

REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**NJORO BOYS HIGH SCHOOL**

**FOR THE YEAR ENDED**

**30 JUNE, 2023**

**NAKURU COUNTY**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 05 DEC 2024

DAY:

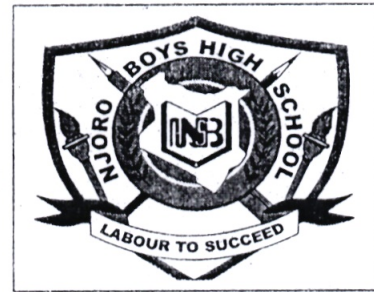
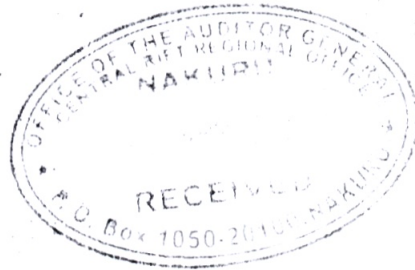
Thursday

TABLED  
BY:

Hon. Kimani Ichung'wa  
(Leader of the Majority Party)

CLERK AT  
THE TABLE:

Anastacia



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**Njoro Boys High School**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2023**

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

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**1. Acronyms and Glossary of Terms**

A list of all applicable 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

## 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 Nakuru County, Njoro Sub-County.

The school was registered in 1961, re-registered in February 1985 under registration number 12465 and in February 2011 under registration number PU/S/3/234/1. It is currently categorized as an Extra County public Boys Boarding school established, owned or operated by the Government.

The school is a boarding school and had 1353 number of students as at 30<sup>th</sup> June 2023. It has 7 streams and 60 teachers of which 18 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:

No. of Board Member	Designation	Date of appointment	
1	George Assumani Salim	Chairman- Sponsor's Rep	May 2022
2	Githaiga K. John	Secretary - Principal	May 2023
3	Jennifer Mugweru	Member -Sponsor's Rep	May 2022
4	Gilbert Nyoro	Member - Sponsor's Rep	May 2022
5	Betty Simiyu	Member -Parent's Rep	May 2022
6	Janet Bii	Member - Special Needs	May 2022
7	Edith Chebet	Member -CEB	May 2022
8	Dixon Shangalla	PA Chair -Parent's Rep	May 2022
9	Kagunda J. Kairu	Member - Parent's Rep	May 2022
10	Gladys Wachira	Member - Parent's Rep	July 2023
11	George M. Kinyua	Member Rep Teachers	May 2022
12	Dr Julius Nguku	Members - Parent's Rep	July 2023
13	Catherine Mureithi	Member - Parent's Rep	July 2023
14	Rev. Harun Njuguna	Member Special interest	May 2022
15	Lewis Sabaya	Rep Students	May 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**

1	Executive Committee	Mr.George A.Salim Mr.Dixon Shangala Mr.Gilbert Nyoro Ms.Jeniffer Mugweru Ms.Janet Bii Mr.John Gthaiga	Chairman PTA Chair SIC chair Member Member Principal	3 out of 3
2	Audit Committee	Ms Betty Simiyu Mr.Joseph Kairu Ms.Jeniffer Mugweru Mr. Dixon Shangala Mr.Gilbert Nyoro Mr.John Githaiga	Chair Member Member Member Member	1 out of 3
3	Finance,procurement and general purposes Committee	Jennifer Mugweru Gilbert Nyoro Betty Simiyu Dixon Shangala Kagunda J Kairu John.K.Gitaiga		3 out of 3
4	Academic Committee	Gladys Wachira Janet Bii		3 out 3

5	Development Committee	Dr. Julius Nguku Gilbert Nyoro Githaiga K. John Janet Bii Harun Njuguna		3 out 3
6	Discipline and welfare Committee	Ms. Jeniffer Mugweru Rev. Harun Njuguna Ms. Catherine Mureithi Ms. Edith Chebet Mr. John K. Githaiga		1 out 1
7	Adhoc Committee (if any during the year)	Different members		3 out 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:

Kel	Designation	Name	Identification
1	Principal	Githaiga K. John	TSC No. 357124
2	Deputy Principal	George M. Kinyua	TSC No. 388264
3	School Bursar	Ferdinand Wanyonyi	BOM
4	Other (specify)		

**(e) Schools contacts**

Post Office Box: **40-20107 NJORO**  
Telephone: **0713188347**  
E-mail: [njoroboy2@gmail.com](mailto:njoroboy2@gmail.com) / [njoroboy@yahoo.com](mailto:njoroboy@yahoo.com)  
Website:  
Facebook:  
Twitter:

**(f) School Bankers**

The following are Bank accounts operated by the school.

1. Name of Bank: KENYA COMMERCIAL BANK  
Branch: NJORO Box 503 -,20107, Njoro  
Account Number: 1101879203(Main/Boarding Account)
2. Name of Bank: KENYA COMMERCIAL BANK LTD  
Branch: NJORO  
Account Number: 1101878169(Tuition Account)
3. Name of Bank: KENYA COMMERCIAL BANK LTD  
Branch: NJORO  
Account Number: 1101878304(Operation Account)
4. Name of Bank: KENYA COMMERCIAL BANK LTD  
Branch: NJORO  
Account: 1272433722(Infrastructure Account)
5. Name of Bank: KENYA COMMERCIAL BANK LTD  
Branch: NJORO  
Account: 1101884487(Farm account)
6. Name of Bank: KENYA COMMERCIAL BANK LTD  
Branch: NJORO  
Account Number: 1108023983( PA savings account)
7. Name of Bank: KENYA COMMERCIAL BANK LTD  
Branch: NJORO  
Account Number: 1108024238(Fees collection account)
8. Name of Bank: KENYA COMMERCIAL BANK LTD  
Branch: NJORO  
Account Number: 1108032761(Farm savings account)

**(g) Independent Auditors**

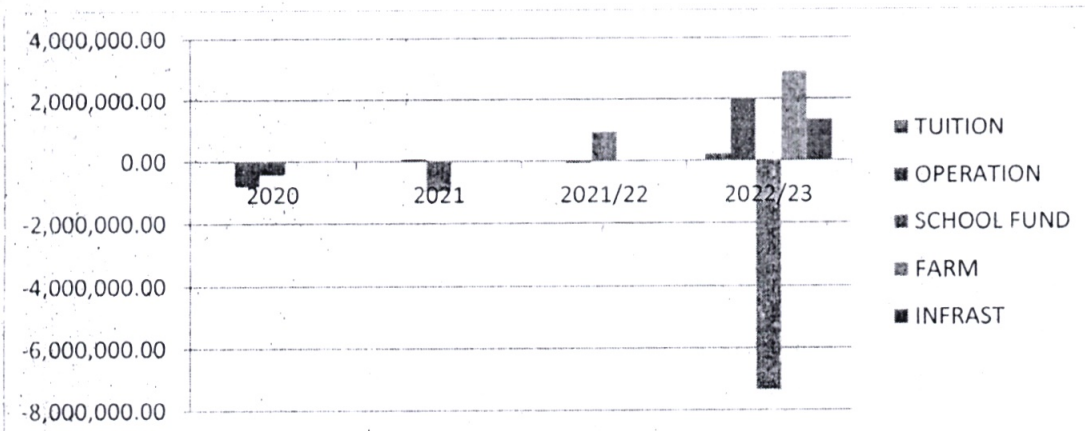
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

