


REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 20 NOV 2024	DAY: <input type="text"/>
TABLED BY:	Deputy Leader of Majority Party
CLERK AT GENERAL	WILLIS OBIENO

**OF**

**THE AUDITOR-GENERAL**

**ON**

**ST.THERESE MBOONI GIRLS HIGH SCHOOL**

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

**MAKUENI COUNTY**

*Revised 30<sup>th</sup> June 2021.*



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*ST THERESE MBOONI GIRLS HIGH SCHOOL*

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> June 2021**

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

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**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

**(a) Background information**

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

The school was registered in **May 2018** under registration number **17S30000020** and is currently categorized as a **National** public school established, owned or operated by the Government.

The school is a boarding school and had **950** number of students as at **30<sup>th</sup> June 2021**. It has **5** streams and **42** teachers of which **9** 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:

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Noah Wambua Kilonzo	Chairman- Sponsor	22 <sup>nd</sup> May 2019
2	Agnes. M. Ithiga	Secretary - Principal	22 <sup>nd</sup> May 2019
3	Ephantus Gitonga Nyaga	Member- Community	22 <sup>nd</sup> May 2019
4	Fredrick .M.Mwangangi	Member- Special Needs	22 <sup>nd</sup> May 2019
5	Veronicah. M. Muia	Member - Community	22 <sup>nd</sup> May 2019
6	Ruth Kyatha	Member – C.E.B Nominee	22 <sup>nd</sup> May 2019
7	Hellen Ndirangu	Member - Community	22 <sup>nd</sup> May 2019
8	Sally Nduku Kilonzo	Member - Community	22 <sup>nd</sup> May 2019
9	Joseph Kothya	Member – Community	22 <sup>nd</sup> May 2019
10	Stephen Sikisi	Member Rep Teachers	22 <sup>nd</sup> May 2019
11	Daniel Kitila	3 Members - Sponsor	22 <sup>nd</sup> May 2019
12	Pius Munyao		22 <sup>nd</sup> May 2019
13	Irene Muinde		22 <sup>nd</sup> May 2019
14	James Singi	Member- Special Interest	22 <sup>nd</sup> May 2019
15	James Singi	Member - Community	22 <sup>nd</sup> May 2019
16	D. T Mogussu	Member - Community	22 <sup>nd</sup> May 2019
17	Joyce Wamalwa	Member - Community	22 <sup>nd</sup> May 2019
	Faith Wambua	Rep Students	22 <sup>nd</sup> May 2019

**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**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Noah Wambua Kilonzo Joseph Kothya Pius Munyao Ruth Kyatha	Chairman Member Member Member	2
2	Finance, procurement and general purposes Committee	Joseph Kothya Ruth Kyatha James Singi Noah Wambua kilonzo	Member Chair Person Member BOM Chairman	2
3	Academic Committee	Irene Muinde Fred Mwangangi Sally Nduku kilonzo Noah wambua Kilonzo	Chair Person Member Member BOM Chairman	-
4	Development Committee	D.T Mogussu Eng. Ephantus nyaga Fr. Daniel Kitila Veronicah Muia Joseph Kothya Noah Wambua kilonzo	ChairPaerson Member Member Member Member BOM Chairman	-
5	Discipline and welfare Committee	Pius Munyao Hellen Ndirangu Joyce Wamalwa Noah Wambua Kilonzo	Chairman Member Chair Person Chairman	-
7	Adhoc Committee (if any during the year)			-

ST. THERESE MBOONI GIRLS HIGH SCHOOL  
**PUBLIC SECONDARY SCHOOL**  
Annual Report and Financial Statements  
For the year ended *30<sup>th</sup> June 2021*

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(d) School operation Management

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

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>	<b>I.D Number</b>
1	Principal	<b>AGNES MUTHONI ITHIGA</b>	<b>313127</b>	<b>5747123</b>
2	Deputy Principal	-	-	-
3	School Bursar	<b>JEREMIAH NGWILI MUTUNGA</b>	-	<b>22237911</b>

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(a) Schools contacts**

Post Office Box: **100- 90125**  
Telephone: **0738897316**  
E-mail: **mboonigirls@gmail.com**  
Website: **www.mboonigirls.com**  
Facebook: -  
Twitter: -

**(b) School Bankers**

The following school operated 6 number of bank accounts in the following banks:

1. Name of Bank: KCB  
Branch: Machakos  
Account Number: 1106311345 (**Boarding Account**)
2. Name of Bank: KCB  
Branch: Machakos  
Account Number: 1106312724 (**Operations Account**)
3. Name of Bank: KCB  
Branch: Machakos  
Account Number: 1106372719 (**Tuition Account**)
4. Name of Bank: KCB  
Branch: Kikima  
Account Number: 1162114967 (**Infrastructure Account**)
5. Name of Bank: KCB  
Branch: Machakos  
Account Number: 1108168388 (**M Pesa Paybill Account**)  
**Business No. 522123 Account Number 38345K Adm. No**
6. Name of Bank: KCB  
Branch: Kikima  
Account Number: 1285944178 (**Project Account**)

ST. THERESE MBOONI GIRLS HIGH SCHOOL

**PUBLIC SECONDARY SCHOOL**

**Annual Report and Financial Statements**

**For the year ended 30<sup>th</sup> June 2021**

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**(c) Independent Auditors**

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

**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

a) **Financial performance:**

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

<i>Account name</i>	<i>1<sup>st</sup> Jan 2019- 31<sup>st</sup> Dec 2019</i>	<i>1<sup>st</sup> Jan 2020- Dec 2020</i>	<i>1<sup>st</sup> Jan – 30<sup>th</sup> June 2021 (6 Months)</i>
	<i>Surplus/ Deficit Three Consecutive Years</i>		
<i>Boarding A/c</i>	<i>Surplus 3,705,658.00</i>	<i>Surplus 5,843,127.00</i>	<i>7,503,264.50</i>
<i>Operations A/c</i>	<i>Deficit 15,336.00</i>	<i>Surplus 211,282.00</i>	<i>-</i>
<i>Tuition A/c</i>	<i>Deficit 72,977.00</i>	<i>Deficit 245,531.00</i>	<i>-</i>
<i>Infrastructure A/c</i>	<i>Surplus 8,167,437.00</i>	<i>Deficit 5,157,666.00</i>	<i>-</i>

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

	<i>Capitation Grants for Three Consecutive Years</i>		
	<i>1<sup>st</sup> Jan – 30<sup>th</sup> June 2021 (6 Months)</i>	<i>1<sup>st</sup> Jan – 31<sup>st</sup> Dec 2020</i>	<i>1<sup>st</sup> Jan – 31<sup>st</sup> Dec 2019</i>
<i>TUITION</i>	<i>1,241,276.00</i>	<i>1,521,637.00</i>	<i>2,689,568.00</i>
<i>OPERATIONS</i>	<i>7,779,797.15</i>	<i>10,484,675.00</i>	<i>12,718,563.00</i>
	<i>9,021,073.15</i>	<i>12,006,312.00</i>	<i>15,408,131.00</i>

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

<i>S/NO</i>	<i>DETAILS</i>	<i>2020/2021 (6Months)</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>
<i>TUITION/ OPERATIONS</i>	<i>Total</i>	<i>10,205,099.15</i>	<i>12,342,436.00</i>	<i>14,498,229.00</i>	<i>14,670,146.00</i>
	<i>Capitation</i>				
	<i>No. of Students</i>	<i>1,026</i>	<i>950</i>	<i>824</i>	<i>937</i>

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

S/NO	DETAILS	2020/2021 (6Months)	2020	2019	2018
BOARDING A/C	Total	19,591,769.48	35,905,321.00	46,927,257.00	40,067,251.00
	Collection				
	No. of Students	951		819	

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

ACCOUNT	2020/2021	2020	2019	2018
TUITION/OPERATIONS	6,227,360.65	12,376,685.00	15,496,444.00	14,710,744.00
BOARDING	15,697,083.20	30,062,194.00	43,221,599.00	41,257,401.00
INFRASTRUCTURE	552,182.80	8,445,666.00	1,563.00	2,675,160.00
<b>TOTAL</b>	<b>22,476,626.65</b>	<b>50,884,545.00</b>	<b>58,719,606.00</b>	<b>58,643,305.00</b>

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

	2021/2020		2020		2019	
	DEBTORS	CREDITORS	DEBTORS	CREDITORS	DEBTORS	CREDITORS
TUITION	-	-	-	319,900.00	-	653,674.00
OPERATIONS	-	-	-	-	-	-
BOARDING	-	-	14,563,435.00	5,883,633.00	10,051,030.00	7,691,671.00
<b>TOTAL</b>	-	-	<b>14,563,435.00</b>	<b>6,203,533.00</b>	<b>10,051,030.00</b>	<b>8,345,345.00</b>

