

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT DATE: 30 APR 2025

DAY.
Wed

TABLED
BY:

Hon George Mung'ara
MP

OF

CLERK-AT
THE-TABLE:

P Muiga

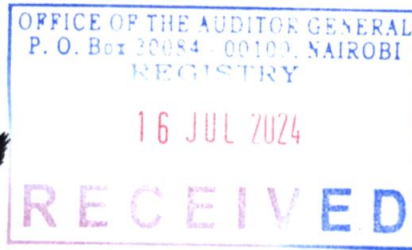
THE AUDITOR-GENERAL

ON

KWALE HIGH SCHOOL

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

KWALE COUNTY



KWALE HIGH 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)



(Leave this page blank)

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

1. Acronyms and Glossary of Terms

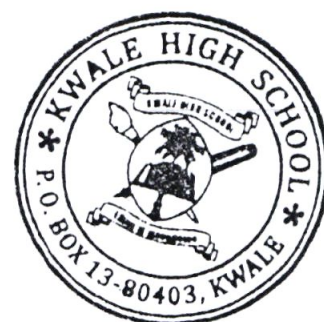
Provide a list of all applicable acronyms and glossary of terms e.g.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	



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

Table of Contents	Page
1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report Of Performance of The School.....	vi
4. Statement of School Management Responsibility.....	x
5 Report Of The Independent Auditors <i>(To be attached)</i>	xi
5. Statement Of Receipts and Payments For the Year Ended 30 th June 2022.....	1
6. Statement of Assets and Liabilities As At 30 th June 2022.....	2
7. Statement of Cash Flows for the Year Ended 30 th June 2022.....	3
8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2022.....	4
9. Significant Accounting Policies	8
10. Notes To The Financial Statements	10
11. Annexes	19



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

2. Key School Information and Management

(a) Background information

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

The school was registered in **Feb (02)/2020** under registration number **KWL/S/02/105/925** and is currently categorized as a **National public school** established, owned or operated by the Government.

The school is a day/boarding school and had **1140** number of students as at 30th June 2021. It has **7 streams** and **60 teachers** of which **19 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:

1	Prof. Mwanguni Saeed	Chairman/Sponsor	11.09.2019
2	Mr. Michael Mutua	Secretary /Principal	11.09.2019
3	Mr. Samuel Maneno	Member /Rep Sponsor	11.09.2019
4	Dr. Rita Lugogo	Member /Rep Sponsor	11.09.2019
5	Mr. Noor Hassan	Member/Special Interest Group	11.09.2019
6	Md. Ruth Mulongo	Member/Parent/Local Community	11.09.2019
7	Rev. Fred Indiazi	Member/Parent/Local Community	11.09.2019
8	Mr. Juma Mwatenga	Member /Rep CEB	11.09.2019
9	Mr. John Geng'a	Member /Rep Teachers	11.09.2019
10	Md.Tatu Rashid	Member/Parent/Local Community	11.09.2019
11	Md. Clarice Kaadzo	Member/Parent/Local Community	11.09.2019
12	Md. Francisca Kilonzo	Member/Parent/Local Community	11.09.2019
13	Mr.Benson Kamume	Member /Person with special needs	11.09.2019
14	Mr.Omar Changoma	Member/Co-opted	11.09.2019
15	Mr. Daniel Bonyo	Member/Parent/Local Community	11.09.2019
16	Master Dapha Omar	Rep Students	11.09.2019



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

The functions of the School Board of Management are to:

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

(c) Committees of the Board

1	Executive Committee	Prof. Saeed Mwanguni Mr. Michael Mutua Mr. Omar Changoma Mr. Samuel Maneno Md. Ruth Mulongo	Chairperson Member Member Member Member	4 out of 6
2	Audit Committee	Mr. Daniel Bonyo Md. Francisca Kilonzo Md. Tatu Rashid	Chairperson Member Member	4 out of 6
3	Finance, procurement and general purposes Committee	Dr. Rita Lugogo Md. Ruth Mulongo Mr. S.S. Maneno	Chairperson Member Member	4 out of 6
4	Academic Committee	Mr. Juma Mwatenga Mr. John Geng'a Mr. Omar Changoma	Chairperson Member Member	4 out of 6
5	Development Committee	Mr. Noor Hassan Mr. Benson Matheka Md. Ruth Mulongo	Chairperson Member Member	4 out of 6
6	Discipline and welfare Committee	Mr. S.S. Maneno Md. Clarice Kaadzo Rev. Fred Amani	Chairperson Member Member	4 out of 6



**Kwale High School
Annual Report and Financial Statements
For the year ended 30th June 2022**

(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	Michael W.Mutua	358836
2	Deputy Principal-Adminstration	Mwakweli M. Rajab	487255
3	Deputy Principal-Boarding	Daniel A.Sakwa	478089
4	School Bursar	Peter R.Kazungu	ID NO. 22562876

