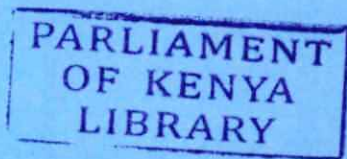


REPUBLIC OF KENYA



Enhancing Accountability

REPORT



OF

THE AUDITOR-GENERAL

ON

KAKUYUNI BOYS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 12 MAR 2025

DAY.

WEDNESDAY

KILIFI COUNTY

TABLED
BY:

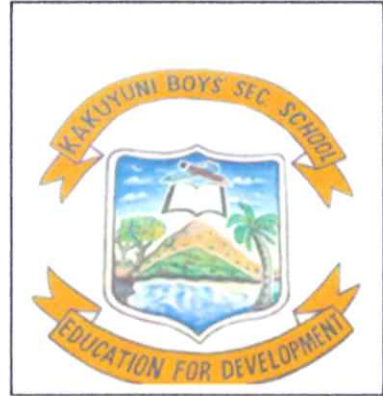
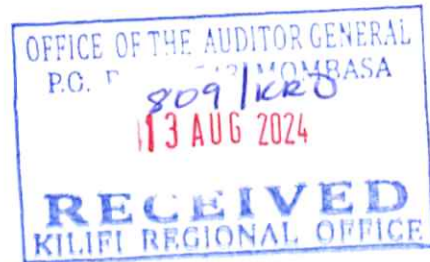
DEPUTY MAJORITY WHIP

(HON. NAOMI WAGG MP)

CLERK-AT
THE-TABLE:

J. LEMERELLE

Revised 30th June 2023.



KAKUYUNI BOYS SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

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KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2023

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Acronyms and Glossary of Terms

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

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

KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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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 Kilifi County, Malindi Sub-County.

The school was registered in 24th September 2010 under registration number PU/S/2/2525/10 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a day/boarding school and had 405 number of students as at 30th June 2023. It has 11 streams and 24 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	NORMAN M. MWAWANA	Chairman	8-07-2022
2	ALPHONCE K. KAZUNGU	Secretary - Principal	8-07-2022
3	EMILY KARISA	Member	8-07-2022
4	MILKA WASHE	Member	8-07-2022
5	JANET KAINGU	Member	8-07-2022
6	PATRICK CHIPIRA	Member	8-07-2022
7	JOHN ISRAEL NGALA	Member	8-07-2022
8	MASHA K. TSOFA	Member – Rep CEB	8-07-2022
9	DAVID KATANA	Member Rep Teachers	8-07-2022
10	NORMAN MCHORI EMILY KARISA	3 Members - Sponsor	8-07-2022
11	OMAR MOHAMED THOYA	Member - Community	8-07-2022
12	SAMSON WAMUNGA	Member Special Needs	8-07-2022
13	DAVID KATANA MAIBU	Student Representative	8-07-2022

KAKUYUNI BOYS SECONDARY SCHOOL
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The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.NORMAN M.MWAWANA	CHAIRPERSON	3/3
		2.ALPHONCE K. KAINGU	SECRETARY/PRINCIPAL	
		3.JANET MUDZA KAINGU	P A CHAIRPERSON	
		4.MASHA K. TSOFA	MEMBER	
		5.SAMSON WAMUNGA	MEMBER	
2	Audit Committee	1.EMILY KARISA	CHAIRPERSON	NIL
		2.MASHA K.TSOFA	MEMBER	
		3.ISRAEL JOHN NGALA	MEMBER	
3	Finance,procurement and general purposes Committee	1.PATRICK CHIPIRA	CHAIRPERSON	NIL
		2.MILKA WASHE	MEMBER	
4	Academic Committee	1.MASHA K. TSOFA	CHAIRPERSON	3/3
		2.DAVID KATANA MAIBU	MEMBER	
		3.ISRAEL JOHN NGALA	MEMBER	
5	Development Committee	1.NORMAN MCHORI	CHAIRPERSON	NIL
		2.JOHNSON KITHI	SECRETARY/DEPUTY	
		3.ALPHONCE KAINGU	MEMBER	
		4.OMAR THOYA MOHAMED	MEMBER	
		5.JANET KAINGU	MEMBER	
6	Discipline and welfare Committee	1.SAMSON WAMUNGA	CHAIRPERSON	3/3
		2.JANET KAINGU	MEMBER	

KAKUYUNI BOYS SECONDARY SCHOOL
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7	Adhoc Committee Tender Opening	3.OMAR MOHAMED THOYA	MEMBER	1/1
		1.MR.MUKUTANO DANIEL	CHAIRPERSON	
		2.MR.KWICHA BAYA	MEMBER	
		3.MDM.MARY MAPENZI	MEMBER	
	Adhoc Committee Tender Evaluation	4.MDM.JOAN NYAMBURI	MEMBER	1/1
		1.MR.KITHI ROBERT	CHAIRPERSON	
		2.MR.GICHUHI JAMES	MEMBER	
		3.MR.KWICHA BAYA	MEMBER	
		4.MDM.CLAIRE MULEMA	MEMBER	

(D) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	ALPHONCE KAZUNGU KAINGU	TSC No.374142
2	Deputy Principal	ROBERT JOHNSON KITHI	TSC No.421579
3	School Bursar	MERCY WANGECHI WANGURA	I D No. 21838340

(E) Schools contacts

Post Office Box: 5400-80200 MALINDI
 Telephone: N/A
 E-mail: kakuyuniboysssecondary@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

**KAKUYUNI BOYS SECONDARY SCHOOL
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For the year ended 30th June 2023**

F) School Bankers

Provide details of the school bankers.

