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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



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Hon. NADUNI WAGDO, MP
DEPUTY MAJORITY WHIP

OF

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THE TABLE:

ROSEMARY NGINYO

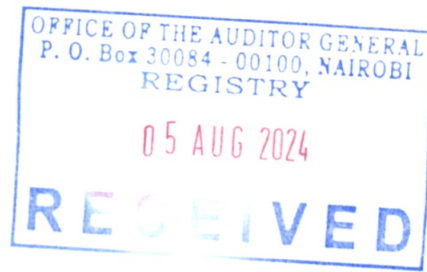
THE AUDITOR-GENERAL

ON

MUUMANDU SECONDARY SCHOOL

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

MACHAKOS COUNTY



**MUUMANDU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022**

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

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I. Acronyms and Glossary of Terms

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	Free day secondary education

II. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under Basic Education Act, 2013. It is located in Machakos County, Kalama Sub-county.

The school was registered on 22/7/2019 under registration Number 1653000451 and is currently categorized as a County school established, owned or operated by the Government. The school is a Day and Boarding school and has a population of 565 students. It has 3 streams and 23 teachers of which 4 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:

s/no	Name of Board Member	Designation	Date appointed
1	Mr.MutuaKilaka	Chairman/Sponsor	26/06/2019
2.	Mr.PatrickMwangangi	Secretary/Principal	26/06/2019
3.	Mr.BenjaminMutiso	Sponsor	26/06/2019
4	Mrs. Juliana Kakuli	Sponsor	26/06/2019
5	DR. Nelson Nzoka	Member -Rep Parent/Local Community	26/06/2019
6	Mr. Jacob Mutiso	Member - Rep Parent/Local Community	26/06/2019
7	Mrs.Jackline K. Muli	Member -Rep Parent/Local Community	26/06/2019
8	Mr. Martin Mulela	Member - Rep Parent/Local Community	26/06/2019
9	Mrs. Judith Tom	Member - Rep Parent/Local Community	26/06/2019
10	Mr. Joseph Mwanzia	Member - Rep Parent/Local Community	26/06/2019
11.	Mr. Stanley Muthama	Member – Rep CEB	26/06/2019
12	Mr. Andrew Kiome	Member – Rep Teachers	26/06/2019
13	Mr. JosphatNzioka	Member – Rep Special Interest group	26/06/2019
14	Mrs. Elizabeth Mutuku	Member – Rep persons with special needs	26/06/2019

Key School Information and Management (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mutua kilaka Patrick mwangangi Jonathan mumama Jacob mutiso Elizabeth mutuku	chairman secretary PA chairman Member member	0
2	Audit Committee	Stanley muthama Jacob mutiso Benjamin mutua Jonathan mumama Josphat nzioka	Chairman Member Member Member member	1
3	Finance, procurement and general purposes Committee	Martin mwanthi Stanley muthama Dr. Nelson muthiani Jacob mutiso	Chairman Member Member member	0
4	Academic Committee	Dr. Nelson muthiani Josphat nzioka Juliana kakuli Andrew kiome	Chairman Member Member member	1
5	Development Committee	Benjamin mutiso Mutua kilaka Patrick mwangangi Jonathan mumama Elizabeth mutuku Nelson muthiani	Chairman Member Member Member Member Member	2

MUUMANDU SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30th June 2022

		Andrew kiome	member	
6	Discipline and welfare Committee	Judith tom Joseph mwanzia Jackline muli Andrew kiome	Chairman Member Member member	0
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref	Designation	Name	TSC NO/ID NO
1	Principal	Mr. Patrick Mwangangi	361233
2	Deputy Principal –Administration	Mr. Andrew Kiome	388268
3.	School Bursar	Mrs.Sarah Tom	22271498

(e) Schools contacts

Post office Box: 488 - Machakos
 Mobile Number: 0724072222
 E-mail: muumandusecondaryschool@gmail.com

(f) School Bankers

The school operated 5 number of bank accounts and 1 Paybill number as follows:

1. Account Name BOARDING
 Name of Bank KCB
 Branch: Machakos
 Account Number: 1106393775
2. Account Name TUITION
 Name of Bank KCB
 Branch : Machakos
 Account Number: 1106379241
3. Account Name OPERATION
 Name of Bank: KCB
 Branch Machakos
 Account Number: 1106330447
4. Account Name Infrastructure
 Name of Bank KCB
 Branch Machakos
 Account Number 1265736480
5. Account Name CDF
 Name of Bank KCB
 Branch Machakos
 Account Number 1113451432
6. Mpesa pay bill No. Busines Number 522123
 Account No. 40222K
 Attached to Bank account 1106393775

