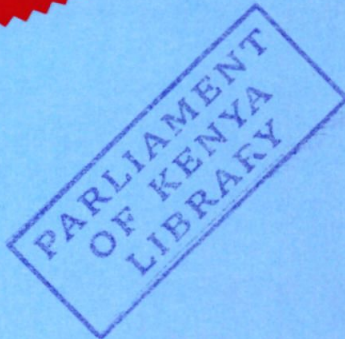
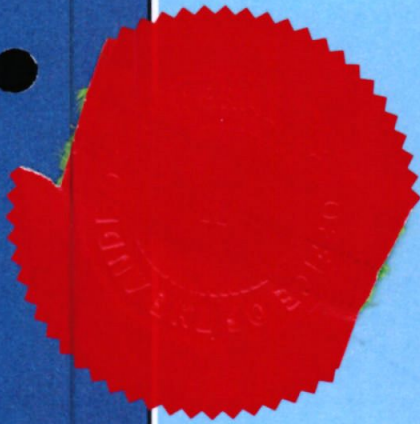


REPUBLIC OF KENYA



Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 APR 2025	DAY: THURSDAY
TABLED BY: HON. SILVANUS OSORO MP	MAJORITY PARTY WHIP
CLERK AT THE TABLE: INZOFU MWALE	

REPORT

OF

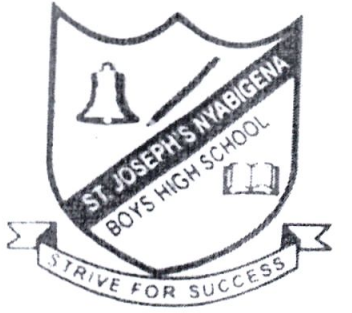
THE AUDITOR-GENERAL

ON

**ST. JOSEPH'S NYABIGENA BOYS
HIGH SCHOOL**

**FOR THE EIGHTEEN (18) MONTHS'
PERIOD ENDED 30 JUNE, 2021**

KISII COUNTY



ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE EIGHTEEN MONTHS PERIOD ENDING
30th June 2021

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

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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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 Kisii County, South Gucha Sub-County

The school was registered in January 1991 under registration number 45S30001125 and is currently categorized as **Extra county** public school established, owned or operated by the Government.

The school is a boarding school and had 1429 number of students as at 30th June 2021. It has **28** streams and **65** teachers of which **23** 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	Dr. Joseph Abuya	Chairman	31/05/2019
2	Mr. Omulama G. muruka	Secretary - Principal	22/07/2021
3	Mr. Joseph Ogaro	Member	31/05/2019
4	Mrs. Rodhah Kenyanya	Member	31/05/2019
5	Mr. Silas Mugoya	Member	31/05/2019
6	Mrs. Alice Nyabayo	Member	31/05/2019
7	Dr. Mary Omwamba	Member	31/05/2019
8	Mr. Joseph Onyancha	Member – Rep CEB	31/05/2019
9	Mr. Okeno Benard	Member Rep Teachers	31/05/2019
10	Mr. Kingsley Kiage	Members - Sponsor	31/05/2019
11	Fr. Chrisantus Ayako	Members - Sponsor	31/05/2019
12	Mr. Ondabu Michael	Member - Community	31/05/2019
13	Mr. Philip Ochwando	Member Special Needs	31/05/2019
14	Mr. Elisha Bundi	Rep Students	31/05/2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**The function of the School Board of Management include:**

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

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
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Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Dr. Joseph Abuya 2. Omulama muruka 3. Mrs. Rodoh Kenya 4. Mr. Philip Ochwando 5. Mr. Anthony Marocha	Chairman Member Member Member	2
2	Audit Committee	1. Mr. Joseph Ogaro 2. Mr. Philip Ochwando 3. Mr. Michael Ondabu 4. Mr. Omulama G.M	Chairman Member Member Member	0
3	Finance, procurement and general purposes Committee	1. Dr. Joseph Abuya 2. Mr. Joseph Onyancha 3. Mr. Joseph Nyapeni 4. Mrs. Mary Kennedy 5. Mr. Omulama G.M	Chairman Member Member Member	3
4	Academic Committee	1. Mr. Kingsley Kiage 2. Mrs. Alice Nyabayo 3. Mr. AYUNGA Jared 4. Mr. Omulama G.M	Chairman Member Member Member	2
5	Development Committee	1. Dr. Joseph Abuya 2. Mr. Joseph Onyancha 3. Mr. Joseph Nyapeni	Chairman Member Member	7

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
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		4. Mrs. Mary Kennedy 5. Mr. Omulama G.M	Member	
6	Discipline and welfare Committee	1. Mr. Silas Mugoya 2. Mr. Antony Marocha 3. Mrs. Justa Mburia 4. Mr. Omulama G.M	Chairman Member Member Member	0
7	Adhoc Committee (if any during the year)	N/A		

