

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

OF


THE AUDITOR-GENERAL

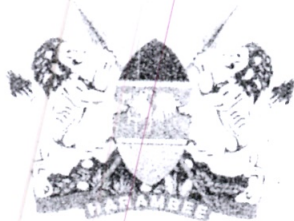
ON

ST. MARY'S SCHOOL, YALA

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

SIAYA COUNTY

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 13 NOV 2024	DAY: WEDNESDAY
TABLED BY:	MAJORITY WHIP
CLERK-AT THE TABLE:	FINLAY



ST. MARY'S SCHOOL, YALA

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2021

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

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

TABLE OF CONTENTS		PAGE
1	ACROYSMS AND GLOSSARY OF TERMS	ii
2	KEY SCHOOL INFORMATION AND MANAGEMENT	iii
	SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	iv
4	STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	v
5	REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF ST. MARY'S SCHOOL, YALA FOR THE YEAR ENDED 30TH JUNE 2021	vi
6	STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021	i
7	STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021	2
8	STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021	3
9	STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021	4
10	SIGNIFICANT ACCOUNTING POLICIES	7
11	NOTES TO THE FINANCIAL STATEMENTS	9
12	ANNEXES	17

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

1. ACRONYMS AND GLOSSARY OF TERMS

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

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

2 KEY SCHOOL INFORMATION AND MANAGEMENT

(a). Background information

St. Mary's School, Yala is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Siaya County, Gem Yala Sub-County.

The school was registered on 17.06.2022 under registration number 41S30000680 and is currently categorized as an Extra County, Public school, established, owned or operated by the Government

The school is a boarding school and has 2113 students as at 30th June 2021. It has 14 streams and 81 teachers of which 21 is 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	Prof. George Magoha	Chairman	30th October 2018
2	Mr. Okoth B. Ollando	Secretary/Principal	30th October 2018
3	Dr. Bernard Olayo	Member	30th October 2018
4	Justice Stephen Radido	Member	30th October 2018
5	Prof. Rosemary Atieno	Member	30th October 2018
6	Ms. Susan Mudhune	Member	30th October 2018
7	Ms. Grace Okello	Member	30th October 2018
8	Mr. Linus Sijenyi	Member	30th October 2018
9	Mr. Collins Obonvo	Member - Rep CEB	30th October 2018
10	Mr. Julius Okoth	Member - Rep Teachers	30th October 2018
11	Ms. Joan Makodawa	Member - Sponsor	30th October 2018
12	Rev. Fr. Edmund Onyango Obura	Member - Sponsor	30th October 2018
13	Mr Maxwell Ogonda	Member - Community	30th October 2018
14	Mr. Gilbert Arum	Member - Special Needs	30th October 2018
15	Mr. Maxwell Otieno	Rep Students	30th October 2018

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

Committees of the Board

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the years
1	Executive Committee	Prof. George Magoha	Chairman	2 out of 4
		Prof. Rosemary Atieno	Member	2 out of 4
		Mr. Okoth B. Ollando	Secretary	2 out of 4
		Mr. Linus Sijenyi	Member	2 out of 4
		Mr. Maxwell Ogonda	Member	2 out of 4
2	Audit Committee	Prof. George Magoha	Chairman	2 out of 4
		Mr. Okoth B. Ollando	Secretary	2 out of 4
		Mr. Maxwell Ogonda	Membr	2 out of 4
		Mr. Linus Sijenyi	Member	2 out of 4
		Ms. Grace Malele	Member	2 out of 4
3	Finance, Procurement and general purposes committee	Prof. George Magoha	Chairman	2 out of 4
		Mr. Okoth B. Ollando	Secretary	2 out of 4
		Mr. Maxwell Ogonda	Membr	2 out of 4
		Mr. Linus Sijenyi	Member	2 out of 4
		Mr. James Wasonga	Member	2 out of 4

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
 Annual Report and Financial Statements
 For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

4	Academic Committee	Mr. Julius Okoth	Chairman	2 out of 4
		Mr. Okoth B. Ollando	Secretary	2 out of 4
		Mr. Maxwell Ogonda	Membr	2 out of 4
		Mr. Linus Sijenyi	Member	2 out of 4
		Mr. Evans Otiende	Member	2 out of 4
5	Development Committee	Mr. Collins Obonyo	Chairman	2 out of 4
		Mr. Okoth B. Ollando	Secretary	2 out of 4
		Mr. Linus Sijenyi	Membr	2 out of 4
		Mr. Maxwell Ogonda	Member	2 out of 4
		Ms. Grace Malele	Member	2 out of 4
6	Discipline and Welfare Committee	Mr. Julius Okoth	Chairman	2 out of 4
		Mr. Okoth B. Ollando	Secretary	2 out of 4
		Mr. John Ouko	Member	2 out of 4
		Ms. Sophie Ouma	Member	2 out of 4
		Mr. Peter Ogutu	Member	2 out of 4
7	Adhoc Committee (if any during the year)	Mr. Julius Okoth	Chairman	2 out of 4
		Mr. Okoth B. Ollando	Secretary	2 out of 4
		Mr. John Ouko	Member	2 out of 4
		Ms. Sophie Ouma	Member	2 out of 4
		Mr. Linus Sijenyi	Member	2 out of 4

(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	Mr. Okoth B. Ollando	277483
2	Deputy Principal	Mr. Julius Okoth	393128
3	Bursar/Finance Officer	Mr. Jacob Amunga	7017780

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

€. **School contacts** : 0203530021
Post Office Box : Private Bag - Yala.
Telephone :
E-mail : stmarysschoolyala@yahoo.com
Website :
Facebook : N/A
Twitter : N/A

(f) School Bankers

The school operated the following **11** bank accounts:

1	Name of Bank : KCB Bank	8 KCB Bank
	Branch : Luanda	Luanda
	Account Number: 1103964089	1128068451
2	Name of Bank : KCB Bank	9 KCB Bank
	Branch : Luanda	Luanda
	Account Number: 1103964305	1110422849
3	Name of Bank : KCB Bank	10 Co-Op. Bank
	Branch : Luanda	Yala
	Account Number: 1104139588	01129740173000
4	Name of Bank : KCB Bank	11 KCB Bank
	Branch : Luanda	Luanda
	Account Number: 1104140268	1103964089
5	Name of Bank : KCB Bank	
	Branch : Luanda	
	Account Number : 1102164399	
6	Name of Bank : KCB Bank	
	Branch : Luanda	
	Account Number : 1107531268	
7	Name of Bank : KCB Bank	
	Branch : Luanda	
	Account Number : 1114285129	

(g) Independent Auditors

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

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

3 SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

(a) Financial Performance

	2021	2020	2019
Surplus/Deficit	14,254.43	18,175,942.97	(442,202.06)
Capitation grants from MOE			
Tuition	2,346,810.75	2,798,444.00	4,935,228.40
Operations	14,706,155.55	10,958,950.00	14,650,366.70
Infrastructure	16,998,872.50	64,213,072.80	-
Total Capitation Grants received	34,051,838.80	77,970,466.80	19,585,595.10
Other Funds Received			
School Fund	32,388,313.98	43,700,190.34	75,130,533.30
Total Other Funds Received	32,388,313.98	43,700,190.34	75,130,533.30
Total Funds received	66,440,152.78	121,670,657.14	94,716,128.40
Ratio of Capitation grants/student			
Sudent enrolment	2113	1797	1532
Tuition	1,110.7	1,557.3	3,221.4
Operations	6,959.8	6,098.5	9,562.9
Infrastructure	8,044.9	35,733.5	-
School Fund	15,328.1	24,318.4	49,040.8
Movement of Debtors	14,840,242.50	16,841,226.06	9,554,198.00
Movement of Creditors	18,984,046.33	16,368,627.32	19,384,744.00
Movement of Cash Balances	882,852.12	7,385.12	-
Movement of Bank Balances	16,922,301.96	13,167,111.96	5,301,698.85

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (continued)

