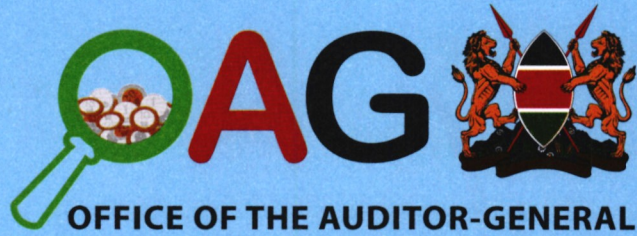



REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

 THE NATIONAL ASSEMBLY <b>REPORT</b> MEMBERS LAID	
DATE: 28 NOV 2023	DAY: <u>Tuesday</u>
TABLED BY: CLERK OF THE TABLE:	<u>Hon Owen Baya, MP</u> <u>Deputy majority leader</u> <u>Inzoju mwale</u>

**THE AUDITOR-GENERAL**

**ON**

**NTHANGU MIXED DAY AND BOARDING  
SECONDARY SCHOOL**

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

**MAKUENI COUNTY**

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
**MACHAKOS HUB.**

17 JUL 2023

**RECEIVED**



**NTHANGU MIXED DAY AND BOARDING  
SECONDARY SCHOOL  
P.O. BOX 415-90300 MAKUENI**

**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> June 2022**

---

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

**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
**P.O. BOX 415-90300, MAKUENI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

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**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
**P.O. BOX 415-90300, MAKUENI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

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**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 Makueni County, Makueni Sub-County.

The school was registered in FEBRUARY 2011 under registration number PU/S/2/5787/11 and is currently categorized as a **Sub-County** public school established, owned or operated by the **Government**.

The school is a mixed day and boarding secondary school and had 253 students as at 30<sup>th</sup> June 2022. It has TWO streams and 19 TSC teachers & 1 teacher 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:

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1.	Charles M. Ngewa	Chairman -Rep of sponsor	6 <sup>th</sup> June 2019
2.	Magdalene M. Ngumuta	Secretary - Principal	3 <sup>RD</sup> September 2020
3.	Cosmas M. Mutunga	Member -Parents rep	6th June 2019
4.	Albanus Kasivu	Member -Rep of sponsor	6th June 2019
5.	Daniel M Kithae	Member- Parents rep	6th June 2019
6.	Mutindi Matheka	Member - Rep of sponsor	6th June 2019
7.	Francis Muithya	Member -Parents rep	6th June 2019
8.	Robert Munyao	Member- CEB	6th June 2019
9.	Georgina Kisilu	Member- Parents rep	6th June 2019
10.	Titus Uswii	Member- Parents rep	6th June 2019
11.	Angeline Mwau	Member -Special Needs	6th June 2019
12.	Caren Makumi	Member -Rep Teachers	6th June 2019
13.	Titus Munuve	Members - Parents rep	6th June 2019
14.	Virginia Nduku	Member - Community	6th June 2019
15.	Maureen Nyawira	Student's Rep	6th June 2019

**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**

<b>ssRef:</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
1	Executive Committee	Charles M. Ngewa	Chairperson	5 out of 5
		Magdalene Ngumuta	Secretary	
		Titus Uswii	Member	
		Angeline Mwau	Member	
		Joseph Kitonga	Member	
2	Audit Committee	James Ngovi	Chairperson	5 out of 5
		Arbanus Kasivu	Secretary	
		Charles M. Ngewa	Member	
		Magdalene Ngumuta	Member	
3	Finance, procurement and general purposes Committee	Joseph Kitonga	Member	5 out of 5
		Daniel Mutunga	Chairperson	
		Caren Makumi	Secretary	
		Cosmas Mutunga	Member	
		Damiana Matheka	Member	
4	Academic Committee	Magdalene Ngumuta	Member	6 out of 6
		Titus Uswii	Chairperson	
		Julius Kilonzo	Secretary	
		Miriam Maweu	Member	
		Caren Makumi	Member	
		Maxwell Mutinda	Member	
		Magdalene Ngumuta	Member	

**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL****P.O. BOX 415-90300, MAKUENI****PUBLIC SECONDARY SCHOOL****Annual Report and Financial Statements****For the year ended 30<sup>th</sup> June 2022**

5	Development Committee	Arbanus Kasivu	Chairperson	7 out of 7
		Julius Kilonzo	Secretary	
		Magdalene Ngumuta	Principal	
		Virginia Kithome	B.O.M Member	
			P.A.	
		Joseph Musango	Chairperson	
		SCDE Makueni	Member	
		Georgina Kisilu	Member	
6	Discipline and welfare Committee		Chairperson	7 out of 7
		Charles Ngewa		
		Magdalene Ngumuta	Secretary	
		Joseph Kitonga	Pa chairperson	
		Titus Uswii	Member	
			Deputy Principal	
		Julius Kilonzo		
		Cosmas Mutunga	Member	
		Miriam Maweu	Senior teacher	
7	Human Rights & Student's welfare committee		Chairperson	5 out of 5
		Maureen Nyawira		
		Caren Makumi	Secretary	
		Julius Kilonzo	Member	
		Miriam Maweu	Member	
		Joseph Kitonga	Member	
8	Adhoc Committee (if any during the year)		Chairperson	5 out of 5
		Julius Kilonzo		
		Annah Muthoka	Secretary	
		Eunice Maithya	Member	
		Caren Makumi	Member	
		Miriam Maweu	Member	

**(d) School operation Management**

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

Ref:	Designation	Name	TSC / ID Number
1	Principal	Magdalene Mbula Ngumuta	290039
2	Deputy Principal	Julius Ivongwe Kilonzo	387583
3	School Bursar	Annah Muthoka	24495553

**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
**P.O. BOX 415-90300, MAKUENI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

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**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: P.O. BOX 415-90300 Makueni  
Telephone: +254702211859  
E-mail: nthangumixedsecondary@gmail.com  
Website: N/A  
Facebook: N/A

**(f) School Bankers**

The school operates 7 bank accounts in the following banks:

1. Name of Account : Tuition Account  
Bank & Branch : Equity - Wote Branch  
Account Number : 0670191953093
2. Name of Account : Operation Account  
Bank & Branch : Equity - Wote Branch  
Account Number : 0670291953046
3. Name of Account : Infrastructure Account  
Bank & Branch : Equity - Wote Branch  
Account Number : 0670280016124
4. Name of Account : School Funds Account  
Bank & Branch : Equity - Wote Branch  
Account Number : 0670295430967
5. Name of Account : School Funds Account  
Bank & Branch : KCB - Wote Branch  
Account Number : 1283783096
6. Name of Account : CDF Account  
Bank & Branch : Cooperative – Wote Branch  
Account number : 01139539660700
7. Name of Account : Development Funds Account  
Bank & Branch : KCB - Wote Branch  
Account number : 1287416721