(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	TSC Number
1	Principal	Omulama George Muruka	354153
2	Deputy Principal	Joseph Nyapeni	441499
3	Deputy Principal	Tom Sosi	373890
	School Bursar	Wilson Nyakwama	916046

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 833-40200, Kisii
 Telephone: 0722232528
 E-mail: st.josephnyabigena@gmail.com
 Website: -
 Facebook: NYABIGENA BOYS SECONDARY
 Twitter:

(f) School Bankers

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

- Name of Bank: K.C.B
 Branch: KISII
 Account Number: 1182445640/1223208877
- Name of Bank: ABSA
 Branch: KISII
 Account Number: 0081108463

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
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3 Name of Bank EQUITY
 Branch KISHI
 Account Number 0510291746862/0510291350902/0510274729787

3. MPESA Pay Bill No. 4077407 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*

YEAR	2021	2019	2018
AMOUNT	3,862,663.15	1,529,071.52	

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

YEAR	2021	2019	2018
OPERATION	30,172,056.64	21,950,586	
TUITION	5,034,865.50	4,646,088.39	
TOTAL	35,206,922.14	26,596,674.39	

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

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YEAR	2021	2019	2018
CAPITATION GRANTS	35,206,922.14	26,596,674.39	
ENROLMENT	1387	1284	
RATIO OF CAPITATION PER STUDENT	25,383.51	20,713.92	

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

YEAR	2021	2019	2018
AMOUNT	75,583,190.00	59,334,208.00	

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

YEAR	2021	2019	2018
AMOUNT	72,331,951.00	64,249,664.00	-

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

YEAR	2021	2019	2018
DEBTORS	47,893,431.65	28,849,495.65	
CREDITORS	35,867,050.00	19,922,339.00	

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

YEAR	2021	2019	2018
BANK	7,058,312.09	3,222,032.94	
CASH	27,274.00	18,860.00	

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

b) **Teacher Student ratio:**

1. Teacher student ratio = 0.0537
2. Transferred TSC teachers: -2
3. TSC Teachers = 40

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4. *Bom Teachers=23*

c) **Mean score in the 2020 KCSE:**

<i>ENTRY</i>	<i>YEAR</i>	<i>MS</i>	<i>DEV</i>	<i>UNIVERSITY QUAL</i>
337	2020	6.5	1.35	148
304	2019	5.152	-0.7	83
385	2018	5.805	0.76	110

d) **Number of Candidates in the 2021 KCSE:**

394 *Candidates*

e) **Capacity of the school:**

1,500 students

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

<i>YEAR</i>	<i>PROJECTS</i>	<i>SOURCE FUND</i>
2020-2021	SCIENCE LAB	MIF

Sign



School Principal

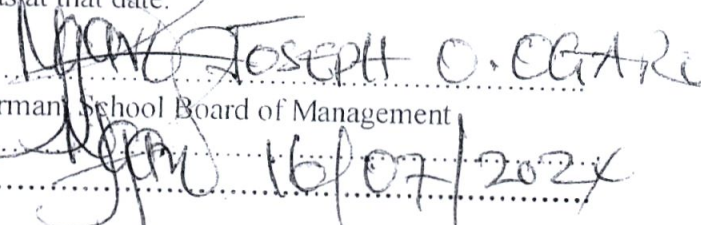
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

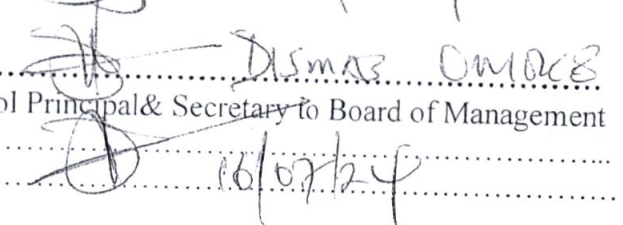
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

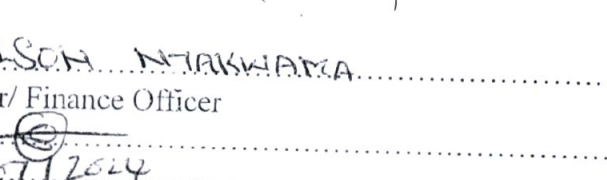
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *St. Joseph Nyabigena Boys 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).

