknesses in Management of Assets**

Annex 2 to the financial statements reflects a summary of the fixed assets register with a net balance of Kshs. 12,619. However, review records and physical inspection of the School premises revealed existence of fixed assets, including buildings, furniture, equipment, and other infrastructure, which had not been recorded in the fixed asset register or disclosed in the financial statements. Further, the School occupies land without title deed or ownership documents, and also under dispute with two ongoing court cases.

Further, the School had an abandoned building which had been commissioned for use but was dilapidated, with leaking roofs, cracked walls and floors, and shoddy mechanical works, and not suitable for occupation.

In the circumstances, the effectiveness of internal controls, risk management and governance on assets could not be confirmed.

## **3. Lack of Controls in Management of Inventory**

Note 19 to the financial statements on other important disclosures reflect an inventory balance of Kshs. 108,950. However, valuation could not be established as there were no disclosure notes provided. Although the School maintained a store holding inventory items, the stock movement register was not up to date and key inventory control records, including S11 and S13 forms, bin cards, and stock ledgers, were not maintained, and no annual stock take was conducted during the year under review.

In the circumstances, effectiveness of internal controls, risk management and governance of inventories could not be confirmed.

## **4. Lack of Key Departments and Lack of Segregation of Duties**

During the year under review, it was noted that the School management had not operationalized key departments such as procurement and human resources to effectively allocate roles and responsibilities to enhance accountability and minimize the risk of fraud or errors. It was observed that the person preparing monthly bank reconciliations was also the one performing the role of revenue and cash management process, procurement as well as store management.

In the circumstances, the existence and effectiveness of internal control mechanisms and structured operational frameworks could not be confirmed.

## **5. Failure to Establish an Executive Committee**

During the year under review, the school had a parent's association in place but failed to establish an executive committee as stipulated by the law contrary to Section 55 of Basic Education Act, 2013 (Third Schedule) that states that there shall be an Executive Committee consisting of representatives of each class and two teachers and the

members of the Executive Committee of Parents Association shall be elected during an annual general meeting of parents and teachers.

In the circumstances, the existence and effectiveness of internal control mechanisms and structured operational frameworks could not be confirmed.

## **6. Doubtful Recoverability of Long Outstanding Accounts Receivables**

The statement of assets and liabilities reflects accounts receivables balance of Kshs.6,183,888 in respect of fees arrears as disclosed in Note 13 to the financial statements. The balance includes Kshs.4,619,546 that had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears thus casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the existence of an effective debt management could not be confirmed.

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

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

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are is responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that

effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**


**Nairobi**

**07 May, 2026**

6. Statement of Receipts and Payments for the Year Ended 30<sup>th</sup> June 2023

Description Of Vote Head	Note	2022 - 2023	2021 - 2022
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	911,465	878,617
Government grants for operations	2	4,011,225	4,718,555
Government Grants for infrastructure	3	2,000,000	-
School fund income- parents' contributions	4	4,958,338	5,481,498
NG - CDF	5	-	115,600
<b>Total Receipts</b>		<b>11,881,028</b>	<b>10,194,270</b>
<b>Payments</b>			
Tuition	6	1,524,001	1,452,648
Operations	7	2,879,154	2,871,889
Infrastructure	8	661,409	4,217,015
School Fund	9	5,949,505	5,863,031
<b>Total Payments</b>		<b>11,014,069</b>	<b>14,404,583</b>
<b>Surplus/Deficit</b>		<b>866,959</b>	<b>(3,210,313)</b>

The school financial statements were approved on 7/4 2026 and signed by:



Name: Joyochwa  
Chair BOM

Date: 7/4/2026



Name: Numa M. Aberd  
School Principal/ Secretary to BOM

Date: 7/4/2026

**CHIEF PRINCIPAL**  
CHAANI SECONDARY SCHOOL  
P.O BOX 93200-80102, CHANGAMWE  
Date:..... Sign:.....



Name: Maranga Nyaberi Amos  
Bursar/ Finance Officer

Date: 7/4/2026

7. Statement of Assets and Liabilities As At 30<sup>th</sup> June 2023

Description	Note	2022 – 2023	2021 - 2022
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	2,813,886	499,668
Cash balances	11	23,000	33,930
Short term investments	12	-	-
<b>Total cash and cash equivalent</b>		<b><u>2,836,886</u></b>	<b><u>533,598</u></b>
Account's receivables	13	6,183,888	6,529,722
<b>Total financial assets</b>		<b>9,020,774</b>	<b>7,063,320</b>
<b>Financial liabilities</b>			
Accounts payables	14	2,747,356	1,656,861
<b>Net financial assets</b>		<b>6,273,418</b>	<b>5,406,459</b>
<b>Represented by</b>			
<b>Accumulated fund b/fwd.</b>	15	5,406,459	8,616,772
<b>Surplus/deficit for the year</b>		866,959	(3,210,313)
<b>Net financial position</b>		<b>6,273,418</b>	<b>5,406,459</b>

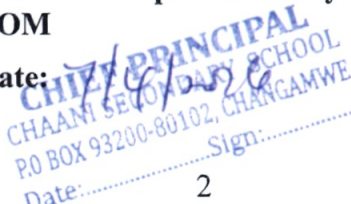
The school's financial statements were approved on 7/4 2026 and signed by:

.....  
 Name: Joy Odhiambo

Chair BOM

Date: 7/4/2026

.....  
 Name: Munira M. Abeed  
 School Principal/ Secretary to BOM

Date: 7/4/2026  
  
 Sign: .....

.....  
 Name: Maranga Nyabeli

Bursar/ Finance Officer

Date: 7/4/2026

8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2023

Description	Note	2022 – 2023	2021 – 2022
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition		911,465	878,617
Government grants for operations		4,011,226	4,718,555
Government grants for infrastructure		2,000,000	-
School fund income- parents contributions/ fees		4,958,338	5,969,918
Other income – NG - CDF		-	115,600
<b>Total receipts</b>		<b>11,881,029</b>	<b>11,682,690</b>
<b>Payments</b>			
Cash outflows for tuition		1,134,767	842,915
Cash outflows for operations		2,879,154	2,800,959
Cash outflows Boarding/lunch and school fund payments		4,902,411	6,585,119
<b>Total payments</b>		<b>(8,916,332)</b>	<b>(10,228,993)</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>2,964,697</b>	<b>1,453,697</b>
		-	
<b>Cash flow from investing activities</b>			
Acquisition of assets		(661,409)	(4,217,015.00)
Proceeds from sale of Assets		-	0.00
Proceeds from investments		-	0.00
Purchase of investments		-	0.00
<b>Net cash inflow/outflows from investing activities</b>		<b>(661,409)</b>	<b>(4,217,015.00)</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
<b>Net cash inflow/outflow from financing activities</b>		<b>-</b>	<b>-</b>
		-	-
<b>Net increase/decrease in cash and cash equivalents</b>		<b>2,303,288.00</b>	<b>(2,763,318.00)</b>
Cash and cash equivalent at beginning of the 31 <sup>st</sup> July 2022		533,598.00	3,296,916.00
<b>Cash and cash equivalent at end of 30<sup>th</sup> June 2023</b>		<b>2,836,886.23</b>	<b>533,598.00</b>

The school's financial statements were approved on 7/6 2026 and signed by:

The school's financial statements were approved on 7/4/ 2026 and signed by:

.....  
*[Signature]*

Name: *Jay aduor*

Chair BOM

Date: *7/4/2026*

.....  
*[Signature]*

Name: *Munira M. Abeed*

School Principal/ Secretary to  
BOM

Date: *7/4/2026*

.....  
*[Signature]*

Name: *Maranya Nyabel' Amos*

Bursar/ Finance Officer

Date: *7/4/2026*

**CHIEF PRINCIPAL**  
CHAANI SECONDARY SCHOOL  
P.O BOX 93200-80102, CHANGAMWE  
Date:..... Sign:.....

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

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
<b>Receipts</b>					
<b>(1) Capitation Grant on Tuition</b>					
Reference Materials	1,500,000	-	1,500,000	911,465	61.0%
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
<b>(2) Capitation Grant on Operations</b>					
Personnel Emoluments	-	-	-	-	-
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	-	-	-	-	-
Administration Costs	-	-	-	-	-
Activity	--	-		-	-
Other vote heads	3,618,967	-	3,618,967	3,546,225	98%

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
<b>3) FDSE for infrastructure</b>					
Maintenance & Improvement MoE	500,000	-	500,000	465,000	93%
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	2,000,000	-	2,000,000	2,000,000	100%
Administration Block	-	-	-	-	-
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	-	-	-	-	-
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	-	-	-	-	-
Administration Costs	-	-	-	-	-
Activity	-	-	-	-	-
SMASSE	-	-	-	-	-
Lunch Fees	5,340,000	-	5,340,000	4,958,338	93%
<b>5) Miscellaneous Income</b>					
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-

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
Income From Bus Hire	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
<b>Total Income</b>	12,958,967	-	12,958,967	11,881,028	92%
<b>(6) Expenditure For Tuition</b>					
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	1,500,000	-	1,500,000	1,524,101	102%
Chalks	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	1,400	-	1,400	1,360	97%
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments	1,000,000	-	1,000,000	996,376	99%
Repairs, Maintenance & Improvements	300,000	-	300,000	292,050	97%
Local Transport / Travelling	450,000	-	450,000	405,650	90%

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
Electricity, Water and Conservancy	144,000	-	144,000	136,109	95%
Medical	-	-	-	-	-
Administration Costs	1,100,000	-	1,10,000	1,047,949	95%
Activity Expenses	400,000	-	400,000	397,000	99%
Bank charges	11,000	-	11,000	9,670	90%
SMASSE	-	-	-	-	-
<b>(8) Expenditure For infrastructure</b>					
Construction of classrooms	500,000	-	500,000	495,000	99.00%
Construction of LAB retention money	-	-	-	166,409	100%
Construction of DORMS	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Personnel Emoluments	1,800,000	-	1,80,000	1,634,656	91%
Repairs, Maintenance and Improvements					
Local Transport / Travelling	360,000	-	360,000	328,780	91%
Electricity, Water and Conservancy					
Medical Expenses					

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	1,000,000	-	1,000,000	967,127	97%
Activity	725,000	-	725,000	722,960	99%
Gratuity	--	-	-	-	-
Lunch Programme	3,552,567	-	3,552,567	2,182,762	87%
Boarding Equipment and Stores	-	-	-	-	-
Expenditure For Income Generating Activity	-	-	-	-	-
Insurance Costs	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	10,000	-	10,000	9,770	97%
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets/Repairs	105,000	-	105,000	103,450	98%
<b>Totals</b>	<b>12,958,967</b>	<b>-</b>	<b>12,958,967</b>	<b>11,497,367</b>	<b>89%</b>

- i. Tuition Account was over utilized because the amount received was slightly lower than the budget.
- ii. Transition Infrastructure Grant of ksh.2, 000,000.00 was not spent because the disbursement come towards the end financial year, the plans were under way seeking approval from the relevant authority to spend the money on the construction of students' washrooms.

## **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 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 30<sup>th</sup> June 2023.

