

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
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REPORT

THE NATIONAL ASSEMBLY
PAPERS (AID)

DATE: 30 NOV 2023

DAY

THURS

TABLED
OF:

Hon Naomi Waco, MP
Deputy Majority Whip

CLERK-AT
THE-TABLE:

A. Shumbaki

THE AUDITOR-GENERAL

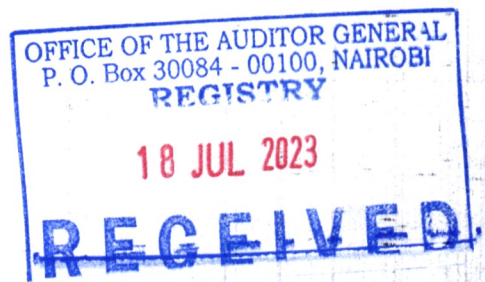
ON

KYAMULENDU SECONDARY SCHOOL

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

MACHAKOS COUNTY

Revised 30th June 2021.



KYAMULENDU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2022

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

AIC KYAMULENDU SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

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AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

(c) Committees of the Board

Ref	Name of Committee	Names of Members	Designation	Number of Members
1	Executive Committee	Paul Mulelu Harrison Song'e Patrick Kivaya Leonard Ndolo Phylis Kamitu	Bom Secretary/Principal Bom Chairman Member P.A Chairperson Member	
2	Audit Committee		N/A	
3	Finance, procurement and general purposes Committee			
4	Academic Committee	Phylis Kamitu Paul Mulelu Harrison Songe Ngigi Joseph Leonard Ndolo	Chairperson BOM Secretary/Principal Bom Chairman/Member D.Principal/Secretary Member	
5	Development Committee	Richard Mutuku Paul Mulelu Harrison Songe Patrick Kibaya Leonard Ndolo	Chairperson BOM Secretary/Principal Bom Chairman/Member Member Member	
6	Discipline and welfare Committee	N/A		
7	Adhoc Committee (if any during the year)	N/A		

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Paul Mulelu	305190
2	Deputy Principal	Ngigi Joseph	289981
3	School Bursar	Loise Maundu	

AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

(c) Committees of the Board

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Paul Mulelu Harrison Song'e Patrick Kivaya Leonard Ndolo Phylis Kamitu	Bom Secretary/Principal Bom Chairman Member P.A Chairperson Member	
2	Audit Committee		N/A	
3	Finance, procurement and general purposes Committee			
4	Academic Committee	Phylis Kamitu Paul Mulelu Harrison Songe Ngigi Joseph Leonard Ndolo	Chairperson BOM Secretary/Principal Bom Chairman/Member D.Principal/Secretary Member	
5	Development Committee	Richard Mutuku Paul Mulelu Harrison Songe Patrick Kibaya Leonard Ndolo	Chairperson BOM Secretary/Principal Bom Chairman/Member Member Member	
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Reports and Financial Statements

For the year ended 30th June 2022

(e) Schools contacts

Post Office Box: 456-90131
Telephone: 0720919883
E-mail: Kyamulendu@gmail.com

(f) School Bankers

The following school operated five number of bank accounts in the following banks:

1. Name of Bank: Equity
Branch: Tala
Account Number: 0900299287278 - Operations Account
2. Name of Bank: Equity
Branch: Tala
Account Number: 0900299287293 - Tuition Account
3. Name of Bank: Equity
Branch: Tala
Account Number: 0900278989773 - Infrastructure Account
4. Name of Bank: Equity
Branch: Tala
Account Number: 0900262360981 - CDF Account
5. Name of Bank: KCB
Branch: Tala
Account Number: 1156633540 - School Fund Account
6. MPESA Pay Bill No. N/A

