

REPUBLIC OF KENYA



Enhancing Accountability

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REPORT

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CLERK-AT
THE TABLE:

ESTHER NG'ENDO

OF

THE AUDITOR-GENERAL

ON

LORETO HIGH SCHOOL MATUNDA

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

UASIN GISHU COUNTY

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
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LORETO HIGH SCHOOL MATUNDA

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

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

LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

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LORETO HIGH SCHOOL MATUNDA
Reports and Financial Statements
For the six months period ended 30th June 2023

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in **May 2019** under registration number **27S30000725** and is currently categorized as an **Extra County** (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a day/**boarding school** and had **1205** number of students as at **30th June 2023**. It has **6** streams and **57** teachers of which **the School Board of Management employs 17 teachers**.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1.	Dr. Yulita Cheruiyot	Chair/Sponsor	17/05/2019
2.	Mrs. Phylis Chepkok	Secretary - Principal	17/05/2019
3.	Dr. Mary Kerich	Member – Rep CEB	17/05/2019
4.	Mr. Steve Chumba	Member Rep Teachers	17/05/2019
5.	Fr. Paul Kipkoech	3 Members - Sponsor	17/05/2019
6.	Dr. Philemona Chepsiror	Members - Sponsor	17/05/2019
7.	Mrs. Lydia Kemboi	Member - Community	17/05/2019
8.	Pst. David ng`ang`a	Member – Community	17/05/2019
9.	Dr. Stellah Chebii	Member – Community	17/05/2019
10.	Ms. Judy Cheruiyot	Member – Community	17/05/2019
11.	Ms. Jacinta Shitemi	Member – Community	17/05/2019
12.	Mr. Samuel Macharia	Member - Community	17/05/2019
13.	Millicent Chepketer	Member - Community	17/05/2019
14.	Mr. Derrick Khaemba	Member Special Needs	17/05/2019
15.	Sr. Mary Muriuki	Member Special Interest	17/05/2019
15	Faith Kau Kockeidha	Rep Students	17/05/2019

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For the six months period ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Below are the names of the various committees of the Board established by the Board and the names of the committee members:

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Dr. Yulita Cheruiyot Mrs. Phylis Chepkok Mrs. Mary Kerich Fr. Paul Kipkoech Ms. Judith Cheruiyot Dr. Philomena Chepsiror	Chair Secretary Member Member Member	6 out of 6
2	Audit Committee	Dr. Derrick Kutto Mary Kang'ong'a	Chair member	
3	Finance, procurement and general purposes Committee	Dr. Yulita Cheruiyot Mrs. Phylis Chepkok Ms. Judith Cheruiyot Dr. Stellah Chebii Mr. John Agesa	Chair Secretary Member Member Member	2 out of 6
4	Academic Committee	Dr. Mary Kerich Mrs. Phylis Chepkok Mr. John agesa Ms. Lydia Kemboi Dr. Philomena Chepsiror Mr. Steve Chumba	Chair Secretary Member Member Member Member	2 out of 6
5	Development Committee	Mr. Samuel Macharia Mrs. Phylis Chepkok Ms. Judith Cheruiyot Mr. Erick Obiri Dr. Yulita Cheruiyot	Chair Secretary Member Member Member {SCDE}	5 out of 6

LORETO HIGH SCHOOL MATUNDA
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		Mrs. Ann Ngugi	D/Principal/member	
6	Discipline and welfare Committee	Mr. Samuel Macharia Mrs. Phylis chepkok Pst. David Nganga Ms. Millicent Chepketer Mrs. Jacinta Shitemi	Chair Secretary Member Member Member Member	5 out of 6
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	TSC Number
1	Principal	Mrs. Phylis Chepkok	336242
2	Deputy Principal	Mrs. Anne Ngugi	306463
3	School Bursar	Ms. Stella Chepkosgei	24796152

LORETO HIGH SCHOOL MATUNDA
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For the six months period ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: Private bag Moi` bridge
Telephone: 0728-407-195
E-mail: loretohighmatunda@gmail.com
Website: www.loretoamatunda.ac.ke
Facebook: loreto high school matunda
Twitter:

(f) School Bankers

The following school operated 8 number of bank accounts in the following banks:

1. Name of Bank: Standard Chartered Bank
Branch: Kitale
Account Number: 0102836055501
2. Name of Bank: Standard Chartered Bank
Branch: Kitale
Account Number: 0102036055501
3. Name of Bank: Standard Chartered Bank
Branch: Kitale
Account Number: 0102036055500
Tuition Account
4. Name of Bank: Standard Chartered Bank
Branch: Eldoret
Account Number: 0102017892600
Operation Account
5. Name of Bank: Kenya Commercial Bank
Branch: Moisbridge
Account Number: 1139458779
Farm Account
6. Name of Bank: Kenya Commercial Bank
Branch: Mois Bridge
Account Number: 1197797718
School fee collection
7. Name of Bank: Kenya Commercial Bank
Branch: MTRH
Account Number: 1278977333

LORETO HIGH SCHOOL MATUNDA
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Infrastructure Account

8. Name of Bank: Co-operative Bank
 Branch: Eldoret West
 Account Number: 01141598970900
 Tuition Account

9. MPESA Pay Bill No. 522123 account No. 24590K attached to 1197797718 bank account (KCB)

(g) Independent Auditors

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

LORETO HIGH SCHOOL MATUNDA
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For the six months period ended 30th June 2021

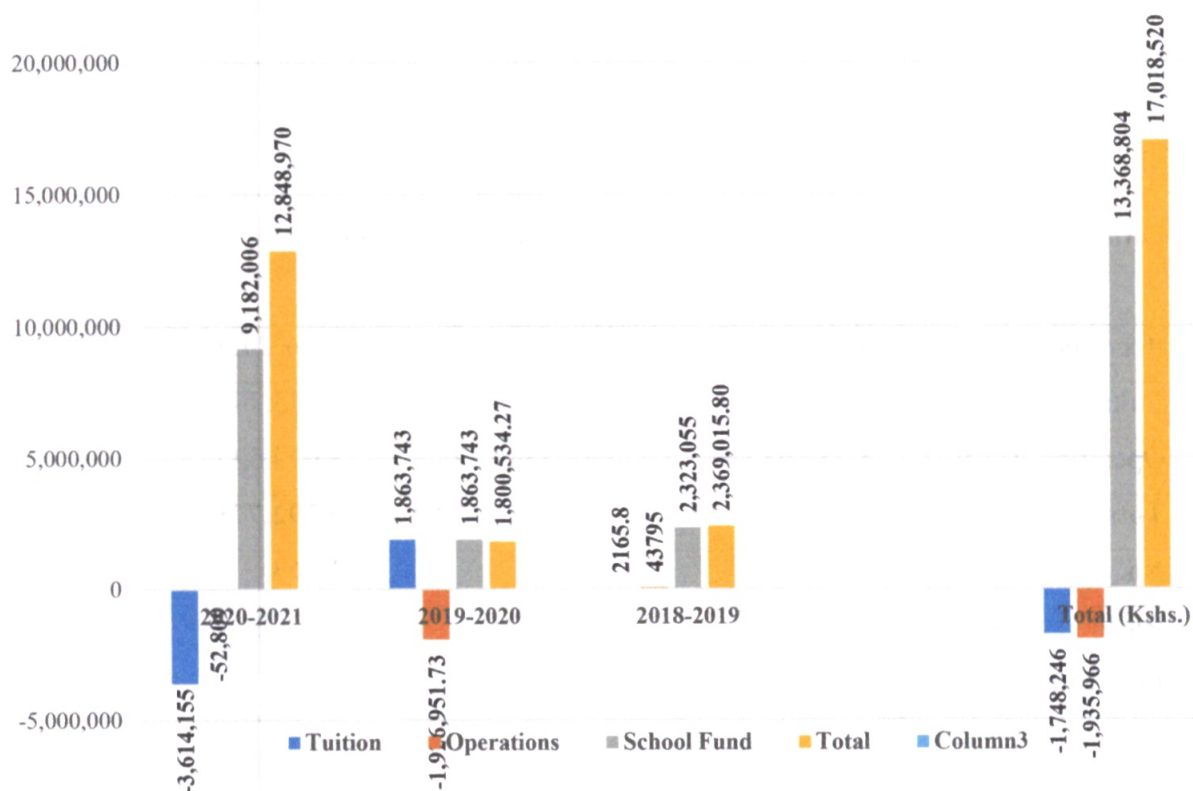
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

