

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 20 FEB 2025

REPORT

BY:

CLERK-AT
THE-TABLE:

Thursday
Hon. Naam Wago
Deputy Majority Whip
Francis Mwale

OF

THE AUDITOR-GENERAL

ON

ST. JOHN'S MALIVANI SECONDARY

**FOR THE YEAR ENDED
30 JUNE, 2023**

MAKUENI COUNTY

Revised 30th June 2023.



OFFICE OF THE AUDITOR GENERAL
P.O. Box 30684 - 00100, NAIROBI
MACHAKOS HUB.

22 DEC 2024



RECEIVED

**ST. JOHN'S MALIVANI SECONDARY SCHOOL
PO BOX 333-90300
MAKUENI**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education Funding
NTS	Non Teaching Staff
PA	Parents Association
SCDE	Sub County Director Of Education
MOE	Ministry Of Education
SIC	School Infrastructure Committee
CAS	County School's Auditor
DR	Doctor
REV	Reverend
FR	Father

2. Key School Information and Management

(a) Background information

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

The school was registered in 02/2019 under registration number 17S30000112 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a Boarding/Day school and had 363 number of students as at 30th June 2023. It has 8 streams and 21 teachers of which 4 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:

		Designation	Date of appointment
1	Peter Musyoka Kyalo	Chairman	27th June 2022
2	Rose Vetu	Secretary - Principal	27th June 2022
3	Gregory Muli Musyoki	Member –vice chair person	27th June 2022
4	Victoria Nthenya Mutunga	Member	27th June 2022
5	Faith Mutungwa Moses	Member	27th June 2022
6	Simon Mwanzia	Member	27th June 2022
7	Labert Rua Chai	Member	27th June 2022
8	Florence Mukene Dickson	Member	27th June 2022
9	Nancy Cherutoi	Members - Sponsor	27th June 2022
10	Jonathan Mutiso	Members – Rep CEB	27th June 2022
11	Dennis Ngungu Muli	Members - Rep Teachers	27th June 2022
12	Joyce Wangui Wairimu Katua	Member - Sponsor	27th June 2022
13	Joseph Mutuku Mulei	Member -Community	27th June 2022
14	Penninah Musyoka	Member-Rep special needs	27th June 2022
15	Alice Kageha Mutunga	Member-PA Chairperson	27th June 2022
16	Eunice Mwendwa	Member	27th June 2022
17	Josephine Nzilani	Member	27th June 2022
18	Felix Musyoka	Rep Students	27th June 2022

The functions of the School Board of Management are to:

- 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

Ref.	Name of Committee	Name of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Peter Musyoka Kyalo	Chairperson	
		Alice Kageha	PA Chairperson	
		Rose Vetu	Bom secretary	
		Gregory Muli Musyoki	Member	
		Victoria Nthenya Mutunga	Member	
2	Academic standards, quality and environment committee members	Faith Mutungwa Moses	Chairperson	
		Alice Kageha Mutunga	Member	
		Joseph Mulei	Member	
		Peter musyoka		
		Rose Vetu		
3	Displine ,ethics and integrity committee	Jonathan Mutiso	Chairperson	
		Alice Mutunga	Member	
		Gregory Musyoki	Member	
		Rose vetu	Principal / Secretary	
		Peter musyoka	Member	
4	School infrastructure committee	Albert rua	Member	
		Peter musyoka	Chairperson	
		Alice mutunga	Member	

		Joyce katua	Member	
		Victoria nthenya mutunga	member	
		Rose vetu		
		Willy muia		
		Public works officer		
		Public health officer		
		Sub county director of education		
7	Adhoc Committee (if any during the year)		Principal	
			D/Principal	
			Member	
			Member	
			Member	

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Rose Vetu	TSC No. 389478
2	Deputy Principal	Willy Muia	TSC No.358409
3	School Bursar	Elizabeth Sils	ID No. 27068394
4	Other (specify)	N/A	N/A

(e) Schools contacts

Post Office Box: 333 - 90300 Makueni
 Telephone: 0716386823
 E-mail: stjohns.malivani@gmail.com

(f) School Bankers

1. Account Name: Tuition Account
 Name of Bank: Kenya Commercial Bank
 Branch: wote
 Account Number: 1105320650
 Postal Address:

2. Account Name: Operation Account
 Name Of Bank: Kenya Commercial Bank
 Branch: wote
 Account Number: 1105312623
 Postal Address

3. Account Name: Infrastructure Account
 Name Of Bank: Kenya Commercial Bank
 Branch: Wote
 Account Number: 1259943399
 Postal Address

4. Account Name: Boarding Account
 Name Of Bank: Kenya Commercial Bank
 Branch: Wote
 Account Number: 1146983131

5. MPESA PAYBILL ACCOUNT NO 522123 Attached to KCB Account no 1146983131

(g) Independent Auditors

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

3. Summary Report of Performance of the School

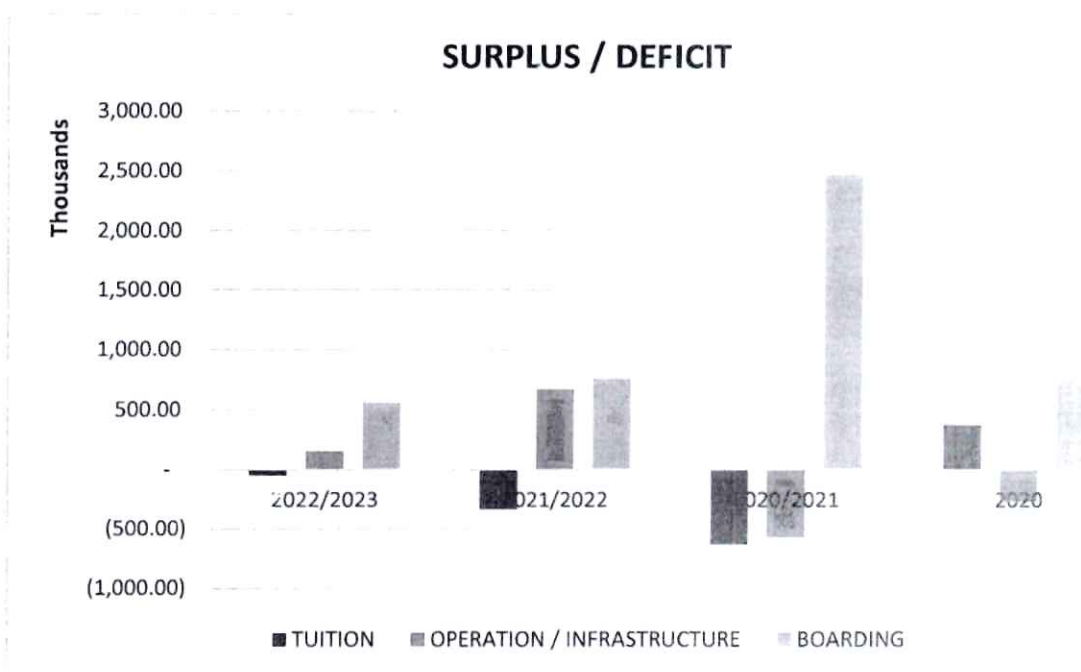
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

