

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

**THE NATIONAL ASSEMBLY
PAPERS LAID**

DATE: 04 MAR 2025

DAY.

Tuesday

OF

**TABLED
BY:**

Deputy chief whip
Hon. Naomi Jillo

**CLERK-AT
THE-TABLE:**

Benson Inzafu

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**NGALA MEMORIAL SECONDARY
SCHOOL**

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

KILIFI COUNTY



(Revised 30th June 2022.



NGALA MEMORIAL SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL

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
Accounting Standards (IPSAS)



(Leave this it Blank)

Table of Contents	Page
I. Key School Information And Management.....	v
II Summary Report Of Performance Of The School	ix
III Statement Of School Management Responsibility.....	xii
IV. Report Of The Independent Auditors (<i>To be attached</i>).....	xiv
V. Statement Of Receipts And Payments Period To 30 th June 2022.....	1
VI. Statement Of Financial Assets And Financial Liabilities As At 30 th June 2022	2
VII. Statement of Cash Flows for The Period Ended 30 th June 2022	3
VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2022	4
IX. Significant Accounting Policies	9
X. Notes To The Financial Statements	11

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 KILIFI County, KALOLENI Sub-County.

The school was registered in 02/03/2011 under registration number PU/S/2/5412/11 and is currently categorized as a COUNTY public school established, owned or operated by the Government.

The school is a day and boarding school and had 1045 number of students as at 30th June 2022. It has 4 streams and 31 teachers of which 16 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	Year of Appointment
1	ESTHER LUGANJE	Chairman	2019
2	PETER MANTHI	Secretary - Principal	2018
3	AMOS MWAKOTO	Member	2019
4	MATRHA KITSAO	Member	2019
5	NELLY MEDZA	Member	2019
6	GLADYS SAHA	Member	2019
7	KIIO NDUNGE	Member	2019
8	HAMMERTON ZOKA	Member – Rep CEB	2019
9	KENNETH MANGI	Member Rep Teachers	2019
10	MISHI NGALA, EVERLYNE KIEMA JUDITH KAMBI	3 Members - Sponsor	2019
11	BERNARD BAYA	Member - Community	2019
12	SIMON ZEMBE	Member Special Needs	2019
		Rep Students	

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):

Sl. No.	Name of Committee	Names of Members	Designation	
1	Executive Committee	ESTHER LUGANJE PETER MANTHI AMOS MWAKOTO HAMMERTON ZOKA	CHAIRPERSON SECRETARY MEMBER MEMBER	
2	Audit Committee	SIMON ZEMBE BERNARD BAYA GLADYS SAHA JUDITH KAMBI	CHAIRPERSON MEMBER MEMBER MEMBER	
3	Finance, procurement and general purposes Committee	MISHI NGALA EVERLYNE KIEMA ESTHER LUGANJE AMOS MWAKOTO PATIENCE SAHA	CHAIRPERSON MEMBER MEMBER MEMBER MEMBER	
4	Academic Committee	HAMMERTON ZOKA KENNETH MANGI AMOS MWAKOTO GLADYS SAHA	CHAIRPERSON MEMBER MEMBER MEMBER	

5	Development Committee		
6	Discipline and welfare Committee	KIIO NDUNGE MARTHA KITSAO EVERLYNE KIEMA JUDITH KAMBI	CHAIRPERSON MEMBER MEMBER MEMBER
7	Adhoc Committee (if any during the year)		

(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	TIC Number
1	Principal	PETER MANTHI	359629
2	Deputy Principal	JILLANI MWAGAMBO	420010
3	School Bursar	PATIENCE SAHA	ID. NO. 21832579

(e) Schools contacts

Post Office Box: 565-80113 MARIAKANI.
 Telephone: 0745337198
 E-mail: XXXXXXXXX
 Website: XXXXXXXXX
 Facebook:
 Twitter:

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

- Name of Bank: KENYA COMMERCIAL BANK
 Branch: MARIAKANI
 Account Number: 1107819954 MAIN ACCOUNT

 Name of Bank: KENYA COMMERCIAL BANK
 Branch: MARIAKANI
 Account Number: 1107820871 OPERATION ACCOUNT

 Name of Bank: KENYA COMMERCIAL BANK

Branch: MARIAKANI
Account Number: 1107820715 TUITION ACCOUNT

Name of Bank: KENYA COMMERCIAL BANK
Branch: MARIAKANI
Account Number: 1254149856 INFRASTRUCTURE ACCOUNT

2. MPESA Pay Bill No. xxxxxxxx attached to XX 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

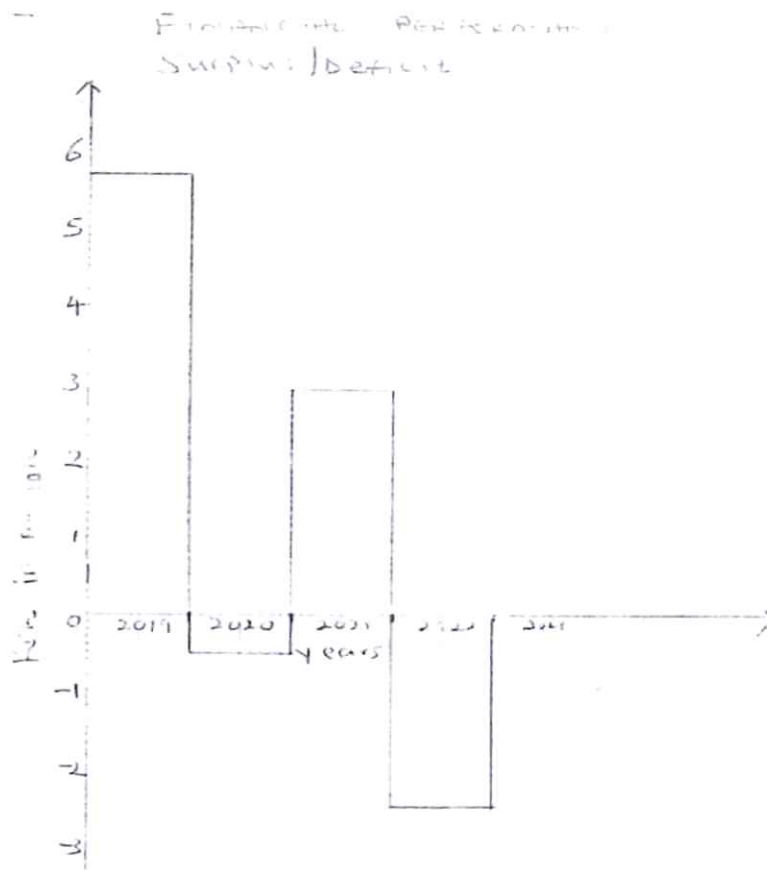
II. Summary Report Of Performance Of The School

