

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

NATIONAL ASSEMBLY
PADDIS TAD

DATE: 23 NOV 2023 DAY: *WEDNES*

TALK BY: *Hon Kimani Ichungwa, MP
Leader of the majority party*

CLERK-AT-THE-TABLE: *Miriam Nudo*

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

KANYAWANGA HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2021**

MIGORI COUNTY

Revised 30th June 2021.



**KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH June, 2021**

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

KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	5
STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	11
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF	12
v STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE 2021	13
VI.STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30 TH JUNE 2021	14
VII.STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	15
VIII.STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021	16
IX. SIGNIFICANT ACCOUNTING POLICIES	20
X. NOTES TO THE FINANCIAL STATEMENTS	22

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

These school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in MIGORI County, RONGO Sub-County

The school was registered in 22/02/2018 under registration number 44530000184 and is currently categorized as extra county public school established, owned or operated by the Government.

The school is a day/boarding school and had 1430 number of students as at 30th June 2021. It has 6 streams and 62 teachers of which 12 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref	Name of Board Member	Designation	Date of appointment
1	MR.EZEKIEL ABUKA	Chairman	2019
2	MR.JACOB MBOGO	Secretary - Principal	2019
3	MRS.RUTH OPIYO	Member	2019
4	MR.ABEL MUNDA	Member	2019
5	PROF.CHARLES ONINDO	Member	2019
6	MR.GILBERT ANGIENDA	Member	2019
7	MRS.TABITHA OKON'GO	Member	2019
8	MRS.NAOMI KWAMBOKA	Member – Rep CEB	2019
9	PAUL GIRIBE	Member Rep Teachers	2019
10	MR.PERMENAS ODIJE	3 Members - Sponsor	2019
11	PR.HERCULES KORUKO	Member - Community	2019
12	MRS.TABITHA MWANGO	Member-Special Needs	2019
	SHADRACK ARIYO	Rep Students	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 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	Mr.ezekiel abuka Pr.gilbert angienda Mrs.ruth opiyo Prof.charles onindo Mr.jacob mbogo		
2	Audit Committee	Pr,paul giribe Pr.hercule koruko Mrs.tabitha okon'go		2/3
3	Finance,procurement and general purposes Committee	Mrs.ruth opiyo Mr.abel munda Mrs.naomi kwamboka		3/3
4	Academic Committee	Prof. Charles onindo Mr.permenas odije Mr.jacob mbogo		3/3
5	Development Committee	Mr.ezekile abuka Mrs.ruth opiyo Mrs.naomi kwamboka Mr.jacob mbogo		3/3
6	Discipline and welfare Committee	Prof. Charles onindo Mr.permenas odije Mrs.ruth opiyo		2/3
7	Adhoc Committee (if any during the year)			-

(d) School operation Management

KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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

Ref :	Designation	Name	TSC/ICPAK Number
1	Principal	JACOB MBOGO	291776
2	Deputy Principal	MARK ODAWO	458728
3	School Bursar	TITO ODINDO	18873

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 100-40404
Telephone: 0710215418
E-mail: kanyawangaschool@swiftkisumu.com
Website: www.kanyawangaschool.com

(f) School Bankers

The following school operated 5 number of bank accounts in the following banks:

1. Name of Bank: KENYA COMMERCIAL BANK
Branch: RONGO
Account Number: 1172699240
2. Name of Bank: NATIONAL BANK OF KENYA
Branch: AWENDO
Account Number: 01025035001100
3. Name of Bank: NATIONAL BANK OF KENYA
Branch: AWENDO
Account Number: 01025035001000
4. Name of Bank: NATIONAL BANK OF KENYA
Branch: AWENDO
Account Number: 01021045004900
5. Name of Bank: NATIONAL BANK OF KENYA
Branch: AWENDO
Account Number: 01021045775100

(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:**

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

	2021 KSHS	2020 KSHS	2019 KSHS	TOTAL KSHS
GRANDS	12,698,978.25	13,265,703	24,159,653.50	50,124,334.75

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

	2021 KSHS	2020 KSHS	2019 KSHS
GRANTS	12,698,978.25	13,265,703	24,159,653.5
NO.OF STUDENTS	1448	1342	1200
RATIO	1:8770	1:9885	1:20133

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

SOURCE	2021 KSHS	2020 KSHS	2019 KSHS
PARENTS/C.D.F	29,632,061	36,996,182	46,327,624

KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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