(i) Surplus/ deficit for the year and a comparison of the same for the last three years

Account	Tuition Account	Operation account	School Fund Account	Total
2020-2021	(3,614,155)	(52,809)	(9,381,616)	(13,048,580)
2019-2020	1,863,743	(1,926,952)	1,863,743	1,800,534
2018-2019	2,166	43,795	2,323,055	2,369,016
Total (Kshs.)	(1,748,246)	(1,935,966)	(5,194,818)	(8,879,030)



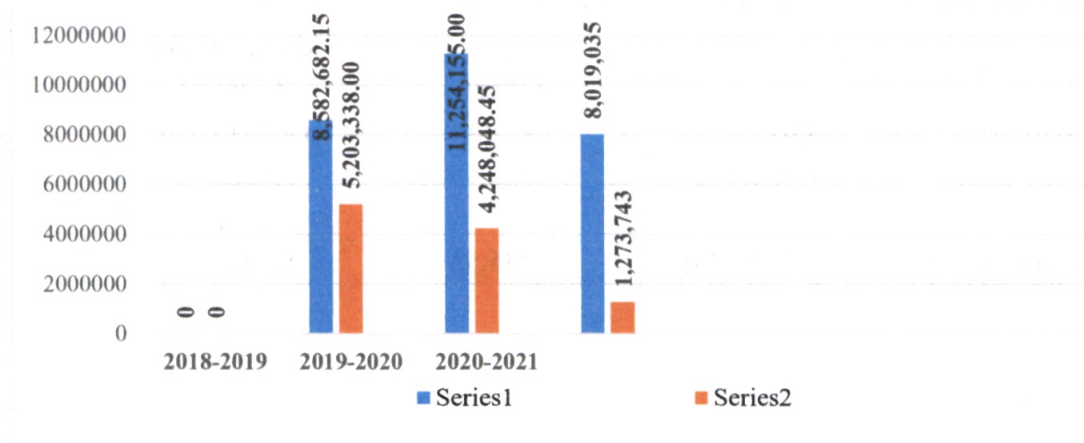
(ii) Capitation grants from the Ministry of Education for the last three years

The government of Kenya through the Ministry of Education under Free Day Secondary Education funded the school through grants during the three years as follows:

No.	Account	Year 2018-2019	Year 2019-2020	Year 2020-2021
1.	Tuition Account	5,203,338	4,248,048.45	1,273,743

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Annual Report and Financial Statements
For the six months period ended 30th June 2021

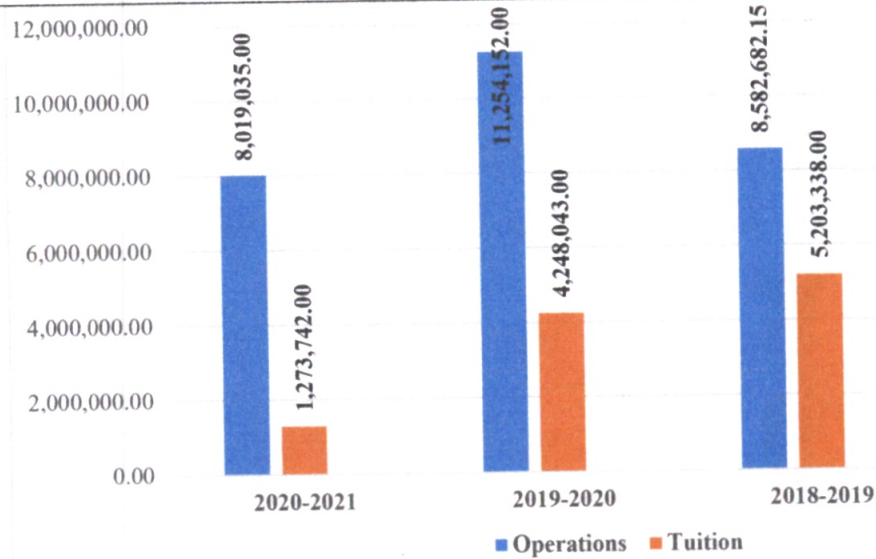
2.	Operation Account	8,582,682.15	11,254,155	8,019,035
	Total Kshs.	13,786,020.15	15,502,203.45	9,292,778



(iii) Ratio of capitation grant per student over the last three years

No.	Account	Year 2018	Year 2019	Year 2020-2021
1.	Tuition Account	5,203,338	4,248,043.80	1,273,742
2.	Operation Account	8,582,682.15	11,254,152	8,019,525
	Total Kshs.	13,786,020.15	15,502,195.80	9,292,778
	No. of students	833	910	1,063
	Ratio of capitation Per student	1:16549	1:17035	1:8742

