

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
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REPORT

THE NATIONAL ASSEMBLY PAPERS T A I D	
DATE: 30 NOV 2023	04 th
TABLED OF	Hon Naomi wago, mp Deputy majority whip
CLERK-AT THE-TABLE:	A. Chibuko

THE AUDITOR-GENERAL

ON

SUGOI GIRLS SECONDARY SCHOOL

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

UASIN GISHU COUNTY

**SUGOI GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022**



OFFICE OF THE AUDITOR-GENERAL
NORTH RIFT REGIONAL OFFICE

12 JUL 2023

RECEIVED
P O Box 2774-30100, ELDORET

SUGOI GIRLS HIGH SCHOOL

PUBLIC SECONDARY SCHOOL

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)

**SUGOI GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022**

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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 Uasin Gishu County, Turbo Sub-County. The school was registered on 24th February 2020 under registration number 27S3000518 and is currently categorized as an Extra County school established, owned or operated by the Government.

The school is a boarding school and had 645 and 148 (exclusive of 2020 candidates who had done KCSE) number of students as at 30th April, 2021 and 30th June, 2021 respectively.

It has 4 streams and 32 teachers of which 8 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	Mr. Joseph Barsulai	Chairman/Sponsor	14/06/2021
2	Mrs. Milcah J Misoi	Secretary - Principal	14/06/2021
3	Mr. Anthony Isayi	Member – Rep Parents/Local community	14/06/2021
4	Mr. Kenneth Misoi	Member – Rep Parents/Local community	14/06/2021
5	Mrs. Sarah Boit	Member – Rep Sponsor	14/06/2021
6	Mr. Silas Simatwo	Member – Rep Parents/Local community	14/06/2021
7	Rev Julius Kalya	Member – Rep Parents/Local community	14/06/2021
8	Bishop Isaac Mutai	Member – Rep Parents/Local community	14/06/2021
9	Mrs. Rebecca Magut	Member – Rep Parents/Local community	14/06/2021
10	Mr. Kenneth Misoi	Member – Rep CEB	14/06/2021
11	Mrs. Emmy Yebei	Rep-Teachers	14/06/2021
12	Dr. David Kimeli	Member – Rep Sponsor	14/06/2021
13	Dr. Rose Serem	Member – Rep Sponsor	14/06/2021
14	Mrs. Margret Mbiuki	Member – Rep Sponsor	14/06/2021
15	Mr. Andrew Kimetto	Member – Special Interest Groups	14/06/2021
16	Mr. Nicholas Korir	Member – Rep Special Needs	14/06/2021
17	Miss Mercy Serem	Chair of Students Council	14/06/2021
18	Mrs Nancy Mutai	Member- Deputy Principal	14/06/2021
19	Mr. David Samoei	Member – Area Chief	14/06/2021

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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 students' 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 paragraph 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	Mr. Joseph Barsulai Mrs. Milcah J. Misoi Mr. Anthony Isayi Mrs. Sarah Boit Mr. David Samoei Mrs. Kenneth Misoi	Chairman Secretary Member Member Member Member	6 out of 6 6 out of 6 4 out of 6 6 out of 6 4 out of 6 4 out of 6
2	Audit Committee	Pastor Julia Yego Bishop Isaac Mutai	Chairman Secretary	3 out of 3 3 out of 3
3	Finance, procurement and general-purpose Committee	Rev. Julius Kalya Mr. Anthony Isayi Dr. Rose Boit	Chairman Secretary Member	6 out of 6 6 out of 6 4 out of 6

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4	Infrastructure Committee	Mr. Nicholas Korir Justice Roseline Korir Arch Jesse Busienei Mr. Joseph Bursulai Mrs Milcah Misoi Mr. Anthony Isayi Mrs Nancy Mutai SCDE	Chairman Secretary Member Member Member Member Member Member	6 out of 6 6 out of 6 4 out of 6 6 out of 6 6 out of 6 6 out of 6 6 out of 6 6 out of 6
5	Academic, Standards and Quality Committee	Mr. Kenneth Misoi Dr. David Melly Mr. Anthony Isayi Mr. Nicholas Korir	Chairman Secretary Member Member	6 out of 6 6 out of 6 4 out of 6 6 out of 6
6	Discipline Ethics and welfare Committee	Bishop Isaac Mutai Mr. Andrew Kimetto Mrs. Sarah Boit Justice Roseline Korir Dep Principal- Coopted	Chairman Secretary Member Member Member	6 out of 6 6 out of 6 4 out of 6 6 out of 6 4 out of 6

(d) School Operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Mrs. Milcah Misoi	323519
2	Deputy Principal-Administration	Mrs Nancy Mutai	372116
3	School Finance Officer	Mr. Nathan Ngetich	SGS/01/222

(e) Schools contacts

Post Office Box 949.-30100 Eldoret
Mobile Number 0708662814
E-mail sugoigirls@yahoo.com
Website: None

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For the year ended 30th June 2022**

(f) School Bankers

The school operated 6 number of bank accounts and 1 Pay bill number as follows:

Name of Bank:	National Bank
Branch:	Eldoret
Account Number:	01021028223300
Purpose	School Fund Account
Name of Bank:	National Bank
Branch:	Eldoret
Account Number:	01022028223300
Purpose	P.A Account
Name of Bank:	National Bank
Branch:	Eldoret
Account Number:	01025028223301
Purpose	Operations Account
Name of Bank:	National Bank
Branch:	Eldoret
Account Number:	01025028223300
Purpose	Tuition Account
Name of Bank:	National Bank
Branch:	Eldoret
Account Number:	01025028223302
Purpose	Infrastructure
Name of Bank:	Co-operative Bank
Branch:	Eldoret
Account Number:	01139443530000
Purpose	Savings Account
MPESA Pay Bill No.:	Business Number: 7082701 Account Number: School Fund
	Business Number: 7082703 Account Number: P.A Account

