

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 03 DEC 2024

DAY.

Tuesday

TABLED
BY:

Hon. Kimani Ichung'uah
(leader of the Majority Party)

CLERK-AT
THE TABLE:

Anastacia

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

**SALVATION ARMY MAIANI SECONDARY
SCHOOL**

**FOR THE YEAR ENDED
30 JUNE, 2023**

MAKUENI COUNTY

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30034 - 00100, NAIROBI
REGISTRY

08 JUL 2024

RECEIVED



SALVATION ARMY MAIANI GIRLS SECONDARY SCHOOL

PO BOX 38- 90134 YOANI
MUKAA SUB COUNTY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

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SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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1. 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 Free Day Secondary Education

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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 Mukaa Sub-County, Makueni County.

The school was registered in 28/9/2020 under registration number 173S0000276 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a Girls' boarding school and had 386 students as at 30th June 2023. It has 2 streams, of 8 classrooms and 17 teachers of which 6 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	Edward Kiema	Chairman	27/06/2022
2	Damaris Mutisya	Secretary - Principal	27/06/2022
3	Daniel Katuvya Kasuni	Member	27/06/2022
4	Rabecca Muthoni Kinyungu	Member	27/06/2022
5	Elizabeth Luti	Member	27/06/2022
6	Roselyn Mueni	Member	27/06/2022
7	Janephar Katumbi Veke	Member	27/06/2022
8	Robert Muthui	Member	27/06/2022
9	Fredrick Kasomi	Member – Rep CEB	27/06/2022
10	Jennifer Ndinda Musyoki	Member Rep Teachers	27/06/2022
11	Jacob Makundi	3 Members - Sponsor	27/06/2022
12	Carolyne Nthenya Lavi	Member - Community	27/06/2022
13	Muthiani Mwangangi	Member Special Needs	27/06/2022
14	Salma Tom	Rep Students	27/06/2022

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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.

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Edward Kiema 2. William Nduse 3. Damaris Mutisya 4. Elizabeth Luti 5. Rosylyn Mueni	Chairperson PA Chair Secretary Member Member	3/3 3/3 3/3 3/3 3/3
2	Audit Committee	Rosylyn Mueni Jacob Makundi Robert Muthui Damaris Mutisya	Member Member Member Principal	0 0 0 0
3	Finance, procurement and general purposes Committee	Edward Kiema William Nduse Damaris Mutisya Elizabeth Luti Rosylyn Mueni	Chairperson PA chair Secretary Member Member	1/1 1/1 1/1 1/1 1/1
4	Academic Committee	Fredrick Kasomi Damaris Mutisya Rabeca Muthoni Muthiani Mwangangi	Chairperson Principal Member Member	0 0 0 0
5	Development Committee	Edward Kiema William Nduse Damaris Mutisya	Chairperson PA Chair Secretary	1/1 1/1 1/1

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		Elizabeth Luti Roslyn Mueni	Member Member	1/1 1/1
6	Discipline and welfare Committee	Janephar Katumbi Damaris Mutisya William Matheka Fredrick Kasomi	Chairperson Secretary Member Member	1/1 1/1 1/1 1/1 1/1

(c) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Damaris M. Mutisya	TSC No.425378
2	Deputy Principal	Lucia K. Katheka	TSC No. 298109
3	School Bursar	Lawrence M. Muia	ID No. 26426409

(d) Schools contacts

Post Office Box: 38-90134 YOANI
 Telephone: 0728990563
 E-mail: samaianigirls8@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

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Annual Report and Financial Statements For the year ended 30th June 2023

(e) School Bankers

The school operated 5 bank accounts in the following banks;

1. Acc. Name: Tuition Account
(f) Name of Bank: Co-operative
Branch: Emali
Account Number: 01139276647700

2. Acc. Name: Operation Account
(g) Name of Bank: Co-operative
Branch: Emali
Account Number: 01139276647701

3. Acc. Name: Infrastructure Account
(h) Name of Bank: Co-operative
Branch: Emali
Account Number: 01139276647702

4. Acc. Name: School Fund Account
(i) Name of Bank: Co-operative
Branch: Emali
Account Number: 01129276472300

(j) Pay Bill No: Business No. 400200 Account No. 2233# Admission No.