(b) Teacher Student Ratio

	No. of Teachers
Teacher student ratio	60:2113
No. of teachers posted to the school during the year	01
No. of teachers transferred/retired during the year	09
No. of teachers employed by TSC during the year	01
No. of teachers employed by BOM during the year	06
Teachers per Subject:	
English/Literature	09
CRE/History	09
Chemistry/Maths	06
Maths/Business	06
CRE/Geography	01
Kiswahili/CRE	04
Physics/Maths	09
Kiswahili/History	06
Music/CRE	03
Computer Studies/Physics	02
English/Art	04
Geography/Business	03
Biology/Chemistry	03
Agriculture/Biology	05
Geography/History	03
French Kiswahili	01
Geography/Maths	01
Business/Computer	01
French/Geography	02
Maths Kiswahili	01
English/Computer	01

© Mean Score in the 2022 KCSE

YEAR	ENT	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	MEAN GRADE
2021	407	0	7	35	63	77	92	63	49	13	8	0	0	0	0	7.256
2020	351	0	17	49	70	87	64	41	19	4	8	0	0	0	0	8.001
2019	312	2	21	39	44	45	42	52	43	17	6	1	0	0	0	7.404

UNIVERSITY TRANSITION DATA

YEAR	NO. OF STUDENTS THAT MET UNIVERSITY REQUIREMENT	NO. OF ACTUAL CANDIDATES WHO SAT FOR KCSE	PERCENTAGE
2019	193	312	61.86%
2020	287	351	81.77%
2021	274	407	67.32%

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (continued)

d) Number of candidates in the 2022 KCSE

Year	No. of candidates
2021	407
2020	351
2019	312

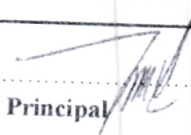
e) Capacity of the school

	Number
Student population	2113
Dormitories	21
Classrooms	41
Toilets	161
Bathrooms	101
Library	1
Computer Lab	4
Dining Hall	1
Laboratories	6

f) Development projects carried out by the school

The following development projects were undertaken in year 2021

Project	Source of funds	Status
750 Capacity Hostel	T.I.F & PTA	Completed
12 No. Storey Classroom	MIF & Parents	Completed
Cable laying on highway to the school gate	TIG	Completed

Sign: 
 School Principal

PRINCIPAL
ST. MARY'S SCHOOL, YALA
 PRIVATE BAG YALA - 40610
 TEL: 0203530021

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

4 STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of **St. Mary's School, Yala** 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 school's transactions during the financial year ended 30th June, 2021 and of the school's financial position as at that date.

Name : *Maxwell O. Ogondo*
~~Mr. George William Odhiambo~~
Designation: Chairman, School Board of Management

Sign : *[Signature]*
Date : *15/09/2021*

Name : Mr. Okoth B. Ollando.
Designation: School Principal & Secretary to Board of Management

Sign : *[Signature]*
Date : *15/09/21*

Name : Mr. Jacob Amunga
Designation: Bursar/Finance Officer

Sign : *[Signature]*
Date : *15th SEPTEMBER 2021*

PRINCIPAL
ST. MARY'S SCHOOL, YALA
PRIVATE BAG YALA - 40610
TEL: 0203530021

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON ST. MARY'S SCHOOL, YALA FOR THE YEAR ENDED 30 JUNE, 2021 – SIAYA COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of St. Mary's School, Yala – Siaya County set out on pages 1 to 16, 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 period 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of St. Mary's School, Yala – Siaya 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 do not comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Adverse Opinion

1. Accounts Receivables

1.1. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.14,840,242 which includes balances of Kshs.9,746,249 and Kshs.5,093,993 in respect of fee arrears and non-fee receivables respectively and as disclosed in Note 15 to the financial statements. However, the supporting schedule with students' details and dates the fees arrears were incurred were not provided for audit. Further, non-fees receivables of an amount of Kshs.5,093,993 included various school bank account balances which were not supported with cash book transaction analysis detailing their relevance with other non-fees receivables. The Management did not prepare an ageing analysis to assess the status of outstanding fees owed to the School by students and the length of time they had remained outstanding.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.14,840,242 could not be confirmed.

1.2. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.9,746,249 in respect of fees arrears as disclosed in Note 15 to the financial statements. However, included in the balance are receivables amounting to Kshs.5,311,309 which had been outstanding for more than two (2) years and some date far back as 2019.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.5,311,309 could not be confirmed.

2. Authenticity of Accounts Payables

2.1. Variances in Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.18,984,046 which includes balances of Kshs.15,646,282 in respect of trade creditors as disclosed in Note 16 to the financial statements. However, the balance varies with balance of Kshs.8,879,966 and as disclosed in Annex 1 to the financial statements resulting to an unexplained or an unreconciled variance of Kshs.6,766,316.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.15,646,282 could not be confirmed.

2.2. Unsupported Accounts Payable

The statements of financial assets and liabilities reflects accounts payable balance of Kshs.18,984,046 which includes balances of Kshs.15,646,282 and Kshs.3,337,764 in respect of trade creditors and other creditors respectively and as disclosed in Note 16 to the financial statements. However, the supporting documents including ledger schedule with detailed list of the suppliers, invoices, delivery notes, local service or local purchase order numbers, interim or completion certificates for the works done, issues and receipts vouchers and the dates when the bills were incurred to confirm the validity of the payables. Further, other creditors included prepaid fees of an amount of Kshs.2,952,351 which were not supported with student details. The Management did not prepare an ageing analysis to assess the status of outstanding balances due to the creditors and the length of time they had remained outstanding.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.18,984,046 could not be confirmed.

3. Cash and Cash Equivalents

3.1. Unsupported Cash and Cash Bank Balances

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.17,805,154 which includes balances of Kshs.16,922,302 and Kshs.882,852 in respect of bank balance and cash in hand respectively and as disclosed in Notes 13 and 14 to the financial statements. The bank balance of Kshs.16,922,302 were in respect of eight (8) bank accounts and one (1) pay bill account. However, review of bank account register revealed that two bank accounts held in local banks were not disclosed in the financial statements. Review of the preamble information in respect of school bankers revealed that the School operated eleven (11) resulting to three (3) bank accounts not disclosed. In addition, the cash books, certificate of bank balances, bank reconciliation statements and Board of Cash Survey Report were not provided for audit review.

3.2. Variances in Bank balance

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.17,805,154 which includes balances of Kshs.16,922,302 and Kshs.882,852 in respect of bank balance and cash in hand respectively and as disclosed in Notes 13 and 14 to the financial statements. However, review of the bank reconciliation statements provided, revealed two bank accounts which were at variance with the financial statement balances detailed below;

Account Name	Financial Statements Balance (Kshs.)	Bank Reconciliation Statement Cash Book Bank Balance (Kshs.)	Variance (Kshs)
Infrastructure	4,496,104	4,495,258	846
Boarding Account	3,139,688	(4,222,161)	7,361,849

In the circumstances, the accuracy and completeness of bank balance of Kshs.16,922,302 could not be confirmed.

3.3. Overdrawn Account and Netting off Bank Balance

The statement of financial assets and financial liabilities reflects bank balance of Kshs.16,922,302 and as disclosed in Note 13 to the financial statements. Included in the bank balance is one (1) bank accounts with an overdraft balance of Kshs.4,22,161 which has been netted off bank balances of Kshs.222,793 as per the bank reconciliation statement. This was contrary to Section 28(4)(5) of the Public Finance Management Act, 2012.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.4,22,161 could not be confirmed.

4. Unsupported School Fund Income - Parents Contribution /Fees

The statement of receipts and payments reflects an amount of Kshs.30,342,928 in respect of school fund income - parent's contributions/fees and as disclosed in Note 3 to the financial statements. However, supporting documents including schedules, student fee receipts statements and bank statements were not provided for audit review.

In the circumstances, the accuracy and completeness of parent's contributions/fees-school fund account of an amount of Kshs.30,342,928 could not be confirmed.

5. Unsupported School Fund Income-Other Receipts

The statement of receipts and payments reflects an amount of Kshs.2,045,385 in respect of school fund income - parent's contributions/fees and as disclosed in Note 5 to the financial statements. However, supporting documents including schedules, official receipts statements and bank statements were not provided for audit review.

In the circumstances, the accuracy and completeness of parent's contributions/fees-school fund account of an amount of Kshs.2,045,385 could not be confirmed.

6. Unsupported Payments for Tuition

The statement of receipts and payments reflects an amount of Kshs.2,559,971 in respect of payments for tuition and as disclosed in Note 7 to the financial statements. However, the schedules provided did not include the details of cash book payments including date, payments voucher no, payee, cheque number, vote head and amount.