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

ACCOUNT	2021/2020 (6 Months)		2020		2019	
	BANK	CASH	BANK	CASH	BANK	CASH
1 BOARDING A/C	1,364,427.76	115,900.00	2,054,570.51	139,907.00	1,707,849.00	69,405.00
2 TUITION A/C	263,725.80	-	75,184.80	-	815.00	-
3 OPERATIONS A/C	218,450.65	88.00	380,468.15	88.00	311.00	1,563.00
4 INFRASTRUCTURE	5,615,102.70	-	703,370.50	-	8,169,036.50	-
<b>TOTAL</b>	<b>7,461,706.91</b>	<b>115,988.00</b>	<b>3,213,593.96</b>	<b>139,995.00</b>	<b>9,878,011.50</b>	<b>70968.00</b>

b) **Teacher Student ratio:**

During the Year Ended 30<sup>th</sup> June 2021 the School Recruited 2 Teachers and got 3 new transefered Teachers, 1 Teacher was transferred from the School and we had no retiree during the year. The School Had 37 Tsc Employed Teachers and 5 BOM Employed Teachers. The School had a deficit of 5 Teachers during the Year.

c) **Mean score in the 2021 KCSE:**

	<i>Year</i>	<i>Candidature</i>	<i>Kcse Mean</i>	<i>University Transition</i>	<i>% University Trans</i>	<i>Improvement</i>
1	2021	162	8.28	140/162	86.4%	-0.442
2	2020	163	8.72	147/163	90.18%	+ 0.62
3	2019	217	8.103		76.96%	

d) **Number of Candidates in the 2021 KCSE:**

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

	<i>Year</i>	<i>Candidature</i>
1	2021	162
2	2020	163
3	2019	217

e) **Capacity of the school:**

The School had a total Enrolment of 950 Students during the Year, The facilities were as follows: Dormitories 9, Dining Hall 1, Laboratories 5 and 85 Toilets.

f) Development projects carried out by the school:

<i>S/NO</i>	<i>PROJECT NAME</i>	<i>SOURCE OF FUNDS</i>	<i>STATUS</i>
<i>1.</i>	<i>Construction of Dormitory Ground Floor</i>	<i>MOE (M &amp; I Funds)</i>	<i>Ground Floor Complete</i>
<i>2.</i>	<i>Construction of Storeyed Classroom (Ground Floor)</i>	<i>Parents Contributions</i>	<i>Ground Floor Incomplete</i>



Sign

*M. A. M. M.*  
School Principal

### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board 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. Therese Mbooni Girls 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 30<sup>th</sup> June, 2021, and of the school's financial position as at that date.

Name: NOAH WAMBUA  
KILONZO

Chair BOM

Sign 

Date: 27/9/2024

Name: AGNES MUTHONI  
ITHIGA (MRS)  
School Principal/ Secretary to  
BOM

Sign 

Date: 27/9/2024

Name: JEREMIAH  
NGWILI MUTUNGA

Bursar/ Finance Officer

Sign 

Date: 27/9/2024

# REPUBLIC OF KENYA

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*Enhancing Accountability*

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

## REPORT OF THE AUDITOR-GENERAL ON ST.THERESE MBOONI GIRLS HIGH SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - MAKUENI COUNTY

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of St. Therese Mbooni Girls High School - Makueni County, set out on pages 1 to 18, which comprise of the statement of

financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the six (6) months' period then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of 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. Therese Mbooni Girls Secondary School - Makueni 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 the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.11,988,732 as disclosed in Note 11 to the financial statements. Included in the balances are receivables amounting to Kshs.7,275,107 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.7,275,107 could not be confirmed.

#### **2. Undisclosed Incomes Generating Accounts**

The statement of receipts and payments reflects other receipts - school fund account of Kshs.18,557,901 as disclosed in Note 4. Included in the amount is the rental income of Kshs.41,200, income for bus hire of Kshs.20,000 and disposals of Kshs.135,620.00. However, the school did not open separate bank accounts for the streams of income and there were no separate cashbooks.

In the circumstances, the accuracy and completeness of other receipts-school fund account of Kshs.18,557,901 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. Therese Mbooni Girls High School 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 opinion.