5. Acc. Name: CDF Account
(k) Name of Bank: Co-operative
Branch: Emali
Account Number: 01141276647700

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Independent Auditors

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

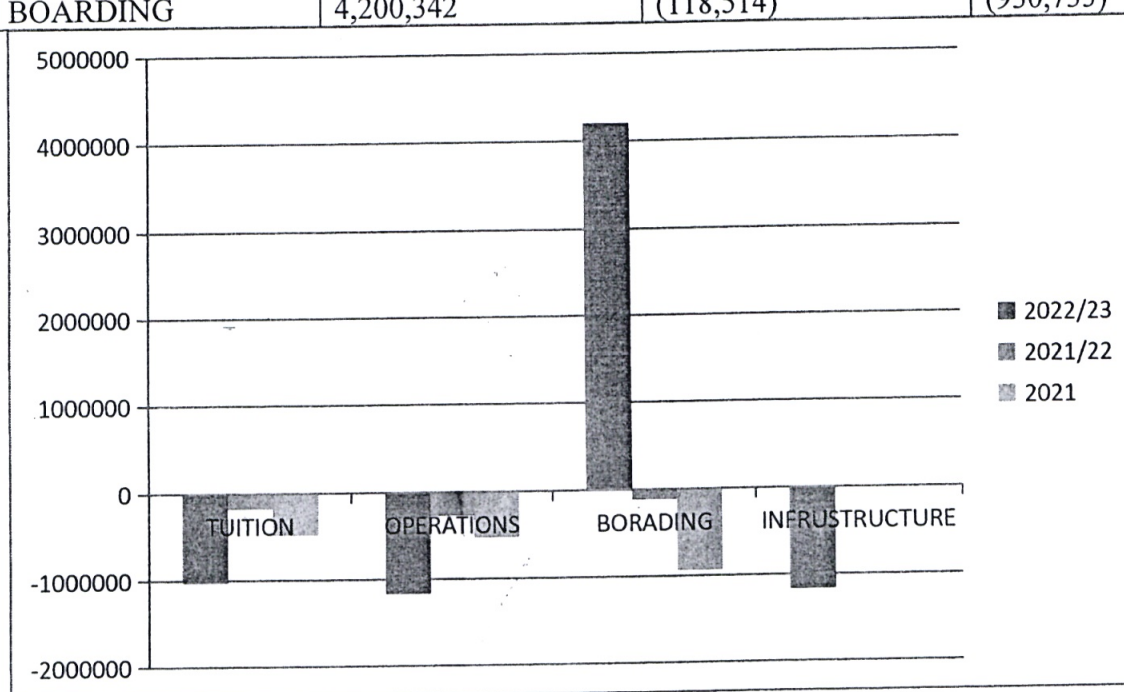
SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

3. Summary Report of Performance of The School

a) Financial performance

1) surplus / deficit for the year ended and a comparison of the same to the last three years

ACCOUNT	2022/23	2021/2022	2020/2021
TUITION	(1,027,056)	(173,486)	(482,157)
INFRASTRUCTURE	(1,170,500)	-	-
OPERATIONS	(1,170,499)	(269,719,00)	(525,123)
BOARDING	4,200,342	(118,514)	(930,733)

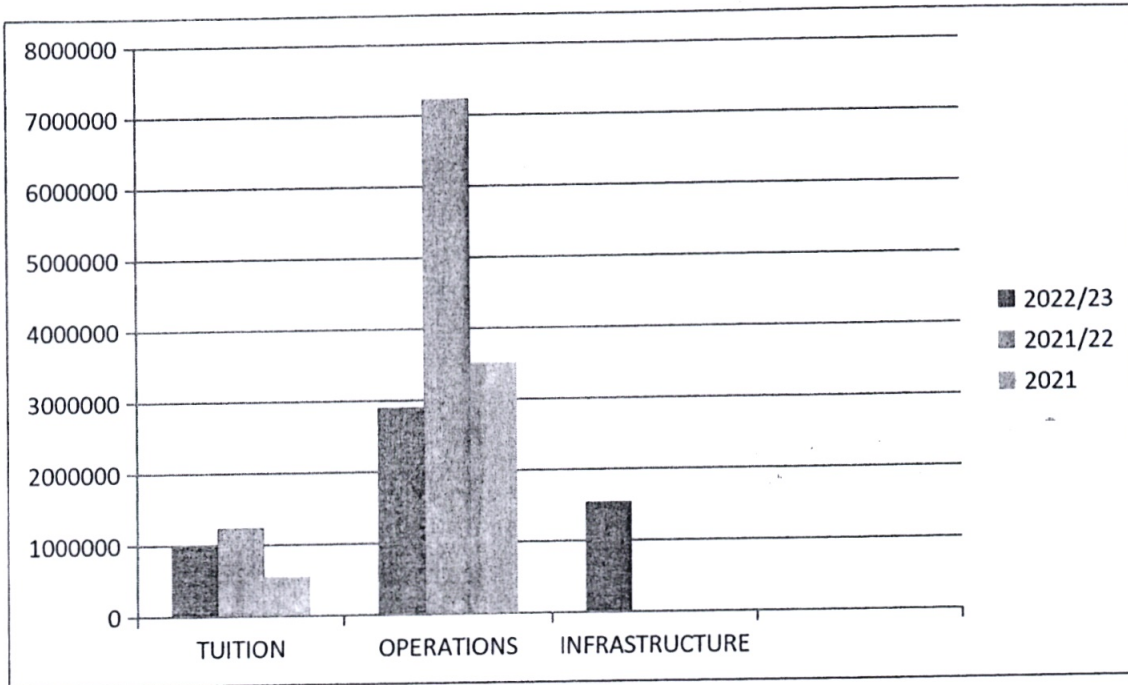


2) Capitation grants from ministry of education for the last three years

(i)

