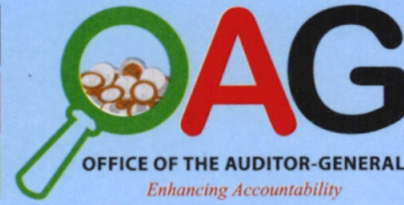


REPUBLIC OF KENYA



REPORT THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 09 JUN 2026

DAY.

Tuesday

PARLIAMENT
OF KENYA
LIBRARY

OF

TABLED
BY:

Hon. Naom wago

CLERK-AT
THE-TABLE:

Melaw

THE AUDITOR-GENERAL

ON

CHAANI SECONDARY SCHOOL

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

MOMBASA COUNTY



Revised 30th June 2024.



CHAANI SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education
PA	Parents Association
NG - CDF	National Government - Constituency Development Fund
IRE	Islamic Religious Education
CRE	Christian Religious Education
ICPAK	Institute of Certified Public of Accountants of Kenya

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

2. Key School Information and Management

(a) Background information

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

The school was registered in **15/02/2018** under registration number **013000210** and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had **386** numbers of students as at 30th June 2024. It had 3 streams and **9** teachers employed Teachers Service commission.

(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:	NameofBoardMember	Designation	Date of appointment
1	James Ngari Yaa	Chairman	1/3/2022
2	Lucas Kalu Jefwa	Secretary- Principal	1/3/2022
3	Rashid Khamis Bakuly	Member	1/3/2022
4	Julius Njoroge Mokua	Member	1/3/2022
5	Milcar Titus	Member	1/3/2022
6	Juma Shumbwana	Member	1/3/2022
7	Josephine Yumbya	Member	1/3/2022
8	Eisha Mohammed	Member – Rep CEB	1/3/2022
9	Nelson Mandela	Member Rep Teachers	1/3/2022
10	Mwangangi kakunia	Member– Sponsor	1/3/2022
11	Twalip Bwajuma	Member – sponsor	1/3/2022
12	Phoebe Akinyi	Member – sponser	1/3/2022
13	George Mbogholi	Member – Community	1/3/2022
14	Urbanas Mutisya	Member Special Needs	1/3/2022
15	John Kitwa	Rep Students	1/3/2022
16	Elias Fondo	PA Chair – Co-opted	1/3/2022
17	Fatma Chokwe	Member – Co – opted	1/3/2022
18	James Sangura	Member – Co –opted	1/3/2022

Chaani Secondary school**Annual Report and Financial Statements For the year ended 30th June 2024****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, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule Para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref :	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Mr.James Ngari Yaa 2.Mr.Lucas Kalu Jefwa 3.Mr.Rashid khamis Bakuly 4.Md.Fatma Chokwe 5.Md. Micar Titus	Chairpesron Secretary Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee	1.Mr. James Sangura 2.Mr.Twalib Bwajuma 3.Mr.Mwangangi Kakunia 4.Md. Phoebe Akinyi	Chairperson Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
3	Finance,procurement and general purposes Committee	1.Mr. Rahid Khamis Bakully 2.Md.Josephine Yumbya 3.Mr.Julius Njoroge 4.Md. Milcar Titus	Chairperson Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3

Chaani Secondary school**Annual Report and Financial Statements For the year ended 30th June 2024**

4	Academic Committee	1.Mr.Juma Shumbwana	Chairperson	3 out of 3
		2.Mr.Nelson Mandela	secretary	3 out of 3
		3.Mr. George Mbogholi	Member	3 out of 3
		4.Mr. Rashid khamis Bakully	Member	3 out of 3
		5.Md. Esha Mohammed	Member	3 out of 3
		6 Md. Fatma Chokwe	Member	3 out of 3
5	Development Committee	1.Mr. Rahid Khamis Bakully	Chairperson	3 out of 3
		2.Md.Josephine Yumbya	Member	3 out of 3
		3.Mr.Julius Njoroge	Member	3 out of 3
		4.Md. Milcar Titus	Member	3 out of 3
6	Discipline and welfare Committee	1.Mr.Julius Njoroge	Chairperson	3 out of 3
		2.Md.Fatuma Chokwe	Member	3 out of 3
		3.Mr. Urbanus Mutisya	Member	3 out of 3
		4.Mr. George Mbogholi	Member	3 out of 3
7	Human Rghts and students Welfare committee	1.Mr.Elias Fondo	Chairperson	3 out of 3
		2.Md. Esha Mohammed	Member	3 out of 3
		3.Mr.Urbanus Mutisya	Member	3 out of 3
		4.Mr.James Sangura	Member	3 out of 3
		5.Md.Milcar Titus	Member	3 out of 3

