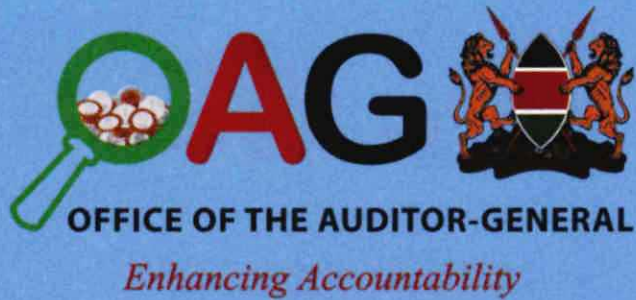


REPUBLIC OF KENYA



## REPORT

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DATE: 03 MAR 2025

**THE AUDITOR-GENERAL**

TABLED  
BY: **ON**  
CLERK-AT  
THE-TABLE:

Wednesday  
Hon. Naomi Wago MP  
Deputy Majority Party Whip  
A. Shabaka

**ST MARY'S HIGH SCHOOL  
LUSHANGONYI**

**FOR THE SIX (6) MONTHS PERIOD ENDED  
30 JUNE, 2021**

**TAITA TAVETA COUNTY**

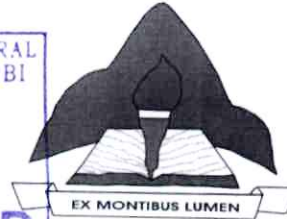


# ST. MARY'S HIGH SCHOOL LUSHANGONYI

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

79 AUG 2024

RECEIVED



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**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> June 2021**

---

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

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

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**KEY SCHOOL INFORMATION AND MANAGEMENT**

**(a) Background information**

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

The school was registered in 2020 under registration number 06/S/0030/0336 and is currently categorized as an Extra public school established, owned or operated by the Government.

The school is a day/boarding school and had 932 number of students as at 30th June 2021. It has 6 streams and 29 teachers of which 10 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	Category	Designation	Date of appointment
1.	Dr. Justin Maghanga	Sponsor	Chairman	
2.	Mr. Lawrence Ptekwenyo	Principal	Secretary	31/12/2021
3.	Dr. Mariane Maghenda	Community	Member	31/12/2021
4.	Mr. Naphtal Wachenje	Community	Member	31/12/2021
5.	Mr. Boniventure Kisocho	Community	Member	31/12/2021
6.	Mr. Louis Nyambu	Community	Member	31/12/2021
7.	Mr. Johnson Nyambu	Community	Member	31/12/2021
8.	Mr. Thomas Mwaengo	Community	Member	31/12/2021
9.	Mr. Donald Mwakio	Coopted (parents' Rep	Member	31/12/2021
10.	Ms. Elizabeth Mjomba	Coopted(parent's Rep	Members	31/12/2021
11.	Ms. Constance Mshai	Coopted (Parents' Rep)	Member	31/12/2021
12.	Mr. James Mwasambo	CEB	Member	31/12/2021
13.	Mr. Nicodemus Ngure	Teachers' Rep	Member	31/12/2021
14.	Ms. Leonice Wachenje	Sponsor	Member	31/12/2021
15.	Ms. Dinah Msangi	Sponsor	Member	31/12/2021
16.	Ms. Milka Righa	Special Group	Member	31/12/2021
17.	Mr. Benson Mwailemi	Specila Needs	Member	31/12/2021

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**The function of the School Board of Management include:**

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

**(c) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Dr. Justin Maghanga Mr. James Mwasambo Ms. Dinah Msangi Mr. Donald Mwakio Mr. Lawrence Ptekwenyo	Chairperson Vice chair person Member Member Secretary	3
2	Audit Committee			0
3	Finance, procurement and general purposes Committee	Mr. Boniventure Kisocho Mr. Louis Nyambu Mr. Benson Mwailemi Mr. Donald Mwangemi Ms. Constance Mshai Mr. Lawrence Ptekwenyo	Chairperson Member Member Member Member secretary	1
4	Academic Committee	Dr. Marriane Maghenda Mr. Thomas Mwaengo Mr. Samuel Kinyanjui Mr. Nicodemus Ngure Mr. Donald Mwakio Mr. Lawrence Ptekwenyo	Chairperson Member Member Member Member secretary	2
5	Development Committee	Mr. James Mwasambo Mr. Donald Mwakio Mr. Leonice Wachenje Ms. Dinah Msangi Mr. Lawrence Ptekwenyo	Chairperson Member Member Member secretary	1
6	Discipline and welfare	Mr. Johnson Nyambu	Chairperson	1

**ST. MARY'S HIGH SCHOOL LUSHANGONYI****PUBLIC SECONDARY SCHOOL****Annual Report and Financial Statements****For the year ended 30th June 2021**

	Committee	Ms. Milka Righa Mr. Joel Amany Mr. Godwin Namaru Mr. Donald Mwakio Mr. Lawrence Ptekwenyo	Member Member Member Member secretary	
7	Adhoc Committee (if any during the year)	Mr. James Mwasambo Ms. Dinah Msangi Dr. Justin Maghanga Mr. Lawrence Ptekwenyo	Chairperson Member Member secretary	2

**(d) School operation Management**

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

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	Mr. Lawrence Ptekwenyo	429326
2	Deputy Principal	Mr. Joel Amany	390088
3	School Bursar	Mr. Peter Mwangui	10397988

**ST. MARY'S HIGH SCHOOL LUSHANGONYI  
PUBLIC SECONDARY SCHOOL  
Annual Report and Financial Statements  
For the year ended 30th June 2021**

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**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: 1010-80304  
Telephone: 0701231053  
E-mail: stmaryslushangonyi@gmail.com  
Website:  
Facebook:  
Twitter:

**(f) School Bankers**

The following school operated 7 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB  
Branch: WUNDANYI  
Account Number: 1109790856
2. Name of Bank: KCB  
Branch: WUNDANYI  
Account Number: 1103810162
3. Name of Bank: KCB  
Branch: WUNDANYI  
Account Number: 1103844598
4. Name of Bank: KCB  
Branch: WUNDANYI  
Account Number: 1107805708
5. Name of Bank: KCB  
Branch: WUNDANYI  
Account Number: 1260738647
6. Name of Bank: KCB  
Branch: WUNDANYI  
Account Number: 1102649619
7. Name of Bank: KCB  
Branch: WUNDANYI  
Account Number: 1270279033

**(g) Independent Auditors**

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

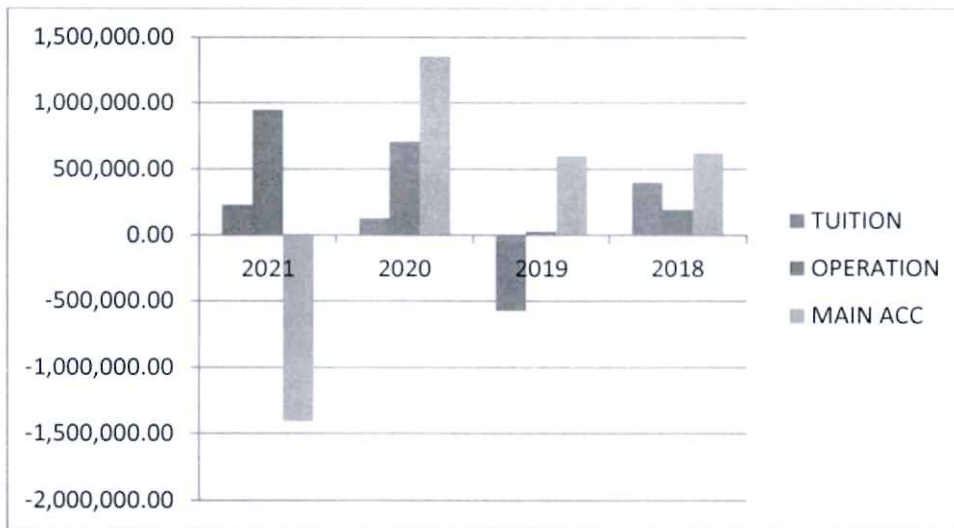
**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

**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:

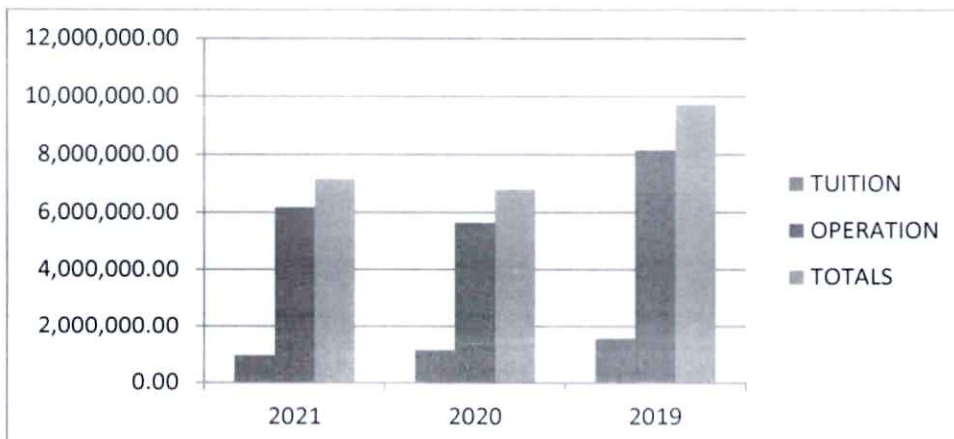
Surplus/Deficit

ACCOUNT	2021	2020	2019	2018
TUITION	229,070.50	127,659.00	(574,273.70)	400,288.80
OPERATION	945,283.30	706,904.00	26,086.40	190,896.50
MAIN ACC	(1,408,987.66)	1,358,821.51	603,110.86	622,216.00



**Caption grants from the ministry of education for the last three years**

Year	2021	2020	2019
TUITION	970,292.50	1,151,415.00	1,573,752.50
OPERATION	6,187,662.30	5,644,725.00	8,155,007.90
<b>TOTALS</b>	<b>7,157,954.30</b>	<b>6,796,140.00</b>	<b>9,728,761.40</b>



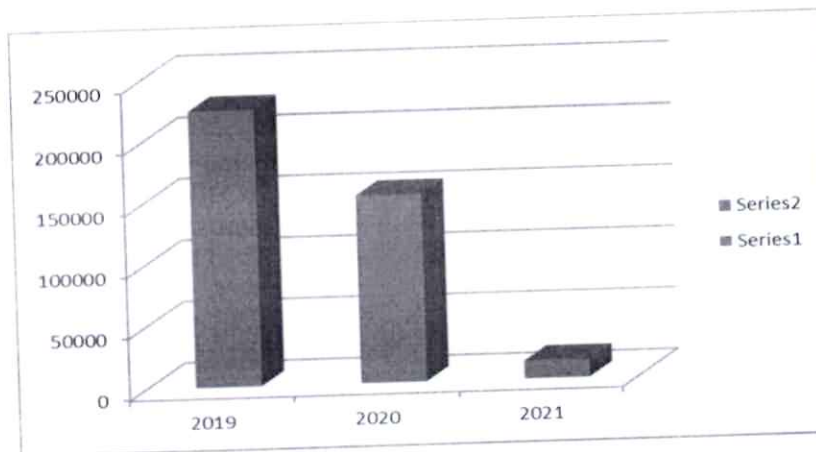
**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

