

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 03 DEC 2024

DAY:

Tuesday

**OF**

TABLED

BY:

Hon. Kimani Ichungwaa

(Leader of the Majority Party)

CLERK OF  
THE TABLE:

Angostina

**THE AUDITOR-GENERAL**

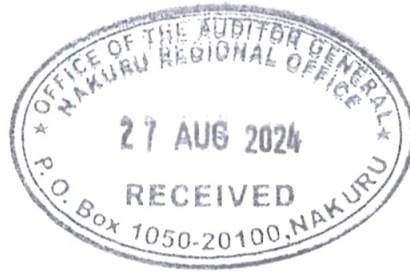
**ON**

**ANALAT SECONDARY SCHOOL**

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

**NAKURU COUNTY**





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*ANALAT SECONDARY SCHOOL*

SIX MONTHS REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2021

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

ANALAT SECONDARY SCHOOL  
Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

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**I. Acronyms and Glossary of Terms**

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

## 2. Key School Information and Management

### (a) Background information

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

The school was registered in 10/2009 under registration number GP/A/7497/09 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 311 students as at 30<sup>th</sup> June 2021. It had two streams and 13 teachers of which 4 teachers were 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	DR. PHARIS MURANGAI	Chairman	14/05/2019
2	RICHARD B. GITHAIGA	Secretary-principal	14/05/2019
3	MR. JOSPHAT MAINA	Special interest group	14/05/2019
4	MS. PENNINAH MUTHONI	Member – Rep CEB	14/05/2019
5	MS. ELIZABETH KITAVI	Member Rep Teachers	14/05/2019
6	MS. MARY WAHU	Member - Sponsor	14/05/2019
7	MR. JOHN MATHU	Member - Sponsor	14/05/2019
8	MR. JAMES NGANGA	Member - Community	14/05/2019
9	MS. HELLEN THUMBI	Member - Community	14/05/2019
10	MS. BETH KARIUKI	Member - Community	14/05/2019
11	MS. LUCY NDUNGU	Member - Community	14/05/2019
12	MR. STEPHEN KIHARA	Member - Community	14/05/2019
13	MR. GEORGE KUNGU	Member - Community	14/05/2019
14	MR. SOLOMON KIBAKI	Member Special Needs	14/05/2019
15	STUDENT PRESIDENT	Rep Students	14/05/2019

**(d) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	MR. RICHARD . B. GITHAIGA	364147
2	Deputy Principal	MR. ELIZABETH NTHEYA KITAVI	394271
3	School Bursar	MS. CAROLINE CHERONO	N/A

**(e) Schools contacts**

Post Office Box: 172 – 20115 Egerton  
 Telephone: +254 721422941  
 E-mail: secschoolanalat@gmail.com  
 Website: N/A  
 Face book: analat secondary school  
 Twitter: N/A

**(f) School Bankers**

The school operated 5 bank accounts in the following banks:

1. Name of Bank: K.C.B. BANK (Lunch programme)  
 Branch: NJORO  
 Account Number: 1131708393
2. Name of Bank: FAMILY BANK (Operation)  
 Branch: NAKURU  
 Account Number: 018000010974
3. Name of Bank: EQUITY BANK (Tuition)  
 Branch: NAKURU  
 Account Number: 0310291779433
4. Name of Bank: K.C.B. BANK (infrastructure)  
 Branch: NJORO  
 Account Number: 1266933395
5. Name of Bank: EQUITY BANK  
 Branch: NAKURU  
 Account Number: 0310294426367

6. MPESA Pay Bill No. 522123 attached to K.C.B bank account

**(g) Independent Auditors**

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

**3. Summary Report of Performance of The School**

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

**a) Financial performance:*****Surplus/ deficit for the year and a comparison of the same for the last three years***

No	ACCOUNTS	2021	2020	2019	2018
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	720,110.00	25,403.00	279,338.00	(114,731.00)
2	Operation Account	370,168.05	(2,145.00)	35,135.85	(108,531.25)
3	Tuition Account	(99,272.50)	30,231.00	(80,726.65)	51,786.15
4	Infrastructure account	903,452.00	(6787.00)	172,890.00	0.00
	<b>Total</b>	<b>1,894,457.55</b>	<b>46,702.00</b>	<b>406,637.20</b>	<b>(171,476.10)</b>
	Increase/Decrease	1,847,755.55	(359,935.20)	578,113.30	

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

No	Account	2021	2020	2019	2018
		Kshs	Kshs	Kshs	Kshs
1	Operation account	2,534,718.05	3,466,150.00	4,121,185.05	1712730.55
2.	Tuition account	404,197.50	500,511.00	871,498.68	706,247.82
3.	<b>Total</b>	<b>2,938,915.55</b>	<b>3,966,661.00</b>	<b>4,992,683.73</b>	<b>2,418,978.37</b>
	Increase/Decrease	(1,027,745.45)	(1,026,022.73)	2,573,705.36	
4.	No of students	311	311	267	151

