

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPER LAID	
DATE: 23 NOV 2023	DAY: Thurs
TABLED BY:	Hon Kimani Ichungwah, MP Leader of the majority party
CLERK-AT-TABLE:	Miriam Mado

REPORT

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

**ST. THOMAS AQUINAS MADENDE
SECONDARY SCHOOL**

**FOR THE EIGHTEEN (18)
MONTHS' PERIOD ENDED
30 JUNE, 2021**

BUSIA COUNTY

Revised 30th June 2022.



(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR 18 MONTHS
(1ST JAN 2020-30TH JUNE 2021) FOR THE PERIOD ENDED 30TH JUNE 2021

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

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)
**Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period
ended 30th June 2021**

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I. Key School Information And Management

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

(a) Background information

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

The school was registered in MARCH/1981 under registration number 40830000039 and is currently categorized as a COUNTY (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had 720 number of students as at 30th June 2021. It has 4 streams and 31 teachers of which 11 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	MR Fidelis B Magero	Chairman	15 MARCH 2022
2	MR Sibweche Dismas	Secretary - Principal	4TH AUG 2021
3	MRS Florence Echesa	Member	15 MARCH 2022
4	MR Anyule Fredrick	Member	15 MARCH 2022
5	MR Jonnes Wafula	Member	15 MARCH 2022
6	MRS Doreen Bwire	Member-Community	15 MARCH 2022
7	MRS Caren Okwara	Member-Community	15 MARCH 2022
8	MR Absolom Edewa	Member -Community	15 MARCH 2022
9	MRS Prisca Were	Member-Community	15 MARCH 2022
10	MR Agapatus Nyongesa	Member-Community	15 MARCH 2022
11	MAJ Mukhule Chrispinus	Member-Community	15 MARCH 2022
12	MR Francis Opinyi	Member – Special needs	15 MARCH 2022
13	MR Benard Makeni	Member-Rep CEB	15 MARCH 2022
14	MR Wamuta Christopher	Member-Rep Teachers	15 MARCH 2022
15	MRS Mediatix Onyango	Member-Sponsor	15 MARCH 2022
16	MR Kanoti Dindi	Member-Sponsor	15 MARCH 2022
	Calistus Barasa Adelide Mamai	Rep Students	4TH AUG 2021

Key School Information and Management (Continued)

The function of the School Board of Management includes:

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

(c) Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr Fidelis Magero Mr Dismas Sibweche Mrs Florence Auma Mr Benard Makeni Mrs Doreen Bwire	Chairperson Member	2 out of 3
2	Audit Committee	Mrs Prisca Were	Chairperson	2 out of 3

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		Mr Agapetus Nyongesa Mrs Florence Auma	Member Member	
3	Finance,procurement and general purposes Committee	Mr Kinoti Dindi Mrs Doreen Bwire Rev Fredrick Anyule Mr Absalom Edewa	Chairperson Member Member Member	3 out of 3
4	Academic Committee	Mr Absalom Edewa Mrs Prisca Were Mr Benard Makeni Mr Christopher Wamuta	Chairperson Member Member Member	2 out of 3
5	Development Committee	Mr Kinoti Dindi Mr Fidelis Magero Mr Dismas Sibweche Mrs Oroni Florence Mrs Echesa Florence Mrs Caren Okwara	Chairperson Member Member Member Member	2 out of 3
6	Discipline and welfare Committee	Maj Chrispinus Mukhule Mrs Florence Echesa Mr Gerishom Pate Mr Jones Wafula	Chairperson Member Member Member	1 out of 3
7	Human rights&students welfare	Mrs Mediatix Onyango Mr Francis Mukanda Mrs Caren Okwara	Chairperson Member Member	1 out of 3

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	MR Dismas Sibweche	245710
2	Deputy Principal	MRS Florence Oroni	335401
3	School Bursar	MR Patrick Wabwire	CPA ASSOC/1303

(e) Schools contacts

Post Office Box: P.O BOX 34-50409 Nambale (BUSIA)
Telephone: 0798977602
E-mail: madendesecondaryschool@gmail.com
Website: NA
Facebook: NA
Twitter: NA

(f) School Bankers

The following school operated 5 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: - National Bank Of Kenya
Branch: - Busia
 - Account Number : - 01021036820800
 - 01242036820800
 - 01025036820800
 - 01022230680800
 - 01242037194900(CDF)

2. MPESA Pay Bill No. 773617 attached to 01021036820800 bank account

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

(g) Independent Auditors

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

II. Summary Report Of Performance Of The School

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

a) Financial performance:

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

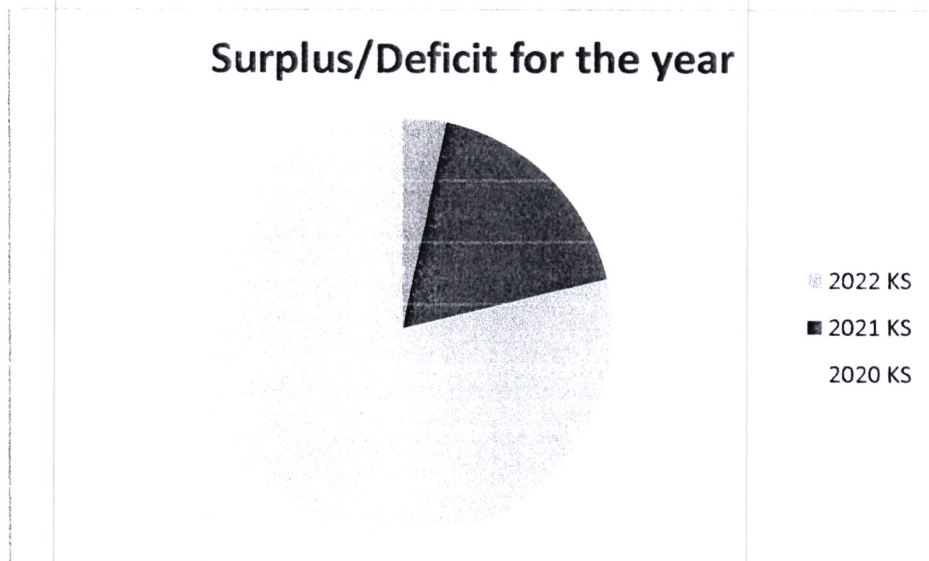
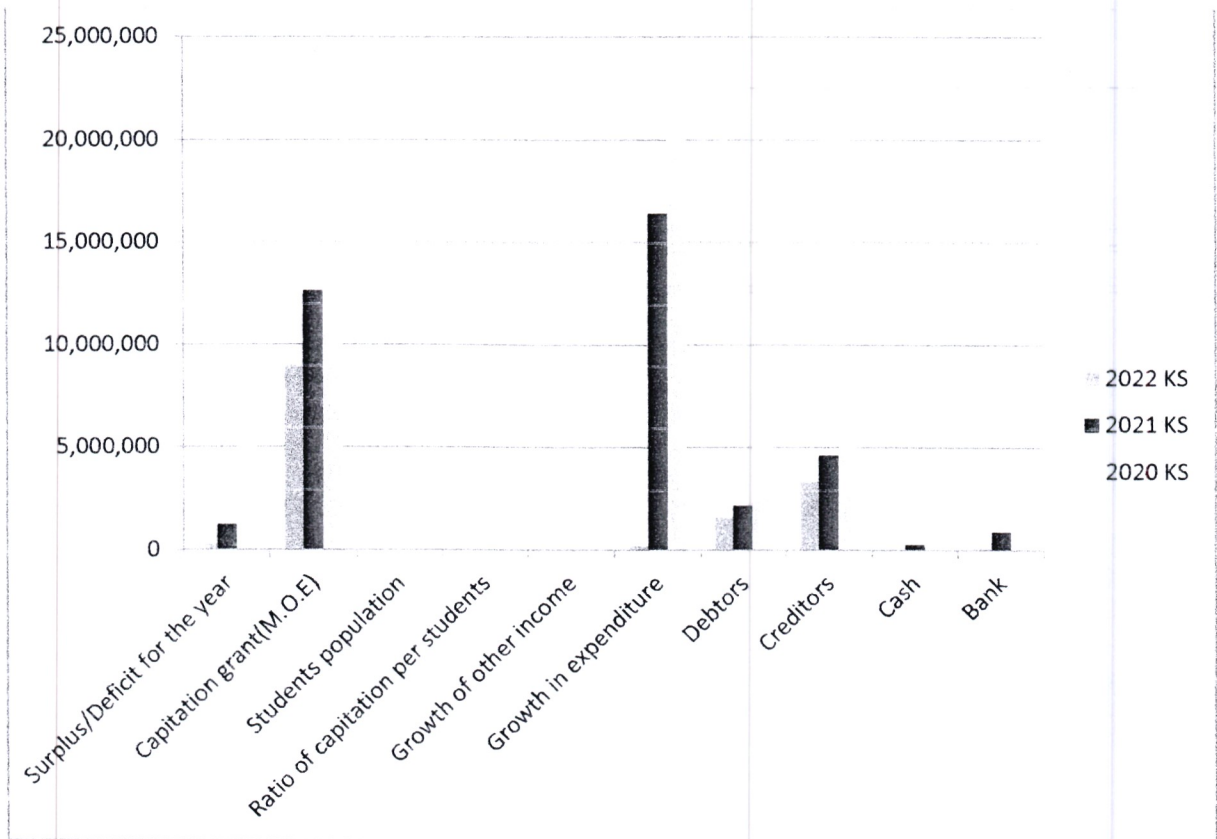
- *Surplus/ deficit for the year and a comparison of the same for the last three years*
- *Capitation grants from the Ministry of Education for the last three years*
- *Ratio of capitation grant per student over the last three years*
- *A three-year overview of growth of other income(s) earned by the school.*
- *A three-year overview of growth in expenditure of the school*
- *Movement of debtors and creditors of the school over the last three years*
- *Movement of cash and bank balances over the last three years*

