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REPORT	
DATE: 26 NOV 2024	DAY: Tuesday
TABLED BY: OF	Hon. Naomi Wago Deputy Majority Whip
CLERK-AT THE-TABLE:	Moses Combe

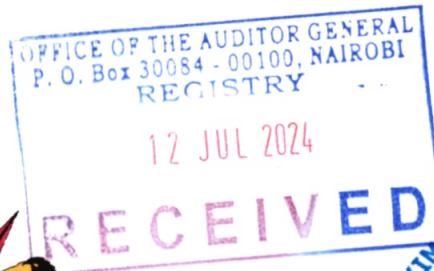
THE AUDITOR-GENERAL

ON

KIMUNYU SECONDARY SCHOOL

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

KIAMBU COUNTY



Kimunyu Secondary School

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary School Education

2. 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 in Kiambu County, Gatundu South Sub-County.

The school was registered in 02/1989 under registration number H/A/1169/89 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 893 number of students as at 30th June 2022. It has 4 streams and 39 teachers of which 6 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. Geoffrey Waweru	Chairman	10 th May 2022
2	Dr. John Muthee	Secretary - Principal	7 th March 2022
3	Mr. Francis Munano	Member	7 th March 2022
4	Mr. Gituanja Gachie	Member	7 th March 2022
5	Ms. Margaret Gitau	Member	7 th March 2022
6	Ms. Faith Macharia	Member	7 th March 2022
7	Ms. Grace Ndungu	Member	7 th March 2022
8	Mr. Kimani Itibi	Member – Rep CEB	7 th March 2022
9	Mr. Anthony kamura	Member Rep Teachers	7 th March 2022
10	Mr John Njau Gathanga Mr. Francis Kieru Ms. Wamaitha Kangethe	3 Members - Sponsor	7 th March 2022
11	Ms. Grace Ndungu	Member - Community	7 th March 2022
12	Ms. Elizabeth Kagema	Member Special Needs	7 th March 2022
13	Nicholas Kiranga	Rep Students	7 th March 2022

The functions of the School Board of Management are to:

- 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	1. Mr. Geoffrey waweru 2. Dr. John Muthee 3. Mr. John Gathanga 4. Francis Gacheru 5. Grace Ndungu	Chair Member Member Member	3 of 3
2	Audit Committee	1. Gachie Gituanja 2. Dr. John Muthee 3. Kieru Gitau	Chair Member Member	3 of 3
3	Finance, Procurement And General Purposes Committee	1. Kimani Itibi 2. Dr. John Muthee 3. Maingi Kamau 4. Elizabeth Kagema 5. Faith Macharia	Chair Member Member Member	3 of 3
4	Academic Committee	1. Mathew Kigomo 2. Dr. John Muthee 3. Antony Kamura 4. Mungai George 5. All HODs	Chair Member Member Member	5 of 5
5	Development Committee	1. Francis Gacheru 2. Dr. John Muthee	Chair Member	5 of 5

		3. John Gathanga 4. Geoffrey Waweru 5. Kimani Itibi 6. Public Works Office 7. SCDE	Member Member Member Member Member	
6	Discipline and welfare Committee	1. Wamaitha Kangethe 2. Dr. John Muthee 3. George Waweru	Chair Member Member	3 of 3
7	Adhoc Committee (if any during the year) Tender Opening Committee	1. Hannah Njeri Kuria 2. Elizabeth Karanja 3. Boniface Mburu	Chair Member Member	3 of 3
	Tender Evaluation Committee	1. George Mungai 2. Margaret Wambui 3. Antony Mamura 4. Christine Nyambura 5. Nelius Maina	Chair Member Member Member Member	3 of 3

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Dr. John Muthee	TSC No.273271
2	Deputy Principal	Mr. George Mungai	TSC No.352735
3	School Bursar	Mrs. Elizabeth Karanja	ICPAK No.
4	Other (specify)	Mr. Antony Kamura	TSC.No. 289586

(e) Schools contacts

Post Office Box: 419 – 01030, Gatundu
 Telephone: 0717053596
 E-mail: kimunyusec@gmail.com
 Website: N/A
 Facebook: Kimunyu Secondary School
 Twitter: N/A

(f) School Bankers

Provide details of the school bankers.

Name of Bank: National Bank
Branch: Ruiru
 Tuition Account: 01025059185200

Kimunyu Secondary School
Annual Report and Financial Statements For the period ended 30th June 2022

Operation Account:	01025059185201
Infrastructure Account:	01022059185200
Savings Account:	01242059185200