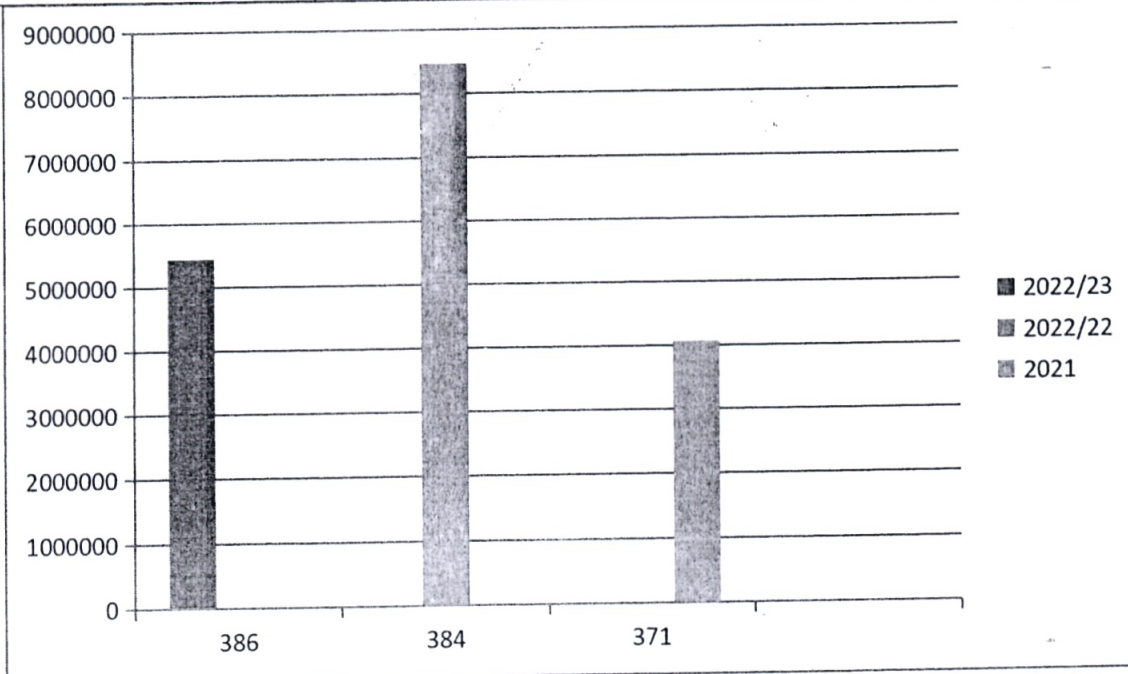
ACCOUNT	2022/23	2021/2022	2020/2021
TUITION	1,006,473	1,235,540	546,853
OPERATIONS	2,902,648	7,228,230	3,518,215
INFRASTRUCTURE	1,536,000	0	0

SALVATION ARMY MAIANI SECONDARY SCHOOL
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3) Ratio of capitation grant per student over last three years (m)

	2022/23	2021/2022	2020/2021
Total capitation	5,445,121	8,463,770	4,065,068
No of Students	386	384	371
Ration	14,107:1	22,041:1	10957:1

