


REPUBLIC OF KENYA



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 REPORT THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 FEB 2025	DAY. Wed
TABLED BY:	Hon. Samuel Chepkong'o, MP
CLERK-AT THE TABLE:	Mr. Mado

THE AUDITOR-GENERAL

ON

ST. MARTIN KATHONZWENI SCHOOL

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

MAKUENI COUNTY

Revised 30th June 2022.



ST MARTIN KATHONZWENI 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 International Public Sector Accounting Standards (IPSAS)

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I. KEY SCHOOL INFORMATION AND MANAGEMENT

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

(a) Background information

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

The school was registered in 2017/2/10 under registration number 17S120000021 and is currently categorized as an Extra County Public School established, owned or operated by the Government.

The school is a boarding school and had 796 number of students as at 30th June 2022. It has 4 streams and 43 teachers of which 11 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.	Eng Josephat Ndambuki	Chairman	22 May 2019
2.	Josephine Mwau	Vice Chairman	22 May 2019
3.	Gideon J Muuo	Secretary/Principal	22 May 2019
4.	Martin Makundi	Member	22 May 2019
5.	Urbanus Mbindyo	Member	22 May 2019
6.	Titus Uswii	Member -PA Chairman	22 May 2019
7.	Reuben Kikolya	Member	22 May 2019
8.	Alice Mwongeli	Member	22 May 2019
9.	Veronicah Muoka	Member	22 May 2019
10.	Rev Daniel Mathuva	Member	22 May 2019
11.	Jonathan Kimeu	Member	22 May 2019
12.	Josephine Nzusyo	Member -Rep Teachers	22 May 2019
13.	Reuben Muli	Member	22 May 2019
14.	Stanlous Ndeto	Member	22 May 2019
15.	Joshua Willy Wambua	Member	22 May 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

S/No	Names Of Members	Designation	No of meeting attended during the year
1.	Executive Committee		4 Times
a)	Eng Josephat M Ndambuki	<i>Bom Chairman</i>	
b)	Josephine M Mwau	<i>Vice Chairman</i>	
c)	Joseph M Gideon	<i>Secretary</i>	
d)	Joshua Willy Wambua	<i>Member</i>	
e)	Martin Muasya Makundi	<i>Member</i>	
f)	Titus Uswii	<i>Member</i>	
2.	Audit Committee		0 Times
a)	Joshua Willy Wambua	<i>Chairman</i>	
b)	Joseph Muuo	<i>Bom Secretary</i>	
c)	Reuben Kikolya	<i>Member</i>	
d)	Alice Musyoka	<i>Member</i>	
e)	Veronicah Muoka	<i>Member</i>	
f)	Esther Levu	<i>Member</i>	
g)	Martin Makundi	<i>Member</i>	
3.	Discipline, Ethics, Human Rights Committee		Once
a)	Stanlous Ndeto	<i>Chairman</i>	
b)	Joseph Muuo	<i>Bom Secretary</i>	
c)	Daniel Mathuva	<i>Member</i>	
d)	Reuben Muli	<i>Member</i>	
e)	Dorcas Kiio	<i>Member</i>	

4.	Academic Standards, Safety and Environment		2 Times
a)	Eng. Jonathan Kimeu	<i>Chairman</i>	
b)	Joseph Muuo	<i>Bom Secretary</i>	
c)	Arbanus Mbindyo	<i>Member</i>	
d)	Martin Makundi	<i>Member</i>	
e)	Titus Uswii	<i>Member</i>	
f)	Josephine Mwau	<i>Member</i>	
5.	Finance/Procurement and Infrastructure Committee		ONCE
a)	Titus Uswii	<i>Chairman</i>	
b)	Joseph Muuo	<i>Secretary</i>	
c)	Josephine Mwau	<i>Member</i>	
d)	Joshua Willy Wambua	<i>Member</i>	
e)	Eng Jonathan Kimeu	<i>Member</i>	
f)	Veronica Muoka	<i>Member</i>	

(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	TSC Number/Kasneb Reg No
1	Principal	Gideon Joseph Muuo	364272
2	Deputy Principal	Muthoka Hillary Mutunga	392751
3	School Bursar	Mbithi Dorcus Wandia	NAC/203033

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 11-90302
Telephone: 0727077507
E-mail: bkathonzweni@gmail.com

(f) School Banks

The following school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: WOTE
Account Number: 1105172597
2. Name of Bank: KCB
Branch: WOTE
Account Number: 1105235947
3. Name of Bank: KCB
Branch: WOTE
Account Number: 1105227979
4. Name of Bank: KCB
Branch: WOTE
Account Number: 1265333548
5. Name of Bank: KCB
Branch: WOTE
Account Number: 1109089511
6. Name of Bank: EQUITY
Branch: WOTE
Account Number: 0670280311806
7. Name of Bank: EQUITY
Branch: WOTE
Account Number: 0670294067810

MPESA Pay Bill No. 522123, Account No 30105K attached to KCB Bank Account

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

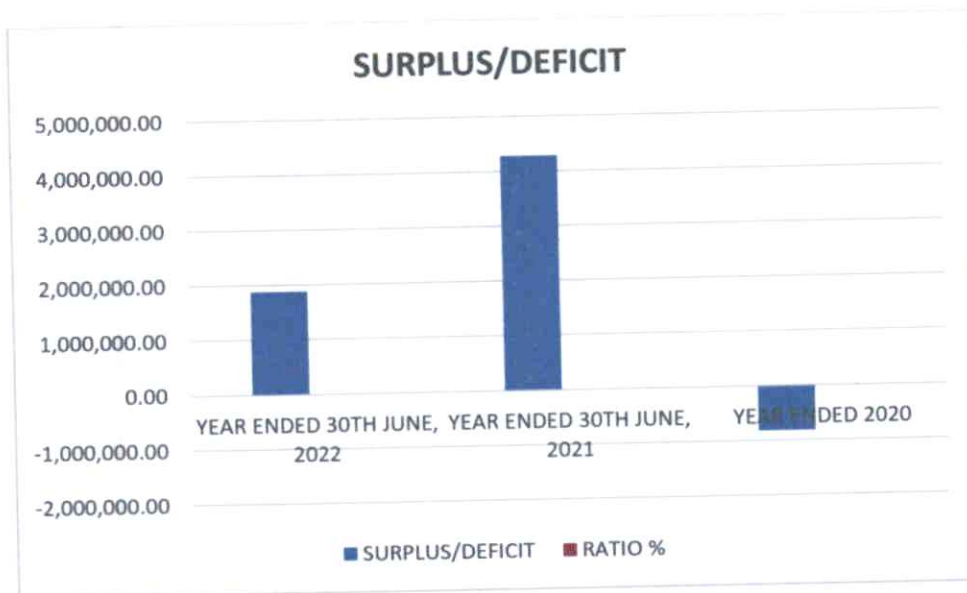
The following is a summary report of the performance of the school against the set performance evaluation criteria:

1) Financial Performance:

a) SURPLUS/DEFICIT

PERFORMANCE	YEAR ENDED 30 TH JUNE, 2022	YEAR ENDED 30 TH JUNE, 2021	YEAR ENDED 2020
SURPLUS/DEFICIT	1,878,478.00	4,290,784.00	-818,194.00
RATIO %	26 %	91 %	-17 %

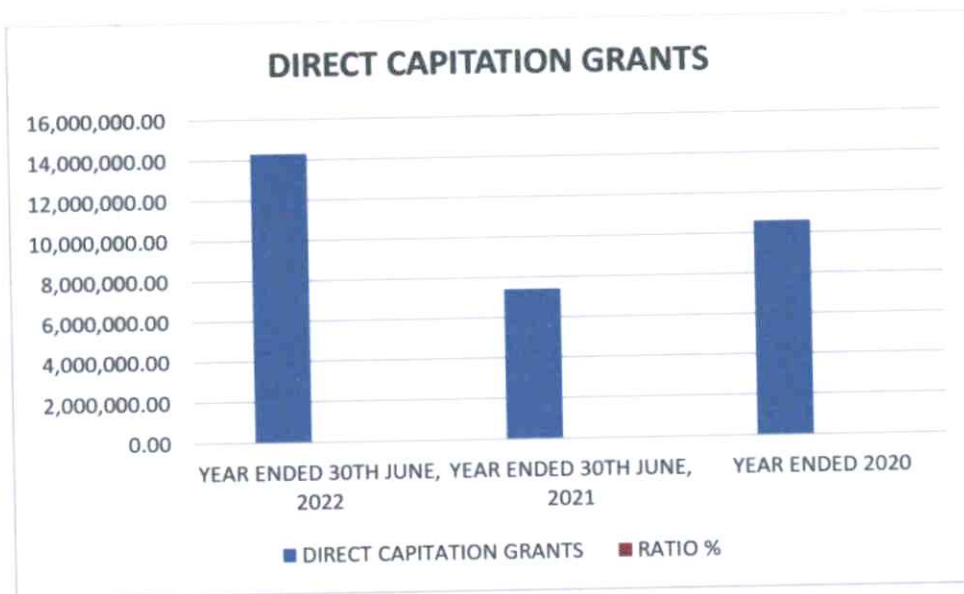
GRAPHICAL PRESENTATION



b) CAPITATION GRANTS

PERFORMANCE	YEAR ENDED 30TH JUNE, 2022	YEAR ENDED 30TH JUNE, 2021	YEAR ENDED 2020
DIRECT CAPITATION GRANTS	14,310,599.00	7,413,679.00	10,601,924.00
RATIO %	44 %	23%	33 %

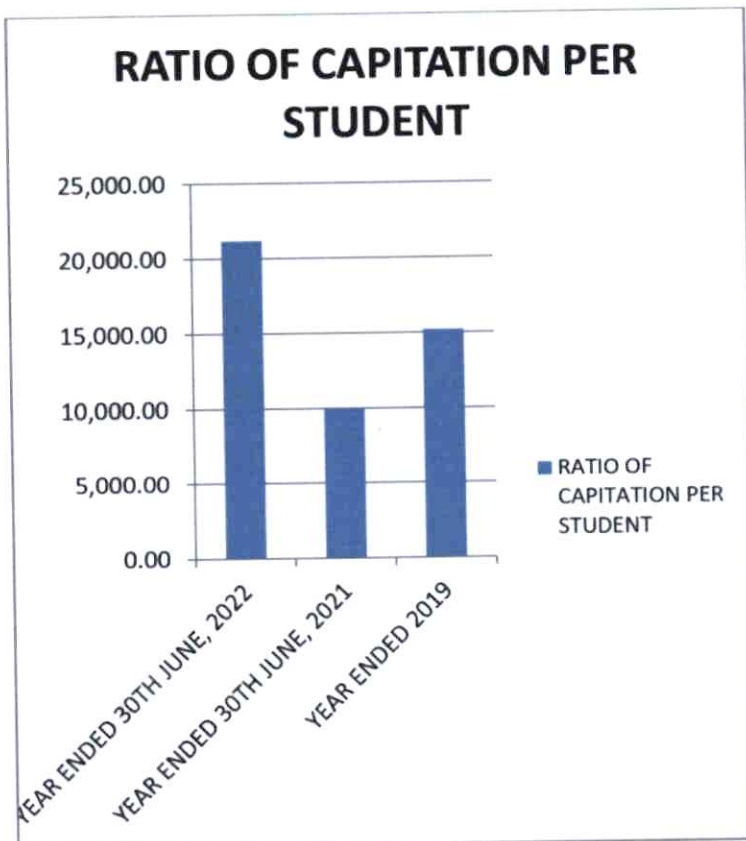
GRAPHICAL PRESENTATION



c) **RATIO OF CAPITATION PER STUDENT**

PERFORMANCE	YEAR ENDED 30 TH JUNE, 2022	YEAR ENDED 30 TH JUNE, 2021	YEAR ENDED 2019
RATIO OF CAPITATION PER STUDENT	21,191.88	10,042.23	15,223.45
RATIO %	46 %	22 %	33 %

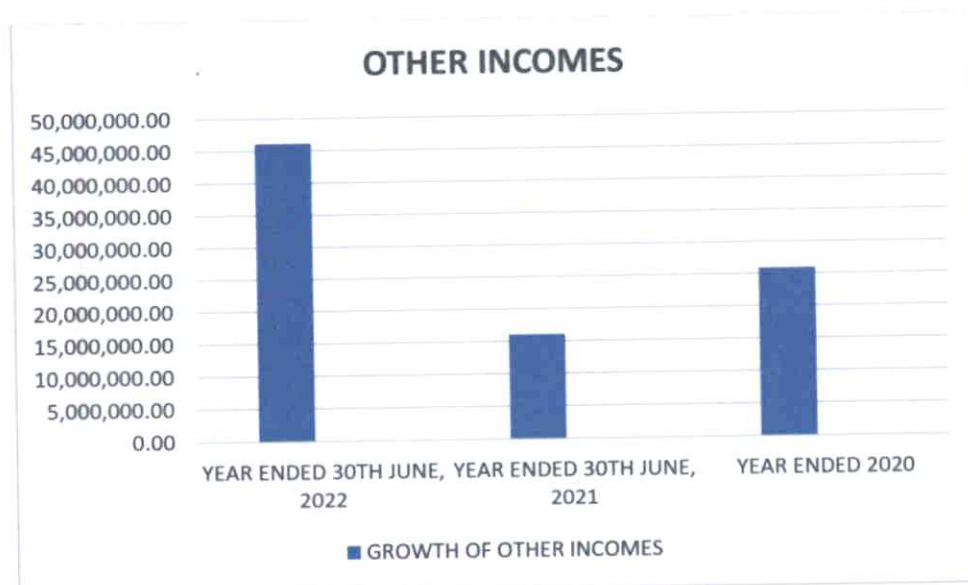
GRAPHICAL PRESENTATION



d) **OTHER INCOME EARNED-PARENTS CONTRIBUTION**

PERFORMANCE	YEAR ENDED 30TH JUNE, 2022	YEAR ENDED 30TH JUNE, 2021	YEAR ENDED 2020
GROWTH OF OTHER INCOMES	46,168,061.00	16,064,798.00	25,923,227.00
RATIO %	54 %	16 %	30 %