**Ratio of capitation grants per student over the last three years.**

Year	2021	2020	2019
RATIO	1:12,226	1:12,985	1:5,249

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

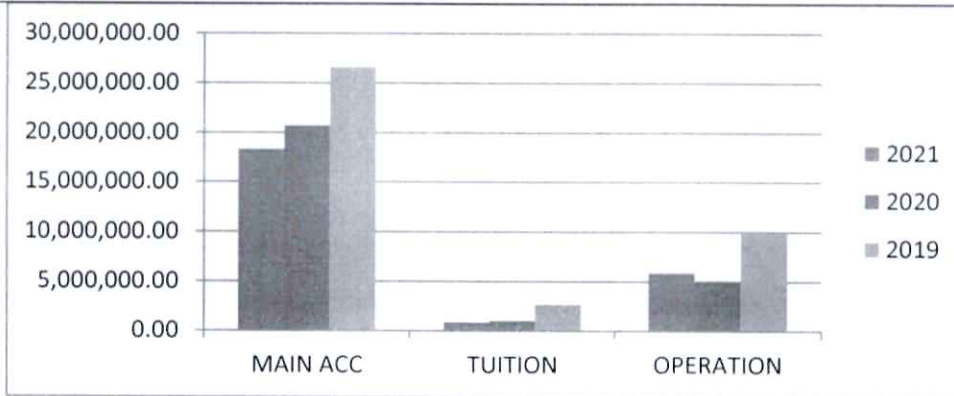
2019	223,223.00
2020	150,789.00
2021	12,411.00



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

ACC	Main Acc	Tuition	Operation
2021	18,288,510.21	850,362.00	5,848,164.00
2020	20,693,089.89	1,028,756.00	4,937,821.00
2019	26,545,361.14	2,653,467.00	9,847,838.00

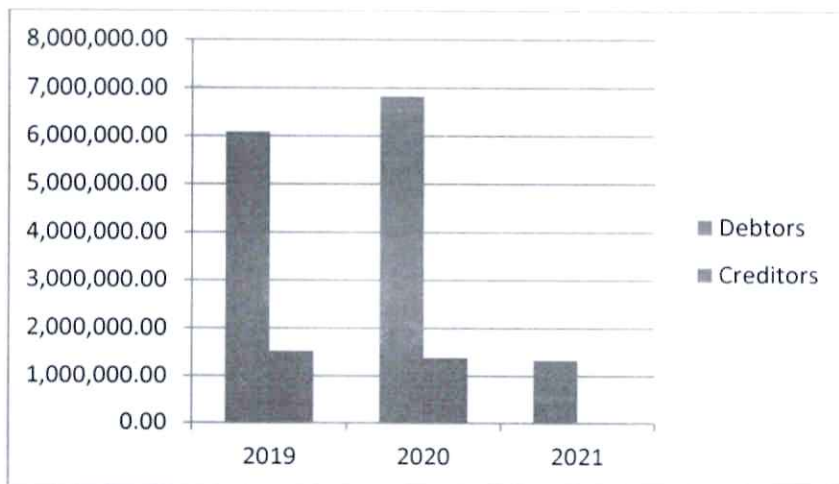
**ST. MARY'S HIGH SCHOOL LUSHANGONYI  
PUBLIC SECONDARY SCHOOL  
Annual Report and Financial Statements  
For the year ended 30th June 2021**



**Movement of debtors and creditors of the school for the last three years**

**Main account**

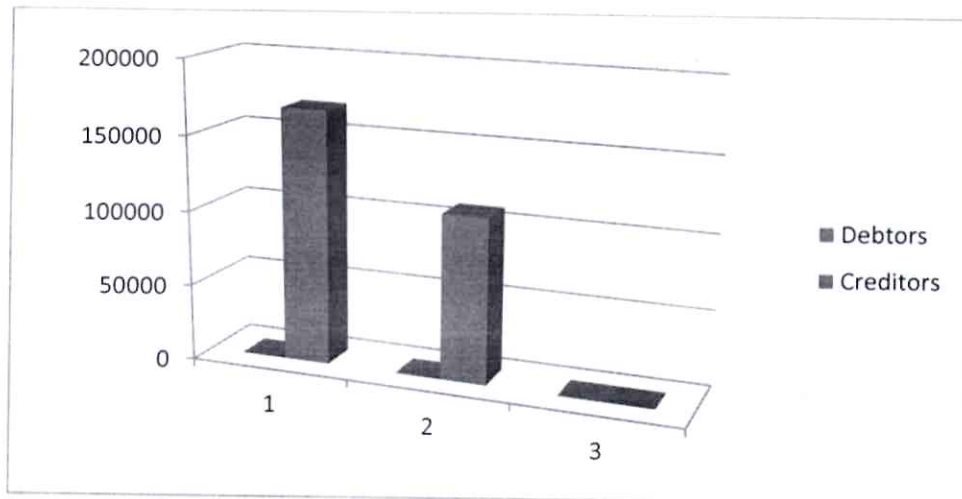
Year	Debtors	Creditors
2019	6,089,348.84	1,523,129.00
2020	6,830,481.93	1,384,782.01
2021	1,330,071.00	00