**(g) Independent Auditors**

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

**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

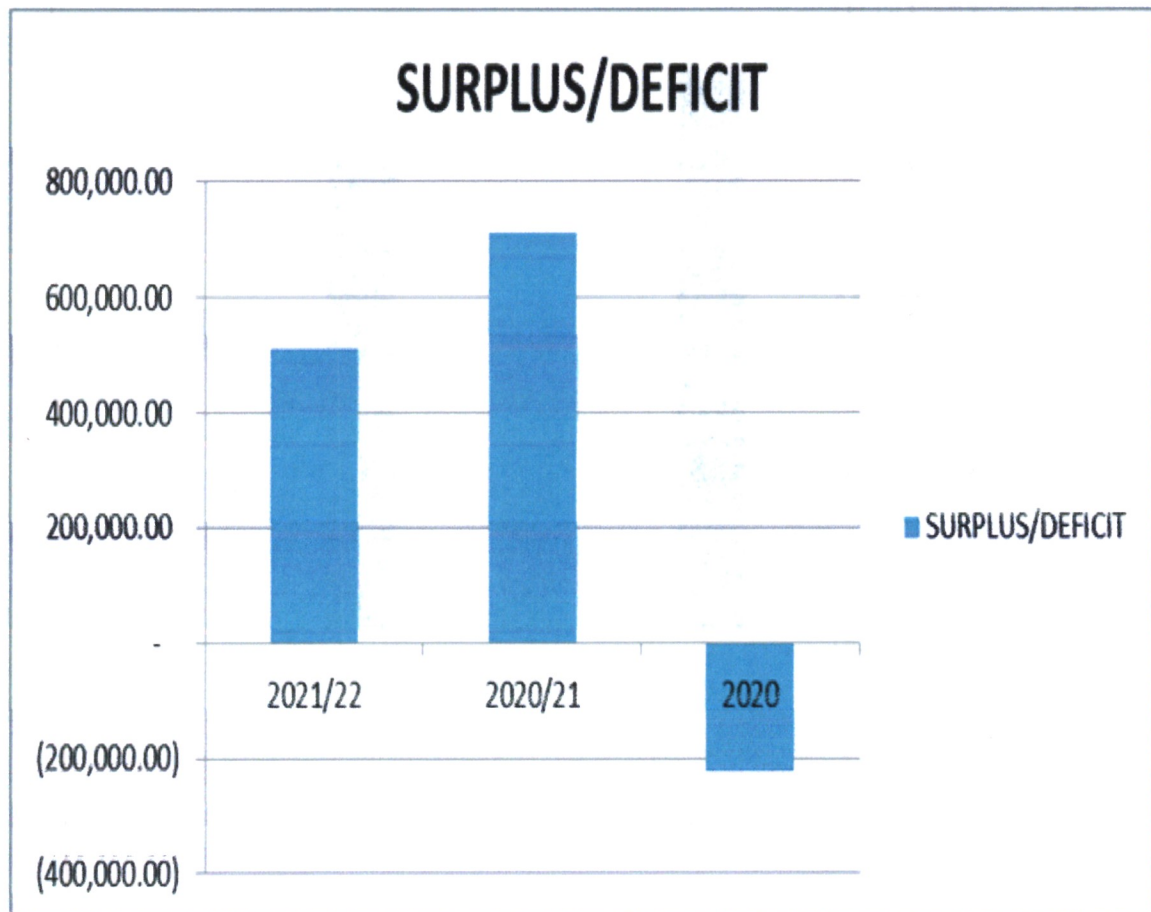
The following is a summary report of the performance of the school against the set performance evaluation criteria:

**a) FINANCIAL PERFORMANCE:**

**a) SURPLUS/ DEFICIT**

<b>PERFORMANCE</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
SURPLUS/DEFICIT	509,897	709,281	(224,177)
RATIO %	51%	71%	-22%

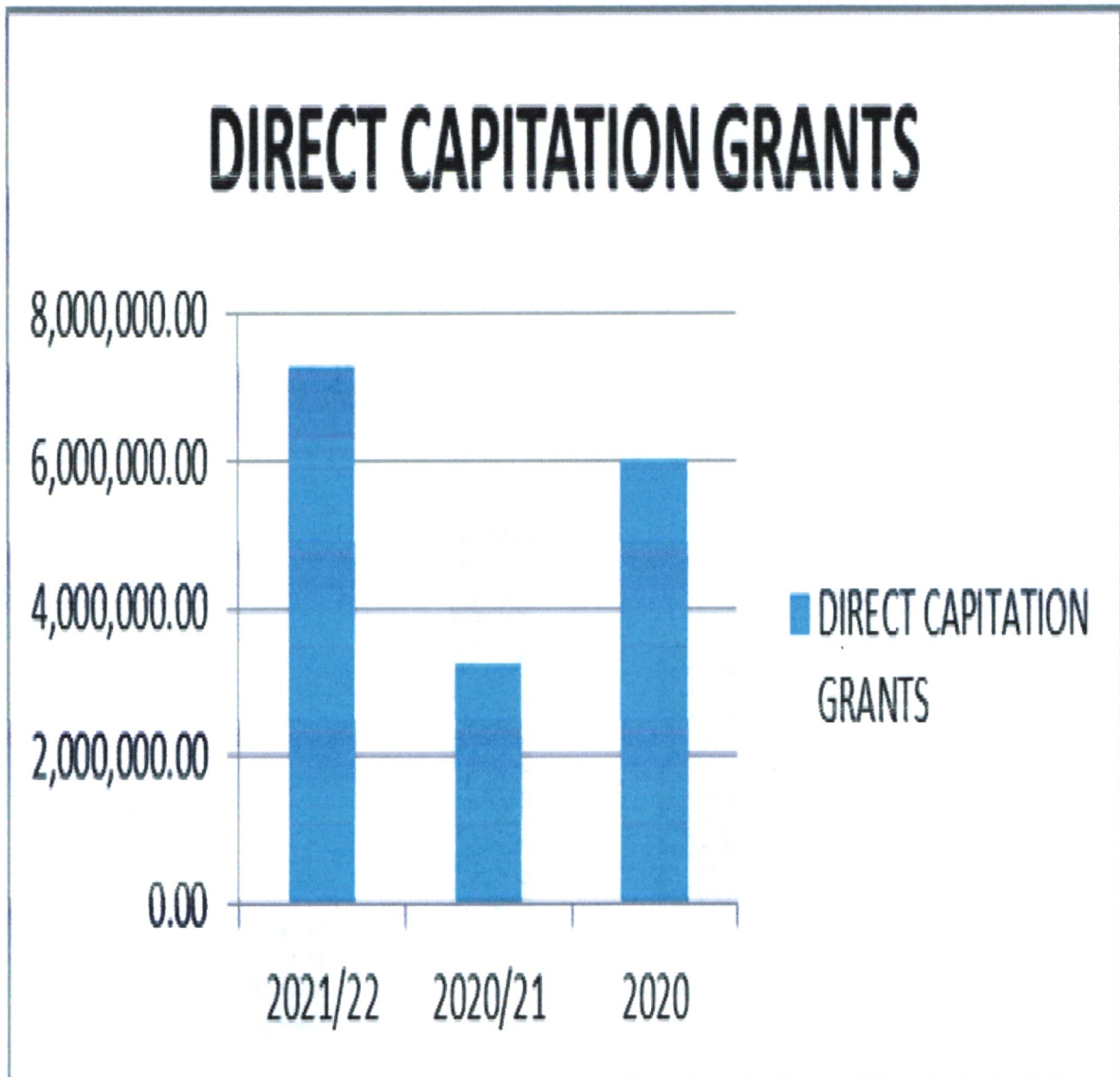
**GRAPHICAL PRESENTATION.**



**b) CAPITATION GRANTS**

<b>PERFORMANCE</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
<b>DIRECT CAPITATION GRANTS</b>	7,286,655	3,271,421	6,037,539
<b>RATIO %</b>	43%	19%	36%