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.86,868,294 and Kshs.29,779,891 respectively resulting to an under realization of budget by Kshs.57,088,403 or 66% of the budget. However, the School spent a balance of Kshs.15,697,083 against actual receipts of Kshs.29,779,891 resulting to an under-utilization of Kshs.14,082,808 or 53% of actual receipts.

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

My opinion is not modified in respect of this matter.

## **Key Audit Matters**

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the 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. Late Submission of Financial Statements**

During the year under review, Management submitted the financial statements to the Auditor-General on 30 March, 2023 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's

financial statements should be ready by 30 September, 2021 in compliance which 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. 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.15,697,083, as disclosed in Note 7 to the financial statements. Included in the amount is Kshs.353,960, transferred to Kenya Secondary School Heads Association (KESSHA), a private entity that is not subject to PFM Act, 2012 or any other public finance regulations. Kenya Secondary Schools Heads Association (KESSHA) is a welfare organization and the organization is not defined in government funding 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 for money transferred to KESSHA amounting to Kshs.353,960 cannot be ascertained.

## **3. Unconfirmed Students Enrolment Data**

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.10,205,099, Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year/period 2020/2021, the School had 955 students registered under NEMIS, while records from the County Director of Education had 937 students, resulting to an underfunding of the school by an amount of Kshs.400,392. This was contrary to the Ministry of Education Circular No. MOE.HQS/3/13/3 dated 16 July, 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, under-funding of the School may have affected service delivery to the students.

## **4. Long Outstanding Payables**

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.3,844,750. However, included in the balance are trade creditors of Kshs.3,316,750 which have been outstanding from the previous year. No explanation was provided for failure to honor debts as the first charge to the subsequent year's budget contrary to Regulation 42(1)(b) of the Public Finance Management (National Government) Regulations, 2015 which requires debt service payments to form first charge.

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

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

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. Note 17 to the financial statements on stock/inventory is not filled with the stock figures for the beginning of the year, the amount of purchases in the year, stock issued in the year and the balances as at the end of the year.
- ii. The annual audit report and financial statements are not sequentially paginated.
- iii. The School submitted Financial Statements for six (6) months' period from 1 January, 2021 to 30 June, 2021 contrary to the Public Sector Accounting Standards Board (PSASB) guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 which requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021.

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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 and based on the audit procedures performed, except for the matters described in the internal controls, risk management and governance section of my report, 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 of Conclusion**

### **1. Lack of Disaster Recovery Plan, IT Policy and Risk Management Policy**

Review of the school records revealed that the school did not have a disaster recovery plan in place that would assist in recovering data in the event of calamities. Additionally, the School lacked a Risk Management Policy for the identification, mitigation and prevention of any risk that may arise. Also, the school did not have an IT Policy in place that outlines the confidentiality, integrity and availability of systems and data.

In the absence of a disaster recovery plan and an IT policy and Risk management policy, it was not possible to determine the effectiveness of the controls in place on disaster recovery and Information technology infrastructure.

### **2. 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), 2015 which states that, the internal audit unit of a National Government entity 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.

### **3. Fixed Assets**

#### **3.1 Incomplete Fixed Assets Register**

Annex 2 to the financial statements reflects a summary of the fixed assets register balance of Kshs.82,621,500. However, review of the register revealed that assets purchased during the year did not include quantity purchased, date of purchase, serial numbers and cost of assets. Additionally, some assets such as student chairs and desks, office tables, cabinets and office chairs assets were not serialized making it difficult to identify them.

#### **3.2 Undisclosed Fixed Assets**

Annex 2 to the financial statements reflects a summary of the fixed assets register balance of Kshs.82,621,500. However, physical verification revealed that, the School has CCTV and its related accessories and water tanks which had not been recorded in the assets register.

In the circumstances, the adequacy of the internal controls on safe custody and ownership of assets could not be ascertained.

#### **4. Lack of Ownership Documents**

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.82,621,500 in respect of fixed assets which includes land with a balance of Kshs.2,650,000. However, land ownership documents were not provided for audit.