3. Summary Report of Performance of The School

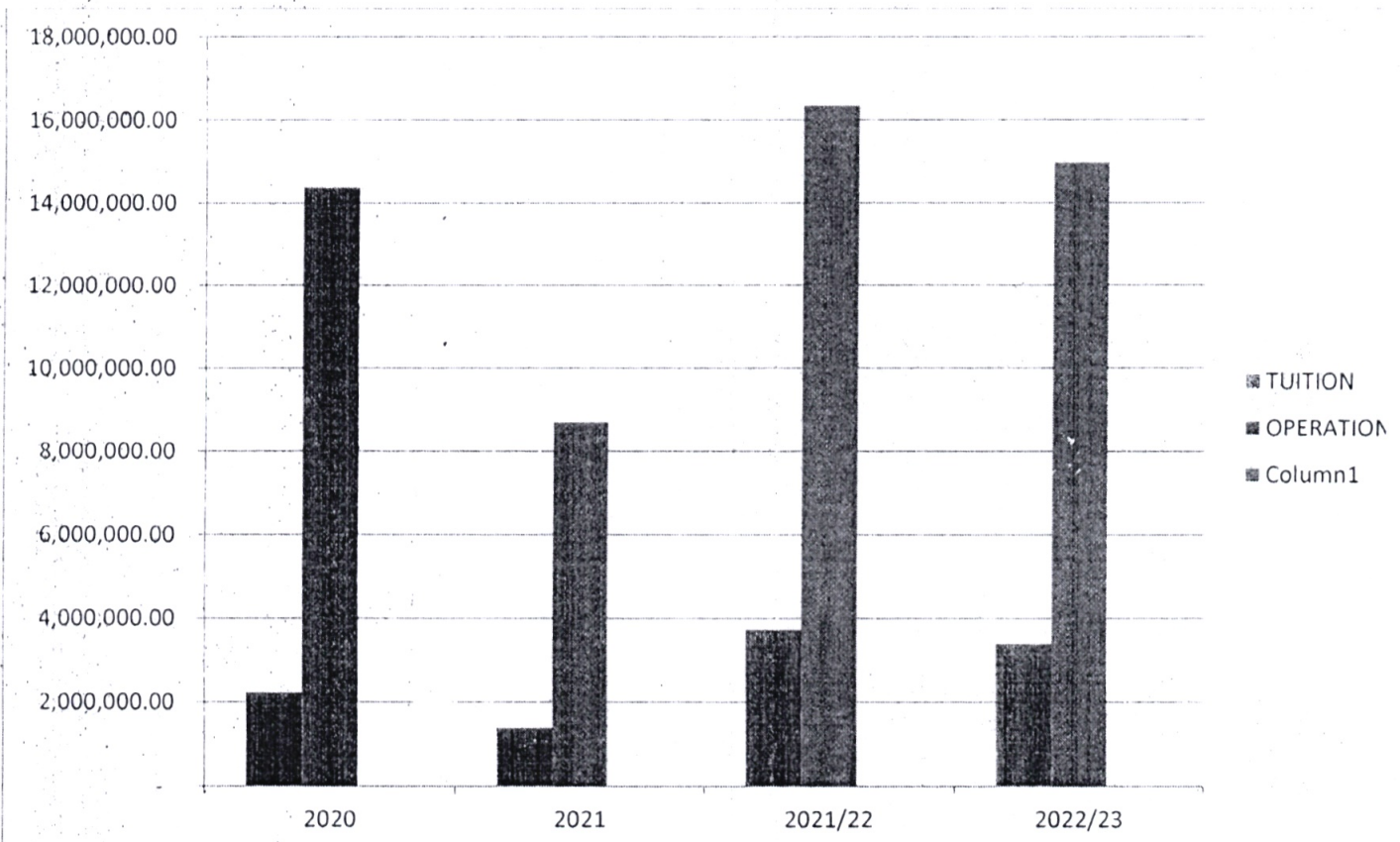
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

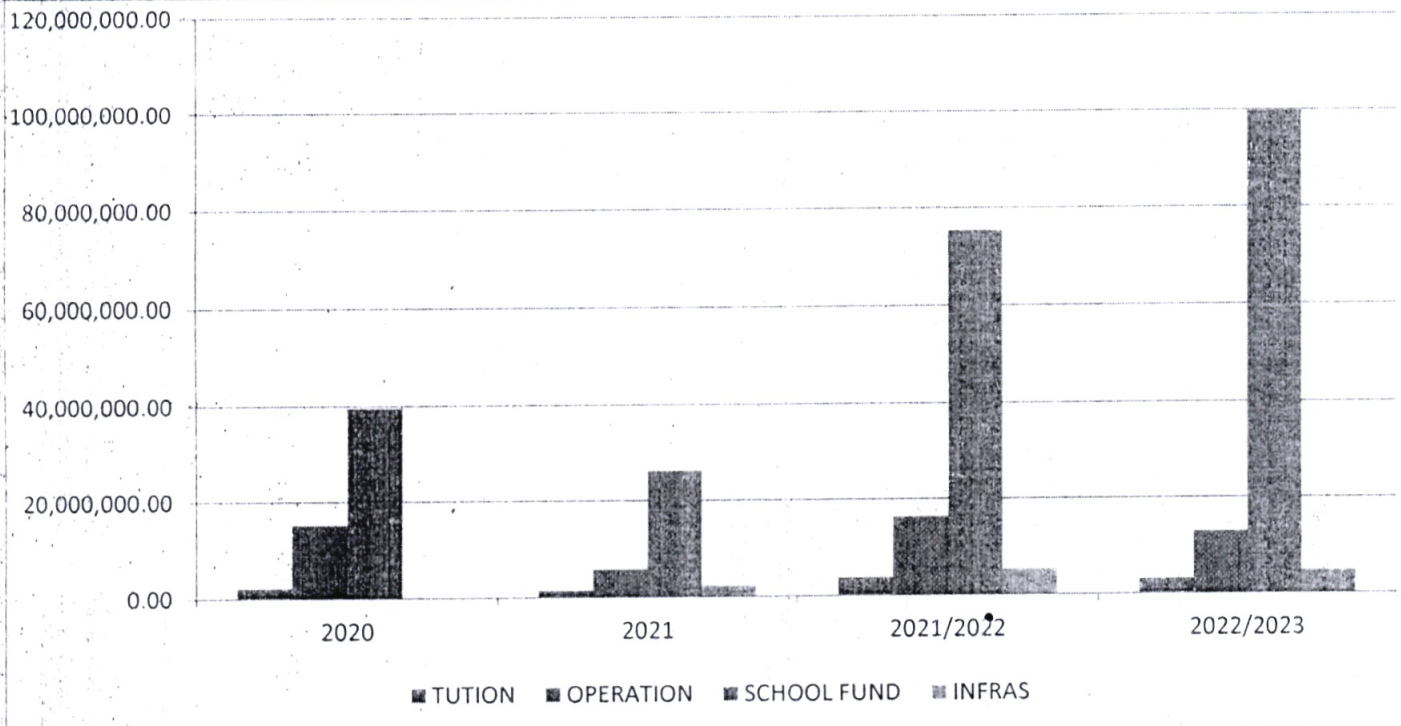
SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS				
SNO	ACCOUNTS	2022/2023	2021/2022	1 <sup>st</sup> Jan-30 <sup>th</sup> June 2021
		Kshs	Kshs	KSHS
1	School Fund Account	( 7,348,927.15)	936,006.50	(981,710.69)
2	Operations Account	2,016,071.00	(77,251.20)	83,269
3	Tuition Account	229,610.75	1,031.20	214.50
4	Farm Account	2,917,884.00	13,190.00	17,424.00
5	Infrastructure Account	1,330,030.00	13,105.00	1,813.00
	<b>TOTAL</b>	<b>(855,331.40)</b>	<b>886,081.50</b>	<b>(878,990.19)</b>
	<b>Increase/Decrease</b>	<b>42,821.00</b>	<b>1,765,071.69</b>	<b>(217,793.50)</b>



CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2022/2023	1 <sup>st</sup> July 2021- 30 <sup>th</sup> June 2022	1 <sup>st</sup> Jan -30 <sup>th</sup> June 2021(6months)	
		KSHS	KSHS		
1	Operations Account	14,968,543.00	16,342,908.30	8,712,475.50	
2	Tuition Account	3,378,504.75	3,732,204.20	1,388,685.50	
	<b>Total</b>	<b>18,347,047.75</b>	<b>20,075,112.50</b>	<b>10,101,161.00</b>	
	<b>Increase/Decrease</b>	<b>(1,728,064.75)</b>	<b>9,973,,951.50</b>	<b>0</b>	
	No of Students	1215	1127	1062	
	<b>Ratio of Capitation per student</b>	<b>1:15,100.45</b>	<b>1:17,812.87</b>	<b>1:9,8511</b>	



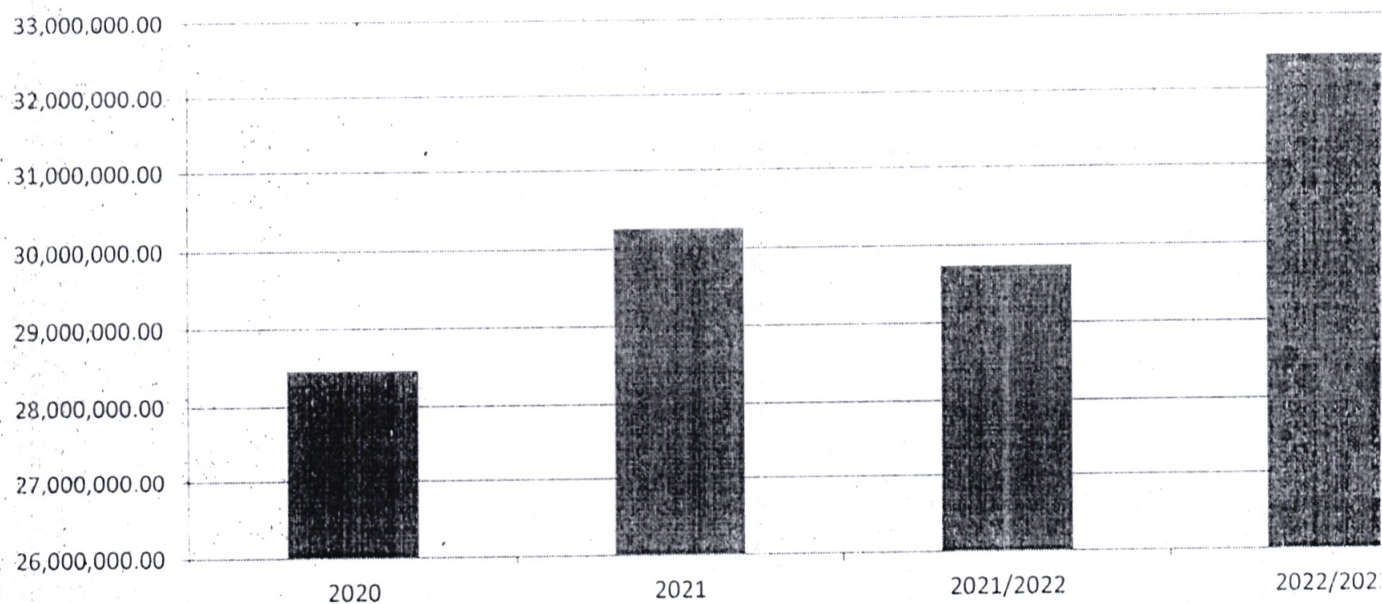
OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL				
SNO	ACCOUNTS	31 <sup>ST</sup> July 2022 -30 <sup>TH</sup> June 2023(12months)	31 <sup>ST</sup> July 2021-30 <sup>th</sup> June 2022(12months)	1 <sup>st</sup> Jan -30 <sup>th</sup> June 2021(6months)
		Kshs	Kshs	Kshs.
1	School Fund Account	99,788,091.65	75,334,735.19	26,192,735.19
2	Operations Account	12,952,472.00	16,420,159.50	5,759,219.50
3	Tuition Account	3,148,894.00	3,731,173.00	1,388,471.00
4	Infrastructure Account	4,789,970.00	5,335,395.00	2,348,187.00
	<b>Total</b>	<b>120,679,427.65</b>	<b>100,821,068.30</b>	<b>35,688,612.69</b>
	<b>Increase/Decrease</b>	<b>19,858,359.15</b>	<b>65,132,455.61</b>	<b>(21,371,404.61)</b>



**MOVEMENT OF DEBTORS OF THE SCHOOL**

SNO	ACCOUNTS	1 <sup>st</sup> July 2022-30 <sup>th</sup> June 2022(12 months)	1 <sup>st</sup> July 2021-30 <sup>th</sup> June 2022(12 months)	1 <sup>st</sup> Jan 2021-30 <sup>th</sup> June 2021(6 months)
		KSHS	KSHS	KSHS
1	School Fund Account			
a	Debtors	32,462,640.40	29,738,259.90	30,257,617.40
	<b>Total</b>	<b>32,462,640.40</b>	<b>29,738,259.90</b>	<b>30,257,617.40</b>
	<b>Increase/Decrease</b>	<b>2,724,380.50</b>	<b>(519,357.50)</b>	<b>1,794,250.00</b>

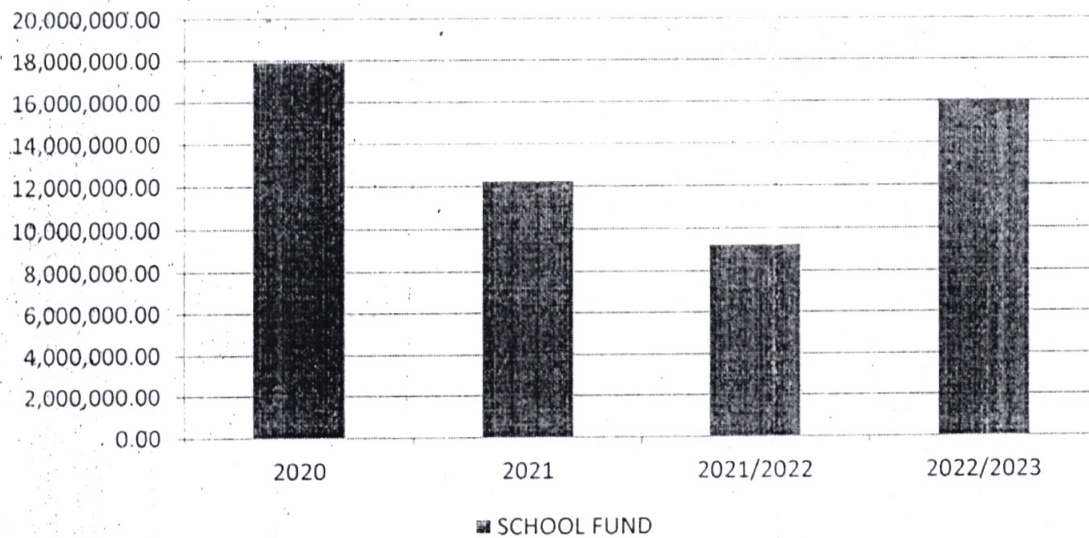
**DEBTORS**



**MOVEMENT OF CREDITORS OF THE SCHOOL**

SNO	ACCOUNTS	1 <sup>st</sup> July 2022-30 <sup>th</sup> June 2023(12months)	1 <sup>st</sup> July 2021-30 <sup>th</sup> June 2022(12months)	1 <sup>st</sup> Jan 2021- 30 <sup>th</sup> June 2021(6months)
1	Description	KSHS	KSHS	KSHS
a	Creditors	16,066,698.20	9,234,621.30	12,223,007.00
	<b>Total</b>	<b>16,066,698.20</b>	<b>9,234,621.30</b>	<b>12,223,007.00</b>
	<b>Increase/Decrease</b>	<b>( 6,832,076.90 )</b>	<b>(2,988,385.70)</b>	<b>2,860,940.00</b>

