

REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 26 FEB 2025

DAY
Wed

OF

TABLED
BY:

Hon. Samuel
Chepkwago

CLERK-AT
THE-TABLE:

M. Mado

THE AUDITOR-GENERAL

ON

RIBE BOYS HIGH SCHOOL

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

KILIFI COUNTY

Revised 30th June 2021.



(Indicate actual name of the school)
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2021

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

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	6
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	12
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF (<i>specify school name</i>) SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021	13
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2021	14
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021	15
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	25
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021	11
IX. SIGNIFICANT ACCOUNTING POLICIES	16
X. NOTES TO THE FINANCIAL STATEMENTS	18

RIBE BOYS SECONDARY SCHOOLS

Reports and Financial Statements

For the year ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in **19/01/11** under registration number **PU/5/2/531/11** and is currently categorized as a **NATIONAL** (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a **boarding** school and had **1020** number of students as at *30th June 2021*. It has **20** streams and 51 teachers of which 16 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	DR. DANIEL MWARINGA	Chairman	July, 2019
2	BISHOP ISAYA DEYE	Vice-Chairman	July, 2019
3	CHIEF PRINCIPAL B.S MANOO	Secretary - Principal	July, 2019
4	MR. SAMUEL NJUGU	P.A Chairman	July, 2019
5	DR. MICHAEL MUNYWOKI	Chair Academics	July, 2019
6	MR. SAID KHAMIS	Chair Infrastructure	July, 2019
7	MR. AUNGUS A. MADZUNGU	Member	July, 2019
6	EUNICE ODUOR	Member	July, 2019
7	DR. GOME D. KENGA	Member	July, 2019
8	MD. CHRISTINE KIPSANG	Member	July, 2019
9	MD. FARIDA OMAR	Member	July, 2019
11	MR. CHARLES FONDO	Member	July, 2019
12	MD. MARGARET WAMBUI	Member	July, 2019
13	REV. DOREEN K. KATHUNI	Member	July, 2019

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Provide the names of the various committees of the Board established by the Board and the names of the committee members:

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Dr. Daniel Mwangi 2. Bishop Deye Isaya 3. B. S. Manoo 4. Mr. Augus Madzungu 5. Mr. Samuel Njugu	Chairman Member Secretary Member Member	4 out of 4
2	Audit Committee	1. Dr. Daniel Mwangi 2. Mr. Samuel Njugu 3. Mr. Charles Fondo 4. Mr. Augus Madzungu 5. Md. Christine Kipsang	Chairman Member Member Member Member	4 out of 4
3	Finance, procurement and general purposes Committee	1. Mr. Said Khamis 2. Mr. Benson Manoo 3. Bishop Deye Isaya 4. Md. Eunice Oduor 5. Mr. Margaret Wambui	Chairman Chief Principal Member Member Member	4 out of 4
4	Academic Committee	1. Dr. Michael Munywoki 2. Mr. B.S. Manoo 3. Mr. Samuel Njugu 4. Md. Margaret Wambui 5. Mr. Shadrack Charo 6. Mr. Jason Maringa 7. Mr. Abuor dormnic	Chairman Secretary Member Member Member Member Member	4 out of 4

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

5	Development Committee	1. Mr. Said Khamis 2. Mr. B. S. Manoo 3. Mr. Samule Njugu 4. Md. Mariam ngome 5. Mr. Augus Madzungu 6. Md. Margaret Wambui 7. Mr. Dominic Abuor	Chairman Secretary Member Member Member Member Member	3 out of 3
6	Discipline and welfare Committee	1. Mr. Samuel Njugu 2. Mr. B. S. manoo 3. Mr. Augus Madzungu 4. Mr. Said Khamis 5. Mr. Jason Maringa 6. Mr. Kadima Arthur	Chairman Secretary Member Member Member Member	5 out of 5
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Chief Principal	B.S MANOO	322738
2	Deputy Principal	JASON MARINGA	337763
3	School Bursar	GUNGA CHEA	B.O.M

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 198-80105 KALOLENI
Telephone: 0722911402
E-mail: ribeboys@gmail.com/ribeboys@yahoo.com
Website:
Facebook:
Twitter:

(f) School Bankers

The following school operates 4 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: K.C.B
Branch: TREASURY SQUARE MOMBASA
Account Number: 110656288

2. Name of Bank:
Branch:
Account Number:

3. MPESA Pay Bill No. **522123**, **Account No. 60086k** attached to KCB bank Account

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

(g) Independent Auditors

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

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

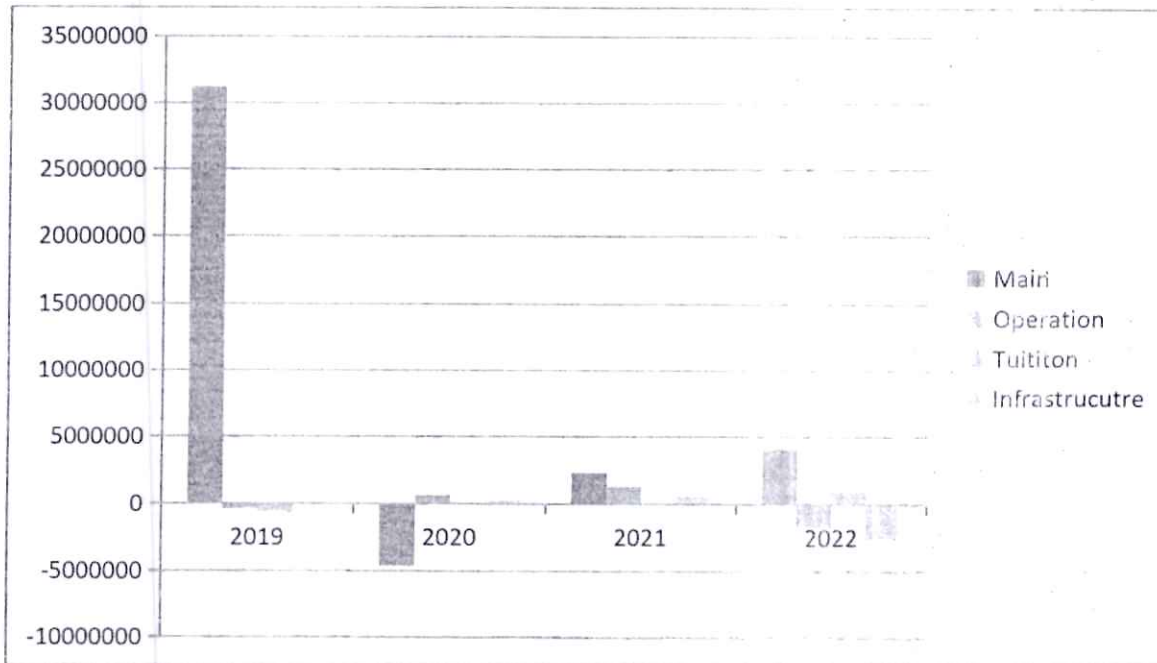
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) **Financial performance:**

