

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 04 JUN 2025	DAY: Wednesday
TABLED BY:	Hon. Naomi Wago, MP Deputy Majority Whip
CLERK-AT-THE-TABLE:	Irene Ndusku

THE AUDITOR-GENERAL

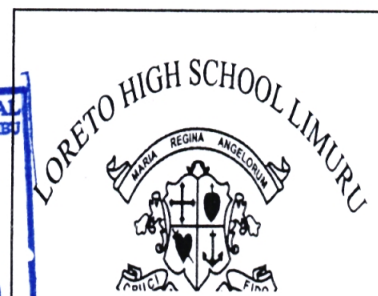
ON

LORETO HIGH SCHOOL LIMURU

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

KIAMBU COUNTY

Revised 30th June 2023.



Loreto High School Limuru

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

(Leave this page blank)

Table of Contents

Page

1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	viii
4. Statement of School Management Responsibility	x
5. Report Of The Independent Auditors (<i>To be attached</i>)	xi
6. Statement Of Receipts and Payments For the Year Ended 30 th June 2021	1
7. Statement of Assets and Liabilities As At 30 th June 2021	2
8. Statement of Cash Flows for the Year Ended 30 th June 2021	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2021	5
10. Significant Accounting Policies	10
11. Notes To The Financial Statements	12
12. Annexes	22

1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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

2. Key School Information and Management*Loreto High School Limuru***(a) Background information**

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

The school was registered in 27/11/2014 under registration number 22S0030023 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a day/boarding school and had 1412 number of students as at 30th June 2021. It has 7 streams and 60 teachers of which 3 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:

Sl. No.	Name of Board Member	Designation	Term of Office
1.	Mr. Cosmas Kamuyu	Chairman	20/06/2019
2.	Mrs. Eunice W. Njenga	Secretary - Principal	20/06/2019
3.	Arch. Dominic Muchemi	Member	20/06/2019
4.	Mrs Hellen Mbugua	Member	20/06/2019
5.	Mr. John Njenga	Member	20/06/2019
6.	Mrs. Eunice Macharia	Member	20/06/2019
7.	Mr. Patrick Matu	Member	20/06/2019
8.	Mr. Gathii Irungu	Member – Rep CEB	20/06/2019
9.	Mrs. Rosemary Kuru	Member Rep Teachers	20/06/2019
10.	Fr. John Kungu	Members - Sponsor	20/06/2019
11.	Sr Maria Themab	Members - Sponsor	20/06/2019
12.	Mr. Gabriel Karungu	Member - Community	20/06/2019
13.	Mrs Cathrine Kariuki	Member Special Needs	20/06/2019
14.	Ms Rebbecca Achieng	Rep Students	20/06/2019

The functions of the School Board of Management are to:

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

(c) Committees of the Board

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

1	Executive Committee	Mr. Cosmas Kamuyu Mrs Eunice W Njenga Mr. Samuel Njoroge Fr John Kungu Mrs Eunice Macharia	Chairman BOM Secretary BOM PA Chairman Member Vice Chair	2
2	Audit Committee	Mr. Samuel Njoroge Ms Recheal Wafula Arch. Dominic Muchemi	PA Chairman Member Member	2
3	Finance,procurement and general purposes Committee	Mr. Samuel Njoroge Ms Recheal Wafula Arch. Dominic Muchemi	PA Chairman Member Member	
4	Academic Committee	Mr. John Njenga Mrs. Rosemary Kuru Mrs Eunice W Njenga	Member Member BOM Secretary	
5	Development Committee	Mr. Gabriel Karugu Fr John Kungu Arch. Dominic Muchemi Mr Samuel Njoroge Mr Comas Kamuyu Mrs Eunice Macharia Mrs. Eunice Njenga	BOM Chairman Member Member PA Chairman BOM chairman Member Secretary BOM	

6	Discipline and welfare Committee	Mr. Gathii Irungu Mr. Patrick Matu Ms Hellen Mbugua Ms Catherine Kariuki Mrs Eunice Njenga	Chairman Member Member Member Secretary BOM	
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref	Designation	Name	Identification
1	Principal	Mrs Eunice W Njenga	TSC No.273053
2	Deputy Principal	Mrs Patricia Weber	TSC No.278267
3	School Bursar	Mr. Paul Kimani	ICPAK No.
4	Other (specify)		

