

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF


THE AUDITOR-GENERAL

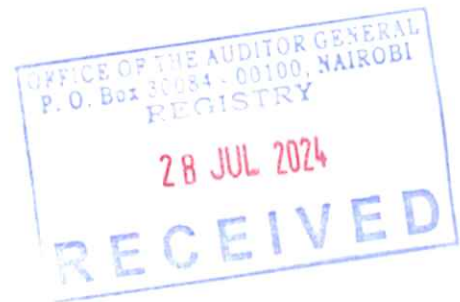
ON

KAKAMEGA SCHOOL

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

KAKAMEGA COUNTY

| | |
|---|--|
|  THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: | 11 MAR 2025 |
| | DAY: Tuesday |
| TABLED BY: | Hon. Owen Baya, MP Deputy Majority Leader |
| CLERK-AT THE-TABLE: | Getrude Chebet |



KAKAMEGASCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FORTHEFINANCIALYEAR ENDED
30thJune2022

PreparedinaccordancewiththeCashBasisofAccountingMethodundertheInternationalPublicSector
Accounting Standards(IPSAS)

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Report and Financial Statements
For the year ended 30th June 2022

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 Kakamega County, Kakamega Central Sub-County.

The school was registered in **11/2019** under registration number 37S30000757 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 2420 number of students as at **30th June 2022**. It has 11 streams and 96 teachers of which 28 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 | Prof. Egara Kabaji | Chairman | April 2019 |
| 2 | Mr. Gerald Orina | Secretary-Principal | April 2019 |
| 3 | Tom Onyango | Member | April 2019 |
| 4 | Rose Mmbasu | Member | April 2019 |
| 5 | Charles Nyabero | Member | April 2019 |
| 6 | Alfred Ambundo | Member | April 2019 |
| 7 | Mary Rague | Member | April 2019 |
| 8 | Brown Makotsi | Member – Rep CEB | April 2019 |
| 9 | Pamela Nambande | Member Rep Teachers | April 2019 |
| 10 | Prof. Egara Kabaji Mrs. Susan Rauto Dr. Samuel Waweru | 3 Members - Sponsor | April 2019 |
| 11 | William Ojonjo | Member-Community | April 2019 |
| 12 | Benson Makotsi | Member Special Needs | April 2019 |
| 13 | Simon Sichenje | Rep Students | April 2019 |

Report and Financial Statements
For the year ended 30th June 2022

Key School Information and Management (Continued)

a) 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.

b) Committees of the Board

| | | | | Number of meetings attended during the year |
|---|---|---|--|--|
| 1 | Executive Committee | Prof. Egara Kabaji Gerald Orina Dr. Alfred Ambundo Rose Mmbasu | Chair Secretary P.A Chairman Member | 3 out of 3 3 out of 3 3 out of 3 3 out of 3 |
| 2 | Audit Committee | William Ojonyo Kennedy Khalisia Brown Makotis | Chair | 1 out of 1 1 out of 1 1 out of 1 |
| 3 | Finance, Procurement and general purposes Committee | Rose Mmbasu Gerald Orina Alfred Ambundo Tom Onyango | Chair Secretary Member Member | 1 out of 1 1 out of 1 1 out of 1 1 out of 1 |
| 4 | Academic Committee | Charles Nyabero Gerald Orina Samwel Waweru | Chair Secretary Member | 1 out of 1 1 out of 1 1 out of 1 |
| 5 | Development Committee | Tom Onyango Gerald Orina Egara Kabaji Alfred Ambundo | Chair Secretary Member Member | 3 out of 3 3 out of 3 3 out of 3 3 out of 3 |
| 6 | Discipline and welfare Committee | Aggrey Shitsama Gerald Orina Phanice Orina Susan Rauto | Chair Secretary Member Member | 1 out of 1 1 out of 1 1 out of 1 1 out of 1 |
| 7 | Adhoc Committee | Isaac Kabora Gerald Orina Hassan Ngalia Ndava | Chair Secretary Member Member | 1 out of 1 1 out of 1 1 out of 1 1 out of 1 |

Report and Financial Statements
For the year ended 30th June 2022

c) School operation Management

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

| Ref: | Designation | Name | TSC Number |
|-------------|-----------------------------------|-----------------|-------------------|
| 1 | Chief Principal | Gerald Orina | 353059 |
| 2 | Deputy Principal (Administration) | Wycliffe Nandwa | 387511 |
| 3 | Deputy Principal (Academic) | David Sikulu | 374706 |
| 4 | School Bursar | Festus Olang' | 11041765 |

Report and Financial Statements
For the year ended 30th June 2022

d) Schools contacts

PostOfficeBox: 90 -50100
Telephone: 0707014500
E-mail: kakamegasch@gmail.com
Website:
Faceboo
k:
Twitter:

e) SchoolBankers

Thefollowingschooloperated 15 numberof bank accountsin thefollowingbanks:

| | Nameof Bank | Branch | AccountNumber |
|-----|--------------------|---------------|----------------------|
| 1. | Co-operative | Kakamega | 011 290 3366 5600 |
| 2. | National | Kakamega | 012 4207 053 6500 |
| 3. | Barclays | Kakamega | 202 567 7377 |
| 4. | Equity | Kakamega | 0500 291 359 965 |
| 5. | KCB | Kakamega | 116 346 9289 |
| 6. | Schoolfund current | Kakamega | 110 175 3595 |
| 7. | KCB | Kakamega | 110 349 3191 |
| 8. | KCB | Kakamega | 110 218 1927 |
| 9. | KCB | Kakamega | 110 349 3027 |
| 10. | KCB | Kakamega | 110 240 1951 |
| 11. | KCB | Kakamega | 110 1771 844 |
| 12. | KCB | Kakamega | 110 350 0996 |
| 13. | KCB | Kakamega | 110 175 6950 |
| 14. | National | Kakamega | 0102 507 053 6500 |
| 15. | National | Kakamega | 0102 221 198 8900 |

MPESAPay BillNo. 522123,Account50190Kattached to KCBbank account

f) IndependentAuditors

Officeof theAuditor General
AnniversaryTowers, UniversityWay
P.O.Box 30084
GPO00100

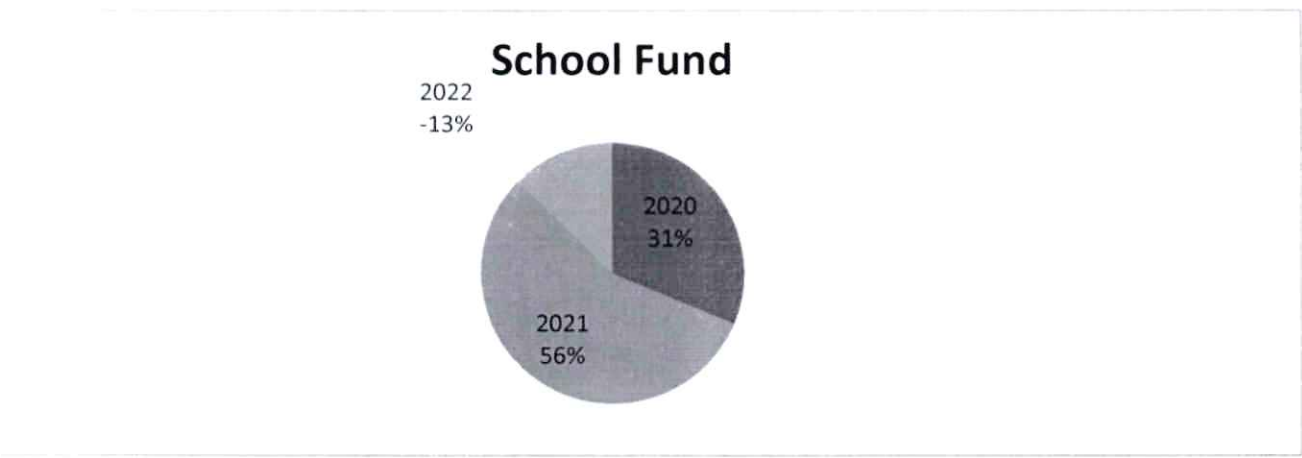
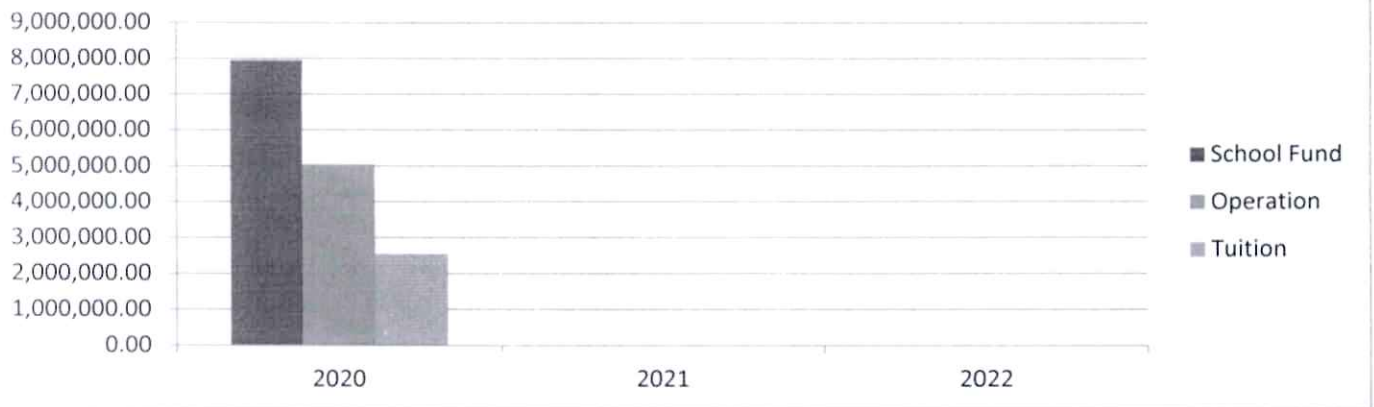
1. **Summary Report Of Performance Of The School**