(d) Schools contacts

Post Office Box: P.O. BOX 13-80403
Telephone: +254702-138 151
E-mail: kwalehighschool@gmail.com
Website: www.kwalehighschool.com
Facebook: @kwalehighschool
Twitter: @kwalehighschool

(e) School Bankers

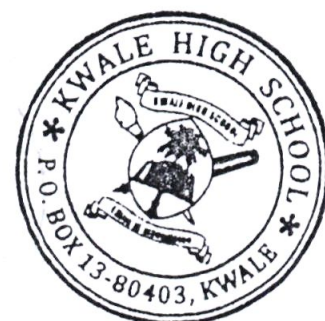
The following school operated **4** numbers of bank accounts and **1** Paybill number as follows:

1. Name of Bank: KCB
Branch: Ukunda
Account Number: 1108590403
2. Name of Bank: KCB
Branch: Ukunda
Account Number: 1108009069
3. Name of Bank: KCB
Branch: Ukunda
Account Number: 1108600646
4. Name of Bank: KCB
Branch: Kwale
Account Number: 1138884251

7 MPESA Pay Bill No. 185777 attached to KCB bank account No.1108590403

8 Independent Auditors

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



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

3. Summary Report of Performance of the School

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

Financial performance:

This section reflects the actual financial performance trend for the last three years period between 1st January 2019 to 30th June 2022 which covers a period of 12 months:

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

S/NO	ACCOUNT	2022	2021	2010	2019
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	8,110,527	2152046	9,239,133	(460,279)
2	Operations Account	662,458	(290,738)	4,431,772	4,431,817
3	Tuition Account	182,985	179,219	709,038.78	709,038
	TOTAL	8955970	2,040,527	15,041, 406	4,680,576
	Increase/Decrease	(6,915443)	(13,000,878)	10,360,828	(1,106,934

The surplus for the year 2020 increased by Kshs 10,360,828.19 from a deficit of Kshs 1,106,934.05 in the year 2019 due to prolonged closure after abrupt shutting of the schools due to Covid-19 and students having paid most of the year's fees

Capitation grants from the Ministry of Education for the last three years.

SNO.	ACCOUNT	2022	2021	2020	2019
		Kshs	Kshs	Kshs	Kshs
1	Operations	19,048,584	8,136,324.00	18,550,573.35	17,688,681.85
2	Tuition	4,313,663	1,732,118.50	2,599,828.00	3,740,319.83
	Total	23,362,247	9,868,442.50	21,150,401.35	21,429,001.68
	Increase/Decrease	13,493,805	(11,281,958.85)	(278,600.33)	2,756,313.08
	No. of Students	1605	1320	1317	1146
	Ratio of capitation per student	1:14556	1:7476	1:16059	1:18699

The net increase is mainly attributed by all students' receiving the capitation and increase in enrolment as shown in the ration above.

The total capitation for the year 2022 shows that not all capitation grants were disbursed by the end of financial year 2021/22



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

A three year overview of growth in expenditure of the school.

S/NO.	ACCOUNT	2022	2021	2020	2019
1	School Fund Account	93,455,456	14,567,890.50	38,248,710.00	48,882,678.00
2	Operations Account	20,655,331	11,193,711.60	18,391,271.42	14,561,918.26
3	Tuition Account	4,598,923	1,539,020.00	774,962.98	3,740,589.96
	Total	118,709,709	27,300,622.10	57,414,944.40	67,185,186.22
	Increase/Decrease	(91,409,088)	(30,114,322.30)	(9,770,241.82)	(7,542,838.04)

2022 increase of growth in expenditure is as a result of the current year covering a period of 6 months, even though the financial year 2020 covers a period of 12 months a decrease has resulted from prolonged abrupt closure of the school due to Covid-19. Generally the decrease in expenditure can be attributed to institution of proper financial control measures.

Movement of debtors and creditors of the school over the last three years.

SNO.	ACCOUNT	2022	2021	2020	2019
1	School Fund Account	kes	Kes	Kes	Kes
(a)	Debtors	10,391,948	12,955,715.00	14,232,749.00	6,066,568.00
	Increase/Decrease	(2,563,767)	(1,277,034.00)	8,166,181.00	(6,653,144.00)

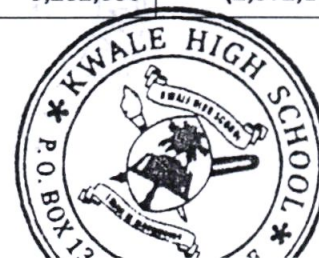
The main contributors to the decrease in total debtors is proper school fee collection policy.

SNO.	ACCOUNT	2022	2021	2020	2019
1	School Fund Account	Kes	Kes	Kes	Kes
	Creditors	4,232,793	9,581,637.00	1,576,730.00	5,746,336.00
	Increase/Decrease	(5,348,844)	8,004,907.00	(4,169,606.00)	(6,669,303.00)

The total trade creditors significantly decreased in the financial year 2021/22 due to prudent management of creditors.