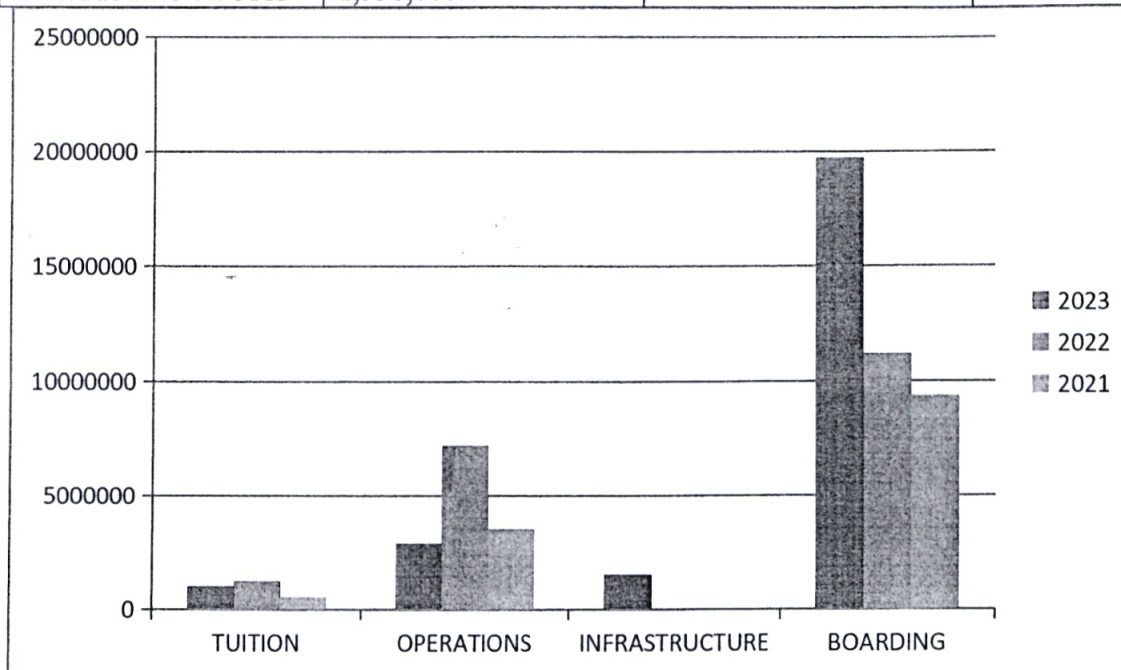


4) A three year overview of growth in income earned by the school

ACCOUNT	2022/23	2021/2022	2020/2021
TUITION	1,006,473	1,235,540	545,853
OPERATIONS	2,902,648	7,228,230	9,368,344

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

BOARDING	19,751,290.00	11,184,655.00	3,518,215.00
INFRASTRUCTURE	1,536,000.00		



5) A three year overview of growth in expenditure of the school

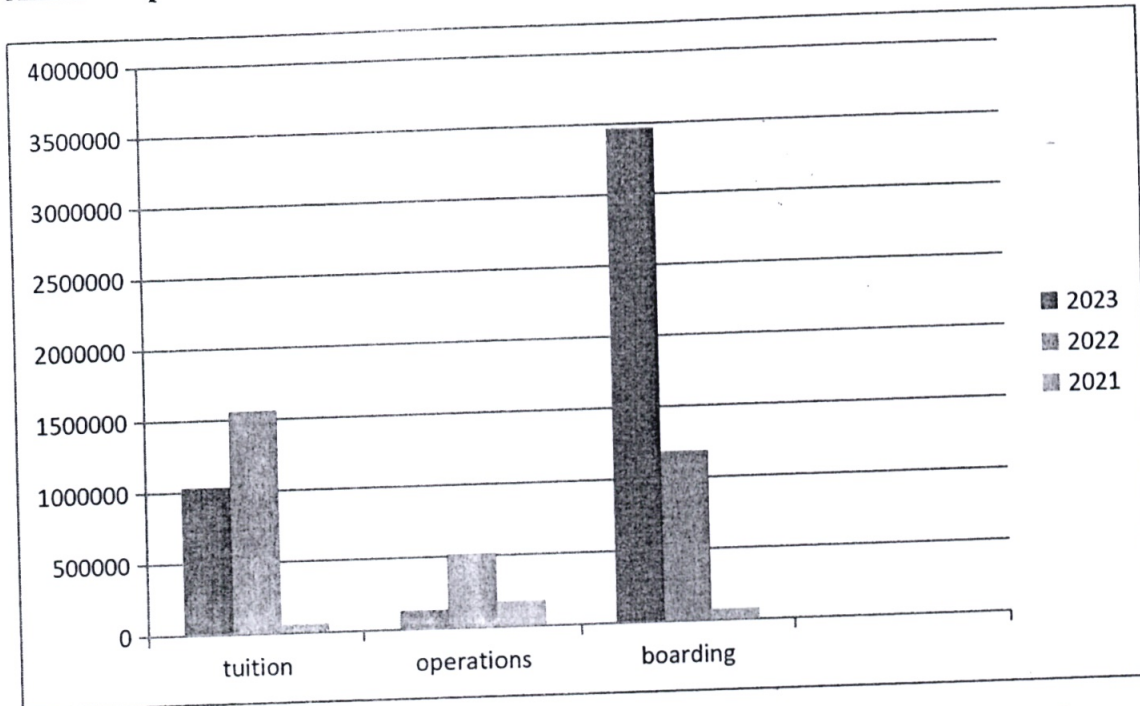
ACCOUNT	2022/23	2021/2022	2020/2021
TUITION	2,033,529	1,235,540	1,028,010
OPERATIONS	4,073,648	7,228,230	4,043,338
BOARDING	15,550,948	11,184,655	10,299,077
INFRASTRUCTURE	365,500	-	-

6) Movement of debtors and creditors of the school over the last three years

(n) CREDITORS

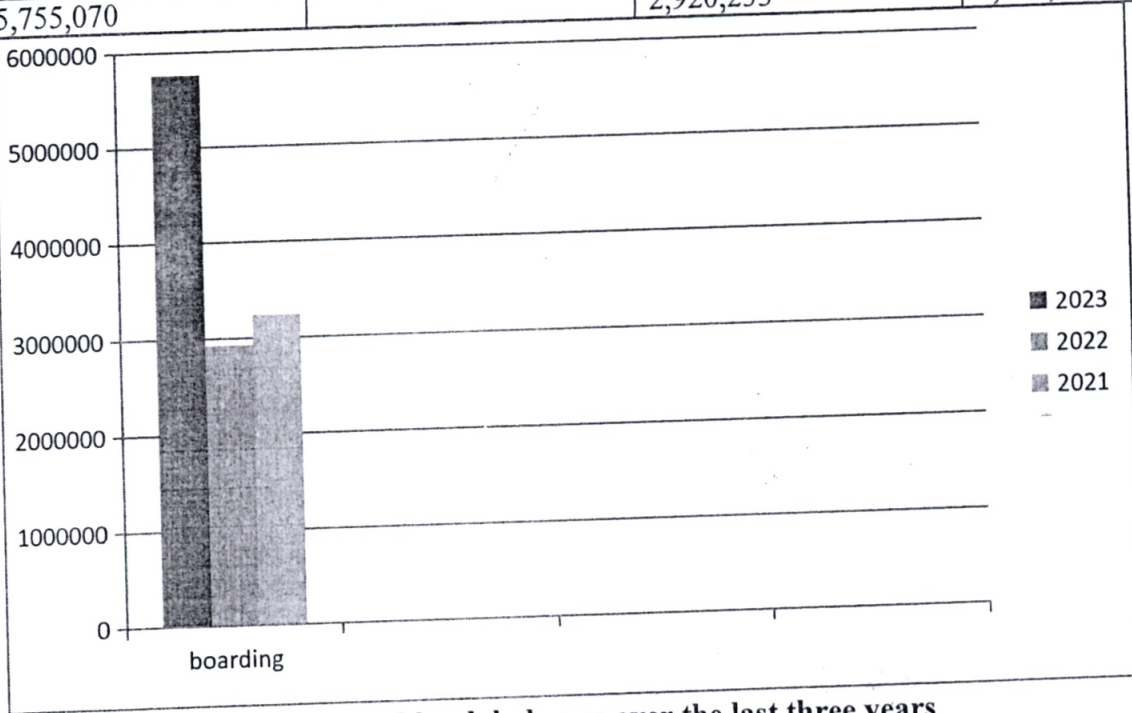
ACCOUNT	2022/23	2021/2022	2020/2021
TUITION	1,027,050	1,554,700	58,592
OPERATIONS	124,000	508,500	176,250
BOARDING	3,466,512	1,186,650	78,275