(g) Independent Auditors

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

AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

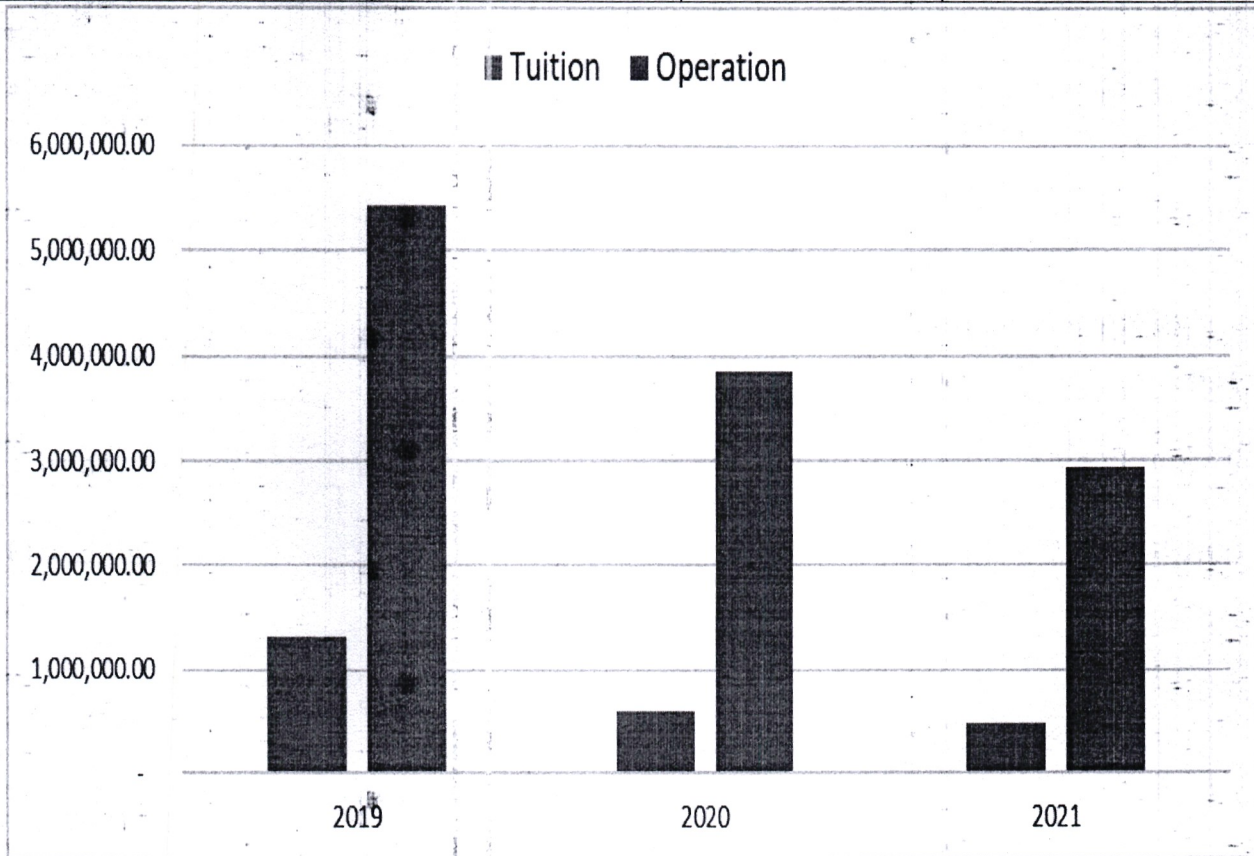
For the year ended 30th June 2022

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

a) Financial Performance

CAPITATION FOR THE LAST THREE YEARS

	2019	2020	2021
Tuition	1,321,320.80	605,989.00	474,908.75
Operation	5,426,657.64	3,861,025.00	2,933,029.00



AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

RATIO OF CAPITATION GRANT PER STUDENT

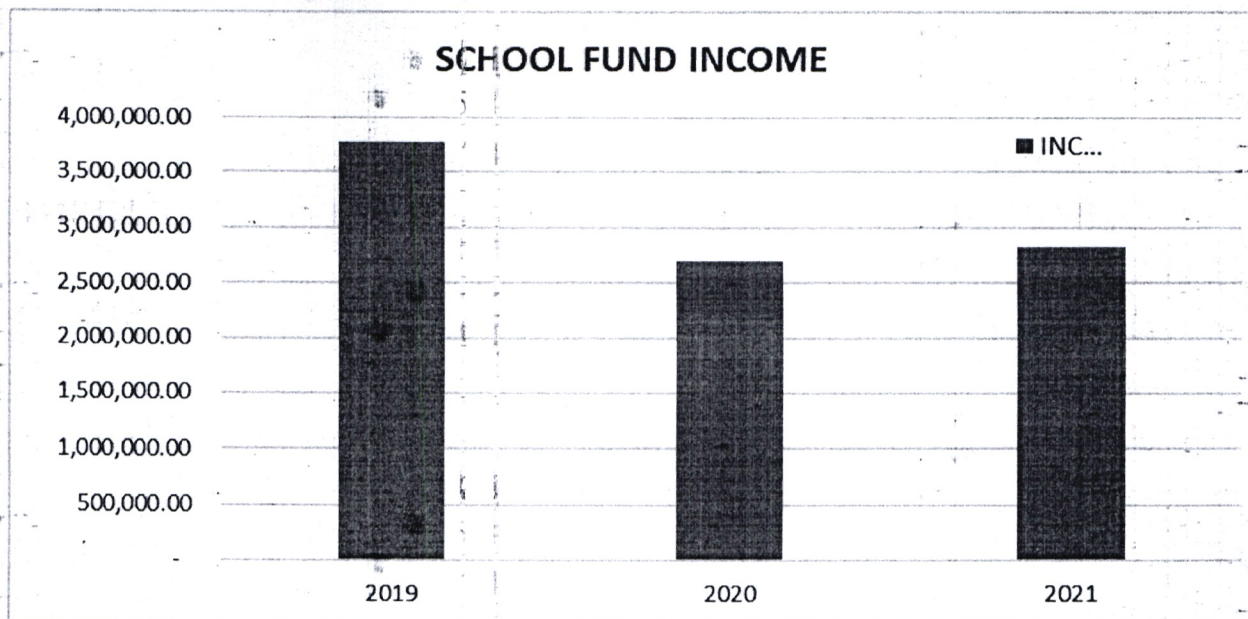
YEAR	2019	2020	2021
Tuition	1,321,320.80	605,989.00	474,908.75
Operation	5,426,657.64	3,861,025.00	2,933,029.00
Total	6,747,978.44	4,467,014.00	3,407,937.75

Student population	282	318	339
	23,929.00	14,047.21	10,052.91
RATIO	1:23,929.00	1:14,047.21	1:10,052.91