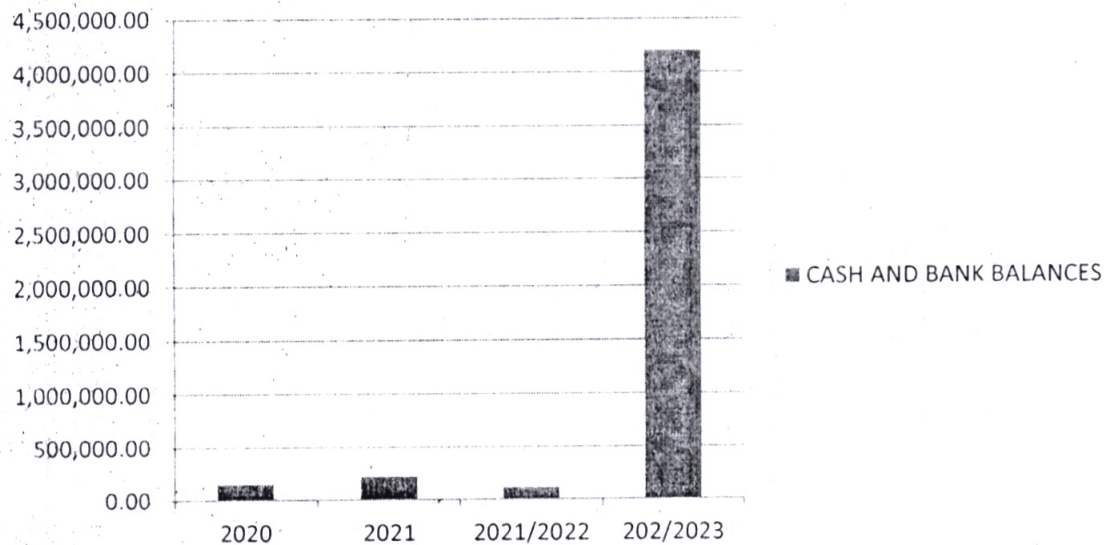
**CREDITORS**



**MOVEMENT OF CASH AND BANK BALANCES**

SNO	ACCOUNTS	1 <sup>st</sup> July 2022-30 <sup>th</sup> June 2023(12months)	1 <sup>st</sup> July 2021-30 <sup>th</sup> June 2022(12months)	1 <sup>st</sup> January-30 <sup>th</sup> June 2021(6months)
1	School Fund Account	564,073.11	55,403.76	105,069.31
2	Operations Account	2,034,119.40	18,048.40	85,299.60.60
3	Tuition Account	231,420.95	1,810.20	779.00
4	Infrastructure Account	1,346,145.00	16,115.00	2,760.00
5	Farm account	25,641.00	23,791.10	32,186.10
	<b>Total</b>	<b>4,201,399.46</b>	<b>115,168.46</b>	<b>226,094.01</b>
	<b>Increase/Decrease</b>	<b>4,086,231.00</b>	<b>( 110,925.55)</b>	<b>70,323.86</b>

**CASH AND BANK BALANCES**



b) Teacher Student ratio:

Name of school	No. of students	CBE	No of T.S.C Teachers employed	Teachers posted within the year	Teachers shortage by combination (In order of priority)	No of BOM Teachers
NJORO BOYS HIGH SCHOOL	1344	65	42	2	MATS/PHYSICS-3,ENG/LIT-3,GEO/BST-2,CHEM/PHY-2,CHEM/MATH-2,BIO/CHEM-2,CRE/HIST-2,AGRIC/BIO-2,KIS/CRE-2,GEO/HISTO-1,KIS/CRE-2,GEO/HISTO-1,KIS/GEO-1,HIST/CRE-1 TOTAL =23	18

e) Mean score in the 2020- 2022 KCSE:

COMPARISON OF MEAN GRADE DISTRIBUTION IN THE LAST THREE YEARS

YEAR	ENT	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	MN	GD
2020	227	0	5	14	40	56	51	35	23	2	1	0	7.5	B-
2021	216	0	5	11	25	31	36	43	38	15	11	1	6.6	C+
2022	177	0	2	6	21	27	31	45	30	12	2	1	6.666	C+

**COMPARISON OF QUALITY GRADES**

Distribution of university qualification grades was as follows:

GRADE	2020	2021	2022
A	0	0	0
A-	5	5	2
B+	14	11	6
B	40	25	21
B-	56	31	27
C+	51	36	31
TOTALS	166	108	87

**d) Number of Candidates in the 2020-2022 KCSE:**

YEAR	ENT
2020	227
2021	216
2022	177

**e) Capacity of the school:**

There was an enrolment of 1344 students. The facilities in the school are; 14 dormitories, 1 Dinning hall with kitchen, 1 social hall, 1 storey library, 5 laboratories, 28 classrooms, 1 curriculum plaza with departmental offices, 1 staffroom, 2 computer labs, 1 dispensary, 1 foodstore, 1 kitchen store, 1 office block, 102 toilets, 1 board room, 1 power house, 5 games fields.

f) Development projects carried out by the school:

1	DORMITORY	M&I	COMPLETED	3,331,000	1,608,880	ONE MONTH
2	STUDENTS TOILETS	M&I	COMPLETED	1,500,140	688,380	ONE MONTH
3	BOARDROOM	M&I	COMPLETED	856,000	856,000	ONE MONTH
4	STUDENTS LOCKERS & CHAIRS	M&I	COMPLETED	2,700,000	1,080,000	ONE MONTH
5	CLASSROOM	M&I	COMPLETED	1,576,000	556,700	
					4,789,970	

  
 School Principal

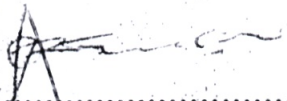
#### 4. Statement of School Management Responsibility

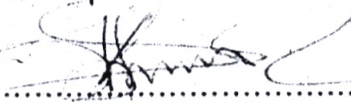
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

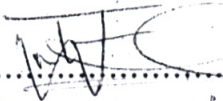
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of Njoro Boys 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 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.

  
.....  
Name: **GEORGE ASSUMANI SALIM**  
Designation: Chairman, School Board of Management  
Date: 29/09/23

  
.....  
Name: **Catherine K. John**  
Designation: School Principal & Secretary to Board of Management  
Date:

  
.....  
Name: **FESTUS WANYONYI**  
Designation: Bursar/ Finance Officer  
Date: 29/9/2023

# REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke  
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*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON NJORO BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NAKURU COUNTY**

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### **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, risk management environment and 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 Njoro Boys High School – Nakuru County set out on pages 1 to 23, which comprise of the statement of assets and

liabilities as at 30 June, 2023, 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 Njoro Boys High School - Nakuru 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 and the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

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

The statement of receipts and payments reflects total receipts and total payments amounts of Kshs.114,919,096 and Kshs.115,774,426 which differs from the statement of budgeted versus actual corresponding amounts of Kshs.116,657,907 and Kshs.99,788,092. The variances have not been reconciled.

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

#### **2. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.32,462,640 as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.26,581,074 which had been outstanding for more than three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.26,581,074 could not be confirmed.

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

## **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 audit procedures performed, except for the matter 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**

#### **Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 12 April, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

## **Basis for Conclusion**

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 the Board of Management**

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 controls, risk management and overall governance.

