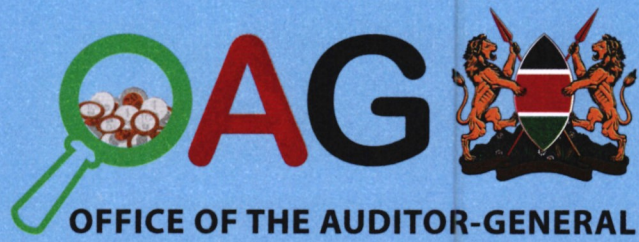


REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**



**OF**

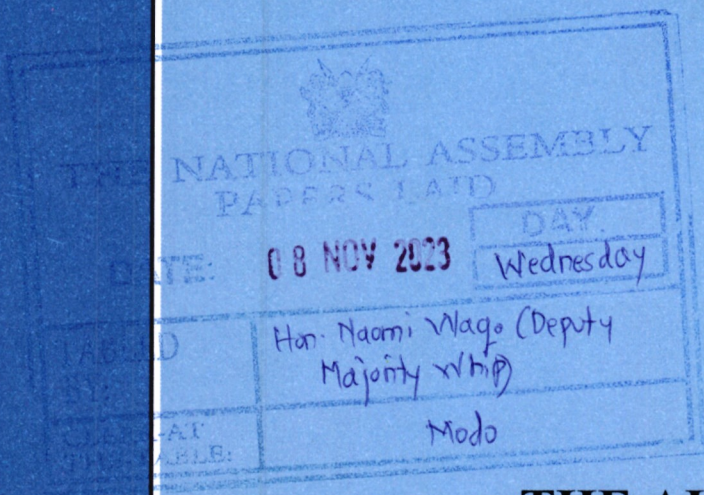
**THE AUDITOR-GENERAL**

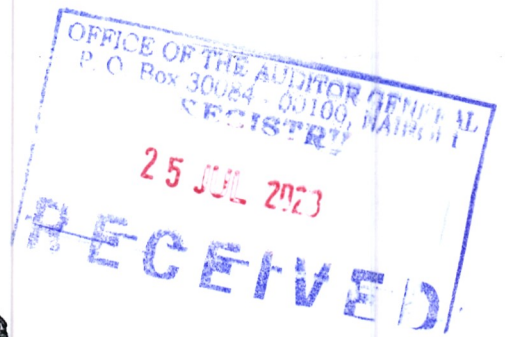
**ON**

**BISHOP JOHN NJENGA SECONDARY  
SCHOOL**

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

**TAITA/TAVETA COUNTY**





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*BISHOP JOHN NJENGA SECONDARY SCHOOL*  
**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> 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 Taita Taveta County, Taveta Sub-County

The school was registered in 20/08/2016 under registration number 06/5/0030/0196 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had **450** number of students as at 30<sup>th</sup> June 2022. The School has **3** streams and **25** teachers of which **6** teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Stanley Mruttu Masamo	Chairman	9th August 2019
2	Druscillah Mwaita	Secretary - Principal	
3	Joseph Ng'ele	Member	
4	Peter Mutua	Member	
5	Maua Malai	Member	
6	Felister Kirigha	Member	
7	Joel K. Mbatha	Member	
8	Killian Nyambu	Member – Rep CEB	
9	John Opande	Member Rep Teachers	
10	Bonface Malai	3 Members - Sponsor	
	Harrison Ngai Florence Mwende		
11	Preston Yulu	Member - Community	
12	Josephine Ngusye	Member Special Needs	
13	Samuel Merumi	Rep Students	

**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**

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Stanley M. Masamo Druscillah Mwaita Alama mwalwala Felister Kirigha Maua Malai		3
2	Audit Committee	Maua Malai Drucillah Mwaita Stanley Masamo	Chairperson Secretary Member	1 out of 1
3	Finance, procurement and general purposes Committee	Maua Malai Felister Kirigha Killian Nyambu Stanley Masamo	Chairperson Member Member Member	2
4	Academic Committee	Preston Yulu Felister Kirigha Joseph Ng'ele Alama mwalwala	Chairperson Member Member Member	1

5	Development Committee	Joseph Ng'ele Alama mwalwala Maua Mali	Chairperson Member Member	3
6	Discipline and welfare Committee	Stanley Masamo Felister Kirigha Florence Mulei	Chairperson Member Member	1
7	Adhoc Committee (if any during the year)	David Katua Anthony Parsanka Dennis Munyi Faustina Msha Franciscah Naomi Maina Cliff	Chairperson Member Member Member Member Member	2

**(d) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Md. Druscillah Mwaita	236189
2	Deputy Principal	Mr. David Katua	396912
3	School Bursar	Faustina Msha	N/A

**(e) Schools contacts**

Post Office Box: 151-80302  
 Telephone: 0794363920  
 E-mail: bishopjohnsec@gmail.com  
 Website:  
 Facebook:  
 Twitter:

**(f) School Bankers**

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

- Name of Bank: Bishop John Njenga Secondary School – main account.  
 Branch: K.C.B Taveta.  
 Account Number: 1111142912

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

2. Name of Bank: Bishop John Njenga Secondary School- operation account.  
Branch: K.C.B Taveta  
Account Number: 1103870769
3. Name of Bank: Bishop John Njenga Secondary School- Tuition account.  
Branch: K.C.B Taveta  
Account Number: 1103871129
4. Name of Bank: Bishop John Njenga Secondary School- Infrastructure account.  
Branch: K.C.B Taveta  
Account Number: 1125097123
5. Name of Bank: Bishop John Njenga Secondary School- savings account.  
Branch: K.C.B Taveta  
Account Number: 1111209731
6. Name of Bank: Bishop John Njenga Secondary School- bus project account.  
Branch: K.C.B Taveta  
Account Number: 1235838404
7. MPESA Pay Bill No. 61513k attached to Main bank account(A/C NO.1111142912)

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

**(g) Independent Auditors**

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

**II. Summary Report Of Performance Of The School**

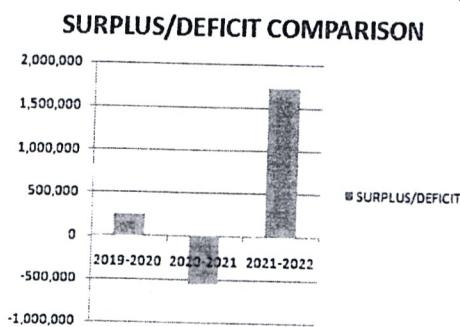
The following is a summary report of the performance of the school against the set performance evaluation criteria:

**a) Financial performance:**

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

**b) Financial performance:**

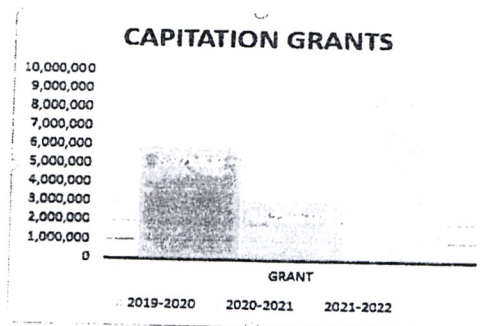
- *Surplus/ deficit for the year and a comparison of the same for the last three year*



YEAR	SURPLUS/DEFICIT
2019-2020	249,455
2020-2021	(563,425.80)
2021-2022	1,718,154

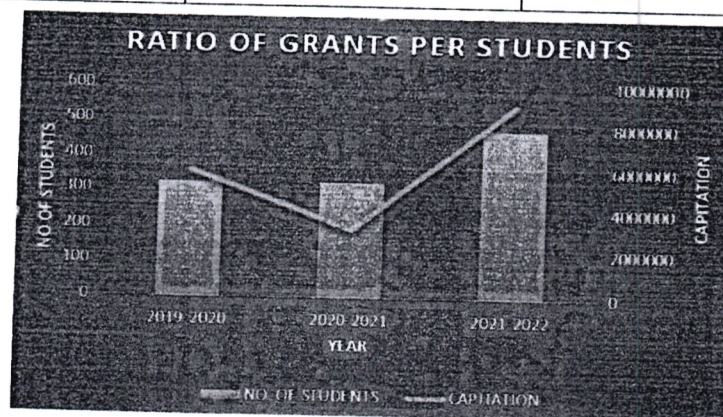
- *Capitation grants from the Ministry of Education for the last three years*

YEAR	GRANT
2019-2020	5,971,320
2020-2021	3,155,061.70
2021-2022	9,080,561



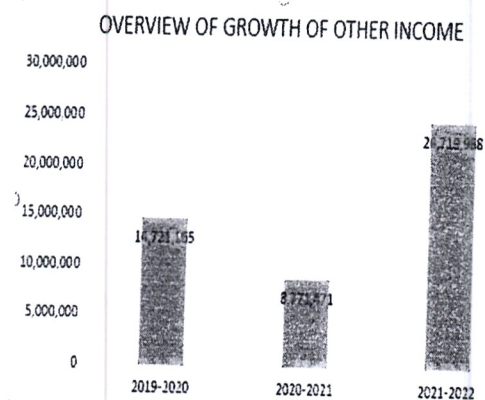
- *Ratio of capitation grant per student over the last three years*

<b>YEAR</b>	<b>NO. OF STUDENTS</b>	<b>CAPITATION</b>
<b>2019-2020</b>	324	5971320
<b>2020-2021</b>	324	3,155,061
<b>2021-2022</b>	477	9,080,561