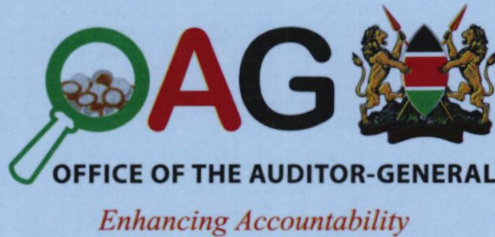
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: Joseph O. OGARU
Designation: Chairman, School Board of Management
Sign: 
Date: 16/07/2024

Name: Dismas OMACI
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 16/07/24

Name: WILSON NTAKWAMA
Designation: Bursar/ Finance Officer
Sign: 
Date: 16/07/2024

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 ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL FOR THE EIGHTEEN (18) MONTHS' PERIOD ENDED 30 JUNE, 2021 - KISII COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Joseph's Nyabigena Boys High School - Kisii County set out on pages 11 to 29, which comprise of the statement of assets and liabilities as at 30 June, 2021 and the statement of receipts and payments,

Report of the Auditor-General on St. Joseph's Nyabigena Boys High School for the Eighteen (18) Months' Period ended 30 June, 2021 - Kisii County

statement of cash flows and summary statement of budget versus actual amounts for the eighteen (18) months' 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 financial statements present fairly, in all material respects, the financial position of St. Joseph's Nyabigena Boys High School - Kisii County for eighteen(18) months period ended at 30 June, 2021 and of its financial performance and its cash flows for the eighteen (18) months period ended 30 June, 2021, 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 tuition and operations of Kshs.4,539,239 and Kshs.27,470,713 as disclosed in Notes 1 and 2 to the financial statements. Review of the National Education Management Information System (NEMIS) disbursements made to the School revealed an amount of Kshs.32,009,952 whereas the NEMIS capitation reflects an amount of Kshs.21,849,247, resulting to an unexplained variance of Kshs.10,160,705.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations of Kshs.4,539,239 and Kshs.27,470,713 could not be confirmed.

2. Accounts Receivables

2.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.47,893,432 as disclosed in Note 13 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy of the account's receivables balance of Kshs.47,893,432 could not be confirmed.

2.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.47,893,432 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.37,104,518 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.37,104,518 could not be confirmed.

3. Unsupported Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.35,867,050 as disclosed in Note 14 to the financial statements. However, the detailed schedules and payment plan were not provided for audit.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.35,867,050 could not be confirmed.

4. Inaccuracies/Variances in the Financial Statements

The statement of receipts and payments reflects payments totalling Kshs.12,139,887 as disclosed in Note 8 to the financial statements under infrastructure. However, Annex 2 on summary of fixed assets register reflects no additions during the year on building and structures.

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

5. Inaccuracies of Disclosures in the Summary Report of Performance of the School

The summary report of performance of the School discloses that the School received capitation grants for operations totalling Kshs.21,950,586 and Kshs.30,172,057 in respect of the periods ended 30 June, 2020 and 2021 respectively. However, the statement of receipts and payments reflects corresponding grant for operations amounts totalling Kshs.19,494,594 and Kshs.27,470,713 respectively resulting to unexplained variances of Kshs.2,455,992 and Kshs.2,701,344. In addition, the summary report discloses that the School received capitation grants for tuition totalling Kshs.4,646,088 and Kshs.5,034,866 in respect of the periods ended 30 June, 2020 and 2021 respectively. However, the statement of receipts and payments reflects corresponding grant for tuition amounts totalling Kshs.4,123,812 and Kshs.4,539,239 respectively resulting to unexplained variances of Kshs.522,276 and Kshs.495,627 respectively. Further, the summary report indicates under the three (3) year overview of growth in expenditure of the School that payments totalling Kshs.64,249,664 and Kshs.72,331,951 respectively were made for the periods ended 30 June, 2020 and 2021. However, the corresponding payments in the statement of receipts and payments were Kshs.84,686,264 and Kshs.115,258,479 respectively resulting to unexplained variances of Kshs.20,436,582 and Kshs.42,926,628 respectively.

In the circumstances, the accuracy and completeness of the summary report on performance of the School could not be confirmed.

6. Inaccurate Statement of Assets and Liabilities

The statement of financial asset and financial liabilities reflects accumulated fund balance brought forward of Kshs.15,249,305 while the comparative net financial position balance was Kshs.12,168,048 resulting to unexplained variance of Kshs.3,081,257.

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Joseph's Nyabigena Boys High School - Kisii County 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.108,693,375 and Kshs.119,121,142 respectively, resulting to an over-funding of Kshs.10,427,767 or 110% of the budget. However, the School spent a balance of Kshs.115,255,479 against actual receipts of Kshs.119,121,142, resulting to an under-utilization of Kshs.3,865,663 or 3% of actual receipts.

The over-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.72,331,951 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.131,000 transferred to Kenya Secondary Schools

Heads Association (KESSHA). However, KESSHA is a welfare Organization that draws its membership from the school principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.131,000 could not be confirmed.

2. Over/Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.4,539,239 and Kshs.27,470,713 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of one thousand three hundred and eighty-seven (1,387) students while the enrolment records provided by the School indicated a total number of one thousand one hundred and eighty-one (1,181) students, resulting to an unexplained variance of two hundred and six (206) students. As a result of the variances, the School was under funded by an amount of Kshs.7,200,879.

In the circumstances, the under-funding of the School may have affected service delivery to the other schools which did not receive capitation for students and value for money could not be confirmed.