School Fund Account

Name of Bank:	Family Bank
Branch:	Gatundu
Account Number:	004000005506

(g) Independent Auditors

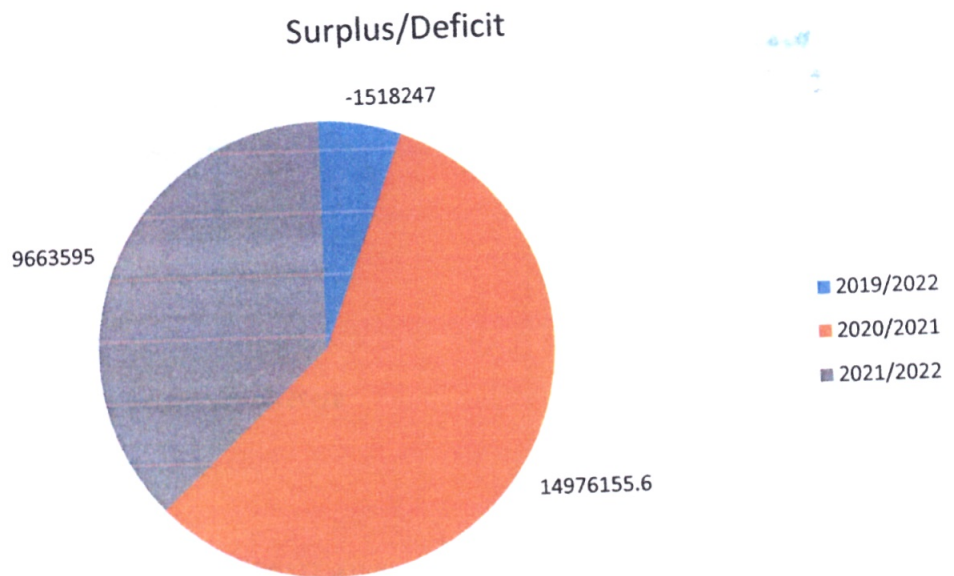
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

3. 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:

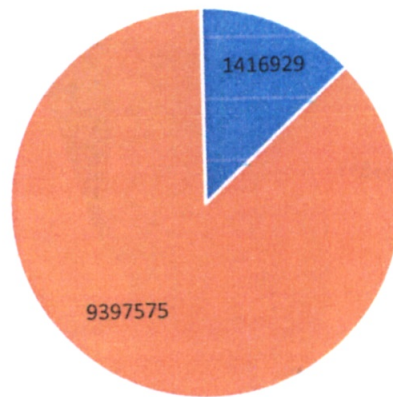
a) Financial performance:

SURPLUS/DEFICIT



**CAPITATION GRANT FROM MOE FOR THE PERIOD ENDED 31st
DECEMBER 2020**

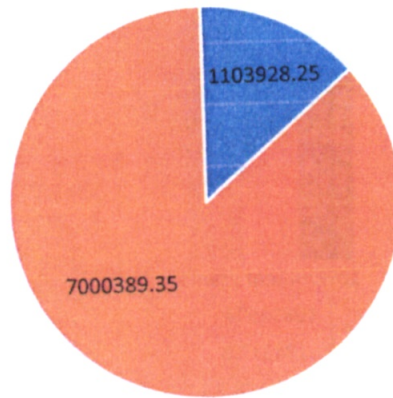
GRANTS REPRESENTATION



■ TUTION ACCOUNT ■ OPERATION ACCOUNT

**CAPITATION GRANT FROM MOE FOR THE PERIOD ENDED 30TH JUNE
2022**

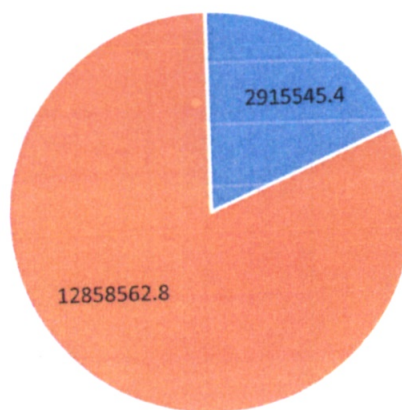
GRANTS PRESENTATION



■ TUTION ACCOUNT ■ OPERATION ACCOUNT

**CAPITATION GRANT FROM MOE FOR THE PERIOD ENDED 30TH JUNE
2022**

GRANTS REPRESENTATION



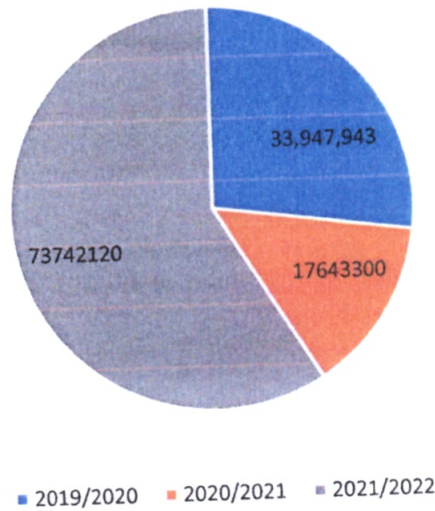
■ TUTION ACCOUNT ■ OPERATION ACCOUNT

Total Government Grants Overview



EXPENDITURE OVERVIEW

total payments



DEBTORS AND CREDITORS

Chart Title



b) Teacher Student ratio:

Teacher Student Ratio: 1:23

Recruitment: Null

Retirement: Null

TSC: 33

BOM Teacher 5

c) Mean score in the 2023 KCSE:

<i>Year</i>	<i>Entry</i>	<i>Mean Score</i>	<i>Deviation</i>	<i>Transition to higher Learning</i>
2021	214	4.324	-0.826	91
2020	160	5.150	+0.759	105

Year 2021 the School scored a mean of 4.324 a decline from 5.150 of -0.826 and managed to take 91 students to institution of higher learning.

d) Number of Candidates in the 2023 KCSE:

160 students

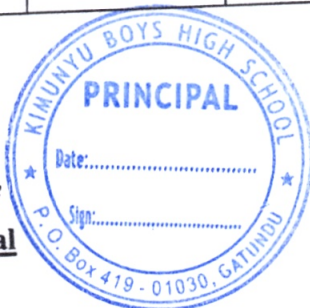
e) Capacity of the school:

Facility	Capacity	What they Hold
Dormitories6	120	881
Laboratories2	95	881
Dining Halls1	600	881
Toilets56	56	881
Libraries1	15	881
Staff Room1	25	38

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
construction of dorm phase I	Parents	Complete	21000000	10000000	2023
Cctv Installation	Government/Parents	Complete	341000	341000	Complete
White Board	Government	Complete	125500	125500	Complete
Teachers Desk	Parents/government	Complete	159000	159000	Complete
Office Expansion	Parents	Complete	380000	380000	Complete
Water Point	Parents	Complete	250000	250000	Complete

Dr. John Muthee
Dr. John Muthee
School Principal



Kimunyu Secondary School

Annual Report and Financial Statements For the period ended 30th June 2022

4. Statement of School Management Responsibility

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

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

The Board of Management of (*Kimunyu Secondary School*) accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.

.....


Name: Mr. Geoffrey Waweru

Designation: Chairman, School Board of Management

Date:

.....


Name: Dr. John Muthee

Designation: School Principal & Secretary to Board of Management

Date:



.....


Name: Mrs. Elizabeth Karanja

Designation: Bursar/ Finance Officer

Date:

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 KIMUNYU SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – KIAMBU 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

Qualified Opinion

I have audited the accompanying financial statements of Kimunyu Secondary School – Kiambu County set out on pages 1 to 21, which comprise the statement of financial

Report of the Auditor-General on Kimunyu Secondary School for the year ended 30 June, 2022 – Kiambu County

assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows, statement of budgeted versus actual amounts, 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 Kimunyu Secondary School - Kiambu County as at 30 June, 2022 and of its receipts and payments and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualification

1.0 Inaccuracies of the Financial Statements

1.1 Inaccurate Tuition Payment

The statement of receipts and payments as disclosed in Note 6 to the financial statements reflects an expenditure of Kshs.3,006,742. However, the recomputation of the expenditure results to an amount of Kshs.3,006,382 resulting in a variance of Kshs.360.

In the circumstances, the accuracy and completeness of the tuition expenditure of Kshs.3,006,742 could not be confirmed.

1.2 Inaccurate Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects a balance of Kshs.1,826,416 in respect to accounts payables. However, analysis of movement made up of opening balance of Kshs.3,971,777, total expenditure amounts for the period of Kshs.73,742,120 and total actual payments for the period of Kshs.76,462,994 results to a balance of Kshs.1,250,903. This leads to an unexplained and unreconciled variance Kshs.575,513.

In the circumstances, the accuracy and completeness of accounts payable balance of Kshs.1,826,416 could not be confirmed.

1.3 Inaccurate Accounts Receivables

The statement of financial assets and financial liabilities and as disclosed in Note 13 to the financial statement reflects a balance of Kshs.31,667,140.46 in respect to receivables. However, re-computation of the movement made up of opening balance of Kshs.22,017,932.46, total amount for the period of Kshs.83,405,607 and total actual receipts for the period of Kshs.74,332,020.20 results to a balance of Kshs.31,091,519.26 leading to unreconciled variance of Kshs.575,621. Further, the balance differs from the balance reflected in Note 13a and 13b of Kshs.11,900,470.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.31,667,140.46 could not be confirmed.

2.0 Unsupported Inventory

The financial statement and as disclosed in Note 19 to the financial statements discloses an inventory balance of Kshs.3,550,000 and Kshs.352,000 in respect to foodstuffs and lab consumables respectively as at 30 June, 2022. However, it was observed that Management did not conduct a physical inventory count at the end of the financial year and the value stated could not be supported.

In the circumstances, it was not possible to confirm the accuracy and completeness of the balance of Kshs.3,550,000 and Kshs.352,000 in respect to foodstuffs and lab consumables.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kimunyu Secondary School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

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.74,732,000 and Kshs.71,497,144.40 respectively, resulting to underfunding of Kshs.3,234,856 or 4% of the budget. However, the School spent Kshs.17,641,500 against the actual receipts Kshs.71,497,144.40 resulting to under-utilization of Kshs.53,855,644.40 or 75% of the actual receipts.