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

S/NO	ACCOUNT	2022/2023 12 MONTHS	2021/2022 12 MONTHS	2020/2021 6 MONTHS	YEAR 2020
1	TUITION	(46,320.50)	(333,277.4)	(631,952.25)	375,956.7
2	OPERATION / INFRASTRUCTURE	153,110.15	666,239	(567,984.55)	(261,996)
3	BOARDING / DEVELOPMENT	556,569.00	753,207	2,465,968.46	752,327
	TOTALS	663,358.65	1,086,168.60	1,266,031.66	866,287.70

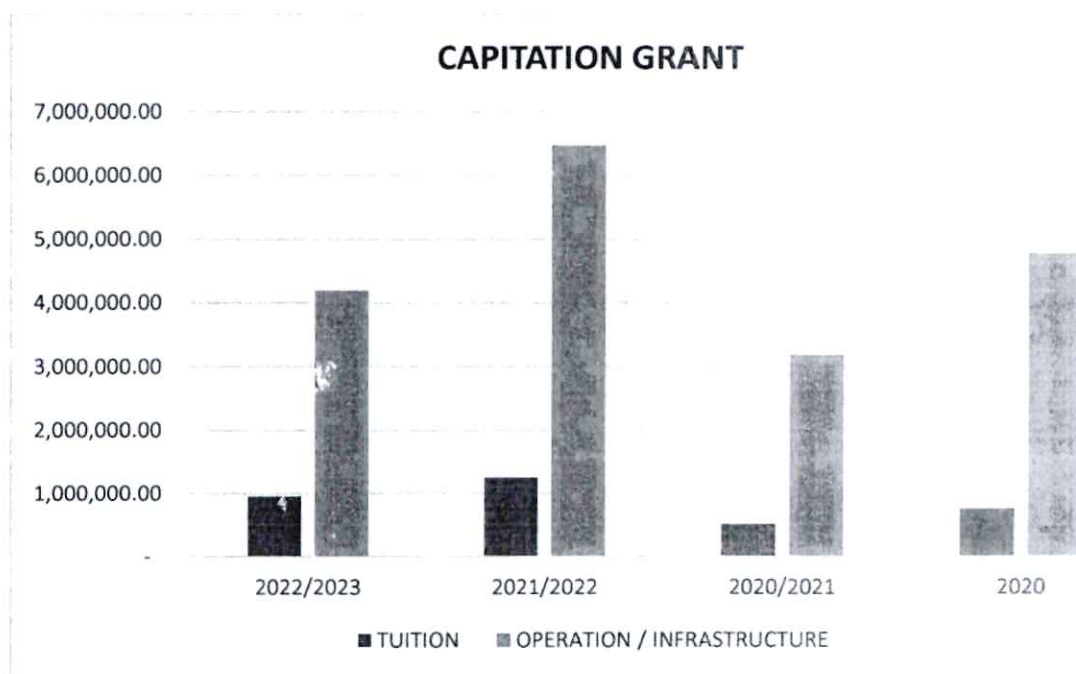
GRAPHICAL PRESENTATION.



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

S/NO	ACCOUNT	2022/2023 12 MONTHS	2021/2022 12 MONTHS	2020/2021 6 MONTHS	YEAR 2020
1	TUITION	955,929.50	1,254,822.60	508,351.75	749,637.00
2	OPERATION / INFRASTRUCTURE	4,191,619.15	6,465,952.00	3,180,537.95	4,771,200.00
	TOTALS	5,147,548.65	7,719,774.60	3,688,889.70	5,520,837.00

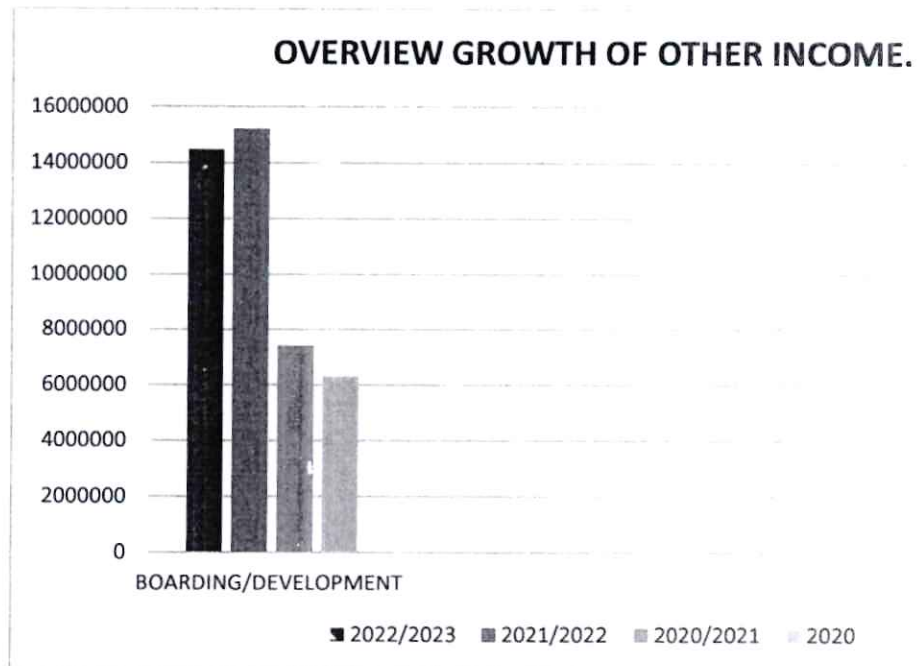
GRAPHICAL PRESENTATION



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

	ACCOUNT	2022/2023 12 MONTHS	2021/2022 12 MONTHS	2020/2021 6 MONTHS	YEAR 2020
3	BOARDING / DEVELOPMENT (PARENTS CONTRIBUTION)	14,477,961.00	15,205,682.00	7,415,853.00	6,295,541.00
	TOTALS	14,477,961.00	15,205,682.00	7,415,853.00	6,295,541.00

