

REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 30 JUN 2026

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Tuesday

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THE AUDITOR-GENERAL

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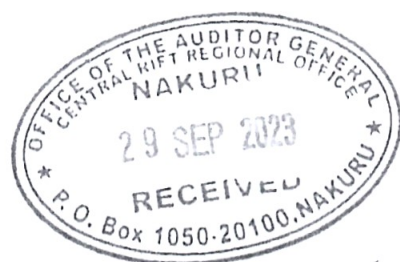
PARLIAMENT
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LANGA LANGA SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

NAKURU COUNTY

Revised 30th June 2023.



**LANGALANGA SECONDARY SCHOOL
PUBLIC 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)**

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

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT.....	3
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.....	5
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	10
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF (<i>specify school name</i>) SCHOOL OF THE YEAR ENDING 30 TH JUNE 2023.....	11
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2023.....	12
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2023 Error! Bookmark not defined.	
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2023	14
VIII CONSOLIDATED TRIAL BALANCE FOR THE YEAR ENDING 30 TH JUNE 2023.....	15
IX. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2023	16
X. SIGNIFICANT ACCOUNTING POLICIES.....	19
XI. NOTES TO THE FINANCIAL STATEMENTS	21

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

I. KEY SCHOOL INFORMATION AND MANAGEMENT

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in **30/1/2018** under registration number **32S30000162** and is currently categorized as **SUB COUNTY** (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had 1571 number of students as at 30th June 2023. It has **6 STREAMS FORMS 1-3 AND 5 STREAMS FOR FORM 4** and **47** teachers of which **2** 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	LAWRENCE K. MACHARIA	Chairman	May 2022
2	RUFINA KANINI MUTEKI	Secretary- Principal	
3	MASINDE AGGREY OMENO	Member	May 2022
4	DEPHINE NJERI KAMAU	Member	May 2022
5	STEPHEN KARANJA KABUI	Member – Rep CEB	May 2022
6	MR. STEPHEN NDONGA	Member Rep Teachers	May 2022
7	PROF. ABDI GULIYE JACKLINE MORIASI CYPRIAN MUGAMBI	3 Members - Sponsor	May 2022
8	EMMILY RIMANTO LESHAO DR.GRACE NDEKE HARRISON OGUTU	Member - Community	May 2022
9	LILY NYANCHAMA	Member Special Needs	May 2022
10	CLARRIETE IGATO	Rep Students	May 2022

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

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

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

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Lawrence K. Macharia 2. Rufina Mutegi 3. John Thuo Gitonga 4. Jackline Moriasi 5. Cyprian Mugambi	Chairman Secretary P.A. Rep. Vice Chair Member	3 OUT OF 3
2	Audit Committee	1. Lawrence K. Macharia 2. Rufina Mutegi 3. John Thuo Gitonga 4. Jackline Moriasi	Chairman Secretary P.A. Rep. Vice Chair	4 out of 4
3	Finance, procurement and general purposes Committee	<u>Procurement members</u> Eunice Njoroge 1. Mr. P. Waititu 2. Madam J. Kagiri - 3. Mr. S. Ndonga 4. Mr. Moffat Omutsa 5. Mrs. M. Kamunya <u>Finance committee</u>	Chairlady Vice chair-bursar Secretary Member Member Member	
4	Academic Committee	1. Dr. Harrison Ogutu 2. Md. Rufina Mutegi 3. Mr. Stephen Ndonga 4. Mr. Aggrey Masinde	Chairperson Secretary Teacher Rep. Member	

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

		5. Md. Jackline Moriasi 6. Dr. Grace Ndeke 7. Prof. Abdi. Guliye 8. Md.Emily Leshao 9. Md.Lucy Karitu	Member Member Member Member Member	
5	Development Committee	1. Rev. Godfrey Mwamunga 2. Mr. Stephen Ndonga 3. Mr. John Thuo 4. Md. Rufina Mutegi 5. Md. Jackline Moriasi 6. Mr. Lawrence Karanja 7. CDF rep 8. Sub County Director	Chairperson Secretary P.A. Chair Principal/BOM secretary Vice chair	
6	Discipline and welfare Committee	1. Mr. Stephen Karanja 2. Md. Rufina Mutegi 3. Mr. Stephen Ndonga 4. Pastor Joseph Njenga 5. Md. Delphine Kamau 6. Mr. Cyprian Mugambi 7. Md. Lily Nyanchama 7. Clarriete Igato	Chairperson Secretary B.O.M Member Teacher Rep. Member Member School captain	
7	Adhoc Committee (if any during the year)			

(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	TSC Number
1	Principal	RUFINA KANINI MUTEKI	364112
2	Deputy Principal	EUNICE WANJIKU NJORGE	312841
3	School Bursar	PATRICK WAITITU	

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

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 3253-20100
Telephone: 0707672883
E-mail: langalangasecondary@yahoo.com
Website: none
Facebook:
Twitter:

(f) School Bankers

The following school operated eight number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: ABSA BANK
Branch: NAKURU EAST
Account Number: 1117132.1136692.3565438.3638434
2. Name of Bank: FAMILY BANK
Branch: KENYATTA AVE
Account Number: 018000017935.SIC ACC 018000077445.CDF ACC
3. Name of Bank: CO-OP BANK
Branch: NAKURU
Account: 01139506062400