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

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

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

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 controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the school's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the school to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

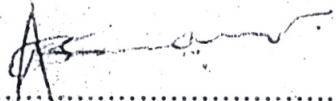
**Nairobi**

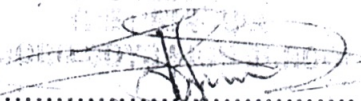
**6 November, 2024**


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

Receipts			
Government grants for tuition	1	3,378,504.75	3,732,204.20
Government grants for operations	2	10,063,543.00	16,342,908.30
Government Grants for infrastructure	3	6,120,000.00	5,348,500.00
School fund income- parents' contributions	4	90,081,229.50	75,674,148.50
Miscellaneous incomes	5	5,275,819.00	2,711,670.00
<b>Total Receipts</b>		<b>114,919,096.25</b>	<b>103,809,431.00</b>
Payments			
Tuition	6	3,148,894.00	3,731,173.00
Operations	7	8,047,472.00	16,420,159.50
Infrastructure	8	4,789,970.00	5,335,395.00
Boarding and school fund	9	99,788,091.65	75,334,340.80
<b>Total Payments</b>		<b>115,774,427.65</b>	<b>100,821,068.30</b>
<b>Surplus/Deficit</b>		<b>(855,331.40)</b>	<b>2,988,362.70</b>

The school financial statements were approved on 29<sup>th</sup> September 2023 and signed by:

  
 Name: **GEORGE ASSUMANI**  
 Chair BOM  
 Date: **29/09/23**

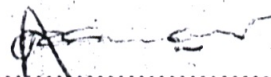
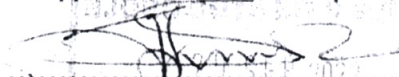
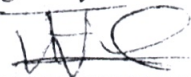
  
 Name: **Gilbert K. John**  
 School Principal/Secretary to BOM  
 Date:

  
 Name: **Ferdinand Wanyonyi**  
 Bursar/ Finance Officer  
 Date: **29/9/2023**

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

Statement of Assets and Liabilities As At 30 <sup>th</sup> June 2023			
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	4,328,092.86	1,075,863.76
Cash balances	11	2,251.70	2,115.80
Short term investments	12	0.00	0.00
<b>Total cash and cash equivalent</b>		<b><u>4,330,344.56</u></b>	<b><u>1,077,979.56</u></b>
Account's receivables	13	32,462,640.40	29,738,259.90
<b>Total financial assets</b>		<b>36,792,984.96</b>	<b>30,816,239.46</b>
<b>Financial liabilities</b>			
Accounts payables	14	16,066,698.20	9,234,621.30
<b>Net financial assets</b>		<b>20,726,286.76</b>	<b>21,581,618.16</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	21,581,618.16	18,593,255.46
Surplus/deficit for the year		(855,331.40)	2,988,362.70
<b>Net financial position</b>		<b>20,726,286.76</b>	<b>21,581,618.16</b>

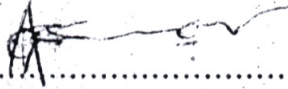
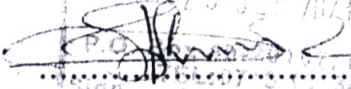
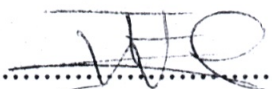
The school's financial statements were approved on 29<sup>th</sup> September, 2023 and signed by:

		
Name: <u>GEORGE ASSUMANI</u>	Name: <u>Catherine K. John</u>	Name: <u>FERDINAND WANYONYI</u>
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date: <u>29/9/23</u>	Date:	Date: <u>29/9/2023</u>

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

Statement of Cash Flows for the Year Ended 30 <sup>th</sup> June 2023			
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition	1	3,378,504.75	3,732,204.20
Government grants for operations	2	10,063,543.00	16,342,908.30
Government grants for infrastructure	3	6,120,000.00	5,348,500.00
School fund income- parents contributions/ fees	4	87,356,849.00	76,193,505.50
Other income	5	5,275,819.00	2,711,670.00
<b>Total receipts</b>		<b>112,194,715.75</b>	<b>104,328,788.00</b>
<b>Payments</b>			
Cash outflows for tuition	6	3,148,894.00	3,731,173.00
Cash outflows for operations	7	8,047,472.00	16,420,159.50
Cash outflows Boarding/lunch and school fund payments	9	92,956,014.75	78,322,726.00
<b>Total payments</b>		<b>104,152,380.75</b>	<b>98,474,058.50</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>8,042,335.00</b>	<b>5,854,729.50</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets	8	(4,789,970.00)	(5,335,395.00)
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
<b>Net cash inflow/outflows from investing activities</b>		<b>(4,789,970.00)</b>	<b>(5,335,395.00)</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
<b>Net cash inflow/outflow from financing activities</b>		<b>0.00</b>	<b>0.00</b>
<b>Net increase/decrease in cash and cash equivalents</b>		<b>3,252,365.00</b>	<b>519,334.50</b>
Cash and cash equivalent at beginning of the FY		1,077,979.56	558,645.06
<b>Cash and cash equivalent at end of the FY</b>		<b>4,330,344.56</b>	<b>1,077,979.56</b>

The school's financial statements were approved on 29<sup>th</sup> September 2023 and signed by:

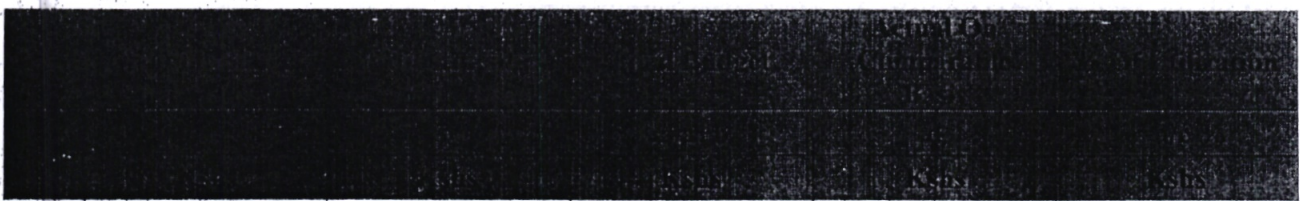




Name: **GEORGE ASSUMANI**      Name: **CATHERINE K. JOHN**      Name: **FERDINAND WANYONYI**  
 Chair BOM      School Principal/Secretary to BOM      Bursar/ Finance Officer  
 Date: **29/9/2023**      Date:      Date: **29/9/2023**



Statements For the year ended 30<sup>th</sup> June 2023

Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2023



	582,800.00	0.00	582,800.00	0.00	0.00%
	1,990,000.00	0.00	1,990,000.00	1,523,958.75	76.58%
	900,000.00	0.00	900,000.00	879,936.00	97.77%
	600,000.00	0.00	600,000.00	0.00	0.00%
	900,000.00	0.00	900,000.00	974,610.00	108.29%
	0.00	0.00	0.00	0.00	0.00
is					
	6,906,000.00	0.00	6,906,000.00	5,030,000.00	72.84%
	6,000,000.00	0.00	6,000,000.00	4,905,000.00	81.75%
	1,200,000.00	0.00	1,200,000.00	1,134,800.00	94.57%
	1,974,000.00	0.00	1,974,000.00	1,807,528.00	91.57%
	2,400,000.00	0.00	2,400,000.00	121,500.00	5.06%
	1,200,000.00	0.00	1,200,000.00	1,142,115.00	95.18%
	1,650,000.00	0.00	1,650,000.00	827,100.00	50.13%
	0.00	0.00	0.00	0.00	0.00%
	21,330,000.00	0.00	21,330,000.00	14,968,543.00	70.18%