(Under this section, the following information should be given:

Surplus/deficit for the year and comparison of the same for the last three years

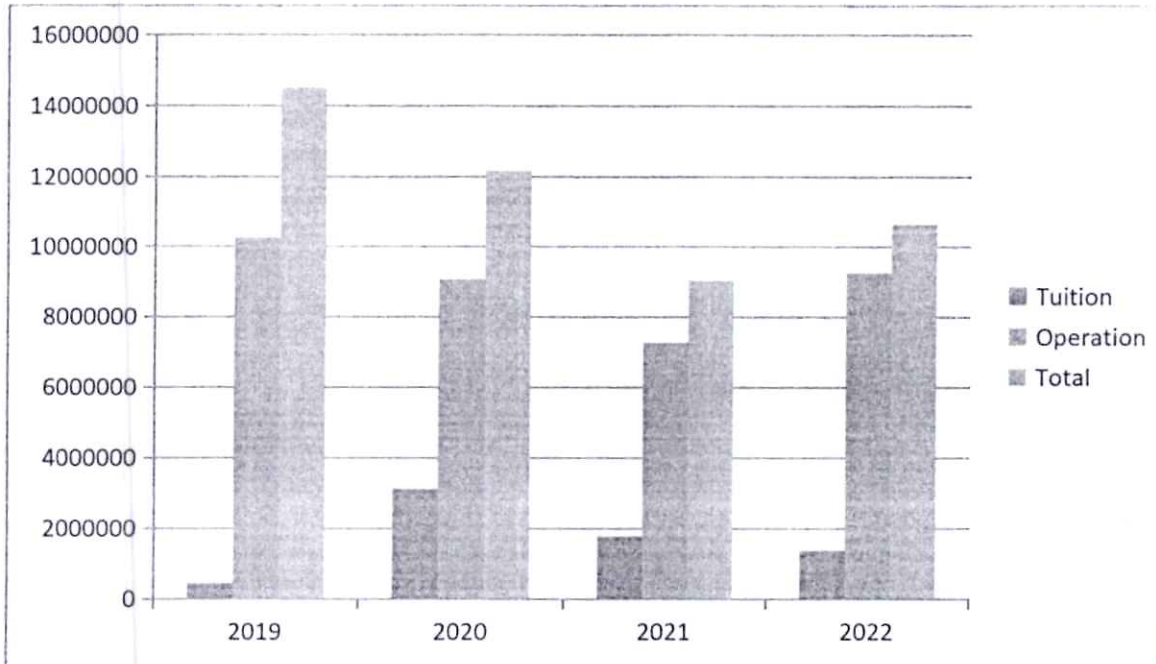
ACCOUNTS	2019	2020	2021	30 TH JUNE 2022
Main Account	31,220,828.46	(4,610,279.37)	2,322,676.31	4090786.79
Operation Account	(395,204.20)	664,978	1,294,273.00	(1755502.60)
Tuition Account	(659,810.40)	57,012	(22,666.00)	978928.40
Infrastructure	-	277,673	529,027.00	(2537305.00)
Total	31,065,813.86	(3,610,616.37)	8,892,310.31	(257,260.85)



RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Capitation grants from the Ministry of Education for the last three year.

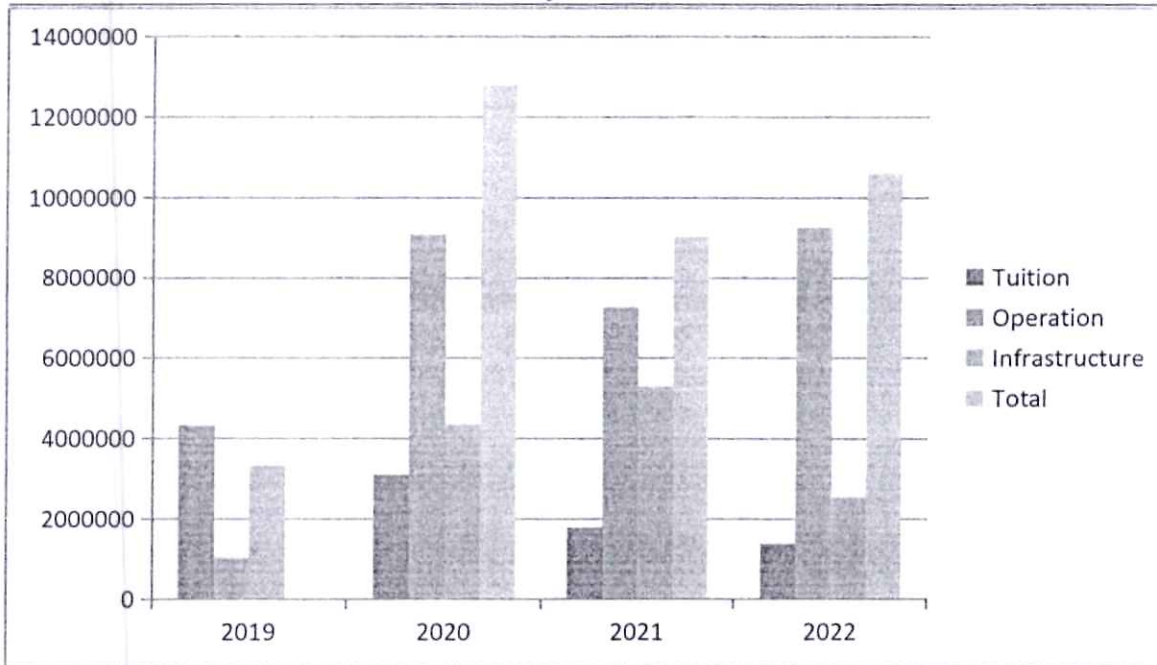
ACCOUNTS	2019	2020	2021	JUNE 2022
Tuition	432,346.40	3,110,630.00	1,776,860.00	1,365,473.00
Operation Account	10,231,222.90	9,077,697.90	7,261,500.00	9,257,796.40
Total	14,554,689.30	12,188,327.90	9,038,360.00	10,623,269.40