(g) Independent Auditors

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

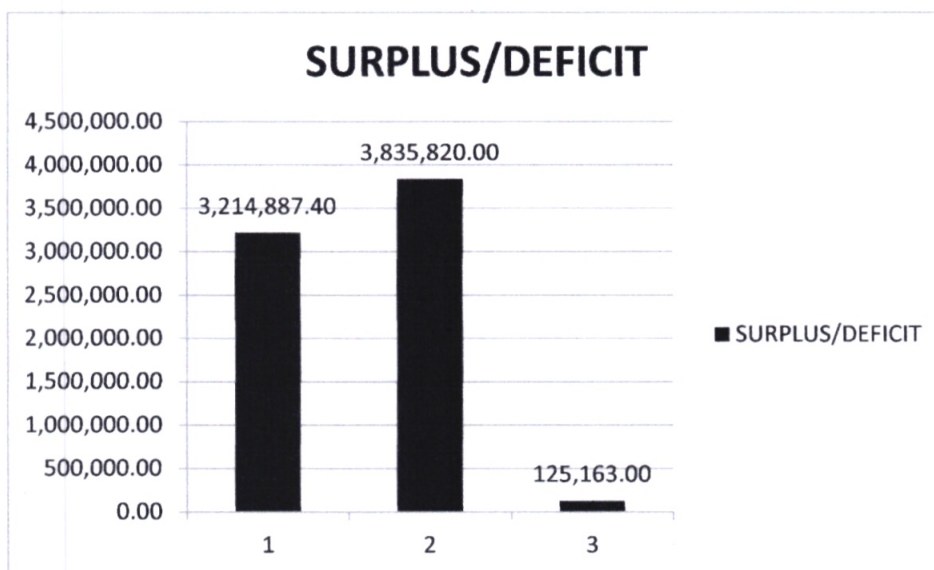
III. Summary Report of Performance of the School

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

a) Financial performance:

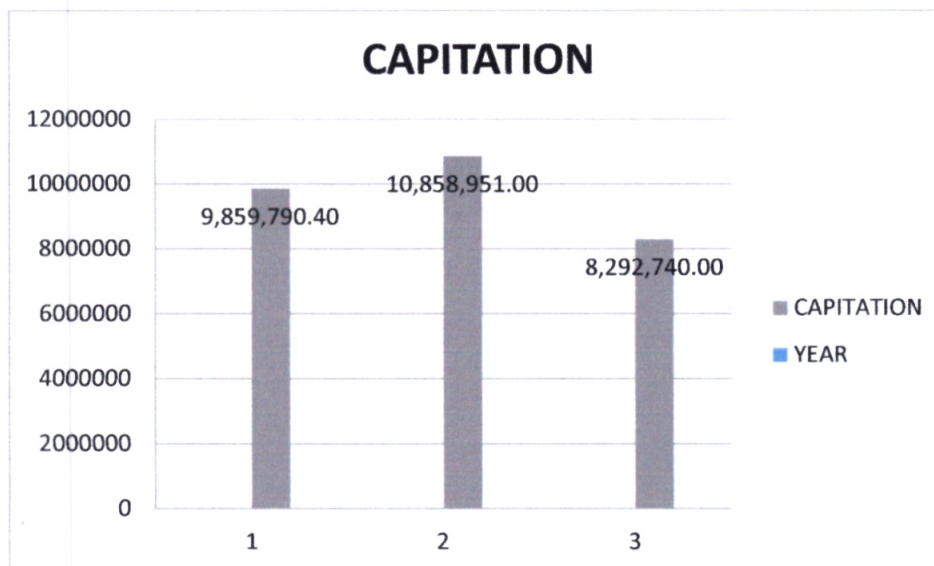
i. Surplus/ deficit for the year and a comparison of the same for the last three years

YEAR	2022/2021	2020/2021	2019
SURPLUS/DEFICIT	3,214,887.40	3,835,820.00	125,163.00



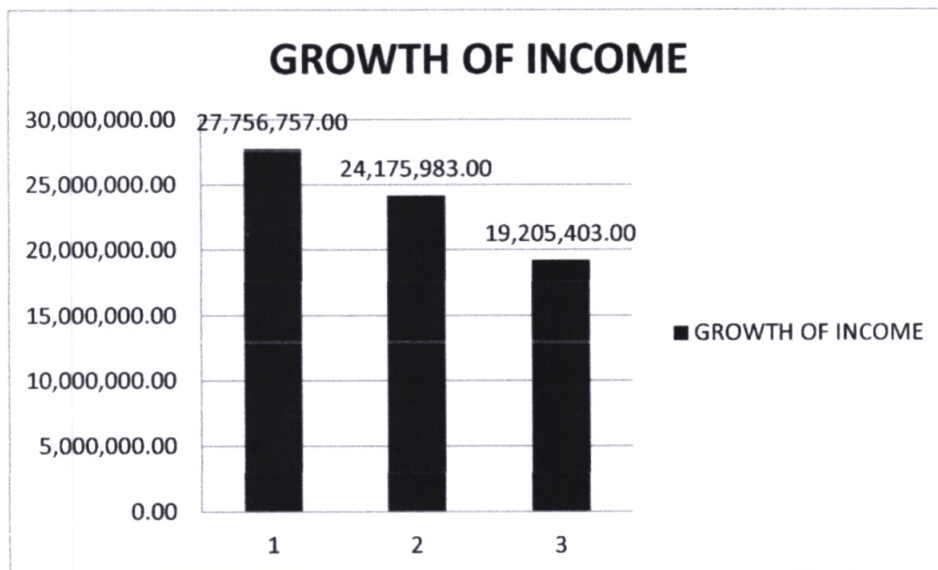
ii. Capitation grants from the Ministry of Education for the last three years

