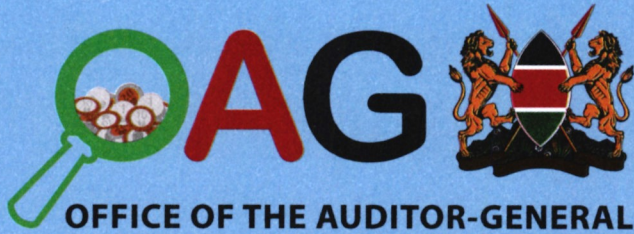


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 30 NOV 2023 DAY: *Friday*

TABLED BY: *John Naemi Wagoi mb*  
*Deputy majority whip*

CLERK AT THE ASSEMBLY: *A. Shikuku*

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**JOHNMARK MWANJUMWA  
SECONDARY SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**TAITA/TAVETA COUNTY**



---

**JOHNMARK MWANJUMWA SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**

**30<sup>th</sup> June 2022**

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

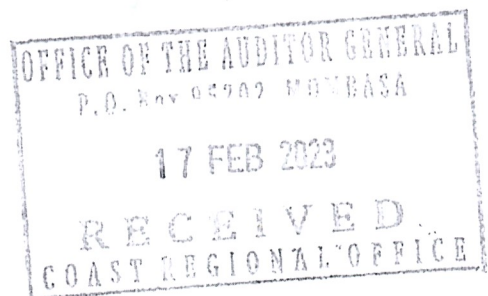


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**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

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

**(a) Background information**

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

The school was registered in 07/2014 under registration number PU/S/2/9882/14 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 82 students as at 30<sup>th</sup> June 2022. It has 4 streams and 9 teachers of which 1 teacher 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	Austin mlawi	Chairman	9th august 2019
2	Douglas Mwakisaaghu	Secretary - Principal	9th august 2019
3	Emilly mwalili	Member	9th august 2019
4	Jacinta mghoi	Member	9th august 2019
5	Mwikali nzaa	Member	9th august 2019
6	Hammerton mbogho	Member	9th august 2019
7	Anderson mwaloma	Member	9th august 2019
8	Lucy mwanjumwa	Member – Rep CEB	9th august 2019
9	Paul olando	Member Rep Teachers	9th august 2019
10	Dorothy mwemba	Sponsor	9th august 2019
11	Maria mwashighadi	Sponsor	9th august 2019
12	Evelyn shighi	Sponsor	9th august 2019
13	Lambert Mramba	Member - Community	9th august 2019
14	Aggrey mrucha	Member Special Needs	9th august 2019
	Emmanuel musyimi	Rep Students	9th august 2019

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**The function of the School Board of Management include:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School

- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.Austin mlawi 2.Lucy mwanjumwa 3.Paul olando 4.Lambert mramba 5.Douglas mwakisaghu		6 out of 6
2	Audit Committee	1.Anderson mwaloma 2.Everlyn mngoda 3.Stephen Ngao 4.Douglas mwakisaghu		2 Out of 3
3	Finance,procurement and general purposes Committee	1.Dickson mwaviswa 2.Hammerton mbogho 3.Ann wanjiru 4.Lambert mramba 5.Douglas mwakisaghu		2 out of 4
4	Academic Committee	1..Lucy mwanjumwa 2..Paul olando 3..Fanuel mwandawiro 4.Douglas mwakisaghu		3 out of 4
5	Development Committee	1.Austin mlawi 2.Anderson mwaloma 3.Mtoto mwamburi 4.Douglas mwakisaghu		5 out of 6
6	Discipline and welfare Committee	1.Hammerton mbogho 2.Maria mwashighadi 3.Stephen ngao 4.Emilly mwalili 5.Douglas mwakisaghu		5 out of 6
7	Adhoc Committee (if any during the year)			

**(d) School operation Management**

For the financial year ended -30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Douglas Mwakisaghu	352859
2	Deputy Principal	Dominic Oka	381919
3	School Bursar	Valerian Mutuku	



## KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

### (e) Schools contacts

Post Office Box: 80300-136,TAUSA  
Telephone: 0714897233  
E-mail: johnmark2016@gmail.com