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

Account	2021	2020	2019	2018
	Kshs	Kshs	Kshs	Kshs
Other income (Net)	1,737,802.00	1,312,500.00	2,045,516.00	2,019,573.0
<b>Total</b>	<b>1,737,802.00</b>	<b>1,312,500.00</b>	<b>2,045,516.00</b>	<b>2,019,573.0</b>
Increase/Decrease	425,302.00	733,016.00	25,943.00	

**d) A three-year overview of growth in expenditure of the school**

No	Account	2021	2020	2019	2018
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	1,017,692.00	1,337,903.00	1,766,178	2,134,304
2	Operation Account	1,159,550.00	2,260,795.00	4,086,049.15	1,821,261.80
3	Tuition Account	503,470.00	470,280.00	952,225.33	654,461.67
4	Infrastructure	101,548.00	0.00	0.00	0.00
	<b>Total</b>	<b>2,782,260.00</b>	<b>4,068,978.00</b>	<b>6,804,452.48</b>	<b>4,610,027.47</b>
	Increase/ Decrease	(1,286,718.00)	(2,735,474.48)	2,194,425.01	

ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

<i>No</i>	<i>Subject</i>	<i>No of teachers</i>	<i>Shortage</i>
1.	English	2	1
2.	Kiswahili	1	1
3.	Mathematics	2	1
4.	Biology	2	1
5.	Physics	2	0
6.	Chemistry	3	1
7.	History	1	1
8.	Geography	1	0
9.	CRE	1	1
10.	Agriculture	1	0
11.	B/studies	0	1
12.			

i) **Mean score in the 2018-2020 KCSE:**

Year	Mean score	No of student joined institution for Higher learning
2020	2.56	3 diploma , 5 Certificate
2019	2.63	4 diploma, 6 certificate
2018	2.71	N/A

j) **Number of Candidates in the 2018-2020 KCSE:**

Year	No of candidates
2020	38
2019	43
2018	34

k) **Capacity of the school:**

Facility	Number available	Shortage
Classrooms	7	0
Lab	0	2
Toilets-boys	3	3
Girls	6	0
Kitchen	1	0
Dining hall	0	1

Toilets =Boys 1:30

Girls 1:20

ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

f) Development projects carried out by the school:

<i>Project</i>	<i>Year</i>	<i>Source of funds</i>	<i>Remarks</i>
<i>Constructed one classroom</i>	<i>2021</i>	<i>FDSE/MOE</i>	<i>Completed</i>

*Sign*

*School Principal*

*KIRUJAMUKKI*

*[Handwritten Signature]*

*23/08/2024*

PRINCIPAL  
ANALAT SECONDARY SCHOOL  
P.O. Box 172, EGERIA  
Date: ..... Sign: .....


#### 4. Statement of School Management Responsibility

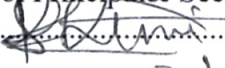
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

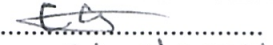
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *Analat 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, 2021, and of the school's financial position as at that date.

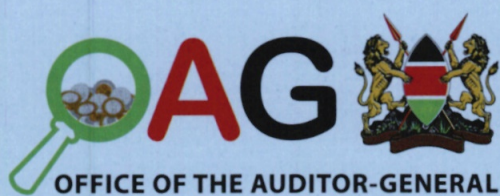
**Name:** BETH M KARIUKI  
**Designation:** Chairman, School Board of Management  
**Sign:**   
**Date:** 23/08/2024

**Name:** KIRUI SAMUEL K.  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:**   
**Date:** 23/08/2024

**Name:** Caroline cherono  
**Designation:** Bursar/ Finance Officer  
**Sign:**   
**Date:** 23/08/2024

X

# REPUBLIC OF KENYA



*Enhancing Accountability*

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 ANALAT SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - NAKURU 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**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Analat Secondary School - Nakuru County set out on pages 1 to 21, which comprise of the statement of receipts and

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*Report of the Auditor-General on Analat Secondary School for the six (6) months' period ended 30 June, 2021 - Nakuru County*

payments, statement of assets and liabilities as at 30 June, 2021, statement of cash flows, statement of budgeted versus actual amounts for the six(6) months' period 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 Analat Secondary School - Nakuru County as at 30 June, 2021, and of its financial performance and its cash flows for the period then ended, in accordance with the 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 Cash and Cash Equivalents Balance**

The statement of assets and liabilities reflects a balance of Kshs.1,560,437 in respect of cash and cash equivalents as disclosed in Note 10 and Note 11 to the financial statements. Included in this balance are bank and cash in hand balances of Kshs.1,423,090 and Kshs.137,347 respectively. However, the balances were not supported by bank reconciliation statements and board of survey report.