THREE YEAR OVERVIEW OF GROWTH OF OTHER INCOMES

SCHOOL FUND A/C

	INCOME
2019	3,776,725.00
2020	2,694,114.00
2021	2,820,800.00

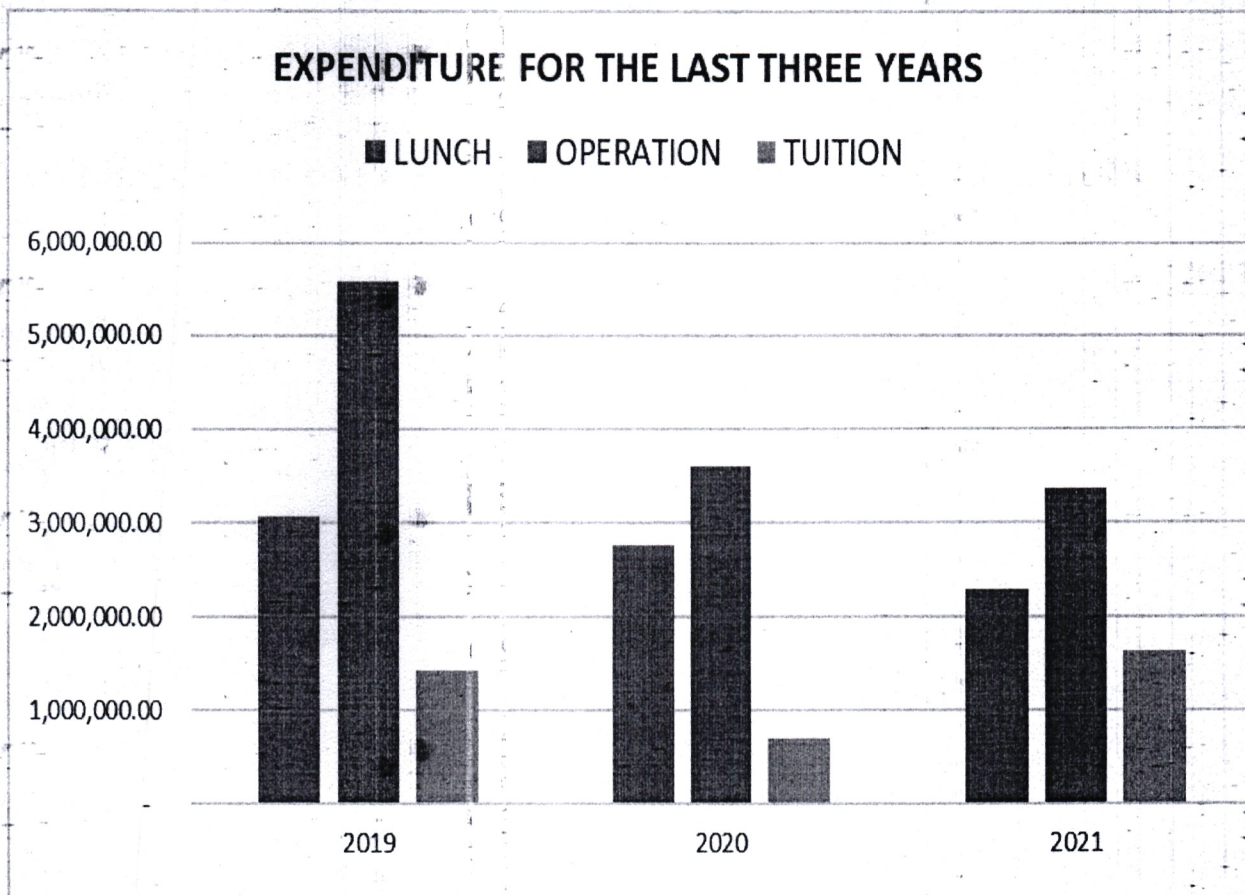


AIC KYAMULENDU SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

OVERVIEW OF EXPENDITURE FOR THE LAST THREE YEARS

EXPENDITURE

	2019	2020	2021
LUNCH	3,070,902.00	2,771,191.00	2,291,393.00
OPERATION	5,581,417.04	3,615,105.00	3,362,053.00
TUITION	1,439,317.28	704,963.00	1,648,401.00



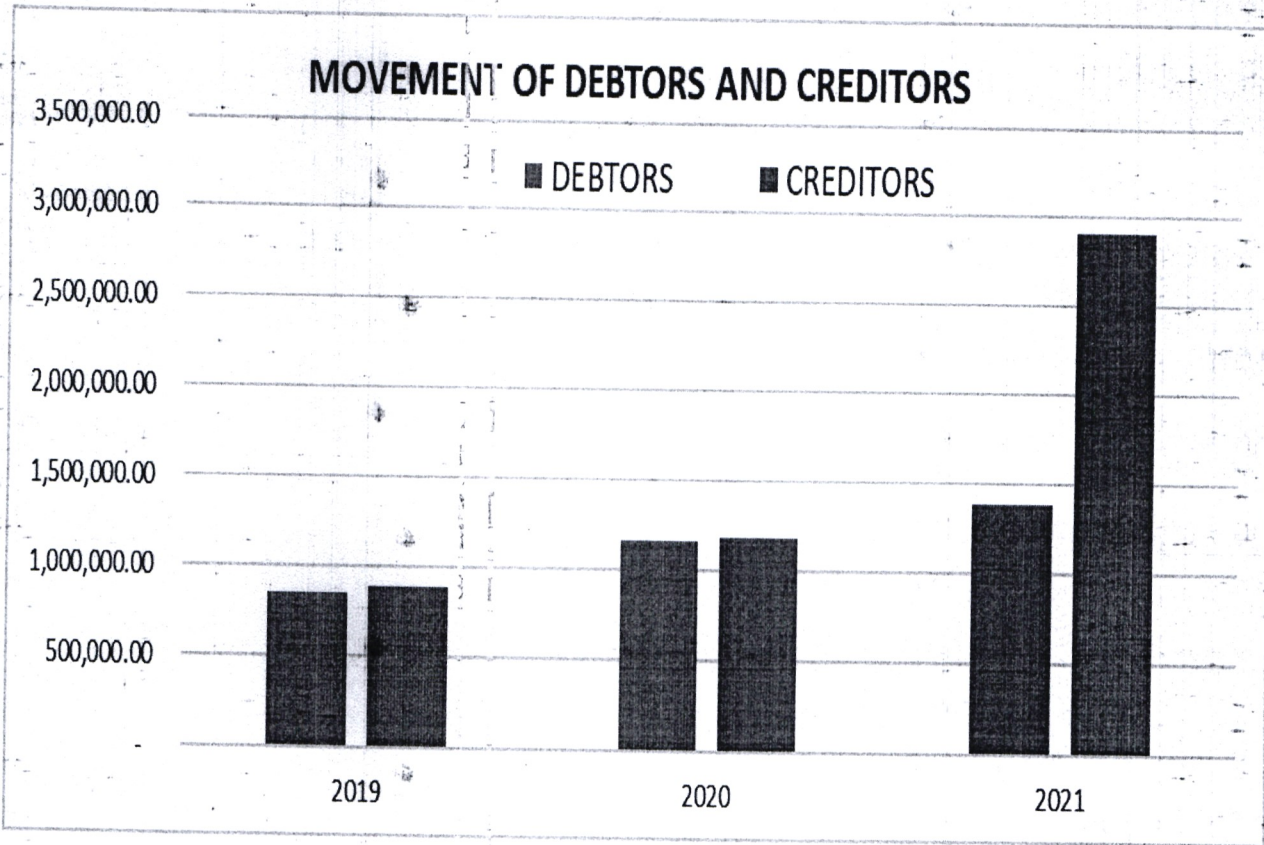
AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

