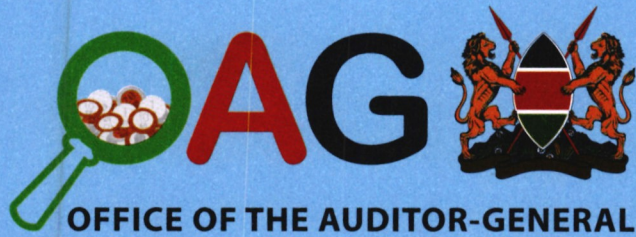


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 28 NOV 2023	DAY: TUESDAY
TABLED BY:	Hon Owen Baya, MP Deputy majority leader
CLERK AT THE TABLE:	Inzofu mwale

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REPORT

OF

THE AUDITOR-GENERAL

ON

KAMONDO SECONDARY SCHOOL

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

KIAMBU COUNTY

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
17 JUL 2023
~~RECEIVED~~



KAMONDO SECONDARY SCHOOL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2022

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



TABLE OF CONTENTS

I.	KEY SCHOOL INFORMATION AND MANAGEMENT	1
II.	SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.....	5
III.	STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY.....	11
IV.	REPORT OF THE INDEPENDENT AUDITORS ON KAMONDO SEC .SCHOOL.....	12
V.	STATEMENT OF RECEIPTS AND PAYMENTS.....	13
VI.	STATEMENT OF FINANCIAL ASSETS AND LIABILITIES.....	14
VII.	STATEMENT OF CASH FLOWS.....	15
VIII.	STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR SIX MONTHS ENDED 30 TH JUNE 2022.....	16
IX.	SIGNIFICANT ACCOUNTING POLICIES.....	18
X.	NOTES TO THE FINANCIAL STATEMENTS.....	20
XI.	PROGRESS ON FOLLOW UP OF THE AUDITOR RECOMMENDATION.....	27
XII.	ANNEX 1.-ANALYSIS OF PENDING ACCOUNTS PAYABLES.....	28
XIII.	ANNEX 2.-SUMMARY OF FIXED ASSETS.....	29



I. KEY SCHOOL INFORMATION AND MANAGEMENT**a) Background information**

Kamondo secondary school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Kiambu County, Githunguri Sub-county, Ikinu ward.

The school was registered on *31/03/2011* under the registration number *PU/S/2/5438/11* and is currently categorized as a **sub-county school**.

Kamondo secondary school is a **mixed day school** and had **367** students as 30th June 2022. It had two streams and 21 teachers of which 2 were employed by the B.OM. The number of support staff stood at 11.

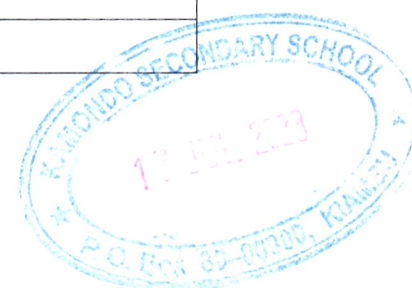
The school was established in **January 2006** under the school management committee of the then Kamondo primary school on a 3.6 acres piece of land. It is a **catholic sponsored** school. The first infrastructure was donated by Kamondo primary school. A residential house, now an administration block, 4 classrooms and an incomplete workshop, now a laboratory.

The school's present development has come through the grants from the CDF projects, parents' contribution and Ministry of Education (M.O.E). As at 30th June 2022, the school infrastructure consisted of 9 permanent classrooms, a dining hall, a permanent and spacious Kitchen, 16 toilets, a laboratory, Staff room and an administration block.

b) Board Members

The school board of Management is composed of the following members:

S/NO	NAME OF BOARD MEMBER	DESIGNATION	DATE OF APPOINTMENT
1	James Njoroge Macharia	BOM Chairperson	7/3/2022
2	Virginia Muli	BOM Secretary	7/3/2022
3	Mbugua Mwangi	BOM Member	7/3/2022
4	Mary Giteru	BOM Member	7/3/2022
5	Thomas Kiarie	BOM Member	7/3/2022
6	Rosemary Njeri	BOM Member	7/3/2022
7	Wycliffe Mumia	BOM Member	7/3/2022
8	Peter Gitiba	BOM Member	7/3/2022
9	Joyce Njeri	BOM Member	7/3/2022
10	Simon Kahunyo	BOM Member	7/3/2022
11	Haron mirara	BOM Member	7/3/2022
12	Bernard Kamumu	BOM Member	7/3/2022
13	Martha Kimarua	BOM Member	7/3/2022
14	Allan Ng'ang'a	BOM Member	7/3/2022



The function of the School Board of Management includes:

- 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 part 21 and 23 of the Basic Education Act, 2013.

C) Committees of the Board

S/NO	NAME OF THE COMMITTEE	NAME OF MEMBERS	DESIGNATION	NUMBER OF MEETINGS ATTENDED DURING THE YEAR
1	Finance & Audit Committee	i. Mburu Hiuhu ii. Joseph Mbugua iii. Bernard Kamumu iv. Mary Wanjiru	Chairperson/BOM chairperson BOM member BOM member BOM member	1 1 1 1
2	Academic Committee	i. Haron Mirara ii. James Macharia iii. Wycliffe Mumia iv. Mary Giteru	BOM Member BOM member BOM member BOM member	1 1 1 1
3	Infrastructure Committee	i. Bernard Kamumu ii. Virginia Muli iii. Mbugua Mwangi iv. Joyce Njeri	BOM Member BOM Secretary BOM Member BOM Member	1 1 1 1



4	Discipline Ethics and integrity & human rights and students' Welfare Committee	i. Allan Ng'ang'a ii. Martha Kimarua iii. Peter Kinyanjui iv. Thomas Kiarie v. Mary Giteru	BOM member/ Bom member BOM member BOM member BOM member	1 1 1 1 1

d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Virginia M. Muli	362651
2	Deputy Principal	Peter Kimani Gikahu	336692
3	School Bursar	John Njoroge Waweru	ID No-25924856

(e) Schools contacts

Post Office Box: 80-00900 Kiambu
 Phone: 0715349938
 E-mail: kamondo.secschool@yahoo.com



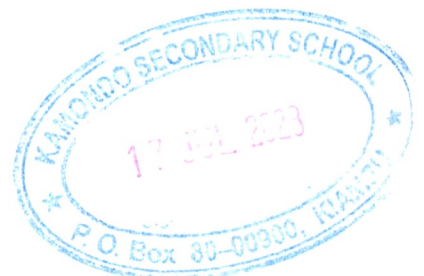
(f) School Bankers

The following school operated 4 number of bank accounts in the following banks

1. Name of Bank: Family Bank
Branch: Kiambu
Account Number: 001000008032 (Operation A/C)
2. Name of Bank: Family Bank
Branch: Kiambu
Account Number: 001000014068 (PTA A/C)
3. Name of Bank: Family Bank
Branch: Kiambu
Account Number: 001000027232 (Infrastructure4 A/C)
4. Name of Bank: Co-operative Bank
Branch: Kiambu
Account Number: 01139063095800 (Tuition A/C)
5. MPESA Pay Bill No. **222115** attached to 001000014068(PTA A/C)

(g) Independent Auditors

Office of the Auditor General
Anniversary Towers, University Way P.O.
Box 30084
GOP 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:

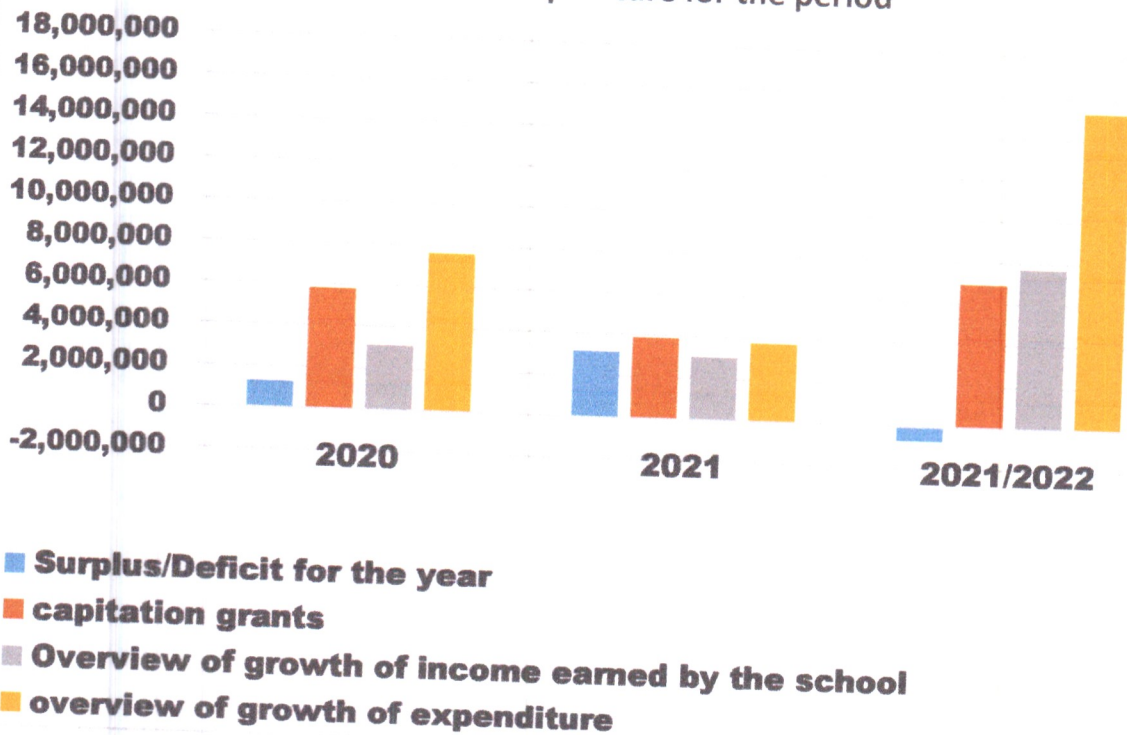
a) **Financial performance:**

DETAILS	2021/2022	(JAN-JUNE) 2021	2020
Surplus/Deficit for the year	(672,977)	3,185,358	1,285,183
Capitation grants	6,892,680	3,885,298	5,815,342
Ratio of capitation grant per student	1:17,903	1: 9,570	1: 13,946
Overview of growth of other income earned by the school	7,717,817	3,052,924	3,106,612
Overview of growth in expenditure of the school	15,288,474	3,752,864	7,636,771
Movement of debtors of the school	4,167,775.00	4,243,086	3,759,341
Movement of creditors of the school	898,757	338,458	2,657,638
Movement of cash balances	6,176	106,349	12,133
Movement of bank balances	360,598	297,793	9,576

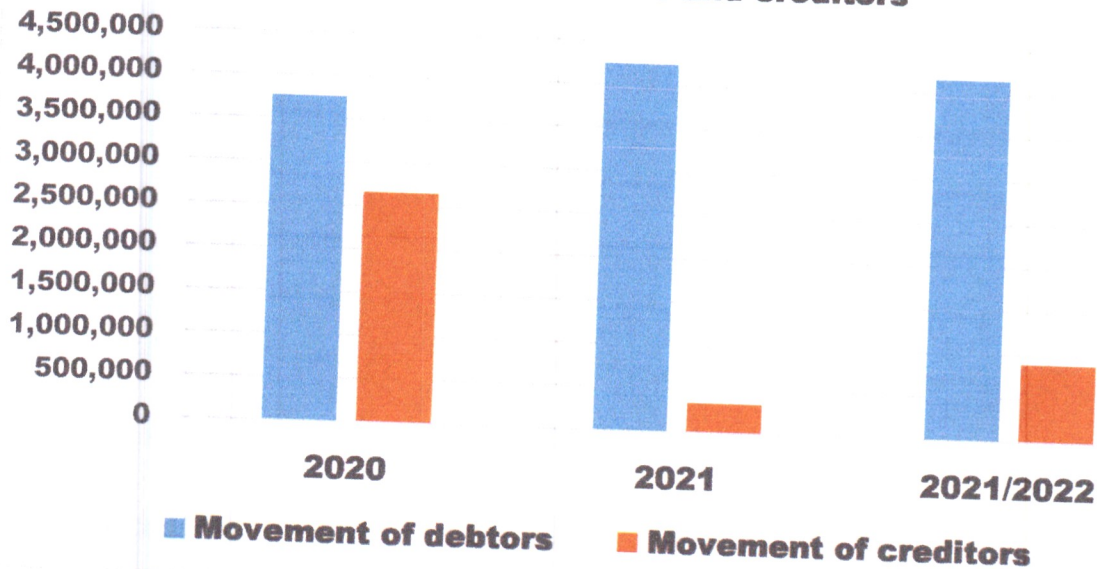


GRAPHICAL PRESENTATION OF FINANCIAL PERFORMANCE.

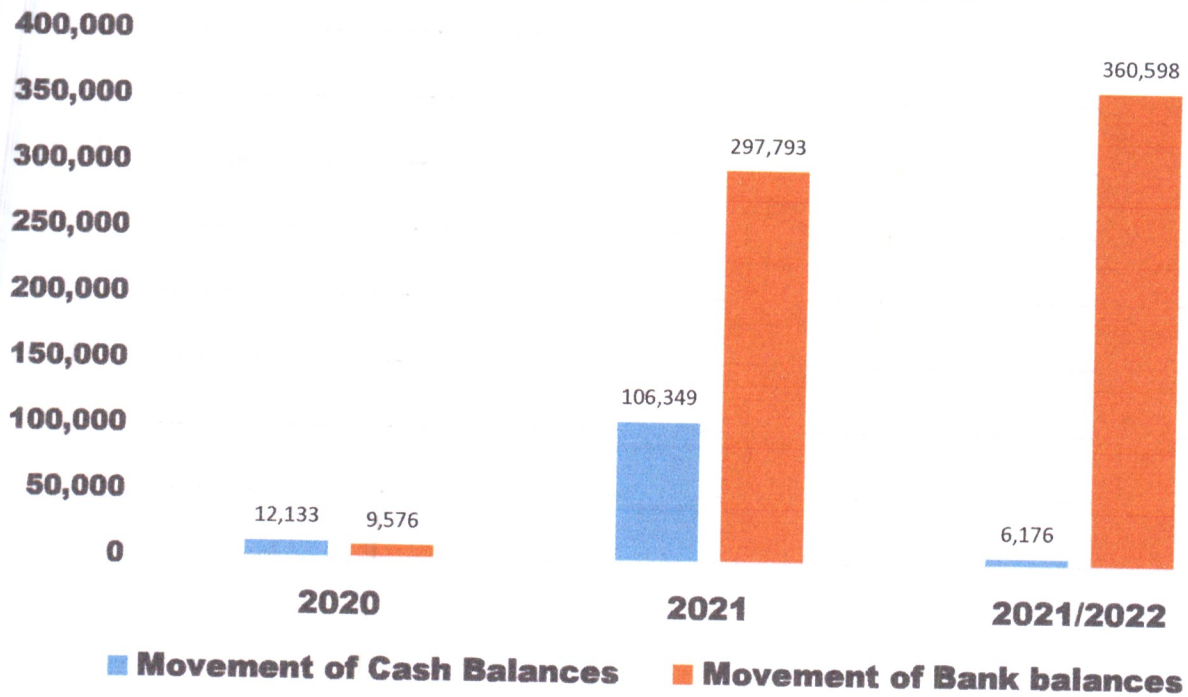
**Trends on the behaviour of surplus/deficits, capitation grants
Income and Expeniture for the period**