(g) Independent Auditors

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

**SUGOI GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

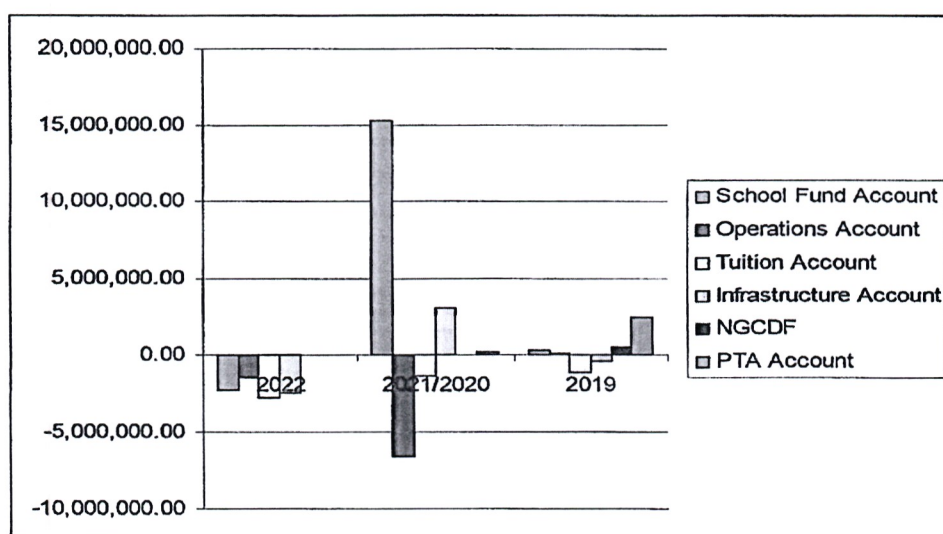
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Under this section, it reflects the actual financial performance trend for the last three years period between 1st January 2018 to 31st December 2020 which covers a period of 12 months while 30th June 2021 covers a period of 6 months and is summarised as follows:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST FOUR YEARS				
SNO	ACCOUNTS	2022	2021/2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	(2,251,709.00)	15,355,088.44	330,396.96
2	Operations Account	(1,383,093.00)	(6,590,983.62)	99,630.90
3	Tuition Account	(2,791,321.00)	(1,323,483.75)	(1,137,017.15)
4	Infrastructure Account	(2,496,128.00)	3,096,163.00	(362,039.00)
5	NGCDF	-	-	511,043.00
6	PTA Account	-	225,921.00	2,418,000.00
	TOTAL	(8,922,251.00)	10,762,705.07	1,860,014.71
	Increase/Decrease	(19,684,956.07)	8,902,690.36	(2,245,571.12)

Trend Over the Last Three Years



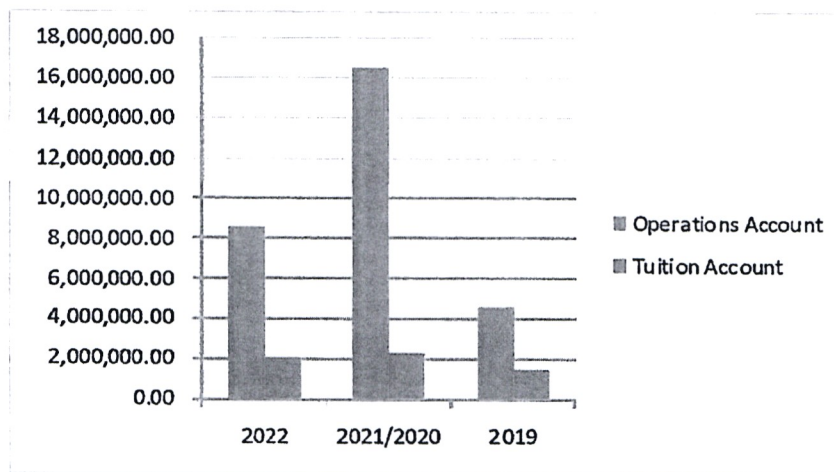
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The surplus for the year 2021/2020 increased by Kshs 8,902,690.36 from a surplus of Kshs. 1,860,014.71 in the year 2019 which was attributed by non-usage of the infrastructure funds and savings from tuition account.

The surplus for the year 2022 decreased by Kshs. 19,684,956.07 from a surplus of Kshs.10,762,705.07.00 in the year 2022/2020 due to savings in school fund account and non- usage of infrastructure funds.

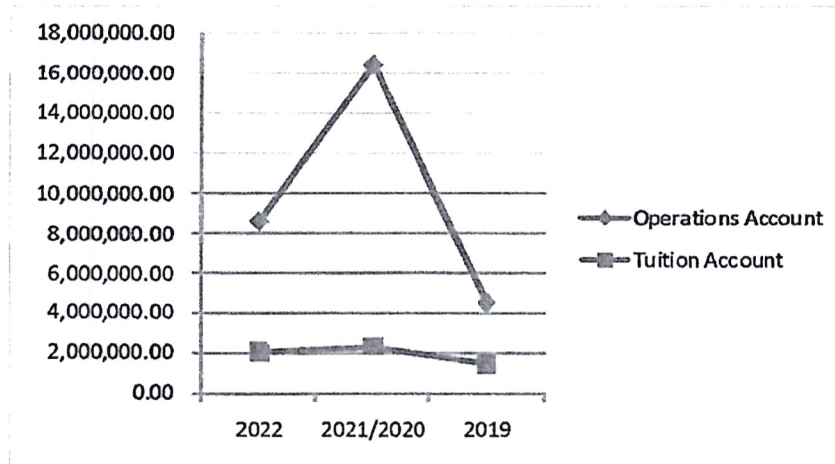
CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS				
SNO	ACCOUNTS	2022	2021/2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	Operations Account	8,588,701.50	16,415,954.38	4,519,216.90
2	Tuition Account	2,025,340.00	2,349,290.75	1,455,761.85
	Total	10,614,041.50	18,765,245.13	5,974,978.75
	Increase/Decrease	(8,151,203.63)	12,790,266.38	(4,066,790.53)
	No of Students	690	1290	589
	Ratio of Capitation per student	1:15383	1:14547	1:10144

Trend Over the Last Three Years



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Trend Over the Last Three Years



The total capitation grants for the financial year 2021/2020 was Kshs. 18,765,245.13 as compared to Kshs. 5,974,978.75 in the financial year 2019 representing an increase of Kshs. 12,790,266.38.

The net increase is mainly attributed by all students' receiving the capitation and increase in enrolment as shown in the ratio above.

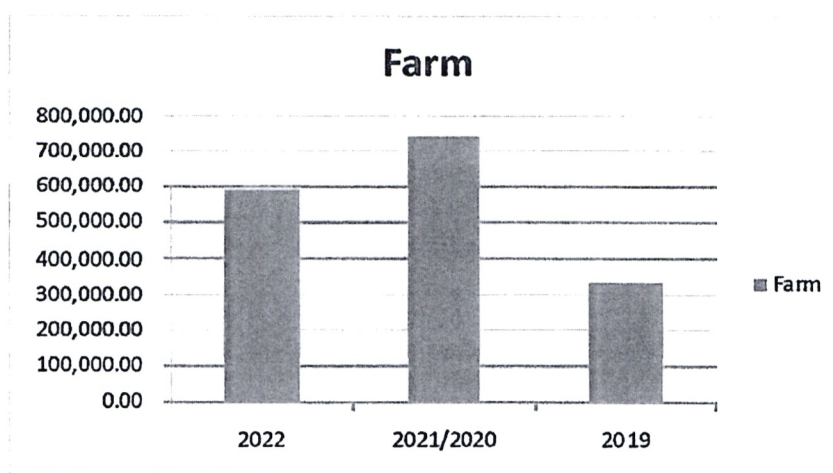
The total capitation for the year 2022 was Kshs. 10,614,041.50 as compared to Kshs. 18,765,245.13 in the financial year 2021/2020 representing a decrease of Kshs. 8,151,203.63

The net decrease is mainly attributed lower disbursement of capitation in operations account.