The 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Presentation of Financial Statements

The financial statements read for the “period ended” instead of for the “financial year ended”. This was contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya, dated 20 August, 2021 which gives guidelines on the presentation of financial statements.

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

2. Failure to Prepare School Improvement Plan

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

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

3. Unbalanced Budget

The statement of budgeted versus actual amounts reflects total revenue budget of Kshs.74,732,000 and an expenditure budget of Kshs.23,183,525 resulting to a deficit of

Kshs.51,548,475 contrary to Regulation 33(c) of Public Finance Management (National Government) Regulations, 2015 which states that unless provided otherwise in the Act, these Regulations or Budget guidelines any other guidelines developed in furtherance of the Act or these Regulations budget revenue and expenditure appropriations shall be balanced.

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

4. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects operations amount of Kshs.8,094,363. Included in this expenditure is an amount of Kshs.144,500 paid to Kenya Secondary Heads Association for County and Sub-County (KESSHA) activities being a welfare association that draws its membership from heads of secondary schools. The organization is not defined in the Government funding system and therefore, there is no assurance that it has implemented effective, efficient and transparent financial management and internal control system to manage the funds transferred by the school.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.144,500 could not be confirmed.

5. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 17 May, 2024. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires public entities to submit their financial statements to the Auditor-General three (3) months after the closure of the fiscal year.

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

6. Over Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,915,545.40 and Kshs.12,858,562.80 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of eight hundred and eighty-seven (887) students while the enrolment records provided by the school indicated a total number of eight hundred and seventy-nine (879) students, resulting to an unexplained variance of eight (8) students. As a result of the variances, the school was overfunded by an amount of Kshs.142,269.30.

In the circumstances, the over-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.

7. Failure to Develop School Improvement Plan

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

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing 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. Failure to Maintain Bursaries/Scholarships Vote Head

During the year, the school received bursary disbursements and scholarships from the National Government Constituencies Development Fund and other donors in respect to needy students. However, Management did not maintain a register of beneficiaries for both bursary grants and scholarships indicating the name of beneficiary, admission number, amount received and the financier / donors during the year.

In the circumstances, effectiveness on management of the bursaries and scholarship could not be confirmed.

2. Non-Operational Audit Committee

During the year under review, it was observed that although Management had duly established an audit committee in accordance with Section 73(5) of the Public Finance Management Act, 2012 which mandates that every National Government entity should

establish an audit committee with defined composition and functions as prescribed by the regulations, the committee was found to be non-operational. It was noted that the committee members had not convened any meetings, and as a result, no minutes were recorded for such meetings. This lack of functionality raises concerns regarding the effectiveness of the audit committee in fulfilling its intended purpose of providing oversight and ensuring accountability in financial management.

In the circumstances, the existence of internal controls and implementation of the recommendations could not be confirmed.

3. Unaccounted for Textbooks

According to the Kenya Institute of Curriculum Development records, eight hundred and fifty-two (852) books including two hundred and thirteen books (213) each for the 4 set of books including the Mapambazuko ya mchweo na hadithi nyingine, A silent song and other stories, an artist of the floating world and Bembea ya Maisha were disbursed to the School during the year. However, these books were not delivered to the school and they have not been accounted for.

In addition, no system was in place to track the receipt and issuance of books to students in contravention to Regulation 140(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to be responsible for proper custody care and use of Government inventories under their control.

In the circumstances, the effectiveness of internal controls and management of the eight hundred and fifty-two (852) textbooks could not be confirmed.

4. Non-Tagging of Fixed Assets and Lack of Asset Register

Physical verification of assets done in May, 2024 revealed that the school has several fixed assets that have been acquired over a period of time and all of the assets have not been coded/tagged with unique identification codes. The school sits on unvalued acres of land and owns various assets including buildings, motor vehicles and various furniture and fittings whose values have not been disclosed. Further, Management did not maintain an asset register which could have provided critical information including location of the assets, description, respective cost and serial numbers. This was in contrary to The National Treasury guidelines as per Circular No. 5/2020 dated 25 February, 2020 which required all public entities to keep a comprehensive register to protect public assets.

In the circumstances, the existence, ownership and valuation of various assets owned by the school could not be confirmed.

5. Lack of Information Communication Technologic (ICT) Policy

Review of the School's ICT environment revealed that there was no formal approved ICT policy, Security policy, Environmental policy, IT Continuity Plan and Disaster Recovery Plan in place as at the time of audit. This is contrary to Section 149(2)(c) of the Public

Finance Management Act, 2012 provides that a Public Entity should always ensure that all its records, financial or otherwise kept in electronic form are adequately protected and backed up.