**Tuition account**

Year	Debtors	Creditors
2019	00	168,750.00
2020	00	109,140.00
2021	00	00

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**



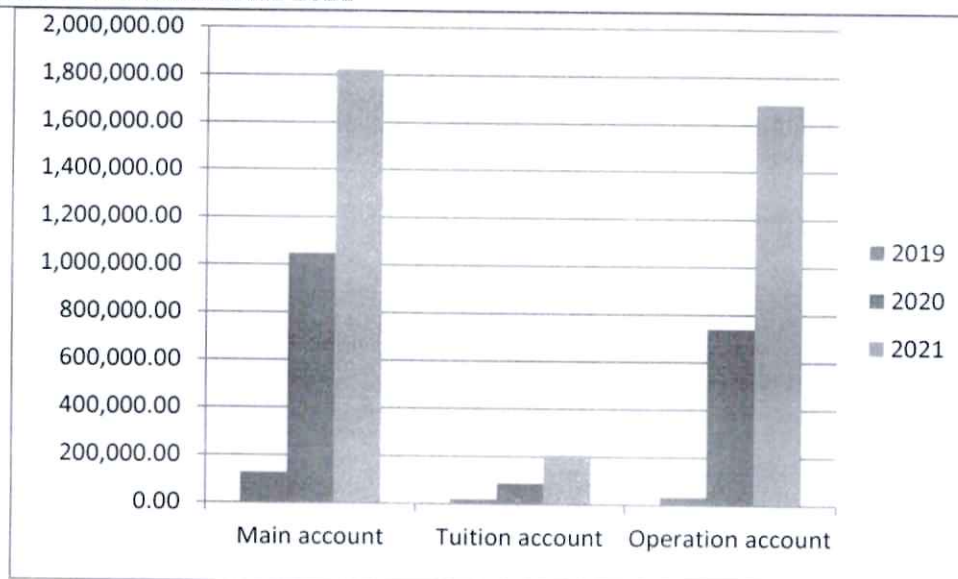
**Operation account**

Year	Debtors	Creditors
2019	00	00
2020	00	00
2021	00	00

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

Year	Main account	Tuition account	Operation account
2019	127,665.83	19,394.30	32,954.39
2020	1,048,712.83	87,443.30	739,858.39
2021	1,820,906.12	207,373.80	1,685,141.69

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
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**For the year ended 30th June 2021**



**a) Teacher Student ratio:**

Teacher student ratio	Teachers posted during the year	Teachers transferred/retired	TSC teachers	BOM teachers
1:32	2	1	19	10

Teachers the school has for each subject

	Subject	TSC	BOM
1.	English	3	2
2.	Literature	3	2
3.	Mathematics	5	3
4.	Biology	6	3
5.	Physics	3	0
6.	Chemistry	4	2
7.	History	3	0
8.	Geography	2	1
9.	CRE	2	1
10.	Agriculture	1	1
11.	Drawing and Design	1	0
12.	Business Studies	1	0
13.	Computer	0	1

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

**b) Mean score in the 2021 KCSE:**

Year	Set mean	Attained mean	Joined higher learning institution	comment
2021	7.5	6.6634	48	C+ and above
2020	7.5	6.0870	43	C+ and above
2019	7.5	6.0344	31	C+ and above

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

2021	161
2020	101
2019	115

**d) Capacity of the school:**

Facility	No	Comment
Classrooms	18	Average of 55 students per class
Dormitories	6	Over crowded
Dining hall	1	Currently is dormitory
Laboratories	2	Not enough
Library	1	Currently is dormitory
Toilets	33	Not enough

**e) Development projects carried out by the school:**

No	YEAR	NAME OF PROJECT	SOURCE OF FUNDS	STATUS
1	2021	Dormitory phase 1 and 2	Infrastructure	Complete
2	2021	2 Classrooms	CDF	Complete



**Sign**

**School Principal**



**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

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**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 St. Mary's High School Lushangonyi.

The Board of Management of St. Mary's High School Lushangonyi 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 30<sup>th</sup> June, 2021, and of the school's financial position as at that date.

**Name:** Mr. James Mwasambo  
**Designation:** Chairman, School Board of Management  
**Sign:** .....  
**Date:** 26/8/2024

**Name:** Mr. Lawrence Ptekwenyo  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:** .....  
**Date:** 22-08-2024

**Name:** Mr. Peter Mwangui  
**Designation:** Bursar/ Finance Officer  
**Sign:** .....  
**Date:** 9/8/2024



**ST. MARY'S HIGH SCHOOL LUSHANGONYI  
PUBLIC SECONDARY SCHOOL**

**Annual Report and Financial Statements**

**For the year ended 30th June 2021**

**IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL  
STATEMENTS OF ST. MARYS'S HIGH SCHOOL LUSHANGONYI OF THE YEAR  
ENDING 30<sup>TH</sup> JUNE 2021**

# REPUBLIC OF KENYA



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

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

## REPORT OF THE AUDITOR GENERAL ON ST MARY'S HIGH SCHOOL LUSHANGONYI FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 - TAITA TAVETA COUNTY

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of St Mary's High School Lushangonyi - Taita Taveta County set out on pages 15 to 36, which comprise of the

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*Report of the Auditor-General on St Mary's High School Lushangonyi for the six (6) months period ended 30 June, 2021 – Taita Taveta County*

financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of St Mary's High School Lushangonyi - Taita Taveta County as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in Capitation of Grants**

The statement of receipts and payments reflects capitation grants for tuitions and operation amounting to Kshs.970,293 and Kshs.6,187,662 respectively totalling Kshs.7,157,955. However, records of disbursements from the Ministry of Education indicated an amount of Kshs.10,862,464 resulting in an unreconciled variance of Kshs.3,4704,509.

In the circumstances, the accuracy and completeness of the capitation grants for operation and tuition amounting to Kshs.7,157,955 could not be confirmed.

#### **2. Failure to Maintain Cashbooks**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.5,312,703 as disclosed in Notes 8 and 9 to the financial statements. However, the School did not maintain cash books for service gratuity account and parent association development account contrary to the Public Finance Management (National Government) Regulations, 2015, Section 100 which requires that Accounting Officers shall keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments. Further, the School did not prepare bank reconciliation statements for these bank accounts.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.5,312,703 could not be confirmed.

#### **3. Unsupported School Fund Account**

The statement of receipts and payments reflects school fund income parents' contribution and other receipts amounts of Kshs.4,460,149 and Kshs.12,464,582 respectively as

disclosed in Notes 3 and 4 to the financial statements. However, the amounts were not supported by relevant ledgers and fee collection summaries.

In the circumstances, the accuracy of the school fund account totalling Kshs.16,924,731 could not be confirmed.

