

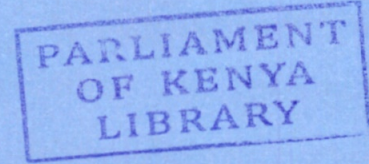



Enhancing Accountability



REPORT

OF



 THE NATIONAL ASSEMBLY PAPERS LAID			
DATE: 03 DEC 2024			
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TABLED BY:	Hon. Kimani Ichung'uah (leader of the Majority Party)		
CLERK AT THE TABLE:	Anastacia		

THE AUDITOR-GENERAL

ON

SALVATION ARMY MAIANI SECONDARY SCHOOL

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

MAKUENI COUNTY

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



SALVATION ARMY MAIANI SECONDARY SCHOOL
P.O BOX 38-90134 YOANI
MUKAA SUB COUNTY
MAKUENI COUNTY.

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2021
30th June 2021

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

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

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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, Mukaa Sub-County

The school was re-registered in 28th/09/2020 under registration number **1730000276** and is currently categorized as a County public school established, owned or operated by the Government.

The school is a boarding school and had 371 number of students as at 30th June 2021. It has eight streams and 17 teachers of 6 which 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	Joseph Kimweli	Chairman	24/05/2019
2	Damaris Mutisya	Secretary - Principal	24/05/2019
3	Eric Nzola	Rep Local Community	24/05/2019
4	Sylvester Muindi	Rep Local Community	24/05/2019
5	Edward Kiema	Rep Local Community	24/05/2019
6	Roslyn Mueni	Rep Local Community	24/05/2019
7	Mutuku Makundi	Rep Local Community	24/05/2019
8	Elizabeth Luti	Rep Local Community	24/05/2019
9	Robert Muthui	Member – Rep CEB	24/05/2019
10	Faith Kyania	Member Rep Teachers	24/05/2019
11	Kennedy King'oo	Sponsor	24/05/2019
12	Victor Kioko	Sponsor	24/05/2019
13	Carolyne Nthenya Lavi	Member Interests Groups	24/05/2019
14	Justina Muli	Member special Needs	24/05/2019
15	Mary Kameme	Rep Student	24/05/2019

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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

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Joseph Kimweli	Chairperson	1/1
		William Nduse	PA Chair	1/1
		Damaris Mutisya	Secretary	1/1
		Elizabeth Luti	Member	1/1
		Victor Kioko	Member	1/1
2	Audit Committee	Kennedy King'oo	Member	0
		Justina Muli	Member	0
		Robert Muthui	Member	0
		Damaris Mutisya	Principal	0
3	Finance, procurement and general purposes Committee	Joseph Kimweli	Chairperson	1/1
		William Nduse	PA Chair	1/1
		Damaris Mutisya	Secretary	1/1
		Elizabeth Luti	Member	1/1
		Victor Kioko	Member	1/1
4	Academic Committee	Victor Kioko	Member	0
		Damaris Mutisya	Principal	0
		Sylvester Muindi	Member	0
		Caroline Lavi	Member	0
5	Development Committee	Joseph Kimweli	Chairperson	1/1
		William Nduse	PA Chair	1/1
6	Discipline and welfare Committee	Damaris Mutisya	Secretary	1/1
		Elizabeth Luti	Member	1/1
		Victor Kioko	Member	1/1
		Jacob Makundi	Member	1/1
		Damaris Mutisya	Secretary	1/1
		Justina Muli	Member	1/1

SALVATION ARMY MAIANI SECONDARY SCHOOL**Annual Report and Financial Statements****For the six months period ended 30th June 2021**

		Robert Muthui	Member	1/1
		Kelvin Njiru	Sponsor	1/1
7	Adhoc Committee (if any during the year)	N/A		0

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Damaris M. Mutisya	Tsc. No. 425378
2	Deputy Principal	Lucia K. Katheka	Tsc No. 298109
3	School Bursar	Lawrence M. Muia	ID No. 26426409

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 38
Telephone: 0728990563
E-mail: samaianigirls8@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

The school operated 5 bank accounts in the following banks:

1. Acc. Name: Tuition Account
Name of Bank: Co-operative
Branch: Emali
Account Number: 01139276647700
2. Acc. Name: Operation Account
Name of Bank: Co-operative
Branch: Emali
Account Number: 01139276647701
3. Acc. Name: Infrastructure Account
Name of Bank: Co-operative
Branch: Emali
Account Number: 01139276647702
4. i.) Acc. Name: School Fund Account
Name of Bank: Co-operative
Branch: Emali
Account Number: 01129276472300
- ii.) Pay bill No: Business No. 400200 Account No .2233# Admission No.
5. Acc. Name: CDF Account
Name of Bank: Co-operative
Branch: Emali
Account Number: 01141276647700

