REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

TALEK BOYS SECONDARY SCHOOL

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

NAROK COUNTY

Revised 30th June 2021

TALEK BOYS' SECONDARY SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30th June 2021

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

Table of Contents

I. Key School Information and Management

(a) Background information

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

The school was registered in 03/12/2019 under registration number 33S38190819 and is currently categorized as a Sub- County public school established, owned or operated by the Government.

The school is a Boys Boarding Secondary school and had 835 numbers of students as at *30th June 2021*.It has 4 streams and 25 teachers of which 14 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.	Mr Jacob Sairowua	chairman	03/12/2020
2.	Mr malcom Mateu	Secretary - Principal	03/12/2020
3.	Mr kimemia Taek	Member	03/12/2020
4.	Mrs Mary Naurori	Memebr	03/12/2020
5.	Mr Benard Naurori	Member	03/12/2020
6.	Mrs Dorcus Lenjir	Member	03/12/2020
7.	Mr Dominic Koya	Member	03/12/2020
8.	Mrs Lucy Rotiken	member	03/12/2020
9.	Mr Stephen Kileyia	Teacher rep	03/12/2020
10.	Mr Antony Ketikai	member	03/12/2020
11.	Mr Parkimaso Kiriama	member	03/12/2020
12.	Mr John Tira	member	03/12/2020
13.	Mrs Purity Taek	Member	03/12/2020
14.	Mr Dickson Ntika	Member	03/12/2020

Key School Information and Management (Continued)/

The function of the School Board of Management include:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School

- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance
- Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	**Bom Executive Committee**	Mr.Jacob Sairowua Mr .Malcom Mateu Mr Kimemia Taek Mrs Mary Naurori Mr John Tira	Chairperson Member Member Member member	2
2	Audit committee	Mrs Lucy Rotiken Mr Kiriama Parkimaso Mr Antony Ketikai	chairperson Member member	2
3	Finance, Procurement amd general purposes committee	Mr Bernard Naurori Mr Kimemia Taek Mrs Dorcas Lenjir	Chairperson Member Memeber memebr	1
4	Academic committee	Mr John Tira Mr Dominic Koya Mrs Mary Naurori	Chairperson Memebr Member Member	1
5	Development committee	Mrs Purity Taek Mr Antony Ketikai Mr Jackson Sayialel	Chairperson Member Member member	2
6	Displine and welfare committee	Bishop William Mainka Mr kimemia Taek Mr Dominic Koya	Chairperson Member Member	2
7	Adhoc committee(if any during the year)	------		

(d) School operation Management

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

Ref:	Designation	Name	Identification
1.	Principal	Mr Malcom Mateu	TSC No 408983
2.	Deputy Principal	Mr Zablon Muga	TSC No 349281
3.	School Bursar	Stanley Nkoitiko	ID No 27047991

Key School Information And Management (Continued)

(e) Schools contacts

Post Office Box: 518-20500
Telephone: 0721777884
E-mail: talekboys@gmail.com.
Website: -
Facebook: -
Twitter: -

1. Name of Bank: Kcb -Boarding Account
Branch: Maasai mara
Account Number: 1200774841

2. Name of Bank: Kcb -Operations Account
Branch: Maasai mara
Account Number: 1200776844

3. Name of Bank: Kcb-Tuition Account
Branch: Maasai mara
Account Number: 1200775775

4. Name of Bank: Kcb –Infrastructure Account
Branch: Maasai Mara
Account Number: 1287963382

Pay Bill Numbers

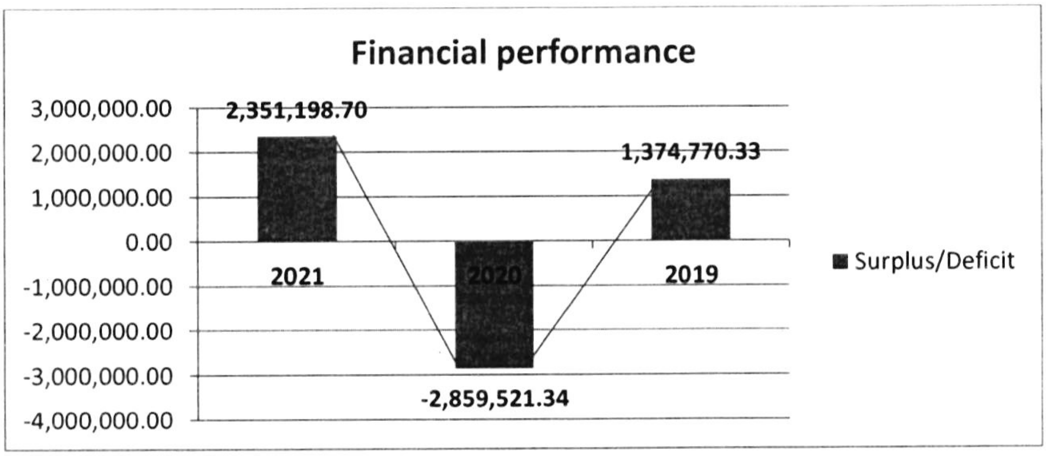
5. Mpesa Pay Bill No.Business Number: 522123
Account Number: 26107KAdmission Number