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

1. Financial performance:

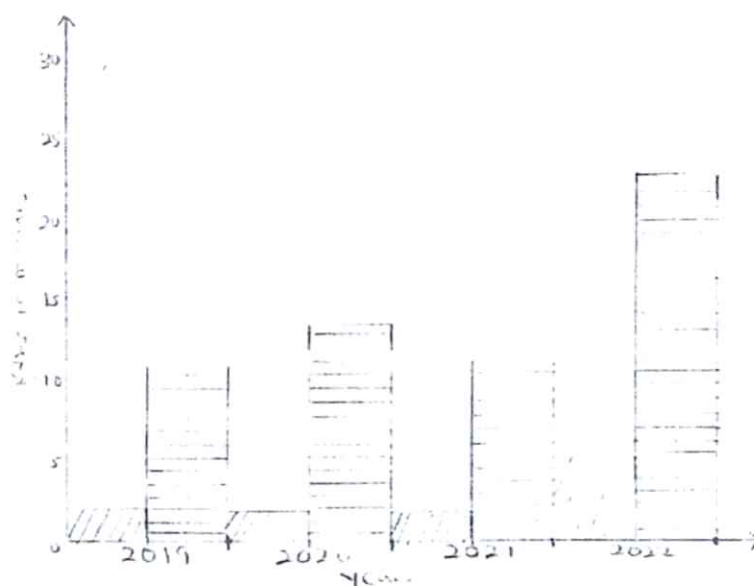
1. Surplus / deficit for the year and its comparison.

YEAR	DESCRIPTION	AMOUNT	PAGE REFERENCE
2021-2022	DEFICIT	2,545,278.00	Pg 1
2021	SURPLUS	2,919,713.00	Pg 1
2020	DEFICIT	549,977.00	
2019	SURPLUS	5,722,960.00	



2. Capitation Grant from Ministry.

ACCOUNT	2021-2022	2021	2020	2019
TUITION	5,250,997.40	1,802,222.25	1,930,852.00	2,141,780.20
OPERATION	22,984,515.20	11,306,897.40	13,535,725.00	11,098,456.10



KEY

□ — Tuition

▨ — Operation

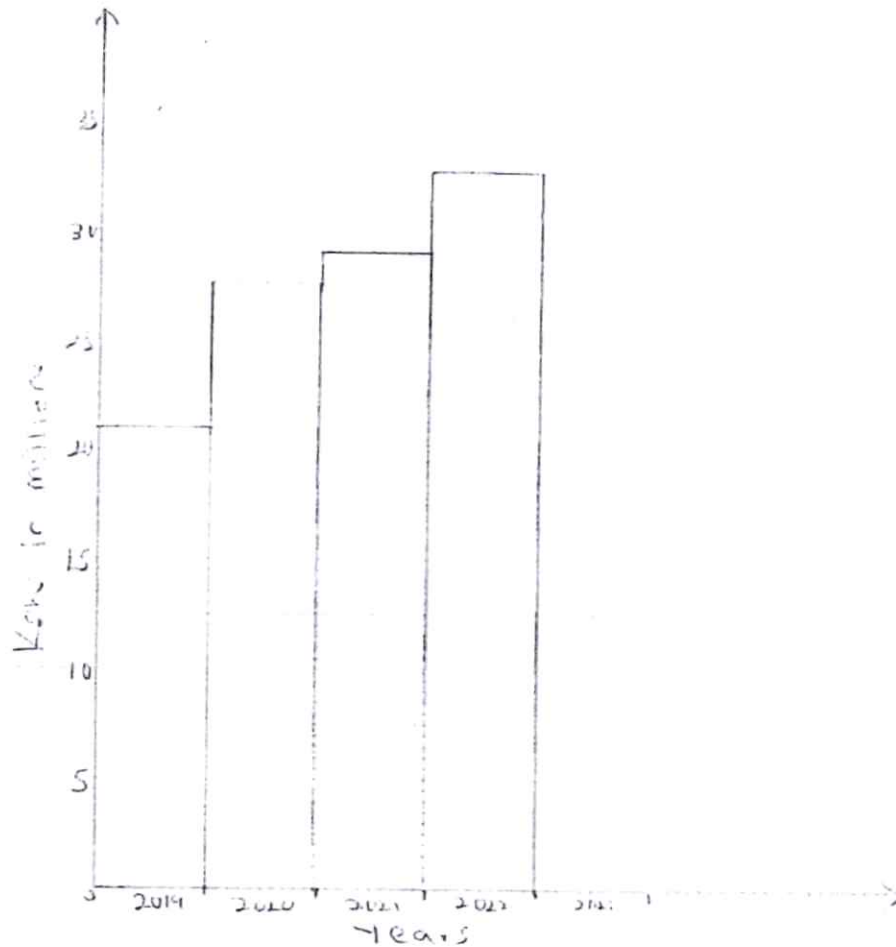
3. Capitation Grant per Student Ratio.