Movement of cash and bank balances over the last three years.

SNO.	ACCOUNTS	2022	2021	2020	2019
1	School Fund Account	8,813,552	1,270,211.97	3,247,756.35	185,728.70
2	Operations Account	408,571	225,586.30	3,329,182.40	93,623.00
3	Tuition Account	2,064,117	1,513,829.45	46,346.80	111,083.40
	Total	11,286,240	3,009,627.72	6,623,285.55	390,435.10
	Increase/Decrease	8,276,613	(3,613,658)	6,232,850	(2,872,108)



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

The teacher student ratio stands at 1:25 supported by the data below;

Number of Students	1440 Students
No.of Teachers	60 Teachers
Trs recruited/posted within the year	4 Teachers
Trs retired/transferred within the year	3 Teachers
TSC Teachers	41 Teachers
BOM Teachers	19 Teachers

a) Mean score in the year 2019,2020 & 2021 KCSE:

YEAR	ENTRY	M/SCORE	IMPR	UNIVERSITY	% TRANSITION
2019	270	7.0148	+0.5	143	52.96
2020	235	7.7468	+0.7318	174	74.04
2021	289	7.1972	+0.5496	189	64.40

b) Number of Candidates in the 2019/2020/2021 KCSE:

YEAR	NO. OF CANDIDATES
2019	270
2020	235
2021	289

c) Capacity of the school:

The school has an enrolment of 1605 students with the following facilities present:

Facility	Number
Dining Hall	1 HALL
Classrooms	29 classrooms
Laboratories	3 Halls
Canteen	1 Canteen
Toilets	30 pit latrines
Fields	3 Fields
School Buses	2 Buses
Dormitories	11 Halls of Residences

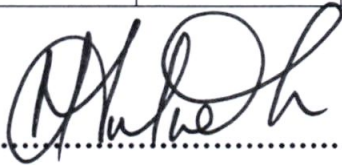


Kwale High School
Annual Report and Financial Statements
For the year ended 30th June 2022

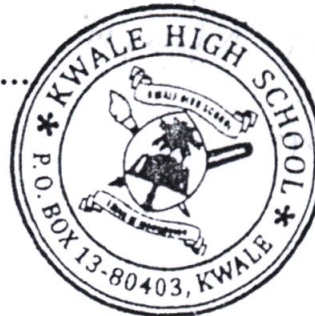
d) Development projects carried out by the school:

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

Construction of dining hall	Ministry of education	Phase III complete	13,739,576	13,739,576	complete



.....
School Principal



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

4. Statement of School Management Responsibility

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

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

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

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

.....
Name: Prof. Saeed Muzguni
Designation: Chairman, School Board of Management
Date: 26/06/2024

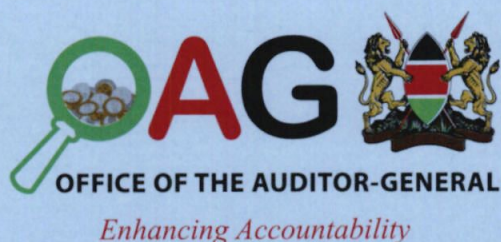
.....
Name: Michael Mutua
Designation: School Principal & Secretary to Board of Management
Date: 26/06/2024

.....
Name: Peter Kazungu
Designation: Bursar/ Finance Officer
Date: 26/06/2024.



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 KWALE HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KWALE 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kwale High School – Kwale County set out on pages 1 to 21, which comprise of the statement of assets and liabilities

as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya 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 Kwale High School - Kwale 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.18,026,716 as at 30 June, 2022 as disclosed in Note 10 to the financial statements. However, the cashbooks and bank reconciliation statements for the savings, motor vehicle, rent, mpesa paybill and school fund accounts were not provided in support of the cash and bank balances. Further, it was revealed that the motor vehicle and rent accounts, were dormant and no reason was provided for failure to activate the accounts.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.18,026,716 could not be confirmed.

2. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.4,781,908 and Kshs.21,317,789 as disclosed in Note 1 and Note 2 to the financial statements. However, review of the National Education Management and Information System (NEMIS) capitation disbursements made to the School revealed amounts of Kshs.4,313,663 and Kshs.19,048,584 which were similar to amounts received by the School. The variances of Kshs.468,245 and Kshs.2,269,205 were not explained or supported.

In the circumstances, the accuracy and the completeness of the capitation totalling Kshs.26,099,697 could not be confirmed.

3. Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balances of Kshs.11,144,878 as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.752,930 which had been outstanding for more than one (1) years. Further, significant accounting policies on accounts

receivables as disclosed in Note 5 is silent on the treatment of the students' fees balances which is the major source of income for the School.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.11,144,878 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kwale High School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.69,620,200 and Kshs.83,802,945 respectively, resulting to an over-funding of Kshs.14,182,745 or 20% of the budget. However, the School spent a balance of Kshs.80,840,976 against actual receipts of Kshs.83,802,945 resulting to an under-utilization of Kshs.2,961,969 or 4% of actual receipts.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

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 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. Transfer of Funds to Kenya Secondary Schools Heads Association

During the audit, it was noted that the School transferred co-curricular funds totalling to Kshs.1,100,000 to Kenya Secondary Schools Heads Association (KESSHA) a private

entity that is not subject to the Public Finance Management Act, 2012 or any other public finance regulations. The funds were vired from Government Operation Capitation grants received by the School per student. KESSHA is a welfare organization that draws its membership from School Principals only.

In the circumstances, the authenticity of Kshs.1,100,000 transferred to KESSHA account could not be confirmed.

2. Long Outstanding Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects payables balance of Kshs.12,868,160. However, included in the balance are trade payables balance of Kshs.2,988,239 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 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, Management was in breach of the law.

3. Underutilization of the School Receipts and Payment System (Samis)

During the audit, it was observed that despite having purchased the School's receipts and payments system (Samis) for an amount of Kshs.450,000 for the dual purpose of recording both receipts and payments, the School predominantly relied on a manual system for recording payments. The manual system was susceptible to manipulation, errors and inconsistencies, posing risks to the accuracy and integrity of financial records.

In the circumstances, value for money spent on procurement of the system could not be confirmed.

4. Lack of Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.127,718,736 and Kshs.118,709,709 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

5. Failure to Prepare School Improvement Plan

During the year 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 law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 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 overall governance were not effective.

Basis for Conclusion

1. Lack of Approved ICT Policy

Review of the School ICT environment revealed that there was no formal approved ICT policy, data security and disaster recovery plans in place. Further, Management did not provide an ICT organization structure for audit review.

In the circumstances, the security and reliability of the School's data including the management information system could not be confirmed.

2. Irregularities in Human Resource Management

Upon analysis of personnel documents provided during the audit, it was observed that the School had employed thirty-four (34) non-teaching staff on permanent and pensionable terms, along with eleven (11) casual workers. However, the School lacked a comprehensive human resource policy detailing how the staffing arrangements was managed. Further, the personnel files were found to be incomplete, lacking essential information such as staff annual leave entitlements, leave taken, and pending leave days.

In the circumstances, the effectiveness of the internal control system in respect to personnel could not be confirmed.

3. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

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

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 control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue 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 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 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

13 September, 2024

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

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

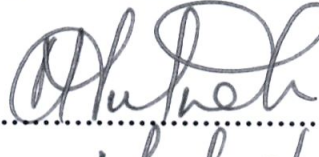
Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	4,781,908	1,718,239
Government grants for operations	2	21,317,789	10,902,973
Government Grants for infrastructure	3	-	-
School fund income- parents' contributions	4	83,802,945	16,719,936
Miscellaneous incomes	5	17,816,094	40,000
Total Receipts		127,718,736	29,381,148
Payments			
Tuition	6	4,598,923	1,539,020
Operations	7	20,655,330	11,193,711
Infrastructure	8	-	-
Boarding and school fund	9	93,455,455	14,567,891
Total Payments		118,709,709	27,300,623
Surplus/Deficit		9,009,027	2,080,5265
		127,718,736	29,381,148

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



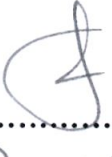
Name: Prof. Isaac M. Mwangi
 Chair BOM

Date: 26/06/2022



Name: Michael Mutua
 School Principal/ Secretary to BOM

Date: 26/06/2022



Name: Peter Kazungu
 Bursar/ Finance Officer

Date: 26/06/2022



**Kwale High School
Annual Report and Financial Statements
For the year ended 30th June 2022**

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

Statement of Assets and Liabilities As At 30 th June 2022			
Financial Assets			
Cash and cash equivalents			
Bank balances	10	18,026,716	9,017,689
Cash balances	11	-	-
Short term investments	12	-	-
Total cash and cash equivalent		18,026,716	9,017,689
Account's receivables	13	11,144,878	13,645,635
Total financial assets		29,171,594	22,663,324
Financial liabilities			
Accounts payables	14	12,868,160	15,368,917
Net financial assets		16,303,434	7,294,407
Represented by			
Accumulated fund b/fwd	15	7,294,407	5,213,882
Surplus/deficit for the year		9,009,027	2,080,525
Net financial position		16,303,434	7,294,407

