

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 25 NOV 2024

DAY.

Tuesday

TABLED
BY:

Hon Naomi Wago
Deputy Majority Whip

OF
TABLE:

Moses Gornale

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

KIMUNYU SECONDARY SCHOOL

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

KIAMBU COUNTY



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
12 JUL 2024
RECEIVED



Kimunyu Secondary School

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL PERIOD ENDED
30TH JUNE 2021**

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

(Leave this page blank)



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	vii
4. Statement of School Management Responsibility	xiii
5. Report Of The Independent Auditors <i>(To be attached)</i>	xiv
6. Statement Of Receipts and Payments For the Period Ended 30 th June 2021	1
7. Statement of Assets and Liabilities For the Period Ended 30 th June 2021	2
8. Statement of Cash Flows for the Period Ended 30 th June 2021.....	3
9. Statement Of Budgeted Versus Actual Amounts for The Period Ended 30 th June 2021	5
10. Significant Accounting Policies.....	10
11. Notes To The Financial Statements	12
12. Annexes.....	22

1. Acronyms and Glossary of Terms

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

2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Kiambu County, Gatundu South Sub-County.

The school was registered in 02/1989 under registration number H/A/1169/89 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 844 number of students as at 30th June 2021. It has 4 streams and 32 teachers of which 5 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Geofrey Waweru	Chairman	March 2019
2	Dr. John Muthee	Secretary - Principal	March 2019
3	Mr. Francis Munano	Member	March 2019
4	Mr. Gachie Gituanja	Member	March 2019
5	Ms. Margret Gitau	Member	March 2019
6	Geofrey Waweru	Member	March 2019
7	Kimani Itibi	Member	March 2019
8	Grace Ndugu	Member – Rep CEB	March 2019
9	Mr. Anthony Kamura	Member Rep Teachers	March 2019
10	Mr. John Njau Gathanga Mr. Francis Kieru Ms. Wamaitha Kangethe	3 Members - Sponsor	March 2019
11	Ms. Grace Ndungu	Member - Community	March 2019
12	Ms. Elizabeth Kagema	Member Special Needs	March 2019
13		Rep Students	March 2019

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Mr. Geoffrey waweru 2. Dr. John Muthee 3. Mr. John Gathanga 4. Francis Gacheru 5. Grace Ndungu	Chair Member Member Member	3 of 3
2	Audit Committee	1. Gachie Gituanja 2. Dr. John Muthee 3. Kieru Gitau	Chair Member Member	3 of 3
3	Finance, Procurement And General Purposes Committee	1. Kimani Itibi 2. Dr. John Muthee 3. Maingi Kamau 4. Elizabeth Kagema 5. Faith Macharia	Chair Member Member Member	3 of 3
4	Academic Committee	1. Mathew Kigomo 2. Dr. John Muthee 3. Antony Kamura 4. Mungai George 5. All HODs	Chair Member Member Member Member	5 of 5
5	Development Committee	1. Francis Gacheru 2. Dr. John Muthee 3. John Gathanga	Chair Member Member	5 of 5

Annual Report and Financial Statements For the period ended 30th June 2021

		4.Geoffrey Waweru 5.Kimani Itibi 6. Public Works Office 7.SCDE	Member Member Member Member	
6	Discipline and welfare Committee	1.Wamaitha Kangethe 2.Dr. John Muthee 3.George Waweru	Chair Member Member	3 of 3
7	Adhoc Committee (if any during the year) Tender Opening Committee	1.Hannah Njeri Kuria 2.Elizabeth Karanja 3.Boniface Mburu	Chair Member Member	3 of 3
	Tender Evaluation Committee	1.George Mungai 2.Margaret Wambui 3.Antony Mamura 4.Christine Nyambura 5.Nelius Maina	Chair Member Member Member Member	3 of 3

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Dr. John Muthee	TSC No.273271
2	Deputy Principal	Mr. George Mungai	TSC No.352735
3	School Bursar	Mrs. Elizabeth Karanja	ICPAK No.
4	Other (specify)	Mr. Antony Kamura	TSC.No. 289586

(e) Schools contacts

Post Office Box: 419 – 01030, Gatundu
 Telephone: 0717053596
 E-mail: kimunyusec@gmail.com
 Website: N/A
 Facebook: Kimunyu Secondary School
 Twitter: N/A

(f) School Bankers

Provide details of the school bankers.

Name of Bank: National Bank
Branch: Ruiru
 Tuition Account: 01025059185200
 Operation Account: 01025059185201
 Infrastructure Account: 01022059185200