Ratio of capitation grant per student over the last three years

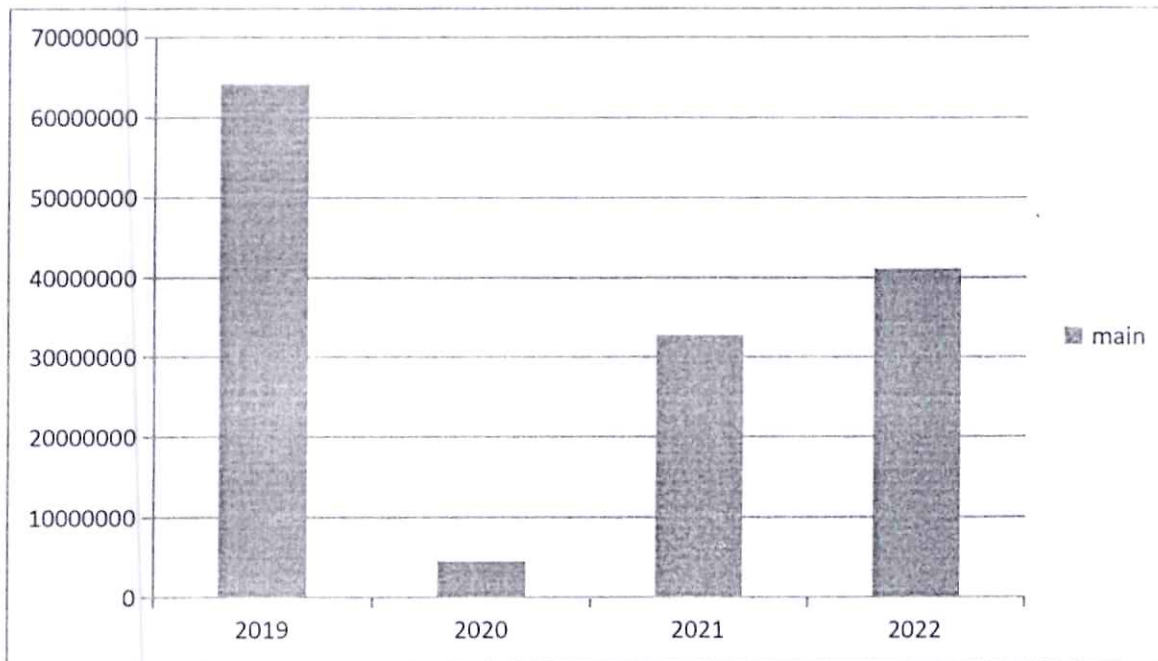
Accounts	2019	2020	2021	2022
Tuition	4,323,466.40	3,110,630.00	1,776,860.00	1,360,473.00
Operation	10,231,222.90	9,077,697.90	726,1500	9,257,796.40
Infrastructure	3345671.00	4356781.00	5298027.00	2537308.00
Total		12,188,327.90	9,038,420.00	10,623,269.40
Enrolment	857	866	957	1141
Ration		1:4074	1:9445	1:9310

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021



A three year overview of growth of other income earned by the school

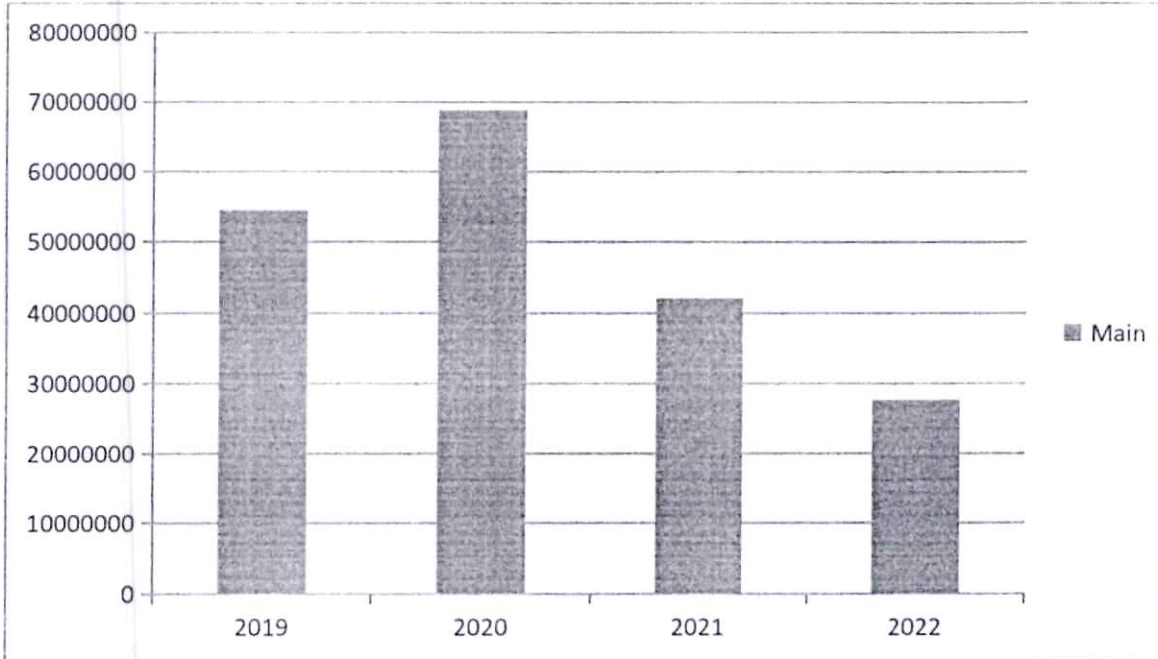
Accounts	2018	2019	2020	2021
Main Account	55,621,243.93	64,117,502.00	4,447,330.00	32,716,929.00



RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

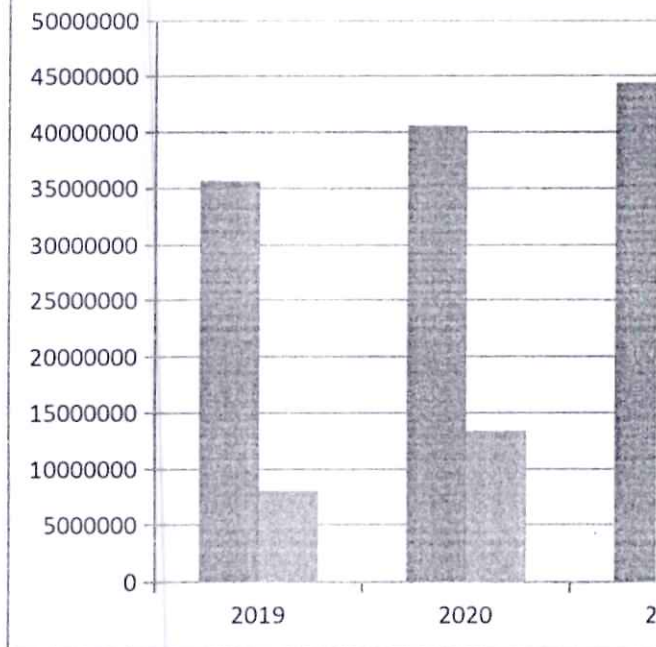
A three year overview of growth in Expenditure of the school

Accounts	2019	2020	2021	2022
Main Account	54,539,628.57	68,727,781.37	42,151,153.69	27,652,754.21



Movement of debtors and creditors of the school over the lasts three years

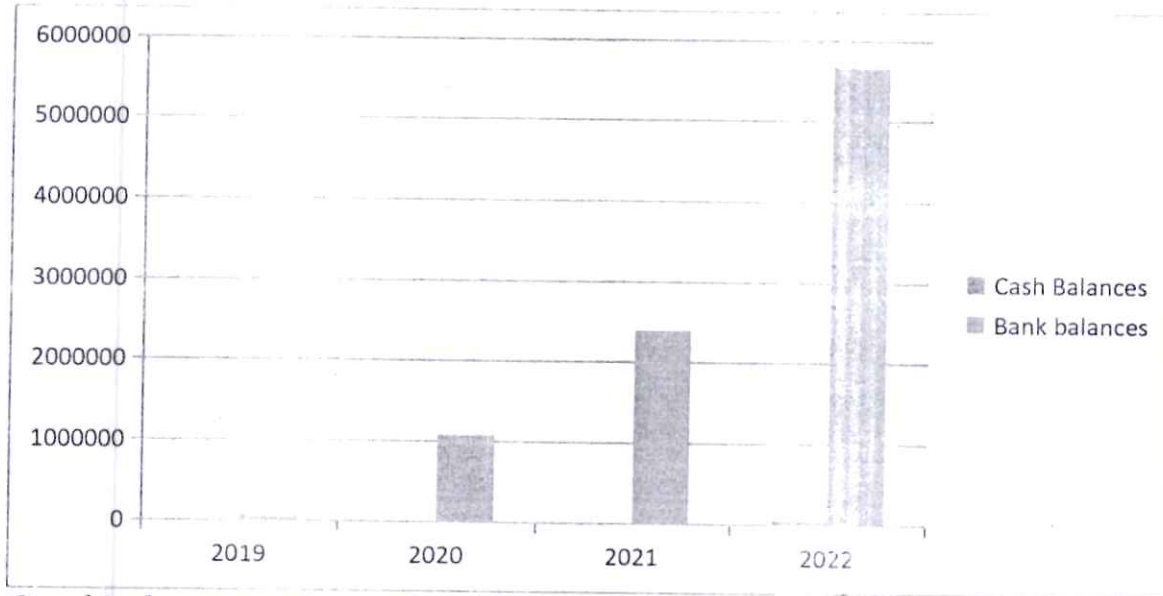
Description	2019	2020	2021	2022
Sundry Debtors	35,674,109.30	40,576,680.30	44,341,528.30	38,917,426.20
Sundry Creditors	8,025,340.88	13,393,814.00	10,920,551.04	8,406,090.04



RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Movement of cash and bank balances on the three years.

Description	2019	2020	2021	2022
Cash Balance	657	68	-	45,806.00
Bank Balances	53519.45	1,075,039.12	2,398,606.45	5,661,225.18



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

a) Teacher Student ratio:

YEAR	TEACHERS STUDENT RATIO	TEACHERS RECRUITED/ POSTED	NUMBER OF TEACHERS	NUMBER OF STUDENTS	TRANSFERRED TEACHERS	EMPLOYED TEACHERS-T SC	EMPLOYED TEACHERS-BOM
2019	1:21	3	45	952	1	28	17
2020	1:21	2	49	1048	0	32	17
2021	1:20	1	51	1052	3	35	16

SHORTAGES

DORM
 DINING HALL
 LABORATORY

CAPACITY

150
 1200
 100

REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON RIBE BOYS HIGH SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021- KILIFI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure that the 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 of Kenya, 2010, 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 Ribe Boys High School - Kilifi County set out on pages 11 to 25, which comprise of the statement of financial assets

Report of the Auditor-General on Ribe Boys High School for the six (6) months' period ended 30 June, 2021- Kilifi County

and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and the statement of budgeted versus actual amounts for the 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 the Ribe Boys High School - Kilifi County as at 30 June, 2021, and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variances in the Financial Statements

Review of the financial statements revealed variances as tabulated below: -

- (i) Variances between the amounts reflected in the in the financial statements and corresponding notes:-