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

Name: *Prof. Saeed Mwangi*
Chair BOM

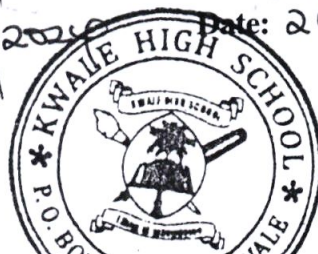
Date: 26/06/2024

Name: *Michael Muthe*
School Principal/ Secretary to BOM

Date: 26/06/2024

Name: *Peter Kazungu*
Bursar/ Finance Officer

Date: 26/06/2024



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

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

Cash from Operating Activities			
Receipts			
Government grants for tuition		4,781,908	1,718,238
Government grants for operations		21,317,789	10,902,974
Government grants for infrastructure		-	-
School fund income- parents contributions/ fees		83,802,945	16,719,936
Miscellaneous incomes		17,816,094	40,000
Total receipts		127,718,736	29,381,148
Payments			
Cash outflows for tuition		4,598,923	1,539,020
Cash outflows for operations		20,655,331	11,193,711
Cash outflows Boarding/lunch and school fund payments		93,455,455	14,567,891
Total payments		118,709,709	27,300,623
Net cash inflow/outflow from operating activities		9,009,027	2,080,526
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans		-	-
Repayment of prepayment		-	-
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		9,009,027	2,080,525
Cash and cash equivalent at beginning of the FY		9,017,689	6,937,164
Cash and cash equivalent at end of the FY		18,026,716	9,017,690

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

Name: *Dr. Isaac Atwagwi*

Chair BOM

Date: *26/06/2022*

Name: *Michael Mutu*

School Principal/ Secretary to BOM

Date: *26/06/2022*

Name: *Peter Kazungu*

Bursar/ Finance Officer

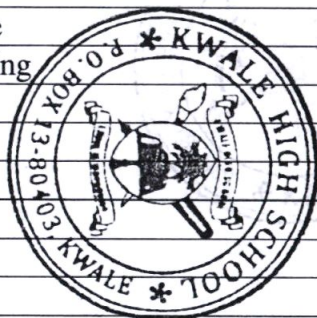
Date: *26/06/2022*



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

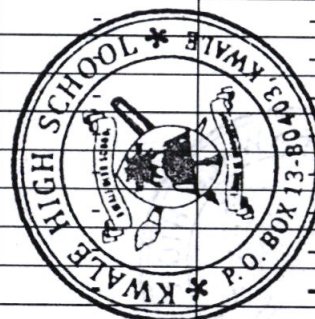
8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipts					
(1) Capitation Grant on Tuition					
Textbooks	1,651,000.00	-	1,651,000.00	-	-
Reference Materials	117,000.00	-	117,000.00	-	-
Exercise Books	1,202,500.00	-	1,202,500.00	717,000	59.6%
Laboratory Equipment	481,000.00	-	481,000.00	1,543,515	320.9%
SMASSE	260,000.00	-	260,000.00	-	-
Teaching / Learning Materials	364,000.00	-	364,000.00	2,521,393	152.7%
Exams And Assessment	1,571,700.00	-	1,571,700.00	-	-
	5,647,200.00	-	5,647,200.00	4,781,908	84.7%
(2) Capitation Grant on Operations					
Personnel Emoluments	6,181,500.00		6,181,500.00	12,985,789	210.1%
Repairs And Maintenance	6,500,000.00		6,500,000.00	8,332,000	128.2%
Local Transport / Travelling	1,082,900.00		1,082,900.00	-	-
Electricity And Water	3,042,000.00		3,042,000.00	-	-
Medical	2,600,000.00		2,600,000.00	-	-
Administration Costs	1,913,600.00		1,913,600.00	-	-
Activity	1,950,000.00		1,950,000.00	-	-
Gratuity					
	23,270,000.00	-	23,270,000.00	21,317,789	91.6%
3) FDSE for infrastructure					
Maintenance & Improvement MoE	0	-	0	0	0
M&I parents' contribution	0	-	0	0	0
Economic Stimulus Programs					



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

Transition Infrastructure Grants					
Administration Block					
	-	-	-	-	-
(4) Fees Charged on Parents					
Personnel Emoluments	5,423,600.00	-	5,423,600.00	6,584,088	121.4%
Repairs And Maintenance	2,600,000.00	-	2,600,000.00	2,754,198	
Local Transport / Travelling	2,234,700.00	-	2,234,700.00	2,618,188	
Electricity And Water	9,232,600.00	-	9,232,600.00	4,347,134	47.1%
Medical	-	-	-	1,309,538	
Administration Costs	9,591,400.00	-	9,591,400.00	13,129,489	
Activity	1,037,400.00	-	1,037,400.00	1,424,201	137.3%
SMASSE					
Fee On Boarding Equipment and Stores	39,500,500.00	-	39,500,500.00		
	69,620,200.00	-	69,620,200.00	83,802,945	120.4%
5) Miscellenous Income					
Boarding Items	-	-	-	16,273,741	-
Rent income	-	-	-	20,850	-
Meals and Accomodation	-	-	-	426,200	-
Private Candidates	-	-	-	194,800	-
Uniforms	-	-	-	560,342	-
Income From Bus Hire	-	-	-		-
Fee For Hire of Ground and Equipment	-	-	-	155,105	-
Tender Fees	-	-	-	132,000	-
Income From Any Other Investment	-	-	-		-
Total Income	-	-	-	-	-
(6) Expenditure For Tuition					
Textbooks	1,651,000.00		1,651,000.00	-	-
Reference Materials	117,000.00		117,000.00	350,500	-
Exercise Books	1,202,500.00		1,202,500.00	570,000	-
Laboratory Equipment	481,000.00		481,000.00	1,500,000	-