(e) Schools contacts

Post Office Box: Private Bag
Telephone: 0721 747039
E-mail: admin@loretolimuru.co.ke
Website: loretolimuru.ac.ke
Facebook:
Twitter:

(f) School Bankers

1. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1163016071
 2. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1102191647
 3. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1107660130
 4. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1126149926
 5. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1124528466
 6. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1206455284
 7. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1122771290
 8. Name of Bank: Kenya Commercial Bank Ltd
Branch: Limuru
Account Number: 1158893256
 9. Name of Bank: ABSA Bank Ltd
Branch: Limuru
Account Number: 0111039372
- MPESA Pay Bill No. 522123 attached to 1163016071 bank account

(g) Independent Auditors

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

3. Summary Report of Performance of The School

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

a) Financial performance:

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

- *Surplus/ deficit for the year and a comparison of the same for the last three years*
- *Capitation grants from the Ministry of Education for the last three years*
- *A three-year overview of growth of other income(s) earned by the school.*
- *A three-year overview of growth in expenditure of the school*
- *Movement of debtors and creditors of the school over the last three years*

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

b) Teacher Student ratio:

(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).

c) Mean score in the 2021 KCSE:

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

d) Number of Candidates in the 2021 KCSE:

(Tabulate the number of candidates sitting for KCSE over the last three years).

e) Capacity of the school:

(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).

f) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

.....
.....

School Principal

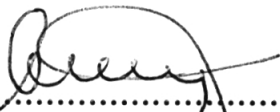
4. Statement of School Management Responsibility

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

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

The Board of Management of Loreto High School Limuru 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).

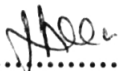
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 20XX, and of the school's financial position as at that date.



.....
Name: MR. LUSMA KANYO

Designation: Chairman, School Board of Management

Date: 20/7/2024



.....
Name: MRS. LEAH MWEBI

Designation: School Principal & Secretary to Board of Management

Date: 20/7/2024



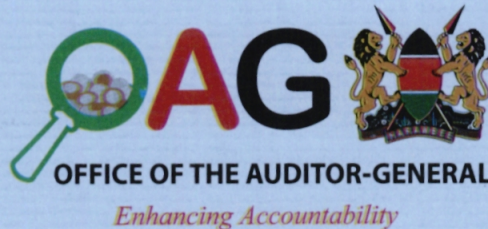
.....
Name: Mrs. KAMAN

Designation: Bursar/ Finance Officer

Date: 20/7/2024

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 LORETO HIGH SCHOOL LIMURU FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 – KIAMBU COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Loreto High School Limuru – Kiambu County set out on pages 1 to 25, which comprise of the statement of assets and

liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows, statement of budgeted versus actual amounts for the period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Loreto High School Limuru – Kiambu 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

1. Inaccuracies in the Financial Statements

- i. The statement of receipts and payments reflects receipts of Kshs.86,651,318 which are at variance with actual receipts of Kshs.79,071,599 in the statement of budgeted versus actuals resulting to an unreconciled and an unexplained variance of Kshs.7,579,719.
- ii. The statement of assets and liabilities reflects accounts receivables balances of Kshs.42,800,041. However, re-computation of the movement in the accounts receivables made up of opening balance of Kshs.42,745,579, total amount for the period of Kshs.86,651,318 and total actual receipts for the period of Kshs.77,239,129 results to a balance of Kshs.52,157,768 leading to an unreconciled and an unexplained variance of Kshs.9,357,727.
- iii. The statement of assets and liabilities further reflects accounts payables balance of Kshs.15,286,646. However, analysis of movement in accounts payables balance made up of opening balance of Kshs.13,067,011, total amount for the period of Kshs.80,999,329 and total actual payments for the period of Kshs.69,422,056 results to a balance of Kshs.24,644,284. This leads to unreconciled and unexplained variance of Kshs.9,357,638.
- iv. The statement of receipts and payments, statement of assets and liabilities, statement of cash flows and the progress on follow-up of Auditor-General Recommendations do not reflect the date when they were approved.

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

2. Un-Disclosed Assets

Note 17 to the financial statement discloses Nil biological assets. However, physical verification revealed various biological assets including cows, vegetables and trees.

In addition, the summary of fixed assets register at Annex 2 to the financial statements discloses historical cost of fixed assets carried forward of Kshs.219,531,000 which includes land with undisclosed value.