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

(d) School operation Management

For the financial year ended 30th June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Lucas Kalu Jefwa	TSC No.358909
2	Deputy Principal	Esther Wairimu Mungai	TSC No.305651
3	School Bursar	Maranga Nyabei Amos	ID NO.27590807

(e) Schools contacts

Post Office Box: 93200 -80102 Changamwe
 Telephone: 0719884500
 E-mail: chaanisecondaryschool@yahoo.com
 Website: None
 Twitter: None

(f) School Bankers

The school operates 6 bank accounts with equity bank – Changamwe Branch.

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

(g) Independent Auditors

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

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

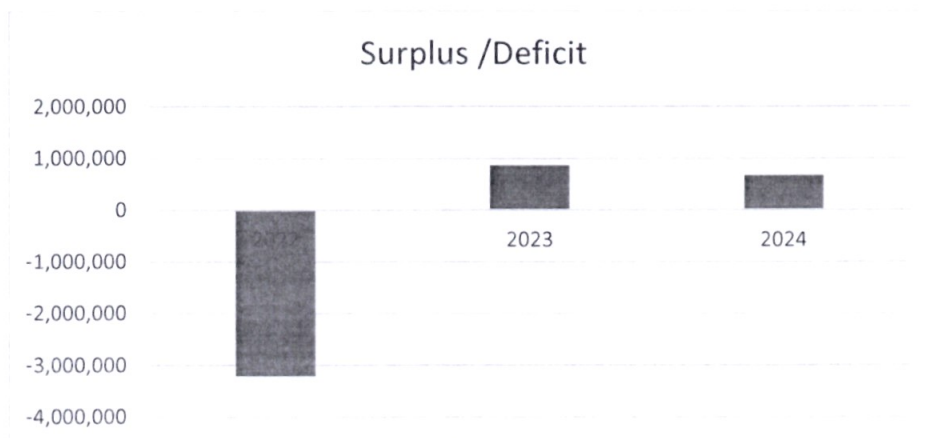
3. Summary Report of Performance of the School

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

a) Financial performance:

- i. **Surplus/ deficit for the year and a comparison of the same for the last three years**

S/No		Surplus /Deficit
1	2022	(3,210,313)
2	2023	866,959
3	2024	669,282

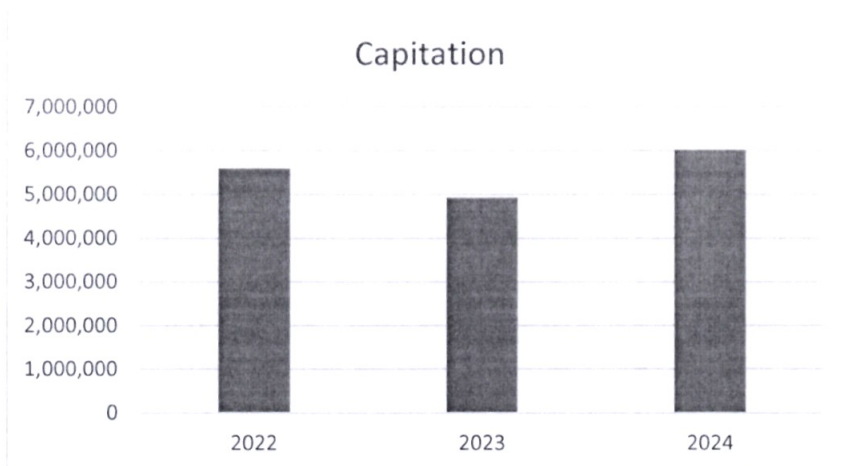


- iii. **Capitation grants from the Ministry of Education for the last three years**