2021 KSHS	2020 KSHS	2019 KSHS
27,648,035	31,489,291	52,804,987

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

2021 KSHS	2020 KSHS	2019 KSHS
8,090,840	6,912,837.17	6,944,714

Movement of creditors of the school over the last three years

2021 KSHS	2020 KSHS	2019 KSHS
6,046,398	4,759,945	6,042,527

Movement of cash and bank balances over the last three years

	2021 KSHS	2020 KSHS	2019 KSHS
CASH	72,920.67	43,685.68	2,954
BANK	7,280,556.95	472,773.98	1,803,432.58
	7,353,477.62	516,459.65	1,806,386.58

b) Teacher Student ratio

	NO
TRANSFERED IN	1
TRANSFERED OUT	1
RECRUITED	3
TEACHER /STUDENT RATIO	1FOR 23

Teachers per subject

SUBJECT	TSC	BOM	TOTAL
ENGLISH	8	0	8
KISWAHILI	8	2	10
MATHS	12	3	15
BIOLOGY	8	2	10
PHYSICS	9	1	10
CHEMISTRY	10	3	13
HISTORY	6	3	9
GEOGRAPHY	7	3	10
C.R.E	4	2	6
AGRICULTURE	6	1	7
BUSINESS STUDIES	3	1	4

C)Mean score in 3 Years

YEAR	NO OF CANDIDATES	NO TRANSITIONED	MEAN SCORE	COMMENT.
2020	347	339(97.7%)	7.28	IMPROVEMENT BY _{+1.17}
2019	295	234(79.3%)	6.11	IMPROVEMENT BY _{+0.18}
2018	293	208(71%)	5.93	

KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

d)Number of Candidates in the KCSE:

YEAR	NUMBER OF CANDIDATES
2021	355
2020	347
2019	295

e)Capacity of the school:

NO OF STUDENTS	NO OF FACILITIES
1430	24 CLASSROOMS
1430	13 DORMITORIES
1430	1 DINING HALL
1430	2 SCIENCE LABORATORIES
1430	LATRINES 30 DOORS
1430	5 BATH ROOMS

f) Development projects carried out by the school:

project	Total project cost	Total expended to date	Completion%	budget	Actual	Sources of funds
Twin Dormitory wing 1 and 2	54,000,000	21,600,000	Work in progress			Ministry of education

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 KANYAWANGA 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.

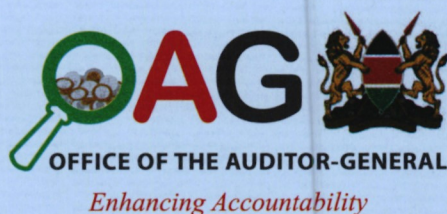
Name: GEORGE ARUKI
Designation: Chairman, School Board of Management
Sign: [Signature]
Date: 4/4/2022

Name: JAMES MBOHO
Designation: School Principal & Secretary to Board of Management
Sign: [Signature]
Date: 4/4/2022

Name: PITOP O. OJINDO
Designation: Bursar/ Finance Officer
Sign: [Signature]
Date: 4/4/2022

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KANYAWANGA HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 - MIGORI 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, 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

Disclaimer of Opinion

I have audited the accompanying financial statements of Kanyawanga High School set out on pages 13 to 31, which comprise of the statement of financial assets and liabilities

as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and the statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Lack of Trial Balance

Management did not submit a trial balance used to prepare the financial statements. In the circumstances, the basis of the amounts reflected in the financial statements could not be confirmed.

2. Unsupported Receipts Balance

The statement of receipts and payments reflects total receipts amount of Kshs.42,088,433 as disclosed in Notes 1 to Note 4 to the financial statements. However, the supporting ledger schedules for the receipts amount were not provided for audit.

In the circumstances, the accuracy and completeness of the total receipts of Kshs.42,088,433 could not be confirmed.

3. Unexplained Variances in Payments for Tuition

The statement of receipts and payments reflects payments for tuition balance of Kshs.1,110,610 while the supporting ledger schedule provided for audit shows a corresponding amount of Kshs.1,177,090, resulting in an unexplained variance of Kshs.66,480. Further, as disclosed in the supporting Note 5 to the financial statements, the balance of Kshs.1,110,610 includes an amount of Kshs.Nil in respect of exercise books, while the supporting schedule reflects an amount of Kshs.200,000 spent of exercise books, resulting to an unexplained variance of Kshs.200,000.

In the circumstances, the accuracy and completeness of the payments for tuition balance of Kshs.1,110,610 could not be confirmed.

4. Unsupported Payments for Operations Balance

The statement of receipts and payments reflects payments for operations balance of Kshs.10,857,272 as disclosed in Note 6 to the financial statements. However, the supporting ledger schedules were not provided for audit.

