

REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	10 APR 2025 THURSDAY
TABLED BY:	HON. SILVANUS OSORO, MP MAJORITY PARTY WHIP
CLERK-AT THE-TABLE:	INDU MUWALE

**OF**

**THE AUDITOR-GENERAL**

**ON**

**RAMBA BOYS HIGH SCHOOL**

**FOR THE**

**SIX (6) MONTHS PERIOD  
ENDED 30 JUNE, 2021**

**SIAYA COUNTY**

Revised 30<sup>th</sup> June 2021.

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RAMBA BOYS HIGH SCHOOL  
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> June 2021

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

Ramba Boys High School  
Annual Report and Financial Statements  
For the year ended 30<sup>th</sup> June 2021

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**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

**Background information**

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

The school was registered in 1969 under registration number 41S30000629 and is currently categorized as an Extra County, public school established, owned or operated by the Government. The school is a boarding school and had 2214 number of students as at 30<sup>th</sup> June, 2021. It has 9 streams and 84 teachers of which 34 teachers are employed by the School Board of Management.

**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	George Magomba Onyango	Chairman	29/10/2021
2	James Okoyo Ogweno (HSC)	Secretary - Principal	29/10/2021
3	Pamela Olali	Member	29/10/2021
4	Enos Magwa	Member	29/10/2021
5	Joseph Ongoro Ogeta	Member	29/10/2021
6	Mary Odhiambo	Member	29/10/2021
7	Enos Meshack Magwa	Member – Rep CEB	29/10/2021
8	George Okoth Obura	Member Rep Teachers	29/10/2021
9	Jane Amollo Ochieng` Daniel Ochieng`Ogola George Magomba Onyango	Members – Sponsor	29/10/2021

10	Mary Odhiambo Isaac Omondi Odek Pamela Olali Joseph Ongoro Ogeta Beatrice Adhiambo Opul Florence Adhiambo Okech	Member – Community	29/10/2021
12	Steve William Nyamanga Oyuch	Member- Special Needs	29/10/2021
13	Gerald Otieno Ogutu	Member - Disabilities	29/10/2021

**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



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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.

**Committees of the Board**

1	Executive Committee	George Magomba Pamela Olali James Okoyo (HSC) Enos Magwa Joseph Ogeta	Chairman member	
2	Audit Committee	Isaac Odek Steve Oyucho Beatrice Opol	Chairman Member Member	
3	Finance, procurement and general purposes Committee	Joseph Ogeta James Okoyo Enos Magwa Pamela Olali	Chairman Secretary Member Member	
4	Academic Committee	Enos Magwa James Okoyo Mary Odhiambo Jane Ochieng' George Ochieng' Joseph Ogeta	Chairman Member Member Member Member	

5	Development Committee	Pamela Olali Joseph Ogeta Enos Magwa Mercelyne Adede Midega Erick	Chairperson Member Member Member Secretary	
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6	Discipline and welfare Committee	Gerald Ogutu Isaac Odek Florence Okech Jane Ochieng' Erick Midega	Chairman Member Member Member Co-opted	
7	Adhoc Committee (if any during the year)	Mercelyne Adede Kenedy Orwa HODs Members of Finance	Member Member Members	

### School operation Management

For the financial year ended 30<sup>th</sup> June, 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	James Okoyo Ogweno (HSC)	236250
2	Deputy Principal	Erick Midega	446539
3	School Bursar	Mercelyne Adede	ID NO. 24431020

### KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

#### Schools contacts

Post Office Box: 4 Code 40602, Ndori  
Telephone : 0115081061  
E-mail : www.rambaschool@yahoo.com  
Website : www.rambaschool.ac.ke  
Facebook : Ramba High School Page  
Twitter : @rambaschool

#### School Bankers

The following school operated 10 number of bank accounts in the following banks.

NO.	ACCOUNT NAME	ACCOUNT NO.	BRANCH	PURPOSE
1	RAMBA SECONDARY SCHOOL - BOARDING	1107007178	BONDO	PARENTS FEES
2	RAMBA SECONDARY SCHOOL - OPERATION	1107056403	BONDO	GOK FUNDS
3	RAMBA SECONDARY SCHOOL - TUTION	1103954326	KISUMU	GOK FUNDS
4	RAMBA SECONDARY SCHOOL - MIF	1212050118	BONDO	GOK FUNDS
5	RAMBA SECONDARY SCHOOL - PTA	1107756987	KISUMU	SAVINGS
6	RAMBA SECONDARY SCHOOL - FARM A/C	1108207898	KISUMU	SAVINGS