(a) **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

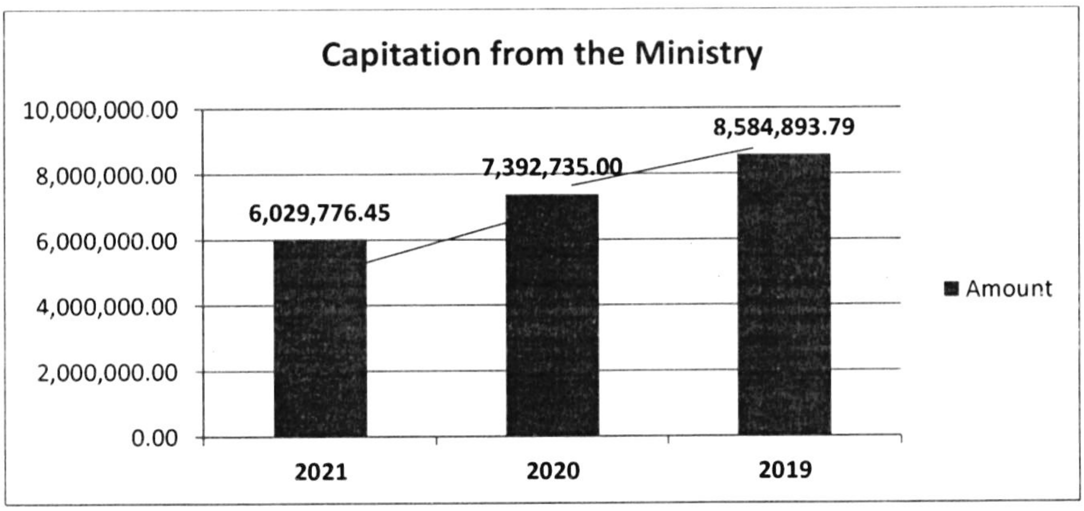
a) Financial performance:

Year	2021	2020	2019
Incomes	18,748,597.45	22,249,210.00	28,407,818.79
Expenditures	(16,397,398.75)	(25,108,731.34)	(27,033048.46)
Surplus	**2,351,198.70**	**(2,859,521.34)**	**1,374,770.33**



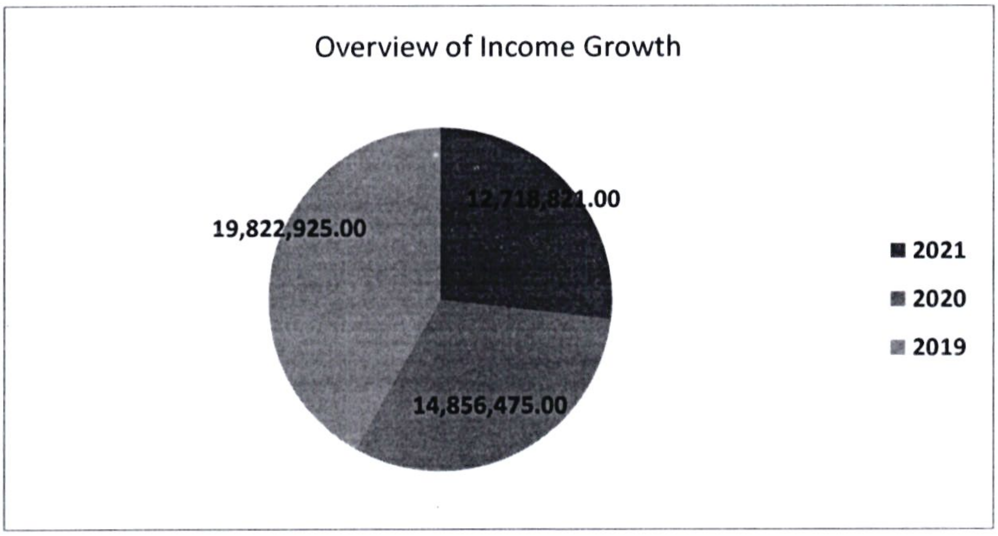
- Capitation Grants from the Ministry

Year	2021	2020	2019
Tuition	830,375.75	849,785.00	1,500,160.49
Operation	5,199,400.70	6,542950.00	7,084,733.30
Total	**6,029,776.45**	**7,392,735.00**	**8,584,893.79**
Students	**835**	**635**	**462**
Ratio	**1:7,221**	**1:11,642**	**1:18,582**



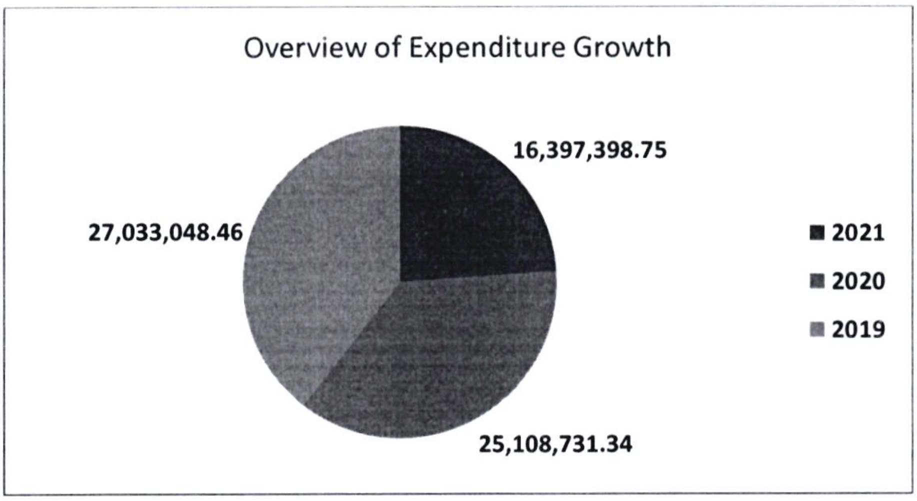
- A Three Years Overview Growth of Other Income Earned By the School

Year	2021	2020	2019
School Fund Income	12,718,821.00	14,856,475.00	19,822,925.00
Other Receipts	0.00	0.00	0.00
Amount	**12,718,821.00**	**14,856,475.00**	**19,822,925.00**