Savings Account: 01242059185200

School Fund Account

Name of Bank: Family Bank
Branch: Gatundu
Account Number: 004000005506

(g) Independent Auditors

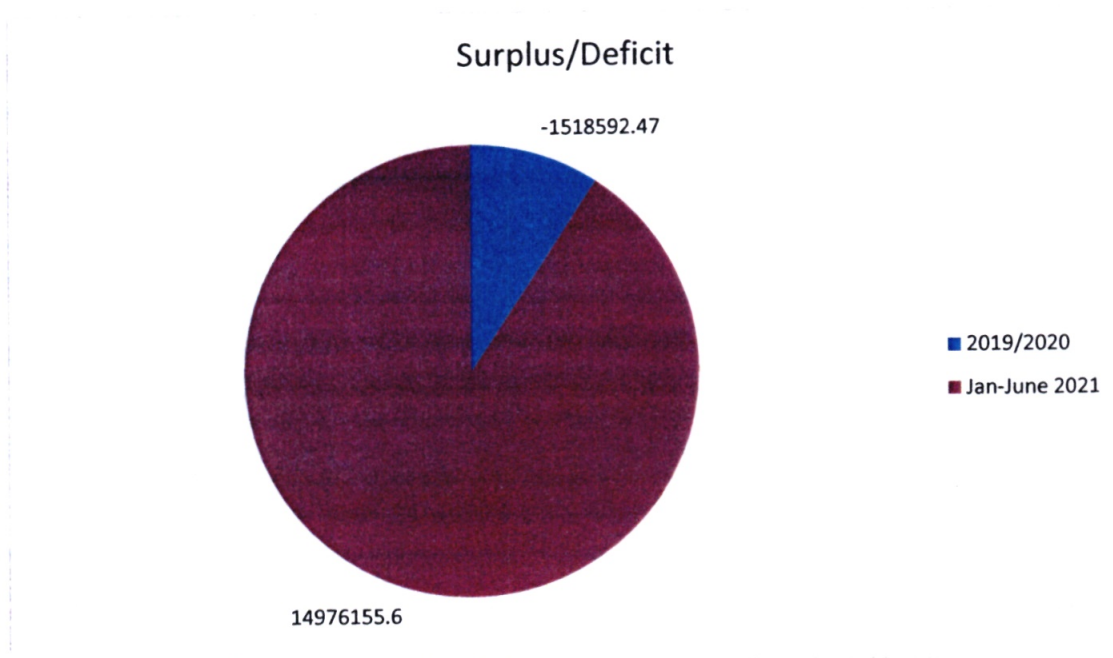
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

3. Summary Report of Performance of The School

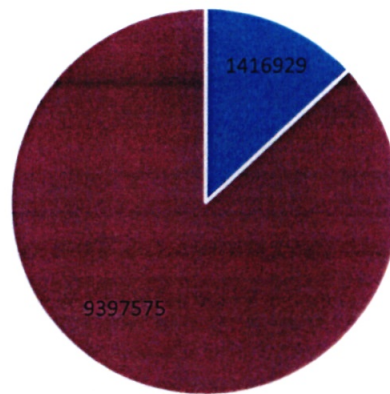
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