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*

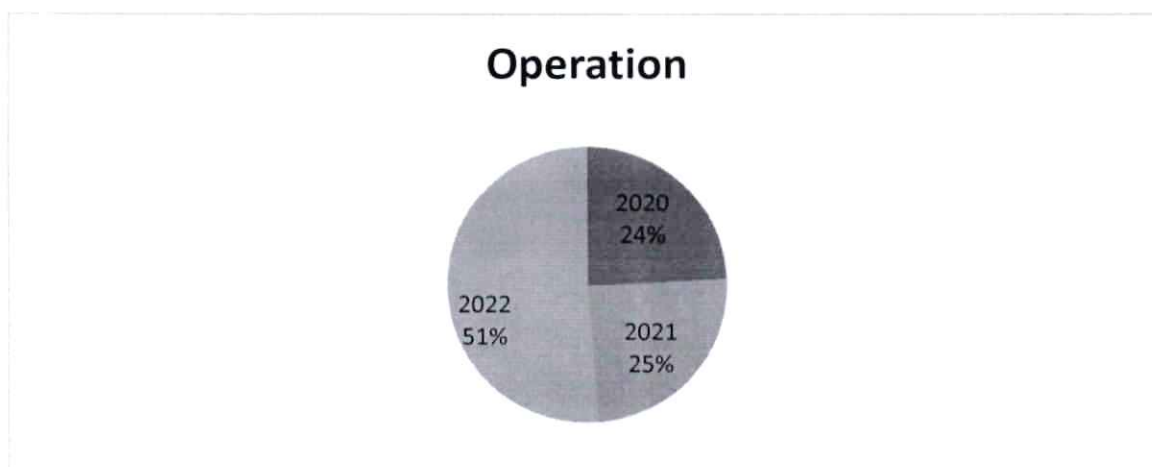
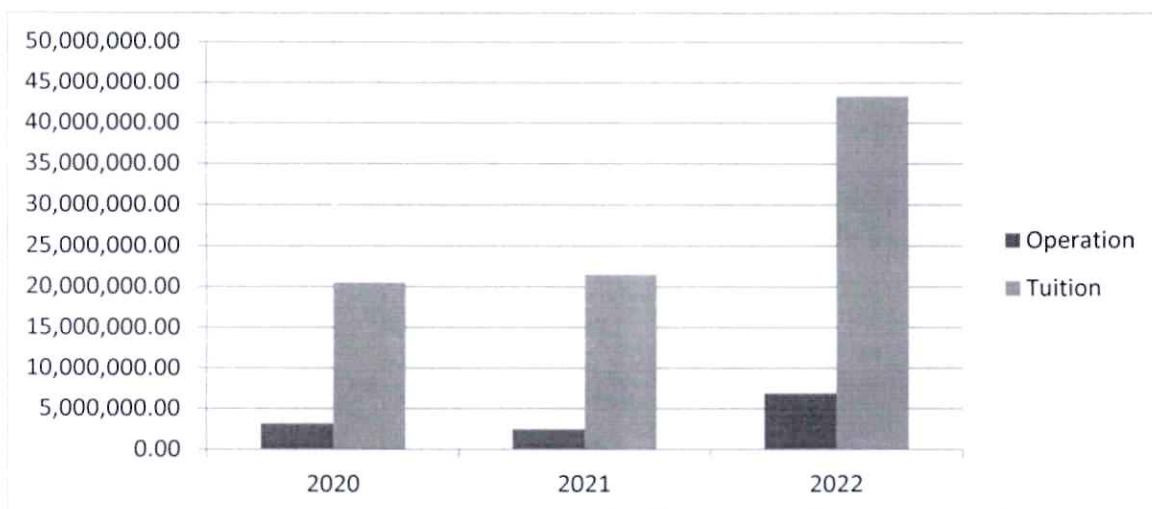
| Year | School Fund | Operation | Tuition | TOTAL |
|------|--------------|--------------|--------------|-------------|
| 2020 | 7,948,813.00 | 5,041,563.80 | 2,543,523.89 | 15,535,922 |
| 2021 | | | | 27,862,753 |
| 2022 | | | | (6,299,010) |



Report and Financial Statements
For the year ended 30th June 2022

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

| No of students | Year | Operation | Tuition | Grand Capitation |
|----------------|------|--------------|------------|------------------|
| 1833 | 2020 | 3,201,533.00 | 20,493,109 | 23,694,642.00 |
| 1853 | 2021 | 2,490,452.00 | 21,509,711 | 24,000,163.00 |
| 1783 | 2022 | 6,927,545.00 | 43,294,975 | 50,222,520.00 |



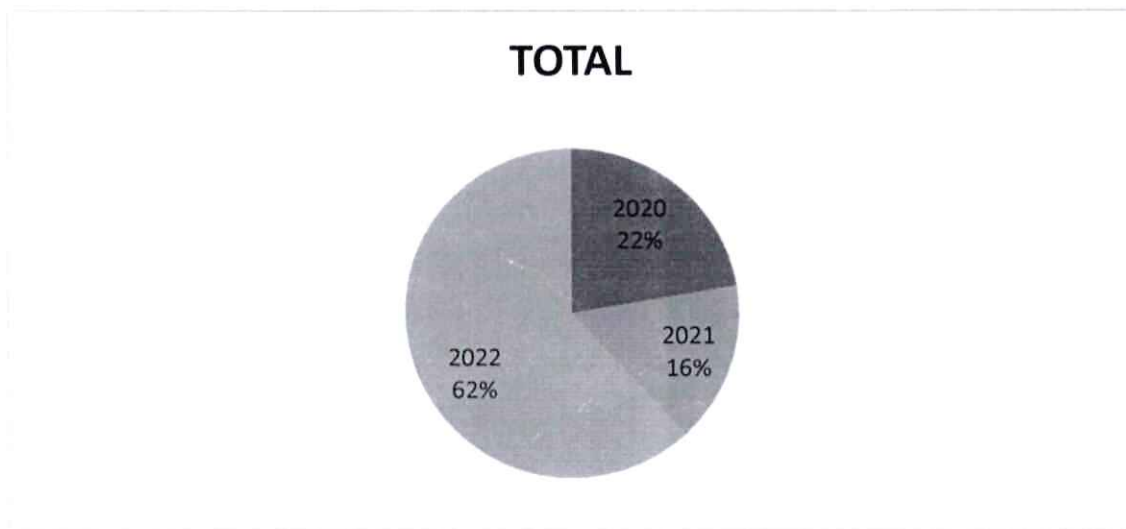
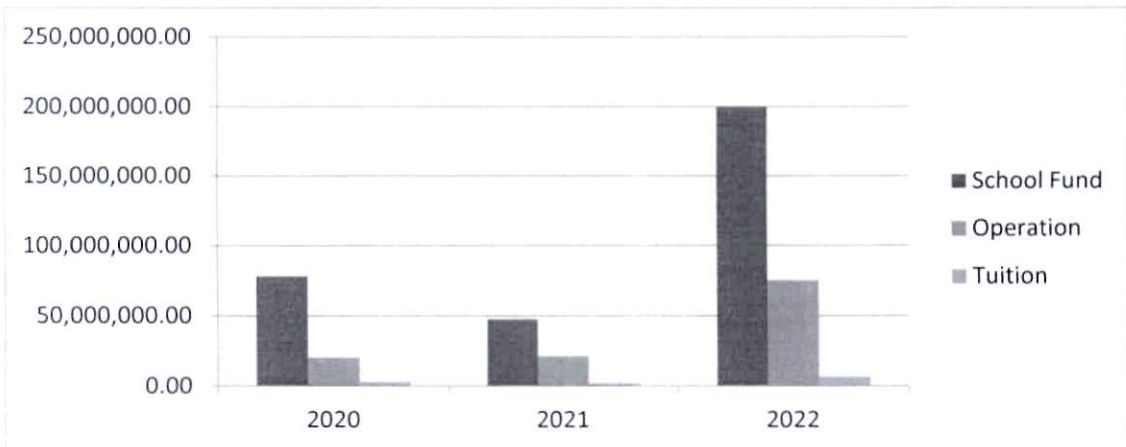
Report and Financial Statements
For the year ended 30th June 2022

- Ratio ofcapitation grantper studentoverthe last three years

| Year | RationGrandCapitationperstudent |
|------|---------------------------------|
| 2020 | 1:12,926.70 |
| 2021 | 1;15,387.00 |
| 2022 | 1:20,866.00 |

- A three-yearoverview ofgrowth ofotherincome(s) earned by theschool.