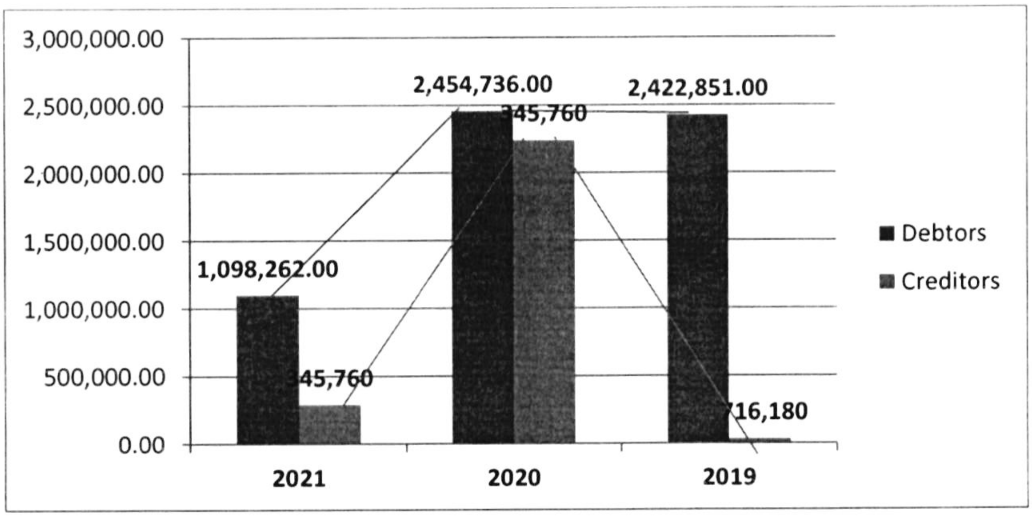
- A Three Years Overview of Growth in Expenditure of the School

Year	2021	2020	2019
Tuition	808,966.75	972,834.19	1,431,752.37
Operation	4,865,291.00	6,718,243.50	7,056,368.00
School Fund	10,723,141.00	17,417,653.65	18,544,928.09
Total	**16,397,398.75**	**25,108,731.34**	**27,033,048.46**



- Movements of debtors and creditors of the school over the three years

Year	Debtors s	Creditors	Ratio
2021	1,098,262.00	287,886.00	4:1
2020	2,454,736.00	2,239,800.00	1:1
2019	2,422,851.00	33,720.00	72:1



b) Movements Of Cash And Bank Balances Of The School Over The Three Years

Year	CASH	BANK BALANCES
2021	85,575.00	2,039,990.96
2020	0.00	369,807.26
2019	3,223.00	1,051,910.60

B): teacher students' ratio:

YEAR	No of Students	TSC Teachers	BOM Teachers	TOTAL Teachers	Ratio	Recruited /posted	Transfered
2021	835	11	14	25	1:33	6	0
2020	635	5	16	21	1:30	2	0
2019	462	3	15	18	1:18	0	0

Teachers Employed by TSC TSC 11 BOM 14

Subject Combination		**Eng**	**Mat h**	**Kisw**	**Bio**	**Chem**	**Phy**	**Hist**	**Geo**	**Cr e**	**Agr**	**Bst**	
Number of Teachers	Expect	6	6	6	3	3	4	4	4	4	2	4	
	Avail	1	2	2	2	3	1	4	1	2	1	2	
	Shortage	5	4	4	1	0	3	0	3	2	1	2	

c) **Mean Score In The KSCE:**

Year	Mean point	Target	Mean score	Transitioned to university	Comments
2020	5.7	6.2	5.7	21	Improve
2019	3.63	5.2	3.63	1	More effort need
2018	0	0	0	0	0

c) Number Of Candidates Sitting For KCSE:

YEAR	Tabulation of students
2020	113
2019	57
2018	0

d) Capacity of the School: Enrolment Boys 835

S/No	Facility	No. of Students/Staff	No of Available facilities	Optimum Required	Shortage/ Excess	Remarks
1	Classrooms	835	14	20	6	Not Sufficient
	Dormitories	835	3	7	4	Not Sufficient
3	Laboratory	835	1	3	2	Required 2
4	Library	835	0	1	1	Required 1
5	ICT Room	835	0	2	2	Required 2
6	Kitchen	835	1	1	0	Sufficient
7.	Dinning Hall	835	1	1	0	Sufficient
8.	Students' Toilets	835	20	20	0	Sufficiet
	Toilet -Staff	35	2	2	0	Sufficient
9.	Urinals	835	1	2	1	Not Sufficient
10.	Staff Rooms	24	5	5	0	Sufficient
11.	Administration Block	5	1	1	0	Sufficient
12.	Football field	835	1	2	1	Not sufficient
13.	Volleyball field	835	1	3	2	Not sufficient
14.	Basket ball	835	1	1	0	Modern required

e) Development Projects Carried Out By The School:

Project	**Source Of Fund**	**Amount Spend(kshs)**	**Remarks**
Dining hall	**MOE/Parents**	2,500,000.00	**Complete**

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 Talek Boys' 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, 2021, and of the school's financial position as at that date.

Name: **Mr. Jacob Sairowua**
Designation: Chairman, School Board Of Management

Sign:
Date: 16/4/2026

Name: **Mr. Sabaya Nakola**
Designation: School Principal & Secretary To Board Of Management
Sign: -------------
Date: 16/04/2026

Name: **Mr. Stanley Nkoitiko**
Designation: Bursar/ Finance Officer
Sign: -------------
Date: 16/4/2026

REPUBLIC OF KENYA

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REPUBLIC OF KENYA

OAG
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON TALEK BOYS SECONDARY SCHOOL FOR THE PERIOD ENDED 30 JUNE, 2021 – NAROK COUNTY

PREAMBLE

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

A. Report on 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 the 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; and,

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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Talek Boys Secondary School set out on pages 11 to 26, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the cash financial statements present fairly, in all material respects, the financial position Talek Boys Secondary School as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

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

Review of the financial statements revealed variances in the balances disclosed in the statement of receipts and payments and those in the cash flow statements on same expenditure items as detailed below;

