

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	10 APR 2023 THURSDAY
TABLED BY:	HON. SILVANUS OSORO, MP OF MAJORITY PARTY WHIP
CLERK-AT-THE-TABLE:	INZOFU MWALE



REPORT

THE AUDITOR-GENERAL

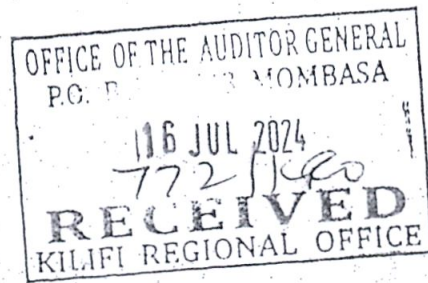
ON

**KEEKONYOKIE MIXED DAY SECONDARY
SCHOOL**

**FOR THE YEAR
ENDED 30 JUNE, 2023**

NAROK COUNTY

Revised 30th June 2023.



KEEKONYOKIE MIXED DAY

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th June 2023

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

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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 NAROK County, NAROK EAST Sub-County

The school was registered in 02/2020 under registration number 33S38500850 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 569 number of students as at 30th June 2023. It has 3 streams and 23 teachers of which 7 teachers are employed by the School Board Of Management.

b) School Board of Management - Board Members

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

Ref.	Name of Board Member	Designation	Date of appointment
1	Gabriel Tanyasis	Chairman-sponsor	01/08/2022
2	Erastus Nganga	Secretary - Principal	01/08/2022
3	Sankale Leshinka	Member-community	01/08/2022
4	Christopher Nkukuu	Member-community	01/08/2022
5	Shapara Olonana	Member -community	01/08/2022
6	Fredrick Muraya	Member-community	01/08/2022
7	Torome Tirike	Member-community	01/08/2022
8	Dr. Augastine Kara	Member – Rep CEB	01/08/2022
9	Anastazia Koech	Member Rep Teachers	01/08/2022
10	Nancy W. Nkararo	2 Members - Sponsor	01/08/2022
11	Elizabeth Marai		
12	Catherine Memusi	Member - Community	01/08/2022
13	Joseph M. Nkukuu	Member-Special Needs	01/08/2022
14	James Kuronoi	Member-community	01/08/2022
15	Blessing Soila	Rep Students	01/08/2022

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**

Provide 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	1.Gabriel Tanyasis 2.Nancy Nkararo 3.James Kuronoi 4.Erastus Nganga	Chairman sponsor Member Secretary	6
2	Audit Committee	1.Erastus Nganga 2.Sankale Leshinka 3.Fredrick Muraya 4.Catherine Memusi	Secretary Member Chairman member	2
3	Finance,procurement and general purposes Committee	1.Nancy Nkararo 2.Gabriel Tanyasis 3.Erastus Nganga 4.James Kuronoi 5.Elizabeth Marai	member Chairman Secretary member member	2
4	Academic Committee	1.Christopher Nkukuu 2.Erastus Nganga 3.Dr. Augastine Kara 4.James Kuronoi 5.Catherine Memusi	Member Secretary chairman Member Member	1
5	Development Committee	1.Joseph M. Nkukuu 2.Nancy Nkararo 3.Shapara Olonana 4.Erastus Nganga 5.Gabriel Tanyasis 6.Moses Bosire 7.James Kuronoi	chairman Member Member Secretary Member SCDE Member	2
6	Discipline and welfare Committee	1.Christopher Nkukuu 2.Erastus Nganga	Member Secretary	1

		3.Dr. Augustine Kara 4.James Kuronoi 5.Catherine Memusi	chairman Member Member	
7	Adhoc Committee (if any during the year)	1. Erastus Nganga 2.Anastazia Koech 3.Gabriel Tanyasis 4.Joseph M. Nkukuu 5.James Kuronoi 6.Nancy Nkararo 7.Moses Bosire	Secretary Member Chairman Member Member Member SCDE	1

d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	ERASTUS NGANGA	244208
2	Deputy Principal	KENNEDY LENGOS	665784
3	School Bursar	DAVID KINAYIA	29646416(ID)

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

e) Schools contacts

Post Office Box:71-20504 N/Enkare
 Telephone:0720673473
 E-mail: keekonyokiesec@gmail.com
 Website:N/A
 Facebook: N/A
 Twitter:N/A

f) School Bankers

The following school operated 6 number of bank accounts in the following banks:
 (Ensure all accounts including CDF accounts are included)