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DEBTORS

ACCOUNT	2022/23	2021/2022	2020/2021
TUITION	0	0	0
0		0	0
5,755,070		2,920,233	3,231,275



7) Movement of cash and bank balances over the last three years

YEAR	2022/23	2021/2022	2020/2021
CASH BALANCES	75,000	(962)	18,855
BANK BALANCES	130,606	(655,415)	218,667

SALVATION ARMY MAIANI SECONDARY SCHOOL
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8) Teacher student ratio
i.

(o) No of Teachers	(p) MALE	(q) FEMALE	(r) EMPLOYED BY TSC	(s) EMPLOYED BY BOM	(t) TEACHER SHORTAGE (CBE)
(u) 17	(v) 5	(w) 12	(x) 11	(y) 6	(z) 10

(aa)

Teacher student ratio 1:2

ii. Mean score

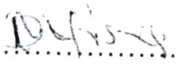
YEAR	MEAN	C+ and above	D+ and above
2023	3.55 D+	2	46
2022	4.3 D+	4	68
2021	4.25 D+	7	83

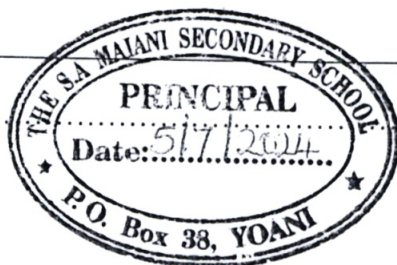
iii. Number of candidates sitting for KCSE

YEAR	2023	2022	2021
Candidates	100	99	99

a) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
DORM EXTENSION	MAINTENANCE/IMPROVEMENT	COMPLETE	460,1	365,50	31 st /12/2023

SIGN: 
 DAMARIS MUTISYA
 School Principal
 DATE: 5/7/2024



SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023


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 SALVATION ARMY MAIANI 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).

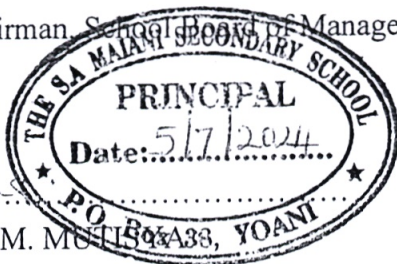
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.

SIGN: 

Name: EDWARD K. KIFMA

Designation: Chairman, School Board of Management

Date: 5/7/2024

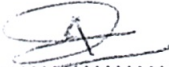


SIGN: 

Name: DAMARIS M. MUTISYA

Designation: School Principal & Secretary to Board of Management

Date: 5/7/2024

SIGN: 

Name: LAWRENCE M. MUIA

Designation: Bursar/ Finance Officer

Date: 5/7/2024

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 SALVATION ARMY MAIANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – MAKUENI 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 the Government achieves value for money and that such funds are applied for intended purpose; and,
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and 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 Salvation Army Maiani Secondary School – Makueni County set out on pages 15 to 33, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget

and 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 Salvation Army Maiani Secondary School – Makueni County as at 30 June, 2023 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 the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Cash in Hand

The statement of financial assets and liabilities reflects cash in hand balances of Kshs.75,000.00 as indicated in Note 9 to the financial statements. However, there was no physical cash count board of survey to confirm this cash.

In the circumstances, the accuracy and completeness of cash in hand balance of Kshs.75,000 could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.12,428,061 as disclosed in Note 11 to the financial statements. However, included in the balance is Kshs.6,715,848 which were outstanding for over 1 to 2 years. Further, significant accounting policies on accounts receivables as disclosed in Note 11 is silent on the treatment of student's fee balances which is a major source of income for the School.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables balance of Kshs.6,715,848 could not be confirmed.

3. Inaccuracy of Asset Register and Lack of Ownership Documents

Annex 2 to the financial statements reflects summary fixed assets register Nil balance as at 30 June, 2023. Further, the School's land and buildings had no values and no title deed were provided to confirm land ownership by the School.

In the circumstances, the accuracy, ownership and fair statement of the School's assets register could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Salvation Army Maiani Secondary

School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe 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.

Other Matters

Unresolved Prior Year Matters

In the audit report of previous year, several issues were issues under the Report on Financial Statements, Report on Lawlessness and 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 and 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. Late Submission of Financial Statements

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, 2023 but submitted the statements on 29 April, 2024. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate. Late submission of financial report adversely affects the Office of the Auditor- General in meeting statutory timelines.

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

2. Non-Compliance with Public Sector Accounting Standards Board

Review of the financial statements revealed that Annex 1 to the financial statements on analysis of pending accounts payables do not have the date the supplier was contracted and comparative outstanding balances (2022) and Annex 2 to the financial statements on summary of fixed assets were purchased as required by the template issued by the Public Sector Accounting Standards Board.

