

REPUBLIC OF KENYA



Enhancing Accountability

REPORT THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 21 FEB 2024

DAY.

WED

OF

TABLED
BY:

Hon. Naomi Wago, MP
Deputy Majority Party Whip

CLERK-AT
THE-TABLE:

Finlays

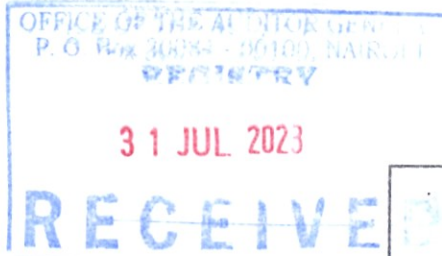
THE AUDITOR-GENERAL

ON

MGHALU HIGH SCHOOL

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

TAITA/TAVETA



Revised 30th June 2022



MGHALU HIGH SCHOOL

PUBLIC SECONDARY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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

MGHALU HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

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MIGIALU HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

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I. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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	

2. Key School Information and Management

(a) Background information

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

The school was registered in MAY/1976 under registration number 2663 and is currently categorized as a COUNTY (*National, Extra County, County and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had 329 number of students as at 30th June 2022. It has 2 streams and 17 teachers of which 2 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	DENNIS TANGAI	Chairman	09/08/2019
2	GRIFFIN MWAGESHA MASAWE	Secretary - Principal	09/08/2019
3	IRENE ,MALEMBEKA	Member	09/08/2019
4	ALEX MWASI HUNDERSON MNGERENYI	Member	09/08/2019
5	MIRIUM MUIRURI	Member	09/08/2019
6	EASTHER KATEMBO	Member	09/08/2019
7	ARAFAT MACHILA	Member	09/08/2019
8	DENNIS TANGAI	Member – Rep CEB	09/08/2019
9	MARY SONGIK	Member Rep Teachers	09/08/2019
10	GODFREY MWAMBALA JOSEPH MWAWASI REV ALEX MWASI	3 Members - Sponsor	09/08/2019
11	GABRIEL MAKONGO	Member - Community	09/08/2019
12	PAULINE KIRIGHA	Member Special Needs	09/08/2019
13	JENEBI IHAMISI	Rep Students	09/08/2019

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref :	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.DENNIS TANGAI 2.IRENE MALEMBEKA 3. ARAFAT MACHILA 4. ARTHUR MZEE 5. GRIFFIN MWAGESHA	CHAIRPERSON PA CHAIR BOM MEMBER BOM MEMBER SECRETARY	6
2	Audit Committee			X out of XX
3	Finance, procurement and general purposes Committee	MR.GABRIEL MAKIONGO MDM. IRENE MALEMBEKA MR. THOMAS MWADALI MR. HANDERSON MNGERENYI MDM. ESTHER MWAMACHI	MEMBER MEMBER CHAIRPERSON ACCOUNTS CLERK MEMBER	1
4	Academic Committee	MR. JOSEPH MWASHUMBE MR. DARIUS MWAKAMBA	MEMBER DOS.	1

		MDM. IRENE MALEMBEKA MR. GODFREY MWAMBULA MR. ALEX MWASI	MEMBER CHAIRPERSON MEMBER	
5	Development Committee	MR. DENNIS TANGAI MDM. IRENE MALEMBEKA MR. GODFREY MWAMBALA MR. ALEX MWASI	MEMBER MEMBER MEMBER CHAIRPERSON	4
6	Discipline and welfare Committee	MR. JOSEPH NDALO MDM. IRENE MALEMBEKA MDM. MARY SONGOK MDM. ESTHER MWAMACHI	DEPUTY PRINCIPAL PA. CHAIR GUIDANCE AND COUNCELLING PATRON MEMBER	4
7	Adhoc Committee (if any during the year)	MR. JOSEPH NDALO MR. THOMAS MWADALI MDM. NAOMI MWAIENGO MR. DARIUS MWAKAMBA MR. ERIC ONGORO MR. MICHAEL KIMAILE	CHAIRPERSON ACCOUNTS CLERK STORE KEEPER DOS HOD BOARDING HOD SCIENCES	1