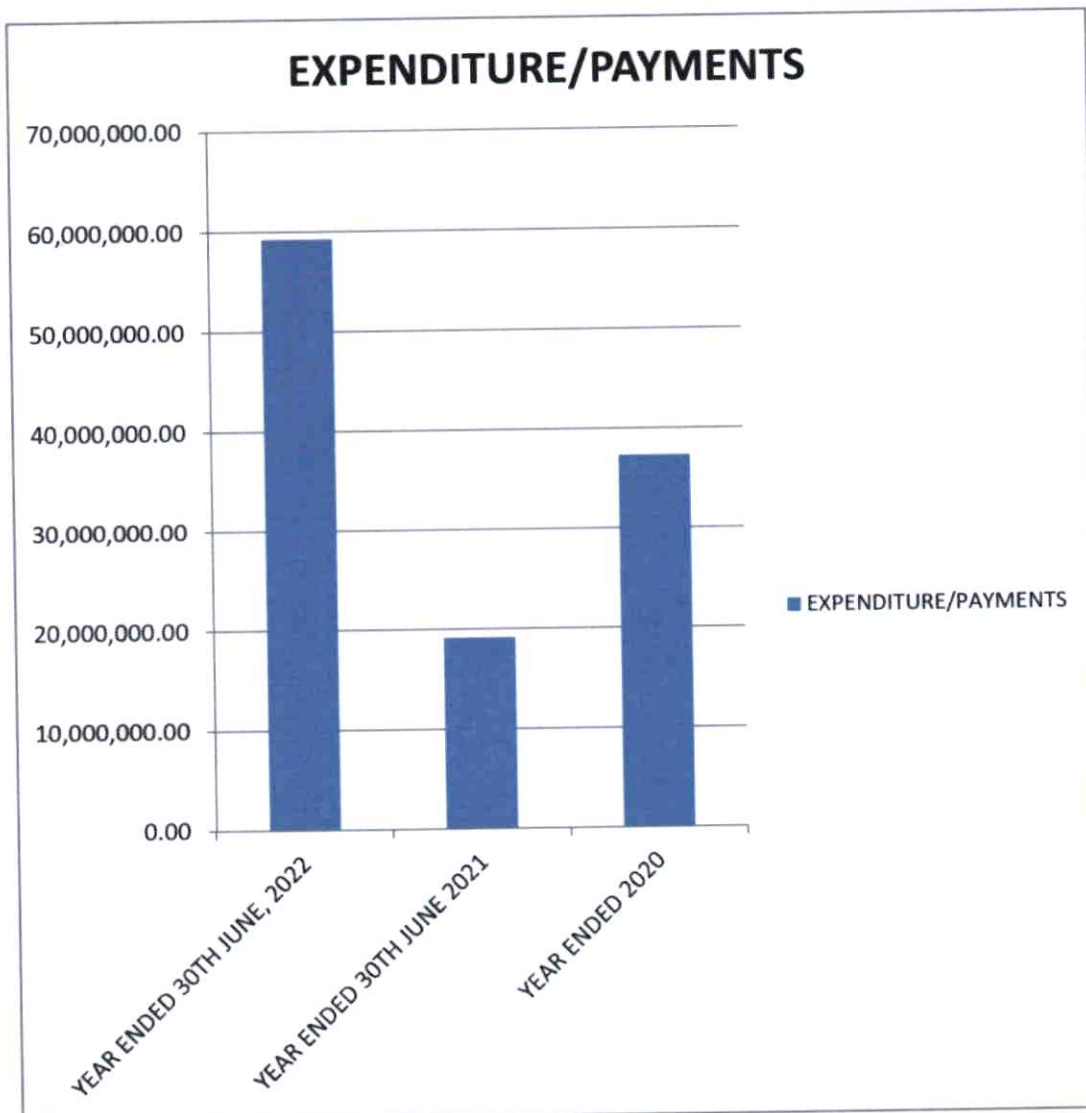
GRAPHICAL PRESENTATION



e) **EXPENDITURE / PAYMENTS**

PERFORMANCE	YEAR ENDED 30TH JUNE, 2022	YEAR ENDED 30TH JUNE, 2021	YEAR ENDED 2020
EXPENDITURE/PAYMENTS	58,600,182.00	19,187,693.00	37,343,345.00
RATIO %	51 %	17 %	32 %

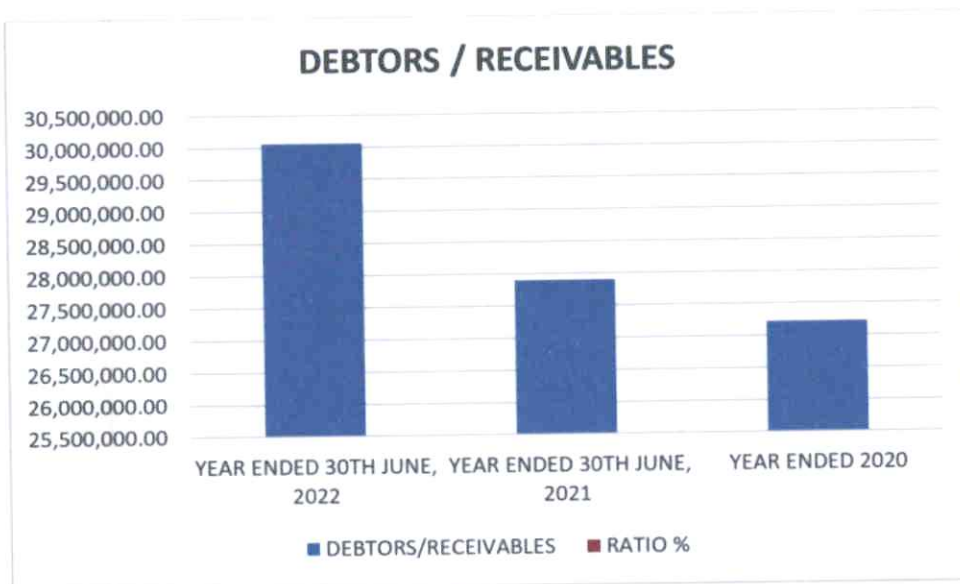
GRAPHICAL PRESENTATION



f) DEBTORS/RECEIVABLES

PERFORMANCE	YEAR ENDED 30 TH JUNE, 2022	YEAR ENDED 30 TH JUNE, 2021	YEAR ENDED 2020
DEBTORS/RECEIVABLES	30,707,055.00	27,901,170.00	27,218,210.00
RATIO %	35%	33%	31%