1. Name of Bank: K C B
Branch MALINDI
Account Name: TUITION ACCOUNT
Account Number: 1107986133

2. Name of Bank: K C B
Branch MALINDI
Account Name: OPERATION ACCOUNT
Account Number: 1104196212

3. Name of Bank: K C B
Branch MALINDI
Account Name: BOARDING ACCOUNT
Account Number: 1104211912

4. Name of Bank: K C B
Branch MALINDI
Account Name: PERSONAL EMOLUMENT SAVINGS
Account Number: 1168207150

5. Name of Bank: K C B
Branch MALINDI
Account Name: INFRASTRUCTURE ACCOUNT
Account Number: 1253176663

6. Name of bank: K C B
Branch MALINDI
Account Name: BUS FUND ACCOUNT
Account Number: 1253177066

7. Name of Bank: CO-OPERATIVE BANK
Branch MALINDI
Account Name: TREE PLANTING ACCOUNT
Account Number: 01192264662200

(G) Independent Auditors

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

KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

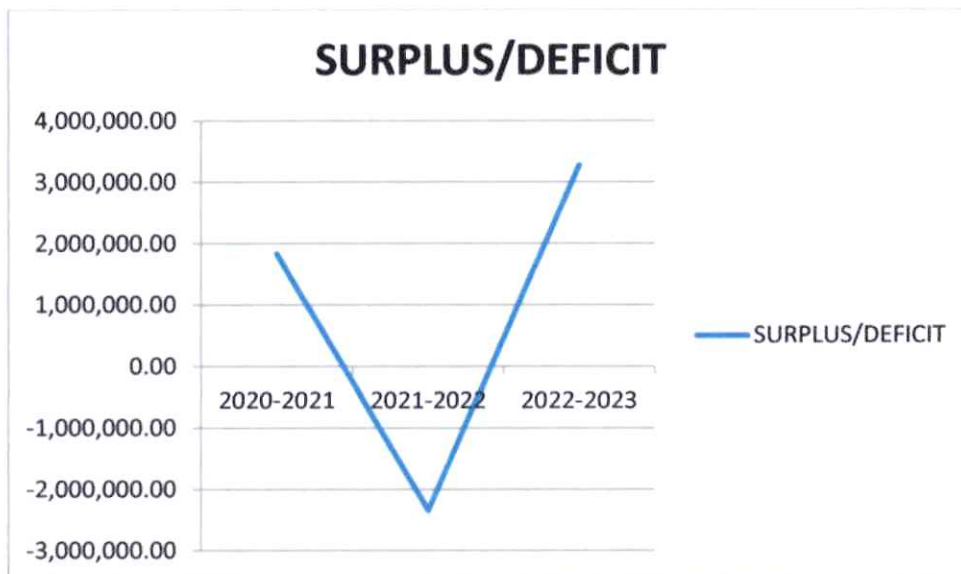
Summary Report of Performance of The School