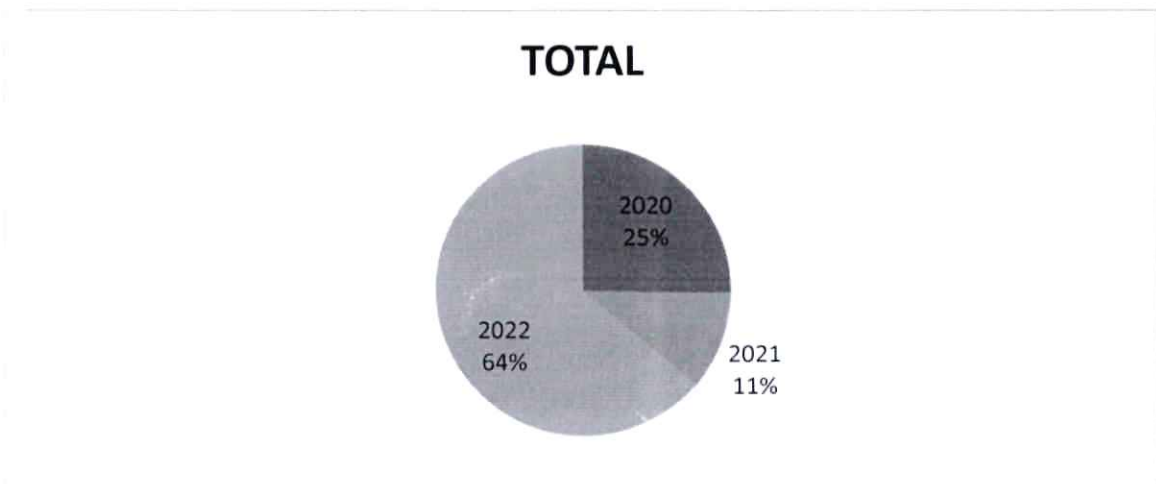
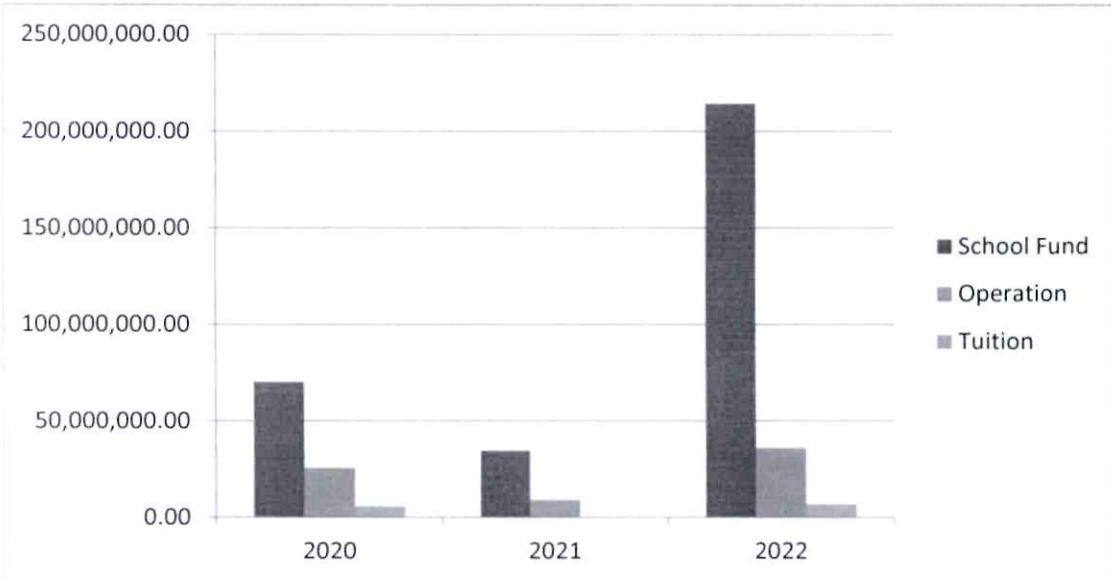
| Year | School Fund | Operation | Tuition |
|------|----------------|---------------|--------------|
| 2020 | 78,210,590.20 | 20,493,109.00 | 3,201,533.00 |
| 2021 | 47,609,237.00 | 21,509,711.00 | 2,490,452.00 |
| 2022 | 200,557,987.00 | 75,081,701.00 | 6,927,545.00 |



Report and Financial Statements
For the year ended 30th June 2022

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

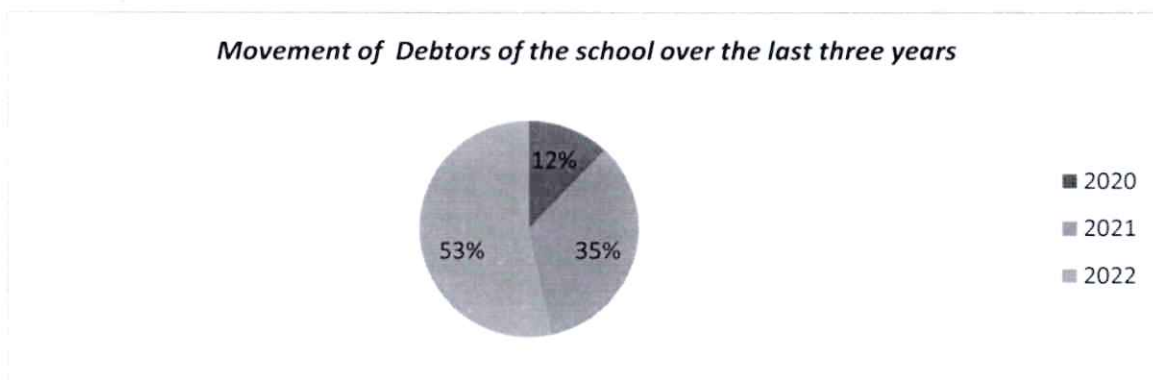
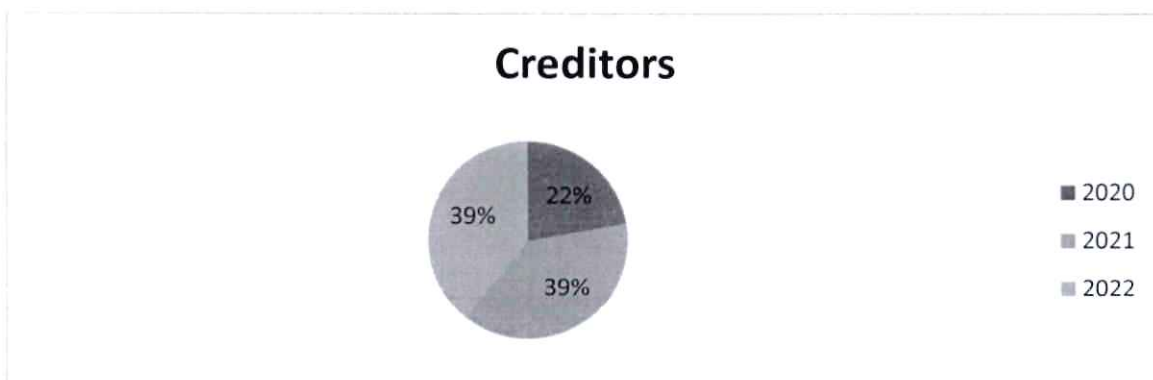
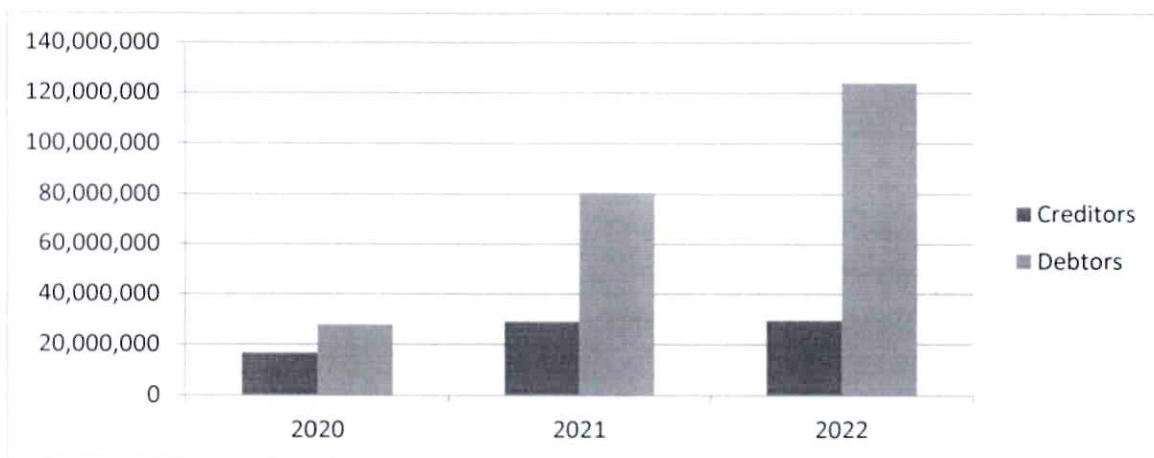
| Year | School Fund | Operation | Tuition |
|------|---------------|---------------|--------------|
| 2020 | 70,261,782.34 | 25,534,672.80 | 5,745,056.80 |
| 2021 | 34,680,537.00 | 9,065,045.00 | 1065.00 |
| 2022 | 214,190,524 | 36,080,576.00 | 6,808,414 |