#### **4. Long Outstanding Student Accounts Receivables**

The statement of financial assets and financial liabilities reflects account receivables balance of Kshs.4,371,588 as disclosed in Note 11 to financial statements. Included in these are long outstanding student debtors of Kshs.2,962,257 which have remained outstanding for more than two years.

In the circumstances, the recoverability of the accounts receivables balance of Kshs.2,962,257 could not be confirmed.

#### **5. Unsupported Long Outstanding Accounts Payables**

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.2,079,943 as disclosed in Note 12 to the financial statements. Included in the balance are bills totalling Kshs.1,190,049 relating to prepaid student fees whose schedules were not provided for audit.

In the circumstances, the accuracy of the accounts payables balance of Kshs.1,190,049 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St Mary's High School Lushangonyi Management in accordance with ISSAI 130 on the 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 judgement, 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 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing

else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1. Non-Compliance with the Public Sector Accounting Standards Board Guidelines**

Review of the financial statements provided for audit revealed that pagination was inconsistent where page 14 was followed by page 25, the page on progress on follow-up of Auditor-General's recommendations was indicated as page 29 instead of 36 while the ICPAK number of the finance officer was not indicated.

In the circumstances, Management did not comply with the template prescribed by the Public Sector Accounting Standards Board.

### **2. Late Submission of Financial Statements to the Auditor-General**

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2021. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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 complying, 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 THE 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 procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **1. Lack of a Fixed Asset Register**

The Management did not maintain an asset register for all the assets within the School while the assets were not tagged. Further, details on the actual acreage of land occupied by the School and the certificate of title of the land were not provided for audit.

In the circumstances, the effectiveness of the controls on management of the assets could not be confirmed.

### **2. Inaccurate Student Enrolment Data**

Review of the National Education Management Information System (NEMIS) against the School's manual enrolment register revealed that the number of students captured in NEMIS was lower than the number in the School's manual register. The number of the students in the NEMIS system were six hundred and seventy-seven (677) against the School overall enrolment of eight hundred and sixty-one (861) leaving out one hundred and eighty-four (184) students who were not enrolled in the NEMIS system.

In the circumstances, the effectiveness of the NEMIS system in providing accurate data to facilitate proper planning could not be confirmed.

### **3. Over-Supply of Textbooks**

Physical inspection of the text books supplied by the Ministry of Education revealed that the School was oversupplied with two hundred and thirty one (231) textbooks on various subjects.

In the circumstances, the effectiveness of controls on textbooks supplied by the Ministry of Education could not be confirmed.

The audit was conducted in accordance ISSAIs 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, 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 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 sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report which 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 on whether, in all material respects, 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, 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 controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of

the internal controls would not necessarily disclose all matters in the internal controls which 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 which would be material in relation to the financial statements being audited, may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the School's 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 which is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of 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 which 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 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 which achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

17 September, 2024

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
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**V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021**

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	970,292.50	1,151,415.00
Capitation grants for operations	2	6,187,662.00	5,644,725.00
School Fund Income- Parents' Contributions	3	4,460,149.00	6,912,908.00
School Fund Income- Other receipts	4	12,464,582.00	15,139,003.00
Proceeds from borrowings		00	00
<b>TOTAL RECEIPTS</b>		<b>24,082,685.80</b>	<b>28,848,051.00</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	741,222.00	1,023,756.00
Payments for operations	6	5,242,379.00	4,937,821.00
Boarding and school fund payments	7	18,333,718.66	24,763,092.00
<b>TOTAL PAYMENTS</b>		<b>24,317,319.66</b>	<b>30,724,669.00</b>
<b>SURPLUS/DEFICIT</b>		<b>(234,634.16)</b>	<b>(1,876,618.00)</b>

The school financial statements were approved on \_\_\_\_\_ 2024 and signed by:

Sign: *[Signature]*  
 Name: JAMES MWAJAMBO

Sign: *[Signature]*  
 Name: Lawrence Akwonyo

Sign: *[Signature]*  
 Name: Peter Mwangi

Chair BOM  
 Date: 26/8/2024

School Principal/  
 Secretary to BOM  
 Date: 22-08-2024

Bursar/  
 Finance Officer  
 Date: 9/8/2024

**PRINCIPAL**  
 ST. MARY'S HIGH SCHOOL  
 LUSHANGONYI  
 P.O. Box 1910-80304, WUNDANYI  
 TEL: 0701 231053 / 0784 231053  
 Date: \_\_\_\_\_ Sign: \_\_\_\_\_

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
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**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2021**

	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	5,280,317.58	3,296,481.03
Cash Balances	9	184,512.95	11,600.95
Short term Investment	10	00	00
<b>Total Cash and cash equivalent</b>		<b><u>5,464,830.53</u></b>	<b><u>3,308,081.98</u></b>
Account's receivables	11	4,371,587.93	4,530,899.93
<b>TOTAL FINANCIAL ASSETS</b>		<b>9,836,418.46</b>	<b>7,838,981.91</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	2,232,070.41	3,328,840.15
<b>NET FINANCIAL ASSETS</b>		<b>7,604,348.05</b>	<b>6,420,525.67</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	7,838,982.21	5,666,983.40
Surplus/Deficit for the year		(234,634.16)	2,171,998.81
<b>NET FINANCIAL POSSITION</b>		<b>7,604,348.05</b>	<b>7,838,982.21</b>

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

Name: JAMES MWASAMBO  
 Chairman, BoM

Sign: [Signature]

Date: 26/8/2024

Name: Lawrence Ptekwanyo  
 School Principal/Secretary  
 to BoM

Sign: [Signature]

Date: 22-08-2024

Name: Peter Mwangi  
 Bursar/Finance

Sign: [Signature]

Date: 9/8/2024

**PRINCIPAL**  
 ST. MARY'S HIGH SCHOOL  
 LUSHANGONYI  
 P.O. Box 1010-80304, WUNDANYI  
 TEL: 0701 231053/ 0784 231053  
 Date: \_\_\_\_\_ Sign: \_\_\_\_\_