- Name of Bank:Family Bank(Tuition)
Branch:Narok

Account Number:029000073887

- Name of Bank:Family Bank(Operation)
Branch:Narok
Account Number:029000073891

- Name of Bank:Family Bank (T.I.G)
Branch: Narok
Account Number: 029000081017

- Name of Bank: KCB(School fund)
Branch: Narok
Account number:1145232566

- Name of Bank:Equity Bank(CDF)
Branch:Narok
Account Number:0360277559443

- Name of Bank: K-Unity SACCO (School fund)
Branch: N/ Enkare
Account Number: 02310000000650

- MPESA Pay Bill No. 522522 attached to KCB bank account
- MPESA Pay Bill No. 4082977 attached to K-Unity SACCO

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

g) Independent Auditors

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

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:

Under this section, the following information should be given:

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

Surplus

2022/2023	2021/2022	JAN-JUN2021	2020
167,547.64	48,639.00	345,460.95	490,865.00

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

2022/2023	2021/2022	JAN-JUN2021	2020
6,606,062.24	8,441,373.00	3,882,668.75	5,475,555.00

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

YEAR	2022/2023	2021/2022	JAN-JUN2021	2020
TUITION				
OPERATION				

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

YEAR	2022/2023	2021/2022	JAN-JUN2021	2020
PARENTS	8,578,216.00	7,433,040.00	3,052,130.00	2,548,525.00
		-	-	-

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

2022/2023	2021/2022	JAN-JUN2021	2020
15,016,730.60	15,825,774.00	8,589,337.80	7,817,413.20

- *Movement of debtors and creditors of the school over the last three years*

YEAR	2022/2023	2021/2022	JAN-JUN2021	2020
DEBTORS	1,838,796.00	800,570.00	2,937,635.00	1,391,889.15
CREDITORS	894,861.00	448,871.00	1,389,215.00	713,692.00

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

YEAR	2022/2023	2021/2022	JAN-JUN2021	2020
BANK BAL.	80,687.98	24,931.34	392,375.94	2,828.99
CASH BAL.	288,525.00	175,734.00	4,114.00	-

Graphical presentation, ratios, tables, and pie charts should be used to show/indicate trends.

b) Teacher Student ratio:

The teacher to student ratio is 1:24, the number of teachers recruited and posted to the school within the year were 3, and there were no transfers or retirements of teachers. There are 14 teachers employed by TSC, and 7 teachers employed by BOM. The school have the following number of teachers per subject:-Mathematics 7, Geography 4, Business Studies 1, Biology 4, Chemistry 3, Physics 2, Agriculture 1, English 3, Kiswahili 5, CRE 7 and History 3.

c) Mean score in the 2022 KCSE:

OVERALL ANALYSIS

ENTRY-110

GRADE	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	M.S	M.G
COUNT	0	0	0	0	0	1	0	5	4	21	62	14	3	0	2.3271	D-

PERFORMANCE PROGRESS OVER THE LAST 3 YEARS

YEAR	2020	2021	2022
M.S	2.873	2.0189	2.3271
DEVIATION	+0.27	-0.8541	+0.3082

d) Number of Candidates in the 2022 KCSE:

YEAR	2022	2021	2020
Number of candidates	110	108	63

e) Capacity of the school:

Population	Classrooms	Dining Hall	Laboratories	Toilets	Field
569	9	-	1	8	1
Required	13	1	2	16	3

f) Development projects carried out by the school:

FACILITY	COST	SOURCE OF FUNDS
1 CLASSROOMS	M.O.E(CBC CLASS)	M.O.E

Sign

School Principal

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.

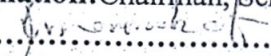
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *Keekonyokie 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, 2023, and of the school's financial position as at that date.

Name: Gabriel Tanyasis

Designation: Chairman, School Board of Management

Sign:.....

Date: 10/07/2023

Name: Erastus Nganga

Designation: School Principal & Secretary to Board of Management

Sign:.....

Date: 10/07/2023

Name: David Kinayia

Designation: Bursar/ Finance Officer

Sign:.....