Report and Financial Statements
For the year ended 30th June 2022

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

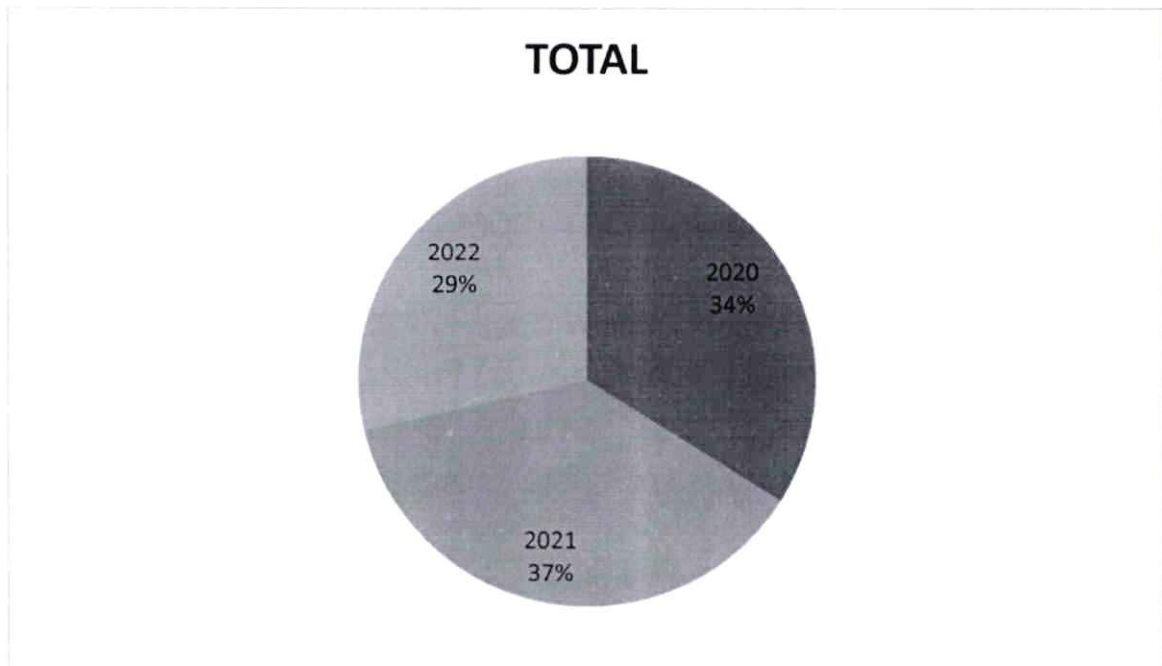
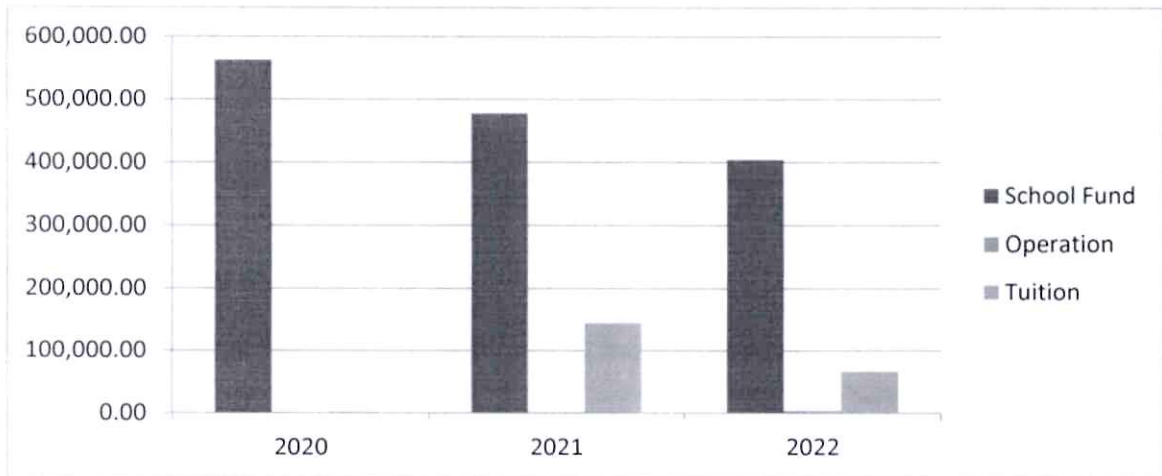
| Year | Creditors | Debtors |
|------|---------------|----------------|
| 2020 | 16,668,265 | 27,905,713.19 |
| 2021 | 29,013,756.00 | 80,567,715.23 |
| 2022 | 29,572,185.00 | 123,947,265.01 |



Report and Financial Statements
For the year ended 30th June 2022

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

| Year | School Fund | Operation | Tuition |
|------|-------------|-----------|------------|
| 2020 | 562,454.00 | 254.0 | 1,945.82 |
| 2021 | 477,396.64 | 1071.4 | 144,350.07 |
| 2022 | 404,470.64 | 3800.4 | 67036.87 |



Graphical presentation, ratios, tables, and pie charts should be used to show/indicate trends.

Report and Financial Statements
For the year ended 30th June 2022

b) **Teacher Student ratio:**

Ration of teachers to students 1:25

No of teachers recruited and posted, transferred and retired.

| No | Name | TSCNo | |
|----|---------------------|--------|-------------|
| 1 | Lenzyne Wawire | 799154 | Recruited |
| 2 | Ogega Faith Kemuma | 554910 | Transferred |
| 3 | Rebecca Nyarangi | 826981 | Recruited |
| 4 | Abuli Isaac | 546012 | Transferred |
| 5 | Peter Wangaki Okova | | Transferred |
| 6 | Erick Chisutia | | Transferred |
| 7 | Wycliffe Nandwa | | Transferred |
| 8 | Oscar Owour | | Retired |
| 9 | Josephat Asenahabi | | Retired |

No of teachers employed by TSC - 68

No of teachers employed by BOM - 28

Shortage of teachers

| No | Subject | Shortage |
|----|------------------------------|-----------|
| 1 | Electricity | 1 |
| 2 | Power Mechanics | 1 |
| 3 | Computer /Mathematics | 2 |
| 4 | Geography/Mathematics | 4 |
| 5 | Biology /Chemistry | 6 |
| 6 | Chemistry/Mathematics | 4 |
| 7 | Physics/Chemistry | 2 |
| 8 | Kiswahili/Geography | 4 |
| 9 | French | 1 |
| 10 | Mathematics/Physics | 2 |
| 11 | English /Literature | 1 |
| 12 | Kiswahili/C.R.E | 2 |
| 13 | Mathematics/Business Studies | 2 |
| | Total | 32 |

Report and Financial Statements
For the year ended 30th June 2022

c) Mean score in the 2021 KCSE

Performance of the school for over the last three years

| | ENTRY | A | A- | B+ | B | B- | C+ | C | C- | D+ | D | D- | E | MEAN | DEV |
|------|-------|---|----|----|-----|-----|----|----|----|----|---|----|---|------|-------|
| 2022 | 489 | 6 | 38 | 70 | 101 | 111 | 89 | 48 | 21 | 4 | 1 | 0 | 0 | 8.22 | +0.02 |
| 2021 | 478 | 8 | 50 | 97 | 78 | 74 | 69 | 50 | 30 | 15 | 4 | 3 | 0 | 8.20 | -0.28 |
| 2020 | 387 | 4 | 41 | 82 | 90 | 57 | 52 | 36 | 18 | 5 | 1 | 1 | 0 | 8.48 | +0.9 |

Transitioned to institutions of higher learning for over the last three years

| YEAR | C + & ABOVE | PERCENTAGE |
|------|-------------|------------|
| 2022 | 415 | 84.87 |
| 2021 | 376 | 78.66 |
| 2020 | 327 | 84.75 |

Comment: Positive improvement.

d) Number of Candidates in the 2021 KCSE:

Tabulate the number of candidates sitting for KCSE over the last three years.

| Year | 2020 | 2021 | 2022 |
|-------------------|------|------|------|
| No. of candidates | 387 | 478 | 489 |

e) Capacity of the school:

| Year | 2020 | 2021 | 2022 |
|-----------------|------|------|------|
| No. of students | 1979 | 2236 | 2420 |