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7	RAMBA SECONDARY SCHOOL - GRATUITY	1182762158	BONDO	SAVINGS
8	RAMBA SECONDARY SCHOOL - NGCDF	1182762573	BONDO	CDF FUNDS
9	RAMBA SECONDARY SCHOOL - FEES	0750261597503	BONDO	PARENT FEES
10	RAMBA SECONDARY SCHOOL PAYBILL	579861	RAMBA	PARENT FEES

**Independent Auditors**

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

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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:**

*Under this section, the following information should be given:*

ACCOUNT	30 <sup>TH</sup> JUNE 2021	2020	2019	TOTAL	Sur plu s/ defi cit for
TUITION		(3,043,648.98)	(940,558.45)		
OPERATION		(2,264,448.35)	677,662.70		
SCHOOL FUNDS		(,1016,115.67)	(1,273,465.38)		

*the year and a comparison of the same for the last three years*

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

ACCOUNTS	30 <sup>TH</sup> JUNE 2021	2020	2019
TUITION	1,768,339.00	3,274,075.00	5,761,030.40
OPERATION	14,185,350.25	19,327,450.00	27,243,039.70
TOTAL	15,953,689.25	22,601,525.00	33,004,070.10

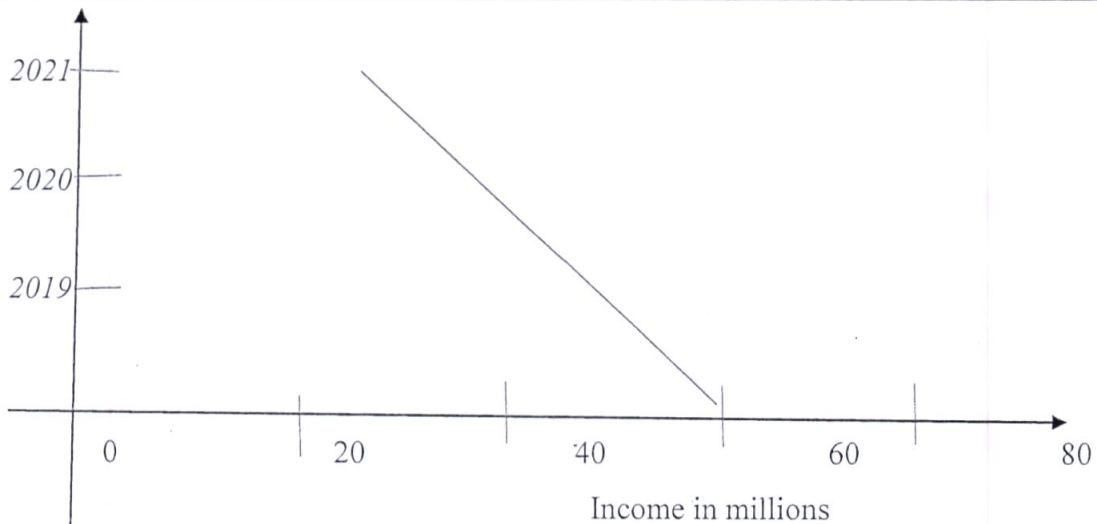
*Ratio of capitation grant per student over the last three years*

YEAR	30 <sup>th</sup> june, 2021	2020	2019
TOTAL	15,953,689.25	22,601,525.00	33,004,070.10
CAPITATION			
Students Population	2067	1964	1898
Ratio of capitation grant per student	7718.28	11,507.90	17,388.87

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

ACCOUNTS	30 <sup>th</sup> June, 2021	2020	2019
School fund	28,673,609.25	46,907,934.01	61,951,727.02
Operation (rental income)	6,300.00	11,850.00	12,600.00



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

ACCOUNTS	30 <sup>TH</sup> JUNE, 2021	2020	2019
Tuition	2,325,978.00	6,317,724.00	6,701,588.85
Operation	14,353,431.75	21,919,861.68	20,874,509.36
School fund	29,012,853.72	47,924,049.68	63,225,192.40
TOTAL	45,692,263.47	76,161,635.03	90,801,290.61

*1. Movement of debtor over the last three years*

	30 <sup>th</sup> June, 2021	2020	2019
Rent arrears		80,600.00	53,300.00
Fees Arrears		7,647,513.50	5,034,649.00
			5,034.00
			1,600.00