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

The statements of receipts and payments reflects payments for operations amount of Kshs.3,280,647 as disclosed in Note 6 to the financial statements which includes transfers of Kshs.595,110 to Kenya Secondary Schools Heads Association (KESSHA). KESSHA is a welfare organization that is not recognized by the Public Finance Management Act, 2012 and draws its membership from School principals only.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.595,110 could not be confirmed.

4. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.24,917,152 and Kshs.20,263,580 in respect of receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 comply, 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 2330. The standards require 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 the 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 governance.

In preparing the financial statements, Management is responsible for assessing the School's ability 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 comply 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 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 controls components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 November, 2024

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,006,473	1,235,540
Government grants for operations	2	3,280,647	5,380,320
Government Grants for infrastructure	3	1,158,000	11,718,411
School fund income- parents' contributions	4	19,472,032	
Miscellaneous incomes			
Total Receipts		24,917,152	18,334,271
Payments			
Tuition	6	1,006,473	1,235,540
Operations	7	3,280,647	5,379,719
Infrastructure	8	712,013	
Boarding and school fund	9	15,264,447	12,810,367
Total Payments		20,263,580	19,425,626
Surplus/Deficit		4,653,572	(1,091,355)

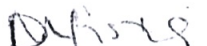
The school financial statements were approved on 02/07/ 2024 and signed by:

SIGN: 

Name: EDWARD KIEMA

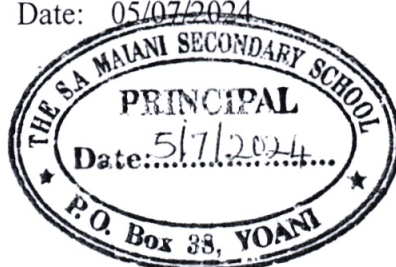
Chair BOM


Date: 05/07/2024

SIGN: 

Name: DAMARIS MUTISYA
 School Principal/ Secretary to
 BOM

Date: 05/07/2024



SIGN: 

Name: LAWRENCE
 MUIA

Bursar/ Finance Officer

Date: 05/07/2024

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

7 Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	304,024	22,539
Cash balances	11	75,000	44,414
Short term investments	12	-	-
Total cash and cash equivalent		379,024	66,953
Account's receivables	13	12,428,061	6,715,848
Total financial assets		12,807,085	6,782,801
Financial liabilities			
Accounts payables	14	4,969,562	3,598,850
Net financial assets		7,837,523	3,183,951
Represented by			
Accumulated fund b/fwd	15	3,183,951	4,275,306
Surplus/deficit for the year		4,653,572	(1,091,355)
Net financial position		7,837,523	3,183,951
			-

The school's financial statements were approved on 02/07/2024 and signed by:

SIGN: 

Name: EDWARD KIEMA

Chair BOM

Date: 05/07/2024

SIGN: 

Name: DAMARIS
 MUTISYA
 School Principal/ Secretary to
 BOM

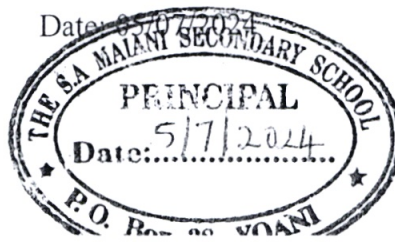
Date: 02/07/2024

SIGN: 

Name: LAWRENCE MUIA

Bursar/ Finance Officer

Date: 05/07/2024




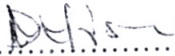
SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023


8. Statement of Cash Flows for the Year Ended 30th June 2023

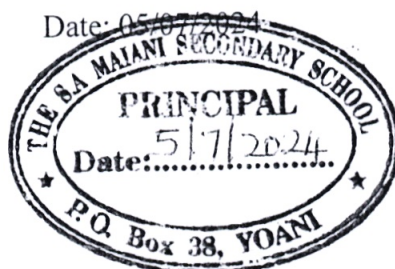
Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,006,473	1,235,540
Government grants for operations	2	3,280,647	5,380,320
Government grants for infrastructure	3	1,158,000	
School fund income- parents contributions/ fees		15,265,447	11,718,411
Other income			
Total receipts		20,710,567	18,334,271
Payments			
Cash outflows for tuition	6	1,006,473	1,235,540
Cash outflows for operations	7	3,280,647	5,379,719
Cash outflows for infrastructure		712,013	-
Cash outflows Boarding/lunch and school fund payments		15,265,447	11,331,608
Total payments		20,264,580	17,946,867
Net cash inflow/outflow from operating activities		445,987	387,404
Net increase/decrease in cash and cash equivalents		445,987	387,404
Cash and cash equivalent at beginning of the FY		66,963	320,451
Cash and cash equivalent at end of the FY		379,024	66,963

The school's financial statements were approved on 02/07/2024 and signed by

SIGN: 
 Name: EDWARD KIEMA
 Chair BOM
 Date: 05/07/2024

SIGN: 
 Name: DAMARIS
 MUTISYA
 School Principal/ Secretary
 to BOM
 Date: 05/07/2024