In the circumstances, the accuracy and completeness of the payments for operations amount of Kshs.10,857,272 could not be confirmed.

5. Unsupported Expenditure and Unexplained Variance in Boarding and School Fund Payments

The statement of receipts and payments reflects boarding and school fund payments balance of Kshs.24,359,869 which, as disclosed in Note 7 to the financial statements, includes fees on boarding equipment and stores amount of Kshs.14,743,354. However, this latter amount differs with a corresponding amount of Kshs.10,064,563 reflected in the supporting schedule, resulting in an unexplained variance of Kshs.4,678,791. Further, as disclosed in Note 7 to the financial statements, the balance of Kshs.24,359,869 includes personnel emoluments amount of Kshs.5,983,897 whose supporting ledger schedule was not provided for audit.

In the circumstances, the accuracy and completeness of the boarding and school fund payments balance of Kshs.24,359,869 could not be confirmed.

6. Unexplained Variances in Acquisition of Assets Amount

The statement of receipts and payments and as disclosed in Notes 6 and 7 to the financial statements reflects amounts of Kshs.10,857,272 and Kshs.24,359,869 in respect of payments for operations and boarding and school fund payments respectively which further include an acquisition of assets amount of Kshs.Nil. However, the summary of fixed assets register at Annex 2 to the financial statements reflects asset additions during the period under review of Kshs.24,719,520, resulting in an unexplained or unreconciled variance of Kshs.24,719,520. The additions amount of Kshs.24,719,520 also differs with an amount of Kshs.1,264,945 reflected in the statement of cash flows against acquisition of assets (construction of building) work-in-progress, resulting in an unexplained or unreconciled variance of Kshs.23,454,575.

In the circumstances, the accuracy and completeness of the Kshs.Nil amount of acquisition of assets could not be confirmed.

7. Unsupported Bank Balance

The statement of financial assets and liabilities reflects bank balances of Kshs.7,280,557 which, as disclosed in Note 8 to the financial statements, includes savings account balance in a local bank of Kshs.1,652,090 whose supporting cash book, certificate of bank balance and bank reconciliation statement for June, 2021, were not provided for audit.

In the circumstances, the accuracy and completeness of the savings account bank balance of Kshs.1,652,090 could not be confirmed.

8. Unsupported and Long Outstanding Fees Arrears

The statement of financial assets and financial liabilities reflects accounts receivable balances of Kshs.23,203,956 which, as disclosed in Note 11 to the financial statements includes fees arrears of Kshs.23,183,957. However, the supporting debtors' statements and ledger schedules, showing all the outstanding fees and their aging analyses, were not provided for audit.

Further, included in the balance of Kshs.23,183,957 is an amount of Kshs.11,788,769 that had been outstanding for a period of more than two (2) years. Management did not provide evidence that demand letters were issued to students requesting them to settle their outstanding fee arrears or explain what measures the school has taken to recover the long outstanding arrears.

In the circumstances, the accuracy, completeness and recoverability of the fees arrears of Kshs.23,183,956 could not be confirmed.

9. Unsupported and Long Outstanding Accounts Payable

The statement of financial assets and liabilities reflects accounts payable balances of Kshs.6,046,398 which, as disclosed in the ageing analysis at Note 12 to the financial statements, includes trade creditors amount of Kshs.2,489,345. However, the supporting list of pending bills which had been outstanding for a period of more than one (1) year, was not provided for audit.

In the circumstances, the accuracy and completeness of the long outstanding accounts payable balance of Kshs.2,489,345 could not be confirmed.

10. Anomalies in Presentation and Disclosure of the Financial Statements

The statement of budgeted versus actual amounts reflects various percentages (%) of utilization amounts below 90% and those above 100%, whose explanatory notes are not provided in the footnotes. The cover page and header also include the words 'Public Secondary School' which were to be replaced with the actual name of the school as per the instruction in prescribed reporting template. Therefore, Management contravened Section 81(3) of the Public Finance Management Act, 2012, which requires that 'the Accounting Officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed and published by the Accounting Standards Board from time to time'.

In the circumstances, the financial statements do not comply with the accounting standards as prescribed by the Public Sector Accounting Standards Board.

11. Unsupported Fixed Assets Balance

The summary of fixed assets register at Annex 2 to the financial statements reflects total assets balance of Kshs.229,541,320, being the historical cost of the school's assets as at 30 June, 2022. However, the supporting detailed assets register was not provided for audit. Further, the balance includes Kshs.20,000,000 and Kshs.600,000 relating to two (2) parcels land acquired in 1972 and 2009, described as Land 1 and Lan 2 respectively, whose ownership documents were not provided for audit, and no explanation was provided for not disclosing the actual names of the parcels of land.