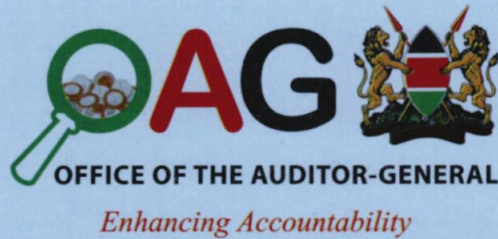
Date: 10/07/2023

IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF (KEEKONYOKIE MIXED DAY SECONDARY) SCHOOL OF THE YEAR ENDING 30TH JUNE 2023

To be attached

REPUBLIC OF KENYA

Phone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON KEEKONYOKIE MIXED DAY SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – NAROK COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal control, 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 Keekonyokie Mixed Day Secondary School – Narok County set out on Pages 10 to 25 which comprise the statement of financial assets and financial liabilities as at 30 June, 2023 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 Keekonyokie Mixed Day Secondary School – Narok County as at 30 June, 2023 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standard (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Payments

The statement of receipts and payments reflects payments totalling Kshs.15,016,731. Included in these payments is Kshs.1,223,203, Kshs.5,334,703 and Kshs.8,458,824 respectively as disclosed in Notes 5, 6 and 7 to the financial statements. However, examination of payment vouchers revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, invoices, inspection reports, goods received notes, certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the payments totalling Kshs.15,016,731 could not be confirmed.

2. Accounts Receivables

2.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.2,423,432. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.2,423,432 could not be confirmed.

2.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.2,423,432. Included in the balance are receivables amounting to Kshs.994,406 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.2,423,432 could not be confirmed.

3. Variances in / Unsupported Payables

The statements of financial assets and financial liabilities reflects payables balance of Kshs.440,295. However, the balance is not supported by a detailed schedule of creditors and corresponding annex 1 on analysis of pending accounts payable reflects a balance of Kshs.531,565 resulting to an unexplained or an unreconciled variance of Kshs.91,270.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.440,295 could not be confirmed.

4. Unsupported Cash and Cash Equivalentents

The statement of financial assets and financial liabilities reflects cash and cash equivalentents balance of Kshs.369,213. Included in the balance is bank balance and cash balance of Kshs.80,688 and Kshs.288,525 respectively. However, the bank reconciliation statements and board of survey reports were not provided.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalentents balance of Kshs.200,665 could not be confirmed.

5. Inaccuracies/ Variances in the Financial Statements

Review of the annual report and financial statements revealed the following:

- a. Management maintained manual systems which could not produce ledgers and trial balance to support the financial statement amounts and balances.
- b. The Notes to the financial statements on account receivables and accounts payables are not properly aligned with the statement of financial assets and financial liabilities.
- c. The statement of cash flows reflects cash and cash equivalent at the end of the year of Kshs.367,280 while the statement of financial assets and financial liabilities reflects cash and cash equivalent balance of Kshs.369,213 resulting in unreconciled variance of Kshs.1,933.
- d. The statement of financial assets and financial liabilities reflects net financial assets of Kshs.2,352,350 and net financial position of Kshs 1,646,491 resulting to an unexplained variance of Kshs.705,859.
- e. The statement of cash flows reflects cash and cash equivalent at the beginning of the year of Kshs.199,832 while the comparative cash and cash equivalent at the end of the year was Kshs.200,665 resulting in an unexplained variance of Kshs.833.
- f. The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.440,295 which is at variance with accounts payables in annex 1 of Kshs.531,565 by Kshs.91,720.
- g. The statement of financial assets and financial liabilities reflects accumulated fund brought forward balance of Kshs.1,479,043 while the closing net financial

position for the previous year is Kshs.305,181 resulting to unexplained variance of Kshs.1,173,862.

- h. The annual report and financial statements do not have corresponding headers.
- i. The table of contents and the financial statements are not aligned.

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

6. Failure to Disclose Stock/Inventories

Review of the financial statements and other important disclosures revealed that Management did not disclose the value of inventory as at the close of the period as required by the template. In addition, the Management did not carry out a stock take at the end of the financial year

In the circumstances, the value of stock/inventory and compliance with the reporting template could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution 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. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.1,223,065 and Kshs.5,382,997 respectively. Comparison of data from National Education Management and Information System (NEMIS) with the Schools records/register revealed that the

number of students in NEMIS between July to September, 2022 was four hundred and forty-three (443) while the school records/register indicated five hundred and thirteen (513) resulting to a variance of seventy (70) students while between January and April, 2023 the NEMIS indicated four hundred and forty-two (442) students against five hundred and nineteen (519) in the school register resulting in a variance of seventy-seven (77). This was contrary to the Ministry of Education Circular Ref. MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, under-funding of the School may have affected service delivery to the students.

