


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
OF	DATE: 05 MAR 2025
	DAY: Wednesday
TABLED BY:	Deputy Majority Party Whip Hon. Naomi Waco, MP
THE TABLE:	Ashuba

THE AUDITOR-GENERAL

ON

KIRIMARA HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2021

NYERI COUNTY

OFFICE OF THE AUDITOR GENERAL
P. O. BOX 284 - 00100, NAIROBI
KENYA

23 SEP 2024

RECEIVED



**KIRIMARA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2021**

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

KIRIMARA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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KIRIMARA BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

I. 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 located in Nyeri County, Mathira East Sub-County

The school was registered in 2.2.2017 under registration number 19S00300079 and is currently categorized as an Extra County, public school established, owned or operated by the Government.

The school is boarding school and had 930 students as at 30th June 2021. It has 4 streams and 36 teachers of which 5 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	Mr Peter K amau	Chairman	May2019
2	Mr Nicholas Muchemi	Secretary - Principal	May 2019
3	Mr Edwin M wangi	Member	May2019
4	Mrs N ancy Beko	Member	May2019
5	Mrs Mary Wachira	Member	May2019
6	MrsJames Gitinga	Member	May 2019
7	Mr charles Mwai	Member	May2019
8	Mr kariuki	Member – Rep CEB	May 2019
9	Mr paul mwangi	Member Rep Teachers	May 2019
10	Mrs Ann Wanjigi	3 Members - Sponsor	Ma y 2019
11	Mrs Mary M uriuki	Member - Community	May 2019
12	Mr Muriuki Nungo	MemberSpecial Needs	May2019
	C linton wachira	Rep Students	May2019

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr Peter Kamau Mr Nichoas Muchemi Mr Edwin Mwangi Mrs Nancy Beko Mrs Mary Wachira Mr Paul Mundia	BOM chairman BOM sec/ Principal Member Member Member Member	6 out of 8
2	Audit Committee	Mr Peter Kamau Mr Nicholas Muchemi Mr Edwin Mwangi	BOM chairman BOM sec/ principal Member	2 out of 4
3	Finance, procurement and general purposes Committee	Mr Peter Kamau Mr Nicholas Muchemi Mr Edwin Mwangi Mrs Nancy Beko Mr Charles Mwai Mr George Nyamu	BOM chairman BOM sec/ principal Member Member Deputy principal	4 out of 6
4	Academic Committee	Mrs Mary Muriuki Mr Muriuki Nungo Mr Kariuki Mwendia Mr George Nyamu	Member Member Member Deputy principal	4 out of 6

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5	Development Committee	Mr Charles Mwai Mr Nicholas Muchemi Mr Paul Mundia Mr Joshua Kamondo Mr George Nyamu	Member BOM sec/Principal Member Member Member	4 out of 6
6	Discipline and welfare Committee	Mr Nicholas Muchemi Mr George Nyamu Mr Paul Mwangi	BOM sec/principal Deputy principal Member	4 out of 6
7	Adhoc Committee (if any during the year)	Mr George Nyamu Mrs Milka Kagure Mrs Virginia Mwikali Mr Wycliffe Tali Mr Geoffrey Muhoro	Chairman Secretary Member Member Member	2 Out of 3

(d) School operation Management

For the financial year ended 30th June 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Mr Nichoalas Muchemi	352730
2	Deputy Principal	Mr George Nyamu	374578
3	School Bursar	Mrs Milka Kagure	21776357

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 51 – 10101 Karatina
 Telephone: 0757 279 705
 E-mail: kirimarahigh@gmail.com
 Website: www.kirimaraghschool.ac.ke

(f) School Bankers

The school operated the following bank accounts in the following banks:

	SCHOOL FUND A/C	TYPE
1.	Name of Bank: KCB Branch: KARATINA Account Number: 1106162161	Current account
	OPERATIONS A/C	
2.	Name of Bank: KCB Branch: KARATINA Account Number: 110552578	Current account
	INFRASTRUCTURE A/C	
3.	Name of Bank: KCB Branch: KARATINA Account Number: 1270901974	Current account
	TUITION A/C	
4.	Name of Bank: KCB Branch: KARATINA Account Number: 1105550524	Current account
	PTA A/C	
5.	Name of Bank: CO-OPERATIVE Branch: KARATINA Account Number: 114105927640	Current account
	FARM A/C	
6.	Name of Bank: TAIFA SACCO Branch: KARATINA Account Number: 8010101523	Savings account
7.	Name of Bank: CDF Branch: KARATINA Account Number: 0011417711400300	Current account
8.	MPESA Pay Bill No. Business Number: 522123 Account Number: 39422K Attached to KCB account number 1106162161	

KIRIMARA HIGH SCHOOL
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(g) Independent Auditors

