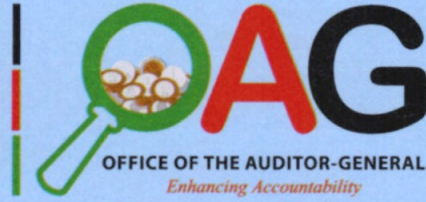


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 09 JUN 2026

DAY.
Tuesday

TABLED
BY:

Hon Ngũgĩ Wango

CLERK-AT
THE-TABLE:

Melaw

THE AUDITOR-GENERAL

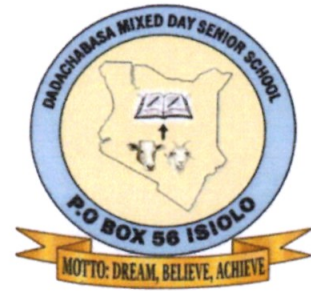
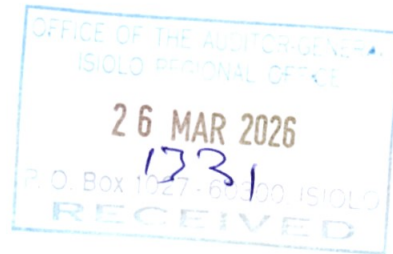
PARLIAMENT
OF KENYA
LIBRARY

ON

**DADACHABASA MIXED DAY
SECONDARY SCHOOL**

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

ISIOLO COUNTY



Dadachabasa Mixed Day Secondary School

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022**

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

(Leave this it Blank)

Table of Contents

Page

I. Key School Information And Management.....	iv
II. Summary Report Of Performance Of The School	vii
III. Statement Of School Management Responsibility	x
IV. Report Of The Independent Auditors (<i>To be attached</i>)	xi
V. Statement Of Receipts And Payments Period To 30 th June 2022	1
VI. Statement Of Financial Assets And Financial Liabilities As At 30 th June 2022	2
VII. Statement of Cash Flows for The Period Ended 30 th June 2022.....	3
VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2022	4
IX. Significant Accounting Policies	8
X. Notes To The Financial Statements	10

I. Key School Information And Management**(a) Background information**

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

The school was registered in January, 2020 under registration number 17530001183 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 70 numbers of students as at 30th June 2022. It has 1 streams and 5 teachers of which 2 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	Abdikadir Wario	Chairman	7/9/2022
2	Chief Shana Kashane Ali	Secretary - Principal	7/9/2022
3	Stephen G.Godana	Member	7/9/2022
4	Kherai Sora Roba	Member	7/9/2022
5	Hawo Guyo Bukicha	Member	7/9/2022
6	Abdikarim Hussein Wako	Member	7/9/2022
7	Salad Ali Dawa	Member	7/9/2022
8	Diramu Golo	Member – Rep CEB	7/9/2022
9	Diba Dabaso Matoye	Member Rep Teachers	7/9/2022
10	Abdirahman Adan Yussuf	3 Members - Sponsor	7/9/2022
11	Ali Halkano Gababa	Member - Community	7/9/2022
12	Salad Godana Boru	MemberSpecial Needs	7/9/2022
13	Ibrahim Bashir Ibrahim	Rep Students	7/9/2022
14	Ture Mohamed		7/9/2022
15	Abdikadir Wario Diba		7/9/2022
16	Jarso Roba Josephat		7/9/2022
17	Hassan Koto Shure		7/9/2022

Key School Information and Management (Continued)**The function of the School Board of Management include:**

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

(c) Committees of the Board

(Provide the names of the various committees of the Board established by the Board and the names of the committee members):