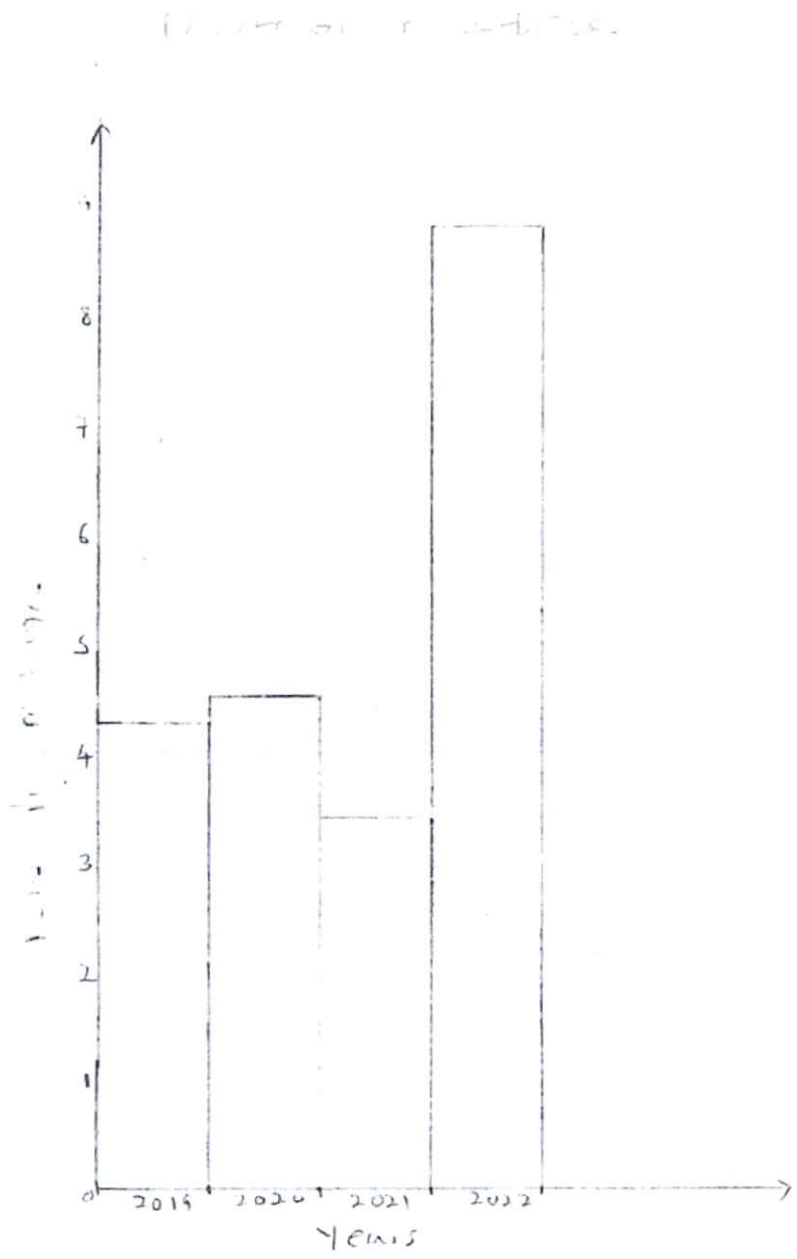
ACCOUNT	2021-2022	2021	2020	2019
TUITION	1:2958.6	1:434	1:2797.25	1:2702.80
OPERATION	1:13082.20	1:2043	1:16331.55	1:13946.20

4. Movements in Debtors and Creditors.

DESCRIPTION	2021-2022	2021	2020	2019
DEBTORS	32,855,169.00	29,387,240.90	27,663,619.00	21,047,251.00
CREDITORS	8,797,529.00	3,403,195.00	4,560,128.35	4,293,984.30

Movement in Debtors

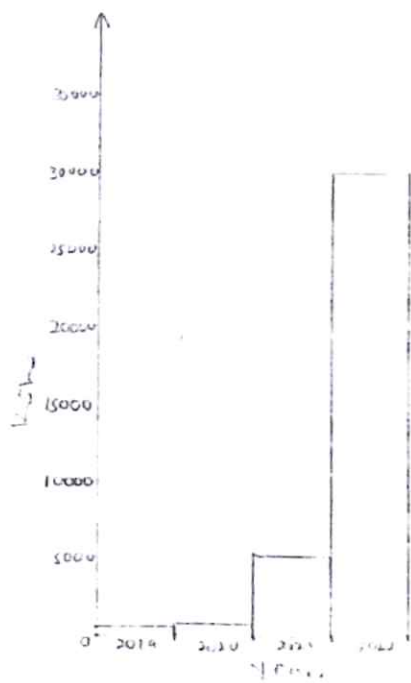




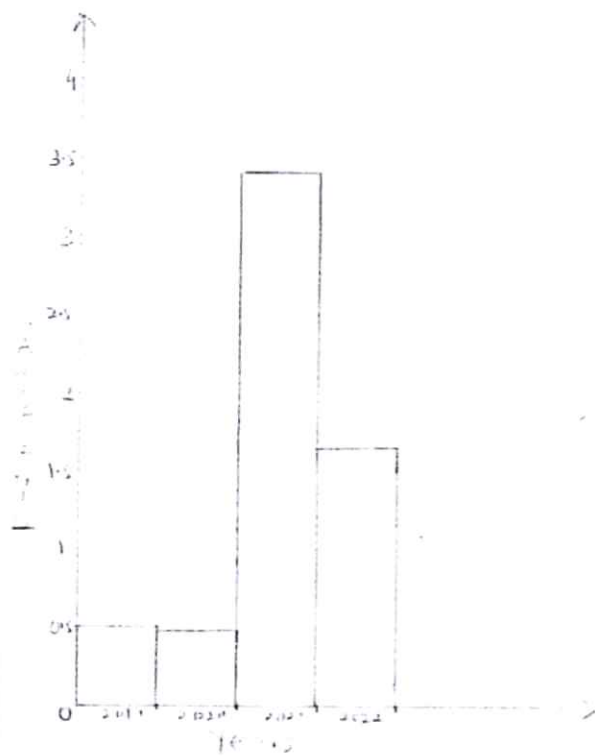
5. Movement in Cash and Bank balances.

