

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 20 FEB 2025

DAY.

Thursday

TABLED
OF:

Hon. Naomi Wago
Deputy Majority Whip

CLERK-AT
THE-TABLE:

Imrofu Mwale

THE AUDITOR-GENERAL

ON

MPEKETONI BOYS HIGH SCHOOL

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

LAMU COUNTY



Revised 30th June 2022

**MPEKETONI BOY'S HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

(Indicate actual name of the School)

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

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(Indicate actual name of the School)

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

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(Indicate actual name of the School)

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

I. Key School Information And Management

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in June/1982 under registration number G/A/125/82 and is currently categorized as a National (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a boarding school and had 930 number of students as at 30th June 2022. It has 5 streams and 41 teachers of which 8 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	DAVID NJOROGE	Chairman	30TH AUG 2019
2	SOVERINI TOLE	Secretary - Principal	30TH AUG 2019
3	PENINA BADASO	Member	30TH AUG 2019
4	PETER MUNGAI	Member	30TH AUG 2019
5	SAUDA KASSIM	Member	30TH AUG 2019
6	JOHN NDUNGU	Member	30TH AUG 2019
7	JAMES MICHUKI	Member	30TH AUG 2019
8	JOSHUA K KAGA	Member – Rep CEB	30TH AUG 2019
9	JOHN NJENGA	Member Rep Teachers	30TH AUG 2019
10	SAUDA KASSIM	3 Members - Sponsor	30TH AUG 2019
	MARGARET WAINAINA	“ ”	30TH AUG 2019
	JULIUS WAWERU	“ ”	30TH AUG 2019
11	HILLARY VIDONYE	Member - Community	30TH AUG 2019
12	AHMED OMAR	Member Special Needs	30TH AUG 2019
	PETER KIMANI	Rep Students	30TH AUG 2019

(Indicate actual name of the School)

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

Key School Information and Management (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

(Provide the names of the various committees of the Board established by the Board and the names of the committee members):

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	David Njoroge	Bom chairman	5 out of 5
		Severini Tole	Bom secretary	5 out of 5
		Penina Badaso	Bom member	5 out of 5
		Peter mungai	Bom member	5 out of 5
		John njenga	Teacher representative	5 out of 5
		John ndungu	PA Representative	5 out of 5
2	Audit Committee			-
3	Finance, procurement and general purposes Committee	Ahmed omar	chairman	1 out of 1
		Penina badaso		1 out of 1
		Severine tole		1 out of 1
		John njenga		1 out of 1
		David njoroge		1 out of 1
		Emmanuel nizaro		1 out of 1
4	Academic Committee	Julius waweru	chairman	1 out of 1
		Sauda kassim	member	1 out of 1
		John njenga	Deputy chairman	1 out of 1

(Indicate actual name of the School)

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

		Severin tole	secretary	1 out of 1
5	Development Committee	James michuki	Sic chairman	1 out of 1
		David njoroge	member	1 out of 1
		Mary wainaina	secretary	3 out of 3
		John ndungu	member	3 out of 3
		John njenga	member	3 out of 3
6	Discipline and welfare Committee	Peter mungai	chairman	2 out of 2
		Hamid iman		2 out of 2
		Margaret wainaina		2 out of 2
		Athman amin		2 out of 2
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	SEVERINI TOLE	335449
2	Deputy Principal	JOHN NJENGA KANG'ETHE	275501
3	School Bursar	MARGARET N KARICHU	MBHS 10

(e) Schools contacts

Post Office Box: 37, MPEKETONI
Telephone: 0712811080
E-mail: mpeketoniboy@gmail.com
Website: XXXXXXXX
Facebook:
Twitter:

(f) School Bankers

(Indicate actual name of the School)

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

The following school operated 11 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1104827506 - BOARDING A/C
2. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1104827212 -OPERATIONAL A/C
3. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1104826496 - TUITION A/C
4. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1276584989 - INFRASTRUCTURE A/C
5. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1104259877 - PTA A/C
6. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1108024718 - BUS A/C
7. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1104259753 - EXAMINATION SAVINGS A/C
8. Name of Bank: KCB
Branch: MPEKETONI
Account Number: 1108980376 - CAUTION MONEY SAVINGS A/C
9. Name of Bank: EQUITY
Branch: MPEKETONI
Account Number: 1270298119720 - CDF A/C
10. Name of Bank: EQUITY
Branch: MPEKETONI
Account Number: 1270264273242 - MINISTRY OF EDUC. PROJECTS A/C
11. Name of Bank: EQUITY
Branch: MPEKETONI
Account Number: 1270298119689 - MPEKETONI HIGH SC GENERAL A/C

(Indicate actual name of the School)

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

12. MPESA Pay Bill No.522123 A/C NO 64847K attached to KCB bank account

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

(g) Independent Auditors

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

II. Summary Report Of Performance Of The School

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

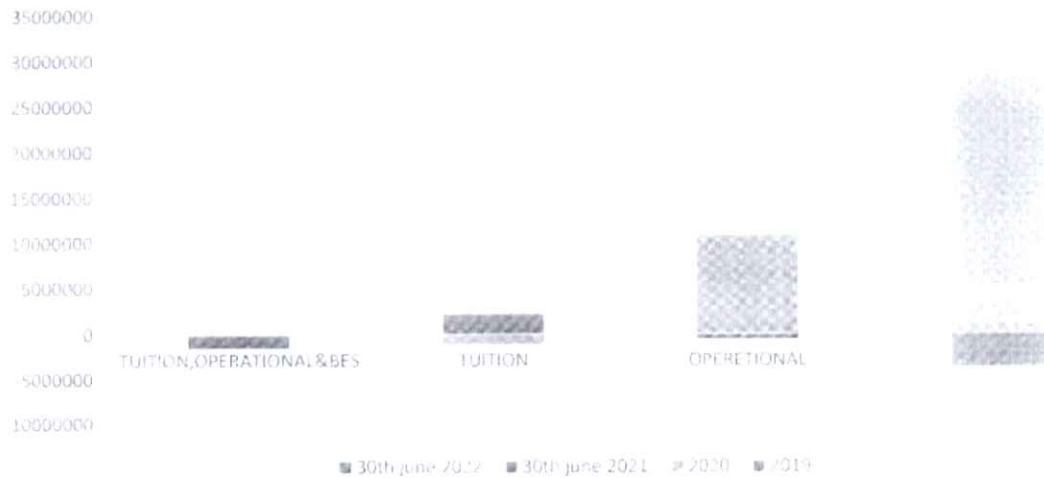
a) Financial performance:

(Under this section, the following information should be given:

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

	TUITION, OPERATIONAL & BES	TUITION	OPERATIONAL	BES
30 th June 2022	11,240,580.50	-	-	-
30 th June 2021	(713,625.75)	-	-	-
2020	-	(1,116,371.50)	10,854,265.80	28,808,743.80
2019	-	2,231,012.90	(581,315.20)	(3,721,083.97)