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(g) Independent Auditors

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

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

II. 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:**

Under this section, the following information should be given:

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

FINANCES PERFORMANCE

	2023	2022	2021	2020
Tuition Account	4,592,687.75	4,559,264.35	652,934.25	172,185.53
Operation Account	18,670,976.99	23,890,753.10	(239,965.00)	(933,826.20)
School fund Account	40,540,336	37,201,420.85	2,637,849.55	3,323,060.75

CAPITATION GRANTS

	2023	2022	2021	2020
Tuition Account	4,592,687.75	4,559,264.35	1,643,458.25	2,085,050.00
Operation Account	18,670,976.99	23,890,753.10	5,574,106.20	8,121,825.00

RATION OF CAPITATION GRANTS

2023	2022	2021	2020
22,244.00	22,244.00	22,244.00	22,244.00

GROWTH OF EXPENDITURE

Year	Tuition	Operation	School fund
2023	4,281,639.00	20,846,897.99	35,095,695.00
2022	4,559,264.35	23,890,753.10	37,201,420.85
2021	990,524.00	5,814,036.20	8,381,466.45
2020	1,914,092.47	9,055,651.20	9,062,247.55

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

GROWTH INCOME

Year	Tuition	Operation	School fund
2023	4,559,264.35	20,890,753.35	37,201,420.10
2022	1,643,458.25	5,574,106.20	11,019,316.00
2021	2,086,278.00	8,121,825.00	12,385,308.30
2020	3,485,994.72	10,155,740.20	18,852,974.00

MOVEMENT OF DEBTORS

	2023	2022	2021	2020	2019
Tuition	--	--	--	--	--
Operation	--	--	--	--	--
School fund	5,100,000.00	3,350,269.00	616,615.00	388,923.00	680,009.00

MOVEMENT OF CREDITORS

	2023	2022	2021	2020	2019
Tuition	1,193,533.00	502,000.00	1,363,223.00	120,000.00	270,000.00
Operation	49,600.00	99,912.00	438,924.00	1,989,945.00	237,710.00
School fund account	864,250.00	855,830.00	426,620.00	2,180,281.00	928,144.00
Infrastructure			-----	-----	-----

MOVEMENT OF CASH AND BANK

	2023	2022	2021	2020	2019
Tuition A/C					
Cash	---	---	---	---	---
Bank	-129,603.25	-100324.8	16459.85	(13,791.40)	(44,833.95)
Operation A/C					
Cash	---	---	---	---	---
Bank	208,133.47	461,366.48	(418,369.62)	(41,355.82)	(494,362.00)
School fund A/C					
Cash	1,000.00	---	4840.80	9,168.00	1,161.00
bank	117,999.30	412,417.10	(105303.50)	(298,418.05)	(556,601.50)

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

(b) Teacher Student ratio:

Include the teacher to student ratio: students are 1571 and teachers 47 ratio is 1:33

, number of teachers recruited and posted to the school within the year are seven

No.	Name of teacher	T.S.C. NO
1.	MR NGURE	
2.		
3.		
4.		
5.		
6.		
7.		

number of teachers that were transferred is one

No.	Name of teacher	T.S.C. NO
1	Agnes debu	335965
2		

retired during the period NONE

also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

Subject	No. of teachers	Shortfall
Biology	6	2
Chemistry	8	2
Agriculture	3	1
Physics	7	1
Eng./lit	9	1
CRE	8	1
History	5	1
Computer	0	1
TOTAL		7

b) Mean score in the 2022 KCSE:

Give performance of the school for each over the last three years.

Year	No of candidates	Mean score	C+ and above	University Entry %
2022	385	5.400	110	28
2021	296	6.830	194	57
2020	275	7.480	176	70

Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

c) Number of Candidates in the 2022,2021,2020 KCSE:

YEAR	NO OF STUDENTS
2020	275
2021	296
2022	385

Tabulate the number of candidates sitting for KCSE over the last three years.

d) Capacity of the school:

Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education.

(i) No of students = **1750**

(ii) Laboratory: **2** Shortage **4**,classrooms shortage **6**

(iii) Toilets

Boys: **30** Girls **20** Shortage **30;20**

(iv) Water – tap water not sufficient

(v) Electricity –**not sufficient**

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

Development projects carried out by the school:

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

On going project -twin classrooms/twin labs – RMI funded by the Ministry of Education.

CBC Classrooms

Rufina K. Mutegi

Sign.....



LANGALANGA SECONDARY SCHOOL
P.O. BOX 5255-20100
Sign.....

School Principal

III. 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 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 (**LANGALANGA 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: **LAWRENCE KARANJA MACHARIA**

Designation: Chairman, School Board of Management

Sign:

Date: 29/09/2023

Name: **RUFINA MUTEGI**

Designation: School Principal/ Secretary to Board of Management

Sign:

Date: 29/09/2023

Name: **PATRICK WAITITU**

Designation: Bursar/ Finance Officer

Sign:

Date: 29/09/2023

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 LANGA LANGA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – NAKURU 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 schools are applied for 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.

