

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 06 MAR 2024

DAY: WED

OF

Hon Owen Baya, mp
Deputy Leader, Majority Party
Chebel

THE AUDITOR-GENERAL

ON

KANYARIRI HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2021**

KIAMBU COUNTY

PARLIAMENT
OF KENYA
LIBRARY

NATIONAL ASSEMBLY
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P. O. Box 41842-00100, NAIROBI



07 AUG 2023

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**KANYARIRI HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
1st Jan 2021 - 30th June 2021**

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

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I. 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 located in KIAMBU County, KABETE Sub-County

The school was registered in AUGUST/2022 under registration number 22S00791 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 403 number of students as at 30th June 2021. It has 2 streams and 23 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 | Joshua Mwaura Wandungi | Chairman | 5/5/2022 |
| 2 | Charles Nderitu Wachira | Secretary - Principal | 28/8/2022 |
| 3 | Lawrence Karanja Muchene | Member | 5/5/2022 |
| 4 | Antony Kimani Kinyanjui | Member | 5/5/2022 |
| 5 | Peter Mbugua Mwaura | Member | 5/5/2022 |
| 6 | Maurice Muthiru | Member | 5/5/2022 |
| 7 | Eunice Waithera | Member | 5/5/2022 |
| 8 | Hellen Njeri | Member – Rep CEB | 5/5/2022 |
| 9 | Agnes Waithera Muchuri | Member Rep Teachers | 5/5/2022 |
| 10 | Joshua Mwaura Wandungi Samuel Gachunga Mutune Frashiah Wangari | 3 Members - Sponsor | 5/5/2022 |
| 11 | Humprey Kinyanjui | Member - Community | 5/5/2022 |
| 12 | Michael Karisa | MemberSpecial Needs | 5/5/2022 |
| 13 | Dickson Abel | Rep Students | 5/5/2022 |

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 | | | |
| 2 | Audit Committee | | | X out of XX |
| 3 | Finance, procurement and general purposes Committee | Joshua Mwaura Lawrence Karanja Friasia Mukuru John Mureri | Chair Member Member Member | 2 out of 2 |
| 4 | Academic Committee | Antony Kimani Hellen Njeri Maurice Muthiru John Mureri | Member Member Member Member | 2 out of 2 |
| 5 | Development Committee | Lawrence Karanja Samuel Mutune Harrison Mwani Joshua Mwaura | Member Member Member Chair | 2 out of 2 |
| 6 | Discipline and welfare Committee | Agnes Waithera Mary Warui Peter Mbugua Humphrey Kinyanjui | Member Member Member Member | 2 out of 2 |
| 7 | Adhoc Committee (if any during the year) | | | |

(d) School operation Management

For the financial year ended 30th June 2021 the School day-to-day management was under the following persons:

| Ref: | Designation | Name | TSC Number |
|-------------|--------------------|---------------------|-------------------|
| 1 | Principal | TERESA NJERI MWANGI | 236872 |
| 2 | Deputy Principal | LABAN MAINA THANDI | 335440 |
| 3 | School Bursar | JAMES MBURU CHEGE | 21702417 |
| | | | |

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contact

Post Office Box: 155-00902 kikuyu
Telephone: 0710 150494
E-mail: kanyaririhigh@yahoo.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

The following school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

- 1 Name of Bank: KENYA COMMERCIAL BANK
Branch: KIKUYU
Account Number: 1102957321 (SCHOOL LUNCH ACCOUNT)
- 2 Name of Bank: KENYA COMMECIAL BANK
Branch: KIKUYU
Account Number: 1102930962 (OPERATION ACCOUNT)
- Name of Bank: KENYA COMMERCIAL BANK
Branch: KIKUYU
Account Number: 1112509682 (TUITION ACCOUNT)
- 4 Name of Bank: KENYA COMMERCIAL BANK
Branch: KIKUYU
Account Number: 1213103304 (INFRASTRUCTURE ACCOUNT)
- 5 Name of Bank: KENYA COMMERCIAL BANK
Branch: KIKUYU
Account Number: 1102492671 (SAVING ACCOUNT)
- 6 MPESA Pay Bill No. 522123 attached to Lunch (1102957321) bank account

(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

(V)

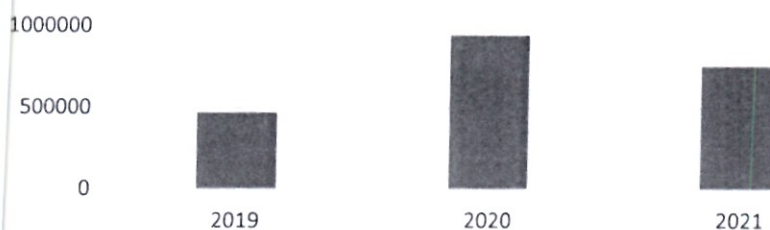
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance:**

b) **Surplus/Deficit**

| | 2021 | 2020 | 2019 |
|--|------------|------------|------------|
| | 753,968.55 | 941,265.55 | 468,774.44 |