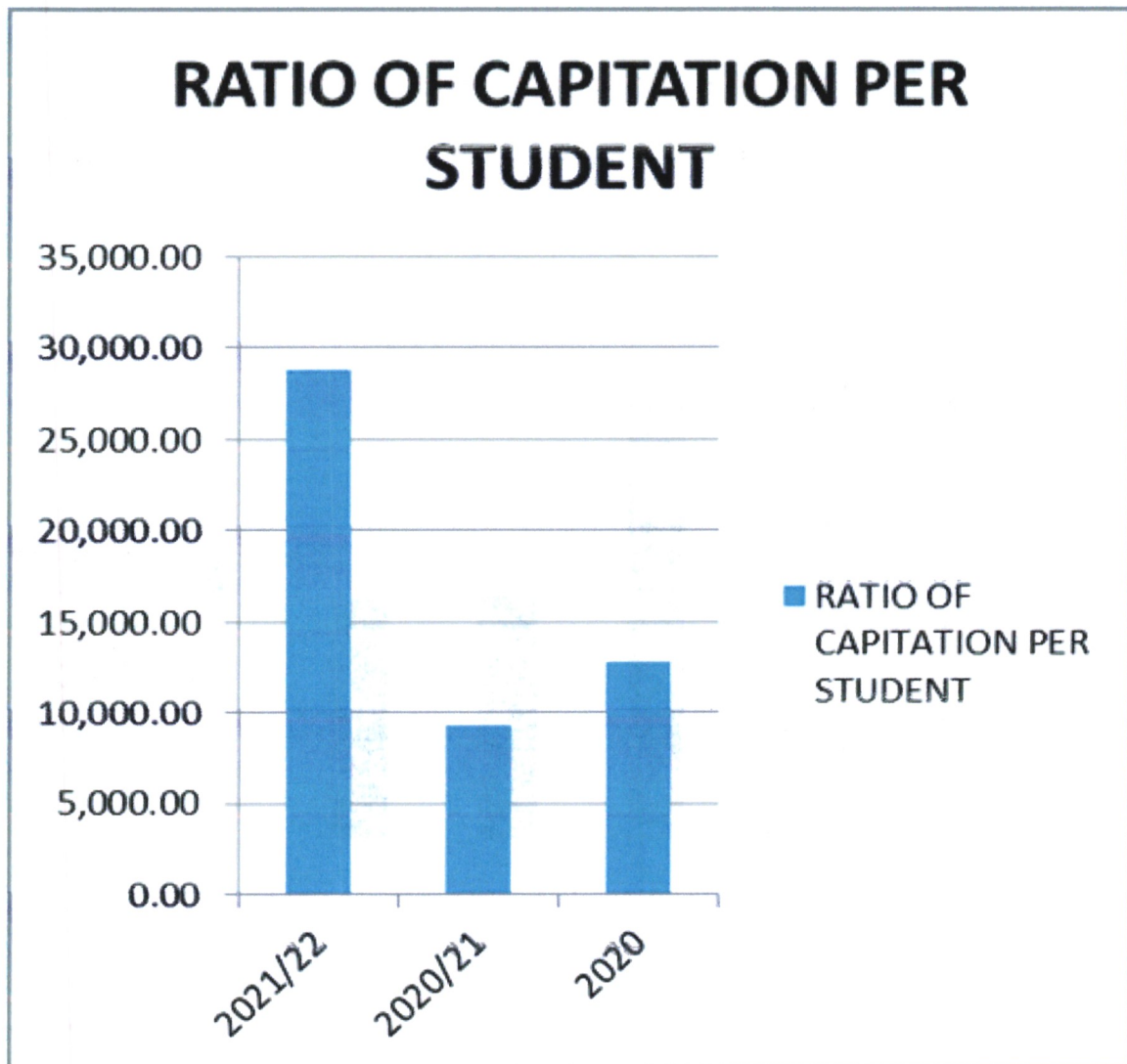
**GRAPHICAL PRESENTATION.**



c) **RATIO OF CAPITATION PER STUDENT**

<b>PERFORMANCE</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
RATIO OF CAPITATION PER STUDENT	28,801	9,267	12,764
RATIO	1 : 28,801	1 : 9,267	1 : 12,764

