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| | DAY: WEDNESDAY |
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| THE TABLE: | J. LECHELE |

THE AUDITOR-GENERAL

ON

KOELEL HIGH SCHOOL

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

NAKURU COUNTY

Revised 30th June 2022.

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
22 OCT 2024
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KOELEL SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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I. Key School Information And Management

(a) Background information

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

The school was registered in 11/03/2021 under registration number 32S30000247 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a BOYS boarding school and had 1786 number of students as at 30th June 2022. It has 9, and 72 teachers of which 20 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:

| | | | |
|----|----------------------------------|-------------------------|------------|
| 1 | Col Victor Alalia Gidion Shiguri | Chairman/Sponsors | 23/05/2022 |
| 2 | Mr. Obenge Philemon Ogola | Secretary - Principal | 23/05/2022 |
| 3 | Mr John Wachira | Coopted P A Member | 23/05/2022 |
| 4 | Mr.Erick Otieno | Coopted P A Member | 23/05/2022 |
| 5 | Ms Evelyne Moraa | Coopted P A | 23/05/2022 |
| 6 | Ms. Ann Mburu | Member – Rep CEB | 23/05/2022 |
| 7 | Mr.Kennedy Kipkirui | Member Rep Teachers | 23/05/2022 |
| 8 | Mr. Oliver Aswani | Member - Community | 23/05/2022 |
| 9 | Major Tony Mwiti Njagi | Members - Sponsor | 23/05/2022 |
| 10 | Maj (FR) Ndung'u Duncan N | Members - Sponsor | 23/05/2022 |
| 11 | David K Gichuki | Member - Community | 23/05/2022 |
| 12 | Ms.Diana Bosibori | Member - Community | 23/05/2022 |
| 13 | Brig (RTD)Stephen Njunge Kihui | Member - Community | 23/05/2022 |
| 14 | Beatrice Wanjiku Muigai | Member - Community | 23/05/2022 |
| 15 | Mr. Tony Ng'ang'a | Member - Community | 23/05/2022 |
| 16 | Sylvia Christine Alwanga | Member Special Needs | 23/05/2022 |
| 17 | Ms Faith Wanjiru Kibonja | Member Special Interest | 23/05/2022 |
| 18 | Lameck Nyokaye | Rep Students | 23/05/2022 |

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

| | | 1. Col Victor Alalia Gidion Shiguri 2. Philemon Obenge 3. Maj (FR) Ndung'u Duncan N | chairman Secretary BoM/Principal Member | |
|---|--|---|--|---|
| 1 | Executive Committee | 4. Ms. Ann Mburu 5. Beatrice Wanjiku Muigai 6. Francis Kihima | Member Member member Deputy | 6 |
| 2 | Audit Committee | 1. MR JOHN WACHIRA 2. -MS CHRISTINE ALWAGA 3. -MS EVELYNE MWANGO | chairman member member | 0 |
| 3 | Finance, procurement and general purposes Committee | 1. MS BEATRICE MUIGAI 2. MR TONY NGANGA | Chairman Member member | 0 |

| | | | | |
|----|--|---|--------------------------------------|---|
| | | 3. BRIG.(RTD) STEPHEN NJUNG'E | | |
| 4 | Academics Standards Quality & Environment Committee | 1. Brig (RTD)Stephen Njunge Kihiu- 2. Mr olive Aswani 3. David K Gichuki- 4. Ms. Ann Mburu 5. Major Tony M Njagi | Chairman Member member | 1 |
| 5 | School Infrastructure Committee | 1. Ms Ann Mburu- 2. Col Victor Alalia Gidion Shiguri 3. Beatrice Wanjiku Muigai 4. Major Tony M Njagi 5. Mr Tony Nganga 7. Francis Kihima 8. Peter Kuria | Chairman Member member | 5 |
| 6 | Discipline Ethics And Integrity Committee | 1. Mr Tony Nganga Kariuki 2. Ms Faith Wanjiru K- 3. Beatrice Wanjiku Muigai- 4. Ms Diana Bosibori | Chairman Member member | 2 |
| 7. | Human Rights & Students Welfare Committee | 1. Mr Erick Otieno 2. Mr. Oliver Aswani 3. Mafor (Fr) Ndungu Duncan N | | 0 |

(d) School operation Management

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

| Ref: | Designation | Name | TSC Number |
|------|------------------|-----------------------|------------|
| 1 | Principal | Obenge Philemon Ogola | 3741595 |
| 2 | Deputy Principal | Francis Saina Kihima | 347682 |
| 3 | Deputy Principal | Peter Maina Kuria | 336368 |
| 4 | School Bursar | Ngugi Ruth Njeri | |
| | | | |

(e) Schools contacts

Post Office Box: 151
Telephone: 0707486669
E-mail: koelelhigh@gmail.com

(f) School Bankers

The school operated 7 (SEVEN) bank accounts:

1. Name of Bank: EQUITY BANK-BOARDING ACCOUNT
Branch: GILGIL
Account Number: 0770298358081
 2. Name of Bank: EQUITY BANK-SAVINGS ACCOUNT
Branch: GILGIL
Account Number: 0770298358114
 3. Name of Bank: ABSA BANK
Branch: NAKURU EAST
Account Number: 027-1281110
 4. Name of Bank: KCB-OPERATIONS ACCOUNT
Branch: GILGIL
Account Number: 1106219589
 5. Name of Bank: KCB-TUITION ACCOUNT
Branch: GILGIL
Account Number: 1106219385
 6. Name of Bank: KCB-TIG ACCOUNT
Branch: GILGIL
Account Number: 1265922586
 7. Name of Bank: EQUITY- CDF ACCOUNT
Branch: GILGIL
Account Number: 0770278689486
 8. MPESA Pay Bill No. 247247 attached to 0770298358081 bank account
-