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOLS**  
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**For the year ended 30<sup>th</sup> June 2021**

**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2021**

		<b>2020-2021</b>	<b>2019-2020</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts for operating income</b>			
Capitation grants for tuition	<b>1</b>	970,293.00	1,151,415.00
Capitation grants for operations	<b>2</b>	6,187,662.00	5,644,725.00
School fund income- Parents contributions/ fees	<b>3</b>	4,460,149.00	6,912,908.00
School fund income- other receipts	<b>4</b>	12,464,582.00	15,139,003.00
<b>Total receipts</b>		<b>24,082,686.00</b>	<b>28,848,051.00</b>
<b>Payments</b>			
Payments for Tuition	<b>5</b>	741,222.00	1,023,756.00
Payments for operations	<b>6</b>	5,242,379.00	4,937,821.00
Boarding and school fund payments	<b>7</b>	15,942,336.45	24,763,092.00
<b>Total payments</b>		<b>21,925,937.45</b>	<b>30,724,669.00</b>
<b>Net cash flow from operating activities</b>		<b>2,156,748.55</b>	<b>(1,876,618.00)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		00	00
Acquisition of Assets		(00)	(00)
Proceeds from investments		000	00
Purchase of investments		(000)	(00)
<b>Net cash flows from Investing Activities</b>		<b>00</b>	<b>00</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings/ loans		00	00
Repayment of principal borrowings		00	00
<b>Net cash flow from financing activities</b>		<b>00</b>	<b>00</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>2,156,748.55</b>	<b>(1,876,618.00)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>3,308,081.98</b>	<b>5,184,699.98</b>
<b>Cash and cash equivalent at END of the year</b>		<b>5,464,830.53</b>	<b>3,308,081.98.00</b>

**VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>RECEIPTS</b>						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Textbooks and reference materials	00	00	00	00	00	00
Exercise books	1,253,760.00	00	1,253,760.00	704,700.00	549,060	43.8%
Laboratory equipment	920,686.00	00	920,686.00	00	00	00
Internal exams	100,000.00	00	100,000.00	00	00	00
Teaching / learning materials	1,200,000.00	00	1,200,000.00	265,292.00	934,708.00	77.9%
Chalks	187,650.00	00	187,650.00	00	00	00
Exams and assessment	00	00	00	00	00	00
Teachers guides	00	00	00	00	00	00
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	5,087,420.00	00	5,087,420.00	1,554,670.00	3,532,750.00	69.4%
Repairs and maintenance	4,420,000.00	00	4,420,000.00	3,758,784.00	661,216.00	85%
Local transport / travelling	860,132.00	00	860,132.00	163,830.30	696,301.70	81%
Electricity and water	972,400.00	00	972,400.00	355,189.00	617,211.00	63.5%
Medical	00	00	00	355,189.00	00	00
Administration costs	1,389,648.00	00	1,389,648.00	00	1,034,459.00	074%
Activity	00	00	00	00	00	00
Gratuity	00	00	00	00	00	00
SMASSE	00	00	00	00	00	00

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	3,425,700.00	00	3,425,700.00	899,178.00	2,526,522.00	73.6%
Repairs and maintenance	2,365,600.00	00	2,365,600.00	481,275.00	1,884,325.00	79.7%
Local transport / travelling	3,542,600.00	00	3,542,600.00	1,067,290.00	2,475,310.00	69.9%
Electricity and water	5,343,700.00	00	5,343,700.00	1,457,061.00	3,886,639.00	72.7%
Medical	00	00	00	00	00	00
Administration costs	1,972,550.00	00	1,972,550.00	555,345.00	1,417,205.00	71.8%
Activity	230,500.00	00	230,500.00	00	00	00
SMASSE	00	00	00	00	00	00
Fee on Boarding Equipment and Stores	29,222,240.00	00	29,222,240.00	7,850,348.00	7,850,348.00	26.7%
<b>OTHER INCOME</b>						
Rent income	72,000.00	00	72,000.00	27,557.00	44,443.00	62.8%
Income from farming activities	439,340.00	00	439,340.00	49,189.00	390,151.00	00
Insurance compensation	00	00	00	00	00	00
Income from Posho mill	00	00	00	00	00	X
Income from Bus Hire	00	00	00	7100.00	00	00
Fee for hire of ground and equipment	00	00	00	00	00	00
Interest income	00	00	00	00	00	00
Income from any other investment	00	00	00	00	00	00
<b>TOTAL INCOME</b>	<b>46,621,330.00</b>	<b>00</b>	<b>46,621,330.00</b>	<b>12,394,343.00</b>	<b>20,474,943.00</b>	<b>43.9%</b>

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**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<b>(1) EXPENDITURE FOR TUITION</b>						
Textbooks and reference materials	00	00	00	00	00	00
Exercise books	1,253,760.00	00	1,253,760.00	74,640.00	1,179,120.00	94%
Laboratory equipment	920,686.00	00	920,686.00	433,440.00	487,246.00	53%
Internal exams	100,000.00	00	100,000.00	00	100,000.00	100%
Teaching / learning materials	1,200,000.00	00	1,200,000.00	232,180.00	967,820.00	80%
Chalks	187,650.00	00	187,650.00	00	187,650.00	100%
Exams and assessment	00	00	00	00	00	00
Teachers guides	00	00	00	00	00	00
Administration costs	00	00	00	00	00	00
Bank charges	1200	00	1200	962	238.00	19.8%
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personal emoluments	5,087,420.00	00	5,087,420.00	1,979,985.00	3,107,435.00	61%
Repairs, maintenance & improvements	4,420,000.00	00	4,420,000.00	1,896,500.00	2,523,500.00	57%
Local transport / travelling	860,132.00	00	860,132.00	00	860,132.00	100%
Electricity, water and conservancy	972,400.00	00	972,400.00	450,832.00	521,568.00	53.6%
Medical	00	00	00	00	00	00
Administration costs	1,389,648.00	00	1,389,648.00	405,775.00	983,873.00	71%
Activity Expenses	00	00	00	271,600.00	00	00
Gratuity	00	00	00	00	00	00
SMASSE	00	00	00	00	00	00
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Personnel emoluments	3,425,700.00	00	3,425,700.00	1,424,385.00	2,001,315.00	58.4%