SURPLUS/DEFICIT

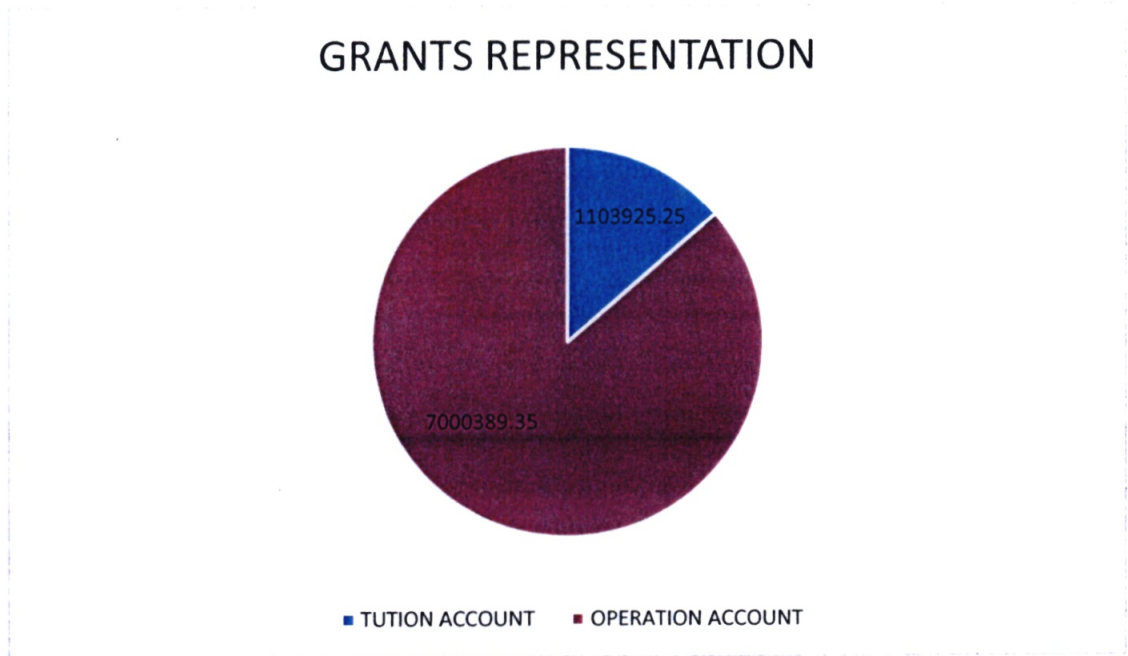


GRANTS REPRESENTATION

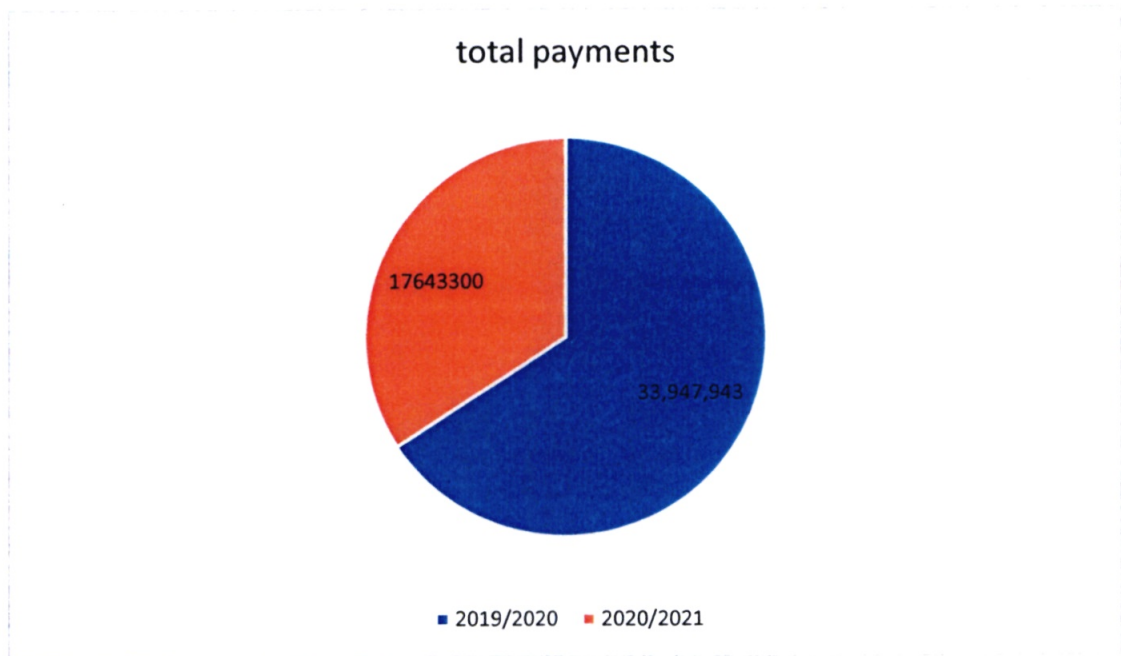


■ TUTION ACCOUNT ■ OPERATION ACCOUNT

**CAPITATION GRANT FROM MOE FOR THE PERIOD ENDED 30TH JUNE
2021**



EXPENDITURE OVERVIEW



b) Teacher Student ratio:

Teacher Student Ratio: 1:23

Recruitment: 1

Retirement: Null

TSC: 32

BOM Teacher 5

c) Mean score in the 2021 KCSE:

Year	Entry	Mean Score	Deviation	Transition to Higher Levels
2020	260	5.150	+0.759	105
2019	133	4.391	+0.066	56

d) Number of Candidates in the 2021 KCSE:

56 candidates

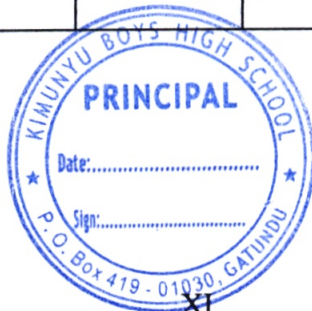
Capacity of the school:

Facility	Quantity	Capacity	What they hold
Dormitories	6	120	844
Laboratories	2	95	844
Dining hall	1	600	44
Toilets	56	56	844
Library	1	15	844
Staffroom	1	25	37

e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Main gate	Parents	Complete	210000	210000	Complete
Toilets	Parents	Complete	352100	352100	Complete
Class Tiles	Parents	Complete	870000	870000	Complete
Play Ground	Parent	Complete	850000	850000	Complete
Pavements	Parents	Complete	300000	300000	Complete
Office Chair	Parents	Complete	80000	80000	Complete
Dinning plastic chairs	Parents	Complete	92700	92700	Complete

Dr. John Muthee
School Principal



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


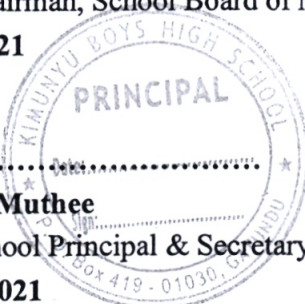
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

.....


Name: Mr. Geoffrey Waweru

Designation: Chairman, School Board of Management

Date: 30 June 2021

.....



Name: Dr. John Muthee

Designation: School Principal & Secretary to Board of Management

Date: 30th June 2021

.....

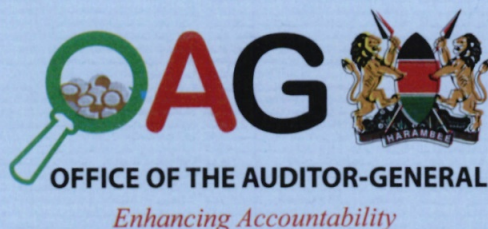

Name: Mrs. Elizabeth Karanja

Designation: Bursar/ Finance Officer

Date: 30th June 2021

REPUBLIC OF KENYA

Phone: +254-(20) 3214000
E-mail: 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 KIMUNYU SECONDARY SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 – KIAMBU 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 Kimunyu Secondary School – Kiambu County set out on pages 1 to 22, which comprise of the statement of financial

Report of the Auditor-General on Kimunyu Secondary School for the six (6) months period ended 30 June, 2021 – Kiambu County

assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows, statement of budgeted versus actual amounts for the six (6) months period 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 Kimunyu Secondary School - Kiambu County as at 30 June, 2021, and of its receipts and payments and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Inaccuracies of the Financial Statements

1.1 Inaccurate Accounts Payables

The statement of assets and liabilities as disclosed in Note 14 to the financial statements reflects a balance of Kshs.3,971,777 in respect to accounts payables. However, analysis of movement made up of opening balance of Kshs.4,727,443, total expenditure amounts for the period of Kshs.17,643,300 and total actual payments for the period of Kshs.19,527,532 results in a balance of Kshs.2,843,211. This leads to an unexplained and unreconciled variance of Kshs.1,128,566.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.3,971,777 could not be confirmed.