THREE OVERVIEW OF MOVEMENT OF DEBTORS AND CREDITORS

	DEBTORS/CREDITORS		
	2019	2020	2021
DEBTORS	850,835.00	1,166,389.00	1,394,369.00
CREDITORS	892,140.00	1,189,410.00	2,914,314.00



AIC KYAMULENDU SECONDARY SCHOOL

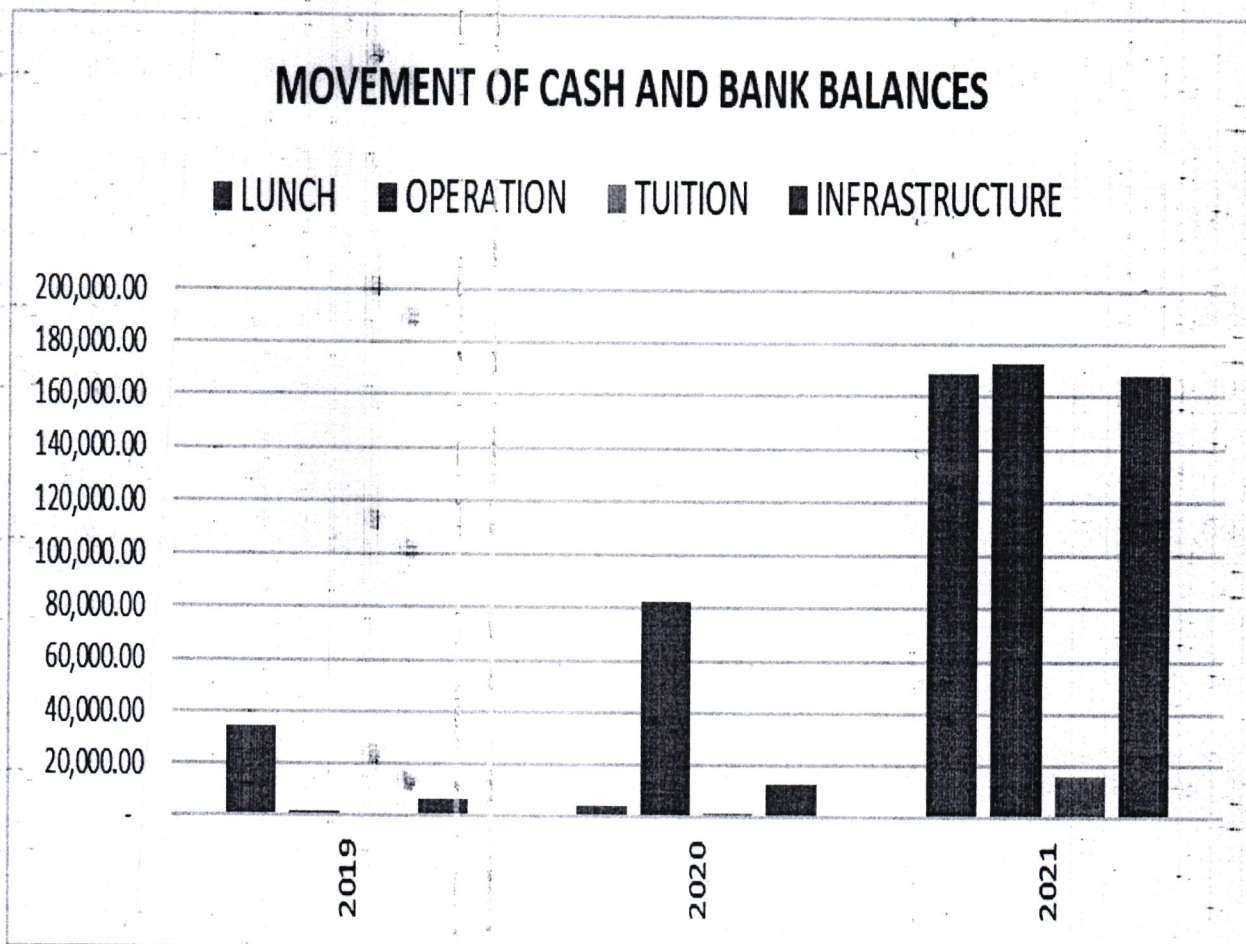
Reports and Financial Statements

For the year ended 30th June 2022

MOVEMENT OF CASH AND BANK BALANCES FOR THE LAST THREE YEARS

CASH AND BANK BALANCES

	2019	2020	2021
LUNCH	34,471.85	4,659.85	168,906.85
OPERATION	1,616.34	82,382.34	172,721.79
TUITION	1,311.92	1,942.92	16,111.67
INFRASTRUCTURE	6905	13,455.00	168,515.00



AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

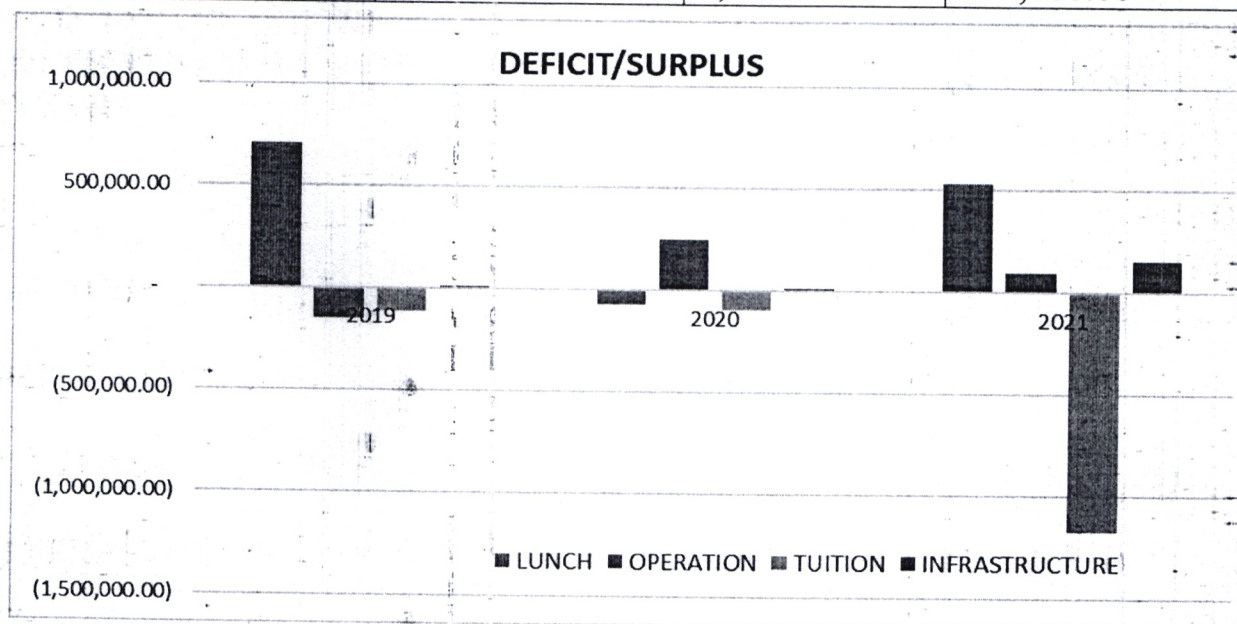
For the year ended 30th June 2022

AIC KYAMULENDU SECONDARY SCHOOL

NON FINANCIAL INFORMATION

DEFICIT/SURPLUS FOR THE YEAR AND FOR THE LAST THREE YEARS

	2019	2020	2021
LUNCH	705,823.00	(77,077.00)	529,407.00
OPERATION	(154,759.40)	245,920.00	93,916.00
TUITION	(117,996.48)	(98,974.00)	(1,173,492.25)
INFRASTRUCTURE	6,905.00	6,550.00	155,060.00



b) Teacher Student ratio:

Teacher student ratio : 15 : 363

Recruitment within the year: 1

Transferred teachers : 2

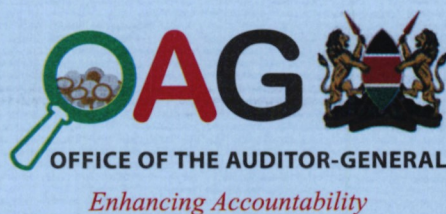
Retired teachers : 0

TSC employed teachers within the year : 1

BOM teachers employed within the year : 0

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KYAMULENDU SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - MACHAKOS 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 the 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 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, 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 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 Kyamulendu Secondary School - Machakos County set out on pages 1 to 19, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2022, statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies, notes to the financial statements and other important disclosures 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, the financial statements present fairly, in all material respects, the financial position of the Kyamulendu Secondary School - Machakos County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Variance in Accounts Payables Balance

The statement of financial assets and financial liabilities and Note 12 to the financial statements reflects accounts payables balance of Kshs.6,945,412. Included in the balance is an amount of Kshs.6,802,012 in respect of trade creditors. However, analysis on the trade payables provided for audit indicated a balance of 4,807,539 resulting to an unexplained variance of Kshs.2,137,873.

In the circumstances, the accuracy and completeness of the accounts payables of Kshs.6,945,412 could not be confirmed.

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

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.

Other Matter

Under Capitation to the School

Review of students' capitation records revealed that not all students admitted to the school receive capitation funds as analysed below;

Month	Students Population	Number of Students in Receipt of Capitation	Variance
1 st Quarter - 2021	398	389	9
2 nd Quarter - 2021	368	312	56
3 rd Quarter - 2021	393	375	18
1 st Quarter - 2022	393	389	4
2 nd Quarter - 2022	398	394	4
3 rd Quarter - 2022	393	365	28

Management explained that the variances were as a result of students who had not been registered with National Education Management Information System (NEMIS).

In the circumstances, the school had to cover the capitation deficit from its own resources hence depriving the school of the much-needed funding to the already strained resources.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Long Outstanding Fees Arrears

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.2,091,689. Included in this balance is an amount of Kshs.376,239 which has been outstanding for more than two (2) years. The only mechanism of recovery the School has is to recover the arrears when the students visit School to collect the clearance certificates.

In the circumstances, the recoverability of school fees arrears of Kshs.376,239 is doubtful.

2. Lack of School Improvement Plan

During the year under review, the school did not have a school improvement plan as required by the Ministry of Education operations manual for utilization of learner capitation grant and other school funds.

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

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 THE 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal 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 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 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 controls 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the 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 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 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

AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

V. STATEMENTS OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDING 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020 - 2021
RECEIPTS			
Capitation grants for tuition	1	1,260,613	474,909
Capitation grants for operations	2	5,665,033	2,933,029
School Fund Income- Parents' Contributions/fees	3	6,544,415	2,820,800
Infrastructure	4		
Proceeds from borrowings			
TOTAL RECEIPTS		13,470,061	6,228,738
PAYMENTS			
Payments for Tuition	5	2,149,613	1,648,401
Payments for operations	6	7,910,058	3,362,053
Boarding and school fund payments	7	7,040,591	2,291,393
TOTAL PAYMENTS		17,100,262	7,301,847
SURPLUS/DEFICIT		(3,630,201)	(1,073,109)

Name:

A. Sange

Chairman, BoM

Sign:

A. Sange

Date:

10/7/22

Name:

Paul M. M. M. M.

School
Principal/Secretary
to BoM

Sign:

Paul M. M. M. M.