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

KIRIMARA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

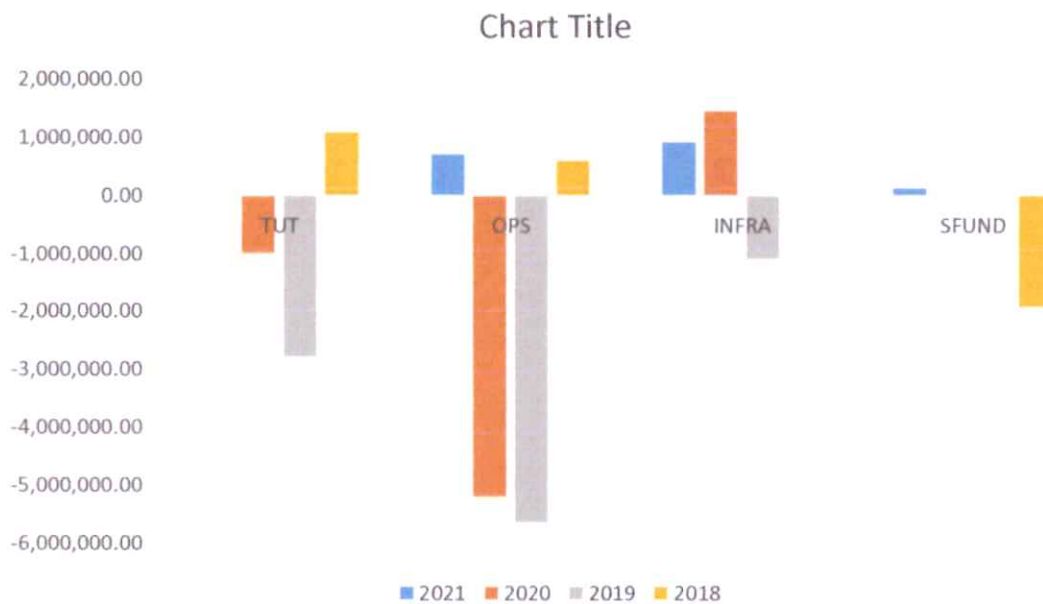
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) **Financial performance:**

- Surplus/ deficit for the year and a comparison of the same for the last three years

- **SURPLUS/DEFICIT**

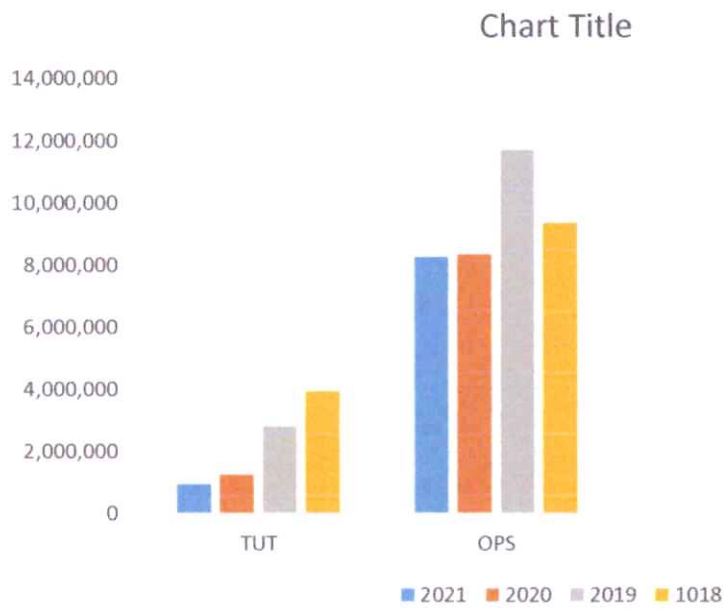
ACCOUNTS	2021	2020	2019	2018
TUITION ACCOUNT	7,530.00	(974,370.00)	(2,785,792)	1,089,553.70
OPERATIONS ACCOUNT	707,796.00	(5,193,172.00)	(5,642,279)	597,917.24
INFRASTRUCTURE	916,900.00	1,452,796.00	(1,084,449)	0
SCHOOL FUND ACCOUNT	124,319.00	0	0	(1,927,672.50)
TOTAL	1,756,455.00	(4,714,746.00)	(-9,512,520)	(240,201.56)



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- *Capitation grants from the Ministry of Education for the last three years*

ACCOUNTS	2021	2020	2019	2018
TUITION ACCOUNT	961,430	1,276,500.00	2,819,159	3,942,909
OPERATIONS ACCOUNT	8,274,821	8,349,919.00	11,719,737	9,361,341
TOTAL	9,236,251.00	9,626,419.00	14,538,896	13,304,250