1.2 Inaccurate Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 13 to the financial statement reflects a balance of Kshs.22,017,932 in respect to accounts receivables. However, re-computation of the movement made up of opening balance of Kshs.10,881,314, total amount for the period of Kshs.32,619,455 and total actual receipts for the period of Kshs.20,565,223 resulting in a balance of Kshs.22,935,546.86 leading to an unreconciled variance of Kshs.917,614.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.22,019,932 could not be confirmed.

2.0 Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amounts of Kshs.1,103,928.25 and Kshs.7,000,389.35

respectively as disclosed, in Notes 1 and 2 to the financial statements. During the financial year, NEMIS reported a total number of eight hundred and forty-four (844) students while the enrolment records provided by the school indicated a total number of eight hundred and twenty-nine (829) learners resulting to an unexplained variance of fifteen (15) students. As a result of the variances, the school was overfunded by an amount of Kshs.333,660.

In the circumstances, the over-funding of the school may have affected service delivery to the other schools which did not receive capitation for students and value for money could not be confirmed.

3.0 Unsupported Inventory

Note 19 to the financial statements discloses inventory balance of Kshs.4,526,000 and Kshs.700,000 in respect to food stuffs and lab consumables respectively as at 30 June, 2021. However, it was observed that Management did not conduct physical inventory count at the end of the financial year and the value stated could not be supported.

In the circumstances, it was not possible to confirm the accuracy and completeness of the balance of Kshs.4,526,000 and Kshs.700,000 in respect to food stuffs and lab consumables respectively.

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

1. Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.26,483,706 and Kshs.20,565,223 respectively, resulting to underfunding of Kshs.5,918,483 or 22% of the budget. However, the school spent Kshs.17,641,500 against actuals of Kshs.20,565,223, resulting to an under-utilization of Kshs.2,923,723 or 14% of the actuals receipts.

In the circumstances, the underfunding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unrealized School Capitation

During the year, the school received capitation grants amounting to Kshs.8,104,317.60 from the Ministry of Education against eight hundred and twenty-nine (829) learners

registered in the National Education Management Information System (NEMIS) platform. This translates to a capitation of Kshs.9,776 or 44% of the required Kshs.22,244 capitation per learner. The school, therefore, did not receive GOK subsidy amounting to Kshs.10,335,972.

In the circumstances, the under-realization of capitation funds negatively affected the school's capacity to implement various planned programmes.

My opinion is not modified in respect of these matters.

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

Basis for Conclusion

1. Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements

Management presented the annual report and financial statements covering six months from January, 2021 to June, 2021 contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya, dated 20 August, 2021 which requires the first financial statements after the adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021. Further, no disclosure was made on the change in the preparation of financial statements from calendar year to the government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

Further, the financial statements presented for audit do not have headers in respect to the name of the school.

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

2. Failure to Prepare School Improvement Plan

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

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

3. Unbalanced Budget

The statement of budgeted versus actual amounts reflects total receipts budget of Kshs.26,483,706 and an expenditure budget of Kshs.23,183,525 resulting to a deficit of Kshs.3,300,181 contrary to Regulation 33(c) of Public Finance Management (National Government) Regulations, 2015 which states that unless provided otherwise in the Act, these Regulations or Budget guidelines any other guidelines developed in furtherance of the Act or these Regulations, budget revenue and expenditure appropriations shall be balanced.

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

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

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects operations amount of Kshs.3,671,864. Included in this expenditure is an amount of Kshs.128,500 paid to Kenya Secondary Heads Association for County and Sub-County (KESSHA) activities being a welfare association that draws its membership from heads of secondary schools. The organization is not defined in the Government funding system and therefore, there is no assurance that it has implemented effective, efficient and transparent financial management and internal control system to manage the funds transferred by the school.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.128,500 could not be confirmed.

5. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 17 May, 2024 instead of the statutory deadline of 30 September 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

6. Failure to Develop School Improvement Plan

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

In the circumstances, Management was in breach of the 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 are in compliance, 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 matter 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. Unaccounted for Textbooks

According to the Kenya Institute of Curriculum Development records, three thousand, eight hundred and forty-eight (3,848) books including four hundred and eight one books (481) each for the eight set of books including the Blossoms of the Savanna, Inheritance, A doll's house, Chozi la heri, Kigogo, Tumbo lisiloshiba, the Pearl and Memories we lost were disbursed to the School during the year. However, these books were not delivered to the school and they have not been accounted for.

In addition, no system was in place to track the receipt and issuance of books to students in contravention to Regulation 140(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to be responsible for proper custody care and use of Government inventories under their control.

In the circumstances, the delivery of three thousand, eight hundred and forty-eight (3,848) textbooks as documented by the Kenya Institute of Curriculum Development could not be confirmed and effectiveness of text management controls could not be confirmed.

2. Failure to Maintain Bursaries / Scholarships Vote Head

During the year, the school received bursary disbursements and scholarships from the National Government Constituencies Development Fund and other donors in respect to needy students. However, Management did not maintain a register of beneficiaries for both bursary grants and scholarships indicating the name of the beneficiary, admission number, amount received and the financier/donors during the year.

In the circumstances, the effectiveness on management of the bursaries and scholarship could not be confirmed.

3. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.41,200,000 in respect to fixed assets which includes land with a balance of Kshs.10,000,000 and motor vehicles with a balance of Kshs.4,200,000. However, land ownership documents and motor vehicle log books were not provided for audit.

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

4. Weak IT Internal Controls

Review of the School ICT environment revealed that apart from physical records, the school uses various computerized information management systems including National Education Management Information System (NEMIS) and SHCACCS Integrated Financial Management system. However, Management did not provide an approved ICT policy, disaster recovery plan and an ICT strategic plan.