3. Excess Supply of Books

During the period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed eight hundred and forty-four (844) books to the School while only seven hundred and nineteen (719) books were issued to the students, resulting to an unexplained excess text books of one hundred and twenty-five (125) books in the School store.

In the circumstances, value for money on the excess one hundred and twenty-five (125) text books could not be confirmed.

4. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 14 to the financial statements reflects payables balance of Kshs.35,867,050. However, included in the balance are trade payables balance of Kshs.21,958,551 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.

5. Failure to/Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.27,470,713 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.3,470,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.2,834,000 was transferred to infrastructure account, leaving a balance of Kshs.636,000 as at 30 June, 2021. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

6. 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;

The cover page and the headers refer to annual report and financial statements instead of eighteen (18) months period ended 30 June, 2021, for which the report and the financial statements relate.

Management made no disclosures on stock/inventory under Note 19 on other important disclosures.

The presentation of the statement of cashflows is not as provided by the Public Sector Accounting Standards Board template.

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.

7. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 16 May, 2024 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular Ref. MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance 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.

8. Delayed Completion of Construction of a Dining Hall and Dormitory Project

Review of documents revealed that Management awarded a tender to a local firm for construction of a dormitory and dining hall at a contract price of Kshs.70,000,000 during the month of May, 2024 which was to be implemented in three (3) phases. Physical verification done in July, 2024 revealed that phases one (1) and two (2) are complete and are in use. However, the contract document and engineer certified completed works document were not provided for audit. Further, information on amount paid and remaining works was not provided for audit.

In the circumstances, the regularity and value for money to be realized from the expenditure of Kshs.70,000,000 could not be confirmed.

9. Breach of Tenure of the Board of Management

Review of the Board of Management documents revealed that two (2) members of the Board of Management are serving for more than two (2) terms having been appointed on 15 January, 2008. This is contrary to the Regulation 39(2) of the Basic Education Regulation, 2015 which states that a Board of Management appointed under this regulation shall remain in office for a term of three (3) years, which shall be renewable for one (1) further term.

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

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

Basis for Conclusion

1. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal 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.

2. Lack of Effectiveness in the Management of Text Books

Review of the text book management in the School revealed the following:

i) Inadequate Needs Assessment Guiding Distribution of Textbooks to Schools

The audit established that during the financial year 2020/2021, there was no evidence of instructional needs assessment that provided basis for determining the number and subject of instructional material needed by the School. In addition, there was no evidence that School Instructional Materials Selection Committee (SIMSC) was set up.

ii) Shortfall in Number of Textbooks Delivered Compared to Distribution Lists

The audit established that there was shortfall of three thousand three hundred and seventy-six (3,376) in the number of textbooks delivered to the School as indicated in signed delivery notes, compared to the numbers indicated in the distribution lists provided by the Kenya Institute of Curriculum Development (KICD) in which a supply of six thousand five hundred and fifty- two (6,572) was expected.

iii) Lack of Disclosure on of Textbooks Monetary Value

The audit established that the textbooks delivered by publishers did not indicate monetary value making it difficult for School to quantify the value of its text books in stock delivered during the financial year.

iv) Inadequate Mechanisms to Manage Loss of Textbooks

The audit established that during the financial year 2020/2021, the School had not put in place adequate measures to prevent and recover the lost text books. The inadequate control measures noted included failure to use security systems. As a result, out of the three thousand three hundred and seventy-six (3,376) text books that were received, one thousand and ninety-six (1,096) textbooks could not be accounted for.

In the circumstances, the effectiveness of management of text books could not be confirmed.

3. Irregularities in Human Resource Management

Review of personnel documents provided revealed that that the Management had employed twenty-three (23) non-teaching staff on permanent and pensionable terms. However, the School lacked a comprehensive Human Resource Policy detailing on the management of the staffing arrangements. Further, the personnel files had incomplete information including staff annual leave entitlements, leave taken, and pending leave days.

In the circumstances, the effectiveness of the internal control system in respect to personnel could not be confirmed.

4. Lack of Automated Financial Application System

Review of the operations of the School revealed that the School's financial recording were done manually as the School did not have any software application system. This had an

adverse effect on management of revenue collection, management of payments and the reporting system of the School.

In the circumstances, the effectiveness and efficiency of the School financial management system could not be ascertained.

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 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 control, risk management and overall governance.