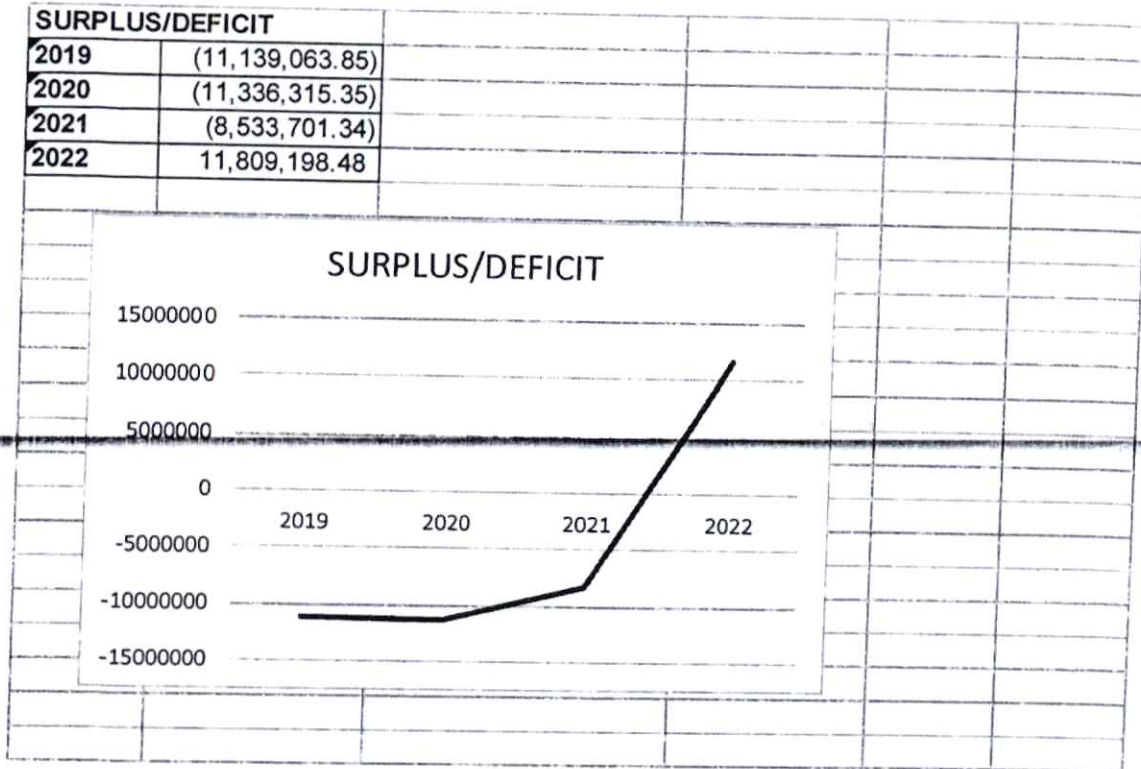
(g) Independent Auditors

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

II. Summary Report Of Performance Of The School

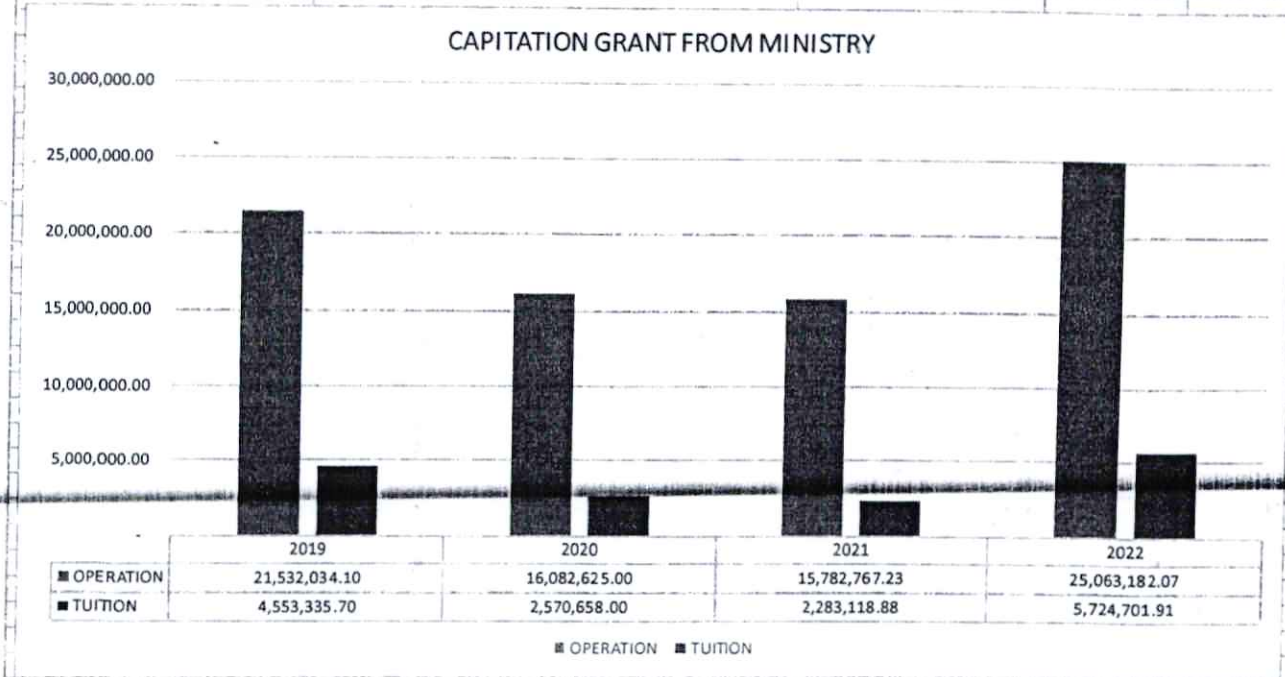
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:



CAPITATION GRANT FROM MINISTRY

| | OPERATION | TUITION |
|------|---------------|--------------|
| 2019 | 21,532,034.10 | 4,553,335.70 |
| 2020 | 16,082,625.00 | 2,570,658.00 |
| 2021 | 15,782,767.23 | 2,283,118.88 |
| 2022 | 25,063,182.07 | 5,724,701.91 |



RATIO OF CAPITATION GRANT PER STUDENT

RATIO OF CAPITATION GRANT PER STUDENT

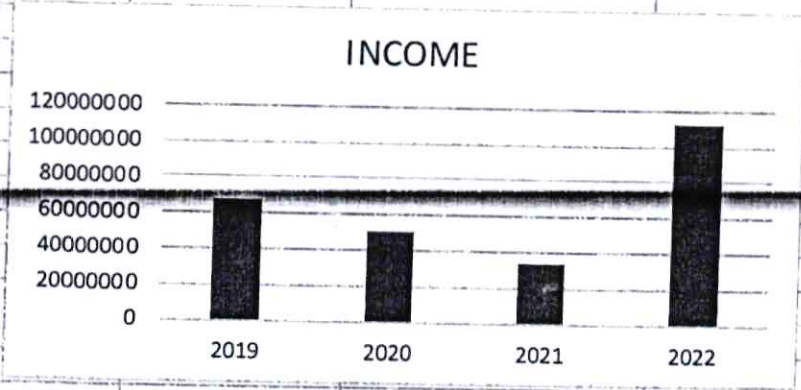
| YEAR | GRANT | NO OF STUDENTS | |
|------|---------------|----------------|----------|
| 2019 | 26,085,369.80 | 1517 | 17195.37 |
| 2020 | 18,653,283.00 | 1586 | 11761.21 |
| 2021 | 18,065,886.11 | 1545 | 11693.13 |
| 2022 | 30,787,883.98 | 1741 | 17684.02 |

- i. Received capitation grant for the financial year as at June 2022, is kshs.17, 684.02 (as indicate above).
 Expected capitation grant amount is Kshs 22,244.00