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

	SURPLUS/DEFICIT
2020-2021	1,836,239.00
2021-2022	-2,344,147.70
2022-2023	3,275,219.20

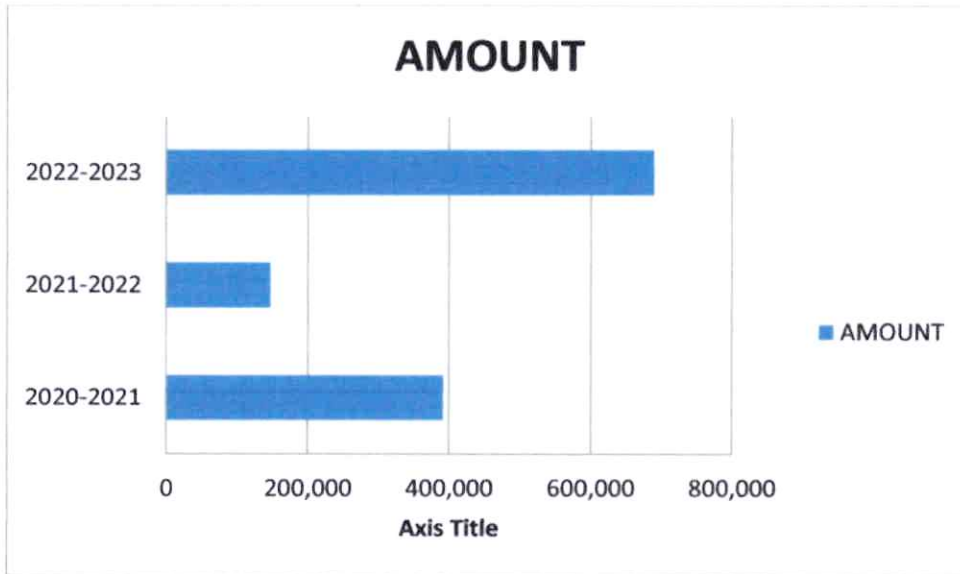


-A three-year overview of growth of other income(s) earned by the school

The school has a school bus

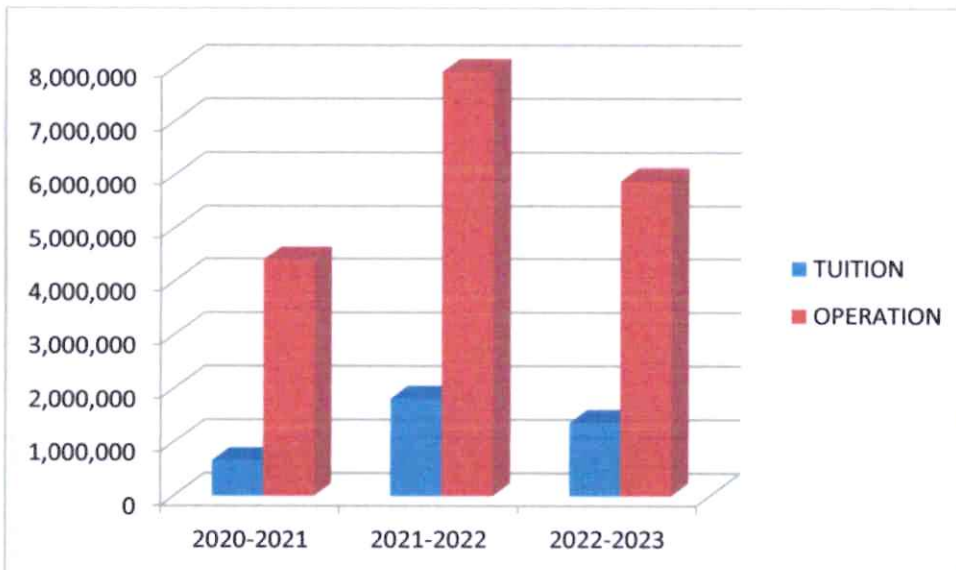
	AMOUNT
2020-2021	392,000
2021-2022	148,000
2022-2023	689,530

KAKUYUNI BOYS SECONDARY SCHOOL
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- Capitation grants from the Ministry of Education for the last three years

	TUITION	OPERATION
2020-2021	657,994	4,409,026.00
2021-2022	1,817,078	7,927,043.50
2022-2023	1,368,689	5,895,226.00



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

	AMOUNT
2020-2021	-3,071,999
2021-2022	4,000,918

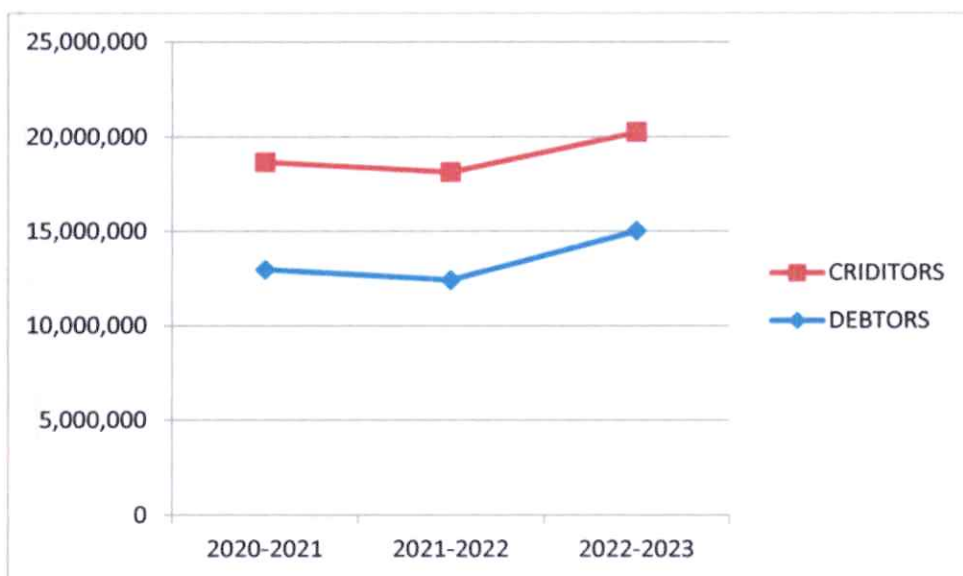
**KAKUYUNI BOYS SECONDARY SCHOOL
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For the year ended 30th June 2023**

2022-2023	-8,462,991
-----------	------------



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

	DEBTORS	CRIDITORS
2020-2021	12,963,740	5,689,302
2021-2022	12,408,067	5,696,246
2022-2023	15,017,665	5,237,987



KAKUYUNI BOYS SECONDARY SCHOOL
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B) Teacher Student ratio:

- *Teacher to student ratio 1:16
- *Number of teachers recruited and posted to the school within the year 0
- * Number of teachers that were transferred/retired during the period 0
- * Number employed by T S C 18
- * Number employed by the B.O.M 6
- * Teachers distribution per subject