Report and Financial Statements
For the year ended 30th June 2022

e) No of student in the school visa vie the facilities


| <i>Facility</i> | | <i>No</i> | <i>Capacity</i> | <i>Expected</i> | <i>Shortfall</i> |
|-----------------------------|--------------------|-----------|-----------------|-----------------|------------------|
| <i>Dormitory</i> | | 17 | 2561 | 2400 | +161 |
| <i>Toilets</i> | | 84 | 94 | 92 | 12 |
| <i>Bathrooms</i> | | 87 | 87 | 92 | 5 |
| <i>Computer lab</i> | | 2 | 30 | 40 | 10 |
| <i>Dining Hall</i> | | 1 | 1000 | 2400 | 1400 |
| <i>ScienceLab</i> | <i>Chemistry</i> | 2 | 56 | 65 | 9 |
| | <i>Biology</i> | 2 | 48 | 65 | 17 |
| | <i>Physics</i> | 2 | 42 | 65 | 23 |
| <i>Art Room</i> | | 1 | 10 | 60 | 50 |
| <i>Staffroom</i> | | 1 | 100 | 100 | 00 |
| <i>Workshop</i> | <i>Electricity</i> | 1 | 10 | 81 | 71 |
| | <i>P/Mechanics</i> | 1 | 10 | 31 | 21 |
| | <i>Aviation</i> | 1 | 10 | 27 | 17 |
| <i>Classes</i> | | 34 | 2400 | 2400 | 0 |
| <i>Library</i> | | 1 | 84 | 2000 | 1916 |
| <i>Kitchen</i> | | 1 | 1500 | 2400 | 900 |
| <i>Administration Block</i> | | 1 | 36 | 38 | +2 |

f) Development projects carried out by the school:

| Projects | Source of Funds | Status | InitialCost (Kshs) | Amount Spent (Kshs) | Expected Completion |
|-----------------------------------|------------------------|---------------|---------------------------|----------------------------|----------------------------|
| Constructionof temporarybathrooms | (RMI) | Complete | 250,000.00 | 250,000.00 | |
| Buildingof3door toilets | | | 550,000.00 | 550,000.00 | |
| Administration Block completion | (RMI) | Complete | 1,220,256.00 | 1,220,256.00 | |
| Renovation of 3 classrooms | (RMI) | Complete | 424,297.24 | 424,297.24 | |
| 20door Pit Latrines | (RMI) | Complete | 3,497,598.00 | 3,497,598.00 | |
| 135Doubledecker beds | (RMI) | Complete | 2,145,500.00 | 2,145,500.00 | |
| Twentydoor ablution block | (RMI) | Complete | 3,293,240.00 | 3,293,240.00 | |

Report and Financial Statements
For the year ended 30th June 2022

| | | | | | |
|---|-------|----------|--------------|--------------|--|
| Administration block Retention | (RMI) | Complete | 941,213.00 | 941,213.00 | |
| Conversion of library to 4 class rooms | (RMI) | Complete | 2,778,200.00 | 2,778,200.00 | |
| Construction of sewerage system | | | 1,020,800.00 | 1,020,800.00 | |
| Painting and Repair of gate, Tuition Block, Pavement | (RMI) | Complete | 232,500.00 | 232,500.00 | |
| Renovation of Sanatorium | (RMI) | Complete | 1,926,064.00 | 1,926,064.00 | |
| Repair works at Highrise PII | (RMI) | Complete | 388,020.00 | 388,020.00 | |
| Repair of ESP grills and walkway | (RMI) | Complete | 902,070.00 | 902,070.00 | |
| Construction of Perimeter wall at the slaughter house | (RMI) | Complete | 1,373,000.00 | 1,373,000.00 | |
| Construction of Six door pit latrine | (RMI) | Complete | 1,449,587.00 | 1,449,587.00 | |



.....
 School Principal

**KAKAMEGA SCHOOL
 SECRETARY B.O.M/P.A**
 11 JUL 2024
 SIGN:.....
 P. O. Box 90 – 50100, KAKAMEGA (K)
 TEL: 0707 014500

Report and Financial Statements
For the year ended 30th June 2022

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

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

Name: Prof. Egara Kabaji
Designation: Chairman, School Board of Management

Sign: 
.....

Date: 30th June, 2022

Name: Gerald Orina
Designation: School Principal & Secretary to Board of Management

Sign: 
.....

Date: 30th June, 2022

Name: Festus Olang'
Designation: Bursar/Finance Officer

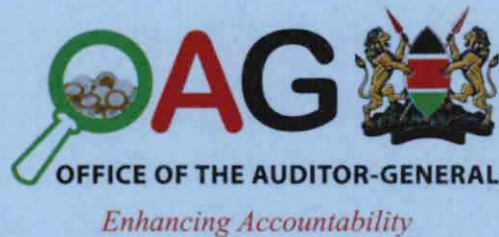
Sign: 
.....

Date: 30th June, 2022



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KAKAMEGA SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KAKAMEGA COUNTY

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Kakamega School – Kakamega County set out on pages 1 to 18, 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 the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting

Report of the Auditor-General on Kakamega School for the year ended 30 June, 2022 - Kakamega County

policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kakamega School – Kakamega County as at 30 June, 2022, and of its financial performance and its cash flows for the year 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. Inaccuracies in the Financial Statements

1.1 Understatement of Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.148,639 while computation of the corresponding Note 11 to the financial statements amounted to Kshs.124,095,904 resulting to an unreconciled variance of Kshs.123,947,265.

1.2 Understatement of Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.11,889,734 while computation of the corresponding Note 12 to the financial statements amounted to Kshs.41,461,919 resulting to an unreconciled variance of Kshs.29,572,185.

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

2. Overdrawn Bank Accounts

The statement of financial assets and financial liabilities reflects bank balances of Kshs.35,045,591 as at 30 June, 2022 as disclosed in Note 8 to the financial statements. Included in the bank balances are two (2) bank accounts which were cumulatively overdrawn by Kshs.5,565,558 contrary to Section 28(4)(5) of the Public Finance Management Act, 2012.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.35,045,591 could not be confirmed.

3. Long Outstanding Receivables

Note 11 to the financial statements reflects fees arrears amounting to Kshs.123,947,265 out of which Kshs.35,325,620 had been outstanding for more than two (2) years.

However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding fees arrears balance of Kshs.123,947,265 could not be confirmed.

4. Long Outstanding Payables

Note 12 to the financial statements reflects payables amounting to Kshs.29,572,185 in respect to trade creditors out of which Kshs.11,701,965 had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates.

In the circumstances, accuracy, completeness and validity of trade payables amounting to Kshs.29,572,185 could not be confirmed and the School risks being exposed to penalties, fines, interests and unquantified litigation costs due to late payments.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of 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 to the Auditor-General

The School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2022. This is contrary to Section 47(1) of the Public

Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

In these circumstances, the school management was in breach of the law.

2. Unbalanced Budget

The statement of budgeted versus actual amounts reflects budgeted computed total income of Kshs.169,105,978 and total budgeted computed expenditure of Kshs.130,917,538 resulting in an unbalanced budget of Kshs.38,188,440. This is contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that the budget shall be balanced.

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

3. Excess Supply of Text Books by the Ministry of Education

During the year 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 excess text books of one hundred and twelve (112) books to the School.

In the circumstances, value for money on the excess three hundred and fifty-six (356) text books could not be confirmed.

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.454,200 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.894,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.454,200 could not be confirmed.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of 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 Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.581,431,409 in respect of fixed assets which includes land with a balance of Kshs.198,000,000, building and structures Kshs.323,950,000 and motor vehicles with a balance of Kshs.10,650,000. However, land ownership documents and motor vehicle log books not provided for audit.

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

2. Lack of Updated Asset Register

Annex 2 of the financial statements indicates a summary of fixed assets with a balance of Kshs.581,431,409 as at 30 June, 2022. However, the asset register provided for audit did not indicate details such as date of acquisition, location, and the assets' current status. Further, the assets had not been tagged for ease of identification and no valuation of assets had been conducted to determine their present values.

In the circumstances, the accuracy, completeness, existence and ownership of School's assets could not be confirmed.

3. Ineffective Board Committees

During the year under review, the School had constituted Board of Management and its Committees as required by law. However, the Board committees failed to hold quarterly meetings contrary to Section 6 (1) of the fourth schedule of the Basic Education Act, 2013 which states that a Board of Management shall meet at least once every four months.

In the circumstances, the School did not benefit from the governance and oversight role of the board committees.

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 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 as going concern, disclosing, as applicable, matters related to going concern and using the going concern 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 overall control environment.