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

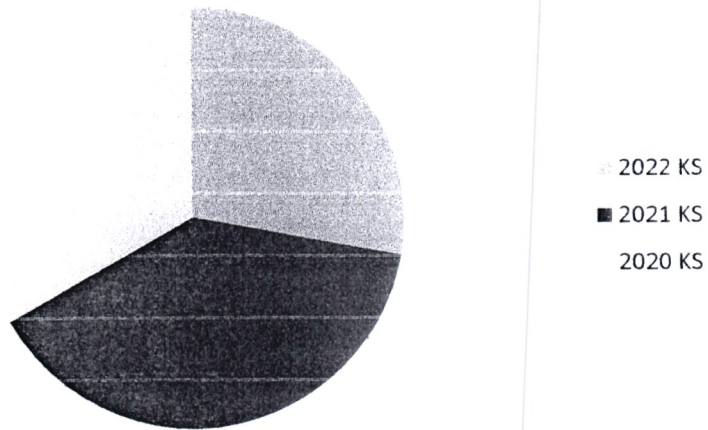
FINANCIAL PERFORMANCE

	2022	2021	2020
	KS	KS	KS
Students population	563	720	768
Ratio of capitation per students	15,980.6	17,517.8	13,944.9
Growth of other income	-	-	-
Growth in expenditure	196,282	16,409,156	21,534,375
Debtors	1,616,684	2,194,281	5,739,465
Creditors	3,345,856	4,607,466	5,128,470
Cash	22,170	45,342	14,358
Bank	126,487.99	896,242.13	185,931.73

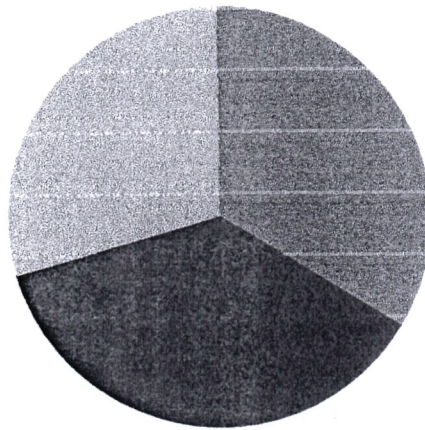
Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021



Capitation grant(M.O.E)