Item	**Receipts and Payments (Kshs.)**	**Statement of Cash flows (Kshs.)**	**Variance (Kshs.)**
Revenue			
School fund income	12,718,821	15,404,121	(2,681,300)
Expenditure			
Payments for operations	4,865,291	2,365,291	2,500,000
Payments for school fund	10,723,141	14,003,881	3,280,740

Further, the statement of cash flows reflects balance of Kshs.2,500,000 in respect of acquisition of assets which has not been explained nor supported. In addition, review of the financial statements and the supporting schedules presented for audit revealed variances between amounts reported in the financial statements and the corresponding supporting schedules for boarding and school fund payments, as detailed below;

Component	**Financial Statement Amount Kshs.**	**Schedules Kshs.**	**Variance Kshs**
Repairs and maintenance & improvements	1,006,772	1,883,772	827,000
Personal emoluments	1,544,000	2,603,400	1,059,400

Medical	7,145	10,645	3,500
Local transport and travelling	209,100	505,100	296,000
Fess on boarding equipment and stores	5,766,855	11,568,131	5,801,276
Administration costs	684,136	1,077,310	393,174
Electricity, water and conservancy	1,444,603	1,692,844	248,241
Prepayment	-	1,833,458	1,833,458

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

2. Understatement of Receipts

The statement of receipts and payments reflects receipts of Kshs.18,748,597 which includes Kshs.12,718,821 relating to School fund income from parents' contributions as disclosed in Note 3 to the financial statements. Analysis of student records during the year under review revealed that the School had a total of 635 students, with an expected fees per student of Kshs.35,000. This translates to total expected fees of Kshs.22,225,000. Consequently, the School's Management understated receipts by Kshs.9,506,179. Further, the School does not have a formal fees collection policy.

In the circumstances, the accuracy and completeness of the reported receipts amount could not be confirmed

3. Unconfirmed Capitation Grants for Operations

The statement of receipts and payments reflects capitation grants for operations amount of Kshs.5,199,400 as disclosed in Note 2 to the financial statements. However, during the audit, National Education Management Information System (NEMIS) students enrolment numbers for the year under review were not made available. As a result, it was not possible to compare and confirm the NEMIS data and actual School enrolment data to confirm operational capitation.

In the circumstances the amount capitation grants for operations could not be confirmed.

4. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,125,565 as disclosed in Note 8, 9 and 10 to the financial statements. Included in the balance are tuition, operation, school fund and infrastructural bank accounts with account balances Kshs.23,509, Kshs.336,916

Kshs.1,679,566 and Kshs.0 respectively. However, the bank balances were not supported by bank reconciliation statements and board of survey reports.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.2,125,565 could not be confirmed.

5. Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects an accounts receivables balance of Kshs.1,098,262 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, Management has not provided detailed age analysis of the accounts receivables for audit review nor did the School have a policy on impairment or provisioning for long-outstanding receivables. Further, the ledgers provided for audit lacked a clear audit trail showing the opening balances, billings for the year, payments received from students, and adjustments made to arrive at the reported closing balances. In addition, the School did not have a documented debt recovery plan, and Management did not demonstrate sufficient efforts undertaken to recover the outstanding amounts.

In the circumstances, the accuracy, completeness, and recoverability of the accounts receivable balance of Kshs.1,098,262 could not be confirmed.

6. Undisclosed Inventory

The approved financial reporting template for secondary schools requires a School to disclose its inventories at the close of the financial year under other important disclosures. However, the disclosure made by the School was incomplete since it did not include the value of the inventories as required. Further, the School did not conduct a stock take at the close of the year.

In the circumstance, the accuracy and completeness of the inventory balance could not be confirmed.

7. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.287,886 which comprise of Kshs.258,160 in respect of trade creditors and Kshs.29,726 in respect of prepaid fees as disclosed in Note 12 to the financial statements. However, Management has not provided the supporting details indicating the names of students, date and amount prepaid. Further, creditors movement schedule indicating the opening balance, payments made and the outstanding balance thereof was not provided. Management has also not provided reasons why the trade creditors were not paid as a first charge. Failure to settle payables may result in suppliers withholding the supply of goods and other essential items and hence adversely affect service delivery.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs. 287,886 could not be confirmed.

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

Emphasis of Matter

1. Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.20,200,000 and Kshs.18,748,597 respectively, resulting in an underfunding of Kshs.1,451,403 or 7% of the budget. Similarly, the School spent an amount of Kshs.16,397,399 against the actual receipts of Kshs.18,748,597 resulting in an under-utilization of Kshs.2,351,199 or 13% of the realized receipts.

In the circumstances, the under-funding and under-utilization may have impacted negatively on the service delivery to the students.

2. Unaudited Comparative Balances

I draw your attention to the fact that prior to the 2020/2021 financial year, schools were not preparing financial statements for audit pursuant to Article 229(5) of the Constitution. The Article mandates the Auditor-General to audit and report on the accounts of any entity that is funded from public funds. Although the financial statements presented for audit include comparative balances for the year ended 30 June, 2020, the 2020/2021 financial year is considered as the first year of audit for schools. Therefore, the audit procedures undertaken did not extend to confirm the opening balances or the comparative information for the prior-year.

My opinion is not modified in respect of these matter.

Other Information

The Management is responsible for the Other information set out on page 1 to 9 which comprises Key School, Summary Report of Performance of the School and Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Issues on Effectiveness Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement receipts and payments reflect payments for operations balance of Kshs.4,865,291 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.60,000 which was transferred to the Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from school principals only. Further, there is no evidence that the amount was included in the budget and approved by the board.

In the circumstances, the value for money transferred to KESSHA, amounting to Kshs.60,000, could not be confirmed.

2. Irregular Recruitment of Staff

During the period under review, the Board of Management recruited two new teachers to fill up the staffing needs of the School. However, interview with Management revealed that whereas there may have been gaps in staffing, it was not formally established with a needs assessment, evidence that the positions were advertised for qualified and interested candidates to apply was not provided. Further, Management did not provide for audit the application forms, the long list of applicants, list of shortlisted applicants and no appointment letters or staff files for those employees.