2. Poor Management of Textbooks

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed two thousand three hundred and twenty-nine (2,329) textbooks which were indicated to have been sent to Keekonyokie Mixed Secondary School have not been delivered to the school while fifty-three (53) textbooks were not delivered. In addition, student text book ratio is not 1:1 for some of the textbooks, lost textbooks had not been replaced and six (6) textbooks had been damaged.

In the circumstances, value for money on the text books could not be confirmed.

3. Failure to Prepare School Improvement Plan

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

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

4. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.5,382,997. However, no funds were transferred to infrastructure account. Review of bank statement for operation and infrastructure account revealed that Management did not transfer any amount for maintenance and improvement to school infrastructure account as required by Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds 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. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.15,184,178 and Kshs.15,016,731 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.

6. Late Submission of Financial Statements for Audit

Management submitted financial statements to the Auditor-General on 4 June, 2024 nine (9) months after the statutory date of 30 September, 2023. This was contrary to the Ministry of Education circular Ref. 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.

7. Failure to Maintain an Updated List of Registered Suppliers

Review of records revealed that Management did not maintain an updated list of registered supplier's contrary to Section 57(1) of the Public Procurement and Asset Disposal Act, 2015 which requires all the public entities to maintain an updated list of registered suppliers.

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

8. Failure to Comply with Prescription on Principals, Board of Management and Committees' Terms of Services and Entitlement

The school operated with a duly constituted board. However, appointment letters of Board of Management members were not provided. This is contrary to Paragraph B.7 PSC HR Policies of May 2016 which states that before taking up duty, a person appointed to any office will be issued with the appropriate letter of offer of appointment, as the case may be, which must be signed before he commences his/her duties. It was further observed that the Board of management members were being paid an allowance at a rate of Kshs.4,000 for the chair and Kshs.3,000 for the other members the basis of which could not be ascertained as there were no board resolutions approving the rates of allowances.

In the circumstances, Management was in breach the law.

9. Irregular Boarding and School Fund Payments

The statement of receipts and payments and Note 7 to the financial statements reflects boarding and school fund payments totalling Kshs.8,458,824. The payments relate to goods and services procured in cash without following any procurement process contrary to Regulation 68 of Public Procurement and Assets Disposal Regulations,

2020 which states that standard tender documents envisaged under Sections 9(1)(f) and 70(1) of the Act, shall be developed by the Authority for use by all procuring entities as set out in the Eighth Schedule and the Authority shall issue and publicize the format of procurement documents to be used and issue standard forms by which a procuring entity shall carry out specific procurement procedures. The documents used by a procuring entity shall be clear and bear references to the procurement requirement, provision for dates and signatures of authorizing officers. Pursuant to Section 70(4) of the Act, the accounting officer of a procuring entity shall prepare the tender document clearly indicating the technical and financial evaluation criteria to be applied which shall be quantifiable, measurable and objective in line with the provisions of Section 80(3) of the Act in consultation with the user department and other relevant departments.

In the circumstances, Management was in breach the law.

10. Failure to Maintain a Fixed Assets Register

Review of the financial statements and other important disclosures revealed that Management did not maintain an up-to-date fixed assets register thereby exposing the assets owned by the school to theft, losses, wastage, misuse and damage. This is contrary to Regulation 139 of the Public Finance Management (National Government) Regulations, 2015 which requires an Accounting Officer of a National Government entity to take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse; movement and conditions of assets can be tracked and stock levels are at an optimum and economical level.

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

11. Failure to Bank Income from Parents Contributions

The statement of receipts and payments and Note 3 to the financial statements reflects income from parents' contribution totalling Kshs.8,578,216 out of which Kshs.6,482,416 was received in cash. However, only Kshs.432,900 was banked resulting to unbanked receipts totalling Kshs.6,049,516 which was spent at source contrary to Regulation 64 (4) of Public Finance Management (National Government) Regulations, 2015 which provides that all public moneys collected by a receiver of revenue or collector of revenue or collected and retained by a National Government entity, shall be paid into the designated bank accounts of the National Government and shall not be used by any public officer in any manner between the time of their receipts and payment into the bank except as provided by law.