S/N	SUBJECT	NUMBER	STATUS
1	ENGLISH	4	NO SHORTAGE
2	MATHEMATICS	6	NO SHORTAGE
3	KISWAHILI	4	NO SHORTAGE
4	CHEMISTRY	3	1 NEEDED
5	BIOLOGY	5	NO SHORTAGE
6	PHYSICS	2	1 NEEDED
7	GEOGRAPHY	2	1 NEEDED
8	HISTORY	1	2 NEEDED
9	C R E	1	2 NEEDED
10	I R E	0	1 NEEDED
11	AGRICULTURE	2	1 NEEDED
12	BUSINESS	1	1 NEEDED

C) Mean score in the 2023 KCSE:

** Performance of the school for each over the last three years.*

YEAR	ENTRY	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	M/S	M/G
2021	123	0	0	0	0	1	1	1	11	17	39	42	11	2.894	D
2022	121	0	0	0	0	1	0	3	9	13	39	53	1	2.916	D
2023	87	0	0	0	0	0	2	3	10	17	21	31	3	3.206	D

** The number of students that have since transitioned to institutions of higher learning... 5*

** Comment on improvement or otherwise as compared to the school's set score.*

2023 showed worked improvement. However it is below the target of C envisaged.

**KAKUYUNI BOYS SECONDARY SCHOOL
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For the year ended 30th June 2023**

D) Number of Candidates in the 2023 KCSE:

YEAR	NO.OF STUDENTS
2021	123
2022	121
2023	87

E) Capacity of the school

** The number of students in the school vis a vis the dormitories----2 dormitories and 265 boarders.The space is adequate*

**The number of students in the school vis a vis the dining hall----1 hall and 405 students.The space is not enough*

**The number of students in the school vis a vis the laboratories----2 complete and 405 students.There is one which is incomplete .We require 1 more to accommodate all the students.*

**The number of students in the school vis a vis the toilets-----26 toilets and 405 students.They are enough*

**The number of students in the school vis a vis the library----we are currently using a classroom as the library.However we have sponsors who are constructing a modern library which is almost complete.*

**The number of students in the school vis a vis the classrooms----we have 19 classrooms and 12 streams.The classrooms are adequate.*

F) Development projects carried out by the school:

There is no any development project carried out during the financial year

SIGN

School Principal

PRINCIPAL
KAKUYUNI BOYS SEC. SCHOOL
P. O. Box 5400-80200, MALINDI

Date:.....Sign:.....

**KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**


Statement of School Management Responsibility

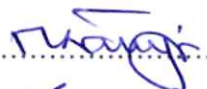
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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.

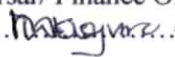
The Board of Management of *Kakuyuni Boys Secondary School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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 30th June, 2023, and of the school's financial position as at that date.

Name: **NORMAN MCHORI MWAWANA**
Designation: Chairman, School Board of Management
Sign 
Date: 12/8 2024

Name: **ALPHONCE KAZUNGU KAINGU**
Designation: School Principal & Secretary to Board of Management
Sign 
Date: 12/8 2024

PRINCIPAL
KAKUYUNI BOYS SEC. SCHOOL
P. O. Box 5400-80200, MALINDI
Date: Sign:

Name: **MERCY WANGECHI WANGURA**
Designation: Bursar/ Finance Officer
Sign 
Date: 12/08/2024

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON KAKUYUNI BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – KILIFI COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and overall 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 Kakuyuni Boys Secondary School – Kilifi County set out on pages 1 to 17, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023, the statement of receipts and payments, statement of cash flows and statement of budget versus actual amounts for

the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kakuyuni Boys Secondary School – Kilifi County as at 30 June, 2023, and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.16,616,085 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance is fees arrears amounting to Kshs.6,911,449 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, completeness and recoverability of the receivables balance of Kshs.16,616,085 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kakuyuni Boys 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.24,322,190 and Kshs.21,866,885 respectively, resulting to an under-funding of Kshs.2,455,305 or 10% of the budget. However, the School spent a balance of Kshs. Kshs.17,500,880 against actual receipts of Kshs. 21,866,885 resulting to an under-utilization of Kshs.4,366,005 or 20% of actual receipts. The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

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 matters described in the Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.18,044,403 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.745,200 transferred to Kenya Secondary School Heads Association (KESSHA) However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.745,200 could not be confirmed.

2. Late submission of financial statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 22 February, 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, 2023 in compliance which 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.

3. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

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

- i. Some notes to the financial statements are blank and some not aligned to the financial statements for instance the statement of financial assets and financial liabilities indicate the Note for accounts receivables as Note 13 while it is Note 10.
- ii. Some items in the statement of cashflows did not have reference notes.

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

4. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.24,319,762 and Kshs.23,822,401 in respect of total receipts and total payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

5. Long Outstanding Payables

The statement of financial assets and financial liabilities reflects payables amounting to Kshs.5,237,987 as disclosed in Note 11 to the financial statements relating to trade creditors. However, included in the balance are trade payables balance of Kshs.1,306,757 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates.