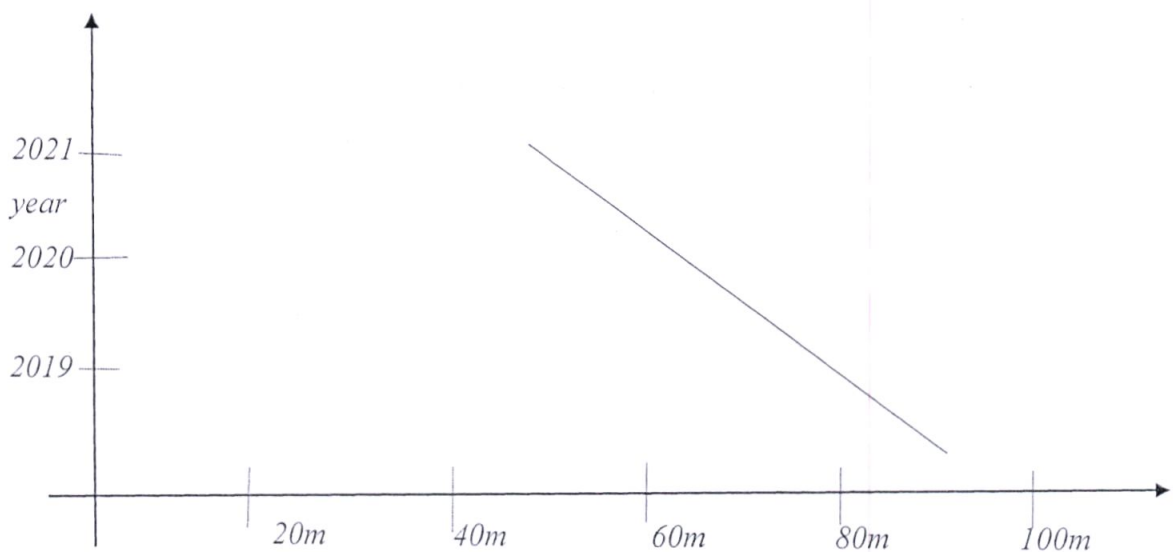
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2. Movement of creditors over the last three years

ACCOUNTS	30 <sup>TH</sup> JUNE, 2021	2020	2019
Tuition		482,865.83	346,315.85
Operation		1,092,865.00	Nil
School fund			
-prepaid fees		8,155,906.5	4,042,966.00
-outstanding bills		6,668,735.00	6,401,688.00

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

a/c	30 <sup>th</sup> June, 2021		2020		2019	
	Cash	Bank	Cash	Bank	Cash	Bank
Tuition		133,275.35		478,476.85		1,079,490.85
Operation		2,443,106.74		865,190.20		7,307,324.75
School Fund	6,205.00	921,088.84	3,700.00	2,725,942.74	7,138.00	8,136,172.14



b) Teacher Student ratio:

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Number of teachers recruited and posted to the school within the year	04
Number of teachers transferred	01
Number of teachers employed by TSC	38
Number of teachers employed by the BOM	34
Teachers to students ratio	1:28

c) Mean score in the 2021 KCSE:

Year	2020	2019	2018
Mean score	8.18	7.584	7.7363

d) Number of Candidates in the 2021 KCSE:

Year	2021	2020	2019	2018
No. of Students	468	365	431	384

e) Capacity of the school:

Year	2021	2020	2019	2018
Total Students	2067	1964	1898	1864

f) 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*

Sign 

School Principal

30/9/22

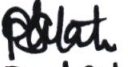
### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


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 Ramba Boys 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 30<sup>th</sup> June, 2021, and of the school's financial position as at that date.

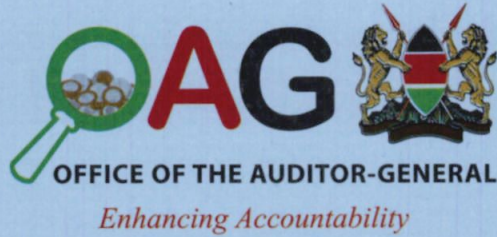
Name: George Onyango Magomba  
Designation: Chairman, School Board of Management  
Sign:   
Date: 30/9/22

Name: James Okoyo Ogweno  
Designation: School Principal & Secretary to Board of Management  
Sign:   
Date: 30/9/22

Name: Mercelyne Awino Adede  
Designation: Bursar/ Finance Officer  
Sign:   
Date: 30/9/22

# REPUBLIC OF KENYA

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

## REPORT OF THE AUDITOR-GENERAL ON RAMBA BOYS HIGH SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 – SIAYA COUNTY

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### 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 Ramba Boys High School – Siaya County set out on pages 12 to 27 which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the six (6)/eighteen(18) months' period then ended.