In the circumstances, effectiveness of ICT internal controls could not be confirmed.

5. Non-Operational Audit Committee

During the year under review, it was observed that although Management had duly established an audit committee in accordance with Section 73(5) of the Public Finance Management Act, 2012 which mandates that every National Government entity should establish an audit committee with defined composition and functions as prescribed by the regulations, the committee was found to be non-operational. It was noted that the committee members had not convened any meetings, and as a result, no minutes were recorded for such meetings. This lack of functionality raises concerns regarding the effectiveness of the audit committee in fulfilling its intended purpose of providing oversight and ensuring accountability in financial management.

In the circumstances, the existence of internal controls and implementation of the recommendations could not be confirmed.

6. Non-Tagging of Fixed Assets and Lack of Asset Register

Physical verification of assets done in May, 2024 revealed that the school has several fixed assets that have been acquired over a period of time and all of the assets have not been coded/tagged with unique identification codes. The school sits on unvalued acres of land and owns various assets including buildings, motor vehicles and various furniture and fittings whose values have not been disclosed. Further, Management did not maintain an asset register which could have provided critical information including location of the assets, description, respective cost and serial numbers. This was in contrary to The National Treasury guidelines as per Circular No. 5/2020 dated 25 February, 2020 which required all public entities to keep a comprehensive register to protect public assets.

In the circumstances, the existence, ownership and valuation of various assets owned by the school could not be confirmed.

7. Lack of Information Communication Technologic (ICT) Policy

Review of the school's ICT environment revealed that there was no formal approved ICT policy, Security policy, Environmental policy, IT Continuity Plan and Disaster Recovery Plan in place as at the time of audit. This is contrary to Section 149(2)(c) of the Public Finance Management Act, 2012 provides that a Public Entity should always ensure that all its records, financial or otherwise kept in electronic form are adequately protected and backed up.

In the circumstances, the reliability, integrity and recoverability of the school data could not be confirmed.

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 controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal 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 its operations.

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

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

Those charged with governance are responsible for overseeing the 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 overall 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 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


23 September, 2024

Annual Report and Financial Statements For the Period ended 30th June 2021

5. Statement Of Receipts and Payments For the Period Ended 30th June 2021

Description Of Vote Head	20	2020/2021	2019/2020
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,103,928.25	1,416,929.00
Government grants for operations	2	7,000,389.35	9,397,575.00
Government Grants for infrastructure	3	0.00	0.00
School fund income- parents' contributions	4	24,515,138.00	21,615,192.00
Miscellaneous incomes	5	0	0
Total Receipts		32,619,455.60	32,429,696.00
Payments			
Tuition	6	810,630.00	1,414,960.00
Operations	7	3,671,864.00	9,046,555.00
Infrastructure	8	2,068,110.00	411,160.00
Boarding and school fund	9	11,092,696.00	23,075,268.00
Total Payments		17,643,300.00	33,947,943.00
Surplus/Deficit		14,976,155.60	(1,518,247.00)

The school financial statements were approved on 11/07/2024 and signed by:



Name: Gregory Wawory
 Chair BOM

Date: 11/07/2024



Name: NGANIA B.K
 School Principal/ Secretary to BOM

Date: 11/07/2024





Name: CHARLOTTE KARANJA
 Bursar/ Finance Officer

Date: 11/07/2024

Annual Report and Financial Statements For the Period ended 30th June 2021

6. Statement of Assets and Liabilities For the period Ended 30th June 2021

Description	Note	2020/2021	2019/2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	2,872,742.60	(201,899.99)
Cash balances	11	9,603.00	374.00
Short term investments	12	0.00	0.00
Total cash and cash equivalent		2,882,345.60	(201,525.99)
Account's receivables	13	22,017,932.46	10,881,134.46
Total financial assets		24,900,278.06	10,679,788.47
Financial liabilities			
Accounts payables	14	3,971,777.00	4,727,443.00
Net financial assets		20,928,501.07	5,952,345.47
Represented by			
Accumulated fund b/fwd	15	5,952,345.47	7,470,592.47
Surplus/deficit for the year		14,976,155.60	(1,518,247.00)
Net financial position		20,928,501.07	5,952,345.70

The school's financial statements were approved on 11/07/2024 and signed by:

.....
 Name: Gregory Waweru
 Chair BOM
 Date: 11/07/2024

.....
 Name: NHANCIA B.K
 School Principal/ Secretary to BOM
 Date: 11/07/2024



.....
 Name: CHABUN KARANJA
 Bursar/ Finance Officer
 Date: 11/07/2024

Annual Report and Financial Statements For the Period ended 30th June 2021

Statement of Cash Flows for the Period Ended 30th June 2021

Description	Note	2020/2021	2019/2020
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,103,928.25	1,416,929.00
Government grants for operations	2	7,014,189.35	9,397,575.00
Government grants for infrastructure	3	0.00	0.00
School fund income- parents contributions/ fees	4	14,493,286.00	24,327,268.00
Other income	5	0.00	0.00
Total receipts		20,565,222.60	32,429,696.00
Payments			
Cash outflows for tuition	6	810,630.00	1,414,960.00
Cash outflows for operations	7	3,676,864.00	9,457,715.00
Cash outflows for Infrastructure	8	2,068,110.00	411,160.00
Cash outflows Boarding/lunch and school fund payments	9	12,971,928.00	23,405,091.00
Total payments		19,527,532.00	34,277,766.00
Net cash inflow/outflow from operating activities		3,083,871.60	864,006.00
Cash flow from investing activities			
Acquisition of assets		0.00	0.00
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		0.00	0.00
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		3,083,871.60	864,006.00
Cash and cash equivalent at beginning of the 2021		(201,525.99)	(1,069,577.38)
Cash and cash equivalent at end of the 30th June 2021		2,882,345.61	(201,525.99)

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

Annual Report and Financial Statements For the Period ended 30th June 2021

(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 cash flow as recommended by PSASB).