SIGN: 
 Name: LAWRENCE
 MUIA
 Bursar/ Finance Officer
 Date: 05/07/2024



SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	2,003,954	-	2,003,954	1,006,473	50%
Exams And Assessment	-	-	-	-	-
(2) Capitation Grant on Operations					
Personnel Emoluments	2,878,000	-	2,878,000	1,832,788	64%
Repairs And Maintenance	-	-	-	-	-
Local Transport / Travelling				377,999	
Electricity And Water					
Medical	1,116,000	-	1,116,000	100,000	9%
Administration Costs	-	-	-		-
Activity	837,000	-	837,000	310,000	37%
Gratuity	-	-	-	-	-
Other Voteheads	1,748,440		1,748,440	659,860	38%
	-	-	-	-	-
3) FDSE for infrastructure					
Maintenance & Improvement MoE	2,418,000	-	2,418,000	1,158,000	48%
M&I parents' contribution	-	-	-	-	-

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Economic Stimulus Programs	-	-	-	-	-
Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-
(4) Fees Charged on Parents					
Personnel Emoluments	2,754,920	-	2,754,920	1,850,778	67%
Repairs And Maintenance	1,761,000	-	1,761,000	137,997	8%
Local Transport / Travelling	1,000,500	-	1,000,500	406,939	41%
Electricity And Water	617,000	-	617,000	623,234	101%
Medical	-	-	-	450	-
Administration Costs	1,099,000	-	1,099,000	470,108	43%
Activity	305,000	-	305,000	716,109	235%
SMASSE	-	-	-	-	-
Fee On Boarding Equipment and Stores	15,315,881	-	15,315,881	10,311,810	67%
PA project	1,165,000	-	1,165,000	954,607	82%
5) Miscellenous Income					
Loans / Borrowing	-	-	-	-	-
Rent income	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-
Insurance Compensation	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-
Income From Bus Hire	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-
Interest Income	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-
Total Income	35,019,695		35,019,695	20,917,152	60%

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(6) Expenditure For Tuition					
Textbooks	-	-	-	-	-
Reference Materials	-	-	-	-	-
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	2,003,954	-	2,003,954	1,523,987	76%
Chalks	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
Teachers Guides	-	-	-	-	-
Administration Costs	-	-	-	-	-
Bank Charges	-	-	-	-	-
(7) Expenditure For Operations					
Personnel Emoluments	2,878,000	-	2,878,000	1,885,582	66%
Repairs, Maintenance & Improvements	-	-	-	-	-
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical	1,116,000	-	1,116,000	13,700	1%
Administration Costs					
Activity Expenses	837,000	-	837,000	304,696	36%
Gratuity	-	-	-	-	-
SMASSE	-	-	-	-	-
Other voteheads	1,748,440	-	1,748,440	1,180,669	68%
(8) Expenditure For infrastructure					
Construction of	2,418,000	-	2,418,000	432,000	

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
classrooms					
Construction of LAB	-	-	-	-	-
Construction of DORMS	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	-	-	-	-	-
(9) Expenditure For school fund/lunch/boardng					
Personnel Emoluments	2,754,920	-	2,754,920	1,275,197	46%
Repairs, Maintenance and Improvements	1,761,000	-	1,761,000	207,360	12%
Local Transport / Travelling	617,000		617,000	1,150,010-	186%
Electricity, Water and Conservancy	1,000,500	-	1,000,500	466,625	47%
Medical Expenses	-	-	-	450	-
Administration Costs	1,099,000	-	1,099,000	318,667	29%
Activity	305,000	-	305,000	687,925	226%
Gratuity	-	-	-	-	-
Lunch Programme	-	-	-	-	-
Boarding Equipment and Stores	15,315,881	-	15,315,881	11,112,263	73%
projects	1,165,000		1,165,000		0%
Expenditure For Income Generating Activity	-	-	-	-	-
Insurance Costs	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges		-	-	46,400	-
Loan Interest Repayment	-	-	-	-	-

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-
Totals	35,019,695	-	35,019,695	20,605,081	59%

10. 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 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.

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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.

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

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 2023.

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

11 .Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Reference Materials	-	-
Exercise Books		
Laboratory Equipment	-	-
Internal Exams		
Teaching / Learning Materials	1,006,473	1,235,540
Others (specify)*	-	-
Total	1,006,473	1,235,540

2 Government Grants for Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	1,832,788	2,121,012
Repairs and Maintenance		1,576,000
Local Transport / Travelling	377,999	745,852
Electricity and Water		439,456
Medical	100,000	200,000
Administration Costs		50,000
Activity	310,000	208000
Maintenance and improvement		
Other Vote Heads (specify)*	659,860	40,000
Total	3,280,647	5,380,320

3 Government Grants for infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Maintenance & Improvement	1,158,000	-
Transition infrastructure grants	-	-
Administration Block	-	-

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Description	2022/2023	2021/2022
	Kshs	Kshs
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.		-
Total	1,158,000	-

4 School Fund Income - Parents Contribution/Fees

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	1,850,778	1,231,899
Repairs and maintenance	137,997	520,567
Local transport / travelling	406,939	342,610
Electricity and water	623,234	400,932
Medical	450	-
Administration costs	470,108	405,591
Activity	716,109	-
Fee on Boarding Equipment and stores	10,311,810	7,347,247
PA Levies*	954,607	579,154
Others (specify)	-	
Total	19,472,032	10,828,000