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	ABDIKADIR WARIO STEPHEN GODANA KHERAI SORA SALAD ALI	CHAIR SEC MEMBER	3/3
2	Audit Committee			
3	Finance, procurement and general purposes Committee			
4	Academic Committee	NUR SORA ABDIKARIM HUSSEIN HAWO BUKICHA IBRAHIM BASHIR		1/1
5	Development Committee			
6	Discipline and welfare Committee	SALAD ALI NUR SORA ABDIKARIMHUSSEIN	CHAIR SEC MEMBER	1/1
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	STEPHEN G.GODANA	211346
2	Deputy Principal	NUR SORA GUYO	536232
3	School Bursar		

(e) Schools contacts

Post Office Box: BOX 56-60300, ISIOLO
 Telephone: 0716350248
 E-mail: gboru465@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

The following school operated 3 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Consolidated Bank of Kenya
 Branch: Isiolo
 Account Number: 10111203000205
2. Name of Bank: Consolidated Bank of Kenya
 Branch: Isiolo
 Account Number: 10111203000206
3. Consolidated Bank of Kenya, Isiolo Branch, and A/C NO.10111203000203

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(g) Independent Auditors

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

II. Summary Report Of Performance Of The School

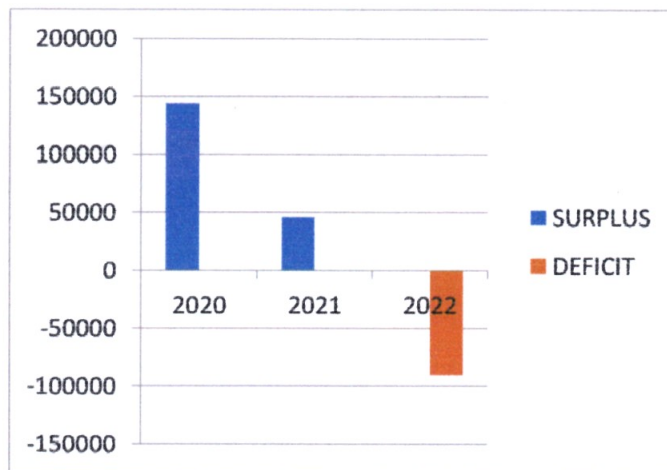
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

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

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

Surplus



Year	Amount
2020	144,112.00
2021 – 2021	46,245.00
2021 – 2022	(89,907.40)

- The increase in surplus during the year was realized as a result of more grants received from the Ministry of Education in both tuition and operation accounts as well as NG–CDF bursary Isiolo North constituency in form of fees compared to the previous year.
- Capitation grants from the Ministry of Education for the last three years
- The capitation grants from the Ministry of Education for the last three years are as follows:

Year	Tuition	Operation
2020		119,080.00
2021 – 2021	41,688.00	261,297.60
2021 – 2022	124,246.40	529,206.20

For the period between July 2022 – December 2022

- Tuition account stand Kshs 115,986.25 whereas for the operation account amount Kshs 453,723.88

Ratio of capitation grant received per students for the year under review July 2021 – June 2022 is explained as hereunder:

Tuition $124,246 \div 69 = 1 : 1,800.67$

Operation $529,206 \div 69 = 1 : 7,669.66$

- The two year overview of growth of other income(s) earned by the school amounting to Kshs 228,000.00 is the NG–CDF Isiolo North Constituency in form of fees compared to no amount received in 2021 covering financial period January 2021 – June 2021.
- A two year overview of growth in expenditure of the school shows an upward trend e.g in 2021 shows Kshs 256,740.00 whereas current shows Kshs 971,360.00.
- Movement of debtors and creditors of the school over the last two years were not significant i.e. no debtor but only creditor of Kshs 20,000.00 which is the June 2022 unpaid salaries.
- Movement of cash and bank balances over the last two years i.e. in 2021 shows Kshs 190,357.60 whereas for the financial year covering July 2021 – June 2022 shows Kshs 140,450.20 thus indicating a decrease in cash and cash equivalent available to the school at the end of the respective financial year.

b) Teacher Student ratio

i. 2022 = $69 : 5 = 1 : 14$

ii. Only one teacher was recruited and posted to the school by TSC within the year.

iii. There were no teachers transferred and retired.