In addition, failure to maintain a detailed assets register was contrary to Regulation 143 of Public Finance Management (National Government) Regulations, 2015, which provides in part that: (1) the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant

laws; (2) the register of land and buildings shall record each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details; and (3) all items of furniture and equipment issued for a Government's quarters or offices, large tools for Government works, plant, equipment, vehicles or launches (large motor boats) shall be recorded in a register.

In the circumstances, the accuracy and completeness of the reported assets balance of Kshs.239,387,427 and the ownership of the two (2) parcels of land could not be confirmed Also, Management was in breach of the law.

12. Inaccuracies in the Statement of Budgeted Versus Actual Amounts

The statement of budgeted versus actual amounts reflects budget utilization differences which differ with the re-computed differences as detailed in the table below:

Receipt/Expenses Item	Reported Budget Utilization Difference Kshs.	Re-Computed Budget Utilization Difference Kshs.	Variance Kshs.
Capitation Grant on Tuition			
Teaching/Learning Materials	1,297,440	(1,297,440)	2,594,880
Capitation Grant on Operations	-	-	-
Local Transport/Travelling	59,219	(59,219)	118,437
Electricity and Water	318,569	(318,569)	637,138
Expenditure for Tuition			-
Laboratory Equipment	388,400	(388,400)	776,800
Expenditure for Operations	-	-	-
Electricity, Water and Conservancy	821,592	(821,592)	1,643,184
Administration Costs	787,520	(787,520)	1,575,040

Similarly, the statement reflects percentages (%) of utilization which differ with the re-computed percentages as detailed in **Appendix 1** attached.

In the circumstances, the accuracy of the statement of budgeted versus actual amounts could not be confirmed.

13. Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects total income budget of Kshs.59,380,846 and actual on comparable basis amount of Kshs.41,318,433, resulting in an under-funding of Kshs.18,064,413 (or 30% of the budget). Similarly, the statement reflects total budgeted expenditure of Kshs.58,028,290 and actual on comparable basis amount of Kshs.33,044,409, resulting in an under-expenditure of Kshs.24,983,881 (or 43% of the budget).

Further, the statement reflects an income budget of Kshs.59,380,846 and expenditure budget of Kshs.58,028,290, resulting in a budget surplus of Kshs.1,352,556. This is contrary to Regulation 33(c) and (e) of the Public Finance Management (National Government) Regulations, 2015, which stipulates that the budget shall be balanced and that the total budget revenue shall cover total budget expenditure.

The underfunding and under-expenditure affected planned activities and may have had negative impact on the operations of the School.

14. Unsupported Re-allocation of Budgeted Funds

The statement of budgeted versus actual amounts reflects total expenditure of Kshs.33,044,409 which was within the approved budget of Kshs.58,028,290. However, Management made re-allocations which resulted in an over expenditure of Kshs.1,997,912 as analysed below:

Item	Actual (Kshs.)	Final Budget (Kshs.)	Over Expenditure (Kshs.)
Expenditure for Tuition			
Laboratory Equipment	982,080	593,680	388,400
Expenditure for Operations			
Electricity and Water	1,574,552	752,760	821,792
Administration Costs	1,540,480	752,760	787,720
Total			1,997,912

However, approval of the re-allocations by the Principal was not provided for audit, contrary to Regulation 48(5) of the Public Finance Management (National Government) Regulations, 2015, which states that 'the reallocations under this regulation shall be approved by the respective Accounting Officer of the entity'.

In the circumstances, the regularity of the over expenditure of Kshs.1,997,912 could not be confirmed.

15. Opening and Operating Bank Accounts without Authority of The National Treasury

The statement of financial assets and liabilities reflects bank balances of Kshs.7,280,557 relating to four (5) accounts as disclosed in Note 8 to the financial statements. However, the National Treasury's authorities to open and operate these bank accounts were not provided for audit, contrary to Section 28 of the Public Finance Management Act, 2012, and Regulation 82 of the Public Finance Management (National Government) Regulations, 2015, which require The National Treasury to authorize the opening, operating and closing of bank accounts and sub-accounts for all Government entities.

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

16. Lack of an Information Technology (IT) Function and Service Continuity and Disaster Recovery Plan

During the period under review, the School did not have a data recovery strategy and service continuity plan. Further, no offsite back up storage facility existed nor did the School have an IT officer and IT strategic committee to advise on strategies of filling any gaps within the IT system.