YEAR	2021/2022	2020/2021	2019
CAPITATION	9,859,790.40	10,858,951.00	8,292,740.00



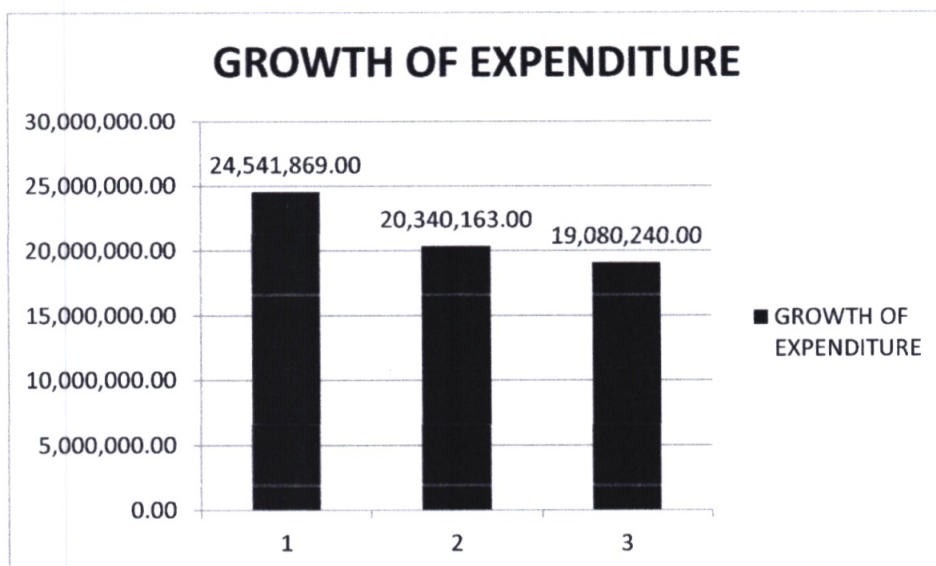
iii. A three-year overview of growth of other income(s) earned by the school.

YEAR	2021/2022	2020/2021	2019
GROWTH OF INCOME	27,756,757.00	24,175,983.00	19,205,403.00



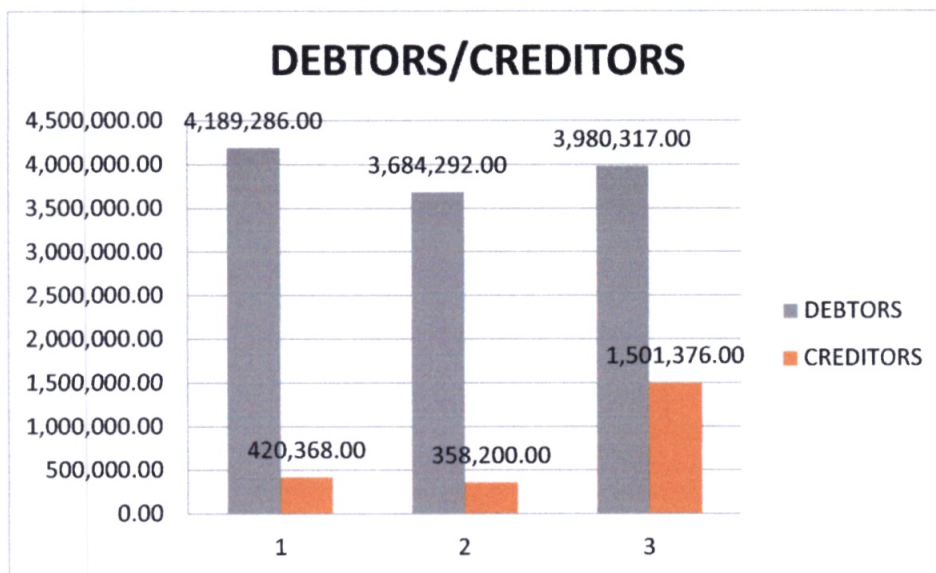
iv. A three-year overview of growth in expenditure of the school

YEAR	2021/2022	2020/2021	2019
GROWTH OF EXPENDITURE	24,541,869.00	20,340,163.00	19,080,240.00



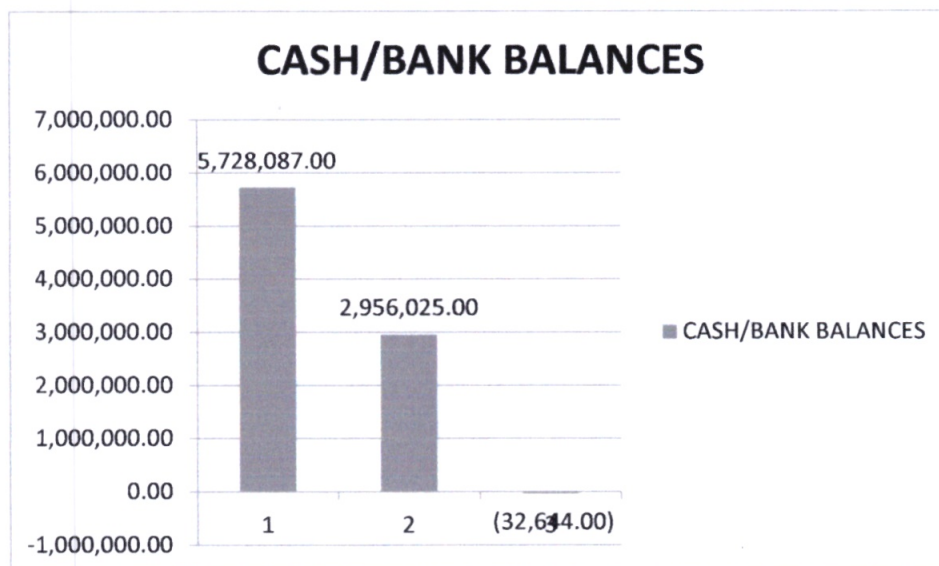
v. Movement of debtors and creditors of the school over the last three years