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 October, 2024

KAKAMEGASCHOOL
Report and Financial Statements
For the year ended 30th June 2022

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

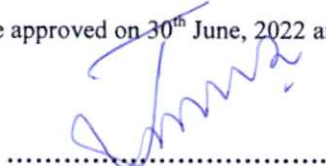
| Description Of Vote Head | Note | 2021-2022 | 2020-2021 |
|--|------|--------------------|-------------------|
| | | Kshs | Kshs |
| Receipts | | | |
| Capitation grants for tuition | 1 | 6,927,545 | 2,490,452 |
| Capitation grants for operations | 2 | 43,294,975 | 21,509,711 |
| School fund income- parents' contributions | 3 | 165,345,905 | 44,187,119 |
| School fund income- other receipts | 4 | 35,212,079 | 3,422,118 |
| Proceeds from borrowings | 5 | | |
| Total Receipts | | 250,780,504 | 71,609,400 |
| Payments | | | |
| Payments for tuition | 6 | | |
| Payments for operations | 7 | 6,808,414 | 1,065 |
| Boarding and school fund payments | 8 | 36,080,576 | 9,065,045 |
| Infrastructure Payments | 9 | 214,190,524 | 34,680,537 |
| Total Payments | | 257,079,514 | 43,746,647 |
| Surplus/Deficit | | (6,299,010) | 27,862,753 |

The school financial statements were approved on 30th June, 2022 and signed by:



Name: Prof. Egara Kabaji
 Chair BOM

Date: 30th June, 2022



Name: Gerald Orina
 School Principal/ Secretary to
 BOM

Date: 30th June, 2022



Name: Mr. Festus Olang'
 Bursar/ Finance Officer

Date: 30th June, 2022

KAKAMEGA SCHOOL
SECRETARY B.O.M/P.A
 11 JUL 2024
 SIGN:
 P. O. Box 90 – 50100, KAKAMEGA (K)
 TEL: 0707 014500

KAKAMEGASCHOOL

Report and Financial Statements

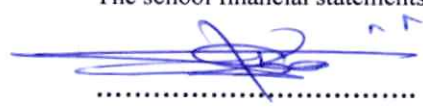
For the year ended 30th June 2022

KAKAMEGASCHOOL
Report and Financial Statements
For the year ended 30th June 2022

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

| Description | Note | 2021-2022 | 2020-2021 |
|---------------------------------------|------|-------------------|-------------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash and cash equivalents | | | |
| Bank balances | 8 | 35,045,591 | 33,570,239 |
| Cash balances | 9 | 40,096 | 8,061 |
| Short term investment | 10 | - | - |
| Total cash and cash equivalent | | 35,085,687 | 33,578,300 |
| Account's receivables | 11 | 148,639 | 632,550 |
| Total financial assets | | 35,234,326 | 34,210,850 |
| Financial liabilities | | | |
| Accounts payables | 12 | 11,889,734 | 4,567,247 |
| Net financial assets | | 23,344,592 | 29,643,603 |
| Represented by | | | |
| Accumulated fund b/fwd | 13 | 29,643,602 | 1,780,849 |
| Surplus/deficit for the year | | (6,299,010) | 27,862,753 |
| Net financial position | | 23,344,592 | 29,643,602 |
| | | | 0 |

The school financial statements were approved on 30th June, 2022 and signed by:



Name: Prof. Egara Kabaji
 Chair BOM

Date: 30th June, 2022



Name: Gerald Orina
 School Principal/ Secretary to BOM

Date: 30th June, 2022



Name: Mr. Festus Olang
 Bursar/ Finance Officer

Date: 30th June, 2022

KAKAMEGA SCHOOL
SECRETARY B.O.M/P.A
 3
 11 JUL 2024
 SIGN:.....
 P. O. Box 90 - 50100, KAKAMEGA (K)
 TEL: 0707 014500

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

| Description | Notes | 2021-2022 | 2020-2021 |
|--|-------|--------------------|-------------------|
| | | Kshs | Kshs |
| Operating activities | | | |
| Receipts | | | |
| Capitation grants for tuition | 1 | 6,927,545 | 2,490,452 |
| Capitation grants for operations | 2 | 43,294,975 | 21,509,711 |
| School fund income- parents contributions/ fees | 3 | 165,345,905 | 44,187,119 |
| School fund income- other receipts | 4 | 35,212,079 | 3,422,118 |
| Total receipts | | 250,780,504 | 71,609,400 |
| Payments | | | |
| Payments for tuition | 5 | 6,808,414 | 1,065 |
| Payments for operations | 6 | 36,080,576 | 9,065,045 |
| Boarding and school fund payments | 7 | 214,190,524 | 34,680,537 |
| Total payments | | 257,079,514 | 43,746,647 |
| Net cash flow from operating activities | | (6,299,010) | 27,862,753 |
| Cashflow from investing activities | | | |
| Proceeds from sale of assets | | - | - |
| Acquisition of assets | | - | - |
| Proceeds from investments | | - | - |
| Purchase of investments | | - | - |
| Net cash flows from investing activities | | - | - |
| Cashflow from borrowing activities | | | |
| Proceeds from borrowings/ loans | | | |
| Repayment of principal borrowings | | | |
| Net cash flow from financing activities | | | |
| Net increase in cash and cash equivalents | | (6,299,010) | 27,862,753 |
| Cash and cash equivalent at beginning of the year | | 34,500,539 | 6,637,786 |
| Cash and cash equivalent at end of the year | | 28,201,529 | 34,500,539 |

(The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools' should therefore adopt the direct method of cashflow as recommended by PSASB).

VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

| Receipt/Expenses Item | Original Budget a Kshs | Final Budget c=a+b | Actual on Comparable Basis d | Budget Utilization Difference e=c-d Kshs | % of Utilization f=d/c % Kshs |
|---|------------------------------|-----------------------|------------------------------------|---|-------------------------------------|
| Receipts | | | | | |
| (1) Capitation Grant on Tuition | | | | | |
| Textbooks And Reference Materials | | | | | |
| Exercise Books | | | | | |
| Laboratory Equipment | | | | | |
| Internal Exams | | | | | |
| Teaching / Learning Materials | 9,199,680.00 | 9,199,680.00 | 6,927,545.00 | 2,272,135.00 | 75.3% |
| Chalks | | | | | |
| Exams And Assessment | | | | | |
| Teachers Guides | | | | | |
| (2) Capitation Grant on Operations | | | | | |
| Other Voteheads | 20,868,000.00 | 20,868,000.00 | 19,321,875.00 | 1,546,125.00 | 92.6% |
| Repairs and maintenance | 11,100,000.00 | 11,100,000.00 | 10,530,500.00 | 569,500.00 | 94.9% |
| Medical | 4,440,000.00 | 4,440,000.00 | 425,600.00 | 4,014,400.00 | 9.6% |
| Infrastructure | 16,337,250.00 | 16,337,250.00 | 13,017,000.00 | 3,320,250.00 | 79.7% |

KANAMBU GASC HUJUI
 Report and Financial Statements
 For the year ended 30th June 2022

| Receipt/Expenses Item | Original Budget a Kshs | Final Budget c=a+b | Actual on Comparable Basis d | Budget Utilization Difference e-c-d Kshs | % of Utilization f=d/c % Kshs |
|--------------------------------------|------------------------------|-----------------------|------------------------------------|---|-------------------------------------|
| (3) Fees Charged on Parents | | | | | |
| Maintenance & Improvement | 4,440,000.00 | 4,440,000.00 | 7,744,924.00 | (3,304,924.00) | 174.4% |
| Other voteheads | 38,188,440.00 | 38,188,440.00 | 68,666,942.00 | (30,478,502.00) | 179.8% |
| Activity | 1,771,560.00 | 1,771,560.00 | 2,977,699.00 | (1,206,139.00) | 168.1% |
| Fee on Boarding Equipment and Stores | 55,500,000.00 | 55,500,000.00 | 85,956,340.00 | (30,456,340.00) | 154.9% |
| | | | | - | 0.0% |
| Other Income | | | | | |
| Rent income | | | 142,993.00 | (142,993.00) | 0.0% |
| Uniform | 7,261,048.00 | 7,261,048.00 | 17,066,142.00 | (9,805,094.00) | 235.0% |
| GASK Bakery | | | 2,350,724.00 | (2,350,724.00) | 0.0% |
| Pocket money | | | 225,202.00 | (225,202.00) | 0.0% |
| Tender | | | 40,900.00 | (40,900.00) | |
| Dormitory Damages | | | 15,058,539.00 | (15,058,539.00) | |
| Bus hire | | | 266,000.00 | (266,000.00) | |
| Interest income | | | 61,579.00 | | 0.0% |
| TOTAL INCOME | 169,105,978.00 | 169,105,978.00 | 250,780,504.00 | (81,612,947.00) | 148.3% |