In the circumstances, the accuracy and completeness of the Nil biological assets and land could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Loreto High School Limuru 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 budgeted versus actual amounts reflects final receipts budget and actual on comparable basis totalling Kshs.88,767,319 and Kshs.79,071,599 respectively, resulting to income under-realization of Kshs.9,695,720 or 11% of the budget. However, Management spent an amount of Kshs.66,730,636 against actual receipts of Kshs.80,999,329 resulting to under expenditure amounting to Kshs.5,651,989 or 7%.

The under-realization of income negatively affected the planned activities.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

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

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

2. Unbalanced Budget

The statement of budgeted versus actual amounts reflects an amount of Kshs.88,767,319 and an amount of Kshs.76,861,469 in respect to approved receipts and expenditure respectively resulting to unreconciled variance of Kshs.11,905,850 contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that budget revenue and expenditure appropriations shall be balanced.

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

3. Failure To Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.11,293,561 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the grants is an amount of Kshs.6,132,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, funds were not transferred to infrastructure account, leaving a balance of Kshs.6,132,500 as at 30 June, 2021. This was contrary to The Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

4. Unauthorized Bank Accounts

The statement of assets and liabilities and as disclosed in Note 10 and 11 to the financial statements reflects bank and cash balances of Kshs.13,890,741 and Kshs.284,835 respectively totalling Kshs.14,071,815 in respect to bank balances being amounts held in seven (7) different commercial bank accounts. However, authority from The National Treasury to operate the seven (7) commercial banks was not provided for audit. This was

contrary to Section 28(1) of the Public Finance Management Act, 2012 which states that The National Treasury shall authorize the opening, operating and closing of bank accounts and sub-accounts for all National Government entities.

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

5. Failure to Prepare School Improvement Plan

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

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

6. Non-Compliance with the Law on Staff Ethnic Composition

Review of personal files revealed that the School had sixty five (65) employees. However, it was noted that fifty-two (52) or 80% were from the same ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment should have more than one third of its staff from the same ethnic community.

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

7. Failure to Prepare Annual Reports on Governance

The Board of Management of the School did not prepare Annual Reports on Governance as required by Section 60 of the Basic Education Act, 2013 which states Every Public School or Institution of basic education shall, submit on an annual basis a report to the Director of Basic Education.

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

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

REPORT ON 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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Variances in Number of Textbooks Delivered Compared to Enrolment Data

Review of records revealed that there were less textbooks issued compared to the number of learners enrolled as at 30 June, 2021 as shown below:

Text Book Title (Form 3 and 4)	Number of Text Books Verified from Documents to have been Received in 2020/2021	Date when Text Books were Received	Population of Form 3 and 4 Students in 2020/2021	Variance
Blossoms of the Savannah	739	9 January, 2021	741	2
Inheritance	738	9 January, 2021	741	3
A Doll's House	738	9 January, 2021	741	3
Chози La Heri	739	9 January, 2021	741	2
Tumbo Lisiloshiba	740	9 January, 2021	741	1
The Pearl	739	9 January, 2021	741	2
Memories We Lost	740	1 January, 2021	741	1
Total				14

In the circumstances, the unfavorable students-per-ratio may inconvenience learners hence affecting their academic performance.

2. Lack of Approved ICT Policy

Management did not have an approved ICT policy, data security and disaster recovery plan which increases the vulnerability of the School's operations to disruptions or outages

in ICT systems. Moreover, the School's inability to recover or restore critical infrastructure services and systems.

In the circumstances, the security and reliability of the School's management information system and data could not be confirmed.

3. Non-Operational Audit Committee

During the year under review, it was observed that although Management of the School had duly established an audit committee in accordance with Section 73(5) of the Public Finance Management Act, 2012, which mandates that every National Government entity should establish an audit committee with defined composition and functions as prescribed by the regulations, the committee was non-operational.

The committee members had not convened any meetings, and as a result, no minutes were recorded for such meetings. This lack of functionality raises concerns regarding the effectiveness of the audit committee in fulfilling its intended purpose of providing oversight and ensuring accountability in financial management.

In the circumstances, effective governance, risk and internal control management could not be confirmed.