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

SMASSE	260,000.00		260,000.00	-	-
Teaching / Learning Materials	364,000.00		364,000.00	2,176,027	583.70
Exams And Assessment	1,571,700.00		1,571,700.00	-	-
Bank Charges	-		-	1,746	-
	5,647,200.00	-	5,647,200.00	4,598,923	81.4%
(7) Expenditure For Operations					-
Personnel Emoluments	6,181,500.00		6,181,500.00	11,192,123	-
Repairs And Maintenance	6,500,000.00		6,500,000.00	7,932,000	-
Local Transport / Travelling	1,082,900.00		1,082,900.00	29,300	-
Electricity And Water	3,042,000.00		3,042,000.00	659,144	-
Medical	2,600,000.00		2,600,000.00	-	-
Administration Costs	1,913,600.00		1,913,600.00	832,206	-
Activity	1,950,000.00		1,950,000.00	-	-
Gratuity	-		-	-	-
Bank Charges	-		-	10,558	-
	23,270,000.00	-	23,270,000.00	20,655,331	88.8%
(8) Expenditure For infrastructure					-
Construction of classrooms	-	-	-	-	-
Construction of Dinning Hall	-	-	-	-	-
Construction of laboratory	-	-	-	-	-
Construction of dormitory	-	-	-	-	-
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of apparatus	-	-	-	-	-
Drilling of boreholes	-	-	-	-	-
Others (Bank Charges & Taxes)	-	-	-	-	-
	-	-	-	-	-
(9) Expenditure For school fund/lunch/boarding					-
Activity	1,037,400	-	1,037,400	655,510	63%

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

Posho mill	-	-	-	-	-
Bus hire	-	-	-	-	-
Pocket Money - ID		-			-
caution Money		-			-
Personnel emoluments	5,423,600	-	5,423,600	4,355,445	80.3%
Service Gratuity - OTHER VOTEHEADS		-			-
Repairs and maintenance & Improvements	2,600,000	-	2,600,000		-
Local transport / travelling - exam	2,234,700	-	2,234,700	1,272,735	57%
Electricity and water	9,232,600	-	9,232,600	7,079,786	76.7%
Medical Expenses		-		274,414	-
Administration costs	9,591,400	-	9,591,400	31,363,098	327%
Refunds		-		817,521	-
Bank Charges		-		87,306	-
Expenses on Income Generating Activities		-			-
Fee on Boarding Equipment and Stores	39,500,500	-	39,500,500	34,689,724	87.8%
Rent Expenses - pta fund		-			-
Insurance Cost		-		245,436	-
Totals	69,620,200	-	69,620,200	80,840,976	116.1%

- i. *The school only received 73% of expected revenues*
- ii. *Utilized fees collected from 1st July to 30th June*





9. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

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.

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

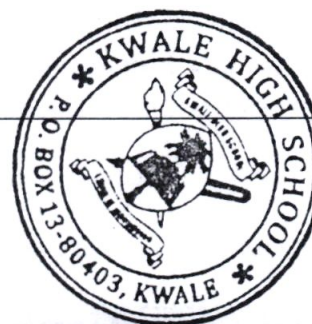
9. Comparative figures

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

10. Subsequent events

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





10. Notes To The Financial Statements

1. Government Grants for Tuition

Reference Materials	-	-
Exercise Books	717,000	
Laboratory Equipment	1,543,515	-
Tuition	2,521,393	-
Internal Exams		-
Teaching / Learning Materials		1,718,238
Others (<i>specify</i>)*		-
Total	4,781,908	1,718,239

2 Government Grants for Operations

Personnel Emoluments	12,985,788	5,379,519
Repairs And Maintenance	8,332,000	4,614,000
Local Transport / Travelling		164,032
Electricity And Water		458,316
Medical		
Administration Costs		287,107
Activity		
Other Vote Heads (<i>specify</i>)*		
Total	21,317,789	10,902,973

3 Government Grants for infrastructure

Maintenance & Improvement		
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (<i>specify</i>)(NGCDF and County govt.		
Total		

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

4 School Fund Income - Parents Contribution/Fees

Personnel emoluments	6,584,088	1,105,786
Lunch Programme		
B.O.M Salaries		
Electricity and water	4,347,134	442,455
Local transport/travelling	2,618,188	295,328
Medical	1,309,538	240,109
Administration costs	13,129,489	3,328,579
Activity	1,424,201	39,494
Fee on Boarding Equipment and stores	51,636,109	11,032,241
Repairs and maintenance	2,754,198	235,944
bus expenses	-	
Total	83,802,945	16,719,936