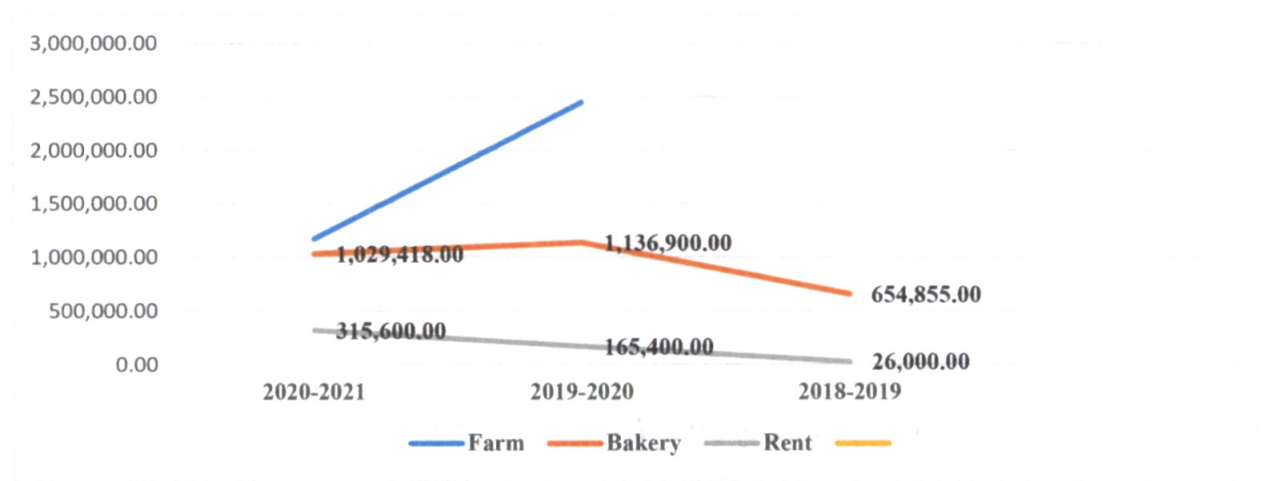
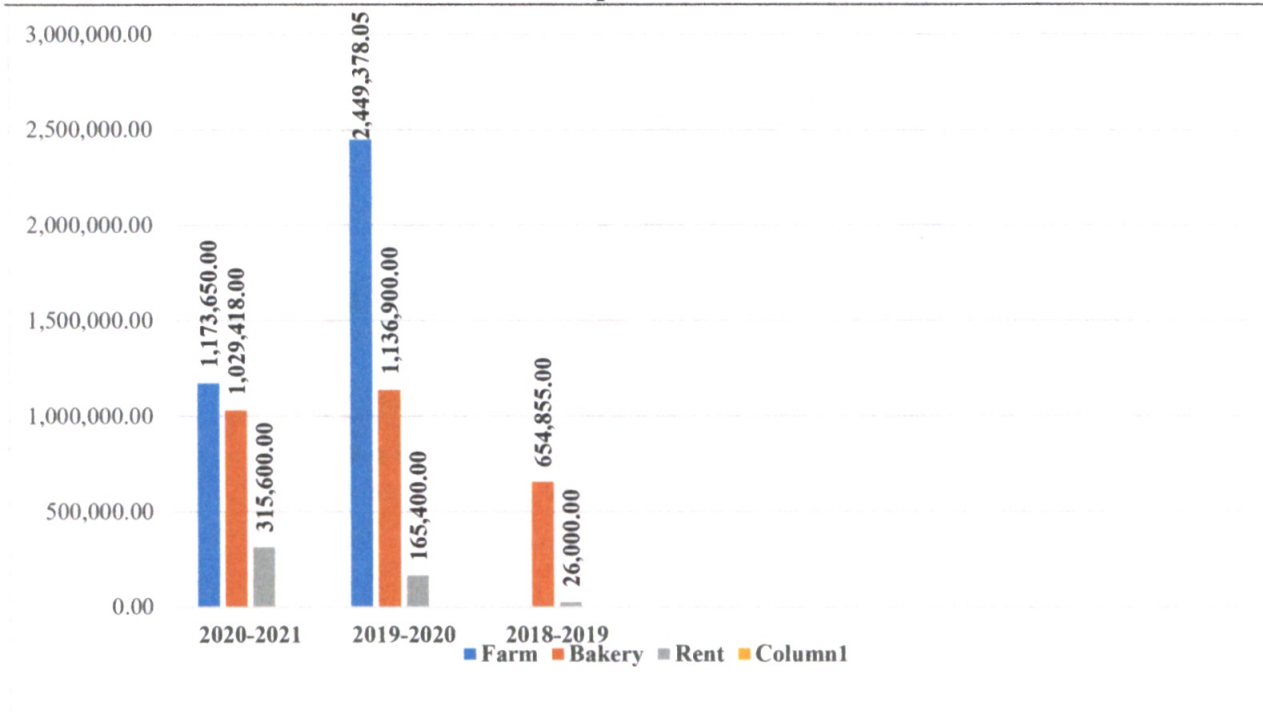
LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021



(iv) *A three-year overview of growth of other income(s) earned by the school.*

No.	Account	Year 2019-2020	Year 2019-2020	Year 2020-2021
1.	Farming activity		2,449,378.05	1,173,650
2.	Bakery	654,855	1,136,900	1,029,418
3.	Rent	26,000	165,400	315,600
	Total Kshs.	<u>680,855</u>	<u>3,751,678.05</u>	<u>2,518,668</u>

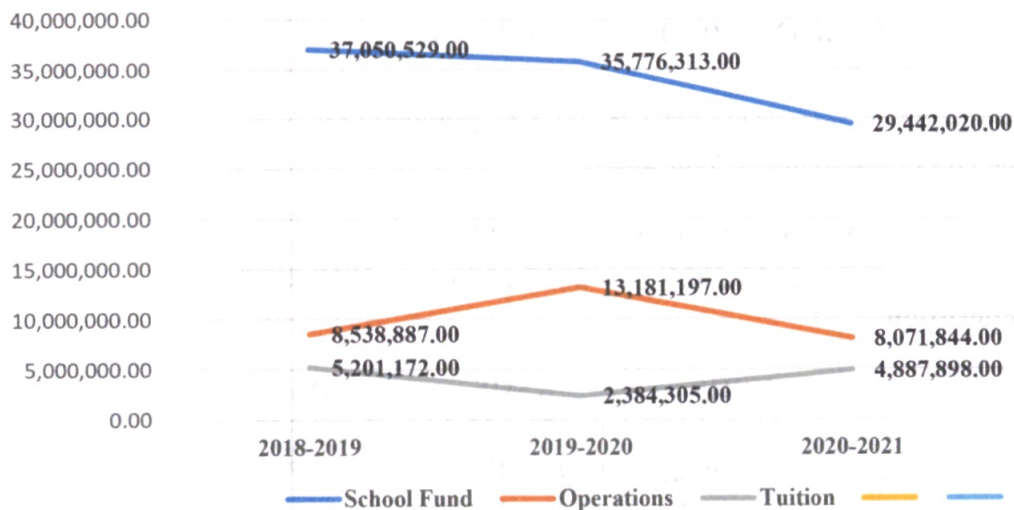
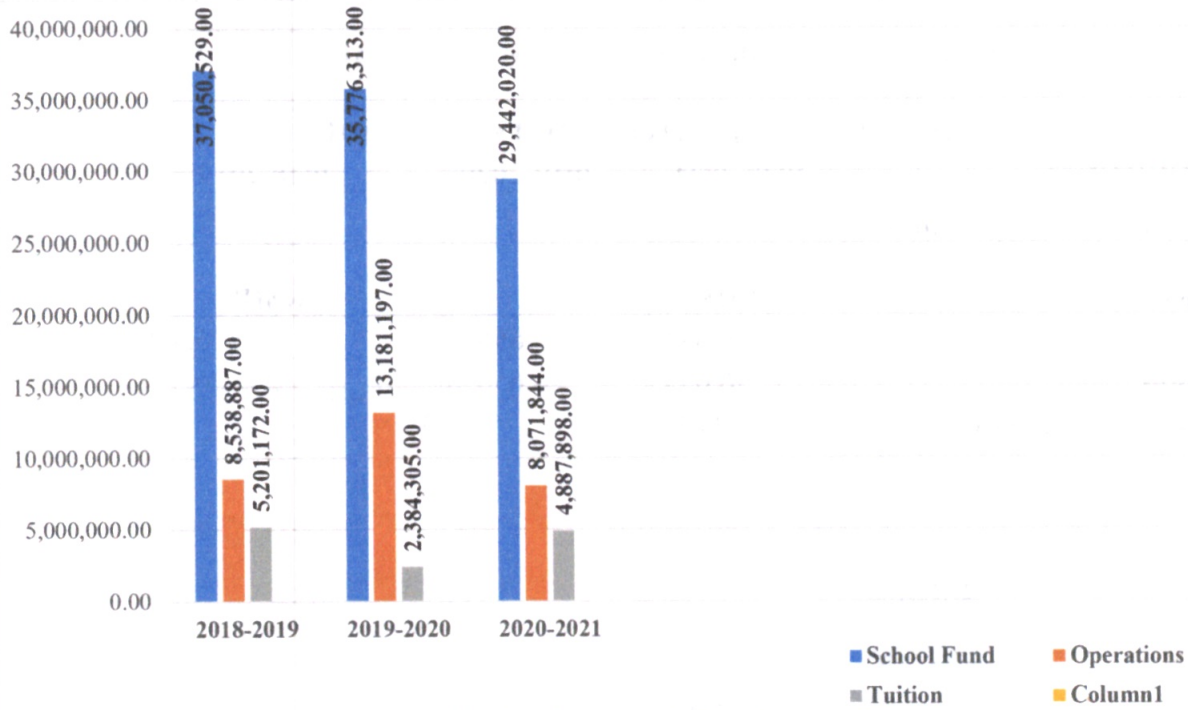
LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021