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 Langa Langa Secondary School set out on pages 12 to 28, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023, and the statement of receipts and payments,

statement of cash flows, statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

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 Langa Langa Secondary School as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities and as disclosed in Note 8 and 9 to the financial statements reflects cash and cash equivalent balance of negative Kshs.326,517. However, the School Management did not provide cashbooks to support the balance, citing loss of data.

In the circumstances the accuracy, completeness and existence of cash and cash equivalent balance of negative Kshs.326,517 could not be confirmed.

2. Inaccuracies in the Financial Statements

2.1 Inaccuracies in the Statement of Receipts and Payments

The statement of receipts and payments reflects total receipts and total payments of Kshs.70,050,341 and Kshs.66,456,232 respectively. However the following variances were noted.

- i. The School Management did not provide ledgers supporting figures in the financial statements, hence it was not possible to confirm the completeness, accuracy, presentation and disclosure, existence, valuation, rights and obligation and occurrence of account balances and classes of transactions disclosed in the financial statement.
- ii. Note 5 to the financial statements reflects Kshs.6,246,340 in respect of infrastructure income. However, review of the bank statements revealed that the amounts recorded as Government infrastructure grants were funds transferred from the operations and school fund bank accounts and does not constitute new funding received from the Government. This resulted in an overstatement of Government infrastructure grants by Kshs.6,246,340.
- iii. Note 1 to the financial statements capitation grants for tuition amount of Kshs.4,592,688. However, the bank statements reflect total deposit of Kshs.4,250,688 resulting in an unexplained variance of Kshs.342,000.

2.2 Inaccuracies in the Statement of Budgeted Versus Actual amounts

The statement of budgeted versus actual amounts reflect the following errors and inaccuracies:

- i. Casting across figures between final budget and actual on comparable basis revealed misstatements as shown below;

Item	Budget Utilization difference (Kshs.)	Casted amount (Kshs.)	Variance (Kshs.)
Receipts			
Other Incomes			
Income from Bus	0	855,300	(855,300)
Subtotal Income	0	885,300	(885,300)

- ii. Unexplained variances between actual on amounts comparable basis and the statement of receipts and payments are shown below;

Item	Statement of Receipts and Payments Amount (Kshs.)	Statement of Budgeted Versus Actual Amounts (Kshs.)	Variance (Kshs.)
Capitation grants on Tuitions	4,592,688	4,559,264	33,424
Capitation grants on Operations	18,670,977	38,168,721	(19,497,744)
School Fund – Parents Contribution	39,655,036	0	39,655,036
Infrastructure income	6,246,340	0	6,246,340
Payment for tuition	4,281,639	4,559,264	(277,625)

Further, actual on comparable basis amounts for tuition expenditure are also not reflected in the statement.

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

3. Unsupported Payments

The statement of receipts and payments reflects payments for tuition, payment for operations and boarding and school fund amounts of Kshs.4,281,639, Kshs.20,846,897 and Kshs.35,095,695 as disclosed in Note 7, 8 and 9 to the financial statements respectively. However, review of payment vouchers revealed that payments were made without supporting documentation, including requisitions, local purchase orders, invoices, delivery notes, inspection reports, goods received notes, imprest warrants, evidence of travel and attendance sheets.

In the circumstances, the accuracy, completeness and validity of payments for tuition, payment for operations and boarding and school fund amounts of Kshs.4,281,639, Kshs.20,846,897 and Kshs.35,095,695 presented could not be confirmed.

4. Unsupported Accounts Receivable Balance

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.5,201,037. However, the balance varied with the Kshs.7,588,390 reflected in the ageing analysis Note 13 of the financial statements, resulting to an unreconciled variance of Kshs.2,387,353.

In addition, the aging analysis reflects fees arrears exceeding one (1) year of Kshs.2,474,286. However, the balance was not supported by a detailed analysis of the receivables.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.5,201,037 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Langa Langa Secondary School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse 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.48,206,304 and Kshs.43,613,285 respectively, resulting in an under-funding of Kshs.4,593,019 or 10% of the budget. However, the School spent an amount of Kshs.39,626,825 against actual receipts amounting to Kshs.43,613,285 resulting in an under-utilization of Kshs.3,986,460 or 9% 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 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 pages 3 to 10 which comprise of Key School Information and Management, Summary Report of Performance of the School, and the 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's 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 and I am required to report that fact. Based on the audit procedures performed, because of the significance of the matters described in my Basis for Adverse Opinion, I confirm that the Other Information is materially inconsistent with the financial statements.