iv. One teacher was employed by B.O.M

v. Teachers as per subject:

a. Maths / Biology – 1

b. Maths / Chemistry – 1

c. English / Literature – 1

d. Kiswahili / CRE – 1

c) Mean score in the 2022 KCSE

The school was started in 2020 and in the year 2022 it was up to Form 3.

d) Number of Candidates in the 2022 KCSE

They were no candidates in the year 2022, hence no candidates sitting for KCSE.

e) Capacity of the school

- The school enrolled 69 students in the year 2022, i.e. form one, form two and form three totaling to 69 students in number. The school has 5 permanent classes, one Science laboratory and Administration Block funded by NG-CDF Isiolo North constituency. 3 toilets one for teachers, one for boys and one for girls.
- The school has no dormitory, Dining Hall, Staffroom, Food store, No water tank and pit latrines, no fence since the school was started in the year 2020. The school is situated in the worst remote part of the sub-county with prone security day in and day out.

Summary Report of the Performance of the School (Continued)

b) 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).

- The School Had a Development Project of Science Laboratory, 2 Permanent Classrooms and School Administration Block, Sponsored by NG-CDF Isiolo North Constituency


.....
School Principal



III. Statement Of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (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 Dadachabasa Mixed Day Secondary School accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

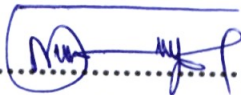
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.



.....
Name: Jattani Abdi Adan

Designation: Chairman, School Board of Management

Date: 26/3/2026



.....
Name: Nur Guyo Sora

Designation: School Principal & Secretary to Board of Management

Date: 26/3/2026



.....
Name: Koto Sain G
Designation: Bursar/ Finance Officer

Date: 26-3-2026



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON DADACHABASA MIXED DAY SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - ISIOLO COUNTY

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on 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 the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Dadachabasa Mixed Day Secondary School set out on pages 1 to 19, which comprise of the statement of assets

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

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

Basis for Qualified Opinion

1. Unsupported Payments

The statement of receipts and payments reflects boarding and school fund payments amounting to Kshs.252,480 as disclosed in Note 7 to the financial statements. However, Management provided supporting schedules and payment vouchers totalling Kshs.180,158, resulting in an unsupported amount of Kshs.72,322.

In the circumstances, the accuracy and completeness of the boarding and school fund payments totalling Kshs.72,322 could not be confirmed.

2. Inaccuracies in the Cash and Cash Equivalents Balance

The statement of cash flows reflects cash and cash equivalents balance at the beginning of the year of Kshs.210,357. However, the cash and cash equivalents at the end of the previous year (2020/2021) was Kshs.190,357 resulting in an unexplained variance of Kshs.20,000. Further the closing balance in the statement of cash flows of Kshs.120,450 differs with the balance of Kshs.140,450 in the statement of assets and liabilities.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.140,450 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion Section. I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the Other Information set out on page IV to X which comprise of Key Entity Information and Management, the Summary Report of Performance of the School and the Statement of School Management Responsibility, The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

The financial statements for the year under review were submitted for audit on 5 March, 2026 instead of the statutory deadline of 30 September, 2022. This was contrary to Section 81(4) of the Public Finance Management Act, 2012 which states that not later than three (3) months after the end of each financial year, the accounting officer for the entity shall submit the entity's financial statements to the Auditor-General and a copy of the statement to the Controller of Budget and the National Treasury.

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

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

The statement of receipts and payments reflects operations grants amount of Kshs.529,206 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.184,000 in respect of infrastructure grants which were not transferred to the infrastructure bank account for maintenance and improvement of the school's facilities. as at 30 June, 2022. This was contrary to The Ministry of Education Circular Ref. No:MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Guidelines.