In the circumstances, the accuracy and completeness of payments for tuition of an amount of Kshs.2,559,971 could not be confirmed.

7. Unsupported Payments for Operations

The statement of receipts and payments reflects an amount of Kshs.14,951,123 in respect of payments for operations and as disclosed in Note 8 to the financial statements. However, the schedules provided did not include the details of cash book payments including date, payments voucher no, payee, cheque number, vote head and amounts.

In the circumstances, the accuracy and completeness of payments for tuition of an amount of Kshs.14,951,123 could not be confirmed.

8. Unsupported School Fund Payments

The statement of receipts and payments reflects an amount of Kshs.3,895,215 in respect of payments for school fund payments and as disclosed in Note 11 to the financial statements. However, supporting documents including expenditure schedules and cash book payment details were not provided for audit review.

In the circumstances, the accuracy and completeness of payments for school fund payment of an amount of Kshs.3,895,215 could not be confirmed.

9. Unsupported Boarding Account Payments

The statement of receipts and payments reflects an amount of Kshs.26,760,298 in respect of boarding account payments and as disclosed in Note 9 to the financial statements. However, supporting documents including expenditure schedules and cash book payment details were not provided for audit review.

In the circumstances, the accuracy and completeness of boarding account payments of an amount of Kshs.26,760,298 could not be confirmed.

10. Unsupported Payments for Infrastructure and Development

The statement of receipts and payments reflects infrastructure and development of an amount of Kshs.18,259,290 and as disclosed in Note 12 to the financial statements. However, supporting documents including bills of quantities of works done, payment vouchers, procurement records, certificate of inspection and acceptance and certificates of works completed were not provided for audit review.

In the circumstances, the accuracy and completeness of repairs and maintenance and improvement payments an amount of Kshs.18,259,290 could not be confirmed.

11. Unsupported Personnel Emoluments

The statement of receipts and payments reflects payments for operations and boarding account payments of amounts of Kshs.14,951,123 and Kshs.26,760,299 which include amounts of Kshs.4,841,012 and Kshs.3,237,756 totalling to Kshs.8,078,768 in respect of personnel emoluments and as disclosed in Notes 8 and 9 to the financial statements. However, supporting documents including payrolls, approved staff establishment and approved BOM minutes in respect of employment of BOM teachers were not provided for audit.

In the circumstances, the accuracy and completeness of personnel emoluments payments totalling to Kshs.8,078,768 could not be confirmed.

12. Inaccuracies in the Financial Statements

Review of the financial statements submitted for audit revealed the following inaccuracies in the amounts and balances as detailed below;

12.1. Variance Between the Financial Statements and Trial Balance

The financial statements presented for audit reflects thirteen (13) items which were at variance with those reflected in the trial balance as detailed below;

Item Description	Financial Statements Amount (Kshs.)	Trial Balance Amount (Kshs.)	Variance (Kshs.)
Receipts			
Capitation Grants for Tuition	2,346,811	2,483,045	(136,234)
Capitation Grants for Operations	14,706,156	15,101,925	(395,769)
School Fund Account - Parents Contributions	30,342,928	63,249,247	(32,906,319)
Boarding and Other Monies	2,045,385	4,745,386	(2,700,001)
Payments			
Payments for Tuition	2,559,971	2,400,881	159,090
Payments for Operations	14,951,123	17,155,032	(2,203,909)
Payments for School Fund	26,760,298	62,099,527	(35,339,229)
Payments for Boarding and Other Monies	0	3,974,971	25,608,311
Infrastructure Account	18,259,289	18,179,535	79,754
Assets			
Bank Balances	16,922,302	7,893,973	92,028,329
Accounts Receivables	14,840,242	-	14,840,242
Liabilities			
Accounts Payables	18,984,046	2,078,550	16,905,495
Capital and Reserves			
Fund Balance Brought Forward	13,167,112	-	13,167,112

The resultant variances have not been explained or reconciled.

In the circumstances, the accuracy and completeness of the above balances reflected in the financial statements for the period ended 30 June, 2021 could not be confirmed.

12.2. Variances Between Financial Statements and Supporting Schedules

The audit revealed three (3) items with variances between the financial statements and supporting schedules as detailed below;

Item Description	Note	Financial Statements Amount (Kshs.)	Supporting Schedule Amount (Kshs.)	Variance (Kshs.)
Capitation Grants for Operations	2	14,706,156	16,784,706	575,131
Payments for Tuition	7	2,559,971	2,394,881	(21,075,773)
Payments for Operation	9	26,760,299	27,428,661	2,002,540

The resultant variances have not been explained or reconciled.

In the circumstance, the accuracy and completeness of the financial statements as presented could not be confirmed.

12.3. Non-Collection of Rental Income from Staff Houses

The statement of receipts and payments reflects boarding and other monies receipts of nil amount which includes Nil amounts in respect of rental and service charge as disclosed in Note 4 to the financial statements. Audit verification and review of the School's housing inventory revealed that the School had thirty-three (33) staff houses with an expected monthly rental income of Kshs.35,800 per house or an annual rental income of Kshs.429,600 in respect of staff houses resulting to uncollected rental income of Kshs.381,500. Further, supporting documents including payroll deductions or receipts on payments by respective staff were not provided for audit review. The tenancy agreements relating to the occupancy of the houses were not provided for audit review.

In the circumstances, the accuracy and completeness of Nil amount in respect of rental income could not be confirmed.

12.4. Undisclosed Interest from Investment of School Funds

The statement of receipts and payments reflects an amount of Kshs.2,045,385 in respect of school fund income - parent's contributions/fees which includes Nil amounts in respect of interest earned from two fixed bank accounts and as disclosed in Note 5 to the financial statements. However, review of the school correspondences with School local bankers revealed that during the period under review interest income totalling to an amount of Kshs.38,179 was earned from fixed deposit account which was not disclosed. The respective bank balances for the two accounts were totalling to Kshs.14,600,000. Further, the amount in the fix deposit accounts were not supported with approval from the National Treasury, Ministry of Education and approval minutes by the School Board of Management, contract between the school and the bank, interest earned schedules, bank statements, bank reconciliation statements, certificate of fixed deposit account and cash books.

In the circumstances, the accuracy and completeness of the Nil amounts in respect of the fixed deposit accounts could not be confirmed and Management was in breach of the law.

12.5. Fund Balance brought Forward

The statement of financial assets and financial liabilities reflects balance of Kshs.13,647,096 in respect of fund balance brought forward and as disclosed in Note 17 to the financial statements which includes balances of Kshs.13,167,112, Kshs.7,385, Kshs.16,841,226 and Kshs.16,368,627 in respect of bank balances, cash balance, accounts receivables and payables respectively. However, the balances were comparatives balances not audited and supported with certificate of bank balance, bank reconciliations, board of cash survey report and control ledger balances.

In the circumstances, the accuracy and completeness of fund balance brought forward balance of Kshs.13,647,096 could not be confirmed.

12.6. Statement of Cash Flows

The statement of cash flows reflects balance of Kshs.17,805,154 in respect of cash and cash equivalents prepared through indirect method of presentation of the cash flow statements. However, the cash flow statement did not present a reconciliation from profit to cash flows by adjusting surplus or deficit from non-operating and non-cash transactions and for changes in working capital. This was contrary to Section 4.3.3 of the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021.

In the circumstances the accuracy and completeness of the cash and cash equivalents balance of Kshs.17,805,154 could not be confirmed.

12.7. Statement of Budgeted Versus Actual Amounts

The statement of budgeted versus actual amounts reflects final income budget and actual on a comparable basis of Kshs.129,580,305 and Kshs.47,204,394 resulting to underfunding of an amount of Kshs.82,465,113 respectively. The statement also reflects final expenditure budget and actual on a comparable basis of Kshs.129,580,305 and Kshs.837,054,945 resulting to under expenditure of an amount of Kshs.119,285,659 respectively. However, recasting the accuracy of the statement revealed underfunding and under expenditure of Kshs.82,375,911 and Kshs.92,525,360 resulting to unexplained and unreconciled variance of Kshs.89,202 and Kshs.26,760,299 respectively.