**SUGOI GIRLS HIGH SCHOOL
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OVERVIEW OF NET GROWTH OF OTHER INCOME(S)				
SNO	ACCOUNTS	2022	2021/2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	Farm	586,720.48	737,671.00	330,600.00
	Total	586,720.48	737,671.00	330,600.00
	Increase/Decrease	(150,950.52)	407,071.00	661,200.00

Trend Over the Last Three Years



Trend Over the Last Three Years

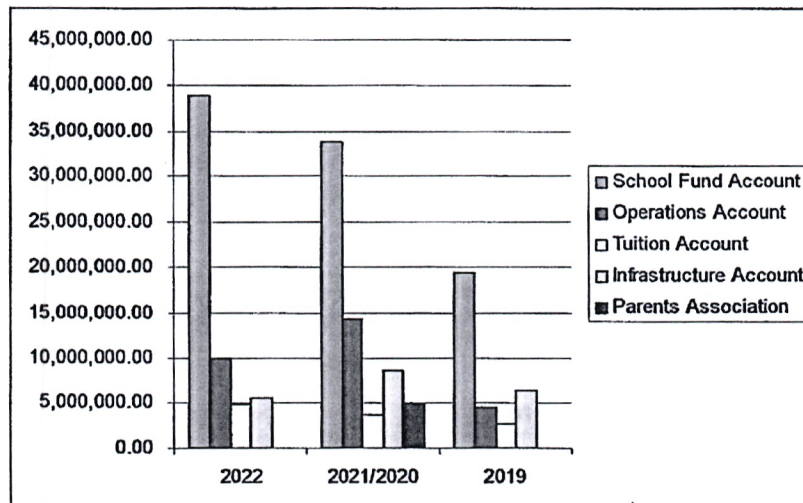
The net growth of other income generating activities for the financial year 2022 was Kshs 586,720.48 as compared to Kshs. 737,671.00 in the financial year 2021/2020 which represent no increase.

Both financial years 2021 /2020 were affected by the Covid-19 Pandemic which hindered the accommodation of students from other schools whenever they have educational trips and other visitors.

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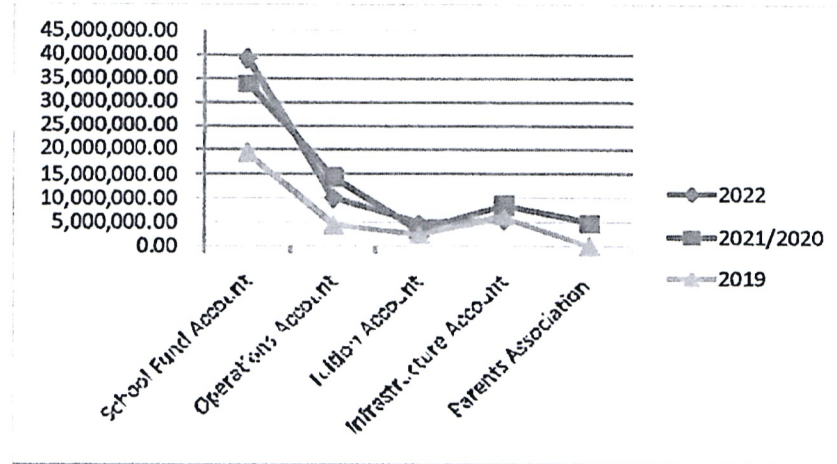
OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL				
SNO		2022	2021/2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	38,982,941.64	33,884,778.00	19,416,541.04
2	Operations Account	9,971,794.78	14,264,651.00	4,419,586.00
3	Tuition Account	4,816,661.25	3,672,774.50	2,592,779.00
4	Infrastructure Account	5,481,128.00	8,539,787.00	6,226,899.00
5	Parents Association	-	4,798,840.00	-
	Total	59,252,525.67	65,160,830.50	32,655,805.04
	Increase/Decrease	(5,908,304.83)	32,505,025.46	3,507,746.59

Trend Over the Last Three Years



**SUGOI GIRLS HIGH SCHOOL
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Trend Over the Last Three Years

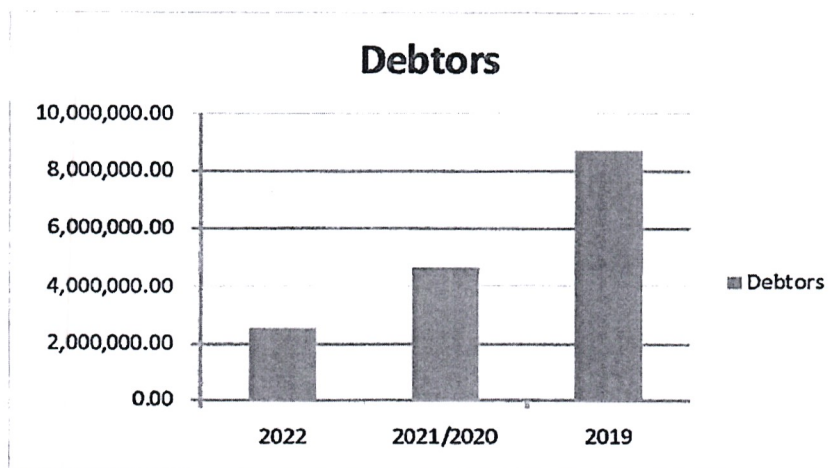


In the financial year 2022 shows a decrease of growth in expenditure which has resulted from the current year covering a period of 12 months, even though the financial year 2021/2020 covers a period of 18 months.

MOVEMENT OF DEBTORS OF THE SCHOOL				
SNO	ACCOUNTS	2022	2021/2020	2019
	School Fund Account			
	Debtors	2,495,263.00	4,632,329.00	8,654,994.30
		2,495,263.00	4,632,329.00	8,654,994.30
	Increase/Decrease	(2,137,066.00)	(4,022,665.30)	740,554.60

**SUGOI GIRLS HIGH SCHOOL
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Trend Over the Last Three Years



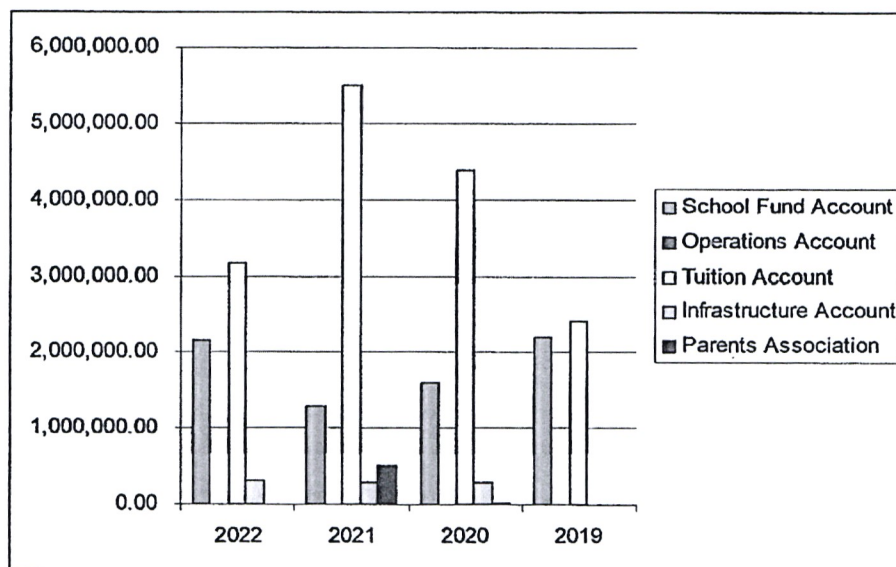
Total Debtors as at 30th June, 2022 decreased by 50.27% to Kshs 2,495,263.00 compared to Kshs. 4,964,063.00 as at the end of the financial year 2021.