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

12. Failure to Deduct and Remit National Social Security Fund (NSSF) and National Hospital Insurance Fund (NHIF) Payments

The statement of receipts and payments and Note 6 to the financial statement reflects payments for operation totalling Kshs.5,334,703. Included in this amount is Kshs.1,327,660 in respect of personnel emoluments. However, the payroll data availed for audit review indicates that the management did not deduct and remit NSSF and NHIF payments contrary to Section 19 (1) of NSSF ACT 2013 which states that

every employer who, under a contract of service, employs one employee or more shall register with the Fund as a contributing employer and shall, register his employee or employees, as members of the Fund and Section 20 (a) (b) which sets the employer's contribution at six per centum of the employee's monthly pensionable earnings and the employee's contribution at six per centum of the employee's pensionable earnings deducted from the employee's earnings.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 the Board of Management

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 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 an intention to terminate the School or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and 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 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 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 the 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 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 the 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 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

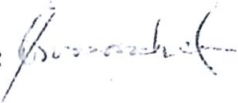
28 January, 2025

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	July2022- Jun2023	July2021-Jun 2022
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,223,065.25	1,582,526.00
Capitation grants for operations	2	5,382,996.99	6,858,846.60
School Fund Income- Parents' Contributions	3	8,578,116.00	7,433,040.00
School Fund Income- Other receipts	4	-	-
Proceeds from borrowings		-	-
TOTAL RECEIPTS		15,184,178.24	15,874,412.60
PAYMENTS			
Payments for Tuition	5	1,223,203.40	1,590,403.80
Payments for operations	6	5,334,703.20	6,914,740.40
Boarding and school fund payments	7	8,458,824.00	7,320,630.00
TOTAL PAYMENTS		15,016,730.60	15,825,774.00
SURPLUS/DEFICIT		167,447.64	48,638.40

The school financial statements were approved on _____ 2023 and signed by:

Sign:

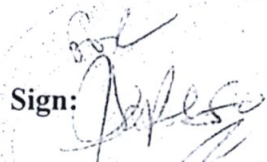


Name: Gabriel Tanyasis

Chair BOM

Date: 10/07/2023

Sign:



Name Erastus Nganga

School Principal/

Secretary to BOM

Date: 10/07/2023

Sign:



Name David Kinayia

Bursar/

Finance Officer

Date: 10/07/2023

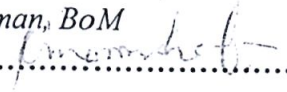
**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30TH JUNE 2023**

	Note	Jul2022-Jun2023	July2021-Jun2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	80,687.98	24,931.34
Cash Balances	9	288,525.00	175,734.00
Short term Investment	10	-	-
Total Cash and cash equivalent		<u>369,212.98</u>	<u>200,665.34</u>
Account's receivables	10	2,423,432.00	1,742,846.00
TOTAL FINANCIAL ASSETS		2,792,644.98	1,943,511.34
FINANCIAL LIABILITIES			
Accounts Payables	11	(440,295.00)	(463,635.00)
NET FINANCIAL ASSETS		2,352,349.98	1,479,876.34
REPRESENTED BY			
Accumulated Fund b/fwd	13	1,479,042.94	256,542.94
Surplus/Deficit for the year		167,547.64	48,638.40
NET FINANCIAL POSSITION		1,646,490.58	305,181.34

The School's financial statements were approved on _____ 2023 and signed by:

Name: Gabriel Tanyasis

Chairman, BoM

Sign:.....

Date: 10/07/2023

Name: Erastus Nganga

School Principal/Secretary to BoM

Sign:.....

Date: 10/07/2023

Name: David Kinayia

Bursar/Finance

Sign:.....

VII.STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2023

		Jul2022- Jun2023	July2021- Jun2022
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,223,065.25	1,582,526.00
Capitation grants for operations	2	5,382,996.99	6,858,846.60
School fund income- Parents contributions/ fees	3	8,578,116.00	7,433,040.00
School fund income- other receipts	4	-	-
Total receipts		15,184,178.24	15,874,412.60
Payments			
Payments for Tuition	5	1,223,203.40	1,590,403.80
Payments for operations	6	5,334,703.20	6,914,740.40
Boarding and school fund payments	7	8,458,824.00	7,320,630.00
Total payments		15,016,730.60	15,825,774.20
Net cash flow from operating activities		167,447.64	48,638.40
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		167,447.64	48,638.40
Cash and cash equivalent at BEGINNING of the year		199,831.94	152,026.94
Cash and cash equivalent at END of the year		367,279.58	200,665.34