### (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: Johnmark Mwanjumwa sec school main A/c  
Branch: Voi  
Account Number: 0790269317879
  2. Name of Bank: Johnmark Mwanjumwa sec school operation A/c  
Branch: Voi  
Account Number: 0790260379144
  3. Name of Bank: Johnmark Mwanjumwa sec school Tuition A/c  
Branch: Voi  
Account Number:0790260379308
  4. Name of Bank: Johnmark Mwanjumwa sec school infrastructure A/c  
Branch: Voi  
Account Number: 1288011334
  5. Name of Bank: Johnmark Mwanjumwa sec sch CDF A/c  
Branch : Voi  
Account number: 1274161142
1. MPESA Pay Bill No. 247247;A/c no.902693 attached to Johnmark main 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

## 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:

YEAR	SURPLUS	DEFICIT
2019	-	197,076.37
2020	260,893	-
2021	-	6,766

YEAR	CAPITATION PER STUDENT	TOTAL CAPITATION
2019	10,209.2	969,874
2020	6,284.66	553,050
2021	17,265.4	1,043,425.2

YEAR	INCOME	EXPENDITURE
2019	1,512,644.70	1,528,470
2020	550,498	289,605
2021	2,189,680	2,196,446

YEAR	DEBTORS	CREDITORS	CASH BALANCE	BANK BALANCE
2019	1,094,464	358,790	-	9,254.87
2020	295,392	957,504.27	-	6,371.14
2021	1,468,462	831,312	80,100	223,602.57

### b) Teacher Student ratio:

No of TSC Trs	No of BOM Trs	Transferred	Retired
9	1	-	-



c) Mean score in the 2021 KCSE:

YEAR	NO OF CANDIDATES	MEANSORE
2019	28	1.89
2020	9	1.78
2021	24	1.63

d) Capacity of the school:

NO OF STUDENTS	75
FACILITIES	
Laboratory	1
Toilets	3
Classrooms	5
offices	3
kitchen	1

**PRINCIPAL**  
 JOHN MARK MWANJUMWA SEC. SCH.  
 P. O. Box 136-80309, TAUSA  
 Date 29/9/22 Sign 

*Sign* \_\_\_\_\_  
*School Principal*

e) Development projects carried out by the school

PROJECT	FUND SOURCE	
Administration block	CDF	ongoing
CBC classroom	MOE	complete
Permanent toilet	School Infrastructure	ongoing

Sign



**PRINCIPAL**  
 JOHNMARK MWANJUMWA SEC. SCH.  
 P. O. Box 136-80309, TAUSA

School Principal

Date: 29/9/22 Sign: 

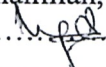
### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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 *JOHNMAR MWANJUMWA SEC* 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 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.

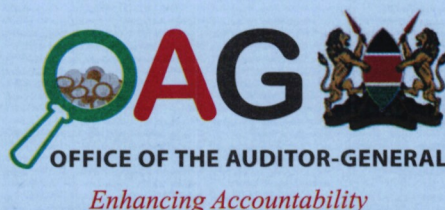
**Name:** Anderson Mwaloma  
**Designation:** Chairman, School Board of Management  
**Sign:**   
**Date:** 29/9/2022

**Name:** Douglas Mwakisaghu  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:**   
**Date:** 29/9/22  
JOHNMAR MWANJUMWA SEC. SCH.  
P. O. Box 136-80309, TAUSA  
Date..... Sign.....

**Name:** Valerian Mutuku  
**Designation:** Bursar/ Finance Officer  
**Sign:**   
**Date:** 29/9/22

# 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 JOHNMARK MWANJUMWA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – TAITA/TAVETA COUNTY**

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### 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 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 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 Johnmark Mwanjumwa Secondary School for the year ended 30 June, 2022 – Taita/Taveta County*

## REPORT ON THE FINANCIAL STATEMENTS

### Adverse Opinion

I have audited the accompanying financial statements of Johnmark Mwanjumwa Secondary School – Taita/Taveta County set out on pages 10 to 31, which comprise the statement of financial assets and financial liabilities as at 30 June, 2022, 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, 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 the Johnmark Mwanjumwa Secondary School – Taita/Taveta County as at June 30, 2022, 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. Inaccuracies in the Statement of Receipts and Payments

The statement of receipts and payments reflects items which differed with the cash book balances as reflected in the table below:

Vote Head	Amount reflected in the Statement of Receipts and Payments (Kshs.)	Amounts in the Cash book (Kshs.)	Variance (Kshs.)
Capitation grant for operation	559,872	1,266,826	706,954
School fund income -parents' contributions	2,305,962	1,716,038	589,924
Personnel Emoluments	330,980	262,060	68,920
Repairs Maintenance and Improvements	185,878	192,878	(7,000)
Local Transport/Travelling	74,680	86,080	(11,400)
Electricity and Water	11,200	10,000	1,200

*Report of the Auditor-General on Johnmark Mwanjumwa Secondary School for the year ended 30 June, 2022 – Taita/Taveta County*

<b>Vote Head</b>	<b>Amount reflected in the Statement of Receipts and Payments (Kshs.)</b>	<b>Amounts in the Cash book (Kshs.)</b>	<b>Variance (Kshs.)</b>
Admin Costs	42,820	11,820	31,000
Lunch Program	319,755	509,575	(189,820)
Bank Charges	641	-	641
Other Vote Heads	673,671	637,271	36,400
Sundry Creditors	71,900	76,900	(5,000)

Further, the statement reflects items which differed with the statement of cash flow balances as reflected in the table below:

<b>Vote Head</b>	<b>Amount reflected in the Statement of Receipts and Payments (Kshs.)</b>	<b>Amounts in the Cash book (Kshs.)</b>	<b>Variances (Kshs.)</b>
School fund income – parents' contributions	2,305,962	1,588,593	717,369
Payments for tuition	773,485	283,620	489,865
Payments for operations	1,390,042	555,616	834,426
Boarding and school fund payments	1,748,927	1,926,130	177,203

In addition, the school management did not prepare the trial balance from which the amounts and balances reflected in the financial statements were drawn.

In the circumstances, the accuracy and completeness of the amounts reflected in the financial statements could not be confirmed.

## **2. Unsupported Boarding and School Fund Payments**

The statement of receipts and payments reflects total payments amounting to Kshs.3,912,454 which, as reflected in Note 7 to the financial statements includes boarding and school fund payments amounting to Kshs.1,748,927. However, included in the amounts is an expenditure of Kshs.1,859,526 for purchase of goods and services whose receipts, LPO/LSO, quotations, invoices, delivery notes, inspection certificates, attendance sheets, itinerary and prior approvals were not provided for audit.

In the circumstances the accuracy and completeness of the boarding and school fund payments amounting to Kshs.1,748,927 could not be confirmed.

### **3. Misclassification of Payables in Payment for Tuition**

The statement of receipts and payments reflects payments for tuition of Kshs.773,485 as disclosed in Note 5 to the financial statements. However, the amount includes trade creditors balance of Kshs.489,865 resulting to an overstatement of the payments by Kshs.489,865.

In the circumstances, the accuracy and completeness of payments for tuition amounts of Kshs.773,485 could not be confirmed.

### **4. Undisclosed Mpesa Till for Fee Collection**

The school operated an Mpesa till number. Review of the respective statement of account provided revealed that the Mpesa till was opened on 14 June, 2021 and was still active on 15 June, 2023 having received school fees totaling to Kshs.506,318. Although management claimed that the till was no longer in use there was no official communication to Safaricom to close the Till Number which is loophole for loss of public funds paid by students as fees.

In addition, the school did not maintain a cashbook for the Till and no reconciliations were provided for audit

In the circumstances, the accuracy and completeness of school fund income parents' contributions amounting to Kshs.506,318 could not be confirmed.

### **5. Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.1,649,628 as disclosed in Note 11 to the financial statements. However, supporting schedules, detailed aging analysis and ledger details were not provided for audit.

In the circumstances, the accuracy and completeness of the account's receivables balance of Kshs.1,469,462 could not be confirmed.

### **6. Unsupported and Long Outstanding Accounts Payables**

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.1,157,576 as disclosed in Note 12 to the financial statements. However,

detailed aging analysis, tender documents and LPO/LSO were not provided for audit. In addition, the balance includes creditors balance of Kshs.583,765 which had been outstanding for more than two years.

No explanation was provided for failure to honor debts as the first charge to the subsequent year's budget.

Further, Included in the accounts payables balance of Kshs.1,157,576 is a balance of Kshs.418,723 owed to former School Principal being a loan he took on behalf of the school for payment of National Social Security Fund (NSSF) arrears and penalties for the school. However, verification of the documents provided for audit revealed that the School Principal only paid Kshs.250,080 to NSSF through bankers' cheque number 008388 dated 26 April, 2022 towards clearing the arrears resulting to an unexplained balance of Kshs.168,642. Further, there was no approval by the Board of Management for the School Principal to take a personal loan and use it to settle the outstanding NSSF arrears and details of the un-remitted NSSF dues and penalties were not provided for audit.