In the circumstances, the accuracy, existence and completeness of cash and cash equivalents balance of Kshs.1,560,437 could not be confirmed.

#### **2. Unsupported School Fund Income**

The statement of receipts and payments reflects an amount of Kshs.1,737,802 in respect of school fund income as disclosed in Note 5 to the financial statements. However, the supporting ledger and schedules were not provided for audit. Further, the School did not have fees collection system that could generate reports such as invoice per student, fees paid and outstanding balances.

In the circumstances, the accuracy and completeness of school fund income amount of Kshs.1,737,802 could not be confirmed.

#### **3. Unsupported Payments**

The statement of receipts and payments reflects an amount of Kshs.2,782,260 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements, includes payments for tuition, payments for operations, payments for infrastructure and school fund payments. However, examination of payment vouchers revealed that Management made payments without proper supporting documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the occurrence, accuracy and completeness of payments amounting to Kshs.2,782,260 could not be confirmed.

#### **4. Unsupported Accounts Receivables Balance**

The statement of financial assets and financial liabilities reflects a balance of Kshs.2,090,364 in respect of accounts receivables as disclosed in Note 13 to the financial statements. The supporting schedules, detailed aging analysis and issued invoices were not provided for audit. Included in the balance are receivables amounting to Kshs.1,311,421 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, completeness and recoverability of the accounts receivable balance of Kshs.2,909,364 could not be confirmed.

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

#### **Emphasis of Matter**

##### **Budgetary Control and Performance**

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.5,595,159 and Kshs.4,676,717 respectively, resulting in under-funding of Kshs.918,442 or 16% of the budget. However, the School spent an amount of Kshs.2,782,260 against actual receipts of Kshs.4,676,717 resulting in an under-utilization of Kshs.1,894,457 or 41% of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

#### **Key Audit Matters**

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

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## Conclusion

As required by Article 229(6) of the Constitution, based on the 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, 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with 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. Non-Compliance with Procurement Laws

The statement of receipts and payments reflects an amount of Kshs.2,782,260 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements, includes payments for tuition, payments for operations, payments for infrastructure and School fund payments. However, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Section 53(2) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to prepare an annual procurement plan which is realistic in a format set out in the Regulations as part of the annual budget preparation process. Further, Management did not prequalify any suppliers during the year. Thus, the audit could not establish the criteria used in issuing requests for quotation and awards. In addition, Management neither issued letters of award nor appointed ad hoc tender opening and tender evaluation committees. This was contrary to Section 46(1) and Section 78(1) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to ensure that an ad hoc tender opening and tender evaluation committees are established.

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

### 3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects an amount of Kshs.1,017,692 in respect of boarding and School fund payments as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.24,500 transferred to Kenya Secondary Schools 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 system to manage the funds transferred by Schools.

In the circumstances, value for money of the funds transferred to KESSHA amounting to Kshs.24,500 could not be confirmed.

#### **4. Failure to Transfer Infrastructure Funds from Operations Bank Account**

The statement of receipts and payments reflects an amount of Kshs.1,529,718 in respect of operations grants as disclosed in Note 2 to the financial statements. Included in the grants is an amount of Kshs.1,242,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.850,000 was transferred to infrastructure account, leaving a balance of Kshs.392,000 as at 30 June, 2021. This was contrary to the Ministry of Education Circular Ref: MOE.HQS/3/13/3 of 8 January, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

#### **5. Over Funding of Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.404,197 and Kshs.1,529,718 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the period, NEMIS reported a total number of three hundred and eleven (311) students while the enrolment records provided by the School indicated a total number of two hundred and twenty-eight (228) students, resulting in an unexplained variance of eighty-three (83) students. As a result of the variances, the School was over funded by an amount of Kshs.1,006,155.

In the circumstances, the over-funding of the School may have affected service delivery to the other schools which did not receive capitation for students and value for money could not be confirmed.

#### **6. Non-Compliance with Laws on Management of Imprest Transactions**

The statement of receipts and payments reflects an amount of Kshs.1,159,550 in respect of payments for operations which, as disclosed in Note 7 to the financial statements, includes expenditure of Kshs.233,000 in respect of local travel/transport. However, Management did not issue imprest warrants while advancing cash to its staff for operating expenses such as transport and subsistence allowance. This was contrary to Regulation 91(1) of the Public Finance Management (National Government) Regulations, 2015 which requires an officer authorized to hold and operate imprest to make formal application for the imprest through an imprest warrant. In addition, Management did not maintain an imprest register and had no imprest management system in place.