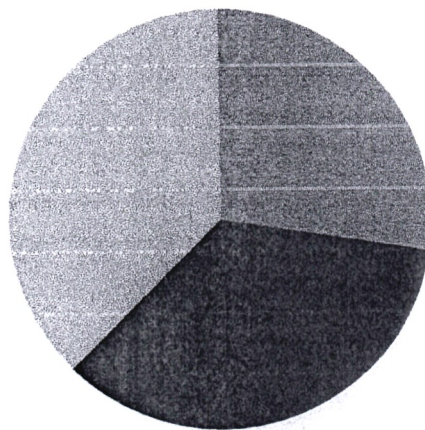


Ratio of capitation per students



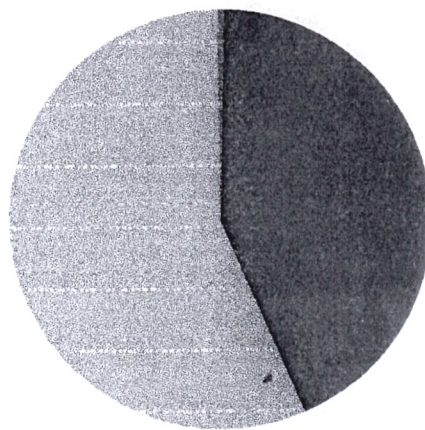
- 2022 KS
- 2021 KS
- 2020 KS

Students population

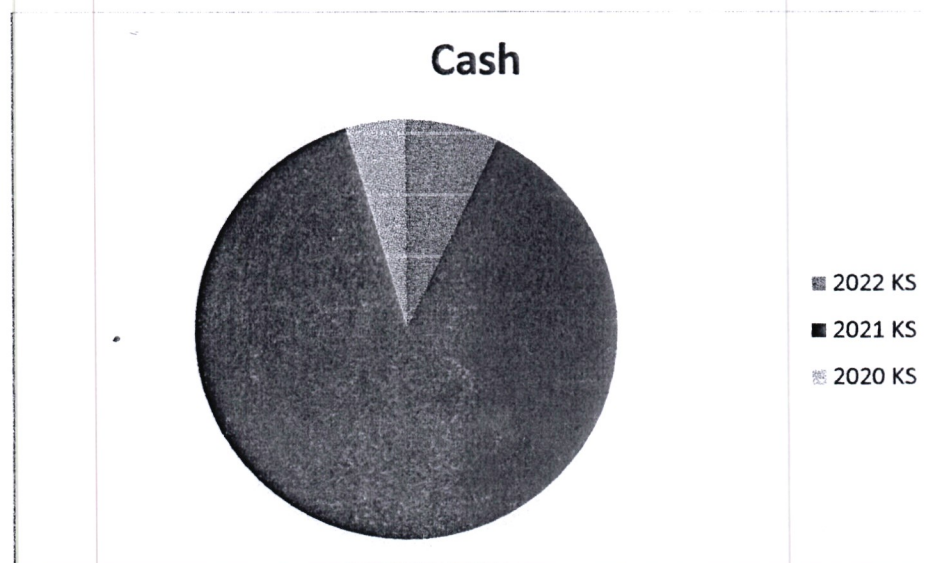
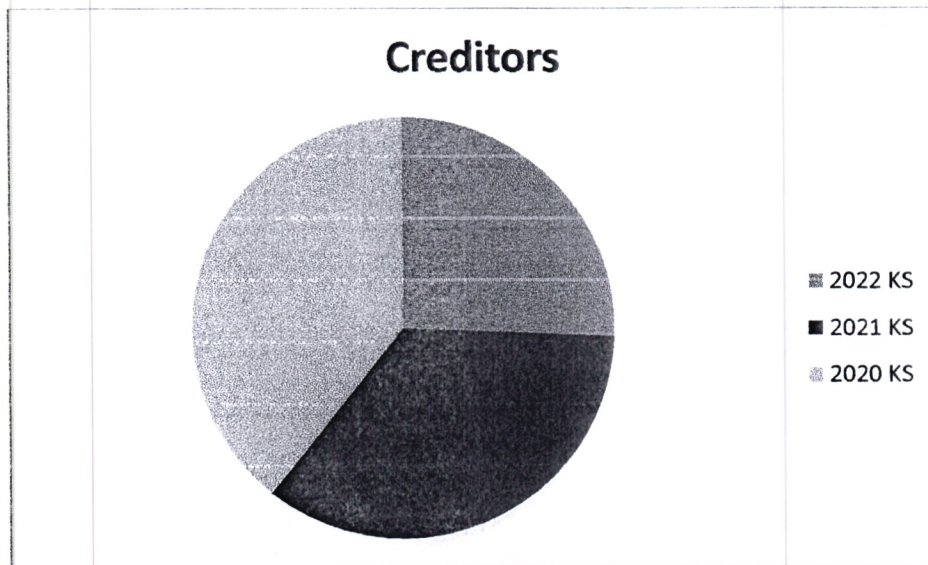
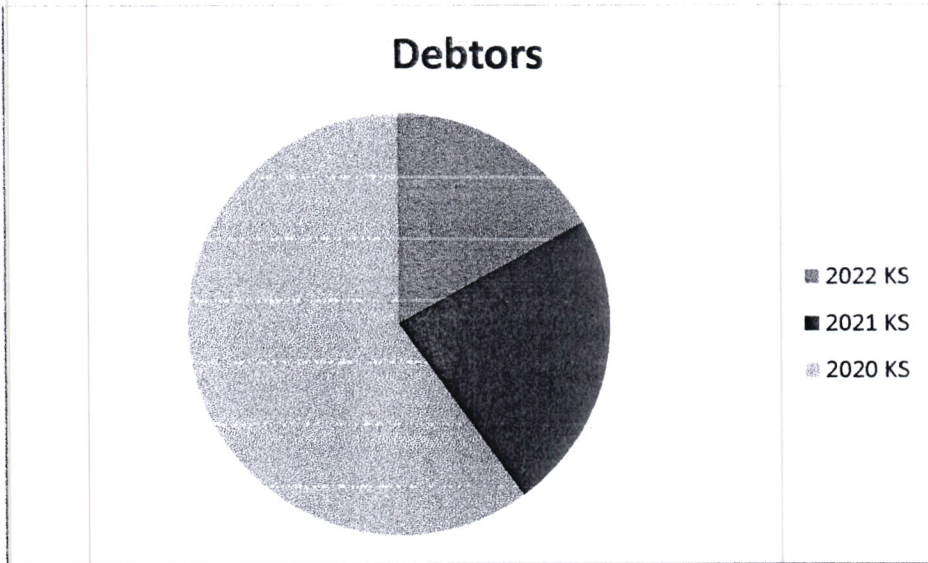