YEAR	2021/2022	2020/2021	2019
DEBTORS	4,189,286.00	3,684,292.00	3,980,317.00
CREDITORS	420,368.00	358,200.00	1,501,376.00



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

YEAR	2021/2022	2020/2021	2019
CASH/BANK BALANCES	5,728,087.00	2,956,025.00	(32,644.00)



b) Teacher Student ratio:

Between the month of July 2021 and June 2022, the status of the teaching staff is as follows:

- There are 20 teachers posted by the Teachers Service Commission and 4 recruited by the Board of Management.
- Two teachers have been posted to our school within the year
- No teachers was transferred during the year
- No retiree in the year
- Number of teacher employed by B.O.M. are 4
- We have a shortage of 8 teachers from the given CBE
- Teacher student ratio is 1:23

Number of teachers for each subject

Subject	No. of Teachers
1.Mathematics	5
2.English	4
3.Kiswahili	4
4.Chemistry	3
5.Physics	2
6.Biology	2
7.History	2
8.C.R.E	3
9.Geography	4
10.Business studies	2
11.Computer	1
12.Agriculture	1

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

YEA R	ENROLMEN T	MEAN	TRANSIT ION	TRANSITION (%)	SCHOO L TARGE T	COMMENTS
2021	108	4.102	12	11.1%	5.0	
2020	86	4.29	5	5.8%	6.5	
2019	94	5.86	27	28.7%	5.5	

d) Number of candidates in the year 2019, 2020 and 2021

GRADE	2019	2020	2021
A	0	0	0
A-	3	0	0
B+	2	0	0
B	3	0	4
B-	11	0	4
C+	9	5	4
C	18	10	5

MUUMANDU SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30th June 2022

f	24	20	22
D+	20	26	23
D	4	20	3
D-	0	5	23
E	0	0	0
TOTAL NO. OF STUDENTS	94	86	108

e) Capacity of School

Dormitories	Girls - 1 Boys - 1
Dining Hall	0
Laboratory	0
Toilets	Boys - 14 Girls - 9
Other amenities	
Bathrooms	12
Library	0
Classroom	11
Computer Room	1
Staffroom	1

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Classrooms construction	Infrastructure funds	Completed		1,593,775.00	Complete
Lockers & chairs	Infrastructure funds	completed		384,000.00	complete

.....
School Principal



IV. 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 *MUUMANDU SECONDARY SCHOOL* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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



Name: MR. MUTUA KILAKA

Designation: Chairman, School Board of Management

Date: 5/8/24

Name: MR PATRICK MWANGANGI

Designation: School Principal & Secretary to Board of Management

Date: 5/8/24



Name: SARAH TOM

Designation: Bursar/ Finance Officer

Date: 5/8/24



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON MUUMANDU SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – MACHAKOS COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and 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 purposes.
- C. Report on the Effectiveness of Internal Control, 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 under 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 Muumandu Secondary School – Machakos County set out on pages 1 to 20, which comprise of the statement of financial

Report of the Auditor-General on Muumandu Secondary School for the year ended 30 June, 2022 – Machakos County

assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 Muumandu Secondary School – Machakos County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects receivables balance of Kshs.4,189,286 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.3,526,231 which had been outstanding for more than three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt of the statement of the accounts recoverable balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.3,526,231 could not be confirmed.

2. Inaccuracies of the Financial Statements

- i. The statement of the cash flows reflects cash outflows from boarding lunch and school fund of Kshs.15,627,334 while Note 9 to the financial statements reflects Kshs.14,362,334 resulting to an unexplained variance of Kshs.1,265,000.
- ii. The statement of budgeted versus actual amounts reflects final budget total income balance of Kshs.26,810,250 while the recomputed amount is Kshs.25,919,250 resulting to an unexplained variance of Kshs.891,000.

In the circumstances, the accuracy and completeness of the statement of cash flows and the statement of budgeted versus actual amounts could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Muumandu Secondary School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements

applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my Qualified Opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.26,810,250 and Kshs.27,756,756 respectively resulting to over-funding of Kshs.946,506 or 3% of the budget. However, the School spent a balance of Kshs.24,541,869 against actual receipts of Kshs.27,756,756 resulting to an under-utilization of Kshs.3,214,887 or 12% of the receipts.

In the circumstances, the under-utilization of the budget may have 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.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2022.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements for the Auditor-General on 19 September, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to the Ministry of Education Circular Ref.No. MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.14,245,897 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.438,910 transferred to Kenya Secondary Schools Heads Association (KESSHA). 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.438,910 could not be confirmed.

3. Irregular Accounting for Other Receipts

The statement of receipts and payments and as detailed at Note 5 to the financial statements reflects school fund income and other receipts amounting to Kshs.302,906. Included in other receipts is bus hire income amount of Kshs.89,000, tender of Kshs.17,000 and income from exam of kshs.5,900. However, Management did not operate separate accounts for other receipts and was co-mingling other receipts with the School fund contrary to Ministry of Education Circular Ref. No:MOE.HQS/3/13/3 dated 16 June, 2021.