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

is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 January, 2025

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	4,539,239.25	4,123,811.52
Capitation grants for operations	2	27,470,713.00	19,494,594.00
Capitation grants for infrastructure	3	11,476,000.00	2,766,400.00
School Fund Income- Parents' Contributions	4	26,278,222.00	24,875,586.00
School Fund Income- Other receipts	5	49,356,968.00	34,954,944.00
Proceeds from borrowings			
TOTAL RECEIPTS		119,121,142.25	86,215,335.52
PAYMENTS			
Payments for Tuition	6	4,144,363.00	4,243,407.00
Payments for operations	7	26,642,278.10	16,193,193.00
Payments for infrastructure	8	12,139,887.00	-
Boarding and school fund payments	9	72,331,951.00	64,249,664.00
TOTAL PAYMENTS		115,258,479.10	84,686,264.00
SURPLUS/DEFICIT		3,862,663.15	1,529,071.52

The school financial statements were approved on 16/07/2024 and signed by:

Sign:



Name

JOSEPH O. OGARI

Chair BOM

Date

16/07/2024

Sign



Name

DENNIS OMBUI

School Principal/
Secretary to BOM

Date

16/07/24

Sign



Name

WILSON NJAUKWANA

Bursar/
Finance Officer

Date

16/07/2024

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
 30TH JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	7,058,312.09	3,222,032.94
Cash Balances	11	27,274.00	18,860.00
Short term Investment	12	-	-
Total Cash and cash equivalent		7,085,586.09	3,240,892.94
Account's receivables	13	47,893,431.65	28,849,495.00
TOTAL FINANCIAL ASSETS		54,979,017.74	32,090,387.94
FINANCIAL LIABILITIES			
Accounts Payables	14	35,867,050.00	19,922,339.00
NET FINANCIAL ASSETS		19,111,967.74	12,168,047.94
REPRESENTED BY			
Accumulated Fund b/fwd	15	15,249,305.00	10,638,976.94
Surplus/Deficit for the year		3,862,663.15	1,529,071.00
NET FINANCIAL POSITION		19,111,968.15	12,168,047.94

The School's financial statements were approved on _____ 2024 and signed by:

Name: JOSEPH O. OGALO

Chairman, BoM

Sign: [Signature] Date: 16/07/2024

Name: D. S. O. OMONDI
 School Principal / Secretary to BoM

Sign: [Signature] Date: 16/07/2024

Name: WILSON NIAKWARA

Bursar/Finance
 Sign: [Signature] Date: 16/07/2024

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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021 Kshs	2019-2020 Kshs
Receipts for operating income			
Capitation grants for tuition	1	4,539,239.25	4,123,811.52
Capitation grants for operations	2	27,470,713.00	19,494,594.00
Capitation grants for Infrastructure	3	11,476,000.00	2,766,400.00
School fund income- Parents contributions/ fees	4	26,278,222.00	24,875,586.00
School fund income- other receipts	5	49,356,968.00	34,954,944.00
Total receipts		119,121,142.25	86,215,335.52
Payments			
Payments for Tuition	6	4,144,363.00	4,243,407.00
Payments for operations	7	26,642,278.10	16,193,193.00
Payments for Infrastructure	8	12,139,887.00	-
Boarding and school fund payments	9	72,331,951.00	64,249,664.00
Total payments		115,258,479.10	84,686,264.00
Net cash flow from operating activities		3,862,663.15	1,529,071.52
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		3,862,663.15	1,529,071.52
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		3,862,663.15	1,529,071.52
NET INCREASE IN CASH AND CASH EQUIVALENTS		3,222,922.94	1,693,851.42
Cash and cash equivalent at BEGINNING of the year		7,085,586.09	3,222,922.94

The School's financial statements were approved on _____ 2024 and signed by:

Name: JOSEPH O. OGARO

Chairman, BoM

Sign: [Signature]

Date: 16/07/2024

Name: D. S. M. O. O. O. O.

School Principal/Secretary to BoM

Sign: [Signature]

Date: 16/07/24

Name: W. S. M. O. O. O. O.

Bursar/Finance

Sign: [Signature]

Date: 16/07/2024

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e e=c-d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	661,230	330,615	991,845	-	991,845	0%
Exercise books	1,470,000	735,000	2,205,000	-	2,205,000	0%
Laboratory equipment	1,200,000	600,000	1,800,000	-	1,800,000	0%
Internal exams	500,000	250,000	750,000	-	750,000	0%
Teaching / learning materials	1,039,370	519,685	1,559,055	4,539,239.25	2,980,184.25	291.15%
Teachers guides	350,000	175,000	525,000	-	525,000	0%
SUB-TOTAL	5,220,600	2,610,300	7,830,900	4,539,239.25	9,252,029.25	57.96%
(2) CAPITATION GRANT ON OPERATIONS						
BOM SALARY	-	-	-	1,080,000	1,080,000	100%
Repairs and maintenance	5,250,000	2,625,000	7,875,000	19,529,683	11,654,683	247.99%
Economic stimulus	-	-	-	1,500,000	1,500,000	100%
Electricity and water	-	-	-	-	-	-
Medical	2,100,000	1,050,000	3,150,000	295,400	2,854,600	9.37%