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

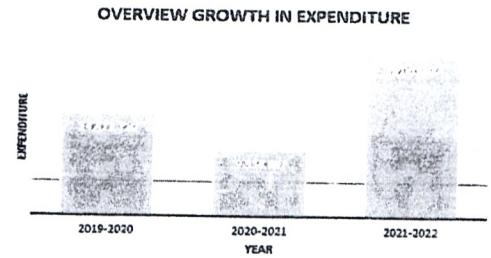
<b>YEAR</b>	<b>INCOME</b>
<b>2019-2020</b>	14,721,165
<b>2020-2021</b>	8,771,471
<b>2021-2022</b>	24,719,988



Bishop John Njenga Secondary school  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

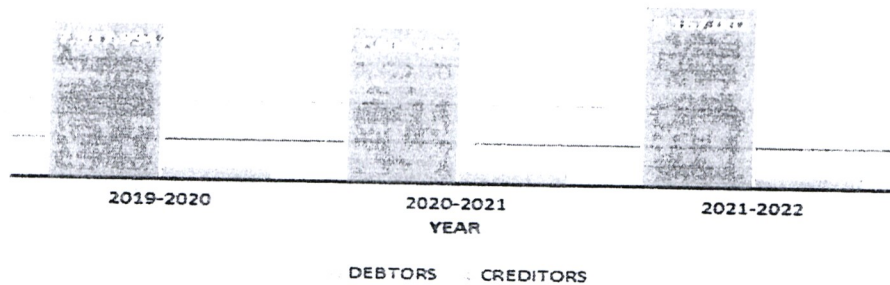
YEAR	EXPENDITURE
2019-2020	14,471,710
2020-2021	9,334,897
2021-2022	23,001,834



- Movement of debtors and creditors of the school over the last three years.

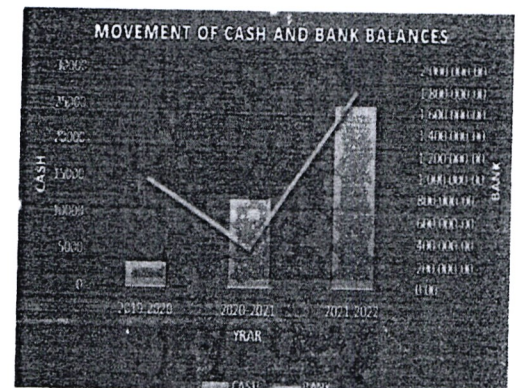
YEAR	DEBTORS	CREDITORS
2019-2020	7,917,994	615,732
2020-2021	7,808,852	615,732
2021-2022	9,167,002	578,441

**MOVEMENT OF DEBTORS AND CREDITORS**



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

YEAR	CASH	BANK
2019-2020	3412.20	989,172.72
2020-2021	12,051.20	361,996.72



Bishop John Njenga Secondary school  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

<b>2021</b>		
<b>2021-</b>	<i>25,183</i>	<i>1,791,634.26</i>
<b>2022</b>		

**c) Teacher Student ratio:**

The School has **450** students with **25** teachers employed by TSC and **6** employed by BOM resulting to a student to teacher ratio of **15:1**.

**d) Mean score in the 2019-2021 KCSE:**

<i>YEAR</i>	<i>KCSE C+ plus and Above</i>	<i>Mean Score</i>	<i>Remarks</i>
<i>2019</i>	<i>12 students</i>	<i>4.785 C- (minus)</i>	
<i>2020</i>	<i>12 students</i>	<i>4.677 C-(minus)</i>	
<i>2021</i>	<i>11students</i>	<i>4.391D+(minus)</i>	

**e) Number of Candidates in the 2019-2021 KCSE:**

<i>YEAR</i>	<i>ENTRY</i>	<i>MEAN GRADE</i>
<i>2019</i>	<i>65</i>	<i>C-</i>
<i>2020</i>	<i>102</i>	<i>C-</i>
<i>2021</i>	<i>92</i>	<i>D+</i>

**f) Capacity of the school:**

The School has 450 students with 200 being borders and 250 being day scholars.

*Summary Report of the Performance of the School!(Continued)*

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

The School has carried out the following development projects :-

<i>Name of project</i>	<i>Year of completion</i>
<i>Ten door VIP toilet</i>	2021
<i>One classroom</i>	2021
<i>Four door VIP staff toilet</i>	Ongoing
<i>One classroom</i>	2022
<i>Two CBC classroom</i>	2021 One complete & One Ongoing - 2022

**PRINCIPAL**  
BISHOP JOHN NJENGA, SEC. SCHOOL  
P.O. BOX 151 - 80302, TAVETA  
*[Signature]*  
Date: 16/6/2023

**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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.


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

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

Name: Stanley M. Mruttu  
Designation: Chairman, School Board of Management  
Sign:   
Date: 16/06/2023