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

4. Delayed Transfer of Funds to Infrastructure Account

The statement of receipts and payments reflects operations grants amount of Kshs.5,178,816 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.3,322,867 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. Review of the School's bank statements revealed infrastructure funds of Kshs.847,500

received on 8 October, 2021 was transferred on 1 November, 2021, an amount of Kshs.202,000 received on 1 June, 2022 was transferred on 24 July, 2024, Kshs.282,500 received on 6 January, 2022 was transferred on 2 February, 2022, while Kshs.566,000 received on 20 April, 2022 was transferred on 12 May, 2022. As a result, all the infrastructure funds were transferred to the infrastructure account after the recommended fifteen days. This was contrary to Ministry of Education Circular Ref. No: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.

5. Unauthorized Opening of Bank Accounts

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.5,728,087 as disclosed in Note 10 and 11 to the financial statements. Included in the balances are four (4) bank accounts. However, authority to open and operate the accounts was not provided for audit review. This is contrary to Regulations, 82(4) of the Public Management (National Government) Regulations, 2015 which provides that, except with the prior authority of the National Treasury, no accounting officer may open a bank account for the deposit, custody or withdrawal of public moneys or other moneys for which he or she is responsible in his or her official capacity or for the transaction of official banking business.

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

6. Lack of a Procurement Plan

The statement of receipts and payments reflects total receipts and total expenditure amounting to Kshs.27,756,757 and Kshs.24,541,869 respectively. However, 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 should prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

7. Inadequate Number of Board Committee Meetings

During the year under review, three sub-committees did not have meetings. This was contrary Section 6(1) of the fourth schedule of the Basic Education Act, 2013, which states that a Board of Management committees shall meet at least once every four months.

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

8. Non Compliance with Optimal Number of Committee Sitings

During the year under review, scrutiny of Board Sub-Committees minutes revealed that two (2) Members sat in three (3) Committees contrary to the provisions of the Head of Public Service Circular Ref.OP/CAB.9/1A dated 11 March, 2020 which provides that Board Members can only sit in a maximum of two (2) Committees.

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

9. Unconfirmed of Student Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.9,859,791. Comparison of data from National Education Management and Information System (NEMIS) with records from the School revealed that during the financial year, NEMIS reported a total number of 566 students while records from the enrolment record provided by the School indicated a total of 540 students which resulted in twenty six (26) excess students in NEMIS and subsequent over funding of Kshs.583,440.

In the circumstances, inaccurate enrollment records resulted to irregular overfunding of the School.

10. Non Compliance with the Law on Board Ethnic Diversity

The School had a Board of Management of thirteen (13) Members with a women representation of 30%. However, ethnic and regional diversity of the people of Kenya was not observed as all members were from the dominant community in the county. This is contrary to Section 57(2) of Basic Education Act, 2013 which provides that in appointing persons as members of a Board of Management, the nominating and appointing authority shall observe and respect: (a) the ethnic and regional diversity of the people of Kenya. (b) impartiality and gender equity (c) Article 10 and Chapter Six of the Constitution.

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. Lack of Ownership Documents

Annex 2 to the financial statements reflects a summary of fixed assets register with a total historical cost of Kshs.50,328,000 which includes land with a historical cost of Kshs.4,000,000. The School is located in Muumandu township at a land whose ownership documents or allocation/allotment letters were not provided for audit. Additionally, the School purchased land at a cost of Kshs.500,000 and plot at an amount of Kshs.300,000 on 17 February, 2012. However, land ownership documents were not provided for audit.

In the circumstances, the ownership and custody of school land could be confirmed.

2. Incomplete Asset Register

Annex 2 to the financial statements reflects a summary of fixed assets register with a total historical cost of Kshs.50,328,000. However, the assets register provided for audit review lacked mandatory information for both existing and acquired assets including dates of acquisition, persons responsible, assets' location, assets' values net of depreciation and amortization and current market values.

In the circumstances, the safe custody and ownership of the School's fixed assets could not be confirmed.

3. Lack of Approved Human Resource Instruments

Management did not provide an approved Human Resource Policy, Procedure manual, staff establishment, scheme of service and salary structure for Board employees. In absence of the above, it is unclear how vacancies were identified, filled and remunerated. Further, no records were available to confirm that the School has a qualified Human Resource personnel as per the Human Resource Management Professionals Act No. 29 of 2012.

In the circumstances, the School's human resource decisions did not benefit from the advisory role of the Human Resource expert.

4. Lack of Risk Management Policy

During the financial year ended 30 June, 2022, the School did not have a risk management strategy in place. In the circumstances, there was no approved processes and guidelines on how to mitigate operational, legal and financial risks. In the circumstances, the management did not perform formal risk assessments on all key financial risk areas such as cash, revenue and expenditure. Further, it was noted that the

management lacks a disaster recovery plan/business continuity plan and therefore crucial information may not be recovered in the event of a disaster.

In the absence of a risk management policy, Management was not in a position to identify individual risks, significance areas, likelihood of occurrence of identified risks and the appropriate control measures.