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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
Administration costs	-	-	-	-	-	-
Activity	2,100,000	1,050,000	3,150,000	590,800	2,559,200	18.75%
OTHERS(ADMIN,LTT,E WC &PE)	15,334,900	7,667,450	23,002,350	15,950,830	7,051,520	69.34%
TOTAL	24,784,900	12,392,450	37,177,350	38,946,713	26,700,003	104.75%
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	3,150,000	1,575,000	4,725,000	5,891,761	1,166,761	124.69%
Repairs and maintenance	2,100,000	1,050,000	3,150,000	2,848,284	301,716	90.42%
Local transport / travelling	2,100,000	1,050,000	3,150,000	1,939,542	1,210,458	61.57%
Electricity and water	4,200,000	2,100,000	6,300,000	9,510,189	3,210,189	150.95%
Medical	-	-	-	-	-	-
Administration costs	3,990,000	1,995,000	5,985,000	5,743,227	241,773	95.96%
Activity	262,500	131,250	393,750	345,219	48,531	87.67%
SMASSE	-	-	-	-	-	-
Fee on Boarding Equipment and Stores	26,654,250	13,327,125	39,981,375	49,304,968	2,574,472	123.31%
OTHER INCOME						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a-b	Actual on Comparable Basis d	Budget Utilization Difference e e=c-d Kshs	% of Utilization f f=d/c % Kshs
Income from Posho mill	-	-	-	-	-	-
Income from Tender	-	-	-	52,000	-52,000	
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Sub-total	42,456,750	21,228,375	63,685,125	75,635,190	11,950,065	118.76%
TOTAL INCOME	72,462,250	36,231,125	108,693,375	119,121,142.25	10,427,767.25	109.59%
(I) EXPENDITURE FOR TUITION						
Textbooks and reference materials	661,230	330,615	991,845	-	991,845	0%
Laboratory equipment	1,200,000	600,000	1,800,000	1,629,303	170,697	90.51%
Exercise books	1,470,000	735,000	2,205,000	1,432,000	773,000	64.94%
Internal exams	500,000	250,000	750,000	-	750,000	0%
Teaching / Learning materials	1,039,370	519,685	1,559,055	1,080,600	478,455	69.31%
Chalks	-	-	-	-	-	0%
Exams and assessment	-	-	-	-	-	0%
Teachers guides	350,000	175,000	525,000	-	525,000	0%
Administration costs	-	-	-	-	-	0%
Bank Charges	-	-	-	2,460	-2,460	100%
Sub-total	5,220,600	2,610,300	7,830,900	4,144,363	3,685,537	52.92%

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e e=c-d Kshs	% of Utilization f=d/c % Kshs
(2) EXPENDITURE FOR OPERATIONS						
Repairs, maintenance & improvements	5,250,000	2,625,000	7,875,000	17,311,887	- 9,436,887	219.8%
Medical	2,100,000	1,050,000	3,150,000	2,590,213	559,787	82%
Activity Expenses	2,100,000	1,050,000	3,150,000	516,800	2,633,200	16%
OTHERS	15,334,900	7,667,450	23,002,350	18,363,265	4,639,085	79.83%
SUB-TOTAL	24,784,900	12,392,450	37,177,350	38,782,165	- 1,604,815	104.31%
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	3,150,000	1,575,000	4,725,000	11,931,821	- 7,206,821	252.52%
Repairs, maintenance and improvements	2,100,000	1,050,000	3,150,000	1,792,993	1,357,007	56.92%
Local transport / travelling	2,100,000	1,050,000	3,150,000	867,415	2,282,585	27.53%
Electricity, water and conservancy	4,200,000	2,100,000	6,300,000	1,706,053	4,593,947	27.08%
Medical Expenses	-	-	-	-	-	-
Administration costs	3,990,000	1,995,000	5,985,000	6,413,376	-428,376	107.15%
Activity	262,500	131,250	393,750	728,065	-334,315	184.90%
Gratuity	-	-	-	-	-	0%
Uniforms	-	-	-	6,606,664	-	100%
Boarding Equipment and	-	13,327,125	-	-	6,606,664	100%

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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
Stores	26,654,250		39,981,375	41,853,110	-1,871,735	104.68%
Expenditure for Income Generating Activity	-	-	-	-	-	-
Bus hire	-	-	-	10,000	-10,000	100%
Refund	-	-	-	416,014	-416,000	100%
Rent Expenses	-	-	-	-	-	100%
Farm	-	-	-	3,440	-3,440	0%
Loan Interest Repayment	-	-	-	-	-	0%
Loan Principal Repayment	-	-	-	-	-	0%
Sub-total	42,456,750	21,228,375	63,685,125	72,328,951	-8,643,826	113.57%
GRAND-TOTALS	72,462,250	36,231,125	108,693,375	115,255,479	-6,562,104	106.03%

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

- i. The underutilization of some vote heads is due to the inter-borrowings ie P.E from operation to school fund account.
- ii. The overutilization of some vote heads is due to the increase of price of some commodities during the year.

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation. However, the comparison for this financial year is for eighteen months starting January 2020 to June 2021.

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.