4. Lack of Risk Management Policy

Management did not establish a risk management policy or document strategies for identifying potential risks that could impact the School's operations contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which provides that the role of Accounting Officer in risk management shall ensure that the National Government entity develops (a) risk management strategies, which include fraud prevention mechanism; and (b) a system of risk management and internal control that builds robust business operations.

In the circumstances, effectiveness in risk management could not be confirmed.

5. Lack of Approved Staff Establishment

School Management did not have an approved staff establishment and a human resource plan to support the achievement of goals and objectives in the strategic plan. Therefore, optimal staffing levels for all cadre of staff have not been established.

In the circumstances, the basis for declaring vacancies, advertising and subsequent recruitment could not be confirmed.

6. Non-Tagging of Fixed Assets

Physical verification of assets done in June, 2024 revealed that the School has several fixed assets that have been acquired over some time. However, they have not been coded/tagged with unique identification codes.

In the circumstances, effectiveness of proper safeguards of the School property could not be confirmed.

The audit was conducted in accordance ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 controls would not necessarily disclose all matters in the internal controls 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 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 continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 September, 2024

Loreto High School Limuru

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

6. Statement Of Receipts and Payments For the Year Ended 30th June 2021

Description Of Vote Head	Note	2020-2021	2019-2020
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,262,639	2,356,338
Government grants for operations	2	11,293,561	15,066,325
Government Grants for infrastructure	3	0	0
School fund income- parents' contributions	4	55,455,994	51,597,561
Miscellaneous incomes	5	17,639,124	16,100,387
Total Receipts		86,651,318	85,120,611
Payments			
Tuition	6	1,356,971	947,370
Operations	7	12,911,722	13,733,975
Infrastructure	8	0	0
Boarding and school fund	9	66,730,636	69,034,773
Total Payments		80,999,329	83,716,118
Surplus/Deficit		5,651,989	1,404,493

The school financial statements were approved on _____ 2024 and signed by:







.....
**Name: Mr. Cosmas
Kamuyu**

.....
Name: Mrs Lenah Ngesa

.....
Name: Paul Kimanu

Name:
Chair BOM

Name:
**School Principal/ Secretary to
BOM**

Name:
Bursar/ Finance Officer

Date:

Date:

Date:

(Comparative FY refers to the financial year preceding the current financial year.)

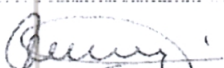
Loreto High School Limuru

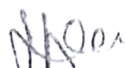
Annual Report and Financial Statements For the Period ended 30th June 2021

7. Statement of Assets and Liabilities As At 30th June 2021

Description	Note	2020-2021	2019 - 2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	13,890,741	6,304,851
Cash balances	11	284,835	53,554
Short term investments	12	0	0
Total cash and cash equivalent		14,175,576	6,358,411
Account's receivables	13	42,800,041	42,745,579
Total financial assets		56,975,617	49,103,992
Financial liabilities			
Accounts payables	14	15,286,646	13,067,011
Net financial assets		41,688,971	36,036,981
Represented by			
Accumulated fund b/fwd	15	36,036,981	36,036,981
Surplus/deficit for the year		5,651,989	0
Net financial position		41,688,971	36,036,981

The school's financial statements were approved on _____ 2024 and signed by:







.....
Name: Mr. Cosmas
Kamuyu

.....
Name: Mrs Lenah Ngesa

.....
Name: Paul Kimanu

Name:

Name:

Name:

Chair BOM

School Principal/ Secretary to
BOM

Bursar/ Finance Officer

Date:

Date:

Date:

Loreto High School Limuru

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

8. Statement of Cash Flows for the Year Ended 30th June 2021

Description	Note	2021-2021	2019-2020
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,262,639	2,356,338
Government grants for operations		11,293,561	15,066,325
Government grants for infrastructure		0	0
School fund income- parents contributions/ fees		45,717,007	51,597,561
Other income		17,965,922	16,100,387
Total receipts		77,239,129	85,120,611
Payments			
Cash outflows for tuition		1,356,971	876,270
Cash outflows for operations		12,911,722	13,553,975
Cash outflows Boarding/lunch and school fund payments		55,153,363	69,034,773
Total payments		(69,422,056)	(83,465,018)
Net cash inflow/outflow from operating activities		7,817,163	1,655,593
Cash flow from investing activities			
Acquisition of assets		0	0
Proceeds from sale of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		(0)	0
Net cash inflow/outflows from investing activities		0	0
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0	0
Repayment of principal borrowings		(0)	0
Net cash inflow/outflow from financing activities		0	0
Net increase/decrease in cash and cash equivalents		7,817,153	1,655,593
Cash and cash equivalent at beginning of the FY		6,358,412	4,702,819
Cash and cash equivalent at end of the FY		14,175,576	6,358,412

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

(The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools should therefore adopt the direct method of cashflow as recommended by PSASB).