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 Ramba Boys High School – Siaya County for six (6) months period ended 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. Unsupported Receipts and Payments Amounts**

The statement of receipts and payments reflects total receipts of Kshs.74,457,891 and total payments of Kshs.68,578,614. However, supporting schedules were not provided for audit review.

In the circumstances, the accuracy and completeness of the statement of receipts and payments could not be confirmed.

### **2. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.6,434,714 as disclosed in Notes 8 and 9 to the financial statements. Cash in hand of Kshs.6,205 was not supported by Board of survey report. Further, the bank balance of Kshs.6,428,509 includes six (6) bank accounts which were not supported with cash book and bank reconciliation statements.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.6,434,714 could not be confirmed.

### **3. Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.50,509,701 as disclosed in Note 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.50,509,701 could not be confirmed.

### **4. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.50,509,701 in respect of fee arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.16,658,061 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.50,509,701 could not be confirmed.

## **5. Long Outstanding Accounts Payable**

The statement of financial assets and financial liabilities and Note 12 to the financial statements reflects accounts payable balance of Kshs.24,784,651 which includes a balance of Kshs.7,335,749 relating to the previous year. However, detailed aging analysis and ledgers were not provided for audit review.

In the circumstances, the accuracy and completeness of the outstanding accounts payables balance of Kshs.24,784,651 could not be confirmed and the payables may attract avoidable extra costs in form of interest and litigations.

## **6. Unsupported Payments**

The statement of receipts and payments reflects Payments for Tuition amount of Kshs.4,985,691 as disclosed in Note 5 to the financial statements. However, examination of payment vouchers amounting to Kshs.2,675,760 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments.

In the circumstances, the regularity, accuracy and completeness of tuition payments amounting to Kshs.4,985,691 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ramba Boys 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.

## **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. I have determined that there are no key audit matters in my 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. Errors in the Presentation and Disclosure in the Annual Report and Financial Statements**

Review of the annual report and the financial statements revealed the following:

The report and financial statements have been prepared for a six (6) months period ending 30 June, 2021. However, the report and financial statement have wrongly been described as relating to the financial year ending 30 June, 2021.

In the circumstances, the accuracy and completeness of the presentation of the annual report and the financial statements could not be confirmed.

### **2. Late Transfer of Funds from the Operations Account to the Infrastructure Account**

The statement of receipts and payments reflects operations grants amount of Kshs.14,191,100 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.209,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the full amount was transferred on 15 July, 2021 after fifty-seven (57) days of receipt. This was in contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 Dated 9 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the policy guidelines.

### **3. Accounts Payables Not Paid as First Charge**

The statement of financial assets and financial liabilities reflects account payables balance of Kshs.24,784,651 as disclosed in Note 12 to the financial statements. Included in the balance is Kshs.21,261,893 in respect of trade creditors out of which Kshs.7,335,749 relate to trade creditors for the previous year and which should have been paid as a first charge in 2020/2021. This is contrary to Section 41(2) of the Public Finance Management Regulations, 2015 which states that debt service payments shall be a first charge on the Revenue Fund and the Accounting Officer shall ensure this is done to the extent possible that the entity does not default on debt obligations.

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

### **4. Lack of a Procurement Plan**

The statement of receipts and payments reflects an amount of Kshs.74,457,891 and Kshs.68,578,614 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. Non-Compliance Compliance with Prescription on Principals, Board of Management and Committees’ Terms of Services and Entitlement**

Composition of the Board of Management showed that the two categories of skilled members and ex officials were omitted and therefore the Board is not properly constituted contrary to Section 56 (g) of Basic Education Act, 2013 which requires a representative of the students’ council who shall be an ex officio member and three co-opted members to the committee who possess skills and experience to assist in the discharge of the Board’s functions. Further, the Board of Management did not hold at least one meeting every four months in the period under review as required. In addition, the allowances paid to the members of the Board of Management were not consistent or uniform per sitting.

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.

**6. Failure to prepare a 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 policy guidelines.

**7. Failure to Open and Operate Separate Bank Account for Income Generating Activities**

The statement of receipts and payments reflects school fund income -other rec amount of Kshs.2,322,253. The amount includes rental income, fees refunds, farm receipts, interest income, service gratuity, bus hire and Constituencies and Development Funds (CDF) which was deposited in the school fund account. This is contrary to provisions of Ministry of Education circular ref: MOE/CONF/G5 dated 26 November 2014 which stated that an organization should maintain separate bank account for income generating activity.