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

3. Non-Compliance with Statutory Requirements on Ethnic Diversity, Disability Inclusion, and Gender Balance

An analysis of the staff data provided for audit revealed that the School had a total workforce of twenty-seven (27) employees engaged by the Board of Management, fourteen (14) BOM teachers and thirteen (13) non-teaching staff, all of whom, were drawn from the same dominant ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008, which stipulates that no public establishment shall have more than one-third of its staff from the same ethnic community. Further review indicated that none of the twenty-seven employees was a person living with a disability. This contravenes Paragraph B.23(2) of the Human Resource Policies and Procedures Manual for the Public Service (2016), on the rights and privileges of persons with disabilities, which requires the Government to implement the principle that at least five percent (5%) of all appointments be reserved for persons with disabilities. In addition, the audit revealed that only three employees or 21% of the BOM teaching staff were female in breach of Paragraph B.22(2) of the Human Resource Policies and Procedures Manual for the Public Service (2016) on non-discrimination in employment, which states that the Government shall endeavor to maintain a gender-balanced civil service, ensuring that no more than two-thirds (2/3) of positions in any establishment are filled by a single gender.

In the circumstances, Management was in breach of the law

4. Non-Compliance with Procurement Laws

Review of records and discussions with Management revealed that the School has not established a functional procurement unit managed by a qualified procurement professional nor were the roles delegated to a board or management committee and were exclusively handled by the school principal, contrary to Section 47(1)(2) of the Public Procurement and Asset Disposal Act, 2015. As a result, procurement functions have not been carried out in accordance with the legal requirements. Further, the audit revealed that the school lacked annual procurement plan, adhoc tender opening committees, evaluating committees, inspection and acceptance committee. In addition, no advertisement for tender for goods, services and works were carried out to initiate tenders. Further review revealed that no provision was made to allocate at least 30% of the procurement budget to women, persons with disabilities (PWDS) and other disadvantaged groups.

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

5. Failure to Prepare a School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, contrary to Paragraph 2.2 on School Improvement Planning in the Ministry of Education Operation Manual for the Utilization of Learner Capitation Grants and Other School Funds, June 2020. The Manual requires schools to identify, in every three-year School Improvement Planning cycle, one priority area in each of the four key areas: 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 guidelines.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Basis for Conclusion

1. Lack of Segregation of Duties

The audit established that the School was using Natshule ERP system which is a seamless School's management system with modules for finance, exam, library, payroll, admission and inventory. There were two users within the system and the bursar was a super user and could initiate, process, approve and reverse transactions, add, edit and delete user profiles, perform simple data entry tasks. Similarly, within the system there was an accounts clerk user profile with similar rights as the bursar and the principal's rights within the system were view only.

In the circumstances, it could not be determined what individual user roles and responsibilities within the system were.

2. Lack of an ICT Environment and Business Continuity Plan/Data Recovery Mechanism.

Review of the School's ICT environment revealed that there was no approved ICT policy in place during the year under review. This includes the absence of key policies such as a data security policy and disaster recovery plan. In addition, the ICT organizational structure was not provided for audit review. The School also did not have an Information Technology (IT) Steering Committee in place to oversee and guide the implementation of effective IT controls and strategies. Further review revealed that the School did not maintain data backups outside its premises and lacked an adequate data recovery mechanism in the event of data loss. There was also no evidence of an approved business continuity plan to ensure the continuity of operations in case of system disruptions. In addition, Management did not provide licenses, service level agreements, or acquisition or ownership documents for the software used by the School, including MS Suite, antivirus software and Natshule ERP.

In the circumstances, the legitimacy, licensing status, and ownership of the school's software could not be confirmed.

3. Lack of an Approved Risk Management Policy

The audit revealed that the School did not have an approved risk management policy to help the in providing a framework for the management of risk and also to increase overall awareness of risk throughout the institution.

In the circumstances, the absence of an approved risk management policy, the School has been left exposed as they cannot mitigate potential risks that may arise.

4. Lack of Human Resource Policy Framework

A review of the governance structure revealed that the School did not have a designated human resource officer to oversee human resource management activities. Instead, key human resource functions such as recruitment, staff welfare, and records management were being performed by the School's principal. Further, the audit revealed that the School did not have a comprehensive, an approved human resources policy manual that detailed policies regarding the staff establishment, recruitment, remuneration, promotion, employee conduct, performance management, leave administration, disciplinary procedures, benefits, and professional development. In addition, review of records revealed that the School did not have an approved staff establishment. Further review revealed that there was no evidence that the School had prepared a human resource plan based on a comprehensive job analysis and the School had not promulgated a code of ethics for its employees.

In the circumstances, it was not possible to confirm whether the total staff employed by the School was at the optimal operating level and how key decisions regarding employees were made without an approved human resource policy.

5. Missing of Essential Documents from Staff Files

Review of five staff file sampled for audit revealed that essential documents were missing from their records, including recruitment and employment records, letters of employment with job description and terms of engagement, employee bio data including KRA Tax PIN, NSSF, NHIF, certificate of good conduct from the Directorate of Criminal Investigations, colored passport-sized photographs, and bank account details and next of kin details. Further the staff files were not centrally maintained and retrieval was difficult with most of the files missing and not provided for audit.

In the circumstances, the effectiveness of internal controls and management of essential documents in the staff files in the School could not be confirmed.

6. Weaknesses in Textbook Management

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through the Kenya Institute of Curriculum Development (KICD). However, the School's inventory records for the period were incomplete, hence the book balances could not be confirmed. A physical count of text books in the School's store revealed that books issued in the prior financial years were still lying in the store, as they were no longer in use and had been issued in excess.

In the circumstances, the effectiveness of internal controls and management of textbooks in the School could not be confirmed.