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

**VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE
YEAR ENDED 30TH JUNE 2023**

Receipt/expenses Item	Original Budget	Adjustmen ts	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilizat ion
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	1,989,120.00	-	1,989,120.00	1,223,065.25	766,054.75	62%
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
TOTAL	1,989,120.00	-	1,989,120.00	1,223,065.25	766,054.75	62%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1,128,000.00	-	1,128,000.00	1,089,364.29	38,635.71	97%
Repairs and maintenance	2,400,000.00	-	2,400,000.00	1,796,500.00	603,500.00	75%
Local transport / travelling	1,128,000.00	-	1,128,000.00	916,801.57	211,198.43	81%
Electricity and water	1,128,000.00	-	1,128,000.00	1,049,401.57	78,598.43	93%
Medical	-	-	-	-	-	-
Administration costs	1,128,000.00	-	1,128,000.00	530,929.56	597,070.44	47%
Activity	-	-	-	-	-	-
Gratuity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-
TOTAL	6,912,000.00	-	6,912,000.00	5,382,996.99	1,529,003.01	78%
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	2,400,000.00	-	2,400,000.00	2,515,034.20	-115,034.20	105%
Repairs and maintenance	-	-	-	-	-	-
Local transport / travelling	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-
FEES ARREARS	-	800,570.00	800,570.00	-	-	-
Administration costs	-	-	-	-	-	-

Activity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-
Kitchen/Lunch	4,320,000.00	-	4,320,000.00	6,063,181.80	-1,743,181.80	140%
TOTAL	6,720,000.00	800,570.00	7,520,570.00	8,578,216.00	-1,057,646.00	114%
OTHER INCOME						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME	15,621,120.00	800,570.00	16,421,690.00	15,184,278.24	1,237,411.76	93%
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	1,701,560.00	-	1,701,560.00	1,223,203.40	478,356.60	72%
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Reference books	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
SUB TOTAL	1,701,560.00	-	1,701,560.00	1,223,203.40	478,356.60	72%
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	1,304,200.00	-	1,304,200.00	1,327,660.00	-23,460.00	102%
Repairs, maintenance & improvements	2,372,240.00	-	2,372,240.00	1,497,600.00	874,640.00	63%
Local transport / travelling	80,000.00	-	80,000.00	75,000.00	5,000.00	94%
Electricity, water and conservancy	633,950.00	-	633,950.00	25,000.00	608,950.00	4%
Medical	-	-	-	-	-	-
Administration costs	1,353,205.00	-	1,353,205.00	2,409,443.20	-1,056,238.20	178%
Activity Expenses	-	-	-	-	-	-
STATIONERY	-	-	-	-	-	-
LUNCH	-	-	-	-	-	-
SUB TOTAL	5,743,595.00	-	5,743,595.00	5,334,703.20	408,891.80	93%

(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	2,352,000.00	-	2,352,000.00	2,425,655.00	-73,655.00	103%
Repairs, maintenance and improvements	-	-	-	-	-	-
Local transport / travelling	-	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-	-
Medical Expenses	-	-	-	-	-	-
Kitchen/Lunch	4,898,460.00	-	4,898,460.00	6,033,169.00	1,134,709	123%
Administration cost	-	-	-	-	-	-
S.E.S	-	-	-	-	-	-
Lunch programme	-	-	-	-	-	-
Boarding Equipment and Stores	-	-	-	-	-	-
Expenditure for Income Generating Activity	-	-	-	-	-	-
Insurance costs	-	-	-	-	-	-
Other expenses on investments	-	-	-	-	-	-
PREPPAID FEES	-	445,990.00	445,990.00	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
SUB TOTAL	7,250,460.00	445,990.00	7,696,450.00	8,458,824.00	762,374.00	110%
TOTALS	14,695,615.00	445,990.00	15,141,605.00	15,016,730.60	124,874.40	99%

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

- Xxx
- Xxx

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable

government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the

end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X. NOTES TO THE FINANCIAL STATEMENTS

1. CAPITATION GRANT FOR TUITION

	Jul2022-Jun2023	JULY2021-Jun2022
	Kshs	Kshs
Textbooks and reference materials	-	-

Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	1,223,065.25	1,582,526.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	1,223,065.25	1,582,526.00

2. CAPITATION GRANT FOR OPERATIONS

	Jul2022-Jun2023	JUL2021-Jun2022
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
FDSE	5,367,496.99	6,848,846.60
Administration costs	-	-
Transfer(SCHOOL FUND)	15,500.00	10,000.00
Total	5,382,996.99	6,858,846.60