SALVATION ARMY MAIANI SECONDARY SCHOOL

Annual Report and Financial Statements

For the six months period ended 30th June 2021

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

SALVATION ARMY MALANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

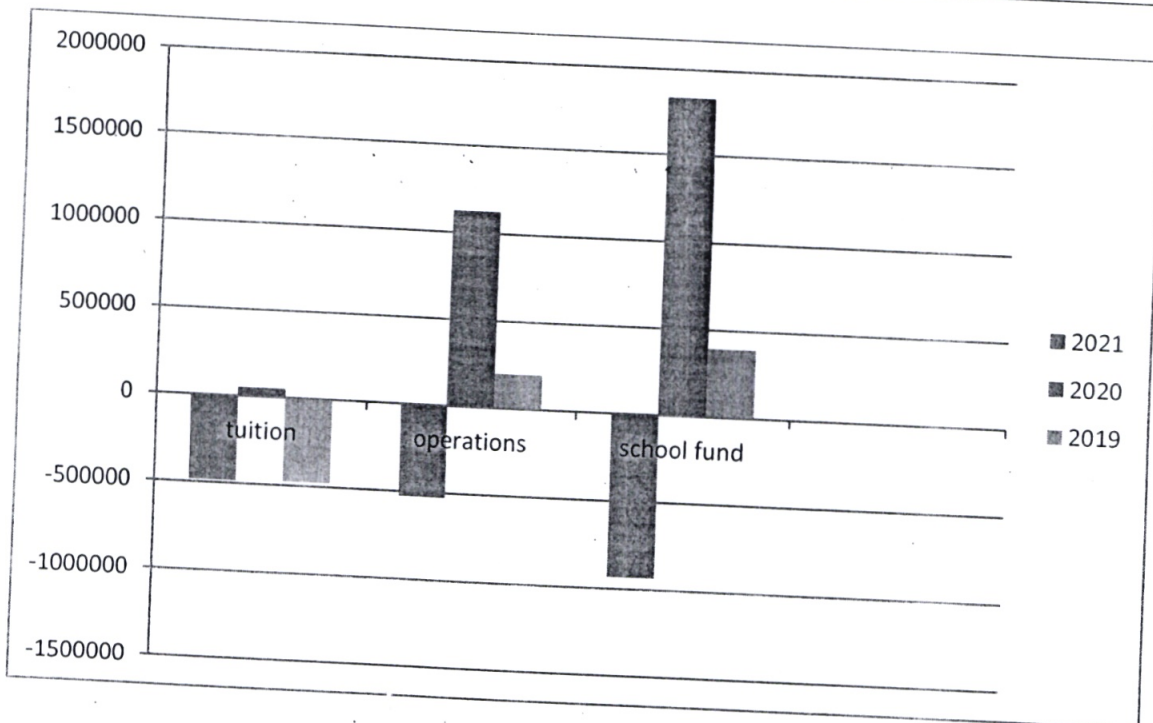
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

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

ACCOUNT	2021	2020	2019
TUITION	(482157)	48133	(475710)
OPERATIONS	(525123)	1125245	197415
SCHOOL FUND	(930733)	(151145)	391804



a. (ii)

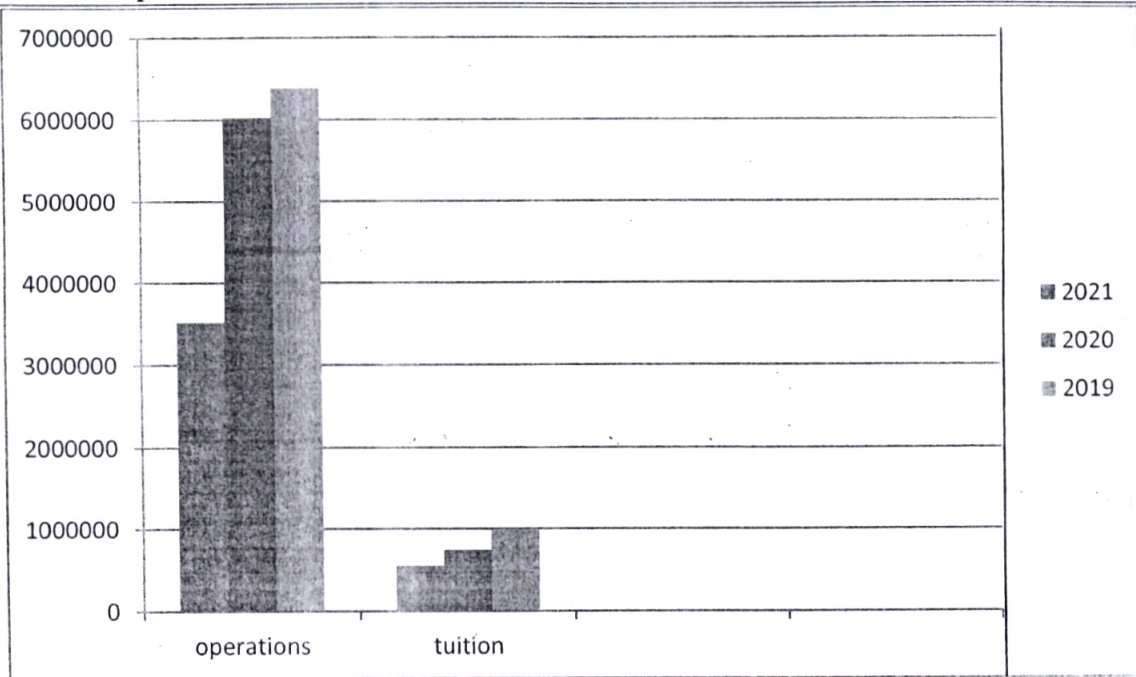
- *Capitation grants from the Ministry of Education for the last three years.*

YEAR	2021	2020	2019
CAPITATION			
OPERATIONS	3,518,215	6,022,425	6,380,239.00
TUITION	545,852	739,193	981,929.00
TOTAL	4,064,067	6,761,618	7,362,168.00