(d) School operation Management

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

Ref :	Designation	Name	Identification
1	Principal	GRIFFIN MWAGESHA MASAWE	TSC No. 358257
2	Deputy Principal	RAPIHAEL MUSILI	TSC No.389455
3	School Bursar	THOMAS MAGHANGA MWADALI	13268002
4	Other (specify)		

(c) Schools contacts

Post Office Box: 1258-80304
 Telephone: 0748368675
 E-mail: mghalusecondary71@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI
 Account Number: 1103813870(SCHOOL FUND ACCOUNT M PESA PAY
 BILL BELOW)
2. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI
 Account Number: 1103827111 (TUITION ACCOUNT)
3. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI
 Account Number: 1103831964(OPERATION ACCOUNT)
4. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI
 Account Number: 1213052785(INFRASRACTURE ACCOUNT)
5. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI
 Account Number: 1102782270(Examination/caution money account)
6. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI
 Account Number: 1102621110(P.T.A)
7. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI
 Account Number: 1102622419(Personal Emoluments)
8. Name of Bank: KENYA COMMERCIAL BANK
 Branch: WUNDANYI

Account Number 1118213521(ADB/GOK Project)
MPESA Pay bill No. 522123 a/c 63581K attached to KCB bank account

(g) Independent Auditors

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

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:

(Under this section, the following information should be given:

- Surplus/ deficit for the year and a comparison of the same for the last three years
- Capitation grants from the Ministry of Education for the last three years
- A three-year overview of growth of other income(s) earned by the school.
- A three-year overview of growth in expenditure of the school
- Movement of debtors and creditors of the school over the last three years

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

		2021-2022	2020-2021
Surplus/Deficit		1,572,145.60	2,130,138.80
Capitation actual amount		3,997,957.90	3,869,730.18
Ratio			
Overview other incomes			
Growth expenditure		196,650.05	4,533,325.65
Movement	Debtors	17,064,609.00	15,328,241
	Creditors	926,406.00	1024,135
Movement	Cash	54,877.00	16,667
	Bank	510,411.80	2,271,609.10

b) Teacher Student ratio:

(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).

c) Mean score in the 2018-2020 KCSE:

YEAR	MEAN SCORE
2019	3.717
2020	3.455

MGHALU HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

2021	4.0714
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Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

d) Number of Candidates in the 2019-2021 KCSE:

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

YEAR	ENTRY	A	A-	B	B	B	C	C	C-	D	D	D	E	MEAN SCORE	MEAN GRADE
				+		-	+			+		-			
2019	46	0	0	0	0	0	1	5	8	7	16	9	0	3.717	D+
2020	66	0	0	0	0	0	2	7	5	13	19	8	2	3.455	D
2021	84	0	0	0	0	2	4	1	13	20	16	17	0	4.0714	D+
								2							

e) Capacity of the school:

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

FACILITY	CAPACITY	STUDENTS
BOYS DORMITORY	200	58
GIRLS DORMITORY	84	54
GIRLS TOILETS	13	124
BOYS TOILET	14	176
DINNING HALL	N/A	300
LABORATORY	3	300
CLASSROOMS	10	300

f) Development projects carried out by the school:

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

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
ONE CLASSROOM	MOEST	COMPLET E			
RENOVATION OF THREE CLASSROOMS	MOEST	COMPLET E			
STAFFROOM ROOF	MOEST	COMPLET E			



.....
School Principal

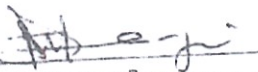
4. Statement of School Management Responsibility

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

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

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

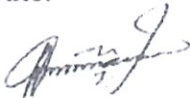
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022 and of the school's financial position as at that date.