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

## 7. Non-Compliance with Laws on Basic Education

Review of the certificate of registration for the School revealed that its registration validity period had lapsed and had not been renewed. This was contrary to Section 76(1) of the Basic Education Act, 2013 which requires that a person shall not offer basic education in Kenya unless the person is accredited and registered. Further, physical verification of the condition of learning facilities in the School conducted in May, 2024 revealed that the classrooms had broken window panes, cracked floors and poor painting, the landscaping within the School's compound was poorly maintained and the School lacked a dining hall, laboratory and a library. This is contrary to Section 82(2)(b) of the Basic Education Act, 2013 which requires the County Education Board to license and register a basic education and training institution only if the institution has appropriate teaching and learning facilities.

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

## 8. Failure to Prepare School Improvement Plan

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

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

## 9. Excess Supply of Books

During the period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one thousand five hundred and seventy-six (1,576) books to the School while only eight hundred and twenty-four (824) books were issued to the students, resulting in an unexplained excess text books of seven hundred and fifty-two (752) in the School store as indicated below;

Text Book Title	Number of Text Books Received	Date Received	Population of Form 3 and 4 Students	Excess Textbooks
Blossoms of the Savannah	197	26 February, 2021	94	103
Inheritance	197	26 February, 2021	94	103
A Doll's House	197	21 January, 2021	94	103
Chozi La Heri	197	21 January, 2021	94	103
Kigogo	197	28 January, 2021	94	103
Tumbo Lisiloshiba	197	26 February, 2021	94	103
The Pearl	197	26 February, 2021	94	103
Memories We Lost	197	7 January, 2021	94	103
<b>Total</b>	<b>1,576</b>		<b>752</b>	<b>824</b>

*Report of the Auditor-General on Anlat Secondary School for the six (6) months' period ended 30 June, 2021 - Nakuru County*

In the circumstances, value for money on the excess text books of eight hundred and twenty-four (824) could not be confirmed.

## **10. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

The financial statements presented for audit refer to 'the year ended 30 June, 2021' instead of 'the six (6) months' period ended 30 June, 2021.

In the circumstances, Management was in breach of the Public Sector Accounting Standards Board guidelines.

### **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 overall governance were not effective.

#### **Basis for Conclusion**

##### **1. Lack of Internal Audit Function**

During the period under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015. The Regulation requires the internal audit unit of a National Government entity to assess its effectiveness of internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the School did not benefit from the oversight role and advice from the internal audit function.

##### **2. Lack of Policy Documents**

During the financial year under review, the School did not have a risk management strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks. Consequently, Management did not perform formal risk assessments on all key financial risk areas such as cash, revenue and expenditure. Further, it was noted that the Management lacked a disaster recovery plan/business continuity plan and therefore crucial information may never be recovered in the event of a disaster. In addition, the School was operating without an approved finance management policy to guide on key financial matters. Therefore, the School lacked sufficient safeguards and controls for managing its finances.

In the circumstances, the effectiveness of the internal controls of the School could not be confirmed.

### **3. Lack of Ownership Documents**

Annexure 2 to the financial statements reflects summary of fixed assets register in respect of fixed assets which include land. Physical verification conducted in May, 2024 revealed that the School had other assets which included buildings, office equipment, Information, Communication Technology (ICT) equipment and furniture and fittings of undetermined value which had been captured in the fixed assets register. However, land ownership document provided for review was registered in the name of the School's trustee instead of the School itself.

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

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

### **Responsibilities of Management and those Charged with Governance**

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of 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 controls 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 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 controls that are identified during the audit.

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

23 September, 2024

**5. Statement of Receipts and Payments For the year Ended 30<sup>th</sup> June 2021**

DESCRIPTION OF VOTE HEAD	Note	2020-2021
		Kshs
<b>RECEIPTS</b>		
Capitation grants for tuition	1	404,197.50
Capitation grants for operations	2	1,529,718.05
Capitation grants for Infrastructure	3	1,005,000.00
School Fund Income- Parents' Contributions	4	-
School Fund Income- Other receipts	5	1,737,802.00
Proceeds from borrowings		-
<b>TOTAL RECEIPTS</b>		<b>4,676,717.55</b>
<b>PAYMENTS</b>		
Payments for Tuition	6	503,470.00
Payments for operations	7	1,159,550.00
Payments for Infrastructure	8	101,548.00
Boarding and school fund payments	9	1,017,692.00
<b>TOTAL PAYMENTS</b>		<b>2,782,260.00</b>
<b>SURPLUS/DEFICIT</b>		<b>1,894,457.55</b>

The school financial statements were approved on 23/08/2024 2024 and signed by:

BETH M. KARIUKI

Name

Chair BOM

Date:

23/08/2024

KIRUI SAMUEL K

Name

School Principal/  
Secretary to BOM

Date:

23/08/2024

CAROLINE CHERONO

Name

Bursar/  
Finance Officer

Date:

23/08/2024

**6. Statement of financial Assets and financial Liabilities as at 30<sup>th</sup> June 2021**

	Note	2020-2021
		Kshs
<b>FINANCIAL ASSETS</b>		
<b>Cash and Cash Equivalents</b>		
Bank Balances	10	1,423,090.15
Cash Balances	11	137,347.00
Short term Investment	12	-
<b>Total Cash and cash equivalent</b>		<b>1,560,437.15</b>
Accounts receivables	13	2,090,364.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>3,650,801.15</b>
<b>FINANCIAL LIABILITIES</b>		
Accounts Payables	14	417,770.00
<b>NET FINANCIAL ASSETS</b>		<b>3,233,031.15</b>
<b>REPRESENTED BY</b>		
Accumulated Fund b/fwd	15	1,338,573.60
Surplus/Deficit for the year		1,894,457.55
<b>Net financial position</b>		<b>3,233,031.15</b>

The School's financial statements were approved on 23/08/2024 and signed by:

BETH KARIUKI.....

Name:

Chair BOM

Date:

23/08/2024

KIRUI SAMUEL K.....

Name:

School Principal/ Secretary to BOM

Date:

23/08/2024

CAROLINE CHERONO.....

Name:

Bursar/ Finance Officer

Date:

23/08/2024

ANALAT SECONDARY SCHOOL  
Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

**5. Report of the Independent Auditors *(To be attached)***

**7. Statement of Cash Flows for the year Ended 30<sup>th</sup> June 2021**

		2020-2021
		Kshs
<b>Receipts for operating income</b>		
Capitation grants for tuition	1	404,197.50
Capitation grants for operations	2	1,529,718.05
Capitation grants for infrastructure	3	1,005,000.00
School fund income- Parents contributions/ fees	4	-
School fund income- other receipts	5	1,737,802.00
Increase on receivables		(384,025.00)
<b>Total receipts</b>		<b>4,292,692.55</b>
<b>Payments</b>		
Payments for Tuition	6	503,470.00
Payments for operations	7	1,159,550.00
Payments for Infrastructure		
Boarding and school fund payments	9	1,017,692.00
<b>Total payments</b>		<b>2,680,712.00</b>
Net cash flow from operating activities		1,611,980.55
<b>Cash flow from investing activities</b>		
Proceeds from Sale of Assets		0.00
Acquisition of Assets	8	<b>(101,548.00)</b>
Proceeds from investments		-
Purchase of investments		(0.00)
<b>Net cash flows from investing activities</b>		<b>(101,548.00)</b>
<b>Cash flow from borrowing activities</b>		
Proceeds from borrowings/ loans		0.00
Repayment of principal borrowings		0.00
<b>Net cash flow from financing activities</b>		<b>0.00</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,510,432.55</b>
Cash and cash equivalent at beginning of the year		50,004.6
<b>Cash and cash equivalent at end of the year</b>		<b>1,560,437.15</b>

ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

The school's financial statements were approved on 23/08/2024 and signed by:

BETH M. KARIUKI

Name: [Signature]

Chair BOM

Date: 23/08/2024

KIRUI SAMUEL K

Name: 23/08/2024

School Principal/ Secretary to BOM

Date: [Signature]

CAROLINE CHERONO

Name: [Signature]

Bursar/ Finance Officer

Date: 23/08/2024

ANALAT  
SECONDARY SCH.  
MURURU  
KENYA

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

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 %
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Exercise books	218,102.78	0	218,102.78	79,437.71	138,665.07	36.42%
Laboratory equipment	353,867.05	0	353,867.05	130,838.64	223,028.41	36.97%
Internal exams	93,652.21	0	93,652.21	32,709.41	60,942.80	34.93%
Teaching / learning materials	93,652.00	0	93,652.00	32,709.41	60,942.59	34.93%
Chalks	20,741.77	0	20,741.77	7,008.95	13,732.82	33.79%
Reference/Library	32,683.99	0	32,683.99	121,493.38	(88,809.39)	371.72%
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Personnel emoluments	864,690.00	0	864,690.00	578,600.06	286,089.94	66.91%
Repairs and maintenance	271,250.00	0	271,250.00	169,500.00	101,750.00	62.49%
Local transport / travelling	213,750.00	0	213,750.00	142,111.77	71,638.23	66.49%
Electricity and water	128,100.00	0	128,100.00	81,207.55	46,892.45	63.39%

## ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

Medical	122,500.00	0	122,500.00	81,207.55	41,292.45	66.29%
Administration costs	469,670.00	0	469,670.00	304,525.82	165,144.18	64.84%
Activity	262,500.00	0	262,500.00	172,565.30	89,934.70	65.74%
<b>(3) CAPITATION</b>						
<b>GRANT ON</b>						
<b>INFRASTRUCTURE</b>						
Infrastructure	875,000.00	0	875,000.00	1,005,000.00	(130,000.00)	114.86%
<b>(4) FEES CHARGED ON</b>						
<b>PARENTS</b>						
<b>OTHER INCOME</b>						
<b>Lunch programme</b>	1,575,000.00	0	1,575,000.00	1,737,802.00	(162,802.00)	110.34%
<b>TOTAL INCOME</b>	<b>5,595,159.80</b>	<b>0.00</b>	<b>5,595,159.80</b>	<b>4,676,717.55</b>	<b>918,442.25</b>	<b>83.59%</b>
<b>(1) EXPENDITURE FOR</b>						
<b>TUITION</b>						
Textbooks and reference materials	32,683.99	0	32,683.99	-	32,683.99	0.00%
Exercise books	218,102.78	0	218,102.78	188,952.00	29,150.78	86.63%
Laboratory equipment	353,867.05	0	353,867.05	230,920.00	122,947.05	65.26%

## ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

Internal exams	93,652.21	0	93,652.21	30,360.00	63,292.21	32.42%
Teaching / learning materials	93,652.00	0	93,652.00	49,868.00	43,784.00	53.25%
chalks	20,741.77	0	20,741.77	-	20,741.77	0.00%
<b>PAYMENTS FOR OPERATIONS</b>						
Personal Emoluments	864,690.00	0	864,690.00	576,016.00	288,674.00	66.62%
activity	262,500.00	0	262,500.00	-	262,500.00	0.00%
Administration Cost	469,670.00	0	469,670.00	332,350.00	137,320.00	70.76%
Repairs and maintenance & improvements	271,250.00	0	271,250.00	-	271,250.00	0.00%
Local transport / travelling	213,750.00	0	213,750.00	233,000.00	(19,250.00)	109.01%
Electricity and water	128,100.00	0	128,100.00	15,800.00	112,300.00	12.33%
medical	122,500.00	0	122,500.00	-	122,500.00	0.00%
<b>(3) PAYMENTS FOR INFRASTRUCTURE</b>	875,000.00	0	875,000.00	101,548.00	773,452.00	11.61%
<b>BOARDING AND SCHOOL FUND</b>						

## ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

<b>PAYMENTS</b>						
Personnel emoluments	0.00	0	0.00	-	-	
Service Gratuity	0.00	0	0.00	-	-	
Repairs and maintenance & Improvements	0.00	0	0.00	-	-	
Local transport / travelling	0.00	0	0.00	-	-	
Electricity and water	0.00	0	0.00	-	-	
Medical Expenses	0.00	0	0.00	-	-	
Administration costs	0.00	0	0.00	-	-	
Lunch Programme	1,575,000.00	0	1,575,000.00	1,007,132.00	567,868.00	63.94%
Expenses on Income Generating Activities	0.00	0	0.00	-	-	
Fee on Boarding Equipment and Stores	0.00	0	0.00	-		
Rent Expenses	0.00	0	0.00	-		
Insurance Cost (Life Property)	0.00	0	0.00	-		
Loan Principal repayment	0.00	0	0.00	-		
Loan Interest repayment	0.00	0	0.00	-	-	

ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

<b>TOTAL</b>	<b>5,595,159.80</b>	<b>0</b>	<b>5,595,159.80</b>	<b>2,765,946.00</b>	<b>2,829,213.80</b>	<b>49.43%</b>
	0.00	0	0.00	1,910,771.55	(1,910,771.55)	-

**Causes of variance in budget**

- i. *Underutilization of budget is as a result of:*  
-shortfall on enrolment from 350 to 301
- ii. *Overutilization of budget is as a result of:*  
-Shortfall occasioned by poor lunch fee payment

## ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

<b>TOTAL</b>	<b>5,595,159.80</b>	<b>0</b>	<b>5,595,159.80</b>	<b>2,765,946.00</b>	<b>2,829,213.80</b>	<b>49.43%</b>
	0.00	0	0.00	1,910,771.55	(1,910,771.55)	-

*Causes of variance in budget*

- i. *Underutilization of budget is as a result of:*  
-shortfall on enrolment from 350 to 301
- ii. *Overutilization of budget is as a result of:*  
-Shortfall occasioned by poor lunch fee payment