In the circumstances, 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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

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

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

2. Failure to Update Summary of Fixed Assets

Annex 2 to the financial statements reflects summary of fixed assets which includes land with unknown value. Review of the ownership documents established that management was in possession of a title deed that reflected the land on which the school is built to be approximately 106 hectares. However, the management explained that even though 30 hectares had been carved out of the 106 hectares to build a girls' School, the process of having the title deed amended to reflect the true position of 76 Hectares had not been completed.

In the circumstance, the accuracy, completeness and ownership of the fixed asset 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 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.

Responsibility of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how the entity 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 controls 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 controls 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to 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 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

25 September, 2024

**KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

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

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,368,689.00	1,817,078.00
Government grants for operations	2	5,895,226.00	7,927,043.50
Government Grants for infrastructure	3	0	3,936,302.00
School fund income- parents' contributions	4	16,366,316.70	19,973,153.00
Miscellaneous incomes	5	689,530.00	314,795.00
Total Receipts		24,319,761.70	33,969,371.00
Payments			
Tuition	6	1,117,791.00	1,717,454.00
Operations	7	4,368,743.00	10,561,741.00
Infrastructure	8	291,464.00	0
Boarding and school fund	9	18,044,403.00	20,006,197.70
Total Payments		23,822,401.00	32,285,392.70
Surplus/Deficit		497,360.70	1,682,978.80

The school financial statements were approved on 21st February 2024 and signed by:

SIGN.....
 Name: NORMAN MCHORI MWAWANA
 B.O.M CHAIRPERSON
 DATE.....12/08/2024.....

SIGN.....
 Name: ALPHONCE KAZUNGU KAINGU
 B.O.M SECRETARY/SCHOOL PRINCIPAL
 DATE.....12/08/2024.....
 P.O. Box 5400-80200, MALINDI

SIGN.....
 Name: MERCY WANGECHI WANGURA
 SCHOOL BURSAR
 DATE.....12/08/2024.....

**KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022-2023 Kshs	2021-2022 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,826,070.15	1,618,709.45
Total cash and cash equivalent		1,826,070.15	1,618,709.45
Account's receivables	13	16,616,084.50	16,132,851.00
Total financial assets		18,442,154.65	17,751,560.45
Financial liabilities			
Accounts payables	14	(4,912,475.00)	(4,719,223.50)
Net financial assets		13,529,679.65	13,032,336.95
Represented by			
Accumulated fund b/fwd	15	13,032,336.95	11,349,358.15
Surplus/deficit for the year		497,360.70	1,682,978.80
Net financial position		13,529,697.65	13,032,336.95

The school's financial statements were approved on 21st February 2024 and signed by:

SIGN.....*dm*.....
 Name: **NORMAN MCHORI MWAWANA**
for **B.O.M CHAIRPERSON**
 DATE.....*12/8/2024*.....

SIGN.....*[Signature]*.....
 Name: **ALPHONCE KAZUNGU KAINGU**
B.O.M SECRETARY/SCHOOL PRINCIPAL
 DATE.....*12/8/24*.....

PRINCIPAL
 KAKUYUNI BOYS SEC. SCHOOL
 P. O. Box 5400-80200, MALINDI

SIGN.....*[Signature]*.....
 Name: **MERCY WANGECHI WANGURA**
SCHOOL BURSAR
 DATE.....*12/08/2024*.....

Date:..... Sign:.....

**KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,368,689.00	1,817,078.00
Government grants for operations	2	5,895,226.00	7,927,043.00
Government grants for infrastructure	3	0	3,936,302.00
School fund income- parents contributions/ fees		16,074,852.70	19,973,153.00
Other income		689,530.00	314,795.00
Total receipts		24,028,297.70	33,968,371.00
Payments			
Cash outflows for tuition		1,117,791.00	1,717,454.00
Cash outflows for operations		4,368,743.00	10,561,741.00
Cash outflows Boarding/lunch and school fund payments		18,044,403.00	20,006,197.70
Total payments		23,530,937.00	32,285,392.70
Net cash inflow/outflow from operating activities		497,360.70	1,682,978.80
Cash flow from investing activities			
Acquisition of assets		(290,000.00)	(3,530,887.00)
Net cash inflow/outflows from investing activities		(290,000.00)	3,530,887.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0	0
Repayment of principal borrowings		0	0
Net cash inflow/outflow from financing activities		NIL	NIL
Net increase/decrease in cash and cash equivalents		207,360.70	(1,847,908.70)
Cash and cash equivalent at beginning of the FY		1,618,709.45	3,466,618.15
Cash and cash equivalent at end of the FY		1,826,070.15	1,618,709.45

The school's financial statements were approved on 21st February 2024 and signed by:

**KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

SIGN.....*dm*.....

Name: NORMAN MCHORI MWAWANA
dm B.O.M CHAIRPERSON
DATE: 12/8/2024.....

SIGN.....*mag*.....

Name: ALPHONCE KAZUNGU KAINGU
B.O.M SECRETARY/SCHOOL PRINCIPAL
DATE: 12/8/2024.....

PRINCIPAL
KAKUYUNI BOYS SEC. SCHOOL
P. O. Box 5400-80200, MALINDI
Date..... Sign:.....