KAKAMEGA SCHOOL
 Report and Financial Statements
 For the year ended 30th June 2022

| Receipt/Expenses Item | Original Budget a Kshs | Final Budget c=a+b | Actual on Comparable Basis d | Budget Utilization Difference e=c-d Kshs | % of Utilization f=d/c % Kshs |
|--|------------------------------|-----------------------|------------------------------------|---|-------------------------------------|
| (1) Expenditure For Tuition | | | | | |
| Textbooks And Reference Materials | | | | | |
| Exercise Books | | | | | |
| Laboratory Equipment | | | | | |
| Internal Exams | | | | | |
| Teaching / Learning Materials | 9,199,680.00 | 9,199,680.00 | 6,808,414.00 | 2,391,266.00 | 74.0% |
| Chalks | | | | | |
| Exams And Assessment | | | | | |
| Teachers Guides | | | | | |
| Administration Costs | | | | | |
| Bank Charges | | | | | |
| | | | | | |
| (2) Expenditure For Operations | | | | | |
| Other voteheads | 20,868,000.00 | 20,868,000.00 | 19,734,206.00 | 1,133,794.00 | 94.6% |
| Maintenance and Improvement | 11,100,000.00 | 11,100,000.00 | - | 11,100,000.00 | 0.0% |
| Bank charges | | | 10,966.00 | | |
| Infrastructure | 16,337,250.00 | 16,337,250.00 | 16,335,404.00 | 1,846.00 | 100.0% |
| | | | | | |
| (3) Expenditure For School Fund | | | | | |
| Maintenance & Improvement | 4,440,000.00 | 4,440,000.00 | - | 4,440,000.00 | 0.0% |
| Other vote heads | 38,188,440.00 | | | (19,012,963.00) | 149.8% |

| Receipt/Expenses Item | Original Budget | Final Budget | Actual on Comparable Basis | Budget Utilization Difference | % of Utilization |
|--|-----------------------|--------------------|----------------------------|-------------------------------|------------------|
| | a | c=a+b | d | e=c-d | f=d/c% |
| | Kshs | | | Kshs | Kshs |
| Activity | 1,771,560.00 | 1,771,560.00 | 34,500.00 | 1,737,060.00 | 1.9% |
| Expenditure on Boarding Equipment and Stores | 55,500,000.00 | 55,500,000.00 | 116,527,948.00 | (61,027,948.00) | 210.0% |
| Income from income generating activities | - | - | 19,744,380.00 | | 0.0% |
| Dormitory Damages | 11,701,048.00 | 11,701,048.00 | 20,648,023.00 | | 176.0% |
| Bank charges | - | - | 34,270.00 | | 0.0% |
| TOTAL | 169,105,978.00 | 130,917,538 | 199,878,111 | (59,236,945.00) | 136.1% |

There is overutilization of the budget due to recovery from Corona pandemic period ,academic years had been merged together.

3. 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 30th June 2022.

X. Notes To The Financial Statements

| 1 CAPITATION GRANT FOR TUITION | | | |
|--|--|------------------|------------------|
| | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Teaching / learning materials | | 6,927,545.00 | 2,490,452.00 |
| Total | | 6,927,545.00 | 2,490,452.00 |
| | | | |
| | | | |
| 2 CAPITATION GRANT FOR OPERATIONS | | | |
| | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Maintenance and Improvement | | 10,530,500.00 | 6,909,000.00 |
| Others Voteheads | | 19,321,875.00 | 8,155,211.00 |
| Infrastructure | | 13,017,000.00 | 6,445,500.00 |
| Medical | | 425,600.00 | |
| Total | | 43,294,975.00 | 21,509,711.00 |
| | | | |
| | | | |
| 3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT | | | |
| | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Other voteheads | | 68,666,942.00 | 2,806,173.00 |
| Fee on Boarding Equipment and Stores | | 85,956,340.00 | 40,760,115.00 |
| Maintenance and Improvement | | 7,744,924.00 | 554,479.00 |
| Activity | | 2,977,699.00 | 66,352.00 |
| Total | | 165,345,905.00 | 44,187,119.00 |
| | | | |
| | | | |
| 4 OTHER RECEIPTS - SCHOOL FUND ACCOUNT | | | |
| | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Rent income | | 142,993.00 | 933,286.00 |
| GASK Bakery | | 2,350,724.00 | 1,669,868.00 |
| Uniform | | 17,066,142.00 | 697,799.00 |
| Tender | | 40,900.00 | |
| Dormitory Damages | | 15,058,539.00 | |
| Pocket money | | 225,202.00 | 81,995.00 |
| Bus hire | | 266,000.00 | |
| Bank interest | | 61,579.00 | 39,170.00 |
| TOTAL | | 35,212,079.00 | 3,422,118.00 |

| 5 PAYMENTS FOR TUITION | | | |
|--|---------------------|-----------------------|----------------------|
| | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Teaching And Learning Materials | | 6,808,414.00 | 1,065.00 |
| TOTAL | | 6,808,414.00 | 1,065.00 |
| 6 PAYMENTS FOR OPERATIONS | | | |
| | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Others | | 19,734,206.00 | 5,206,504.00 |
| Infrastructure | | 16,335,404.00 | 3,851,200.00 |
| Bank Charges | | 10,966.00 | 7,341.00 |
| TOTAL | | 36,080,576.00 | 9,065,045.00 |
| 7 BOARDING AND SCHOOL FUND PAYMENTS | | | |
| | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Other voteheads | | 57,201,403.00 | 11,774,261.00 |
| Maintenance & Improvements | | - | 167,000.00 |
| Expenses on Income Generating Activities | | 19,744,380.00 | 3,547,411.00 |
| Expenses on Boarding Equipment and Stores | | 116,527,948.00 | 19,187,048.00 |
| Dormitory Damages | | 20,648,023.00 | |
| Activity | | 34,500.00 | |
| Bank charges | | 34,270.00 | 4,817.00 |
| TOTAL | | 214,190,524.00 | 34,680,537.00 |
| 8 BANK ACCOUNTS | | | |
| Name of Bank, Account No. & currency | Bank Account Number | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Tuition Account | | 67,037.00 | 144,350.00 |
| Operations Account | | 3,800.00 | 1,071.00 |
| School Fund Account/Boarding | | 404,471.00 | 477,397.00 |
| Savings Equity ...965 | | 3,820,985.00 | 4,766,184.00 |
| Savings KCB289 | | (2,001,133.00) | 10,591,706.00 |
| Savings NBK ...6500 | | 8,136,503.00 | 6,424,189.00 |
| Savings Reserve ...1927 | | 2,804,458.00 | 1,083,796.00 |
| Savings Coop ...5600 | | 5,637,359.00 | 489,729.00 |

| | | | | |
|-----------|--|--|----------------|----------------|
| | Savings Farm ...027 | | 9,292.00 | 9,292.00 |
| | Savings Caution ...93191 | | 12,790.00 | 12,790.00 |
| | Savings ABSA 7377 | | 75,511.00 | 2,426.00 |
| | Savings KCB...3151 | | (3,564,425.00) | (1,716,450.00) |
| | Infrastructural Account | | 1,846.00 | 3,320,250.00 |
| | NBK Infrastructure a/c | | 2,340,000.00 | |
| | Savings NBK..8900 | | 17,122,500.00 | 6,445,500.00 |
| | Savings operation...0996 | | 174,598.00 | 1,518,009.00 |
| | Total | | 35,045,591.00 | 33,570,239.00 |
| 9 | CASH IN HAND | | | |
| | Description | | 2021-2022 | 2020-2021 |
| | | | Kshs | Kshs |
| | Tuition Account | | - | - |
| | Operation Account | | - | - |
| | School Fund account | | 40,096.00 | 8,061.00 |
| | Total | | 40,096.00 | 8,061.00 |
| 10 | SHORT TERM INVESTMENTS | | | |
| | Description | | 2021-2022 | 2020-2021 |
| | | | Kshs | Kshs |
| | Cooperative shares | | - | - |
| | Treasury Bills | | - | - |
| | Fixed deposit | | - | - |
| | Equity stock | | - | - |
| | Other investments | | - | - |
| | TOTAL | | - | - |
| 11 | ACCOUNTS RECEIVABLE | | | |
| | Description | | 2021-2022 | 2020-2021 |
| | | | Kshs | Kshs |
| | Fees arrears | | | |
| | Rent Arrears | | - | - |
| | P.A.Y.E | | 148,639.00 | 632,550.00 |
| | N.S.S.F | | - | - |
| | Salary advances | | - | - |
| | Imprest | | - | - |
| | TOTAL | | 148,639.00 | 632,550.00 |
| | [Include an ageing of the fees / non fees arrears below] | | | |
| | Description | | 2021-2022 | 2020-2021 |

| | | Kshs | Kshs |
|---|--|----------------|----------------|
| Fees arrears for current year | | 48,581,336 | - |
| Fees arrears for the previous year | | 40,040,309.00 | 45,242,095.00 |
| Fees arrears for prior periods (over two years) | | 35,325,620.00 | 35,325,620.00 |
| Total | | 123,947,265.00 | 80,567,715.00 |
| 12 ACCOUNTS PAYABLE | | | |
| Description | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Trade creditors (See ageing below and appendix 1) | | - | - |
| Refunds | | 1,217,234.00 | |
| Advance | | 41,550.00 | |
| Bursary | | 292,400.00 | |
| Prepaid fees | | 10,338,550.00 | 4,567,247.00 |
| Total | | 11,889,734.00 | 4,567,247.00 |
| [Include an ageing of the creditor's arrears below] | | | |
| Description | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Trade creditors for current year | | 15,821,389.00 | - |
| Trade creditors for the previous year | | 2,048,831.00 | 13,779,391.00 |
| Trade creditors for prior periods (over two years) | | 11,701,965.00 | 15,234,365.00 |
| Total | | 29,572,185.00 | 29,013,756.00 |
| 13 FUND BALANCE BROUGHT FORWARD | | | |
| Description | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Bank balances | | | 33,570,239.00 |
| Cash balances | | | 8,061.00 |
| Short Term Investments | | | - |
| Receivables | | | 632,550.00 |
| Payables | | | (4,567,247.00) |
| Total | | | 29,643,603.00 |
| Other important disclosure notes | | | |
| 14 NON-CURRENT LIABILITIES SUMMARY | | | |