Movement of debtors and creditors



Movement of Cash and Bank balances



b) **Teacher Student ratio:**

- The teacher to student ratio as at 30th June 2022 was **1:17**
- One teacher was recruited and another one posted within this period.
- The teachers in Each subject were as follows

SUBJECT	NO OF TEACHERS
MATHEMATICS	5
ENGLISH	3
KISWAHILI	3
BIOLOGY	3
CHEMISTRY	5
PHYSICS	2
GEOGRAPHY	3
HISTORY & GOVERNMENT	3
CRE	5
BUSINESS STUDIES	2
AGRICULTURE	3
PHYSICAL EDUCATION	1



c) **Mean score in the 2022 KCSE:**

	2022	2021	2020
MEAN SCORE	-	2.922	3.0787
COMMENTS	-	The school attained score was below the school set score of 3.5	The school attained score was above the school set score of 3.0
STUDENTS ADMITTED TO UNIVERSITIES	-	3	3
STUDENTS ADMITTED TO COLLEGES	-	58	22
STUDENTS ADMITTED TO VOCATIONAL/ TECHNICAL INSTITUTION	-	30	20

d) **Number of Candidates in the 2022 KCSE:**

YEAR	NO OF CANDIDATES
2022	117
2021	104
2020	89

e) **Capacity of the school:**

NO OF STUDENTS	FACILITY	NO OF FACILITIES
367	Classroom	9
	Laboratory	1
	Dining Hall	1
	Kitchen	1
	Toilets	16
	Washing points	2 (18 taps)
	Water source	1



f) Development projects carried out by the school:

<i>PROJECT</i>	<i>SOURCE OF FUND</i>	<i>STATUS</i>	<i>INITIAL COST</i>	<i>AMOUNT SPENT</i>	<i>EXPECTED COMPLETION TIME</i>
		<i>KSHS.</i>	<i>KSHS.</i>	<i>KSHS</i>	
Re-roofing of a classroom	Ministry of Education(M.O.E)	Complete	208,750.00	87,460.00	-
Painting of a new classroom	Ministry of Education(M.O.E)	Complete		127,360.00	-
Repairs of students lockers and chairs	Ministry of Education(M.O.E)	Complete	150,000.00	344,500.00	-
Refurbishing of a classroom floor (re-flooring)	Ministry of Education(M.O.E)	Complete		98,000.00	-
Partly-finishing of a new kitchen	Ministry of Education(M.O.E)	On-going	166,250.00	131,650.00	30 th October 2022
Hand washing points tiling	Ministry of Education(M.O.E)	Complete		255,290.00	-
Fencing one side of the school	Ministry of Education(M.O.E)	Complete		69,840.00	-
Purchase of school furniture-executive table and office chairs	Ministry of Education(M.O.E)	Complete	120,000.00	125,000.00	-
Replacing of window panes in the classrooms	Ministry of Education(M.O.E)	Complete		53,800.00	-



Construction of office and kitchen shelves and store	Ministry of Education(M.O.E)	Complete	100,000.00	37,580.00	-
Purchase and writing of a school signboard	Ministry of Education(M.O.E)	Complete		43,400.00	-
Construction of a school store	Ministry of Education(M.O.E)	Complete		15,000.00	-
Purchase of a white board	Ministry of Education(M.O.E)	Complete		11,000.00	-

Sign

B.O.M SECRETARY
KAMONDO SECONDARY SCHOOL
P. O Box 80-00900 KIAMBU



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 *Kamondo 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: James Macharia
Designation: Chairman, Board of Management
Sign:
Date: 28/6/23

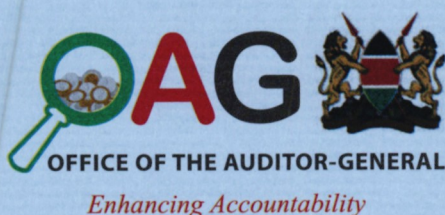
Name: Virginia Muli
Designation: School Principal & Secretary to Board of Management
Sign:
Date: 26/6/23

Name: John Njoroge Waweru
Designation: Bursar/ Finance Officer
Sign:
Date: 26/6/2023



REPUBLIC OF KENYA

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

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, gazetted 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 control, 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 Kamondo Secondary School – Kiambu County set out on pages 13 to 27, which comprise of the statement of assets and financial liabilities as at 30 June, 2022, 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 have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kamondo Secondary School – Kiambu County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements of the School for the year under review revealed the following anomalies:

- i. The statement of budgeted versus actual amounts reflects actual fees charged on parents Kshs.5,891,526 and Kshs.1,375,835 in respect of lunch program and uniforms respectively all totalling to Kshs.7,267,361. However, the statement of receipts and payments reflects school fund income - parents contribution amounting to Kshs.7,717,817 resulting in unreconciled variance of Kshs.450,456.
- ii. The statement of budgeted versus actual amounts reflects actual tuition expenditure and payments for operations of Kshs.1,051,480 and Kshs.6,039,908 respectively, while the statement of receipts and payments reflects payments for tuition and payments for operations amounting to Kshs.1,680,170 and Kshs.5,980,619 respectively, resulting in unexplained and unreconciled variances of Kshs.628,690 and Kshs.59,289.
- iii. The statement of financial assets and financial liabilities reflects fund balance brought forward of Kshs.4,308,770 and Kshs.1,123,412 in respect of 2021/2022 and 2020/2021 financial years respectively. However, Note 12 to the financial statements reflects fund balance brought forward of Kshs.3,630,792 and Kshs.4,308,769 in respect of 2021/2022 and 2020/2021 financial years respectively. The resultant variances were not explained or reconciled.
- iv. The statement of budgeted versus actual amounts reflects total receipts and expenditure budget of Kshs.14,192,680 each, while the budget estimates reflect receipts and expenditure budget of Kshs.17,117,152 and Kshs.15,776,720 resulting in unexplained variances of Kshs.2,924,472 and Kshs.1,584,040 respectively.

- v. The statement of budgeted versus actual amounts reflects total actual payments amounting to Kshs.14,541,537. However, re-computation of the amount resulted in Kshs.14,719,073. The resulting variance of Kshs.177,536 was not explained or reconciled.
- vi. The amounts in the statement of cash flows differ with those in the statement of receipts and payments as detailed out below:

Description	Statement of Cash Flows (Kshs)	Note	Statement of Receipts and Payments (Kshs)	Variance (Kshs)
Capitation grants for operations	5,987,420	2	5,608,788	378,632
School fund income-Parents contribution	9,295,600	3	7,717,817	1,577,783
Payment for operations	4,166,270	5	5,980,619	1,814,349
School fund payments	9,370,493	6	7,627,685	1,742,808

Further, the statement of cash flows was not supported by schedules of the cash receipts and payments during the year under review.

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

2. Unsupported Parents Contribution-School Fund Account Receipts

The statement of receipts and payments reflects school fund income - parents contribution totalling Kshs.7,717,817. As disclosed in Note 3 to the financial statements, the amount includes lunch program and uniforms amounting to Kshs.6,338,982 and Kshs.1,375,835 respectively. However, the school fund account receipts were not supported by receipt books and fees registers.