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



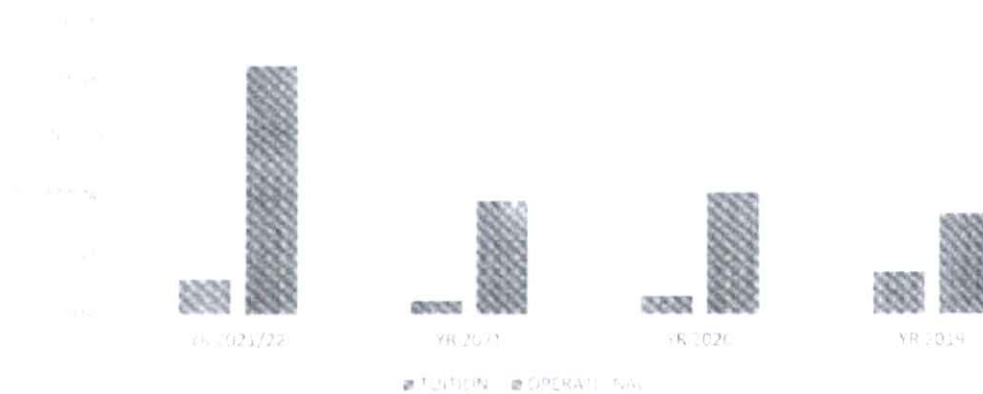
(Indicate actual name of the School)

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

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

ACCOUNT	YR 2021/22	YR 2021	YR 2020	YR 2019
TUITION	3,082,614.40	1,205,122.75	1,569,707.00	3,614,463.00
OPERATIONAL	13,206,017.00	7,807,010.45	10,316,037.00	8,538,185.40
TOTAL	16,288,631.40	9,012,134.2	11,885,744.00	12,152,648.40

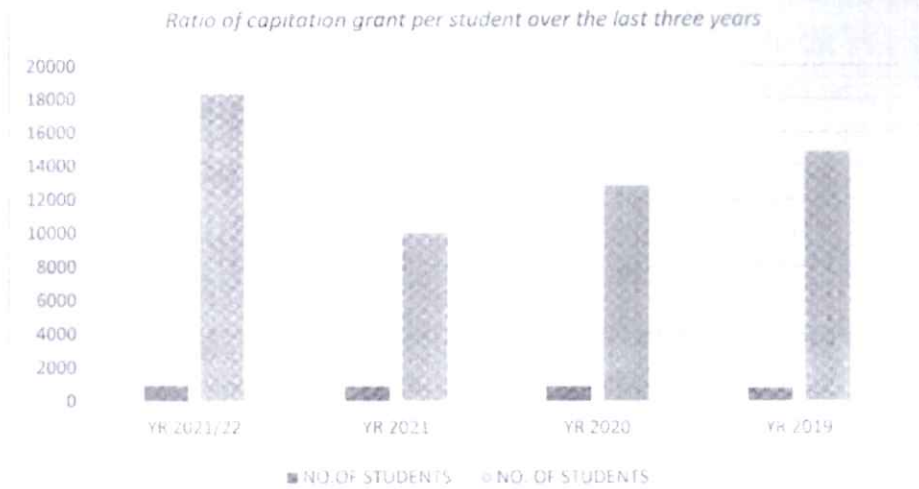
Capitation grants from the Ministry of Education for the last three years



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

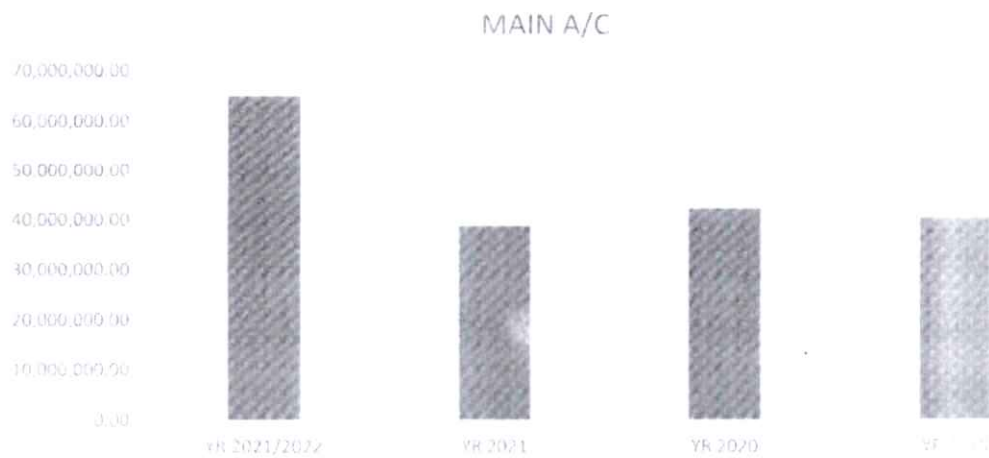
	YR 2021/22	YR 2021	YR 2020	YR 2019
NO. OF STUDENTS	955	900	925	820
TOTAL	16,288,631.40	9,012,134.20	11,885,744.00	12,152,648.40
NO. OF STUDENTS	17,056.15	10,013.48	12,849.45	14,819.30

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022



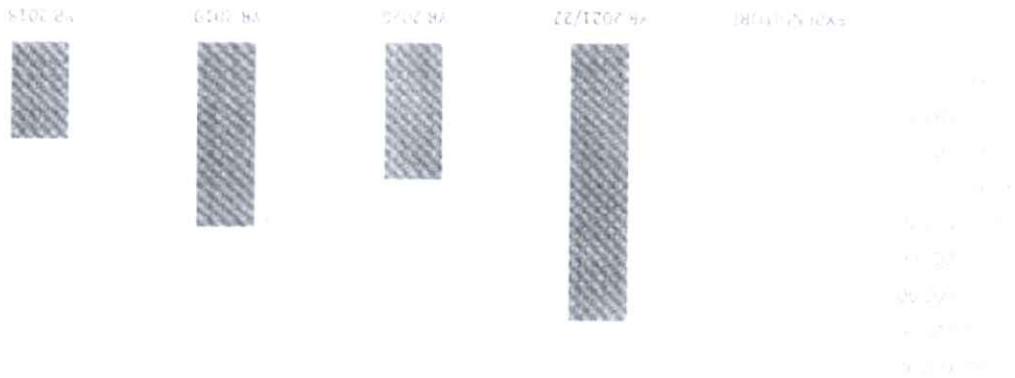
- A three-year overview of growth of other income(s) earned by the school.