## 11. Notes To The Financial Statements

## 1 Government Grants for Tuition

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	911,465	878,616
Others (specify)*	-	-
<b>Total</b>	<b>911,465</b>	<b>878,616</b>

## 2 Government Grants for Operations

Description	2022 – 2023	2021 - 2022
	Kshs	Kshs
Personnel Emoluments	-	-
Repairs And Maintenance	465,000	786,500
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	-	-
Administration Costs	-	-
Activity	-	-
Other Vote Heads (specify)*	3,546,225	2,932,055
<b>Total</b>	<b>4,011,225</b>	<b>3,718,555</b>

**3 Government Grants for infrastructure**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Maintenance & Improvement	-	-
Transition infrastructure grants	2,000,000	1,000,0000
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.	-	-
<b>Total</b>	<b>2,000,000</b>	<b>1,000,000</b>

**4 School Fund Income - Parents Contribution/Fees**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Lunch fee	4,958,338	5,863,031
PA Levies*	-	-
Others (specify)	-	-
<b>Total</b>	<b>4,958,338</b>	<b>5,863,031</b>

**5 Miscellaneous Incomes**

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
NG - CDF	-	115,600
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income ( <i>specify</i> )*	-	-
<b>Total</b>	-	<b>115,600</b>

**6 Tuition**

Description	2022 - 2023	2021 - 2022
	Kshs	Kshs
Exercise Books	-	-
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	1,522,641	1,451,088
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	1,360	1,560
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>1,524,001</b>	<b>1,452,648</b>

**7 Operations**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Personnel Emoluments	996,376	1,305,589
Service Gratuity	-	-
Administration Cost	640,699	1,243,471
Repairs And Maintenance & Improvements	292,050	75,700
Local Transport / Travelling	407,250	82,240
Electricity And Water	136,109	131,379
Medical	-	-
Activity Expenses	397,000	20,000
Insurance Cost	-	-
Bank charges	9,670	13,510
<b>Total</b>	<b>2,879,154</b>	<b>2,871,889</b>

**8 Infrastructure**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Construction of classrooms	495,000	-
Construction of laboratory	166,409	4,217,015
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
<b>Total</b>	<b>661,409</b>	<b>4,217,015</b>

## 9 Boarding And School Fund

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Personnel Emoluments	1,634,656	1,592,200
Service Gratuity	-	-
Repairs And Maintenance & Improvements	103,450	38,140
Local Transport / Travelling	328,780	203,650
Electricity And Water	-	-
Activity	722,960	398,668
Administration Costs	967,127	1,269,573
Lunch Programme	2,182,762	2,346,860
Bank Charges	9,770	11,050
Expenses On Income Generating Activities**	-	-
Refund	-	3,000
Acquisition Of Assets	-	-
Others (specify)	-	-
<b>Total</b>	<b>5,949,505</b>	<b>5,863,031</b>

**10 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2022 – 2023	2021 – 2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1200262143419	118,867	49,979
Operations Account	Active	1200262143619	2,620,877	310,375
School Fund Account/Boarding	Active	1200262143362	2,135	1
Savings Account	Active	1200197035813	3,563	3,563
Parent Association Development Account	Active	1200269660599	65,058	103,443
CDF Account	Active	1200262741593	2,580	2,580
Infrastructural Account	Active	1200267164527	806	29,726
<b>Total</b>			<b>2,813,886</b>	<b>499,667</b>

**11 Cash In Hand**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Notes and Coins	23,000	33,930
<b>Total</b>	<b>23,000</b>	<b>33,930</b>

**12 Short Term Investments**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**13 Accounts Receivable**

Description	2022 – 2023		2021 – 2023	
	Kshs		Kshs	
Fees Arrears	6,183,888		6,529,822.40	
<b>Other Non-Fees Receivables</b>	-		-	
Salary Advances (list/schedule attached)	-		-	
Imprest (list/schedule attached)	-		-	
Rent arrears (list/schedule attached)	-		-	
<b>Total</b>	<b>6,183,888</b>		<b>6,529,822.40</b>	

**13 b Ageing Analysis of Accounts Receivable**

Description	2022 – 2023		2021 – 2022	
	Kshs		Kshs	
	2022 – 2023	% of the total	2021 – 2023	% of the total
Less than 1 year	778,342	13%	988,000	15%
Between 1- 2 years	786,500	13%	865,176	13%
Between 2-3 years	1,320,000	21%	1,423,200	22%
Over 3 years	3,299,546	53%	3,253,346	50%
<b>Total (should tie to note 13 a)</b>	<b>6,183,388</b>	<b>100%</b>	<b>6,529,722</b>	<b>100%</b>