In the circumstances, the accuracy and completeness of the school fund income - parents' contribution amounting to Kshs.7,717,817 could not be confirmed.

3. Unsupported Accounts Receivables

The statement of financial assets and liabilities and Note 10 to the financial statements reflects accounts receivables balance of Kshs.4,162,775. The amount includes fees arrears from students and imprest balances of Kshs.4,142,775 and Kshs.20,000 respectively. Review of the debtor's ledger revealed a fee balance of Kshs.3,691,271 which had been outstanding for more than two years, some dating back to 2016. However, a listing of students with fees arrears was not provided for review. In addition, Management did not provide an approved debtors policy for review.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivables balance of Kshs.4,162,775 could not be confirmed.

4. Cash and Cash Equivalents

4.1. Unreconciled Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.366,774, which as disclosed in Note 8 to the financial statements, includes cash balances of Kshs.6,176. However, a board of survey report on cashbook balances for bank accounts as at 30 June, 2022 was not provided for review. Further, Note 7 to the financial statements reflects bank balances of Kshs.360,598 which includes savings account balance of Kshs.7,496. However, the balance was not supported by bank statements, cash book, bank reconciliation statements and certificate of bank balances.

4.2. Unaccounted for Cash Withdrawals

The statement of financial assets reflects cash and cash equivalents balance of Kshs.366,774. Review of cash book and bank statements revealed cash withdrawals amounting to Kshs.1,079,100 from operations account during the year under review. However, no memorandum cash book was maintained to account for the cash withdrawn. In addition, the cash withdrawn was not supported using by cash sale receipts invoices and among others. Further, the school did not have an approved cash management policy for use of cash and issuance of standing imprests. Also, there were no formal requests for cash withdrawals and approved cash withdrawal threshold limits. In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.366,774 could not be confirmed.

5. Unsupported Payment for Activity Fees

The statement of receipts and payments reflects payments for operations amounting to Kshs.5,975,619 which includes activity payments of Kshs.394,100 as disclosed in Note 5 to the financial statements. Review of payment vouchers and supporting documents revealed payments made to Githunguri Sub County Secondary School Heads Association in respect of activity fees. However, the payments were made without an invoice. Further, laws and policies, and rates applied for the payment were not provided for audit review. In the circumstances, the occurrence of the payments for operations expenditure of Kshs.394,100 could not be confirmed.

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

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.

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. Unaccounted for Textbooks

As previously reported, review of inventory records revealed a total of 5,367 textbooks out of 8,653 textbooks purchased in 2018 were not accounted for representing 62% of the total textbooks acquired by the School. The foregoing state impacts negatively on the Ministry of Education target of 1:1 textbook to student ratio across all subjects. Further, an interview with the Stores Officer revealed that the loss of textbooks was occasioned by theft through burglary and pilferage by students.

Management did demonstrate measures which have been put in place to ensure lost textbooks are recovered and policies in place on management of textbooks to minimize loss of textbooks. This was contrary to Regulation 139(1) of the Public Finance Management (National Government) Regulations, 2015 which requires an Accounting Officer of a National Government entity to take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, security threats, losses, wastage, and misuse.

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

2. Irregular Payment of Travelling and Subsistence Allowances

The statement of receipts and payments reflects expenditure of Kshs.5,980,619 in respect of operations. As disclosed in Note 5 to the financial statements, the amount includes local transport and travel allowance amounting to Kshs.729,200. However, review of payment vouchers and supporting documents revealed the following anomalies:

- i. There were no imprest registers maintained to record imprest issued, amounts paid and purpose of the imprests.
- ii. Imprest warrants were not attached to the respective surrender vouchers therefore it could not be confirmed if the imprests were applied for and approved by the authorizing officers.
- iii. The rates used for issue of travelling and subsistence allowances were not approved.

- iv. Attendance registers for workshops, conferences and training activities, and documents showing that the officers travelled and participated in events they were facilitated for were not provided for review.

In the circumstances, the value for money on the expenditure of Kshs. Kshs.729,200 on transport and travelling allowance could not be confirmed.

3. Irregular Payment for Security Services

The statement of receipts and payments reflects payments of Kshs.5,980,619 in respect of operations. As disclosed in Note 5 to the financial statements, the amount include personnel emoluments of Kshs.1,400,277 out of which, Ksh.180,000 was paid to a local security firm. Review of payment vouchers and attached supporting documents revealed that the contract with the security firm expired in 2019 and was yet to be renewed. Further, there was no record of a new security firm having been engaged thus, the existing security firm continued to provide the services without a valid contract.

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

4. Irregular Procurement of Insurance Services

The statement of receipts and payments reflects funds payments amounting to Kshs.7,627,685. As reflected in Note 6 to the financial statements, the expenditure includes Kshs.73,573 in respect of insurance costs paid to a local Insurance firm against kitchen fires. Review of the procurement documents revealed that the school single sourced the insurance services. Further, there was no contract signed between the School and the Insurance firm contrary to Section 135(1) of the Public Procurement and Asset Disposal Act, 2015 which provides that existence of a contract shall be confirmed through the signature of a contract document incorporating all agreements between the parties and such contract shall be signed by the accounting officer or an officer authorized in writing by the accounting officer of the procuring entity and the successful tenderer.

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

5. Goods Procured without Requisitions from User Departments

The statement of receipts and payments reflects school fund payments amounting to Kshs.7,627,685. Review of payment vouchers and supporting documentation revealed payments totaling to Kshs.3,219,408 for goods procured within the year under review, which were procured without requisitions user departments. This was contrary to regulation 71 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that the head of the user department shall initiate the procurement process through a requisition as per the approved procurement plan.

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

6. Un-updated List of Prequalified Suppliers

Review of the list of the registered suppliers, contractors and consultants revealed that the Management had not reviewed and updated the list in the categories of goods, works or services according to the procurement needs of the school. This was contrary to section 57(1) of the Public Procurement and Asset Disposal Act, 2015 which states that the head of the procurement function of a procuring entity shall maintain and update lists of registered suppliers, contractors, and consultants in the categories of goods, works or services according to its procurement needs.

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

7. Unjustified Direct Procurement of Goods and Services

The statement of receipts and payments reflects payments for operations amounting to Kshs.5,975,619 which includes acquisition of assets payments amounting to Kshs.1,860,211. Review of the infrastructure projects files and payments records provided for audit revealed that the Management constructed a kitchen and finished a girl's toilet projects which were funded by the Ministry of Education using labour contracting. However, Management procured building materials worth Kshs.785,270 and labour services at a cost of Kshs.405,600 directly without justification contrary to the provisions of Section 103 of the Public Procurement and Asset Disposal Act, 2015.

Further, prior approval of the accounting officer to use the direct procurement method was not provided contrary to Regulation 90(6) of the Public Procurement and Asset Disposal Regulations, 2020 which requires that any direct procurement shall require the prior approval by the accounting officer in writing.

In addition, no progress reports by the sub county works officer were provided to indicate the works were inspected before payments were made. Similarly, inspection and acceptance committee minutes for goods supplied and works undertaken, bills of quantity and project implementation status report were not provided for audit review.

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

8. Irregularities in Accounting for Capitation Grants

During the year under review, the School received capitation grants amounting to Kshs.6,892,680 from the Ministry of Education. However, Management did not acknowledge receipt of the funds by having individual students sign form-lists that show their admission numbers and full names as per admission register and the amount awarded. This was contrary to the Ministry of Education circular dated 8 January 2021 which instructed Principals to acknowledge receipt of funds to County Education offices through the Sub - County Director of Education an allocation of funds duly signed by individual students.