In the circumstances, Management was in breach of the Ministry guidelines.

The audit was conducted in accordance with the International Standards for Assurance Engagements (ISSAI) 4000. The Standard requires that the auditor shall plan and perform the audit to obtain assurance over the reliability of the financial statements, financial transactions and information reflected in the accounts, in all material respects, with the authorities that govern the entity.

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. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,768,339 and Kshs.14,191,100 respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year, NEMIS reported a total number of one thousand eight hundred and seventy-five (1,875) students while the enrolment records provided by the school indicated a total number of two thousand and seventy-seven (2,067) students, resulting to an unexplained variance of one hundred and ninety-two (192) students. As a result of the variances, the school was under funded by an amount of Kshs.1,424,518

In the circumstances, the under-funding of the school may have affected service delivery to school.

#### 2. Unconfirmed Student Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.15,959,439 Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year/period 2020/2021, NEMIS reflected one thousand eight hundred and seventy five (1,875) students while records from the County Director of Education had two thousand and sixty seven (2,067) students, resulting to an underfunding of the School by an amount of Kshs.1,424,518 This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, under-funding of the school may have affected service delivery to students.

#### 3. Poor Management of Text Books

In the year under review, it was established that the institution did not have an any management policy to provide formal guidance on the management of text books. Further, the audit review of the textbook management revealed that there was

an excess supply of twenty (20) text books for the books supplied by the Ministry of Education in the financial year 2020/2021. It was also noted that the school does not maintain a record of books hence the closing balance of text books could not be determined. In addition, the school does not have a system in place to ensure that text books that are lost are replaced immediately. Lost text books are only recovered when the students are exiting the school after they complete Kenya Certificate of Secondary Examination.

In the circumstances, the effectiveness of text book management could not be confirmed.

#### **4. Lack of Approved Information Communication Technology Policy**

Review of the Schools Information Communication and Technology (ICT) environment revealed that there was no formal approved ICT Policy in place as at 30 June, 2021. This includes Information Technology governance, Security Management, Program change management, Physical access controls, Environmental controls, IT service continuity and Logical Access control. There no data security policy and Disaster Recovery Plans.

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

#### **5. Lack of Risk Management Policy and Disaster Recovery Plan**

During the year under review the institution has not developed and documented a risk management policy. Further, it was also noted that the school did not have disaster recovery plan.

In the circumstances, the institution lacks the capacity to identify, mitigate and manage risks such as fraud or natural disasters.

#### **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 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 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**

**03 January, 2025**

Ramba Boys High School  
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	1,768,339	3,274,075
Capitation grants for operations	2	14,191,100	19,643,563
School Fund Income- Parents' Contributions	3	56,176,198	50,918,260
School Fund Income- Other receipts	4	2,322,253	726,908
Proceeds from borrowings		-	-
<b>TOTAL RECEIPTS</b>		<b>74,457,891</b>	<b>74,562,806</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	4,985,691	6,317,724
Payments for operations	6	18,798,181	21,425,534
Boarding and school fund payments	7	44,794,743	42,139,170
<b>TOTAL PAYMENTS</b>		<b>68,578,614</b>	<b>69,882,428</b>
<b>SURPLUS/DEFICIT</b>		<b>5,879,276</b>	<b>4,680,377</b>

The school financial statements were approved on 30/9/2022 and signed by:

Sign: 

George Onyango Magomba

Chair BOM

Date 30/9/22

Sign 

James Okoyo Ogwen

School Principal/  
Secretary to BOM

Date 30/9/22

Sign 

Mercelyne Awino Adede

Bursar/  
Finance Officer

Date 30/9/22

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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT  
30<sup>TH</sup> JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	6,428,509	13,495,723
Cash Balances	9	6,205	3,700
Short term Investment	10	-	-
<b>Total Cash and cash equivalent</b>		<b>6,434,714</b>	<b>13,499,423</b>
Account's receivables	11	50,509,701	24,140,977
<b>TOTAL FINANCIAL ASSETS</b>		<b>56,944,415</b>	<b>37,640,400</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	24,784,651	11,359,913
<b>NET FINANCIAL ASSETS</b>		<b>32,159,763</b>	<b>26,280,487</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	26,280,488	21,600,110
Surplus/Deficit for the year		5,879,276	4,680,377
<b>NET FINANCIAL POSSITION</b>		<b>32,159,763</b>	<b>26,280,487</b>