.....
Name: Dennis Tangai

Designation: Chairman, School Board of Management

Date:



.....
Name: Griffin Mwagesha

Designation: School Principal & Secretary to Board of Management

Date:



.....
Name: Thomas Mwadali

Designation: Bursar/ Finance Officer

Date:



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON MGHALU HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022- TAITA/TAVETA

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 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

Qualified Opinion

I have audited the accompanying financial statements of Mghalu High School - Taita/Taveta set out on pages 18 to 38, which comprise of the statement of assets and

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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Mghalu High School - Taita/Taveta as at 30 June, 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 comply with the Public Finance Management Act, 2012 and Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.17,064,609 as disclosed in Note 12 to the financial statements. This balance comprises of fees arrears for the previous year of Kshs.7,789,266, fees arrears for prior periods that are over two (2) years of Kshs.9,175,043, salary advance of Kshs.28,150 and outstanding imprest Kshs.72,150. However, this balance has not been supported by a listing and debtors ledger reflecting the amount owed by each student, persons or firms. Further, no imprest register was maintained and provided for audit.

In the circumstances, the accuracy and recoverability of accounts receivables balance of Kshs.17,064,609 could not be confirmed.

2. Unsupported Accounts Payables

The statement of financial assets and liabilities reflects accounts payable balance of Kshs.1,587,256 as disclosed in Note 13 to the financial statements. However, the list of creditors and accounts payable aging analysis were not provided for audit.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.1,587,256 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

Review of cash and cash equivalents revealed that there were no bank reconciliation statements for the bank accounts and as disclosed in Note 8 in the financial statements. This is contrary to Regulation 90(1) of the Public Finance Management (National Government) regulations, 2015 which states 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. Further five (5) dormant accounts were not disclosed in the financial statements as detailed below;

	Account	Balance (Kshs.)
1	Examination / Caution Money	88,836
2	P.T.A.	234,722
3	Personal Emoluments	5,850
4	ADB/G.o.K Project/G.o.K Bursary	70,551

In addition, the cashbook is prepared, maintained and reviewed by one person and therefore there is no segregation of duties.

In the circumstances, there are weaknesses in the preparation and review of cash book.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mghalu High 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 qualified opinion.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Anomalies in the Supply and Delivery of Forty (40) Double Deckers

During the year under review Kshs.560,000 was paid to a firm for supply of forty (40) double deckers. However, the following anomalies were noted;

- i. The payment voucher was not supported by an invoice and local purchase order;
- ii. It was observed that there were no requisitions for the double deckers from the user, leading to contravening the procurement rules and regulations;

- iii. The double deckers were not captured in the stores ledger contrary to Section 162(1) of the Public Procurement and Asset Disposal Act, 2015 states that an accounting officer of a procuring entity shall ensure that all inventory, stores and assets purchased are received, but shall not be used until taken on charge and as a basis for ensuring that all procured items are properly accounted for and put in proper use as intended by the procuring entity;
- iv. The expenditure was not disclosed in the financial statements and cashbook;
- v. Physical count confirmed that the double deckers were forty-seven (47) in number instead of forty (40).

In the circumstances, the occurrence, and regularity of the expenditure of Kshs.560,000 incurred could not be confirmed and 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 Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

There was no audit committee within the Board of Management and the School lacks an internal audit function.

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

2. Lack of Risk Management Policy

The School has no risk management structures and no policies have been formulated by Management and approved by the Board of Management.

In the circumstances, the Management may not adequately mitigate risk exposure.

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 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 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 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


MGHALU HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

6. Statement Of Receipts and Payments For the Year Ended 30th June 2022

Description Of Vote Head	Note	Insert Current 2021-2022	Insert Comparative 2020-2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	886,481.80	350,998.25
Government grants for operations	2	3,869,502.50	4,288,154.65
Government Grants for infrastructure	3	1,530,000.00	1,814,294.75
School fund income- parents' contributions	4	14,829,245.00	4,124,036.55
Miscellaneous incomes	5		
Total Receipts		21,115,229.30	10,577,483.95
Payments			
Tuition	6	992,414.00	236,542.00
Operations	7	4,244,274.20	1,757,002.40
Infrastructure	8	692,000.00	1,237,361.25
Boarding and school fund	9	9,550,450.80	6,453,780.80
Total Payments		14,787,139.00	8,447,325.20
Surplus/Deficit		6,398,090.30	2,130,158.75.00

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



Name: Dennis Tangai

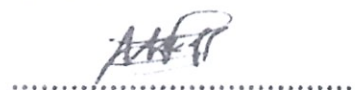
Chair BOM

Date:



Name: Griffin Mwagesha
School Principal/ Secretary to BOM

Date:



Name: Thomas Mwadali

Bursar/ Finance Officer

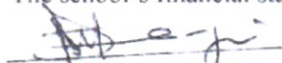
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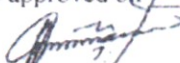
(Comparative FY refers to the financial year preceding the current financial year.)