7. Weaknesses in Board of Management

During the year under review, the Board of Management that is supposed to direct the School in achieving its strategic objectives was constituted by the County Education

Board on 28 August, 2020. However, attendance registers and minutes of meetings for the finance, procurement and general-purpose committee, academic committee, discipline and welfare committee, and ad hoc committees as disclosed in the financial statements were not provided.

In the circumstances, the effectiveness of the governance mechanisms at the School could not be confirmed.

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using applicable basis of accounting unless the Management is aware of the intention 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 comply with the authorities which govern them and that public resources are applied in an effective way.

Those charges 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the

International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I also I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/. This description forms part of my auditor's report.

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 April, 2026

V. **Statement of Receipts and Payments period to 30th June 2021**

DESCRIPTION OF VOTE HEAD	Note	202-2021 Kshs	201-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	830,375.75	849,785.00
Capitation grants for operations	2	5,199,400.70	6,542,950.00
School Fund Income- Parents' Contributions	3	12,718,821.00	14,856,475.00
School Fund Income – Other Receipts	4	0.00	0.00
Proceeds from Borrowings		0.00	0.00
TOTAL RECEIPTS		**18,748,597.45**	**22,249,210.00**
PAYMENTS			
Payments for Tuition	5	808,966.75	972,834.19
Payments for operations	6	4,865,291.00	6,718,243.50
Boarding and school fund payments	7	1,0723,141.00	17,417,653.65
TOTAL PAYMENTS		**16,397,398.75**	**25,108,731.34**
SURPLUS/DEFICIT		**2,351,198.70**	**(2,859,521.34)**

The school financial statements were approved on .... and signed by:

Name : Mr Jacob Sairowua

Chair BOM

Sign:...............

Date: 16/4/2026

Name: Mr Sabaya Nakola

School Principal/ Secretary to BOM

Sign:.......................

Date: 16/4/2026

Name: Stanley Nkoitiko

Bursar/ Finance Officer

Sign:...............

Date: 16/4/2026

VI. Statement of Financial Assets and Financial Liabilities as At 30th June 2021

	Note	202-2021	201-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	2,039,990.96	369,807.26
Cash Balances	9	85,575.00	0.00
Short term Investment	10	0.00	0.00
Total Cash and cash equivalent		**2,125,565.96**	**369,807.26**
Account's receivables	11	1,098,262.00	2,454,736.00
TOTAL FINANCIAL ASSETS		**3,223,827.96**	**2,824,543.26**
FINANCIAL LIABILITIES			
Accounts Payables	12	(287,886.00)	(2,239,800.00)
NET FINANCIAL ASSETS		**2,935,941.96**	**584,743.26**
REPRESENTED BY			
Accumulated Fund b/fwd.	13	584,743.26	3,444,264.60
Surplus/Deficit for the year		2,351,198.70	(2,859,521.34)
NET FINANCIAL POSITION		**2,935,941.96**	**584,743.26**

The School's financial statements were approved on ……………………….and signed by:

Name: Mr Jacob Sairowua **Chair BOM**	Name. Mr Sabaya Nakola **School Principal/ Secretary to BOM**	Name: Stanley Nkoitiko **Bursar/ Finance Officer**
Sign:……..	Sign:………………..	Sign:…………..
Date: 16/04/2026……	Date: 16/04/2026	Date: 16/4/2026……

VII. **Statement of Cash Flows for the Period Ended 30th June 2021**

Receipts for operating income	NOTE NO.	2020-2021 Kshs	2019-2020 Kshs
Cash from Operating Activities			
Receipts			
Capitation grants for tuition	1	830,375.75	849,785.00
Capitation grants for operations	2	5,199,400.70	6,542,950.00
School fund income- Parents contributions/ fees		15,404,121.00	14,824,590.00
School fund income- other receipts		0.00	0.00
Total receipts		**21,433,897.45**	**22,217,325.00**
Payments			
Payments for Tuition		808,966.75	972,834.19
Payments for operations & Infrastructure		2,365,291.00	3,322,243.50
Boarding and school fund payments		14,003,881.00	11,510673.65
Total payments		**17,178,138.75**	**15,805,751.34**
Net cash flow from operating activities		**4,255,758.70**	**6,411,573.66**
Cash Flow From Investing Activities			
Proceeds from Sale of Assets		0.00	0.00
Acquisition of Assets		2,500,000.00	7,096,900.00
Proceeds from investments		0.00	0.00
Purchase of investments		**0.00**	**0.00**
Net cash flows from Investing Activities		**2,500,000.00**	**7,096,900.00**
Cash Flow From Borrowing Activities			
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
Increase in receivables		0.00	0.00
Increase in payables		0.00	0.00
Net cash flow from financing activities		**0.00**	**0.00**
Net Increase In Cash And Cash Equivalents		**1,755,758.70**	**(685,326.34)**
Cash and cash equivalent at beginning of the year		**369,807.26**	**1,055,133.60**
Cash and cash equivalent at end of the year		**2,125,565.96**	**369,807.26**

VIII. Statement of Budgeted Versus Actual Amounts for the Year Ended 30th June 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials						
Exercise books	250,000.00		250,000.00	218,730.75	31,269.25	87%
Laboratory equipment	250,000.00		250,000.00	227,447.00	22,553.00	91%
Internal exams						
Teaching / learning materials	500,000.00		500,000.00	384,198.00	115,802.00	77%
Chalks						
Exams and assessment						
Teachers guides						
(2) CAPITATION GRANT ON OPERATIONS						
TAE$ E(Other Vote Heads)						
Personnel emoluments	2,000,000.00		2,000,000.00	1,912,000.00	88,000.00	96%
Repairs and maintenance	2,500,000.00		2,500,000.00	2,228,500.00	271,500.00	89%
Local transport / travelling	270,000.00		270,000.00	250,146.70	19854.00	93%
Electricity and water	700,000.00		700,000.00	627,778.00	72,222.00	90%
Medical						
Administration costs	230,000.00		230,000.00	180,976.00	49,024.00	79%
Activity						
Gratuity						
(3) FEES CHARGED ON PARENTS						
Boarding equip& stores	9,700,000.00		9,700,000.00	9,328,686.00	371,314.00	96%
Personnel emoluments	950,000.00		950,000.00	883,641.00	66,359.00	93%
Repairs and maintenance	500,000.00		500,000.00	426,801.00	73,199.00	85%
Local transport / travelling	200,000.00		200,000.00	165,635.00	34,365.00	83%
Electricity and water	1,500,000.00		1,500,000.00	1,353,315.00	146,685.00	90%
Medical						
Administration costs	550,000.00		550,000.00	499,388.00	50,612.00	91%
Activity	100,000.00		100,000.00	61,355.00	38,645.00	61%
SMASSE						
Other voteheads						
OTHER INCOME						
Rent income						