Date:

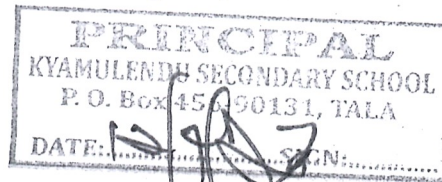
10/7/22

Name:

Bursar/Finance

Sign:

Date:



AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

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

	Note	2021 - 2022	2020 - 2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	224,319	515,010
Cash Balances	9	5,513	11,246
Short term Investment	10	1,076	1,076
Total Cash and Cash Equivalents		230,908	527,331
Account's receivables	11	2,091,689	1,394,369
TOTAL FINANCIAL ASSETS		2,322,597	1,921,700
FINANCIAL LIABILITIES			
Accounts Payable	12	6,945,412	2,914,314
NET FINANCIAL SSETS		(4,622,815)	(992,614)
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	(992,614)	80,495
Surplus/Defict for the year		(3,630,201)	(1,073,109)
NET FINANCIAL POSITION		(4,622,815)	(992,614)

Name: *H. S. S. S. S.*

Chairman, BoM

Sign: *[Signature]*

Date: 12/07/23

Name: *PAUL MULEHU*

Principal/Secretary to BoM

Sign: *[Signature]*

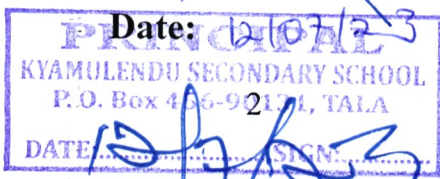
Date: 12/07/23

Name: *LOISE MAUNOH*

Bursar/Finance

Sign: *[Signature]*

Date: 12/07/2023



AIC KYAMULENDU SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	1,260,613	474,909
Capitation grants for operations	2	5,665,033	2,933,029
School fund income- Parents contributions/ fees	3	6,544,415	2,820,800
Other receipts(Infrasructure)	4	-	-
Total receipts		13,470,061	6,228,738
Payments			
Payments for Tuition		2,149,613	1,648,401
Payments for operations		7,910,058	3,362,053
Boarding and school fund payments		7,040,591	2,291,393
Infrastructure		-	-
Total payments		17,100,262	7,301,847
Net increase in creditors/debtors		3,333,778	1,496,924
Net cash flow from operating activities		(296,423)	423,815
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets		-	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(296,423)	423,815
Cash and cash equivalent at BEGINNING of the year		526,256	102,440
Cash and cash equivalent at END of the year		229,832	526,256

AIC KYAMULENDU SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	0	0	0	-	-	0
Exercise books	0	0	0	-	-	0
Laboratory equipment	0	0	0	-	-	0
Internal exams	0	0	0	-	-	0
Teaching / learning materials	1,450,400.00	0	1,450,400.00	1,260,613.40	189,786.60	86.91
Chalks	0	0	0	-	-	0
Exams and assessment	0	0	0	-	-	0
Teachers guides	0	0	0	-	-	0
TOTALS	1450400	0	1450400	1260613.4	189786.6	86.91487865
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	0	0	0	-	-	-
Repairs and maintenance	1,750,000.00	0	1,750,000.00	2,249,000.00	(499,000.00)	128.51

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Local transport / travelling	0	0	0	0	-	-	-
Electricity and water	0.00	0	0.00	-	-	-	-
Medical	700000	0	70000	78,800.00	(8,800.00)	112.57	-
Other Voteheads	3,290,000.00	0	3,290,000.00	3,416,033.00	(126,033.00)	103.83	-
Activity	525000	0	0	-	-	-	-
Gratuity	0	0	0	-	-	-	-
SMASSE	0	0	0	-	-	-	-
TOTALS	6265000	0	5110000	5743833	-633833	344.9165046	
(3) FEES CHARGED ON PARENTS							
Personnel emoluments	0	0	0	-	-	-	-
Repairs and maintenance	0	0	0	-	-	-	-
Lunch programme	4,200,000.00	0	4,200,000.00	6,544,415.00	(2,344,415.00)	155.82	-
Electricity and water	0	0	0	-	-	-	-
Medical	0	0	0	-	-	-	-
Administration costs	0	0	0	-	-	-	-
Activity	0	0	0	-	-	-	-
SMASSE	0	0	0	-	-	-	-
OTHER INCOME	0	0	0	-	-	0	

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Rent income	0	0	0	-	0	
Fee for hire of ground and equipment	0	0	0	-	0	
Interest income	0	0	0	-	0	
Income from any other investment	0	0	0	-	0	
TOTAL INCOME	4200000	0	4200000	6544415	-2344415	
(1) EXPENDITURE FOR TUITION					155,819,404.8	
T/L materials	1,450,400.00	0	1,450,400.00	2,149,613.00	(699,213.00)	148.21
Exams and assessment	0	0	0	-	-	0
Teachers guides	0	0	0	-	-	0
Administration costs	0	0	0	-	-	0
Bank Charges	0	0	0	-	-	-
TOTALS	1,450,400.00	0.00	1,450,400.00	2,149,613.00	-699,213.00	148.21
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	0	0	0	-	-	-
Repairs, maintenance & improvements	1,750,000.00	0	1,750,000.00	2,676,090.00	(926,090.00)	152.92
Local transport / travelling	0	0	0	-	-	-
Electricity, water and conservancy	0	0	0	-	-	-

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Medical	700000	0	70000	4,000.00	66,000.00	5.71
Other Voteheads						
Activity Expenses	3,290,000	0	3,290,000	5,233,968.00	(1,943,968.00)	159.09
Gratuity	525,000.00	0	525,000.00	22,065.00	502,935.00	4.20
SMASSE	0	0	0	-	-	-
TOTALS	6265000	0	5635000	7936123	-2301123	321.9237447
(3) EXPENDITURE FOR SCHOOL FUND						
Repairs, maintenance and improvements	0	0	0	0	0	0
Local transport / travelling	0	0	0	0	0	0
Electricity, water and conservancy	0	0	0	0	0	0
Medical Expenses	0	0	0	0	0	0
Administration costs	0	0	0	0	0	0
Activity	0	0	0	0	0	0
Gratuity	0	0	0	0	0	0
Lunch programme	4,200,000.00	0	4,200,000.00	7,040,591.00	(2,840,591.00)	167.63
Boarding Equipment and Stores	0	0	0	-	-	-
Personal emoluments	0	0	0	-	-	-
Bank Charges	0	0	0	-	-	-
TOTALS	4200000	0	4200000	7040591	-2840591	167.63

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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 recognizes 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 recognizes 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 personal 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.

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5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorized public officers and / or institutions which were not surrendered or accounted for 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 training a portion of contracted services and works pending fulfillment 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 past years.