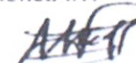
7. Statement of Assets and Liabilities As At 30th June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,675,209.00	2,272,609.10
Cash balances	11	91,682.00	16,667.00
Short term investments	12		0
Total cash and cash equivalent		1,766,891.00	2,289,276.10
Account's receivables	13	17,064,609.00	15,328,241.00
Total financial assets		18,831,500.00	17,617,517.10
Financial liabilities			
Accounts payables	14	1,587,256.00	1,024,135.00
Net financial assets		17,244,244.00	16,593,382.10
Represented by			
Accumulated fund b/fwd	15	16,593,382.10	14,462,243.30
Surplus/deficit for the year		6,328,090.30	2,130,158.75
Net financial position		17,244,244.00	16,592,402.05

The school's financial statements were approved on _____ 2022 and signed by:







Name: Dennis Tangai

Name: Griffin Mwagesha
School Principal/ Secretary to
BOM

Name: Thomas Mwadali

Chair BOM

Bursar/ Finance Officer

Date:

Date:

Date:

(Comparative FY refers to the financial year preceding the current Financial year.)

8. Statement of Cash Flows for the Year Ended 30th June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	886,481.80	350,988.25
Government grants for operations	2	3,938,504.50	4,288,154.65
Government grants for infrastructure	3	1,530,000.00	1,814,294.75
School fund income- parents contributions/ fees	4	14,829,245.00	4,124,036.55
Other income			
Total receipts		21,184,231.30	10,577,484.20
Payments			
Cash outflows for tuition	5	992,414.00	236,542.00
Cash outflows for operations	6	4,244,274.20	1,757,002.40
Cash outflows Boarding/ lunch and school fund payments	7	9,550,450.80	6,453,780.80
Total payments		14,787,139.00	8,447,325.20
Net cash inflow/outflow from operating activities		6,397,092.30	2,130,159.00
Cash flow from investing activities			
Acquisition of assets			0
Proceeds from sale of Assets			0
Proceeds from investments			0
Purchase of investments			0
Net cash inflow/outflows from investing activities			0
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		0
Repayment of principal borrowings			0
Net cash inflow/outflow from financing activities			0
Net increase/decrease in cash and cash equivalents		6,397,092.30	2,130,138.80
Cash and cash equivalent at beginning of the FY		2,735,339.55	605,180.55
Cash and cash equivalent at end of the FY		9,132,431.85	2,735,339.55

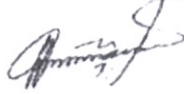
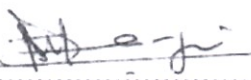
Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(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).

MGHALU HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

The school's financial statements were approved on _____ 2022 and signed by:



.....
Name: Dennis Tangai

.....
Name: Griffin Mwagesha
School Principal/ Secretary to
BOM

.....
Name: Thomas Mwadali

Chair BOM

Bursar/ Finance Officer

Date:

Date:

Date:

(Comparative FY refers to the financial year preceding the current Financial year.)