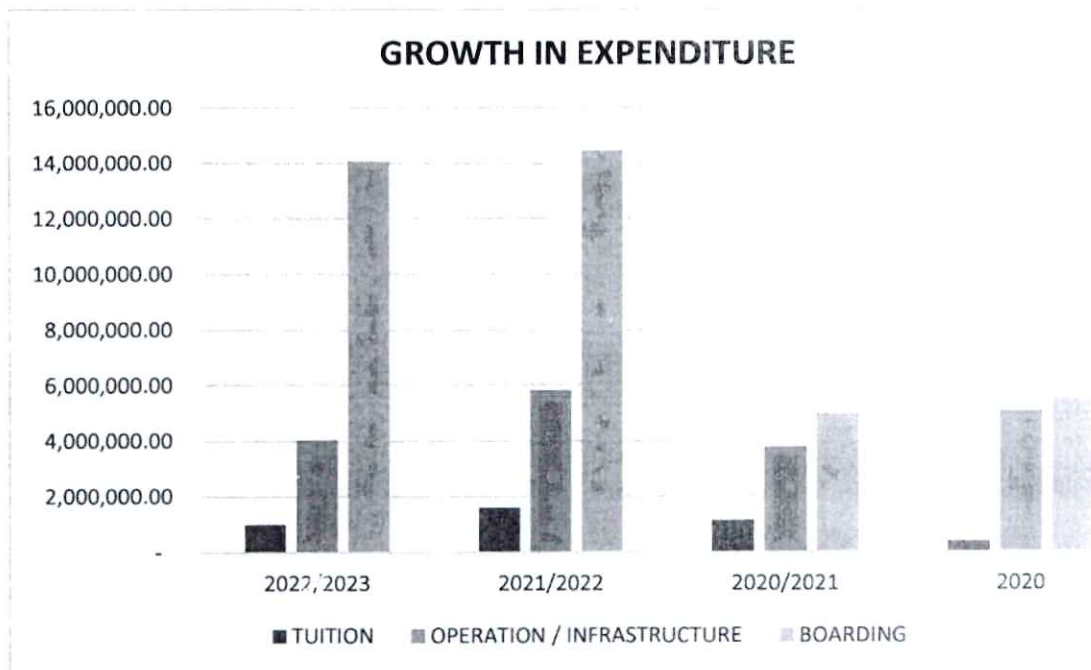
GRAPHICAL PRESENTATION



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

S/NO	ACCOUNT	2022/2023 12 MONTHS	2021/2022 12 MONTHS	2020/2021 6 MONTHS	YEAR 2020
1	TUITION	1,002,250.00	1,588,100.00	1,140,304.00	373,680.30
2	OPERATION / INFRASTRUCTURE	4,038,509.00	5,799,713.00	3,748,522.50	5,033,196.00
3	BOARDING / DEVELOPMENT	14,065,392.00	14,452,475.00	4,949,884.54	5,543,214.00
	TOTALS	19,106,151.00	21,840,288.00	9,838,711.04	10,950,090.30

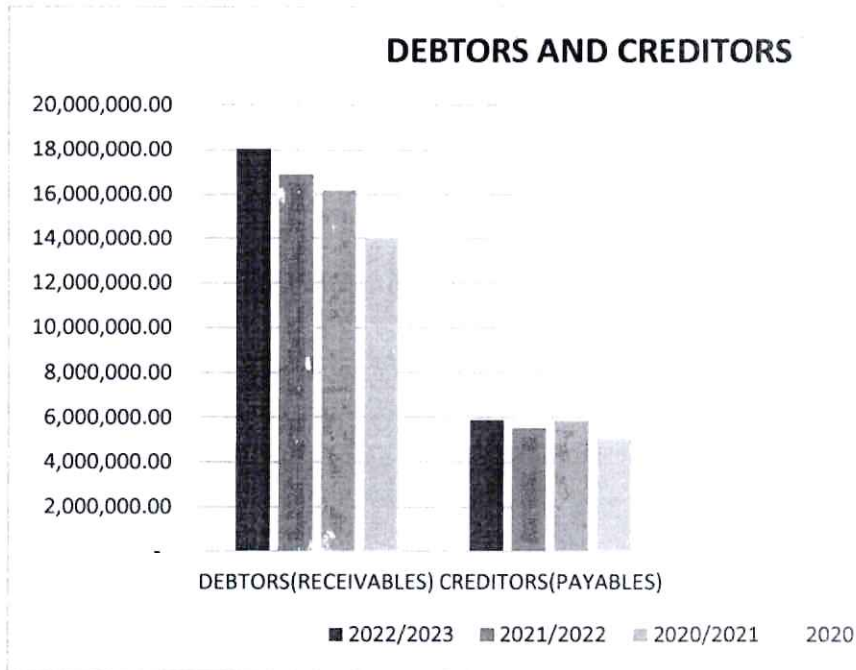
GRAPHICAL PRESENTATION



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

S	ACCOUNT	2022/2023 12 MONTHS	2021/2022 12 MONTHS	2020/2021 6 MONTHS	YEAR 2020
1	DEBTORS(RECEIVABLES)	18,030,648.00	16,867,903.00	16,142,838.00	14,007,652.00
2	CREDITORS(PAYABLES)	5,865,072.00	5,511,336.00	5,827,587.00	5,076,125.00

GRAPHICAL PRESENTATION



b) Teacher Student ratio:

PARTICULARS		Year ended 30th June 2023	Year ended 30th June 2022	Year ended 30th June 2021	Year 2020
ENROLLMENT		363	352	392	391
NUMBER OF TEACHERS		21	21	21	21
TEACHER STUDENT RATIO(based on TSC teachers)		1:17	1:16	1:18	1:18
TEACHERS UNDER TSC		17	17	17	17
TEACHERS UNDER BOM TERMS		4	4	4	4
RECRUITED TEACHERS BY TSC		0	0	0	N/A
RETIRED / TRANSFERRED		2	1	0	0
TEACHERS PER SUBJECT	SUBJECT COMBINATION	TSC EMPLOYED	BOM EMPLOYED		
	CRE / H.SCI	0	N/A		
	ENG / LIT	2	1		
	MATHS / PHY	3			
	B/S / MATHS	1			
	KISW / HIST	1	1		
	BIO / CHEM	1	1		
	GEO / B/S	N/A	1		
	COMP / P.E	1			
	CRE / HIST	3	0		
	BIO / H.SCI	1			
	GEO / KISW	0			
	MATHS / CHEM	2			
	KISW / CRE	1			
	AGRI / BIO	1			

c) Mean score in the year 2020 - 2023 DECEMBER KCSE:

ARTICULARS	YEAR ENDED 30 TH JUNE 2023	YEAR ENDED 30 TH JUNE 2022	YEAR ENDED 30 TH JUNE 2021	YEAR 2020	REMARKS
KCSE MEAN	4.136(D+)	3.58(D+)	3.84(D+)	4.09(D+)	The performance has slightly improved. We shall continue to lay strategies for better performance in future.
TRANSITION TO UNIVERSITY	7	2	4	6	
TRANSITION TO OTHER COLLEGES	81	65	81	83	
KCSE CANDIDATES	88	67	85	89	

d) Number of Candidates in the 2020 – 2023 DECEMBER KCSE.

PARTICULARS	YEAR ENDED 30TH JUNE 2023	YEAR ENDED 30TH JUNE 2022	YEAR ENDED 30TH JUNE 2021	YEAR 2020
KCSE CANDIDATES	88	67	85	89

e) Capacity of the school:

<i>ITEMS</i>	YEAR ENDED 30TH JUNE 2023	YEAR ENDED 30TH JUNE 2022	YEAR ENDED 30TH JUNE 2021	YEAR 2020
<i>Classrooms</i>	9	8	8	8
<i>Computer Laboratory</i>	1	1	1	1
<i>Science Laboratory</i>	2	2	1	1
<i>Library</i>	0	0	0	0
<i>Staffroom</i>	0	0	0	0
<i>Dinning Hall</i>	1	1	1	1
<i>Offices-Principal</i>	1	1	1	1
<i>D / Principal</i>	1	1	1	1
<i>Accounts</i>	1	1	1	1
<i>Secretary</i>	1	1	1	1
<i>Dormitory</i>	4	4	4	4
<i>Hod's Rooms</i>	1			
<i>Staff Houses</i>	3			
<i>Staff Latrines</i>	6	4	4	4
<i>Bathrooms</i>	40	40	40	40
<i>Students latrines</i>	34	44	44	44
<i>Home Science Room</i>	1	1	1	1
<i>Food Store</i>	1	1	1	1
<i>Kitchen</i>	1	1	1	1
<i>Bore Hole</i>	0	0	0	0
<i>School Bus-38 Seater</i>	1	1	1	1
<i>School Van</i>	0	0	0	0
<i>Land With Legal Ownership-L</i>	<i>Title number Makueni/unoa/4950</i>			

f) Development projects carried out by the school:

				Amount Spent (RMI)	Expected completion
Construction of book store	-Moest Funds(RMI Funds)	Done		432,700	
Renovation of dormitory				248,300	
				681,000	

Rox

School Principal



4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (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 *ST.JOHN'S MALIVANI high School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.



.....

Name:- PETER MUSYOKA KYALO

Designation: Chairman, School Board of Management

Date: 22/12/2024



.....

Name:- ROSE VETU

Designation: School Principal & Secretary to Board of Management

Date: 22/12/2024



.....

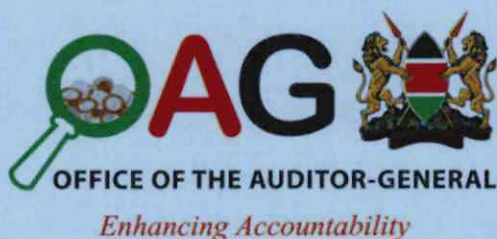
Name:- ELIZABETH SILA

Designation: Bursar/ Finance Officer

Date: 22/12/2024

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON ST. JOHN'S MALIVANI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – MAKUENI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Johns Malivani Secondary School - Makueni County set out on pages 1 to 21, which comprise of the statements of financial assets and financial liabilities as at 30 June, 2023 and the statement of receipts

Report of the Auditor-General on St. John's Malivani Secondary School for the year Ended 30 June, 2023 – Makueni County

and payments, statement of cash flows, and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of St. John's Malivani Secondary School – Makueni County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements revealed the following anomalies.

- i. The statement of receipts and payments reflect school fund income-parents contribution amounts of Kshs.14,477,961 and Kshs.15,205,682 for current and prior year (2021/2022) which differs from Kshs.12,334,753 and Kshs.14,480,617 reflected in the statement of cashflows resulting in variances of Kshs.2,143,208 and Kshs.725,065 respectively.
- ii. The statement of receipts and payments reflect miscellaneous income amounts of Kshs.144,000 which differs from Kshs.1,124,463 reflected in the statement of cashflows resulting in a variance of Kshs.980,463.
- iii. The statement of receipts and payments reflects payments for tuition amounts of Kshs.1,002,250 and Kshs.1,588,100 for current and prior year (2021/2022) which differs from Kshs.978,610 and Kshs.1,235,720 reflected in statement of cashflows resulting in differences of Kshs.23,640 and Kshs.352,380 respectively.
- iv. The statement of receipts and payments reflects payments for operations amounts of Kshs.4,038,509 and Kshs.5,799,713 for current and prior year (2021/2022) which differs from Kshs.4,297,428 and Kshs.6,366,825 reflected in the statement of cashflows resulting in differences of Kshs.258,919 and Kshs.567,112 respectively.
- v. The statement of receipts and payments reflects boarding and school fund payments amounts of Kshs.14,065,392 and Kshs.14,452,475 for current and prior year (2021/2022) which differs from Kshs.13,476,377 and Kshs.14,553,994 resulting in variances of Kshs.589,015 and Kshs.101,519 respectively.

- vi. The statement of cash flows reflects net increase in cash and cash equivalents of Kshs.(145,650). However, the statement of assets and liabilities reflects accounts receivables balances of Kshs.18,030,648 and Kshs.16,867,903 for current and prior year (2021/2022) resulting in an increase in accounts receivables of Kshs.1,162,745.

Similarly, the statement of assets and liabilities reflects accounts payables balance of Kshs.5,865,072 and Kshs.5,511,336 903 for current and prior year (2021/2022) resulting in an increase in accounts payable of Kshs.353,736. It was noted that the increase in accounts receivables and account payable of Kshs.1,162,745 and Kshs.353,736 were not adjusted for in the statement of cash flows.