In the circumstances, Management was in breach of the funding guidelines.

9. Lack of School Improvement Plan

During the period under review, the school did not have a school improvement plan as required by the Ministry of Education operations manual for utilization of learner capitation grant and other school funds. This was contrary to the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds under Section 2.2 School Improvement Planning that requires the school to identify in every 3-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 guidelines.

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 else has come to my attention to cause me to believe that, internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Weaknesses in Revenue Collection and Management

Review of system controls relating to School Accounting System for revenue collection and expenditure system revealed that the entire process of revenue collection and receipting and incurring expenditure was assigned to one individual, without approvers. The assigned functions and responsibilities did not incorporate controls such as segregation of duties, independent checks, approval and authorization thus exposing the School to possible loss of revenue, inaccurate and incomplete records in revenue reporting.

In the circumstances, the existence of effectiveness internal controls in revenue management 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report.

However, future events or conditions may cause the School to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 October, 2023

V. STATEMENT OF RECEIPTS AND PAYMENTS

DESCRIPTION OF VOTEHEAD	NOTE	2021/2022	(JAN-JUNE) 2021
RECEIPTS		KSH	KSH
CAPITATION GRANTS FOR TUITION	1	1,283,891	532,712
CAPITATION GRANTS FOR OPERATIONS	2	5,608,789	3,352,586
SCHOOL FUND INCOME-PARENTS CONTRIBUTION	3	7,717,817	3,052,924
TOTAL RECEIPTS		14,610,497	6,938,222
PAYMENTS			
PAYMENTS FOR TUITION	4	1,680,170	527,685
PAYMENTS FOR OPERATIONS	5	5,980,619	2,740,130
SCHOOL FUND PAYMENTS	6	7,627,685	485,049
TOTAL PAYMENTS		15,288,474	3,752,864
SURPLUS/DEFICIT		(672,977)	3,185,358

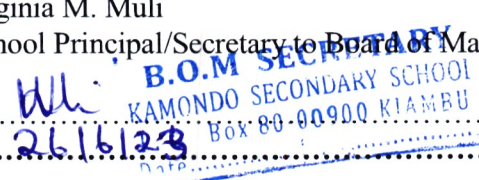
The school financial statements were approved on _____ 2023 and signed by:

Name: James Macharia
Designation: Chairman, Board of Management

Sign:
Date: 26/6/2023

Name: Virginia M. Muli
Designation: School Principal/Secretary to Board of Management

Sign:
Date: 26/6/23



Name: John Njoroge Waweru
Designation: Bursar/ Finance Officer

Sign:
Date: 26/6/2023

John Njoroge Waweru



VI. STATEMENT OF FINANCIAL ASSETS

FINANCIAL ASSETS	NOTE	2021/2022 KSHS.	(JAN-JUNE)2021 KSHS.
CASH & CASH EQUIVALENTS			
Bank balances	7	360,598	297,793
Cash balances	8	6,176	106,349
TOTAL CASH & CASH EQUIVALENTS		366,774	404,142
Accounts receivables	9	4,162,775	4,243,086
TOTAL FINANCIAL ASSETS		4,529,549	4,647,228
FINANCIAL LIABILITIES			
Accounts payables	10	898,757	338,458
NET FINANCIAL ASSETS		3,630,792	4,308,770
REPRESENTED BY:			
Fund balance B/F 1st July 2021	11	4,308,770	1,123,412
Surplus/Deficit for the year		(677,977)	3,185,358
NET FINANCIAL POSITION		3,630,792	4,308,770

Name: JAMES MACHARIA
Designation: Chairman, Board of Management

Sign:.....

Date:..... 26/6/2023

Name: VIRGINIA M. MULI
Designation: School Principal/Secretary to Board of Management

Sign:.....

Date:..... 26/6/23

Name: JOHN NJOROGE WAWERU
Designation: Bursar/ Finance Officer

Sign:.....

Date:..... 26/6/23



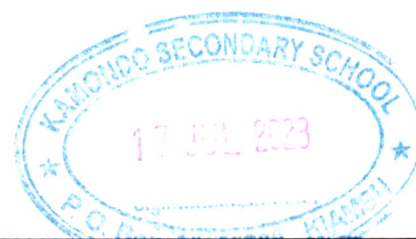
VII. STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS		2021/2022	(JAN-JUNE)2021
	Note	KSHS.	KSHS.
Capitation grants for Tuition	1	1,283,891	532,712
Capitation grants for Operations		5,987,420	3,737,118
School Fund income-Parents contribution/fees		9,295,600	3,239,518
Total receipts		16,566,911	7,509,348
Payments			
Payments for Tuition		1,207,305	515,135
Payments for Operations		4,166,270	2,154,758
School Fund payments		9,370,493	3,111,794
Total payments		14,744,068	5,781,687
Net cash flow from operating activities		1,822,843	1,727,661
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of assets		-	-
Acquisition of an asset		1,860,211.00	1,345,228.00
Net Cash flow from investing activities		1,860,211.00	1,345,228.00
NET CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/loans		-	-
Repayment of principal borrowings		-	-
Net Cash flow from Financing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(37,368)	382,433
Cash and cash equivalent at the beginning of the year		404,142	21,709
cash and cash equivalent at the End of the year		366,774	404,142



VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Text books	-	-	-	-	-	-
Exercise books			-	-	-	-
Laboratory equipment and apparatus	270,200.00	-	270,200	270,200	-	100.0%
Teaching/learning materials	638,151.00	-	638,151	638,151	-	100.0%
chalks		-	-	-	-	-
Internal exams		-	-	-	-	-
reference/Library materials	375,540.00	-	375,540	375,540	-	100.0%
(2) CAPITATION GRANT ON OPERATIONS					-	
Personnel emoluments	1,737,900.00	-	1,737,900	1,737,900	-	100.0%
Repairs and maintenance	1,791,500.00	-	1,791,500	1,791,500	-	100.0%
Local transport / travelling	902,000.00	-	902,000	902,000	-	100.0%
Electricity and water	247,100.20	-	247,100	247,100	-	100.0%
Medical	77,000.00	-	77,000	77,000	-	100.0%
Administration costs	853,288.50	-	853,289	853,289	-	100.0%
Insurance	-	-	-	-	-	-
Activity	-	-	-	-	-	-
	-				-	
(3) FEES CHARGED ON PARENTS					-	
lunch programme	5,800,000.00	-	5,800,000	5,891,526	(91,526)	101.6%
Uniform	1,500,000.00	-	1,500,000	1,375,835	124,165	91.7%
TOTAL INCOME	14,192,680	-	14,192,680	14,160,041	32,639	99.8%
(1) EXPENDITURE FOR TUITION						
Text books	-		-		-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment and apparatus	270,200.00	-	270,200	265,200	5,000.00	98.1%
Teaching/learning materials	638,151.00	-	638,151.00	370,875	267,276	58.1%
chalks		-	-	-	-	-
Internal exams		-	-	-	-	-



Reference books	375,540.00	-	375,540	413,725	(38,185)	110.2%
Bank charges	-	-	-	1,680	(1,680)	-100.0%
					-	
PAYMENTS FOR OPERATIONS					-	
Personnel emoluments	1,737,900.00	-	1,737,900	1,376,277	361,623	79%
Repairs and maintenance	1,791,500.00	-	1,791,500	1,943,500	(152,000)	108%
Local transport / travelling	902,000.00	-	902,000	729,200	172,800	81%
Electricity and water	247,100.20	-	247,100	307,540	(60,440)	124%
Medical	77,000.00	-	77,000	-	77,000	0%
Administration costs	853,288.50	-	853,289	1,289,291	(436,003)	151%
Insurance	-	-	-	-	-	-!
Activity	-	-	-	394,100	(394,100)	-
BOARDING AND SCHOOL FUND PAYMENTS						
lunch programme	5,800,000.00	-	5,800,000	5,958,799	(158,799)	103%
Uniform	1,500,000.00	-	1,500,000	1,491,350	8,650	99%
TOTAL	14,192,680	-	14,192,680	14,541,537	(348,857.30)	102%



IX. SIGNIFICANT ACCOUNTING POLICIES

The principle 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 not 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* recognizes 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.