In the circumstances, the School may suffer permanent loss of data and subsequent loss of public resources in the event a disaster occurs.

17. Lack of Risk Management Policy and Strategy

Information about policies in the School provided by Management indicated that during the period under review, the School operated without risk management policy, strategies and risk register to mitigate against risk. It was, therefore, not clear how the Management managed risk exposures. This was contrary to Regulation 165(1) of Public Finance Management (National Government) Regulations, 2015, which provides that the Accounting Officer shall ensure that the National Government entity develops— (a) risk management strategies, which include fraud prevention mechanism; and (b) a system of risk management and internal control that builds robust business operations’.

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

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

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

However, Management presented the annual report and financial statements covering only one year for financial year 2020/2021 with comparative balances for financial year 2019/2020. Therefore, the financial statements have not been prepared for eighteen (18) months as prescribed by the Public Sector Accounting Standards Board.

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to the Government fiscal year or on the lack of comparability due to the longer period covered.

In the circumstances, Management did not comply with the guidelines issued by PSASB.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

I do not express a conclusion on the effectiveness of internal controls, risk management and governance as required by Section 7(1)(a) of the Public Audit Act, 2015. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit 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 responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance


with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

In addition, my responsibility is 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. I also consider internal control, risk management and governance processes and systems in order to give an assurance on the effectiveness of internal controls, risk management and governance 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. However, because of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources, and Internal Controls, Risk Management and Governance sections of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit conclusion.

I am independent of the Kanyawanga 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 October, 2023

Appendix 1 - Inaccuracies in the Statement of Budgeted Versus Actual Amounts

Receipt/Expenses Item	Reported Percentage of Utilization	Re-computed Percentage of Utilization	Variance
	%	%	%
(1) Capitation Grant on Tuition			
Teaching/Learning Materials	289	389	(100)
(2) Capitation Grant on Operations			-
Personnel Emoluments	(41)	59	(100)
Repairs and Maintenance	(22)	78	(100)
Local Transport I Travelling	12	112	(100)
Electricity and Water	(42)	142	(185)
Administration Costs	(0)	100	(100)
(3) Fees Charged on Parents			-
Personnel Emoluments	(73)	27	(100)
Repairs and Maintenance	(52)	48	(100)
Local Transport I Travelling	(60)	40	(100)
Electricity and Water	(66)	34	(100)
Administration Costs	(68)	32	(100)
Activity	(50)	50	(100)
Fee on Boarding Equipment and Stores	(1)	99	(100)
(1) Expenditure for Tuition			-
Laboratory Equipment	(65)	165	(231)
Internal Exams	(90)	10	(100)
Teaching I Learning Materials	(76)	24	(100)
(2) Expenditure for Operations			-
Personnel Emoluments	(97)	3	(100)
Repairs, Maintenance and Improvements	(54)	46	(100)
Local Transport I Travelling	(61)	39	(100)
Electricity, Water and Conservancy	109	209	(100)
Administration Costs	105	205	(100)
(3) Expenditure for School Fund			-
Personnel emoluments	(40)	60	(100)
Repairs, Maintenance and Improvements	(52)	48	(100)
Local Transport I Travelling	(60)	40	(100)
Electricity, Water and Conservancy	(83)	17	(100)
Administration Costs	(48)	52	(100)
Boarding Equipment and Stores	(55)	45	(100)

**KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021**

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEADS	Note	2021 Kshs	2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	1,746,976.25	
Capitation grants for operations	2	10,952,002.55	
School Fund Income- Parents' Contributions	3	5,580,689	
School Fund Income- Other receipts	4	23,808,765	
Proceeds from borrowings		-	
TOTAL RECEIPTS		42,088,432.8	
PAYMENTS			
Payments for Tuition	5	1,110,610	
Payments for operations	6	10,857,272	
Boarding and school fund payments	7	24,359,869	
TOTAL PAYMENTS		36,327,751	
SURPLUS/DEFICIT		5,760,681.8	

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

Sign:



Name:

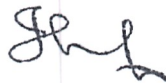
EZEKIEL ARUKA

Chair BOM

Date

4/4/2022

Sign:



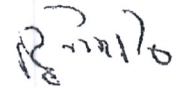
Name: JACOB MBOHO

School Principal/
Secretary to BOM

Date

4/4/2022

Sign:



Name: TITO O. OJINDO

Bursar/
Finance Officer

Date

4/4/2022

KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021


VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2021 Kshs	2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	7,280,556.95	472,773.98
Cash Balances	9	72,920.67	43,685.67
Short term Investment	10	-	-
Total Cash and cash equivalent		<u>7,353,447.62</u>	<u>516,459.65</u>
Account's receivables	11	23,203,956.49	22,993,839.66
TOTAL FINANCIAL ASSETS		30,557,434.11	23,510,299.31
FINANCIAL LIABILITIES			
Accounts Payables	12	(6,046,398)	(4,759,945)
NET FINANCIAL ASSETS		24,511,036.11	18,750,354.31
REPRESENTED BY			
Accumulated Fund b/fwd	13	18,750,354.31	18,750,354.31
Surplus/Deficit for the year		5,760,681.8	-
NET FINANCIAL POSSITION		24,511,036.11	18,750,354.31

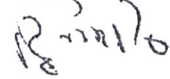
The school financial statements were approved on _____ 2022 and signed by:

Sign: 
 Name: **EZEKIEL ARUKA**

Chair BOM
 Date **4/4/2022**

Sign: 
 Name: **JACOB MBOHO**

School Principal/
 Secretary to BOM
 Date **4/4/2022**

Sign: 
 Name: **TITO O. OJINDO**

Bursar/
 Finance Officer
 Date **4/4/2022**

PUBLIC SECONDARY SCHOOLS
Reports and Financial Statements
For the year ended 30th June 2021

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

		2021	2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,746,976.25	
Capitation grants for operations	2	11,383,803.55	
School fund income- Parents contributions/ fees	3	5,580,689.00	
School fund income- other receipts	4	29,632,061.00	
Total receipts		48,343,529.8	
Payments			
Payments for Tuition	5	1,177,270.00	
Payments for operations	6	10,101,899.00	
Boarding and school fund payments	7	28,962,428.00	
Total payments		40,241,597.00	
Net cash flow from operating activities		8,101,932.80	
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	
Acquisition of Assets(construction of building) w.i.p		(1,264,945)	
Proceeds from investments		-	
Purchase of investments		-	
Net cash flows from Investing Activities		(1,264,945)	
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	
Repayment of principal borrowings		-	
Net cash flow from financing activities		-	
NET INCREASE IN CASH AND CASH EQUIVALENTS		6,836,987.8	
Cash and cash equivalent at BEGINNING of the year		516,459.65	516,459.65
Cash and cash equivalent at END of the year		7,353,447.45	516,459.65

PUBLIC SECONDARY SCHOOLS
Income Statements
For the year ended 30th June 2021

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=c-d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Exercise books	1,482,752	-	1,482,752	-	-	0
Laboratory equipment	982,080	-	982,080	-	-	0
Internal exams	222,992	-	222,992	-	-	0
Teaching / learning materials	449,536	-	449,536	1,746,976.25	1,297,440.25	288.6
Chalks	7,240	-	7,240	-	-	0
Teachers guides	444,536	-	444,536	-	-	0
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	5,010,080	-	5,010,080	2,931,374.05	2,078,705.95	-41.49
Repairs and maintenance	7,240,000	-	7,240,000	5,646,250	1,593,750	-22
Local transport / travelling	492,320	-	492,320	551,538.50	59,218.50	12
Electricity and water	752,960	-	752,960	1,071,529.05	318,569.05	-42.3
Medical	144,800	-	144,800	-	-	0
Administration costs	752,960	-	752,960	751,310.45	1,649.55	-0.22
Activity	724,000	-	724,000	-	-	0

**KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

**Annual Report and Financial Statements
For the year ended 30th June 2021**

(3) FEES CHARGED ON PARENTS							
Personnel emoluments	4,946,368	-	4,946,368	1,323,420	3,622,940	-73.24	
Repairs and maintenance	2,316,800	-	2,316,800	1,110,210	1,206,590	-52	
Local transport / travelling	752,960	-	752,960	302,450	450,510	-59.8	
Electricity and water	5,676,160	-	5,676,160	1,904,983	3,771,177	-66.43	
Administration costs	2,678,800	-	2,678,800	852,426	1,826,374	-68	
Activity	173,760	-	173,760	87,200	86,560	-49.8	
Fee on Boarding Equipment and Stores	24,129,472	-	24,129,472	23,808,765	320,707	-1.33	
TOTAL INCOME	59,380,846		59,380,846	41,318,432.75	18,064,413.25	-30.4	
(1) EXPENDITURE FOR TUITION							
Exercise books	1,482,752	-	1,482,752	-	-	0	
Laboratory equipment	593,680	-	593,680	982,080	388,400	-65.42	
Internal exams	222,992	-	222,992	23,250	199,742	-89.57	
Teaching / learning materials	444,536	-	444,536	105,100	339,436	-76.38	
Chalks	7,240	-	7,240	-	-	0	
Bank Charges	180	-	180	180	-	0	
(2) EXPENDITURE FOR OPERATIONS							
Personnel emoluments	5,010,080	-	5,010,080	164,427	4,845,653	-96.72	
Repairs, maintenance & improvements	2,316,800	-	2,316,800	1,064,700	1,252,100	-54.04	
Local transport / travelling	492,320	-	492,320	193,000	299,320	-60.7	
Electricity, water and conservancy	752,960	-	752,960	1,574,552	821,592	109	
Medical	144,800	-	144,800	-	-	0	
Administration costs	752,960	-	752,960	1,540,480	787,520	104.5	
Activity Expenses	724,000	-	724,000	-	-	0	
(3) EXPENDITURE FOR SCHOOL FUND							

KANYAWANGA HIGH SCHOOL
ILIC SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2021

Personnel emoluments	9,956,440	-	9,956,440	5,983,897	3,972,543	-39.89
Repairs, maintenance and improvements	2,316,800	-	2,316,800	1,113,358	1,203,442	-51.9
Local transport / travelling	752,960	-	752,960	302,450	450,510	-59.83
Electricity, water and conservancy	5,676,160	-	5,676,160	968,580	4,707,580	-82.9
Administration costs	2,678,800	-	2,678,800	1,402,330	1,276,470	-47.7
Activity	499,200	-	499,200	-	-	0
Boarding Equipment and Stores	23,202,630	-	23,202,630	10,458,273	12,744,357	-54.5
TOTALS	58,028,290		58,028,290	33,044,409	24,983,881	-43

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021	2020
	Kshs	Kshs
Textbooks and reference materials	-	
Exercise books	-	
Laboratory equipment	-	
Internal exams	-	
Teaching / learning materials	1,746,976.25	
Chalks	-	
Exams and assessment	-	
Teachers guides	-	
Total	1,746,976.25	

2 CAPITATION GRANT FOR OPERATIONS

	2021	2020
	Kshs	Kshs
Personnel emoluments	2,931,374.05	
Repairs and maintenance	5,646,250.00	
Local transport / travelling	551,538.00	
Electricity and water	1,071,529.05	
Medical	-	
Administration costs	751,310.45	
Activity	-	
B.O.M teachers	-	
Total	10,952,002.55	

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021	2020
	Kshs	Kshs
Personnel emoluments	1,323,420	
Repairs and maintenance	1,110,210	
Local transport / travelling	302,450	
Electricity and water	1,904,983	
Medical	-	
Administration costs	852,426	
Activity	87,200	
Total	5,580,689	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021	2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	23,808,765	
Rent income	-	
Income from farming activities	-	
Insurance compensation	-	
Income from Posho mill	-	
Income from Bus Hire	-	
Fee for hire of ground and equipment	-	
Income from grants and donations*	-	
Interest income	-	
Dividends income	-	
Total	23,808,765	

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	
Laboratory equipment	982,080	
Internal exams	-	
Teaching / learning materials	105,100	
Chalks	-	
Exams and assessment	-	
Tuition	23,250	
Administration Costs	-	
Bank Charges	180	
Total	1,110,610	

KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2021	2020
	Kshs	Kshs
Personnel emoluments	713,275	
Service Gratuity	-	
Administration Cost	1,540,480	
Repairs and maintenance & improvements & Infrastructure	6,673,645	
Local transport / travelling	193,000	
Electricity and water	1,574,552	
Medical & Insurance	162,320	
Activity Expenses	-	
	-	
SMASSE		
Insurance Cost	-	
Bank Charges	-	
Acquisition of Assets	-	
B.o.m Teachers		
TOTAL	10,857,272	

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021	2020
	Kshs	Kshs
Personnel emoluments	5,983,897	
Service Gratuity	-	
Repairs and maintenance & Improvements	1,113,358	
Local transport / travelling	148,350	
Electricity and water	968,580	
Medical Expenses	-	
Administration costs	1,402,330	
Lunch Programme	-	
Bank Charges	-	
Expenses on Income Generating Activities	-	
Fee on Boarding Equipment and Stores	14,743,354	
Rent Expenses	-	
Insurance Cost (Life Property)	-	
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	
TOTAL	24,359,869	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account(NBK)	01025035001100	655,425.50	85,717.25
Operations Account(NBK)	01025035001000	1,376,017.05	107,987.00
School Fund Account/Boarding(KCB)	11726992	574,790.50	6,125.50
Savings Account(NBK)	01021045775100	1,652,090.00	229,763.33
Parent Association Development Account	-	-	-
Income generating activities Account	-	-	-
Infrastructural Account(NBK)	01021045004900	3,022,556.95	43,180.90
Total		7,280,556.95	472,773.98