- vii. Note 9 to financial statement reflects repairs, maintenance and improvements, Electricity and Water, Administration costs and fees on boarding equipment and stores amounts of Kshs.328,442, Kshs.438,600, Kshs.1,165,193 and Kshs.8,572,224 respectively which differs from Kshs.228,442, Kshs.419,200, Kshs.1,215,193 and Kshs.5,741,264 reflected in the ledgers resulting in variances of Kshs.100,000, Kshs.19,400, Kshs.50,000 and Kshs.2,830,960 respectively. The variances were not reconciled

In the circumstances, the accuracy and completeness of the statement of receipts and payments and statement of cashflows could not be confirmed.

2. Unsupported Payment

The statement of receipts and payments reflects payments for tuition amounts of Kshs.1,002,250. Included in this amount are payment vouchers totalling Kshs.470,630 which were not supported by copies of local purchase and local service orders.

In the circumstances, the accuracy and completeness of payments for tuition amounts of Kshs.1,002,250 could not be confirmed.

3. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.18,030,648 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.15,110,899 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.18,030,648 could not be confirmed.

4. Irregular Procurement of Goods and Services

The statement of receipts and payments reflects total expenditure amounting of Kshs.19,106,151. Included in this amount are payment vouchers totalling Kshs.1,765,236 which were not supported by copies of local purchase and service orders. Further, annual procurement plan was not approved by the board of management and tender opening committee members did not initialize minutes of the meetings on each page of minutes. In addition, the tender evaluation committee minutes were not signed by all members and there were no records of individual independent scoresheets by the committee members upon their evaluation provided for audit.

In the circumstances, the propriety of the expenditure could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report on.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 26 January, 2024 instead of the statutory deadline of 30 September 2023. This was contrary to the Ministry of Education circular Ref. No: MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Failure to Prepare School Strategic Plan

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

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

3. Use of Manual Accounting Systems

During the year of audit, it was established that the School uses manual accounting systems instead of an automated accounting systems.

In the circumstances, efficiency and effectiveness in accounting services of the School could not be confirmed.

4. Lack of Bank Account for Other Receipts

The statement of receipts and payments reflects miscellaneous receipts amounting to Kshs.144,000. However, the school did not open a separate bank account for other receipts generated from income generating activities. This was contrary to Ministry of Education Circular dated 16 June, 2021 on guidelines on implementation of Free Day Secondary Education (FDSE) requires that schools with income generating activities do open separate bank accounts for the stream of income and account for it in accordance with financial regulations.

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

5. 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.14,065,392 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.391,180 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.391,180 could not be confirmed.

6. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.4,191,619 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.987,885 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.635,885 was transferred to infrastructure account, leaving a balance of Kshs.352,000 as at 30 June,2023.

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

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matter(s) described in the Basis for Qualified Opinion, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of Audit Committee of Board

During the year under review, the Board of Management that is supposed to direct the School in achieving its strategic objectives did not constitute audit committee as revealed through review of signed meeting minutes of the Board.

In the circumstances, the School did not receive advise from the audit committee on audit matters of the School.

2. Lack of an Updated Assets Register

Annex 2 to the financial statements reflects the summary of fixed assets register. However, the School did not maintain an updated assets register during the year to keep track of the assets contrary to Regulation 143(1) of Public Finance Management (National Government) Regulations, 2015 prescribes that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether 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 the financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the school's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal 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 controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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


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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of 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 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 controls that are identified during the audit.

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


FCPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi

18 December, 2024

ST. JOHN'S MALIVANI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Item/Head	Note	2022 - 2023	2021 - 2022
Receipts			
Government grants for tuition	1	955,929.50	1,254,822.60
Government grants for operations	2	4,191,619.15	6,465,952.00
Government Grants for infrastructure	3	-	-
School fund income- parents' contributions	4	14,477,961.00	15,205,682.00
Miscellaneous incomes	5	144,000.00	
Total Receipts		19,769,509.65	22,926,456.60
Payments			
Tuition	6	1,002,250.00	1,588,100.00
Operations	7	4,038,509.00	5,799,713.00
Infrastructure	8	-	-
Boarding and school fund	9	14,065,392.00	14,452,475.00
Total Payments		19,106,151.00	21,840,288.00
Surplus/Deficit		663,358.65	1,086,168.60


The school financial statements were approved on August 2023 and signed by:



Name:-**PETER MUSYOKA**

Chair BOM

Date: 22/12/2024



Name:-**ROSE VETU**
 School Principal/ Secretary to
 BOM

Date: 22/12/2024



Name:-**ELIZABETH SILA**

Bursar/ Finance Officer

Date: 22/12/2024

7. Statement of Assets and Liabilities As At 30th June 2023

Description	Notes	2022 - 2023	2021 - 2022
		KShs.	KShs.
Financial Assets			
Cash and cash equivalents			
Bank balances	10	9,945.61	141,951.96
Cash balances	11	971.00	14,615.00
Short term investments	12	-	-
Total cash and cash equivalent		10,916.61	156,566.96
Account's receivables	13	18,030,648.00	16,867,903.00
Total financial assets		18,041,564.61	17,024,469.96
Financial liabilities			
Accounts payables	14	5,865,072.00	5,511,336.00
Net financial assets		12,176,492.61	11,513,133.96
Represented by			
Accumulated fund b/fwd	15	11,513,133.96	10,426,965.36
Surplus/deficit for the year		663,358.65	1,086,168.60
Net financial position		12,176,492.61	11,513,133.96

The school's financial statements were approved on August 2023 and signed by:

.....
Name:-PETER M. KYALO

Chair BOM

Date: 22/12/2024

.....
Name:-ROSE VETU
School Principal/ Secretary to
BOM

Date: 22/12/2024

.....
Name:-ELIZABETH SILA

Bursar/ Finance Officer

Date: 22/12/2024

Statement of Cash Flows for the Year Ended 30th June 2023

Description		2023 - 2023	2023 - 2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		955,929.50	1,254,822.60
Government grants for operations		4,191,619.15	6,465,952.00
Government grants for infrastructure		-	-
School fund income- parents contributions/ fees		12,334,753.00	14,480,617.00
Other income		1,124,463.00	
Total receipts		18,606,764.65	22,201,391.60
Payments			
Cash outflows for tuition		978,610.00	1,235,720.00
Cash outflows for operations		4,297,428.00	6,366,825.00
Cash outflows Boarding/lunch and school fund payments		13,476,377.00	14,553,994.00
Total payments		18,752,415.00	22,156,539.00
Net cash inflow/outflow from operating activities		(145,650.35)	44,852.60
Cash flow from investing activities			
Acquisition of assets		-	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash inflow/outflows from investing activities			
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	-	-
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(145,650.35)	44,852.60
Cash and cash equivalent at beginning of the FY		156,566.96	111,714.36
Cash and cash equivalent at end of the FY		10,916.61	156,566.96

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(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 cash flow as recommended by PSASB).