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. However in our financial reports and statement we have no any non-current assets.

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

The comparative explanatory note 9 under significant accounting policies have been amended to indicate that the comparative amounts may not be comparable as a result of first adoption of IPSAS cash.

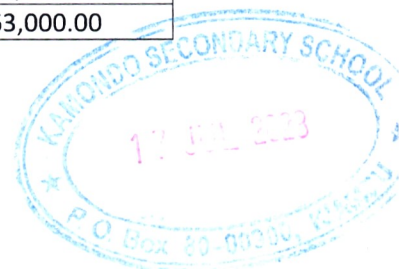
10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.



NOTES TO THE FINANCIAL STATEMENT

1	CAPITATION GRANT FOR TUITION	2021/2022	(JAN-JUNE)2021
		KSHS.	KSHS.
	LAB CHEMICALS & EQUIPMENTS	270,200.00	263,465.00
	REF/LIBRARY MATERIALS	375,540.00	269,247.00
	Teaching/Learning materials	638,151.00	-
	TOTAL	1,283,891.00	532,712
2	CAPITATION GRANTS FOR OPERATION		
	ADMIN	853,289	445,188.00
	PERSONNEL EMOLUMENTS	1,737,900.00	957,819.00
	INFRASTRUCTURE ACCOUNT	1,791,500.00	1,459,500.00
	LT&T	902,000.00	300,850.00
	EWC	247,100.00	148,629.00
	ACTIVITY	-	-
	MEDICAL	77,000.00	40,600.00
	TOTAL	5,608,789	3,352,586
3	PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT		
	LUNCH PROGRAM	6,338,982.00	2,677,317.00
	UNIFORM	1,375,835.00	375,607.00
	TOTAL	7,714,817.00	3,052,924.00
	PARENTS CONTRIBUTION/FEES – others		
	Examination	3,000.00	-
	TOTAL	3,000.00	-
4	PAYMENTS FOR TUITION		
	EXERCISE BOOKS	-	150,000.00
	LAB CHEMICALS & EQUIPMENTS	319,910.00	264,550.00
	TEACHING /LEARNING MATERIALS	924,855.00	39,500.00
	REF/LIBRARY MATERIALS	413,725.00	73,275.00
	BANK CHARGES	1,680.00	360.00
	Exams & assessment	20,000.00	-
	TOTAL	1,680,170	527,685.00
5	PAYMENTS FOR OPERATIONS	2021/2022	(JAN-JUNE)2021
	ADMIN	1,289,291.00	117,362
	PERSONNEL EMOLUMENTS	1,400,277.00	732,190.00
	LT&T	729,200.00	217,350.00
	EWC	307,540.00	65,000.00
	ACTIVITY	394,100.00	263,000.00



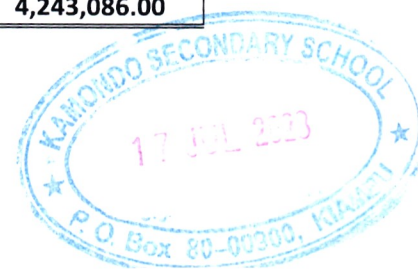
KAMONDO SECONDARY SCHOOL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

	MEDICAL & INSURANCE	-	-
	ACQUISITION OF ASSETS	1,860,211.00	1,345,228.00
	TOTAL	5,980,619.00	2,740,130
6	SCHOOL FUND PAYMENTS		
	LUNCH PROGRAM	5,958,799.00	124,041
	UNIFORM	1,491,350.00	356,310.00
	Insurance	73,573.00	-
	PERSONNEL EMOLUMENTS	89,943.00	-
	Examination	3,000.00	-
	BANK CHARGES	11,020.00	4,698.00
	TOTAL	7,627,685.00	485,049

7	BANK ACCOUNTS				
	ACCOUNT	NAME OF BANK	ACCOUNT NO	2021/2022	(JAN-JUNE)2021
				KSHS.	KSHS.
	OPERATION A/C	FAMILY BANK	001000008032	2,910.52	88,998.82
	SCHOOL FUND A/C	FAMILY BANK	001000014068	50,005.19	87,191.19
	TUITION ACCOUNT	CO-OPERATIVE BANK	01139063095800	95,560.15	18,974.15
	INFRASTRUCTURE A/C	FAMILY BANK	001000027232	204,626.37	95,132.37
	SAVINGS A/C	FAMILY BANK	00049528	7,496.00	7,496.00
	TOTAL			360,598	297,793

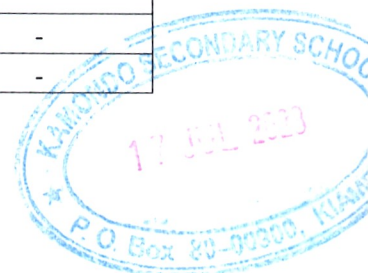
8	CASH IN HAND	2021/2022	(JAN-JUNE)2021
	OPERATION ACCOUNT	1,818.00	38,079.00
	SCHOOL FUND ACCOUNT	4,153.00	41,860.00
	TUITION ACCOUNT	-	-
	INFRASTRUCTURE ACCOUNT	205.00	26,410.00
	TOTAL	6,176.00	106,349.00

9	SHORT TERM INVESTMENT		
	Description	-	-
	Co-operative shares	-	-
	Treasury bills	-	-
	Fixed Deposits	-	-
	Equity stock	-	-
	Other Investments	-	-
	Total	-	-
10	ACCOUNTS RECEIVABLE		
	DESCRIPTION	2021/2022	(JAN-JUNE)2021
	FEES ARREARS	4,142,775.00	4,187,586.00
	SALARY ADVANCES	-	35,500.00
	IMPREST	20,000.00	20,000.00
	TOTAL	4,162,775.00	4,243,086.00