(v) *A three-year overview of growth in expenditure of the school*

No.	Account	Year 2018-2019	Year 2019-2020	Year 2020-2021
1.	Tuition Account	5,201,172.20	2,384,305	4,887,898
2.	Operation Account	8,538,887.15	13,181,197	8,071,844
3.	School Fund Account	37,050,529	35,776,313	29,442,020
	Total Kshs.	<u>50,790,588.35</u>	<u>51,341,815</u>	<u>42,401,762</u>

LORETO HIGH SCHOOL MATUNDA
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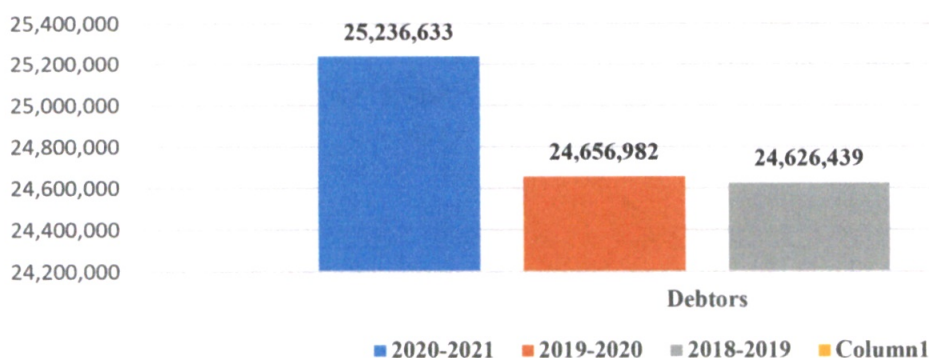


LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

(vi) *Movement of debtors and creditors of the school over the last three year*

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2020-2021	2019-2020	2018-2019	
	School Fund ,Operation and Tuition Account				
1	Account	KSHS		KSHS	
a	Debtors	25,236,633	24,656,982	24,626,439	
	Total	25,236,633	24,656,982	24,626,439	
	Increase/Decrease	579,651	30,543		



Trend Over the Last Three Years

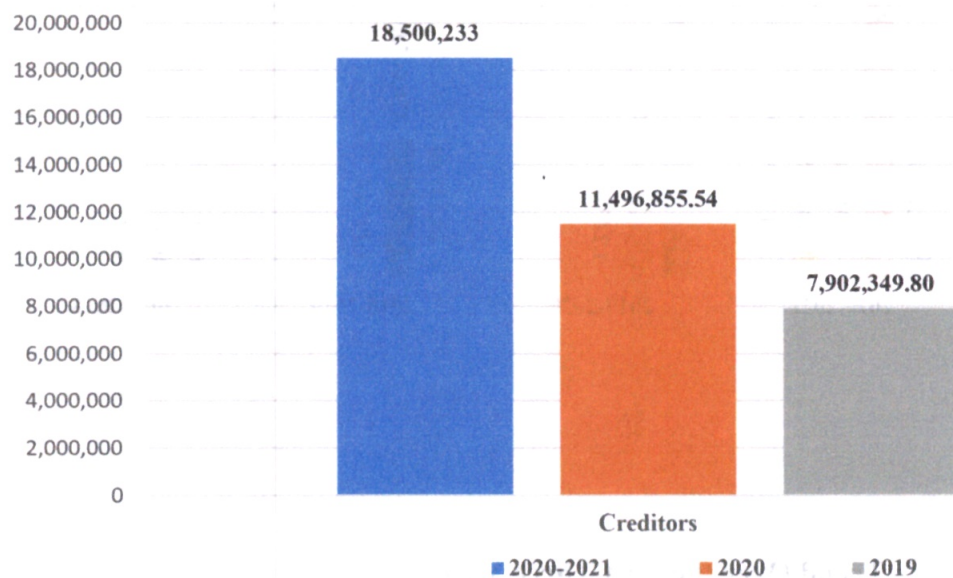
Total debtors as at 30th June 2021 increased by Kshs 25,236,633 compared to Kshs 24,656,982 as at the end of the financial year 2020.

MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2020-2021	2019-2020	2018-2019	
	School Fund ,operation and Tuition Account				
1	Account	KSHS	KSHS	KSHS	
a	Creditors	18,500,233	11,496,855.54	7,902,349.80	
	Total	18,500,233	11,496,855.54	7,902,349.80	
	Increase/Decrease	7,003,377.46	3,594,505.74		

LORETO HIGH SCHOOL MATUNDA
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For the six months period ended 30th June 2021

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

Trend Over the Last Three Years

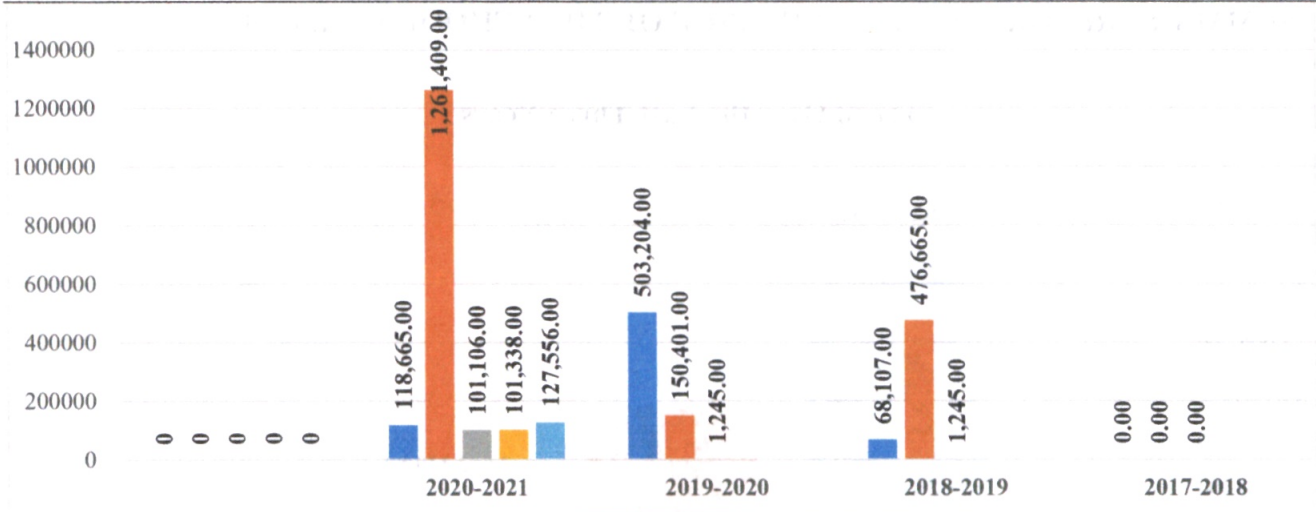


Total creditors as at 30th June 2021 increased by Kshs 7,003,377.46 compared to Kshs 3,594,505.74 as at the end of the financial year 2020. This is due to under funding by the ministry of education and price variation of the food and other materials.