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c%
	Kshs	Kshs			Kshs	Kshs
Repairs, maintenance and improvements	4,017,870.00	00	4,017,870.00	476,026.00	3,541,844.00	88.1%
Local transport / travelling	664,868.00	00	664,868.00	712,168.00	(47,300)	107%
Electricity, water and conservancy	1,557,600.00	00	1,557,600.00	434,103.00	1,123,497.00	72.1%
Medical Expenses	150,000.00	00	150,000.00	77,330.00	72,700.00	48.5%
Administration costs	1,030,352.00	00	1,030,352.00	1,813,325.01	(782,973.01)	176%
Activity	539,900.00	00	539,900.00	31,333.00	508,567.00	94.2%
Gratuity	333,950.00	00	333,950.00	300,000.00	33,950.00	10.2%
Lunch programme	00	00	00	00	00	00
Boarding Equipment and Stores	22,000,000.00	00	22,000,000.00	8,037,681.50	13,962,318.50	63.5%
Expenditure for Income Generating Activity	372,119.00	00	372,119.00	96,065.00	276,054.00	74.2%
Insurance costs	140,000.00	00	140,000.00	135,000.00	5000.00	3.6%
Other expenses on investments	00	00	00	00	00	00
Rent Expenses	00	00	00	00	00	00
Bank Charges	20,000.00	00	20,000.00	20,153.70	(153.70)	100.8%
Loan Interest Repayment	00	00	00	00	00	00
Loan Principal Repayment	00	00	00	00	00	00
Acquisition of Assets	00	00	00	00	00	00
<b>TOTALS</b>	<b>35,892,359.00</b>	<b>00</b>	<b>35,892,359.00</b>	<b>13,422,570.21</b>	<b>00</b>	<b>57.7%</b>

**X. SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Statement of compliance and basis of preparation**

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

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

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**ST. MARY'S HIGH SCHOOL LUSHANGONYI**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2021**

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**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	00	00
Exercise books	00	00
Laboratory equipment	00	00
Internal exams	00	00
Teaching / learning materials	970,292.50	1,151,415.00
Chalks	00	00
Exams and assessment	00	00
Teachers guides	00	00
<b>Total</b>	<b>970,292.50</b>	<b>1,151,415.00</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments/BOM teachers	1,554,670.00	540,000
Repairs and maintenance	3,758,784.00	00
Local transport / travelling	163,830.00	00
Electricity and water	355,189.00	00
Medical	00	124,400.00
Administration costs	355,189.00	4,731,525.00
Activity	00	248800.00
<b>Total</b>	<b>6,187,662.30</b>	<b>5,644,725.00</b>

**3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	899,178.00	1,391,821.00
Repairs and maintenance	481,275.00	1,046,006.00
Local transport / travelling	1,067,290.00	1,214,988.00
Electricity and water	1,457,061.00	2,166,499.00
Medical	00	00
Administration costs	555,345.00	880,739.00
Activity	00	212,855.00
<b>Total</b>	<b>4,460,149.00</b>	<b>6,912,908.00</b>

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**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Fee on Boarding Equipment and Stores	10,208,212.00	11,576,442.40
Rent income	27,55.00	69,950.00
Income from farming activities	49,189.00	00
Insurance compensation	00	00
Income from Posho mill	00	00
Income from Bus Hire	7,100.00	00
Fee for hire of ground and equipment	00	00
Income from grants and donations*	00	00
Interest income	00	14,554.00
Dividends income	00	00
Academic programs	1,744,970.00	00
Furniture/beds	368,701.00	212,501.00
Damages	3,940.00	00
CDF classroom	15,000.00	00
Income from farming activities	49,189.00	00
Food staff	1,600.00	00
Tender	2,000.00	23,000.00
Rent income	27,557.00	69,950.00
refund	20,288.00	00
Lost text books	16,025.00	41,885.00
University application fee	00	1,400.00
Pocket money	00	1,200,854.00
BOM teachers	00	1,015,587.00
Games Kit/mattresses	00	982,830.00
<b>Total</b>	<b>12,464,582.00</b>	<b>15,139,003.40</b>

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**5 PAYMENTS FOR TUITION**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Textbooks and reference materials	00	00
Exercise books	74,640.00	310,500.00
Laboratory equipment	433,440.00	117,390.00
Internal exams	00	00
Teaching / learning materials	232,180.00	568,080.00
Chalks	00	26,790.00
Exams and assessment	00	00
Teachers guides	00	00
Administration Costs	00	00
Bank Charges	962.00	996.00
<b>Total</b>	<b>741,222.00</b>	<b>1,023,756.00</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6 PAYMENTS FOR OPERATIONS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	1,979,985.00	3,128,094.00
Service Gratuity	00	00
Administration Cost	405,775.00	236,625.00
Repairs and maintenance & improvements	1,896,500.00	458,500.00
Local transport / travelling	00	00
Electricity and water	450,832.00	364,376.00
Medical	236,595.00	00
Activity Expenses	271,600.00	206,700.00
SMASSE	00	00
Insurance Cost	00	540,000.00
Bank Charges	1,092.00	3526.00
Acquisition of Assets	00	00
<b>TOTAL</b>	<b>5,242,379.00</b>	<b>4,937,821.00</b>