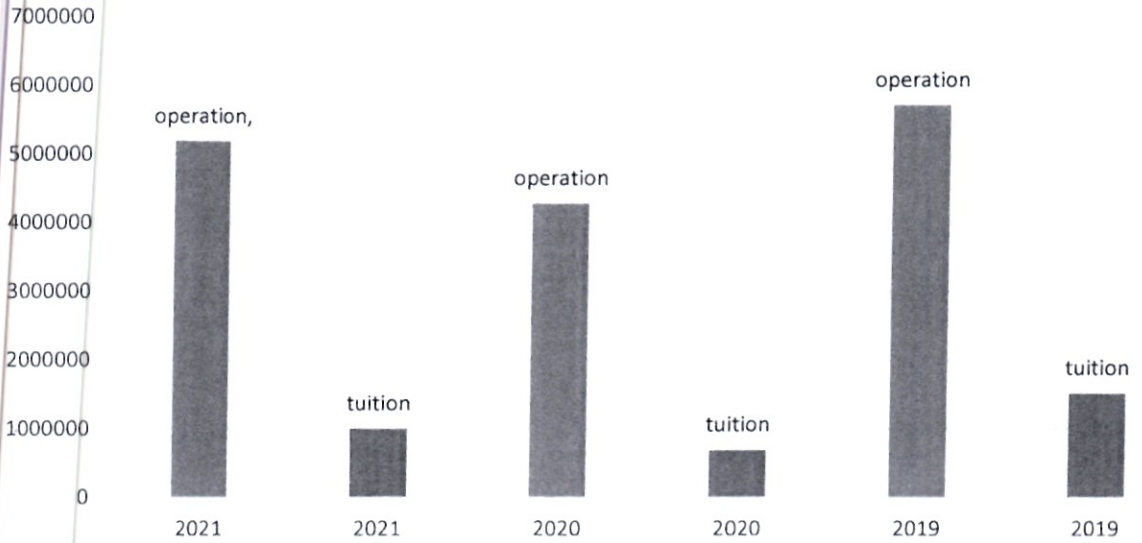


SURPLUS/DEFICIT I

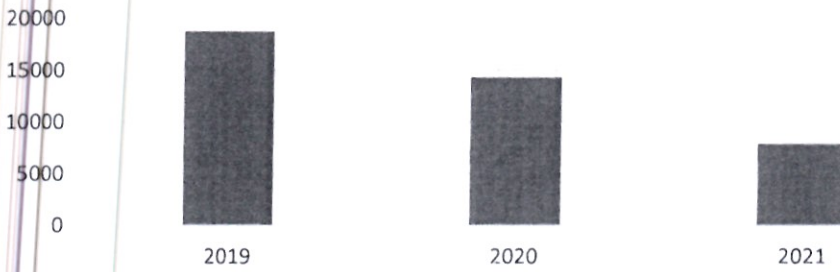
CAPITATION/DEBTORS/CREDITORS/CASH AND BANK BALANCES FOR THE YEAR 2019,2020,2021

| YEAR | 2021 | 2020 | 2019 |
|--------------------------|---|---|--|
| Capitation | Operation-5,183,261.90 Tuition— 999,859.75 Total 6,183,216.65 | Operatio-4,278,875 Tuition 692,253 Total 4,971,128h | Operation-5,921,490.95 Tuition 1,248,806.87 Total 7,170,297.87 |
| Capitation/student Ratio | 17,516.20 | 13,327042 | 19,223.30 |
| Debtors | 5,456,983 | 4,693,027 | 4,683,452 |
| Creditors | 550,888 | 628,931 | 935,150 |
| Cash & bank balances | 89,567.3 | -261,901.35 | 60,356.15 |
| Income | 9,744,623.55 | 6,732,536.35 | 11,889,714 |
| Expenditure | 8,990,655 | 5,791,270.80 | 11,898,482 |

CAPITATION GRANT



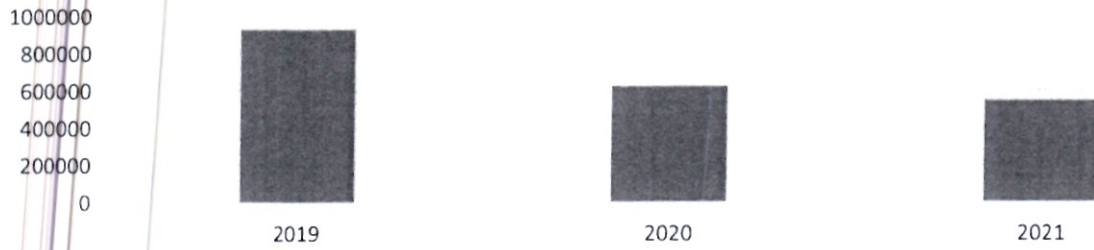
CAPITATION GRAPH I



CAPITATION RATIO I



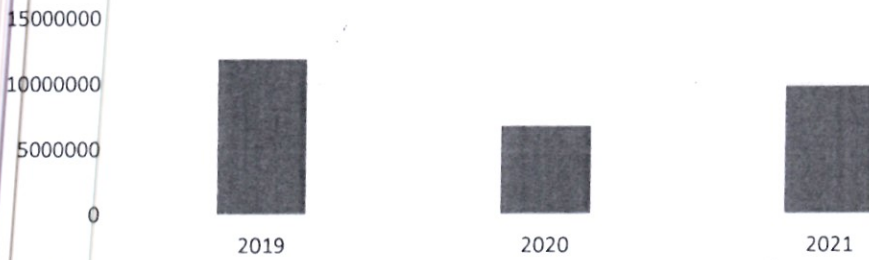
DEBTORS CHART I



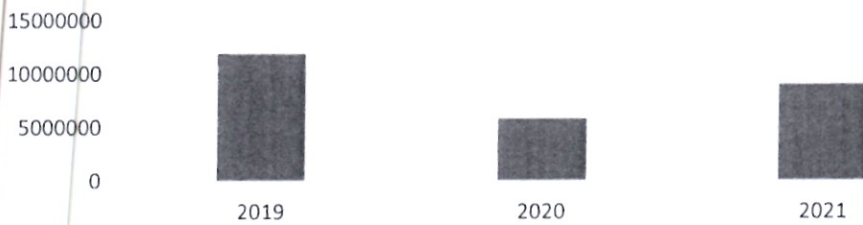
CREDITORS GRAPH I



CASH & BANK GRAPH I



INCOME GRAPH I



EXPENDITURE GRAPH I

c) **Teacher Student ratio:**

Student ratio: 1:17

| | | | | | |
|-----------------------|-------------------------|-------------|--------------|------------------|--------------------------|
| Number of students | 403 | TSC teacher | BOM teachers | TSC posting 2021 | Transfer/retirement 2022 |
| Number of teachers | 23 | 21 | 2 | 4 | 2 |
| Teacher student ratio | 17 students per teacher | | | | |