The school's financial statements were approved on August 2023 and signed by:



.....
Name: PETER M. KYALO


Chair BOM

Date: 22/12/2024



.....
Name: ROSE VETU
School Principal/ Secretary to
BOM

Date: 22/12/2024



.....
Name: ELIZABETH SILA

Bursar/ Finance Officer

Date: 22/12/2024

8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Original Budget	Actuals	Percentage
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	1,973,020.00	0	1,973,020.00	955,929.50	48.45%
Exams And Assessment					
(2) Capitation Grant on Operations					
Other vote heads (Personnel emoluments)	1,977,500.00	0	1,977,500.00	986,659.28	49.89%
Repairs And Maintenance					
Local Transport / Travelling	619,500.00		619,500.00	211,000.00	34.06%
Electricity And Water	791,000.00		791,000.00	544,149.70	68.79%
Medical				70,300.00	
Administration Costs	801,500.00		801,500.00	782,847.17	97.67%
Activity	682,500.00	0	682,500.00	196,663.00	28.82%
Gratuity					

Receipts/Expenses/Income	Original Number	Adjustment	Revised Number	Actual	Percentage
3) FDSE for infrastructure					
Maintenance & Improvement MoE	2,275,000.00	0	2,275,000.00	1,400,000.00	61.54%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Other vote heads (Personal emoluments	1,715,000.00	0	1,715,000.00	1,413,318.00	82.41%
Repairs And Maintenance	686,000.00		686,000.00	739,204.00	107.76%
Local Transport / Travelling	281,750.00		281,750.00	355,242.00	126.08%
Electricity And Water	1,019,200.00		1,019,200.00	822,681.00	80.72%
Medical					
Administration Costs	607,600.00		607,600.00	485,486.00	79.90%
Activity	122,500.00	0	122,500.00	116,277.00	94.92%
SMASSE					
Fee On Boarding Equipment and Stores	9,412,375.00	0	9,412,375.00	10,545,753.00	112.04%
5) Miscellenous Income					
Loans / Borrowing					
Rent income					
Income From Farming Activities					
Insurance Compensation					
Income From Posho Mill					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Campus (R)	% Of Utilization
	RMB	RMB	RMB		
Income From Bus Hire				144,000.00	
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	22,964,445.00	0	22,964,445.00	19,769,509.65	86.09%
<i>(6) Expenditure For Tuition:</i>					
Textbooks					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	3,008,070.00	0	3,008,070.00	1,001,770.00	33.30%
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					
<i>(7) Expenditure For Operations</i>					
Other vote heads(Adm-cost,	801,500.00		801,500.00	396,200.00	49.43%
Repairs, Maintenance & Improvements	2,275,000.00	0	2,275,000.00	338,770.00	14.89%
Local Transport / Travelling	619,500.00		619,500.00	822,472.00	132.76%

Receipt/Expenses Item	Original Budget	Adjustment	Revised Budget	Actuals in Programme	% of Utilization
Electricity, Water and Conservancy	791,000.00		791,000.00	332,435.00	42.03%
Medical	393,800.00		393,800.00		
Personal emoluments	1,400,000		1,400,000	1,330,902.00	95.06%
Activity Expenses	682,500.00		682,500.00	134,680.00	19.73%
Gratuity					
Other voteheads					
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Other vote heads					
Repairs, Maintenance and Improvements	1,296,905.00		1,296,905.00	328,442.00	25.33%
Local Transport / Travelling	695,674.00		695,674.00	1,269,760.00	182.52%
Electricity, Water and Conservancy	672,775.00		672,775.00	438,600.00	65.19%
Medical Expenses					

Receipt/Expenses Item	Original Budget	Adjustments	Total Budget	Actual Or Comparable	% Of Utilization
	Kshs	Kshs	Kshs		%
Administration Costs	266,100.00		266,100.00	1,165,193.00	437.88%
Activity	122,500.00		122,500.00	469,310.00	244.02%
Bus expenses				87,400	
Lunch Programme					
Boarding Equipment and Stores	9,412,375.00		9,412,375.00	8,572,224.00	91.07%
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments					
Rent Expenses					
Bank Charges				7,940.00	
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals	21,037,699.00	0	21,037,699.00	19,106,151.00	90.82%

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

- i. All ministries disbursements to tuition account only came under teaching and learning materials vote head only.
- ii. The budget for year 2022 / 2023 was prepared for 12 months and due bank balances in FY 2021 / 2022 the budget was over utilized.

9. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

This cash basis of accounting has been supplemented with accounting for; a) receivables that include school fees from parents, 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

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 2023.

10. Notes To The Financial Statements**1 Government Grants for Tuition**

	2022-2023	2021-2022
	KShs	KShs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	955,929.50	1,254,822.60
Others (specify)*		
Total	955,929.50	1,254,822.60

*Include others as per MOE circulars

2 Government Grants for Operations

	2022-2023	2021-2022
	KShs	KShs
Personnel Emoluments	986,659.28	1,704,689.20
Repairs And Maintenance	1,400,000.00	2,171,000.00
Local Transport / Travelling	211,000.00	249,188.63
Electricity And Water	544,149.70	1,485,523.19
Medical	70,300.00	
Administration Costs	782,847.17	855,550.98
Activity	196,663.00	-
Other Vote Heads (specify)*	0	5,534,811.30
Total	4,191,619.15	6,465,952.00

*Include others as per MOE circulars

3 Government Grants for infrastructure

	2022-2023	2021-2022
	KShs	KShs
Maintenance & Improvement		
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify)(NG-CDF and County govt.		
Total		

4 School Fund Income - Parents Contribution/Fees

Description	2022 - 2023	2021 - 2022
	KShs	KShs
Personnel emoluments	1,413,318.00	1,256,217.00
Repairs and maintenance	739,204.00	658,217.00
Local transport / travelling	355,242.00	297,550.00
Electricity and water	822,681.00	1,128,003.00
Administration costs	485,486.00	451,094.00
Bus hire		
Activity	116,277.00	103,672.00
Fee on Boarding Equipment and stores	10,545,753.00	11,311,143.00
PA Levies*		
Others (specify)		
Total	14,477,961.00	15,205,682.00

*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.