KIAMONDO SECONDARY SCHOOL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

	AGING OF FEES FEES ARREARS		
	FEES ARREARS FOR THE CURRENT YEAR	388,971.00	496,315.00
	FEES ARREARS RECOVERED DURING THE YEAR	-	-
	FEES ARREARS FOR THE PREVIOUS YEAR	62,533.00	770,456.00
	FEES ARREARS FOR PRIOR PERIOD(OVER 2YRS)	3,691,271.00	2,920,815.00
	TOTAL	4,142,775.00	4,187,586.00
11	ACCOUNTS PAYABLE		
	DESCRIPTION		
	TRADE CREDITORS	632,690.00	135,825.00
	PREPAID FEES	141,919.00	58,485.00
	CAUTION MONEY	124,148.00	144,148.00
	TOTAL	898,757.00	338,458.00
	AGING OF CREDITORS ARREARS		
	TRADE CREDITORS FOR CURRENT YEAR	632,690.00	135,825.00
	TRADE CREDITORS PAID DURING THE YEAR	-	-
	TRADE CREDITORS FOR PREVIOUS YEAR	-	-
	TRADE CREDITORS FOR PRIO PERIOD(OVER 2 YRS)	-	2,197,251
	LESS: ADJUSTED CREDITORS PAID BUT NOT ADJUSTED	-	(2,197,251)
		632,690.00	135,825.00
12	FUND BALANCE BROUGHT FORWARD		
	DESCRIPTION		
	BANK BALANCES	360,598	297,793
	CASH BALANCES	6,176	106,349.00
	RECEIVABLES	4,162,775	4,243,086.00
	PAYABLES	(898,757)	(338,458.00)
	TOTAL	3,630,792	4,308,770
13	NON-CURRENT LIABILITIES		
	DESCRIPTION		
	BANK LOAN	-	-
	OUTSTANDING LEASES	-	-
	HIRE PURCHASE	-	-
	GRATUITY AND LEAVE PROVISION	-	-
	TOTAL	-	-
14	BIOLOGICAL ASSETS		
	TREES (270)	566,200.00	530,000.00
	TOTAL	566,200.00	530,000.00
15	BORROWINGS		
	BORROWINGS AT THE BEGINNING OF THE YEAR	-	-
	BORROWINGS DURING THE YEAR	-	-



KARONDO SECONDARY SCHOOL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

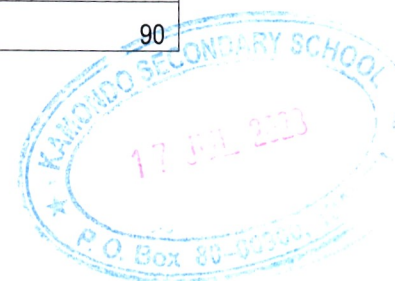
	REPAYMENTS OF BORROWING DURING THE YEAR	-	-
	BALANCE AT THE END OF THE YEAR	-	-
16	STOCK/INVENTORY		

STATIONERY INVENTORY AS AT 30TH JUNE 2022

S/N	ITEM	BALANCE AS AT 30TH JUNE 2021	NUMBER RECEIVED	NUMBER ISSUED	BALANCE AS AT 30TH JUNE 2022
1	PRINTING PAPERS	33REAMS	90 REAMS	97 REAMS	29 REAMS
2	EXERCISE BOOKS	13CARTONS	54 CARTONS	42CARTONS	12CARTONS
3	GRAPH BOOKS	1 CARTON	1 CARTON	1 ½ CARTON	½ CARTON
4	FOOLSCAPS	2 REAMS	28 REAMS	8 REAMS	20 REAMS
5	GRAPH PAPERS	6 REAMS			6 REAMS
6	RED PEN		9 PKTS	8PKTS	1PKT
7	BLUE PEN		11PKTS	10 PKTS	1PKT
8	BLACK PEN	20PCS	10PKTS	6PKTS	5PCS
9	PENCIL	2PKTS	3PKTS	4PKTS	1PKT
10	PERMANENT MARK PEN		5PKTS	7PKTS	2PKTS
11	WHITE BOARD MARK PEN		12PKTS	10PKTS	2PKTS
12	STAPLER		3PCS	3PCS	
13	STAPLE PINS		21PKTS	10PKTS	11PKTS
14	PAPER PUNCH		2PCS	2PCS	
15	THUMB TACKS		1DOZEN	6PKTS	6PKTS
16	COUNTER BOOK 2 QUIRE	16PCS	20PCS	20PCS	16PCS
17	BOX FILES	3PCS	10PCS	11PCS	3PCS
18	SPRING FILES	4PCS	62PCS	54PCS	8PCS
19	MANILLA PAPERS	30 PCS	80 PCS	20 PCS	60PCS
20	BLACK BOARD DUSTERS	15PCS	20PCS	20PCS	15PCS
21	A4 ENVELOPES	1 CARTON	1CARTON	1CARTON	1 CARTON
22	A5 ENVELOPES	½ CARTON	1 CARTON	½ CARTON	1 CARTON
23	DL SIZE ENVELOPES	1 CARTON	NONE	½ CARTON	½ CARTON
24	WHITE DUSTLESS CHALK	7 GROSSES	4 ½ GROSSES		6 GROSSES
25	COLOURED CHALK	1 GROSS	6 GROSSES	6 GROSSES	1 GROSS
26	WHITE OUT	3PCS	16PCS	13PCS	3 PCS
27	MARK BOOK	-	-	-	-
28	CLASS REGISTERS		8 PCS	8PCS	-
29	GLUE STICK	6PCS	5PCS	6PCS	5PCS
30	OFFICE GLUE		1KG	1KG	
31	STUDENTS FILES	50PCS	200PCS	150	50PCS
32	RULERS	6PCS	12PCS	6PCS	6PCS
33	3 QUIRE COUNTER BOOK		12PCS	18PCS	
34	CELLOTAPE	6PCS	6PCS	6PCS	6PCS
35	MASKING TAPE		6PCS	6PCS	

FOOD INVENTORY AS AT JULY 2021- JUNE 2022

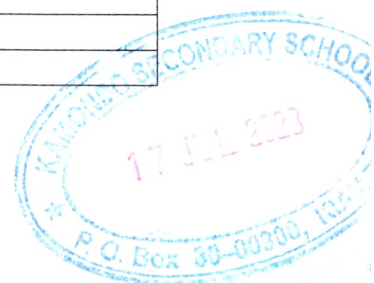
S/N	ITEM	UNIT	BALANCE A AS AT JULY 2021	NUMBER RECEIVED	NUMBER ISSUED	BALANCE AS AT 30TH JUNE 2021
1	MAIZE FLOUR	KGS	105	2153	2050	103
2	UJI MIX	KGS	28	1075	985	90



AMONDO SECONDARY SCHOOL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

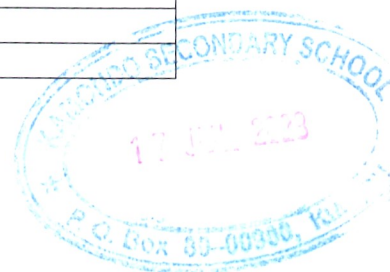
3	SUGAR	KGS	76	1542	1470	72
4	WHEAT FLOUR	KGS	24	191	181	10
5	RICE	KGS	228	7634	7613	21
6	DRY MAIZE	KGS	109	2240	2015	225
7	BEANS	KGS	190	2675	2637	38
8	YELLOW BEANS	KGS	63	120	120	0
9	TEA LEAVES	PKTS	5	40	32	8
10	SALT	KGS	7	266	232	34
11	BAR SOAP	BAR	2	41	39	2
12	COOKING OIL	LTRS	0	500	475	25
13	JIK	PCS	0	8	8	0
14	SUPER BRITE	PCS	5	60	54	6
15	SCRUBBER	PCS	0	40	40	0
16	MATCHBOX	PKTS	2	40	38	2
17	TISSUE	BALE	5	60	56	4
18	SERVLETTE	PKTS	2	10	8	2
19	VIM	PCS	2	10	8	2