**14 Accounts Payable**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,430,669	1,280,861
Prepaid Fees	316,687	376,000
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables ( <i>specify</i> )	-	-
<b>Total</b>	<b>2,747,356</b>	<b>1,656,961</b>

**14a. Ageing Analysis of Accounts Payable**

Description	2022 – 2023		2021 – 2022	
	Kshs		Kshs	
	2022 – 2023	% of the total	2021 – 2022	% of the total
Less than 1 year	2,430,669	100%	1,280,861	100%
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (should tie to note 14)</b>	<b>2,430,669</b>	<b>100%</b>	<b>1,280,861</b>	<b>100%</b>

**15 Fund Balance Brought Forward**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Bank Balances	499,668	3,296,916
Cash Balances	33,930	-
Short Term Investments	-	-
Receivables	6,529,722	5,891,524
Payables	(1,656,861)	(571,688)
<b>Total</b>	<b>5,406,459</b>	<b>8,616,772</b>

**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)	-	-
<b>Total</b>	-	-

**17 Biological assets**

Description	Numbers	2022 – 2023	2021 – 2022
		Kshs	Kshs
Cattle	-	-	-
Goats	-	-	-
Trees	-	-	-
Coffee Or Tea Plantation	-	-	-
Poultry	-	-	-
Others (specify)	-	-	-
<b>Total</b>	-	-	-

**18 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

**Other important disclosure notes**

**19 Stock/ Inventory**

Description	2022 – 2023	2021 – 2022
	Kshs	Kshs
Food stuffs	73,950	39,670
Lab consumables	35,000	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	<b>108,950</b>	<b>39,670</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.

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

-----  
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 2022 – 2023	Outstanding Balance Comparative 2021 – 2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.	-	-	-	-	-	
2.	-	-	-	-	-	
3.	-	-	-	-	-	
<b>Sub-Total</b>	-	-	-	-	-	
<b>Supply Of Goods</b>						
4. Kansbag Ltd	429,730	July 2022	-	429,730	-	
5. Toptext Stationers	999,180	July 2022	158,395	740,785	-	
6. Hilkaath Ventures	24,000	July 2022	-	24,000	-	
7. Beka General Suppliers	10,500	July 2022	-	10,500	-	
8. Palmtree Enterprises	1,131,484	July 2022	427,800	703,684	-	
9. Shekem General Suppliers	265,575	July 2022	-	265,575	-	
10. Henry Kithome	238,065	July 2022	171,130	65,935	-	
11. Dickson Odhiambo Tindi	30,390	July 2022	18,480	11,910	-	

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022 – 2023	Outstanding Balance Comparative 2021 – 2022	Comments
<b>Sub-Total</b>	<b>3,128,924</b>		<b>775,805</b>	<b>2,283,040</b>	-	
<b>Supply Of Services</b>						
12. Oguma Nyagwala general	66,900	July 2022	-	66,900	-	
13. Mwalili Mndanyi	10,650	July 2022	-	10,650	-	
<b>Sub-Total</b>	<b>77,550</b>		<b>-</b>	<b>77,550</b>	<b>-</b>	
<b>Grand Total</b>	<b>3,206,474</b>		<b>775,805.00</b>	<b>2,430,669</b>	<b>-</b>	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land				
Buildings And Structures	7	1	-	8
Motor Vehicles	-	-	-	-
Office Equipment, Furniture And Fittings	457	5	-	462
Textbooks	6,610	1,696	-	8,306
ICT Equipment	20	-	-	-
Tools And Apparatus	2,914	845	-	3,759
Other Machinery And Equipment	-	-	-	-
Heritage And Cultural Assets	-	-	-	-
Intangible Assets- Soft Ware	-	-	-	-
<b>Total</b>	10,077	2,542	-	12,619