ST. JOSEPH'S NYABIGENA BOYS HIGH SCHOOL
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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	741,289.00
Laboratory equipment	-	655,912.00
Internal exams	-	48,110.00
Teaching / learning materials	4,539,239.25	338,798.00
Exams and assessment	-	2,097,801.52
Ref/ library	-	145,005.00
Teachers guides	-	96,896.00
Total	4,539,239.25	4,123,811.52

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	8,053,683.00	5,620,000.00
Local transport / travelling	-	-
BOM salary	1,080,000	-
Economic stimulus	1,500,000	-
Others (L.TT,EWC,ADMIN & P.E)	15,950,830.00	4,496,000.00
Electricity and water	-	-
Medical	295,400.00	-
Administration costs	-	-
Activity	590,800.00	885,150.00
FSE grants for 2019	-	8,493,444.00
Total	27,470,713.00	19,494,594.00

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3 CAPITATION GRANT FOR INFRASTRUCTURE

	2020-2021	2019-2020
	Kshs	Kshs
Maintenance & Improvement	11,476,000.00	2,766,400.00
Transitional Infrastructure grants	-	-
Economic stimulus grants	-	-
Other (specify)	-	-
Total	11,476,000.00	2,766,400.00

4 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	5,891,761.00	4,298,560.00
Repairs and maintenance	2,848,284.00	3,511,794.00
Local transport / travelling	1,939,542.00	953,252.00
Electricity and water	9,510,189.00	6,250,957.00
Medical	-	-
Administration costs	5,743,227.00	2,500,289.00
Activity	345,219.00	217,500.00
Total	26,278,222.00	17,732,352.00

NOTES TO THE FINANCIAL STATEMENTS

5 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	49,304,968.00	34,808,944.00
Rent income	-	-
Income from farming activities	-	-
Insurance compensation	-	-
Income from Posho mill	-	-
Income from Bus Hire	-	-
Fee for hire of ground and equipment	-	-
Income from tender	52,000.00	146,000.00

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Interest income	-	-
Dividends income	-	-
Total	49,356,968.00	34,954,944

6 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	1,432,000.00	1,328,275.00
Laboratory equipment	1,629,303.00	1,598,562.00
Internal exams	-	254,000.00
Teaching / learning materials	1,080,600.00	704,850.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	353,400.00
Administration Costs	-	-
Bank Charges	2,460.00	4,320.00
Total	4,144,363.00	4,243,407.00

7 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,612,320.00	549,946.00
Service Gratuity	-	-
Administration Cost	5,870,138.10	5,067,017.00
Repairs and maintenance & improvements	5,172,000.00	6,368,950.00
Local transport / travelling	813,842.00	906,850.00
Electricity and water	1,916,965.00	1,314,300.00
Medical	2,590,213.00	811,075.00
Activity Expenses	8,516,800.00	1,175,055.00
SMASSE	-	-
Insurance Cost	-	-
Bank Charges	-	-
OTHERS (MIF)	8,150,000.00	-
TOTAL	34,642,278.10	16,193,193.00

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8 PAYMENTS FOR INFRASTRUCTURE

	2020-2021	2019-2020
	Kshs	Kshs
Construction of science laboratory	12,139,887.00	-
Construction of dormitory	-	-
Repairs and maintenance & Improvements	-	-
TOTAL	12,139,887.00	-

9 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	11,931,821.00	8,092,761.00
Service Gratuity	-	-
Repairs and maintenance & Improvements	1,792,993.00	907,599.00
Local transport / travelling	867,415.00	1,376,741.00
Electricity and water	1,706,053.00	2,624,566.00
Medical Expenses	-	4,994,000.00
Administration costs	6,413,376.00	6,328,648.00
Lunch Programme	-	-
Bank Charges	-	-
Expenses on Income Generating Activities	728,065.00	1,250,171.00
Fee on Boarding Equipment and Stores	41,853,110.00	33,358,249.00
Tender	-	131,000.00
Bus hire	10,000.00	75,000
Uniforms	6,609,664.00	4,994,000.00
Fee Refund	416,014.00	116,929.00
Farm	3,440.00	-
TOTAL		64,249,664.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	0510291350902	541,360.96	101,943.31
Operations Account	0510291746862	1,357,081.87	840.02
School Fund Account/Boarding-1	1182445640	944,271.61	2,275,645.61
Savings Account	1223208877	91,575.00	42,261.00
School fund account -2	0081108463	123,468.65	681,123.00
CDF	0510297035444	13,218.00	-
Infrastructural Account	0510274729787	3,987,336.00	120,220.00
Total		7,058,312.09	3,222,032.94

11 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	574.00	13,735.00
School Fund account	26,700.00	5,125.00
Total	27,274.00	18,860.00

12 SHORT TERM INVESTMENTS

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

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13 ACCOUNTS RECEIVABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears	47,893,431.65	28,474,495.65
Other non-fees receivables	-	375,000.00
Salary advances	-	-
Imprest	-	-
Total	47,893,431.65	28,849,495.65