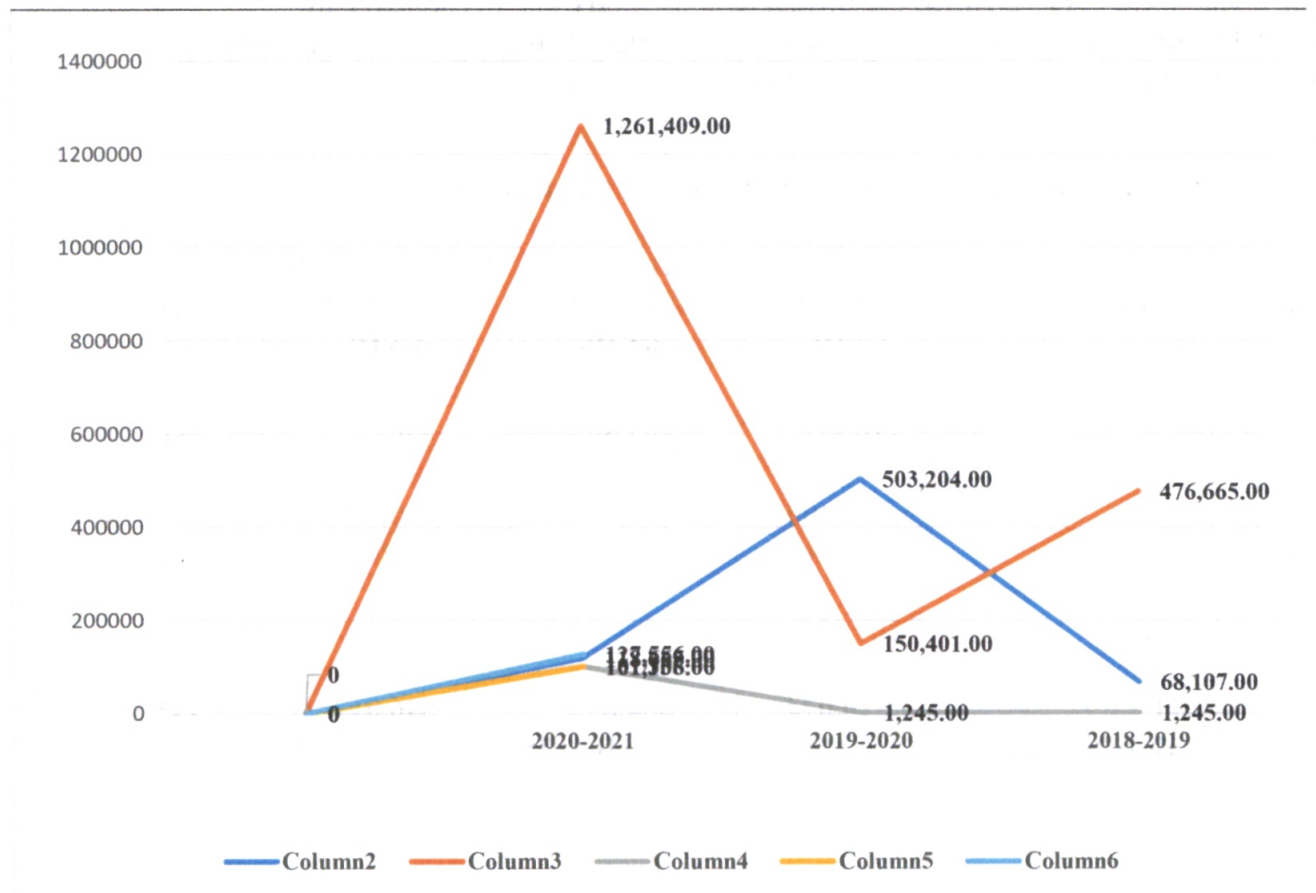
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2020-2021	2019-2020	2018-2019	2018
		KSHS	KSHS	KSHS	
1	School Fund Account	118,665	503,205	68,107	83,714
2	Operations Account	1,261,409	150,401	476,665	43,376
3	Tuition Account	101,106	1,246	1,245	1,020
4	Infrastructure Account	101,338			
5	Farm Account	127,556			
	Total	1,710,074	654,852	546,017	128,110
	Increase/Decrease	1,055,222	108,835	417,907	

LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021



Trend Over the Last Three Years



LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

b) Teacher Student ratio:

Between the month of July 2020 and June 2021, the status of the teaching staff is as follows:

There are 28 teachers posted by the Teachers Service Commission and 15 recruited by the Board of Management and 4 transferred. There was four retiree Between Year 2020 and June 2021. Although the teacher student ratio lies at 1: 36. We have a shortage of 24 teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4

c) Mean score in the year 2019, 2020 and 2021 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2021	231	7.1645	153	66.2	9.5	Negative deviation of 16.8 in transition rate. The least grade was a D+ (1) out of 231 students 153 qualified to Join university direct.
2020	200	7.8100	166	83	10.00	Positive deviation of 22.8 in transition rate and 0.859 in the mean grade. Among top 5 schools in the country of Uasin Gishu
2019	206	6.951	124	60.2	10.5	The performance of Chemistry, Biology and Agriculture led to negative deviation of 0.53% in transition rate and -0.154 in the mean.

d) KCSE Exam Entry Behavior

The four years examination candidature is tabulated below:

Student	Year 2021	Year 2020	Year 2019	Year 2018
Enrolment	231	200	206	191
Total	231	200	206	191

A 17% increase Form Four enrolment was recorded in the year.

LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

e) School Enrolment

A steady increase in student's population is recorded in the last four years. The school enrolment for the last four years is tabulated as below:

Students	Year 2021	Year 2020	Year 2019	Year 2018
Enrolment	1,063	959	910	833
Total	1,063	959	910	833

There was an increase of 11% in student population

School Capacity

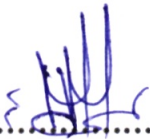
1. Land	- 42 Acres
2. Class rooms	- 19
3. Laboratories	- 3
4. Plant	- 3
5. Staff Houses	- 19
6. Dormitories	-10
7. Dining Hall	-1
8. Kitchen	- 1
9. Stores	- 3
10. Administration block	- 1
11. Livestock	- 11
12. Ablution block(Rooms)	-67

With a 100% transition the school needs more infrastructure

LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

f) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	Construction of 2 storeyed dormitory capacity 460 students	2020-2023	Phase 1 Completed	66,103,370	Maintenance & Improvement





Dr. Martin Mudambo Dondo

Philis Jepkosgei Bartoo (Mrs) Stellah Chepkosgei (Mrs)

Chair,

Secretary,

Board of Management

**Board of Management
/ Chief Principal**

Bursar

Loreto High School Matunda

Loreto High School Matunda

Loreto High School Matunda

Date: 26/7/2024

Date: 26/07/2024

Date: 26/07/2024

Sign



School Principal

LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


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

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

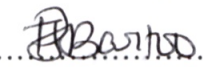
The Board of Management of *Loreto High school Matunda* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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 six months period ended 30th June, 2021, and of the school's financial position as at that date.


Name: Dr. Martin Mudambo Dondo
Designation: Chairman, School Board of Management

Sign: .....
Date: 26/7/2024.....