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 Report and Financial Statements
 For the year ended 30th June 2022

| Description | | 2020-2021 | 2019-2020 |
|--|------|----------------|----------------|
| | | Kshs | Kshs |
| Bank loan(s) | | - | - |
| Outstanding Leases | | - | - |
| Hire purchase | | - | - |
| Gratuity and leave provision | | - | - |
| Total | | - | - |
| 15 BIOLOGICAL ASSETS | | | |
| Description | | 2021-2022 | 2020-2021 |
| | | Kshs | Kshs |
| Cattle | 15 | 1,300,000.00 | 750,000.00 |
| Goats | | | |
| Trees | 1000 | 7,000,000.00 | 4,000,000.00 |
| Coffee or tea plantation | | - | - |
| Poultry | | - | - |
| Total | | - | - |
| 16 BORROWINGS | | | |
| Description | | 2021-2022 | 2020-2021 |
| | | KShs | KShs |
| a) Borrowings | | | |
| Borrowing at beginning of the year | | - | - |
| Borrowings during the year | | - | - |
| Repayments of during the year | | - | - |
| Balance at end of the year | | - | - |
| 17 STOCK/INVENTORY | | | |
| Description | | 2021-2022 | 2020-2021 |
| | | KShs | KShs |
| Stock/Inventory | | 5,643,500.00 | 6,540,500.00 |
| Stock/ inventory at beginning of the year | | 430,223,352.00 | 365,011,410.00 |
| Stock/ inventory purchased during the year | | 427,523,352.00 | 365,908,410.00 |
| Stock/ inventory issued during the year | | 8,343,500.00 | 5,643,500.00 |
| Balance at end of the year | | 5,643,500.00 | 6,540,500.00 |


Progress on Follow up of Auditor Recommendation

1 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) |
|---------|-----------------------------------|---------------------|--------------------------------------|---|
| | | | | |
| | | | | |
| | | | | |

Sign and Date
 Principal


 KAKAMEGA SCHOOL
 SECRETARY B.O.M/P.A
 11 JUL 2024
 SIGN:
 P. O. Box 90 – 50100, KAKAMEGA (K)
 TEL: 0707 014500

Annex 1 - Analysis Of Pending Accounts Payable

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 20XX | Outstanding Balance 20XX-1 | Comments |
|----------------------------------|-----------------|-----------------|---------------------|--------------------------|----------------------------|----------|
| | a | b | c | d=a-c | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Construction Of Buildings | | | | | | |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| Supply Of Goods | | | | | | |
| Allianmbali | 370,900.00 | 01-02-22 | 249,500.00 | 121,400.00 | | |
| ChapmanSelfGroup | 158,300.00 | 29-04-22 | 103,050.00 | 55,250.00 | | |
| CalebIsaya | 266,800.00 | 01-03-22 | 128,800.00 | 138,000.00 | | |
| ErickOdhiambo | 89,550.00 | 29-04-22 | 39,600.00 | 49,950.00 | | |
| Evertec Investment | 1,140,000.00 | 31-05-22 | 800,000.00 | 340,000.00 | | |
| EdwinNyongesa | 234,900.00 | 29-04-22 | 102,000.00 | 132,900.00 | | |
| GaskBakery | 5,418,888.00 | 19-09-21 | 2,259,634.00 | 3,159,254.00 | | |
| GilbertW.Wanjala | 425,000.00 | 17-05-22 | - | 425,000.00 | | |
| JoyceNasambu | 108,200.00 | 10-08-21 | 47,200.00 | 61,000.00 | | |
| Avenue Scales | 26,000.00 | 16-06-22 | - | 26,000.00 | | |
| Kelchar | 104,550.00 | 01-06-22 | - | 104,550.00 | | |
| Lusamambashem | 2,229,300.00 | 31-05-22 | 1,326,800.00 | 902,500.00 | | |

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Report and Financial Statements
For the year ended 30th June 2022

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 20XX | Outstanding Balance 20XX-1 |
|-------------------------------|-----------------|-----------------|---------------------|--------------------------|----------------------------|
| Peak-Lab Ltd | 457,700.00 | 29-04-22 | 244,500.00 | 212,200.00 | |
| Peter Boswell | 87,500.00 | 15-12-21 | 39,300.00 | 48,000.00 | |
| PertonillaAuma | 211,000.00 | 10-08-21 | 79,500.00 | 131,500.00 | |
| OliviaShiyenzi | 219,350.00 | 15-12-21 | 92,100.00 | 127,250.00 | |
| RomContractors | 128,000.00 | 20-06-22 | - | 128,000.00 | |
| Stokelys | 83,100.00 | 16-12-21 | 61,350.00 | 21,750.00 | |
| SchoolFarm | 161,025.00 | 30-04-22 | - | 161,025.00 | |
| SharifaMutende | 60,500.00 | 30-04-22 | - | 60,500.00 | |
| ValarieAdema | 52,350.00 | 30-04-22 | - | 52,350.00 | |
| Amanda | 1,225,685.00 | 13-10-21 | 479,720.00 | 745,965.00 | |
| Bonmarie Publication | 21,000.00 | 13-10-22 | | 21,000.00 | |
| Chetro Enterprise | 739,050.00 | 13-10-21 | 208,000.00 | 531,050.00 | |
| Douglas Ndula | 887,000.00 | 28-06-21 | 225,000.00 | 662,000.00 | |
| DecorderSeries | 50,000.00 | 30-06-22 | - | 50,000.00 | |
| KisumuModern | 30,000.00 | 18-05-22 | - | 30,000.00 | |
| MaticomAgencies | 543,600.00 | 21-06-22 | 129,500.00 | 414,100.00 | |
| EqualTechnologies | 72,625.00 | 13-10-21 | 12,000.00 | 60,625.00 | |
| KairaliEnterprises | 878,300.00 | 24-11-21 | 560,000.00 | 318,300.00 | |
| Moses Okwaro | 270,800.00 | 31-05-22 | 155,000.00 | 115,800.00 | |
| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance | Outstanding Balance |

Report and Financial Statements
For the year ended 30th June 2022

| | | | | | 20XX | 20XX-1 |
|---------------------|--------------|----------|--------------|--|----------------------|--------|
| NairobiSports House | 604,190.00 | 14-09-21 | 444,800.00 | | 159,390.00 | |
| Purve Sales | 2,012,650.00 | 06-07-21 | 699,000.00 | | 1,313,650.00 | |
| ParkhillEnterprise | 21,000.00 | 23-06-22 | - | | 21,000.00 | |
| MailerSupplies | 215,310.00 | 10-05-22 | - | | 215,310.00 | |
| SimonChesebe | 69,500.00 | 04-03-21 | - | | 69,500.00 | |
| SunshineAutomobile | 948,393.00 | 10-08-21 | 653,393.00 | | 295,000.00 | |
| TopNotchGrades | 169,900.00 | 04-11-21 | 1,600,000.00 | | 99,000.00 | |
| VievaEnterprise | 1,067,000.00 | 26-11-21 | 608,000.00 | | 459,000.00 | |
| WelyteLink | 150,000.00 | 22-02-22 | - | | 150,000.00 | |
| CopyCat | 1,185,520.00 | 13-10-21 | 545,200.00 | | 640,320.00 | |
| DanvahLtd | 1,066,000.00 | 14-09-21 | - | | 1,066,000.00 | |
| Total | | | | | 13,895,389.00 | |

Annex 2 – Summary Of Fixed Assets Register

| Asset Class | Date purchased | Location | Historical Cost b/f (Kshs) 1 st July 2021 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30 th June 2022 |
|--|----------------|----------|---|---|---|--|
| Land 1 | | | 198,000,000.00 | | | 198,000,000.00 |
| Land 2 | | | | | | |
| Buildings And Structures | | | 323,950,000.00 | | | 323,950,000.00 |
| Motor Vehicles | | | 10,650,000.00 | | | 10,650,000.00 |
| Office Equipment, Furniture And Fittings | | | 18,284,025.00 | 13,000,000.00 | | 31,284,025.00 |
| ICT Equipment, And Other ICT Assets | | | 1,836,000.00 | 400,000.00 | | 2,236,000.00 |
| Tools And Apparatus | | | 9,341,783.00 | | | 9,341,783.00 |
| Textbooks | | | 2,830,760.00 | 1,399,260.00 | | 4,230,020.00 |
| Other Machinery And Equipment | | | 1,739,580.00 | | | 1,739,580.00 |
| Heritage And Cultural Assets | | | | | | |
| Intangible Assets- Soft Ware | | | | | | |
| Total | | | 566,632,149.00 | 14,799,260.00 | | 581,431,409.00 |