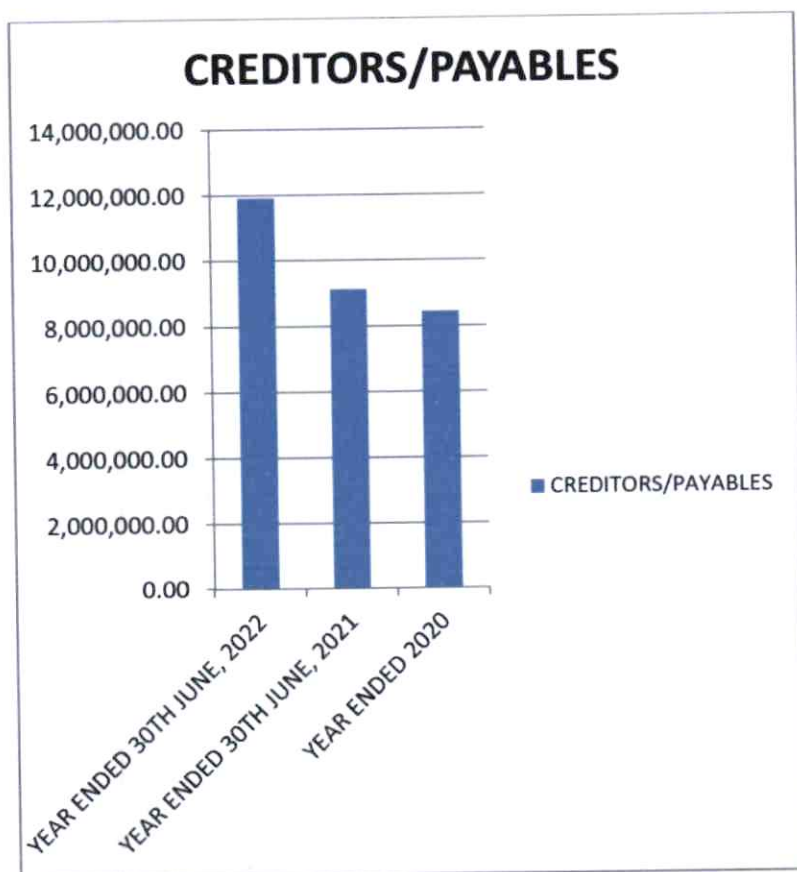
GRAPHICAL PRESENTATION



g) CREDITORS/PAYABLES

PERFORMANCE	YEAR ENDED 30 TH JUNE, 2022	YEAR ENDED 30 TH JUNE, 2021	YEAR ENDED 2020
CREDITORS/PAYABLES	11,926,074.00	9,120,190.00	8,437,230.00
RATIO %	40%	31%	29%

GRAPHICAL PRESENTATION



2) NON - FINANCIAL

Performance	Year Ended 30 th June 2022	Year Ended 30 th June 2021	Year Ended 2020
Enrolled Students	796	783	783
Number of Teacher	34	35	35
Teacher-Student Ratio	1.26	1.26	1.26

KCSE PERFORMANCE

	Year Ended 30 th June 2022	Year Ended 30 th June 2021	YEAR ENDED 2020
KCSE MEAN SCORE	5.898	6.048	
KCSE MEAN GRADE	C	C	-
TRANSITION TO UNIVERSITIES	53	73	-
TRANSITION TO OTHER COLLEGES	124	114	-
KCSE CANDIDATES	177	187	-

N/B The school has set strategies for a positive deviation and an increased number of universities entries by 2022.

CAPACITY OF THE SCHOOL

	YEAR ENDED 2022	STATUS
Enrolled Students	796	
Laboratories	2	2 Missing
Dormitories	7	1 Missing
Dining Halls	1	Inadequate
Bore Hole	1	Enough
Toilets	48 Closets	

TEACHER STUDENT RATIO:

Subject	Total no.of Teachers	No.Recruited In The Year	No Transferred In The Year	No Retired In The Year	No.Of B.o.m Teachers Employed In The Year	Shortage
English	4	-	-	-	1	1
Kiswahili	3	1	-	-	-	1
Mathematics	5	-	-	-	-	0
Biology	3	-	1	-	1	1
Physics	2	-	-	-	-	1
Chemistry	1	1	1	-	-	1
Hist& Government	2	-	-	-	-	1
Geography	2	-	-	-	-	1
CRE	2	-	-	-	-	1
B/Studies	2	-	-	-	-	0
Agriculture	2	-	-	-	-	0
Computer Studies	1	-	-	-	-	1
Art & Design	2	2	-	-	-	0
Home Science	0	-	-	-	1	1
Wood Work	1	-	-	-	-	0
Music	1	-	-	-	-	0
French	1	-	-	-	-	0
TOTAL	34	-	1	-	3	10

*TSC Teachers in School - **32 Teachers**

*BOM Teachers in School -**11 Teachers**

b) Development projects carried out by the school:

S/N	PROJECTS	SOURCE OF FUNDS	status
1.	Renovation of students toilets	Parents	In progress
2.	Solarisation of the borehole	FSE	In progress

Sign _____

School Principal



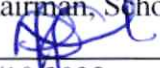
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


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 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.

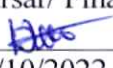
The Board of Management of *St Martin Kathonzweni School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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, 2021, and of the school's financial position as at that date.

Name: Eng. Fidelis Kavita
Designation: Chairman, School Board of Management
Sign: 
Date: 28/10/2022

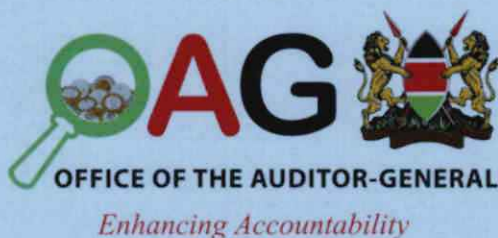
Name: Gideon Joseph Muuo
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 28/10/2022



Name: Dorcus Wandia Mbithi
Designation: Bursar/ Finance Officer
Sign: 
Date: 28/10/2022

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON ST. MARTIN KATHONZWENI SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - 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 St. Martin Kathonzweni School - Makueni County set out on pages 18 to 34, which comprise of the statement of financial

Report of the Auditor-General on St. Martin Kathonzweni School for the year ended 30 June, 2022 - Makueni County

assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of St. Martin Kathonzweni School – Makueni County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

- i. The statement of budgeted versus actual amounts reflects actual comparable budgeted total expenditure of Kshs.58,600,182 which differs from the recomputed amount of Kshs.59,830,045 resulting to an unexplained variance of Kshs.1,229,863.
- ii. The statement of budgeted versus actual amounts reflects actual comparable budgeted total income of Kshs.60,478,660 which differs from the recomputed amount of Kshs.62,937,882 resulting to an unexplained variance of Kshs.2,459,222.
- iii. The statement of cash flow reflects school fund income-parent contributions and other income of Kshs.42,241,115 which differs with Kshs.45,621,561 in Note 3 to the financial statements resulting to an unexplained variance of Kshs.3,380,446.
- iv. The statement of cash flow is not signed by the relevant signatories as required by the IPSAS standards.
- v. The twenty first (21) and twenty third (23) pages of the financial statements are not numbered.