MGHALU HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget		Adjustments		Final Budget		Actual On Comparable Basis		% Of Utilization	
	a	Kshs	b	Kshs	c=a+b	Kshs	d	Kshs	e=d/c %	Kshs
Receipts										
<i>(1) Capitation Grant on Tuition</i>										
Reference Materials	0		0		0		0		100	
Exercise Books	225,000		45,000		270,000		223,000		80%	
Laboratory Equipment	100,500.00		148,500.00		249,000.00		150,000.00		60%	
Internal Exams	355,000.00		45,000.00		400,000.00		395,000.00		90%	
Teaching / Learning Materials	180,000.00		20,000.00		200,000.00		195,000.00		90%	
Exams And Assessment	180,000.00		20,000.00		200,000.00		65,000.00		30%	
<i>(2) Capitation Grant on Operations</i>										
Personnel Emoluments	1,734,333.60		0		1,734,333.60		1,734,333.60		100%	
Repairs And Maintenance	1,050,000.00		0		1,050,000.00		1,050,000.00		100%	
Local Transport / Travelling	973,000.00		0		973,000.00		973,000.00		100%	
Electricity And Water	418,125.00		0		418,125.00		418,125.00		100%	
Medical	99,600.00		0		99,600.00		99,600.00		100%	
Administration Costs	267,941.00		0		267,941.00		267,941.00		100%	
Activity	277,500.00		0		277,500.00		277,500.00		100%	
Gratuity	0		0		0		0		x	
0	0		0		0		0		x	
<i>3) FDSE for infrastructure</i>										

MGHALU HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

Maintenance & Improvement MoE	0	0	0	0	0	X
M&I parents' contribution	0	0	0	0	0	X
Economic Stimulus Programs	0	0	0	0	0	X
Transition Infrastructure Grants	0	0	0	0	0	X
Administration Block	0	0	0	0	0	X
(4) Fees Charged on Parents						
Personnel Emoluments	1,281,000.00	0	1,281,000.00	1,281,000.00	1,281,000.00	100%
Repairs And Maintenance	600,000.00	0	600,000.00	600,000.00	600,000.00	100%
Local Transport / Travelling	195,000.00	0	195,000.00	195,000.00	195,000.00	100%
Electricity And Water	1,470,000.00	0	1,470,000.00	1,470,000.00	1,470,000.00	100%
Medical	0	0	0	0	0	X
Administration Costs	555,000.00	0	555,000.00	555,000.00	555,000.00	100%
Activity	150,000.00	0	150,000.00	150,000.00	150,000.00	100%
SMASSE:	0	0	0	0	0	X
Fee On Boarding Equipment and Stores	7,299,600.00	0	7,299,600.00	7,299,600.00	7,299,600.00	100%
5) Miscellaneous Income						
Loans / Borrowing	0	0	0	0	0	X
Rent income	0	0	0	0	0	X
Income from Farming Activities	0	0	0	0	0	X
Insurance Compensation	0	0	0	0	0	X
Income From Posho Mill	0	0	0	0	0	X
Income from Bus Hire	0	0	0	0	0	X
Fee For Hire of Ground and Equipment	0	0	0	0	0	X
Interest Income	0	0	0	0	0	X
Income From Any Other Investment	0	0	0	0	0	X
Total Income						
(6) Expenditure For Tuition						

MGHALU HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

Textbooks	0	0	0	0	0
Reference Materials	0	0	0	0	x
Exercise Books	270,000.00	0	270,000.00	270,000.00	100%
Laboratory Equipment	249,000.00	0	249,000.00	249,000.00	100%
Internal Exams	400,000.00	0	400,000.00	400,000.00	100%
Teaching / Learning Materials	200,000.00	0	200,000.00	200,000.00	100%
Chalks	68,000.00	0	68,000.00	68,000	100%
Exams And Assessment	150,000.00	0	150,000.00	150,000.00	100%
Teachers Guides	0	0	0	03	x
Administration Costs	0	0	0	0	x
Bank Charges	582	0	582	582	100%
(7) Expenditure For Operations					
Personnel Emoluments	1,734,333.60	0	1,734,333.60	1,734,333.60	100%
Repairs, Maintenance & Improvements	1,050,000.00	0	1,050,000.00	1,050,000.00	100%
Local Transport / Travelling	973,000.00	0	973,000.00	973,000.00	100%
Electricity, Water and Conservancy	418,125.00	0	418,125.00	418,125.00	100%
Medical	418,125.00	0	418,125.00	418,125.00	100%
Administration Costs	267,941.00	0	267,941.00	267,941.00	100%
Activity Expenses	277,500.00	0	277,500.00	277,500.00	100%
Gratuity	0	00	0	0	x
SMASSE	0	0	0	0	x
(8) Expenditure For infrastructure					
Construction of classrooms	0	0	0	0	x
Construction of LAB	0	0	0	0	x
Construction of DORMS	0	0	0	0	x