In the circumstances, the reliability, integrity and recoverability of the school data could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of intention to terminate the School or to cease its 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 following the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the 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 overall 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 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 September, 2024

Annual Report and Financial Statements For the Period ended 30th June 20225. Statement Of Receipts and Payments For the Period Ended 30th June 2022

Description Of Vote Head	Note	2021/2022	2020/2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,915,545.40	1,103,928.25
Government grants for operations	2	12,858,562.80	7,000,389.35
Government Grants for infrastructure	3	0.00	0.00
School fund income- parents' contributions	4	67,631,607.00	24,515,138.00
Miscellaneous incomes	5	0.00	0.00
Total Receipts		83,405,607.00	32,619,455.60
Payments			
Tuition	6	3,006,742.00	810,630.00
Operations	7	8,094,363.00	3,671,864.00
Infrastructure	8	3,948,100.00	2,068,110.00
Boarding and school fund	9	58,692,915.00	11,092,696.00
Total Payments		73,742,120.00	17,643,300.00
Surplus/Deficit		9,663,595.20	14,976,155.60

The school financial statements were approved on 11/07/2024 2024 and signed by:

.....
 Name: Geogrey Wawery Name: NGANGA BK Name: CHARISH KARANJA
 Chair BOM School Principal/ Secretary to BOM Bursar/ Finance Officer
 Date: 11/07/2024 Date: 11/07/2024 Date: 11/07/2024



Annual Report and Financial Statements For the Period ended 30th June 2022

6. Statement of Assets and Liabilities For the period Ended 30th June 2022

Description	Note	2021/2022 Kshs	2020/2021 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	741,994.81	2,872,742.60
Cash balances	11	9,377.00	9,603.00
Short term investments	12	0.00	0.00
Total cash and cash equivalent		751,371.80	2,882,345.60
Account's receivables	13	31,667,140.46	22,017,932.46
Total financial assets		32,418,512.27	24,900,278.06
Financial liabilities			
Accounts payables	14	1,826,416.00	3,971,777.00
Net financial assets		30,592,096.27	20,928,501.07
Represented by			
Accumulated fund b/fwd	15	20,928,501.07	5,952,345.47
Surplus/deficit for the year		9,663,595.20	14,976,155.60
Net financial position		30,592,096.27	20,928,501.07

The school's financial statements were approved on 11/07/2024 and signed by:

.....
Name: *Gregory Waweru*

Chair BOM

Date: 11/07/2024

.....
Name: *NGANGIA B.K*

School Principal/ Secretary to BOM

Date: 11/07/2024



.....
Name: *ELIZABETH KARANDA*

Bursar/ Finance Officer

Date: 11/07/2024

Statement of Cash Flows for the Period Ended 30th June 2022

Annual Report and Financial Statements For the Period ended 30th June 2022


Description	Note	2021/2022	2020/2021
		Kshs	
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	2,915,545.40	1,103,928.25
Government grants for operations	2	12,858,562.80	7,014,189.35
Government grants for infrastructure	3	0.00	0.00
School fund income- parents contributions/ fees	4	58,557,912.00	14,493,286.00
Other income	5	0.00	0.00
Total receipts		74,332,020.20	20,565,222.60
Payments			
Cash outflows for tuition	6	3,006,742.00	810,630.00
Cash outflows for operations	7	8,094,363.00	3,676,864.00
Cash outflows for Infrastructure	8	3,948,100.00	2,068,110.00
Cash outflows Boarding/lunch and school fund payments	9	61,413,789.00	12,971,928.00
Total payments		76,462,994.00	19,527,532.00
Net cash inflow/outflow from operating activities		(2,130,973.80)	3,083,871.60
Cash flow from investing activities			
Acquisition of assets		0.00	0.00
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		0.00	0.00
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		(2,130,973.80)	3,083,871.60
Cash and cash equivalent at beginning of the 2021/2022		2,882,345.61	(201,525.99)
Cash and cash equivalent at end of the 30th June 2022		751,371.81	2,882,345.61


Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

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

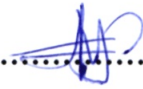
Annual Report and Financial Statements For the Period ended 30th June 2022

The school's financial statements were approved on 11/07/2024 2024 and signed by:


.....
Name: Gregory Wawery
Chair BOM
Date: 11/07/2024


.....
Name: NG'ANGA B.K
School Principal/ Secretary to BOM
Date: 11/07/2024




.....
Name: ELIZABETH KARANJA
Bursar/ Finance Officer
Date: 11/07/2024

Annual Report and Financial Statements For the Period ended 30th June 20227. Statement Of Budgeted Versus Actual Amounts for The Period Ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Teaching / Learning Materials	3,000,000.00	0.00	3,000,000.00	2,915,545.40	97.18
	3,000,000.00	0.00	3,000,000.00	2,915,545.40	97.18
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	7,000,000.00	0.00	7,000,000.00	6,939,251.20	99.13
Repairs And Maintenance	4,432,000.00	0.00	4,432,000.00	4,432,000.00	100.00
Local transport and travel	500,000.00	0.00	500,000.00	407,897.20	81.58
Electricity And Water	500,000.00	0.00	500,000.00	495,717.20	99.14
Administration Costs	500,000.00	0.00	500,000.00	407,897.20	81.58
Medical	200,000.00	0.00	200,000.00	175,800.00	87.90
	13,132,000.00	0.00	13,132,000.00	12,858,562.80	97.92
<i>3) FDSE for infrastructure</i>					
	0.00	0.00	0.00	0.00	0.00
<i>(4) Fees Charged on Parents</i>					
Personnel Emoluments	3,500,000.00	0.00	3,500,000.00	3,058,745.00	87.39
Repairs And Maintenance	6,000,000.00	0.00	6,000,000.00	5,501,794.00	91.70
Local Transport / Travelling	800,000.00	0.00	800,000.00	768,954.00	96.12
Electricity And Water	5,000,000.00	0.00	5,000,000.00	4,609,330.00	92.16