SIGN.....*magura*.....

Name: MERCY WANGECHI WANGURA
SCHOOL BURSAR
DATE: 12/8/2024.....

KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	134,055	0	134,055	109,495	81.68%
Exercise Books	419,500	0	419,500	342,172	81.57%
Laboratory Equipment	386,370	0	386,370	314,799	81.48%
Internal Exams	436,185	0	436,185	355,860	81.58%
Teaching / Learning Materials	268,515	0	268,515	218,990	81.56%
Chalk/Dusters	33,615	0	33,615	27,373	81.43%
TOTAL	1,678,240		1,678,240	1,368,689	81.56%
(2) Capitation Grant on Operations					
Personnel Emoluments	1,142,100	0	1,142,100	1,064,633	93.22%
Local Transport / Travelling	951,750	0	951,750	887,194	93.22%
Electricity And Water	951,750	0	951,750	887,194	93.22%
Medical	263,250	0	263,250	104,600	39.73%
Administration Costs	761,400	0	761,400	709,755	93.22%
Activity	607,500	0	607,500	274,850	45.24%
TOTAL	4,677,750		4,677,750	3,928,226	83.98%
3) FDSE for infrastructure					
Maintenance & Improvement MoE	2,025,000	0	2,025,000	1,967,000	97.14%
(4) Fees Charged on Parents					
Personnel Emoluments	1,728,000	0	1,728,000	1,349,876	78.12%
Repairs And Maintenance	640,000	0	640,000	494,486	77.26%
Local Transport / Travelling	528,000	0	528,000	416,442	78.87%
Electricity And Water	1,120,000	0	1,120,000	907,573	81.03%
Administration Costs	752,000	0	752,000	552,028	73.41%

KAKUYUNI BOYS SECONDARY SCHOOL
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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
Activity	160,000	0	160,000	124,732	77.96%
Fee On Boarding Equipment and Stores	10,293,200	0	10,293,200	10,234,433	99.42%
TOTAL	15,221,200		15,221,200	14,079,570	
5) Miscellenous Income					
Income From Bus Hire	720,000	0	720,000	523,400	72.69%
TOTAL INCOME	24,322,190	0	24,322,190	21,866,885	89.905%
(6) Expenditure For Tuition					
Reference Materials	134,055	0	134,055	26,622	19.86%
Exercise Books	419,500	0	419,500	306,820	73.14%
Laboratory Equipment	386,370	0	386,370	540,410	139.87%
Internal Exams	436,185	0	436,185	194,950	44.69%
Teaching / Learning Materials	268,515	0	268,515	28,000	10.43%
Chalks/Dusters	33,615	0	33,615	19,400	57.71%
TOTAL	1,678,240	0	1,678,240	1,116,202	66.51%
(7) Expenditure For Operations					
Personnel Emoluments	1,142,100	0	1,142,100	2,125,301	186.09%
Local Transport / Travelling	951,750	0	951,750	437,775	46.00%
Electricity, Water and Conservancy	951,750	0	951,750	377,930	39.71%
Medical	263,250	0	263,250	0	0
Administration Costs	761,400	0	761,400	520,675	68.38%
Activity Expenses	607,500	0	607,500	200,000	32.92%
TOTAL	4,677,750	0	4,677,750	3,661,681	78.28%
(8) Expenditure For infrastructure					
Purchase of Chairs and Lockers	290,000	0	290,000	290,000	100%
TOTAL	290,000	0	290,000	290,000	100%

KAKUYUNI BOYS SECONDARY SCHOOL
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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
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	1,728,000	0	1,728,000	2,576,387	149.00%
Repairs, Maintenance and Improvements	640,000	0	640,000	289,982	45.31%
Local Transport / Travelling	528,000	0	528,000	1,151,871	218.16%
Electricity, Water and Conservancy	1,120,000	0	1,120,000	707,290	63.15%
Medical Expenses	0	0	0	0	0
Administration Costs	752,000	0	752,000	992,922	132.04%
Activity	160,000	0	160,000	372,316	232.70%
Boarding Equipment and Stores	10,293,200	0	10,293,200	5,870,219	57.03%
Expenditure For Income Generating Activity	720,000	0	720,000	472,010	65.56%
Totals	15,941,200	0	15,941,200	12,432,997	78.00%
TOTAL EXPENDITURE	22,587,190	0	22,587,190	17,500,880	77.48%

There is over utilization of funds in Administration cost, Activity, Personal Emolument and Local Transport and Travel voteheads in the Boarding Account because of delayed realize of F D S E fund. In absence of F D S E fund the school rely on funds paid as fees from Boarding students hence over exhausting the Main Account.

The approved amount to be charged for Activity fees is shs 500 and it is only charged the boarding students hence not adequate for the related expenditures.

Over expenditure in the Tuition Account is due to late realize of F D S E funds hence accumulating trade creditors which end up utilizing funds meant for other accounts



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. **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.

5. 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.

6. 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.

7. 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.