OVERVIEW OF GROWTH OF OTHER INCOME

GROWTH OF OTHER INCOME

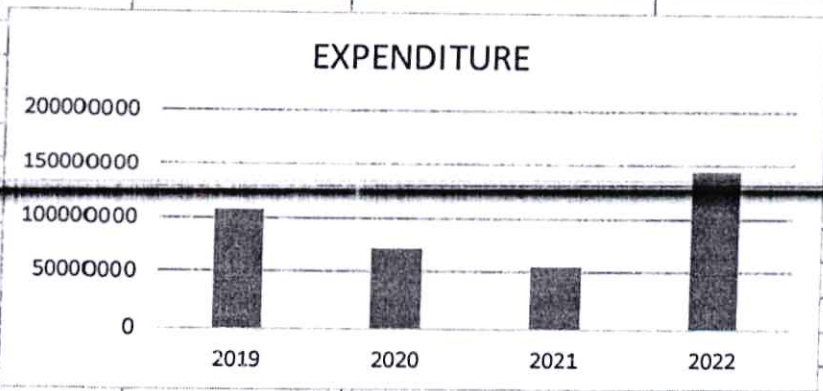
| YEAR | INCOME |
|------|---------------|
| 2019 | 67,618,437.29 |
| 2020 | 50,430,366.78 |
| 2021 | 31,487,484.29 |
| 2022 | 98,599,777.92 |



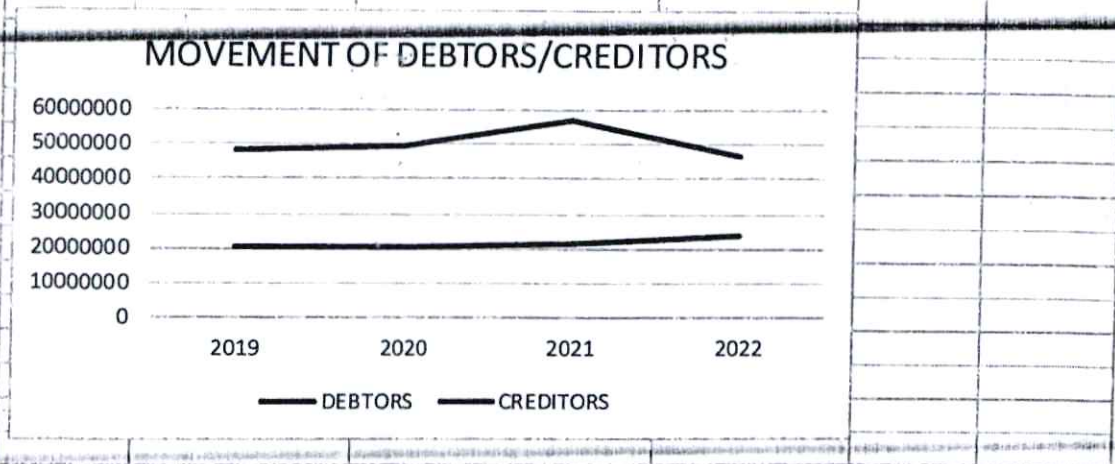
OVERVIEW OF GROWTH IN EXPENDITURE

GROWTH IN EXPENDITURE

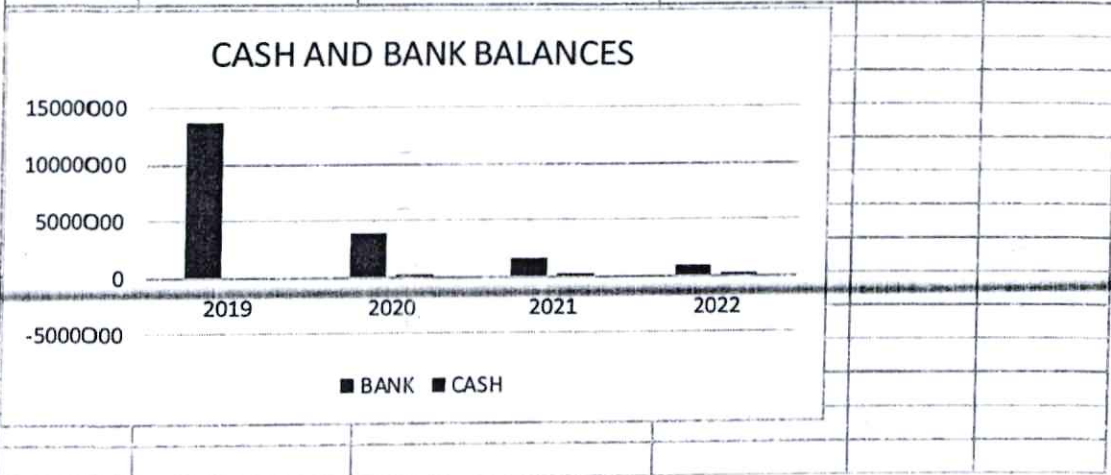
| YEAR | EXPENDITURE |
|------|----------------|
| 2019 | 108,108,856.72 |
| 2020 | 70,953,092.36 |
| 2021 | 58,087,071.74 |
| 2022 | 117,578,463.42 |



| MOVEMENT OF DEBTORS AND CREDITORS | | |
|-----------------------------------|---------------|---------------|
| YEAR | DEBTORS | CREDITORS |
| 2019 | 20,357,263.16 | 48,056,465.40 |
| 2020 | 20,580,632.79 | 49,711,710.56 |
| 2021 | 21,583,433.02 | 57,001,164.84 |
| 2022 | 24,013,979.92 | 46,873,725.42 |



| CASH AND BANK BALANCES | | |
|------------------------|---------------|------------|
| YEAR | BANK | CASH |
| 2019 | 13,723,073.33 | (474.00) |
| 2020 | 3,975,633.32 | 59,433.00 |
| 2021 | 1,610,825.68 | 173,786.00 |
| 2022 | 886,852.84 | 148,971.00 |



b) Teacher Student ratio:

| | |
|---|-------------|
| 1.Number of Students | 1759 |
| 2.Teachers employed by TSC | 52 |
| 3.Teachers to student ratio | 1:24 |
| 4.Teachers Recruited and posted within the year | 9 |
| 5.Teachers transferred | 3 |
| 4.No.of teachers retired | 0 |
| 6. Teachers employed by BOM | 20 |

c) Mean score in the 2021 KCSE:

| YEAR | MEAN SCORE | TRANSITION TO INSTITUTION OF HIGHER LEARNING |
|------|------------|--|
| 2019 | 6.49 | 189 |
| 2020 | 7.0 | 188 |
| 2021 | 6.412 | 158 |
| 2022 | | |

d) Number of Candidates in the 2022 KCSE:

| YEAR | NO.OF CANDIDATES |
|------|------------------|
| 2020 | 322 |
| 2021 | 345 |
| 2022 | 342 |

e) Capacity of the school:

| | |
|--------------------|--------------------|
| Number of students | 1759 |
| Dormitories | 11 |
| Laboratories | 4 |
| Library | 1 (200 Capacity) |
| Toilets | 120 |
| Classrooms | 38 |
| Dining Hall | 1 (1700 Capacity) |

Summary Report of the Performance of the School (Continued)

f) Development projects carried out by the school:

| PROJECT | YEAR | KSHS- B Q QUOTED | KSHS. SPENT | STATUS | FUNDED BY |
|-----------------------------|-----------|---------------------|---------------|-----------|--------------|
| Storied Dormitory | 2020-2021 | 23,066,170.00 | 16,778,635.00 | COMPLETED | M I |
| Store/ Bakery/ Poshomill | 2021/2022 | 3,321,645.00 | 2,309,321.56 | COMPLETED | M I |
| | | | | | |



.....
 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 (PSASB) of Kenya from time to time.

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


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

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

.....