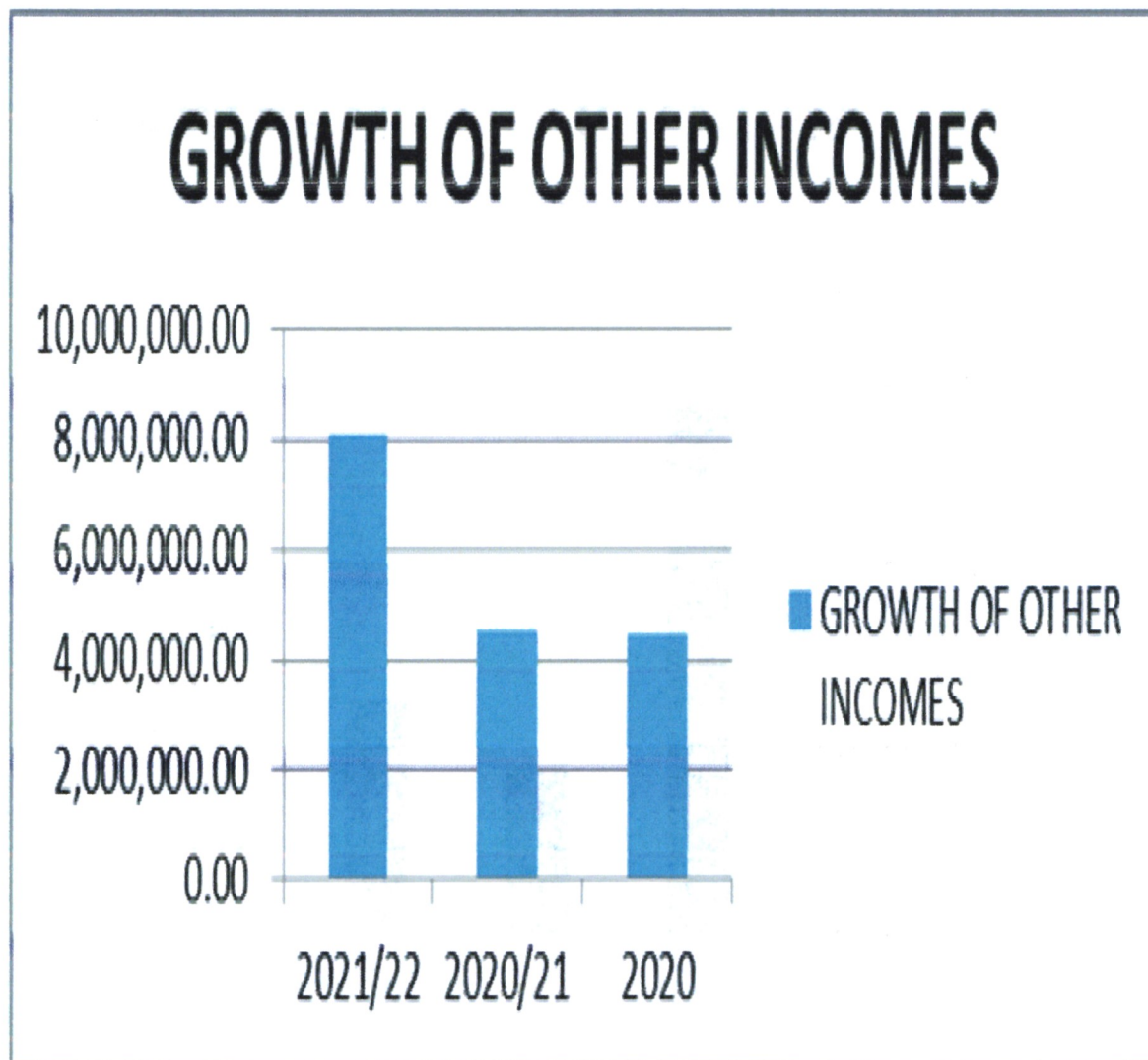
**GRAPHICAL PRESENTATION.**



**d) OTHER INCOMES EARNED BY THE SCHOOL - PARENTS CONTRIBUTION.**

PERFORMANCE	2021/22	2020/21	2020
GROWTH OF OTHER INCOMES	8,095,397	4,533,842	4,463,162
RATIO %	47%	26%	26%

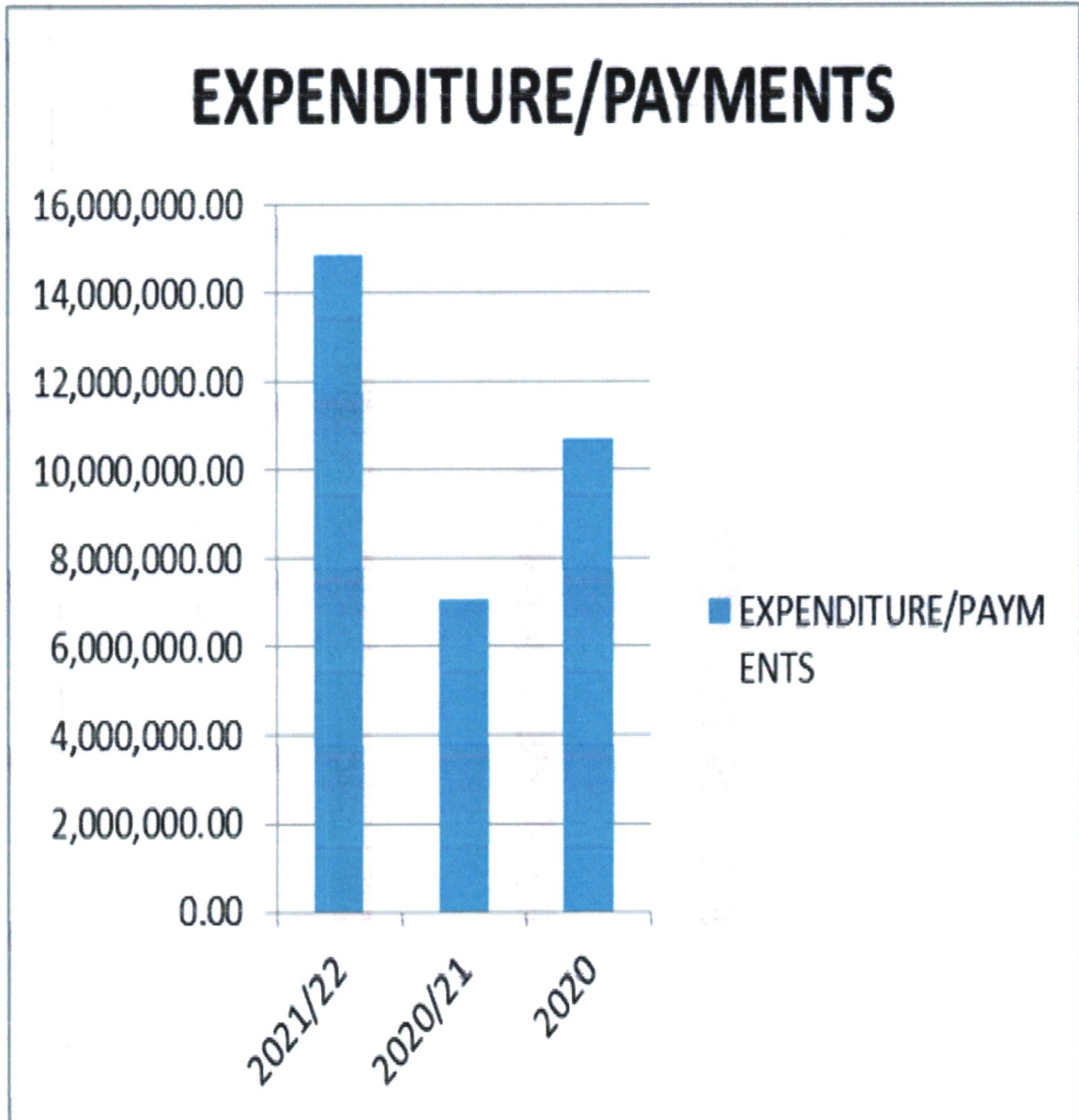
**GRAPHICAL PRESENTATION.**



e) **EXPENDITURE**

<b>PERFORMANCE</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
EXPENDITURE/PAYMENTS	14,872,155	7,095,982	10,724,878
RATIO %	45%	21%	32%

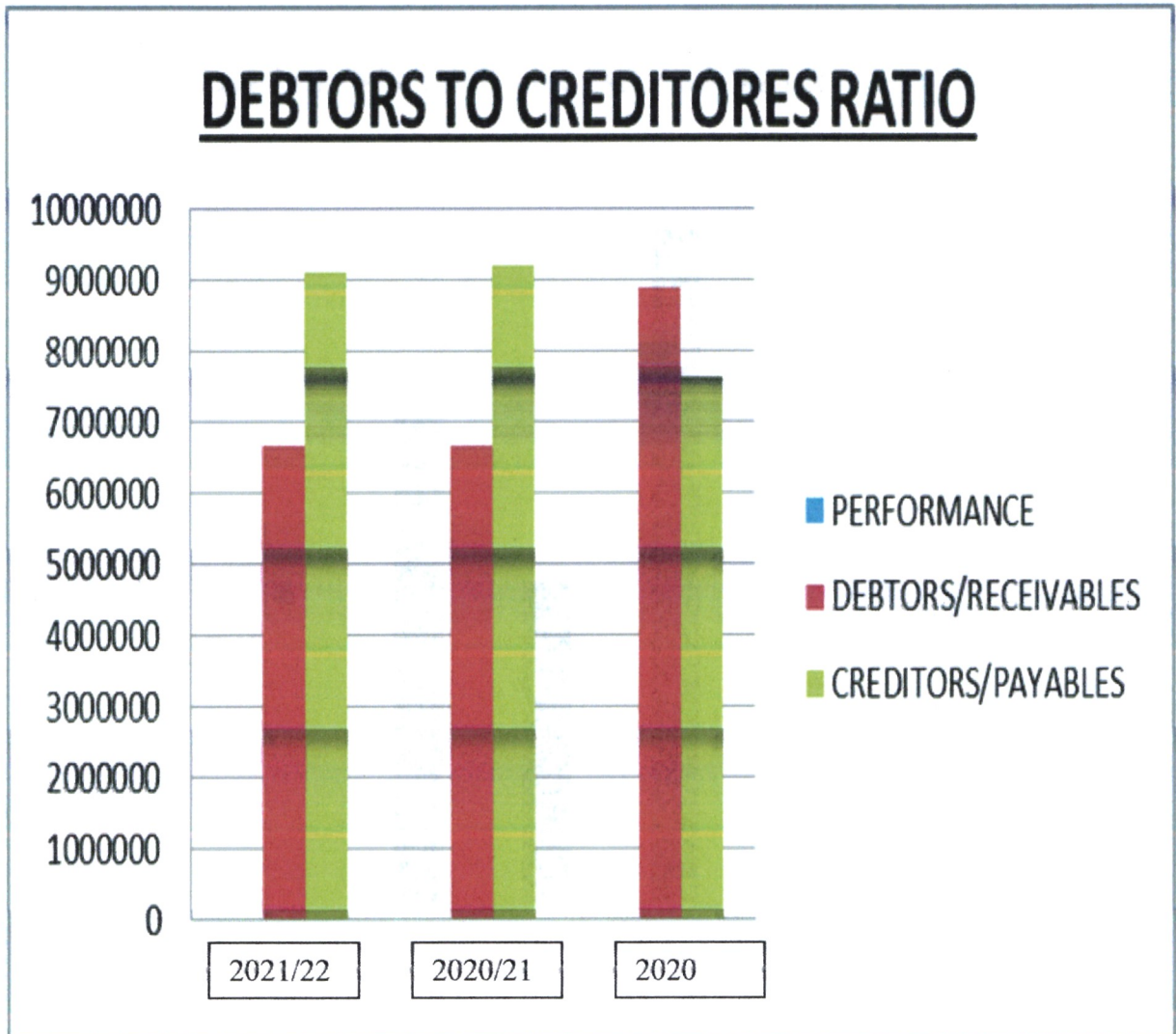
**GRAPHICAL PRESENTATION.**



**f) DEBTORS / CREDITORS RATIO**

<b>PERFORMANCE</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
DEBTORS/RECEIVABLES	6,680,137	6,663,376	8,878,093
CREDITORS/PAYABLES	9,105,128	9,210,947	7,626,212
RATIO	1 : 1.4	1 : 1.4	1 : 0.9