The school's financial statements were approved on 11/07/2024 2024 and signed by:

.....
Geoffrey Waweru

Name:
Chair BOM

Date: 11/07/2024

.....
Nganga B.K

Name: NGANGA B.K
School Principal/ Secretary to BOM

Date: 11/07/2024



.....
Elizabeth Karanda

Name: ELIZABETH KARANDA
Bursar/ Finance Officer

Date: 11/07/2024

Annual Report and Financial Statements For the Period ended 30th June 2021

7. Statement Of Budgeted Versus Actual Amounts for The Period Ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	c=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Teaching / Learning Materials	1,500,000.00	0.00	1,500,000.00	1,103,928.25	73.60
	1,500,000.00	0.00	1,500,000.00	1,103,928.25	73.60
(2) Capitation Grant on Operations					
Personnel Emoluments	4,762,500.00	0.00	4,762,500.00	4,500,000.00	94.49
Repairs And Maintenance	1,750,000.00	0.00	1,750,000.00	1,696,000.00	96.91
Electricity And Water	762,500.00	0.00	762,500.00	550,000.00	72.13
Administration Costs	300,000.00	0.00	300,000.00	254,389.35	84.80
Activity	200,000	0.00	200,000	128,500.00	64.25
	10,787,500.00	0.00	10,787,500.00	7,000,389.35	64.89
3) FDSE for infrastructure					
(4) Fees Charged on Parents					
Personnel Emoluments	2,015,000.00	0.00	2,015,000.00	1,350,508.00	67.02
Repairs And Maintenance	2,000,000.00	0.00	2,000,000.00	1,847,929.00	92.40
Local Transport / Travelling	1,222,500.00	0.00	1,222,500.00	949,139.00	77.64
Electricity And Water	2,345,000.00	0.00	2,345,000.00	2,044,964.00	87.21
Administration Costs	850,500.00	0.00	850,500.00	780,044.00	91.72

Annual Report and Financial Statements For the Period ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Activity	250,000.00	0.00	250,000.00	208,892.00	86.56
Lost Text Books	115,794.00	0.00	115,794.00	115,794.00	100.00
Uniform	206,612.00	0.00	206,612.00	206,612.00	100.00
Fee On Boarding Equipment and Stores	5,190,800.00	0.00	5,190,800.00	4,957,023.00	95.50
5) Miscellaneous Income					
	0.00	0.00	0.00	0.00	0.00
	14,196,206.00	0.00	14,196,206.00	12,460,905.00	87.78
Total Income	26,483,706.00	0.00	26,483,706.00	20,565,222.60	77.65
(6) Expenditure For Tuition					
Teaching / Learning Materials	1,000,000.00	0.00	1,000,000.00	810,390	81.04
Bank Charges	500.00	0.00	500.00	240.00	48.00
	1,000,500.00	0.00	1,000,500.00	810,630.00	81.02
(7) Expenditure For Operations					
Personnel Emoluments	3,262,500.00	0.00	3,262,500.00	2,868,425.00	87.92
Electricity, Water and Conservancy	762,500.00	0.00	762,500.00	504,443.00	66.16
Medical	200,000.00	0.00	200,000.00	168,746.00	84.37
Activity Expenses	150,000.00	0.00	150,000.00	128,500.00	85.67
Bank Charges	2000.00	0.00	2000.00	1750.00	87.50
	4,377,000.00	0.00	4,377,000.00	3,671,864.00	83.89
(8) Expenditure For infrastructure					
Maintenance Improvement Funds	2,200,000.00	0.00	2,200,000.00	2,068,110.00	94.01

Annual Report and Financial Statements For the Period ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
	2,200,000.00	0.00	2,200,000.00	2,068,110.00	94.01
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	600,000.00	0.00	600,000.00	553,021.00	92.17
Repairs, Maintenance and Improvements	3,000,000.00	0.00	3,000,000.00	2,864,463.00	92.17
Local Transport / Travelling	2,500,000.00	0.00	2,500,000.00	2,137,600.00	85.50
Electricity, Water and Conservancy	300,000.00	0.00	300,000.00	232,970.00	77.66
Administration Costs	500,000.00	0.00	500,000.00	448,355.00	89.67
Activity	200,000.00	0.00	200,000.00	193,500.00	96.75
Boarding Equipment and Stores	5,000,000.00	0.00	5,000,000.00	4,046,076.00	80.92
Development Fund	44,000.00	0.00	44,000.00	44,000.00	100
Learning Material	219,325.00	0.00	219,325.00	219,325.00	100
Bank Charges	25,000.00	0.00	25,000.00	18,886.00	75.54
Uniform	332,700.00	0.00	332,700.00	332,700.00	100
Totals	15,606,025.00	0.00	15,606,025.00	11,090,896.00	71.07
Total Expenditure	23,183,525.00	00.0	23,183,525.00	17,641,500.00	76.09

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

8. 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.

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 Period ended 30th June 2021.