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

Basis for Conclusion

1. Non-compliance with the Public Sector Accounting Standards Board (PSASB) 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. Acronym and Glossary terms were omitted from the financial statements, in contrary to the revised financial reporting template of 2022-2023;
- ii. The financial statements erroneously refer to the "Statement of Financial Assets and Financial Liabilities" instead of the correct title, "Statement of Assets and Liabilities," as prescribed by the applicable reporting framework;
- iii. Included in the table of contents is "Consolidated Trial Balance for the Year Ended 30 June 2023"; however, the financial reporting template for the year 2023 did not provide for this item;

- iv. The Summary Report of Performance of the School, includes subsection (b) on the teacher–student ratio, which indicates that seven teachers were recruited and posted to the School during the year. However, the appended table does not disclose the Number of teachers employed by TSC and by the Board of Management.;
- v. The Summary Report of Performance of the School subsections were not numbered. Further, the ‘development projects carried out by the School’ on page 9 is not presented in a tabular format indicating the project status, initial cost, amount spent, and expected completion date was not included in the report;
- vi. The statement of financial assets and financial liabilities reflect Note 8, 9, 10, 11, 12 and 13 in respect of bank balances, cash balances, short term investments, accounts receivables, accounts payable, and fund balance b/fwd 1st July. However the corresponding Notes reflect payments for operations, boarding and school fund payments, bank accounts, cash in hand, short term investments and accounts receivable revealing a misalignment of note references;
- vii. The sections reference numbers in the table of contents do not correspond with the reference numbers to the financial statements from page 12, and should be rearranged to follow the correct numerical order;
- viii. The statement of budgeted versus actual amounts does not include receipt items for school fund – parents contribution and expenditure items for boarding and school fund payments and payments for infrastructure;
- ix. Actual on comparable basis and budget utilization amounts were not presented in respect of payments for tuition;
- x. The statement of budgeted versus actual amounts was not paginated;
- xi. The statement of budgeted versus actual amounts did not have expenditure sub-totals for payments for operations; and
- xii. Financial statements include blank pages 28 and 31.

In the circumstances, Management did not comply with the PSASB guidelines.

2. Omissions in the Summary of Fixed Assets Register

Annex 2 to the financial statements presents a summary of the fixed asset register; however, required columns relating to date of purchase, additions during the year, and disposals during the year were not included, contrary to the financial reporting template prescribed by PSASB.

In the circumstances, Management was in breach of law.

3. Irregularities in Procurement Processes

3.1 Unstructured Procurement Processes

The statement of receipts and payments reflects total payments amounting to Kshs.66,456,232.. However, Management did not provide for audit the requisite

procurement documents, including the tender register; tender opening committee appointment letters and minutes; tender evaluation committee appointment letters and minutes; preliminary tender evaluation checklists; individual technical and financial evaluation score sheets; acceptance letters of award by the successful bidders; signed contracts or local purchase orders; and professional opinions, thereby limiting the ability to verify compliance with procurement procedures.

In the circumstances, Management was in breach of the law

3.2 Lack of a Functional Procurement Unit

The School did not have a formal procurement function managed by a qualified procurement professional, as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015, and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Instead, procurement activities were carried out by individuals without the necessary qualifications, thereby exposing the School to the risk of applying inappropriate procurement methods.

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

4. Inefficiencies in Human Resource Management

The statement of receipts and payments reflects operations payment of Kshs.20,846,898 as disclosed in Note 8 to the financial statements. Included in the amount is Kshs.3,003,599 in respect of personnel emoluments paid to the School's Board of Management teachers and non-teaching staff respectively. However, review of employee records indicated that eight (8) of the employees contracted by the Board of Management did not have valid contract in their employee files contrary to Section B.10 (1) of the Human Resource Policies and Procedures Manual for the Public Service, 2016 states that an officer appointed to a position in the public service shall be issued with a letter of appointment specifying the terms and conditions of service. Further, Management did not provide for audit the approved staff establishment and terms and conditions of service to confirm the recruitment needs. This was contrary to section 13 of the Fourth Schedule of the Basic Education Act, 2013, which requires the Board of Management to employ its staff, upon such terms and conditions of service as the County Education Board may determine.

In the circumstances, Management was in breach of the law and the regularity of the Board of Management employee's recruitment could not be confirmed.

5. 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.35,095,695 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.1,535,000 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.1,535,000 could not be confirmed.

6. Lack of an Approved Procurement Plan

The statement of receipts and payments reflects total payments of Kshs.66,456,232. However, review of the procurement processes of the School revealed that there was no approved procurement plan that outlines the procurement procedures for the school such as; -

- a) A schedule of the planned delivery, implementation or completion dates for all goods, works, or services;
- b) The sources of funds;
- c) A master procurement schedule, showing the target dates for procurement related activities and the actual progress;
- d) An allocation reserved to youth, women and people living with disabilities; and
- e) The procurement method to be used.

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

7. Ineffective Governance by the Board of Management

During the year under review, the board of management held only two meetings in the financial year. This is contrary to Section 6 (1) of the Fourth Schedule of the Basic Education Act, 2013 which requires that a Board of Management shall meet at least once every four months.

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

8. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.4,592,688 and Kshs.18,670,977 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of one thousand six hundred and thirty-eight (1638) while the enrolment records provided by the School indicated a total number of one thousand seven hundred and fifty (1750) students, resulting to an unexplained variance of 112 students. As a result of the variance, the School was under-funded by Kshs.1,590,678 (total capitation received/NEMIS enrolment X 112 students) in capitation grants.