The School's financial statements were approved on 30/9/ 2022 and signed by:

George Onyango Magomba  
Chairman, BoM

Sign: 

Date: 30/9/22

James Okoyo Ogweno  
School Principal/Secretary  
to BoM

Sign: 

Date: 30/9/22

Mercelyne Awino Adede  
Bursar/Finance

Sign: 

Date: 30/9/22

Ramba Boys High School  
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	1,768,339	3,274,075
Capitation grants for operations	2	14,191,100	19,643,563
School fund income- Parents contributions/ fees	3	56,176,198	50,918,260
School fund income- other receipts	4	2,322,253	726,908
<b>Total receipts</b>		<b>74,457,890</b>	<b>74,562,806</b>
<b>Payments</b>			
Payments for Tuition	5	4,985,691	6,317,724
Payments for operations	6	18,798,181	21,425,534
Boarding and school fund payments	7	44,794,743	42,139,170
<b>Total payments</b>		<b>68,578,615</b>	<b>69,882,428</b>
<b>cash flow from operating activities</b>		<b>5,879,275</b>	<b>4,680,378</b>
<b>Adjustment.</b>			
Increase in Accounts Recievable		-	-
		26,368,724	2,343,609
Increase in Accounts Payables		13,424,738	
<b>Net cash flow from Operating Activities</b>		<b>- 7,064,711</b>	<b>2,336,769</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>- 7,064,709</b>	<b>2,336,769</b>
Cash and cash equivalent at BEGINNING of the year		13,499,423	11,162,654
Cash and cash equivalent at END of the year		6,434,714	13,499,423

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

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

Receipt / Expenses Item	Original Budget Kshs	Adjustments Kshs	Final Budget Kshs	Actual on Comparable Basis Kshs	Budget Utilization Difference Kshs	% of Utilization Kshs
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Textbooks and reference materials	-	-	-	260,000		
Exercise books	-	-	-	1,148,100		
Laboratory equipment	-	-	-	-		
Internal exams	-	-	-	-		
Teaching / learning materials	-	-	-	360,239		
Chalks	-	-	-	-		
Exams and assessment	-	-	-	-		
Teachers guides	-	-	-	-		
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Personnel emoluments	-	-	-	7,451,850		
Repairs and maintenance	-	-	-	-		
Local transport / travelling	-	-	-	-		
MF Fund	-	-	-	6,524,000		
Electricity and water	-	-	-	5,750		

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Medical	-	-	-	-	-	-	-	-
Administration costs	-	-	-	-	209,500	-	-	-
Activity	-	-	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-	-	-
SMASSSE	-	-	-	-	-	-	-	-
<b>(3) FEES CHARGED ON PARENTS</b>								
Personnel emoluments	-	-	-	-	-	-	-	-
other overheads	-	-	-	-	9,878,753	-	-	-
Repairs and maintenance	-	-	-	-	1,467,585	-	-	-
Local transport / travelling	-	-	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-	-	-
Medical	-	-	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-	-	-
Activity	-	-	-	-	182,404	-	-	-
SMASSSE	-	-	-	-	-	-	-	-
Fee Arrears	-	-	-	-	27,934,862	-	-	-
Fee on Boarding Equipment and Stores	-	-	-	-	16,712,594	-	-	-
<b>OTHER INCOME</b>								
Rent income	-	-	-	-	66,100	-	-	-
Fee Refunds	-	-	-	-	42,502	-	-	-
Income from farming activities	-	-	-	-	120,900	-	-	-
Insurance compensation	-	-	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	202,507	-	-	-

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Fee for hire of ground and equipment	-	-	-	-	-	-	-
Interest income	-	-	-	-	6,564	-	-
Service Gratuity	-	-	-	-	1,483,680	-	-
CDF Funds	-	-	-	-	400,000	-	-
Income from any other investment	-	-	-	-	-	-	-
<b>TOTAL INCOME</b>	-	-	-	-	<b>74,457,890</b>	-	-
<b>(1) EXPENDITURE FOR TUITION</b>							
Textbooks and reference materials	-	-	-	-	-	-	-
Exercise books	-	-	-	-	350,000	-	-
Laboratory equipment	-	-	-	-	1,248,080	-	-
Internal exams	-	-	-	-	286,660	-	-
Teaching / learning materials	-	-	-	-	439,750	-	-
Chalks	-	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-	-
Sundry Creditors	-	-	-	-	2,659,713	-	-
Bank Charges	-	-	-	-	1,488	-	-
<b>(2) EXPENDITURE FOR OPERATIONS</b>							
Personnel emoluments	-	-	-	-	-	-	-