DESCRIPTION	2021-2022	2021	2020	2019
Cash balances	30,435.70	5,207.50	756.00	529.45
Bank balances	1,679,490.40	3,436,425.50	495,978.70	507,932.90

MOVING AVERAGE OF THE STOCK



MOVING AVERAGE OF THE STOCK



2. **Teacher Student ratio:**

S/NO	DESCRIPTION	
1	Teacher Student ratio	1:32
2	Number of teachers recruited within the year	2
3	Teacher transferred / retired within the year	Nil
4	TSC Teacher employed	15
5	BOM Teachers employed	16
6	Teacher per Subject Ratio	1:3

3. **Mean score in the 2021 KCSE:**

DESCRIPTION	2021	2020	2019	2018
KCSE Mean Score	2.83	3.4	3.294	3.021
Number of students transitioned to Institute of higher learning	55	40	25	8

4. **Number of Candidates in the 2021 KCSE:**

DESCRIPTION	2021	2020	2019	2018
Number of students sitting for KCSE	235	110	68	48

5. **Capacity of the school:**

DESCRIPTION	2021	2020	2019	2018
Student / Laboratory Ratio	332:1	267:1	233:1	203:1
Student / Toilet Ratio	39:1	39:1	39:1	39:1

Summary Report of the Performance of the School (Continued)

6. Development projects carried out by the school:

YEAR	NAME OF PROJECT	SOURCE	CONDITION
2021-2022	2 Classrooms	FSE(Infrastructure)	1 Complete 1 On going
2021-2022	1 Dormitory	FSE(Infrastructure)	Complete
2021-2022	2 Dormitories(Repairs)	Parents	Complete
2022	3 Classrooms	World Bank	On going
2022	1 Laboratory	World Bank	On going

[Handwritten Signature]

.....
School Principal



III. Statement Of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (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 *NGALA MEMORIAL SECONDARY SCHOOL* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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

Name: ESTHER LUGANJE

Designation: Chairperson, School Board of Management

Sign: 

Date: 8/11/2022


Name: PETER MANTHI

Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 



Name: PATIENCE SAHA
Designation: Bursar/ Finance Officer
Sign: 
Date: 8.11.2022

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NGALA MEMORIAL SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – KILIFI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure that the 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.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution of Kenya 2010, 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 Ngala Memorial Secondary School- Kilifi County set out on pages 1 to 13, which comprise of 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 the 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, 2010, 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 effects 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 Ngala Memorial Secondary School 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 Basic Education Act 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1 Account receivables

1.1 Unsupported Accounts Receivable

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.32,855,169 as disclosed in Note 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

1.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.32,855,169 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.27,605,091 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.32,655,169 could not be confirmed.

2. Unsupported Payments

The statement of receipts and payments reflects total payments amounting to Kshs.82,436,404. Examination of a sample of payment vouchers relating to these payments revealed that Management made payments amounting to Kshs.32,879,909

without proper supporting documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments.

In the circumstances, the regularity and accuracy of the total payments amounting to Kshs.82,436,404 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.72,615,955 and Kshs.60,256,947 respectively, resulting to an under-funding of Kshs.12,359,008 or 17% of the budget. However, the school spent a balance of Kshs.62,902,242 against actual receipts of Kshs.60,256,947 resulting to an under-utilization of Kshs.2,645,295 or 4% of actual receipts.

The over-funding affected the planned activities and may have impacted negatively on service delivery of the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional 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.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2022.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.48,110,879 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.417,550 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.417,550 could not be confirmed.

2. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and operations totalling Kshs.28,235,512.65. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2021/2022, NEMIS reflected one thousand, six hundred and nine (1,609) students while records from the County Director of Education had one thousand six hundred and six (1,606) students, resulting to an overfunding of the School by an amount of Kshs.2,412,127 contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, the overfunding may have reduced capitation grants available for other schools.

3. Excess Supply of Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one thousand two hundred

and thirty nine (1,239) books to the School while only five hundred and ninety six (596) books were issued to the students, resulting to an unexplained excess text books of six hundred and forty three (643) books in the School store. Further, some books issued in the financial year 2021/2022 were still lying in the store as they were no longer in use.

In the circumstances, value for money on the excess six hundred and forty-three (643) text books could not be confirmed.

4. Failure to/Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.22,984,515 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.9,433,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.4,600,000 was transferred to infrastructure account, leaving a balance of Kshs.4,833,500 as at 30 June, 2022. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/10/18(112) dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

5. Unapproved Fees on Parents Association Support Programme

The statement of receipts and payments reflects school fund income - parents' contributions amount of Kshs.46,255,613 as disclosed in Note 4 to the financial statements which includes BOM Teachers salaries amount of Kshs.3,971,565. Examination of the records revealed that the school charged an amount of Kshs.10,355 per student to support the programme which had not been approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that parents will only pay for school uniforms, boarding related costs as reflected in the boarding fees structure and lunch for the day scholars.

In the circumstances the school was in breach of the set down regulations.

6. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs. 79,891,126 and Kshs.82,436,404 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity

prepare a procurement plan for each financial year as part of the annual budget preparation process’.