7. Non-current assets

Non – current assets are expensed at the time 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 memorandum to these financial statements.

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

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X. NOTES TO THE FINANCIAL STATEMENTS

CAPITATION GRANT FOR		
1	TUITION	
		2021-2022
		2020-2021
		Kshs
		Kshs
	Textbooks	-
	Exercise books	-
	Laboratory equipment	-
	Internal exams	-
	Teaching / learning materials	1,260,613.40
	Chalks	-
	Exams and assessment	-
	Teachers guides	-
	Reference books	-
	Total	1,260,613.40
		474,908.75
2	CAPITATION GRANT FOR OPERATIONS	
		2021-2022
		2020-2021
		Kshs
		Kshs
	Personnel emoluments	-
	Repairs and maintenance	-
	Infrastructural A/c	2,249,000.00
	Medical and insurance	-
	Activity	-
	Other voteheads	3,416,033.00
	Activity	-
	Total	5,665,033.00
		2,933,029.00

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3	PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT		
		2021-2022	2020-2021
	Lunch Programme	5,957,915	2,352,800
	Repairs and maintenance	-	-
	Tender	21,000.00	10,000.00
	Electricity and water	-	-
	Bursary	565,500.00	458,000.00
	Administration costs	-	-
	Activity	-	-
	Total	6,544,415.00	2,820,800.00
4	OTHER RECEIPTS – SCHOOL FUND ACCOUNT		
		2021-2022	2020-2021
		Kshs	Kshs
	Fee on Boarding Equipment and Stores	-	-
	Rent income	-	-
	Beddings	-	-
	Income from Bus Hire/ground	-	-
	Total	-	-
5	PAYMENTS FOR TUITION		
		2021-2022	2020-2021
		Kshs	Kshs
	Textbooks	-	-
	Exercise books	-	-

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	Laboratory equipment	-	418,860.00
	Internal exams	-	396,000.00
	Teaching / learning materials	2,086,673.00	831,801.00
	Chalks	-	-
	Chalk and Dusters	-	-
	Exams and assessment	57,000.00	-
	Teachers guides	-	-
	Administration Costs	-	-
	Bank Charges	5,940.00	1,740.00
	Total	2,149,613.00	1,648,401.00
6	PAYMENTS FOR OPERATIONS		
		2021-2022	2020-2021
		Kshs	Kshs
	Activity fees	-	-
	Medical	-	-
	Other Voteheads	5,233,968.00	2,483,713.00
	Repairs and maintenance & improvements		
	Infrastructure Account	2,676,090.00	878,340.00
	Bank charges	-	-
	TOTAL	7,910,058.00	3,362,053.00
7	BOARDING AND SCHOOL FUND PAYMENTS		
		2021-2022	2020-2021
		Kshs	Kshs
	Activity	1,650.00	-
	Personnel emoluments	141,000.00	22,464.00

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Repairs and maintenance & Improvements	115,640.00	80,520.00
LTT	321,600.00	87,400.00
Electricity and water	450,600.00	122,300.00
Bank charges	8,984.00	
Bursary	565,500.00	458,000.00
Administration costs	1,988,667.00	524,114.00
Lunch Programme	3,446,950.00	986,595.00
Tender	-	10,000.00
TOTAL	7,040,591.00	2,291,393.00

8 BANK ACCOUNTS

	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account		21,709.07	16,111.67
Operations Account		134,431.99	165,478.79
School Fund Account/Boarding		58,083.35	165,554.35
Savings Account	0	-	-
Income generating activities Account		-	-
Infrastructural Account		10,095.00	167,865.00
Farm Account	0	-	-
Total		224,319.41	515,009.81

9 CASH IN HAND

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	1,863.00	7,243.00

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Infrastructure Account		360.00	650.00
School Fund account		3,290.00	3,352.50
Total		5,513.00	11,245.50

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SHORT TERM INVESTMENTS

Description		2021-2022	2020-2021
		Kshs	Kshs
Cooperative shares		-	-
Treasury Bills		-	-
Fixed deposit		-	-
Equity stock		-	-
Other investments		1,076.00	1,076.00
Total		1,076.00	1,076.00

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ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	2,091,689.00	1,394,369.00
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	2,091,689.00	1,394,369.00
[Include an ageing of the fees / non fees arrears below]		
Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,110,800.00	604,650.00
Fees arrears for the previous year	604,650.00	661,609.00

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	Fees arrears for prior periods (over two years)	376,239.00	128,110.00
	Non fees arrears for current year	-	-
	Non fees arrears for previous year	-	-
	Non fees arrears for prior periods	-	-
	Total	2,091,689.00	1,394,369.00
12	ACCOUNTS PAYABLE		
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Trade creditors (See ageing below and appendix 1)	6,802,012.00	2,873,014.00
	Prepaid fees	143,400.00	41,300.00
	Retention monies	-	-
	Total	6,945,412	2,914,314
	[Include an ageing of the creditor's arrears below]		
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Trade creditors for current year	4,807,539.00	2,600,999.00
	Trade creditors for the previous year	2,137,873.00	313,315.00
	Trade creditors for prior periods (over two years)	-	-
	Total	6,945,412.00	2,914,314.00
13	FUND BALANCE BROUGHT FORWARD		
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Bank balances	515,009.81	99,747.61

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Cash balances	11,245.50	2,692.50
Short Term Investments	1,076.00	1,076.00
Receivables	1,394,369	1,166,389
Payables	2,914,314	1,189,410
Total	4,836,014.31	2,459,315.11

Other important disclosure notes

14 Non-current Liabilities Summary

Description	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Bank loan(s)	-	-	-
Outstanding Leases	-	-	-
Hire purchase	-	-	-
Gratuity and leave provision	-	-	-
Total	-	-	-

15 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	0	-	-
Pigs	0	-	-
Trees(blue gum)	0	-	-
Coffee or tea plantation	0	-	-
Poultry	0	-	-
Total	0	-	-