9 CASH IN HAND

Description	2021	2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	30,660	16,786.00
School Fund account	42,260.67	26,899.67
Total	72,920.67	43,685.67

10 SHORT TERM INVESTMENTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021	2020
	Kshs	Kshs
Fees arrears	23,183,956.49	22,993,839.66
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	20,000	-
Total	23,203,956.49	22,993,839.66

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

Description	2021	2020
	Kshs	Kshs
Fees arrears for current year	8,090,840.00	6,912,837.17
Fees arrears for the previous year	3,304,347.00	4,285,198.00
Fees arrears for prior periods (over two years)	11,788,769.49	11,795,804.49
Total	23,183,956.49	22,993,839.66

12 ACCOUNTS PAYABLE

Description	2021	2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,308,181	4,507,465
Prepaid fees	1,738,217	252,480
Retention monies	-	-
Total	6,046,398	4,759,945

[an ageing of the creditor's arrears below]

Description	2021	2020
	Kshs	Kshs
Trade creditors for current year	1,818,786	1,468,200
Trade creditors for the previous year	2,489,345	3,039,265
Trade creditors for prior periods (over two years)	-	-
Total	4,308,131	4,507,465

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021	2020
	Kshs	Kshs
Bank balances	7,280,556.95	472,773.98
Cash balances	72,920.67	43,685.67
Short Term Investments	-	-
Receivables	23,203,956.49	22,993,839.66
Payables	(6,046,398)	(4,759,945)
Total	24,511,036.11	18,750,354.31

KANYAWANGA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021	2020
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	
Gratuity and leave provision	1,305,000	805,000
Total	1,305,000	805,000

15 Biological assets

Description	Numbers	2021	2020
		Kshs	Kshs
Cattle	12	420,000	420,000
Goats	-	-	-
Trees	1,203	962,400	721,800
Coffee or tea plantation	-	-	-
Poultry		-	-
Total		1,382,400	1,141,800

16 Borrowings

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

Other important disclosure notes

17 Stock/ Inventory

Description	2021	2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	1,000,000	900,000
Stock/ inventory purchased during the year	5,200,000	5,000,000
Stock/ inventory issued during the year	(4,408,000)	(4,900,000)
Balance at end of the year	1,792,000	1,000,000

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)

PUBLIC SECONDARY SCHOOLS
Reports and Financial Statements
For the year ended 30th June 2021

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance as at 30 th June 2021	Outstanding Balance as at 30 th June 2021
	A	B	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	Kshs
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Supply of goods					
4. Freecell enterprises	60,000	16/6/2021	-	60,000	60,000
5. Pacho fresh bakers	73,200	1/6/2021	-	73,200	73,200
6. Dishon ouru owich	36,000	20/6/2021	-	36,000	36,000
7. Rift gas ltd	224,510	16/6/2021	-	224,510	224,510
8. Jambo laboratory	133,340	25/6/2021	-	133,340	133,340
Sub-Total					526,880
Supply of services					
9. Chakra company limited	120,000	1/6/2021	-	120,000	120,000
10. Kplc	146,148	1/6/2021	-	146,148	146,148
11. yaka engineering works	200,000	15/6/2021	-	200,000	200,000
12. B.o.m workers salaries	825,588		-	825,588	825,588
Sub-Total					1,291,736
Grand Total					1,818,616

PUBLIC SECONDARY SCHOOLS
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or the year ended 30th June 2021

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1	1972		20,000,000	-	-	20,000,000
Land 2	2009		600,000	-	-	600,000
Buildings and structures			145,000,000	21,600,000	-	166,600,000
Motor vehicles			8,000,000	-	-	8,000,000
Office equipment, furniture and fittings			14,320,800	-	-	14,320,800
ICT Equipment, and Other ICT Assets			224,000	-	-	224,000
Tools and apparatus			3,400,000	-	-	3,400,000
Textbooks			12,527,000	3,119,520	-	15,646,520
Other Machinery and Equipment	2007		750,000	-	-	750,000
Heritage and cultural assets			-	-	-	-
Intangible assets- soft ware			-	-	-	-
Total			204,821,800	24,719,520	-	229,541,320