The main contributors to the decrease in total debtors is the period in question in that whereas year 2021 debtors had the element of Parent Association year 2022 did not have any debtors for that year.

MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	2,149,150.00	1,298,107.00	1,594,260.65	2,192,269.00
2	Operations Account	-	-	90.00	-
3	Tuition Account	3,166,259.00	5,485,640.00	4,391,017.00	2,404,451.00
4	Infrastructure Account	300,250.00	276,762.00	276,762.00	-
5	Parents Association	-	510,853.00	21,875.00	-
	Total	5,615,659.00	7,571,362.00	6,284,004.65	4,596,720.00
	Increase/Decrease	(1,955,703.00)	1,287,357.35	1,687,284.65	2,489,245.00

**SUGOI GIRLS HIGH SCHOOL
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Trend Over the Last Three Years

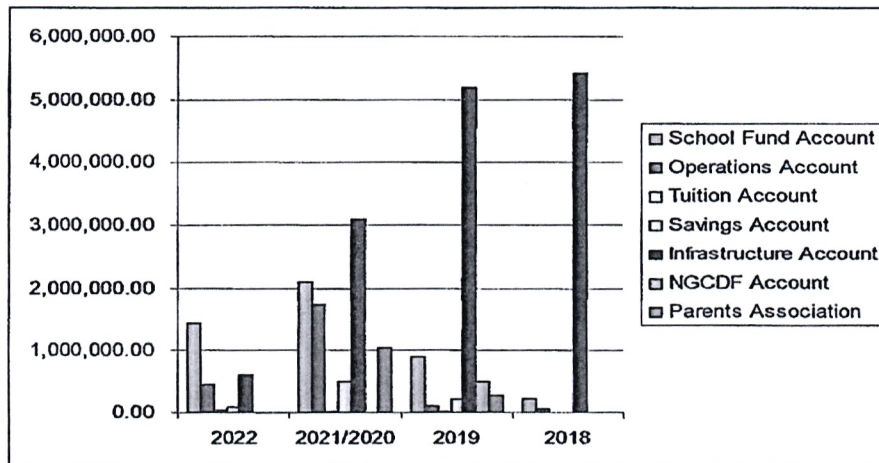


Total creditors as at 30th June, 2022 decreased by Kshs. 1,955,703.00 compared to an increase of Kshs 1,287,357.35 as at the end of the financial year 2020. The main contributors to the decrease in total creditors was the deliberate efforts made by the management to clear them which was commendable.

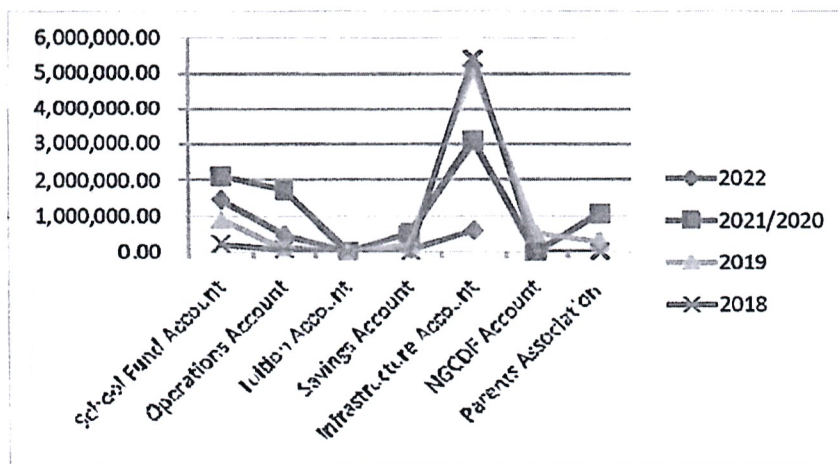
MOVEMENT OF CASH AND BANK BALANCES					
SNO		2022	2021/2020	2019	2018
	ACCOUNT	Kshs Cts	Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	1,441,755.00	2,100,501.00	906,119.00	222,617.00
2	Operations Account	456,239.00	1,731,763.00	105,459.00	71,117.48
3	Tuition Account	34,559.75	24,764.75	15,492.50	2,536.35
4	Savings Account	79,278.00	508,754.00	208,748.00	-
5	Infrastructure Account	605,767.00	3,096,163.00	5,193,174.00	5,401,973.00
6	NGCDF Account	-	716.50	511,043.50	-
7	Parents Association	-	1,058,976.00	286,266.00	-
	Total	2,617,598.75	8,521,638.25	7,226,302.00	5,698,243.83
	Increase/Decrease	(5,904,039.50)	1,295,336.25	1,528,058.17	

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Trend Over the Last Three Years



Trend Over the Last Three Years



b) Teacher Student ratio:

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

There are 24 teachers posted by the Teachers Service Commission and 8 recruited by the Board of Management. We are grateful that 4 teachers have been posted to school after one (1) transferred to Nandi County. Although the teacher student ratio lies at 1: 22. We have a shortage of 14 teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4.

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c) Mean score in the year 2019, 2020, 2021 and 2022 KCSE:

d)

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2022	142	5.81	18	12.68	6.5	Negative deviation of 1.0 The least grade was a D- . Out of 142 all qualified for University and Technical Institutions
2021	149	4.8	148	99.3	7.5	Negative deviation of 1.1 in transition rate. The least grade was a D- (30) out of 148 all qualified for middle level colleges and university.
2020	93	5.946	93	100	6.5	Positive deviation of 0.562 in transition rate. The least grade was a D (12) out of 93 all qualified for middle level colleges and university.
2019	84	5.373	84	100.0	6.0	Negative deviation of 0.134 in transition rate

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e) Development projects carried out by the school:

Sn o.	Project	Year	Status	Amount	Fund Source
1	Extension of Dining Hall	2019-2020	Completed	1,200,000.00	CDF- Turbo
2	Construction of Dormitory	2019-2020	Completed	5,600,000.00	TIG, Maintenance & Improvement
3	Construction of 10-door Pit Latrine and a Ramp	2010-2021	Completed	600,650.00	TIG, Maintenance & Improvement
4	Painting of classrooms and Dormitories	2020-2021	Completed	283,000.00	Maintenance & Improvement from Parents
5	Construction of Water Points	2020-2021	Completed	197,000.00	Maintenance & Improvement from G.O.K


.....
Mr. Sifas Simatwo

**Chair,
Board of Management**

Sugoi Girls High School

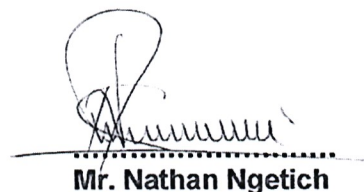
Date: 03/07/2023


.....
Mrs. Milcah Misoi

**Secretary,
Board of Management
/Principal**

Sugoi Girls High School

Date: 03/07/2023


.....
Mr. Nathan Ngetich

Finance Officer

Sugoi Girls High School

Date: 03/07/2023

**SUGOI GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022**


II. 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 Public 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 that the Board of Management of a public institution of basic education keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of **Sugoi Girls High 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, 2021, and of the school's financial position as at that date.