16 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs

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XI. ANNEXES

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

1. TUITION ACCOUNT

Litemore limited	-	42,108.00
Paul Muoki Muya	-	30,300.00
Blanche Ndolo	-	17,590.00
Beybar Ltd	-	970,980.00
Prisah Enterprises	-	528,660.00
		1,589,638.00

2. OPERATIONS ACCOUNT

Prisah Enterprises	-	1,360,968.00
Domain security Services	-	94,500.00
		1,455,468.00

3. SCHOOL FUND ACCOUNT

Fratex general services	-	891,650.00
Muasya & sons	-	12,100.00
DPL Festive	-	30,813.00
Muwama Investment	-	21,500.00
Victoria Mwikali	-	21,400.00
Loka Agencies	-	56,200.00
		1,033,663.00

4. INFRASTRUCTURE ACCOUNT

Beybar ltd	-	547,810.00
Muinde Agri-implements	-	180,960.00
		728,770.00

Prepared by:

LOISE MAUNDU Date 12/07/23 Sign [Signature]

Accounts Clerk

Certified by:

PAUL MULEI MULEU Date 12/07/23 Sign [Signature]

Principal



AIC KYAMULENDU SECONDARY SCHOOL

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ANNEX 2 . SUMMARY OF FIXED ASSETS

**Asset class-
Buildings and
structures**

Name/ Description of Buildings and structures	Unit	Location	Opening Balance 30th July 2021	Additions during the year	Disposals during the year	Balance as at the end of the year ended 30 th June 2022	Source.S2 stores ledgers numbers
							I.f no.
45 Student capacity Classrooms	No.	School	8	1		9	
100 Capacity Dormitories-Girls	No.		0	0		0	
150 Capacity Dormitories-Boys	No.		0	0		0	
Principals Office	No.		0	1		1	
Staffroom(partitioned class)	No.		1	0		1	
Administration Block -Stores	No.		0	0		0	
Teachers Toilets	No.		2	0		2	
Students Toilet- 8door	No.		1	1	1	1	
Kitchen	No.		1	0		1	
Science Laboratories	No.		0	0		0	
Multipurpose hall 1200 capacity	No.		0	0		0	
Ablution Block	No.		0	0		0	
Store houses	No.		2	0		2	
Boreholes	No.		0	0		0	
10000l Plastic Tanks	No.		2	0		2	
Farm Houses	No.		0	0		0	
Entry and Exit Gates	No.		1	0		1	

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Name/ Description of of item	Unit	Location	Opening Balance 1st July 2021	Additions during the year	Disposals during the year	Balance as at the end of the year ended	Source stores ledger number
						30 th June 2022	l.f no
Executive Chair	No.	Principals Office	1	0	0	1	
Executive Chair	No.	D/Principals Office	1	0	0	1	
Office Desks	No.	Principals Office	1	0	0	1	
Teachers Chairs	No.	Staffroom	12	5		17	
Teachers Desks	No.	Staffroom	12	5		17	
Office Table	No.	Principals Office	1	0	0	1	
Office Chairs	No.	D/Principals Office	2	0	0	2	
Office Chairs	No.	Principals Office	3	0	0	3	
5 l Hand washing station	No.	School	3	0	0	3	
4 Drawer Metallic Filing Cabinet	No.	Principals Office	1	1	0	2	
Book shelf	No.	Principals Office	1	0	0	1	
Wall Clock	No.	Principals Office	1	0	0	1	
Wall Clock	No.	D/Principals Office	1	0	0	1	
Wall Clock	No.	Acc/Secretary Office	1	0	0	1	
Total							

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**Asset class: ICT
Equipment, and
Other ICT Assets**

Name/ Description of item	Unit	Location	Opening Balance 1st July 2021	Additions during the year	Disposals during the year	Balance as at the end of the year ended	Source.S2 stores ledgers numbers
						30 th June 2022	l.f no.
1.computers	No.	Acc/Secretary's office	2	0	0	2	
2.kyocera printers/photocopier	No.	Acc/Secretary's office	1	1	0	2	
3.projectors	No.	0	0		0	0	
4.CC TV CAMERA	No.	0	0	0		0	
5. TV	No.	School	2	0	0	2	
6.DVD-R player	No.		1	0	0	1	
Total							

**Asset class:
Textbooks**

Name/ Description of item	Unit	Location	Opening Balance 1st July 2021	Additions during the year	Disposals during the year	Balance as at the end of the year ended	Source.S2 stores ledgers numbers
						30 th June 2022	l.f no.
1.library books(listed	No.		7,428	380		7,808	

AIC KYAMULENDU SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

2.Diverse subjects -listed	No.						
3.Teacher reference books	No.						
	No.						
Total			7428	380		7808	

Asset class:

Other machinery and equipment

Name/ Description of of item	Unit	Location	Opening Balance	Additions during the year	Disposals during the year	Balance as at the end of the year ended	Source.S2- stores ledgers numbers
			1st July 2021			30 th June 2022	lf no.
1.maintenance machines,tools and equipments	No.						
2.kitchen deep freezer	No.	0	0	0		0	
3.kitchen cookers/Boilers	No.		2	0		2	
4.sports nets	No.		1	2		3	
	No.						
	No.						
	No.						
Total			3	2		5	

AIC KYAMULENDU SECONDARY SCHOOL

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Name/ Description of of item	Unit	Location	Opening Balance 1st July 2021	Additions during the year	Disposals during the year	Balance as at the end of the year ended 30 th June 2022	Source.S2 stores ledgers numbers
							l.f. no.
1.Trophies	No.	Principals office	5	2		7	
2. Drums	No.						
3. National flags	No.		1	1		2	
4.Uniforms- dramma	No.						
	No.						
	No.						
	No.						
	No.						
	No.						
	No.						
Total							

**Asset class:
Intangible
assets-soft ware**

Name/ Description of of item	Unit	Location	Opening Balance 1st July 2021	Additions during the year	Disposals during the year	Balance as at the end of the year ended 30 th June 2022	Source.S stores ledger number
							l.f. no
1. Examination department	No.	Staffroom	1	0	0	1	
2. Finance	No.	Acc.Secretary' s office	0	1		1	