In the circumstances, the underfunding of the School may have affected service delivery to the public.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an internal audit unit and an audit committee as required by section 73(1)(a), and 5 of the Public Finance Management Act, 2012 which states that, “every National Government entity shall ensure that it complies with the Act and has appropriate arrangements in place for conducting internal audit according to the guidance of the Accounting Standards Board” and that “every National Government public entity shall establish an audit committee whose composition and functions shall be as prescribed by the regulations”.

In the circumstances, the existence of an effective oversight mechanism could not be confirmed.

2. Lack of Risk Management Policy

The School does not have a formally documented and approved Risk Management Policy, hence there was no structured framework in place to identify, assess, monitor, and mitigate risks across operational, financial, strategic, and compliance areas. In the circumstances, the School is exposed to heightened operational, financial, and compliance risks due to the absence of a structured framework for identifying, assessing, and managing risks.

3. Weaknesses in Information Technology Internal Controls

Review of Information Communication Technology (ICT) environment revealed that the School did not have in place the following controls in regards to Information Technology (IT):

- a) Documented policies which cover physical access to IT environments;
- b) Disaster management and recovery policies including fire suppression systems
- c) An IT steering committee and IT strategic committee, this may result in inadequacy in IT governance, which forms a critical part of the entity’s governance structure.

- d) Lack of a duly signed contract between the Accounting System vendor and the school.
- e) Business continuity plan and the IT continuity plan including an off-site back up plan.

In the circumstances, the School is exposed to significant risks including loss or compromise of data, disruption of critical operations and inability to promptly recover from disasters or system failures, which may adversely affect service delivery and financial reporting.

4. Weaknesses in Management of Textbooks

Physical verification of the text books supplies revealed an under/over-supply of three set books, as detailed below.

UNDER SUPPLY OF SET BOOKS					
Date	Set book	Class	No. per class enrolment	Distributed books	Variance
26/05/2023	Mapambazuko Ya Machweo Na Hadithi Nyinginezo	F3	425	371	(54)
	"	F4	421	395	(26)
30/05/2023	Bembea Ya Maisha	F3	425	395	(30)
	"	F4	421	395	(26)
11/04/2023	The Samaritan	F3	425	427	2
	"	F4	421	395	(26)

Further review established that the School lacks a functional library and instead stores textbooks in an inadequately equipped and congested store, exposing them to risk of damage. In addition, textbook management relies on manual records without a comprehensive and updated issuance register, periodic inspections, or reconciliations to track allocations, returns, and balances. The store is managed by a single officer, increasing the risk of errors, loss, or misappropriation. The absence of a formalized textbook management system weakens internal controls, reduces accountability, and impairs effective planning and utilization of school resources.

In the circumstances, the weaknesses in the custody and record-keeping of textbooks expose the school to the risk of loss, damage, or misappropriation of learning materials.

5. Weaknesses in Management of Assets

Included in the summary of fixed asset register, is land measuring 6.0 hectares reported to be owned by the School. However, a review of Certificate of Lease Title No. NAKURU/MUNICIPALITY BLOCK 2/488 dated 1 April, 1985 revealed that the land is registered in the name of Afraha Education Development Limited. Further, physical

verification carried out in the month of March, 2026 confirmed that the land currently hosts two institutions, namely Afraha High School and Langa Langa Secondary School. None of the two Schools has a document of ownership of the land.

In addition, review of the School records revealed that a notification of sale of the land was served on 8 July, 2024, in exercising statutory power of sale arising from default on an outstanding loan of Kshs.11,685,995 advanced to Afraha Education Development Limited on 8 August, 1989, by Kenya Commercial Bank with the land used as collateral. In a Court of Appeal decision in Nakuru HCCC No. 260 of 2004, between the Attorney General and Kenya Commercial Bank and three others, the court held that the Attorney General had no locus standi to institute or be heard in the matter and set aside the temporary injunction earlier issued, thereby paving the way for the lender to exercise its statutory power of sale over the property. As a result, Langa Langa Secondary School had not obtained title documents evidencing ownership of the land in the name of the School.

In the circumstances, the School does not have legal title to land on which it operates and the continuance of the School in future could not be confirmed.

6. Long Outstanding Accounts Receivable Balance

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.5,201,037 as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.2,474,286 which had been outstanding for more than one (1) year. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivable balance.

In the circumstances, the existence of effective mechanisms for 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 Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the Schools ability to sustain its services, disclosing as applicable matters related to

sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

The Board of Management is responsible for overseeing the Schools financial reporting process, reviewing the effectiveness of how the 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

15 May, 2026

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

I. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	2022 - 2023	2021 - 2022
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	4,592,687.75	4,559,264.35
Capitation grants for operations	2	18,670,976.99	23,890,753.10
School Fund I- Parents' Contributions	3	39,655,036.00	37,201,420.85
School Fund Income- Other receipts	4	885,300.00	943,700.00
INFRASTRUCTURE INCOME	5	6,246,339.79	-
TOTAL RECEIPTS		70,050,340.53	66,595,138.30
PAYMENTS			
PAYMENT FOR INFRASTRUCTURE	6	6,232,000.00	
Payments for Tuition	7	4,281,639.00	5,869,582.00
Payments for operations	8	20,846,897.99	23,333,817.00
Boarding and school fund payments	9	35,095,695.00	38,192,521.60
TOTAL PAYMENTS		66,456,231.99	67,395,921
SURPLUS/DEFICIT		3,594,108.54	(800,782)