Name: Mrs. Phylis Jepkosgei Bartoo
Designation: School Principal & Secretary to Board of Management

Sign: .....
Date: 26/07/2024.....

Name: Stellah Chepkosgei
Designation: Bursar/ Finance Officer

Sign: .....
Date: 26/07/2024.....

REPUBLIC OF KENYA



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON LORETO HIGH SCHOOL MATUNDA FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 – UASIN GISHU 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 Matunda – Uasin Gishu County - set out on pages 20 to 35, which comprises of the statement of

Report of the Auditor-General on Loreto High School Matunda for the six (6) months' period ended 30 June, 2021 – Uasin Gishu County

financial assets and financial liabilities as at 30 June, 2021, statement of receipts and payments, statement of cash flows and 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 Matunda 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Transfer of Infrastructure Funds to the School Fund Account

The statement of financial assets and financial liabilities reflects bank balances of Kshs.2,334,757 as disclosed in Note 8 to the financial statements. The School transferred a total Kshs.1,974,969 from infrastructure account to school fund account to be refunded later. However, as at the time of the audit, the refund had not been done. Further, included in the amount transferred to school fund account is suppliers' retention money of Kshs.874,696 which ought to have been retained in the infrastructure account.

In the circumstances, the accuracy and completeness of infrastructure account balance of Kshs.101,338 could not be confirmed.

2. Accounts Receivables- Long Outstanding Fees Arrears

The statement of financial assets and financial liabilities reflects accounts receivable of Kshs.25,236,633 as disclosed in Note 11 to the financial statements. The amount related to students' fee arrears for some of the students who have completed school. Further, the schedule for the balances were not provided for audit review.

In the circumstances, the completeness and recoverability of the fees arrears could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflect final receipts budget and actual on a comparable basis of Kshs.41,231,076 and Kshs.29,552,793 respectively, resulting to an under-funding of Kshs.11,678,283 or 18% of the budget. However, the School spent Kshs.42,601,372 against actual receipts of Kshs.29,552,793 resulting to an over-utilization of Kshs.13,048,579 or 44% of actual receipts.

The under-funding and over-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the 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, 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. Unconfirmed Student Enrolment Data

Review of student enrolment data indicates that more students were enrolled in the School than the number of students reflected in National Education Management Information System (NEMIS) as shown below resulting to under-funding of capitation.

Month	No. of Students per NEMIS	No. of students as per Register	Variance
July 2020 Operations	968	986	(18)
July 2020 Tuition	968	986	(18)
December 2021 Operations	978	986	(8)
December 2021 Tuition	978	986	(8)
February 2021 operation	978	1052	(74)
February 2021 Tuition	978	1052	(74)

Month	No. of Students per NEMIS	No. of students as per Register	Variance
April 2021 Operations	977	1052	(75)
April 2021 Tuition	360	435	(75)

This is contrary to Ministry of Education Circular MOE.HQS/3/13/3 of 16 June, 2021 that requires all learners to be registered in National Education Management Information System and the School Principals to ensure their records are accurate.

In the circumstances, the operations of the School may have been affected by the under-funding.

2. Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects Kshs.29,442,020 in respect of payments for boarding and school fund as disclosed in Note 7 to the financial statements. Out of this, an amount of Kshs.322,400 was transferred to Kenya Secondary School Heads Association (KESSHA) to fund co-curricular activities. However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.322,400 could not be confirmed.

3. Failure to Prepare School Improvement Plan

During the year/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.

4. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.29,552,792 and Kshs.42,601,372 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity

prepare a procurement plan for each financial year as part of the annual budget preparation process’.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the 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. Inventory Management

Review of the store ledgers revealed that stock take as at the end of the year was not carried out. Further, the breakdown of the inventories with values totalling Kshs.6,124,134 were not provided for audit verification.

In the circumstances, weak internal controls in the management of inventory may lead to loss or misappropriation of inventories.

2. Lack of Fixed Asset Register

Annex 2 to the financial statements reflects a summary of un valued fixed assets register. However, the School does not maintain a detailed and comprehensive Fixed Asset Register (FAR) in accordance with the instructions provided at Annex 2 to the financial statements. Further, the assets listing provided for audit review did not indicate the date of acquisition, detailed serial and tagging numbers, cost or valuation amount, depreciation rates and amount, and net book values.

In circumstances, lack of a comprehensive Fixed Asset Register may lead to loss of assets and inaccurate disclosure in financial statements.

3. Lack of Risk Management Policy

The School has a draft risk management policy that is yet to be approved by Board of Management.

In the circumstances, Management may not be able to identify and mitigate risks.

4. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulation, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the School did not benefit from the oversight role and advice from the audit committee and the internal audit function.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 intentions 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 the 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 the 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 September, 2024

LORETO HIGH SCHOOL MATUNDA
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,273,743	
Capitation grants for operations	2	8,019,035	
School Fund Income- Parents' Contributions	3	17,639,146	
School Fund Income- Other receipts	4	2,620,868	
Proceeds from borrowings			
TOTAL RECEIPTS		29,552,792	
PAYMENTS			
Payments for Tuition	5	5,087,508	
Payments for operations	6	8,071,844	
Boarding and school fund payments	7	29,442,020	
TOTAL PAYMENTS		42,601,372	
SURPLUS/DEFICIT		(13,048,580)	

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

Sign: 

Sign: 

Sign: 

Name: Dr. Martin Mudambo

Name: Phylis Bartoo

Name: Stellah Chepkosgi

Chair BOM

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Date: 26/7/2024

Date: 26/07/2024

Date: 26/07/2024

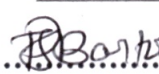
LORETO HIGH SCHOOL MATUNDA
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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	2,334,757	2,843,545
Cash Balances	9	420	223
Short term Investment	10		
Total Cash and cash equivalent		2,335,117	2,843,768
Account's receivables	11	25,236,633	25,285,271
TOTAL FINANCIAL ASSETS		27,571,810	28,129,039
FINANCIAL LIABILITIES			
Accounts Payables	12	18,500,233	6,008,881
NET FINANCIAL ASSETS		9,071,577	22,120,158
REPRESENTED BY			
Accumulated Fund b/fwd	13	22,120,158	22,120,158
Surplus/Deficit for the year		(13,048,580)	-
NET FINANCIAL POSITION		9,071,577	22,120,158

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

Sign: 

Sign: 

Sign: 

Name: Dr. Martin Mudambo

Name: Phylis Bartoo

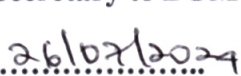
Name: Stellah Chepkosgi

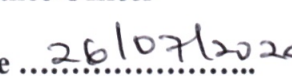
Chair BOM

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Date: 

Date: 

Date: 

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

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,273,743	
Capitation grants for operations	2	8,019,035	
School fund income- Parents contributions fees	3	17,639,146	
School fund income- other receipts	4	2,620,868	
Total receipts		29,552,792	
Payments			
Payments for Tuition		5,087,508	
Payments for operations		8,071,844	
Boarding and school fund payments		21,198,454	
		34,357,806	
Net cash flow from operating activities		-4,805,014	
Adjustment			
Decrease in Account Receivables		48,638	
Increase in Accounts Payable		12,491,352	
		12,539,990	
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	
Acquisition of Assets		-8,243,565	
Proceeds from investments		-	
Net cash flows from Investing Activities		-8,243,565	
NET CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities		-508,589	
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalent at BEGINNING of the year	10	2,843,768	
Cash and cash equivalent at END of the year		2,335,179	