**KIRIMARA HIGH SCHOOL
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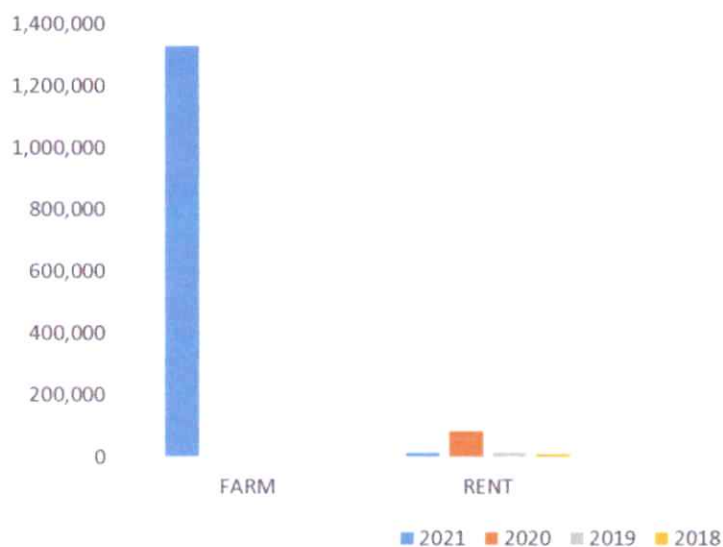
- Ratio of capitation grant per student over the last three years

ACCOUNTS	2021	2020	2019	2018
TUITION ACCOUNT	961,430.00	1,276,500.00	2,819,159	3,942,909
OPERATIONS ACCOUNT	8,274,821.00	8,349,919.00	11,719,737	9,361,341
TOTAL	9,236,251.00	9,626,419.00	14,538,896	13,304,250

- A three-year overview of growth of other income(s) earned by the school.

OTHER INCOMES				
ACCOUNTS	2021	2020	2019	2018
FARM	1,329,600	-	-	-
RENT INCOME	14,200	84,530	16,800	10,500
TENDERS	-	-	-	-
TOTAL	1,343,800	84,530	16,800	10,500

Chart Title

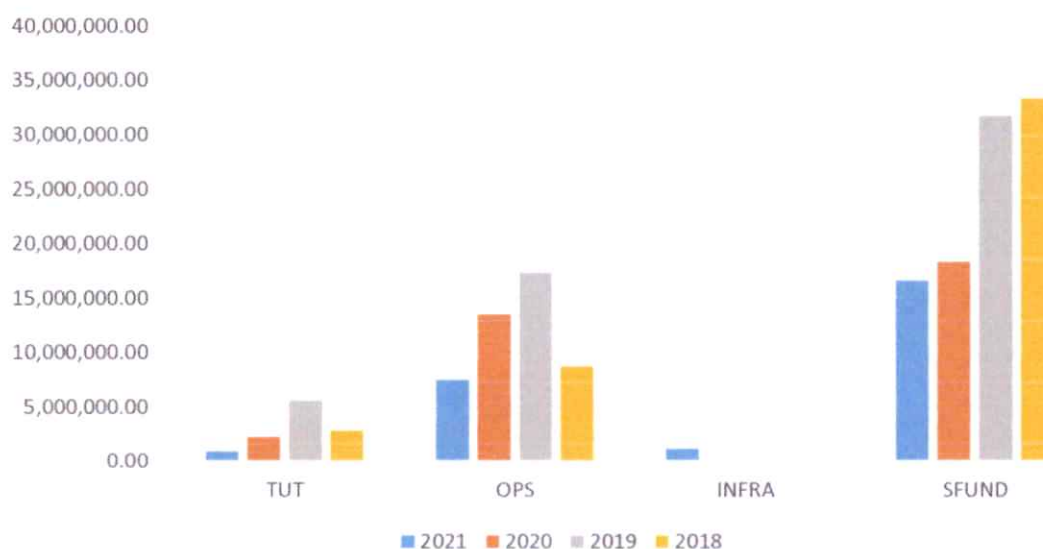


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- *A three-year overview of growth in expenditure of the school*

ACCOUNTS	2021	2020	2019	2018
TUITION ACCOUNT	953,900.00	2,250,870.00	5,604,951	2,853,355
OPERATIONS ACCOUNT	7,567,115.00	13,543,091.00	17,362,015	8,763,424
INFRASTRUCTURE	1,147,060.00	-	-	-
SCHOOL FUND ACCOUNT	16,652,165.00	18,354,048.00	31,763,980	33,403,337
TOTAL	26,320,240.00	34,148,009.00	54,730,946	45,020,116

Chart Title

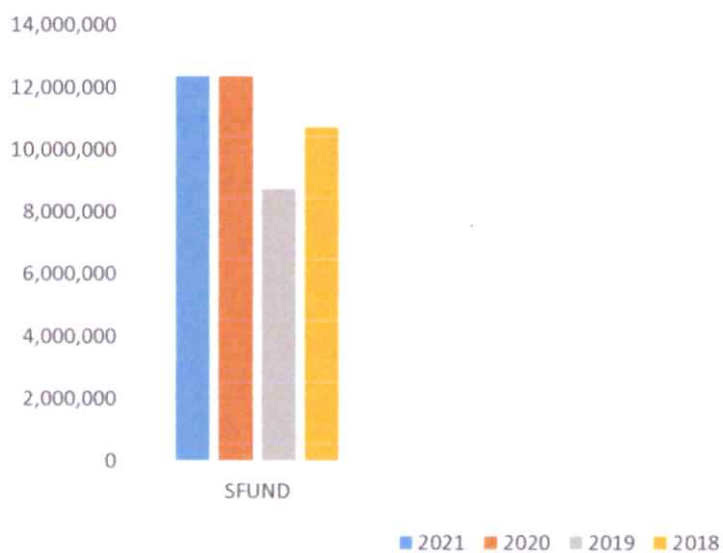


KIRIMARA HIGH SCHOOL
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- *Movement of debtors and creditors of the school over the last three years*