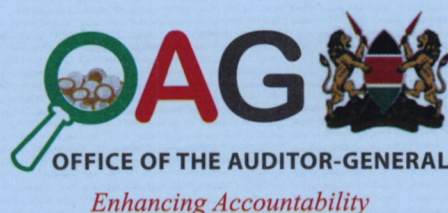
Name: Md. Druscillah Mwaita  
Designation: School Principal & Secretary to Board of Management  
Sign:   
Date: 16/6/2023

BISHOP JOHN NJENGA SEC. SCHOOL  
P. O. Box 751 80302, FAWEIFA  
Date: Sign:

Name: Faustina Msha  
Designation: Bursar/ Finance Officer  
Sign:   
Date: 16/06/2023

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON BISHOP JOHN NJENGA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Adverse Opinion**

I have audited the accompanying financial statements of Bishop John Njenga Secondary School – Taita/Taveta County set out on pages 1 to 17, which comprise of 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 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Bishop John Njenga Secondary School – Taita/Taveta 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 Adverse Opinion**

### **1.0 Inaccuracies in the Financial Statements**

Review of the financial statements revealed the following inconsistencies:

- i) The statement of receipts and payments amounts differed significantly with those reflected in the statement of cash flows as analyzed below;

<b>Financial Statement Component</b>	<b>Statement of Receipts and Payments (Kshs.)</b>	<b>Statement of Cash Flows (Kshs.)</b>	<b>Variance (Kshs.)</b>
Capitation Grants for operations	7,554,292	8,046,907	492,615
School Fund Income - Parent Contribution/Fees	3,171,275	13,246,880	10,075,605
School fund income - Other Receipts	12,468,152	4,194,499	8,273,653
Payments for Operations	6,703,422	5,849,886	853,536
Boarding and School Fund Payments	14,710,055	16,788,770	2,078,715

- ii) As reported in the previous year, the statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,816,817 which, as disclosed in Note 8 to the financial statements includes cash at bank balances amounting to Kshs.1,791,634. The bank balance constitutes a saving and a bus project bank accounts indicated as having nil balance but the respective bank certificates reflect closing balances of Kshs.42,524 and Kshs.2,319,303 respectively. Management did not provide cash books or bank reconciliation statements in support of the nil balances reflected in the financial statements.
- iii) The statement of budgeted versus actual amounts reflects final receipts budget of Kshs.20,021,320 and actual receipts of Kshs.22,057,441 resulting to a net surplus

of Kshs.5,857,582. However, recomputation of the balances results to a net shortfall of Kshs.2,036,121. Similarly, the statement reflects expenditure final budget of Kshs.20,021,320 and actual of Kshs.22,601,783 resulting to performance difference of Kshs.6,467,914. However, recomputation of the balances results to a net deficit of Kshs.2,580,463. In contrast, the statement of receipts and payments reflects total receipts and total payments of Kshs.24,719,988 and Kshs.23,001,834 resulting to a surplus of Kshs.1,718,154.

- iv) The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,816,817 while the statement of cash flows reflects Kshs.1,859,341 resulting to an unreconciled variance of Kshs.42,524.
- v) Management did not disclose in the financial statements banking details for the National Government Constituencies Development Fund (NG-CDF) Taveta Constituency Account held by the School Project Management Committee for the construction of a dormitory.

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

## **2.0 Variances in Capitation Received by the School**

The statement of receipts and payments reflects capitation for both tuition and operations receipts amounting to Kshs.9,080,561 as disclosed in Notes 1 and 2 to the financial statements. However, the amount differs with the acknowledgments from the Ministry of Education balance of Kshs.8,601,224 resulting to an unreconciled variance of Kshs.479,337. Further, the bank statements indicated that the School received capitation grants amounting to Kshs.8,469,635 from the Ministry of Education resulting to an unreconciled variance of Kshs.610,926. No reconciliation has been provided for the three sets of records.

In the circumstances, the accuracy and completeness of the capitation grants could not be confirmed.

## **3.0 Unsupported Expenditure - School Fund Income-Other Receipts**

The statement of receipts and payments reflects school fund income-other receipts of Kshs.12,468,152 which, as disclosed in Note 4 to the financial statements includes rental income, income from farming activities and income from canteen of Kshs.34,000, Kshs.385,785 and Kshs.127,620 respectively all amounting to Kshs.547,405. However, Management did not provide receipt vouchers and banking's slips to support the receipts.

In the circumstances, the accuracy and completeness of school fund income-other receipts of amounting to Kshs.547,405 could not be confirmed.

## **4.0 Unsupported Expenditure - Personnel Emoluments**

The statement of receipts and payments reflects boarding and school fund payments of Kshs.14,710,055 which, as disclosed in Note 7 to the financial statements includes an expenditure of Kshs.4,566,452 in respect of personnel emoluments. However, Management did not provide payments vouchers to support the expenditure.

Further, the payrolls provided for audit amounted to Kshs.3,628,893 resulting to an unreconciled variance of Kshs.937,559. Although, Management explained that the vote head for personnel emoluments was merged with other vote heads for administration costs, local transport and travelling, electricity water and conservancy, no disclosure was made on the expenditure sub items for personal emoluments.

In the circumstances, the accuracy and completeness of the personnel emoluments of Kshs.4,566,452 could not be confirmed.

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

### **Budgetary Control and Performance**

The summary statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.20,021,320 and Kshs.22,057,441 respectively, resulting to an over-funding of Kshs.2,036,121 or 10% of the budget. Similarly, the School spent Kshs.22,601,783 against an approved budget of Kshs.20,021,320 resulting to an over expenditure of Kshs.2,580,463 or 13% of the budget.

Over-funding and over-expenditure could imply poor budget making process and the resultant unauthorized expenditure thereby affecting planned service delivery to the students.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1.0 Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements**

The statement of budgeted versus actual amounts reflects percentage utilization of over 10% above and below the budgeted across the vote heads. However, contrary to the Public Sector Accounting Standards template (IPSAS), Management has not provided explanatory notes for the under or overutilization above 10% as required.

In the circumstances, Management was in breach of the Guidelines as prescribed the Public Sector Accounting Standards Board (PSASB).

### **2.0 Irregular Payments for Tuition Expenses from Boarding and School Fund Account**

The statement of receipts and payments reflects boarding and school fund payments of Kshs.14,710,055 as disclosed in Note 7 to the financial statements. Review of the financial statements revealed the following anomalies;

- i) The balance includes an expenditure of Kshs.1,801,839 in respect to repairs, maintenance and improvements. The School engaged a contractor for the construction of a four door staff toilets, septic tank and soak pit at a contract sum of Kshs.299,911. However, Management did not provide progress reports together with the inspection and acceptance certificates contrary to Section 48(3) of the Public procurement and Asset Disposal Act, 2015 which states that the Inspection and Acceptance Committee will inspect the goods, works and services were delivered as per the contract.
- ii) A contract variation of Kshs.63,445 for additional works was not supported by minutes of the procurement committee approving the variation.
- iii) The expenditure of Kshs.1,801,839 in respect of repair, maintenance and improvements which ought to have been repair, maintenance and infrastructure.
- iv) During the year, Management procured goods and services amounting to Kshs.1,505,321 using direct procurement contrary to Section 103(2) of the Public Procurement and Asset Disposal Act, 2015 which states that direct procurement method can only be used in the case there is only one supplier or there is an urgent need for the goods, works and services.
- v) The procured goods and services were not supported with Inspection and Acceptance Certificates contrary Section 48(3) to Public Procurement and Asset Disposal, 2015 which requires the inspection committee to inspect goods, services and works and confirm they are delivered as per the contract.
- vi) In addition, Management paid an amount of Kshs.111,202 for goods and services using cash while procurement of good amounting to Kshs.1,042,853 was made without raising Local Purchase Orders (LPOs) for the goods.

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

### **3.0 Effectiveness in Management of Text Books**

As reported in the previous year, the School received nine thousand three hundred and sixty-three (9,363) text books from Ministry of Education out of which, five thousand two hundred and forty (5,240) textbooks were issued to students resulting to four thousand one hundred and twenty-three (4,123) remaining unutilized. This was contrary to Regulation 139(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the accounting officer shall take full responsibility in ensuring that proper controls and systems exist for ensuring that stock levels are at an optimum and economic levels. Further, there was a deficit of two hundred and five (205) textbooks for the subjects of Computer, Christian Religious Education (C.R.E) and Agriculture.

In the circumstances, the excess textbooks may result to wastage of public funds and deficits may lead to poor education outcomes.

### **4.0 Failure to Carry Out Stock Take**

Management did not carry out quarterly or annual stock take for the inventories as at the end of the financial year. This was contrary to Section 162(2) the Public Procurement and Assets and Asset Disposal Act, 2015 which states that the head of procurement function shall arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year, and conduct quarterly and annual inventory and stock taking in order to ensure compliance with all respective governing laws and submit the report to the accounting officer.

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **1.0 Unsupported Student Fees Arrears**

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.9,167,002 which, as disclosed in Note 10 to the financial statements includes student's school fee arrears balance of Kshs.9,138,002. Although, Management provided a schedule of arrears summarized per classes, the school does not have debt collection and provision for bad debt policies.

In the circumstances, the recoverability of the fee arrears could not be ascertained.

### **2.0 Failure to Maintain a Fixed Assets Register**

Review of the assets listing revealed that the School did not maintain a complete asset register with classes of assets indicated, asset code, date of purchase and cost of each asset.

In the circumstances, the incomplete fixed asset register may render the School not to effectively and efficiently manage and control its assets and may lead to loss of assets.

### **3.0 Lack of Approved ICT Policy**

Review of the school ICT environment revealed that there was no formal approved ICT policy in place and an ICT organization structure was not provided for audit. Without an approved ICT security policy, data confidentiality and integrity could be compromised.

In the circumstances, the security and reliability of the School's data including the management information system could not be confirmed.

### **4.0 Irregular Constitution of Audit and Finance Committee**

As reported in the previous year, review of Board of Management minutes revealed appointment of board members to various committees. However, it was noted that three board members are both in the audit committee and finance committee thereby contravening the Head of Public Service Circular no. OP/CAB.9/1A dated 11 March, 2020 which directs that a member serving in the Board's audit committee shall not be appointed member of finance committee and vice versa.

In the circumstances, the effectiveness of the two committee 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 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 controls, risk management and overall governance.

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

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

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

Those charged with governance 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 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 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 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 policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of 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 the 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**13 October, 2023**

**V. Statement Of Receipts And Payments Period To 30<sup>th</sup> June 2022**

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	1,526,269	962,376
Capitation grants for operations	2	7,554,292	2,192,686
School Fund Income- Parents' Contributions	3	3,171,275	797,758
School Fund Income- Other receipts	4	12,468,152	4,818,651
Proceeds from borrowings			-
<b>TOTAL RECEIPTS</b>		<b>24,719,988</b>	<b>8,771,471</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	1,588,357	908,823
Payments for operations	6	6,703,422	3,034,565
Boarding and school fund payments	7	14,710,055	5,391,509
<b>TOTAL PAYMENTS</b>		<b>23,001,834</b>	<b>9,334,897</b>
<b>SURPLUS/DEFICIT</b>		<b>1,718,154</b>	<b>(563,426)</b>

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

*Stanley M. Masamo*  
 Name: Stanley M. Masamo  
 Chair BOM  
 Date: 16/06/2023

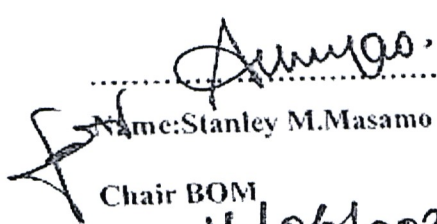
**PRINCIPAL**  
 BISHOP JOHN NJENGA SEC. SCHOOL  
 P. O. BOX 153-80302, TAVETA  
 Date: 16/6/2023 Sign: *Drucillah M Mwaita*  
 Name: Drucillah M Mwaita  
 School Principal/ Secretary to  
 BOM  
 Date: 16/6/2023

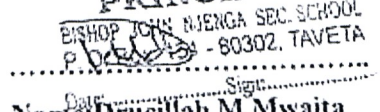
*Faustina Msha*  
 Name: Faustina Msha  
 Bursar/ Finance Officer  
 Date: 16/06/2023


**VI. Statement Of Financial Assets And Financial Liabilities As At 30<sup>th</sup> June 2022**

	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	1,791,634	361,967
Cash Balances	9	25,183	12,051
<b>Total Cash and cash equivalent</b>		<b><u>1,816,817</u></b>	<b><u>374,018</u></b>
Account's receivables	10	9,167,002	7,808,853
<b>TOTAL FINANCIAL ASSETS</b>		<b>10,983,819</b>	<b>8,182,871</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	11	578,441	615,732
<b>NET FINANCIAL ASSETS</b>		<b>10,405,378</b>	<b>7,567,139</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	12	8,687,224	8,130,565
Surplus/Deficit for the year		1,718,154	(563,426)
<b>NET FINANCIAL POSSITION</b>		<b>10,405,378</b>	<b>7,567,139</b>

The school's financial statements were approved on \_\_\_\_\_ 2022 and signed by:

  
 Name: Stanley M. Masamo  
 Chair BOM  
 Date: 16/06/2023

**PRINCIPAL**  
 BISHOP JOHN NJENGA SEC. SCHOOL  
 P. DAVO - 80302, TAVETA  
  
 Name: Drucillah M Mwaita  
 School Principal/ Secretary to  
 BOM  
 Date: 16/6/2022

  
 Name: Faustina Msha  
 Bursar/ Finance Officer  
 Date: 16/06/2023

Bishop John Njenga Secondary school  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**VII. Statement of Cash Flows for The Period Ended 30<sup>th</sup> June 2022**

		2021-2022	2020-2021
			Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	1,526,269	962,376
Capitation grants for operations	2	8,046,907	2,330,480
School fund income- Parents contributions/ fees	3	13,246,880	5,085,335
School fund income- other receipts	4	4,194,499	2,322,257
<b>Total receipts</b>		<b>27,014,555</b>	<b>10,700,447</b>
<b>Payments</b>			
Payments for Tuition	5	1,588,357	837,056
Payments for operations	6	5,849,886	1,920,315
Boarding and school fund payments	7	16,788,770	7,589,687
<b>Total payments</b>		<b>24,227,013</b>	<b>10,347,058</b>
<b>Net cash flow from operating activities</b>		<b>2,787,542</b>	<b>353,390</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets		(1,346,129)	(928,045)
<b>Net cash flows from Investing Activities</b>		<b>(1,346,129)</b>	<b>(928,045)</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>			
<b>Net cash flow from financing activities</b>		<b>00</b>	<b>00</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>1,441,413</b>	<b>(574,655)</b>
Cash and cash equivalent at BEGINNING of the year		417,928	992,584
<b>Cash and cash equivalent at END of the year</b>		<b>1,859,341</b>	<b>417,928</b>