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

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

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

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

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain 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 financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

## **Auditor-General's Responsibilities for the Audit**

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

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of noncompliance. 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 judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

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

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

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

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

**18 October, 2024**

**PUBLIC SECONDARY SCHOOLS – ST. THERESE MBOONI GIRLS**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

**V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2021**

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	2,482,552.00	1,521,637.00
Capitation grants for operations	2	7,722,547.15	10,820,799.00
School Fund Income- Parents' Contributions	3	1,016,891.00	5,196,951.00
School Fund Income- Other receipts	4	18,557,901.00	30,708,370.00
Proceeds from borrowings		-	-
<b>TOTAL RECEIPTS</b>		<b>29,779,891.15</b>	<b>48,247,757.00</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	1,974,111.00	1,767,168.00
Payments for operations	6	4,605,432.45	15,767,183.00
Boarding and school fund payments	7	15,697,083.20	30,062,194.00
<b>TOTAL PAYMENTS</b>		<b>22,276,626.65</b>	<b>47,596,545.00</b>
<b>SURPLUS/DEFICIT</b>		<b>7,503,264.50</b>	<b>651,212.00</b>

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

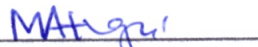
**Name: NOAH WAMBUA  
KILONZO**

**Chair BOM**

Sign 

**Date: 27/9/2024**

**Name: AGNES MUTHONI  
ITHIGA (MRS)**  
School Principal/ Secretary to  
BOM

Sign 

**Date: 27/9/2024**

**Name: JEREMIAH  
NGWILI MUTUNGA**

**Bursar/ Finance Officer**

Sign 

**Date: 27/9/2024**

VI. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES AS AT 30<sup>TH</sup> JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	7,851,471.00	929,353.50
Cash Balances	9	115,988.00	139,995.00
Short term Investment	10	-	-
<b>Total Cash and cash equivalent</b>		<b>7,967,459.00</b>	<b>1,069,348.00</b>
Account's receivables	11	11,988,732.00	16,871,435.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>19,956,191.00</b>	<b>17,940,783.00</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	3,844,750.00	9,332,607.00
<b>NET FINANCIAL ASSETS</b>		<b>16,111,441.00</b>	<b>8,608,176.00</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	8,608,176.00	7,956,964.00
Surplus/Deficit for the year		7,503,264.50	651,212.00
<b>NET FINANCIAL POSITION</b>		<b>16,111,440.00</b>	<b>8,608,176.00</b>

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

Name: NOAH WAMBUA  
KILONZO

Chair BOM

Sign



Date: 27/9/2024

Name: AGNES MUTHONI  
ITHIGA (MRS)  
School Principal/ Secretary to  
BOM

Sign



Date: 27/9/2024

Name: JEREMIAH  
NGWILI MUTUNGA

Bursar/ Finance Officer

Sign



Date: 27/9/2024

**PUBLIC SECONDARY SCHOOLS – ST. THERESE MBOONI GIRLS**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2021**

		<b>2020-2021</b>	<b>2019-2020</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts for operating income</b>			
Capitation grants for tuition	<b>1</b>	2,482,552.00	1,521,637.00
Capitation grants for operations	<b>2</b>	7,722,547.15	10,820,799.00
School fund income- Parents contributions/ fees	<b>3</b>	1,016,891.00	5,196,951.00
School fund income- other receipts	<b>4</b>	18,557,901.00	30,708,370.00
<b>Total receipts</b>		<b>29,779,891.15</b>	<b>48,247,757.00</b>
<b>Payments</b>			
Payments for Tuition	<b>5</b>	1,974,111.00	1,767,168.00
Payments for operations	<b>6</b>	4,605,432.45	15,767,183.00
Boarding and school fund payments	<b>7</b>	15,697,083.20	30,062,194.00
<b>Total payments</b>		<b>22,276,626.65</b>	<b>47,596,545.00</b>
<b>Net cash flow from operating activities</b>		<b>7,503,264.50</b>	<b>651,212.00</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>7,503,264.50</b>	<b>651,212.00</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>			
<b>Cash and cash equivalent at END of the year</b>			

Name: NOAH WAMBUA  
 KILONZO

Chair BOM

Sign 

Date: 27/9/2024

Name: AGNES MUTHONI  
 ITHIGA (MRS)  
 School Principal/ Secretary to  
 BOM

Sign 

Date: 27/9/2024

Name: JEREMIAH  
 NGWILI MUTUNGA

Bursar/ Finance Officer

Sign 

Date: 27/9/2024

ST. THERESE MBOONI GIRLS HIGH SCHOOL  
**PUBLIC SECONDARY SCHOOL**  
 Annual Report and Financial Statements  
 For the year ended **30<sup>th</sup> June 2021**

**VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> 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
<b>RECEIPTS</b>						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Reference Materials	4,954,392.00	-	4,954,392.00	1,570,000.00		<b>31.68%</b>
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	1,000,000.00	-	1,000,000.00	912,491.00	-	<b>91.1%</b>
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
<b>Total Income</b>	<b>5,954,392.00</b>	<b>-</b>	<b>5,954,392.00</b>	<b>2,482,552.00</b>	<b>-</b>	<b>-</b>
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments						
Maintenance & Improvement	5,977,000.00	-	5,977,000.00	3,924,740.00	2,052,260.00	<b>65.66%</b>
Other Vote heads	11,236,760.00	-	11,236,760.00	3,797,807.15	7,438,952.00	<b>33.79%</b>
Electricity and water						
Medical	2,390,800.00	-	2,390,800.00	-	2,390,800.00	<b>0%</b>
Administration costs						
Activity	1,793,100.00	-	1,793,100.00	-	1,793,100.00	<b>0%</b>
<b>Total Income</b>	<b>21,397,660.00</b>	<b>-</b>	<b>21,397,660.00</b>	<b>7,722,547.15</b>	<b>13,675,112.00</b>	<b>21,397,660.00</b>
SMASSE						
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments						

**PUBLIC SECONDARY SCHOOL**

**Annual Report and Financial Statements**

**For the year ended 30<sup>th</sup> 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
Maintenance & Improvement	2,275,200.00	-	2,275,200.00	699,080.00	1,576,120.00	30.7%
Local transport / travelling						
Other Vote heads	21,173,265.00	-	21,173,265.00	6,949,625.00	14,223,640.00	32.8%
Medical						
Administration costs						
Activity	907,614.00	-	907,614.00	317,811.00	589,803.00	35%
SMASSE						
Fee on Boarding Equipment and Stores	34,565,813.00	-	34,565,813.00	11,083,608.00	23,482,205.00	32.06%
<b>OTHER INCOME</b>						
Rent income	162,350.00	-	162,350.00	41,200.00	121,150.00	25.3%
Income from farming activities	432,000.00	-	432,000.00	225,348.00	206,652.00	52.1%
Vehicle Hire	-	-	-	20,000.00	-	-
Water Project	-	-	-	102,500.00	-	-
Disposal	-	-	-	135,620.00	-	-
<b>Total Income</b>	<b>59,516,242.00</b>		<b>59,516,242.00</b>	<b>19,574,792.00</b>	<b>38,623,450.00</b>	
<b>G. Total</b>	<b>86,868,294.00</b>		<b>86,868,294.00</b>	<b>29,779,891.15</b>		
<b>(I) EXPENDITURE FOR TUITION</b>						
Reference Materials	4,922,644.00	-	4,922,644.00	1,241,276.00	3,681,368.00	25.2%
Exercise books	-	-	-	-	-	-
Laboratory equipment	800,000.00-	-	800,000.00	400,150.00	-	50%
Internal exams	50,000.00	-	50,000.00	30,000.00	-	60%
Teaching / learning materials	400,000.00	-	400,000.00	300,000.00	-	75%
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	2,685.00	-	-
<b>Total Income</b>	<b>5,372,644.00</b>		<b>6,172,644.00</b>	<b>1,974,111.00</b>	<b>3,681,368.00</b>	