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

13. Inconsistencies in the Presentation of Financial Statements

Review of annual reports and financial statements for the year ended 30 June, 2021 revealed the following errors:

- i. The header indicating the School name and reporting period is omitted at page number 11 and 13 as required in the reporting format prescribed by the Public Sector Accounting Standards Board.
- ii. The Table of contents indicates page numbers (iv), (v) and (vi) that do not align to the actual pages of the annual reports and financial statements. Similarly, page number 10 of the financial statements is repeated resulting to inconsistency in the pagination flow.
- iii. The statement of receipts and payments and statement of cash flows present financial statement for the period ended 30 June, 2021 instead of year ended 30 June, 2021.
- iv. The background information at pages (iii) and (ix) indicates enrolment population of 2113 students which was at variance with the NEMIS records of 1,801 resulting to unexplained and unreconciled number of three hundred and twelve (312 students).

- v. The opening balance for 2019/2020 in the comparative figure was not audited.
- vi. The provision of Auditor-General's report page was also missing.

In the circumstances, the financial statements were not compliant with the format prescribed in the Annual Financial Reporting template issued by the Public Sector Accounting Standards Board.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Mary's School, Yala 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.129,580,305 and Kshs.47,204,394 respectively, resulting to an under-funding of Kshs.82,465,113 or 64 % of the budget. However, the School spent a balance of Kshs.37,054,945 against actual receipts of Kshs.47,204,394 resulting to an under-utilization of Kshs.10,149,449 or 22 % of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure of amounts of Kshs.2,346,811, Kshs.14,706,156 and Kshs.16,998,872 respectively as disclosed in Notes 1 and 2 to the financial

statements. During the financial year, NEMIS reported a total number of one thousand eight hundred and one (1,801) students while the enrolment records provided by the School indicated a total number of two thousand one hundred and thirteen (2,113) students, resulting to an unexplained variance of three hundred and twelve (312) students. As a result of the variances, the School was under-funded by an amount of Kshs.1,444,248.

In the circumstances, the under-funding of the School may have affected service delivery to the schools and value for money could not be confirmed.

2. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.34,051,839 and as disclosed in Note 1, 2 and 3 to the financial statements. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year/period 2020/2021, NEMIS reflected one thousand eight hundred and one (1,801) students while records from the County Director of Education had two thousand one hundred and thirteen (2,113) students, resulting to an under-funding of the School by an amount of Kshs.1,444,248. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

3. Excess Supply of Books

During the year/period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed seven thousand and seventy-six (7,076) books to the School while only five thousand three hundred and two (5,302) books were issued to the students, resulting to an unexplained excess text books of one thousand seven hundred and seventy-four (1,774) books in the School store.

In the circumstances, value for money on the excess one thousand seven hundred and seventy-four (1,774) text books could not be confirmed.

4. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 16 to the financial statements reflects trade payables balance of Kshs.15,646,282. However, included in the balance are trade payables balance of Kshs.7,481,090 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

5. Failure to Prepare School Improvement Plan

During the year/period under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation. Further, physical verification of the dormitories within the school revealed that they were overcrowded and therefore do not meet the requirements of Regulation 83(k) which requires the space between beds to be at least 1.2 meters for institutions with boarding facilities.

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

6. Unapproved Fees on Parents Association Support Programme

Review of the School's fees structure during the period under review revealed that school fees was adjusted upwards in excess of the fees structure issued by the Ministry of Education (MOE) resulting in an irregular increment in annual fees by Kshs.10,535 per student and cumulatively Kshs.18,973,535 in respect to National Education Management Information System (NEMIS) record of 1,801 students .This was contrary to Ministry of Education Circular Number MOE.HQS/3/6/112(1) which directed that any school that desires to charge amounts above the stipulated fees should make a formal request to the Cabinet Secretary.

In the circumstances, Management was in breach of the Ministry of Education guidelines on charging additional fees.

7. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.66,440,153 and Kshs.66,425,898 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

8. Long Outstanding Rent Arrears from Staff Houses

Review of the house rent records revealed arrears in respect of rental revenue totaling to Kshs.973,500 which had been outstanding from the year 2016. However, there was no evidence of any efforts having been made by Management to enforce the collections or recovery of the outstanding amount from the respective tenants as provided for under Regulation 64(1) (b) of Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the recoverability of the rent arrears amounting Kshs.973,500 could not be confirmed and Management was in breach of the law.

9. Failure to Maintain of Fixed Assets Register

Review of the financial statements revealed that summary of fixed assets register was not presented as required by the Public Sector Accounting Standards Board template. Further, the School did not maintain fixed assets register indicating dates of assets acquisition, types of assets, supplier names, values, custodians and locations in respect of the assets it owns. This was contrary to Regulations 143 (1)(2) of the Public Finance Management (National Government) Regulations, 2015 which states that 'an Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws. The register of land and buildings shall record each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details'.

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

10. Unapproved Budget

The budget amounts presented in the statement of budgeted versus actual amounts were not supported by approved budget. This was contrary to Regulation 31(1)(2) of the Public Finance Management (National Government) Regulations, 2015 which states that 'an Accounting Officer shall ensure that the draft estimates relating to her or his department are prepared in conformity with the Constitution, the Act and these Regulations. Further, the Accounting Officer is responsible, in particular for ensuring that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of her or his national government entity during the financial year and the estimates are submitted to The National Treasury in the manner and format to be issued by the Cabinet Secretary'.

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

11. 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 20 August, 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 financial year 2020-2021 without comparative balances for financial year 2019-2020 and any disclosure in the financial statements. Therefore, the financial statements have not

been prepared for eighteen (18) months as prescribed in the Public Sector Accounting Standards Board (PSASB).

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

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

12. Late Submission of Financial Statements to the Auditor-General

The financial statements for School for the period ended 30 June, 2021 were submitted to the Auditor-General for audit on 30 September, 2022, a delay of twelve (12) months after the end of the fiscal year to which the accounts relate. This is contrary to Section 47 of the Public Audit Act, 2015 which states that 'the financial statements required under the Constitution, the Public Finance Management Act, 2012 and any other legislation, shall be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate'.

The Management was therefore in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee (Internal Controls, Risk Management and Governance)

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

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

2. School's Board of Management

Review of Board minutes and governance structure for the School revealed that the Management failed to establish finance, procurement and general purposes committee to provide strategic guidance on public finance management matters as required by 61(2) of the Basic Education Act, 2013. Further, the annual work plan and the appointment letters for the Board members were not provided for audit.

In the circumstances, the effectiveness of internal controls and governance provision of strategic guidance on public finance Management in the School could not be confirmed.

3. Lack of Risk Management Policy and IT Policy

Review of the documents provided for audit revealed that the School Management had not established a Risk Management Policy to guide on the development of risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations'. In addition, the School did not approve Information Technology Policy for governance and management of its ICT resources.

In the circumstances, the effectiveness of risk management could not be confirmed.

4. Lack of Insurance Cover for Assets

Review of the financial statements and assets records revealed that the School Management did not have insurance cover for its assets and equipment.

In the circumstances, the School is exposed to losses without compensation in case of fire, theft or any other unforeseen calamities.

5. Weak Human Resource Management Practices

Review of personnel records show that the school does not have in place a human resource policy, an approved salary structure, an approved scheme of service for its staff, defined job categories by profession, qualifications and experience, career progression and conditions of progression. In the absence of the scheme of service, it was not possible to ascertain how recruitments, promotion and rewards of staff were determined. This has the effect of creating unfair human resource practices affecting employee's morale negatively. In addition, the payrolls were maintained in excel format which can be altered without a trail. The payrolls do not include Personal numbers, date of employment, date of retirement and job grade of the employees.

In the circumstances, the regularity of personnel emoluments could not be confirmed.

6. Management of Scholarship and Bursaries

During the year under review, the School's management did not maintain a complete list of students issued with bursaries/scholarships indicating the admission numbers and financiers/donors. Further, School's manual enrolment register for the period under review revealed inconsistencies between the number of students captured in the two

registers with the number of students captured in NEMIS being less than the number in the School's manual register.