5 Miscellaneous Incomes

Rent Income	20,850	5,000
Boarding items	16,273,741	
uniforms	560,342	
Income From Posho Mill		
Private candidates	194,800	
Fee For Hire of Ground and Equipment	155,105	
Tender fees	132,000	
Income from Bus Hire	53,056	
Dividends Income		
Meals & Accommodation	426,200	20,000
Other Income (<i>specify</i>)*		15,000
Total	17,816,094	40,000



**Kwale High School
Annual Report and Financial Statements
For the year ended 30th June 2022**



Financial Statements (continued)

Notes to the Financial Statements (continued)

6 PAYMENTS FOR TUITION

Tuition	-	485,200
Excercise Books stationary	570,000	
Reference materials	350,500	287,808
Laboratory Equipment	1,500,650	438,300
Teaching / Learning Materials	2,176,027	327,100
Sundry Creditors	-	
Internal Exams		
Teachers Guides		
Bank Charges	1,746	612
Total	4,598,923	1,539,020

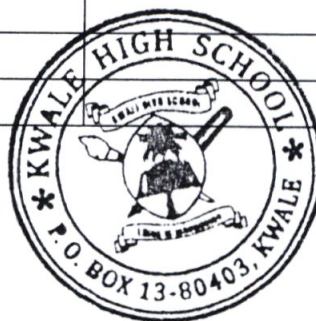
7 PAYMENTS FOR OPERATIONS

Personnel Emoluments	11,192,123	4,973,990
Miscellaneous		-
Administration Cost	832,206	878,768
Maintenance & Improvements	7,932,000	4,614,000
Local Transport / Travelling	29,300	26,660
Electricity And Water	659,144	693,318
Sundry Creditors	-	-
Activity Expenses bus expenses		-
Bank charges	10,558	6,976
Total	20,655,331	11,193,712

**Kwale High School
Annual Report and Financial Statements
For the year ended 30th June 2022**

8 Infrastructure

Construction of dining hall		-
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others (specify)		
Total		-



9 Boarding And School Fund

Personnel Emoluments	4,355,445	381,291
Boarding Items		-
Repairs And Maintenance & Improvements		-
Local Transport / Travelling	1,272,735	315,045
Expences on income generating activities	12,614,480	
Medical Expenses	274,414	239,255
Administration Costs	31,363,099	5,751,451
Bank Charges	87,307	23,954
Refunds	817,521	219,446
Fee On Boarding Equipment and Stores	34,689,724	6,120,899
Electricity and Water	7,079,786	1,043,312
Insurance Cost	245,436	473,238
Loan Principal Repayment	-	-
Activity fees	655,510	-
Savings A/C		
Sundry Creditors		
Tender expenses		-
Expenses on Income Generating Activities	-	-
Bus expenses		-
Total	93,455,455	14,567,891

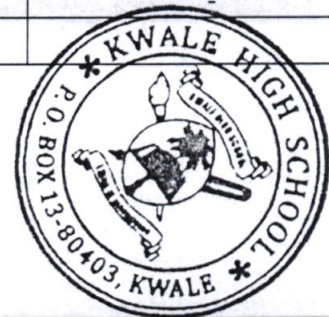
**Kwale High School
Annual Report and Financial Statements
For the year ended 30th June 2022**

10 Bank Accounts

Tuition Account (KCB - 1108009069)	408,571	225,586
Operations Account (KCB - 1108600646)	2,064,227	1,513,829
School Fund Account/Boarding-KCB (1108590403)	4,882,175	743,681
School Fund Account/Boarding-EQUITY(0440299086486)	3,931,377	526,530
Savings Account (KCB – 1200349490)	661,532	69,972
MPESA Pay bill (185777)	3,467,703	261,518
Motor Vehicle Account(dormant) (EQUITY - 0440297602950)	1,295	1,295
Rent Account(dormant) (EQUITY - 0440297602960)	27,189	-
CDF Account (dormant) (KCB - 1113263253)	25,866	-
Infrastructural Account (KCB - 1138884251)	2,556,889	5,675,277
Total	18,026,716	9,017,688

11 Cash In Hand

Notes and Coins	-	-
Total	-	-



12 Short Term Investments

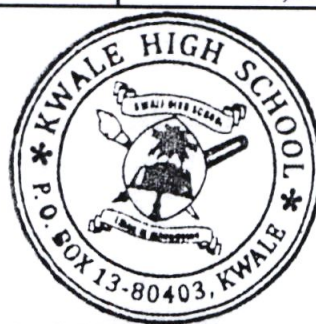
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