	YR 2021/2022	YR 2021	YR 2020	YR 2019
MAIN A/C	63,557,692.00	28,160,514.00	42,233,760.75	40,372,628.00



YR	YR2021/22	YR 2021	TR 2020	YR 2019
TOTAL	32,787,217.53	15,810,493.03	55,341,203.65	41,503,675.65
BES	-	-	47,029,173.65	36,018,245.65
OPERATIONAL/BES	32,787,217.53	15,810,493.03	8,312,030.00	5,485,430.00
TUTION	-	-	-	-

- Movement of debtors of the school over the last three years



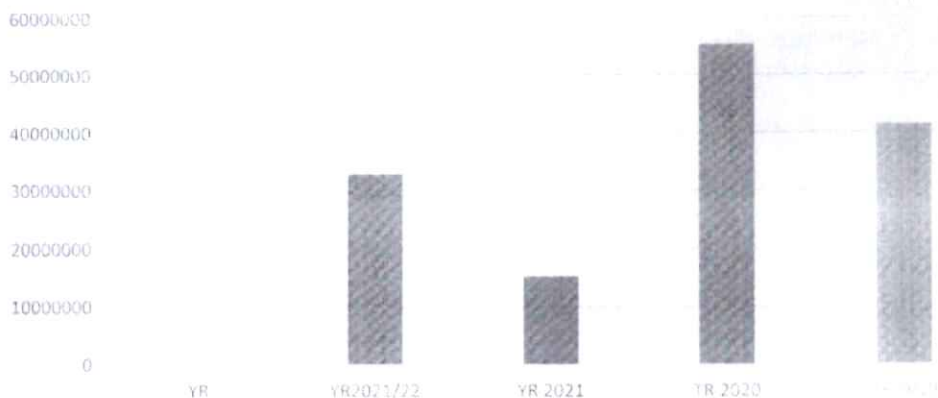
A three-year overview of growth in expenditure of the school

MAIN A.C.	YR 2021/22	YR 2021	YR 2020	YR 2018
	5,2671,893.00	28160514.00	52,086,271.12	27,762,139.15

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

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

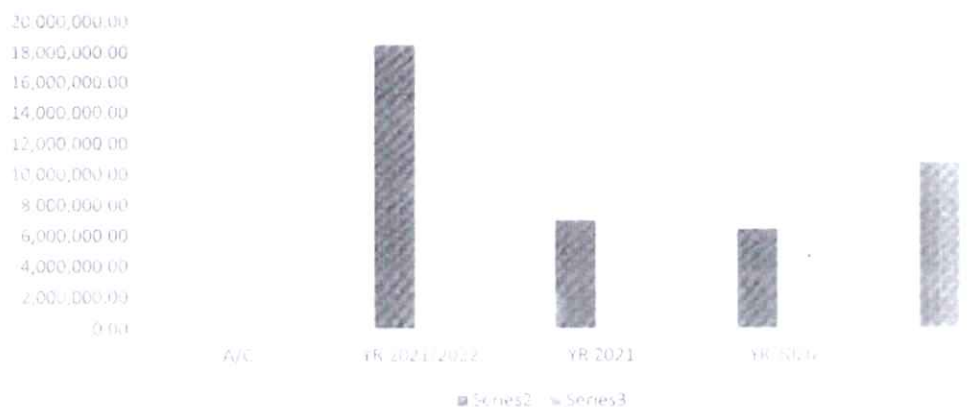
Movement of debtors of the school over the last three years



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

A/C	YR 2021/2022	YR 2021	YR 2020	YR 2019
TUITON			361,842.00	361,842.00
OPERATIONAL/BES	18,504,282.60	7,015,025.00	6,092,298.00	-
BES	-	-	-	10,391,874.00
TOTAL	18,504,282.60	7,015,025.00	6,454,140.00	10,753,716.00

Movement of creditors of the school over the last three years



(Indicate actual name of the School)

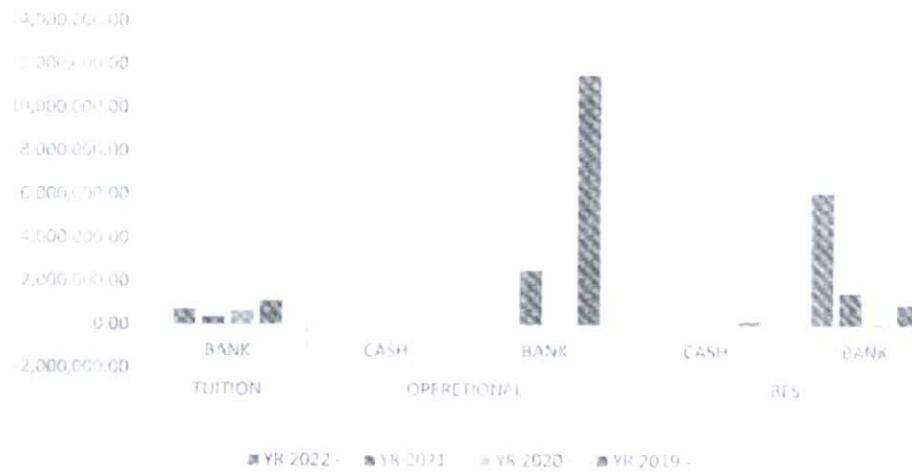
Reports and Financial Statements For the year ended 30th June 2022

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

ACCOUNT		YR 2022	YR 2021	YR 2020	YR 2019
TUITION	CASH	-	-	-	-
	BANK	742,802.45	409,766.05	673,833.30	1,133,158.30
OPERATIONAL	CASH	(5,676.00)	62,688.00	3,428.00	478.00
	BANK	(50,382.25)	2,547,545.75	(79,423.70)	11,555,575.30
RES	CASH	46,601.25	60,467.25	5,957.25	217,928.47
	BANK	6,128,291.80	1,522,664.30	126,320.60	989,414.20

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

Movement of cash and bank balances over the last three years



(Indicate actual name of the School)

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

b) Teacher Student ratio:

(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).

The total number of students is 950 against 37 tsc teacher and 8 BOM ratio 1:22. there were no teachers transferred during the yr

Number of teachers for each subject

1	maths	6
2	english	5
3	kiswahili	5
4	biology	3
5	chemistry	3
6	physics	2
7	Hist & gover	3
8	geography	3
9	CRE	3
10	IRE	3
11	Agric	2
12	b/studies	2
13	computer	2
14	arabic	1
15	french	1
16	PE	1
17	Lifeskills	0
	Total	45

c) Mean score in the 2022 KCSE:

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

(Indicate actual name of the School)

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

YR	ENTRY	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	P	U	M.SC
2022	235	0	4	10	21	25	43	58	48	21	5	0	0	0	0	-	-	6.47
2021	216	0	0	5	13	21	21	53	45	38	18	1	0	1	0	0	0	5.74
2020	218	0	0	2	9	10	34	66	63	27	6	1	0	1	0	0	0	5.77
2019	159	0	0	2	6	15	14	26	36	31	22	7	0	0	0	0	0	5.23

N/B

.Mpeketoni boys emerged number one overall in the county

.Quality grades (university grades) increased from 60 in YR 2021 to 102 in YR 2022

d) Number of Candidates in the 2022 KCSE:

(Tabulate the number of candidates sitting for KCSE over the last three years).