Item	Amount as per Financial Statements (Kshs.)	Amount as per Note to the Financial Statement (Kshs.)	Variance (Kshs.)
Statement of Receipts and Payments			
Capitation Grants for Operations	6,189,996	9,257,796	(3,067,800)
School Fund Income - Parents' Contributions	32,042,763	10,621,217	21,421,546
School Fund Income - Other Receipts	-	22,091,934	(22,091,934)
Statement of Financial Assets and Financial Liabilities			
Bank Balances	2,485,923	5,661,225	(3,175,302)
Accumulated Fund Balance B/F	36,561,681	62,557,512	(25,995,831)

- (ii) Variances between the amounts reflected in the statement of receipts and payments and the supporting ledgers:-

Account	Amount as per the Financial Statement (Kshs.)	Amount as per the Ledger (Kshs.)	Variance (Kshs.)
School Fund Income - Parents' Contributions	10,621,217	991,811	9,629,406
School Fund Income - Other Receipts	22,091,934	9,172,333	12,919,601

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

2. Accounts Receivables

2.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.48,939,077 as disclosed in Note 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit.

2.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.48,939,077. Included in this balance is fees arrears amounting to Kshs.46,642,373 as disclosed in Note 11 to the financial statements out of which fees amounting to Kshs.35,616,338 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 full recoverability of the outstanding receivables balance of Kshs.48,939,077 could not be confirmed.

3. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.15,084,404 as disclosed in Note 12 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.15,084,404 could not be confirmed.

4. Unsupported Payments

The statement of receipts and payments reflects tuition, operations, boarding and School fund payments totalling to Kshs.37,241,773 as disclosed in Notes 5, 6 and 7 to the financial statements. However, examination of payment vouchers amounting to Kshs.10,466,179 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the operations, tuition, boarding and school fund payments amounting to Kshs.37,241,773 could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Ribe Boys High 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 of Kenya, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

The annual report and the financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows:

- (i) The name of the School was not indicated in the cover page
- (ii) Inconsistent pagination
- (iii) Incomplete information on bank accounts – The information provided indicate that the School operates four bank accounts but only details of two were provided.
- (iv) Non segregation of School fund income from other receipt income in the statement of receipts and payments and the respective Notes,
- (v) Failure to include stock/inventory under Note 17 on other important disclosures,
- (vi) Incomplete entries in Annex 1 and 2 on Analysis of Pending Account Payables and Summary of the Fixed Assets Register.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack of relevant information may affect users' reliance on the financial statements for decision-making.

2. Late Submission of the Financial Statements for Audit

During the year under review, Management did not submit the financial statements to the Auditor-General by the statutory deadline of 30 September, 2021. This was contrary to the requirement 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.

3. Unconfirmed Students Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition and operations grants totalling Kshs.7,555,469. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the period under review, NEMIS reflected one thousand, and forty-eight (1,048) students while records from the County Director of Education had one thousand and sixty-seven (1,067) students, resulting to an underfunding of the School by an amount of Kshs.63,503. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, underfunding of the School may have affected service delivery to the students.

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects capitation grants for operations amounting to Kshs.6,189,996 from the Ministry of Education credited in the operations bank account. However, Note 2 to the financial statements disclose the capitation grants as Kshs.9,257,796. Included in the amount is Kshs.7,094,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.2,096,000 was transferred to infrastructure account, leaving a balance of Kshs.4,998,000 as at 30 June, 2021. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/10/18(112) 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. Unapproved Fees on Parents Association Support Programme

The statement of receipts and payments reflects School Fund Income - parents' contributions amount of Kshs.32,042,763. Review of the supporting records revealed that the School charged an amount of Kshs.10,000 per student to support the

programme which had not been approved by the Ministry of Education through the County Education Board. This was contrary to Government Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that parents will only pay for School uniforms, boarding related costs as reflected in the boarding fee's structure and lunch for the day scholars.

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

6. Non-Banking of School Fees Receipts

Review of the collection, receipting and Management of School fees revealed that Management was receiving School fees in form of cash which was thereafter used in the School without being banked in the school bank accounts. School fees amounting to Kshs.588,928 was not banked after being received at the School. This was contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015.

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

7. Non-Approval of Infrastructure Projects

Management spent an amount of Kshs.11,795,796 for the construction of two (2) classrooms and ablution block during the year under review. However, it was noted that Management procured the project through local invitation to tenders instead of using National Open Tender in line with the second Schedule of the Public Procurement and Asset Disposal Regulations, 2020 which caps use of quotations on such projects to a maximum of Ksh.5 Million.

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

8. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.39,598,232 and Kshs.37,241,773.21 in respect of total receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that

govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter 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 and Audit Committee

During the year 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 which states that, the internal audit unit of a National Government entity is to assess effectiveness of the School through an 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 audit committee and the internal audit function.

2. Dormant Bank Accounts

Note 8 to the financial statements reflects bank balances amounting to Kshs.5,661,225. Included in this balance are dormant accounts with respective balances as listed below:-

Account	Amount (Kshs.)
1. Caution Money	2,605.15
2. P.A Development Account	51,087.70
3. Examination Account	1,192.05
4. Project Account	414,583.00
5. Reserves Account	546.90

No explanation was given for continued operations of the dormant accounts.

In the circumstances, the School risked misappropriation of the funds held in these accounts as well as the accounts being used for fraudulent activities.

3. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.35,800,000 in respect of fixed assets which includes land with a balance of Kshs.Nil yet it exists and motor vehicles with a balance of Kshs.10,300,000. However, the land ownership documents were not provided for audit.