SALVATION ARMY MALANI SECONDARY SCHOOL

Annual Report and Financial Statements

For the six months period ended 30th June 2021

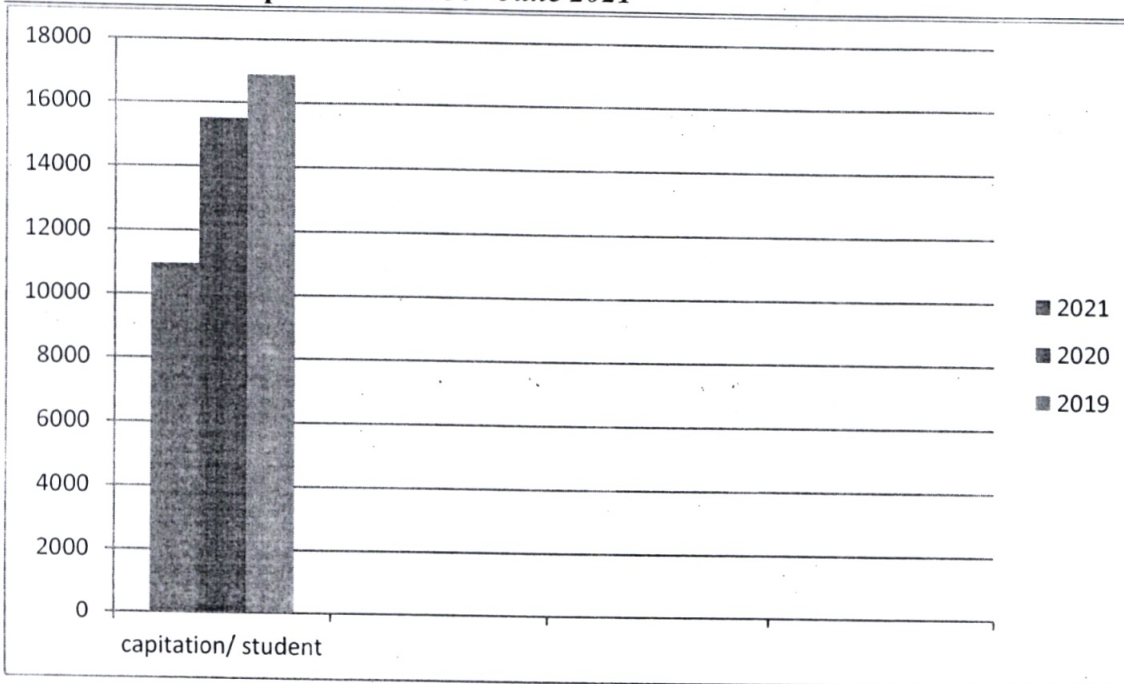


a. (iii)

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

YEAR	2021	2020	2019
CAPITATION PER STUDENT	4,064,067	6,761,618	7,362,168
POPULATION	371	436	403
RATIO OF CAPITATION PER STUDENT	10,954:1	15,508:1	16,886: 1

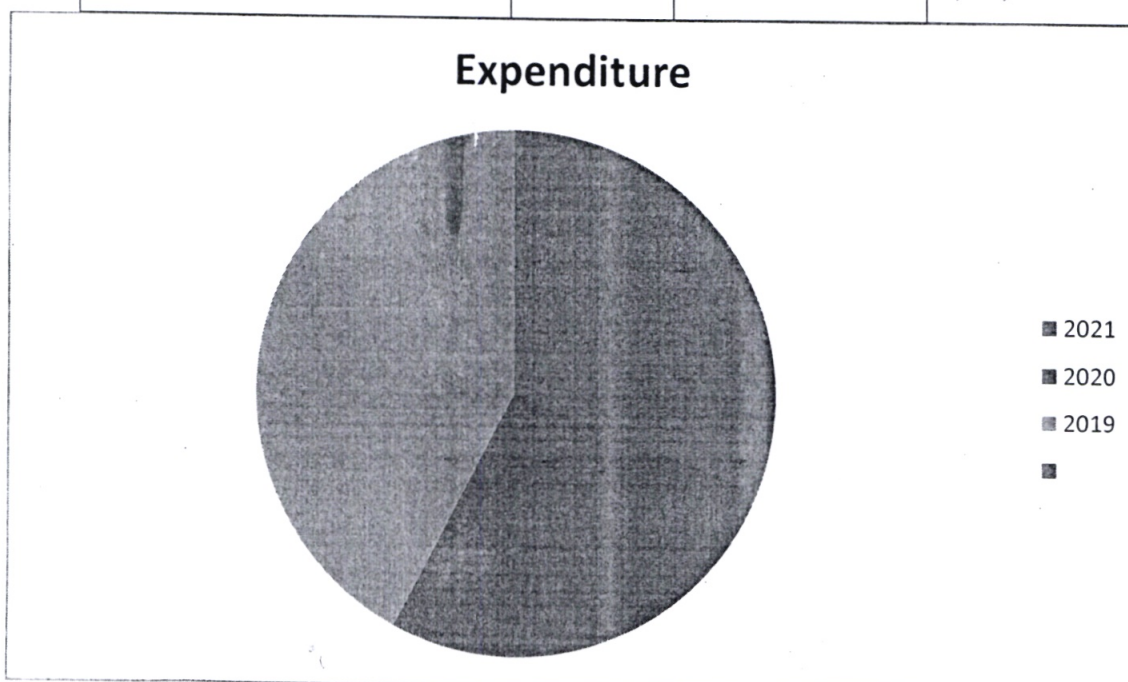
SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021



a. (iv)

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

YEAR	2021	2020	2019
TUITION	398441	691,060	1,457,639
OPERATIONS	3,517,700	4,897,180	6,182,824
SCHOOL FUND	6,039,276	6,091,446	11,605,928
INFRASTRUCTURE	0	1,567,145	1,711,190



a. (v)

- A three year overview of growth in creditors and debtors of the school.

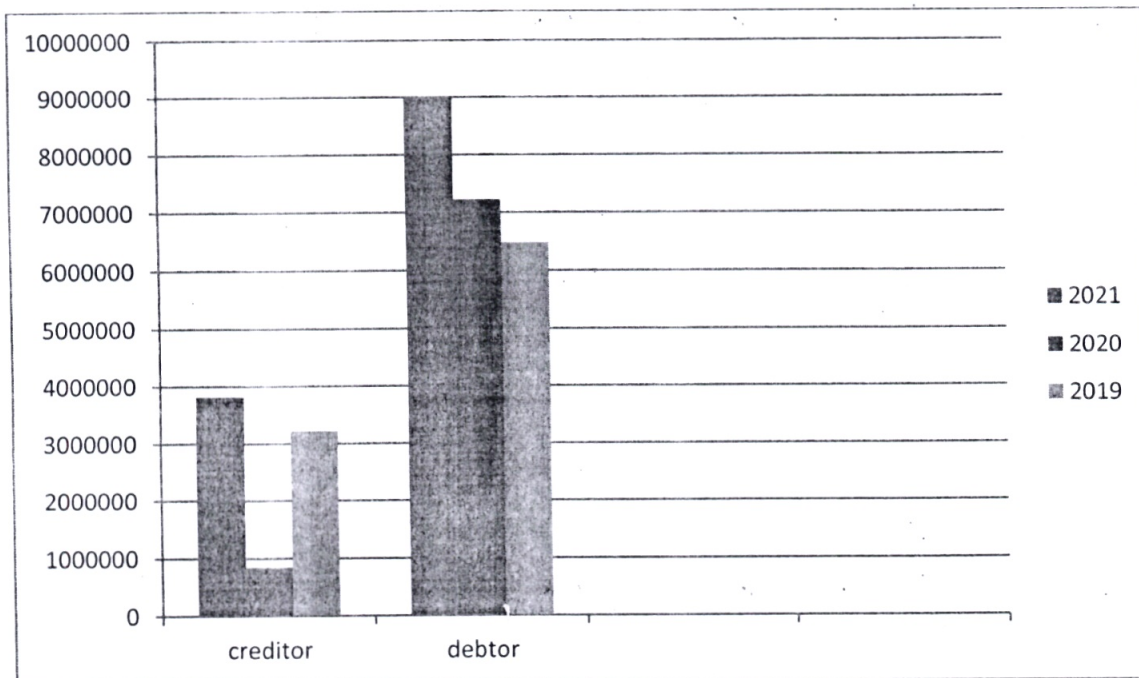
SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021