5 Miscellaneous Incomes

Description	2022 - 2023	2021 - 2022
	KShs	KShs
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Uniform funds		
Income From Bus Hire	144,000	
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Tender fees		
Dividends Income		
Loans/Borrowings*		
Other Income (specify)*		
Total	144,000	

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

*Ensure proper authorization from MOE before obtaining loans/borrowings.

*Indicate what other income relates to including income arising from write backs if any.

Notes to the Financial Statements (continued)

6 Tuition

	2022-2023	2021-2022
Exercise Books		
Textbooks		
Reference materials		
Laboratory Equipment		
Teaching / Learning Materials	1,001,770.00	1,587,380.00
Exams And Assessment		
Teachers Guides		
Bank Charges	480.00	720.00
Others (specify)		
Total	1,002,250.00	1,588,100.00

7 Operations

	2022-2023	2021-2022
Personnel Emoluments	1,330,902.00	2,255,162.00
Service Gratuity		
Other vote heads s administration costs	396,200.00	718,680.00
Repairs And Maintenance & Improvements	338,770.00	407,000.00
Local Transport / Travelling	822,472.00	684,246.00
Electricity And Water	332,435.00	432,220.00
Medical		74,835.00
Activity Expenses	134,680.00	
Infrastructure expenses-	681,000.00	1,227,570.00
Bank charges	2,050.00	0
Total	4,038,509.00	5,799,713.00

Notes to the Financial Statements (continued)

8 Infrastructure

	2022 - 2023	2021 - 2022
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others (specify)		
Total		

9 Boarding And School Fund

	2022 - 2023	2021 - 2022
	Kshs	Kshs
Personnel Emoluments	1,717,593.00	1,062,680.00
Development fund expenses		
Repairs And Maintenance & Improvements	328,442.00	640,210.00
Local Transport / Travelling	1,269,760.00	1,273,183.00
Electricity And Water	438,600.00	704,237.00
Activity	469,310.00	98,530.00
Administration Costs	1,165,193.00	1,949,021.00
Development fund		
Bank Charges	7,940.00	0
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores	8,572,224.00	8,724,614.00
Other voteheads(fees refund)	8,930.00	
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
PA expenses		
Bus fund expenses	87,400	
Total	14,065,392.00	14,452,475.00

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

Notes to the Financial Statements (continued)

10 Bank Accounts

Description	Status	Account Number	2022 - 2023	2021 - 2022
			KShs	KShs
Tuition Account	ACTIVE	1105320650	2,609.55	25,290.05
Operations Account	ACTIVE	1105312623	1,901.60	13,710.45
School Fund Account/Boarding	ACTIVE	1146983131	912.46	4,429.46
Savings Account				
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account	ACTIVE	1259943399	4,522.00	98,522.00
Total			9,945.61	141,951.96

11 Cash In Hand

Description	2022 - 2023	2021 - 2022
	KShs	KShs
Notes and Coins	971.00	14,615.00
Total		

12 Short Term Investments

Description	2022 - 2023	2021 - 2022
	KShs	KShs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
Total		

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022 - 2023	2021 - 2022
	KShs	KShs
Fees Arrears	18,030,648.00	16,867,903.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	18,030,648.00	16,867,903.00

13 b Ageing Analysis of Accounts Receivable

Description	2022 - 2023		2021 - 2022	
	2023	% of the total	2022	% of the total
Less than 1 year	2,287,208.00	12.6%	1,757,004.00	10.41%
Between 1- 2 years	632,541.00	3.5%	2,332,078.00	13.82%
Over 2 years	15,110,899.00	83.8%	12,778,821.00	87.57%
Total (should tie to note 13 a)	18,030,648.00	100%	16,867,903.00	100%

14 Accounts Payable

Description	2022 - 2023	2021 - 2022
	KShs	KShs
Trade Creditors (See Ageing Below and Appendix 1)	5,865,072.00	5,511,336.00
Prepaid Fees	0	0
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (specify)		
Total	5,865,072.00	5,511,336.00

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

	2023	% of the total	2022	% of the total
Less than 1 year	4,295,932.00	73.25%	4,456,101.00	80.85%
Between 1- 2 years	1,569,140.00	26.75%	1,055,235.00	19.15%
Between 2-3 years				
Over 3 years		%		
Total (should tie to note 14)	5,865,072.00	100%	5,511,336.00	100%

15 Fund Balance Brought Forward

	2023	2022
Bank Balances	152,137.50	102,946.36
Cash Balances	4,429.46	8,768.00
Short Term Investments	-	-
Receivables	16,867,903.00	16,142,838.00
Payables	(5,511,336.00)	(5,827,587.00)
Total	11,513,133.96	10,426,965.36

Other important disclosure notes

IPSAS Cash Standard 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.

16 Non-current Liabilities Summary

Description	2022 - 2023		2021 - 2022	
	Kshs		Kshs	
Bank Loans				
Outstanding Leases				
Hire Purchase				
Gratuity And Leave Provision				
Others (specify)				
Total				

17 Biological assets

Description	2022 - 2023		2021 - 2022	
	Kshs		Kshs	
Cattle		3		4
Goats				
Trees		202pcs		202 pcs
Coffee Or Tea Plantation				
Poultry				
Others (specify)				
Total		205		206

18 Borrowings

Description	Kshs		Kshs	
Borrowings at beginning of the year				
Borrowings during the year				
Repayments during the year				
Balance at the end of the year				

Other important disclosure notes

19 Stock/ Inventory

Food stuffs	S1 consumable ledger in place	S1 consumable ledger in place
Lab consumables	S1 consumable ledger in place	S1 consumable ledger in place
Farm produce		
Medication		
Construction Materials		
Others (specify)		

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

20 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.