.....
fw **Mr. Silas Simatwo**

**Chair,
Board of Management**

Sugoi Girls High School


Date: 03/07/2023


.....
Mrs. Milcah Misoi

**Secretary,
Board of Management
/Principal**

Sugoi Girls High School

Date: 03/07/2023


.....
Mr. Nathan Ngetich

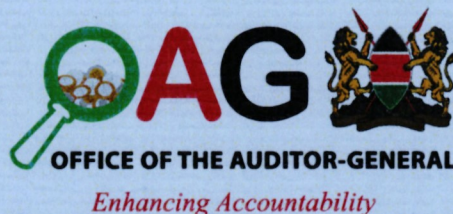
Finance Officer

Sugoi Girls High School

Date: 03/07/2023

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON SUGOI GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - UASIN GISHU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the Sugoi Girls Secondary School – Uasin Gishu County set out on pages 18 to 36, which comprise the statement of financial assets and liabilities as at 30 June, 2022, the statement of receipts and payments, statement of cash flows, and the 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 the Sugoi Girls Secondary School – Uasin Gishu County as at 30 June, 2022, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The audit of the financial statements revealed variances between the balances reflected in the financial statements and the supporting ledgers as detail below:

Component	Note	Financial Statements Balance	Ledger Balance	Variance
		Kshs.	Kshs.	Kshs.
School Fund/Parents Contribution	3			
Fee on Boarding Equipment and Stores		21,572,116	19,076,852	2,495,264
Payment for Operations	6			
Personnel Emoluments		3,375,830	3,034,399	341,431
Maintenance and Improvement		3,285,250	2,985,000	300,250
Administration Costs		1,253,643	1,253,145	498
Acquisition of Assets		5,481,128	5,216,828	264,300
Boarding and School Fund Payments	7			
Fee on Boarding Equipment and Stores		23,862,875	-	23,862,875
Electricity and Water		1,884,170	-	1,884,170
Expenses on Income Generating Activities		804,350	-	804,350

Further, the audit revealed variances between amounts reflected in the statement of receipts and payments and the statement of budgeted and actual amounts as detailed below;

Component	Amounts as per Statement of Receipts and Payments (Kshs.)	Amounts as per Statement of Budgeted vs Actual Amounts (Kshs.)	Variance (Kshs.)
Receipts	50,330,274	19,175,165	31,155,109
Payments	59,252,526	12,660,029	46,592,496

In addition, the summary of fixed assets register at Annex 2 reflects historical costs balance of Kshs.114, 452,842 of which evidence of how the values were determined was not provided for audit.

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

2. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects a balance of Kshs.8,654,690 under accounts payables as disclosed in Note 12 to the financial statements. However, included in the amount is Kshs.5,615,659 in respect of supply of goods which was not supported by procurement records or cash sale receipts.

In the circumstances, the validity of accounts payables of Kshs.5,615,659 could not be confirmed.

3. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.2,504,263, out of which, fees arrears totalled Kshs.2,495,263 as disclosed in Note 11 to the financial statements. However, no fees arrears analysis and student details were provided for audit.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables balance of Kshs.2,495,265 could not be confirmed.

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

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

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final income budget of Kshs.24,397,033 and actual on comparable basis amount of Kshs.19,175,165, resulting in an under-funding of Kshs.5,221,867 or 21% of the budget. Similarly, the School spent Kshs.12,660,029 against an expenditure budget of Kshs.24,397,033, resulting in an under-expenditure of Kshs.8,287,003 or 34% of the budget.

The under-funding and under-expenditure affected planned activities and may have had a negative impact on service delivery by the School.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter 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

Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements

The Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing for longer period is due to the adoption of IPSAS for school and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

Whereas, the Management presented the annual report and financial statements covering twelve (12) months as required for period 2021-2022, no disclosure was made on lack of comparability due to longer period covered by previous financial year of 2020-2021. Further, trial balance which is not part of the prescribed reporting template has been included as one of the statements.

In the circumstances, Management did not comply with the guidelines given by Public Sector Accounting Standards Board (PSASB).

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 matter 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 governance were not effective.

Basis for Conclusion

Lack of a Risk Management Policy

As previously reported, the School did not have a Risk Management Policy in place and therefore had no approved processes and guidelines on how to mitigate operational, legal and financial risks, contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the national government entity develops risk management strategies.

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

The audit was conducted in accordance with ISSAIs 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 governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing 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 the Management is aware of the intention to terminate the School or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control 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 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 control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Schools policies and procedures may deteriorate.


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to 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 communicated 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 communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR- GENERAL

Nairobi

12 October, 2023

**SUGOI GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE
2022**

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	2,025,340.00	-
Capitation grants for operations	2	8,588,701.50	-
School Fund Income- Parents' Contributions	3	36,008,062.00	-
School Fund Income- Other receipts	4	3,708,170.48	-
Proceeds from borrowings		-	
TOTAL RECEIPTS		50,330,273.98	-
PAYMENTS			
Payments for Tuition	5	4,816,661.25	-
Payments for operations	6	15,452,922.78	-
Boarding and school fund payments	7	38,982,941.64	-
TOTAL PAYMENTS		59,252,525.67	-
SURPLUS/DEFICIT		(8,922,251.69)	-