8. Comparative figures

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

KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2023

9. Subsequent events

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

**KAKUYUNI BOYS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials	109,495	144,975
Exercise Books	342,172	453,045
Laboratory Equipment	314,799	416,800
Internal Exams	355,860	476,066
Teaching / Learning Materials	218,990	289,948
Chalks/Duster	27,373	36,244
Total	1,368,689	1,817,078

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	1,064,633	1,478,754.9
Maintenance & Improvement	1,967,000	2,944,500
Local Transport / Travelling	887,194	1,211,567
Electricity, Water & Conservancy	887,194	1,211,567
Medical & Insurance	104,600	111,400
Administration Costs	709,755	969,254.60
Activity	274,850	0
Total	5,895,226	7,927,043.50

KAKUYUNI BOYS SECONDARY SCHOOL
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3 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	2,011,159	2,293,996
Maintenance & Improvement	768,073	802,686
Local transport / travelling	635,206	746,184
Electricity and water	1,354,839	1,463,007.00
Administration costs	881,001	940,408
Activity	222,731	192,045
Fee on Boarding Equipment and stores	13,271,166	13,534,827
Total	19,144,175	19,973,153.00

4. Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Miscellaneous Income	30,230	101,795
Income From Bus Hire	609,400	213,000
Damages	49,900	0
Total	689,530	314,795

5. Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	306,820	414,800
Reference materials	26,622	76,340
Laboratory Equipment	540,410	580,642
Teaching / Learning Materials	28,000	147,138
Internal Examination	194,950	486,390
Chalks/Dusters	19,400	10,800
Bank Charges	1,589	1,344
Total	1,117,791	1,717,454

KAKUYUNI BOYS SECONDARY SCHOOL
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6. Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,125,301	4,166,748
Administration Cost	520,675	1,296,436
Maintenance & Improvements	143,060	187,660
Local Transport / Travelling	437,775	412,900
Electricity And Water	377,930	829,760
B. O. M Teachers salaries	425,000	0
Activity Expenses	200,000	137,350
Insurance Cost	139,002	0
Acquisition of Assets	0	3,530,887
Total	4,368,743	10,561,741

7. Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms	0	3,530,887
Purchase of Chairs & Lockers	290,000	0
Bank Charges	1,464	0
Total	291,464	3,530,887

8. Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,618,387.00	3,198,483.00
Maintenance & Improvements	599,492.00	681,951.00
Local Transport / Travelling	1,151,871.00	1,137,039.00
Electricity And Water	730,516.00	768,207.00
Medical Expenses	74,980.00	108,540.00
Administration Costs	992,922.00	1,337,206.00
B.O.M Teachers salaries	2,454,360.00	3,326,000.00
Fees Refund	91,345	0
Fee On Boarding Equipment and Stores	8,368,604.00	8,634,223.00
Bus hire/Insurance	589,610.00	554,627.70
Activity	372,316.00	259,921.00
Total	18,044,403.00	20,006,197.70

KAKUYUNI BOYS SECONDARY SCHOOL
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For the year ended 30th June 2023

9. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account	ACTIVE	1107986133	9,985.80	7,409.55
Operations Account	ACTIVE	1104196212	69,440.20	7,408.75
School Fund Account/Boarding	ACTIVE	1104211912	(127,187.00)	485,176.00
P EMOL Savings Account	DORMANT	1168207150	27,900.15	27,900.15
Bus Fund account	ACTIVE	1253177066	82,613.00	91,133.00
Infrastructural Account	ACTIVE	1253176663	1,763,318.00	999,682.00
Total			1,826,070.15	1,618,709.45

Notes to the Financial Statements (continued)

10. Accounts Receivable

Description	2022-2023	2021-2022
		Kshs
Fees Arrears	16,616,084.50	16,132,851.00
Total	16,616,084.50	16,132,851.00

10. b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2023	% of the total	2022	% of the total
Less than 1 year	4,413,094.00	%	3,668,821.00	%
Between 1- 2 years	1,394,691.50	%	3,552,581.00	%
Between 2-3 years	3,896,850.00	%	8,911,449	%
Over 3 years	6,911,449.00	%	0	%
Total (should tie to note 13 a)	16,616,084.50	%	16,132,851.00	%

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11.b Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,912,475.00	4,719,223.50
Prepaid Fees	325,512.00	977,023.00
Retention Monies	0	0
Unpaid salaries and statutory deductions	0	0
Caution money	0	0
Other payables (<i>specify</i>)	0	0
Total	5,237,987.00	5,696,246.50

Notes to the Financial Statements (continued)

11 a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2023	% of the total	2022	% of the total
Less than 1 year	3,605,718.00	%	2,917,746.00	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	1,306,757.00	%	1,801,477	%
Over 3 years	0	%	0	%
Total (should tie to note 14)	4,912,475.00	%	4,719,223.5	%

12.Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	1,618,709.45	3,372,339.50
Receivables	16,132,851.00	12,963,740.00
Payables	(4,719,223.50)	(5,689,303.00)
Total	13,032,336.95	10,646,777.50

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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.

Non-current Liabilities Summary

Other important disclosure notes

13. Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	34,083	505,041
Lab consumables	450,365	645,456
TOTAL	484,448	1,150,497

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14) Progress On Follow Up Of Auditor Recommendations

The following is the summary of issues raised by the external auditor during 2020 audit and management comments that were provided to the auditor

Ref No.	Issue/Observations from Auditor	Management comments	Status	Timeframe:
CREDITORS	The amount of sundry creditors was shs 4,616,205. The auditor advised the management to settle the debts to avoid possible legal action being preferred against the institution.	The Board resolved to ensure that trade creditors are cleared promptly	As of the time of the meeting over 80% of the creditors in question had been paid.	The Board agreed to settle the debt before close of the current financial year.
DEBTORS	The amount of sundry debtors was shs 9,686,230. The auditor advised the management to urgently formulate effective policies to address the issue of fees collection and debts recovery.	Despite the challenges posed by the Corona Pandemic period, the Board resolved that fees will be collected so that the school does not run into hurdles in terms of meeting its financial obligations due to no – payment of fees	As of the time of the meeting over 20% of the fees arrears had been recovered.	The Board agreed they will ensure all Form 4 students pay all school fees before sitting for the main exam.
INCOME AND EXPENDITURE ACCOUNT	Tuition and Operation Accounts had a deficit and Boarding Account had a surplus. The auditor advised the management to strictly adhere to the MOEST policy guidelines and full B O M approved budget to ensure optimum utilization of funds in the provision of services	It was noted that the over expenditure was occasioned by the sky-rocketing supply prices yet the fees had not increased. Further, the Pandemic had affected most parents' ability to meet their financial obligations.	The board of management affirmed its commitment to ensuring all MOEST financial expenditure guidelines are fully adhered to.	Action plan is to be effected immediately.

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Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance Comparative 2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. HIGHMARK SERVICES	10,000	MARCH 2023	0	10,000	0	SUPPLY OF TRIAL EXAMS
5. MLD BOOKS & STATIONERY	113,950	MARCH 2023	0	113,950	40,000	SUPPLY OF STATIONERY
6. SEA ALFA ENTERPRISES	135,585	NOV 2022	0	135,585	100,467	SUPPLY OF LAB EQUIPMENTS
7. K P L C	23,226	JUNE 2023	0	23,226	0	ELECTRICITY BILL
8. EPHAH MERCHANTS	293,160	JULY 2022	179,990	422,680	293,160	SUPPLY OF MATERIALS
9. BILL SOLAR ENGINEERING	365,000	SEPT 2020	0	365,000	365,000	SUPPLY OF ENERGY SAVING JIKO
*10. MULWA CEREALS & GEN STORE	1,195,981	JAN 2021	367,394	828,587	1,195,981	SUPPLY OF FOODSTUFFS
11. JANET KALUME	22,300	MAY & JUNE 2023	0	22,300	0	SUPPLY OF FRUITS
12. IRENE MBETSA	47,925	MAY & JUNE 2023	0	47,925	18,825	SUPPLY OF MILK
13. ALWY MOHAMED	53,450	JUNE 2023	0	53,450	0	SUPPLY OF FOODSTUFFS
14. SAID SULEIMAN ALI	100,000	APRIL 2023	0	100,000	712,200	SUPPLY OF FOODSTUFFS
15. OUR LADY INVESTMENT	1,893,000	MAY 2023	0	1,893,000	0	SUPPLY OF FOODSTUFFS
16. ENTRY BUTCHERY	312,160	MARCH 2023	0	312,160	683,050	SUPPLY OF BEEF, CABBAGE & KALES
17. ONE TOUCH OFFICE	40,100	FEBRUARY 2021	40,100	0	40,100	

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023	Outstanding Balance Comparative 2022	Comments
18. EVERREST SUPPLIES	100,000	JULY 2021	100,000	0	100,000	
19. BARANI BOOKS & STATIONERY	421,840	JANUARY 2021	421,840	0	421,840.50	
Sub-Total	5,127,677		1,109,324	4,327,863	3,970,623.50	
Supply Of Services						
20. B. O. M EMPLOYEES	342,612	30/06/2023	0	342,612	383,100	P EMOL
21. B.O.M TEACHERS	200,000	30/06/2023	0	200,000	325,000	B.O.M TCH SAL
22. ATISCO SECURITY	42,000	30/06/2023	0	42,000	40,500	NIGHT SECURITY SERVICES
Sub-Total	584,612		0	584,612	748,600	
Grand Total	5,712,289		1,109,324	4,912,475	4,719,223.50	

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land	DONATION FROM THE COMMUNITY	NIL	NIL	N/A
Buildings And Structures	14 STRUCTURE	NIL	NIL	N/A
SCHOOL BUS	DONATED BY C D F MLD	NIL	NIL	N/A
Office Equipment, Furniture And Fittings	47 EQUIPMENTS	NIL	NIL	N/A
Textbooks	ISSUED BY THE GOVERNMENT	NIL	NIL	N/A
ICT Equipment	NIL	NIL	NIL	N/A
Tools And Apparatus	249 TOOLS	NIL	NIL	N/A
Other Machinery And Equipment	NIL	NIL	NIL	N/A
Heritage And Cultural Assets	NIL	NIL	NIL	N/A
Intangible Assets- Soft Ware	ACCOUNTS & ACADEMIC	NIL	NIL	N/A
Total				