Name: May Tony Mwangi Njagi
Designation: Chairman, School Board of Management
Date:

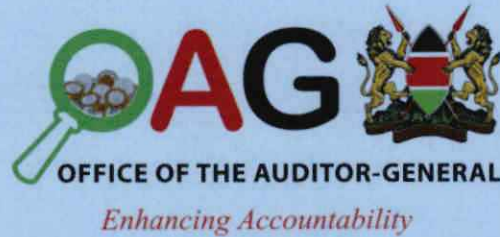
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Name: PHILEMON OBENG
Designation: School Principal & Secretary to Board of Management
Date:

.....

Name: KIGUGI RUTH NJERI
Designation: Bursar/ Finance Officer
Date:

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 KOELEL HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and overall 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 Koelel High School - Nakuru County set out on pages 1 to 14, which comprise the statement of financial assets and financial liabilities as at 30 June, 2022, 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 Koelel High School- Nakuru 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 the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflect a balance of Kshs.46,873,725 for accounts payables as disclosed in Note 12 to financial statements. However, there were no schedules or ledgers to support the balance.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.46,873,725 could not be confirmed.

2. Accounts Receivables

2.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.24,013,980 as disclosed in Note 11. to the financial statements. However, the disclosure Note is indicated as Note 9 instead of Note 11 to financial statements. Further, Note 9 reflects accounts receivable with Nil balance for staff imprests and salary advances. However, it was observed that Management issued Kshs.74,681 as staff imprests and advances during the year without maintaining an imprest register or record of imprests issuance.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.24,013,980 could not be confirmed.

2.2 Long Outstanding Receivables

The statement of financial asset and financial liabilities reflects accounts receivables balance of Kshs.24,013,980 in respect of fees arrears as disclosed in Note 9 to the financial statements. Included in the balance are receivables amounting to Kshs.23,939,299 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.24,013,980 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Koelel High School 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 judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 17 February, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.89,396,931.19 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.657,200 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient and transparent financial management and internal control systems to manage the funds transferred by schools

In the circumstances, value for money transferred to KESSHA amounting to Kshs.657,200 could not be confirmed.

3. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.25,063,182 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.873,000 in respect of infrastructure grant which was not transferred to the infrastructure bank account within the prescribed period of 15 days of receipt. This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen days upon receipt of the funds in the operations account.

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

4. Unapproved Fees on Parents Association Support Programme

The statement of receipts and payments reflects school fund income-parents' contributions amount of Kshs.41,180,528 as disclosed in Note 3 to the financial statements. Examination of the records revealed that the school charged an amount of Kshs.8,500 per student to support the programme which had not been approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that parents will only pay for school uniforms, boarding related costs as reflected in the boarding fees structure and lunch for the day scholars.

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

5. Lack of Annual Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.126,957,115 and Kshs.123,408,286 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity

prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

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

6.1 The annual report and the financial statements presented for audit did not comply with the template provided by the Public Sector Accounting Standards Board (PSASB). The page numbers were not consistent as they were repeated. Further, the amounts reported in the financial statements were not rounded off to the nearest Kshs. In addition, page 11 on "other important disclosure note on - progress on follow up of Auditor's recommendation" was not signed by the Principal of the School.

6.2 Incorrect Naming of School in the Financial Statements

The cover page of the annual report and financial statements is named as "Koelel Secondary School" instead of "Koelel High School."

In the circumstances, Management did not comply with the PSASB reporting requirements

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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register with seven (7) classes of fixed assets owned by the School. The values of all assets listed is indicated as Nil. Among the assets listed are thirty (30) acres of land and four (4) motor vehicles.

However, land ownership documents and motor vehicle log books were not provided for audit.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

2. Irregularities in Stores Management

During the audit, it was established that the School had a substantive Stores Clerk. However, the Clerk did not have the requisite qualifications to maintain computerized stores and technical supplies. Further, review of stores records revealed that no stores requisitions/bin cards from user departments were maintained.

In the circumstances, the effectiveness of internal controls on stores management and could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

The Board of Management are responsible for overseeing the school's financial reporting process, reviewing the effectiveness of how Management monitors compliance with

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR GENERAL

Nairobi

26 September, 2024

V. Statement Of Receipts And Payments Period To 30th June 2022

| DESCRIPTION OF VOTE HEAD | Note | | |
|--|------|-----------------------|-----------------------|
| | | | Kshs |
| RECEIPTS | | | |
| Capitation grants for tuition | 1 | 5,724,701.91 | 2,283,118.88 |
| Capitation grants for operations | 2 | 25,063,182.07 | 15,782,767.23 |
| School Fund Income- Parents' Contributions | 3 | 41,180,528.39 | 13,840,462.34 |
| School Fund Income- Other receipts | 4 | 57,419,249.53 | 17,647,021.95 |
| Proceeds from borrowings | | | |
| TOTAL RECEIPTS | | 129,387,661.90 | 49,553,370.40 |
| PAYMENTS | | | |
| Payments for Tuition | 5 | 4,899,185.31 | 2,425,962.96 |
| Payments for operations | 6 | 23,282,346.92 | 14,563,030.07 |
| Boarding and school fund payments | 7 | 89,396,931.19 | 41,098,078.71 |
| TOTAL PAYMENTS | | 117,578,463.42 | 58,087,071.74 |
| SURPLUS/DEFICIT | | 11,809,198.48 | (8,533,701.34) |

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



[Signature]

[Signature]

Name: *May TOM M. Njagi*
Chair BOM

Name: *PATELION OBERGIC*
School Principal/ Secretary to BOM

Name: *NGUGI QUINN NJERI*
Bursar/ Finance Officer

Date:

Date: *19/4/23*

Date: *19/4/23*

VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

| | Note | Kshs | Kshs |
|--|------|----------------------|----------------------|
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances | 8 | 886,852.84 | 1,610,826.03 |
| Cash Balances | 9 | 148,971.00 | 173,786.00 |
| Short term Investment | 10 | 0.00 | |
| Total Cash and Cash Equivalents | | 1,035,823.84 | 1,784,612.03 |
| Account's receivables | 11 | 24,013,979.92 | 21,586,840.02 |
| TOTAL FINANCIAL ASSETS | | 25,049,803.76 | 23,371,452.05 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable | 12 | 46,873,725.42 | 57,001,164.84 |
| NET FINANCIAL SSETS | | 21,823,921.66 | 33,629,712.79 |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 13 | 33,633,120.14 | 25,096,011.45 |
| Surplus/Defict for the year | | 11,809,198.48 | 8,533,701.34 |
| NET FINANCIAL POSITION | | 21,823,921.66 | 33,629,712.79 |

The school's financial statements were approved on 9 APR 2023 2022 and signed by:



.....
 Name: *May Tony M. Nyagi*
 Chair BOM
 Date:

.....
 Name:
 School Principal/ Secretary to
 BOM
 Date: 19/4/23

.....
 Name: *NGUGI ROTTI NJERI*
 Bursar/ Finance Officer
 Date: 19/4/23

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

| STATEMENT OF CASH FLOW | | | |
|--|---|-----------------------|----------------------|
| | | | |
| | | Kshs | Kshs |
| Receipts from operating activities | | | |
| Capitation grants for tuition | 1 | 5,724,701.91 | 2,283,118.88 |
| Capitation grants for operations | 2 | 25,063,182.07 | 15,782,767.23 |
| School fund income- Parents contributions/ fees | 3 | 41,180,528.39 | 13,840,462.34 |
| School fund income- other receipts | 4 | 57,419,249.53 | 17,647,021.95 |
| adjustment increase or decrease in receivables | | 2,430,546.90 | 1,002,800.00 |
| Total receipts | | 126,957,115.00 | 48,550,570.40 |
| Payments | | | |
| Payments for Tuition | | 4,899,185.31 | 2,425,962.96 |
| Payments for operations | | 23,282,346.92 | 14,563,030.07 |
| Boarding and school fund payments | | 85,099,315.19 | 40,023,674.71 |
| adjustments-increase /decrease in creditors | | 10,127,439.42 | 7,286,047.05 |
| | | 123,408,286.84 | 49,726,620.69 |
| Net cash flow from operating activities | | 3,548,828.16 | 1,176,050.29 |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from Sale of Assets | | | 0.00 |
| Acquisition of Assets | | 0.00 | 0.00 |
| Proceeds from investments | | 0.00 | 0.00 |
| Net cash flows from Investing Activities | | 0.00 | 0.00 |
| NET CASHFLOW FROM FINANCING ACTIVITIES | | | |
| Proceeds from borrowings/ loans | | | |
| Repayment of principal borrowings | | 4,297,616.00 | 1,074,404.00 |
| Net cash flows from Investing Activities | | | |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | 748,787.84 | 2,250,454.29 |
| Cash and cash equivalent at BEGINNING of the year | | 1,784,612 | 4,035,066.32 |
| Cash and cash equivalent at END of the year | | 1,035,823.84 | 1,784,612 |
| | | 0.00 | 0.00 |

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 | | | | | | |
| Textbooks and reference materials | 480,000 | | 480,000 | 274,372 | 205,628 | |
| Exercise books | 2,080,000 | -920000 | 1,160,000 | 823,592 | 336,408 | 140.8% |
| Laboratory equipment | 800,000 | | 800,000 | 583,620 | 216,380 | |
| Internal exams | 2,320,000 | -2300000 | 20,000 | - | 20,000 | |
| Teaching / learning materials | 800,000 | 3220000 | 4,020,000 | 3,860,209 | 159,791 | 104.1% |
| Chalks | 150,400 | | 150,400 | 182,909 | (32,509) | |
| Exams and assessment | | | | | | |
| Teachers guides | | | | - | - | |
| Adminstration Cost | | | | - | - | |
| | | | | | | |
| (2) CAPITATION GRANT ON OPERATIONS | | | | | | |
| Personnel emoluments | 3,008,000 | | | 3,428,698 | (3,428,698) | |
| Repairs and maintenance | 4,000,000 | | 4,000,000 | 8,270,290 | (4,270,290) | 48.4% |
| Local transport / travelling | 902,400 | | | 641,568 | (641,568) | |
| Electricity and water | 1,353,600 | | 1,353,600 | 580,478 | 773,122 | |
| Medical | 1,600,000 | | | 348,205 | (348,205) | |
| Other voteheads/Administration costs | 2,256,000 | | 2,256,000 | 11,793,943 | (9,537,943) | 19.1% |
| Insurance | 1,200,000 | | 1,200,000 | - | 1,200,000 | |
| Activity | | | | | | |
| | | | | | | |
| | | | | | | |
| (3) FEES CHARGED ON PARENTS | | | | | | |
| Personnel emoluments | | | | | | |
| Repairs and maintenance | 1,520,000 | | | | 0 | |
| Local transport / travelling | 1,064,304 | | | 1,106,375 | 1,106,375 | 0.0% |
| | | | | | 0 | |

| | | | | | | |
|---|------------|---|------------|------------|-----------|---------|
| Electricity and water | 1,596,456 | | | | 0 | |
| Medical | | | | | 0 | |
| Administration costs | 2,660,760 | | 2,660,760 | 10,635,422 | 7,974,662 | 25.0% |
| Activity | 380,000 | | 380,000 | 134,772 | 245,228 | 282.0% |
| SMASSE | | | | | 0 | |
| Fee on Boarding Equipment and Stores | | | | | 0 | |
| | | | | | 0 | |
| OTHER INCOME | | | | | - | |
| <i>Fee on Boarding Equipment and Stores</i> | 15,830,800 | | 15,830,800 | 40,906,859 | (44,380) | 38.7% |
| <i>Electricity, water & C</i> | | | | - | | |
| <i>LT&T</i> | | | | - | | |
| <i>Repairs and Maintenance</i> | | | | - | | |
| <i>Personal Emoluments</i> | 3,547,680 | | | | | |
| <i>Admin Costs</i> | | | | - | | |
| <i>uniform</i> | | | | 11,521,181 | | |
| <i>arrears</i> | | | | - | | |
| <i>Tenders</i> | | | | 164,000 | | |
| <i>#REF!</i> | | | | #REF! | | |
| <i>RD cheque</i> | | | | 14,088 | | |
| <i>Income from farming activities</i> | | | | - | | |
| <i>Insurance compensation</i> | - | | | - | | |
| <i>students id /labelling</i> | | | | 14,468 | | |
| <i>Income from Bus Hire</i> | | | | - | | |
| <i>Fee for hire of ground and equipment</i> | | | | - | | |
| <i>Income from grants and donations*</i> | | | | - | | |
| <i>Interest income</i> | | | | - | | |
| <i>Dividends income</i> | | | | - | | |
| TOTAL INCOME | | 0 | | #REF! | #REF! | #REF! |
| (1) EXPENDITURE FOR TUITION | | | | | | |
| Teaching and learning/ref | 480,000 | 0 | 480,000 | 233,400 | 246,600 | 0.48625 |