## 9. 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.

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

**10. NOTES TO THE FINANCIAL STATEMENTS****1 CAPITATION GRANT FOR TUITION**

	<b>2020-2021</b>
	<b>Kshs</b>
Textbooks and reference materials	121,493.38
Exercise books	79,437.71
Laboratory equipment	130,838.64
Internal exams	32,709.41
Teaching / learning materials	32,709.41
Chalks	7,008.95
<b>Total</b>	<b>404,197.50</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	<b>2020-2021</b>
	<b>Kshs</b>
Personnel emoluments	578,600.06
Repairs and maintenance	169,500.00
Local transport / travelling	142,111.77
Electricity and water	81,207.55
Medical	81,207.55
Administration costs	304,525.82
Activity	172,565.30
<b>Total</b>	<b>1,529,718.05</b>

**3 Government Grants for infrastructure**

<b>Description</b>	<b>2020-2021</b>
	<b>Kshs</b>
Maintenance &Improvement	1,005,000.00
Transition infrastructure grants	-
Administration Block	-
Economic stimulus grants	-
Other ( <i>specify</i> )(NGCDF and County govt.	-
<b>Total</b>	<b>1,005,000.00</b>

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

	<b>2020-2021</b>
	<b>Kshs</b>
Personnel emoluments	-
Repairs and maintenance	-
Local transport / travelling	-
Electricity and water	-
Medical	-
Administration costs	-
Activity	-
<b>Total</b>	<b>-</b>

**5 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	<b>2020-2021</b>
	<b>Kshs</b>
Lunch programme	1,737,802.00
Insurance compensation	0.00
Income from Posho mill	0.00
Income from Bus Hire	0.00
Fee for hire of ground and equipment	0.00
Interest income	0.00
Dividends income	0.00
<b>Total</b>	<b>1,737,802.00</b>

**6 PAYMENTS FOR TUITION**

	<b>2020-2021</b>
	<b>Kshs</b>
Textbooks and reference materials	0
Exercise books	188,952.00
Laboratory equipment	230,920.00
Internal exams	30,360
Teaching / learning materials	49,868.00
Chalks	0
Exams and assessment	0.00
Teachers guides	0.00
Administration Costs	0.00
Bank Charges	3,370.00
<b>Total</b>	<b>503,470.00</b>

**7 PAYMENTS FOR OPERATIONS**

	<b>2020-2021</b>
	<b>Kshs</b>
Personnel emoluments	576,016.00
Service Gratuity	-
Administration Cost	332,350.00
Repairs and maintenance & improvements	-
Local transport / travelling	233,000.00
Electricity and water	15,800.00
Medical	-
Activity Expenses	-
SMASSE	-
Insurance Cost	-
Bank Charges	2,384.00
Acquisition of Assets	-
<b>TOTAL</b>	<b>1,159,550.00</b>

**8 Infrastructure**

<b>Description</b>	<b>2020-2021</b>
	<b>Kshs</b>
Construction of classrooms	101,170.00
Construction of laboratory	
Construction of dormitory	
Purchase of furniture	
Purchase of equipment	
Purchase of apparatus	
Drilling of boreholes	
Bank charges	378
<b>Total</b>	<b>101,548.00</b>

**9 BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2020-2021</b>
	<b>Kshs</b>
Personnel emoluments	
Service Gratuity	
Repairs and maintenance & Improvements	
Local transport / travelling	
Electricity and water	
Medical Expenses	
Administration costs	
Lunch Programme	1007,132.00
Bank Charges	10,560.00
Expenses on Income Generating Activities	
Fee on Boarding Equipment and Stores	
Rent Expenses	
Insurance Cost (Life Property)	
Loan Principal repayment	
Loan Interest repayment	
Acquisition of Assets	-
<b>TOTAL</b>	<b>1,017,692.00</b>

**10 BANK ACCOUNTS**

<b>Name of Bank, Account No. &amp; currency</b>	<b>Bank Account Number</b>	<b>2020-2021</b>
		<b>Kshs</b>
Tuition Account	0310291779433	1,807.85
Operations Account	018000010974	172,637.90
School Fund Account/Boarding	1130708393	295,884.4
Equity bank account	0310294426367	570.00
Parent Association Development Account		-
Income generating activities Account		-
Infrastructural Account	1266933395	952,190.00
<b>Total</b>		<b>1,423,090.15</b>

**11 CASH IN HAND**

<b>Description</b>	<b>2020-2021</b>
	<b>Kshs</b>
Tuition Account	-
Operation Account	64,636.00
School Fund account	72,711.00
<b>Total</b>	<b>137,347.00</b>

**12 SHORT TERM INVESTMENTS**

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

### 13 ACCOUNTS RECEIVABLE

Description	2020-2021
	Kshs
Fees arrears	2,090,364.00
Other non-fees receivables	-
Salary advances	-
Imprest	-
<b>Total</b>	<b>2,090,364.00</b>