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## PUBLIC SECONDARY SCHOOL

## Annual Report and Financial Statements

For the year ended 30<sup>th</sup> 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
<b>(2)</b> <b>EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments						
Maintenance & improvements	8,162,277.00	-	8,162,277.00	258,500.00	7,903,777.00	3.1%
Other Vote Heads	31,913,180.00	-	31,913,180.00	3,202,596.00	28,710,584.00	10%
Infrastructure				552,182.80		
Medical	2,028,700.00	-	2,028,700.00	589,828.65	1,438,871.35	29%
Administration costs						
Activity Expenses	2,069,020.00	-	2,069,020.00	-	2,069,020.00	0%
Bank Charges				2,325.00		
<b>Total Expenditure</b>	<b>44,173,177.00</b>		<b>44,173,177.00</b>	<b>4,605,432.45</b>	<b>40,122,252.35</b>	
<b>(3)</b> <b>EXPENDITURE FOR SCHOOL FUND</b>						
Personnel emoluments						
Repairs, maintenance and improvements	8,162,277.00	-	8,162,277.00	822,474.00	7,339,803.00	10%
Local transport / travelling						
Electricity, water and conservancy	31,913,180.00	-	31,913,180.00	6,447,372.00	25,464,808.00	20.2%
Medical Expenses	2,028,700.00	-	2,028,700.00	-	2,028,700.00	0%
Other Voteheads				6,446,765.20		
Activity	2,069,020.00	-	2,069,020.00	56,560.00	2,012,460.00	2.7%
Water Project				72,000.00		
Lunch programme						
Boarding Equipment and Stores	8,162,277.00	-	8,162,277.00	8,054,826.00	107,451.00	98.68%
Farm Account	-	-	-	244,458.00	-	-
<b>Total Expenditure</b>	<b>52,335,454.00</b>		<b>52,335,454.00</b>	<b>15,697,083.20</b>	<b>36,953,222.00</b>	<b>52,335,454.00</b>

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ST. THERESE MBOONI GIRLS HIGH SCHOOL  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> 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
	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
<b>TOTALS</b>						

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

- i. *Activity Expenditure was not fully utilised since the Government had banned all Games Activities due to the Covid -19 pandemic.*
- ii. *Income- The budget was based on 6 Months (January 2021 to 30<sup>th</sup> 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.

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Textbooks and reference materials	1,570,061.00	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	912,491.00	1,521,637.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
<b>Total</b>	<b>2,482,552.00</b>	<b>1,521,637.00</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments		
Repairs and maintenance	3,924,740.00	3,756,000.00
Local transport / travelling	-	
Other Vote Heads	3,797,807.15	6,091,599.00
Medical	-	164,400.00
Bom Teachers	-	480,000.00
Activity	-	328,800.00
<b>Total</b>	<b>7,722,547.15</b>	<b>10,820,799.00</b>

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

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	-	-
Repairs and maintenance	699,080.00	4,636,691.00
Local transport / travelling	-	-
Electricity and water	-	-
Uniforms	-	-
Administration costs	-	-
Activity	317,811.00	560,260.00
<b>Total</b>	<b>1,016,891.00</b>	<b>5,196,951.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Fee on Boarding Equipment and Stores	11,083,608.00	19,501,828.00
Rent income	41,200.00	214,634.00
Income from farming activities		
Other Vote Heads	6,949,625.00	10,022,315.00
Farm Account	225,348.00	
Income from Bus Hire	20,000.00	
Water Project	102,500.00	
Income from grants and donations*	-	
Sales Timber/ Bread	-	871,750.00
Disposal	135,620.00	97,843.00
<b>Total</b>	<b>18,557,901.00</b>	<b>30,708,370.00</b>

**5 PAYMENTS FOR TUITION**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Textbooks and reference materials	1,241,276.00	
Exercise books		1,073,446.00
Laboratory equipment	400,150.00	213,400.00
Internal exams	30,000.00	6,500.00
Teaching / learning materials	300,000.00	470,696.00
Chalks	-	
Exams and assessment	-	
Teachers guides	-	
Administration Costs	-	
Bank Charges	2,685.00	3,126.00
<b>Total</b>	<b>1,974,111.00</b>	<b>1,767,168.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6 PAYMENTS FOR OPERATIONS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance & improvement	258,500.00	5,842,150.00
Service Gratuity	-	-
Infrastructure	552,182.80	3,000,000.00
Repairs and maintenance & improvements	-	-
Other Vote Heads	3,202,596.00	5,214,158.00
Electricity and water	-	-
Medical	589,828.65	98,480.00
Activity Expenses	-	543,655.00
Insurance	-	585,374.00
Bom Teachers	-	480,000.00
Bank Charges	2,325.00	3,366.00
Acquisition of Assets	-	-
<b>TOTAL</b>	<b>4,605,432.45</b>	<b>15,767,183.00</b>