KOELEL HIGH SCHOOL

Reports and Financial Statement for the year ended 30 June 2022

| | | | | | | |
|--|-----------|----------|-----------|-----------|-----------|-------------|
| Exercise books | 2,080,000 | 360,000 | 2,440,000 | 2,435,300 | 4,700 | 0.99807377 |
| Laboratory equipment | 800,000 | 530,000 | 1,330,000 | 1,329,406 | 594 | 0.999553383 |
| Internal exams | 2,320,000 | -890,000 | 1,430,000 | 229,300 | 1,200,700 | 0.16034965 |
| Teaching / learning materials | 800,000 | | 800,000 | 658,620 | 141,380 | 0.823275 |
| Chalks | 150,400 | | 150,400 | - | 150,400 | 0 |
| Exams and assessment | | | 0 | - | - | #DIV/0! |
| Teachers guides | | | 0 | - | - | #DIV/0! |
| Administration Costs/Bank charges | | | 0 | 13,159 | (13,159) | #DIV/0! |
| Bank Charges | | | 0 | - | - | #DIV/0! |
| | | | 0 | - | - | #DIV/0! |
| PAYMENTS FOR OPERATIONS | | | 0 | - | - | #DIV/0! |
| Personal Emoluments | | | 0 | 8,162,958 | | |
| Service Gratuity | 0 | | 0 | - | | |
| Administration Cost | | | 0 | 4,626,064 | | |
| Repairs and maintenance & improvements | 4,000,000 | | 4,000,000 | 8,809,322 | | 2.20 |
| Local transport / travelling | | | 0 | 469,294 | | |
| Electricity and water | | | 0 | 550,076 | | |
| Medical | 1,600,000 | | 1,600,000 | - | | |
| Activity Expenses | 7,520,000 | | 7,520,000 | 655,200 | | |
| creditors | 1,200,000 | | 1,200,000 | - | | |
| Insurance Cost | 0 | | 0 | - | | |
| Bank Charges | | | 0 | 9,433 | | |
| Acquisition of Assets | 0 | | 0 | - | | |
| | 0 | | | | | |
| BOARDING AND SCHOOL FUND PAYMENTS | | | | | | |
| Activity | 380,000 | | 380,000 | 483,100 | | 1.27 |
| Bus hire | | | 0 | - | | |
| insurance | | | 0 | 305,000 | | |
| Tenders | | | 0 | 112,460 | | |
| Personnel emoluments | 3,547,680 | | 3,547,680 | 8,270,352 | | 2 |
| Service Gratuity | 377,313 | | 377,313 | 377,313 | | |

| | | | | | | |
|--|-------------------|----------|-------------------|--------------------|---------------------|---------------|
| Repairs and maintenance & Improvements | 1,520,000 | | 1,520,000 | 5,406,413 | | 3.56 |
| Local transport / travelling | 1,064,304 | | 1,064,304 | 7,620,904 | | |
| Electricity and water | 1,596,456 | | 1,596,456 | 2,883,462 | | |
| Medical Expenses | 814,631 | | 814,631 | 814,631 | | 1 |
| Administration costs | 2,660,760 | | 2,660,760 | 3,812,775 | | 1.43 |
| P A Classrooms | 950,690 | | 950,690 | 950,690 | | |
| Bank Charges | | | 0 | - | | |
| Expenses on Income Generating Activities | 0 | | 0 | - | | |
| Fee on Boarding Equipment and Stores uniform | 15,830,800 | | 15,830,800 | 52,303,215 | | 3.30 |
| fees refund | 0 | | 0 | - | | |
| Loan Principal repayment | 0 | | 0 | - | | |
| Loan repayment | 4,297,616 | | 4,297,616 | 4,297,616 | - | 1 |
| KNEC Payments | 41,500 | | 41,500 | 41,500 | - | 1 |
| TOTAL | 54,032,150 | 0 | 54,032,150 | 115,860,963 | (61,828,813) | 214.4% |

Budget commentary:

- i. *Revenue from school fund account collected was 96% of expected amount*
- ii. *Expenditure as at June 2022 is 90% of the collected revenue.*

IX. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)**5. Accounts Receivable**

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

| | | | |
|-----------------------------------|--|---------------------|---------------------|
| | | | |
| Textbooks and reference materials | | 274,372.00 | |
| Exercise books | | 823,591.60 | 566,834.40 |
| Laboratory equipment | | 583,620.00 | |
| Internal exams | | | |
| Teaching / learning materials | | 3,860,209.11 | 1,574,573.31 |
| Chalks | | 182,909.20 | |
| Exams and assessment | | | |
| Teachers guides | | | |
| Administration Cost | | | 141,711.17 |
| Total | | 5,724,701.91 | 2,283,118.88 |

2 Capitation Grant for Operations

| | | | |
|--------------------------------------|--|----------------------|----------------------|
| | | | |
| Personnel emoluments | | 3,428,698.40 | 3,089,243.00 |
| Repairs and maintenance | | 8,270,289.88 | 6,583,993.38 |
| Local transport / travelling | | 641,568.00 | 1,215,717.53 |
| Electricity and water | | 580,478.00 | 1,230,021.77 |
| Medical | | 348,204.80 | |
| Other voteheads/Administration costs | | 11,793,942.99 | 3,663,791.55 |
| Refund from mache | | | |
| Insurance | | | |
| Activity | | | |
| Total | | 25,063,182.07 | 15,782,767.23 |

Notes To The Financial Statements (Continued)

3 Parents Contribution/Fees - School Fund Account

| | | | |
|------------------------------|----------|----------------------|----------------------|
| Personnel emoluments | | 10,753,336.56 | 3,587,256.09 |
| Repairs and maintenance | | 4,464,240.71 | 1,106,374.50 |
| Local transport / travelling | | 2,393,614.02 | |
| Electricity and water | | 2,112,552.66 | |
| Medical | | | 512,100.00 |
| Administration costs | | 20,180,085.44 | 7,048,166.16 |
| Activity | | 1,276,699.00 | 134,772.00 |
| Van project | | | 445,872.00 |
| Other Voteheads | | | 1,005,921.59 |
| Total | 0 | 41,180,528.39 | 13,840,462.34 |

4 Other Receipts – School Fund Account

| | | | |
|--|----------|----------------------|----------------------|
| Fee on Boarding Equipment and Stores | | 40,906,858.69 | 17,579,584.95 |
| Electricity, water & C | | | |
| LT&T | | | |
| Repairs and Maintenance | | | |
| Personal Emoluments | | | |
| Admin Costs | | | |
| uniform | | 11,521,180.60 | 63,829.00 |
| arrears | | | |
| Tenders | | 164,000.00 | |
| BOM teachers salaries | | 2,467,546.70 | |
| RD cheque | | 14,088.00 | |
| Income from farming activities | | | |
| Damages/Breakages charges | | 18,148.00 | |
| School Van -balances | | | |
| Insurance compensation | | | |
| students id /labelling | | 14,468.00 | 3,608.00 |
| Income from Bus Hire | | | - |
| Fee for hire of ground and equipment | | | - |
| Income from grants and donations* | | | - |
| Acquisition of assets-two storied dorm | | | - |
| Interest income | | | - |
| Dividends income | | | - |
| KNEC Exams | | 11,588.00 | |
| P A Classrooms | | 2,301,371.54 | |
| Total | - | 57,419,249.53 | 17,647,021.95 |

5 Payments For Tuition

| Teaching and learning/ref | | 233,400.00 | 69,000.00 |
|-----------------------------------|--|---------------------|---------------------|
| Exercise books | | 2,435,300.00 | 1,010,955.00 |
| Laboratory equipment | | 1,329,406.00 | 636,476.00 |
| Internal exams | | 229,300.00 | - |
| Teaching / learning materials | | 658,620.00 | 708,298.00 |
| Chalks | | | - |
| Exams and assessment | | | - |
| Teachers guides | | | - |
| Administration Costs/Bank charges | | 13,159.31 | 1,233.96 |
| Bank Charges | | | |
| Total | | 4,899,185.31 | 2,425,962.96 |