In the circumstances, effectiveness of controls over management of student enrolment could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standard requires 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 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 School's ability to continue to sustain its services, disclosing and 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.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

22 October, 2024

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
 Annual Report and Financial Statements
 For the year ended 30th June 2021

6 STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEADS	Note	2021	2020
RECEIPTS			
		Kshs	Kshs
Capitation grants for tuition	1	2,346,810.75	2,798,444.00
Capitation grants for operations	2	14,706,155.55	10,958,950.00
Boarding Account - Parents' contributions	3	30,342,928.48	42,768,966.84
Other Receipts - Boarding Account	4	-	4,816,384.60
School Fund Income - Other Receipts	5	2,045,385.50	931,223.50
Infrastructure & Devpt - Other Receipts	6	16,998,872.50	64,213,072.80
TOTAL RECEIPTS		66,440,152.78	126,487,041.74
PAYMENTS			
Payments for Tuition	7	2,559,971.00	2,809,802.00
Payment for Operation	8	14,951,123.20	10,952,436.39
Boarding Account Payments	9	26,760,298.95	30,144,748.53
Other Payments for Boarding account	10	-	5,262,934.55
School fund Payments	11	3,895,215.50	5,803,771.00
Payments for Infrastructure & Devpt	12	18,259,289.70	53,337,406.30
TOTAL PAYMENTS		66,425,898.35	108,311,098.77
SURPLUS		14,254.43	18,175,942.97

The school financial statements were approved on 15/9/2021 2021 and signed by:

Name: <u>Maxwell O. Ojokwe</u>	Name: <u>B. OLLOMO</u>	Name: <u>JAYB AMUNHA O BUSTORU</u>
Chairman BOM	Principal/Secretary BOM	Finance Officer
Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>
Date: <u>15/09/2021</u>	Date: <u>15/9/21</u>	Date: <u>15TH SEPT. 2021</u>

PRINCIPAL
 ST. MARY'S SCHOOL, YALA
 PRIVATE BAG YALA - 40610
 TEL: 0203530021

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

7 STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

DESCRIPTION OF VOTE HEADS	Note	2021	2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	13	16,922,301.96	13,167,111.96
Cash Balances	14	882,852.12	7,385.12
Total Cash and Cash Equivalents		17,805,154.08	13,174,497.08
Accounts Receivables	15	14,840,242.50	16,841,226.06
TOTAL FINANCIAL ASSETS		32,645,396.58	30,015,723.14
FINANCIAL LIABILITIES			
Accounts Payables	16	18,984,046.33	16,368,627.32
NET FINANCIAL ASSETS		13,661,350.25	13,647,095.82
REPRESENTED BY			
Accumulated Fund b/f	17	13,647,095.82	(4,528,847.15)
Surplus for the year		14,254.43	18,175,942.97
NET FINANCIAL POSITION		13,661,350.25	13,647,095.82

The school financial statements were approved on 15/9/2021 and signed by:

Name: <u>Maxwell O. Ogunda</u>	Name: <u>B. ZHARD</u>	Name: <u>JACOB AMUNGA OBUNHURU</u>
Chairman BOM	Principal/Secretary BOM	Finance Officer
Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>
Date: <u>15/09/2021</u>	Date: <u>05/9/21</u>	Date: <u>15th SEPTEMBER 2021</u>

PRINCIPAL
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PRIVATE BAG YALA - 40610
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ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

Description	Note	2021 Kshs	2020 Kshs
CASHFLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Capitation grants for tuition	1	2,346,810.75	2,798,444.00
Capitation grants for operations	2	14,706,155.55	10,958,950.00
School fund income - Parents' contributions/fees	3	30,342,928.48	42,768,966.84
Other Receipts - Boarding Account	4	-	4,816,384.60
School fund income - other receipts	5	2,045,385.50	931,223.50
Infrastructure & Devpt - Other Receipts	6	16,998,872.50	64,213,072.80
Total Receipts		66,440,152.78	126,487,041.74
Payments			
Payments for tuition	7	2,559,971.00	2,809,802.00
Payments for operations	8	14,951,123.20	10,952,436.39
Payments for boarding account	9	26,760,298.95	30,144,748.53
Other Payments for boarding account	10	-	5,262,934.55
Payments for school fund	11	3,895,215.50	5,803,771.00
Payments for Infrastructure & Devpt	12	18,259,289.70	53,337,406.30
Increase in receivables	15	(2,000,983.56)	7,287,028.06
Decrease in payables	16	(2,615,419.01)	3,016,116.68
Total Payments		61,809,495.78	118,614,243.51
Net Cashflow from Operating Activities		4,630,657.00	7,872,798.23
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of assets		-	-
Acquisition of assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net Cashflow from Investing Activities		4,630,657.00	7,872,798.23
CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/loans		-	-
Repayment of principal borrowings		-	-
Net cashflow from Financing Activities		4,630,657.00	7,872,798.23
NET INCREASE IN CASH AND CASH EQUIVALENTS		4,630,657.00	7,872,798.23
Cash and Cash Equivalents at the beginning of the year		13,174,497.08	5,301,698.85
Cash and Cash Equivalents at the end of the year		17,805,154.08	13,174,497.08

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL,
Annual Report and Financial Statements
For the year ended 30th June 2021

9 STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR
ENDED 30TH JUNE 2021

Receipts/Expenses Item	Original Budget		Adjustment		Final Budget		Actual		Budget Utilization		% of Utilization f = d/c %
	a	Kshs	b	Kshs	c	Kshs	d	Kshs	e = c - d	Kshs	
RECEIPTS											
(1) CAPITATION GRANT ON TUITION											
Reference Materials/Library	150,000.00				150,000.00						
Exercise Books	755,700.00				755,700.00		621,720.00		150,000.00		-
Laboratory equipment	925,800.00				925,800.00		891,795.00		133,980.00		82.27
Internal Exams	144,500.00				144,500.00		135,728.00		34,005.00		96.33
Teaching/Learning materials	525,750.00				525,750.00		506,066.50		8,772.00		93.93
Other Learning Materials	-				-				19,683.50		96.26
(2) CAPITATION ON OPERATIONS											
Personal emoluments	9,033,200.00				9,033,200.00		4,778,000.00		4,255,200.00		52.89
Repairs and maintenance	10,265,000.00				10,265,000.00		6,723,500.00		3,541,500.00		65.50
Local transport & traveling	3,079,500.00				3,079,500.00		1,192,298.00		1,887,202.00		38.72
Electricity and water	3,079,500.00				3,079,500.00		882,350.00		2,197,150.00		28.65
Medical & Insurance	-				-						
Administration costs	4,106,000.00				4,106,000.00		1,130,007.55		2,975,992.45		27.52
Activity	-				-						
Infrastructure	4,032,000.00				4,032,000.00				4,032,000.00		-
Sub totals c/f	36,096,950.00				36,096,950.00		16,861,465.05		19,235,484.95		582.07

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR
ENDED 30TH JUNE 2021 (Continued)

(3) FEES CHARGED ON PARENTS	a	b	c	d	e = c - d	f = d/c %
Sub totals b/f	36,096,950.00	-	36,096,950.00	16,861,465.05	19,235,484.95	582.07
Personal Emoluments	16,218,700.00		16,218,700.00	5,189,816.00	11,028,884.00	32.00
Repairs and Maintenance	4,106,000.00		4,106,000.00	1,282,879.50	2,823,120.50	31.24
Local transport & traveling	3,079,500.00		3,079,500.00	938,226.00	2,141,274.00	30.47
Electricity and water	3,079,500.00		3,079,500.00	930,244.00	2,149,256.00	30.21
Medical & Insurance	-		-	-	-	-
Administration costs	4,106,000.00		4,106,000.00	1,218,083.50	2,977,118.50	29.67
Activity	513,250.00		513,250.00	-	513,250.00	-
Boarding quipment and Stores/Lunch	62,380,405.00		62,380,405.00	20,783,679.48	41,596,725.52	33.32
TOTAL INCOME	129,580,305.00	-	129,580,305.00	47,204,393.53	82,465,113.47	768.97
(1) EXPENDITURE FOR TUITION						
Reference materials/Library	150,000.00		150,000.00	24,000.00	126,000.00	16.00
Exercise books	755,700.00		755,700.00	585,780.00	169,920.00	77.51
Laboratory equipment	925,800.00		925,800.00	656,735.00	269,065.00	70.94
Internal exams	144,500.00		144,500.00	71,500.00	73,000.00	49.48
Teaching/Learning materials	525,750.00		525,750.00	1,214,720.00	(688,970.00)	231.05
Other Learning Materials	-		-	-	-	-
Exams and Assessments						
Bank charges						
(2) EXPENDITURE FOR OPERATION						
Personal Emoluments	9,033,200.00		9,033,200.00	4,841,012.00	4,192,188.00	53.59
Repairs and Maintenance	10,265,000.00		10,265,000.00	-	10,265,000.00	-
Sub totals c/f	21,799,950.00		21,799,950.00	7,393,747.00	14,406,203.00	498.57