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 the International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain 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 its operations. Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error,

and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of noncompliance. 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 control.
- 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 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 sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

6 November, 2024

VI. Statement of Receipts and Payments Period To 30th June 2022

DESCRIPTION OF VOTE HEAD	Note	July 2021 - June 2022	Jan 2020 - June 2021
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	1,837,475.00	1,457,841.00
Government grants for Operations	2	5,178,816.00	5,670,110.00
Government grants for Infrastructure	3	2,843,500.00	3,731,000.00
School Fund Income- Parents' Contributions	4	17,594,060.00	12,955,157.00
School Fund Income- Other receipts	5	302,906.00	361,875.00
TOTAL RECEIPTS		27,756,757.00	24,175,983.00
PAYMENTS			
Payments for Tuition	6	1,996,107.00	1,216,311.00
Payments for operations	7	4,177,574.00	4,723,621.00
Payments for infrastructure	8	4,122,291.00	2,519,527.00
Boarding and school fund payments	9	14,245,897.00	11,880,704.00
TOTAL PAYMENTS		24,541,869.00	20,340,163.00
SURPLUS/DEFICIT		3,214,888.00	3,835,820.00

The school financial statements were approved on 5/8/24 2024 and signed by:



Name: MUTUA KILAKA

Chair BOM

Date: 5/8/24


 Name: PATRICK MWANGANGI
 School Principal/ Secretary to BOM

Date: 5/8/24



Name: SARAH TOM

Bursar/ Finance Officer

Date: 5/8/24

VII. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

	Note	June 2021 - July 2022	Jan 2020 - June 2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	5,719,443.00	2,808,639.00
Cash Balances	11	8,644.00	147,386.00
Short term Investment	12	-	-
Total Cash and Cash Equivalents		5,728,087.00	2,956,025.00
Accounts receivables	13	4,189,286.00	3,684,292.00
TOTAL FINANCIAL ASSETS		9,917,373.00	6,640,317.00
FINANCIAL LIABILITIES			
Accounts Payable	14	420,368.00	358,200.00
NET FINANCIAL ASSETS		9,497,005.00	6,282,117.00
REPRESENTED BY			
Fund balance b/fwd 1st July 2021	15	6,282,117.00	2,446,297.00
Surplus/Defict for the year		3,214,887.00	3,835,820.00
NET FINANCIAL POSITION		9,497,005.00	6,282,117.00

The school's financial statements were approved on 5/8/24 2024 and signed by:



Name: MUTUA KILAKA


Chair BOM

Date: 5/8/24



Name: PATRICK
MWANGANGI
School Principal/ Secretary to
BOM

Date: 5/8/24



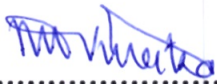
Name: SARAH TOM

Bursar/ Finance Officer

Date: 5/8/24

VIII. Statement of Cash Flows for The Period Ended 30th June 2022

	Note	July 2021 - June 2022	Jan 2020 - June 2021
		Kshs	Kshs
Receipts from operating activities			
Government grants for tuition	1	1,837,475.00	1,457,841.00
Government grants for Operations	2	5,178,816.00	5,670,110.00
Government grants for Infrastructure	3	2,843,500.00	3,731,000.00
School fund income- Parents contributions/ fees	4	17,397,351.00	12,655,408.00
School fund income- other receipts	5	302,906.00	361,875.00
Total receipts		27,560,048.00	23,876,234.00
Payments			
Cash outflows for tuition	6	2,125,787.00	1,162,511.00
Cash outflows for operations	7	4,177,574.00	4,763,621.00
Cash outflows for boarding lunch and school fund	9	14,362,334.00	12,441,906.00
		20,665,695.00	18,368,038.00
Net cash flow from operating activities		6,894,353.00	5,508,196.00
CASHFLOW FROM INVESTING ACTIVITIES			
Cash outflows for infrastructure	8	4,122,291.00	2,519,527.00
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		4,122,291.00	2,519,527.00
NET CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash flows from Investing Activities		-	
NET INCREASE IN CASH AND CASH EQUIVALENT		2,772,062.00	2,988,669.00
Cash and cash equivalent at BEGINNING of the year		2,956,025.00	(32,644.00)
Cash and cash equivalent at END of the year		5,728,087.00	2,956,025.00



.....
Name: MUTUA KILAKA

Chair BOM

Date: 5/8/24



.....
Name: PATRICK
MWANGANGI
School Principal/ Secretary to
BOM

Date: 5/8/24



.....
Name: SARAH TOM

Bursar/ Finance Officer

Date: 5/8/24

IX. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a		b	c=a+b	d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
<i>(1) GOVERNMENT GRANT ON TUITION</i>						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials	1,950,000.00			1,950,000.00	1,837,475.00	94.2%
Chalks				-		
Teachers guides				-		
TOTAL	1,950,000.00	-	-	1,950,000.00	1,837,475.00	94.2%
<i>(2) GOVERNMENT GRANT ON OPERATIONS</i>						
Other vote heads	5,221,250.00			5,221,250.00	5,065,615.80	97.0%
Repairs and maintenance	-			-		
Local transport / travelling						
Electricity and water						

Medical				-	113,200.00	
Administration costs						
Activity						
Infrastructure grant, computer lab						
Infrastructure grant, 3classrooms						
Infrastructure grant, ablution block						
Gratuity						
SMASSE						
TOTAL	5,221,250.00			5,221,250.00	5,178,816.00	99.2%
(3) GOVERNMENT GRANT FOR INFRASTRUCTURE						
Infrastructure projects	3,850,000.00			3,850,000.00	2,843,500.00	73.9%
Construction of laboratory						
Construction of dormitory						
Purchase of furniture						
Purchase of equipment						
Purchase of apparatus						
Drilling of boreholes						
Bank charges						
Total	3,850,000.00	-	-	3,850,000.00	2,843,500.00	73.9%
(4) FEES CHARGED ON PARENTS						
Other vote heads	3,980,000.00			3,980,000.00	4,172,460.00	104.8%
Repairs and maintenance	730,000.00			730,000.00	744,881.00	102.0%