.....
for Mr. Silas Simatwo

Chair,
Board of Management

Sugoi Girls High School

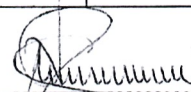
Date: 03/07/2023


.....
Mrs. Milcah Misoi

Secretary,
Board of Management
/Principal

Sugoi Girls High School

Date: 03/07/2023


.....
Mr. Nathan Ngetich

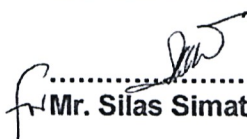
Finance Officer

Sugoi Girls High School

Date: 03/07/2023

**STATEMENT OF FINANCIAL ASSETS AND LIABILITIES
FOR THE YEAR ENDED 30TH JUNE 2022**

	Note	2021-2022	2020-2021
FINANCIAL ASSETS		Kshs	Kshs
Cash and Cash Equivalents			
Bank Balances	8	2,563,964.17	7,087,363.27
Cash Balances	9	53,633.82	384,058.41
Short term Investment	10	-	-
Total Cash and Cash Equivalents		2,617,597.99	7,471,421.68
Account's receivables	11	2,504,263.00	412,621.00
TOTAL FINANCIAL ASSETS		5,121,860.99	7,884,042.68
FINANCIAL LIABILITIES			
Accounts Payable	12	8,654,689.75	2,494,619.75
NET FINANCIAL ASSETS		(3,532,828.76)	5,389,422.93
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	5,389,422.93	5,389,422.93
Surplus/Deficit for the year		(8,922,251.69)	-
NET FINANCIAL POSITION		(3,532,828.76)	5,389,422.93


.....
Mr. Silas Simatwo

Chair,
Board of Management

Sugoi Girls High School

Date: 03/07/2023


.....
Mrs. Milcah Misoi

Secretary,
Board of Management
/Principal

Sugoi Girls High School

Date: 03/07/2023

.....
Mr. Nathan Ngetich

Finance Officer

Sugoi Girls High School

Date: 03/07/2023

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30TH JUNE, 2022

		2021-2022	2020-2021
Receipts from operating activities		Kshs	Kshs
Capitation grants for tuition	1	2,025,340.00	-
Capitation grants for operations	2	8,588,701.50	-
School fund income- Parents contributions fees	3	36,964,450.75	-
School fund income- other receipts	4	3,708,170.48	-
Total receipts		51,286,662.73	-
Payments			
Payments for Tuition		4,816,661.25	-
Payments for operations		15,452,922.78	-
Boarding and school fund payments		35,870,902.39	-
		56,140,486.42	-
Net cash flow from operating activities		(4,853,823.69)	-
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM BORROWING ACTIVITIES		(4,853,823.69)	-
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(4,853,823.69)	-
Cash and cash equivalent at BEGINNING of the year	10	7,471,421.68	7,471,421.68
Cash and cash equivalent at END of the year		2,617,597.99	7,471,421.68

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 cash flow as recommended by IPSAS

TRIAL BALANCE AS AT 30TH JUNE 2022

		DR	CR
Cash and Cash equivalents			
	Bank Balances	2,563,964	
	Cash Balances	53,634	
	Short term investments	-	
	Receivables	2,504,263	
Payments			
	Payments for Tuition	4,816,661	
	Payments for operations	15,452,923	
	Boarding and school fund payments	38,982,942	
Receipts			
	Capitation grants for tuition		2,025,340
	Capitation grants for operations		8,588,702
	School Fund Income- Parents' Contributions		36,008,062
	School Fund Income- Other receipts		3,708,170
	Proceeds from borrowings		
Prior Year Adjustment			
	Fund Balance b/f		5,389,423
	Payables		8,654,690
TOTAL		64,374,387	64,374,387



Mr. Silas Simatwo

**Chair,
Board of Management**

Sugoi Girls High School

Date: 03/07/2023

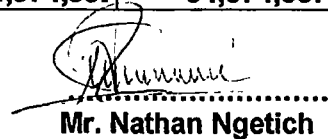


Mrs. Milcah Misoi

**Secretary,
Board of Management
/Principal**

Sugoi Girls High School

Date: 03/07/2023



Mr. Nathan Ngetich

Finance Officer

Sugoi Girls High School

Date: 03/07/2023

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c = a+b	d	e = c - d	f = d/c
RECEIPTS	Kshs	Kshs	Kshs	Kshs	Kshs	
(1) CAPITATION GRANT ON TUITION						
Teaching, Learning Materials	147,509.25		147,509.25	147,509.25		100.00%
Chalk	133,961.50		133,961.50	62,556.75	71,404.75	46.70%
Text Books	234,052.75		234,052.75	30,000.00	204,052.75	12.82%
Exam & Assessment	561,859.00		561,859.00	290,929.75	270,929.25	51.78%
Exercise Books	1,415,387.50		1,415,387.50	638,022.25	777,365.25	45.08%
Laboratory Equipment	1,393,687.50		1,393,687.50	616,322.25	777,365.25	44.23%
Library Reference	177,509.75		177,509.75	177,509.75	-	100.00%
SUB-TOTAL	4,063,967.25		4,063,967.25	1,962,850.00	2,101,117.25	48.30 %

(2) CAPITATION GRANT ON OPERAT						
Local, Transport & Travelling	416,456.10	-	416,456.10	342,122.60	74,333.50	82.15%
Electricity, Water & Conservancy	832,910.18	-	832,910.18	684,245.18	148,665.00	82.16%
Repair, Maintenance & Improvement	2,169,028.00	-	2,169,028.00	1,691,014.00	478,014.00	77.97%
Personal Emoluments	1,665,820.08	-	1,665,820.08	1,368,490.08	297,330.00	82.16%
Administration Costs	416,455.10	-	416,455.10	342,122.60	74,333.50	82.15%
SUB-TOTAL	5,500,669.46	-	5,500,669.46	4,427,994.46	1,072,676.00	80.50%

(3) FEES CHARGED ON PARENTS						
Boarding, Equipment & Stores	6,374,885.00	-	6,374,885.00	5,903,798.97	471,086.03	93.0%
Local, Transport & Travelling	502,041.00	-	502,041.00	436,038.00	66,003.00	86.86%
Electricity, Water & Conservancy	821,751.00	-	821,751.00	699,793.00	121,958.00	85.16%
Repair, Maintenance & Improvement	502,600.00	-	502,600.00	441,786.00	60,814.00	87.90%
Personal Emoluments	1,505,776.00	-	1,505,776.00	1,243,211.47	262,564.53	82.57%
Administration Costs	410,643.00	-	410,643.00	353,377.50	57,265.50	86.06%
SUB-TOTAL	10,117,696.00		10,117,696.00	9,078,004.94	1,039,691.06	89.73%
OTHER INCOMES						
SUB-TOTAL	-	-	-	-	-	-
INFRASTRUCTURE ACCOUNT						
Extension of Dormitories	3,450,000.00	-	3,450,000.00	2,985,000.00	465,000.00	86.53%
SUB-TOTAL	3,450,000.00	-	3,450,000.00	2,985,000.00	465,000.00	86.53%

PARENTS ASSOCIATION ACCOU									
Bread	511,800.00	-	511,800.00	296,700.00	215,100.00	57.98%			
Renovation	752,900.00	-	752,900.00	424,616.00	328,284.00	56.32%			
SUB-TOTAL	1,264,700.00	-	1,264,700.00	721,316.00	543,384.00	57.04%			
GRAND TOTAL INCOME	24,397,032.71	-	24,397,032.71	19,175,165.40	5,221,868.31	78.60%			

EXPENDITURE FOR:

(1) TUITION ACCOUNT						
Teaching Learning Materials	147,509.25	-	147,509.25	116,428.00	31,081.25	78.93%
Chalk	133,961.50	-	133,961.50	32,275.00	101,686.50	24.10%
Text Books	234,052.75	-	234,052.75	-	234,052.75	0.00%
Exam & Assessment	561,859.00	-	561,859.00	270,929.25	290,929.75	48.22%
Exercise Books	1,415,387.50	-	1,415,387.50	576,322.25	839,065.25	40.72%
Laboratory Equipment	1,393,687.50	-	1,393,687.50	406,498.00	987,189.50	29.16%
Library Reference	177,509.75	-	177,509.75	147,509.75	30,000.00	83.10%
Bank Charges	-	-	-	340.00	-340.00	0.00%
SUB-TOTAL	4,063,967.25	-	4,063,967.25	1,550,302.25	2,513,665.00	38.15%

(2) OPERATIONS ACCOUNT						
Local, Transport & Travelling	416,456.10	-	416,456.10	89,500.00	326,956.10	21.49%
Electricity, Water & Conservancy	832,910.18	-	832,910.18	349,649.00	483,261.18	41.98%
Repair, Maintenance & Improv	2,169,028.00	-	2,169,028.00	1,556,514.00	612,514.00	71.76%
Medical/Insurance	-	-	-	19,840.00	(19,840.00)	0.00%
Personal Emoluments	1,665,820.08	-	1,665,820.08	1,016,946.00	648,874.08	61.05%
Administration Costs	416,455.10	-	416,455.10	454,400.00	(37,944.90)	109.12%
SUB-TOTAL	5,500,669.46	-	5,500,669.46	3,486,849.00	2,013,820.46	63.39%

(3) SCHOOL FUND ACCOUNT						
Boarding, Equipment & Stores	6,374,885.00	-	6,374,885.00	3,931,168.00	2,443,717.00	61.67%
Local, Transport & Travelling	502,041.00	-	502,041.00	340,850.00	161,191.00	67.90%
Electricity, Water & Conservancy	821,751.00	-	821,751.00	356,102.00	465,649.00	43.34%
Repair, Maintenance & Improvemen	502,600.00	-	502,600.00	105,760.00	396,840.00	21.05%
Personal Emoluments	1,505,776.00	-	1,505,776.00	1,747,794.00	-242,018.00	116.08%
Administration Costs	410,643.00	-	410,643.00	633,769.00	-223,126.00	154.34%
Medical	-	-	-	13,040.00	-13,040.00	-
SUB-TOTAL	10,117,696.00	-	10,117,696.00	7,128,483.00	2,989,213.00	70.46%

INFRASTRUCTURE ACCOUNT							
Extension of Dormitories	3,450,000.00	-	3,450,000.00	5,481,128.00	(2,031,128.00)	158.88%	
SUB-TOTAL	3,450,000.00	-	3,450,000.00	5,481,128.00	(2,031,128.00)	158.88%	
PARENTS ASSOCIATION ACCOUNT							
Bread	511,800.00	-	511,800.00	255,534.00	256,266.00	49.93%	
Renovation	752,900.00	-	752,900.00	238,861.00	514,039.00	31.7%	
SUB-TOTAL	1,264,700.00	-	1,264,700.00	494,395.00	770,305.00	39.10%	
TOTAL EXPENDITURE	24,397,032.71	-	24,397,032.71	12,660,029.25	8,287,003.46	51.90%	

- i. The school only received 78.60% of the expected revenue from 1st July 2021 to 30th June 2022
- ii. The school only utilized 51.90% of the fees collected from 1st July, 2021 to 30th June, 2022

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.

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4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. 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

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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.

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I. NOTES TO THE FINANCIAL STATEMENTS

1	CAPITATION GRANT FOR TUITION		
		2021-2022	2020-2021
		Kshs	Kshs
	Textbooks	30,000.00	
	Exercise books	638,022.25	
	Laboratory equipment	616,332.25	
	Teaching / learning materials	147,509.25	-
	Chalks	62,556.75	-
	Exams and assessment	290,929.75	-
	Reference/Library	177,509.75	-
	Boarding	62,480.00	-
	Total	2,025,340.00	-
2	CAPITATION GRANT FOR OPERATIONS		
		2021-2022	2020-2021
		Kshs	Kshs
	Personnel Emoluments	2,771,848.00	-
	Maintenance & Improvement	2,985,500.00	-
	Others		
	Local Transport & Travelling	685,995.30	-
	Electricity Water & Conservancy	1,339,762.90	-
	Medical	119,600.00	-
	Administration Costs		-
	Insurance		-
	Activity	685,995.30	-
	Total	8,588,701.50	-

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3	PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT		2021-2022	2020-2021
			Kshs	Kshs
	Personnel emoluments		3,680,941.00	-
	Fee on Boarding Equipment and Stores		21,572,116.00	-
	Lunch Programme			
	Repair, Maintenance & Improvement		1,734,607.00	-
	Local transport / travelling		1,566,802.00	-
	Electricity and water		3,117,247.00	-
	Bursary		1,965,169.00	
	Savings		566,140.00	-
	Administration costs		1,406,343.00	-
	Activity		398,697.00	-
	Total		36,008,062.00	-
4	OTHER RECEIPTS – SCHOOL FUND ACCOUNT		2021-2022	2020-2021
			Kshs	Kshs
	Rent income			-
	Income from farming activities		586,720.48	-
	Income from Posho mill			-
	Income from Bus Hire		10,000.00	-
	Income from grants and donations*		2,985,000.00	-
	Uniform		126,450.00	-
	Dividends income			-
	Total		3,708,170.48	-

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5	PAYMENTS FOR TUITION	2021-2022	2020-2021
		Kshs	Kshs
	Textbooks	-	-
	Exercise Books	2,441,332.25	-
	Laboratory Equipment and Chemicals	1,491,435.00	-
	Chalks	32,375.00	-
	Teaching / learning materials	332,740.00	-
	Exams and assessment	270,929.25	-
	Library/reference materials	147,509.75	-
	Administration Costs	340.00	-
	Boarding	100,000.00	-
	Total	4,816,661.25	-
6	PAYMENTS FOR OPERATIONS	2021-2022	2020-2021
		Kshs	Kshs
	Personnel emoluments	3,375,830.00	-
	Service Gratuity		-
	Administration Cost	1,253,643.30	-
	Maintenance & improvements	3,285,250.00	-
	Other Voteheads		
	Local transport / travelling	692,795.00	-
	Electricity and water	1,224,124.48	-
	Medical	50,152.00	-
	Activity Expenses	90,000.00	-
	SMASSE		-
	Insurance Cost		-
	Bank Charges		-
	Acquisition of Assets	5,481,128.00	-
	TOTAL	15,452,922.78	-