7. Use of Cash to Procure Goods, Works and Services

The Statement of receipts and payments reflects total payments amounting to Kshs.82,436,404. However, the audit revealed that purchased totalling to Kshs.780,380 were made in cash. This was contrary to Section 108 of Public Procurement and Disposal Act (PPDA) and Regulations 93(1)(2)(3) of the Public Procurement and Disposal Regulations 2020 which caps use of cash to procure goods.

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

8. Late Submission of the Financial Statements for Audit

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2022. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2022 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

In the circumstances, the management was there in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance

Management (National Government) Regulations, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

2. Dormant Bank Accounts

The Statement of financial assets and financial liabilities reflects bank balances of Kshs.1,679,490 during the year under review. Included in this balance is an amount of Kshs. 6,462 relating to dormant accounts.

No justification was provided for continued maintenance of the dormant accounts.

3 Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.8,431,000 in respect of fixed assets which includes land with a balance of Kshs.5,700,000 and motor vehicles with a balance of Kshs.750,000. However, land ownership documents were not provided for audit.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

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

Responsibility of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing 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 overall 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 controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements

caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment 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 communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 December, 2024

V. Statement Of Receipts And Payments Period To 30th June 2022

Description Of Vote Head	Note	2021-2022	
		Ksh.	
Receipts			
Capitation grants for tuition	1	5,250,997.40	1,802,222.00
Capitation grants for operations	2	22,984,515.25	11,634,272.00
School fund income- parents' contributions	3		
School fund income- other receipts	4	46,255,613.00	19,863,454.00
Infrastructure		5,400,000.00	
Total Receipts		79,891,126.00	33,299,948.00
Payments			
Payments for tuition	5	5,167,571.00	1,806,990.00
Payments for operations	6	24,254,924.00	10,127,059.00
Boarding and school fund payments	7	48,110,879.00	18,446,186.00
Payments for Infrastructure		4,903,030.00	
Total Payments		82,436,404.00	30,380,235.00
Surplus/Deficit		(2,545,278.00)	2,919,713.00

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

Sign: 

Name: ESTHER LUGANJE


Chair BOM

Date: 8/11/2022

Sign: 

Name: PETER MANTHI
School Principal/ Secretary to
BOM

Date: 8/11/2022

Sign: 

Name: PATIENCE SAHA

Bursar/ Finance Officer

Date: 8.11.2022



VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022


Note			
Financial Assets			
Cash and cash equivalents			
Bank balances	8	1,679,490.00	3,449,966.00
Cash balances	9	30,436.00	5,208.00
Short term investment	10		
Total cash and cash equivalent		1,709,926.00	3,455,174.00
Account's receivables	10	32,855,169.00	29,387,241.00
Total financial assets		34,565,095.00	32,842,415.00
Financial liabilities			
Accounts payables	11	8,797,529.00	4,529,571.00
Net financial assets		25,767,566.00	28,312,844.00
Represented by			
Accumulated fund b/fwd	12	28,312,844.00	25,393,131.00
Surplus for the year		(2,545,278.00)	2,919,713.00
Net financial position		25,767,566.00	28,312,844.00

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

Sign: 
Name: ESTHER
LUGANJE

Chair BOM

Date: 8/11/2022

Sign: 
Name: PETER MANTHI
School Principal/ Secretary to
BOM

Date: 8/11/2022

Sign: 
Name: PATIENCE SAHA

Bursar/ Finance Officer

Date: 8.11.2022



VII. Statement of Cash Flows for The Period Ended 30th June 2022

	Notes	2021	2020
Operating activities			
Receipts			
Capitation grants for tuition	1	5,250,997.40	1,802,222.00
Capitation grants for operations	2	22,984,515.25	11,634,272.00
School fund income- parents contributions/ fees	3		
School fund income- other receipts	4	46,255,613.00	19,863,454.00
Total receipts		74,491,126.00	33,299,948.00
Payments			
Payments for tuition	5	5,167,571.00	1,806,990.00
Payments for operations	6	24,254,924.00	10,127,059.00
Boarding and school fund payments	7	48,110,897.00	18,446,186.00
Total payments		77,533,374.00	30,380,235.00
Net cash flow from operating activities		(3,042,248.00)	2,919,713.00
Cash flow from investing activities			
Transfers to Infrastructure		5,400,000.00	200,000.00
Payments for Infrastructure		(4,103,000.00)	(200,000.00)
Proceeds from investments		xxx	xxx
Purchase of investments		(xxx)	(xxx)
Net cash flows from investing activities		1,297,000.00	xxx
Cash flow from borrowing activities			
Proceeds from borrowings/ loans			xxx
Repayment of principal borrowings			xxx
Net cash flow from financing activities			xxx
Net increase in cash and cash equivalents		(1,745,248.00)	2,919,713.00
Cash and cash equivalent at beginning of the year		3,455,174.00	535,461.00
Cash and cash equivalent at end of the year		1,709,926.00	3,455,174.00

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

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

	Budgeted	Actual	Actual	Variance	Percentage
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Textbooks And Reference Materials	3,252,150.00	3,252,150.00			
Exercise Books	1,050,105.00	1,050,105.00	2,763,834.55	(1,713,730.00)	263.20%
Laboratory Equipment	419,385.00	419,385.00	1,103,804.55	(684,420.00)	263.20%
Internal Exams					
Teaching / Learning Materials	318,645.00	318,645.00	838,660.95	(520,016.00)	263.20%
Chalks	51,465.00	51,465.00	135,453.85	(83,989.00)	263.20%
Exams And Assessment	155,490.00	155,490.00	409,243.50	(253,754.00)	263.20%
Teachers Guides					
TOTAL	5,249,240.00	5,249,240.00	5,250,997.40	(3,255,909.00)	181%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	4,807,050.00	4,807,050.00	6,878,313.85	(2,071,264.00)	143.09%
Repairs And Maintenance	6,570,000.00	6,570,000.00	8,394,000.00	(1,824,000.00)	127.76%
Local Transport / Travelling	1,533,000.00	1,533,000.00	1,749,870.55	(216,871.00)	114.15%
Electricity And Water	2,628,000.00	2,628,000.00	3,760,353.85	(1,132,354.00)	143.09%
Medical	1,217,640.00	1,217,640.00	321,800.00	895,840.00	26.43%
Administration Costs	1,314,000.00	1,314,000.00	1,880,177.00	(566,177.00)	143.09%
Activity	1,040,250.00	1,040,250.00			0%