3. Unconfirmed Student Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.124,246 and Kshs.529,206, respectively as disclosed in Note 1 and Note 2 to the financial statements totaling Kshs.653,452. However, comparison of data from National Education Management and information System (NEMIS) with School records revealed that during the financial year 2021/2022, NEMIS reflected forty four (44) students while School records had a total of seventy (70) students, resulting in an underfunding of the School by an amount of Kshs.903,698 This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

4. Non-Compliance with Gender Representation Requirements

During the period under review, the School had seven (7) teachers from the Teachers Service Commission and one (1) Board of Management teaching staff. However, analysis of the gender composition revealed that all eight (8) teaching staff, representing 100%, were of male gender. This was contrary to Article 27(8) of the Constitution of Kenya, 2010, which requires that not more than two-thirds of members of elective or appointive bodies be of the same gender.

In the circumstances, compliance with gender representation requirements could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Weaknesses in Asset Management

Annex 2 to the financial statements reflects a summary fixed assets register balance of Kshs.10,038,000 which includes land with a balance of Kshs.2,000,000. However, land ownership documents were not provided for audit.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

2. Non-Distribution of Textbooks by the Ministry of Education

As previously reported, review of correspondences revealed that the School had not received textbooks from the Ministry of Education since 2020. The School had been relying on borrowed textbooks from neighbouring schools. Further review of correspondence between the School and the Isiolo County Director of Education indicated that Management had made repeated follow-ups with the Ministry regarding the non-supply of textbooks.

In the circumstances, the implementation of quality Free Day Secondary Education (FDSE) program and the competency-based curriculum 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 May, 2026

Dadachabasa Mixed Day Secondary School
Reports and Financial Statements For the year ended 30th June 2022

V. Statement Of Receipts And Payments Period To 30th June 2022

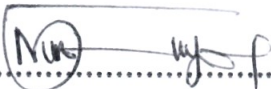
Description Of Vote Head	Note	2021-2022 Kshs	2020-2021 Kshs
Receipts			
Capitation grants for tuition	1	124,246	41,688
Capitation grants for operations	2	529,206	261,297
School fund income- parents' contributions	3	228,000	
School fund income- other receipts	4		
Proceeds from borrowings			
Total Receipts		881,452	302,985
Payments			
Payments for tuition	5	66,440	580
Payments for operations	6	652,440	256,160
Boarding and school fund payments	7	252,480	
Total Payments		971,360	256,740
Surplus/Deficit		(89,907)	46,245

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



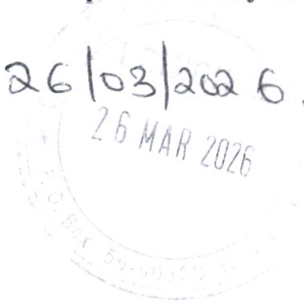
Name: **JATTANI ABDI ADAN**
 Chair BOM

Date: **26/3/2026**



Name: **NUR GUYO SORA**
 School Principal/ Secretary to
 BOM

Date: **26/03/2026**






Name: **KOTO SHUNG**
 Bursar/ Finance Officer

Date: **26-03-2026**

VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

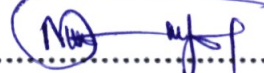
Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	140,450	210,357
Cash balances	9		
Short term investment	10		
Total cash and cash equivalent		140,450	210,357
Account's receivables	11		
Total financial assets		140,450	210,357
Financial liabilities			
Accounts payables	12	20,000	20,000
Net financial assets		120,450	190,357
Represented by			
Accumulated fund b/fwd	13	210,357	144,112
Surplus/deficit for the year		89,907	46,245
Net financial position		120,450	190,357

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


 Name: JATTANI ABDI ADAM


Chair BOM

Date: 26/3/2026


 Name: NUR CNYO SORA
 School Principal/ Secretary to
 BOM

Date:




 Name: KOTO STANE
 Bursar/ Finance Officer
 Date: 26-03-2026

VII. Statement of Cash Flows for The Period Ended 30th June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	124,246	41,688
Capitation grants for operations	2	529,205	261,297
School fund income- parents contributions/ fees	3	228,000	
School fund income- other receipts	4		
Total receipts		881,452	302,985
Payments			
Payments for tuition	5	66,440	580
Payments for operations	6	652,440	256,160
Boarding and school fund payments	7	252,480	
Total payments		971,360	256,740
Net cash flow from operating activities		(89,907)	46,245
Cashflow from investing activities			
Proceeds from sale of assets			
Acquisition of assets			
Proceeds from investments			
Purchase of investments			
Net cash flows from investing activities			
Cashflow from borrowing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
Net increase in cash and cash equivalents		89,907	46,245
Cash and cash equivalent at beginning of the year		210,357	144,112
Cash and cash equivalent at end of the year		120,450	190,357

(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 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / Learning Materials	300,200		300,200	124,240	175,953	48.38%
Chalks						
Exams And Assessment						
Teachers Guides						
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments						
Repairs And Maintenance						
Local Transport / Travelling						
Electricity And Water						
RMI and other vote heads:PE,EWC,LTT and Adm Cost	600,500		600,500	529,206	71,293	88.12%
Administration Costs						
Activity						

Dadachabasa Mixed Day Secondary School
Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Gratuity						
Smasse						
(3) Fees Charged on Parents						
Personnel Emoluments	45,600		45,600	45,600		100
Repairs And Maintenance	11,400		11,400	11,400		100
Local Transport / Travelling	22,800		22,800	22,800		100
Electricity And Water	22,800		22,800	22,800		100
Medical						
Administration Costs	22,800		22,800	22,800		100
Activity	11,400		11,400	11,400		100
Fees on Students Meals	91,200		91,200	91,200		100
Sub Total	228,000		228,000	228,000		100
Other Income						
Rent Income						
Income From Farming Activities						
Insurance Compensation						
Income From Posho Mill						
Income From Bus Hire						
Fee For Hire of Ground And Equipment						
Interest Income						
Income From Any Other Investment						
Total Income	1,128,000		1,128,000	1,128,000		100

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<i>(1) Expenditure For Tuition</i>						
Textbooks And Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / Learning Materials	300,200		300,200	66,440	233,760	22.1%
Chalks						
Exams And Assessment						
Teachers Guides						
Administration Costs						
Bank Charges						
<i>(2) Expenditure For Operations</i>						
Personnel Emoluments						
Repairs, Maintenance & Improvements						
Local Transport / Travelling						
Electricity, Water and Conservancy						
Voteheads: PE,LTT,EWC and ADM Cost	600,500		600,500	427,510	172,990	71.2%
Administration Costs						
Activity Expenses						
Students Meals				224,930	224,930	

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Sub Total	600,500		600,500	652,440	51,940	
(3) Expenditure For School Fund						
Personnel Emoluments	45,600		45,600	30,000	15,600	65.8%
Repairs, Maintenance and Improvements	11,400		11,400		11,400	100%
Local Transport / Travelling	22,800		22,800	44,890	22,090	
Electricity, Water and Conservancy	22,800		22,800	22,800		100%
Medical Expenses						
Administration Costs	22,800		22,800	22,800		100%
Activity				11,400		100%
Gratuity						
Student Meals	91,200		91,200	91,200		100%
Boarding Equipment and Stores						
Expenditure For Income Generating Activity						
Insurance Costs						
Other Expenses On Investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition Of Assets						
Totals	1,128,700		1,128,700	1,128,700		100%

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 30th June 2022.