In the circumstances, the accuracy, completeness and ownership 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 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 overall 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 of Kenya, 2010. 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 in accordance with the provisions of Article 229(6) of the Constitution, and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

b) Mean score in the 2021 KCSE:

YE	ENTRY	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	M/SC	PREV	DEV
2019	203	0	6	10	22	26	33	32	36	25	10	2	0	1	6.4802	6.4768	0.0034
2020	214	0	4	19	35	36	31	45	30	13	0	0	0	1	7.1643	6.4802	0.6841
2021	246	0	6	13	27	29	39	46	51	17	18	0	0	0	6.4919	7.1925	-0.7006

663

	2019	2020	2021	TOTAL
UNIVERSITY ADMISSION BY KUCCPS	97	126	114	337
TERTIARY INSTITUTIONS	67	75	97	239

576

c) Number of Candidates in the 2021 KCSE:

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


YEAR	NO. OF CANDIDATES
2019	203
2020	214
2021	246

d) Capacity of the school:

NO. OF STUDENTS	DORM	LABS	DINING HALL	CLASSROOMS	TOILETS
1020	4	2	1	20	102

e) Development projects carried out by the school:

PROJECT	SOURCE OF FUND	AMOUNT
Classrooms (2)	MOE	5,000,000
Administration Block	CDF & PTA	11,533,000
TOTAL		16,533,000


B.S. MANOO
School Principal

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021


III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


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

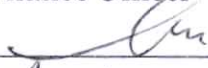
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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, 20XX, and of the school's financial position as at that date.

Name: DR. DANIEL MWARINGA
Designation: Chairman, School Board of Management
Sign: 
Date: 28.02.2024

Name: BENSON S. MANOO
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 28.02.2024

Name: GUNGA CHEA
Designation: Bursar/ Finance Officer
Sign: 
Date: 28/2/2024

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL
FINANCIAL STATEMENTS OF (*specify school name*) SCHOOL OF THE
YEAR ENDING 30TH JUNE 2021

To be attached

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	1,365,473.00	1,776,860.00
Capitation grants for operations	2	6,189,996.00	7,035,290.00
School Fund Income- Parents' Contributions	3	32,042,763.00	7,691,500.00
School Fund Income- Other receipts	4	-	
Proceeds from borrowings		-	
TOTAL RECEIPTS		39,598,232.00	16,503,560.00
PAYMENTS			
Payments for Tuition	5	1,344,598.00	3,541,973.00
Payments for operations	6	7,945,499.00	1,799,526.00
Boarding and school fund payments	7	27,951,676.21	5,725,424.00
Infrastructure		-	
TOTAL PAYMENTS		37,241,773.21	11,066,923.00
SURPLUS/DEFICIT		2,356,458.79	5,436,727.00

The school financial statements were approved on _____ 2021 and signed by:

for Sign: 

Name: Daniel Mwangi
Chair BOM

Date: 28/2/2024

for Sign: 

Name: B.S. MANOO
School Principal/
Secretary to BOM

Date: 28.2.2024

Sign: 

Name: Gertrude Othman
Bursar/
Finance Officer


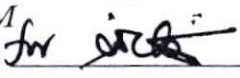
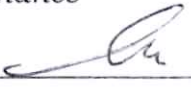
Date: 28/2/2024

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	2,485,923.18	369,524.99
Cash Balances	9	45,806.00	
Short term Investment	10	-	
Total Cash and cash equivalent		2,531,729.18	
Account's receivables	10	48,939,076.6	46,239,798.60
TOTAL FINANCIAL ASSETS		54,002,534.96	50,209,323.59
FINANCIAL LIABILITIES			
Accounts Payables	11	15,084,404.07	(13,858,523.80)
NET FINANCIAL ASSETS		38,918,130.89	36,350,799.70
REPRESENTED BY			
Accumulated Fund b/fwd	12	36,561,681.10	27,028,277.39
Surplus/Deficit for the year		2,356,458.79	
NET FINANCIAL POSSITION		38,918,139.89	36,350,795.70

The School's financial statements were approved on _____ 2021 and signed by:

Name: <u>Dr. Daniel Mwangi</u> Chairman, BoM	Name: <u>B.S. MANOO</u> School Principal/Secretary to BoM	Name: <u>GUREGA CHEN</u> Bursar/Finance
Sign: 	Sign: 	Sign: 
Date: <u>28/2/2024</u>	Date: <u>28/2/2024</u>	Date: <u>28/2/2024</u>

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,365,473.00	177,6860.00
Capitation grants for operations	2	9,257,796.40	7,035,290.00
School fund income- Parents contributions/ fees	3	10,621,217.00	44,473,830.00
School fund income- other receipts	4	22,095,712.00	
Total receipts		43,340,198.40	53,285,980.00
Payments			
Payments for Tuition		1,344,598.00	1,799,526.00
Payments for operations		9,966,799.00	5,726,576.00
Boarding and school fund payments		27,652,754.21	42,151,153.69
Total payments		4,633,308.00	49,677,255.69
Net cash flow from operating activities		(257,260.81)	3,608,724.31
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			
Cash and cash equivalent at BEGINNING of the year		5,661,225.18	557,758.50
Cash and cash equivalent at END of the year		45,806.00	

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.

Reports and Financial Statements
For the year ended 30th June 2021

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials						
Exercise books	1,664,300.00		1,664,300.00	444,805.00	1,219,495.00	26.7%
Laboratory equipment	1,255,100.00		1,255,100.00	335,442.00	919,650.00	26.7%
Internal exams	878,900.00		878,900.00	234,898.00	644,002.00	26.7%
Teaching / learning materials	663,300.00		663,300.00	177,463.00	485,837.00	26.7%
Chalks	242,000.00		242,000.00	64,677.00	177,323.00	26.7%
Exams and assessment	404,800.00		404,800.00	108,188.00	296,612.00	26.7%
Teachers guides						
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	5,780,500.00		5,780,500.00	4,194,840.00	1,585,660.00	72.5%
Repairs and maintenance	5,500,000.00		5,500,000.00	3,144,000.00	2,356,000.00	57.0%
Local transport / travelling	1,676,400.00		1,676,400.00	417,789.00	1,258,611.00	24.9%
Electricity and water	2,459,600.00		2,459,600.00	914,359.00	1,545,241.00	37.0%
Medical	715,000.00		715,000.00			
Administration costs	157,8500.00		157,8500.00	586,808.40	991,691.60	37.0%
Activity	1,650,000.00		1,650,000.00			
Gratuity						
SMASSE						

Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	7,685,700.00		7,685,700.00	2,781,170.00	4904530.00	36%
Repairs and maintenance	2,200,000.00		2,200,000.00	1,082,628.00	1117372.00	49%
Local transport / travelling	2,086,700.00		2,086,700.00	702,544.00	1384156.00	33.6%
Electricity and water	8,110,800.00		8,110,800.00	2,640,011.00	5770789.00	28.8%
Medical				4,000.00		
Administration costs	4,525,400.00		4,525,400.00	3,280,914.00	124486.00	72%
Activity	877,800.00		877,800.00	433,950.00	443850.00	49%
SMASSE				107,680.00		
Fee on Boarding Equipment and Stores	33,423,500.00		33,423,500.00	12,727,575.00	20695925.00	38%
OTHER INCOME						
Rent income	3,215,300.00		3,215,300.00	1,543,381.00	1671919.00	48%
Income from farming activities				20,000.00		
Insurance compensation				5,240,887.00		
Income from Posho mill	3,164,000.00		3,164,000.00	55,598.00	3108402.00	1.7%
Income from Bus Hire	3,457,300.00		3,457,300.00	1,834,888.00	1622412.00	53%
Fee for hire of ground and equipment	330,000.00		330,000.00	69,167.00	260833.00	20%
Interest income	1,650,000.00		1,650,000.00	349,536.00	1300464.00	21%

Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Income from any other investment				143,000.00		
TOTAL INCOME				43,340,198.40		
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	1,664,300.00		1,664,300.00	245,040.00	1,419,260.00	14.7%
Exercise books	1,255,100.00		1,255,100.00	559,847.00	695,253.00	44.6%
Laboratory equipment						
Internal exams	663,300.00		663,300.00	148,590.00	514,710.00	22.4%
Teaching / learning materials	242,000.00		242,000.00	41,097.00	200,903.00	16.98%
Chalks	87,900		87,900	171,700.00	707,200.00	19.5%
Exams and assessment	404,800.00		404,800.00	176,833.00	227,967.00	43.68%
Teachers guides						
Administration costs				1,491.00		
Bank Charges						
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	5,780,500.00		5,780,500.00	3,961,340.00	1,819,160.00	68.5%
Repairs, maintenance & improvements	5,500,000.00		5,500,000.00	2,096,000.00	3,404,000.00	38%
Local transport / travelling	1,676,400.00		1,676,400.00	192,740.00	1,483,660.00	11.49%
Electricity, water and conservancy	2,459,600.00		2,459,600.00	392,097.00	2,067,503.00	15.9%
Medical	715,000.00		715,000.00	197,260.00	517,740.00	27.5%

Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Administration costs	1,578,500.00		1,578,500.00	3,108,932.00	(1,530,432.00)	196.9%
Activity Expenses	1,650,000.00		1,650,000.00	15,000.00	1,634,000.00	0.90%
Gratuity				3,430.00		
SMASSE						
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	3,685,700.00		3,685,700.00	1,992,400.00	5,693,300.00	25.9%
Repairs, maintenance and improvements	2,200,000.00		2,200,000.00	1,139,640.00	106,036.00	51.8%
Local transport / travelling	2,086,700.00		2,086,700.00	994,960.00	1,091,740.00	47.7%
Electricity, water and conservancy	8,110,800.00		8,110,800.00	692,355.00	7,418,445.00	8.6%
Medical Expenses				44,262.00		
Administration costs	4,525,400.00		4,525,400.00	4,142,418.00	382,982.00	91.5%
Activity	877,800.00		877,800.00	459,591.00	418,209.00	52%
Gratuity	330,000.00		330,000.00	1,6950.00	313,050.00	5%
Lunch programme	3,2153,00.00		3,2153,00.00	1,101,614.00	2,113,986.00	34%
Boarding Equipment and Stores	33,423,500.00		33,423,500.00	11,460,251.00	21,963,249.00	34%
Expenditure for Income Generating Activity						
Insurance costs	3,457,300.00		3,457,300.00	2,352,749.02	1,104,450.98	68%
Other expenses on investments				294,700.00		
Rent Expenses				1,802,296.00		

Annual Report and Financial Statements
For the year ended 30th June 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Bank Charges				29,085.19		
Loan Interest Repayment				89,272.00		
Loan Principal Repayment				127,000.00		
Acquisition of Assets						
TOTALS				38,051,038.21		

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

RIBE BOYS SECONDARY SCHOOLS
Reports and Financial Statements
For the year ended 30th June 2021

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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 2021.

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	444,805.00	
Exercise books	335,442.00	578,571.00
Laboratory equipment		436,714
Internal exams	177,463.00	
Teaching / learning materials	64,667.00	230,571.00
Chalks	234,898.00	84,000.00
Exams and assessment	108,188.00	306,431.00
Teachers guides	1,365,473.00	140,573.00
Total	2,730,936.00	1,776,860.00

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	4,194,840.00	3,308,499.00
Repairs and maintenance	3,144,000.00	9,270,000.00
Local transport / travelling	417,789.00	517,511.00
Electricity and water	914,359.00	1,236,104.00
Medical		192,000.00
Administration costs	586,808.40	903,386.00
Activity		384,000.00
Total	9,257,796.40	15,811,500.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,781,170.00	3,308,239.00
Repairs and maintenance	1,082,628.00	1,838,848.00
Local transport / travelling	702,544.00	995,353.00
Electricity and water	2,340,011.00	3,407,248.00
Medical		
Administration costs	3,280,914.00	3,519,295.00
Activity	433,950.00	513,730.00
Total	10,621,217.00	13,582,713.00

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	12,727,575.00	17,522,628.00
Students Blazer	55,598.00	
Damages	5,240,887.00	16,750.00
Insurance compensation	-	
BOM Teachers	1,543,381.00	1,392,770.00
Income from Bus Hire	1,834,888.00	
Misc.	107,680.00	29,540.00
School Magazine	69,167.00	1,245,597.00
Uniforms	20,222.00	2,328,342.00
Staff Retreat	349,536.00	735,706.00
Tenders	1,43000	-
Total	23,635,821.00	23,271,333.00

(Include an explanation on the kind and source of grants/ donations received by the school.)