Gratuity						
SMASSE						
TOTAL	19,109,940.00		19,109,940.00	22,984,515.25	(4,914,826.00)	120.28%
<i>(3) Fees Charged on Parents</i>						
Personnel Emoluments	2,867,500.00		2,867,500.00	2,857,823.00	9,677.00	99.66%
Repairs And Maintenance	2,220,000.00		2,220,000.00	1,582,604.00	637,396.00	71.29%
Local Transport / Travelling	601,250.00		601,250.00	594,916.00	6,334.00	98.95%
Electricity And Water	4,532,500.00		4,532,500.00	4,343,359.00	189,141.00	95.83%
Medical	92,500.00		92,500.00	3,490.00	89,010.00	3.77%
Administration Costs	1,711,250.00		1,711,250.00	1,508,678.00	202,577.00	88.16%
Activity	138,750.00		138,750.00	346,686.00	(207,936.00)	249.86%
SMASSE						
Fee On Boarding Equipment and Stores	28,819,525.00		28,819,525.00	20,616,078.00	8,263,607.00	71.33%
TOTAL	40,983,275.00		40,983,275.00	31,853,634.00	9,129,646.00	77.72%
<i>Other Income</i>						
Rent Income				492,179.00		
BOM Teachers Salaries	5,256,000.00		5,256,000.00	3,971,565.00	1,284,435.00	75.56%
Bus Fund	2,017,500.00		2,017,500.00	1,155,568.00	861,932.00	57.28%
Damages				3,547,428.00		
Interview				10,500.00		
Fee For Hire of Ground And Equipment						

Interest Income						
Income From Any Other Investment						
Total Income	72,615,955.00		72,615,955.00	60,256,947.00	7,470,729.00	
<i>(1) Expenditure For Tuition</i>						
Textbooks And Reference Materials	3,252,150.00		3,252,150.00	1,700,550.00	1,551,600.00	
Exercise Books	1,050,105.00		1,050,105.00	393,000.00	657,105.00	52.30%
Laboratory Equipment	419,385.00		419,385.00	916,522.00	(497,137.00)	37.42%
Internal Exams						
Teaching / Learning Materials	318,645.00		318,645.00	1,185,775.00	(867,130.00)	372.13%
Chalks	51,465.00		51,465.00	138,100.00	(86,455.00)	268.34%
Exams And Assessment	155,490.00		155,490.00	311,450.00	(155,960.00)	200.30%
Teachers Guides						
Creditors				519,500.00		
Bank Charges				2,674.00		
<i>(2) Expenditure For Operations</i>						
Personnel Emoluments	4,807,050.00		4,807,050.00	1,156,933.00	3,650,117.00	24.07%
Repairs, Maintenance & Improvements	6,570,000.00		6,570,000.00	5,683,690.00	886,310.00	86.51%
Local Transport / Travelling	1,533,000.00		1,533,000.00	684,460.00	848,540.00	44.65%
Electricity, Water and Conservancy	2,628,000.00		2,628,000.00	4,693,346.00	(2,065,346.00)	178.59%
Medical	1,217,640.00		1,217,640.00	193,260.00	1,024,380.00	15.87%

Administration Costs	1,314,000.00		1,314,000.00	4,489,240.00	(3,175,240.00)	341.65%
Activity Expenses	1,040,250.00		1,040,250.00	308,644.00	731,606.00	29.67%
Creditors				684,757.00		
SMASSE						
BOM Teachers Salaries				955,750.00		
Transfer to Infrastructure				5,400,000.00		
(3) Expenditure For School Fund						
Personnel Emoluments	2,867,500.00		2,867,500.00	3,585,280.00	(935,997.00)	125.03%
Repairs, Maintenance and Improvements	2,220,000.00		2,220,000.00	5,957,914.00	(3,737,914.00)	268.37%
Local Transport / Travelling	601,250.00		601,250.00	1,843,050.00	(1,241,800.00)	306.54%
Electricity, Water and Conservancy	4,532,500.00		4,532,500.00	2,960,894.00	1,571,606.00	65.33%
Medical Expenses	92,500.00		92,500.00	73,460.00	19,040.00	79.42%
Administration Costs	1,711,250.00		1,711,250.00	6,703,715.00	(4,992,465.00)	391.74%
Activity	137,750.00		137,750.00	163,400.00	(24,650.00)	117.77%
Gratuity						
Lunch Programme						
Boarding Equipment and Stores	28,819,525.00		28,819,525.00	20,311,598.00	8,507,927.00	70.48%%
Bus Fund	2,017,500.00		2,017,500.00	573,397.00	1,444,103.00	28.42%
BOM Teachers Salaries	5,256,000.00		5,256,000.00	3,011,152.00	2,244,848.00	57.29%
Other Expenses On Investments						
Rent Expenses						
Bank Charges				26,484.00		

Loan Interest Repayment									
Loan Principal Repayment									
Acquisition Of Assets									
Totals	31,044,152.50	31,044,152.50	22,645,664.00	8,398,488.50	73%				

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

- i. Difference in number of students budgeted and actual number of students.
- ii. Xxxx

IX. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*.