CREDITORS

ACCOUNT	2021	2020	2019
TUITION	1,894,827.00	58,592	670,395
OPERATIONS	350,000.000	176,250	1,314,850
SCHOOL FUND	1,499,406.00	78,275	1,225,200

DEBTORS

ACCOUNT	2021	2020	2019
TUITION	0	0	0
OPERATIONS	0	0	0
SCHOOL FUND	8,009,924	961,819	3,492,007

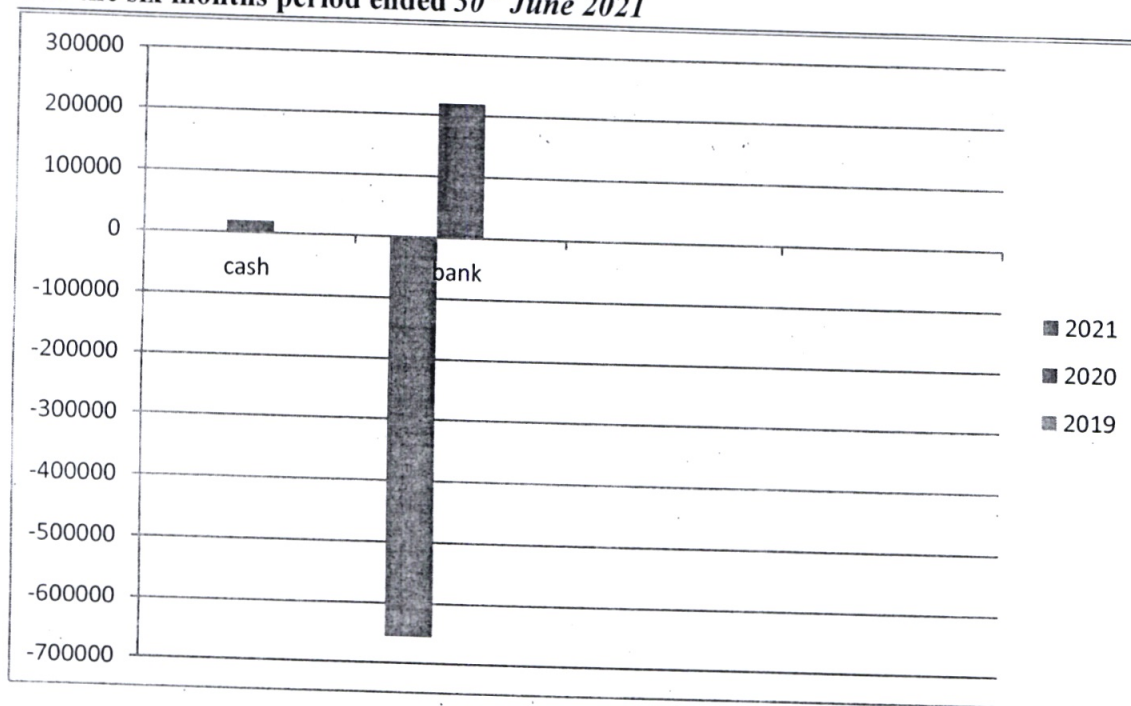


a. (vi)

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

YEAR	2021	2020	2019
CASH BALS	1,038	18,855	0
BANK BALS	319,413	218,667	

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021



b) Teacher Student ratio:

b. (i)

NO. OF TEACHERS	MALE	FEMALE	EMPLOYED BY TSC	EMPLOYED BY BOM	TEACHER SHORTAGE (CBE)
17	5	12	11	6	10

TEACHER: STUDENT RATIO = 1: 22

List of teachers.

S/NO.	NAME OF THE TEACHER	SUBJECT COMBINATION	TSC NO.
1.	DAMARIS MUTISYA	ENG / LIT	425378
2.	LUCIA KATHEKA	GEO / B/ST	298109
3	SCHOLASTICA MWEU	ENG /LIT	523707
4	ATHANAS MUTISYA	ENG / LIT	526033
5	CYNTHIA MISIOCHA	ENG / LIT	735948
6	MARY MASIKA	KISW / HIST	423210
7	JENNIFFER WAMBUA	KISW / CRE	392668

SALVATION ARMY MAIANI SECONDARY SCHOOL**Annual Report and Financial Statements****For the six months period ended 30th June 2021**

8	ROBINSON MBOOVE	GEO / B/ST	822967
9	CAROL MUENDO	BIO / CHEM	804416
10	SHEDRACK NDUVA	BIO / AGR	820423
11	FAITH KIOKO	MATHS / CHEM	664364
12	DOMINIC NZYIMI	BIO/CHEM	977884
13	MIRRIAM NDINDA	KISW/CRE	0134667
14	SHADRACK KAMEME	MATH/PHY	1035156
15	PHILIP KILONZO	MATH /PHY	987294

c) Mean score in the 2021KCSE:

c. (i)