DEBTORS				
ACCOUNTS	2021	2020	2019	2018
SCHOOL FUND ACCOUNT	12,359,402	12,359,402	8,754,833	10,722,095
TOTAL	12,359,402	12,359,402	8,754,833	10,722,095

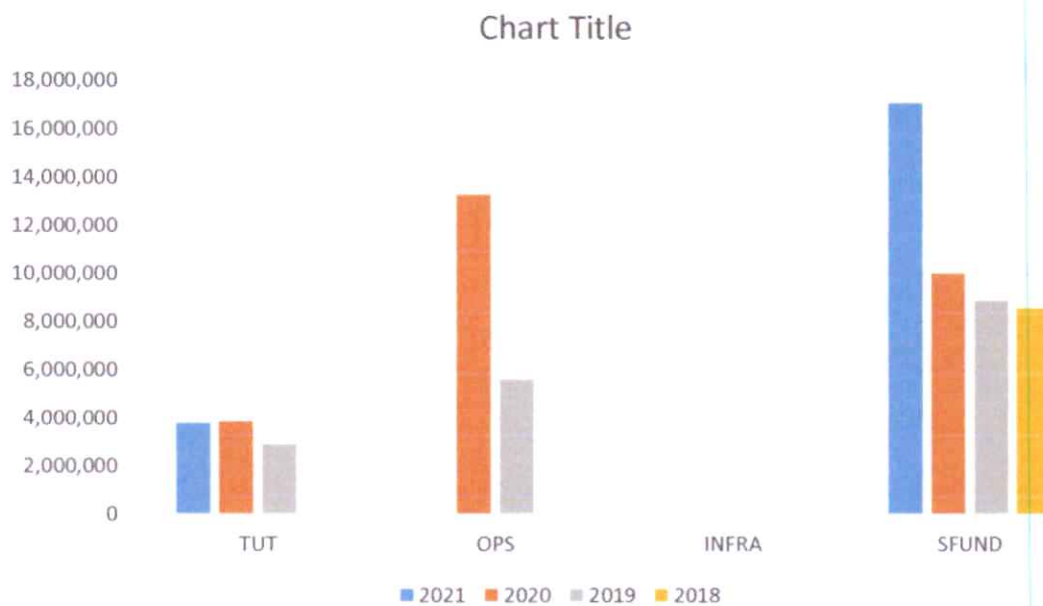
Chart Title



KIRIMARA HIGH SCHOOL
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- Movement of debtors and creditors of the school over the last three years

CREDITORS				
ACCOUNTS	2021	2020	2019	2018
TUITION ACCOUNT	3,780,944	3,850,539	2,884,229	-
OPERATIONS	0	13,264,044	5,613,467	-
INFRASTRUCTURE	0	0	0	-
SCHOOL FUND	17,044,142	9,984,113	8,886,267	8,535,904
TOTAL	20,765,302	27,098,696	17,383,963	8,535,904



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b) Teacher Student ratio:

The school had a population of 905 students with a total of 36 teachers; 31 TSC teachers and 5 BOM teachers.

Teacher student ratio is 26:47

c) Mean score in the 2021 KCSE:

YEAR	ENTRY	A	A-	B +	B	B-	C+	C	C-	D+	D	D-	E	MEAN SCORE	MEAN GRADE
2019	172	0	0	5	14	14	29	26	36	31	15	0	0	5.8660	C
2020	184	0	1	11	23	25	31	52	33	6	1	1	0	6.7990	C+
2021	186	0	0	1	6	12	21	37	40	50	17	2	0	5.2903	C-

d) Number of Candidates in the 2021 KCSE:

Number of candidates sitting for KCSE over the last three years

YEAR	ENTRY
2019	172
2020	184
2021	186

e) Capacity of the school:

Number of students	-	905
Number of dormitories	-	7
Number of Laboratories	-	4
Number of classrooms	-	17
Dining hall	-	1
Toilets	-	45

f) Development projects carried out by the school:

Sign

School Principal



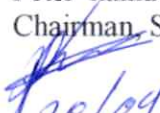
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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.

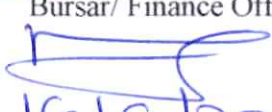
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: Peter kamau
Designation: Chairman, School Board of Management
Sign: 
Date: 20/09/2024

Name: Nicholas Mwachem
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 17 SEP 2024

Name: Milka K. Kagire
Designation: Bursar/ Finance Officer
Sign: 
Date: 18/9/2024



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 2021.