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

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears for current year	10,788,914.00	9,038,295.00
Fees arrears for the previous year	17,864,206.00	8,452,061.00
Fees arrears for prior periods (over two years)	19,240,311.65	10,984,139.65
Total	47,893,431.65	28,474,495.65

14 ACCOUNTS PAYABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors (See ageing below and appendix 1)	28,729,826.00	13,288,410.00
Prepaid fees	7,137,224.00	6,633,929.00
Retention monies	-	-
Total	35,867,050.00	19,922,339.00

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

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors for current year	6,771,275.00	5,762,232.00
Trade creditors for the previous year	8,007,651.00	-
Trade creditors for prior periods (over two years)	13,950,900.00	7,526,178.00
Total	28,729,826.00	13,288,410.00

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15 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	810,269.00	3,222,032.94
Cash balances	17,786.00	18,860.00
Short Term Investments	-	-
Receivables	43,009,885.65	28,849,495.00
Payables	(28,588,635.00)	(21,451,411.00)
Total	15,249,305.35	10,638,976.94

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

17 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle		160,000.00	60,000.00
Goats		-	-
Trees		200,000.00	186,000.00
Coffee or tea plantation		-	-
Poultry		-	-

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Total		360,000.00	246,000
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18 Borrowings

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

Other important disclosure notes

19 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	-	-

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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)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4.						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

ANNEX 2 - SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 20xx
Land 1		Bogetenga	31,050,000	-	-	31,050,000
Land 2		Bogetenga	14,750,000	-	-	14,750,000
Buildings and structures	Bal as at 01.01.2019	School compound	150,500,000	-	-	150,500,000
Motor vehicles	Bal as at 01.01.2019	School compound	9,750,000	-	-	9,750,000
Office equipment, furniture and fittings	Bal as at 01.01.2019	Administration & departmental	43,200,000	-	-	43,200,000
ICT Equipment, and Other ICT Assets	Bal as at 01.01.2019	ICT & OFFICE	46,250,000	-	-	46,250,000
Tools and apparatus	Bal as at	Lab/store	25,000,000	-	-	25,000,000

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Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 20xx
	01.01.2019					
Textbooks	Bal as at 01.01.2019	Library	47,000,000	-	-	47,000,000
Other Machinery and Equipment	Bal as at 01.01.2019	School compound	35,000,000	-	-	35,000,000
Heritage and cultural assets	Bal as at 01.01.2019	Music room	2,500,000	-	-	2,500,000
Intangible assets- software	Bal as at 01.01.2019	School compound	1,500,000	-	-	1,500,000
Total			406,500,000	-	-	406,500,000

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CREDITORS.

	COMPANY	AMOUNT(KSHS)
1	Kode general merchandise	561,500
2	Awendo Ebenezer labchem	422,961
3	Tabaka Mission Hospital	23,034
4	Porweredge	316,160
5	Levy Pharmacy	137,400
6	Chancez Technology	230,000
7	Uphill Engineering Services	188,140
8	Valteddy Insurance Services	475,287
9	Philip Kerage	7,660
10	Sinendet Sports House	93,700
11	Zachary Maota	92,470
12	Mosmir Agency	500,000
13	Tabaka Parish	400,000
14	Nyabigena Teachers Welfare	153,000
15	Vincent Mokama Okechi	405,155
16	Evasar investment	200,000
17	Nyasust Self Help grp	233,920
18	Wenawa Enterprise	416,000
19	Loft-tech Engineering	321,200
20	Obwanchani generasl stores	200,000
21	Jacqueline Kerubo Onyoni	83,981
22	Azenath Nyanchoka ongera	100,000
23	Mayfair Holdings	115,090
24	Gilbera Ltd	68,579
25	Beskn investment ltd	90,000
26	Wifri Kenya	433,600
27	Majena merchandise	271,700
28	Hellen Bochere Ondari	230,738
	TOTAL	6,771,275

DEBTORS

1	FORM ONE NORTH	490,757
2	FORM ONE WEST	527,772
3	FORM ONE CENTRAL	517,264
4	FORM ONE GREEN	505,687
5	FORM ONE SOUTH	520,723
6	FORM ONE EAST	476,450
7	FORM TWO WEST	483,901
8	FORM TWO EAST	378,093
9	FORM TWO SOUTH	519,087
10	FORM TWO NORTH	475,232
11	FORM TWO CENTRAL	453,660

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12	FORM TWO GREEN	403,911
13	FORM THREE WEST	620,613
14	FORM THREE EAST	628,811
15	FORM THREE NORTH	731,028
16	FORM THREE CENTRAL	715,748
17	FORM THREE SOUTH	723,587
18	FORM THREE GREEN	800,678
19	FORM FOUR NORTH	112,032
20	FORM FOUR WEST	136,844
21	FORM FOUR CENTRAL	140,653
22	FORM FOUR GREEN	135,352
23	FORM FOUR SOUTH	132,473
24	FORM FOUR EAST	158,558
	TOTAL	10,788,914