S/No	Year	Capitation
1	2022	5,597,172
2	2023	4,922,720
3	2024	6,017,056

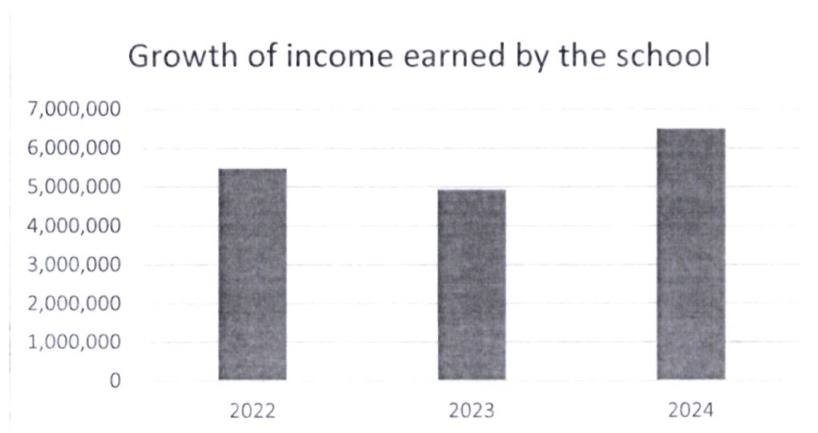
Chaani Secondary school

Annual Report and Financial Statements For the year ended 30th June 2024



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

S/No	Year	Growth of income earned by the school
1	2022	5,481,498
2	2023	4,958,338
3	2024	6,495,322

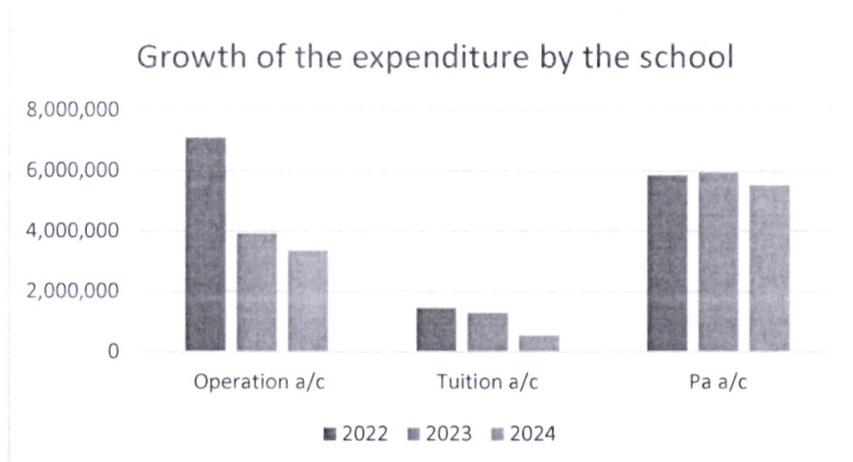


v. A three-year overview of growth in expenditure of the school

S/No	Year	Operation a/c	Tuition a/c	Pa a/c
1	2022	7,088,904	1,452,630	5,863,031
2	2023	2,879,154	1,524,001	5,949,505
3	2024	3,344,765	539,959	5,534,397

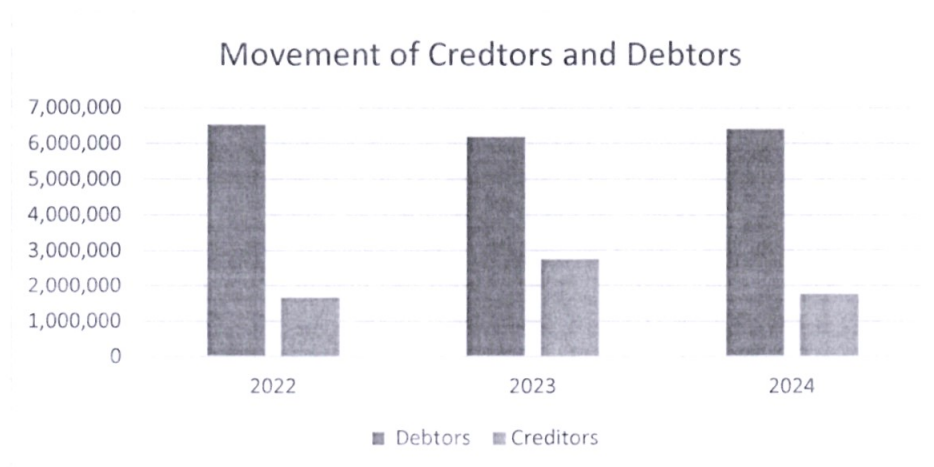
Chaani Secondary school

Annual Report and Financial Statements For the year ended 30th June 2024



vi. **Movement of debtors and creditors of the school over the last three years**

S/No	Year	Debtors	Creditors
1	2022	6,529,882	1,656,861
2	2023	6,183,888	2,747,356
3	2024	6,413,088	1,765,301



Chaani Secondary school**Annual Report and Financial Statements For the year ended 30th June 2024**

b) Teacher Student ratio:

S/No.	No. of Teachers	No. of Students	Teachers students ratio	No. of Teachers Transferred
1	9	386	1:43	1

S/no	Subject	No. of TSC Teachers	No. of BOM Teachers	Shortages
1	English	1	1	1
2	Kiswahili	1	0	1
3	Mathematics	1	0	1
4	Chemistry	1	0	1
5	Biology	1	1	1
6	Physics	1	1	1
7	History	1	0	1
8	Geography	1	0	1
9	CRE	0	1	1
10	IRE	0	0	1
11	Business Studies	1	1	0
12	Agriculture	0	0	1
13	Computer Studies	0	0	1
14	Home science	0	0	1
15	Life Skill	0	0	1
16	P.E	0	0	1

Chaani Secondary school**Annual Report and Financial Statements For the year ended 30th June 2024**

c) Mean score in the 2023 KCSE:

S/No	Year	Mean Score	No of Students transited to institution of higher learning
1	2021	2.75	2
2	2022	2.95	1
3	2023	2.70	0

d) Number of Candidates in the 2023 KCSE:

S/No	Year	Number of candidates
1	2021	61
2	2022	56
3	2023	60

e) Capacity of the school:

S/No	No. of Students	Toilets	Laboratories	Lockers	Chairs
1	386	20	2	386	386

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of Students Washroom	Ministry of Education	In- progress	2,499,720.00	1,330,083.00	July 2024

..... 

School Principal

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

Chaani Secondary school

Annual Report and Financial Statements For the year ended 30th June 2024


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 keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

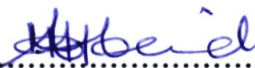
The Board of Management of Chaani Secondary School accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.

.....


Name: Jyodur
Designation: Chairman, School Board of Management

Date: 7/4/2026

.....


Name: Munira M. Aberid
Designation: School Principal & Secretary to Board of Management

Date: 7/4/2026

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

.....


Name: Maraga Nyabai Omos
Designation: Bursar/ Finance Officer

Date: 7/4/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON CHAANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - MOMBASA COUNTY

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Chaani Secondary School set out on pages 1 to 21, which comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Chaani Secondary School and of its statement of assets and liabilities and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Statement of Receipts and Payments

The statement of receipts and payments reflects payments for operations of Kshs.3,344,765 which differs with the supporting schedules amount of Kshs.4,195,159 resulting to a variance of Kshs.850,394. The difference was not explained or reconciled.

In the circumstances, the accuracy and completeness of payments for operations of Kshs.3,344,765 could not be confirmed.

2. Inaccuracies in the Statement of Cash Flows

The statement of cash flows reflects cash and cash equivalents balance of Kshs.2,294,957. Review cashbook for the School fund/parent contributions revealed total actual receipts and payments of Kshs.6,454,322 and Kshs.5,534,397 which differ with actual amounts shown in the statement of cash flows of Kshs.6,489,322 and Kshs.5,586,068 resulting to variances of Kshs. 35,000 and Kshs.51,671 respectively, which were not explained or reconciled.

Further, total payments in the statement of receipts and payments of Kshs.11,843,096 differs with the amount of Kshs.11,970,449 reported in the statement of cash flows resulting to unexplained variances of Kshs.127,353.

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

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

Key Audit Matters

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

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects payments in respect of operations and boarding and infrastructure fund amounting to Kshs.3,344,765 and Kshs.5,534,397 as disclosed in Notes 7 and 9 to the financial statements, respectively. However, the School made transfers an amount of Kshs.322,496 from operations account to the Kenya Secondary Schools Heads Association (KESSHA) and Kshs.582,404 from boarding and School fund account to Mombasa County Secondary School Heads Association (MCSSHA). KESSHA and MCSSHA are welfare associations drawing its membership from only School Principals and is not

recognized under the Government funding framework as an authorized beneficiary of public-School funds. Further, there was no evidence provided to confirm that the association has established effective, efficient and transparent financial management and internal control systems to safeguard and account for public funds transferred to it as required under Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015.