In the circumstances, the accuracy and completeness of the account's payables balance of Kshs.1,156,401 could not be confirmed.

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

### **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 sections 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. Lack of School Improvement Plan**

Review of the school's strategic plan and board minutes revealed that the Management did not have a School Improvement Plan that provides a road map for changes that a school needs to improve the school environment and learning outcomes.

In the circumstances, existence of effective governance measures could not be confirmed.

### **2. Lack of a Procurement Plan**

The statement of receipts and payments reflects an amount of Kshs.3,593,786 and Kshs.3,912,454 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 is contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that the procuring entity shall 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.

### **3. Lack of Fixed Asset Register**

Review of records revealed that the school did not have a fixed asset register. This is contrary to Section 143(1) of Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

### **4. Failure to Prepare Bank Reconciliations**

The statement of financial assets and financial liabilities reflects a balance of Kshs.131,134 in respect to cash and cash equivalents as disclosed in Note 8 to the financial statements. However, Management did not prepare and sign bank reconciliation statements. This is contrary to Regulation 90 of the Public Finance Management (National Government) Regulations, 2015 which provides that Accounting Officers shall ensure bank accounts reconciliations are completed for each bank account held by that Accounting Officer, every month and submit a bank reconciliation statement not later than the 10th of the subsequent month to the National Treasury with a copy to the Auditor-General.

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

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

As required by Section (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 Risk Management Policy

The Management had not put in place Risk Management Policy, strategies, and risk register to mitigate against risk. It was, therefore, not clear how the Management manages risk exposures. This is in contravention of Section 165 of the Public Finance Management (National Government) Regulations 2015 which states that the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism and system of risk management and internal control that builds robust business operations.

In the circumstances, existence of effective risk management measures could not be confirmed.

#### 2. Irregular Constitution of Board of Management

Management did not provide evidence to confirm that the Chair of the Board of Management is a holder of a degree from a recognized University in Kenya. This is contrary to Regulation 6(b) which provides that the minimum qualifications of the Chairmen and members of Boards of Management of a secondary school shall be a degree from a university recognized in Kenya, and a KCSE Certificate.

Further, the Board of Management held only one meeting on 25 February, 2021. This is contrary to the provision of Section 3 of the Basic Education Act, 2013 which requires the Board to meet at least three times in each year.

In the circumstances, effectiveness of the governance measures 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 controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 Management is aware of the intention to terminate the School or to cease operations.

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how the 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal 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 controls 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 School 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 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 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to 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, CBS  
**AUDITOR-GENERAL**


**Nairobi**

**13 October, 2023**

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2022


DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	291,849	111,347
Capitation grants for operations	2	559,872	766,742
School Fund Income- Parents' Contributions	3	2,305,962	799,119
School Fund Income- Other receipts	4	436,103	512,472
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>3,593,786</b>	<b>2,189,680</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	773,485	590,261
Payments for operations	6	1,390,042	721,695
Boarding and school fund payments	7	1,748,927	884,490
<b>TOTAL PAYMENTS</b>		<b>3,912,454</b>	<b>2,196,446</b>
<b>SURPLUS/DEFICIT</b>		<b>(318,668)</b>	<b>(6,766)</b>

The school financial statements were approved on \_\_\_\_\_ 2022 and signed by:


Sign:   
 Name Matilda Mngoda


Chair BOM

Date 29/9/2022 Date

Sign   
 Name Johnmark M.