In the circumstances, the accuracy and completeness of the financial statements cannot be ascertained.

2. Variance in School Fund Income-Parents Contribution

The statement of receipts and payments reflects School Fund Income-Parents Contributions amounting to Kshs.45,621,561 as disclosed in Note 3 to the financial statements. However, re-computation of the Expected Net revenue receipts for School

Fund Income -Parents' Contributions as per the accountable documents availed for audit revealed that the School should have collected a total Kshs.24,654,554 during the period between 1 July, 2021 to 30 June, 2022 resulting to an unexplained variance of Kshs.20,967,007.

In the circumstances, the accuracy and completeness of School Fund Income- Parents' contributions of Kshs.45,621,561 could not be confirmed.

3. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.30,707,055 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.

In the circumstances, the accuracy and recoverability of Kshs.25,886,109 cannot be confirmed.

4. Long Outstanding Receivables

The statements of financial assets and liabilities reflects accounts receivables balance of Kshs30,707,055, included in the balance are receivables amounting to Kshs.25,886,109 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 of the accounts receivables balance of Kshs.30,707,055 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Martin Kathonzweni 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 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 and based on the audit procedures performed, except for the matter 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, Management submitted the financial statements to the Auditor-General on 7 July 2023 instead of the statutory deadline 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, 2021 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. 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.42,406,548 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.657,650 transferred to Kenya Secondary Schools 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.657,650 could not be confirmed.

3. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.11,668,786 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the expenditure is an amount of Kshs.4,191,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.4,096,500 was transferred to infrastructure account, leaving a balance of Kshs.95,000. Further, an amount of Kshs.804,000 was transferred after fifteen (15) days of receipt. This was contrary to The Ministry of Education Circular Ref. No:MOE.HQS/3/13/3 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.

4. Variance in Student Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.14,310,599. Comparison of data from National Education Management and information System (NEMIS) with records from the School revealed that during the financial year ended 30 June, 2022, NEMIS reflected seven hundred and eighty three (783) students while enrollment records from the School had seven hundred and forty (740) students, resulting to an underfunding of the School by an amount of Kshs.956,492. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 13 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, under-funding of the School may have affected service delivery to the students.

5. Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.11,926,074 as disclosed in Note 12 to the financial statements. Included in the balance were trade creditors that had been outstanding for one year of Kshs.1,475,048. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates'.

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

6. Irregular Expenditure from the School Fund Boarding account

The statement of receipts and payments reflects Boarding and school fund payments of Kshs.42,406,548. Included in the amount is Kshs.2,900,000.00 which was paid to a contractor for completion of a dormitory project. This is in contrary to circular No: MOE/CONF/G5 of 26 November, 2019 from the Ministry of Education which states that all Infrastructure grants and maintenance and improvement to be transferred to the Infrastructure account. Additionally, no supporting documents were provided such as approval for payment of the completion of the dormitory from the Boarding account.

In the circumstances, the propriety of the above payment could not be confirmed.

The audit was conducted in accordance with the 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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Non-Adherence to the Procurement Procedures

The statement of receipts and payments reflects Boarding and School Fund payments of Kshs.42,406,548 as disclosed in Note 7 to the financial statements. Included in the amount are payments to contractors for supply of construction materials of Kshs.1,600,000, supply of labour of Kshs.559,800 and supply of electrical fittings of Kshs.231,545 respectively. However, there were no supporting documents provided to support the procurement such as procurement plan, departmental work plans, requisition memo, valuations, awarding Acceptance/regrets, contractual document and Inspection and Acceptance committee.

In the circumstances, the adequacy of the internal controls to ensure implementation of procurement processes and procedures could not be confirmed.

2. Lack of a Memorandum Cash Book/Petty Cashbook

Review of the records provided by the School revealed that there were standing imprests of Kshs.13,642,000. However, there was no memorandum cash book that was kept by the office to enable reconciliation of all the amounts that were issued. Additionally, it was noted that the School did not maintain an Imprest register for temporary Imprest.

In the circumstances, the adequacy of the internal controls on cash management could not be confirmed.

3. Lack of an Imprest Management

The Statement of receipts and payments reflects Boarding and School Fund payments Kshs.42,406,548 as disclosed in Note 7 to the financial statements. Included in this amount is other vote heads of Kshs.13,898,653 which is inclusive of Local transport and travelling. However, it was noted that the School did not maintain an Imprest register for temporary Imprest.

In the circumstances, the adequacy of internal controls on imprest management could not be confirmed.

4. Inadequate Management of Text Books

During the year under review, it was observed that the School had no records on receipt, distributing and recording of text books. Additionally, the books were issued without any inventory record and returns of books were not maintained. Further, review of the store showed that the school has a stock of books that have been in custody since 2020 indicating an oversupply of various categories of books in the store.

In the circumstances, the internal controls related to management of textbooks could not be confirmed.

The audit was conducted in accordance with 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 Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain 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 its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of noncompliance. 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 control.
- 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 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 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 control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL


Nairobi

08 November, 2024

STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022	Jan – June 2021
			Kshs
RECEIPTS			
Capitation grants for tuition	1	2,641,813.00	1,020,053.00
Capitation grants for operations	2	11,668,786.00	6,393,626.00
School Fund Income- Parents' Contributions	3	45,621,561.00	15,770,798.00
School Fund Income- Other receipts	4	546,500.00	294,000.00
Proceeds from borrowings		0.00	0.00
TOTAL RECEIPTS		60,478,660.00	23,478,477.00
PAYMENTS			
Payments for Tuition	5	3,498,706.00	2,196,446.00
Payments for operations	6	12,694,928.00	5,359,444.00
Boarding and school fund payments	7	42,406,548.00	11,631,803.00
TOTAL PAYMENTS		58,600,182.00	19,187,693.00
SURPLUS/DEFICIT		1,878,478.00	4,290,784.00


The school financial statements were approved on 28/10/ 2022 and signed by:

Sign: -----

Eng Fidelis Kavita

Chair BOM

Date 28/10/2022

Sign: -----

Gideon J Muuo

**School Principal/
Secretary to BOM**

Date 28/10/2022

Sign: -----

Dorcus W Mbithi

Bursar

Date 28/10/2022



V. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30TH JUNE 2022

	Note	2021-2022	Jan – June 2021
			Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	7,555,478.00	5,659,979.00
Cash Balances	9	4,523.00	21,545.00
Short term Investment	10	-	-
Total Cash and cash equivalent		7,560,001.00	5,681,524.00
Account's receivables	11	30,707,055.00	27,901,170.00
TOTAL FINANCIAL ASSETS		38,267,056.00	33,582,693.00
FINANCIAL LIABILITIES			
Accounts Payables	12	11,926,074.00	9,120,190.00
NET FINANCIAL ASSETS		26,340,982.00	24,462,504.00
REPRESENTED BY			
Accumulated Fund b/fwd	13	24,462,504.00	20,171,720.00
Surplus/Deficit for the year		1,878,478.00	4,290,784.00
NET FINANCIAL POSSITION		26,340,982.00	24,462,504.00

The School's financial statements were approved on 28/10/2022 and signed by:

Name: Eng Fidelis Kavita
Chairman, BoM

Sign: 

Date: 28/10/2022

Name: Gideon Joseph Muuo
School Principal/Secretary
to BoM

Sign: 

Date: 28/10/2022

Name: Dorcus W Mbithi
Bursar

Sign: 

Date: 28/10/2022



VI. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2021-2022	Jan – June 2021
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	2,641,813.00	1,020,053.00
Capitation grants for operations/Infrastructure	2	11,668,786.00	6,393,626.00
School fund income- Parents contributions/ Fees	3	42,241,115.00	15,770,798.00
School fund income- other receipts	4	546,500.00	294,000.00
Total Receipts		57,098,214.00	23,478,477.00
Payments			
Payments for Tuition	5	3,498,706.00	2,196,446.00
Payments for operations/Infrastructure	6	12,694,928.00	5,359,444.00
Boarding and school fund payments	7	42,406,548.00	11,631,803.00
Total Payments		58,600,182.00	19,187,693.00
Net cash flow from operating activities		1,878,478.00	4,290,784.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		N/A	N/A
Acquisition of Assets		N/A	N/A
Proceeds from investments		N/A	N/A
Purchase of investments		N/A	N/A
Net cash flows from Investing Activities		N/A	N/A
		1,878,478.00	4,290,784.00
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			N/A
Repayment of principal borrowings			N/A
Net cash flow from financing activities			N/A
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,878,478.00	4,290,784.00
Cash and cash equivalent at BEGINNING of the year		5,681,524.00	1,390,740.00
Cash and cash equivalent at END of the year		7,560,002.00	5,681,524.00

VII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Teaching / Learning Materials	3,387,720.00	-	3,387,720.00	2,641,813.00	745,907.00	78%
(2) CAPITATION GRANT ON OPERATIONS & INFRASTRUCTURE						
Other Vote Heads(P.E,Ltt,Ewc,Adm Cost)	7,684,500.00	-	7,684,500.00	7,434,667.00	249,833.00	97%
Maintenance & Improvement	4,087,500.00	-	4,087,500.00	4,074,919.00	12,581.00	97%
Medical & Insurance	1,635,000.00	-	1,635,000.00	159,200.00	1,475,800.00	10%
Activity	1,226,250.00	-	1,226,250.00	-	1,226,250.00	0%
(3) FEES CHARGED ON PARENTS						
Othervoteheads(P.E,Ltt,Ewc,Adm Cost)	11,564,970.00	-	11,564,970.00	15,300,688.00	(3,735,718.00)	113%
Maintenance & Improvement	1,982,000.00	-	1,982,000.00	2,321,491.00	(339,491.00)	117%
Students ID Cards	40,000.00	-	40,000.00	67,060.00	(27,060.00)	155%
Activity	495,500.00	-	495,500.00	633,860.00	(138,360.00)	115%
Boarding Equipment and Stores	25,632,640.00	-	25,632,640.00	26,560,606.00	927,966.00	88%
Fees arrears	6,443,524.00	-	6,443,524.00	3,063,078.00	3,380,446.00	48%
KCSE Examination				134,000.00	134,400.00	-100%
OTHER INCOME						
Rent Income	264,000.00		264,000.00	172,500.00	91,500.00	65%
Income from Bus Hire	650,000.00		650,000.00	281,000.00	369,000.00	43%
Tender fees				93,000.00	93,000.00	-100%
TOTAL INCOME	65,093,604.00		65,093,604.00	60,478,660.00	4,614,944.00	93%
(1) EXPENDITURE FOR TUITION						
Teaching / learning materials	3,387,720.00		3,387,720.00	3,496,650.00	(108,930.00)	103%

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Creditors	2,572,377.00		2,572,377.00	1,716,600.00	855,777.00	67%
(2) EXPENDITURE FOR OPERATIONS						
Othervoteheads(P.E,Ltt,Ewc,Adm Cost)	7,684,500.00		7,684,500.00	6,909,886.00	774,614.00	87%
Maintenance & Improvement	4,087,500.00		4,087,500.00	-	4,087,500.00	0%
Medical & Insurance	1,635,000.00		1,635,000.00	616,035.00	1,152,375.00	30%
Activity	1,226,250.00		1,226,250.00	5,890.00	1,220,360.00	0%
Creditors	501,364.00		501,364.00	158,860.00	342,504.00	32%
(3) EXPENDITURE FOR SCHOOL FUND						
Othervoteheads(P.E,Ltt,Ewc,Adm Cost)	11,564,970.00		11,564,970.00	13,898,653.00	(2,333,683.00)	115%
Maintenance & Improvement	1,982,000.00		1,982,000.00	7,816,069.00	(5,697,869.00)	387%
Activity	495,500.00		495,500.00	80,457.00	415,043.00	9%
Boarding Equipment and Stores	25,632,640.00		25,632,640.00	19,604,468.00	6,028,172.00	66%
Bus Hire	650,000.00		650,000.00	695,124.00	(45,124.00)	107%
Students Id Cards	40,000.00		40,000.00	45,600.00	(5,600.00)	114%
Rent Expenses	264,000.00		264,000.00	-	264,000.00	0%
Creditors	4,466,310.00		4,466,310.00	4,549,753.00	(83,443.00)	102%
Kese examination	-	-	-	148,000.00	148,000.00	-100%
Tender expenses	-	-	-	88,000.00	88,000.00	-100%
TOTAL EXPENDITURE	66,190,131.00		66,190,131.00	58,600,182.00	7,589,949.00	86%

VIII. 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.

IX. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021-2022	Jan –June 2021
		Kshs
Teaching / learning materials	2,641,813.00	1,020,053.00
		0.00
Total	2,641,813.00	1,020,053.00