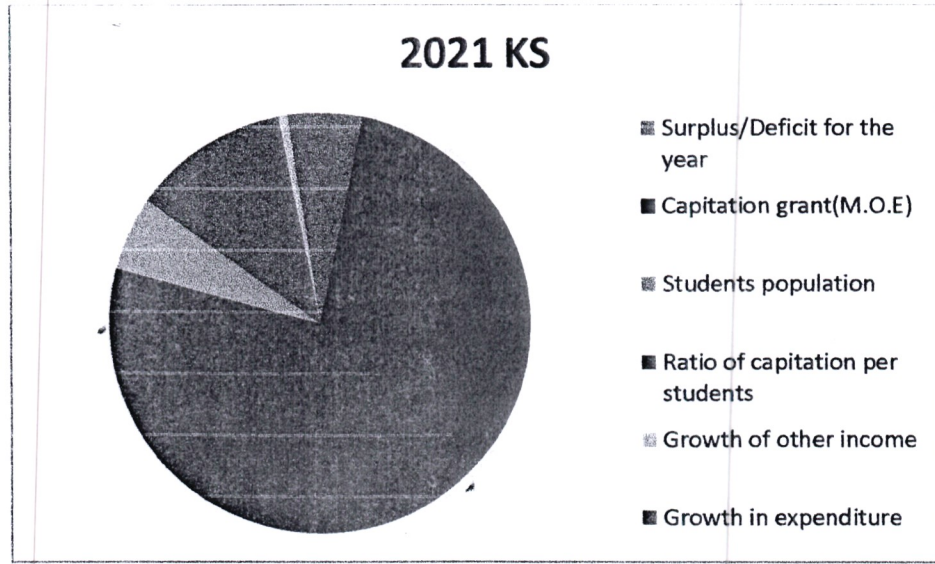
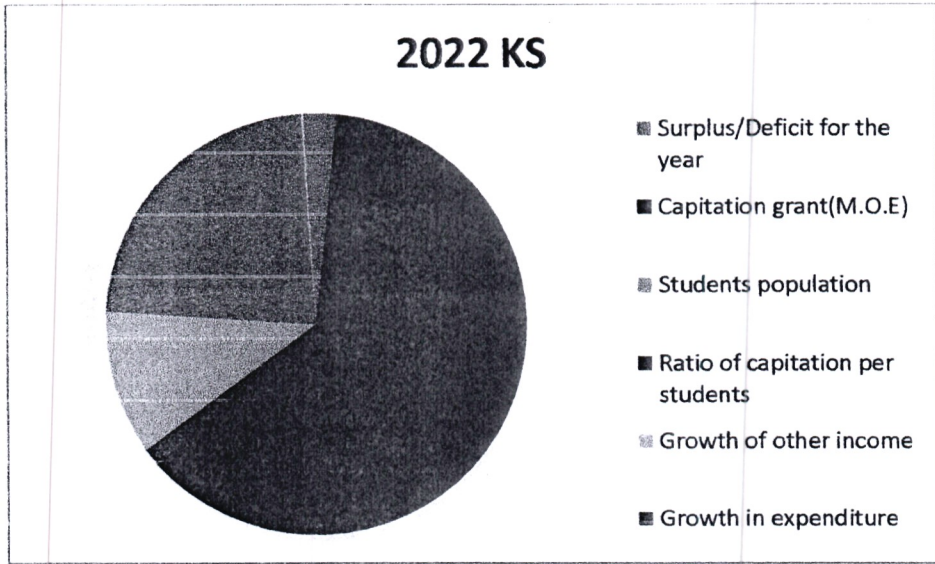
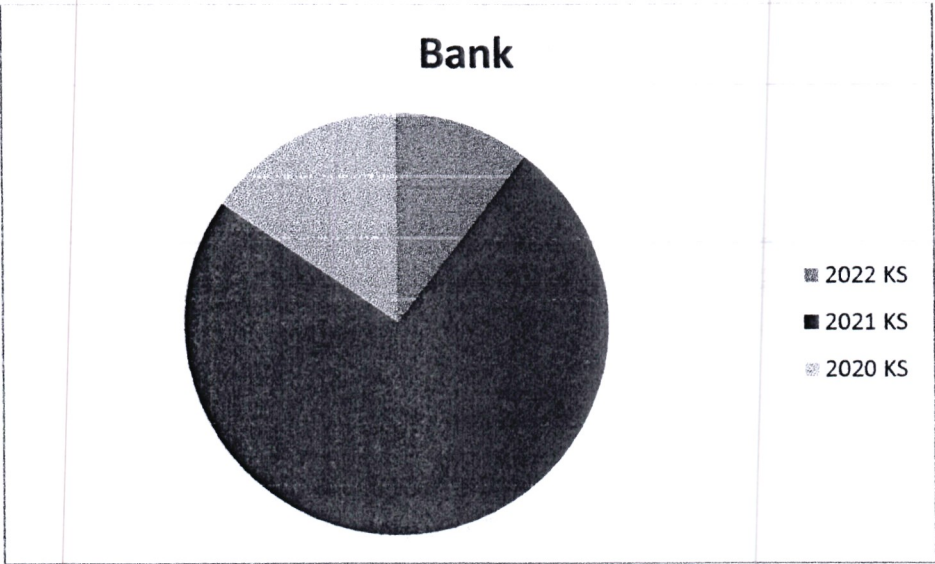
- 2022 KS
- 2021 KS
- 2020 KS

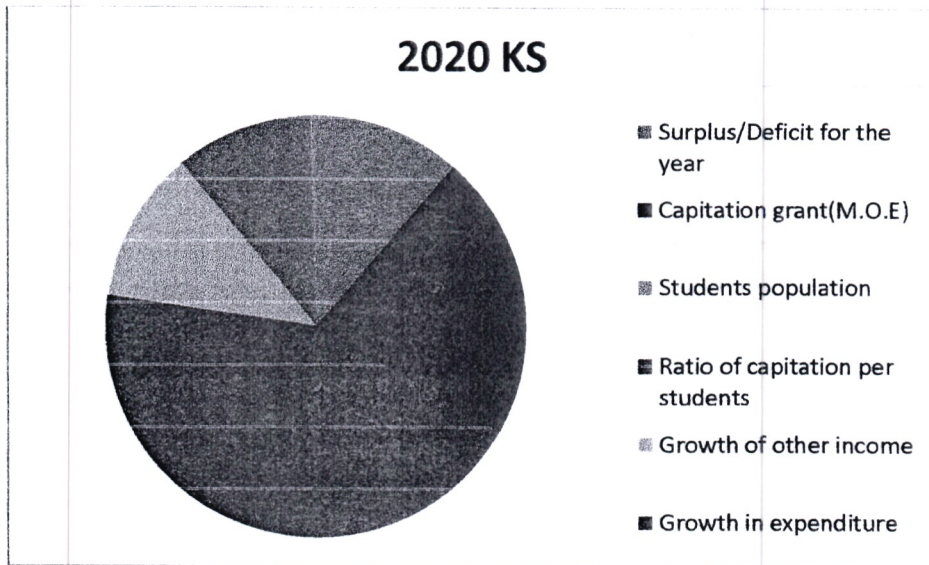
Growth in expenditure



- 2022 KS
- 2021 KS
- 2020 KS







b) Teacher Student ratio:

	2022	2021
Teachers recruited by TSC	2	2
Teachers transferred	2	3
Teachers recruited by BOM	2	3
Teachers on each subjects		KIS/HIST 5 CRE/KISW- 2 MATHS/PHY- 2 ENG/LIT- 4 BIO/CHEM- 2 GEOG/HIST- 2 BES/GEOG- 1 MATHS/CHEM-2 BIO/AGRIC- 2 PHY/CHEM- 2 COMP/MATH- 1 MATH/KISW- 1 KISW/HIST- 4

(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).

c) Mean score in the 2020-2022 KCSE:

	2022	2021	2020
Mean score	3.60	3.357	4.04
No of students transitioned to higher learning	40	30	62

COMMENTS - The school dropped the mean score in the year 2021 compared year 2020. The new Principal who joined the school in 2021 put more effort to realise a slight improvement in the year 2022

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

d) Number of Candidates in the 2020-2022 KCSE:

	2022	2021	2020
No of KSCE candidates	175	168	180

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

e) Capacity of the school:

	2022	2021	2020
No of students	563	720	768
Facilities	Dormitories - 5 Laboratories- 3 Toilets- 40	Dormitories- 5 Laboratories- 3 Toilets- 40	Dormitories- 5 Laboratories- 3 Toilets- 40

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(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).

Summary Report of the Performance of the School (Continued)

f) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

YEAR	PROJECT	FUNDING
2021	<ul style="list-style-type: none">• Construction of one classroom• Fencing of school compound(iron sheets fence)• Construction of one classroom	M&I Funds M&I Funds CBC Project
2022	<ul style="list-style-type: none">• Tilling of all classrooms, departmental offices, dormitories• Construction of 2 classrooms	M&I Funds CBC Project

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 (PSASB) of Kenya from time to time.

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

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

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

.....
Name: *Florencia A. Echesta*

Designation: Chairman, School Board of Management

Date: 27/7/23

.....
Name: *Dismas Siameche*
Designation: School Principal & Secretary to Board of Management

Date: 27/7/23



.....
Name: *Miriam Guto Wambui*
Designation: Bursar/ Finance Officer

Date: 27/7/23

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

IV. Report Of The Independent Auditors *(To be attached)*


(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

V. Statement Of Receipts And Payments Period To 30th June 2021


Description Of Vote Head	Note	JAN 2020-JUNE 2021	2020-2020
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	2,386,790	
Capitation grants for operations	2	11,894,575	
School fund income- parents' contributions	3	20,756,578	
School fund income- other receipts	4	-	
Proceeds from borrowings		-	
Total Receipts		35,037,943	
Payments			
Payments for tuition	5	3,496,270	
Payments for operations	6	8,391,672	
Boarding and school fund payments	7	20,199,005	
Total Payments		32,086,947	
Surplus/Deficit		2,950,996	

The school financial statements were approved on _____ 2022 and signed by:


.....
Name: Florence A. Ketcher
Chair BOM
Date: 27/7/23


.....
Name: 
School Principal/ Secretary to
BOM
Date: 27/7/23




.....
Name: Patricia Eunice Wambani
Bursar/ Finance Officer
Date: 27/7/23

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. THOMAS AQUINAS MADENDE SECONDARY SCHOOL FOR THE EIGHTEEN (18) MONTHS' PERIOD ENDED 30 JUNE, 2021 – BUSIA COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of St. Thomas Aquinas Madende Secondary School – Busia County set out on pages 1 to 14, which comprise the financial

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of St. Thomas Aquinas Madende Secondary School – Busia County as at 30 June, 2021, 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 the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of financial statements of the School for the period presented for audit revealed the following anomalies: -

- i. The statement of receipts and payments reflects capitation grants for tuition and operations of Kshs.2,386,790 and Kshs.11,894,575 respectively. However, comparison of the National Education Management Information System (NEMIS) data and the School's enrolment registers revealed that the number of students captured in NEMIS and which was used for allocation capitation grants was less than the actual enrolment by twenty (20) and thirty-seven (37) in February, 2021 and in April, 2021 respectively, resulting in underfunding by Kshs.209,179.
- ii. The statement of receipts and payments reflects Kshs.2,386,790 in respect of capitation grants for tuition. However, review of the supporting schedules including NEMIS capitation disbursement extracts revealed allocation of Kshs.983,530, resulting in unexplained and unreconciled variance of Kshs.1,403,260.
- iii. The statement of receipts and payments reflects an amount of Kshs.11,894,575 in respect of capitation grants for operations. However, review of the supporting schedule including NEMIS capitation disbursement extract revealed an allocation of Kshs.4,610,372, resulting in unexplained and unreconciled variance of Kshs.7,284,203.
- iv. The statement of receipts and payments reflects an amount of Kshs.20,756,578 in respect of school fund income - parents' contributions. However, review supporting schedules including the fees collection summary revealed total fee collections of Kshs.8,146,891, resulting in unexplained and unreconciled variance of Kshs.12,609,687. Further, the fees collection was not supported with the bank statements.