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books	□ 245,040.00	268,500.00
Laboratory equipment	559,847.00	21,492.00
Internal exams		
Teaching / learning materials	148,590.00	119,969.00
Chalks	41,097.00	78,460.00
Exams and assessment	171,700.00	621,583.00
Teachers guides	176,833.00	611,870.00
Administration Costs		
Bank Charges	1,491.00	1,872.00
Total	1,344,598.00	1,723,746.00

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	3,61,340.00	3,010,555.00
Service Gratuity		
Administration Cost	3,108,932.00	1,051,275.00
Repairs and maintenance & improvements	2,096,000.00	8,884,000.00
Local transport / travelling	192,740.00	267,220.00
Electricity and water	392,097.00	755,923.00
Medical	197,260.00	38,800.00
Activity Expenses	15,000.00	73,960.00
SMASSE		
Insurance Cost		
Bank Charges	3,430.00	3,224.00
Acquisition of Assets		
TOTAL	9,963,369.00	13,329,737.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,571,341.00	5,251,209.00
Service Gratuity	127,000.00	
Repairs and maintenance & Improvements	1,473,812.00	2,305,880.00
Local transport / travelling	994,960.00	730,634.00
Electricity and water	692,355.00	3,427,427.00
Uniforms	294,700.00	
Administration costs	4,142,418.00	3,823,198.00
B.O.M Teachers	1,101,614.00	
Bank Charges	29,085.19	31,707.37
Generating Activities	44,262.00	1,193,595.00
Fee on Boarding Equipment and Stores	11,460,251.00	9,188,636.00
Rent Expenses	2,352,849.02	
Activity	1,802,294.00	1,193,595.00
Farm	16,950.00	169,530.00
Prize giving	89,272.00	
Parental Obligations	459,591.00	
TOTAL	27,652,754.21	27,315,411.37

*Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021 Kshs	2019-2020 Kshs
Tuition Account	1107630991	75,820.60	71,898.00
Operations Account	1106561996	913,295.10	15,845.70
Boarding Account	1106569288	1,016,774.68	
Cauton Money	1104928558	2,605.15	2,605.15 51,087.70
P A Development Account	1104937174	51,087.70	1,192.05
Examination	1105508730	1,192.05	-
Infrastructural Account	1230060499	3,175,302.00	414,583.00
Project Account	1212922719	414,583.00	546.90
Reserves Account	1105508897	546.90	
Total		5,661,225.18	557,758.50-

9 CASH IN HAND

Description	2020-2021 Kshs	2019-2020 Kshs
Tuition Account	-	-
Operation Account	1,520.00	-
School Fund account	44,286.00	-
Total	45,806.00	-

10 SHORT TERM INVESTMENTS

Description	2020-2021 Kshs	2019-2020 Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	46,642,373.00	-
Other non-fees receivables	898,270.30	-
Salary advances	1,344,246.30	-
Imprest	54,187.00	-
Total	<input type="checkbox"/> 48,939,076.60	-

[Include an ageing of the fees / non fees arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	7,315,374.00	-
Fees arrears for the previous year	3,710,661.00	-
Fees arrears for prior periods (over two years)	35,616,338.00	-
Total	46,642,373.00	-

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	8,597,535.22	-
Prepaid fees	4,108,169.00	-
Retention monies	90,090.00	-
Infrastructure A/c	1,048,000.00	-
Caution Money	1,240,609.85	-
Total	15,084,404.07	-

[Include an ageing of the creditor's arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	5,461,387.00	-
Trade creditors for the previous year	772,246.00	-
Trade creditors for prior periods (over two years)	<input type="checkbox"/> 2,363,902.22	-

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Total	8,597,535.22	-
--------------	---------------------	----------

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	5,661,225.18	-
Cash balances	45,806.00	-
Short Term Investments	-	-
Receivables	40,554,897.60	-
Payables	16,295,582.89	-
Total	62,557,511.67	-

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Other important disclosure notes

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

14 Non-current Liabilities Summary

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

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	3	121,000	-
Goats	-	-	-
Trees	1,000	800,000	-
Coffee or tea plantation	-	-	-
Poultry	250	100,000	-
Total		1,021,000	

16 Borrowings

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

RIBE BOYS HIGH SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings	00	00
Stock/ inventory at beginning of the year	00	00
Stock/ inventory purchased during the year	00	00
Stock/ inventory issued during the year	00	00
Balance at end of the year	00	00

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

RIBE BOYS SECONDARY SCHOOLS

Reports and Financial Statements

For the year ended 30th June 2021

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. 4No. CLASSROOM	5,038,000	13/10/2021	5,038,000	-	-	
2. 2NO. CLASSROOM	2,490,000	28/5/2021	2,490,000	-	-	
3. ADM BLOCK	5,353,343	20/5/2021	535,3343	-	-	
Sub-Total						
Supply of goods						
4. BESTBIZ	3,052,219	-	1,052,219	-	-	
5. RASU TRANSPORT	4,356,780	-	2,356,780	-	-	
6. ZALU ENTERPRISES	3,679,501	-	2,679,501	-	-	
Sub-Total						
Supply of services						
7. DOLACK	185,690	-	185,690	-	-	
8. UTRAMED SERVICES	294,600	-	294,600	-	-	
9.		-		-	-	
Sub-Total						
Grand Total						

RIBE BOYS SECONDARY SCHOOLS
Reports and Financial Statements
For the year ended 30th June 2021

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 20XX
Land 1		KAMBE RIBE				
Land 2	-	-	-	-	-	-
Buildings and structures	-	-	-	-	-	-
Motor vehicles	-	-	10.3M	-	-	10.3M
Office equipment, furniture and fittings	-	-	15M	-	-	15M
ICT Equipment, and Other ICT Assets	-	-	6M	-	-	6M
Tools and apparatus	-	-	3M	-	-	3M
Textbooks	-	-	-	-	-	-
Other Machinery and Equipment	-	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-	-
Intangible assets- soft ware	-	-	1.5M	-	-	1.5M
Total						

(The School should ensure that a detailed fixed assets register is maintained).