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	Jan –June 2021
		Kshs
Medical & Insurance	159,200.00	0.00
Activity	0.00	0.00
Maintainance & Improvement	4,074,919.00	2,734,000.00
Other Vote Heads	7,434,667.00	3,659,626.00
Total	11,668,786.00	6,393,626.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	Jan –June 2021
		Kshs
Other Vote Heads	15,300,688.00	5,493,599.00
Medical & Insurance	101,800.00	11,000.00
Maintenance & Improvement	2,823,147.00	635,417.00
Activity	633,860.00	65,603.00
Boarding Equipment & Stores	26,560,606.00	9,564,979.00
Student ID Cards	67,060.00	200.00
KCSE Exam	134,400.00	
Total	45,621,561.00	15,770,798.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	Jan –June 2021
		Kshs
Rent Income	172,500.00	84,000.00
Tender	93,000.00	0.00
Income from bus hire	281,000.00	210,000.00
Total	546,500.00	294,000.00

5.PAYMENTS FOR TUITION

	2021-2022	Jan –June 2021
	kshs	Kshs
Teaching / learning materials	3,496,650.00	2,195,834.00
Bank Charges	2,056.00	612.00
Total	3,498,706.00	2,196,446.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. PAYMENTS FOR OPERATIONS AND INFRASTRUCTURE ACCOUNT

	2021-2022	Jan –June 2021
	Kshs	Kshs
Other Vote Heads	6,909,886.00	4,090,611.00
Medical & Insurance	616,035.00	197,677.00
Activity	5,890.00	0.00
Maintenance & Improvement		117,450.00
Dormitory Construction	5,163,117.00	953,580.00
total	12,694,928.00	5,359,444.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	Jan –June 2021
	Kshs	Kshs
Activity	80,457.00	42,160.00
Boarding Equipment & Stores	19,604,468.00	6,460,481.00
Maintenance & Improvement	7,816,069.00	321,168.00
Other Vote Heads	13,898,653.00	4,534,432.00
Students Identity Cards	45,600.00	42,400.00
Medical & Insurance	30,177.00	127,062.00
House Rent Expense		24,000.00
School Bus Hire	695,124.00	80,100.00
KCSE Exam	148,000.00	0.00
Uniform		0.00
Tender Fee	88,000.00	0.00
TOTAL	42,406,548.00	11,631,803.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	Jan –June 2021
			Kshs
Tuition Account	1105227979	12,543.00	13,660.00
Operations Account	1105235947	118,442.00	537,880.00
School Fund Account/Boarding	1105172597	5,405,797.00	3,076,631.00
Savings Account	1109089511	853,116.00	601,968.00
Infrastructural Account	1265333548	416,434.00	680,692.00
Touch A Learner Foundation	0670280311806	695,938.00	695,938.00
Cdf Account	0670294067810	53,209.00	53,209.00
Total		7,555,479.00	5,659,979.00

9. CASH IN HAND

Description	2021-2022	Jan –June 2021
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	3,444.00	3,444.00
School Fund account	1,079.00	18,101.00
Total	4,523.00	21,545.00

10 SHORT TERM INVESTMENTS

Description	2021-2022	Jan –June 2021
		Kshs
Cooperative shares	0	0
Treasury Bills	0	0
Fixed deposit	0	0
Equity stock	0	0
Other investments	0	0
Total	0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021-2022	Jan –June 2021
		Kshs
Fees arrears	30,707,055.00	27,901,170.00
Other non-fees receivables	0	0
Salary advances	0	0
Imprest	0	0
Total	30,707,055.00	27,901,170.00

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

Description	2021-2022	Jan –June 2021
		Kshs
Fees arrears for current year (list attached)	2,805,885.00	682,960.00
Fees arrears for the previous year(list attached)	2,015,061.00	2,141,532.00
Fees arrears for prior periods (over two years)	25,886,109.00	25,076,948.00
Total	30,707,055.00	27,901,170.00

12 ACCOUNTS PAYABLE

Description	2021-2022	Jan –June 2021
		Kshs
Trade creditors (See ageing below and appendix 1)	9,015,099.00	8,054,118.00
Prepaid fees	2,910,975.00	1,066,072.00
Retention monies		0.00
Total	11,926,074.00	9,120,190.00

Description	2021-2022	Jan –June 2021
		Kshs
Trade creditors for current year	7,540,051.00	4,689,288.00
Trade creditors for the previous year	1,475,048.00	3,364,830.00
Trade creditors for prior periods (over two years)		
Total	9,015,099.00	8,054,118.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. FUND BALANCE BROUGHT FORWARD

Description	2021-2022	Jan –June 2021
		Kshs
Bank balances	5,659,979.00	1,381,630.00
Cash balances	21,545.00	9,109.00
Short Term Investments		0.00
Receivables	27,901,170.00	27,218,210.00
Payables	(9,120,190.00)	(8,437,230.00)
Total	24,462,504.00	20,171,720.00

Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

14 Non-current Liabilities Summary

Description	2021-2022	Jan –June 2021
		Kshs
Bank loan(s)	0	0
Outstanding Leases	0	0
Hire purchase	0	0
Gratuity and leave provision	367,954.00	0
Total	367,954.00	0

15 Biological assets

Description	Numbers	2021-2022	Jan –June 2021
			Kshs
Cattle	3	270,000.00	320,000.00
Goats			
Total		270,000.00	320,000.00

16 Borrowings

Description	2021-2022	Jan –June 2021
		KShs
a) Borrowings	0	
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayments of during the year	0	0
Balance at end of the year	0	0