Receipt/expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Income from farming activities						
Insurance compensation						
Income from Posho mill						
Income from Bus Hire						
Fee for hire of ground and equipment						
Interest income						
other investment						
TOTAL INCOME	**20,200,000.00**		**20,200,000.00**	**18,748,597.50**	**1,451,402.50**	**93%**
(1) Expenditure For Tuition						
Textbooks / ref materials	200,000.00		200,000.00	150,000.00	50,000.00	75%
Exercise books	270,000.00		270,000.00	239,600.00	30,400.00	89%
Laboratory equipment	280,000.00		280,000.00	250,000.00	50,000.00	89%
Internal exams	70,000.00		70,000.00	50,000.00	20,000.00	71%
Teaching / LM	179,500.00		179,500.00	119,000.00	71,000.00	65%
Chalks						
Exams and assessment						
Teachers guides						
Bank Charges	500.00		500.00	366.75	133.25	73%
(2) EXPENDITURE FOR OPERATIONS						
Other Vote Heads						
Personnel emoluments	1,600,000.00		1,600,000.00	1,370,400.00	229,600.00	8
Repairs/ maintenance	3,000,000.00		3,000,000.00	2,558,680.00	441,320.00	85%
Local transport / travelling						
Electricity, water and Con	250,000.00		250,000.00	208,000.00	42,000.00	83%
Medical						
Administration costs	850,000.00		850,000.00	728,211.00	121,789.00	86%
Bank Charges						
Activity Expenses						
Gratuity						
SMASSE						
Payables						
(3) EXPENDITURE FOR SCHOOL FUND						
Other Vote Head						
Repairs,/maintenance	1,200,000.00		1,200,000.00	1,006,772.00	193,228.00	84%
Local transport / travelling	250,000.00		250,000.00	209,100.00	40,900.00	84%

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 %
Electricity, water and cons	1,600,000.00		1,600,000.00	1,444,603.00	155,397.00	90%
Medical Expenses	10,000.00		10,000.00	7,145.00	2,855.00	71%
Personnel emoluments	1,800,000.00		1,800,000.00	1,544,000.00	256,000.00	86%
Administration costs	750,000.00		750,000.00	684,136.00	65,864.00	91%
Activity	100,000.00		100,000.00	60,500.00	39,500.00	61%
Gratuity						
Lunch programme						
Boarding Equipment's	7,790,000.00		7,790,000.00	5,766,885.00	2,023,1155.00	74%
Income Generating Activity						
Insurance costs						
Other expenses on investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition of Assets						
TOTALS	**20,200,000.00**		**20,200,000.00**	**16,397,398.75**	**3,802,601.25**	**81%**

N0TE:- Due to hard economic time caused by COVID 19 outbreak fees collection was poor coupled with poor reporting of students and government under funding. This led management failure to manage its budget well.

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 imprests, 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, impresses 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 imprests payments are recognized as expenditure when fully accounted for by the imprests 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

	202-2021	201-2020
	Kshs	Kshs
Textbooks and reference materials	0.00	0.00
Exercise books	218,730.75	0.00
Laboratory equipment	227,447.00	0.00
Internal exams	0.00	0.00
Teaching / learning materials	384,198.00	849,1500.00
Chalks	0.00	635.00
Teachers Guide	0.00	0.00
SMASSE	0.00	0.00
Total	**830,375.75**	**849,785.00**

2. Capitation Grant for Operations And Infrastructure Account

	2020-2021	2019-2020
	Kshs	Kshs
Other vote heads	0.00	0.00
Local transport / travelling	250,146.70	292,050.00
Repairs and maintenance and improvements	2,228,500.00	2,471,000.00
Personnel emoluments	1,912,000.00	2,410,500.00
Administration costs	180,976.00	547,000.00
Activity	0.00	183,600.00
Medical and insurance	0.00	91,800.00
RMI-I infrastructure	0.00	0.00
Electricity ,Water& Conservancy	627,778.00	547,000.00
Total	**5,199,400.70**	**6,542,950.00**

3. Parents Contribution/Fees - School Fund Account

	202-2021 Kshs	2019-2020 Kshs
Boarding Equipment And Stores	9,328,686.00	9,222,025.00
Repairs and maintenance	426,801.00	749,000.00
Administration costs	499,388.00	831,810.00
Local transport / travelling	165,635.00	299,600.00
Other vote heads	0.00	0.00
Electricity ,Water& Conservancy	1,353,315.00	2,249,260.00
Activity	61,355.00	80,550.00
Personnel emoluments	883,641.00	1,424,230.00
PA Project	0.00	0.00
Total	**12,718,821.00**	**14,856,475.00**

4. Other Receipts – School Fund Account

	2020-2021 Kshs	2019-2020 Kshs
Fee on Boarding Equipment and Stores	0.00	0.00
Income from farming activities	0.00	0.00
Insurance compensation	0.00	0.00
Income from Bus Hire	0.00	0.00
Fee for hire of ground and equipment	0.00	0.00
Income from grants and donations*	0.00	0.00
Dividends income	0.00	0.00
Total	**0.00**	**0.00**