School Principal/  
 Secretary to BOM

**PRINCIPAL**  
 JOHNMARK MWANJUMA, SEC. SCH.  
 P. O. Box 136-80309, TAUSA  
 Date 29/9/22 Sign 

Sign   
 Name Valentin Mutuku

Bursar/  
 Finance Officer

**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2022**

	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	120,805	223,603
Cash Balances	9	10,329	80,100
Short term Investment	10		
<b>Total Cash and cash equivalent</b>		<b><u>131,134</u></b>	<b><u>303,703</u></b>
Account's receivables	11	1,649,628	1,469,462
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,780,762</b>	<b>1,773,165</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	1,157,576	831,312
<b>NET FINANCIAL ASSETS</b>		<b>623,186</b>	<b>941,853</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	941,853	948,619
Surplus/Deficit for the year		(318,668)	(6,766)
<b>NET FINANCIAL POSSITION</b>		<b>623,185</b>	<b>941,853</b>

The School's financial statements were approved on \_\_\_\_\_ 2022 and signed by:

Name: Matilda Mungata  
Chairman, BoM

Sign: [Signature]

Date: 29/9/2022

Name: BOUWIS M.  
School Principal/Secretary  
to BoM

Sign: [Signature]

Date: 29/9/22  
**PRINCIPAL**  
JOHNMARK MWANJUMWA SEC. SCH.  
P. O. Box 136-80309, NAIROBI  
Date: 29/9/22 Sign: [Signature]

Name: Naterian Mutuku  
Bursar/Finance

Sign: [Signature]

Date: 29/9/2022

**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022**

		2021-2022	2020-2021
		Kshs	Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	291,849	111,347
Capitation grants for operations	2	559,872	766,742
School fund income- Parents contributions/ fees	3	1,588,593	452,295
School fund income- other receipts	4	436,103	512,472
<b>Total receipts</b>		<b>2,876,417</b>	<b>1,842,856</b>
<b>Payments</b>			
Payments for Tuition		283,620	116,316
Payments for operations		555,616	609,395
Boarding and school fund payments		1,926,130	755,165
<b>Total payments</b>		<b>2,765,366</b>	<b>1,480,876</b>
<b>Net cash flow from operating activities</b>		<b>111,051</b>	<b>361,980</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			
Acquisition of Assets		(283,620)	
Proceeds from investments			
Purchase of investments			
<b>Net cash flows from Investing Activities</b>		<b>(283,620)</b>	
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flow from financing activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(172,569)</b>	<b>361,980</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>303,703</b>	<b>(58,277)</b>
<b>Cash and cash equivalent at END of the year</b>		<b>131,134</b>	<b>303,703</b>

*The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools' should therefore adopt the direct method of cashflow as recommended by PSASB.*



**JOHNMARK MWANJUMWA SECONDARY SCHOOL**

**Reports and Financial Statements**

**For the year ended 30<sup>th</sup> June 2021**

**III. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**

Receipt/expenses item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams	63,435	260,000	323,435	111,346.50	212,088.5	34.42
Teaching / learning materials						
Chalks						
Exams and assessment						
Teachers guides						
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Personnel emoluments	84,555		84,555		84,555	42.01
Repairs and maintenance	400,000		400,000	168,027.20	231,972.8	
Local transport / travelling	20,000		20,000	10,000.00	10,000	50
Electricity and water	50,000		50,000		50,000	
Medical						
Administration costs	121,600		121,600	61,300	60,300	50.41
Activity	789,270		789,270	527,415	261,855	66.82
Others						
Gratuity						
<b>SMASSE</b>						

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments			45,700		45,700	
Repairs and maintenance	20,000	25,700	90,000		90,000	
Local transport / travelling	25,000	65,000				
Electricity and water				799,119	1,200,881	39.96
Lunch programme	1,000,000	1,000,000	2,000,000			
Medical			180,200		180,200	
Administration costs	60,500	119,700				
Activity						
SMASSE						
Fee on Boarding Equipment and Stores						
<b>OTHER INCOME</b>						
Rent income						
Income from farming activities						
Insurance compensation						
Income from Posho mill						
Income from Bus Hire	120,000	126,472	246,472	46,472	200,000	18.85
Arrears	265,000	300,000	565,000	465,000	100,000	82.3
Bursary	11,000	12,000	23,000	1,000	22,000	4.35
Tenders						
Fee for hire of ground and equipment						
Interest income						
Income from any other investment						
<b>TOTAL INCOME</b>				2,189,679.7		