			Status: (Resolved/ Not Resolved)	Timeframe: (In which when will expect the issue to be resolved)

[Signature]

Sign and Date
Principal



11. Annexes**Annex I - Analysis of Pending Accounts Payable**

Construction Of Buildings						
1. Kyanda premium	52,000	JUNE 2022	0	52,000	0	
2. Maridadi glass	1,169,025	JUNE2022	600,000	569,025	1,096,355	Maintence &improvement
3. Devik makueni	87,400	JUNE 2022	0	87,400	0	Maintence &improvement
4.						
Sub-Total				708,425		
Supply Of Goods						
5. Hada auto mobile	345,903	JUNE 2022	110,596	235,307.00	110,596	Other vote heads
6. Mutanu electricals	115,200	JUNE2022	55,450	59,750	55,450	Other vote heads
7. Jokim investment	197,264	JUNE 2022	40,000	157,264	193414	teaching learning materials
8. Michmax general	677,141	JUNE 2022	120,000	557,141	561,121	teaching learning materials
9. Aspet school supplies	563,175	JUNE2022	250,990	312,185	250,990	teaching learning materials
10. Copy cat	432,840	JUNE 2022	130,000	302,840	432,840	teaching learning materials
11. Eddumart gen. supplies	245,410	JUNE 2022	70,000	175,410	245,410	teaching learning materials
12. Jeresda enterprises	442,845	JUNE2022	120,135	322,710	120,135	teaching learning materials

13. Veronica kasiva	26,400	JUNE 2022	18,400	8,000	18,400	Boarding equipment & stores
14. Juster general stores	44,000	JUNE 2022	30,800	13,200	30,800	Boarding equipment & stores
15. Lucika agencies	529,510	JUNE 2022	33,000	496,510	33,000	Boarding equipment & stores
16. Kanda stores	110,890	JUNE 2022	59,035	51,855	59,035	Boarding equipment & stores
17. Terpy enterprises	90,225	JUNE 2022	61,875	28,350	61,875	Boarding equipment & stores
18. Dpl festive	192,211	JUNE 2022	104,317	87,894	104,317	Boarding equipment & stores
19. Stesyl enterprises	245,775	JUNE 2022	138,600	107,175	138,600	Boarding equipment & stores
20. Kamunyolo investment	699,515	JUNE 2022	327,000	372,515	327,000	Boarding equipment & stores
21. Exclusive fashions	2,920,307	JUNE 2022	1,051,766	1,868,541	1,051,766	Boarding equipment & stores
Sub-Total				5,156,647		
Supply Of Services						
22.						
23.						
Grand Total	9,187,036		3,321,964	5,865,072	4,891,104	

Annex 2 – Summary Of Fixed Assets Register

Land	4,300,000	0	0	4,300,000
Buildings And Structures	12,800,000	432,700	0	13,232,700
Motor Vehicles	1,460,000	0	0	1,400,000
Office Equipment, Furniture And Fittings	1,460,000	0	0	1,460,000
Textbooks	3,000,000	0	0	3,000,000
ICT Equipment	750,000	0	0	750,000
Tools And Apparatus		0	0	
Other Machinery And Equipment	500,000	0	0	500,000
Heritage And Cultural Assets			0	
Intangible Assets- Soft Ware	100,000	0	0	100,000
Total				

A. FURNITURE AND EQUIPMENTS.

S/NO	ITEM DESCRIPTION	SPECIFIC ITEMS	OFFICER IN CHARGE	SERIAL NUMBER	QUANTITY B/f 1 st july 2022	Additions During the year 2022/2023	HISTORIC COST C/F (Kshs.) 30 th june 2023
1	Land	School land	School Bom / Sponsor		4.3Ha	N/A	N/A
2	Furniture / Equipment	Cabinet(big size) Cabinet(drawers) Cabinet(small size) Chairs Lockers Printer Small side tables Stool(small size) Computer Laptop	Principal				
3	Furniture / Equipment	Chairs Locker Table(small size) Cabinet(big size) Cabinet(small size)	Deputy Principal				
4	Furniture / Equipment	Tables Office chairs Shelves Computer printer	Accounts Office				
5	Furniture /	Printer	Secretary office				

	Equipment	Chair Computer					
6	Furniture / Equipment	Chairs Lockers tables	Staffrooms				
7	Furniture / Equipment	Computers Chairs Cabinets Printers	Computer Room				
8	Furniture / Equipment	Television Tables Benches Chairs	Dining Hall				
9	Furniture / Equipment	Gas cylinder Gas taps Sinks Water taps Stools Display cup boards Cabinets	Laboratory	S1 Consumable ledger kept.			
10	Furniture / Equipment	Beds	Dormitories				
11	Furniture / Equipment	Tables Chairs Cabinets Shelves Lockers Duplicating Riso machine	Exam office				
12	Furniture / Equipment	Sewing machines Jikos Sewing tables Cabinet	Home science room				

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B. TEXT BOOK AND OTHER TEACHING MATERIALS.

S/NO	TEXT BOOK TITLE.	FORM 1	TEACHER GUIDE	FORM 2	TEACHER GUIDE	FORM 3	TEACHER GUIDE	FORM 4	TEACHER GUIDE
1	ENGLISH	156	4	156	4	156	4	156	2
2	KISWAHILI	156	2	156	4	156	4	156	4
3	MATHEMATICS	156	4	156	4	156	4	156	4
4	CHEMISTRY	156	4	156	4	156	4	156	4
5	BIOLOGY	156	4	141	4	141	2	141	3
6	PHYSICS	156	2	156	4	47	4	47	4
7	HISTORY AND GOVERNMENT	122	3	134	3	139	3	139	3
8	CHRISTIAN RELIGIOUS EDUCATION	116	3	106	2	121	3	107	2
9	GEOGRAPHY	118	3	139	3	17		10	
10	BUSINESS STUDIES	123	3	135	3	38	1	40	1
11	AGRICULTURE	105	2	107	2	104	2	85	2
12	COMPUTER	121	3	107	3	12	1	8	1
13	HOME SCIENCE	0	0	0	0	0	0	0	0

N/B No text books and teachers guide for all classes

C. KITCHEN UTENSILS.

S/NO	SPECIFIC ITEM	OFFICER IN CHARGE	QUANTITY B/F FROM 1 ST JULY 2022	ADDITIONS DURING THE YEAR	HISTORIC COST	TOTAL QUANTITY 30 TH JUNE 2023
1	Jikos(small, medium and big size)					
2	Vegetable slicers					
3	Dishes					
4	Forks					
5	Bowls					
6	Cups					
7	Flasks					
8	Feeding spoons					
9	Trays(metal and melanine)					
10	Plates					
11	Water glasses					
12	Big sufurias					

D. NUMBER OF PLASTIC TANKS IN SCHOOL.

S/NO	CAPACITY OF THE TANK	QUANTITY
1	10,000litres	6
2	5,000 litres	1