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR
ENDED 30TH JUNE 2021 (Continued)

(2) EXPENDITURE FOR OPERATION ACTIVITIES						
	a	b	c	d	e = c - d	f = d/c %
Sub totals b/f	21,799,950.00		21,799,950.00	7,393,747.00	14406203	498.57
Local transport & traveling	3,079,500.00		3,079,500.00	1,380,622.00	1,698,878.00	44.83
Electricity and water	3,079,500.00		3,079,500.00	734,934.00	2,344,566.00	23.87
Medical	-		-	-	-	0.00
Administration costs	4,106,000.00		4,106,000.00	785,343.20	3,320,656.80	19.13
Activity	-		-	-	-	0.00
Infrastructure	4,032,000.00		4,032,000.00		4,032,000.00	0.00
(3) EXPENDITURE FOR SCHOOL FUND						
Boarding Equipment & Stores	62,380,405.00		62,380,405.00	19,658,136.50	62,380,405.00	31.51
Personal emoluments	16,218,700.00		16,218,700.00	3,237,756.00	16,218,700.00	19.96
Repairs and maintenance	4,106,000.00		4,106,000.00	1,196,000.00	4,106,000.00	29.13
Local Transport and traveling	3,079,500.00		3,079,500.00	776,116.00	3,079,500.00	25.20
Electricity and water	3,079,500.00		3,079,500.00	721,255.45	3,079,500.00	23.42
Medical and Insurance	-		-	-	-	0.00
Administration costs	4,106,000.00		4,106,000.00	1,146,893.00	4,106,000.00	27.93
Activity	513,250.00		513,250.00	24,142.00	513,250.00	4.70
School farm	-		-	-	-	-
TOTAL EXPENDITURE	129,580,305.00		129,580,305.00	37,054,945.15	119,285,658.80	748.26

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

10 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out here 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 accounting and applicable government legislations and regulation. 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 accounting has been supplemented with accounting for; (a) receivables and advances includes imprest, salary, and other receivables, and (b) payables that includes 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 off to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2 Recognition of receipts and payments

the school recognises all receipts from various sources when the event occurs and the related cash has 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 form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personal services. Where the financial value received for in-kind can be reliably determined, the school includes such values 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 subjected to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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 receivables financial year are treated as receivables. This is in recognition of the government practice where imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement of 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 other retentions held on behalf of third parties have been recognized as accounts payable. 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 included in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from the 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's 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 Board of Management. A comparison of the actual performance against the comparable budget of the financial year under review has been included in the financial statements.

9 Comparative figures

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

10 Subsequent events

There have been no event subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

11. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

Description	2021	2020
	Kshs	Kshs
Text Books	-	-
Exercise books	621,720.00	1,292,760.00
Laboratory equipment	891,795.00	436,212.00
Library/Reference materials	144,180.00	495,180.00
Internal exams	135,728.00	189,000.00
Teaching/learning materials	506,066.50	330,104.00
Chalks & Dusters	47,321.25	55,188.00
Tuition/MOE	-	-
Total	2,346,810.75	2,798,444.00

2 CAPITATION GRANT FOR OPERATIONS

Description	2021	2020
	Kshs	Kshs
Personal emoluments	4,778,000.00	3,206,700.00
Maintenance & Improvement	6,723,500.00	-
Local transport and traveling	1,192,298.00	2,067,000.00
Electricity and water	882,350.00	1,880,400.00
Medical & Insurance	-	302,400.00
Administration costs	1,130,007.55	1,937,650.00
BOM Teachers	-	960,000.00
Activity	-	604,800.00
Total	14,706,155.55	10,958,950.00

3 PARENTS' CONTRIBUTION/FEES - BOARDING ACCOUNT

Description	2021	2020
	Kshs	Kshs
Boarding Equipment & Stores	20,783,679.48	22,094,845.18
Personal emoluments	5,189,816.00	13,168,595.16
Repairs and maintenance	1,282,879.50	-
Local transport and traveling	938,226.00	2,275,539.80
Electricity and water	930,244.00	2,252,868.20
Administration costs	1,218,083.50	2,977,118.50
Total	30,342,928.48	42,768,966.84

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS - BOARDING ACCOUNT

Description	2021	2020
	Kshs	Kshs
Vehicle Hire	-	164,280.00
Rental & Service charge	-	79,700.00
MIF Funds	-	3,167,556.00
Interest earned on FDR (Main)	-	74,211.05
Interest from FDR (OPA)	-	634,607.55
Farm Unit (IGA)	-	206,468.00
Sale of Cereals	-	451,766.00
BOM Teachers	-	37,796.00
	-	-
Total	-	4,816,384.60

5 OTHER RECEIPTS - SCHOOL FUND ACCOUNT

Description	2021	2020
	Kshs	Kshs
Activity	151,333.50	358,867.50
Chq Clearance & Bank Charges	59,245.00	72,960.00
Damages Laboratory	590,971.50	91,500.00
Lost Text Books	123,725.50	-
Sundry Debtors	22,415.00	-
Pocket Money	203,902.00	-
Refunds	71,268.00	-
Savings A/C 1107531268	200,000.00	-
School Farm	596,925.00	190,221.00
Administration Costs	-	6,500.00
Tender Application	20,000.00	49,800.00
Medical	3,000.00	-
Slaughter Slab M	2,600.00	-
Electricity Water & Conservancy	-	10,000.00
School Magazines	-	86,000.00
Yala Inv. Tournament	-	19,815.00
CASPA W/Shop funds/KSSHA	-	45,560.00
Total	2,045,385.50	931,223.50

6 OTHER RECEIPTS - INFRASTRUCTURE & DEVELOPMENT ACCOUNT

Description	2021	2020
	Kshs	Kshs
Stakeholders Fundraising	8,592,000.00	-
MF (Parents)	1,196,000.00	-
MF (Ministry)	7,204,000.00	-
MF Projects	-	64,213,072.80
Interest on FDR	6,872.50	-
Total	16,998,872.50	64,213,072.80

7 PAYMENTS FOR TUITION

Description	2021	2020
	Kshs	Kshs
Exercise books	585,780.00	1,301,840.00
Laboratory equipment	656,735.00	-
Teaching/Learning materials	1,214,720.00	780,778.00
Internal Examinations	71,500.00	28,000.00
Reference & Library	24,000.00	649,000.00
Dusters & Chalk	-	46,500.00
Bank charges	1,236.00	3,684.00
Sundry Creditors	6,000.00	-
Total	2,559,971.00	2,809,802.00

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 PAYMENTS FOR OPERATIONS

Description	2021	2020
	Kshs	Kshs
Personal emoluments	4,841,012.00	3,235,652.00
Local transport and traveling	1,380,622.00	1,901,500.00
Maintenance & Improvements	7,204,000.00	-
Electricity and water	734,934.00	1,807,171.00
Administration costs	785,343.20	2,090,949.40
Activity	-	667,440.00
Bank Charges	5,212.00	35,080.99
Medical & Insurance	-	366,643.00
BOM Teachers	-	848,000.00
Total	14,951,123.20	10,952,436.39

9 BOARDING ACCOUNT PAYMENTS

Description	2021	2020
	Kshs	Kshs
Lunch programme/ BES	19,658,136.50	19,667,352.00
Electricity Water & Conservancy	721,255.45	213,516.50
Local Travelling & Transport	776,116.00	1,581,970.00
Repair Maintenance & Improvement	1,196,000.00	-
Administration Costs	1,146,893.00	1,424,673.30
P. Emoluments	3,237,756.00	7,228,818.00
Bank Charges	24,142.00	28,418.73
Total	26,760,298.95	30,144,748.53