REPUBLIC OF KENYA



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON KIRIMARA HIGH SCHOOL FOR THE PERIOD ENDED 30 JUNE, 2021 – NYERI 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 the intended purpose.
- 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 control, 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 Kirimara High School -Nyeri County set out in pages 17 to 34 which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and

Report of the Auditor-General on Kirimara High School for the year ended 30 June, 2021 - Nyeri County

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kirimara High School - Nyeri County as at 30 June, 2021, 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. Inaccuracies in the Financial Statements

- i) The statement of financial assets and financial liabilities reflects accumulated fund brought forward balance of Kshs.12,619,224 as disclosed in Note 13 to the financial statements. However, the fund balance was in variance with the total of bank, receivables and payables balances brought forward from the previous year of Kshs.14,638,059 resulting in an unexplained variance of Kshs.2,018,835.
- ii) The statement of financial assets and financial liabilities reflects bank balance of Kshs.1,464,739. Included in this balance is Kshs.115,000 relating to infrastructure account as disclosed in Note 10 to the financial statements. However, this balance differs with the bank reconciliation balance of Kshs.139,631 resulting in unexplained variance of Kshs.24,631.
- iii) The statement of financial assets and liabilities reflects a cash and bank balance of Kshs.1,857,651 as at 30 June 2021. However, cashbook balances reflected balances that differed from the respective balances reflected in the Notes to the financial statements as indicated below;

Bank account	Financial statement amount	Cashbook amount	Variance
Bank Accounts			
Tuition	11,524	177,530	166,006
Operations	732,749	2,360,529	1,627,780
School fund account	515,672	2,414,160	1,898,488

Bank account	Financial statement amount	Cashbook amount	Variance
Infrastructural Account	115,000	(921,090)	806,090
Total	1,374,945	4,031,129	4,498,364
Cash in hand			
Operation account	23,230	255,549	232,319
School fund account	170,052	176,252	6,200
Total	193,282	431,801	238,519

- iv) A re-computation of the amounts recorded in the statement of budgeted versus actual amounts revealed variances between the recorded balance and the recalculated amounts resulting to a variance Kshs.7,088,796 as detailed below;

Item	Statement of budget versus actual amount (Kshs)	Re-calculated figure (Kshs)	Variance (Kshs)
Total income for fees charged on parents and other income-Budget utilization difference	22,179,954	19,693,928	2,486,026
Capitation grant on operations (Local transport/travelling) -Budget utilization difference	1,998,411	498,411	1,500,000
Expenditure on operations-Creditors- Budget utilization difference	1,886,000	1,256,000	630,000
Expenditure for school fund (Repairs maintenance) – Budget utilization	(2,173,746)	1,800,000	373,746
Expenditure for school fund (Activity)- Budget utilization difference	2,173,746	(74,950)	2,098,794
Total expenditure for school	16,652,165	16,651,935	230

Item	Statement of budget versus actual amount (Kshs)	Re-calculated figure (Kshs)	Variance (Kshs)
fund- Actual comparable basis			
Total			7,088,796

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

2. Variance in Capitation Amounts Disbursed

The statement of receipts and payments reflects capitation grants for operations of Kshs.8,274,821 as disclosed in Note 2 to the financial statements. Review of the NEMIS capitation disbursements made to the School revealed total disbursement of Kshs. 9,803,225 resulting to an unexplained variance of Kshs. 1,528,404.

In the circumstances, the accuracy and completeness of the capitation grants for operations of Kshs 8,274,821 could not be confirmed.

3. Overdrawn (Negative) Cashbook Balances

The statement of financial assets and financial liabilities reflects a bank balance of Kshs.1,464,739. However, as disclosed in Note 10 to the financial statements, the balance includes an overdrawn cashbook balance of Kshs. 921,090 for the infrastructure account. This is contrary to IAS 1.32 which states that assets and liabilities, and income and expenses, may not be offset.

In the circumstances, the accuracy, completeness and existence of bank balance of Kshs.1,464,739 could not be confirmed.

4. Undisclosed Expenditure

Review of the school fund cashbook revealed that the School made payments totalling Kshs. 1,463,297 for farm activities, which had not been disclosed as payments in the financial statements

In the circumstances, the accuracy, and completeness of the school fund payments could not be confirmed.

5. Long Outstanding Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.9,124,867 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.7,929,790 which had been outstanding for more than two (2) years. Further, no concrete efforts appear to have been made towards the recovery of the long outstanding balances.

responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 29 April, 2024 instead of the statutory deadline of 30 September 2021. 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 with 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 payments for operations of Kshs.8,274,821 as disclosed in Note 2 to the financial statements. Included in the expenditure is an amount of Kshs.157,680 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of funds transferred to KESSHA amounting to Kshs.157,680 could not be confirmed.

3. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements prepared and submitted for audit are not consistent with the prescribed reporting format by the Public Sector Accounting Standards Board (PSASB) as detailed below;

- i. Management presented the annual report and financial statements covering six months from January, 2021 to June, 2021. However, the Public Sector Accounting Standards Board (PSASB) prescribed financial statements for eighteen-months (18).
- ii. The notes to the financial statements are not aligned to the statement of financial assets and liabilities for the period ended 30 June, 2021.
- iii. The summary report of the school's performance shows debtors of Kshs. 12,359,402 in 2021, while the statement of assets and liabilities reflects Kshs.9,124,867, resulting to overstatement of Kshs.3,234,535.
- iv. The summary report of the school's performance shows creditors of Kshs 20,765,302 in 2021, while the statement of assets and liabilities reflects Kshs 21,845,327 resulting to understatement of Kshs 1,080,025.
- v. Annex 2 to the financial assets reflects summary of fixed assets register of Kshs.446,588,000 However, a recast shows Kshs.452,680,000 resulting to a variance of Kshs.6,092,000.
- vi. Annex 1 to the financial statements on Analysis of Pending Accounts Payable has not been duly filled according to the reporting template. Further, the balance for supply and services is Kshs.13,318,767 while the recomputed balance is Kshs.9,374,364 resulting to a variance of Kshs.3,944,403.
- vii. During the financial year under review, the School procured stationeries, foodstuff, laboratory chemicals and apparatus which were recorded in stores ledger. Further, audit inspection of ledger records revealed that the School was holding inventories of undetermined value as at 30 June, 2021 which were not disclosed in the financial statements. Further, the financial statements disclose Nil biological assets.
- viii. The numbering in the table of contents is not consistent with the statements presented in the financial statements.
- ix. The header on each page of the financial statements has not been indicated as "Reports and Financial Statements For the period ended 30 June 2021"
- x. Section (d) school operation management under key information should read "for the period ending 30th June 2021" since the reporting period does not run for a complete financial year
- xi. The header on the financial statements does not conform to the format provided.
- xii. The explanation for significant variances in the statement of budgeted versus actual was not provided according to the reporting template
- xiii. The page numbers in the financial statements are not sequential.

- xii. The explanation for significant variances in the statement of budgeted versus actual was not provided according to the reporting template
- xiii. The page numbers in the financial statements are not sequential.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision making

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

The statement of receipts and payments reflects operations grants amount of Kshs.8,274,821 as disclosed in Note 2 to the financial statements. The amounts were received from the Ministry of Education and were credited in the Schools operations bank account. Included in the grants is infrastructure grants amounting to Kshs.3,320,500 which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.300,000 was transferred to infrastructure account, leaving a balance of Kshs.3,020,500 as at 30 June, 2021. 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.

5. Long outstanding payables

The statement of financial assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payable amounting to Kshs.21,845,327 However, included in the balance are trade payables balance of Kshs. 9,868,983 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer not to commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates.

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, 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. Failure to Develop School Improvement Plan

During the year/period under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the requirements of the Operation Manual for Utilization of Learner Capitation Grant and Other School Funds

2. Lack of Ownership Documents

Review of documents and records related to land matters revealed that the school occupies seventy-eight (78) parcels of land of different sizes. Out of this the School had secured title deeds for 12 7 acres. However, no evidence was provided to demonstrate efforts to acquire title deeds for the remaining pieces of land to avoid the invasion by unauthorized persons.

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

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 Management and those Charged with Governance

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

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes

and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 control 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with 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


15 September, 2024

KIRIMARA HIGH SCHOOL
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	961,430	1,276,500
Capitation grants for operations	2	8,274,821	8,349,919
School Fund Income- Parents' Contributions	3	3,555,775	5,413,270
School Fund Income- Other receipts	4	14,013,290	14,393,574
Infrastructure	5	1,271,379	-
TOTAL RECEIPTS		28,076,695	29,433,263
PAYMENTS			
Payments for Tuition	6	953,900	2,250,870
Payments for operations	7	7,567,115	13,543,091
Boarding and school fund payments	8	16,652,165	18,354,048
Infrastructure	9	1,147,060	
TOTAL PAYMENTS		26,320,280	34,148,009
SURPLUS/DEFICIT		1,765,415	(4,714,746)

The school financial statements were approved on 9/9/2021 and signed by:

Sign: 

Name Peter Kamau
 Chair BOM

Date 20/09/2021

Sign

Name Nicholas Muchemi
 School Principal/
 Secretary to BOM



Sign 

Name Milkah Kagure
 Bursar/
 Finance Officer

Date 17/9/2021

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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
 30TH JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	1,464,739	101,072
Cash Balances	9	392,912	164
Short term Investment	10	-	
Total Cash and cash equivalent		<u>1,857,651</u>	<u>101,236</u>
Account's receivables	10	9,124,867	12,359,402
			12,460,638
TOTAL FINANCIAL ASSETS		10,982,518	
FINANCIAL LIABILITIES			
Accounts Payables	12	(21,845,327)	27,098,697
NET FINANCIAL ASSETS		(10,862,809)	(14,638,058)
REPRESENTED BY			
Accumulated Fund b/fwd	13	12,619,224	(9,923,313)
Surplus/Deficit for the year	14	(1,756,415)	(4,714,746)
NET FINANCIAL POSSITION		10,862,809	(14,638,058)

The School's financial statements were approved on 16/9/2024 and signed by:

Name: peter kamau
 Chairman, BoM

Sign:

Date

[Handwritten signature]
 20/09/2024

Name: Nicholas Muchemi



Sign:

Date:

Name Mikah Kagure:
 Bursar/Finance

Sign:

Date:

[Handwritten signature]
 16/9/2024

KIRIMARA HIGH SCHOOL
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	961,430	1,276,500
Capitation grants for operations	2	8,274,821	8,349,919
School fund income- Parents contributions/ fees	3	3,555,774	5,413,270
School fund income- other receipts	4	14,013,290	14,393,574
Infrastructure	5	1,271,379	
Total receipts		28,076,695	29,433,263
Payments			
Payments for Tuition	6	953,900	2,250,870
Payments for operations	7	7,567,155	13,543,091
Boarding and school fund payments	8	16,652,165	18,354,048
Infrastructure	9	1,147,060	
Total payments		26,320,280	34,148,009
Net cash flow from operating activities		1,756,415	(4,714,746)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets			
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,756,415	(4,714,746)
Cash and cash equivalent at BEGINNING of the year		101,236	4,613,510
Cash and cash equivalent at END of the year		1,857,651	101,236

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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials			254,610			
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials	1,864,000		1,864,000	706,820	1,157,980	40%
Chalks						
Exams and assessment						
Teachers guides						
TOTAL	1,864,000		1,864,000	961,430	1,157,980	51%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	2,115,000		2,115,000	1,374,750	740,250	65%
Repairs and maintenance	4,500,000		4,500,000	1,476,000	3,024,000	32%
Local transport / travelling	2,115,000		2,115,000	1,616,589	1,998,411	76%
Electricity and water	2,115,000		2,115,000	2,072,304	42,696	97%
Salary advance				42,500		
Rent				8,400		
Administration costs	2,115,000		2,115,000	620,658	1,494,342	29%
Activity	1,350,000		1,350,000	1,063,620	286,380	78%
TOTAL	14,310,000		14,310,000	8,274,821	7,586,079	57.77%

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	2,625,750		2,625,750	868,763	1,756,987	33%
Repairs and maintenance	1,800,000		1,800,000	882,152	917,848	49%
Local transport / travelling	2,625,750		2,625,750	86,250	2,539,500	
Electricity and water	2,625,750		2,625,750	857,030	1,768,720	33%
Medical						
Administration costs	2,625,750		2,625,750	806,780	1,818,970	31%
Activity	450,000		450,000	54,800	395,200	12%
SMASSE						
Fee on Boarding Equipment and Stores	18,747,000		18,747,000	8,250,297	10,496,703	44%
OTHER INCOME						
Rent income				14,200		
Income from farming activities				1,329,600		
Insurance compensation				763,513		
arrears				2,034,065		
Prepayments				1,252,615		
Fee for hire of ground and equipment						
Interest income						
Income from any other investment						
TOTAL INCOME	31,500,000		31,500,000	17,200,065	22,179,954	
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials						

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Exercise books				783,900		
Laboratory equipment				170,000		
Internal exams						
Teaching / learning materials	1,864,800		1,864,800		1,864,800	
Chalks						
Exams and assessment						
Teachers guides						
Administration costs						
Bank Charges						
TOTAL	1,864,800		1,864,800	953,900	1,864,800	
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	2,115,000		2,115,000	2,379,642	-264,642	51%
Repairs, maintenance & improvements	1,800,000		1,800,000	2,140,056	-340,056	118%
Local transport / travelling	2,115,000		2,115,000	51,900	2,063,100	3%
Electricity, water and conservancy	2,115,000		2,115,000	500,000	1,615,000	23%
Creditors P.E				1,256,000	1,886,000	10%
Administration costs	2,115,000		2,115,000	229,500		
Activity Expenses	135,000		135,000	165,180		
Clearance				844,877		
TOTAL	10,395,000		10,395,000	7,567,155	4,959,402	
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	2,625,750		2,625,750	1,674,580	951,170	67%
Repairs, maintenance and	1,800,000		1,800,000		-2,173,746	220%

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
improvements				3,973,746		
Local transport / travelling	2,625,750		2,625,750	1,011,488	1,614,262	38%
Electricity, water and conservancy	2,625,750		2,625,750	326,000	229,750	12%
Medical Expenses						
Administration costs	2,625,750		2,625,750	1,108,615	1,517,135	52%
Activity				74,950	2,173,746	
Creditors BES				1,465,297		
Infrastructure				121,015		
Boarding Equipment and Stores	18,747,000		18,747,000	6,088,938	12,658,062	32%
Clearance Account				807,306		
TOTALS	31,050,000		31,050,000	16,652,165	19,040,379	53%
(4) EXPENDITURE FOR INFRASTRUCTURE						
Project Expenses				1,147,060		67%

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	254,610	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	706,820	1,276,500
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	961,430	1,276,500