Annual Report and Financial Statements For the Period ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Administration Costs	2,000,000.00	0.00	2,000,000.00	1,992,016.00	99.60
Activity	300,000.00	0.00	300,000.00	240,000.00	80.00
Lost Text Books	267,085.00	0.00	267,085.00	267,085.00	100.00
Uniform	9,000,000.00	0.00	9,000,000.00	8,862,276.00	98.47
Fee On Boarding Equipment and Stores	32,000,000.00	0.00	32,000,000.00	30,422,837.00	95.07
5) Miscellaneous Income					
	0.00	0.00	0.00	0.00	0.00
	58,600,000.00	0.00	58,600,000.00	55,723,037.00	95.09
Total Income	74,732,000.00	0.00	74,732,000.00	71,497,144.40	77.65
(6) Expenditure For Tuition					
Teaching / Learning Materials	1,000,000.00	0.00	1,000,000.00	810,390	81.04
Bank Charges	500.00	0.00	500.00	240.00	48.00
	1,000,500.00	0.00	1,000,500.00	810,630.00	81.02
(7) Expenditure For Operations					
Personnel Emoluments	3,262,500.00	0.00	3,262,500.00	2,868,425.00	87.92
Electricity, Water and Conservancy	762,500.00	0.00	762,500.00	504,443.00	66.16
Medical	200,000.00	0.00	200,000.00	168,746.00	84.37
Activity Expenses	150,000.00	0.00	150,000.00	128,500.00	85.67
Bank Charges	2000.00	0.00	2,000.00	1750.00	87.50
	4,377,000.00	0.00	4,377,000.00	3,671,864.00	83.89
(8) Expenditure For infrastructure					

Annual Report and Financial Statements For the Period ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Maintenance Improvement Funds	2,200,000.00	0.00	2,200,000.00	2,068,110.00	94.01
	2,200,000.00	0.00	2,200,000.00	2,068,110.00	94.01
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments	600,000.00	0.00	600,000.00	553,021.00	92.17
Repairs, Maintenance and Improvements	3,000,000.00	0.00	3,000,000.00	2,864,463.00	92.17
Local Transport / Travelling	2,500,000.00	0.00	2,500,000.00	2,137,600.00	85.50
Electricity, Water and Conservancy	300,000.00	0.00	300,000.00	232,970.00	77.66
Administration Costs	500,000.00	0.00	500,000.00	448,355.00	89.67
Activity	200,000.00	0.00	200,000.00	193,500.00	96.75
Boarding Equipment and Stores	5,000,000.00	0.00	5,000,000.00	4,046,076.00	80.92
Development Fund	44,000.00	0.00	44,000.00	44,000.00	100
Learning Material	219,325.00	0.00	219,325.00	219,325.00	100
Bank Charges	25,000.00	0.00	25,000.00	18,886.00	75.54
Uniform	332,700.00	0.00	332,700.00	332,700.00	100
Totals	15,606,025.00	0.00	15,606,025.00	11,090,896.00	71.07
Total Expenditure	23,183,525.00	00.0	23,183,525.00	17,641,500.00	76.09

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

8. 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 school fees from parents, 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

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.

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. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

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 Period ended 30th June 2022.

Annual Report and Financial Statements For the Period ended 30th June 2022

9. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2021/2022	2020/2021
	Kshs	Kshs
Reference Materials	0.00	0.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	2,915,545.40	1,103,928.25
Others (specify)*	0.00	0.00
Total	2,915,545.40	1,103,928.25

2 Government Grants for Operations

Description	2021/2022	2020/2021
	Kshs	Kshs
Personnel Emoluments	6,939,251.20	4,500,000.00
Repairs And Maintenance	0.00	1,696,000.00
Local Transport / Travelling	407,897.20	0.00
Electricity And Water	495,717.20	550,000
Medical	175,800.00	0.00
Administration Costs	407,897.20	254,389.35
Activity	0.00	0.00
Other Vote Heads	4,432,000.00	0.00
Total	12,858,562.80	7,000,389.35

3 Government Grants for infrastructure

Description	2021/2022	2020/2021
	Kshs	Kshs
Maintenance & Improvement	0.00	0.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (specify)(NGCDF and County govt.	0.00	0.00
Total	0.00	0.00