YRS	2022	2021	2020	2019
NO OF STUDENTS	235	216	218	159

e) Capacity of the school:

(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).

The capacity of the school is 950 students against the following facilities

s/no	facility	The ideal capacity	Actual capacity	Surplus/shortfall
1	classroom	22 plus 2 optional	22	-
2	dormitories	12	9	(3)
3	laboratory	6	4	(2)
4	toilets	70	60	(10)
5	bathrooms	60	50	(10)
6	Dining hall 500 capacity	2	1	(1)
7	Small chapel	2	1	(1)
8	Medium size mosque	2	1	(1)
9	Library classroom	2	1	(1)
10	ICT classroom	2	1	(1)
11	Computer classroom	2	1	(1)

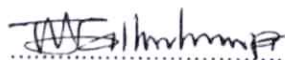
Summary Report of the Performance of the School (Continued)

f) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

S/NO	PROJECTS	SOURCE OF FUND	STATUS	INITIAL COST (KSHS)	AMOUNT (SPENT KSHS)	EXPECTED COMPLETION TIME
1	3NO CLASSROOM	MOE	ONGOING	44 MILLION	7 MILLION	YR 2025
2	Ablution block behind Cameroon dorm	R I from moe	complete	882,515.82	882,515.82	Feb 2022
3	Ablution block 2	R I from moe	complete	682,675.32	682,675.32	Feb 2022
4	Ablution block 1	R I from moe	complete	824,526.84	824,526.84	Feb 2022

PRINCIPAL
MPEKETONI BOYS' HIGH SCHOOL
P.O. BOX 37-00503 MPEKETONI



School Principal

(Indicate actual name of the School)

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

(Indicate actual name of the School)

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


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 (PSASB) of Kenya from time to time.

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

The Board of Management of (*Mpeketoni boy's 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).

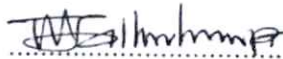
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.



Name:

Designation: Chairman, School Board of Management

Date:



Name:

Designation: School Principal & Secretary to Board of Management

Date:



Name:

Designation: Bursar/ Finance Officer

Date:



(Indicate actual name of the School)

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

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON MPEKETONI BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - LAMU COUNTY

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution of Kenya, 2010, 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 Mpeketoni Boys High School - Lamu County set out on pages 1 to 14, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments,

statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya, 2010, 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 Mpeketoni Boys High School as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for operations of Kshs.13,206,017 as disclosed in Note 2 to the financial statements. However, casting of the amounts in Note 2 totalled to Kshs.19,774,417 resulting to an unexplained variance of Kshs.6,568,400.

In the circumstances, the accuracy and completeness of the capitation grants for operations of Kshs.13,206,017 could not be confirmed.

2. Variance in the Statement of Receipts and Payments

The statement of receipts and payments reflects payments for operation of Kshs.15,794,739 while the corresponding Note 6 reflects an amount of Kshs.19,366,275 resulting to an unexplained variance of Kshs.3,571,536.

In the circumstances, the accuracy and completeness of the payments for operations of Kshs.15,794,739 could not be confirmed.

3. Accounts Receivables

3.1 Variances in Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.35,411,252 while Note 10 to the financial statement referred to relates short term investments. Further, Note 11 to the financial statements which relates to accounts receivables, reflects a balance of Kshs.34,223,219 leading to a variance of Kshs.1,188,033.

3.2 Long Outstanding Receivables

The statement of financial asset and financial liabilities reflects accounts receivables of Kshs.35,411,252 in respect of fees arrears. However, included in the balance are receivables amounting to Kshs.5,478,146 which have been outstanding for more than two (2) years.

In the circumstances, the accuracy and completeness and recoverability of the receivables balance of Kshs.35,411,252 could not be confirmed.

4. Accuracy of Financial Statements

4.1 Unexplained Variances in the Financial Statements

The statement of receipts and payments for the period ended 30 June, 2022 reflects capitation grants for operations Kshs.13,206,017 and Infrastructure payments Kshs.nil which differs from Kshs.16,305,737 and Kshs.3,571,535 reflected in the statement of cashflow for the year ended 30 June, 2022. The variances have not been reconciled.

In addition, the following variances and inconsistencies were noted in the statement of cash flow as compared to the Notes to the financial statements.

Particulars	Note as per Cash Flow	Amount in Cash Flow (Kshs)	Amount as per the Notes (Kshs)	Variance (Kshs)	Comments
Receipts					
Capitation Grants for Tuition	1	3,007,601	3,082,614	(75,013)	
Capitation Grants for Operation	3	16,305,737	62,363,341	(46,057,604)	The Note relates to Parents contribution/ Fee School fund account
School fund income- parents contribution fees	4	96,146,759	1,194,351	94,952,408	The Note relates to other receipts - School fund account
Payments					
Payments for Tuition	5	2,674,565	2,599,575	74,990	
Payments for Operation	6	15,674,309	19,366,275	(3,691,966)	
Payments for Infrastructure	7	3,571,536	52,671,893	(49,100,357)	The Note relates to boarding and school fund payments and not infrastructure

Particulars	Note as per Cash Flow	Amount in Cash Flow (Kshs)	Amount as per the Notes (Kshs)	Variance (Kshs)	Comments
Boarding and school fund payments	8	94,866,509	16,841,762	78,024,747	The Note relates to bank accounts and not boarding & school fund payments

In the circumstances, the accuracy and completeness of the statement of receipts and payments and the statement of cashflow could not be confirmed.

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

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.19,423,135. However, included in the balance are trade payables balance of Kshs.619,366 which had been outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

2. Failure to Prepare School Improvement Plan

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

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

3. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.79,846,323 and Kshs.71,066,207 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

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

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. The statement of budget versus actual amounts did not have totals.
- ii. The headings of the financial statements and the table of contents did not Conform to the template.

- iii. Non-disclosure Government grants for infrastructure totalling Kshs.3,571,535 in the statement of receipts and payments for the year ended 30 June, 2022.
- iv. Information in the summary of fixed assets annex 2 was missing.
- v. The statement of cash flows did not include the amount for other income.
- vi. The statement of cash flows had a total of Kshs.6,568,400 without a corresponding item.
- vii. The values were not rounded to the nearest Kenya Shillings (Kshs).
- viii. Mismatch in referencing notes to the statement of financial assets and liabilities under accounts receivable and accounts payable against the notes.
- ix. Notes highlighted in the statement of cash flows were erroneously captured twice in Note 4 and omission of the receipt in Note 2 and Note 4 to the financial statements.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision making.

5. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 10 July, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to the requirement that the school's financial statements should be ready by 30 September, 2022 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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 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 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 an Independent Audit Committee

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

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

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 of Kenya, 2010. 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 of Kenya, 2020, and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya, 2010. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of 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 school policies and procedures may deteriorate.

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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


 FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

26 September, 2024

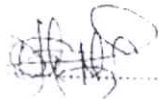
(Indicate actual name of the School)

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

V. Statement Of Receipts And Payments Period To 30th June 2022

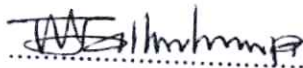
Description Of Vote Head	Note	Yr 2021/2022 Kshs	Yr 30 th June 2021 Kshs
Receipts			
Capitation grants for tuition	1	3,082,614.40	1,205,122.75
Capitation grants for operations	2	13,206,017.00	7,807,010.95
School fund income- parents' contributions	3	62,363,341.00	24,456,393.00
School fund income- other receipts	4	1,194,351.00	3,704,121.00
Total Receipts		79,8463,23.40	37,172,637.70
Payments			
Payments for tuition	5	2,599,575.00	1,506,490.00
Payments for operations	6	15,794,739.00	13,042,240.05
Boarding and school fund payments	7	52,671,893.00	23,432,033.00
Total Payments		71,066,207.00	37,890,763.05
Surplus/Deficit		8,780,116.40	(808,125.35)

The school financial statements were approved on _____ 2022 and signed by:


.....

Name:
Chair BOM

Date:


.....

Name:
School Principal/ Secretary to
BOM

Date:


.....

Name:
Bursar/ Finance Officer

Date:

(Indicate actual name of the School)

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

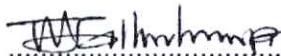
VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

Description	Note	2021-2022	30 th JUNE 2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	16,841,762.06	11,517,954.06
Cash balances	9	40,925.25	123,155.25
Total cash and cash equivalent		16,882,687.31	11,641,109.31
Account's receivables	10	35,411,252.53	16,556,253.03
Total financial assets		52,293,939.84	28,197,562.34
Financial liabilities			
Accounts payables	11	(19,423,135.00)	(7,037,025.00)
Net financial assets		32,870,804.84	21,160,537.34
Represented by			
Accumulated fund b/fwd June 2021	12	25,656,155.34	21,873,962.84
Surplus/deficit for the year		8,780,116.40	(713,625.75)
Net financial position		34,436,271.74	21,160,337.34

The school's financial statements were approved on _____ 2022 and signed by:



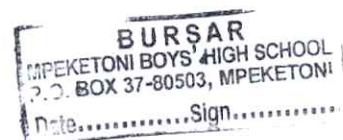
Name:
Chair BOM
Date:



Name:
School Principal/ Secretary to
BOM
Date:



Name:
Bursar/ Finance Officer
Date:



(Indicate actual name of the School)

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

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

Description	Notes	YR 2021-2022	30 th JUNE 2020
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	3,007,601.40	1,205,122.75
	2	6,568,400.00	
Capitation grants for operations	3	16,305,737.00	8,865,679.45
School fund income- parents contributions/ fees	4	96,146,758.50	44,517,815.50
Income-other receipts--infrastructure	4		1,838,000.00
Total receipts		122,028,496.90	56,426,617.70
Payments			
Payments for tuition	5	2,674,565.00	1,469,190.00
Payments for operations	6	15,674,309.00	6,498,850.00
Payments infrastructure	7	3,571,535.90	751,483.05
Boarding and school fund payments	8	9,486,650.90	4,435,814.50
Total payments		116,786,928.90	59,841,022.95
Net cash flow from operating activities		-	(3,414,405.25)
Cashflow from investing activities			
Proceeds from sale of assets		-	-
Acquisition of assets		(-)	(-)
Proceeds from investments		-	-
Purchase of investments		(-)	(-)
Net cash flows from investing activities		-	-
Cashflow from borrowing activities		-	-
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		5,241,578.00	(3,414,405.25)
Cash and cash equivalent at beginning of the year		11,641,106.30	15,055,466.55
Cash and cash equivalent at end of the year		16,882,685.20	11,641,106.30

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

(Indicate actual name of the School)

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

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

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

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Receipts						
(1) Capitation Grant on Tuition						
Textbooks And Reference Materials	474,500.00	-	474,500.00	302,918.40	171,581.60	63.8%
Exercise Books	1,582,280.00	-	1,582,280.00	1,314,799.35	267,480.65	83.09%
Laboratory Equipment	928,700.00	-	928,700.00	771,568.70	157,131.30	83%
Internal Exams	393,820.00	-	393,820.00	327,314.40	66,505.60	83.1%
Teaching / Learning Materials	240,300.00	-	240,300.00	199,615.50	40,684.50	83.06%
Chalks	-	-	-		xxx	x
FDSE GRANT					xxx	x
Teachers Guides	110,000.00		110,000.00	91,385.05	18,615.00	83.07%
(2) Capitation Grant on Operations						
Personnel Emoluments	3,330,000.00	-	3,330,000.00	3,777,730.60	(447,730.00)	113.3%
Repairs And Maintenance	4,500,000.00	-	4,500,000.00	4,086,000.00	414,000.00	90.8%
Local Transport / Travelling	450,000.00	-	450,000.00	293,264.00	156,736.00	65.16%
Electricity And Water	2,430,000.00	-	2,430,000.00	2,731,893.70	(301,893.70)	112.4%
Medical	1,800,000.00	-	1,800,000.00	778,480.00	1,021,520.00	43.2%
Administration Costs	2,250,000.00	-	2,250,000.00	2,538,035.70	(288,35.70)	112.8%
Activity	1,350,000.00	-	1,350,000.00	207,754.00	1,143,246.00	15.3%