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,374,750	3,222,869
Repairs and maintenance	1,476,000	3,128,500
Local transport / travelling	1,616,589	-
Electricity and water	2,072,304	792,275
Rent	8,400	-
Administration costs	620,658	792,275
Activity	1,063,620	276,000
Salary Advance	42,500	138,000
Total	8,274,821	8,349,919

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	868,763	1,013,481
Repairs and maintenance	882,152	709,381
Local transport / travelling	86,250	371,101
Electricity and water	857,030	1,718,167
Administration costs	806,780	1,495,530
Activity	54,800	105,610
Total	3,555,775	5,413,270

KIRIMARA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	8,250,297	14,273,544
Rent income	14,200	84,530
Income from farming activities	1,329,600	-
Insurance compensation	763,513	36,500.
Prepayment	1,252,615	-
Fees Arrears	2,403,065	-
Fee for hire of ground and equipment	-	-
Income from grants and donations*	-	-
Interest income	-	-
Dividends income	-	-
Total	14,013,290	14,394,574

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

Transfer from operations account 1,271,379

6 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	75,960
Exercise books	783,900	-
Laboratory equipment	170,000	47,360
Internal exams	-	-
Teaching / learning materials	-	1,701,310
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	-	-
Total	953,900	2,250,870

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,379,642	5,376,106
Service Gratuity	-	-
Administration Cost	229,500	1,467,330
Repairs and maintenance & improvements	2,140,056	4,557,504
Local transport / travelling	51,900	168,030
Electricity and water	500,000	1,964,121
Activity Expenses	165,180	10,000
Creditors	1,256,000	-
Others – clearance	844,877	-
Bank Charges	-	-
Acquisition of Assets	-	-
TOTAL	7,567,155	13,543,091

8 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,674,580	2,489,584
Service Gratuity	-	-
Repairs and maintenance & Improvements	3,973,746	1,098,192
Local transport / travelling	1,011,488	1,959,076
Electricity and water	326,000	875,580
Administration costs	1,108,615	2,824,445
Activity	74,950	763,920
Infrastructure	121,015	-
Farm	-	-
Fee on Boarding Equipment and Stores	6,088,938	8,242,246
Creditors	1,465,297	-
Clearance A/c	807,036	101,605
TOTAL	16,652,165	18,354,948

9 INFRASTRUCTURE PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Project Expenses	1,147,060	-
TOTAL	1,147,060	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	KCB	11,524	4,739
Operations Account	KCB	732,749	52,479
School Fund Account/Boarding	KCB	515,672	43,301
Savings Account	Taifa Sacco	89,794	553
Parent Association Development Account		-	
Income generating activities Account		-	
Infrastructural Account	KCB	115,000	
Total		1,464,735	101,072

11 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Infrastructure Account	199,630	
Operation Account	23,230	
School Fund account	170,052	164
Total	392,912	164

12 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	9,113,367.00	12,359,402.00
Other non-fees receivables	-	-
Salary advances	11,500.00	-
Imprest	-	-
Total	9,124,867.00	12,359,402.00

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year		
Fees arrears for the previous year	1,183,577	
Fees arrears for prior periods (over two years)	7,929,790	
Total	9,113,367	12,359,402

14 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	20,765,302	25,346,056
Prepaid fees	1,080,025	1,752,641
Retention monies		
Total	21,845,327	27,098,697

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	-	
Trade creditors for the previous year	10,868,983	
Trade creditors for prior periods (over two years)	9,868,983	
Total	20,765,302	25,346,056

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	101,072	-
Cash balances	164	-
Short Term Investments	-	-
Receivables	9,124,867	-
Payables	(21,845,327)	-
Total	12,619,224	=

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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.

16 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

17 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee or tea plantation		-	-
Poultry		-	-
Total		-	-

18 Borrowings

Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

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19 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings		
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	-	-

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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)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. TUITION VOTEHEAD					3,780,944	
5. BOARDING VOTEHEAD					7,215,384	
6. ADMINISTRATION VOTEHEAD					394,610	
Sub-Total					11,390,938	
Supply of services						
7. REPAIRS AND MAINTENANCE					3,944,403	
8. ELECTRICITY WATER & CONSERVANCY					399,980	
9. PERSONAL EMOLUMENT					5,029,981	
Sub-Total					13,318,767	
Grand Total					20,765,302	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1		48 ACRES	EST 144,000,000			EST 144,000,000
Land 2		30 ACRES	EST 90,000,000			EST 90,000,000
Buildings and structures			EST 200,000,000			EST 200,000,000
Motor vehicles			EST 5,800,000			EST 5,800,000
Office equipment, furniture and fittings			EST 4,000,000			EST 4,000,000
ICT Equipment, and Other ICT Assets			EST 2,000,000			EST 2,000,000
Tools and apparatus			EST 1,000,000			EST 1,000,000
Textbooks			EST 4,000,000			EST 4,000,000
Other Machinery and Equipment			EST 1,000,000			EST 1,000,000
Heritage and cultural assets			EST 800,000			EST 800,000
Intangible assets- soft ware			EST 80,000			EST 80,000
Total			EST 446,588,000			EST 446,588,000