Shortage: Chemistry /Maths and Chemistry/Physics

d) **Mean score in the 2019,2020,2021 KCSE:**

| | |
|------|-------|
| 2021 | 3.110 |
| 2020 | 3.356 |
| 2019 | 4.011 |

e) **Number of Candidates in the 2021,2020,2019 KCSE:**

| | |
|------|----|
| 2021 | 94 |
| 2020 | 59 |
| 2019 | 93 |

f) **Capacity of the school:**

403 students

| | | | | | |
|---------|--------------|-------------|---------------------|--------------|------------------|
| Classes | Laboratories | Dining hall | Toilets | Computer lab | Home science lab |
| 9 | 2 | 1 | 10-boys 10-girls | 1 | 1 |

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

| <u>NO</u> | <u>PROJECT</u> | <u>AMOUNT</u> | <u>DATE OF START</u> | <u>SOURCE</u> | <u>STATUS</u> |
|-----------|--|---------------|----------------------|---------------|---------------|
| 1 | Reconstruction of laboratory hall and fixing of floor tiles in the classes | 1,670,000 | 5/5/2021 | M.O. E | 60% complete |

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.

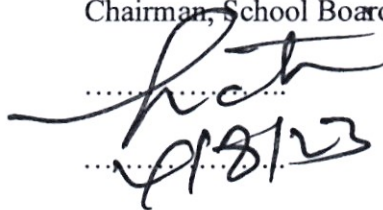
The Board of Management of Kanyariri high school accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021 and of the school's financial position as at that date.

Name: Joshua Mwaura Wandungi
Designation: Chairman, School Board of Management

Sign:


Date:


4/8/23

Name: Charles Ndiritu Wachira
Designation: School Principal & Secretary to Board of Management

Sign:


Date:


4/8/2023

Name: Joseph Mwangi Ndumia
Designation: Bursar/ Finance Officer

Sign:

Date:


4/8/2023



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 KANYARIRI HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021- KIAMBU COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal control, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

*Report of The Auditor-General on Kanyariri High School for the year ended 30 June, 2021-
Kiambu County*

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kanyariri High School – Kiambu County set out on pages 1 to 18 which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and 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. 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 the Kanyariri High School – Kiambu County as at 30 June, 2021, 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 and Basic Education Act, 2013.

Basis for Qualified Opinion

1. Variances Between Amounts in the Financial Statements and Supporting Schedules

The financial statements provided for audit contained variances between amounts in the financial statements and those in the supporting schedules, as summarized below:

| Audit Component | Financial Statement Balance (Kshs.) | Supporting Schedule Balance (Kshs.) | Variance (Kshs.) |
|---------------------------------------|--|--|-------------------------|
| Bank Balance | (23,107) | (25,182) | (2,075) |
| Boarding & School Fund | 4,242,825 | 3,478,508 | 764,317 |
| Payments for Operations | | | |
| Personnel emoluments | 1,284,970 | 1,260,085 | 24,885 |
| Administration Cost | 156,384 | 295,880 | (139,496) |
| Repairs, maintenance and improvements | 1,651,316 | 290,355 | 1,360,961 |
| Local transport /travelling | 400,000 | 78,200 | 321,800 |
| Electricity and water | 500,000 | 82,300 | 417,700 |

*Report of The Auditor-General on Kanyariri High School for the year ended 30 June, 2021-
Kiambu County*

| Audit Component | Financial Statement Balance (Kshs.) | Supporting Schedule Balance (Kshs.) | Variance (Kshs.) |
|-----------------------------------|--|--|-------------------------|
| Activity Expenses | 128,500 | 0 | 128,500 |
| Infrastructure | 0 | 2,325,300 | (2,325,300) |
| Payments for Tuition | | | |
| Exercise books | 300,000 | 80,600 | 219,400 |
| Laboratory equipment | 51,000 | 187,524 | (136,524) |
| Teaching/ Learning materials | 250,000 | 284,110 | (34,110) |
| Chalks/ Stationery | 25,660 | 70,000 | (44,340) |
| Capitation for Tuition | 627,263 | 654,526.75 | 27,263.75 |
| Capitation for Operation | 4,146,754 | 2,941,709.80 | 1,205,045 |
| School Fund- Parents Contribution | 4,924,605 | 4,078,650 | 845,955 |
| School Fund – Other Receipts | 46,000 | 0 | 46,000 |
| Cash in Hand – School Fund | 45,844 | 0 | 45,844 |

In the circumstances, the accuracy and completeness of the respective balances could not be confirmed

2. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflect accounts receivables balance of Kshs.5,456,983 as disclosed in Note 11 to the financial statements. However, the detailed schedule of students with outstanding fee balances was not provided for audit.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.5,456,983 as at 30 June, 2021 could not be confirmed.

3. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.946,968 as disclosed in Note 12 to the financial statements. The balance includes trade creditors balance of Kshs.550,888. Review of supporting documents revealed crucial details of suppliers, goods delivered/services rendered/ works executed, local purchase/service orders, original delivery notes, invoices, certified interim/final certificates, inspection and acceptance committee had not been provided for audit. Further, no proper ledger was in place showing the opening balance, additions, amount paid during the year and the closing balance of the accounts payables was not provided for audit.