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c = a + b	Actual on Comparable Basis d	Budget Utilization Difference e = d - c Kshs	% of Utilization f = d/c % Kshs
Gratuity	xxx	xxx	xxx	xxx	xxx	x
Smasse	xxx	xxx	xxx	xxx	xxx	x
(3) Fees Charged on Parents						
Personnel Emoluments	6,993,900.00	1,413,900.00	8,407,800.00	6,225,603.00	2,183,197.00	73.4%
Repairs And Maintenance	1,800,000.00	360,000.00	2,160,000.00	1,751,617.00	408,383.00	81%
Local Transport / Travelling	2,700,000.00	540,000.00	3,240,000.00	2,551,976.00	688,024.00	78.7%
Electricity And Water	4,050,000.00	444,600.00	4,494,600.00	2,956,337.00	1,538,263.00	65.7%
Medical		xxx	xxx		xxx	x
Administration Costs	2,790,000.00	630,000.00	3,420,000.00	2,636,366.00	783,634.00	77.08%
Activity	718,200.00	-	718,200.00	676,461.00	41,739.00	94.1%
Smasse		xxx	xxx		xxx	x
Fee On Boarding Equipment and Stores	27,346,500.00	3,541,500.00	30,888,000.00	23,842,938.00	7,045,062.00	77.2%
Other Income						
PTA	xxx	xxx	xxx	20,556.00	xxx	x
Income From Farming Activities	xxx	xxx	xxx	208,770.00	xxx	x
Lost items	xxx	xxx	xxx	1,890.00	xxx	x
Bom teacher salary	xxx	xxx	xxx	21,868.00	xxx	x
Income From Bus Hire	xxx	xxx	xxx	386,800.00	xxx	x
Fee For Hire of Ground And Equipment	xxx	xxx	xxx	296,780.00	xxx	x
tender	xxx	xxx	xxx	66,000.00	xxx	x
Income From Any Other Investment	xxx	xxx	xxx	15,825.00	xxx	x

Actual Income of the Schools
Reports and Financial Statements For the year ended 30th June 2022

Receipts/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a Kshs	b Kshs	c=a+b	d	e=c-d Kshs	f=d/c % Kshs
Student I.D				13,350.00		
Total Income						
(1) Expenditure For Tuition						
Textbooks And Reference Materials	474,500.00	-	474,500.00	241,320.00	233,180.00	50.8%
Exercise Books	1,582,280.00	-	1,582,280.00	1,424,185.00	158,095.00	90%
Laboratory Equipment	928,700.00	-	928,700.00	341,116.00	587,584.00	36.7%
Internal Exams	393,820.00	-	393,820.00	172,520.00	221,300.00	43.8%
Teaching / Learning Materials	240,300.00	-	240,300.00	488,020.00	(247,720.00)	49.2%
Chalks		xxx	xxx		xxx	x
Exams And Assessment		xxx	xxx		xxx	x
Teachers Guides	110,000.00	xxx	xxx		xxx	x
Administration Costs		xxx	xxx		xxx	x
Bank Charges		xxx	xxx	7404.00	xxx	x
(2) Expenditure For Operations						
Personnel Emoluments	3,330,000.00	-	3,330,000.00	3,751,026.00	(421,026.00)	112.6%
Repairs, Maintenance & Improvements	4,500,000.00	-	4,500,000.00	6,032,000.00	(1,532,000.00)	134%
Local Transport / Travelling	450,000.00	-	450,000.00	243,950.00	206,050.00	54.2%
Electricity, Water and Conservancy	2,430,000.00	-	2,430,000.00	731,704.00	1,698,296.00	30.1%
Medical	1,800,000.00	-	1,800,000.00	649,866.00	1,150,134.00	36.1%
Administration Costs	2,250,000.00	-	2,250,000.00	3,368,193.00	(1,118,193.00)	149.6%

(Indicate actual name of the School)

Reports and Financial Statements 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%
	Kshs	Kshs			Kshs	Kshs
Activity Expenses	1,350,000.00	-	1,350,000.00	450.00	1,349,550.00	0.03%
Gratuity	xxx	xxx	xxx	xxx	xxx	x
Smasse	xxx	xxx	xxx	xxx	xxx	x
(3) Expenditure For School Fund						
Personnel Emoluments	6,993,900.00	1,413,000.00	8,406,900.00	5,298,644.00	3,108,256.00	63%
Repairs, Maintenance and Improvements	1,800,000.00	360,000.00	2,160,000.00	1,257,760.00	902,240.00	58.2%
Local Transport / Travelling	2,700,000.00	540,000.00	3,240,000.00	1,710,986.00	1,529,014.00	52.8%
Electricity, Water and Conservancy	4,050,000.00	444,600.00	4,494,600.00	1,952,963.00	2,541,637.00	43.4%
Medical Expenses	-	-	-	-	-	-
Administration Costs	2,790,000.00	630,000.00	3,420,000.00	4,491,431.00	(1071431.00)	131.3%
Activity	718,200.00	-	718200.00	718,506.00	(306.00)	100%
Gratuity		-	-	-	-	-
Lunch Programme	-	-	-	-	-	-
Boarding Equipment and Stores	27,346,500.00	3,541,500.00	30,888,000.00	34,749,196.00	(3,861,196.00)	112.5%
Expenditure For Income Generating Activity		xxx	xxx	198,880.00	xxx	x
Pta	xxx	xxx	xxx	631,350.00	xxx	x
Other Expenses On Investments	xxx	xxx	xxx	32,715.00	xxx	x
Bus hire	xxx	xxx	xxx	293,317.00	xxx	x
Bom teachers salaries	xxx	xxx	xxx	1,297,795.00	xxx	x
Hire of school facilities	xxx	xxx	xxx	198,880.00	xxx	x
Staff trip	xxx	xxx	xxx	196,000.00	xxx	x

Plain text version name of the No. 100
Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Admin income				6000.00		
Farm income				530,724.00		
Acquisition Of Assets	xxx	xxx	xxx	xxx	xxx	x
Totals	xxx	xxx	xxx	xxx	xxx	x

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

- i. *The under utilisation of voteheads below 90 % was a result of covid - 19 effects which forced the concentrate on learning activite sonly .thus voteheads like RML and LTT and EWC were not fully utilised. PE votehead was affected both operational and school fund as salary were paid whether the school was in full operational or not.*
- ii. *For over utilised voteheads like boarding and administration was due to the students were kept in school for long periods as half terms and holidays were very short so as to cover the lost time during when schools wewr closed due to covid-19.*

(Indicate actual name of the School)

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

IX. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

(Indicate actual name of the School)

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

Significant Accounting Policies (Continued)

5. **Accounts Receivable**
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.
6. **Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.
7. **Non-current assets**
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.
8. **Budget**
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.
9. **Comparative figures**
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.
10. **Subsequent events**
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	YR 2021-2022	30 TH JUNE 2021
	Kshs	Kshs
Textbooks And Reference Materials	198,095.40	
Exercise Books	965,218.80	
Laboratory Equipment	566,387.70	
Internal Exams	240,306.00	
Teaching / Learning Materials	970,500.50	1205,122.75
Chalks		
Exams And Assessment	75,000.00	-
Teachers Guides	67,096.00	-
Direct deposit	10	
Total	3,082,614.40	1,205,122.75