4. School Fund Income - Parents Contribution/Fees

Description	2021/2022	2021/2021
	Kshs	Kshs
Personnel emoluments	4,275,525.00	1,550,340.00

Annual Report and Financial Statements For the Period ended 30th June 2022

Description	2021/2022	2021/2021
	Kshs	Kshs
Repairs and maintenance	7,223,244.00	1,864,000.00
Local transport / travelling	862,029.00	2,044,000.00
Electricity and water	5,722,300.00	2,402,400.00
Medical	0.00	0.00
Administration costs	2,552,176.00	860,700.00
Activity	240,000.00	208,892.00
Fee on Boarding Equipment and stores	37,618,872.00	15,262,400.00
Lost Test book	267,085.00	115,794.00
Uniform	8,862,276.00	206,612.00
KCSE	8,00.00	0.00
Learning materials	0.00	0.00
PA Levies	0.00	0.00
Others (specify)	0.00	0.00
Total	67,631,607.00	24,515,138.00

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

5. Miscellaneous Incomes

Description	2021/2022	2020/2021
	Kshs	Kshs
Rent Income	0.00	0.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Loans/Borrowings*	0.00	0.00
Other Income (specify)*	0.00	0.00
Total	0.00	0.00

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

**Ensure proper authorization from MOE before obtaining loans/borrowings.*

**Indicate what other income relates to including income arising from writebacks if any.*

Annual Report and Financial Statements For the Period ended 30th June 2022

Notes to the Financial Statements (continued)

6. Tuition

Description	2021/2022	2020/2021
	Kshs	Kshs
Exercise Books	0.00	0.00
Textbooks	0.00	0.00
Reference materials	400,000.00	0.00
Laboratory Equipment	0.00	0.00
Teaching / Learning Materials	2,606,382.00	810,390.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Bank Charges	0.00	240.00
Others (<i>specify</i>)	0.00	0.00
Total	3,006,742.00	810,630.00

7. Operations

Description	2021/2022	2020/2021
	Kshs	Kshs
Personnel Emoluments	6,732,646.00	2,868,425.00
Service Gratuity	0.00	0.00
Administration Cost	0.00	0.00
Repairs And Maintenance & Improvements	0.00	0.00
Local Transport / Travelling	0.00	0.00
Electricity And Water	679,150.00	504,443.00
Medical	0.00	168,746.00
Activity Expenses	450,680.00	128,500.00
Bank charges	1,810.00	1750.00
Insurance Cost	230,077.00	0.00
Others (<i>specify</i>)		0.00
Total	8,094,363.00	3,671,864.00

Annual Report and Financial Statements For the Period ended 30th June 2022

Notes to the Financial Statements (continued)

8. Infrastructure

Description	2021/2022	2020/2021
	Kshs	Kshs
Construction of classrooms	0.00	0.00
Construction of laboratory	0.00	0.00
Construction of dormitory	3,946,650.00	2,068,110.00
Purchase of furniture	0.00	0.00
Purchase of equipment	0.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Bank charges	0.00	0.00
Total	3,948,100.00	2,068,110.00

9. Boarding And School Fund

Description	2021/2022	2020/2021
	Kshs	Kshs
Personnel Emoluments	319,170.00	553,021.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	10,509,820.00	2,864,463.00
Local Transport / Travelling	6,540,315.00	2,137,600.00
Electricity And Water	586,380.00	232,970.00
Medical Expenses	0.00	0.00
Administration Costs	1,628,679.00	448,355.00
Lunch Programme	0.00	0.00
Bank Charges	0.00	18,886.00
Expenses On Income Generating Activities**	0.00	0.00
Fee On Boarding Equipment and Stores	29,438,426.00	4,046,076.00
Rent Expenses	0.00	0.00
Insurance Cost (Life Property)	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	0.00
PA expenses	0.00	44,000.00
KCSE	18,050.00	1,800.00
Activity	516,020.00	193,500.00
Learning materials	5,783,055.00	219,325.00
Uniform	3,353,000.00	332,700.00
Total	58,692,915.00	11,092,696.00

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

Annual Report and Financial Statements For the Period ended 30th June 2022

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021/2022	2020/2021
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01025059185200	9,837.25	101,033.85
Operations Account	Active	01025059185201	(14,323.55)	986,234.65
School Fund Account/Boarding	Active	004000005506	708,805.72	1,740,198.72
Savings Account	Dormant	0124059185200	4045.39	4,045.39
Parent Association Development Account	N/A	N/A	0.00	0.00
Income Generating Activities Account	N/A	N/A	0.00	0.00
Infrastructural Account	Active	01022059185200	33,630.00	41,230.00
Total			741,994.81	2,872,742.61

11. Cash In Hand

Description	2021/2022	2020/2021
	Kshs	Kshs
Notes and Coins	9,377.00	9,603.00
Total	9,377.00	9,603.00

12. Short Term Investments

Description	2021/2022	2020/2021
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Annual Report and Financial Statements For the Period ended 30th June 2022

Notes to the Financial Statements (continued)