The School's Financial Statements were approved on 29/09/2023 and signed by;

SIGNED



DATE:
29/09/2023

BOM CHAIRMAN
LAWRENCE K. MACHARIA

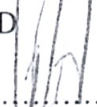
SIGNED



DATE:
29/09/2023

PRINCIPAL/B.O.M SECRETARY
RUFINA K. MUTEGI

SIGNED



DATE:
29/09/2023

BURSAR/FINANCE OFFICER
PATRICK WAITITU

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

II. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2023

	Note	2022 - 2023	2021 - 2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	(327,517.48)	(684,223.22)
Cash Balances	9	1,000.00	(2,570.00)
Short term Investment	10	-	-
Total Cash and Cash Equivalents		(326,517.48)	(686,793.22)
Account's receivables	11	5,201,037.00	2,474,286.00
TOTAL FINANCIAL ASSETS		4,874,519.52	1,787,492.78
FINANCIAL LIABILITIES			
Accounts Payable	12	1,671,833.00	2,178,914.80
NET FINANCIAL SSETS		3,202,686.52	(391,422.02)
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	(391,422.02)	409,360.28
Surplus/Defict for the year		3,594,108.54	(800,782.30)
NET FINANCIAL POSITION		3,202,686.52	(391,422.02)

The School's Financial Statements were approve on 29/09/2023. and signed by;

SIGNED

..... DATE: 29/09/2023

BOM CHAIRMAN

LAWRENCE K. MACHARIA

SIGNED

..... DATE: 29/09/2023

PRINCIPAL/B.O.M SECRETARY

RUFINA K. MUTEGI

SIGNED

..... DATE: 29/09/2023

BURSAR/FINANCE OFFICER

PATRICK WAITITU

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

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30TH JUNE 2023

		2022 - 2023	2021 - 2022
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	4,592,687.75	4,559,264.35
Capitation grants for operations	2	18,670,976.99	23,890,753.10
School fund income- Parents contributions/ fees	3	39,655,036.00	37,201,420.85
School fund income- other receipts	4	885,300.00	943,700.00
Infrastructure Income		6,246,339.79	-
Adjustment:- increase/Decrease of Debtors		(2,726,751.00)	-
Total receipts		67,323,589.53	66,595,138.30
Payments			
Payments for Tuition	5	4,281,639.00	5,869,582.00
Payments for operations	6	20,846,897.99	23,333,817.00
Boarding and school fund payments	7	35,095,695.00	38,192,521.60
Infrastructure Payment		6,232,000.00	
Adjustment: increase/Decrease of creditors		507,081.80	-
		66,963,313.79	-
Net cash flow from operating activities		360,275.74	66,595,138.30
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings			
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		360,275.74	66,595,138.30
Cash and cash equivalent at BEGINNING of the year		(686,793.22)	-
Cash and cash equivalent at END of the year		(326,517.48)	(686,793.22)

The above presentation of Cash Flow Statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cash as recommended by PSASB

LANGALANGA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2023

V. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2023

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Tuition account Reference/library	5,867,904.00		5,867,904.00	4,559,264.35	1,308,639.65	78%
Total	5,867,904.00	-	5,867,904.00	4,559,264.35	1,308,639.65	78%
					-	
(2) CAPITATION GRANT ON OPERATIONS					-	
Medical insurance/prop	2,832,000.00		2,832,000.00	2,223,652.00	608,348.00	78.5%
Other accounts	13,310,400.00		13,310,400.00	12,505,718.90	804,681.10	94.0%
M&I	7,080,000.00		7,080,000.00	7,221,750.00	(141,750.00)	102.0%
Activity fund	2,124,000.00		2,124,000.00	2,120,000.00	4,000.00	99.8%
Lunch programme	16,992,000.00		16,992,000.00	14,097,600.00	2,894,400.00	83.0%
Totals	42,338,400.00	-	42,338,400.00	38,168,720.90	4,169,679.10	90.2%
					-	
OTHER INCOME					-	
computers				30,000		

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

<i>Income from Bus</i>				855,300		
<i>Transfer tuition</i>				-		
<i>Fee for hire of ground and equipment</i>				-		
<i>Total</i>	-	-	-	885,300.00	-	
TOTAL INCOME	48,206,304.00	-	48,206,304.00	43,613,285.25	5,478,318.75	90.5%
(1) EXPENDITURE FOR TUITION						
Reference books (Bio, Chem & Practical Subjects/ photocopying papers)	2,714,264.00		2,714,264.00			
Exercise Books	1,550,000.00		1,550,000.00			
stationary	605,840.00		605,840.00			
Teaching/Leaning Resources	148,000.00		148,000.00			
Chalks	28,500.00		28,500.00			
Internal Exams/Printing	700,000.00		700,000.00			
Reference/Library	121,300.00		121,300.00			
Total	5,867,904.00		5,867,904.00	4,559,264	1,308,640	78%
			-			
8. PAYMENTS FOR OPERATIONS						
RMI (adm)	1,416,000.00		1,416,000.00	2,305,814	(889,814)	163%