2 Capitation Grant for Operations

Description	YR 2021-2022	30 TH JUNE 2021
	Kshs	Kshs
MOE	97,397.00	
Personnel Emoluments	3,325,838.60	1629047.95
Repairs And Maintenance	3,853,250.00	3458250.00
Local Transport / Travelling	293,264.00	154,807.50
Electricity And Water	2,411,257.70	1191162.50
Medical/ insurance	277,006.00	
Administration Costs	2,238,775.70	1107868.00
Bus income	0	265,875.00
Activity	207,754.00	
MI	6,568,400.00	
medical	501,474.00	
Total	13,206,017.00	7,807,010.95

3 Parents Contribution/Fees - School Fund Account

Description	YR 2021-2022	30 TH JUNE 2021
	Kshs	Kshs
Personnel emoluments	9644288.00	3,014,569.00
Lunch program	36191494.00	14,330,900.00
Bom teachers		

(Indicate actual name of the School)

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

Description	YR 2021-2022	30 TH JUNE 2021
	Kshs	Kshs
Repairs and Maintenance	2616721.00	1158520.00
Local transport / travelling	3853578	1155092.00
Electricity and water	4990241.00	2374685.00
Administration cost	3943750.00	1988706.00
Activity	1123269.00	433921.00
Total	62363341.00	24456393.00

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

Description	YR 2021-2022	30 TH JUNE 2021
	Kshs	Kshs
Administration income		
Students Trips		
Bom teacher	21,860.00	432,200.00
School T-Shirt		3,400.0
Uniforms		
Tender fees	66,000.00	11,000.00
Bus Hire	386,800.00	329,400.00
Income from farming activities	208,780.00	17,500.00
KUCCPS		
Fee for hire of ground and equipment/hall	457,365.00	47,391.00
Income from grants and donations		20,480.00
PTA	20,556.00	609,444.00
Staff Trip		310,000.00
ID	11,100.00	
Lost Items	1,890.00	14,356.00
kuecps		1,650.00
Pta savings		640,800.00
Bus savings	19,000.00	1,266,500.00
Total	1,194,351.00	3,704,121.00

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

(Indicate actual name of the School)

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

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Textbooks And Reference Materials	198,095.40	
Exercise Books	965,218.80	
Laboratory Equipment	566,387.70	
Internal Exams	240,306.00	
Teaching / Learning Materials	970,500.50	1205,122.75
Chalks		
Exams And Assessment	75,000.00	-
Teachers Guides	67,096.00	-
Direct deposit	10	
Total	3,082,614.40	1,205,122.75

2 Capitation Grant for Operations

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
MOE	97,397.00	
Personnel Emoluments	3,325,838.60	1629047.95
Repairs And Maintenance	3,853,250.00	3458250.00
Local Transport / Travelling	293,264.00	154,807.50
Electricity And Water	2,411,257.70	1191162.50
Medical/ insurance	277,006.00	
Administration Costs	2,238,775.70	1107868.00
Bus income	0	265,875.00
Activity	207,754.00	
MI	6,568,400.00	
medical	501,474.00	
Total	13,206,017.00	7,807,010.95

3 Parents Contribution/Fees - School Fund Account

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Personnel emoluments	9644288.00	3,014,569.00
Lunch program	36191494.00	14,330,900.00
Bom teachers		

(Indicate actual name of the School)

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

5 Payments For Tuition

Description	YR 2021-2022	30 TH JUNE 2021
	Kshs	Kshs
Textbooks And Reference Materials	241,320.00	126,180.00
Exercise Books	1,020,085.00	
Laboratory Equipment	341,116.00	704,286.00
Internal Exams	172,520.00	72,000.00
Teaching / Learning Materials	817,120.00	601,219.00
Chalks		
Exams And Assessment	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	7,414.00	2,805.00
Total	2,599,575.00	1,506,490.00

(Indicate actual name of the School)

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

Notes To The Financial Statements (Continued)

6 Payments For Operations

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Personnel Emoluments	3,751,026.00	1,521,801.00
Administration Cost	3420913.00	1,045,804.00
Repairs And Maintenance & Improvements	6,032,000.00	1,838,000.00
Local Transport / Travelling	240950.00	104,400.00
Electricity And Water	799414.00	40,600.00
Medical/ Insurance	242666.00	111,740.00
Activity Expenses	450.00	
BOM Teacher	900,120.00	323,120.00
Covid-19		400,000.00
medical	407200.00	234190.00
Acquisition Of Assets	3,571,535.90	7,514,837.05
MOE		
Bank charges		4,488.00
Mainrenance expense		15,000.00
Total	19,366,274.90	13,042,240.05

(Indicate actual name of the School)

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

Notes To The Financial Statements (Continued)

7 Boarding And School Fund Payments

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Personnel Emoluments	5298650.00	3043418.00
Service Gratuity		
Repairs And Maintenance & Improvements	1273300.00	140565.00
Local Transport / Travelling	1710986.00	143650.00
Electricity And Water	1952963.00	2164204.00
Bom teachers	1297795.00	646240.00
Administration Costs	2433591.00	822662.00
PTA	631350.00	558102.00
activity	718506.00	173500.00
Expenses On Income Generating Activities	98880.00	30210.00
Fee On Boarding Equipment and Stores	35366716.00	11727983.00
Farm income	500727.00	127240.00
Bus hire	632417.00	256600.00
Staff trip		
Lab expenses	34165.00	37300.00
Staff welfare		
Student trip	19600.00	100500.00
Students t-shirts	83450.00	5400.00
Caution money	24,000.00	10,000.00
Achievers donations	20000.00	
Administration income		
Bus savings	398400.00	
Bank charges		19595.00
Pp fees		3,424,864.00
Total	52671893.00	23432033.00

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

(Indicate actual name of the School)

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

Notes To The Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	YR 2021-2022	30 th JUNE 2021
		Kshs	Kshs
Tuition Account	110 482 6496	742,802.45	409,766.05
Operations Account	110 482 7272	(50,382.25)	2,547,545.75
School Fund Account/Boarding	110 482 7506	6,128,291.80	1,522,664.30
Equity Account	1270 2981 19689	510,398.96	861,338.96
Parent Association Development Account	110 425 9877	799,845.40	799,971.40
Exam savings	110 425 9753	15,722.50	15,722.50
Caution money	110 898 0376	222,118.10	222,118.10
Bus Account	110 802 4718	1,106,932.25	769,658.25
Infrastructure Account	127 658 4989	6,409,612.85	3,412,748.75
MOE Projects	1270 2642 73242	956,420.00	956,450.00
Total		16,841,762.06	11,517,954.06

9 Cash In Hand

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	(5,676.00)	62,888.00
School Fund account	46,601.25	60,467.25
Total	40,925.25	123,155.25

10 Short Term Investments

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Cooperative Shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed Deposit	xxx	xxx
Equity Stock	xxx	xxx
Other Investments	xxx	xxx
Total	xxx	xxx

(Indicate actual name of the School)