S/N	ITEMS	BALANCE AT 30TH JUNE 2021	NO. RECEIVED	NO. ISSUED	BALANCE AT 30TH JUNE 2022
1	CLONICAL FLASK	30PCS	50PCS	10PCS	70pcs
2	VOLUMETRIC FLASK	50PCS	20PCS		70PCS
3	TESTTUBE HOLDER	22PCS			22pcs
4	TEST TUBES	200PCS	40PCS		240pcs
5	BURETTES	67PCS	100PCS		167pcs
6	SPATULA	48pcs		10PCS	58pcs
7	BUNSEN BURNER	10pcs			10pcs
8	CANSTERS	1PC	10PCS		11PCS
9	MICROSCOPES	4pcs			4pcs
10	BOSS AND CLAMPS	80PCS			80PCS
11	BURETTE CLIPS	70PCS			70PCS
12	DROPPERS	61PCS			61PCS
13	THERMOMETERS	75PCS			75PCS
14	BOILING TUBES	75PCS			75PCS
15	WASH BOTTLES	62pcs			62pcs
16	TEST TUBES RACKS	69PCS			69PCS
17	BEAKERS 100ML(GLASS)	100pcs			100pcs
18	BEAKERS 100ML(PLASTIC)	120pcs			120pcs
19	MEASURING CYLINDER	35pcs			35pcs
20	AMMETERS	23pcs			23pcs
21	VOLMETERS	20pcs			20pcs
22	CALVONOMETERS	10pcs			10pcs
23	SWITCHES	30pcs			30pcs



AMONDO SECONDARY SCHOOL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

24	JOCKEYS	29pcs			29pcs
25	PLAIN WHITE SCREEN	14pcs			14pcs
26	SCREEN WITH CROSS WIRES	14pcs			14pcs
27	MAGNETIC COMPASS	10pcs			10pcs
28	STOP WATCHES	39pcs			39pcs
29	LENS HOLDERS	40pcs			40pcs
30	RHEOSTATS	10pcs			10pcs
31	CALORIMETER	5pcs			5pcs
32	STOPPERED CONTAINERS	40pcs			40pcs
33	MICROMETER SCREWGAUGE	31PCS			31PCS
34	CAPACITORS	14PCS			14PCS
35	OPTICAL PINS	40pcs	20PCS		40PCS
36	SPRING BALANCES	25pcs	10PCS		25PCS
37	CARDBOARDS	22PCS			22PCS
38	WOODEN BLOCKS	20PCS			20PCS
39	TROLLY	2PCS			2PCS
40	VERNIER CALLIPERS	10PCS	5PCS		15pcs
41	ELECTROSCOPE	5PCS	10PCS		40PCS
42	PULLEYS	10pcs			10pcs
43	MORLAR AND PESTLE	40pcs			40pcs
44	PETN DISHES	75PCS			75PCS
45	HAND LENSE	40PCS			40PCS
46	WHITE TILES	31PCS	10PCS		41pcs
47	STARCH SOLUBLE	250g	500G	150G	900gms
48	EGG ALBUMEN	35gms		5g	35gms
49	ASORBIC ACID	40g		10g	40g
50	DCPIP	50g		20g	50g
	POTASSIUM IODIDE	500g			500g
51	PEPSIN POWDER	5ltrs		0.5lt	4.5lt
52	IODINE CRYSTALS	5 1/2 lt		1/2ltr	5ltr
53	HYDROCHLORIC ACID	5liters			5liters
54	BROMINE WATER	5 1/2 litres	2 1/2 litres	1litre	2ltr
55	NITRIC ACID	500g			500g
56	AMMONIA		0	0	0
57	BARIUM SULPHATE	300g	100	300g	0
58	SODIUM SULPHATE	600g		100g	600g
59	SODIUM HYDROXIDE	600g		200g	600g
60	SODIUM HYDROGEN CARBONATE	600g		300g	600g
61	LEAD II NITRATE	100g		200g	400g
62	SODIUM THIOU SULPHATE	100g		100g	500g
63	MALEIC ACID			100g	400g
64	OXALIC ACID			200g	300g
65	BENZOIC ACID	300g	500g	100g	200g
66	POTASSIUM CHLORIDE	300g	500g	150g	50g



AMONDO SECONDARY SCHOOL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

67	POTASSIUM PERMANGANATE	500g	500g	100g	300g
68	POTASSIUM DICHROMATE	500g	500g	200g	200g
69	OXYGEN MIXTURE	400g		100g	300g
70	SULPHUR POWDER	350g		100g	250g
71	LYCOPODIUM POWDER	480g		20g	430g
72	NEPHTHALANE CRYSTALS	450g		50g	400g



13. 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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issue to be resolved.

REF. NO	ISSUE/OBSERVATIONS FROM AUDITOR	MANAGEMENT COMMENTS	STATUS(Resolved/Not resolved)	TIME FRAME
1.	The management should pay trade and general creditors to avoid accumulation and possible legal action	The school has been trying to clear trade and general creditors. As at 30/06/2021 the total creditors was 338,458.This was the creditor for the six month period, therefore the creditors for 2020 was cleared.	resolved	N/A
2.	The school management should enhance recovery of fees arrears amounting to Kshs. 3,723,841.00	<ul style="list-style-type: none"> On the issue of recovery of fees arrears the management opened a pay bill account to enable those parents with huge balances to be paying fees in small amounts .This also eradicated the problem of queuing in banks by parents when depositing fees. Even though the fees arrears balances are huge. The school has been finding it difficult to collect fees since the government discourages sending students home to get fees. Also some students who completed the school with huge balances fails to come for their results. The management also summoned parents with huge balances to school to discuss on how they will strategize on clearing the fees arrears but the parents gave fake promises. 	Not resolved	30/12/2022
3.	Caution money of 144,148.00 Kshs. should be refunded back to the students	Caution money is being refunded to former students as they come to clear, although few turn up.	Not resolved	30/12/2022

SIGN

B.O.M SECRETARY
 KAMONDO SECONDARY SCHOOL
 P. O. Box 80-00000 KIAMBU
 Date..... PRINCIPAL



ANNEX 1. ANALYSIS OF PENDING ACCOUNTS PAYABLE

SUPPLIER OF GOODS OR SERVICES	ORIGINAL AMOUNT	DATE CONTRACTED	AMOUNT PAID TO-DATE	OUTSTANDING BALANCE June 2021	OUTSTANDING BALANCE JUNE 2022	COMMENTS
	a	b	c	d=a-c		
	Kshs.		Kshs.	Kshs.	Kshs.	
CONSTRUCTION OF BUILDINGS						
1.	-	-	-	-	-	-
SUPPLY OF GOODS						
1.Kirenga Bookshop and Stationers	860,630.00	July 2021	682,875.00	36,275.00	177,755.00	pending
2. Aspet Schools Supplies	419,460.00	July 2021	364,750.00	99,550.00	54,710.00	pending
3. Wedaya enterprises Limited	476,425.00	April 2022	100,000.00	-	376,225.00	pending
SUPPLY OF SERVICES						
1. Georadius Protection Services	288,000.00	July 2021	264,000.00	-	24,000.00	Not cleared
TOTAL					<u>632,690.00</u>	



ANNEX 2-SUMMARY OF FIXED ASSETS

Asset Class	Date purchased	Location	Historical cost(Kshs)	Additions during the year(Kshs)	Disposals during the year(Kshs)	Historical cost c/f (Kshs) 30 th JUNE 2022
Land	-	Kamondo	-	-	-	-
Buildings and structures	-	Kamondo	12,000,000.00	1,735,211	-	13,735,211
Office equipment, furniture and fittings	2012	Kamondo	2,647,500.00	125,000	-	2,772,500
ICT equipment and other ICT assets	2018	Kamondo	180,000.00	-	-	180,000.00
Tools and apparatus	2012	Kamondo	450,000.00	-	-	450,000.00
Text books	2012	Kamondo	350,000.00	-	-	350,000.00
Other Machinery and equipment	2012	Kamondo	710,500.00	-	-	710,500.00
Intangible assets(software)	2016	Kamondo	123,000.00	-	-	123,000.00
Total			<u>16,461,000.00</u>	<u>1,860,211</u>	-	<u>18,321,211</u>