3. In-kind contributions

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

Significant Accounting Policies (Continued)**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

	2021-2022	
	KShs	
Textbooks And Reference Materials		
Exercise Books	2,763,834.55	252,045.40
Laboratory Equipment	1,103,804.55	100,660.45
Internal Exams		
Teaching / Learning Materials	838,660.95	1,399,843.20
Chalks	135,453.85	12,352.60
Exams And Assessment	409,243.50	37,320.60
Teachers Guides		
Total	5,250,997.40	1,802,222.25

2 Capitation Grant for Operations

	2021-2022	
	KShs	
Personnel Emoluments	6,878,313.85	3,291,424.00
Repairs And Maintenance	8,394,000.00	5,197,500.00
Local Transport / Travelling	1,749,870.55	789,872.40
Electricity And Water	3,760,353.85	1,354,067.10
Medical	321,000.00	
Administration Costs	1,880,177.00	677,033.55
Activity		
BOM Teachers Salaries		324,375.00
Total	22,984,515.25	13,118,536.00

3 Parents Contribution/Fees - School Fund Account

	2021-2022	
	KShs	
Personnel emoluments	2,857,823.00	723,274.00
Repairs and maintenance	1,582,604.00	554,389.00
Local transport / travelling	594,916.00	146,606.00
Electricity and water	4,343,359.00	1,161,739.00
Medical	3,490.00	22,354.00
Administration costs	1,508,673.00	420,404.00
Activity	346,686.00	33,809.00
Total	11,237,551.00	3,062,575.00

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

	2021-2022	
	Kshs	
Fee On Boarding Equipment and Stores	20,616,078.00	7,333,235.00
Canteen Rent Income	14,650.00	12,000.00
ATC Kenya	324,375.00	414,000.00
SAFARICOM	153,153.00	145,861.00
BOM Teachers Salaries	3,971,565.00	1,545,074.00
Interview	10,500.00	
Fees Arrears	4,817,708.00	5,471,441.00
Fees prepayment	407,037.00	1,126,376.00
Salary Advance		5,000.00
Miscellaneous		21,420.00
Damages	3,547,428.00	
Bus Fund	1,155,568.00	726,472.00
Total	35,018,062.00	16,800,878.00

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

5 Payments For Tuition

Description	2021-2022	
	Kshs	
Textbooks And Reference Materials	1,700,550.00	158,700.00
Exercise Books	393,000.00	99,000.00
Laboratory Equipment	916,522.00	
Internal Exams		
Teaching / Learning Materials	1,185,775.00	1,084,030.00
Chalks	138,100.00	
Exams And Assessment	311,450.00	
Teachers Guides		
Creditors	519,500.00	84,940.00
Bank Charges	2,674.00	600.00
Total	5,167,571.00	1,806,990.00

Notes To The Financial Statements (Continued)

6 Payments For Operations

	2023/2024	
	Kshs	
Personnel Emoluments	1,156,933.00	453,266.00
Service Gratuity		
Administration Cost	4,489,240.00	1,775,130.00
Repairs And Maintenance & Improvements	5,683,690.00	1,099,530.00
Local Transport / Travelling	648,460.00	353,650.00
Electricity And Water	4,693,346.00	2,814,300.00
Medical	193,260.00	71,210.00
Activity Expenses	308,644.00	190,000.00
SMASSE		
Examination & Assessment		9,100.00
Teaching & Learning Materials		180,000.00
Creditors	684,757.00	2,366,603.40
Transfer to Infrastructure Account	5,400,000.00	200,000.00
BOM Teachers Salaries	955,750.00	430,100.00
Bank Charges	4,844.00	2,170.00
Acquisition Of Assets		
Total	24,254,924.00	10,127,059.00

Notes To The Financial Statements (Continued)

7 Boarding And School Fund Payments

	2021-2022	
	Ksh	
Personnel Emoluments	3,585,280.00	1,705,001.00
Service Gratuity		
Repairs And Maintenance & Improvements	5,957,914.00	908,475.00
Local Transport / Travelling	1,843,050.00	257,725.00
Electricity And Water	2,960,894.00	1,534,102.00
Medical Expenses	73,460.00	7,160.00
Administration Costs	6,703,715.00	779,985.00
Activity Expenses	163,400.00	81,400.00
Bank Charges	26,484.00	6,373.00
Reference & Library material	26,200.00	21,450.00
Teaching & Learning material	14,760.00	7,250.00
Examination & Assessment	70,050.00	3,600.00
Fee On Boarding Equipment and Stores	20,311,598.00	8,710,680.00
Creditors	695,495.00	2,000,284.95
Bursary		1,067,000.00
Bus Fund	573,397.00	355,100.00
BOM Teachers Salaries	3,011,152.00.00	1,000,600.00
Damages	2,094,030.00	
Total	48,110,879.00	18,446,185.95

*(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

Account No. & Bank Account Number			
Tuition Account	1107820715	84,531.35	1,104.95
Operations Account	1107820871	238,202.30	1,507,275.65
School Fund Account/Boarding	1107819954	846,164.05	1,927,961.90
Exam & Caution Money Savings Account	1105987620	2,516.90	2,516.90
Parent Association Development Account	1105987507	1,897.60	1,897.60
Gratuity Saving Account	1152366955	2,047.20	2,047.20
Infrastructural Account	1254149856	504,131.00	7,161.80
Total		1,679,490.40	3,449,966.00

9 Cash In Hand

	2021-2022	
	Kshs	
Tuition Account	0.00	0.00
Operation Account	1,873.90	3,209.35
School Fund account	28,561.80	1,998.25
Total	30,435.70	5,207.60

10 Short Term Investments

	2021-2022	
	Kshs	
Cooperative Shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed Deposit	xxx	xxx
Equity Stock	xxx	xxx
Other Investments	xxx	xxx
Total	xxx	xxx