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

11 Accounts Receivable

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Fees Arrears	33,287,217.53	15,810,493.03
R/D CHEQUE	65000.00	0
Salary advance	31700.00	27,200.00
Imprest	736710.00	718,560.00
Unpresented slips equity	102,592.00	773,859.00.00
Unpresented slips kcb	0	213,644.50
Total	34,223,219.53	17,543,696.53

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

Description	YR 2021-2022	30 th JUNE 2021
	Kshs	Kshs
Fees Arrears For Current Year	21,722,043.00	9,844,843.00
Fees Arrears For The Previous Year	9,844,843.00	12,368,186.53
Fees paid	(3,757,815.00)	(7,390,040.00)
Fees Arrears For Prior Periods (Over Two Years)	5,478,146.53	xxx
Total	33,287,217.53	15,322,989.53

12 Accounts Payable

Description	YR 2021/2022	30 th JUNE 2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4086683.00	619,366.00
Prepaid Fees	5455964.00	6,090,535.00
canteen	249,715.00	117,875.00
bursaries	9589687.00	162,497.00
Refundable fees	41,086.00	24,752.00
Unpresented slips kcb		
Unpresented slips equity		
R/d cheque		22000.00
Total	19,423,135.00	7,037,025.00

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

Description	YR 2021/2022	30 th JUNE 2021
	Kshs	Kshs

(Indicate actual name of the School)

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

Trade Creditors for Current Year	2,057,840.00	619,366.00
Trade Creditors for The Previous Year	619,366.00	276,920.00
Trade creditors paid	(2057840.00)	(276920.00)
Trade Creditors for Prior Periods (Over Two Years)	-	xxx
Total	619,366.00	619,366.00

(Indicate actual name of the School)

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

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	YR 2021/2022	30 th JUNE 2021
	Kshs	Kshs
Bank Balances	6,820,712.00	720,730.30
Cash Balances	40,925.25	9,415.00
Receivables	15,810,493.03	12,910,746.53
savings		4,167,119.25
Equity	510,398.96	112,243.96
Infrastructure	640,9612.85	9,089,585.80
MoE projects	956,420.00	956,420.00
Exam savings	15,722.50	
Caution money	222,118.10	
Bus account	1,106,932.25	
PTA A/C	799,845.40	
payables	(7,037,025.00)	(6,092,298.00)
Total	25,656,155.34	21,873,963.84

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

Other important disclosure notes

IPSSAS 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	YR 2021-2022	30 th JUNE 2021
Bank Loan(S)	xxx	xxx
Outstanding Leases	xxx	xxx
Hire Purchase	xxx	xxx
Gratuity And Leave Provision	xxx	xxx
Total	xxx	xxx

15 Biological assets

Description	Numbers	YR 2021/2022	30 th JUNE 2021
Cattle		14	12
Goats		6	-
Trees		376	350
Coffee Or Tea Plantation		-	-
Poultry		-	-
Total		396	362

16 Borrowings

Description	YR 2021/2022	30 th JUNE 2021
a) Borrowings	xxx	xxx
Borrowing at beginning of the year	xxx	xxx
Borrowings during the year	xxx	xxx
Repayments of during the year	(xxx)	(xxx)
Balance at end of the year	xxx	xxx

(Indicate actual name of the School)

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

Other important disclosure notes

17 Stock/ Inventory

Description	YR 2021/2022	JUNE 2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	3,657,142.00	4,493,579.00
Stock/ inventory purchased during the year	17,142,984.50	11,136,437.00
Stock/ inventory issued during the year	(17,946,561.00)	(11,972,874.00)
Balance at end of the year	2,853,565.50	3,657,142.00

INVENTORY	BOOKSTORE	KITCHEN	DISPENSARY	LABORATORY	HARDWARE STORE
Opening store	808,923.00	250,225.00	38,350.00	2,422,883.00	136,761.00
Purchases during the yr	3,641,227.00	11,428,379.50	-	286,610.00	1,786,768.00
Issues during the yr	(3,838,257.00)	(11,068,288.00)	(38,350.00)	(1,094,237.00)	(1,907,429.00)
Balance at the end of yr	611,893.00	610,316.50	-	1,615,256.00	16,100.00

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

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)



Sign and Date
 Principal

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To- Date c Kshs	Outstanding e Balance 2021 d-a-c Kshs	Outstanding f Balance 20XX-1 Kshs	Comments
Construction Of Buildings						
1. -	-	-	-	-	-	
supply of goods						
Augustine Njenga	18,100.00	18/6/22	18,100.00			Cleared bill
Chenga auto hardware	1,700.00	21/6/22	1,700.00			Cleared bill
New pisama general supplies	64,800.00	6/6/22	64,800.00			Cleared bill
Phimeter enterprise	15,540.00	8/6/2022	15,540.00			Cleared bill
Asterin investment ltd	16,800.00	2/6/22	16,800.00			Cleared bill
Pajmil ltd	264,800.00	2/6/22	264,800.00			Cleared bill
Bahhar c supplies ltd	707,250.00	31/5/22	707,250.00			Cleared bill
Mwapa general supplies	163,450.00	19/5/22	163,450.00			Cleared bill
Mwakare general supplies	275,000.00	4/6/22	275,000.00			Cleared bill
Ahmed Ibrahim bakari	506,400.00	2/5/22	506,400.00			Cleared bill
Mpeketoni high ssss group	24,000.00	6/6/22	24,000.00			Cleared bill
Akimbu plumbing and electrical	60,000.00	17/6/22	60,000.00			Cleared bill
Mpeketoni agency	7,710.00	10/6/22	7,710.00			Cleared bill
Donar office supply and printers	8,120.00	8/6/22	8,120.00			Cleared bill

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 20XX-1	Comments
Sub-Total	2,133,670.00		2133670.00			
Supply of services						
1. Young billionaire supplies	44,600.00	2/6/22	44,600.00			Cleared bill
Sub-total	44,600.00		44,600.00			
Grand total	2,178,270.00		2,178,270.00			
2.						
3.						
4.						

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost e/f (Kshs) 30 th June 2022
Land 1		42 acres at mpeketoni settlement scheme				
Land 2		-				
Buildings And Structures		35 within school compound				
Motor Vehicles –Bus KAY 071V		In school compound				
- Bus KCH 668Q		In school compound				
Office Equipment, Furniture And Fittings		Ref. Asset register				
ICT Equipment, And Other ICT Assets		Ref. Asset register				
Tools And Apparatus		Ref. Asset register				
Textbooks		Stock taking register				
Other Machinery And Equipment		Ref. Asset register				
Heritage And Cultural Assets (trophies)		Principal's office				

(Indicate actual name of the School)
Reports and Financial Statements For the year ended 30th June 2022

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Intangible Assets- Soft Ware-soft wares -2 zeraki & software for school kenya		Dean of studies office & accounts office				
Total						

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