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

2. Failure to Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operation grants amounting to Kshs.5,125,290, as disclosed in Note 2 to the financial statements, received from the Ministry of Education and credited to the operations bank account. Included in this amount is Kshs.2,146,859 in respect of infrastructure grants which were to be transferred to the infrastructure bank account for maintenance and improvement of School facilities. However, only an amount of Kshs.788,059 was transferred, leaving a balance of Kshs.1,358,800 in the operations account as at 30 June, 2024. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds to be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

3. Irregular Transfer of Funds from Infrastructure Account

The statement of receipts and payments and Note 3 to the financial statements reflects Nil amount in respect of Government grants for infrastructure. However, review of infrastructure bank statements revealed that the School transferred Kshs.681,940 from the infrastructure account to other bank accounts. The transfers were not explained or authorized contrary to Ministry of Education Circular Ref. MOE.HQS/3/10/18/ (112) which states that virement of funds from the infrastructure account is not permitted.

In the circumstances, Management was in breach the law.

4. Unsupported Local Transport Expenditure and Weak Imprest Management

The statement of receipts and payments and Note 9 reflects boarding and School fund payments balance of Kshs.5,534,397 which includes local transport and travelling expenses amounting to Kshs.732,100. However, supporting schedules provided reflected an amount of Kshs.293,200 resulting in an unexplained variance of Kshs.438,900. Further, review of imprest records revealed that the School did not maintain an imprest register as required and therefore imprest issuance and surrender could not be adequately verified.

In the circumstances, the accuracy and accountability of local transport expenditure and imprest management could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the

audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Weak Controls on Procurement Management

The statement of receipts and payments reflects Kshs.11,843,096 in respect of total payments. However, review of procurement activities during the year under review revealed weaknesses in the School's procurement management framework as illustrated below:

1.1 Lack of a Functional Procurement Unit

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

1.2 Unstructured Procurement Processes

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

1.3 Weaknesses in Record Keeping

The School did not maintain complete procurement records including tender documents, tender advertisements, bid evaluation reports, supplier correspondences, contract agreements, payment certificates and contract performance monitoring reports.

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

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects a summary of the fixed assets register with a net balance of Kshs.12,804. However, review of the School's records and a physical inspection of the premises in the month of March 2026 revealed existence of fixed assets, including buildings, furniture, equipment, and other infrastructure, which had not been recorded in the fixed asset register or disclosed in the financial statements. Further, the School occupies land without title deed or ownership documents, and whose ownership is under dispute with two ongoing court cases.

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

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

3. Lack of Key Departments and Lack of Segregation of Duties

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

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

4. Failure to Establish an Executive Committee

During the year under review, the School had a parents association in place but failed to establish an executive committee as stipulated by the law contrary to Section 55 of Basic Education Act, 2013 (Third Schedule) which states that there shall be an Executive Committee consisting of representatives of each class and two teachers and the members of the Executive Committee of Parents Association shall be elected during an annual general meeting of parents and teachers.

In the circumstances, coordination of parents, teachers and students may not be effective.

5. Lack of Controls in Management of Inventory

Note 19 to the financial statements on other important disclosures reflect an inventory balance of Kshs.53,250. However, valuation could not be established as there were no disclosure notes provided. Audit inspection further revealed that although the School maintained a store holding inventory items, the stock movement register was not up to date. In addition, key inventory control records, including S11 and S13 forms, bin cards, and stock ledgers, were not maintained, and no annual stock take was conducted during the year under review.

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

6. Doubtful Recoverability of Long Outstanding Accounts Receivables

The statement of assets and liabilities reflect accounts receivables balance of Kshs.6,413,044 as disclosed in Note 13 to the financial statements. Included in the balance is Kshs.5,406,046 which had been outstanding for more than two (2) years. However, there was no policy on impairment of long outstanding fees arrears thus casting doubt on full recoverability of the accounts receivables balance.

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

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 May, 2026


Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

6. Statement of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023 - 2024	2022 -2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	891,766	911,465
Government grants for operations	2	5,125,290	4,011,225
Government Grants for infrastructure	3	-	2,000,000
School fund income- parents' contributions	4	6,489,322	4,958,338
School fund income – Other receipts	5	6,000	-
Total Receipts		12,512,378	11,881,028
Payments			
Tuition	6	539,502	1,524,001
Operations	7	3,344,765	2,879,154
Infrastructure	8	2,424,432	661,409
Boarding and school fund	9	5,534,397	5,949,505
Total Payments		11,843,096	10,014,069
Surplus/Deficit		669,282	866,959