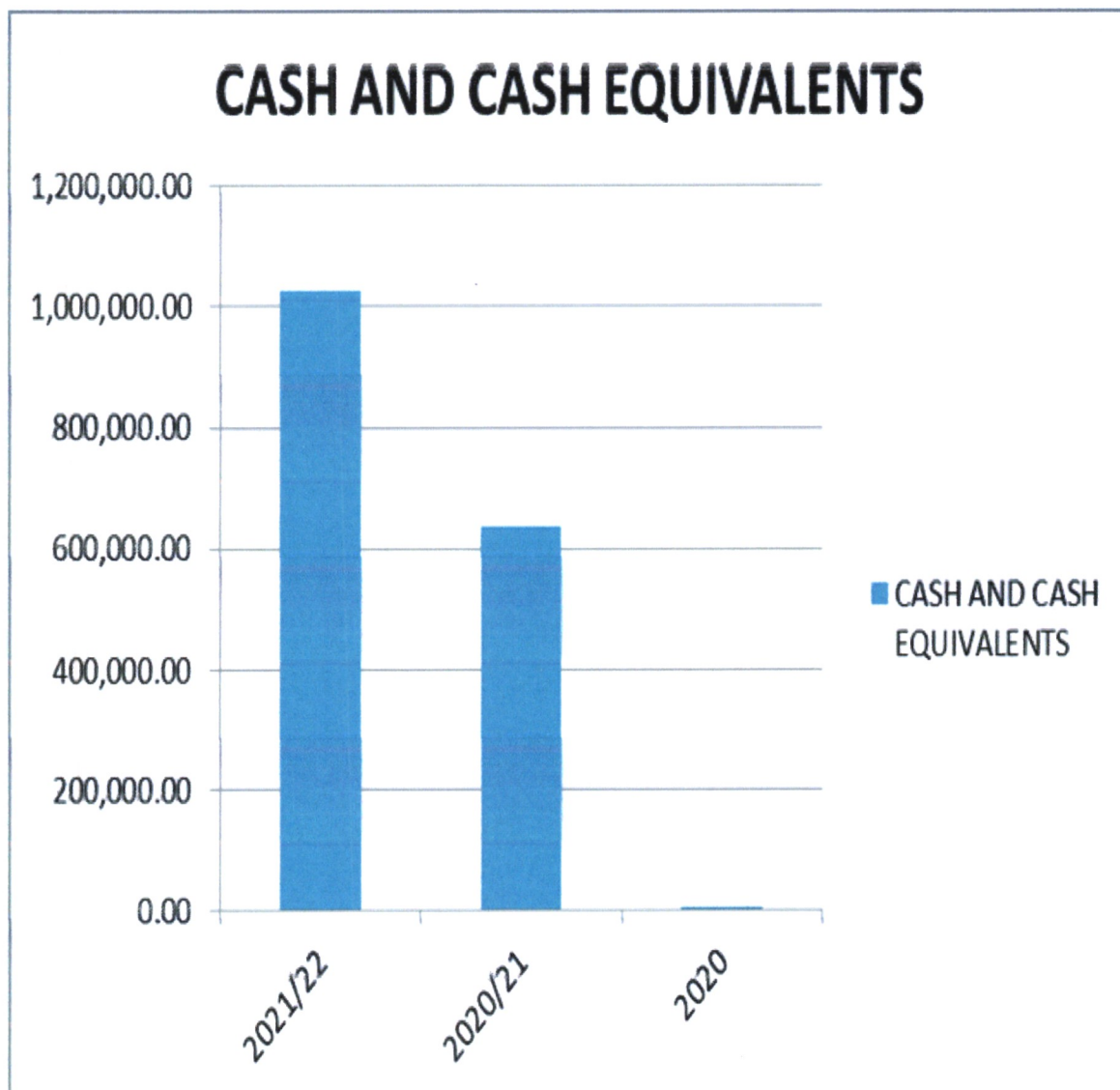
**GRAPHICAL PRESENTATION.**



**g) CASH AND BANK BALANCES**

<b>PERFORMANCE</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
CASH AND CASH EQUIVALENTS	1,025,086	637,769	6,511
RATIO %	61%	38%	0.39%

**GRAPHICAL PRESENTATION.**



**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
**P.O. BOX 415-90300, MAKUENI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**NON-FINANCIAL**

<b>PERFORMANCE</b>	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
ENROLLED STUDENTS	253	353	473
NUMBER OF TEACHERS	19	18	17
TEACHER-STUDENT RATIO	13:32	19:61	27:82

**KCSE PERFORMANCE**

	<b>2021</b>	<b>2020</b>	<b>2019</b>
KCSE MEAN SCORE	2.588	2.669	2.342
KCSE MEAN GRADE	D	D	D-
TRANSITION TO UNIVERSITIES	-	2	-
TRANSITION TO OTHER COLLEGES	68	103	108
KCSE CANDIDATES	68	105	108

**b) CAPACITY OF THE SCHOOL:**

	<b>2021/22</b>	<b>2020/21</b>	<b>2020</b>
ENROLLED STUDENTS	253	353	473
CLASSROOMS	9	8	8
LABORATORIES	1	1	1
DORMITORIES	2	2	2
DINING HALLS	1	1	1
BORE HOLES	-	-	-
ABLUTION BLOCKS	29	28	28
LAND WITH LEGAL OWNERSHIP	1.87 Ha	1.87 Ha	1.87 Ha

**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
**P.O. BOX 415-90300, MAKUENI**  
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**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

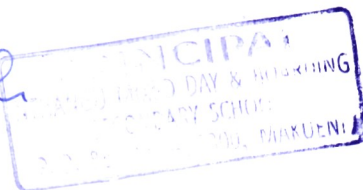
**c) DEVELOPMENT PROJECTS CARRIED OUT BY THE SCHOOL:**

<b>DEVELOPMENT PROJECT</b>	<b>FUND SOURCE</b>	<b>DATE</b>	<b>AMOUNT</b>	<b>STATUS</b>
INSTALLATION OF SHELVES	GVT CAPITATION	JULY 2021	478,160	COMPLETED
PAINTING OF 2 DORMS, DINNING HALL & OFFICES	GVT CAPITATION	JULY 2021	276,600	COMPLETED
BOYS URINAL	CDF/GVT CAPITATION	NOVEMBER 2021	586,160	COMPLETED
TOILET FOR SPECIAL NEED	SCHOOL FUND	NOVEMBER 2021	25,000	COMPLETED
RENOVATION OF ADMISTRATION BLOCK	GVT CAPITATION/SCHOOL FUNDS/HARAMBEE FUNDS	DECEMBER 2021	1,291,221	COMPLETED
DINNING HALL/OFFICE CURTAINS/RODS	SCHOOL FUND	JANUARY 2022	128,200	COMPLETED
OFFICE CHAIRS/TABLE	SCHOOL FUND	JANUARY 2022	120,500	COMPLETED
WATER PIPING AND TANKS	GVT CAPITATION	FEBRUARY 2022	102,150	COMPLETED
RENOVATION OF 3 CLASSROOMS	CDF/GOVT CAPITATION	MAY 2022	898,760	COMPLETED
RENOVATION OF 1 CLASSROOM	GOVT CAPITATION	MAY 2022	380,900	COMPLETED
CBC CLASS	GOVT	MAY 2022	56,000	COMPLETED
<b>TOTALS</b>			<b>4,343,651</b>	

Sign

*M. M. M. M. M.*

School Principal



### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

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

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

**Name:** Charles M. Ngewa  
**Designation:** Chairman, School Board of Management

**Sign:** 

**Date:** 13/7/2023

**Name:** Magdalene Mbula Ngumuta  
**Designation:** School Principal & Secretary to Board of Management

**Sign:** 

**Date:** 13/7/2023



**Name:** Annah Muthoka  
**Designation:** Bursar/ Finance Officer

**Sign:** 

**Date:** 13/7/2023

# 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 NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022- MAKUENI 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 Nthangu Mixed Day and Boarding Secondary School – Makueni County set out on pages 17 to 32, which comprise the statement of financial assets and financial 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 Nthangu Mixed Day and Boarding Public 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 (Accrual Basis- modified) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

The statement of receipts and payments reflects a balance of Kshs.509,897 in respect of surplus for the year which is at variance with the net increase in cash and cash equivalents balance of Kshs.387,317 reflected in the statement of cash flows by Kshs.122,580. Further, the total receipts and total expenditures in the statement of receipts and payments of Kshs.15,382,052 and Kshs.14,872,155 are at variance with the amounts reflected in the statement of cash flows of Kshs.15,365,291 and Kshs.14,977,974 resulting to an unexplained variances of Kshs.16,761 and Kshs.105,819 respectively.