6 Payments For Operations

| Personal Emoluments | | 8,162,958.20 | 1,370,870.00 |
|--|--|----------------------|----------------------|
| Service Gratuity | | | |
| Administration Cost | | 4,626,064.00 | 7,314,908.89 |
| Repairs and maintenance & improvements | | 8,809,321.56 | 4,722,635.00 |
| Local transport / travelling | | 469,294.00 | |
| Electricity and water | | 550,076.00 | 178,930.00 |
| Medical | | | |
| Activity Expenses | | 655,200.00 | 68,000.00 |
| creditors | | | |
| Insurance Cost | | | 895,821.00 |
| Bank Charges | | 9,433.16 | 11,865.18 |
| Acquisition of Assets | | | |
| Transfers | | | |
| TOTAL | | 23,282,346.92 | 14,563,030.07 |

Notes to The Financial Statements (Continued)

7 Boarding and School Fund Payments

| | | | |
|--|--|----------------------|----------------------|
| | | | |
| Activity | | 483,100.00 | 108,500.00 |
| Bus hire | | | |
| insurance | | 305,000.00 | |
| Tenders | | 112,460.00 | |
| Personnel emoluments | | 8,270,352.00 | 879,336.00 |
| Service Gratuity | | 377,313.00 | |
| Repairs and maintenance & Improvements | | 5,406,413.00 | 2,146,285.00 |
| Local transport / travelling | | 7,620,904.22 | 273,700.00 |
| Electricity and water | | 2,883,461.52 | |
| Medical Expenses | | 814,631.00 | 55,200.00 |
| BOM teachers salaries | | 1,310,400.00 | |
| Damages/Breakages charges | | 407,100.00 | 577,871.00 |
| Administration costs | | 3,812,775.00 | 6,839,702.81 |
| P A Classrooms | | 950,690.00 | |
| Bank Charges | | | 21,112.80 |
| Expenses on Income Generating Activities | | | |
| Fee on Boarding Equipment and Stores | | 52,303,215.45 | 29,139,057.10 |
| uniform | | | 2,910.00 |
| fees refund | | | |
| Loan Principal repayment | | | |
| Loan repayment | | 4,297,616.00 | 1,074,404.00 |
| KNEC Payments | | 41,500.00 | |
| van project | | | |
| TOTAL | | 89,396,931.19 | 41,098,078.71 |

Notes To The Financial Statements (Continued)

8 Bank Accounts

| | | | |
|---------------------------------------|---------------|-------------------|---------------------|
| Tuition Account | 1106219325 | 463,989.15 | 711,039.55 |
| Operations Account | 1106219589 | 108,780.70 | 545,328.50 |
| School Fund Account/Boarding - equity | 0770298358081 | (54,959.00) | 132,702.92 |
| School Fund Account/Boarding- absa | 0271281110 | 312,498.04 | (178,341.29) |
| Savings Account-Equity | 0770298358114 | (5,716.00) | (55,036.00) |
| Income generating activities Account | | | |
| Infrastructural Account | 1265922586 | 62,259.95 | 455,132.00 |
| Farm Account | | | |
| Total | | 886,852.84 | 1,610,825.68 |

Cash In Hand

| Description | | | |
|---------------------|--|-------------------|-------------------|
| Tuition Account | | - | - |
| Operation Account | | | |
| School Fund account | | 148,971.00 | 173,786.00 |
| Total | | 148,971.00 | 173,786.00 |

Notes to The Financial Statements (Continued)

9 Accounts Receivable

| Description | | | |
|--|--|----------------------|----------------------|
| Fees arrears | | 23,939,298.92 | 21,586,840.02 |
| Other non-fees receivables | | 24,681.00 | 10,593.00 |
| Salary advances | | 50,000.00 | (14,000.00) |
| Imprest | | | - |
| Total | | 24,013,979.92 | 21,583,433.02 |
| [Include an ageing of the fees / non fees arrears below] | | | |
| Description | | | |
| Fees arrears for current year | | 5,549,328.35 | 1,714,596.75 |
| Fees arrears for the previous year | | 1,714,596.75 | 1,849,872.63 |
| fees arrears received during the year | | (3,196,869.45) | (708,389.52) |
| Fees arrears for prior periods (over two years) | | 19,872,243.27 | 18,730,760.16 |
| Total | | 23,939,298.92 | 21,586,840.02 |

10 Accounts Payable

| Description | | | |
|---|--|----------------------|----------------------|
| Trade creditors (See ageing below and appendix 1) | | 39,479,498.32 | 53,370,425.32 |
| Prepaid fees | | 7,394,227.10 | 3,630,739.52 |
| bus loan | | | |
| Total | | 46,873,725.42 | 57,001,164.84 |
| [Include an ageing of the creditor's arrears below] | | | |
| Description | | | |
| Trade creditors for current year | | 23,092,438.00 | 18,845,562.01 |
| Trade creditors for the previous year | | 18,845,562.01 | 32,436,420.25 |
| Trade creditors for prior periods (over two years) | | 34,524,863.31 | 16,356,457.31 |
| paid during the year | | (36,983,365.00) | (14,268,014.25) |
| Total | | 39,479,498.32 | 53,370,425.32 |

Notes To The Financial Statements (Continued)

11 Fund Balance Brought Forward

| Description | | | |
|---------------|--|------------------------|------------------------|
| Bank balances | | 1,610,825.68 | 3,975,633.32 |
| Cash balances | | 173,786.00 | 59,433.00 |
| loan-bus | | | |
| Receivables | | 21,583,433.02 | 20,580,632.79 |
| Payables | | 57,001,164.84 | (49,711,710.56) |
| Total | | (33,633,120.14) | (25,096,011.45) |

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.

12 Non-current Liabilities Summary

| | 30 JUNE 2021 | 30 JUNE 2022 |
|------------------------------|---------------------|---------------------|
| Bank loan(s) | 3,917,583.00 | 5,731,331.00 |
| Outstanding Leases | - | - |
| Hire purchase | - | - |
| Gratuity and leave provision | - | - |
| Total | 3,917,583.00 | 5,731,331.00 |

13 Progress On Follow Up Of Auditor Recommendations

Sign and Date
Principal

KOELE HIGH SCHOOL

Reports and Financial Statements For the year ended 30 June 2022

Annex 1 - Analysis Of Pending Accounts Payable

| Supply of goods | | | | | | | |
|-----------------|--------------------------------------|--|--------------|--------------|--|--|--------------|
| 1. | Startic Distributors | | 652,000.00 | | | | 652,000.00 |
| 2. | Samaritan Dealers Limited | | 79,780.00 | 1,010,293.00 | | | 1,090,073.00 |
| 3. | Gilgil Hardware and Glassmart | | | 2,175,740.00 | | | 2,175,740.00 |
| 4. | Bumwama Supply | | 1,176,165.00 | 474,047.00 | | | 1,650,212.00 |
| 5. | Gikimwa Enterprises | | | 3,971,080.00 | | | 3,971,080.00 |
| 6. | Kanjuiiri Enterprises LTD | | 176,700.00 | | | | 176,700.00 |
| 7. | Kenya Ordnance Factories Corporation | | | 1,250,000.00 | | | 1,250,000.00 |
| 8. | Naivas Ltd | | 3,023,991.00 | | | | 3,023,991.00 |
| 9. | Oracle Engineering Consultants | | 751,100.00 | 686,700.00 | | | 1,437,800.00 |
| 10. | Githinji Grocery | | 368,850.00 | 122,585.00 | | | 491,435.00 |
| 11. | Farmwill Farmers Centre | | 87,000.00 | | | | 87,000.00 |