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

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description		
Fees Arrears	10,391,948	12,955,715
Other Non-Fees Receivables	667,930	569,920
Salary Advances (list/schedule attached)		-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	85,000	120,000
Total	11,144,878	13,645,635



13 b Ageing Analysis of Accounts Receivable

Description		
Less than 1 year	10,391,948	12,955,715
Between 1- 2 years	752,930	-
Between 2-3 years	-	-
Total (should tie to note 13 a)	11,144,878	12,955,715

14 Accounts Payable

Trade Creditors (See Ageing Below and Appendix 1)	4,232,793	9,581,637
Prepaid Fees	8,635,367	5,787,280
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Prepaid Rent	-	-
Total	12,868,160	15,368,917

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

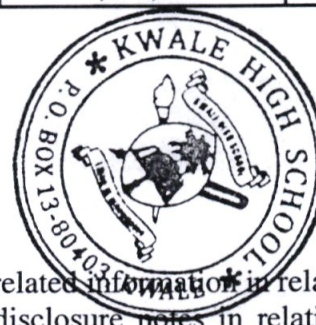
Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Less than 1 year	4,232,793	9,581,637.00
Between 1- 2 years	9,581,637	2,620,403.00
Between 2-3 years	2,988,239	12,569,876.00
Over 3 years		-
Total (should tie to note 14)	16,802,669	24,771,916.00

15 Fund Balance Brought Forward

Bank Balances	9,017,689	6,922,835
Cash Balances	-	14,329
Short Term Investments	-	-
Receivables	13,645,635	14,749,409
Payables	(15,368,917)	(16,472,691)
Total	7,294,407	5,213,882



16 Other important disclosure notes

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

10 Non-current Liabilities Summary

Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

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

17 Biological assets

	Number		
Cattle		-	400,000
Goats		-	-
Trees		600,000	560,000
Coffee Or Tea Plantation		-	-
Poultry		-	90,000-
Others (specify)		-	-
Total		600,000	1,050,000

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

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

**Kwale High School
Annual Report and Financial Statements
For the year ended 30th June 2022**

Progress On Follow Up Of Auditor Recommendations

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

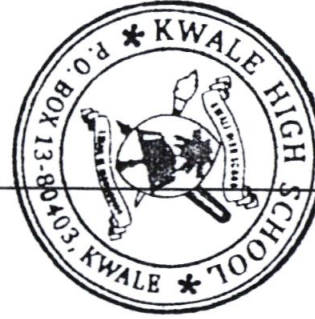
Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)



Sign and Date
Principal



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



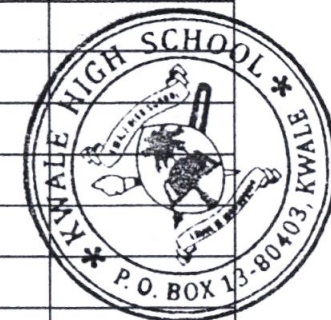
11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	c	d-a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of goods						
Tuition Account						
1. Kalmar marketing service	291,341	30.06.2022	-	291,341		
2. Eden books & stationers	196,713	30.06.2022	-	196,712		
3. Asal printers	1,635,000	30.06.2022	-	1,635,000		
Sub-Total						
Supply Of Goods						
Operation Account						
1. Nhif	33,400	30.06.2022	-	33,400		
2. Nssf	100,530	30.06.2022	-	100,530		
3. PAYE	5,417	30.06.2022	-	5,417		
4. KUDHEIHA	4,950	30.06.2022	-	4,950		
5. NTS WELFARE	65,102	30.06.2022	-	65,102		
6. OLD MUTUAL	10,000	30.06.2022	-	10,000		

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

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
Sub-Total						
Supply Of goods						
1. Kwale Tumaini Butchery	568,330	30.06.2022	-	568,330		
2. Mzalendo Stores	300,000	30.06.2022	-	300,000		
3. Tonlect Enterprises	506,100	30.06.2022	-	506,100		
4. Kelson Entreprises	356,910	30.06.2022	-	356,910		
5. Sisters of St Joseph	156,000	30.06.2022	-	156,000		
Sub-Total	1,890,340			1,890,340		
Grand Total	3,989,203	3,989,203		3,989,203		



Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost e/f (Kshs) 30 th June 2022
Land	108,000,000	0	0	108,000,000
Buildings And Structures	61,740,000	0	0	61,740,000
Motor Vehicles	5,437,500	0	0	5,437,500
Office Equipment, Furniture And Fittings	2,950,900	0	0	2,950,900
Textbooks	2,200,200	0	0	2,200,200
ICT Equipment	3,076,240	0	0	3,076,240
Tools And Apparatus	638,380	0	0	638,380

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

Asset Class	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Other Machinery And Equipment	4,900,500	0	0	4,900,500
Heritage And Cultural Assets	0	0	0	0
Intangible Assets- Soft Ware	560,000	0	0	560,000
Total	189,503,720	0	0	189,503,720

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