MGHALU HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2022

Purchase of furniture	0	0	0	0	X
Purchase of equipment	0	0	0	0	X
Purchase of machinery	0	0	0	0	X
(9) Expenditure For school fund/lunch/boarding					
Personel Emoluments	1,281,000.00	0	1,281,000.00	1,281,000.00	100%
Repairs, Maintenance and Improvements	600,000.00	0	600,000.00	600,000.00	100%
Local Transport / Travelling	195,000.00	0	195,000.00	195,000.00	100%
Electricity, Water and Conservancy	1,470,000.00	0	1,470,000.00	1,470,000.00	100%
Medical Expenses	0	0	0	0	X
Administration Costs	555,000.00	0	555,000.00	555,000.00	100%
Activity	150,000.00	0	150,000.00	150,000.00	100%
Gratuity	0	0	0	0	0
Lunch Programme	0	0	0	0	0
Boarding Equipment and Stores	7,299,600.00	0	7,299,600.00	7,299,600.00	100%
Expenditure For Income Generating Activity	0	0	0	0	0
Insurance Costs	0	0	0	0	0
Other Expenses On Investments	0	0	0	0	0
Rent Expenses	0	0	0	0	0
Bank Charges	0	0	0	0	0
Loan Interest Repayment	0	0	0	0	0
Loan Principal Repayment	0	0	0	0	0
Acquisition Of Assets	0	0	0	0	0
Totals	0	0	0	0	0

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

10.

11. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for: a) receivables that include school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *MGHALU HIGHB 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3.

In-kind contributions

In-kind contributions are donations that are made to the *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.

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

12. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Reference Materials		0
Exercise Books		0
Laboratory Equipment		0
Internal Exams		0
Teaching / Learning Materials	886,431.80	350,998.25
Others (specify)* BANK charges		
Total	886,431.80	350,998.25

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	1,713,500.00	0
Repairs And Maintenance	2,156,002.50	0
Local Transport / Travelling		0
Electricity And Water		0
Medical		0
Administration Costs		0
Activity		0
Other Vote Heads (specify)*		4,288,154.65
Total	3,869,502.50	4,288,154.65

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Maintenance & Improvement	1,530,000.00	1,814,294.75
Transition infrastructure grants		0
Administration Block		0
Economic stimulus grants		0
Other (specify)(NGCDF and County govt.		0
Total	1,530,000.00	1,814,294.75

4 School Fund Income - Parents Contribution/Fees

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	423,468.00	268,669.00
Repairs and maintenance	278,010.00	185,629.00
Local transport / travelling	33.00	53,125.00
Electricity and water	398,410.00	391,174.00
Medical		0
Administration costs	226,281.00	82,275.00
Activity	644,082.00	26,890.00
Fee on Boarding Equipment and stores	12,842,261.00	3,116,274.55
PA Levies*		0
Others (specify)Rent, tenders	16,700.00	0
Total	14,829,245.00	4,124,036.55

*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.

5 Miscellaneous Incomes

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent Income	0	0
Income From Farming Activities	0	0
Insurance Compensation	0	0
Income From Posho Mill	0	0
Income From Bus Hire	0	0
Fee For Hire of Ground and Equipment	0	0
Income From Grants and Donations*	0	0
Interest Income	0	0
Dividends Income	0	0
Loans/Borrowings*	0	0
Other Income (specify) *	0	0
Total	0	0

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

*Ensure proper authorization from MOE before obtaining loans/borrowings.

*Indicate what other income relates to including income arising from writebacks if any.