13. Accounts Receivable

Description	2021/2022	2020/2021
	Kshs	Kshs
Fees Arrears	11,900,470.00	12,054,233.00
Other Non-Fees Receivables	0.00	0.00
Salary Advances (list/schedule attached)	0.00	0.00
Imprest (list/schedule attached)	0.00	0.00
Rent arrears (list/schedule attached)	0.00	0.00
Total	11,900,470.00	12,054,233.00

13 b Ageing Analysis of Accounts Receivable

Description	2020/2021		2020/2021	
	Kshs		Kshs	
	2020/2021	% of the total	2019/2020	% of the total
Less than 1 year	11,900,470.00	37.55%	12,059,233.00	54.77%
Between 1- 2 years	9,807,971.00	31.00%	401,873.00	1.83%
Between 2-3 years	9,958,699.46	31.45%	9,556,826.46	43.40%
Over 3 years	0.00	%	0.00	%
Total (should tie to note 13 a)	31,667,140.46	100%	22,017,932.46	100%

14. Accounts Payable

Description	2021/2022	2020/2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	873,478.00	873,478.00
Prepaid Fees	952,938.00	3,098,299.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables (<i>specify</i>)	0.00	0.00
Total	1,826,416.00	3,971,777.00

Annual Report and Financial Statements For the Period ended 30th June 2022

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2021/2022		2020/2021	
	Kshs		Kshs	
	2021/2022	% of the total	2020/2021	% of the total
Less than 1 year	952,938.00	52.18%	3,098,299.00	78%
Between 1- 2 years		%	873,478.00	22%
Between 2-3 years	873,478.00	47.82%	0.00	%
Over 3 years		%	0.00	%
Total (should tie to note 14)	1,826,416.00	100%	3,971,777.00	100%

15. Fund Balance Brought Forward

Description	2021/2022	2020/2021
	Kshs	Kshs
Bank Balances	741,994.81	2,872,742.61
Cash Balances	9,377.00	9,603.00
Short Term Investments	0.00	0.00
Receivables	31,667,140.46	22,017,932.46
Payables	1,826,416.00	3,971,777.00
Total	30,592,096.27	20,928,501.07

Annual Report and Financial Statements For the Period ended 30th June 2022

Other important disclosure notes

IPSAS Cash Standard 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	2021/2022	2020/2021
	Kshs	Kshs
Bank Loans	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Others (specify)	0.00	0.00
Total	0.00	0.00

17. Biological assets

Description	Numbers	2021/2022	2020/2021
		Kshs	Kshs
Cattle		0.00.	0.00
Goats		0.00	0.00
Trees	450	450,000.00	250,000.00
Coffee Or Tea Plantation		0.00	0.00
Poultry		0.00	0.00
Others (specify)		0.00	0.00
Total		300,000.00	250,000.00

18. Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Other important disclosure notes

19. Stock/ Inventory

Description	2020/2021	2019/2020
	Kshs	Kshs
Food stuffs	3,550,000.00	4,526,000.00
Lab consumables	352,000.00	700,000.00
Farm produce	0.00	0.00
Medication	0.00	0.00
Construction Materials	0.00	0.00
Others (specify)	0.00	0.00


(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

Annual Report and Financial Statements For the Period ended 30th June 2022


20. Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal



Annual Report and Financial Statements For the Period ended 30th June 2022

21. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings	0.00	0.00	0.00	0.00	0.00	0.00
1.	0.00	0.00	0.00	0.00	0.00	0.00
2.	0.00	0.00	0.00	0.00	0.00	0.00
3.	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00
Supply Of Goods	0.00	0.00	0.00	0.00	0.00	0.00
4.	0.00	0.00	0.00	0.00	0.00	0.00
5.	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00
Supply Of Services	0.00	0.00	0.00	0.00	0.00	0.00
6.	0.00	0.00	0.00	0.00	0.00	0.00
7.	0.00	0.00	0.00	0.00	0.00	0.00
8.	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00	0.00

Annual Report and Financial Statements For the Period ended 30th June 2022

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
Grand Total	0.00	0.00	0.00	0.00	0.00	0.00

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land	10,000,000.00	3,000,000.00	0.00	13,000,000.00
Buildings And Structures	20,000,000.00	0.00	0.00	20,000,000.00
Motor Vehicles	4,200,000.00	(1,000,000.00)	0.00	3,200,000.00
Office Equipment, Furniture And Fittings	1,200,000.00	0.00	0.00	1,000,000.00
Textbooks	1,800,000.00	0.00	0.00	2,000,000.00
ICT Equipment	500,000.00	0.00	0.00	600,000.00
Tools And Apparatus	2,500,000.00	0.00	0.00	1,500,000.00
Other Machinery And Equipment	1,500,000.00	0.00	0.00	1,500,000.00
Heritage And Cultural Assets	200,000.00	0.00	0.00	200,000.00
Intangible Assets- Soft Ware	200,000.00	0.00	0.00	200,000.00
Total	41,200,000.00	0.00	0.00	41,200,000.00

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