10 OTHER PAYMENTS - BOARDING ACCOUNT

Description	2021	2020
	Kshs	Kshs
Vehicle Hire	-	4,500.00
MIF Funds	-	4,160,114.55
Sale of Cereals	-	140,580.00
Farm Unit (IGA)	-	437,740.00
BOM Teachers	-	520,000.00
Total	-	5,262,934.55

11 SCHOOL FUND PAYMENTS

Description	2021	2020
	Kshs	Kshs
Chc Clearance & Bank Charges	3,188.00	-
Pocket Money	226,070.00	-
Damages	409,700.00	-
Refunds	20,000.00	-
Savings A/C 1107531268	345,962.00	-
PTA Dev. Funds	2,639,646.50	5,786,443.00
School Farm	148,683.00	-
Tender Application	22,000.00	-
Gurnish Court Cases	50,165.00	-
Endowment Fund	25,801.00	-
KUPPS	4,000.00	-
Administration Costs	-	3,178.00
Activity fund	-	14,150.00
Total	3,895,215.50	5,803,771.00

12 OTHER PAYMENTS - INFRASTRUCTURE & DEVELOPMENT ACCOUNT

Name of Bank Account	2021	2020
	Kshs	Kshs
Stakeholders Fundraising	15,617,476.00	-
MIF (Parents)	661,513.00	-
MIF (Ministry)	772,843.50	-
TIG (Ministry)	1,165,273.20	-
Students Modern Toilets	40,000.00	-
MIF Projects	-	53,337,406.30
Bank charges/Contingencies	2,184.00	-
Total	18,259,289.70	53,337,406.30

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
 Annual Report and Financial Statements
 For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 BANK ACCOUNTS

Name of Bank Account	Bank Account Number	2021	2020
		Kshs	Kshs
Tuition Account	1104139588	82,164.20	136,234.45
Operations Account	1104140268	86,800.06	61,358.11
Boarding Account	1103964089	3,139,688.42	2,178,874.87
Infrastructure Account	1114285129	4,496,104.10	5,676,766.30
School Fund Account	1103964305	89,216.95	5,362.95
Savings Account - YOBA	1128068451	163,054.00	17,092.00
Savings Account - Co-Op	101129740173000	8,661,224.23	4,931,661.23
Savings Account	1102164399	134,003.00	89,715.05
KCE Paybill account	522123	70,047.00	70,047.00
Total		16,922,301.96	13,167,111.96

14 CASH IN HAND

Description	2021	2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
Boarding Account	188,906.00	-
Infrastructure Account	-	-
School Fund Account	693,946.12	7,385.12
Total	882,852.12	7,385.12

15 ACCOUNTS RECEIVABLE

Description	2021	2020
	Kshs	Kshs
Fees Arrears (see ageing below)	9,746,249.00	16,439,703.56
Other non-fees receivables (see ageing below)	5,093,993.50	401,522.50
Total	14,840,242.50	16,841,226.06

ST. MARY'S SCHOOL, VALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

ACCOUNTS RECEIVABLE AGEING

Description	2021	2020
	Kshs	Kshs
Fees arrears for 2021 b/f - School Fund a/c	3,246,235.00	3,246,235.00
Fees arrears - 2020 b/f - boarding a/c	1,188,705.00	3,267,255.00
Fees arrears - 2019 & back b/f - boarding a/c	5,311,309.00	11,975,807.21
Fees arrears - Prior years	-	(2,049,593.65)
Total	9,746,249.00	16,439,703.56
Other non-fees receivables		
Unpaid Cheques	170,687.50	233,022.50
Rem Arrears	220,205.00	163,500.00
Advances	42,200.00	5,000.00
Bursary	76,842.00	-
Savings A/C 112164399	44,288.00	-
School Farm - Boarding	218,521.00	-
BES - Operations	232,458.00	-
School Farm - Operations	359,229.00	-
Co-op 01129740173000	3,729,563.00	-
Total	5,093,993.50	401,522.50

16 ACCOUNTS PAYABLE

Description	2021	2020
	Kshs	Kshs
Trade creditors (see ageing below & annex 1)	15,646,282.01	15,503,681.01
Other creditors (see ageing below)	3,337,764.32	864,946.31
Total	18,984,046.33	16,368,627.32

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

AGEING OF CREDITORS

Description	2021	2020
	Kshs	Kshs
Trade creditors for 2021 b/f - School Fund a/c	8,165,191.90	9,123,778.30
Trade creditors for 2020 b/f - School fund a/c	7,481,090.11	13,605,538.11
Trade creditors paid off	-	(7,225,635.40)
Total	15,646,282.01	15,503,681.01
Other Creditors		
Prepayments	2,952,351.32	632,223.31
Pocket Money fund	44,319.00	44,319.00
Fees Refunds	188,404.00	188,404.00
Inst. House Rent	25,200.00	-
Advances	23,300.00	-
Equity Bank	19,000.00	-
Vehicle Hire	85,190.00	-
Total	3,337,764.32	864,946.31

17 ACCUMULATED FUND BALANCE BROUGHT FORWARD

Description	2021	2020
	Kshs	Kshs
Bank balances	13,167,111.96	5,301,698.85
Cash balances	7,385.12	-
Receivables	16,841,226.06	9,554,198.00
Payables	16,368,627.32	19,384,744.00
Total	13,647,095.82	(4,528,847.15)

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

OTHER IMPORTANT DISCLOSURES

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.

15 Non-current Liabilities Summary

Description	2021	2020
Kshs	Kshs	Kshs
Granny and leave provisions	-	-
Total	-	-

16 Biological Assets

Description	2021	2020
	Kshs	Kshs
Cattle	-	-
Goats	-	-
Trees	-	-
Poultry	-	-
Total	-	-

17 Borrowings

Description	2021	2020
	Kshs	Kshs
Borrowings at the beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

18 Stock/Inventory

Description	2021	2020
	Kshs	Kshs
Stock/inventory at the beginning of the year	-	-
Stock/inventory purchased during the year	-	-
Stock/inventory at the end of the year	-	-
Total	-	-

19 Creditors

Description	2021	2020
	Kshs	Kshs
Creditors 2021 (See Annex I)	8,879,966.40	-
Total	8,879,966.40	-

ST. MARY'S SCHOOL, YALA
 PUBLIC SECONDARY SCHOOL
 Annual Report and Financial Statements
 For the year ended 30th June 2021

OTHER IMPORTANT DISCLOSURES (Continued)

20 DEBTORS 2021

Description	2021		2020	
	Kshs		Kshs	
Fee arrears 2021 (See Annex 3)	15,914,572.93			
Prepayments	4,866,272.65			
Total	20,780,845.58			

21 PROGRESS ON FOLLOW UP ON AUDITOR RECOMMENDATIONS

Ref. No.	Issue/Observation from Auditor	Management comments	Status: (Resolved/ Not Resolved)	Timeframe: Date to be Resolved
1				
2				
3				
4				
5				

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

12. ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount paid to date c Kshs	Outstanding Balance 2021 d=a-c Kshs	Outstanding Balance 2020 Kshs	Comments
1 Titan Building Concept				530,000.00		
2 Yala Sub-County Hospital				236,820.00		
3 Olympus Medical Centre				70,280.00		
4 John Oguna & Associates				60,000.00		
5 Oracle Engineering Consultants				378,108.00		
6 Gentrade International Limited				100,000.00		
7 Delphi Investments				371,000.00		
8 Workers Salary Arrears				200,000.00		
9 Purve Sales				51,650.00		
10 Lavyjack Enterprises				1,000,000.00		
11 Raribo Construction Company				46,720.00		
12 Licodram Investments				205,500.00		
13 Urban Digital System				30,000.00		
14 Majesty Technologies Ltd				1,312,500.00		
15 Detof Investments				16,000.00		
16 David Oginga Auto Garage				261,822.00		
17 Chemoxalic Suppliers Ltd				660,000.00		
18 The Copy Cat Ltd				300,000.00		
19 Manna Lifestyle S/MT, Ltd				506,650.00		
20 Workers Self Help Group				891,240.00		
21 Gordon Ochieng Ogweyo				4,500.00		
22 Aryan Enterprises				90,260.00		