In addition, included in the accounts payable balance is Kshs.147,000 in respect to prepaid fees and Kshs.249,080 retention monies which were not supported by a listing of students and certified interim/final certificates of works done, inspection and acceptance committee reports respectively.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.946,968 as at 30 June, 2021 could not be confirmed.

4. Overdrawn Cashbook Balance

The statement of financial assets and financial liabilities as disclosed in Note 8 to the financial statements reflect cash and cash equivalents negative balance of Kshs.23,107 netting off of negative balance of Kshs.80,578 for school fund account. Included in the balance is an overdrawn school fund account cash book balance of Kshs.80,579. The netting off is contrary to IPSAS I which prohibits netting off of Credit and debit balances. Further, no explanation was provided of the circumstances under which the cash book had been overdrawn.

In addition, included in the cash and cash equivalents balance is a balance Kshs.2,075 for savings account whose bank reconciliation statement and proof of registration of the bank account in NEMIS were nor provided for audit review.

In the circumstances, the accuracy and completeness cash and cash equivalent balance of (Kshs.23,107) as at 30 June, 2021 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE 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 Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of August 20, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing for longer period is due to the adoption of IPSAS for school and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented the annual report and financial statements covering only six (6) months for financial year 2020-2021 with comparative balances for financial year 2019-2020. Therefore, the financial statements have not been prepared for eighteen-months (18) as prescribed the Public Sector Accounting Standards Board (PSASB).

In the circumstances, Management did not comply with the guidelines issued by Public Sector Accounting Standards Board (PSASB).

2. Unapproved Funds Transfers

The statement of receipts and payments reflects an amount of Kshs.626,660 in respect of payments for tuition and Kshs.4,121,170 in respect of payments for operations. These amounts include Kshs.77,884 and Kshs.539,164 transfers from the School fund account to tuition and operation accounts respectively whose prior

approval to transfer the funds were not sought from the County Education Board (CBE) contrary to the Guidelines for Implementation of Free Day Secondary Education for the year 2020-2021 provided by the Ministry of Education.

In the circumstances, the school Management was in breach of State Department for Early Learning and Basic Education issued guidelines on funds transfer.

3. Irregular Procurement of Goods

During the year under review, the Management incurred a total expenditure of Kshs.8,990,655 as reflected in the statement of receipts and payments. This involved procurement of various goods, services and works. However, an annual procurement plan and a list of prequalified suppliers to guide the procurements were not prepared and provided for audit contrary to Section 45(3a) and 95(3) of the Public Procurement and Assets Disposal act of 2015. In addition, the Management did not provide bid documents, tender opening minutes, tender evaluation minutes, letters of award to successful bidders, local purchase orders and inspection and acceptance committee reports on quality and quantity of items procured.

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

4. Lack of a School Improvement Plan

Review of the School's development plan revealed that the Management did not prepare a School Improvement Plan covering the year under review, contrary to Section 2.2.1 of Operation Manual for utilization of learner capitation grant and other school funds requiring that in every 3-year school improvement planning cycle, schools should identify priorities for implementation as a road map for changes that a school needs to improve the school environment and learning outcomes.

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

5. Students not Registered in NEMIS Platform

Review of NEMIS registration details revealed that the Management had not registered 58 students during the financial year under review. No justification was provided as to why registration of the learners has not been effected. Further, out of the 58 students, 7 were registered to different schools and the schools may have been receiving capitation for students who did not report to those schools. This is contrary to the Ministry of Education circular ref; Circular Ref; MOE/CONF/G5 dated 26/11/2019 which directed on registration of learners on the NEMIS platform. In addition, failure to register the learners denied the Management an amount of Kshs.1,290.152 in form of capitations.

In the circumstances, Management was in breach of the Ministry of Education Guidelines.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting

unless the Management is aware of the intention to abolish the School or to cease its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the School's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future

events or conditions may cause the school to cease to continue sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, OBS
AUDITOR-GENERAL

Nairobi

09 October, 2023

*Report of The Auditor-General on Kanyariri High School for the year ended 30 June, 2021-
Kiambu County*

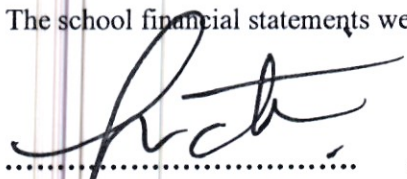
(Indicate actual name of the School)

Reports and Financial Statements For the year ended 30th June 2021

V. Statement Of Receipts And Payments Period To 30th June 2021

| Description Of Vote Head | Note | 2020-2021 | 2019-2020 |
|--|------|---------------------|---------------------|
| | | Kshs | Kshs |
| Receipts | | | |
| Capitation grants for tuition | 1 | 627,263.75 | 692,253.00 |
| Capitation grants for operations | 2 | 4,146,754.80 | 4,398,875.00 |
| School fund income- parents' contributions | 3 | 4,924,605.00 | 1608303.00 |
| School fund income- other receipts | 4 | 46,000 | 33,105.35 |
| Proceeds from borrowings | | - | - |
| Total Receipts | | 9,744,623.55 | 6,732,536.35 |
| Payments | | | |
| Payments for tuition | 5 | 626,660.00 | 619,682.00 |
| Payments for operations | 6 | 4,121,170.00 | 3,954,869.00 |
| Boarding and school fund payments | 7 | 4,242,825.00 | 1,216,719.80 |
| Total Payments | | 8,990,655.00 | 5,791,270.80 |
| Surplus/Deficit | | 753,968.55 | 941,265.55 |