Local transport / travelling						
Electricity and water						
Medical						
Administration costs						
Activity	90,000.00		90,000.00	157,595.00	175.1%	
SMASSE						
Fee on Boarding Equipment and Stores	10,980,000.00		10,980,000.00	12,519,124.00	114.0%	
TOTAL	15,780,000.00		15,780,000.00	17,594,060.00	111.5%	
(5) MISCELLANEOUS INCOME						
Losses				191,006.00		
Exam				5,900.00		
tender				17,000.00		
Income from Posho mill						
Bus hire				89,000.00		
Fee for hire of ground and equipment						
Interest income						
Income from any other investment						
TOTAL				302,906.00		
TOTAL INCOME	26,801,250.00		26,801,250.00	27,756,756.00	103.6%	
(6) EXPENDITURE FOR TUITION						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams						

Teaching / learning materials	1,950,000.00		1,950,000.00	1,994,127.00	102.3%
Chalks					
Bank charges				1,980.00	
TOTAL	1,950,000.00		1,950,000.00	1,996,107.00	102.4%
(7) EXPENDITURE FOR OPERATIONS					
Personnel emoluments					
Other voteheads	1,464,114.00		1,464,114.00	1,420,438.00	97.0%
Payroll expenses	3,757,136.00		3,757,136.00	2,757,136.00	73.4%
Repairs and maintenance & improvements					
Local transport / travelling					
Electricity and water					
Medical					
Activity Expenses					
Insurance					
Bank Charges					
Acquisition of Assets					
TOTAL	5,221,250.00		5,221,250.00	4,177,574.00	80.0%
(8) EXPENDITURE FOR INFRASTRUCTURE					
Infrastructure projects	3,850,000.00		3,850,000.00	4,120,305.00	107.0%
Construction of laboratory					
Construction of dormitory					
Bank charges				1,986.00	
TOTAL	3,850,000.00		3,850,000.00	4,122,291.00	107.1%

(9) EXPENDITURE FOR SCHOOL FUND						
Other vote heads	3,980,000.00			3,980,000.00	3,648,088.00	91.7%
Bording equipment and stores	10,980,000.00			10,980,000.00	9,554,467.00	87.0%
Repairs and maintenance	730,000.00			730,000.00	657,242.00	90.0%
BOM allowances					161,500.00	
Electricity and water						
Administration costs						
Activity	90,000.00			90,000.00	20,500.00	22.8%
Bank charges						
Uniform						
Losses				-	122,500.00	
Farm				-		
Exam				-	23,600.00	
Bus hire				-	45,500.00	
Tender				-	12,500.00	
TOTAL	15,780,000.00	-	-	15,780,000.00	14,245,897.00	90.3%
TOTAL EXPENDITURE	26,801,250.00	-	-	26,801,250.00	24,541,869.00	91.6%

X. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *Muumandu Secondary 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 *Muumandu Secondary School* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *Muumandu Secondary School*. In addition, the *Muumandu Secondary 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 *Muumandu Secondary 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, Muumandu Secondary School includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

XI. Notes To The Financial Statements

1. Capitation Grant for Tuition

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Textbooks and reference materials			
Exercise books			
Laboratory equipment			
Internal exams			
Teaching / learning materials		1,837,475.00	1,457,841.00
Chalks			
Exams and assessment			
Library and reference			
Total		1,837,475.00	1,457,841.00

2. Capitation Grant for Operations

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Other vote heads		5,065,616.00	5,404,910.00
Repairs and maintenance			
Local transport / travelling			
Electricity and water			
Other vote heads			
Infrastructure grant, computer lab			
Medical		113,200.00	88,400.00
Administration costs			
Interest			
Activity			176,800.00
Total		5,178,816.00	5,670,110.00

3. Capitation grants for infrastructure

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Maintenance & Improvement		2,843,500.00	3,731,000.00
Transition infrastructure grants			
Administration Block			
Economic stimulus grants			
Other (specify)(NGCDF and County govt.			
Total		2,843,500.00	3,731,000.00

Notes To The Financial Statements (Continued)

4. Parents Contribution/Fees - School Fund Account

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Other vote heads		4,172,460.00	2,713,945.00
Boarding equipment and stores		12,519,124.00	9,718,914.00
Repairs and maintenance		744,881.00	465,980.00
Local transport / travelling			
Electricity and water			
Administration costs			
Income from grants and donations			
Activity		157,595.00	56,318.00
Total as per receipts and payments		17,594,060.00	12,955,157.00
Add Fees arrears recovered during the year		36,130.00	296,025.00
Less Fees debtors for the year		(541,124.00)	
Add Prepaid fees for the year		308,285.00	
Less Prepaid fees from previous year			(595,774.00)
Total as per cash flow		17,397,351.00	12,655,408.00

5. Miscellaneous Income

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Losses		191,006.00	116,975.00
Exam		5,900.00	47,600.00
Bus hire		89,000.00	197,300.00
Tender		17,000.00	
Total		302,906.00	361,875.00

Notes To The Financial Statements (Continued)

6. Payments for Tuition

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Textbooks and reference materials			
Exercise books			
Laboratory equipment			
Internal exams			
Teaching / learning materials		1,994,127.00	1,212,365.00
Chalks			
Exams and assessment			
Bank Charges		1,980.00	3,946.00
Total as per receipts and payments		1,996,107.00	1,216,311.00
Add Creditors paid during the year		129,680.00	75,880.00
Less Creditors for the year			(129,680.00)
Total as per cash flow		2,125,787.00	1,162,511.00