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2022**

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>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Textbooks and reference materials						
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials	1,864,800	00	1,864,800	1,526,269.40	338,530.60	81.85%
Chalks						
Exams and assessment						
Teachers guides						
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Other voteheads	4,230,000		4,230,000	4,655,491.70	425,491.70	110.05%
Personnel emoluments						
Administration costs						
Local transport / travelling						
Electricity and water						
Activity	675,000		675,000	0	675,000	0%
Medical & insurance	900,000		900,000	92,800	807,200	10.31%
Gratuity						
SMASSE	90,000		90,000	0	90,000	0%

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a Kshs	b Kshs	c=a+b	d	e=c-d Kshs	F=d/c % Kshs
M.I	2,250,000	00	2,250,000	2,536,000	286,000	112.71%
<b>(3) FEES CHARGED ON PARENTS</b>	1,538,620		1,538,620	2,338,379	799,759	151.98%
Repairs and maintenance	260,000		260,000	428,879	168,879	164.95%
Activity	65,000		65,000	121,540	56,540	186.98%
Fee on Boarding Equipment and Stores	8,147,900		8,147,900	10,358,082		
<b>OTHER INCOME</b>					2,210,182	127.13%
<b>TOTAL INCOME</b>	<b>20,021,320</b>		<b>20,021,320</b>	<b>22,057,441.1</b>	<b>5,857,582.3</b>	
<b>(1) EXPENDITURE FOR TUITION</b>						
Teaching / learning material	1,864,800		1,864,800	1,346,129.25	518,676.75	72.19%
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Other voteheads						
Repairs, maintenance & improvements	4,230,000		4,230,000	5,337,293	(1,107,293)	126.18%
Medical& insurance	2,250,000		2,250,000	2,536,000		
Activity Expenses	900,000		900,000	0	(286,000)	11.24%
SMASSE	675,000		675,000	20,000	900,000	0%
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Other voteheads						
Personnel emoluments	1,538,620		1,538,620	4,538,350.35	2,999,730.35	294.96%
Repairs, maintenance and improvements	260,000		260,000	1,784,340	1,524,300	686.28%

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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 %
Activity	65,000		65,000	589,610	Kshs	Kshs
Boarding Equipment and Stores	8,147,900	00	8,147,900	6,449,790.4	(524,610)	907.09%
<b>TOTALS</b>	<b>20,021,320</b>		<b>20,021,320</b>	<b>22,601,782.65</b>	<b>1,698,109.6</b>	<b>79.16%</b>
					<b>6,467,913.7</b>	<b>112.89%</b>

- i. The underutilization of 10% and above was as a result of slow realization of expected income that resulted to programmes to be delayed.

**IX. Significant Accounting Policies**

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

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

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

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

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**Significant Accounting Policies (Continued)**

5. **Accounts Receivable**  
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.
6. **Accounts Payable**  
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.
7. **Non-current assets**  
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.
8. **Budget**  
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.
9. **Comparative figures**  
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.
10. **Subsequent events**  
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

**X. Notes To The Financial Statements**

**1 Capitation Grant for Tuition**

	2021-2022	2020-2021
		Kshs
Teaching / learning materials	1,526,269	962,376
<b>Total</b>	<b>1,526,269</b>	<b>962,376</b>

**2 Capitation Grant for Operations**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	4,655,492	1,058,686
Repairs and maintenance	2,536,000	1,134,000
MOE Fund	270,000	
Medical	92,800	
<b>Total</b>	<b>7,554,292</b>	<b>2,192,686</b>

**3 Parents Contribution/Fees - School Fund Account**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,586,253	693,073
Repairs and maintenance	457,887	87,905
Activity	127,135	16,780
<b>Total</b>	<b>3,171,275</b>	<b>797,758</b>

## Notes To The Financial Statements (Continued)

## 4 Other Receipts – School Fund Account

	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	11,920,747	4,287,576
Rent income	34,000	20,000
Income from farming activities	385,785	11,575
Income from grants and donations*(M&I)	0	345,000
Income from canteen	127,620	154,000
<b>Total</b>	<b>12,468,152</b>	<b>4,818,651</b>

## 5 Payments For Tuition

	2021-2022	2020-2021
	Kshs	Kshs
Teaching / learning materials	1,586,005	908,211
Bank Charges	2,352	612
<b>Total</b>	<b>1,588,357</b>	<b>908,823</b>