3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	Jul2022-Jun2023	JUL2021-Jun2022
	Kshs	Kshs
Personnel emoluments	2,295,534.20	4,460,224.00
Kitchen/Lunch	3,984,462.80	2,972,816.00
Bursary	1,747,000.00	-
ARREARS	331,719.00	-
PREPAYMENTS	219,400.00	-
Administration costs	-	-
Activity	-	-
Total	8,578,116.00	7,433,040.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	Jul2022-Jun2023	Jul2021-Jun2022
	Kshs	Kshs

Fee on Boarding Equipment and Stores	-	-
Rent income	-	-
Income from farming activities	-	-
Insurance compensation	-	-
Income from Posho mill	-	-
Income from Bus Hire	-	-
Fee for hire of ground and equipment	-	-
Income from grants and donations*	-	-
Interest income	-	-
Dividends income	-	-
Total	-	-

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

5. PAYMENTS FOR TUITION

	Jul2022- Jun2023	JULY2021- JUN2022
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	1,221,477.00	1,584,231.00
Chalks	-	-
Reference books	-	-
Teachers guides	-	-
Administration Costs	-	6,172.80
Bank Charges	1,726.40	-
Total	1,223,203.40	1,590,404.80

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. PAYMENTS FOR OPERATIONS

	Jul2022-Jun2023	Jul2021-Jun2022
	Kshs	Kshs

Personnel emoluments	1,327,660.00	1,886,000.00
Service Gratuity	-	-
Administration Cost	2,399,000.00	2,263,265.80
Repairs and maintenance & improvements	1,497,600.00	2,145,789.60
Local transport / travelling	75,000.00	80,000.00
Electricity and water	25,000.00	-
Kitchen/lunch	-	183,900.00
Activity Expenses	-	-
S.E.S	-	355,785.00
Insurance Cost	-	-
Bank Charges	10,443.20	-
Acquisition of Assets	-	-
TOTAL	5,334,703.20	6,914,740.40

7. BOARDING AND SCHOOL FUND PAYMENTS

	Jul2022-Jun2023	Jul2021-Jun2022
	Kshs	Kshs
Personnel emoluments	2,279,655.00	689,550.00
Stationery	-	286,235.00
Repairs and maintenance & Improvements	76,500.00	725,830.00
Local transport / travelling	2,000.00	380,440.00
Electricity and water	-	342,125.00
Activity	-	-
Administration costs	96,000.00	964,214.00
Lunch Programme	5,933,215.00	3,914,236.00
Bank Charges	12,454.00	-
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	-	-
Refund	59,000.00	18,000.00
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	8,458,824.00	7,320,630.00

*Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	Jul2022- Jun2023	Jul2021- Jun2022
		Kshs	Kshs
Tuition Account		4,069.05	4,207.20
Operations Account		49,249.38	955.59
School Fund Account/Boarding		25,536.15	18,935.15
Savings Account		-	-
Parent Association Development Account		-	-
Income generating activities Account		-	-
Infrastructural Account		1,833.40	833.40
Total		80,687.98	24,931.34

9. CASH IN HAND

Description	Jul2022- Jun2023	Jul2021- Jun2022
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	288,525.00	175,734.00
Total	288,525.00	175,734.00

10. SHORT TERM INVESTMENTS

Description	Jul2022- Jun2023	JULY 2021- Jun2022
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. ACCOUNTS RECEIVABLE

Description	Jul2022-Jun2023	JULY2021- Jun2022
	Kshs	Kshs
Fees arrears	2,423,432.00	1,742,846.00
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	2,423,432.00	1,742,846.00

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

Description	Jul2022- Jun2023	JULY2021- Jun2022
	Kshs	Kshs
Fees arrears for current year	987,875.00	747,920.00
Fees arrears for the previous year	440,651.00	336,500.00
Fees arrears for prior periods (over two years)	994,406	658,426.00
Total	2,423,432.00	1,742,846.00

12. ACCOUNTS PAYABLE

Description	Jul2022- Jun2023	JULY2021- Jun2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	-	-
Prepaid fees	440,295.00	463,635.00
Retention monies	-	-
Total	440,295.00	463,635.00

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

Description	Jul2022- Jun2023	JULY 2021- Jun2022
	Kshs	Kshs
Trade creditors for current year	-	-
Trade creditors for the previous year	-	-
Trade creditors for prior periods (over two years)	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. FUND BALANCE BROUGHT FORWARD

Description	Jul2022- Jun2023	Jul2021-Jun2022
	Kshs	Kshs
Bank balances	24,097.94	148,355.94
Cash balances	175,734.00	3,671.00
Short Term Investments	-	-
Receivables	1,742,846.00	1,222,376.00
Payables	(463,635.00)	(1,117,860.00)
Total	1,479,042.94	256,542.94