Notes To The Financial Statements (Continued)

11 Accounts Receivable

	2021-2022	
	Kshs	
Fees Arrears	32,855,169.00	29,385,940.90
Other Non-Fees Receivables		
Salary Advances		28,300.00
Imprest		0.00
Total	32,855,169.00	29,387,240.90

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

	2021-2022	
	Kshs	
Fees Arrears For Current Year	2,867,724.00	7,200,062.00
Fees Arrears For The Previous Year	2,382,354.00	3,573,299.00
Fees Arrears For Prior Periods (Over Two Years)	27,605,091.00	18,585,579.90
Total	32,855,169.00	29,358,940.90

12 Accounts Payable

	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	8,390,492.00	3,403,195.00
Prepaid Fees	407,037.00	1,126,376.00
Retention Monies		
Total	8,797,529.00	4,529,571.00

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

	2021-2022	
	Kshs	
Trade Creditors for Current Year	7,687,079.00	1,829,558.00
Trade Creditors for The Previous Year	703,413.00	1,573,637.00
Trade Creditors for Prior Periods (Over Two Years)		
Total	8,390,492.00	3,403,195.00

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Bank Balances	3,449,966.00	534,704.50
Cash Balances	5,208.00	756.50
Short Term Investments		
Receivables	29,387,240.90	29,358,940.90
Payables	(4,529,571.00)	(4,501,271.00)
Total	28,312,843.90	25,393,130.90

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		
Bank Loan(S)	xxx	xxx
Outstanding Leases	xxx	xxx
Hire Purchase	xxx	xxx
Gratuity And Leave Provision	xxx	xxx
Total	xxx	xxx

15 Biological assets

Description	Numbers	2021-2022	2020-2021
Cattle		00	00
Goats		00	00
Trees		90trees	90trees
Coffee Or Tea Plantation		00	00
Poultry			
Total			

16 Borrowings

Description	2021-2022	
	KSh	
a) Borrowings		
Borrowing at beginning of the year	xxx	xxx
Borrowings during the year	xxx	xxx
Repayments of during the year	(xxx)	(xxx)
Balance at end of the year	xxx	xxx

Other important disclosure notes**17 Stock/ Inventory**

b) Inventory		
Stock/ inventory at beginning of the year	459,197.00	55,530.00
Stock/ inventory purchased during the year	11,986,875.00	5,368,360.00
Stock/ inventory issued during the year	(12,276,243.00)	(4,963,115.00)
Balance at end of the year	372,605.00	459,197.00

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.

		Management comments		

 Sign and Date
 Principal

Annex 1 - Analysis Of Pending Accounts Payable

	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 2022	Outstanding Balance 2021/2022
	KSh	KSh	KSh	KSh	KSh
Construction Of Buildings					
1. Al-Basalim ltd	776,944.00	2021	627,988.00	148,956.00	148,956.00
2. Chochha General Supplies	1,015,200.00	2021	400,000.00	615,200.00	615,200.00
3. Shaban Kalume Omar	3,603,900.00	2021	2,984,000.00	619,900.00	619,900.00
Sub-Total	5,396,044.00		4,011,988.00	1,384,056.00	1,384,056.00
Supply Of Goods					
4. Burney Ltd	9,691,266.00	2021	7,853,832.00	1,837,434.00	1,837,434.00
5. Fochem Enterprises	1,646,280.00	2021	1,427,580.00	218,700.00	218,700.00
6. Gentrade Supplies	1,127,136.00	2021	449,172.00	677,964.00	677,964.00
7. Grandlab Digital Fixers Ltd	4,743,869.00	2021	3,564,380.00	1,179,489.00	1,179,489.00
8. Highmark services	153,000.00	2022	74,000.00	79,000.00	79,000.00
9. Jemwag Enterprises	822,860.00	2022	742,860.00	80,000.00	80,000.00
10. Jetlink Educational Enterprises	16,000.00	2022	-	16,000.00	16,000.00
11. Pekele Stationery	2,041,975.00	2021	1,435,875.00	606,100.00	606,100.00
12. Pekele Uniform Solution	1,302,600.00	2021	1,037,400.00	265,200.00	265,200.00
13. Samset Enterprises	1,449,665.00	2021	1,316,540.00	133,125.00	133,125.00
14. Tambaliza Millers Ltd	3,121,000.00	2021	2,267,000.00	494,000.00	494,000.00

Supplier Name Or Service	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021-2022	Comments
15. The County Luxury Comfort Hotels Ltd	2,092,470.00	2021	1,748,440.00	344,030.00	344,030.00	
16. Zalu Enterprises	1,765,550.00	2021	1,087,350.00	678,200.00	678,200.00	
Sub-Total	29,973,655.00		23,284,513.00	6,689,142.00	6,689,142.00	
Supply Of Services						
17. All Pest Kenya Ltd	87,968.00	2022	53,304.00	34,664.00	34,664.00	
18. Grandlab Digital Fixers Ltd	1,173,725.00	2021	891,095.00	282,630.00	282,630.00	
Sub-Total	1,261,693.00		944,399.00	317,294.00	317,294.00	
Grand Total	36,631,392.00		28,240,900.00	8,390,492.00	8,390,492.00	

Annex 2 – Summary Of Fixed Assets Register

	Date purchased	Location	Original Cost (Ksh)	Current Value (Ksh)	Net Book Value (Ksh)	Accumulated Depreciation (Ksh)
Land 1	Donated					
Land 2	2013		750,000.00			750,000.00
Buildings And Structures						
School Bus	2015		5,700,000.00			5,700,000.00
Genset 20KVA Generator	2013		1,421,000.00			1,421,000.00
Copyprinter Machine	2021		560,000.00			560,000.00
Tools And Apparatus						
Textbooks						
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
Total						8,431,000.00

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