In the circumstances, the accuracy of the financial statements could not be confirmed.

#### **2. Long Outstanding Accounts Receivables**

The statement of financial assets and financial liabilities reflects an amount of Kshs.6,680,137 relating to accounts receivables which, as disclosed in Note 9 to the financial statements, includes an amount of Kshs.5,202,250 which has been outstanding for more than two years. However, there was no evidence of a recovery process despite the School having rendered the services.

In the circumstances, the recoverability of the Kshs.5,202,250 long outstanding accounts receivables could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Nthangu Mixed Day and Boarding 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.

## **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 matter 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. Long Outstanding Accounts Payables**

The statement of financial assets and financial liabilities and as disclosed in Note 10 to the financial statements reflects accounts payables of Kshs.9,105,128 out of which an amount of Kshs.7,240,716 has been outstanding for more than two years and includes statutory deductions with regards to the National Social Security Fund (NSSF) and Board of Management staff salaries of Kshs.30,996 and Kshs.643,250, respectively. This was contrary to Regulation 23(2)(a) of the Public Finance Management (National Government) Regulations which requires an Accounting Officer to comply with any tax, levy, duty, pension, commitments and audit commitments as may be provided for by legislation.

In the circumstances, the Management was in breach of the law for non-payment and remittance of dues.

#### **2. Irregular Transfer of Funds**

The School transferred funds totalling Kshs.758,591 to the Kenya Secondary School Heads Association (KESSHA), a private entity that is not subject to the Public Finance Management Act, 2012 or any other public finance regulations. KESSHA is a welfare organization that draws its membership from School Principals.

In the circumstances, the value for money for the Kshs.758,591 paid to the Kenya Secondary School Heads Association (KESSHA) could not be confirmed.

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**

### **Ineffective Management of Text books**

The financial statements indicate that the school had 253 students as at 30 June, 2022. Enrollment data provided for verification indicate that during the year under review, the School had Seventy-two (72) students in Form 3 and fifty-six (56) students in Form 4 resulting to a total of one hundred and twenty-eight (128) Students. The school received seven (7) types set books totalling one hundred and sixty-three (163) against a student need of one hundred and thirty six (136) leading to an excess of twenty seven (27) set books. No reasons were provided for excess supply of text books while the school continues to hold them, yet they are not in use.

In the circumstances, the value for money for excess text books 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual 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 control, risk management and overall governance.

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how the School 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 the School's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of appropriate 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 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 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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.

  
**CPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**


**13 October, 2023**

**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
**P.O. BOX 415-90300, MAKUENI**  
**PUBLIC SECONDARY SCHOOL**  
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**For the year ended 30<sup>th</sup> June 2022**

**V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2022**

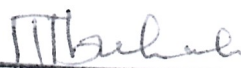

DESCRIPTION OF VOTE HEAD	Note	2021/22	2020/21
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	1,075,794	453,571
Capitation grants for operations & infrastructure	2	6,210,861	2,817,850
School Fund Income- Parents' Contributions	3	8,095,397	4,533,842
<b>TOTAL RECEIPTS</b>		<b>15,382,052</b>	<b>7,805,263</b>
<b>PAYMENTS</b>			
Payments for Tuition	4	1,423,867	316,637
Payments for operations and infrastructure	5	5,418,800	2,702,502
Boarding and school fund payments	6	8,029,488	4,076,843
<b>TOTAL PAYMENTS</b>		<b>14,872,155</b>	<b>7,095,982</b>
<b>SURPLUS/DEFICIT</b>		<b>509,897</b>	<b>709,281</b>

The school financial statements were approved on 13/7 2023 and signed by:

Sign: 


Name: Charles M. Ngewa  
Chairman B.O.M

Date: 13/7/2023

Sign:   


Name: Magdalene M. Ngumuta  
School Principal/  
Secretary to B.O.M

Date: 13/7/2023

Sign: 

Name: Annah Muthoka  
Bursar/  
Finance Officer

Date: 13/7/2023

**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
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**For the year ended 30<sup>th</sup> June 2022**

**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2022**

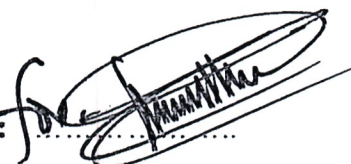
DESCRIPTION OF VOTE HEAD	Note	2021/22 Kshs	2020/21 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	7	983,879	637,599
Cash Balances	8	41,207	170
<b>Total Cash and Cash Equivalents</b>		<b>1,025,086</b>	<b>637,769</b>
Account's receivables	9	6,680,137	6,663,376
<b>TOTAL FINANCIAL ASSETS</b>		<b>7,705,223</b>	<b>7,301,145</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	10	(9,105,128)	(9,210,947)
<b>NET FINANCIAL ASSETS</b>		<b>(1,399,904)</b>	<b>(1,909,801)</b>
<b>REPRESENTED BY</b>			
Fund balance B/fwd	11	(1,909,801)	(2,619,082)
Surplus/ Deficit for the year		509,897	709,281
<b>NET FINANCIAL POSITION</b>		<b>(1,399,904)</b>	<b>(1,909,801)</b>

The School's financial statements were approved on 13/7 2023 and signed by:

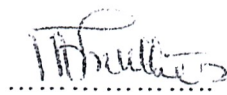
Name: Charles M. Ngewa  
Chairman, BoM

Name: Magdalene M. Ngumuta  
School Principal/Secretary to  
BoM

Name: Annah Muthoka  
Bursar/Finance

Sign: 

Sign: 

Sign: 

Date: 13/7/2023

**PRINCIPAL**  
 NTHANGU MIXED DAY & BOARDING  
 SECONDARY SCHOOL  
 P. O. Box 415-90300, MAKUENI

Date: 13/7/2023

**PUBLIC SECONDARY SCHOOLS - NTHANGU MIXED DAY AND BOARDING  
SECONDARY SCHOOL  
P.O. BOX 415-90300, MAKUENI  
Reports and Financial Statements  
For the year ended 30<sup>th</sup> June 2022**

**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022**

DESCRIPTION OF VOTE HEAD		2021/22	2020/21
		Kshs	Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	1,075,794	453,571
Capitation grants for operations	2	6,210,861	2,817,850
School fund income- Parents contributions/ fees	3a	7,497,760	3,439,317
School fund income-fees recovered		580,876	116,046
<b>Total receipts</b>		<b>15,365,291</b>	<b>6,826,784</b>
<b>Payments</b>			
Payments for Tuition	4a	1,265,463	214,590
Payments for operations	5	5,418,800	1,800,822
Boarding and school fund payments	6a	6,330,180	2,317,515
Creditors paid		1,963,531	960,919
<b>Total Payments</b>		<b>14,977,974</b>	<b>5,293,846</b>
<b>Net cash flow from operating activities</b>	<b>a</b>	<b>387,317</b>	<b>1,532,938</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			-
Acquisition of Assets		-	(901,680)
Proceeds from investments		-	-
<b>Net cash flows from Investing Activities</b>	<b>b</b>	<b>-</b>	<b>(901,680)</b>
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flows from financing Activities</b>	<b>c</b>		
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT</b>	<b>d=a+b+c</b>	<b>387,317</b>	<b>631,258</b>
<b>Cash and cash equivalents at BEGINNING of the year</b>	<b>e</b>	<b>637,770</b>	<b>6,511</b>
<b>Cash and cash equivalents at END of the year</b>	<b>f=e+d</b>	<b>1,025,087</b>	<b>637,770</b>