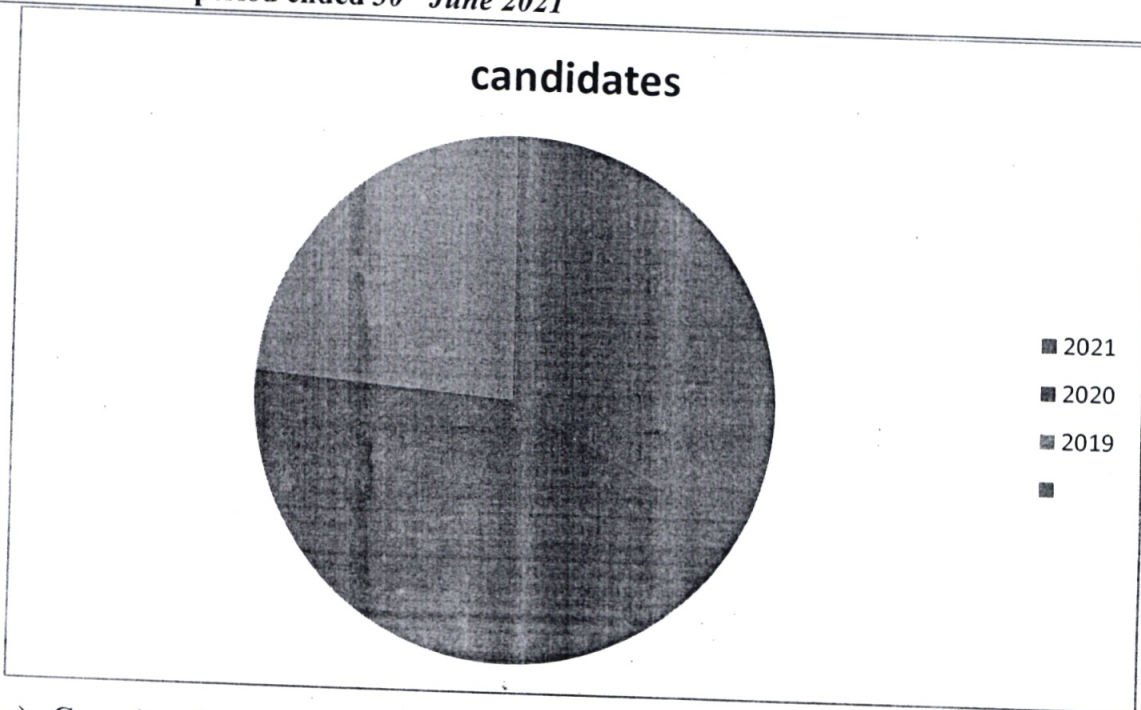
YEAR	2021	2020	2019
MEAN SCORE	4.3	4.246	3.7
TRANSITION TO COLLEGES (C and above)	12	22	12

d) Number of Candidates in the 2021 KCSE:

d. (i)

YEAR	2021	2020	2019
KCSE ENROLLMENT	99	130	71

SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021



e) Capacity of the school:

e. (i)

YEAR	2021	2020	2019
ENROLLMENT	371	436	403
NO.OF DORMS	2	3	3
DINNING HALL	0	0	0
LABORATORIES	1	1	1
TOILETS	12	20	20
CLASSROOMS	10	9	8

SALVATION ARMY MAIANI SECONDARY SCHOOL

Annual Report and Financial Statements

For the six months period ended 30th June 2021

f) Development projects carried out by the school:

f. (i)

DEVELOPMENT PROJECT	COST	FINANCIER	JUNE 2021 STATUS
Pioneer dorm extension	460,000	Infrastructure	In progress
Construction of a lab	1,416,350	infrastructure	In progress
Demolition of burnt dorm	80,000	Parents	Completed
Construction of slabs in between classrooms	77,500	Parents	Completed
TOTAL	2,033,850		

Sign.....

Name: Damaris Mutisya

School Principal

Date: 21/6/2024



SALVATION ARMY MAIANI SECONDARY SCHOOL
Annual Report and Financial Statements
For the six months period ended 30th June 2021


III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

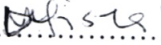
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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


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

The Board of Management of *Salvation Army Maiani 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, 2021, and of the school's financial position as at that date.

Sign: 
Name: Edward Kisenge Kiema
Designation: Chairman, School Board of Management
Date: 21/6/2024

Sign: 
Name: Damaris Mutheu Mutisya
Designation: School Principal & Secretary to Board of Management
Date: 21/6/2024

Sign: 
Name: Lawrence Musya Muia
Designation: Bursar/ Finance Officer
Date: 21/6/2024



REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON SALVATION ARMY MAIANI SECONDARY SCHOOL FOR SIX MONTHS PERIOD ENDED 30 JUNE, 2021 – 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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.

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 Salvation Army Maiani Secondary School – Makueni County set out on pages 17 to 35, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget

Report of the Auditor-General on Salvation Army Maiani Secondary School for the Six Months Period ended 30 June, 2021 – Makueni County

and actual amounts for the period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 Salvation Army Maiani Secondary School – Makueni County as at 30 June, 2021 and of its financial performance and its cash flows for the period 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

Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.6,715,848 as disclosed in Note 11 to the financial statements. However, included in the balance is Kshs.3,734,625 which were not supported with listing of students' debtors and fee notes. Further, significant accounting policies on accounts receivables as disclosed in Note 11 is silent on the treatment of students' fee balances which is a major source of income for the School.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables balance of Kshs.6,715,848 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Salvation Army Maiani Secondary School 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budget versus actual amounts reflects final revenue budget and actual on comparable basis of Kshs.22,087,923 and Kshs.16,915,871 respectively, resulting to under collection of Kshs.5,172,052 or 23% of the approved budget. However, the School spent Kshs.17,930,428 against actual receipts of Kshs.16,915,871 resulting to over utilization of Kshs.1,014,557.