| | | | | | | |
|---|-------------------------|--|--|----------------------|----------------------|----------------------|
| 12. Moses Wangombe Ngum | | | | 258,000.00 | | 258,000.00 |
| 13. Goren Gates Agency | | | | 44,000.00 | | 44,000.00 |
| 14. Shepherds Butchery | | | | 681,340.00 | | 681,340.00 |
| 15. Acacia Innovations Limited | | | | 739,600.01 | | 739,600.01 |
| 16. Lagsure Supplies | | | | | 1,334,360.00 | 1,334,360.00 |
| 17. Shungani Reson Saruni | | | | 957,100.00 | | 957,100.00 |
| 18. The whiterock Self Help Group | | | | 269,750.00 | | 269,750.00 |
| 19. Elenox Limited | | | | 73,600.00 | | 73,600.00 |
| 20. Bahati Agro Processors Ltd | | | | | 430,051.23 | 430,051.23 |
| 21. RACESTER VENTURES | | | | 57,600.00 | | 57,600.00 |
| 22. Buhoti General Supplies | | | | 72,000.00 | | 72,000.00 |
| 23. Joy Mini Supermarket | | | | 373,880.00 | | 373,880.00 |
| 24. Suka Farmers' Cooperative Society Ltd | | | | 701,626.00 | | 701,626.00 |
| 25. Nakuru Woolshop Ltd | | | | 695,355.00 | | 695,355.00 |
| 26. Revakh Enterprises | | | | 1,220,000.00 | | 1,220,000.00 |
| 27. Africa Centre For Technology Transfer | | | | 168,000.00 | | 168,000.00 |
| 28. Elishipha wangui | | | | 26,400.00 | | 26,400.00 |
| 29. ABC Garage | | | | 46,810.00 | | 46,810.00 |
| 30. Ziwani Enterprises | | | | 80,225.00 | | 80,225.00 |
| 31. Muriongo Kuronoi | | | | 723,968.00 | | 723,968.00 |
| 32. Ebbsy Sounds & Film Productions | | | | 76,100.00 | | 76,100.00 |
| 33. Amazing Vet | | | | 16,000.00 | | 16,000.00 |
| 34. Fancy Cheptoo | | | | 760,000.00 | | 760,000.00 |
| 35. DAN AUSTIN SIGNS | | | | 4,200.00 | | 4,200.00 |
| 36. Veegent Ventures | | | | 91,400.00 | | 91,400.00 |
| 37. Kestrel Ltd | | | | 1,142,340.00 | | 1,142,340.00 |
| 38. Copycate Enterprises LTD | | | | 14,630.00 | | 14,630.00 |
| 39. KAMS ELECTRICAL/ ELECTRONICS | | | | 264,920.00 | | 264,920.00 |
| 40. Elidaac Enterprises | | | | 21,600.00 | | 21,600.00 |
| 41. GREENMARKS S H G | | | | 723,800.00 | | 723,800.00 |
| 42. Peroma Enterprises | | | | 509,240.00 | 816,383.09 | 509,240.00 |
| 43. Fremwathi Investment | | | | 133,450.00 | | 133,450.00 |
| | Sub-Total | | | 17,262,520.00 | 11,622,669.32 | 28,885,189.32 |
| | BUS LOAN ACCOUNT | | | 3,917,583.00 | | 3,917,583.00 |

KOELEL HIGH SCHOOL

Reports and Financial Statements for the year ended 30 June 2022

| <i>TUITION ACCOUNT</i> | | | | 2022 | 2021 | |
|--|------------------|--|--|---------------------|---------------------|----------------------|
| 44. Dobex school suppliers | | | | 548,766.00 | 201,426.00 | 750,192.00 |
| 45. Mimosa office and school supplies | | | | 2,035,300.00 | 1,477,985.00 | 3,513,285.00 |
| 46. Cyber School Technology Solutions Ltd | | | | | 200,200.00 | 200,200.00 |
| 47. Jetlink Educational Ent | | | | 79,900.00 | | 79,900.00 |
| 48. Central Scientific Supplies Ltd | | | | 530,640.00 | 59,760.00 | 590,400.00 |
| 49. Shanangel Agencies | | | | 150,300.00 | | 150,300.00 |
| | Sub-Total | | | 3,344,006.00 | 1,939,371.00 | 5,283,377.00 |
| <i>OPERATIONS ACCOUNT</i> | | | | 2022 | 2021 | |
| 50. KAMS ELECTRICAL/ ELECTRONICS | | | | | 339,780.00 | 339,780.00 |
| 51. PETPAT ENTERPRISES | | | | 881,480.00 | 1,422,600.00 | 2,304,080.00 |
| 52. PATMAT BOOKSHOP | | | | 383,712.00 | 27,840.00 | 27,840.00 |
| 53. Vita Merchant Agencies Ltd | | | | | | |
| 54. Lilisam Sports | | | | | 140,000.00 | 140,000.00 |
| 55. Shanangel Agencies | | | | 57,500.00 | | |
| 56. The Continental Radiant Company | | | | 104,500.00 | | |
| 57. Forbes Agencies | | | | 201,000.00 | | |
| 58. JOCHU OFFICE EQUIPMENT STATIONERS | | | | 9,000.00 | | 19,000.00 |
| 59. Gilgil Press & Stationers | | | | 82,220.00 | | 82,200.00 |
| 60. HEZAG ENTERPRISES | | | | 200,000.00 | 793,750.00 | 993,750.00 |
| 61. Puch-Mode Enterprises | | | | 60,000.00 | | 60,000.00 |
| 62. FLYLINK SOLUTIONS | | | | | 101,050.00 | 101,050.00 |
| 63. Megzit Limited | | | | 36,500.00 | | 36,500.00 |
| | Sub-Total | | | 2,485,912.00 | 2,825,020.00 | 5,310,932.00 |
| TOTALS =28,885,189.32+5,283,377.00+5,310,932.00 | | | | | | 39,479,498.32 |

10

Annex 2 – Summary Of Fixed Assets Register

| | | | | | | |
|--|---|---|---|---|---|---------|
| Land 1 | | | | | | 30ACRES |
| Land 2 | 0 | 0 | 0 | 0 | 0 | 0 |
| Buildings and structures | 0 | 0 | 0 | 0 | 0 | 249 |
| Motor vehicles | 0 | 0 | 0 | 0 | 0 | 4 |
| Office equipment, furniture and fittings | 0 | 0 | 0 | 0 | 0 | 54137 |
| ICT Equipment, and Other ICT Assets | 0 | 0 | 0 | 0 | 0 | 122 |
| Tools and apparatus | 0 | 0 | 0 | 0 | 0 | 3207 |
| Textbooks | 0 | 0 | 0 | 0 | 0 | 50002 |
| Other Machinery and Equipment | 0 | 0 | 0 | 0 | 0 | 0 |
| Heritage and cultural assets | 0 | 0 | 0 | 0 | 0 | 0 |
| Intangible assets- soft ware | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | | | | | |