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**VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> 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
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Teaching / learning materials	1,075,794	-	1,075,794	1,075,794	-	100%
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Other Vote heads( Administration, local transport& travelling, personal emolument and electricity water & conservancy)	2,880,431		2,880,431	2,880,431	-	100%
Repairs Maintenance and Improvements	1,738,750		1,738,750	1,738,750	-	100%
Activity						
Medical and insurance	90680		90680	90680	-	100%
Cdf grant				1,200,000		
General repair				301,000		
<b>(3) FEES CHARGED ON PARENTS</b>						
Fee on Boarding Equipment and Stores	3,400,000	-	3,400,000	4,953,053	-	145%
Other Voteheads		-	-	1337,675	-	-
Repairs and maintenance	1,015,000	-	1,015,000	983,549	-	96%
Activity	25,000	-	25,000	27,250	-	109%
Tender				18,000	-	

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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
Pa donations				775,870		
<b>TOTAL INCOME</b>	<b>11,274,682</b>	<b>-</b>	<b>11,274,682</b>	<b>15,382,052</b>	<b>-</b>	<b>-</b>
<b>(1) EXPENDITURE FOR TUITION</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Teaching / learning materials	725,200	-	725,200	1,414,507	-	195%
Bank Charges		-	-	9,360	-	-
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Other Vote heads( Administration, local transport& travelling, personal emolument and electricity water & conservancy)	3,394,520	-	3,394,520	3,186,459	-	93%
Activity	487,500	-	487,500	183,370	-	38%
General repairs				1,664,475		
Cdf grants				308,250		
Bank charges				1,800		
Medical and insurance	227,500	-	227,500	74,446	-	32%
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Fee on Boarding Equipment and Stores	2,285,480	-	2,285,480	2,781,668	-	121%
Other Vote heads( Administration, local transport& travelling, personal emolument and electricity water & conservancy)	-	-	-	3,132,363	-	-

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<b>Receipt/expenses Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilization Difference</b>	<b>% of Utilization</b>
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Repairs and maintenance	-	-	-	1,160,873	-	-
Tender				9,000	-	
Pa donation				766,265		
Bank charges				1,210		
Activity	487,500	-	487,500	178,109	-	36%
<b>TOTAL EXPENDITURE</b>	<b>20,928,167</b>	<b>-</b>	<b>20,928,167</b>	<b>14,872,155</b>	<b>-</b>	<b>-</b>

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

- i. Tuition Account Was purely funded through only one votehead – Teaching and learning material / resources
- ii. Budgeting Was made / passed with assumption that all funds budgeted were to be collected in total

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**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 not necessarily when the related cash has actually been received by the school. In addition, the school recognises all expenses when the event occurs and not necessarily when the related cash has actually been paid out by the school.

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

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**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Teaching/learning materials	1,075,794	453,571
<b>Total</b>	<b>1,075,794</b>	<b>453,571</b>

**2 CAPITATION GRANT FOR OPERATIONS**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Other Vote heads	2,880,431	1,532,600
Repairs and maintenance	1,738,750	1,285,250
Medical	71,200	-
General Repair	301,000	-
Activity	19,480	-
CDF Grant	1,200,000	
<b>Total</b>	<b>6,210,861</b>	<b>2,817,850</b>

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

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Fee on Boarding Equipment and Stores	4,953,053	3,334,784
Repairs and maintenance	983,549	127,911
Other Vote heads	1,337,675	1,040,147
Tenders	18,000	31,000
PA-Donations School Project	775,870	-
Activity	27,250	-
<b>Total</b>	<b>8,095,397</b>	<b>4,533,842</b>

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**3a PARENTS CONTRIBUTIONS /FEES- SCHOOL FUND ACCOUNT**  
**Cashflow adjustments**

<b>Totals as per 3 above</b>	<b>8,095,397</b>
<b>Less: debtor list</b>	<b>597,637</b>
<b>Total</b>	<b>7,497,760</b>

**4 PAYMENTS FOR TUITION**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Laboratory equipment		104,960
Internal exams		210,357
Teaching / learning materials	1,414,507	
Bank Charges	9,360	1,320
<b>Total</b>	<b>1,423,867</b>	<b>316,637</b>

**4a PAYMENTS FOR TUITION**  
**Cashflow adjustments**

<b>Totals as per 4 above</b>	<b>1,423,867</b>
<b>Less: creditor</b>	<b>158,404</b>
<b>Total</b>	<b>1,265,463</b>

**5 PAYMENTS FOR OPERATIONS**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
Other Vote heads	3,186,459	1,565,797
Medical	74,446	31,155
Activity Expenses	183,370	200,330
General repairs	1,664,475	
Bank Charges	1,800	3,540
Infrastructure grant / Acquisition of Assets		901,680
CDF Grant	308,250	
<b>TOTAL</b>	<b>5,418,800</b>	<b>2,702,502</b>

**NTHANGU MIXED DAY AND BOARDING SECONDARY SCHOOL**  
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**6 BOARDING AND SCHOOL FUND PAYMENTS**

Description	2021/22	2020/21
	Kshs	Kshs
School Fund Account/Boarding	2,781,668	1,888,263
Others Vote Heads	1,160,873	1,345,480
Repairs and maintenance & Improvements	3,132,363	800,590
Tenders	9,000	20,510
Bank Charges	1,210	-
PA-Donations School Project	766,265	-
Activity	178,109	22,000
<b>TOTAL</b>	<b>8,029,488</b>	<b>4,076,843</b>

**6a BOARDING AND SCHOOL FUNDS PAYMENTS**

**Cashflow adjustments**

Totals as per 6 above	8,029,488
Less: Creditors	1,699,308
	<b>6,330,180</b>

**7 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2021/22	2020/21
		Kshs	Kshs
Tuition Account - Equity - Wote	0670191953093	50,598	240,267
Operations Account - Equity - Wote	0670291953046	13,122	66,295
School Fund Account/Boarding - Equity - Wote	0670295953967	7,989	210,594
School Fund Account/Boarding-Kcb - Wote	1283783096	6,050	67,901
CDF Account - Cooperative Wote	01139539660700	900,513	1,763
Infrastructure Account - Equity - Wote	0670280016124	4,213	50,780
Development Funds Account - KCB - Wote Branch	1287416721	1,395	-
<b>Total</b>		<b>983,880</b>	<b>637,600</b>

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**8 CASH IN HAND**

Description	2021/22	2020/21
	Kshs	Kshs
Operation Account	55	4
School Fund account	41,152	166
<b>Total</b>	<b>41,207</b>	<b>170</b>

**9 ACCOUNTS RECEIVABLE**

Description	2021/22	2020/21
	Kshs	Kshs
Fees arrears	6,680,137	6,663,376
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
<b>Total</b>	<b>6,680,137</b>	<b>6,663,376</b>

**Included below is an ageing of the fees / non fees arrears**

Description	2021/22	2020/21
	Kshs	Kshs
Fees arrears for current year	597,637	1,094,525
Fees arrears for the previous year	880,250	975,427
Fees arrears for prior periods (over two years)	5,202,250	4,593,424
<b>Total</b>	<b>6,680,137</b>	<b>6,663,376</b>

**10 ACCOUNTS PAYABLE**

Description	2021/22	2020/21
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	9,105,128	9,210,947
<b>Total</b>	<b>9,105,128</b>	<b>9,210,947</b>

**Included is an ageing of the creditor's arrears**

Description	2021/22	2020/21
	Kshs	Kshs
Trade creditors for current year	1,857,712	2,545,654

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Trade creditors for the previous year	6,700	4,334,627
Trade creditors for prior periods (over two years)	7,240,716	2,330,666
<b>Total</b>	<b>9,105,128</b>	<b>9,210,947</b>

**11 FUND BALANCE BROUGHT FORWARD**

Description	2021/22	2020/21
	Kshs	Kshs
Bank balances	637,600	5,898
Cash balances	170	614
Receivables	6,663,376	5,684,897
Payables	(9,210,947)	(8,310,491)
<b>Total</b>	<b>(1,909,801)</b>	<b>(2,619,082)</b>

**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.

**12 Biological assets**

Description	Numbers	2021/22	2020/21
		Kshs	Kshs
Trees		700,000.00	650,000.00
<b>Total</b>		<b>700,000.00</b>	<b>650,000.00</b>

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**Other important disclosure notes**

**13 Stock/ Inventory**

<b>Description</b>	<b>2021/22</b>	<b>2020/21</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>a) Stock / Inventory</b>		
Stock/ inventory at beginning of the year	2,454,617	-
Stock/ inventory purchased during the year	4,334,552	-
Stock/ inventory issued during the year	4,717,709	-
<b>Balance at end of the year</b>	<b>2,071,460</b>	<b>2,454,617</b>

**14 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.

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

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	A	B	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
<b>1.</b>						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
2. AFRIQUE VISION	90,225	2020		90,225	90,225	VEGETABLES
3. ALISON PRODUCTS	54,000	2020		54,000	54,000	TERMITE KILLER
4. CHANGE LTD	1,168,078	2020	41,535	1,126,543	1,141,618	EXERCISE BOOKS
5. DANI FOOD STORE	1,807,940	2022	1,326,610	481,330	344,990	FOOD STUFF
5. DANI FOOD STORE	327,700	2022	327,700	-	232,700	WATER
7. CLIFFJO ENTERPRISES	14,000	2019		14,000	14,000	CLASS PONDUM STAND
8. DANSTER ENTERPRISES	1,026,235	2020		1,026,235	1,026,235	BAKLIN/KEROL/FIRE.ESTQ.
9. DEVIK INVESTMENT	439,200	2020		439,200	439,200	CABINET/LOCKERS /CHAIRS
10. DILEVAE ENTERPRISES	360,772	2022	234,080	126,692	37,503	FOOD STUFF
11. DOPHA VENTURES	465,792	2022	357,848	107,944	60,512	VEGITABLES
12. DOROTHY MUIA	132,100	2020		132,100	132,100	FIREWOOD
13. ELIDOS GEN.SUPPLIES	39,000	2020		39,000	39,000	KEROL/DESNIFECTANT
14. FANDI GENERAL	962,700	2022	640,700	322,000	192,950	FIREWOOD
15. GOSHEN MEGA SUPPLIERS	31,400	2020		31,400	31,400	REVISION BOOKS
16. HOME HEALTH(MRS MUTHOKA)	61,200	2019		61,200	61,200	REF BOOKS
17. JOFENE ENTERPRISES	23,070	2020		23,070	23,070	BREAD

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18. JOKIM INVESTMENT	502,661	2019	208,806	293,855	293,855	LAB MATERIALS
19. JOYZIBO ENTERPRISES	80,000	2020		80,000	80,000	WATER
20. LINKUP CONCEPTS	753,623	2019		753,623	753,623	STATIONARY
21. MALIKITI IMANI	64,320	2022	49,920	14,400	23,760	EGGS
22. MALIKITI IMANI ENTERPRISES	182,000	2020		182,000	182,000	WATER
23. MARIDADI G HARDWARE	942,700	2022	671,105	271,595	387,510	BUILDING MATERIALS
24. MUMU HARDWARE	1,250,943	2022	811,595	439,348	668,160	BUILDING MATERIALS
25. MUMU SUPERMARKET	251,520	2022	106,385	145,135	153,155	FOODSTUFF
26. SHEKEM ENTERPRISES	105,920	2022	65,800	40,120	53,960	MILK
27. NDUUMONI ENTERPRISES	44,640	2020		44,640	44,640	VEGETABLES
28. PEKILO STORES	194,000	2019		194,000	194,000	FOOD STUFF
29. PETER & JULIET	435,029	2018		435,029	435,029	WATER
30. REAL FAITH PUBLISHER	51,250	2019		51,250	51,250	REVISION TEXT BOOKS
31. ROSINA MERCHANTS	240,000	2022	152,000	88,000	48,000	FIREWOOD
32. SCHOOL CANTEEN	31,375	2018		31,375	31,375	BREAD
33. SHIMO C. BUTCHERY	96,950	2020		96,950	96,950	MEAT
34. SIMPLE LIVING STORE	360,000	2020		360,000	360,000	MAIZE/BEANS
35. STEPHEN NZIOKI	7,320	2020		7,320	7,320	FRUITS
36. TITUS KYOVE	4,420	2020		4,420	4,420	FRUITS
37. TRINITY SPORTS	41,850	2020		41,850	41,850	GAMES ACCESSORIES
38. VINCENT MULI	55,500	2020		55,500	55,500	GREENGRAMS
39. VIRGINIA KITHOME	2,000	2020		2,000	2,000	KEROL/DESNIF ECTANT
40. WARAKA	298,120	2022		24,940	87,710	MEAT

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
BUTCHERY			273,180			
41. WYLE VENTURES	32,796	2020		32,796	32,796	STATIONARY
42. WYLE VENTURES	240,000	2020		240,000	240,000	MAIZE
43. DPL FESTIVE	64,584	2022	26,000	38,584	-	BREAD
43. BEKINA GENERAL SUPPLIES	260,300	2020	236,300	24,000	-	EXERCISE BOOKS
<b>Sub-Total</b>	<b>13,597,233</b>			<b>8,067,669</b>	<b>8,249,566</b>	
<b>Supply of services</b>						
44. BONIFACE WAMBUA	60,000	2020		60,000	60,000	REPAINTING SCH BUILDINGS
45. VERY UNIQUE TECHNOLOGY	4,000	2020		4,000	4,000	COMPUTER SERVICE
46. PLASMA POSHO MILL	169,340	2022	81,120	88,220	61,155	MILLING SERVICE
47. ROSE NDULULU	3,300	2020		3,300	3,300	SALARIES ARREARS
48. NSSF	30,996	2020		30,996	30,996	SALARIES ARREARS
49. CYROHTECH ELECTRICALS	206,390	2022	169,440	36,950	52,600	ELECTRICITY INSTALLATION
50. MWERE VENTURES	11,210	2020		11,210	11,210	POSHOMILL SERVICES
51. MATRIX BS CONSULTANT	74,870	2020		74,870	74,870	INTERNET SERVICES
52. APRIL 2020 - SALARIES	197,750	2020	36,428	161,322	197,750	SALARIES ARREARS
53. MAY 2020 - SALARIES	197,750	2020	36,428	161,322	197,750	SALARIES ARREARS
54. MR KALELI	25,000	2020		25,000	25,000	SALARIES ARREARS
55. MRS MUKAVU	25,000	2020		25,000	25,000	SALARIES ARREARS
56. JUNE 2020 - SALARIES	197,750	2020	36,428	161,322	197,750	SALARIES ARREARS
57. JUSTUS MULWA	10,000	2020		10,000	10,000	SALARIES ARREARS

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<b>Supplier of Goods or Services</b>	<b>Original Amount</b>	<b>Date Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance 2022</b>	<b>Outstanding Balance 2021</b>	<b>Comments</b>
58. FRANCIS MUYANGA	10,000	2020		10,000	10,000	SALARIES ARREARS
59. JUNE 2022 = SALARIES	173,947	2022		173,947	-	SALARIES ARREARS
<b>Sub-Total</b>	<b>1,397,303</b>			<b>1,037,459</b>	<b>961,381</b>	
<b>Others</b>						
2.						
<b>Sub-Total</b>				-	-	
<b>Grand Total</b>				<b>9,105,128</b>	<b>9,210,947</b>	

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**ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

Asset class	Date purchased year	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Land 1	2008	Makueni Sub-County	6,500,000	-	-	6,500,000
Buildings and structures	2020	School Compound	21,000,000	800,000	-	21,800,000
Motor vehicles	-	-	-	-	-	-
Office equipment, furniture and fittings	2020	School Premises	3,000,000	-	-	3,000,000
ICT Equipment, and Other ICT Assets	2018	School Premises	750,000	50,000	-	800,000
Tools and apparatus	2018	School Premises	2,000,000	-	-	2,000,000
Other Machinery and Equipment	2018	School Premises	350,000	-	-	350,000
Heritage and cultural assets	-	-	-	-	-	-
Intangible assets- software	2018	School Premises	100,000	-	-	100,000
<b>Total</b>			<b>33,700,000</b>	<b>850,000</b>	<b>-</b>	<b>34,550,000</b>