Receipts/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<b>(1) EXPENDITURE FOR TUITION</b>						
Textbooks and reference materials						
Exercise books	110,000		110,000	75,000	35,000	68.18
Laboratory equipment						
Internal exams	500,000		500,000	511,320	{11,320}	102.26
Teaching / learning materials						
Chalks						
Exams and assessment						
Teachers guides						
Administration costs				3,941	{3,941}	
Bank Charges	4,320					
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	507,330		507,330	129,105	378,225	25.45
Repairs, maintenance & improvements						
Local transport / travelling	50,000		50,000	1,500	48,500	3
Electricity, water and conservancy						
Medical						
Administration costs	30,000	40,000	70,000	22,200	47,800	31.71
Activity Expenses	90,000		90,000	71,600	18,400	79.56
Bank charges	8,640			3,240	{3,240}	
Lunch programme	350,000	400,000	750,000	100,000	650,000	13.33
NHIF	28,800		28,800	3,600	25,200	12.5

Receipts/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Fiscal Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Other vote heads	402,000		402,000	390,450	11,550	97.13
Gratuity						
SMASSE						
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Personnel emoluments						
Repairs, maintenance and improvements			43,000	10,600	32,400	24.65
Local transport / travelling	43,000			25,120	{120}	100.48
Electricity, water and conservancy	12,000	13,000	25,000			
Medical Expenses			10,000	2,240	7,760	22.4
Administration costs	10,000					
Activity						
Gratuity	500,000		1,200,000	376,620	823,380	31.39
Lunch programme	30,000	700,000	30,000	119,110	{89,110}	50.55
Other voteheads	600,000		600,000	303,300	296,700	89
Bursary	20,000		50,000	44,500	5,500	60
Salary advances imprest	5,000	30,000	5,000	3,000	2,000	
Boarding Equipment and Stores						
Expenditure for Income Generating Activity						
Insurance costs						
Other expenses on investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						

## **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 30<sup>th</sup> June 20XX.

## X. NOTES TO THE FINANCIAL STATEMENTS

### 1 CAPITATION GRANT FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	291,848.6	111,346.5
Chalks		
Exams and assessment		
Teachers guides		
<b>Total</b>	<b>291,848.6</b>	<b>111,346.5</b>

### 2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	41,000	
Repairs and maintenance	137,000	168,027.2
Local transport / travelling		
Electricity and water		10,000
Medical		
Administration costs		
Activity		61,300
NHIF	18,200	
BOM Tr		
Others	363,672	527,415
<b>Total</b>	<b>559,872.4</b>	<b>766,742.2</b>

### 3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	400,000	
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Medical		
Administration costs		
Lunch programme	1,905,962	799,119
Activity		
<b>Total</b>	<b>2,305,962</b>	<b>799,119</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores		
Rent income		
Income from farming activities		
Insurance compensation		
Income from Posho mill		
Income from Bus Hire		
Students' id	3,900	
Fee for hire of ground and equipment		
Income from grants and donations*		
Arreas	337,203	46,472
Bursary	95,000	465,000
Tenders		
Interest income		
Dividends income		
<b>Total</b>	<b>436,103</b>	<b>512,472</b>

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



## 5 PAYMENTS FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials		
Exercise books		
Laboratory equipment	146,000	75,000
Internal exams		
Teaching / learning materials	625,865	511,320
Chalks		
Exams and assessment		
Teachers guides		
Administration Costs		
Bank Charges	1,620	3,941
<b>Total</b>	<b>773,485</b>	<b>590,261</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 6 PAYMENTS FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	245,040	129,105
Service Gratuity		
Administration Cost	3,200	22,200
Repairs and maintenance & improvements	357,000	
Local transport / travelling	3,000	1,500
Electricity and water		
Medical		
Activity Expenses		71,600
SMASSE		
Insurance Cost		
Lunch programme	73,500	100,000
Covid mitigation		
BOM Trs		
NSSF	95,846	
NHIF	11,600	3,600
Other voteheads	599,165.92	390,450
Bank Charges	1,690	3,240
Acquisition of Assets		
<b>TOTAL</b>	<b>1,390,041.92</b>	<b>721,695</b>

### 7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	330,980	
Service Gratuity		
Repairs and maintenance & Improvements	185,878	
Local transport / travelling	74,680	10,600
Electricity and water	11,200	25,120
Medical Expenses		
Administration costs	42,820	2,240
Lunch Programme	319,755	376,620
Bank Charges	640.6	
Expenses on Income Generating Activities		
Others	673,671	119,110
NSSF	34,202	
NHIF	3,200	
Sundry creditors	71,900	
Fee on Boarding Equipment and Stores		
Bursary		303,300