Description	2020-2021
	Kshs
Fees arrears for current year	427,775.00
Fees arrears for the previous year	394,918.00
Fees arrears for prior periods (over two years)	1,311,421.00
Less fee paid	(43,750.00)
<b>Total</b>	<b>2,090,364.00</b>

### 14 ACCOUNTS PAYABLE

Description	2020-2021
	Kshs
	169,600.00
Trade creditors (See ageing below and appendix 1)	
Prepaid fees	
Retention monies	
<b>Total</b>	<b>169,600.00</b>

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Description	2020-2021
	Kshs
Trade creditors for current year	169,600.00
Trade creditors for the previous year	417,770.00
Less creditors paid	(417,770.00)
Trade creditors for prior periods (over two years)	-
<b>Total</b>	<b>169,600.00</b>

**15 FUND BALANCE BROUGHT FORWARD**

Description	2020-2021
	Kshs
Bank balances	34,207.60
Cash balances	15,797.00
Short Term Investments	-
Receivables	1,706,339.00
Payables	(417,770.00)
<b>Total</b>	<b>1,338,573.60</b>

**16 Non-current Liabilities Summary**

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

**17 Biological assets**

Description	Numbers	2020-2021
		Kshs
Mature trees	65	195,000
Young trees	92	27,600
Coffee or tea plantation	-	
Poultry	-	
<b>Total</b>	<b>157</b>	<b>222,600</b>

**18 Borrowings**

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

**19 Stock/ Inventory**

Description	2020-2021
	KShs
<b>b) Borrowings</b>	
Stock/ inventory at beginning of the year	
Stock/ inventory purchased during the year	
Stock/ inventory issued during the year	
<b>Balance at end of the year</b>	

**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.

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

## 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 2020	Comments
	A	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4. Storm stationers	236,952.00	21/01/2022	218,785.00	18,167.00		
5. Biophy supplies				57,260.00		
6. Highmark services	10,000.00	28/05/2021	0.00	10,000.000		
7. City and press publisher	5,000.00	09/06/2021	0.00	5,000.00		
8. Ngera computer services	14,400.00	28/06/2021	0.00	14,400.00		
9. Mau east hardware	9,785.00	17/06/221	0.00			
10. Joseph Langat	9,060.00	11/5/2021	0.00	9,060.00		
11. Biophy(previous year)				45,928.00		
<b>Sub-Total</b>				<b>169,600.00</b>		
<b>Supply of services</b>						
12.						
13.						
<b>Sub-Total</b>				<b>169,600.00</b>		
<b>Grand Total</b>				<b>169,600.00</b>		

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

<b>Asset</b>	<b>Quantity</b>	<b>Date purchased</b>	<b>Location</b>	<b>Historical Cost b/f(Kshs) 1<sup>st</sup> July 20xx</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 2021</b>
Land 1	1.5 acres						
Land 2	-						
Buildings and structures 1) kitchen stores-3: cereals, Groceries, firewood 2)kitchen-1 3)Farm tools and equipment store-1 4)classrooms-7 5)staffroom-1 6)Administration office-1 7)broken furniture store-1	15						
Motor vehicles	-						
Office equipment, furniture and fittings	763						
ICT Equipment, and Other ICT Assets	32						
Tools and apparatus	2,329						
Textbooks	8,508						
Other Machinery and Equipment	220						
Heritage and cultural assets	3						
Intangible assets- soft ware	3						
<b>Total</b>	<b>11,874.50</b>						

## ANALAT SECONDARY SCHOOL

Six Months Report and Financial Statements For the year ended 30<sup>th</sup> June 2021

<b>CONSOLIDATED TRIAL BALANCE AS AT 30TH JUNE 2021</b>			
		<b>DR</b>	<b>CR</b>
<b>Cash and Cash equivalents</b>			
	Bank Balances	1,423,090.15	
	Cash Balances	137,347.00	
	Short term investments	-	
	Receivables	2,090,364.00	
<b>Payments</b>			
	Payments for Tuition	503,470.00	
	Payments for operations	1,159,550.00	
	Payments for infrastructure	101,548.00	
	Boarding and school fund payments	1,017,692.00	
<b>Receipts</b>			
	Capitation grants for tuition		404,197.50
	Capitation grants for operations		1,529,718.05
	Capitation grants for infrastructure		1,005,000.00
	School Fund Income- Parents' Contributions		
	School Fund Income- Other receipts		1,737,802.00
	Proceeds from borrowings		
	payables		417,770.00
Prior Year Adjustment			
<b>Fund Balance b/f</b>			
			1,338,573.60
<b>TOTAL</b>			
		<b>6,433,061.15</b>	<b>6,433,061.15</b>