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	124,246	41,688
Chalks		
Exams And Assessment		
Teachers Guides		
Total	124,246	41,688

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments		
Repairs And Maintenance		
Local Transport / Travelling		
Electricity And Water		
RMI and other vote heads:PE LTT, EWC and Adm Cost	529,206	261,297
Administration Costs		
Activity		
Total	529,206	261,297

3 Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	45,600	
Repairs and maintenance	11,400	
Local transport / travelling	22,800	
Electricity and water	22,800	
Students meals	91,200	
Administration costs	22,800	
Activity	11,400	
Total	228,000	

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Fee On Boarding Equipment and Stores		
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Total		

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

5 Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	65,600	
Chalks		
Exams And Assessment		
Teachers Guides		
Administration Costs		
Bank Charges	840	580
Total	66,440	580

Notes To The Financial Statements (Continued)

6 Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	270,000	66,000
Service Gratuity		
Administration Cost	54,060	71,280
Repairs And Maintenance & Improvements		2,000
Local Transport / Travelling	82,450	8,000
Electricity And Water	19,800	11,500
Lunch Programme	224,930	94,280
Activity Expenses		
Medical		2,500
Insurance Cost		
Bank Charges	1,200	600
Acquisition Of Assets		
Total	652,440	256,160

Notes To The Financial Statements (Continued)

7 Boarding And School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	30,000	
Service Gratuity		
Repairs And Maintenance & Improvements		
Local Transport / Travelling	44,890	
Electricity And Water	5,000	
Medical Expenses		
Administration Costs	22,460	
Lunch Programme	149,650	
Bank Charges	480	
Expenses On Income Generating Activities		
Fee On Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost (<i>Life Property</i>)		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
Total	252,480	

*(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).*

Dadachabasa Mixed Day Secondary School
Reports and Financial Statements For the year ended 30th June 2022

Notes To The Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account- Consolidated	10111203000206	98,946	41,140
Operations Account - Consolidated	10111203000205	40,983	144,217
School Fund Account/Student Meals	10111203000203	520	25,000
Savings Account			
Parent Association Development Account			
Income Generating Activities Account			
Infrastructural Account			
Total		140,450	210,357

9 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account		
Operation Account		
School Fund account		
Total		

10 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit		
Equity Stock		
Other Investments		
Total		

Notes To The Financial Statements (Continued)

11 Accounts Receivable

Dadachabasa Mixed Day Secondary School
Reports and Financial Statements For the year ended 30th June 2022

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears		
Other Non-Fees Receivables		
Salary Advances		
Imprest		
Total		

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year		
Fees Arrears For The Previous Year		
Fees Arrears For Prior Periods (Over Two Years)		
Total		

12 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	20,000	20,000
Prepaid Fees		
Retention Monies		
Total	20,000	20,000

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	20,000	20,000
Trade Creditors for The Previous Year		
Trade Creditors for Prior Periods (Over Two Years)		
Total	20,000	20,000

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	140,450	210,357
Cash Balances		
Short Term Investments		
Receivables		
Payables	20,000	20,000
Total	120,450	190,357

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Total		

15 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle			
Goats			
Trees			
Coffee Or Tea Plantation			
Poultry			
Total			

16 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
Balance at end of the year		

Dadachabasa Mixed Day Secondary School
Reports and Financial Statements For the year ended 30th June 2022

Other important disclosure notes

17 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year		
Stock/ inventory purchased during the year		
Stock/ inventory issued during the year		
Balance at end of the year		

18 Progress On Follow Up Of Auditor Recommendations

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

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



 Sign and Date
 Principal



Dadachabasa Mixed Day Secondary School
Reports and Financial Statements For the year ended 30th June 2022

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
6.						
Sub-Total						
Supply Of Services						
7. P.E Staff Salaries				20,000	20,000	
8.						
9.						
Sub-Total				20,000	20,000	
Grand Total				20,000	20,000	

Dadachabasa Mixed Day Secondary School
Reports and Financial Statements For the year ended 30th June 2022

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land 1	2020	Dadachabasa	2,000,000			2,000,000
Land 2						
Buildings And Structures	2021	Dadachabasa	7,600,000			7,600,000
Motor Vehicles						
Office Equipment, Furniture And Fittings	2021	Dadachabasa		420,000		420,000
ICT Equipment, And Other ICT Assets						
Tools And Apparatus	2020	Dadachabasa		18,000		18,000
Textbooks						
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
Total			9,600,000	438,000		10,038,000