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Repairs, maintenance & improvements	-	-	-	-	3,320,875	-	-
Local transport / travelling	-	-	-	-	523,625	-	-
Electricity, water and conservancy	-	-	-	-	2,300,681	-	-
Medical	-	-	-	-	-	-	-
Administration costs	-	-	-	-	750,748	-	-
Activity Expenses	-	-	-	-	496,480	-	-
MIF Project	-	-	-	-	8,443,363	-	-
Insurance cost	-	-	-	-	434,205	-	-
Covid Protocols	-	-	-	-	207,170	-	-
Bank charges	-	-	-	-	3,574	-	-
Sundry Creditors	-	-	-	-	2,317,460	-	-
Gratuity	-	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-	-
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>							
Personnel emoluments	-	-	-	-	4,044,856	-	-
BOM Teachers	-	-	-	-	2,293,880	-	-
Repairs, maintenance and improvements	-	-	-	-	-	-	-
Local transport / travelling	-	-	-	-	2,317,618	-	-
Electricity, water and conservancy	-	-	-	-	883,130	-	-

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Refunds	-	-	-	-	124,231	-	-
Medical Expenses	-	-	-	-	-	-	-
Administration costs	-	-	-	-	1,981,739	-	-
Activity	-	-	-	-	-	-	-
Gratuity	-	-	-	-	1,026,480	-	-
MIF Project	-	-	-	-	979,302	-	-
Lunch programme	-	-	-	-	-	-	-
Boarding Equipment and Stores	-	-	-	-	18,222,209	-	-
Expenditure for Income Generating Activity	-	-	-	-	6,780	-	-
Insurance costs	-	-	-	-	-	-	-
Other expenses on investments	-	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-	-
Bank Charges	-	-	-	-	42,788	-	-
Loan Interest Repayment	-	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-	-
CDF Project	-	-	-	-	400,000	-	-
Sundry Creditors	-	-	-	-	12,471,729	-	-
Acquisition of Assets	-	-	-	-	-	-	-
<b>TOTALS</b>	-	-	-	-	<b>68,578,614</b>	-	-

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

- i.
- ii.

## IX. SIGNIFICANT ACCOUNTING POLICIES

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

### 1. Statement of compliance and basis of preparation

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

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

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

### 2. Recognition of receipts and payments

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

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2021.

**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

Description	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	911,830
Exercise books	260,000	592,608
Laboratory equipment	1,148,100	992,045
Internal exams	-	491,111
Teaching / learning materials	360,239	284,845
Chalks	-	1,637
Exams and assessment	-	-
Teachers guides	-	-
<b>Total</b>	<b>1,768,339</b>	<b>3,274,075</b>

**2 CAPITATION GRANT FOR OPERATIONS**

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Other overheads	7,451,850	10,477,550
Repairs and maintenance	-	-
Local transport / travelling	-	-
MIF Fund	6,524,000	7,392,113
Covid Grant	-	712,500
Electricity and water	5,750	-
Medical	-	353,800
Administration costs	209,500	-
Activity	-	707,600
<b>Total</b>	<b>14,191,100</b>	<b>19,643,563</b>

**3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	2,123,633
Other Overheads	9,878,753	11,643,152
Boarding Equipment and Stores	16,712,594	27,133,064
Repairs and maintenance	1,467,585	2,097,128
Local transport / travelling	-	-
Electricity and water	-	-
Administration costs	-	-
Activity	182,404	273,770
Fee Arrears	27,934,862	7,647,514
<b>Total</b>	<b>56,176,198</b>	<b>50,918,260</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	-	-
Rent income	66,100	77,550
Fee refunds	42,502	15,139
Income from farming activities	120,900	115,990
Insurance compensation	-	-
Income from Posho mill	-	-
Income from Bus Hire	202,507	336,269
Fee for hire of ground and equipment	-	-
Income from grants and donations*	-	-
Interest income	6,564	360
Service Gratuity	1,483,680	-
CDF Funds	400,000	-
Tender fees	-	101,000
Dividends income	-	-
Rent Arrears	-	80,600
<b>Total</b>	<b>2,322,253</b>	<b>726,908</b>