Emphasis of Matter

Budgetary Control and Performance

The statement of budget versus actual amounts reflects final revenue budget and actual on comparable basis of Kshs.22,087,923 and Kshs.16,915,871 respectively, resulting to under collection of Kshs.5,172,052 or 23% of the approved budget. However, the School spent Kshs.17,930,428 against actual receipts of Kshs.16,915,871 resulting to over utilization of Kshs.1,014,557.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2021 but submitted the statements on 2 February, 2023. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate. Late submission of financial report adversely affects the Office of the Auditor-General in meeting statutory timelines.

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

2. Non-Compliance with Public Sector Accounting Standards Board

Review of the financial statements revealed that the financial statement were not paginated in accordance with the prescribed reporting template as issued by the Public

Sector Accounting Standards Board. All the pages were numerically paginated whereas the reporting template requires that the pages containing the non-financial information be in roman numbers and pages from the statement of receipts and payments to the Annexes be in numerical numbers.

Further, Annex 1 to the financial statements on analysis of pending accounts payables do not have the date the supplier was contracted and comparative outstanding balances (2020) and Annex 2 to the financial statements on summary of fixed assets were purchased as required by the template issued by the Public Sector Accounting Standards Board.

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

The statements of receipts and payments reflects payments for operations amount of Kshs.4,043,338 as disclosed in Note 6 to the financial statements which includes transfers of Kshs.410,088 to Kenya Secondary Schools Heads Association (KESSHA). KESSHA is a welfare organization that is not recognized by the Public Finance Management Act, 2012 and draws its membership from School principals only.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.410,088 could not be confirmed.

4. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.13,651,146 and Kshs.13,364,170 in respect of receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity should prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

5. Long Outstanding Payables

The statement of financial assets and liabilities and as disclosed in Note 12 to the financial statements reflects balance of Kshs.3,812,224. However, included in the balance are trade payables balance of Kshs.823,794 which had been outstanding for more than one year. This was contrary to Section of the Public Procurement and Asset Disposal Act, 2025 which states that an accounting officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates.

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on the 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. Inconsistencies in Students Enrolment Data

Review of students' enrolment documents provided for audit revealed that there were discrepancies between the data in the County Director of Education (CDE), National Education Management Information System (NEMIS) and School records relating to the enrolment of students. During the financial year 2020/2021, the NEMIS reported a total of four hundred and nineteen (419) students while the records from the physical class registers had four hundred and thirty-eight students (438) students. The enrolment record provided by the School indicated a total of four hundred and thirty-eight students (438) students, which resulted in a variance of seven (7) students. The School was under funded by not receiving funds for nineteen (19) students for the period ended June, 2021. In addition, the School had students who were not registered in NEMIS due to lack of birth certificates or duplicate birth certificate numbers.

In the circumstances, the effectiveness of the internal controls in student enrolment data could not be confirmed.

2. Delayed Transfer of Funds from the Operations Account to the Infrastructure Account

The six months period ended 30 June, 2021, the School received capitation grants for operations from Ministry of Education and transferred the funds to the infrastructure account.

Review of transfer of funds documentation revealed that the School did not adhere to the guidelines on the transfer of funds from operation account to infrastructure account which stipulates that the funds should be transferred fifteen (15) days upon receipt of the funds. To the contrary, the School transferred Kshs.750,000 funds after sixteen (16) days and Kshs.300,000 after seventy-five (75) days. Further, the amount that the School was to transfer to the infrastructure account from the operations account according to NEMIS for the year 2020/2021 was Kshs.1,676,000 but the actual amount that was transferred was Kshs.1,050,000 resulting to under transfers amounting to Kshs.626,000.

In the circumstances, the late receipts of the funds affected the planned activities of the School and effectiveness in internal controls over transfers of funds 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 so as to obtain limited assurance as to whether effective processes and systems of internal control, risk management and 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 overall governance.

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

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with

Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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.


FCPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi


08 November, 2024


SALVATION ARMY MAIANI SECONDARY SCHOOL
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For the six months period ended 30th June 2021


V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	Jan – June 2021	
			Kshs
RECEIPTS			
Capitation grants for tuition	1	545,852	
Capitation grants for operations	2	3,518,215	
School Fund Income- Parents' Contributions	3	9,587,079	
School Fund Income- Other receipts	4	-	
Proceeds from borrowings			
TOTAL RECEIPTS		13,651,146	
PAYMENTS			
Payments for Tuition	5	1,028,010	
Payments for operations	6	4,043,338	
Boarding and school fund payments	7	8,292,822	
TOTAL PAYMENTS		13,364,170	
SURPLUS/DEFICIT		286,976	

The school financial statements were approved on 15 sep. 2021 and signed by:

Sign: 
 Edward KisengeKiema
 Chair BOM

Sign 
 Damaris M. Mutisya
 School Principal/
 Secretary to BOM

Sign 
 Lawrence M. Muia
 Bursar/
 Finance Officer

Date: 21/6/2024

Date: 21/6/2024

Date: 21/6/2024



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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	Jan – June 2021	
		Kshs	
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	319,413	
Cash Balances	9	1,038	
Short term Investment	10	-	
Total Cash and cash equivalent		320,451	
Account's receivables	11	8,009,924	
TOTAL FINANCIAL ASSETS		8,330,375	
FINANCIAL LIABILITIES			
Accounts Payables	12	4,055,069	
NET FINANCIAL ASSETS		4,275,306	
REPRESENTED BY			
Accumulated Fund b/fwd	13	3,724,424	
Surplus/Deficit for the year		286,976	
NET FINANCIAL POSSITION		4,011,400	

The School's financial statements were approved on 21/6/2024 and signed by:

Name: Edward K. Kiema
Chairman, BoM

Sign: 

Date: 21/6/2024

Name: Damaris M. Mutisya
School Principal/Secretary
to BoM

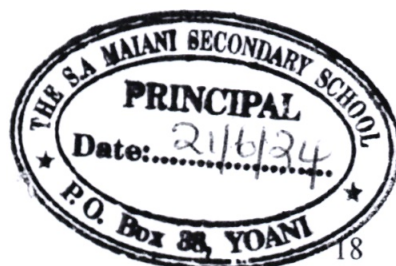
Sign: 