Maintenance & Improvement MoE	6,000,000.00	0.00	6,000,000.00	4,905,000.00	81.75%
M&I parents' contribution	2,400,000.00	0.00	2,400,000.00	1,215,000.00	50.625%
Economic Stimulus Programs	0.00	0.00	0.00	0.00	0.00%
Transition Infrastructure Grants	0.00	0.00	0.00	0.00	0.00%
Administration Block	0.00	0.00	0.00	0.00	0.00%
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	11,776,800.00	0.00	11,776,800.00	12,455,625.75	105.76%
Repairs And Maintenance	2,400,000.00	0.00	2,400,000.00	5,869,509.00	244.56%
Local Transport / Travelling	1,945,200.00	0.00	1,945,200.00	2,228,424.00	114.56%
Electricity And Water	7,562,400	0.00	7,562,400.00	7,115,467.25	94.09%
Medical	0.00	0.00	0.00	0.00	0.00%
Administration Costs	4,219,200.00	0.00	4,219,200.00	10,580,000.00	250.73%
Activity	957,400.00	0.00	957,400.00	942,614.60	98.44%
SMASSE	0.00	0.00	0.00	0.00	0.00
Fee On Boarding Equipment and Stores	38,862,000.00	0.00	38,862,000.00	47,723,397.40	122.80%
<b>5) Miscellenous Income</b>					
Loans / Borrowing	0.00	0.00	0.00	0.00	0.00%
Rent income	0.00	0.00	0.00	142,344.00	0.00%
Income From Farming Activities	2,625,000.00	0.00	2,625,000.00	5,004,275.00	190.64%
Accommodation	0.00	0.00	0.00	42,000.00	0.00%
Income From Posho Mill	0.00	0.00	0.00	0.00	0.00%
Income From Bus Hire	0.00	0.00	0.00	87,200.00	0.00%

Fee For Hire of Ground and Equipment	0.00	0.00	0.00	0.00	0.00%
Interest Income	0.00	0.00	0.00	0.00	0.00%
Income From Any Other Investment	0.00	0.00	0.00	0.00	0.00%
<b>Total Income</b>	<b>2,625,000.00</b>		<b>2,625,000.00</b>	<b>5,275,819.00</b>	
<b>(6) Expenditure For Tuition</b>					
Textbooks	0.00	0.00	0.00	0.00	0.00%
Reference Materials	0.00	0.00	0.00	0.00	0.00%
Exercise Books	1,990,000.00	0.00	1,990,000.00	1,800,973.00	90.50%
Laboratory Equipment	900,000.00	0.00	900,000.00	988,175.00	109.80%
Internal Exams	600,000.00	0.00	600,000.00	341,201.00	56.87%
Teaching / Learning Materials	300,000.00	0.00	300,000.00	18,000.00	6.00%
Chalks	0.00	0.00	0.00	0.00	0.00%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00%
Teachers Guides	0.00	0.00	0.00	0.00	0.00%
Administration Costs	0.00	0.00	0.00	0.00	0.00%
Bank Charges	1,500.00	0.00	1,500.00	545.00	36.33%
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments	6,906,000.00	0.00	6,906,000.00	3,799,592.00	55.02%
Repairs, Maintenance & Improvements	6,000,000.00	0.00	6,000,000.00	4,905,000.00	81.75%
Local Transport / Travelling	1,200,000.00	0.00	1,200,000.00	1,321,143.00	110.10%
Electricity, Water and Conservancy	1,974,000.00	0.00	1,974,000.00	651,754.00	33.02%

Medical	2,400,000.00	0.00	2,400,000.00	233,039.00	9.71%
Administration Costs	1,200,000.00	0.00	1,200,000.00	1,421,264.00	118.44%
Activity Expenses	1,650,000.00	0.00	1,650,000.00	620,680.00	37.62%
Gratuity	0.00	0.00	0.00	0.00	0.00%
SMASSE	0.00	0.00	0.00	0.00	0.00%
<b>(8) Expenditure For infrastructure</b>					
Construction of classrooms	1,576,440.00	0.00	1,576,000.00	556,700.00	35.313%
Construction of Students toilets	1,500,140.00	0.00	688,000.00	688,000.00	45.862%
Construction of DORMS	3,331,000.00	0.00	3,331,000.00	1,608,860.00	48.2996%
Purchase of furniture	2,700,000.00	0.00	2,700,000.00	1,080,000.00	40.00%
Construction of Boardroom	856,000.00	0.00	0.00	856,000.00	100.00%
Purchase of machinery	0.00	0.00	0.00	0.00	0.00%
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Personnel Emoluments	11,776,800.00	0.00	11,776,800.00	10,637,463.00	90.33%
Repairs, Maintenance and Improvements	2,400,000.00	0.00	2,400,000.00	5,995,530.75	168.79%
Local Transport / Travelling	1,945,200.00	0.00	1,945,200.00	3,419,725.00	175.80%
Electricity, Water and Conservancy	7,562,400.00	0.00	7,562,400.00	5,891,333.10	77.90%
Medical Expenses	0.00	0.00	0.00	118,298.00	118,298%
Administration Costs	4,219,200.00	0.00	4,219,200.00	10,617,944.35	251.65%

Activity	1,650,000.00	0.00	1,650,000.00	1,381,020.00	83.70%
Gratuity	0.00	0.00	0.00	0.00	0.00%
Lunch Program	0.00	0.00	0.00	0.00	0.00%
Boarding Equipment and Stores	38,862,000.00	0.00	38,862,000.00	59,368,845.20	147.29%
Expenditure For Income Generating Activity	2,625,000.00	0.00	2,625,000.00	2,357,935.00	89.83%
Insurance Costs	0.00	0.00	0.00	0.00	0.00%
Other Expenses On Investments	0.00	0.00	0.00	0.00	0.00%
Rent Expenses	0.00	0.00	0.00	0.00	0.00%
Bank Charges	0.00	0.00	0.00	0.00	0.00%
Loan Interest Repayment	0.00	0.00	0.00	0.00	0.00%
Loan Principal Repayment	0.00	0.00	0.00	0.00	0.00%
Acquisition Of Assets	0.00	0.00	0.00	0.00	0.00%
<b>Totals</b>	<b>71,040,600.00</b>	<b>0.00</b>	<b>71,040,600.00</b>	<b>99,788,091.65</b>	<b>0.00</b>

**Comments on significant underutilization (below 90% of utilization) and any overutilization above 100%**

- i. Overutilization in Exercise books and Lab equipment in Tuition Account was a result of increase in price after budgeting.
- ii. Underutilisation in other vote heads under Tuition Account was due to Lack of funds. Funds received was less than the funds budgeted for.
- iii. Underutilisation in Operations Account was due to unavailability of funds i.e Funds received was less than what was expected during budgeting. However, the Repair Maintenance & Improvement Vote was utilised in the Infrastructure account and medical vote very little money was received which procure drugs for emergence cases in school.
- iv. Overutilization in Operation Account especially in LT&T was due to increase in fuel hence increase in running costs and major repairs on vehicles. Administration cost items like stationery, CCTV prices went up hence overutilization.

v. In school fund Account:

(a) Underutilisation in Electricity Water & Conservancy, and Activity was due lack of funds. Funds collected was less than what was expected, thus couldn't be spend as budgeted.

(b) Overutilization in-

-Under Boarding, the prices of foodstuff such as Beans, maize, sugar, wheat flour and meat prices went up almost double than what was budgeted for, this resulted into more pending bills.

-Under Repair, Maintenance & Improvement, there was over utilisation as a result of several repairs made by the school. The school did repair works as a matter of urgency in areas such as, Classrooms where some classes had damaged floors and tiling was done to curb the problem permanently, several students chairs and lockers were repaired, construction of metal doors, window panes purchases and fixing, repairing the kitchen chimney, repainting of the classrooms, construction of walkways.