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

LT & T	1,614,753.00		1,614,753.00	3,178,608	(1,563,855)	197%
Adm.cost	1,217,247.00		1,217,247.00	1,217,247	-	100%
Medical insurance/pro	2,832,000.00		2,832,000.00	1,728,000	1,104,000	61%
Activity	2,124,000.00		2,124,000.00	1,641,157	482,843	77%
Personal Emolument	7,646,400.00		7,646,400.00	6,287,738	1,358,662	82%
E.W.C	1,416,000.00		1,416,000.00	1,519,312	(103,312)	107%
Tuition Account	5,867,904.00		5,867,904.00	3,984,949	1,882,955	68%
M & I	7,080,000.00		7,080,000.00	4,292,000	2,788,000	61%
Lunch programme	16,992,000.00		16,992,000.00	13,472,000	3,520,000	79%
Total	48,206,304.00	-	48,206,304.00	39,626,825.00	8,579,479.00	82%

1. 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 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*.

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

L'ANGALANGA SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023

I. NOTES TO THE FINANCIAL STATEMENTS			
1 CAPITATION GRANT FOR TUITION			
		2022-2023	2021-2022
		KSH	KSH
Text books		-	448,635.75
Exercise books		-	1,212,554.00
Laboratory equipments and apparatus		4,250,687.75	783,037.00
Teaching/learning materials		-	568,836.00
Chalks		-	22,295.00
Internal exams			547,605.00
Teachers Guide			86,051.00
Reference books		-	890,250.60
MAIN		342,000.00	-
Total		4,592,687.75	4,559,264.35
2. CAPITATION GRANT FOR OPERATIONS			
		2022-2023	2021-2022
		KSH	KSH
EWC		722,947.17	1,880,680.90
LT @T		3,258,092.71	3,896,025.50
Personal emolument		3,003,599.16	6,019,730.00
Admin cost		645,860.68	1,491,981.50
Activity		883,975.00	504,000.00
Medical and insurance		316,700.00	-
RMI		3,607,802.27	2,876,585.20
Infrastructure		6,232,000.00	7,221,750.00
Total		18,670,976.99	23,890,753.10
3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT			
		2022-2023	2021-2022

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

		KSH	KSH
BES/Lunch programme		37,267,683.00	37,201,420.85
Arrears		2,387,353.00	-
EWC		-	-
LT@T		-	-
ACTIVITY		-	-
ADMIN COSTS		-	-
Personal emolument		-	-
Total		39,655,036.00	37,201,420.85
4. OTHER RECEIPTS – SCHOOL FUND ACCOUNT			
		2022-2023	2021-2022
		KSH	KSH
computers		30,000.00	-
Income from Bus		855,300.00	-
Transfer tuition		-	691,100.00
Fee for hire of ground and equipment		-	252,600.00
Total		885,300.00	943,700.00
5. INFRASTRUCTURE INCOME			
		2022-2023	2021-2022
		KSH	KSH
M&I		6,246,339.79	-
Total		6,246,339.79	-
6. PAYMENT FOR INFRASTRUCTURE			
		2022-2023	2021-2022
		KSH	KSH
M&I		6,232,000.00	-
Total		6,232,000.00	-
7. PAYMENTS FOR TUITION			
		2022-2023	2021-2022

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

		KSH	KSH
Text books		-	-
Exercise books		1,283,345.00	1,125,950.00
Laboratory equipments and apparatus		1,132,972.00	2,048,240.00
Teaching/learning materials		1,003,615.00	1,778,642.00
chalks		13,270.00	24,500.00
Internal exams		9,190.00	137,800.00
Reference materials		296,268.00	63,350.00
Bank charges		11,239.00	-
sundry tuition/operation			691,100.00
main		531,740.00	-
Total		4,281,639.00	5,869,582.00

8. PAYMENTS FOR OPERATIONS

		2022-2023	2021-2022
		KSH	KSH
EWC		722,947.17	1,546,909.00
LT @T		3,258,092.71	3,132,574.00
RMI		4,030,727.27	2,269,464.00
Personal emolument		3,003,599.16	4,604,381.00
Admin cost		645,860.68	1,199,618.00
Activity		1,673,860.00	1,641,157.00
Medical / insurance		-	67,000.00
Main Account		-	-
Insurance		-	-
infrastructure		6,388,000.00	8,307,500.00
learning materials		1,123,811.00	565,214.00
TOTAL		20,846,897.99	23,333,817.00

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

9. BOARDING AND SCHOOL FUND PAYMENTS			
		2022-2023	2021-2022
		KSH	KSH
Bus hire		-	93,240.00
Activity		-	-
Lunch expenses		32,608,787.00	35,222,696.40
operation to		-	2,876,585.20
Administration costs		34,630.00	-
Gratuity		1,431,448.00	-
Bus Expenses		1,020,830.00	-
TOTAL	-	35,095,695.00	38,192,521.60
<i>Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.</i>			
10. BANK ACCOUNTS			
Name of Bank, Account No. & currency	Bank Account Number	2022-2023	2021-2022
		KSH	KSH
Tuition Account		(129,603.25)	(100,324.80)
Operations Account		208,133.47	461,366.48
School Fund Account/Boarding		117,999.30	412,417.10
Savings Account ABSA BANK	3836438	540,185.00	30,455.00
Co-operative Bank		(1,424,132.00)	(845,237.00)
Infrastructural Account		578,895.00	-
Savings Account ABSA BANK	3565434	(218,995.00)	(642,900.00)
Total		(327,517.48)	(684,223.22)
11. CASH IN HAND			
Description		2022-2023	2021-2022