Date: 21/6/2024

Name: Lawrence Muia
Bursar/Finance

Sign: 

Date: 21/6/2024



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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		Jan – June 2021	
			Kshs
Receipts for operating income			
Capitation grants for tuition	1	545,852	
Capitation grants for operations	2	3,518,215	
School fund income- Parents contributions/ fees	3	5,627,444	
School fund income- other receipts	4		
Total receipts		9,691,511	
Payments			
Payments for Tuition	5	398,441	
Payments for operations	6	3,517,700	
Boarding and school fund payments	7	5,488,394	
Total payments		9,404,535	
Net cash flow from operating activities		286,976	
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		286,976	
Cash and cash equivalent at BEGINNING of the year		33,475	
Cash and cash equivalent at END of the year		320,451	

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

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						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials			-	-	-	
Exercise books			-	-	-	
Laboratory equipment			-	-	-	
Internal exams			-	-	-	
Teaching / learning materials	932,400		932,400	545,852	386,548	59%
Chalks			-	-	-	
Exams and assessment			-	-	-	
Teachers guides			-	-	-	
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1,567,400	-	1,567,400	1,686,838	(119,438)	108%
Repairs and maintenance			-	1,146,850	(1,146,850)	
Local transport / travelling			-	130,792	(130,792)	
Electricity and water			-	195,762	(195,762)	
Medical	450,000		450,000	-	450,000	
Infrastructure	1,125,000		1,125,000		1,125,000	
Administration costs				333,973	(333,973)	
Activity	337,500	-	337,500	24,000	313,500	7%

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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
COVID	547,445	-	547,445		547,445	
SMASSE	45,000	-	45,000		45,000	
(3) FEES CHARGED ON PARENTS						
Personnel emoluments			-	192,200	(192,200)	
Repairs and maintenance	578,250		578,250	115,145	463,105	20%
Local transport / travelling	400,000		400,000	134,500	265,500	34%
Electricity and water	582,375		582,375	134,500	447,875	23%
Medical			-	-	-	
Administration costs	897,891		897,891	96,105	801,786	11%
Activity	338,380		338,380	57,500	280,880	17%
PA Project	675,000		675,000	96,105	578,895	14%
Fee on Boarding Equipment and Stores	5,227,110		5,227,110	8,761,024	(3,533,914)	168%
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	13,703,751		13,703,751	13,651,146		99%
(1) EXPENDITURE FOR TUITION						

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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
Textbooks and reference materials			-	-	-	
Exercise books			-	-	-	
Laboratory equipment			-	-	-	
Internal exams			-	-	-	
Teaching / learning materials	932,400		932,400	1,027,050	(94,650)	110%
Chalks			-	-	-	
Exams and assessment			-	-	-	
Teachers guides			-	-	-	
Administration costs			-	-	-	
Bank Charges			-	-	-	
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	1,567,400		1,567,400	1,132,117	(1,132,117)	
Repairs, maintenance & improvements				39,580	(39,580)	
Local transport / travelling				90,000	(90,000)	
Electricity, water and conservancy				222,537	(222,537)	
Medical	450,000	-	-	-	-	
Administration costs				136,670	(136,670)	
Activity Expenses	337,500			85,088	(85,088)	
Insurance cost	1,125,000	-	-	-	-	
SMASSE	45,000			-		
Infrastructure expenses / CLASSROOM AND LAB CONSTR				-		

SALVATION ARMY MAIANI SECONDARY SCHOOL

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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
Acquisition of assets				-	-	
DORM CONSTRUCTION				1,173,108	(1,173,108)	
LAB CONSTRUCTION				638,600	(638,600)	
COVID	547,445					
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments				584,756	(584,756)	
Repairs, maintenance and improvements	578,250			842,550	(842,550)	
Local transport / travelling	400,000			767,800	(767,800)	
Electricity, water and conservancy	582,375			65,535	(65,535)	
Medical Expenses				32,550	(32,550)	
Administration costs	897,891			62,610	(62,610)	
Activity	338,380			70,500	(70,500)	
PIECE OF LAND	675,000					
LAB CHEMICALS				735,670	(735,670)	
Boarding Equipment and Stores	5,227,110			5,510,869	(5,510,869)	
Expenditure for Income Generating Activity						
Insurance costs						
Other expenses on investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition of Assets						

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c = a + b 13,703,751	Actual on Comparable Basis d 13,364,170	Budget Utilization Difference e = c - d 339,581	% of Utilization f = d/c % 98%
TOTALS	13,703,751	-	13,703,751	13,364,170	339,581	98%

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 2021.

SALVATION ARMY MAIANI SECONDARY SCHOOL
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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	Jan- June 2021	
	Kshs	
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	545,852	
Chalks		
Exams and assessment		
Teachers guides		
Total	545,852	

2 CAPITATION GRANT FOR OPERATIONS

	Jan - June 2021	
	Kshs	
Personnel emoluments	1,686,838	
Repairs and maintenance	1,146,850	
Local transport / travelling	130,792	
Electricity and water	195,762	
Medical		
Administration costs	333,973	
Activity	24,000	
Other vote heads		
Total	3,518,215	

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	Jan - June 2021	
	Kshs	
Personnel emoluments	192,200	
Fee on Boarding Equipment and stores	8,761,024	
Repairs and maintenance	115,145	
Local transport / travelling	134,500	
Electricity and water	134,500	
Medical	-	
Administration costs	96,105	
Activity	57,500	
P.A project	96,105	
Total	9,587,079	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	Jan – June 2021	2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores		-
Rent income		-
Income from farming activities		-
Sales of Borehole water		-
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

	Jan – June 2021	
	Kshs	
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	1,027,050	
Chalks		
Teachers guides		
Bank Charges	960	
Total	1,028,010	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	Jan – June 2021	
		Kshs
Personnel emoluments	1,132,117	
Service Gratuity		
Administration Costs	136,670	
Repairs and maintenance & improvements	39,580	
Local transport / travelling	90,000	
Electricity and water	222,537	
Medical		
Activity Expenses	85,088	
Infrastructure expenses / CLASSROOM AND LAB CONTR	-	
Other Vote heads		
Insurance Cost		
Bank Charges		
Acquisition of Assets		
DORM CONSTRUCTION	1,173,108	
LAB CONTRUCTION	638,600	
Infrastructural accounts	525,638	
TOTAL	4,043,338	