-Personal emolument, the school engaged BOM teachers as a result of shortage in TSC employed staff. There were a number of casuals employed by the school too.

-Administrative costs: There was over utilisation under this vote due to increase in prices of stationeries i.e Printing papers.

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

## 11. Notes To The Financial Statements

### 1 Government Grants for Tuition

Reference Materials	0.00	0.00
Exercise Books	1,523,958.75	1,980,018.00
Laboratory Equipment	879,936.00	675,306.20
Internal Exams	0.00	551,880.00
Teaching / Learning Materials	974,610.00	525,000.00
Others (specify)*	0.00	0.00
<b>Total</b>	<b>3,378,504.75</b>	<b>3,732,204.20</b>

### 2 Government Grants for Operations

Personnel Emoluments	5,030,500.00	5,526,200.00
Repairs And Maintenance	0.00	6,212,500.00
Local Transport / Travelling	1,134,800.00	1,393,200.00
Electricity And Water	1,807,528.00	2,140,376.00
Medical	121,500.00	0.00
Administration Costs	1,142,115.00	1,070,632.30
Activity	827,100.00	0.00
Other Vote Heads (specify)*	0.00	0.00
<b>Total</b>	<b>10,063,543.00</b>	<b>16,342,908.30</b>

### 3 Government Grants for infrastructure

Maintenance & Improvement	6,120,000.00	5,348,500.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (specify)(NGCDF and County govt.	0.00	0.00
<b>Total</b>	<b>6,120,000.00</b>	<b>5,348,500.00</b>

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

Personnel emoluments	12,455,625.75	13,721,613.75
Repairs and maintenance	5,869,509.00	4,773,156.00
Local transport / travelling	2,228,424.00	2,734,299.00
Electricity and water	7,115,467.25	4,224,167.75
Medical	0.00	0.00
Administration costs	10,578,885.00	9,971,164.00
Activity	942,614.60	633,143.00
Fee on Boarding Equipment and stores	47,723,397.40	39,616,605.00
PA Levies*	0.00	0.00
Others; Fees arrears	2,303,995.50	0.00
Damages	863,311.00	0.00
<b>Total</b>	<b>90,081,229.50</b>	<b>75,674,148.50</b>

**5 Miscellaneous Incomes**

Rent Income	142,344.00	249,700.00
Income From Farming Activities	5,004,275.00	2,448,970
Accommodation	42,000.00	13,000.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	87,200.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00
Other Income ( <i>specify</i> )s	0.00	0.00
<b>Total</b>	<b>5,275,819.00</b>	<b>2,711,670.00</b>

## Notes to the Financial Statements (continued)

## 6 Tuition

Exercise Books	1,800,973.00	1,985,075.00
Textbooks	0.00	0.00
Reference materials	0.00	0.00
Laboratory Equipment	988,175.00	667,850.00
Teaching / Learning Materials	18,000.00	523,850.00
Exams And Assessment	341,201.00	553,612.00
Teachers Guides	0.00	0.00
Bank Charges	575.00	786.00
Others ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>3,148,894.00</b>	<b>3,731,173.00</b>

## 7 Operations

Personnel Emoluments	3,799,592.00	5,639,847.00
Service Gratuity	0.00	0.00
Administration Cost	1,421,264.00	1,754,774.50
Repairs And Maintenance & Improvements	0.00	5,278,550.00
Local Transport / Travelling	1,321,143.00	1,249,335.00
Electricity And Water	651,754.00	1,472,730.00
Medical	233,039.00	445,373.00
Activity Expenses	620,680.00	579,550.00
Insurance Cost	0.00	0.00
Others ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>8,047,472.00</b>	<b>16,420,159.50</b>

## Notes to the Financial Statements (continued)

**8 Infrastructure**

Construction of classrooms	556,700.00	0.00
Construction of library	0.00	5,335,395.00
Construction of dormitory	1,606,980.00	0.00
Purchase of furniture	1,080,000.00	0.00
Boardroom project	856,335.00	0.00
Toilets Projects	688,380.00	0.00
Drilling of boreholes	0.00	0.00
Bank charges	1,575.00	0.00
<b>Total</b>	<b>4,789,970.00</b>	<b>5,335,395.00</b>

**9 Boarding And School Fund**

Personnel Emoluments	10,637,463.00	13,629,220.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	5,995,530.00	4,362,428.00
Local Transport / Travelling	3,419,723.00	2,840,411.00
Electricity And Water	5,891,333.10	3,209,882.70
Medical Expenses	118,298.00	0.00
Administration Costs	10,617,944.35	9,908,432.00
Lunch Program	0.00	0.00
Bank Charges	0.00	0.00
Expenses On Income Generating Activities**	2,357,935.00	2,435,700.00
Fee On Boarding Equipment and Stores	59,368,845.20	38,320,117.10
Rent Expenses	0.00	0.00
Insurance Cost (Life Property)	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	0.00
PA expenses	0.00	0.00
Activity expenses	1,381,020.00	628,150.00
<b>Total</b>	<b>99,788,091.65</b>	<b>75,334,340.80</b>

Notes to the Financial Statements (continued)

10 Bank Accounts

Tuition Account	Active	1101878169	231,420.95	1,810.20
Operations Account	Active	1101878304	2,033,398.90	17,668.90
School Fund Account/Boarding	Active	1101879203	563,139.41	54,370.06
Farm Account	Active	1101884487	25,423.50	23,478.50
Savings Account	Active	1108024238	94,023.15	167,901.15
Parent Association Development Account	Active	1108023983	34176.00	760,154.00
Income Generating Activities Account	Active	1108032761	775.00	34775.00
Infrastructural Account	Active	1272433722	1,345,755.00	15,725.00
<b>Total</b>			<b>4,328,092.86</b>	<b>1,075,863.76</b>

11 Cash In Hand

Notes and Coins		2,251.70	2,115.80
<b>Total</b>		<b>2,251.70</b>	<b>2,115.80</b>

12 Short Term Investments

Cooperative Shares		0.00	0.00
Treasury Bills		0.00	0.00
Fixed Deposit accounts		0.00	0.00
Other Investments		0.00	0.00
<b>Total</b>		<b>0.00</b>	<b>0.00</b>

## Notes to the Financial Statements (continued)

## 13 Accounts Receivable

Fees Arrears	32,462,640.40	29,738,259.90
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	0.00	0.00
Imprest (list/schedule attached)	0.00	0.00
Rent arrears (list/schedule attached)	0.00	0.00
<b>Total</b>	<b>32,462,640.40</b>	<b>29,738,259.90</b>

## 13 b Ageing Analysis of Accounts Receivable

	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year	5,028,376.00	15.4897%	1,871,190.00	6.292%
Between 1- 2 years	853,190.00	%	0.00	%
Between 2-3 years	0.00	%	0.00	%
Over 3 years	26,581,074.40	%	27,867,069.90	93.7078%
<b>Total (should tie to note 13 a)</b>	<b>32,462,640.40</b>	<b>%</b>	<b>29,738,259.90</b>	<b>100%</b>

## 14 Accounts Payable

Trade Creditors (See Ageing Below and Appendix 1)	16,066,698.20	9,234,621.30
Prepaid Fees	0.00	0.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>16,066,698.20</b>	<b>9,234,621.30</b>

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	16,066,698.20	1%	6,723,210.00	72.80%
Between 1- 2 years	0.00	%	2,511,411.30	27.195%
Between 2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
<b>Total (should tie to note 14)</b>	<b>16,066,698.20</b>	<b>%</b>	<b>9,234,621.30</b>	<b>100%</b>