- v. The statement of receipts and payments reflects capitation grants for operations of Kshs.11,894,575 which includes amount of Kshs.153,575 in respect of medical and insurance. However, supporting documents including NEMIS receipts schedules and acknowledgments to the Ministry of Education were not provided for review. In addition, review of the school NEMIS data revealed that the Ministry disbursed capitation for the period under review in February and April, 2021 with student NEMIS enrolment of 740 and 757 respectively, translating to capitation of Kshs.1,498,000 in respect of medical insurance. The resulting variance of Kshs.1,344,425 was not explained or reconciled.
- vi. As disclosed in Note 2 to the financial statements capitation grants for operations of Kshs.11,894,575 were received during the period under review, which includes an amount of Kshs.307,150 in respect of activity. However, supporting documents including NEMIS receipt schedules and acknowledgments to the Ministry of Education were not provided for review. Further, review of the School's NEMIS data revealed that the Ministry disbursed capitation in February and April, 2021 based on student NEMIS enrolment of 740 and 757 respectively, translating to capitation of Kshs.1,123,500 in respect of activity, resulting in unexplained and unreconciled variance of Kshs.816,350.
- vii. As disclosed in Note1 to the financial statements, no amount was disbursed to the school in respect of textbooks and reference materials. Review of the correspondence to Schools from the Ministry of Education on the implementation of Free Day Secondary Education (FDSE) revealed that the capitation grants in respect of textbooks were retained the Ministry of Education for purchase of books which were and supplied to the schools. However, details including the values and cost of the supplied textbooks were not provided for audit review.
- viii. The statement of receipts and payments reflects Kshs.3,496,270 in respect of payments for tuition. However, review of the supporting schedule including payment vouchers revealed Kshs.996,650, resulting in unexplained and unreconciled variance of Kshs.2,499,620.
- ix. As disclosed in Note 6 to the financial statements, expenditure totalling Kshs.8,391,672 was incurred in respect of payments for operations. However, review of the supporting schedule including payment vouchers revealed expenditure of Kshs.4,331,139, resulting in unexplained and unreconciled variance of Kshs.4,060,533.
- x. The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects Kshs.20,199,005 in respect of payments for boarding and school fund. However, review of the supporting schedule including payment vouchers revealed Kshs.6,933,545, resulting in unexplained and unreconciled variance of Kshs.13,265,460

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

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,249,470 which comprise Kshs.1,204,128 and Kshs.45,342 in respect of bank and cash in hand balances respectively. The bank balance of Kshs.1,204,128 includes bank balances in respect of five (5) bank accounts. However, the bank account and cash in hand balances were not supported with cash book, bank reconciliation statements and board of cash survey reports respectively.

In the circumstances, the regularity, accuracy and completeness of the bank accounts balance of Kshs.1,249,470 in respect of cash and cash equivalents could not be confirmed.

3. Unsupported Accounts receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.18,508,132 in respect of fees arrears. However, supporting documents including ledger schedules includes fees arrears dating back to the year 2010 which were not supported with students' fee statements. Further, there was no evidence indicating mechanisms put in place to recover these long overdue debts.

In the circumstances, the accuracy, completeness and recoverability and fair statement of accounts receivable balance of Kshs.18,508,132 could not be confirmed.

4. Unsupported Accounts Payables

The statement of financial assets and financial liabilities which, reflects accounts payable balance of Kshs.19,216,174 and as disclosed in Note 12 to the financial statements includes Kshs.19,131,830 and Kshs.84,344 in respect of trade creditors and prepayments respectively. However, supporting documents for trade creditors with a balance of Kshs.19,131,830, including invoices, delivery notes, issues and receipts were not provided for review. Further, the prepaid fees were not supported by students' fee statements. In addition, the balance includes long outstanding accounts payables dating two years back. However, evidence indicating mechanisms or strategies put in place to settle these long outstanding accounts payables were not provided for audit.

In the circumstances, the accuracy and completeness of accounts payable balance of Kshs.19,216,174 could not be confirmed.

5. Unsupported Repairs, Maintenance and Improvements

The statement of receipts and payments reflects payments for operations and boarding and school fund payments of Kshs.8,391,672 and Kshs.20,199,005 respectively. The expenditure includes amounts of Kshs.1,777,980 and Kshs.1,174,200 in respect to repairs, maintenance and improvements totalling Kshs.2,952,180. However, supporting documents including procurement plans, bills of quantities, contract agreements, payment and inspection and acceptance committee reports for the repairs and

maintenance works were not provided for audit review in respect of maintenance and repairs work done.

In the circumstances, the accuracy and completeness of the amounts totalling to Kshs.2,952,180 for repairs, maintenance and improvements could not be confirmed.

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

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.