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials		-				
Exercise books	585,200	-	585,200	293,400	291,800	50%
Laboratory equipment	532,000	-	532,000	323,327	208,673	61%
Internal exams	585,200	-	585,200	222,922	362,278	38%
Teaching / learning materials	212,800	-	212,800	184,525	28,275	87%
Chalks	76,608	-	76,608	30,327	46,281	40%
Reference Materials	212,800	-	212,800	219,243	(6,443)	103%
Teachers guides		-			-	
TOTAL INCOME	2,204,608	-	2,204,608	1,273,744	930,864	58%
(2) CAPITATION GRANT ON OPERATIONS					-	
Personnel emoluments	2,584,335	-	2,584,335	2,150,253	434,082	83%
Repairs and maintenance	2,827,500	-	2,827,500	3,912,000	(1,084,500)	138%
Local transport / travelling	752,115	-	752,115	460,589	291,526	61%
Electricity and water	1,131,000	-	1,131,000	672,740	458,260	59%
Medical & insurance	1,131,000	-	1,131,000	200,000	931,000	18%
Administration costs	848,250	-	848,250	489,928	358,322	58%
Activity	848,250	-	848,250	133,525	714,725	16%
Gratuity		-			-	
SMASSE	113,200	-	113,100		113,100	0%

LORETO HIGH SCHOOL MATUNDA

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TOTAL INCOME	10,235,650	-	10,235,550	8,019,035	2,216,515	78%
(3) FEES CHARGED ON PARENTS					-	
Personnel emoluments	2,584,335	-	2,584,335	1,269,838	1,314,497	49%
Repairs and maintenance	2,827,500	-	2,827,500	1,746,198	1,081,302	62%
Local transport / travelling	752,115	-	752,115	493,013	259,102	66%
Electricity and water	1,131,000	-	1,131,000	2,453,847	(1,322,847)	217%
Medical		-			-	
Administration costs	848,250	-	848,250	1,023,986	(175,736)	121%
Activity	848,250	-	848,250	69,634	778,616	8%
SMASSE	200	-	200		200	0%
Fee on Boarding Equipment and Stores	12,528,600	-	12,528,600	10,582,630	1,945,970	84%
OTHER INCOME	21,520,250	-	21,520,250	17,639,146	3,881,104	82%
Rent income	106,200	-	106,200	315,600	(209,400)	297%
Income from farming activities	4,967,000	-	4,967,000	1,173,650	3,793,350	24%
Insurance compensation		-			-	
Income from Posho mill		-			-	
Income from Bus Hire		-			-	
Fee for hire of ground and equipment		-		102,200	(102,200)	-100%
Income from Bakery	2,197,468	-	2,197,468	1,029,418	1,168,050	47%
Income from any other investment		-			-	
TOTAL INCOME	7,270,668	-	7,270,668	2,620,868	4,649,800	36%
TOTAL RECEIPTS	41,231,176		41,231,076	29,552,793	11,678,283	72%
(1) EXPENDITURE FOR TUITION					-	
Textbooks and reference materials					-	
Exercise books	585,200		585,200	1,090,000	(504,800)	186%
Laboratory equipment	532,000	-	532,000	1,863,745	(1,331,745)	350%
Internal exams	585,200	-	585,200	1,055,493	(470,293)	180%
Teaching / learning materials	212,800	-	212,800	170,000	42,800	80%
Chalks	76,608	-	76,608		76,608	0%

LORETO HIGH SCHOOL MATUNDA

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Reference materials	212,800	-	212,800	899,750	(686,950)	423%
Smasse					-	
Administration costs					-	
Bank Charges				8,520	(8,520)	
TOTAL EXPENDITURE	2,204,608	-	2,204,608	5,087,508	(2,882,900)	231%
(2) EXPENDITURE FOR OPERATIONS					-	
Personnel emoluments	2,584,335	-	2,584,335	2,363,076	221,259	91%
Repairs, maintenance & improvements	2,827,500	-	2,827,500	2,584,000	243,500	91%
Local transport / travelling	752,115	-	752,115	104,944	647,171	14%
Electricity, water and conservancy	1,244,400	-	1,244,400	1,333,028	(88,628)	107%
Medical & Insurance	1,131,000	-	1,131,000	334,499	796,501	30%
Administration costs	848,250	-	848,250	1,153,037	(304,787)	136%
Activity Expenses	848,250	-	848,250	199,260	648,990	23%
Gratuity		-			-	
SMASSE		-			-	
TOTAL EXPENDITURE	10,235,850	-	10,235,850	8,071,844	2,164,006	79%
(3) EXPENDITURE FOR SCHOOL FUND					-	
Personnel emoluments	2,584,335	-	2,584,335	2,768,998	(184,663)	107%
Repairs, maintenance and improvements	2,827,500	-	2,827,500	1,651,420	1,176,080	58%
Local transport / travelling	752,115	-	752,115	638,758	113,357	85%
Electricity, water and conservancy	1,131,000	-	1,131,000	449,340	681,660	40%
Medical Expenses		-		19,771	(19,771)	-100%
Administration costs	848,250	-	848,250	830,311	17,939	98%
Activity	848,250	-	848,250	1,260	846,990	0%
Boarding Equipment and Stores	12,528,600	-	12,528,600	11,618,848	909,752	93%
Expenditure for Income Generating Activity	7,270,668	-	7,270,668	3,209,749	4,060,919	44%

LORETO HIGH SCHOOL MATUNDA**Annual Report and Financial Statements****For the six months period ended 30th June 2021**

Clubs				10,000	(10,000)	-100%
Acquisition of Assets				8,243,565	(8,243,565)	-100%
TOTALS	28,790,718	-	28,790,718	29,442,020	(651,302)	102%
TOTAL EXPENDITURE	41,231,176		41,231,176	42,601,372	(1,370,196)	103%

- i. *Most of the vote heads were underutilized i.e. Below 90% utilization because of poor fee collection and under funding from the ministry of education.*
- ii. *Most of the Tuition account expenditures exceeds projected income from the ministry of education received.*
- iii. *School fund expenditures exceeded projected income due to price variation in materials purchased.*

LORETO HIGH SCHOOL MATUNDA
Reports and Financial Statements
For the six months period ended 30th June 2021

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 imp rest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023

LORETO HIGH SCHOOL MATUNDA
Annual Report and Financial Statements
For the six months period ended 30th June 2021

IX. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books	293,400	
Laboratory equipment	323,327	
Internal exams	222,922	
Teaching / learning materials	184,525	
Chalks	30,327	
Reference/Library	219,242	
Teachers guides		
Total	1,273,743	

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,150,253	
Repairs and maintenance	3,912,000	
Local transport / travelling	460,589	
Electricity and water	672,740	
Medical		
Administration costs	489,928	
Activity	133,525	
Insurance	200,000	
NHIF		
Total	8,019,035	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 PARENTS CONTRIBUTION/FEEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,269,838	
Repairs and maintenance	1,746,198	
Local transport / travelling	493,013	
Electricity and water and conservancy	2,453,847	
Medical		
Administration costs	1,023,986	
Activity	69,634	
Fee on Boarding Equipment and Stores	10,582,630	
Total	17,639,146	