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

.....
 Name: Joyachua
 Chair BOM
 Date: 7/4/2026

.....
 Name: Munira Mbered
 School Principal/ Secretary to BOM
 Date: 7/4/2026

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

.....
 Name: Maranga Nyabeli Amos
 Bursar/ Finance Officer
 Date: 7/4/2026

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

7. Statement of Assets and Liabilities as At 30th June 2024

Description	Note	2023 - 2024	2022 - 2023
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	2,280,957	2,813,886
Cash balances	11	14,000	23,000
Short term investments	12	0.0	0.0
Total cash and cash equivalent		<u>2,294,957</u>	<u>2,836,886</u>
Account's receivables	13	6,413,044	6,183,888
Total financial assets (a)		8,708,001	9,020,774
Financial liabilities			
Accounts payables	14	1,765,301	2,747,356
Total Financial Liabilities (b)			
Net financial assets (a-b)		6,942,700	6,273,418
Represented by			
Accumulated fund b/fwd	15	6,273,418	5,406,459
Surplus/deficit for the year		669,282	866,959
Net Assets		6,942,700	6,273,418

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

.....
 Name: Joyadun

Chair BOM

Date: 7/4/2026

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

Date:

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

.....
 Name: Maranga Nyabel Amos
 Bursar/ Finance Officer

Date: 7/4/2026

Chaani Secondary school

Annual Report and Financial Statements For the year ended 30th June 2024

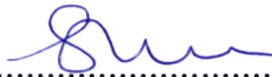
8. Statement of Cash Flows for the Year Ended 30th June 2024


Description	Note	2023 – 2024	2022 - 2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		891,766	911,465
Government grants for operations		3,385,409	4,011,225
Government grants for M & I		1,739,880	2,000,000
School fund income- parents contributions/ fees		6,489,322	4,958,338
School fund income – Other receipts		6,000	-
Total receipts		12,512,378	11,881,028
Payments			
Cash outflows for tuition		615,184	1,134,766
Cash outflows for operations		3,344,765	2,879,154
Cash outflows Boarding/lunch and school fund payments		5,586,068	4,902,411
Total payments		(9,546,017)	(8,916,331)
Net cash inflow/outflow from operating activities		2,966,361	2,964,697
Cash flow from investing activities			
Acquisition of assets		(2,424,432)	(661,409)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		(2,424,432)	(661,409)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(541,929)	2,303,288
Cash and cash equivalent at beginning of the 1 ST July 2023		2,836,886	533,598
Cash and cash equivalent at end of 30th June 2024		2,294,957	2,836,886


Chaani Secondary school

Annual Report and Financial Statements For the year ended 30th June 2024

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


.....
Name: Joyoduu
Chair BOM
Date: 7/4/2026


.....
Name: Munira M. Aberid
School Principal/ Secretary to
BOM
Date: 7/4/2026


.....
Name: Maranga Nyabel' Amos
Bursar/ Finance Officer
Date: 7/4/2026

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

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

9. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2024

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					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	900,000	0.0	900,000	891,766	99%
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	-	-	-	-	-
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	350,000	-	-	301,050	86%
Administration Costs	-	-	-	-	-
Activity	350,000	-	-	290,436	83%
Gratuity	-	-	-	-	-
Other Vote heads	4,700,000	-	-	4,533,804	96%

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement Moe	-	-	-	-	-
M&I parents' contribution	-	-	-	-	-
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
(4) Fees Charged on Parents					
Personnel Emoluments	-	-	-	-	-
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-
Electricity And Water	-	-	-	-	-
Medical	-	-	-	-	-
Administration Costs	-	-	-	-	-
Activity	-	-	-	-	-
SMASSE	-	-	-	-	-
Lunch Fees	6,700,000	-	6,700,000	6,495,322	97%
5) Miscellaneous Income					
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Bus Hire	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Total Income	13,000,000	-	12,000,000	12,512,378	96%
(6) Expenditure For Tuition					
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	891,766	-	891,766	538,872	60%
Chalks	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	1,200	-	1,200	1,087	91%
(7) Expenditure For Operations					
Personnel Emoluments	1,173,600	-	1,147,300	1,159,400	98%
Repairs, Maintenance & Improvements	100,000	-	100,000	89,628	90%
Local Transport / Travelling	1,200,000	-	1,200,000	1,011,065	84%

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity, Water and Conservancy	144,000	-	144,000	138,451	96%
Medical	-	-	-	-	-
Administration Costs	550,759	-	550,759	534,369	97%
Activity Expenses	500,000	-	500,000	415,796	83%
Bank Charges	10,000	-	10,000	8,066	74%
SMASSE	-	-	-	-	-
<i>(8) Expenditure For infrastructure</i>					
Construction of classrooms	780,040	-	780,040	780,040	100%
Construction of LAB	-	-	-	-	-
Construction of students washrooms	2,000,000	-	2,000,000	1,330,083	66%
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	1,700,000	-	1,700,000	1,653,721	97%
Repairs, Maintenance and Improvements	-	-	-	-	-
Local Transport / Travelling	800,000	-	800,000	732,100	92%
Electricity, Water and Conservancy	-	-	-	-	-
Medical Expenses	-	-	-	-	-