The school financial statements were approved on _____ 2021 and signed by:



Name: **BEN J. M. WANGUNGU**
Chair BOM

Date: **4/8/23**



Name: **WACITIRA C.N.**
School Principal/ Secretary to BOM

Date: **4/8/2023**



Name: **JOSEPH MWANGI**
Bursar/ Finance Officer

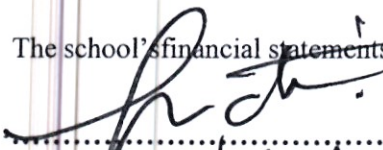
Date: **4/8/2023**



VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2021

| Description | Note | 2020-2021 | 2019-2020 |
|---------------------------------------|------|-------------------------|-------------------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash and cash equivalents | | | |
| Bank balances | 8 | (23,107.15) | (26,670.70) |
| Cash balances | 9 | 45,844.00 | 116,238.00 |
| Short term investment | 10 | - | - |
| Total cash and cash equivalent | | <u>22,736.85</u> | <u>89,567.30</u> |
| Account's receivables | 10 | 5,456,983.00 | 4,693,027.00 |
| Total financial assets | | 5,479,719.85 | 4,782,594.30 |
| Financial liabilities | | | |
| Accounts payables | 11 | 946,968.00 | 1,003,811.00 |
| Net financial assets | | 4,532,751.85 | 3,778,783.30 |
| Represented by | | | |
| Accumulated fund b/fwd | 12 | 3,778,783.30 | 2,837,517.45 |
| Surplus/deficit for the year | | 753,968.55 | 941,265.55 |
| Net financial position | | 4,532,751.85 | 3,778,783.30 |

The school's financial statements were approved on _____ 2021 and signed by:



Name: **BEN J.M. WANDU**

Chair BOM

Date: **4/8/2023**



Name: **WACHIRA C.N.**
School Principal/ Secretary to BOM

Date: **4/8/2023**



Name: **JOSEPH MWANGI**

Bursar/ Finance Officer

Date: **4/8/2023**



VII. Statement of Cash Flows for The Period Ended 30th June 2021

| Description | Notes | 2020-2021 | 2019-2020 |
|--|-------|---------------------|---------------------|
| | | Kshs | Kshs |
| Operating activities | | | |
| Receipts | | | |
| Capitation grants for tuition | 1 | 627,263.75 | 692,253.00 |
| Capitation grants for operations | 2 | 4,146,754.80 | 4,398,875.00 |
| School fund income- parents contributions/ fees | 3 | 4,924,605.00 | 1,608,303.00 |
| School fund income- other receipts | 4 | 46,000 | 33,105.35 |
| Total receipts | | 9,744,623.55 | 6,732,536.35 |
| Payments | | | |
| Payments for tuition | 5 | 626,660.00 | 619,682.00 |
| Payments for operations | 6 | 4,121,170.00 | 3,954,869.00 |
| Boarding and school fund payments | 7 | 4,242,825.00 | 1,216,719.80 |
| Decrease in creditors | | 56,843.00 | |
| Increase in debtors | | 763,956.00 | 594,909.00 |
| Total payments | | 9,811,454.00 | 638,6179.8 |
| Net cash flow from operating activities | | (66,830.45) | 346,356.55 |
| Cashflow from investing activities | | | |
| Proceeds from sale of assets | | - | - |
| Acquisition of assets | | - | - |
| Proceeds from investments | | - | - |
| Purchase of investments | | - | - |
| Net cash flows from investing activities | | - | - |
| Cashflow from borrowing activities | | | |
| Proceeds from borrowings/ loans | | - | - |
| Repayment of principal borrowings | | - | - |
| Net cash flow from financing activities | | - | - |
| Net increase in cash and cash equivalents | | (66,830.45) | 349,356.55 |
| Cash and cash equivalent at beginning of the year | | 89,567.30 | (259,789.25) |
| Cash and cash equivalent at end of the year | | 22,736.85 | 89,567.30 |

| Receipt/Expense Item | Original Budget a | Adjustments | | Final Budget c=a+b | Actual on Comparable Basis d | Budget Utilisation Difference e=c-d | % of Utilisation f=d/c % |
|---|----------------------|--------------------------------------|---|-----------------------|------------------------------------|---|-----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements b | | | | |
| RECEIPTS | | | | | | | |
| (1) CAPITATION GRANT ON TUITION | | | | | | | |
| Textbooks and reference materials | | | | | | | |
| Exercise books | 250,000 | 0 | 0 | 250,000 | 250,000 | - | #DIV/0! |
| Laboratory equipment | 150,000 | | | 150,000 | 150,000 | - | 100.0% |
| Internal exams | | | | 0 | | | 100.0% |
| Teaching / learning materials | 200,000 | | | 200,000 | 200,000 | - | #DIV/0! |
| Chalks/stationeries | 27,263 | | | 27,263 | 27,263 | - | 100.0% |
| Teachers guides | - | | | 0 | | - | 0.0% |
| | | | | | | | |
| (2) CAPITATION GRANT ON OPERATIONS | | | | | | | |
| Personnel emoluments | 1,145,044 | | | 1,145,044 | 1,145,044 | - | 100.0% |
| Repairs and maintenance | | | | 0 | | | #DIV/0! |
| Local transport / travelling | 200,000 | | | 200,000 | 200,000 | - | 100.0% |
| Electricity and water | 400,000 | | | 400,000 | 400,000 | - | 100.0% |
| Medical | 37,000 | | | 37,000 | 37,000 | - | 100.0% |
| Administration costs | 200,000 | | | 200,000 | 200,000 | - | 100.0% |
| Activity insurance | 355,838 | | | 355,838 | 355,838 | - | 100.0% |
| Infrastructure grant, 3 classrooms | - | | | 0 | | - | #DIV/0! |
| Infrastructure grant | 1,770,872 | | | 1,770,872 | 1,770,872 | - | #DIV/0! |
| Gratuity | | | | 0 | | - | 100.0% |
| SMASSE | | | | 0 | | - | 0.0% |