**7 BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments		
Service Gratuity		
Repairs and maintenance & Improvements	822,474.00	5,334,684.00
Activity	56,560.00	28,800.00
Other Vote Heads	6,446,765.20	12,294,489.00
Medical Expenses	-	-
Water Project	72,000.00	-
Lunch Programme	-	-
Bank Charges	-	-
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	8,054,826.00	12,404,221.00
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Farm Account	244,458.00	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
<b>TOTAL</b>	<b>15,697,083.20</b>	<b>30,062,194.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1106372719	263,725.00	75,184.00
Operations Account	1106312724	218,450.30	380,468.00
School Fund Account/Boarding	1106311345	1,364,427.00	-(616,435.00)
Savings Account	1108168388	389,766.00	386,766.00
Parent Association Development Account	1285944178	-	-
Income generating activities Account	-	-	-
Infrastructural Account	1162114967	5,615,102.70	703,370.50
<b>Total</b>		<b>7,851,470.30</b>	<b>929,353.50</b>

**9 CASH IN HAND**

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	88.00	88.00
School Fund account	115,900.00	139,907.00
<b>Total</b>	<b>115,988.00</b>	<b>139,995.00</b>

**10 SHORT TERM INVESTMENTS**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	11,480,732.00	14,563,435.00
Other non-fees receivables	508,000.00	2,308,000.00
Salary advances	-	-
Imprest	-	-
<b>Total</b>	<b>11,988,732.00</b>	<b>16,871,435.00</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	-	5,484,295.00
Fees arrears for the previous year	4,205,625.00	9,079,140.00
Fees arrears for prior periods (over two years)	7,275,107.00	-
<b>Total</b>	<b>11,480,732.00</b>	<b>14,563,435.00</b>

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	3,316,750.00	6,820,145.00
Prepaid fees	20,000.00	204,462.00
Non Fees Payable (Boarding Account)	508,000.00	2,308,000.00
<b>Total</b>	<b>3,844,750.00</b>	<b>9,332,607.00</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	-	4,036,607.00
Trade creditors for the previous year	3,316,750.00	2,783,538.00
Trade creditors for prior periods (over two years)	-	-
<b>Total</b>	<b>3,316,750.00</b>	<b>6,820,145.00</b>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

## 13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	7,851,471.00	929,353.50
Cash balances	115,988.00	139,995.00
Short Term Investments	-	-
Receivables	11,988,732.00	16,871,435.00
Payables	3,844,750.00	9,332,607.00
<b>Total</b>	<b>16,111,441.00</b>	<b>8,608,176.00</b>

**Other important disclosure notes**

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

**14 Non-current Liabilities Summary**

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

**15 Biological assets**

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	8	3 @ 80,000 2 @ 60,000 3 @ 30,000	6
Goats		-	-
Trees		-	-
Coffee or tea plantation		-	-
Poultry		-	-
<b>Total</b>		<b>450,000.00</b>	

**16 Borrowings**

Description	2020-2021	2019-2020
	KShs	KShs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	-	-

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Other important disclosure notes

17 Stock/ Inventory

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

**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.

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

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2021-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>	-	-	-	-	-	
1.	-	-	-	-	-	
2.	-	-	-	-	-	
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>	-	-	-	-	-	
4.	-	-	-	-	-	
5.	-	-	-	-	-	
6.	-	-	-	-	-	
<b>Sub-Total</b>						
<b>Supply of services</b>	-	-	-	-	-	
7.	-	-	-	-	-	
8.	-	-	-	-	-	
9.	-	-	-	-	-	
<b>Sub-Total</b>	-					
<b>Grand Total</b>						

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

<b>Asset class</b>	<b>Date purchased</b>	<b>Location</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2020</b>
Land 1			2,400,000.00	-	-	2,400,000.00
Land 2		MUTITU	250,000.00		-	250,000.00
Buildings and structures			55,000,000.00		-	55,000,000.00
Motor vehicles	BUS KAW 489Z	MUTITU	7,043,500.00 (2007)		-	7,043,500.00 (2007)
	VAN KBV 064L	MUTITU	1,928,000.00 (2013)			1,928,000.00 (2013)
Office equipment, furniture and fittings			8000,000.00		-	8000,000.00
ICT Equipment, and Other ICT Assets			2,000,000.00	-	-	2,000,000.00
Tools and apparatus			600,000.00	-	-	600,000.00
Textbooks			4,000,000.00	-	-	4,000,000.00
Other Machinery and Equipment(Power Generator)			1,400,000.00	-	-	1,400,000.00
Heritage and cultural assets				-	-	
Intangible assets- soft ware			250,000.00	-	-	250,000.00
<b>Total</b>			<b>82,621,500.00</b>	<b>-</b>	<b>-</b>	<b>82,621,500.00</b>

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