**7 BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personal emoluments	1,424,385.00	2,245,526.00
Service Gratuity	00	00
Repairs and maintenance & Improvements	476,026.00	2,546,154.00
Local transport / travelling	712,168.00	897,095.00
Electricity and water	434,103.00	427,392.00
Medical expenses	77,330.00	605,325.00
Administration costs	1,813,325.01	00
Lunch Programme	00	00
Bank Charges	20,154.15	4,629.00
Expenses on Income Generating Activities	00	00
Boarding equipment and stores	8,067,776.50	7,173,250.59
Rent expenses	8,000.00	3,250.00
Insurance Cost (Life Property)	00	00
Loan Principal repayment	00	00
Loan Interest repayment	00	00
Acquisition of Assets	00	0
Activity	31,333.00	1,111,840.00
Computer	00	108,000.00
Students entertainment	00	32,950.00

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Caution money	55,500.00	00
Pocket money	00	1,142,400.00
School equipment's	391,011.00	281,460.00
Prize giving	00	418,700.00
BOM meetings	587,460.00	666,360.00
Furniture	224,256.00	00
Refunds	94,279.00	00
Lost text books	00	8,450.00
Dorm	8,080.00	00
Bus fund	370,305.00	00
Games kit	71,050.00	963,500.00
Covid -19	14,020.00	00
CDF classroom	74,000.00	00
BOM teachers	742,126.00	993,893.90
Academic programmes	2,533,966.00	1,060,297.00
Farm	96,065.00	0
Tender	7,000.00	24,000.00
<b>TOTAL</b>	<b>18,333,718.66</b>	<b>20,714,475.59</b>

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**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1103844598	207,373.80	87,443.30
Operations Account	1103810162	1,685,141.69	739,858.39
School Fund Account/Boarding	1109790456	1,636,384.17	1,037,111.88
Service gratuity account	1107805708	152,586.46	00
Parent Association Development Account	1102649619	538,447.00	541,933.00
Income generating activities Account	00	00	00
Infrastructural Account	1260738647	1,060,384.46	890,134.46
Savings Account	00	00	00
<b>Total</b>		<b>5,280,317.58</b>	<b>3,296,481.03</b>

**9 CASH IN HAND**

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	00	00
Operation Account	00	00
School Fund account	184,521.95	11,600.95
<b>Total</b>	<b>184,521.95</b>	<b>11,600.95</b>

**10 SHORT TERM INVESTMENTS**

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	00	00
Treasury Bills	00	00
Fixed deposit	00	00
Equity stock	00	00
Other investments	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11 ACCOUNTS RECEIVABLE**

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	4,292,327.93	3,508,284.93
Other non-fees receivables	31,500.00	123,024.00
Salary advances	00	351,735.00
Imprest	47,760.00	547,856.00
<b>Total</b>	<b>4,371,587.93</b>	<b>4,530,899.93</b>

Accounts receivable ageing analysis

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	1,330,071.00	2,670,009.00
Fees arrears for the previous year	00	838,275.93
Fees arrears for prior periods (over two years)	2,962,256.93	00
<b>Total</b>	<b>4,292,327.93</b>	<b>3,508,284.93</b>

**12 ACCOUNTS PAYABLE**

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	889,434.45	1,744,033.65
Prepaid fees	1,190,049.50	658,887.00
Retention monies	00	872,637.70
Refunds	00	53,282.00
Service Gratuity	152,586.46	00
<b>Total</b>	<b>2,232,070.41</b>	<b>3,328,840.15</b>

Accounts payable ageing analysis

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	889,434.45	1,744,033.65
Trade creditors for the previous year	00	00
Trade creditors for prior periods (over two years)	00	00
<b>Total</b>	<b>889,434.45</b>	<b>1,744,033.65</b>

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**13 FUND BALANCE BROUGHT FORWARD**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank balances	3,292,994.57	1,023,856.97
Cash balances	11,600.95	3,086.20
Short Term Investments	00	00
Receivables	7,857,225.55	6,441,083.84
Payables	(3,322,838.16)	(3,219,500.15)
<b>Total</b>	<b>7,838,981.91</b>	<b>4,248,526.86</b>

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**Other important disclosure notes**

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

**14 Non-current Liabilities Summary**

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	00	00
Outstanding Leases	00	00
Hire purchase	00	00
Gratuity and leave provision	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

**15 Biological assets**

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	5	00	00
Goats	0	00	00
Trees	382	00	00
Coffee or tea plantation	0	00	00
Poultry	0	00	00
<b>Total</b>	<b>387</b>	<b>00</b>	<b>00</b>

**16 Borrowings**

Description	2020-2021	2019-2020
	KShs	KShs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	00	00
Borrowings during the year	00	00
Repayments of during the year	00	00
<b>Balance at end of the year</b>	<b>00</b>	<b>00</b>

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**Other important disclosure notes**

**17 Stock/ Inventory**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>KShs</b>	<b>KShs</b>
<b>b) Borrowings</b>		
Stock/ inventory at beginning of the year	2,440,225.00	00
Stock/ inventory purchased during the year	5,845,646.00	00
Stock/ inventory issued during the year	(5,304,311.00)	00
<b>Balance at end of the year</b>	<b>298,156.00</b>	<b>00</b>

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**18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

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

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020-2021	Outstanding Balance 2019-2020	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4. Trade creditors				889,434.45	1,744,033.65	
5.						
6.						
<b>Sub-Total</b>				<b>889,434.45</b>	<b>1,744,033.65</b>	
<b>Supply of services</b>						
7. Prepaid fees				1,190,049.50	658,887.00	
8. Retention monies				0.00	872,637.50	
9. Refunds				0.00	53,282.00	
10. Service Gratuity				152,586.46	0.00	
<b>Sub-Total</b>				<b>1,342,635.96</b>	<b>1,584,806.50</b>	
<b>Grand Total</b>				<b>2,232,070.41</b>	<b>3,328,840.15</b>	

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**ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2021
Land 1						
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
<b>Total</b>						