7 BOARDING AND SCHOOL FUND PAYMENTS

	Jan – June 2021	
		Kshs
Personnel emoluments	604,756	
Service Gratuity		
Repairs and maintenance & Improvements	842,550	
Local transport / travelling	767,800	
Electricity and water	65,535	
Activity	70,500	
Medical Expenses	32,550	
Administration costs	62,610	
M.I	335,652	
Posho mill		
Ground and bus hire		
Bank Charges		
Farming activities		
Fee on Boarding Equipment and Stores	5,510,869	
Rent Expenses		
Insurance cost		
Piece of Land		
Lab chemicals		
Acquisition of Assets		

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TOTAL	8,292,822	
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	Jan – June 2021	
		Kshs	
Tuition Account	01139276647700	152,346	
Operations Account	01139276647701	961	
School Fund Account/Boarding	01129276472300	102,892	
Savings Account			
Parent Association Development Account			
Income generating activities Account			
Infrastructural Account	01139276647702	63,214	
Farm account			
Total		319,413	

9 CASH IN HAND

Description	Jan – June 2021	
	Kshs	
Infrastructure Account	0	
Operation Account	38	
School Fund account	1,000	
Total	1038	

10 SHORT TERM INVESTMENTS

Description	Jan – June 2021	2020
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

SALVATION ARMY MALANI SECONDARY SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	Jan – June 2021	
	Kshs	
Fees arrears	8,009,924	
Other non-fees receivables		
Salary advances		
Imprest		
Total	8,009,924	

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

Description	Jan – June 2021	
	Kshs	
Fees arrears for current year	4,969,999	
Fees arrears for the previous year	3,041,925	
Fees arrears for prior periods (over two years)		
Total	8,009,924	

12 ACCOUNTS PAYABLE

Description	Jan – June 2021	
	Kshs	
Trade creditors (See ageing below and appendix 1)	3,812,224	
Prepaid fees	242,845	
Retention monies	-	
Total	4,055,069	

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

Description	Jan – June 2021	
	Kshs	
Trade creditors for current year	2,988,430	
Trade creditors for the previous year	823,794	
Trade creditors for prior periods (over two years)	-	
Total	3,812,224	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	Jan – June 2021	
	Kshs	
Bank balances	27,806	
Cash balances	5,669	
Short Term Investments	-	
Receivables	3,041,925	
Payables	649,024	
Total	3,724,224	

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Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	Jan – June 2021	2020
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

15 Biological assets

Description	Numbers	Jan – June 2021	2020
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	--
Coffee or tea plantation		-	-
Poultry		-	-
Total		-	-

16 Borrowings

Description	Jan – June 2021	2020
	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	-	-

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Other important disclosure notes

17 Stock/ Inventory

Description	Jan – June 2021	2020
	KShs	KShs
b) Stock / inventory		
Stock/ inventory at beginning of the year	65,000	-
Stock/ inventory purchased during the year	4,543,280	-
Stock/ inventory issued during the year	4,608,000	-
Balance at end of the year	28000	-

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18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 20XX-1	Comments
	a	b	c	d = a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. JOSEPH MALONZA	3,052,000	8/1/2021	1,636,000	1,416,000		
5. JAMII BOOKSELLERS	392,985	8/1/2021	0	392,985		
6. FRESH DEW VENTURES FRESH DEW VENTURES	498,000	8/1/2021	300,000	198,000		
7. STEPHEN KATUTU	33,000	8/1/2021	0	33,000		
8. TRAVELLERS BUTCHERY	54,000	8/1/2021	0	54,000		
9. SAMSON MUINDI	45,000	28/1/2020	33,520	11,480		
10. SA MAIANI CLINIC	52,890	8/1/2021	0	52,890		
11. SA MAINI BOREHOLE	176,000	15/6/2020	24,000	152,000		
12. GOOD TIDINGS	450,000	8/1/2021	364,420	85,580		
13. EASTLAB SUPPLIES	939,000	16/2/2020	398,000	1,416,289		
Sub-Total				3,812,224		
Supply of services						
14.						
15.						
16.						
Sub-Total						
Grand Total						

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st JAN 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	
Land 1 (BELONDS TO CHURCH)		MAIANI	2,250,000	00		2,250,000
Land 2 (ACQUIRED)		MAIANI	250,000	00		250,000
Buildings and structures			10,000,000	00		10,000,000
Motor vehicles						
Office equipment, furniture and fittings			500,000	00		500,000
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks			2,000,000			2,000,000
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total			15,000,000			15,000,000

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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	Jan – June 2021	
			Kshs
RECEIPTS			
Capitation grants for tuition	1	545,852	
Capitation grants for operations	2	3,518,215	
School Fund Income- Parents' Contributions	3	9,587,079	
School Fund Income- Other receipts	4	-	
Proceeds from borrowings			
TOTAL RECEIPTS		13,651,146	
PAYMENTS			
Payments for Tuition	5	1,028,010	
Payments for operations	6	4,043,338	
Boarding and school fund payments	7	8,292,822	
TOTAL PAYMENTS		13,364,170	
SURPLUS/DEFICIT		286,976	

The school financial statements were approved on 15 sep. 2021 and signed by:

Sign: 

Edward Kisenge Kiema

Chair BOM

Date: 21/6/2024

Sign: 

Damaris M. Mutisya

School Principal/
Secretary to BOM

Date: 21/6/2024

Sign: 

Lawrence M. Muia

Bursar/
Finance Officer

Date: 21/6/2024



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IV. REPORT OF THE OFFICE OF THE AUDITOR GENERAL ON THE ANNUAL FINANCIAL STATEMENTS OF SALVATION ARMY MAIANI SECONDARY SCHOOL OF THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

To be attached