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs	400,000	-	400,000	315,445	79%
Activity	1,080,000	-	1,080,000	1,043,834	97%
Gratuity	-	-	-	-	-
Lunch Programme	1,900,000	-	1,900,000	1,772,453	93%
Boarding Equipment and Stores	-	-	-	-	-
Expenditure For Income Generating Activity	-	-	-	-	-
Transfer to Infrastructure	-	562,031	-	562,031	100%
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	10,000	-	-	9,268	93%
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-
Totals	11,541,365	562,031	12,103,396	12,095,709	99%

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 Chaani Secondary 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 various sources when the event occurs, and the related cash has been received by the Chaani Secondary school. In addition, the school recognises all expenses when the event occurs, and the related cash has been paid out by the Chaani Secondary 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 Chaani Secondary 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

Chaani Secondary school

Annual Report and Financial Statements For the year ended 30th June 2024

are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

Chaani Secondary school

Annual Report and Financial Statements For the year ended 30th June 2024

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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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 Chaani secondary school's budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

11. Notes to the Financial Statements

1 Government Grants for Tuition

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	891,766	911,466
Others (<i>specify</i>)*	-	-
Total	891,766	911,466

2 Government Grants for Operations

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Personnel Emoluments	-	465,000
Repairs And Maintenance	-	-
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	301,050	-
Administration Costs	-	-
Activity	290,436	-
Other Vote Heads (PE,EWC,LTT & ADMIN)	4,533,804	3,546,225
Total	5,125,290	4,011,225

3 Government Grants for infrastructure

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Maintenance &Improvement	-	-
Transition infrastructure grants	-	2,000,000
Administration Block	-	-
Economic stimulus grants	-	-
Other (<i>specify</i>)(NGCDF and County govt.	-	-
Total	-	2,000,000

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

4 School Fund Income -Parents Contribution/Fees

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Lunch Fees	6,489,322	5,411,993
PA Levies*	-	-
Others (specify)	6,000	-
Total	6,495,322	5,411,993

5 Miscellaneous Incomes

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From PoshoMill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
Total	-	-

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

6 Tuition

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Exercise Books	-	-
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	538,415	1,522,641
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	1,087	1,360
Others (<i>specify</i>)	-	-
Total	539,502	1,524,001

7 Operations

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Personnel Emoluments	1,147,300	996,376
Service Gratuity	-	-
Administration Cost	534,369	640,699
Repairs And Maintenance & Improvements	89,628	292,050
Local Transport / Travelling	1,011,065	-
Electricity And Water	138,451	136,109
Medical	-	-
Activity Expenses	415,796	397,000
Insurance Cost	-	-
Bank Charges	8,066	9,670
Total	3,344,765	2,879,154

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

8 Infrastructure

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Construction of classrooms	788,220	495,000
Construction of laboratory	-	166,409
Construction of students washroom	1,330,083	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	251,350	-
Drilling of boreholes	-	-
Maintenance and Improvement	54,779	-
Bank charges	-	-
Total	2,424,432	661,409

9 Boarding and School Fund

Description	2023 – 2024	2022 - 2023
	Kshs	Kshs
Personnel Emoluments	1,653,721	1,634,656
Service Gratuity	-	-
Repairs And Maintenance & Improvements	-	103,450
Local Transport / Travelling	732,100	328,780
Electricity And Water	-	-
Activity	1,043,834	-
Administration Costs	315,445	967,127
Lunch Programme	1,772,453	12,182,762
Bank Charges	9,264	9,770
Expenses On Income Generating Activities**	-	-
Fee On Boarding Equipment and Stores	-	-
NG- CDF account Closure	2,580	-
Insurance Cost (<i>Life Property</i>)	-	-
Refund	5,000	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
Transfer to Operation Account	-	-
Total	5,534,397	5,949,505