| | | | | | | | | | |
|--------------------------------------|------------------|--|--|--|--|----------|------------------|------------------|---------------|
| (3) FEES CHARGED ON PARENTS | | | | | | | | | |
| Personnel emoluments | | | | | | | 0 | | 0.0% |
| Repairs and maintenance | | | | | | | 0 | | 0.0% |
| Local transport / travelling | | | | | | | 0 | | 0.0% |
| Electricity and water | | | | | | | 0 | | 0.0% |
| Medical | | | | | | | 0 | | 0.0% |
| Administration costs | | | | | | | 0 | | 0.0% |
| Activity | | | | | | | 0 | | 0.0% |
| SMASSE | | | | | | | 0 | | 0.0% |
| Fee on Boarding Equipment and Stores | 2,901,800.00 | | | | | | 2,901,800 | 2,901,800 | 0.0% |
| OTHER INCOME | | | | | | | | | |
| Rent income | 18,000.00 | | | | | | 18,000 | 18,000 | 0.0% |
| Income from farming activities | | | | | | | 0 | | 0.0% |
| Insurance compensation | | | | | | | 0 | | 0.0% |
| Income from Posho mill | | | | | | | 0 | | 0.0% |
| Income from Bus Hire | | | | | | | 0 | | 0.0% |
| Fee for hire of ground and equipment | | | | | | | 0 | | 0.0% |
| Interest income | | | | | | | 0 | | 0.0% |
| Income from any other investment | | | | | | | 0 | | 0.0% |
| TOTAL INCOME | 7,655,817 | | | | | 0 | 7,655,817 | 7,655,817 | 100.0% |
| (1) EXPENDITURE FOR TUITION | | | | | | | | | |
| Textbooks and reference materials | | | | | | | 0 | | #DIV/0! |
| Exercise books | 262,000 | | | | | | 262,000 | 262,000 | 100.00 |
| Laboratory equipment | 51,000 | | | | | | 51,000 | 51,000 | 100.00 |
| Internal exams | | | | | | | 0 | | #DIV/0! |
| Teaching / learning materials | 250,000 | | | | | | 250,000 | 250,000 | 100.00 |
| Chalks | 25,660 | | | | | | 25,660 | 25,660 | 100.00 |
| Teachers guides | 0 | | | | | | 0 | | #DIV/0! |

| | | | | | | | |
|------------------------------|-----------|---|---|-----------|-----------|---|--------|
| (2)EXPENDITURE FOR OPERATION | | | | 0 | | | |
| | | | | 0 | | | |
| Personnel emoluments | 1,284,970 | | | 1,284,970 | 1,284,970 | | 100% |
| Repairs and maintenance | 1,590,250 | | | 1,590,250 | 1,590,250 | | 100% |
| Local transport / travelling | 400,000 | | | 400,000 | 400,000 | | 100% |
| Electricity and water | 500,000 | | | 500,000 | 500,000 | | 100% |
| Medical | | | | 0 | | | |
| Administration costs | 156,384 | | | 156,384 | 156,384 | | 100% |
| Activity | 128,500 | | | 128,500 | 128,500 | | 100% |
| | | | | | | | |
| LUNCH EXPENDITURE | | | | | | | |
| Lunch | 1,545,500 | | | 1,545,500 | 1,545,500 | | 100% |
| Rent income | 71,900 | | | 71,900 | 71,900 | | 100% |
| TOTAL EXPENDITURE | 6,266,164 | 0 | 0 | 6,266,164 | 6,266,164 | - | 100.0% |

Name BEN J.M. WANGWANI Sign. [Signature] Date 4/8/23
Chairman, BOM

Name CHARLES WACHIRA Sign. [Signature] Date 4/8/2023
Principal/Secretary BOM

Name JOSEPH MWITIGI Sign. [Signature] Date 4/8/2023
Bursar



3

IX. 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 2022.

(Indicate actual name of the School)

Reports and Financial Statements For the year ended 30th June 2021

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

| Description | Jan -june 2021 | 2020 |
|-----------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Textbooks And Reference Materials | - | - |
| Exercise Books | 25,000.00 | 300,000.00 |
| Laboratory Equipment | 150,000.00 | 170,000.00 |
| Internal Exams | - | - |
| Teaching / Learning Materials | 200,000.00 | 200,000.00 |
| Chalks | 27,263.75 | 22,253.00 |
| Exams And Assessment | - | - |
| Teachers Guides | - | - |
| Total | 627,263.75 | 692,253.00 |

2 Capitation Grant for Operations

| Description | Jan -june 2021 | 2020 |
|------------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Personnel Emoluments | 1,145,044.00 | 1,400,000.00 |
| Repairs And Maintenance | 1,845,872.00 | 1,672,500.00 |
| Local Transport / Travelling | 200,000.00 | 400,000.00 |
| Electricity And Water | 400,000.00 | 581,975.00 |
| Medical | - | 74,800.00 |
| Administration Costs | 200,000 | 120,000.00 |
| Activity | 355,838.80 | 149,600.00 |
| Total | 4,146,754.80 | 4,398,875.00 |