Other important disclosure notes

17 Stock/ Inventory

S/N	ITEM	STOCK/INVENTORY AT BEGINNING OF THE YEAR	STOCK/INVENTORY PURCHASED DURING THE YEAR	STOCK/INVENTORY ISSUED DURING THE YEAR	BALANCE AT END OF THE YEAR
1	Maize	1,091 Kgs	37,542.5 Kgs	38,481.5 Kgs	152 Kgs
2	Bean	2,303 Kgs	20,868.5 Kgs	22,875.5 Kgs	296kgs
3	Sugar	362 Kgs	5,000kgs	5,349 Kgs	13 Kgs
4	Rice	1,366 Kgs	17,000 Kgs	17,604 Kgs	762 Kgs
5	Salt	316 Kgs	1,480 Kgs	1,765 Kgs	31 Kgs
6	B/Band	9kgs	54 Kgs	60 Kgs	3 Kgs
7	Cocoa	4.4 Kgs	99.2 Kgs	88.4 Kgs	15.2 Kgs
8	Muthokoi	773 Kgs	15,120 Kgs	15,472 Kgs	421 Kgs
9	T/Leaves	22 Kgs	63 Kgs	84 Kgs	1 Kgs
10	Maize Flour	842 Kgs	4,920 Kgs	5,756 Kgs	6 Kgs
11	Cooking Oil	400 Litres	1,840 Litres	2240 Litres	0 Litres
12	Coffee	11 Tins	24 Tin	33 Tins	2 Tins
13	Green Grams	1550 Kgs	2,032 Kgs	2,297 Kgs	1,285 Kgs
14	Tissue Paper	28 Pcs	750 Pcs	738 Pcs	40 Pcs
15	Saviettes	19 Pcs	103 Pcs	114 Pcs	8 Pcs
16	Jik	5 Jerricans	15 Jerricans	15 Jerricans	5 Jerricans
17	Detergent	30 Jerricans	70jerricans	95 Jerricans	5 Jerricans
18	Disinfectant	3 Jerricans	120 Jerricans	120 Jerricans	3 Jerricans
19	Omo	1 Pkt	72 Pkts	67 Pkts	6 Pkts
20	Dettol	2 Jerricans	12 Jericans	10 Jerricans	4 Jerricans
21	Witeout	14 Pcs	30 Pcs	32 Pcs	12 Pcs
22	Ballpen	304 Pcs	1,100 Pcs	1,350pcs	54 Pcs
23	Spring File	67 Pcs	250 Pcs	314 Pcs	3 Pcs
24	Markpens	54 Pcs	186 Pcs	221 Pcs	19 Pcs
25	Exercise Book	1,767 Books	6,384 Books	6,308 Books	1843 Pcs
26	Stapies	12 Pcs	45 Pcs	50 Pcs	7 Pcs
27	Dusters	10 Pcs	26 Pcs	30 Pcs	6 Pcs
28	Manila Paper	119 Pcs	450 Pcs	517 Pcs	52 Pcs
29	Ruled Papers	46 Reams	164 Reams	183 Reams	27 Reams
30	Printing Papers	172 Reams	1,367 Reams	1,521reams	18 Reams
31	White Chalk	150 Pkts	258 Pkts	372 Pkts	36 Pkts
32	Counter Book Q3	16 Pcs	45 Pcs	55 Pcs	6 Pcs
33	Counter Book Q2	19 Pcs	50 Pcs	69 Pcs	0 Pcs
34	Whiteboard Marker	90 Pcs	200 Pcs	153 Pcs	137 Pcs
35	Office Glue	0 Tin	9 Tins	6 Tins	3 Tins
36	Elimu Lesson Book	17 Pcs	50 Pcs	67 Pcs	0 Pcs
37	Staedtler Pencil	9 Pcs	20 Pcs	15 Pcs	14 Pcs
38	Graph Papers	21 Reams	20reams	22 Reams	19 Reams
39	Graph Books	242 Books	1000 Books	281 Books	961 Books

40	Envelope A6	0 Carton	1 Carton	1 Carton	0 Carton
41	Envelope A5	0.5 Carton	0 Carton	0.5 Carton	0 Carton
42	Envelope A4	1 Carton	0 Carton	1 Carton	0 Carton

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d = a - c	
	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods					
1. Maridadi Glass & Hardware	6,896,833.00	2021-2022	3,000,000.00	3,896,833.00	Construction Materials
2. Danstar Enterprises	1,259,000.00	1/7/2021-30/6/2022	859,000.00	400,000.00	Detergent & Disinfectant
3. Exclusive Fashion & General Supplies	2,217,900.00	1/7/2021-30/6/2022	1,697,000.00	520,900.00	Dry Maize
4. Dpl Festive		1/7/2021-30/6/2022		400,142.00	Fresh Breads
5. Andu Mbee General Supplies	22,800.00	21/6/2022-28/6/2022	22,800.00	22,800.00	Eggs
6. Titus Kioko Maingi(Tiju Farm)	53214.00	24/5/2022-28/6/2022	0.00	53,214.00	Fruits & Onion
7. Jaybee Investment Ltd	45,200.00		0.00	45,200.00	Solar Light
8. Katwa Welfare	61100.00	28/5/2022	0.00	61,100.00	Plate & Mug
9. Mukuyuni Filling Station Ltd	25,999.00	30/6/2022	0.00	25,999.00	Petroleum & Diesel
10. Lexa Chemicals & Equipments	1,332,373.00	2021-2022	700,000.00	632,373.00	Lab Chemicals & Apparatus
11. Bookflyer Precise Publishers	369,050.00	19/1/2022	0.00	369,050.00	Revision Materials
12. Top Grade Predictor Supplies	45,000.00	20/1/2022	0.00	45,000.00	Revision Materials
13. East Kenya Supplies	1,039,193.00	2021-2022	562,684.00	476,509.00	Printed Exercise Books & Stationary
14. Jokim Investments	44740.00	8/6/2022	0.00	44,740.00	Lab Chemicals & Equipments
15. Patrima Supplies	957,455.00	16/7/2021-15/6/2022	579,750.00	377,705.00	Stationary
16. Jasho Office Solutions	743,500.00	6/7/2021-7/6/2022	556,000.00	187,500.00	Supply Of Ink ,Tonners,Masters
17. Mosheni Technologies	1,109,500.00	8/7/2021-4/5/2022	670,000.00	439,500.00	Supply Of Ink ,Tonners,Masters
18. Wise Gate Health Pharmacy	133,410.00	2022	0.00	133,410.00	Medical Drugs
19. HGM Vitale Boarding Primary School	26,000.00	2019	0.00	26,000.00	Water
20. Kathonzweni Borehole Water Project	120,000.00	2019	47000.00	73,000.00	Water
21. Thomwe Office Supplies	55000.00	2018	0.00	55,000.00	Supply Of Ink ,Tonners,Masters
22. Dreamliners Agency	208,500.00	2021	0.00	208,500.00	Ventilations

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
Ltd					
. Nyapenjose Ventures	62,350.00	2021	0.00	62,350.00	
24. Jiko Engineering Products	174,000.00	2020	100,000.00	74,000.00	
25. Jamu Furnitures				16,320.00	Repairs
Sub-Total					
Supply of Services					
26. Wellington Kioko Samuel	367,954.00	22/6/2022	0.00	367,954.00	Service Gratuity
ub-Total				9,015,099.00	
27. Prepaid Fees				2,910,975.00	
Grand Total				11,926,074.00	

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) Year 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land	1969	School Premises	49,500,000.00	-	-	69,300,000.00
Buildings and structures	1969-2022	School Premises	71,254,900.00	-	-	71,254,900.00
Motor vehicles	2008	School Premises	1,500,000.00	-	-	1,400,000.00
Office equipment, furniture and fittings	2017/18	School Premises	12,900,000.00	-	-	12,900,000.00
ICT Equipment, and Other ICT Assets	2019	School Premises	7,825,000.00	-	-	7,825,000.00
Tools and apparatus	2018	School Premises	2,000,000.00	-	-	2,000,000.00
Textbooks	2018	School Premises	2,000,000.00	-	-	2,000,000.00
Other Machinery and Equipment	2020	School Premises	2,350,000.00	-	-	2,000,000.00
Heritage and cultural assets	-	-	500,000.00	-	-	500,000.00
Intangible assets- soft ware	-	-	200,000.00	-	-	200,000.00
Total			150,029,900.00			169,729,900.00