7. Payments for Operations

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Other vote heads		1,420,438.00	1,243,320.00
Payroll expenses		2,757,136.00	2,936,148.00
Repairs and maintenance & improvements			
Local transport / travelling			
Electricity and water			
Medical			258,618.00
Activity Expenses			285,535.00
Insurance			
classroom			
Bank Charges			
Acquisition of Assets			
Total as per receipts and payments		4,177,574.00	4,723,621.00
Add Creditors paid during the year			40,000.00
Total as per cash flow		4,177,574.00	4,763,621.00

Notes To The Financial Statements (Continued)

8. Payments for infrastructure

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Infrastructure projects		4,120,305.00	2,516,553.00
Construction of laboratory			
Construction of dormitory			
Purchase of furniture			
Bank charges		1,986.00	2,974.00
Total		4,122,291.00	2,519,527.00

9. Boarding and School Fund Payments

		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Other vote heads		3,648,088.00	3,167,945.00
Boarding equipment and stores		9,554,467.00	7,179,468.00
Repairs and maintenance		657,242.00	729,755.00
BOM allowances		161,500.00	157,000.00
Payroll expenses			339,731.00
Administration costs			
Activity		20,500.00	84,340.00
Bank charges			
Uniform			
Losses		122,500.00	81,505.00
Exam		23,600.00	29,900.00
Farm			
Bus hire		45,500.00	111,060.00
Development			
Tender		12,500.00	
Total as per receipts and payments		14,245,897.00	11,880,704.00
Add Creditors paid during the year		228,520.00	735,127.00
Add Creditors paid during the year 2021			54,595.00
Less Creditors for the year		(112,083.00)	(228,520.00)
Total as per cash flow		14,362,334.00	12,441,906.00

*(Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs 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

Name of Bank, Account No. & currency	Bank Account Number	Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Tuition Account		9,280.00	297,593.00
Operations Account		1,908,278.00	907,036.00
School Fund Account/Boarding		3,800,865.20	485,780.00
Savings Account			
Project			
Income generating activities Account			
Infrastructural Account		1,019.00	1,118,230.00
Total		5,719,443.00	2,808,639.00

11. Cash In Hand

Description	Jul 2021 - Jun 2022	Jan 2020 - June 2021
	Kshs	Kshs
Infrastructural Account	37.00	93,617.00
Operation Account	95.00	95.00
School Fund account	8,512.00	53,674.00
Total	8,644.00	147,386.00

12. Short Term Investments

Description	Jul 2021 - Jun 2022	Jan 2020 - June 2021
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

Notes To The Financial Statements (Continued)

13. Accounts Receivable

Description		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Fees arrears		4,189,286.00	3,684,292.00
Other non-fees receivables		-	-
Salary advances		-	-
Imprest		-	-
Rent arrears			
Total		4,189,286.00	3,684,292.00

13b Ageing analysis of accounts receivable

Description		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Less than 1 year		541,124.00	
Between 1 - 2 years			158,061.00
Between 2 - 3 years		121,931.00	
Over 3 years		3,526,231.00	3,526,231.00
Total		4,189,286.00	3,684,292.00

14. Accounts Payable

Description		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Trade creditors (See ageing below and appendix 1)		112,083.00	358,200.00
Prepaid fees		308,285.00	
Retention monies		-	-
Unpaid salaries and statutory deductions			
Caution money			
Total		420,368.00	358,200.00

13b Ageing analysis of accounts payable

Description		Jul 2021 - Jun 2022	Jan 2020 - June 2021
		Kshs	Kshs
Less than 1 year		112,083.00	358,200.00
Between 1 - 2 years		-	-
Between 2 - 3 years		-	-
Over 3 years			
Total		112,083.00	358,200.00

Notes To The Financial Statements (Continued)

15. Fund Balance Brought Forward

Description	Jul 2021 - Jun 2022	Jan 2020 - June 2021
	Kshs	Kshs
Bank balances	5,719,442.55	2,808,639.00
Cash balances	8,644.00	147,386.00
Short Term Investments		-
Receivables	4,189,286.00	3,684,292.00
Payables	(420,368.00)	(358,200.00)
Total	9,497,004.55	6,282,117.00

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.

16. Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Total		

17. Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle			
Goats			
Trees			
Coffee Or Tea Plantation			
Poultry			
Total			

Other important disclosure notes

18. Borrowings

Description	2021-2022	2020-2021
	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		


19. Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year		
Stock/ inventory purchased during the year		
Stock/ inventory issued during the year		
Balance at end of the year		

XII. 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 5/8/2024.
 Date:.....

XIII. Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. DPL Festive	112,083.00			112,083.00		
5.						
6.						
Sub-Total	112,083.00			112,083.00		
Supply Of Services						
7.						
8.						
9.						
Sub-Total						
Grand Total	112,083.00			112,083.00		

XIV. 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 2022
Land 1	4,000,000.00			4,000,000.00
Buildings and structures	32,000,000.00			32,000,000.00
Motor vehicles	6,200,000.00			6,200,000.00
Office equipment, furniture and fittings	2,500,000.00			2,500,000.00
ICT Equipment, and Other ICT Assets	418,000.00			418,000.00
Tools and apparatus	900,000.00			900,000.00
Textbooks	3,500,000.00			3,500,000.00
Other Machinery and Equipment	150,000.00			150,000.00
Intangible assets- soft ware	660,000.00			660,000.00
Total	50,328,000.00			50,328,000.00