3 Parents Contribution/Fees - School Fund Account

| Description | JAN-JUNE 2021 | 2020-2021 |
|------------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Personnel emoluments | - | - |
| Repairs and maintenance | - | - |
| Local transport / travelling | - | - |
| Electricity and water | - | - |
| Medical | - | - |
| Administration costs | - | - |
| Lunch Programme | 4,924,605.00 | 1,608,303.00 |
| Total | 4,924,605.00 | 1,608,303.00 |

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

| Description | Jan-june 2021 | 2020 |
|--------------------------------------|---------------|------------------|
| | Kshs | Kshs |
| Fee On Boarding Equipment and Stores | - | - |
| Rent Income | 46,000.00 | 27,000.00 |
| Income From Farming Activities | - | - |
| Insurance Compensation | - | - |
| Income From Posho Mill | - | - |
| Income From Bus Hire | - | 6,000.00 |
| Fee For Hire of Ground and Equipment | - | - |
| Income From Grants and Donations* | - | - |
| Interest Income | - | 105.35 |
| Dividends Income | - | - |
| Total | 46,000 | 33,105.35 |

(Include an explanation on the kind and source of grants/ donations received by the school.)

5 Payments For Tuition

| Description | Jan-june 2021 | 2020 |
|-----------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Textbooks And Reference Materials | - | - |
| Exercise Books | 300,000.00 | 270,000.00 |
| Laboratory Equipment | 51,000.00 | 110,000.00 |
| Internal Exams | - | - |
| Teaching / Learning Materials | 250,000.00 | 220,000.00 |
| Chalks | 25,660.00 | 19,682.00 |
| Exams And Assessment | - | - |
| Teachers Guides | - | - |
| Administration Costs | - | - |
| Bank Charges | - | - |
| Total | 626,660.00 | 619,682.00 |

Notes To The Financial Statements (Continued)

6 Payments For Operations

| Description | Jan-june 2021 | 2020 |
|--|--------------------|---------------------|
| | Kshs | Kshs |
| Personnel Emoluments | 1,284,970.00 | 1,500,000.00 |
| Service Gratuity | - | - |
| Administration Cost | 156,384.00 | 80,000.00 |
| Repairs And Maintenance & Improvements | 1,651,316.00 | 573,555.00 |
| Local Transport / Travelling | 400,000.00 | 500,000.00 |
| Electricity And Water | 500,000.00 | 903,804.00 |
| Medical | - | 41,950.00 |
| Activity Expenses | 128,500.00 | 355,560.00 |
| Smasse | - | - |
| Insurance Cost | - | - |
| Bank Charges | - | - |
| Acquisition Of Assets | - | - |
| Total | 4,121,170.0 | 3,954,869.00 |

Notes To The Financial Statements (Continued)

7 Boarding And School Fund Payments

| Description | Jan-june 2021 | 2020 |
|--|---------------------|---------------------|
| | Kshs | Kshs |
| Personnel Emoluments | | |
| Service Gratuity | | |
| Repairs And Maintenance & Improvements | | |
| Local Transport / Travelling | | |
| Electricity And Water | | |
| Medical Expenses | | |
| Administration Costs | | |
| Lunch Programme | 4,170,925.00 | 1,173,804.00 |
| Bank Charges | | |
| Expenses On Income Generating Activities | - | 27,915.80 |
| Fee On Boarding Equipment and Stores | | |
| Rent Expenses | 71,900.00 | 15,000.00 |
| Insurance Cost (Life Property) | | |
| Loan Principal Repayment | | |
| Loan Interest Repayment | | |
| Acquisition Of Assets | | |
| Total | 4,242,825.00 | 1,216,719.80 |

(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).

Notes To The Financial Statements (Continued)

8 Bank Accounts

| Name Of Bank, Account No. & Currency | Bank Account Number | Jan-june2021 | 2020 |
|--|---------------------|-------------------|-------------------|
| | | Kshs | Kshs |
| Tuition Account | 1112509682 | 1,374.50 | 770.75 |
| Operations Account | 1102930962 | 53,162.10 | (33487.70) |
| School Fund Account/Boarding | 1102957321 | (80,578.90) | (57954.90) |
| Savings Account | 1102492671 | 2,075.65 | 2,075.65 |
| Parent Association Development Account | | - | - |
| Income Generating Activities Account | | - | - |
| Infrastructural Account | 1213103304 | 859.50 | 61,925.50 |
| Total | | (23107.15) | (26670.70) |

9 Cash In Hand

| Description | JAN-JUNE 2021 | 2020-2021 |
|---------------------|------------------|--------------------|
| | Kshs | Kshs |
| Tuition Account | - | - |
| Operation Account | - | - |
| School Fund account | 45,844 | 116,238.00 |
| Total | 45,844.00 | 116,,238.00 |

10 Short Term Investments

| Description | JAN-JUNE 2021 | 2020-2021 |
|--------------------|---------------|-----------|
| | Kshs | Kshs |
| Cooperative Shares | - | - |
| Treasury Bills | - | - |
| Fixed Deposit | - | - |
| Equity Stock | - | - |
| Other Investments | - | - |
| Total | - | - |

Notes To The Financial Statements (Continued)

11 Accounts Receivable

| Description | JAN-JUNE 2021 | 2020 |
|----------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Fees Arrears | 5,456,983.00 | 4,693,027.00 |
| Other Non-Fees Receivables | - | - |
| Salary Advances | - | - |
| Imprest | - | - |
| Total | 5,456,983.00 | 4,693,027.00 |

[Include an ageing of the fees / non fees arrears below]

| Description | JAN-JUNE 2021 | 2020 |
|---|---------------------|---------------------|
| | Kshs | Kshs |
| Fees Arrears For Current Year | 886,605.00 | 140,476.00 |
| Fees Arrears For The Previous Year | 17,826.00 | 204,274.00 |
| Fees Arrears For Prior Periods (Over Two Years) | 4,552,552.00 | 4,348,277.00 |
| Total | 5,456,983.00 | 4,693,027.00 |