Loreto High School Limuru

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

The school's financial statements were approved on _____ 2021 and signed by:



.....
**Name: Mr. Cosmas
Kamuyu**

Chair BOM

Date:



.....
**Name: Mrs Lenah Ngesa
School Principal/ Secretary to
BOM**

Date:



.....
**Name: Paul Kimanu
Bursar/ Finance Officer**

Date:

(Comparative FY refers to the financial year preceding the current Financial year.)

9. 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	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Textbooks and reference materials	226,264	0	226,264	226,264	100%
Exercise books	848,490	0	848,490	848,490	100%
Laboratory equipment	543,033	0	543,033	543,033	100%
Internal exams	226,264	0	226,264	226,264	100%
Teaching / learning materials	255,678	0	255,678	255,678	100%
Chalks	45,253	0	45,253	45,253	100%
Teachers Guide	117,657		117,657	117,657	100%
	2,262,639		2,262,639	2,262,639	100%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	3,021,813	0	3,021,813	3,021,813	100%
Repairs And Maintenance	5,149,934	0	5,149,934	5,149,934	100%
Local Transport / Travelling	604,363	0	604,363	604,363	100%
Electricity And Water	1,913,088	0	1,913,088	1,913,088	100%
Medical	0	0	0	0	0
Administration Costs	604,363	0	604,363	604,363	100%
Activity	0	0	0	0	0
Gratuity	0	0	0	0	0
	11,293,561	0	11,293,561	11,293,561	100%

Loreto High School Limuru
Annual Report and Financial Statements For the Period ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance &Improvement MoE	0	0	0	0	0
Administration Block	0	0	0	0	0
Total	0	0	0	0	0
(4) Fees Charged on Parents					
Personnel Emoluments	4,494,396	0	4,494,396	3,263,387	73%
Repairs And Maintenance	1,412,000	0	1,412,000	1,054,186	75%
Local Transport / Travelling	1,334,340	0	1,334,340	1,264,564	95%
Electricity And Water	3,765,804	0	3,765,804	3,308,405	88%
Medical	0	0	0	0	0
Administration Costs	2,242,354	0	2,242,354	2,242,354	100%
Activity	397,005	0	397,005	397,005	100%
Fee On Boarding Equipment and Stores	43,926,096	0	43,926,096	43,926,096	99%
	57,571,995		57,571,995	55,455,997	85%
5) Miscellenous Income					
Rent income	254,250	0	254,250	254,250	100%
Income From Farming Activities	7,876,235	0	7,876,235	7,876,235	100%
KNEC	9,508,639	0	9,508,639	9,508,639	100%
Interest Income	0	0	0	0	0
Income From Any Other Investment	0	0	0	0	0
Total	17,639,124		17,639,124	17,639,124	100%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Total Income	88,767,319	0	88,767,319	79,071,599	89%
(6) Expenditure For Tuition	0	0	0	0	0
Textbooks	226,264	0	226,264	0	0
Reference Materials	848,490	0	848,490	0	0
Exercise Books	543,033	0	543,033	987,662	175%
Laboratory Equipment	226,264	0	226,264	369,309	163%
Internal Exams	235,678	0	235,678	0	0
Teaching / Learning Materials	45,253	0	45,253	0	0
Chalks	117,657	0	117,657	0	0
Exams And Assessment	0	0	0	0	0
Teachers Guides	0	0	0	0	0
Administration Costs	0	0	0	0	0
Bank Charges	0	0	0	0	0
Total	2,262,639	0	2,262,639	1,356,971	60%
(7) Expenditure For Operations					
Personnel Emoluments	3,021,813	0	3,021,813	2,592,279	86%
Repairs And Maintenance	5,149,934	0	5,149,934	4,213,742	82%
Local Transport / Travelling	604,363	0	604,363	0	0%
Electricity And Water	1,913,088	0	1,913,088	1,325,215	69%
Medical	0	0	0	55,302	0
Administration Costs	604,363	0	604,363	80,000	13%
Activity	0	0	0	0	0