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7 BOARDING AND SCHOOL FUND PAYMENTS			
		2021-2022	2020-2021
		Kshs	Kshs
	Personnel emoluments	1,550,176.00	-
	Service Gratuity	110,200.00	-
	Repair, Maintenance & Improvements	3,049,554.00	-
	Local transport / travelling	1,919,395.00	-
	Electricity and water	1,884,170.00	-
	Medical Expenses	92,869.13	-
	Administration costs	2,242,427.00	-
	ICT	461,600.00	-
	Expenses on Income Generating Activities	804,350.00	-
	Fee on Boarding Equipment and Stores	23,862,875.00	-
	Activity Expenses	433,468.51	-
	Donation	50,000.00	-
	Uniform	50,700.00	-
	Savings Account	301,788.00	-
	Bursary	2,169,369.00	-
	Acquisition of Assets		-
	TOTAL	38,982,941.64	-

8 BANK ACCOUNTS				
	Name of Bank, Account No. & currency	Bank Account Number		
			2021-2022	
			2020-2021	
			Kshs	
			Kshs	
	Tuition Account		34,559.75	28,509.75
	Operations Account		418,035.90	1,649,533.00
	School Fund Account/Boarding		1,432,147.52	1,804,403.52
	Savings Account		79,278.00	508,754.00
	Infrastructural Account		599,943.00	3,096,163.00
	Total		2,563,964.17	7,087,363.27

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9	CASH IN HAND			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Tuition Account			
	Operation Account		38,202.82	82,229.00
	School Fund account		9,607.00	296,097.41
	Infrastructural Account		5,824.00	5,732.00
	Total		53,633.82	384,058.41
10	SHORT TERM INVESTMENTS			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Cooperative shares		-	-
	Treasury Bills		-	-
	Fixed deposit		-	-
	Equity stock		-	-
	Other investments		-	-
	Total		-	-
11	ACCOUNTS RECEIVABLE			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Fees arrears		2,495,263.00	407,621.00
	Other non-fees receivables			
	Salary advances		9,000.00	5,000.00
	Imprest			
	Total		2,504,263.00	412,621.00
	[Include an ageing of the fees / non fees arrears below]			

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	Description	2021-2022	2020-2021
		Kshs	Kshs
	Fees arrears for current year		-
	Fees arrears for the previous year	-	-
	Fees arrears for prior periods (over two years)	-	-
	Total	-	-
12	ACCOUNTS PAYABLE		
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Trade creditors (See ageing below and appendix 1)	5,615,659.00	1,435,057.75
	Prepaid fees	3,039,030.75	1,059,562.00
	Retention monies	-	-
	Total	8,654,689.75	2,494,619.75
	[Include an ageing of the creditor's arrears below]		
	Description	2021-2022	2020-2021
		Kshs	Kshs
	Trade creditors for current year	-	-
	Trade creditors for the previous year	-	-
	Trade creditors for prior periods (over two years)	-	-
	Total	-	-

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13	FUND BALANCE BROUGHT FORWARD			
	Description		2021-2022	2020-2021
			Kshs	Kshs
	Bank balances		7,087,363.27	7,087,363.27
	Cash balances		384,058.41	384,058.41
	Short Term Investments			
	Receivables		412,621.00	412,621.00
	Payables		2,494,619.75	2,494,619.75
	Total		5,389,422.93	5,389,422.93

Other important disclosure notes			
14	Non-current Liabilities Summary		
	Description		2021-2022
			2020-2021
			Kshs
			Kshs
	Bank loan(s)		-
	Outstanding Leases		-
	Hire purchase		-
	Gratuity and leave provision		-
	Total		-

15	Biological assets			
	Description	Numbers	2021-2022	2020-2021
			Kshs	Kshs
	Cattle	17	420,000.00	420,000.00
	Goats		-	-
	Trees	230	230,000.00	230,000.00
	Coffee or tea plantation		-	-
	Poultry		-	-
	Total		650,000.00	650,000.00

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16	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		-	-
17	1 Stock/ Inventory			
	Description		2021-2022	2020-2021
			KShs	KShs
	Stock/Inventory			
	Stock/ inventory at beginning of the year		3,495,989.00	2,272,386.00
	Stock/ inventory purchased during the year		13,045,600.00	12,042,520.00
	Stock/ inventory issued during the year		11,230,670.00	10,818,917.00
	Balance at end of the year		5,310,919.00	3,495,989.00

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE						
S/no	Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at as 30/06/2022	Comment
		Kshs	Kshs	Kshs	Kshs	
		a	b	c	d=a-c	
a	Supply of Goods					
	School Fund Account					
1	Daniel Landich	106,350.00			106,350.00	
2	Isaac Kemboi	66,000.00			66,000.00	
3	Choronok Wholesalers	419,150.00			419,150.00	
4	Tilya SHG	179,300.00			179,300.00	
5	Rael Ng'isirei	415,000.00			415,000.00	
6	Michele Jeruto	550,000.00			550,000.00	
7	Abigael Jepkorir	10,500.00			10,500.00	
8	Peres Jepkoech	36,000.00			36,000.00	
9	Cheptil Electricals	41,850.00			41,850.00	
10	The rolly Price Ltd	165,000.00			165,000.00	
11	Kentec Energy Solutions	160,000.00			160,000.00	
	Sub-Total (A)	2,149,150.00			2,149,150.00	
b	Supply of Services					
	Infrastructure Account					
1	Starfirm Construction Ltd	125,000.00			125,000.00	
2	Philip Kiprutto	175,250.00			175,250.00	
	Sub-Total (b)	300,250.00			300,250.00	
c	Supply of Services					
	Tuition Account					
1	Eldoline Enterprises	216,312.00			216,312.00	
2	Spearhead Enterprises	1,865,010.00			1,865,010.00	
	Remo Chemicals	1,084,937.00			1,084,937.00	
	Sub-Total (c)	3,166,259.00			3,166,259.00	
	Grand Total	5,615,659.00			5,615,659.00	

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ANNEX 2 - SUMMARY OF FIXED ASSETS REGISTER

S/No	Asset class	Date purchased	Historical Cost b/f	Historical Cost c/f
			Kshs Cts	Kshs Cts
1	Land	Balance b/f 01/01/2021	30,000,000.00	30,000,000.00
2	Buildings and Structures	Balance b/f 01/01/2021	65,000,000.00	65,000,000.00
3	Motor Vehicles	Balance b/f 01/01/2021	8,900,000.00	8,900,000.00
4	Office Equipment, Furniture and Fittings	Balance b/f 01/01/2021	530,800.00	530,800.00
5	ICT Equipment and Other ICT Assets	Balance b/f 01/01/2021	1,976,000.00	1,976,000.00
6	Tools and Apparatus	Balance b/f 01/01/2021	1,761,000.00	1,761,000.00
7	Textbooks	Balance b/f 01/01/2021	4,738,682.00	4,738,682.00
8	Other Machinery and Equipment	Balance b/f 01/01/2021	1,397,000.00	1,397,000.00
9	Intangible Assets-Software	Balance b/f 01/01/2021	149,360.00	149,360.00
			114,452,842.00	114,452,842.00