12 Accounts Payable

| Description | 2021-2022 | 2020-2021 |
|---|------------------|-------------------|
| | Kshs | Kshs |
| Trade Creditors (See Ageing Below and Appendix 1) | 550888.00 | 628931.00 |
| Prepaid Fees | 147000.00 | 125800.00 |
| Retention Monies | 249080.00 | 249080.00 |
| Total | 946968.00 | 1003811.00 |

[Include an ageing of the creditor 'sarrears below]

| Description | JAN-JUNE 2021 | 2020 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Trade Creditors for Current Year | 550,888.00 | 334,217.00 |
| Trade Creditors for The Previous Year | - | 294,714.00 |
| Trade Creditors for Prior Periods (Over Two Years) | - | - |
| Total | 550,888.00 | 628,931.00 |

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

| Description | 2021-2022 | 2020-2021 |
|------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Bank Balances | (23,107.15) | (26,670.70) |
| Cash Balances | 45,844.00 | 116,238.00 |
| Short Term Investments | - | - |
| Receivables | 5,456,983.00 | 4,693,027.00 |
| Payables | (946,968.00) | (1,003,811.00) |
| Total | 4,532,751.85 | 3,778,783.30 |

Other important disclosure notes

IPSAS 1 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.

14 Non-current Liabilities Summary

| Description | JAN -JUNE 2021 | 2020 |
|------------------------------|----------------|------|
| | Kshs | Kshs |
| Bank Loan(S) | - | - |
| Outstanding Leases | - | - |
| Hire Purchase | - | - |
| Gratuity And Leave Provision | - | - |
| Total | - | - |

15 Biological assets

| Description | Numbers | JAN-JUNE 2021 | 2020 |
|--------------------------|---------|-------------------|-------------------|
| | | Kshs | Kshs |
| Cattle | | | |
| Goats | | | |
| Trees | 700 | 700,000.00 | 700,000.00 |
| Coffee Or Tea Plantation | | | |
| Poultry | | | |
| Total | | 700,000.00 | 700,000.00 |

16 Borrowings

| Description | 2021-2022 | 2020-2021 |
|------------------------------------|-----------|-----------|
| | Kshs | Kshs |
| a) Borrowings | | - |
| Borrowing at beginning of the year | - | - |
| Borrowings during the year | - | - |
| Repayments of during the year | - | - |
| Balance at end of the year | - | - |

Other important disclosure notes

17 Stock/ Inventory

| Description | 2021-2022 | 2020-2021 |
|--|-----------|-----------|
| | Kshs | Kshs |
| b) 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 | - | - |

(Indicate actual name of the School)

Reports and Financial Statements For the year ended 30th June 2021

18 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) |
|---------|-----------------------------------|---------------------|--------------------------------------|---|
| | As per the attached Report | | | |
| | | | | |
| | | | | |

Sign and Date
Principal



(Indicate actual name of the School)

Reports and Financial Statements For the year ended 30th June 2021

Annex 1 - Analysis Of Pending Accounts Payable

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2021 | 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. OLE ACACIA | 412,590 | 10.1.2021 | 100,000 | 312,590 | | |
| 5. JOYLAND GROCERIES | 338,298 | 12.3.2021 | 100,000 | 238,298 | | |
| 6. | | | | | | |
| Sub-Total | 750,888 | | | 550,888 | | |
| Supply Of Services | | | | | | |
| 7. | | | | | | |
| 8. | | | | | | |
| 9. | | | | | | |
| Sub-Total | | | | | | |
| Grand Total | 550,888 | | | 550,888 | | |

(Indicate actual name of the School)

Reports and Financial Statements For the year ended 30th June 2021

Annex 2 – Summary Of Fixed Assets Register

| Asset Class | Date purchased | Location | Historical Cost b/f (Kshs) 1 st July 2021 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30 th June 2022 |
|--|----------------|-------------------------|--|----------------------------------|----------------------------------|---|
| Land 1 | 4/3/1950 | KANYARIRI/MUGUGA 336 | 25,000,000 | 180,000,000 | | 180,000,000 |
| Land 2 | - | - | - | - | - | -- |
| Buildings And Structures | DIVERSED | KANYARIRI MUGUGA 336 | 41,000,000 | NIL | NIL | 41,000,000 |
| Motor Vehicles | 15/3/2017 | KANYARIRI | 3,500,000 | NIL | NIL | 2,800,000 |
| Office Equipment, Furniture And Fittings | 1/6/1969 | OFFICE/DEPARTMENT | 200,000 | NIL | NIL | 200,000 |
| ICT Equipment, And Other ICT Assets | DIVERSED | OFFICE/COMPUTER LAB | 1,110,000 | 301,500 | NIL | 1,411,500 |
| Tools And Apparatus | DIVERSED | STORE/LAB | 600,000 | NIL | NIL | 600,000 |
| Textbooks | DIVERSED | STORE/STUDENTS | 3,000,000 | NIL | NIL | 3,000,000 |
| Other Machinery And Equipment | NIL | NIL | NIL | NIL | NIL | NIL |
| Heritage And Cultural Assets | NIL | NIL | NIL | NIL | NIL | NIL |
| Intangible Assets- Soft Ware | NIL | NIL | NIL | NIL | NIL | NIL |
| Total | | | 179,111,500 | 301,500 | | 179,111,500 |

(Indicate actual name of the School)

Reports and Financial Statements For the year ended 30th June 2021