15 Fund Balance Brought Forward

Bank Balances	1,075,863.76	552,016.96
Cash Balances	2,115.80	6,628.10
Short Term Investments	0.00	0.00
Receivables	29,738,259.90	30,257,617.40
Payables	9,234,621.30	12,223,007.00
<b>Total</b>	<b>21,581,618.16</b>	<b>18,593,255.46</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**

Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**17 Biological assets**

Cattle	3,200,000.00	2,495,000.00
Goats	0.00	0.00
Trees	895,000.00	620,000.00
Coffee Or Tea Plantation	0.00	0.00
Poultry	0.00	0.00
Others (specify)	0.00	0.00
<b>Total</b>	<b>4,095,000.00</b>	<b>3,115,000.00</b>

**18 Borrowings**

Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
<b>Balance at the end of the year</b>	<b>0.00</b>	<b>0.00</b>

## Other important disclosure notes

## 19 Stock/ Inventory

Food stuffs	486,238.00	0.00
Lab consumables	416,809.20	0.00
Farm produce	0.00	0.00
Medication	71,515.00	0.00
Construction Materials	0.00	0.00
Stationery	698,910.00	0.00
	<b>1,673,472.20</b>	<b>0.00</b>

TRIAL BALANCE AS AT 30TH JUNE 2023			
		DR	CR
<b>Cash and Cash equivalents</b>			
	Bank Balances	4,328,092.86	
	Cash Balances	2,251.70	
	Short term investments	0.00	
	Receivables	32,462,640.40	
<b>Payments</b>			
	Payments for Tuition	3,148,894.00	
	Payments for operations	8,047,472.00	
	Payment for infrastructure	4,789,970.00	
	Boarding and school fund payments	99,788,091.65	
<b>Receipts</b>			
	Government grants for tuition		3,378,504.75
	Government grants for operations		10,063,543.00
	Government grants infrastructure		6,120,000.00
	School Fund Income- Other receipts		90,081,229.50
	Other receipts		5,275,819.00
	Payables		16,066,698.20
Prior Year Adjustment			
<b>Fund Balance b/f</b>			<b>21,581,618.16</b>
<b>TOTAL</b>		<b>152,567,412.61</b>	<b>152,567,412.61</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.

1	Annual procurement plan that is not updated	-The management has put updated annual procurement plan in place and all processes to be implemented.	Resolved	Immediately
2	Computerised management accounting system unable to print IPSAS trial balance	-The management has put it in place in line with the computerised accounting systems that provides IPSAS statements	Resolved	Immediately.
3	Supporting payment vouchers adequately with LPOs & LSOs	They agreed that all payment vouchers shall be supported accordingly by attaching the LPOs & LSOs	Resolved	Immediately.
4	Maintaining fixed Assets register	Entries of all assets shall be made	Resolved	Immediately
5	School attendance register not updated	-The management maintains students attendance registers on daily basis through class teachers and checked by principal on weekly basis.	Resolved	Immediately
6	Receivables/sundry debtors recovering fees arrears and ensuring maximum collection of fees	-The school has an existing strategy of collecting $\frac{3}{4}$ of fees as they open, the balance collected after mid term or after one month. -Fees in kind collection was highly encouraged. -It was agreed that BOM to source Bursary for needy students and	Resolved	Immediately

		non-recoverable receivables to seek authority to write off as bad debt..		
7	Ensuring availability of funds before procuring.	-Though the school has a budget, payables arises due to inflation, non collection of 100% fee and late collection of both the school fees and grants. -However with the BOM involved in collection of fees, the school will try to pay and clear all its payables in future.	Resolved	Financial year 2023-2024
8	Infrastructure funds transfer.	It was agreed that all money for M& I to be transferred immediately to infrastructure account	Resolved	Immediately
9	Transfer of funds to Kenya Secondary School Heads Association	It was agreed that management will liaising with Ministry of Education for authority concerning co-curricular activities at all levels	Resolved	Financial year 2023-2024
10	Bank Reconciliation Statements	The managements has to prepare monthly bank eweconciliations together with monthly trial balances.	Resolved	Monthly
11	Payables Register	The school management maintains suppliers legers which can print statements for suppliers at any given time.	Resolved	Daily

Sign and Date  
Chief Principal

29/9/2023

*Njoro Boys High School*

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

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

<b>Construction Of Buildings</b>						
1. ELEPHANT HARDWARE STORES				1,329,985.00	387,500.00	
2. D.B ELECTRICAL & HARDWARE				218,100.00	109,800.00	
3. BETHSTACE MACHINERY SOLUTIONS LTD				1,620,000.00	0.00	
<b>Sub-Total</b>				<b>3,168,085.00</b>	<b>407,300.00</b>	
<b>Supply Of Goods</b>						
4. GOOSE BUTCHERY& GENERAL SUPPLIES				2,656,480.00	1,438,940.00	
5. MARY WAIRIMU KIMUHU				1,120,158.00	958,478.00	
6. BLUE CORE VENTURES				150,750.00	0.00	
7. KENKANA GENERAL MERCHANTS				174,420.00	104,452.00	
8. TREDAN ENTERPRISES				585,000.00	0.00	
9. MARY WAIRIMU NGUMBA				289,700.00		
10. GMAX ENGINEERING				451,524.00		
11. SAMUEL KIPLANGAT				323,600.00		
12. SARAH CHEMTAI SOI				504,000.00		

13. PATMAT BOOKSHOP LTD				2,917,428.20	874,488.00	
14. PAMFLOY ENTERPRISES				503,340.00	352,400.00	
15. TANYATEX STATIONERS				533,680.00	141,010.00	
16. GENESIS SOLUTIONS LTD				328,658.00	511,178.00	
17. STREAMLINE CONCEPTS				518,500.00	225,700.00	
18. ELIZABETH CHEPCHIRCHIR BII				135,000.00	120,000.00	
19. ROSEMARY MOGURE NJINGIRI				304,000.00		
20. WANJAKAY MERCANTILE				262,650.00		
21. KINAMBA EVANS ENTERPRISES				237,973.00	140,890.00	
22. DEVASHISH ENTERPRISES LTD				128,050.00		
<b>Sub-Total</b>				<b>12,124,911.20</b>		
<b>Supply Of Services</b>						
23. BEHOS ELECTRICALS				64,732.00		
24. BEECKLE NETWORKS				254,790.00		
25. NAMSAMS ENTERPRISES (EA)				211,500.00		
26. TOPMAMU GENERAL SERVICES				134,630.00	137,725.00	
27. BLINK BYTE TECHNOLOGIES				108,050.00	165,300.00	
28. COPYCATE ENTERPRISES LTD					986,984.00	
29. SUNTRANSFER KENYA INVESTMENT LTD					488,685.00	
<b>Sub-Total</b>				<b>773,702.00</b>	<b>6,315,910.00</b>	

<b>Grand Total</b>				12,124,911.20		

**Annex 2 – Summary of Fixed Assets Register**

Land	780,000,000.00	0.00		780,000,000.00
Buildings And Structures	205,855,210.00	4,789,970.00		210,645,180.00
Motor Vehicles	9,300,000.00			9,300,000.00
Office Equipment, Furniture And Fittings	26,479,500.00			26,479,500.00
Textbooks	31,853,500.00			31,853,500.00
ICT Equipment	1,578,000.00			1,578,000.00
Tools And Apparatus	14,800,000.00			14,800,000.00
Other Machinery And Equipment	192,000.00			192,000.00
Heritage And Cultural Assets				
Intangible Assets- Soft Ware	350,000.00			350,000.00
<b>Total</b>	<b>1,070,408,210.00</b>	<b>4,789,970.00</b>		<b>1,075,198,180.00</b>