Annual Report and Financial Statements For the Period ended 30th June 2021

9. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2020/2021	2019/2020
	Kshs	Kshs
Reference Materials	0.00	0.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	1,103,928.25	1,416,929.00
Others (<i>specify</i>)*	0.00	0.00
Total	1,103,928.25	1,416,929.00

2 Government Grants for Operations

Description	2020/2021	2019/2020
	Kshs	Kshs
Personnel Emoluments	4,500,000.00	1,364,768.75
Repairs And Maintenance	1,696,000.00	3,479,500.00
Local Transport / Travelling	0.00	1,364,768.75
Electricity And Water	550,000	1,364,768.75
Medical	0.00	1,364,768.75
Administration Costs	254,389.35	1,364,768.75
Activity	0.00	306,000.00
Other Vote Heads	0.00	0.00
Total	7,000,389.35	9,397,575.00

3 Government Grants for infrastructure

Description	2020/2021	2019/2020
	Kshs	Kshs
Maintenance & Improvement	0.00	0.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (<i>specify</i>)(NGCDF and County govt.	0.00	0.00
Total	0.00	0.00

Annual Report and Financial Statements For the Period ended 30th June 2021

4. School Fund Income - Parents Contribution/Fees

Description	2020/2021	2019/2020
	Kshs	Kshs
Personnel emoluments	1,550,340.00	1,370,104.00
Repairs and maintenance	1,864,000.00	2,398,664.00
Local transport / travelling	2,044,000.00	1,370,104.00
Electricity and water	2,402,400.00	1,370,104.00
Medical	0.00	0.00
Administration costs	860,700.00	1,370,104.00
Activity	208,892.00	125,650.00
Fee on Boarding Equipment and stores	15,262,400.00	9,989,753.00
Lost Test book	115,794.00	34,116.00
Uniform	206,612.00	3,293,098.00
KCSE	0.00	24,200.00
Learning materials	0.00	269,295.00
PA Levies	0.00	0.00
Others (specify)	0.00	0.00
Total	24,515,138.00	21,615,192.00

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

5. Miscellaneous Incomes

Description	2020/2021	2019/2020
	Kshs	Kshs
Rent Income	0.00	0.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00
Total	0.00	0.00

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

**Ensure proper authorization from MOE before obtaining loans/borrowings.*

**Indicate what other income relates to including income arising from writebacks if any.*

Notes to the Financial Statements (continued)

6. Tuition

Description	2020/2021	2019/2020
	Kshs	Kshs
Exercise Books	0.00	0.00
Textbooks	0.00	0.00
Reference materials	0.00	0.00
Laboratory Equipment	0.00	0.00
Teaching / Learning Materials	810,390.00	1,414,840.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Bank Charges	240	120
Others (specify)	0.00	0.00
Total	810,630.00	1,414,960.00

7. Operations

Description	2020/2021	2019/2020
	Kshs	Kshs
Personnel Emoluments	2,868,425.00	1,116,525.00
Service Gratuity	0.00	0.00
Administration Cost	0.00	1,116,525.00
Repairs And Maintenance & Improvements	0.00	3,712,890.00
Local Transport / Travelling	0.00	1,116,525.00
Electricity And Water	504,443.00	1,116,525.00
Medical	168,746.00	14,565.00
Activity Expenses	128,500.00	853,000.00
Bank charges	1750.00	0.00
Insurance Cost	0.00	0.00
Others (specify)	0.00	0.00
Total	3,671,864.00	9,046,555.00

Notes to the Financial Statements (continued)

8. Infrastructure

Description	2020/2021	2019/2020
	Kshs	Kshs
Construction of classrooms	0.00	0.00
Construction of laboratory	0.00	0.00
Maintenance and Improvement Funds	2,068,110.00	410,435.00
Purchase of furniture	0.00	0.00
Purchase of equipment	0.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Bank charges	0.00	725.00
Total	2,068,110.00	411,160.00

9. Boarding And School Fund

Description	2020/2021	2019/2020
	Kshs	Kshs
Personnel Emoluments	553,021.00	1,186,672.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	2,864,463.00	4,873,038.00
Local Transport / Travelling	2,137,600.00	1,186,672.00
Electricity And Water	232,970.00	1,186,672.00
Medical Expenses	0.00	0.00
Administration Costs	448,355.00	1,186,671.94
Lunch Programme	0.00	0.00
Bank Charges	18,886.00	0.00
Expenses On Income Generating Activities**	0.00	0.00
Fee On Boarding Equipment and Stores	4,046,076.00	9,751,360.06
Rent Expenses	0.00	0.00
Insurance Cost (Life Property)	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	0.00
PA expenses	44,000.00	0.00
KCSE	1,800.00	24,200.00
Activity	193,500.00	181,500.00
Learning materials	219,325.00	231,662.00

Annual Report and Financial Statements For the Period ended 30th June 2021

Uniform	332,700.00	3,266,820.00
Total	11,092,696.00	23,075,268.00

*(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

Annual Report and Financial Statements For the Period ended 30th June 2021

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2020/2021	2019/2020
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01025059185200	101,033.85	7,735.60
Operations Account	Active	01025059185201	986,234.65	5,593.30
School Fund Account/Boarding	Active	004000005506	1,740,198.72	(228,614.28)
Savings Account	Dormant	0124059185200	4,045.39	4,045.39
Parent Association Development Account	N/A	N/A	0.00	0.00
Income Generating Activities Account	N/A	N/A	0.00	0.00
Infrastructural Account	Active	01022059185200	41,230.00	9,340.00
Total			2,872,742.61	(201,899.99)

11. Cash In Hand

Description	2020/2021	2019/2020
	Kshs	Kshs
Notes and Coins	9603.00	374.00
Total	9603.00	374.00