Loreto High School Limuru
Annual Report and Financial Statements For the Period ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Gratuity	0	0	0	0	0
Acquisition of Assets	0	0	0	4,645,186	
	11,293,561	0	11,293,561	12,911,722	114%
(8) Expenditure For infrastructure					
Construction of classrooms	0	0	0	0	0
Construction of LAB	0	0	0	0	0
Construction of DORMS	0	0	0	0	0
Purchase of furniture	0	0	0	0	0
Purchase of equipment	0	0	0	0	0
Purchase of machinery	0	0	0	0	0
Total					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	4,494,396	0	4,494,396	3,263,387	100.03%
Repairs, Maintenance and Improvements	1,412,000	0	1,412,000	2,078,450	147%
Local Transport / Travelling	1,334,340	0	1,334,340	1,042,370	78%
Electricity, Water and Conservancy	3,765,804	0	3,765,804	4,050,807	108%
Medical Expenses	0	0	0	0	0
Administration Costs	2,550,072	0	2,550,072	2,386,131	94%
Activity	563,388	0	563,388	91,000	16%
Medical	0	0	0	66,630	0

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Lunch Programme	0	0	0	0	0
Boarding Equipment and Stores	43,451,695	0	43,451,695	36,129,909	82%
Expenditure For Income Generating Activity	7,876,235	0	7,876,235	6,971,427	89%
KNEC	9,508,939	0	9,508,939	8,535,175	90%
Other Expenses On Investments	0	0	0	0	0
Rent Expenses	254,250	0	254,250	0	0
Bank Charges	0	0	0	0	0
Gratuity	1,650,350	0	1,650,350	1,650,350	100%
Loan Principal Repayment	0	0	0	0	0
Acquisition Of Assets	0	0	0	465,000	0
Totals	76,861,469	0	76,861,469	66,730,636	110%
TOTAL EXPENSES					

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

- i. Xxx
- ii. Xxx

10. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2021-2021	2019-2020
	Kshs	Kshs
Reference Materials	226,264	235,634
Exercise Books	848,490	883,627
Laboratory Equipment	543,033	565,521
Internal Exams	226,264	235,634
Teaching / Learning Materials	255,678	266,266
Chalk	45,253	47,127
Teachers guide	117,657	122,529
Others (specify)*	0	
Total	2,262,639	2,356,338

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2021-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	3,021,813	3,641,791
Repairs And Maintenance	5,149,934	5,736,000
Local Transport / Travelling	604,363	1,175,778
Electricity And Water	1,913,088	2,008,188
Medical	0	254,600
Administration Costs	604,363	1,560,768
Activity	0	509,200
BOM teachers	0	180,000
Other Vote Heads (specify)*	0	
Total	11,293,561	15,066,325

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2021-2021	2019-2020
	Kshs	Kshs
Maintenance & Improvement	0	0
Transition infrastructure grants	0	0
Administration Block	0	0
Economic stimulus grants	0	0
Other (specify)(NGCDF and County govt.	0	0

Loreto High School Limuru**Annual Report and Financial Statements For the Period ended 30th June 2021**

Description	2021-2021	2019-2020
	Kshs	Kshs
Total	0	0

4 School Fund Income - Parents Contribution/Fees

Description	2021-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	3,263,387	7,366,263
Repairs and maintenance	1,054,186	2,931,711
Local transport / travelling	1,264,564	3,442,091
Electricity and water	3,308,405	5,416,502
Medical	0	0
Administration costs	2,242,354	5,148,323
Activity	397,005	1,771,184
Fee on Boarding Equipment and stores	43,926,096	25,521,487
PA Levies*	0	8,477,380
Others (specify)	0	
Total	55,455,997	60,074,941

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

5 Miscellaneous Incomes

Description	2021-2021	2019-2020
	Kshs	Kshs
Rent Income	254,250	374,510
Income From Farming Activities	7,876,235	3,055,690
KNEC	9,508,639	2,150,975
Clubs Pocket Imprest Salary advance	0	2,041,832
Income From Bus Hire	0	0
Fee For Hire of Ground and Equipment	0	0
Income From Grants and Donations*	0	0
Interest Income	0	0
Dividends Income	0	0
Loans/Borrowings*	0	0
Other Income (specify)*	0	0
Total	17,639,124	7,623,007