23	Benard Omondi Ochieng				339,650.00		
24	Wilfred Wasonga				23,600.00		
25	Rentokil Initial				5,614.40		
26	Scenic Stationers				6,480.00		
27	Pamar Creative Investments				5,500.00		
28	Martin Sijeyo Otieno				4,140.00		
29	Pukis Foods Produce				5,130.00		
30	Ernest Oyungu Jeri				44,340.00		
31	Osiepe Moyie Group				36,540.00		
32	Alfred Musungu Misigo				19,500.00		
33	Colonel(RTD)F.P Okello				94,930.00		
34	Khwisero Dairy Farmers Coop				143,500.00		
35	Philip Ochondo				34,000.00		
36	Margaret Okutoyi Ambunya				36,000.00		
37	Godfa Traders Enterprises				45,000.00		
38	Education Plus Agencies				18,000.00		
39	Yala Filling Stations				194,992.00		
TOTAL					8,879,966.40		

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

ANNEX 2 - SUMMARY OF FIXED ASSET REGISTER

Asset Class	Date Purchased	Location	Historical cost b/f Kshs	Additions in the year Kshs	Disposals during the year Kshs	Historical cost c/f Kshs
Land						
Buildings and structures						
Office quipment, furniture and fittings						
ICT equipment and other ICT assets						
Tools and apparatus						
Textbooks						
Other machinery and equipment						
Heritage and cultural assets						
Intangible assets - software						
Total						

ST. MARY'S SCHOOL, YALA
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
for the year ended 30th June 2021

ANNEX 3 - SUMMARY OF FEES ARREARS AS AT 30TH JUNE 2021

CLASS	AMOUNT
PERSONAL EMOLUMENTS(P.E)	506,216.50
REPAIR MAINTENANCE & IMPROVEMENTS(RMI)	164,185.00
LOCAL TRAVEL & TRANSPORT(L.T & T)	139,849.50
ELECTRICITY WATER & CONSERVANCY(E.W & C)	147,321.50
ADMINISTRATION COST (ADMIN)	215,675.37
BOARDING EQUIPMENT & STORES (B.E S)	14,741,325.06
TOTAL	15,914,572.93

ANNEX 3 - PREPAYMENTS AS AT 30TH JUNE 2021

VOTEHEAD	AMOUNT
PREPAYMENTS	4866272.65
TOTAL	4866272.65

ST. MARY'S SCHOOL, YALA
 TRIAL BALANCE AS AT 30TH JUNE 2021
 TUITION ACCOUNT

VOTE HEAD	F/N.	ESTIMATE	DEBIT	CREDIT	COMM.	BALANCE
BALANCE-B/FWD - CASH		-	0	-	-	-
- BANK		-	-	136,234.45	-	-
Laboratory equipment	1		656,735.00	891,795.00		
Exercise books	2		585,780.00	621,720.00		
Teaching/Learning materials	3		1,214,720.00	506,066.50		
Ref/Library Materials	4		24,000.00	144,180.00		
Internal exams	5		71,500.00	135,728.00		
Chalk	6		-	47,321.25		
Boarding	7		-	159,090.00		
Sundry Creditors	8		6,000.00	-		
Bank Charges	9		1,236.00	-		
BALANCE B/DWN - BANK			82,164.20	-		
		-	2,642,135.20	2,642,135.20		

BANK RECONCILIATION STATEMENT AS AT 30/06/2021

	KSHS.	KSHS.
Balance as per Cash Book		82,164.20
Add: Unpresented Chqs - 0420	213,300.00	
423	55,680.00	268,980.00
Less: Bank Debit Note in Cash Book		126,450.00
Balance as per the Cash Book		<u>224,694.20</u>

PREPARED BY: NAME OF BURSAR JACOB AMUNHA EBWEHURU

SIGN [Signature] DATE 8TH JULY 2021

APPROVED BY: NAME OF PRINCIPAL B. ELIYAS

SIGN [Signature] DATE 08/07/21

PRINCIPAL
 ST. MARY'S SCHOOL, YALA
 PRIVATE BAG YALA - 40010
 TEL: 0203530021

ST. MARY'S SCHOOL, YALA
 BOARDING ACCOUNT TRIAL BALANCE
 AS AT 30/06/2021

VOTE HEAD	F/N	ESTIMATES	DEBIT	CREDIT	COMM.	BALANCE
BALANCE B/FWD- CASH				0.00		
BANK				2,178,874.87		
BOARDING	1		19,658,136.50	20,783,679.48		
EWC	2		721,255.45	930,244.00		
LIT	3		776,116.00	938,226.00		
RM/MIF	4		1,196,000.00	1,282,879.50		
ADMIN COSTS	5		1,146,893.00	1,218,083.50		
PEMOL	6		3,237,756.00	5,189,816.00		
SUNDRY DEBTORS	7		34,570.00	7,755,297.01		
VEHICLE HIRE	8		0.00	85,190.00		
BURSARY	9		5,700,236.50	5,623,394.50		
PREPAID FEES	10		7,074.00	2,327,202.01		
CO-OP AC 01129740173000	11		19,129,563.00	15,400,000.00		
SUNDRY CREDITORS	12		6,124,448.00			
ADVANCES	13		42,000.00	4,800.00		
UNPAID CHEQUES	14		0.00	62,335.00		
SAVINGS A/C 1102164399	15		1,644,288.00	1,600,000.00		
SCHOOL FUND	16		2,500,000.00			
SCHOOL FARM	17		218,521.00			
RENT	18		104,805.00	48,100.00		
TUITION ACCOUNT	19		159,090.00			
OPERATIONS ACCOUNT	20		221,636.00	547,003.00		
BANK CHARGES	21		24,142.00			
BALANCE B/DWN -CASH			188,906.00			
BANK			3,139,688.42			
			65,975,124.87	65,975,124.87		

PREPARED BY: NAME OF BURSAR JACOB AMUNWA OBIHURU

SIGN [Signature] DATE 8th JULY 2021

APPROVED BY: NAME OF PRINCIPAL B. O. O. O.

SIGN [Signature] DATE 08/07/21

PRINCIPAL
 ST. MARY'S SCHOOL, YALA
 KIVAJE BAG YALA - 40610
 TEL: 0203530021

ST. MARY'S SCHOOL, YALA
 SCHOOL FUND ACCOUNT TRIAL BALANCE
 AS AT 30/06/2021

VOTE HEAD	F/N	ESTIMA	DEBIT	CREDIT	COMM.	BALANCE
BALANCE B/FWD- CASH				7,385.12		
BANK				5,362.95		
ACTIVITY	1		0.00	151,333.50		
CHQ CLEARANCE FEE & BANK CHARGES	2		3,188.00	59,245.00		
DAMAGES/LABORATORY	3			10,504.00		
LOST TEXT BOOKS	4			123,725.50		
SUNDRY DEBTORS	5			22,415.00		
BOARDING ACCOUNT	6			2,500,000.00		
POCKET MONEY	7		226,070.00	203,902.00		
DAMAGES 4R	8		33,000.00	267,986.00		
REFUNDS	9		20,000.00	71,268.00		
SAVINGS A/C 1107531268	10		345,962.00	200,000.00		
PTA DEV FUNDS	11		2,639,646.50			
SCHOOL FARM	12		148,683.00	596,925.00		
DAMAGES FURNITURE	13		59,200.00	6,700.00		
TENDER APPLICATION	14		22,000.00	20,000.00		
GURNISH COURT CASES	15		50,165.00			
MEDICAL	16		0.00	203,000.00		
DAMAGES 1R	17		85,834.00	113,603.00		
DAMAGES 2R	18		145,834.00	89,496.50		
DAMAGES 3R	19		85,832.00	102,682.00		
ENDOWMENT FUND	20		25,801.00			
KUPPS	21		4,000.00			
INFRASTRUCTURE	22		79,755.00			
SLAUGHTER SLAB M	23			2,600.00		
BALANCE B/DWN -CASH			693,946.12			
BANK			89,216.95			
			4,758,133.57	4,758,133.57		

PREPARED BY: NAME OF BURSAR JACOB AMUNGA (BURSAR)

SIGN [Signature] DATE 8TH JULY 2021

APPROVED BY: NAME OF PRINCIPAL B. S. S. S.

SIGN [Signature] DATE 08/07/21