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

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	350,000	1,401,083
Laboratory equipment	1,248,080	2,083,450
Internal exams	286,660	12,550
Teaching / learning materials	439,750	512,930
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	1,488	1,626
Sundry Creditors	2,659,713	2,306,085
<b>Total</b>	<b>4,985,691</b>	<b>6,317,724</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	3,320,875	6,901,695
Service Gratuity	-	-
Administration Cost	750,748	1,362,877
Repairs and maintenance & improvements	-	-
Local transport / travelling	523,625	971,870
Electricity and water	2,300,681	1,710,839
Medical	-	-
Activity Expenses	496,480	920,900
SMASSE	-	-
MIF Project	8,443,363	7,128,837
Insurance Cost	434,205	1,168,119
Covid Protocols	207,170	162,950
Bank Charges	3,574	4,583
Sundry creditors	2,317,460	1,092,865
Acquisition of Assets	-	-
<b>TOTAL</b>	<b>18,798,181</b>	<b>21,425,534</b>

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	4,044,856	3,909,661
BOM Teachers	2,293,880	3,648,230
Service Gratuity	1,026,480	-
Repairs and maintenance & Improvements	-	-
Local transport / travelling	2,317,618	868,671
Electricity and water	883,130	2,317,062
Medical Expenses	-	-
Administration costs	1,981,739	1,005,015
MIF Projects	979,302	730,588
Activity Fund	-	406,385
Refunds	124,231	188,065
Lunch Programme	-	-
Bus maintenance	-	275,000
CDF project	400,000	-
Bank Charges	42,788	30,852
Expenses on Income Generating Activities farming	6,780	100,300
Fee on Boarding Equipment and Stores	18,222,209	21,990,606
Sundry creditors	12,471,729	6,668,735
Rent Expenses	-	-



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Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
<b>TOTAL</b>	<b>44,794,743</b>	<b>42,139,170</b>

Expenses on income generating activities\*\* should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	A/C: 1182762573	535,162	478,477
Operations Account	A/C: 1103954326	178,143	865,190
School Fund Account - KCB	A/C: 1107056403	798,737	295,017
School Fund Account - Equity	A/C: 1107007178	1,226,601	2,373,133
Infrastructural Account	AC:0750261597503	2,608,438	4,729,977
Mpesa savings	A/C: 1212050118	460,633	822,844
Savings Account - PTA	Pay Bill: 579861	222,273	222,273
Savings Account - Farm	A/C: 1107756987	429,489	429,489
Savings Account - Gratuity	A/C: 1108207898	1,390,854	2,874,534
Savings Account - NGCDF	A/C: 1182762158	4,789	404,789
<b>Total</b>		<b>6,428,509</b>	<b>13,495,723</b>

**9 CASH IN HAND**

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	6,205	3,700
<b>Total</b>	<b>6,205</b>	<b>3,700</b>

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10 SHORT TERM INVESTMENTS

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

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	50,488,701	23,978,842
Other non-fees receivables	21,000	162,135
Salary advances	-	-
Imprest	-	-
<b>Total</b>	<b>50,509,701</b>	<b>24,140,977</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	27,934,862	5,895,778
Fees arrears for the previous year	5,895,778	7,647,514
Fees arrears for prior periods (over two years)	16,658,061	10,435,550
<b>Total</b>	<b>50,488,701</b>	<b>23,978,842</b>

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	21,261,893	10,067,785
Non Trade Creditors	3,522,759	1,067,685
Prepaid fees	-	-
Retention monies	-	-
<b>Total</b>	<b>24,784,651</b>	<b>11,359,913</b>

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

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Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors for current year	17,448,902	10,067,785
Trade creditors for the previous year	7,335,749	
Trade creditors for prior periods (over two years)	-	
<b>Total</b>	<b>24,784,651</b>	<b>10,067,785</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021 Kshs	2019-2020 Kshs
Bank balances	6,428,509	13,495,723
Cash balances	6,205	3,700
Short Term Investments	-	-
Receivables	50,509,701	24,140,977
Payables	-24,784,651	-11,359,913
<b>Total</b>	<b>32,159,764</b>	<b>26,280,487</b>

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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.

**14 Non-current Liabilities Summary**

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

**15 Biological assets**

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

**16 Borrowings**

Description	2020-2021 KShs	2019-2020 KShs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	(-)	(-)
<b>Balance at end of the year</b>	-	-

Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021 KShs	2019-2020 KShs
<b>b) Borrowings</b>		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
<b>Balance at end of the year</b>	-	-

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18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Fu 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 20XX	Outstanding Balance 20XX-1	Comments
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 20xx
Land 1						
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
<b>Total</b>						

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