5 Miscellaneous Incomes

Description	2022/2023	2021/2022
	Kshs	Kshs
Rent Income	-	-
Income from Farming Activities	-	-
Insurance Compensation	-	-
Income from Posho Mill	-	-
Income from Bus Hire	-	-
Fee for Hire of Ground and Equipment	-	-
Income from Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Total	-	-
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Notes to the Financial Statements (continued)

6 Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	-	-
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	1,006,473	1,386,341
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	-	-
Others (specify)	-	-
Total	1,006,473	1,386,341

7 Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	1,832,788	1,712,235
Repairs And Maintenance		-
Local Transport / Travelling	377,999	159,437
Electricity And Water		60,000
Medical	100,000	728,147
Administration Costs		410,000
Activity	310,000	201,890
Maintenance and improvement		139,210
Other Vote Heads (specify)*	659,860	-
Total		538,500
Personnel Emoluments		1,426,100
Repairs And Maintenance		4,200
Total	3,280,647	5,379,719

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Construction of classrooms	-	-
Construction of laboratory	-	-
Construction of dormitory	712,013	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
Total	712,013	-

9 Boarding And School Fund

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	1,275,197	1,109,556
Service Gratuity	-	-
Repairs And Maintenance & Improvements	207,360	530,060
Local Transport / Travelling	1,150,010	965,150
Electricity And Water	466,625	384,142
Medical Expenses	-	-
Administration Costs	318,667	368,467
Lunch Programme	-	-
Bank Charges	46,400	-
Expenses On Income Generating Activities**	-	-
Fee On Boarding Equipment and Stores	11,112,263	7,276,813
Activity	687,925	70,900
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

PA expenses	-	893,740
Others (specify)	-	-
Total	15,264,447	11,068,768

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account			1,539	1,545
Operations Account			280,357	1,562
School Fund Account/Boarding			21,714	11,418
Savings Account			-	-
Parent Association Development Account			-	-
Income Generating Activities Account			-	-
Infrastructural Account			414	8,014
Total			309,024	22,539

11 Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Notes and Coins	-	-
School Fund Account	75,000	4,414
Total	75,000	4,414

12 Short Term Investments

Description	2022/2023	2021/2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Other Investments	-	-
Total	-	-

Notes to the Financial Statements (continued)

P

13 Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	12,428,061	6,654,848
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	61,000
Rent arrears (list/schedule attached)	-	-
Total	12,428,061	6,715,848

13 b Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	5,712,213	46.15%	2,920,223	
Between 1- 2 years	6,715,848	53.85%	3,734,625	
Between 2-3 years		0.00%		
Over 3 years	-	0.00%		
Total (should tie to note 13 a)	12,428,061	100.00%	6,654,848	

14 Accounts Payable

Description	2022/2023	2021/ 2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,617,562	3,539,850
Prepaid Fees	352,000	59,000
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (specify)	-	-
Total	4,969,562	3,598,850

SALVATION ARMY MAIANI SECONDARY SCHOOL
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Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	4,617,562	100%	3,539,850	
Between 1- 2 years		0.00%		
Between 2-3 years		0.00%		
Over 3 years		0.00%		
Total (should tie to note 14)	4,617,562	100.00%	3,539,850	

15 Fund Balance Brought Forward

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Bank lances	304,024		319,413	
Cash Balances	75,000		1,038	
Short Term Investments	-		-	
Receivables	12,428,061		8,009,925	
Payables	4,969,562		4,055,069	
Total	7,837,523		4,275,306	

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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.

16 Non-current Liabilities Summary

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2022/2023	2021/2022
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		-	-

18 Borrowings

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

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Other important disclosure notes

19 Stock/ Inventory

Description	2022/2023	2021/2022
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	609,002	28,000
Stock/ inventory purchased during the year	7,532,067	6,460,654
Stock/ inventory issued during the year	7,832,060	- 5,879,652
Balance at end of the year	309,009	609,002

20 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)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

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Damaris Mutisya

Sign and Date

5/7/2024

DAMARIS MUTISYA,
PRINCIPAL.

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10. 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. EASTLAB SUPLIES	12/12/22	1,027,050	0	1,027,050	1,376,350	
5. FRESHDEW VENTURES	2/3/23	110,000	0	110,000	290,000	
6. JAMIDOS	10/10/21	768,000	443,000	325,000	768,000	
7. JOSEPH MBUTU	8/1/21	1,370,000	0	1,370,000	816,000	
8. KELVIN MUENI	1/1/23	5000,000	380,000	120,000	120,000	
9. MAIANI PRIMARY SCHOOL	30/6/23	25,000	0	25,000		
10. MAVUTI COMPACT DISCS	1/12021	14,000	0	14,000	14,000	
11. PRECIMA GENERAL SUPPLIES	1/7/22	439,000	0	439,000		

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
12.QUEENS TABBY	1/7/22	433,670	299,879	133,791		
13.TRAVELLERS BUTCHERY	1/7/2022	450,000	340,250	109,750		
14.MALUINI KID SHOP	1/7/2022	378,000	0	378,020		
15.SA MAIANI WATER PROJECT	1/7/2022	176,000	20,000	152,000		
16.MBUVA GENERAL SUPPLIES	1/7/2022	1,200,000	786,049	413,951		
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total				4,617,562		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost e/f (Kshs) 30 th June 2023
Land				
Buildings And Structures				
Motor Vehicles				

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Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023ssssssss
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				