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

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

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

Notes to the Financial Statements (continued)

6 Tuition

Description	2021-2021	2019-2020
	Kshs	Kshs
Exercise Books	987,662	230,370
Textbooks	0	79,000
Reference materials	0	0
Laboratory Equipment	369,309	0
Teaching / Learning Materials	0	0
Exams And Assessment	0	598,000
Teachers Guides	0	0
BOM Teacher	0	40,000
Bank Charges	0	0
Others (<i>specify</i>)	0	0
Total	1,356,971	947,370

7 Operations

Description	2021-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	2,592,279	5,070,033
Service Gratuity	0	0
Administration Cost	80,000	934,290
Repairs And Maintenance & Improvements	4,213,742	4,419,382
Local Transport / Travelling	0	401,701
Electricity And Water	1,325,215	2,279,956
Medical	55,302	87,813
Activity Expenses	0	540,800
Bank Charges	0	0
Aquisition of Assets	4,645,186	0
Total	12,911,722	13,733,975

Loreto High School Limuru**Annual Report and Financial Statements For the Period ended 30th June 2021****Notes to the Financial Statements (continued)****8 Infrastructure**

Description	2021-2021	2019-2020
	Kshs	Kshs
Construction of classrooms	0	0
Construction of laboratory	0	0
Construction of dormitory	0	0
Purchase of furniture	0	0
Purchase of equipment	0	0
Purchase of apparatus	0	0
Drilling of boreholes	0	0
Others (specify)	0	0
Total	0	0

9 Boarding And School Fund

Description	2021-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	3,263,387	6,650,179
Service Gratuity	1,650,350	0
Repairs And Maintenance & Improvements	2,078,450	14,776,676
Local Transport / Travelling	1,042,370	1,278,437
Electricity And Water	4,050,807	3,890,362
Medical Expenses	66,630	393,958
Administration Costs	2,386,131	6,380,575
Activity	91,000	2,100,899
Bank Charges	0	0
Expenses On Income Generating Activities**	6,971,427	5,007,483
Fee On Boarding Equipment and Stores	36,129,909	20,519,683
Pocket money impest clubs	0	1,405,545
Tuition	0	174,046
KNEC	8,535,175	2,150,975
Loan Interest Repayment	0	0
Acquisition Of Assets	465,000	0
PA expenses	0	4,305,955
Others (specify)	0	0
Total	66,730,636	69,034,773

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

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021-2021	2019-2020
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1107660130	971,506	65,838
Operations Account	Active	1102191647	4,162,092	1,235,129
School Fund Account/Boarding	Active	1163016071	5,186,086	1,035,260
Savings Account	Active	1124528466	2,526,215	2,526,215
Parent Association Development Account	Active	1206455284	0	0
Income Generating Activities Account	Active	1126149926	294,967	227,541
Infrastructural Account	Active		749,876	1,214,876
Total			13,890,741	6,304,858

11 Cash In Hand

Description	2021-2021	2019-2020
	Kshs	Kshs
Notes and Coins	284,835	53,554
Total	284,835	53,554

12 Short Term Investments

Description	2021-2021	2019-2020
	Kshs	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	0	0

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2021-2021	2019-2020
	Kshs	Kshs
Fees Arrears	41,440,673	41,500,512
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	114,300	0
Imprest (list/schedule attached)	0	0
Rent arrears (list/schedule attached)	0	0
Tuition	1,245,068	1,245,068
Total	42,800,041	42,745,580

13 b Ageing Analysis of Accounts Receivable

Description	2021-2021		2019-2020	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	8,661,362	20.9%	7,481,387	%
Between 1- 2 years	10,544,875	25.4%	8,070,565	%
Between 2-3 years	8,070,565	19.5%	7,976,536	%
Over 3 years	14,163,963	34.1%	17,972,023	%
Total (should tie to note 13 a)	41,440,765	100%	41,500,501	%

14 Accounts Payable

Description	2021-2021	2019-2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	11,821,978	5,793,915
Prepaid Fees	3,383,986	5,973,463
Retention Monies	80,682	1,299,633
Unpaid salaries and statutory deductions	0	0
Caution money	0	0
Other payables (<i>specify</i>)	0	0
Total	15,286,646	13,067,011