12. Short Term Investments

Description	2020/2021	2019/2020
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Annual Report and Financial Statements For the Period ended 30th June 2021

Notes to the Financial Statements (continued)

13a. Accounts Receivable

Description	2020/2021	2019/2020
	Kshs	Kshs
Fees Arrears	22,01,293.46	10,867,514.46
Other Non-Fees Receivables	0.00	0.00
Salary Advances (list/schedule attached)	5,000.00	13,800.00
Imprest (list/schedule attached)	0.00	0.00
Rent arrears (list/schedule attached)	0.00	0.00
Total	22,017,932.46	10,881,314.46

13 b Ageing Analysis of Accounts Receivable

Description	2020/2021		2019/2020	
	2020/2021	% of the total	2019/2020	% of the total
Less than 1 year	12,059,233.00	54.77%	1,324,488.00	12.17%
Between 1- 2 years	401,873.00	1.83%	9,556,826.46	87.83%
Between 2-3 years	9,556,826.46	43.40%	0	%
Over 3 years	0.00	%	0	%
Total (should tie to note 13 a)	22,017,932.46	100%	10,881,314.46	100%

14a. Accounts Payable

Description	2020/2021	2019/2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	873,478.00	873,478.00
Prepaid Fees	3,098,299.00	3,853,965.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables (specify)	0.00	0.00
Total	3,971,777.00	4,727,443.00

Annual Report and Financial Statements For the Period ended 30th June 2021

Notes to the Financial Statements (continued)

14b. Ageing Analysis of Accounts Payable

Description	2020/2021		2019/2020	
	Kshs		Kshs	
	2020/2021	% of the total	2019/2020	% of the total
Less than 1 year	3,098,299.00	78%	873,478.00	18.48%
Between 1- 2 years	873,478.00	22%	3,853,965.00	81.52%
Between 2-3 years	0.00	%	0.00	%
Over 3 years	0.00	%	0.00	%
Total (should tie to note 14)	3,971,777.00	100%	4,727,443.00	100%

15. Fund Balance Brought Forward

Description	2020/2021	2019/2020
	Kshs	Kshs
Bank Balances	2,872,742.61	(201899.99)
Cash Balances	9,603.00	374.00
Short Term Investments	0.00	0.00
Receivables	22,017,932.46	10881314.46
Payables	3,971,777.00	4,727,443.00
Total	20,928,501.07	5,952,345.47

Other important disclosure notes

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

16. Non-current Liabilities Summary

Description	2020/2021	2019/2020
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

17. Biological assets

Description	Numbers	2020/2021	2019/2020
		Kshs	Kshs
Cattle		0.00.	0.00
Goats		0.00	0.00
Trees	300.00	300,000.00	250,000.00
Coffee Or Tea Plantation		0.00	0.00
Poultry		0.00	0.00
Others (specify)		0.00	0.00
Total		300,000.00	250,000.00

18. Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Other important disclosure notes

19. Stock/ Inventory

Description	2020/2021	2019/2020
	Kshs	Kshs
Food stuffs	4,526,000.00	00.0
Lab consumables	700,000.00	500,000.00
Farm produce	0.00	0.00
Medication	0.00	0.00
Construction Materials	0.00	0.00

(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)

Annual Report and Financial Statements For the Period ended 30th June 2021

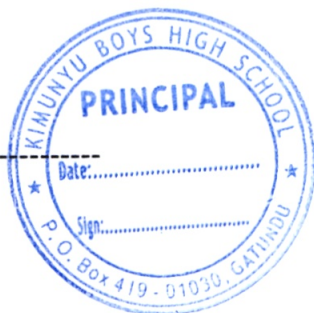
20. Progress on Follow Up Of Auditor Recommendations

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

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

[Handwritten Signature]

 Sign and Date
 Principal



Annual Report and Financial Statements For the Period ended 30th June 2021

21. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020/2021	Outstanding Balance 2020/2021	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings	0.00	0.00	0.00	0.00	0.00	0.00
1.	0.00	0.00	0.00	0.00	0.00	0.00
2.	0.00	0.00	0.00	0.00	0.00	0.00
3.	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00
Supply Of Goods	0.00	0.00	0.00	0.00	0.00	0.00
4.	0.00	0.00	0.00	0.00	0.00	0.00
5.	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00
Supply Of Services	0.00	0.00	0.00	0.00	0.00	0.00
6.	0.00	0.00	0.00	0.00	0.00	0.00
7.	0.00	0.00	0.00	0.00	0.00	0.00
8.	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00

Annual Report and Financial Statements For the Period ended 30th June 2021

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020/2021	Outstanding Balance 2020/2021	Comments
Grand Total	0.00	0.00	0.00	0.00	0.00	0.00

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st Jan 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land	10,000,000.00	0.00	0.00	10,000,000.00
Buildings And Structures	20,000,000.00	0.00	0.00	20,000,000.00
Motor Vehicles	4,200,000.00	0.00	0.00	4,200,000.00
Office Equipment, Furniture And Fittings	1,000,000.00	0.00	0.00	1,000,000.00
Textbooks	2,000,000.00	0.00	0.00	2,000,000.00
ICT Equipment	600,000.00	0.00	0.00	600,000.00
Tools And Apparatus	1,500,000.00	0.00	0.00	1,500,000.00
Other Machinery And Equipment	1,500,000.00	0.00	0.00	1,500,000.00
Heritage And Cultural Assets	200,000.00	0.00	0.00	200,000.00
Intangible Assets- Soft Ware	200,000.00	0.00	0.00	200,000.00
Total	41,200,000.00			41,200,000.00