Notes To The Financial Statements (Continued)

6 Payments For Operations

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	5,337,293	1,782,520
Repairs and maintenance & improvements	0	324,000
Activity Expenses	20,000	0
Transfer to infrastructure a/c-Expenses	1,346,129	928,045
<b>TOTAL</b>	<b>6,703,422</b>	<b>3,034,565</b>

## Notes To The Financial Statements (Continued)

## 7 Boarding And School Fund Payments

	2021-2022	2020-2021
	Kshs	Kshs
Activity	594,704	57,160
Personnel emoluments	4,566,452	1,526,769
Caution Money	21,500	9,000
Repairs and maintenance & Improvements	1,801,839	130,400
Expenses on Income Generating Activities	208,200	184,160
Fee on Boarding Equipment and Stores	7,517,359	2,984,020
Tuition	0	500,000
<b>TOTAL</b>	<b>14,710,055</b>	<b>5,391,509</b>

**Notes To The Financial Statements (Continued)**

**8 Bank Accounts**

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
			Kshs
Tuition Account	1103871129	9,679.70	71,767.30
Operations Account	1103870769	49,774.50	202,596.80
School Fund Account/Boarding	1111142912	679,421.31	16,654.56
Savings Account	1111209731	0	0
Bus Project Account	1235838404	0	0
Infrastructural Account	1125097132	1,052,758.75	70,948
<b>Total</b>		<b>1,791,634.26</b>	<b>361,966.76</b>

**9 Cash In Hand**

Description	2021-2022	2020-2021
	Kshs	Kshs
Operation Account	20,612	269
School Fund account	737	9,508.20
Infrastructure A/c	3,834	2,274
<b>Total</b>	<b>25,183</b>	<b>12,051.20</b>

**10 Accounts Receivable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	9,138,002	7,773,360
Other non-fees receivables	0	1
Overpayment of NSSF	0	26,366
Overpayment of NHIF	0	9,050
Over payment of PAYE	0	75
Salary advances	29,000	0
<b>Total</b>	<b>9,167,002</b>	<b>7,808,852</b>

**Notes To The Financial Statements (Continued)**

**Ageing Analysis for Receivables**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,845,142	0
Fees arrears for the previous year	0	2,057,079
Fees arrears collected during the year	(480,501)	(144,634)
Fees arrears for prior periods (over two years)	7,773,361	5,860,915.99
<b>Total</b>	<b>9,138,002</b>	<b>7,773,360.99</b>

**11 Accounts Payable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	578,441	615,732
Prepaid fees		
Retention monies		
<b>Total</b>	<b>578,441</b>	<b>615,732</b>

**Ageing analysis for Payables**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	578,419	0
Trade creditors for the previous year	0	615,732
Trade creditors paid during the year	(539,845)	0
Trade creditors for prior periods (over two years)	615,732	0
<b>Total</b>	<b>654,306</b>	<b>615,732</b>

**12 Fund balance Brought Forward**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	361,967	824,889.59
Cash balances	12,051	3,412.20
Receivables	7,773,361	7,917,994.99
Payables	539,845	(615,732)
<b>Total</b>	<b>8,687,224</b>	<b>8,130,564.75</b>

**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.

**13 Biological assets**

<b>Description</b>	<b>Numbers</b>	<b>2021-2022</b>	<b>2020-2021</b>
		<b>Kshs</b>	<b>Kshs</b>
Cattle	6		
Trees	50		
Poultry	24		
<b>Total</b>	<b>80</b>		

**Other important disclosure notes**

**14 Stock/ Inventory**

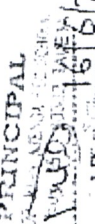
Description	2021-2022	2020-2021
	Kshs	Kshs
<b>a) Inventory</b>		
Stock/ inventory at beginning of the year	0	0
Stock/ inventory purchased during the year	0	0
Stock/ inventory issued during the year	0	0
<b>Balance at end of the year</b>	<b>0</b>	<b>0</b>

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**15 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)
	The institution has never been audited before by the external audit.	N/a	N/a	N/a

PRINCIPAL  
  
 Sign and Date: 16/6/2023  
 Principal

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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 2021	Outstanding Balance 2022	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1. None						
2.						
3.						
Sub-Total						
<b>Supply Of Goods</b>						
4. None						
5.						
6.						
Sub-Total						
<b>Supply Of Services</b>						
7. Student Fees paid in advance			(539,854)	578,419	615,732	
8.						
9.						
Sub-Total						
<b>Grand Total</b>						

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**Annex 2 – Summary Of Fixed Assets Register**

<b>Asset Class</b>	<b>Date purchased</b>	<b>Location</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2022</b>
Land						
Buildings And Structures						
Office Equipment, Furniture And Fittings						
ICT Equipment, And Other ICT Assets						
Tools And Apparatus						
Textbooks						
Other Machinery And Equipment						
<b>Total</b>						