Loreto High School Limuru

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

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2021-2021		2019-2020	
	Kshs		Kshs	
	Current 2020-2021	% of the total	Comparative 2019-2020	% of the total
Less than 1 year	11,821,978	100%	5,793,915	44%
Between 1- 2 years	0	%	7,273,096	66%
Between 2-3 years	0	%	0	%
Over 3 years	0	%	0	%
Total (should tie to note 14)	11,821,978	100%	13,067,011	100%

15 Fund Balance Brought Forward

Description	2021-2021	2019-2020
	Kshs	Kshs
Bank Balances	13,890,741	6,304,858
Cash Balances	284,835	53,554
Short Term Investments	0	0
Receivables	42,800,131	42,745,580
Payables	(13,121,562)	(13,067,011)
Total	43,854,144	36,036,981

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2021-2021	2019-2020
	Kshs	Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	0	0

17 Biological assets

Description	Numbers	2021-2021	2019-2020
		Kshs	Kshs
Cattle		0	0
Goats		0	0
Trees		0	0
Coffee Or Tea Plantation		0	0
Poultry		0	0
Others (specify)		0	0
Total		0	0

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0	0
Borrowings during the year	0	0
Repayments during the year	(0)	(0)
Balance at the end of the year	0	0

Loreto High School Limuru

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

Other important disclosure notes

19 Stock/ Inventory

Description	2021-2021	2019-2020
	Kshs	Kshs
Food stuffs	0	
Lab consumables	0	0
Farm produce	0	0
Medication	0	0
Construction Materials	0	0
Others (specify)	0	0
	0	0

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

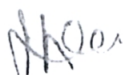
Loreto High School Limuru

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

20 Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021-2021	Outstanding Balance 2019-2020	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. Bosage International	440,575			440,575		
5. Limiru Mushroom Farm	30,000			30,000		
6. Mogra Meat Enterprise	593,320			593,320		
7. Helfra Enterprise	176,763			176,763		
8. Sajems Agencis	80,000			80,000		
9. Pat Commercial Agencies	52,580			52,580		
10. Sai Cargo Masters Ltd	552,500			552,500		
11. Emmi Garments	301,500			301,500		
12. Jerex Sports Centre	587,400			587,400		

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021-2021	Outstanding Balance 2019-2020	Comments
13. Giltec Fabricators	45,000			45,000		
14. Ann Wanjiku Thuo	60,000			60,000		
15. Poly Energy Saver	828,000			828,000		
16. Brilliant Techno Supplies Ltd	2,641,557			2,641,557		
17. Draughts Lab Company Ltd	55,000			55,000		
18. Belladona Dynamic Ltd	572,500			572,500		
19. Jams Lab Supplies Ltd	385,593			385,593		
20. Hago Stationers Ltd	2,160,640			2,160,640		
Sub-Total	9,562,928			9,562,928		
Supply Of Services						
21. Nimar Plumbers & General Contractors	463,900			463,900		
22. Hydro Chem Engineering Ltd	1,314,000			1,314,000		
23. Vincal Energy Saving	457,000			457,000		
24. Ann Wanjiru	6,500			6,500		
Sub-Total	2,241,400			2,241,400		
Grand Total	11,821,978			11,821,978		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1				
Land 2				
Buildings And Structures		182,810,000	13,697,788	196,507,788
Motor Vehicles KAJ 868J	27/01/1999	Limuru 250,000	0	250,000
Motor Vehicles KBN 133E	10/12/2010	Limuru 1,100,000	0	1,100,000
Motor Vehicles KAT 251X	30/06/2005	Limuru 3,300,000	0	3,300,000
Motor Vehicles KCT 171Y	19/09/2019	Limuru 11,150,000	0	11,150,000
Office Equipment, Furniture And Fittings		6,431,000	0	6,431,000
ICT Equipment, And Other ICT Assets		3,640,000	0	3,640,000
Tools And Apparatus		2,500,000	0	2,500,000
Textbooks		6,850,000	0	6,850,000
Other Machinery And Equipment (Generator)	01/01/2010	Limuru 1,500,000	0	1,500,000

Asset Class	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)		Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Heritage And Cultural Assets				0	0
Intangible Assets- Soft Ware				0	
Total			219,531,00		
☐ Lead Schedule-Fixed Assets			0		219,531,000

(The school should ensure that a detailed fixed assets register is maintained).