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

		KSH	KSH
Tuition Account		-	-
Operation Account		-	-
School Fund account		1,000.00	(2,570.00)
Total		1,000.00	(2,570.00)
12. SHORT TERM INVESTMENTS			
Description		2022-2023	2021-2022
		KSH	KSH
Cooperative shares		-	-
Treasury Bills		-	-
Fixed deposit		-	-
Equity stock		-	-
Other investments		-	-
Total		-	-
13. ACCOUNTS RECEIVABLE			
Description		2022-2023	2021-2022
		KSH	KSH
Fees arrears		5,201,037.00	2,474,286.00
Other non-fees receivables		-	-
Salary advances		-	-
Imprest		-	-
Total		5,201,037.00	2,474,286.00
[Include an ageing of the fees / non fees arrears below]			
Description		2022-2023	2021-2022
		KSH	KSH
Fees arrears for current year		5,114,104.00	3,350,269.00
Fees arrears for the previous year-		2,474,286.00	-
Recovered			(875,983.00)
Fees arrears for prior periods (over two years)		-	-
Total		7,588,390.00	2,474,286.00
Description		2022-2023	2021-2022
		KSH	KSH

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

non - Fees arrears for current year		-	
Non- Fees arrears received in the year		-	
Non - Fees arrears for the previous year-2019		-	
Non- Fees arrears for prior periods (over two yrs)		-	
Total		-	
14. ACCOUNTS PAYABLE			
Description		2022-2023	2021-2022
		KSH	KSH
Trade creditors (See ageing below and appendix 1)		1,671,833.00	2,107,383.00
Prepaid fees		-	728,993.00
decrease/increase in payable		-	(657,461.20)
Total		1,671,833.00	2,178,914.80
[Include an ageing of the creditor's arrears below]			
Description		2022-2023	2021-2022
		KSH	KSH
Trade creditors for the current year		2,267,597.00	2,107,383.00
Trade creditors paid during the year		-	(2,703,147.00)
Trade creditors for the previous year		-	-
Trade creditors for prior periods (over two years)		(595,764.00)	-
Total		1,671,833.00	(595,764.00)
15. FUND BALANCE BROUGHT FORWARD			
Description		2022-2023	2021-2022
		KSH	KSH
Bank balances		-	404,520.28
Cash balances		-	4,840.00
Short Term Investments-Caution		-	-
Receivables		2,474,286.00	-
Payables		-	-
Total		2,474,286.00	409,360.28

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

Other important disclosure notes			
16. Non-current Liabilities Summary			
Description		2022-2023	2021-2022
		KSH	KSH
Bank loan(s)		-	
Outstanding Leases		-	
Hire purchase		-	
Gratuity and leave provision		-	
Total		-	
Biological assets			
Description	Numbers		
Cattle		-	
Goats		-	
Pigs		-	
Trees		-	
Coffee or tea plantation		-	
Poultry		-	
Total		-	
Borrowings			
Description			
a) Borrowings		-	
Borrowing at beginning of the year		-	
Borrowings during the year		-	
Repayments of during the year		-	
Balance at end of the year		-	
1 Stock/ Inventory			
Description			
Stock/Inventory		-	
Stock/ inventory at beginning of the year		-	
Stock/ inventory purchased during the year		-	
Stock/ inventory issued during the year		-	
Balance at end of the year		-	

LANGALANGA SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2023

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4.						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

LANGALANGA SECONDARY SCHOOL**Reports and Financial Statements****For the year ended 30th June 2023****ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 20xx	Additions during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 20xx
Land 1	Bal b/f	Langalanga Secondary School	250,000,000.00	-	300,000,000.00
Buildings and structures	Bal b/f	Langalanga Secondary School	70,000,000.00	20,000,000.00	90,000,000.00
Motor vehicles/Bus	Bal b/f	Langalanga Secondary School	6,000,000.00		5,500,000.00
Office equipment, furniture and fittings	Bal b/f	Langalanga Secondary School	2,500,000.00	400,000.00	2,700,000.00
ICT Equipment, and Other ICT Assets	Bal b/f	Langalanga Secondary School	1,000,000.00	100,000.00	900,000.00
Tools and apparatus	Bal b/f	Langalanga Secondary School	5,000,000.00	500,000.00	5,300,000.00
Textbooks	Bal b/f	Langalanga Secondary School	5,000,000.00	1,000,000.00	5,500,000.00
Other Machinery and Equipment	Bal b/f	Langalanga Secondary School	500,000.00	-	400,000.00
Intangible assets- soft ware	Bal b/f	Langalanga Secondary School	500,000.00		450,000.00
Total			340,500,000.00	22,000,000.00	410,750,000.00

(The School should ensure that a detailed fixed assets register is maintained).

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