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Rent income	315,600	
Income from farming activities	1,173,650	
Insurance compensation		
Income from clubs	75,000	
Income from Bus Hire	27,200	
Income from grants and donations*		
Income from uniforms		
Income from bakery	1,029,418	
Total	2,620,868	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks		
Exercise books	1,090,000	
Laboratory equipment	1,863,745	
Internal exams	1,055,493	
Teaching / learning materials	170,000	
Chalks		
Exams and assessment		
Teachers guides		
Library/ reference materials	899,750	
Smasse		
Administration Costs		
Bank Charges	8,520	
Total	5,087,508	

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,363,076	
Service Gratuity		
Administration Cost	1,153,037	
Repairs and maintenance & improvements	2,584,000	
Local transport / travelling	104,944	
Electricity and water	1,333,028	
Medical & Insurance	334,499	
Activity Expenses	199,260	
SMASSE		
Insurance Cost		
NHIF		
Bank Charges		
Acquisition of Assets		
TOTAL	8,071,844	

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7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,768,998	
Repairs and maintenance & Improvements	1,651,420	
Local transport / travelling	638,758	
Electricity and water	449,340	
Medical Expenses	19,771	
Administration costs	830,311	
Bank Charges		
Expenses on Income Generating Activities	3,209,749	
Fee on Boarding Equipment and Stores	11,618,848	
Activity Expenses	1,260	
Clubs	10,000	
Acquisition of Assets	8,243,565	
TOTAL	29,442,020	

8. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account- Standard chartered	0102036055500	101,106	
Operations Account- Standard chartered	0102017892600	1,261,409	
School Fund Account/Boarding	0102836055501	118,665	
Savings Account	0102036055501	12,583	
School fee collection	1197797718	612,656	
Income generating activities Account	1139458779	127,000	
Infrastructural Account	1278977333	101,338	
Total		2,334,757	

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8 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account		
Operation Account		
School Fund account	420	
Total	420	

9 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares		
Treasury Bills		
Fixed deposit		
Equity stock		
Other investments		
Total		

10 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	25,236,633	25,285,271
Other non-fees receivables		
Salary advances		
Suspense account		
Total	25,236,633	25,285,271

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	2,407,820	25,285,271
Fees arrears for the previous year	2,599,180	
Fees arrears for prior periods (over two years)	20,229,633	
Total	25,236,633	25,285,271

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11 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	13,384,547	6,008,881
Prepaid fees	4,240,987	
Retention monies	874,699	
Total	18,500,233	6,008,881

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	5,586,777	
Trade creditors for the previous year	7,003,088	
Trade creditors for prior periods (over two years)	794,681	
Total	13,384,546	

12 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	2,843,545	
Cash balances	223	
Receivables	25,285,271	
Payables	6,008,881	
Total	22,120,158	

Other important disclosure notes

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

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13 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	0	0
Outstanding Leases	0	0
Hire purchase	0	0
Gratuity and leave provision	0	0
Total	0	0

14 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	12	550,000	500,000
Trees	1,000	15,000,000	10,000,000
Bananas plantation	50	50,000	50,000
Pigs	28	150,000	
Total		15,750,000	10,550,000

15 Borrowings

Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

16 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	540,255	
Stock/ inventory purchased during the year	30,617,700	
Stock/ inventory issued during the year	25,033,821	
Balance at end of the year	6,124,134	

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Comments
	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	
Construction of buildings					
Supply of goods					
Tuition account					
1. Remo Chemicals	436,081	01/1/2021		436,081	
2. Yokhama Enterprises Limited	1,360,300	01/1/2021		1,360,300	
3. Kodam Agencies	213,100	01/1/2021		213,100	
4. Pezi Publishers	160,500	01/1/2021		160,500	
5. Sauti Furniture	250,000	01/1/2021		250,000	
6. Weston Commodities	421,193	01/1/2021		421,193	
7. Conart Limited	920,000	01/1/2021		920,000	
8. Smart School Technology	170,000	01/1/2021		170,000	
9. Litemore Limited	124,400	01/1/2021		124,400	
10. Cyber school Technology Ltd	116,000	01/1/2021		116,000	
Sub Total	<u>4,171,574</u>			<u>4,171,574</u>	
Operation account					
1. Fialcon Enterprises	198,500	01/1/2021		198,500	
2. Spearhead Enterprises	154,340	01/1/2021		154,340	
3. Kudheihha	99,000	01/1/2021		99,000	
4. Pacis Insurance Co. Ltd	334,499	01/1/2021		334,499	
5. Kodam Agencies	485,000	01/1/2021		485,000	
6. Khrushna Enterprises	278,050	01/1/2021		278,050	
7. Fine Stitch	50,000	01/1/2021		50,000	
8. DAP Media	108,600	01/1/2021		108,600	
9. Tallent	290,600	01/1/2021		290,600	
Sub- Total	<u>1,998,589</u>			<u>1,998,589</u>	
School Fund account					
1. Maureen Osagi	12,000	01/1/2021		12,000	
2. Crispus Wamalwa	13,200	01/1/2021		13,200	
3. Henry Kituyi	19,000	01/1/2021		19,000	
4. Mary Wamboi	21,600	01/1/2021		21,600	
5. Mainland Auto tyres	40,000	01/1/2021		40,000	
6. Naboth Mwombe	43,300	01/1/2021		43,300	
7. Nangos Technology Limited	69,234	01/1/2021		69,234	
8. Back point General Supplies	56,000	01/1/2021		56,000	

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Comments
9. Isaac Ochieng	61,000	01/1/2021		61,000	
10. Jacobs General Supplies	76,000	01/1/2021		76,000	
11. Beatrice Natso	106,144	01/1/2021		106,144	
12. Wa-Mumbi super market	288,000	01/1/2021		288,000	
13. Poly Energy saver	304,000	01/1/2021		304,000	
14. Petmas Chemist	515,005	01/1/2021		515,005	
15. Loreto Convent Girls	600,000	01/1/2021		600,000	
16. Oyange Entrprises	650,000	01/1/2021		650,000	
17. Teyana Limited	700,000	01/1/2021		700,000	
18. Matunda Modern Hard ware	986,880	01/1/2021		986,880	
19. Mother of Apostles Matunda	810,000	01/1/2021		810,000	
20. Albert Kemboi	926,070	01/1/2021		926,070	
21. Ngumba Enterprises	1,216,950	01/1/2021		1,216,950	
Sub-Total	<u>7,214,383</u>			<u>7,214,383</u>	
Grant Total	13,384,546			13,384,546	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Historical Cost b/f (Kshs) 1 st July 2020	Historical Cost c/f (Kshs) 30 th June 2021
Land 1	Balance B/F 1/1/2021	67,200,000	67,200,000
Buildings and structures	Balance B/F 1/1/2021	104,854,336	107,854,336
Motor vehicles	Balance B/F 1/1/2021	14,500,000	14,500,000
Office equipment, furniture and fittings	Balance B/F 1/1/2021	3,650,300	4,259,300
ICT Equipment, and Other ICT Assets	Balance B/F 1/1/2021	2,347,500	2,347,500
Tools and apparatus	Balance B/F 1/1/2021	538,400	1,038,400
Textbooks	Balance B/F 1/1/2021	5,000,000	5,800,000
Other Machinery and Equipment	Balance B/F 1/1/2021	10,498,000	10,498,000
Heritage and cultural assets	Balance B/F 1/1/2021	1,098,000	1,298,000
Intangible assets- soft ware	Balance B/F 1/1/2021	269,000	269,000
<u>Total</u>		<u>209,855,536</u>	<u>215,064,536</u>