Other important disclosure notes

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

14. Non-current Liabilities Summary

Description	Jul2022-Jun2023	JULY2021- Jun2022
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

15. Biological assets

Description	Numbers	Jul2022- Jun2023	JULY 2021-Jun2022
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee or tea plantation		-	-
Poultry		-	-
Total		-	-

16. Borrowings

Description	Jul2022- Jun2023	JULY2021- Jun2022
	KShs	KShs
Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

Other important disclosure notes

17. Stock/ Inventory

Description	Jul2022-Jun2023	JULY2021- JUNE2022
	KShs	KShs
Borrowings		
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	-	-

ITEM	UNIT OF ISSUE	QUANTITY AS 30 TH JUNE 2023	UNIT PRICE	TOTAL VALUE
SUGAR	116BAGS(50KG)	0	9800	1,136,800
COOKING OIL	720L	0	6000	4,320,000
COFFEE	23 CARTONS	0	1440	33,120
SALT	180KG	0	55	9,900
RICE	86.4 BAGS(25KG)	0	2650	228,960
CABBAGES	2736 PIECES	0	40	109,440
BEANS	51 BAGS(90KG)	0	9000	459,000
MAIZE	60 BAGS(90 KG)	0	5000	300,000
TEA LEAVES	180pkts(100g)	0	100	18,000
MEAT	648 KGS	0	700	453,600
MILK	1440 BOTTLES	0	50	72,000
ONIONS	72 KG	0	120	8,640
MAIZE FLOUR	2,160 KG	0	100	216,000
BREAD	4,320 PIECES	0	60	259,200
COOKING WATER	432,000L	0	8000	345,600
FIREWOOD	144 TONNES	0	2000	288000

18. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

	Year	Source	(Kshs) 1 st July 2020	during the year (Kshs)	Balance at the end of the year (Kshs)	30 th June 2021
Land 1	2015	N/ENKARE	DONATED	-	-	-
Land 2	N/A	N/A	N/A	N/A	N/A	N/A
Buildings and structures	2018	N/ENKARE	2,000,000.00	-	-	2,000,000.00
2 Classrooms	2019	N/ENKARE	2,000,000.00	-	-	2,000,000.00
2 Classrooms	2021	N/ENKARE	2,000,000.00	-	-	2,000,000.00
2 Classrooms	2020	N/ENKARE	4,400,000.00	-	-	4,400,000.00
1 Classroom(CBC)	2022	N/ENKARE	M.O.E	-	-	1000000
1 Lab	2019	N/ENKARE	1,200,000.00	-	-	1,200,000.00
1 Kitchen	2018	N/ENKARE	500,000.00	-	-	500,000.00
8 door toilet	2020	N/ENKARE	480,000.00	-	-	480,000.00
6 door toilet	2020	N/ENKARE	380,000.00	-	-	380,000.00
Office	2019	N/ENKARE	380,000.00	-	-	380,000.00
Staffroom	2018	N/ENKARE	65,000.00	-	-	65,000.00
5000 litres tank	2019	N/ENKARE	80,000.00	-	-	80,000.00
10000 litres tank	2021	N/ENKARE	65,000.00	-	-	65,000.00
5000 litres tank						
Motor vehicles	N/A	N/A	N/A	N/A	N/A	N/A
Office equipment, furniture and fittings						
Office chairs	2017	N/ENKARE	39,000.00	-	-	39,000.00
tables	2017	N/ENKARE	30,000.00	-	-	30,000.00
7	2018	N/ENKARE	39,000.00	-	-	39,000.00
7	2019	N/ENKARE	39,000.00	-	-	39,000.00
•	2021	N/ENKARE	18,000.00	-	-	18,000.00
6	2018	N/ENKARE	15,000.00	-	-	15,000.00
6	2018	N/ENKARE	48,000.00	-	-	48,000.00
6	2016	N/ENKARE	280,000.00	-	-	280,000.00
6	2017	N/ENKARE	350,000.00	-	-	350,000.00
•	2018	N/ENKARE	350,000.00	-	-	350,000.00
	2019	N/ENKARE	350,000.00	-	-	350,000.00
	2021	N/ENKARE	M.O.E	-	-	-
	2021	N/ENKARE	80,000.00	-	-	80,000.00

Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- software Zeraki analytics exam	2021	N/ENKARE	62,000.00	-	-	62,000.00
Total						

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