Salary advances		44,500
Activity		
Imprest		3,000
Rent Expenses		
Insurance Cost (Life Property)		
Loan Principal repayment		
Loan Interest repayment		
Acquisition of Assets		
<b>TOTAL</b>	<b>1,748,926.6</b>	<b>884,490</b>

*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	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	0790260379308	9,741.09	1,512.49
Operations Account	0790260379144	54,556.93	61,526.93
School Fund Account/Boarding	0790269317879	5,716.55	160,563.15
Savings Account			
Parent Association Development Account			
Income generating activities Account			
Infrastructural Account	1288011334	50,790	
<b>Total</b>		<b>120,804.57</b>	<b>223,602.57</b>

**9 CASH IN HAND**

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account		
Operation Account		27,891
School Fund account	10,329	52,209
<b>Total</b>	<b>10,329</b>	<b>80,100</b>

**10 SHORT TERM INVESTMENTS**

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative shares		
Treasury Bills		
Fixed deposit		
Equity stock		
Other investments		
<b>Total</b>		

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 11 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	1,649,628	1,469,462
Other non-fees receivables		
Salary advances		
Imprest		
<b>Total</b>	<b>1,649,628</b>	<b>1,469,462</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	517,369	346,824
Fees arrears for the previous year	1,132,259	1,122,638
Fees arrears for prior periods (over two years)		
<b>Total</b>	<b>1,649,628</b>	<b>1,469,462</b>

### 12 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	1,156,400.92	715,570
Prepaid fees	1,175	115,742
Retention monies		
<b>Total</b>	<b>1,157,575.92</b>	<b>831,312</b>

[Include an ageing of the creditor's arrears below]

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	1,156,400.92	715,570
Trade creditors for the previous year		
Trade creditors for prior periods (over two years)		
<b>Total</b>	<b>1,156,400.92</b>	<b>715,570</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	120,804.57	223,602.57
Cash balances	10,329	80,100
Short Term Investments		
Receivables	1,649,628	1,469,462
Payables	(1,157,575.92)	(831,312)
<b>Total</b>	<b>623,185.65</b>	<b>941,852.57</b>

### 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	2021-2022	2020-2021
	Kshs	Kshs
Bank loan(s)		
Outstanding Leases		
Hire purchase		
Gratuity and leave provision		
<b>Total</b>		

#### 15 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle			
Goats			
Trees			
Coffee or tea plantation			
Poultry			
<b>Total</b>			

#### 16 Borrowings

Description	2021-2022	2020-2021
	KShs	KShs
<b>a) Borrowings</b>		
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
<b>Balance at end of the year</b>		

**Other important disclosure notes**

**17 Stock/ Inventory**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>KShs</b>	<b>KShs</b>
<b>b) Borrowings</b>		
Stock/ inventory at beginning of the year		
Stock/ inventory purchased during the year		
Stock/ inventory issued during the year		
<b>Balance at end of the year</b>		



## 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)

**INMARK MWANJUMWA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**the year ended 30<sup>th</sup> June 2022**

**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 20XX d=a-c Kshs	Outstanding Balance 20XX-1 Kshs	Comments
Construction of buildings						
<b>Sub-Total</b>						
Supply of goods						
<b>Sub-Total</b>						
Supply of services						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**ENMARK MWANJUMWA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**the year ended 30<sup>th</sup> June 2022**

**NEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
land 1						
land 2						
buildings and structures						
motor vehicles						
office equipment, furniture and fittings						
IT Equipment, and Other ICT Assets						
tools and apparatus						
textbooks						
other Machinery and Equipment						
heritage and cultural assets						
intangible assets- soft ware						
<b>total</b>						

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

**JOHNMARK MWANJUMWA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
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Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.						
2.						
3.						
Sub-Total						
<b>Supply Of Goods</b>						
4.						
5.						
6.						
Sub-Total						
<b>Supply Of Services</b>						
7.						
8.						
9.						
Sub-Total						
<b>Grand Total</b>						

**J. MARK MWANJUMWA SECONDARY SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**Annex 2 – Summary Of Fixed Assets Register**

<b>Asset Class</b>	<b>Date purchased</b>	<b>Location</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2022</b>
Land 1						
Land 2						
Buildings And Structures						
Motor Vehicles						
Office Equipment, Furniture And Fittings						
ICT Equipment, And Other ICT Assets						
Tools And Apparatus						
Textbooks						
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
<b>Total</b>						

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