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023 - 2024	2022 - 2023
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1200262143419	18,390	118,867
Operations Account	Active	1200262143619	894,754	2,620,877
Main account	Active	1200262143362	8,135	2,135
Savings Account	Active	1200197035813	3,563	3,563
Parent Association Account	Active	1200269660599	326,793	65,058
CDF Account	Closed	1200262741593	-	2,580
Infrastructural Account	Active	1200267164527	1,029,322	806
Total			2,280,957	2,813,886

11 Cash In Hand

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Notes and Coins	14,000	23,000
Total	14,000	23,000

12 Short Term Investments

Description	2023 - 2024	2022 - 2023
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

Chaani Secondary school
Annual Report and Financial Statements For the year ended 30th June 2024

13 Accounts Receivable

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Fees Arrears	6,413,088	6,183,888
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears(list/schedule attached)	-	-
Total	6,413,088	6,183,888

13 b) Ageing Analysis of Accounts Receivable

Description	2023 – 2024		2022 – 2023	
	Kshs		Kshs	
	2023 – 2024	% of the total	2022 – 2023	% of the total
Less than 1 year	918700	14%	778,342	13%
Between 1- 2 years	88,342	2%	786,500	13%
Between 2-3 years	2,150,090	34%	1,320,000	21%
Over 3 years	3,255,956	50%	3,299,546	53%
Total (should tie to note 13 a)	6,413,088	100%	6,183,388	100%

14 Accounts Payable

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,242,850	2,430,669
Prepaid Fees	435,366	316,687
Retention Monies	87,085	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	1,765,301	2,747,356

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14a. Ageing Analysis of Accounts Payable

Description	2023 – 2024		2022 – 2023	
	Kshs		Kshs	
	2023 -2024	% of the total	2022 – 2023	% of the total
Less than 1 year	641,571	52%	2,430,669	100%
Between 1- 2 years	601,279	48%	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (should tie to note 14)	1,242,850	100%	2,430,669	100%

15 Fund Balance Brought Forward

Description	2023 – 2024		2022 - 2023	
	Kshs		Kshs	
Bank Balances	2,813,886		499,668	
Cash Balances	23000		33,930	
Short Term Investments	-		-	
Receivables	6,184,388		6,529,722	
Payables	(2,747,356)		(1,656,861)	
Total	6,272,918		5,406,459	

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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.

16 Non-current Liabilities Summary

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2023 – 2024	2022 - 2023
		Kshs	Kshs
Cattle	-	-	-
Goats	-	-	-
Trees	-	-	-
Coffee Or Tea Plantation	-	-	-
Poultry	-	-	-
Others (specify)	-	-	-
Total	-	-	-

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

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Other important disclosure notes

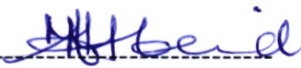
19 Stock/ Inventory

Description	2023 – 2024	2022 – 2023
	Kshs	Kshs
Food stuffs	24,250	73,950
Lab consumables	29,000	35,000
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-
	53,250	108,950

20 Progress on Follow up of Auditor Recommendations

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

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



 Sign and Date
 Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023 - 2024	Outstanding Balance 2022 - 2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.	-	-	-	-	-	
2.	-	-	-	-	-	
3.	-	-	-	-	-	
Sub-Total	-	-	-	-	-	
Supply Of Goods						
4. Kansbag Ltd	499,730	July 2023	150,000	299,730	-	
5. Top text Stationers	740,785	July 2023	450,055	290,785	-	
6. Palm tree Enterprises	714,250	July 2023	614,000	100,250	-	
7. Shekem General supplies	589,910	July 2023	293,000	294,910	-	
8. Henry Kithome Kilunda	355,475	July 2023	180,000	175,475	-	
9. Hilokath Ventures	181,700	July 2023	100,000	81,700	-	
Sub-Total	3,081,850		1,787,055	1,242,850	-	
Supply Of Services						
10.	-	-	-	-	-	

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Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2023 - 2024	Outstanding Balance 2022 - 2023	Comments
11.	-		-	-	-	
12.	-		-	-	-	
Sub-Total	-		-	-	-	
Grand Total	3,081,850	July 2023	1,787,055	1,242,850	-	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land				
Buildings And Structures	8	-	-	8
Motor Vehicles	-	-	-	-
Office Equipment, Furniture and Fittings	462	8	5	465
Textbooks	8,306	246	-	8,552
ICT Equipment	20	-	-	20
Tools And Apparatus	3,759	275	247	3787
Other Machinery and Equipment	-	-	-	-
Heritage And Cultural Assets	-	-	-	-
Intangible Assets- Soft Ware	-	-	-	-
Total	12,619	529	252	12,804