Notes to the Financial Statements (continued)

6 Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Exercise Books		0
Textbooks		0
Reference materials		0
Laboratory Equipment		0
Teaching / Learning Materials	990,812.00	235,960.00
Exams And Assessment		0
Teachers Guides		0
Bank Charges	1,602.00	582.00
Others (specify)		0
Total	992,414.00	236,542.00

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7 Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	1,018,582.20	0
Service Gratuity		0
Administration Cost	1,123,837.00	0
Repairs And Maintenance & Improvements	1,554,355.00	37,170.00
Local Transport / Travelling	268,700.00	0
Electricity And Water	259,000.00	0
Bank charges		726
Activity Expenses	19,800.00	0
Insurance Cost		0
Others (specify) Other vote heads		1,719,106.40
Total	4,244,274.20	1,757,002.40

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Construction of classrooms		0
Construction of laboratory		00
Construction of dormitory		0
Purchase of furniture		00
Purchase of equipment		0
Purchase of apparatus		0
Drilling of boreholes		0
Others (specify)Infrastructure	692,000.00	1,237,361.25
Total	692,000.00	1237361.25

9 Boarding And School Fund

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	653,419.80	677,987.55
Service Gratuity		0
Repairs And Maintenance & Improvements	80,300.00	12,000.00
Local Transport / Travelling	338,800.00	65,000.00
Electricity And Water	164,086.00	23,398.00
Medical Expenses		0
Administration Costs	703,467.00	29,424.00
Lunch Programme	6,707,378.00	4,408,110.00
Bank Charges		0
Expenses On Income Generating Activities**		0
Fee On Boarding Equipment and Stores		0
Rent Expenses		0
Activity	211,000.00	0
Loan Principal Repayment		0
Loan Interest Repayment		0
Acquisition Of Assets		0
PA expenses		0
Others (specify)		500
Total	8,858,450.80	5,215,399.75

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. 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)

1 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021-2022	2020-2021
	Active/Dormant		Kshs	Kshs
Tuition Account	ACTIVE	1103827111	61,067.45	166,999.65
Operations Account	ACTIVE	1103831984	78,750.35	540,420.05
School Fund Account/Boarding	ACTIVE	1103813870	247,886.70	732,546.50
EXAM, caution money	DORMANT	1102782270		88,836.40
Parent Association Development Account	DORMANT	1102621110		234,721.50
Personal Emoluments Account	DORMANT	1102622419		5,849.50
Infrastructural Account	ACTIVE	1213052785	1,287,504.50	503,235.50
Total			1,675,209.00	2,272,609.10

10 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Notes and Coins		
Operation Account	54,877.00	16,667.00
School fund Account	36,805.00	
Total	91,682.0	16,667.00

11 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

MGHALU HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

Notes to the Financial Statements (continued)

12 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	16,954,309.00	15,236,091.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	28,150.00	28,150.00
Imprest (list/schedule attached)	64,000.00	64,000.00
Rent arrears (list/schedule attached)		
Total	17,056,459.00	15,328,241.00

13 b Ageing Analysis of Accounts Receivable

Description	2021-2022		2020-2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (should tie to note 13 a)	0	%	0	%

13 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	674,867.00	279,205.00
Prepaid Fees	220,389.00	236,970.00
Retention Monies		xxx
Unpaid salaries and statutory deductions		xxx
Caution money		xxx
Other payables (specify BUSSARY)	692,000.00	507,960.00
Total	1,587,256.00	1,024,135.00

Other important disclosure notes

IPSAS Cash Standard encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

15 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify) ADB/GOK	70,551.00	0
Total	0	0

16 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle		0	0
Goats		0	0
Trees		0	0
Coffee Or Tea Plantation		0	0
Poultry		0	0
Others (specify)		0	0
Total		0	0

17 Borrowings

Description	2020-2021	2019-2020 KSH
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	0	0
Balance at the end of the year	0	0

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2020-2021		2019-2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0	%	0	%
Between 1- 2 years	0	%	0	%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (should tie to note 14)	0	%	0	%

14 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	2,272,609.10	2,418,186.30
Cash Balances	16,667.00	13,289.00
Short Term Investments	0	0
Receivables	15,328,241.00	13,217,769.00
Payables	(1,024,135.00)	(1,187,001.00)
Total	16,593,382.10	14,462,243.30

Other important disclosure notes

18 Stock/ Inventory

Description	2020-2021	2019-2020
	Kshs	Kshs
Food stuffs	0	0
Lab consumables	0	0
Farm produce	0	0
Medication	0	0
Construction Materials	0	0
Others (specify)	0	0
	0	0

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

19 Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal

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13. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total						

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 20XX
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				

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