5. Payments for Tuition

	2020-2021 Kshs	2019-2020 Kshs
Textbooks and reference materials	150,000	0.00
Exercise books	239,600	208,800.00
Laboratory equipment	250,000	250,000.00
Teaching / learning materials	119,000	410,000.00
Exams and assessment	50,000	100,000.00
Reference Materials	0	0.00
Bank Charges	367	4,034.19
Total	**808,967**	**972,834.19**

6. Payments for Operations and Infrastructure Account

	2020-2021 Kshs	2019-2020 Kshs
Other vote heads	0	0.00
Local transport / travelling	0	30,000.00
Repairs and maintenance & improvements	58,680	3,396,000.00
Personnel emoluments	1,370,400	2,040,300.00
Administration Cost	728,211	101,943.50
Activity Expenses	0	0.00
Medical	0	0.00
Electricity and water	208,000	1,150,000.00
Exams	0	0.00
Insurance Cost	0	0.00
Bank Charges	0	0.00
RMI - Infrastructure	2,500,000	0.00
TOTAL	**4,865,291**	**6,718,243.50**

7. Boarding and School Fund Payments

	2020-2021 Kshs	2019-2020 Kshs
Other Voteheads	0.00	0.00
Repairs and maintenance & Improvements	1,006,772.00	3,700,900.00
Personal Emoluments	1,544,000.00	1,367,900.00
Medical	7,145.00	48,280.00
Activity	60,500.00	280,300.00
Local Transport and Travellings	209,100.00	551,940.00
Bank Charges	0.00	0.00
Fees on Boarding Equipment and Stores	5,766,885.00	7,796,936.00
Administration Costs	684,136.00	1,765,021.65
Electricity ,Water and Conservancy	1,444,603.00	1,906,376.00
TOTAL	**10,723,141.00**	**17,417,653.65**

Notes to the Financial Statements (Continued)

8. Bank Accounts

Name of Bank, Account No. & currency	Bank Account Number	2020-2021 Kshs	2019-2020 Kshs
Tuition Account	1200775775	23,509.60	2,100.60
Operations Account	1200776844	336,915.10	2,805.40
School Fund Account	1200774841	1,679,566.26	364,901.26
Infrastructural Account		0.00	0.00
Total		**2,039,990.96**	**369,807.26**

9. Cash In Hand

Description	2020-2021 Kshs	2020-2020 Kshs
Tuition Account	0.00	0.00
Operation Account	0.00	0.00
School Fund account	85,575.00	0.00
Infrastructure	0.00	0.00
Total	**85,575.00**	**0.00**

10. Short Term Investments

Description	2020-2021 Kshs	2019-2020 Kshs
Cooperative shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed deposit	0.00	0.00
Equity stock	0.00	0.00
Other investments	0.00	0.00
Total	**0.00**	**0.00**

Notes to the Financial Statements (Continued)

11. Accounts Receivable

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears	1,098,262.00	2,454,736.00
Other non-fees receivables	0.00	0.00
Salary advances	0.00	0.00
Imprests	0.00	0.00
Total	**1,098,262.00**	**2,454,736.00**

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

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears for current year	1,098,262.00	2,454,736.00
Fees arrears for the previous year	0.00	0.00
Fees arrears for prior periods (over two years)	0.00	0.00
		0.00
Total	**1,098,262.00**	**2,454,736.00**

12. Accounts Payable

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors (See ageing below and appendix 1)	258,160.00	2,239,800.00
Prepaid fees	29,726.00	0.00
Caution Money	0.00	0.00
NHIF	0.00	0.00
Total	**287,886.00**	**2,239,800.00**

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

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors for current year	258,160.00	2,239,800.00
Trade creditors for the previous year	0.00	0.00
Trade creditors for prior periods (over two years)	0.00	0.00
Total	**258,160.00**	**2,239,800.00**

Notes to the Financial Statements (Continued)

13. Fund Balance Brought Forward

Description	2020-2021 Kshs	2019-2020 Kshs
Bank balances	369,807.26	1,051,910.60
Cash balances	0.00	3,223.00
Short Term Investments	0.00	0.00
Receivables	2,454,736.00	2,422,851.00
Payables	(2,239,800.00)	(33,720.00)
TOTAL	**584,743.26**	**3,444,264.60**

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	2020-2021	2019-2020
Bank loan(s)	0.00	0.00
Outstanding Leases	N/A	N/A
Hire purchase	N/A	N/A
Gratuity and leave provision	N/A	N/A
Total	**0.00**	**0.00**

15. Biological Assets

Description	Numbers		2020-2021	2019-2020
	2020-2021	2019-2020	Kshs	Kshs
Cattle				
Goats				
Trees	200	200		
Coffee or tea plantation				
Poultry				
Total				

16. Borrowings

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

Other important disclosure notes

17. Stock/ Inventory

Description	2020-2021 kshs	2019-2020 KShs
b) 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		

18. Progress on Follow up Of Auditor Recommendations

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
1				
2				
3				
4				
5				
6				

XI. Annexes

Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services		Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2020	Comments
		a	b	c	d=a-c		
		Kshs	Kshs	Kshs	Kshs	Kshs	
1	Grace Kiarie				241,060.00	365,400.00	
2	Mara Mubarak Whole sellers				0.00	436,800.00	
3	Fatuma Welders				0.00	200,000.00	
4	Bestech Africa				0.00	50,000.00	
5	Streamline Concept				0.00	212,600.00	
6	Reuben Langat				0.00	198,700.00	
7	Tawafiq Traders and Co Ltd				0.00	776,300.00	
8	Grant Traders				17,040.00	0.00	
9							
10							
11							
12							
	Total				**258,100.00**	**2,239,800.00**	

Annex 2 – Summary of Fixed Assets Register

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1						
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total						