Other Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final total income budget and actual on comparable basis of Kshs.21,685,747 and Kshs.35,037,943 respectively, resulting in an over-funding of Kshs.13,352,196 or 62% of the budget. Similarly, the statement reflects final budget expenditure and actual on comparable basis of Kshs.21,685,747 and Kshs.32,086,947, resulting in over-absorption of Kshs.10,401,200 or 48% of the budget.

Further, the budget amounts were not supported by approved budget, contrary to Regulation 31(1) of the Public Finance Management (National Government) Regulations, 2015 which states that 'the Accounting Officer shall ensure that the draft estimates relating to her or his department are prepared in conformity with the Constitution, the Act and these Regulations.(2) The Accounting Officer is responsible, in particular for ensuring that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of her or his national government entity during the financial year and the estimates are submitted to the National Treasury in the manner and format to be issued by the Cabinet Secretary'.

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 matter 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

Non-Compliance with the Public Sector Accounting Standards Board Requirement on Presentation of the Financial Statements

The School submitted the financial statements for audit during the year under review. However, the following anomalies were noted:

- i. The financial statements were presented without the table of contents while the preamble information was presented without customizing to provide information relevant to the School.
- ii. The date the financial statements were approved was not indicated.
- iii. The financial statements did not include annexures such as analysis of pending payables and summary of fixed assets register, contrary to the prescribed reporting template.

In the circumstances, the School Management did not comply with the Public Sector Accounting Standards Board (PSASB) guidelines.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of 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 overall governance were not effective.

Basis for Conclusion

1. Lack of Risk Management Policy

During the period under review, the School Management had not established Risk Management Policy. This was contrary to Regulation 165(1) (a-b) of the Public Finance Management (National Governments) Regulations, 2015 which states that 'the Accounting Officer shall ensure that the national government entity develops risk

management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations’.

In the circumstances, Management was in breach of the law and was not able to identify risks and develop mitigating strategies.

2. Lack of Insurance Cover for Property and Other Assets

Review of the financial statements and assets records revealed that the School did not have insurance cover for property and other assets which exposed the school to risk of loss of property in an event of incidents such as fire.

In the circumstances, the School’s assets may be exposed to losses without compensation in case of fire, theft or any other unforeseen occurrences.

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

Responsibilities of Management and those Charged with Governance

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 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 controls 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 the Management.
- Conclude on the appropriateness of the 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 October, 2023

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

VI. Statement Of Financial Assets And Financial Liabilities As At 30th June 2021

Description	Note	JAN-JUNE2021	2020-2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	1,204,128	
Cash balances	9	45,342	
Short term investment	10	-	
Total cash and cash equivalent		1,249,470	
Account's receivables	11	18,508,132	
Total financial assets		19,757,602	
Financial liabilities			
Accounts payables	12	19,216,174	
Net financial assets		541,428	
Represented by			
Accumulated fund b/fwd	13	541,428	
Surplus/deficit for the year			
Net financial position		541,428	

The school's financial statements were approved on _____

_____ed by:

Name: *Roderick A. Echessa*

Name: _____
School Principal/ Sec
BOM

Name: *Maria Estor Wambui*

Chair BOM

Bursar/ Finance Officer

Date: *27/7/23*

Date: *27/7/23*

Date: *27/7/23*





VII. Statement of Cash Flows for The Period Ended 30th June 2021

Description	Notes	JAN 2020-JUNE2021	2020-2020
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	2,386,790	
Capitation grants for operations & infrastructure	2	11,894,575	
School fund income- parents contributions/ fees	3	20,756,578	
School fund income- other receipts	4	-	
Total receipts		35,037,943	
Payments			
Payments for tuition	5	3,496,270	
Payments for operations	6	8,391,672	
Boarding and school fund payments	7	20,199,005	
Total payments		32,086,947	
Net cash flow from operating activities		2,950,996	
Cashflow from investing activities			
Proceeds from sale of assets		-	
Acquisition of assets		-	
Proceeds from investments		-	
Purchase of investments		-	
Net cash flows from investing activities		-	
Cashflow from borrowing activities			
Proceeds from borrowings/ loans		-	
Repayment of principal borrowings		-	
Net cash flow from financing activities		-	
Net increase in cash and cash equivalents		2,950,996	
Cash and cash equivalent at beginning of the year		(1,701,526)	
Cash and cash equivalent at end of the year		1,249,470	

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

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

Receipt/Expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Kshs	Kshs			Kshs	Kshs
(1) Capitation Grant on Tuition						
Textbooks And Reference Materials	-	-	-	-	-	-
Exercise Books	540,000	-	540,000	1,096,696	-556,696	203.09%
Laboratory Equipment	204,120	-	204,120	547,858	-343,738	268.39%
Internal Exams	122,200	-	122,200	180,788	-58,588	147.94%
Teaching / Learning Materials	214,220	-	214,220	490,458	-276,238	228.95%
Chalks	-	-	-	70,990	-	-
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
TOTAL	1,080,540		1,080,540	2,386,790	-1,306,250	220.88%
(2) Capitation Grant on Operations						
Personnel Emoluments	2,370,504	-	2,370,504	1,483,030	887,474	62.5%
Repairs And Maintenance	1,439,000	-	1,439,000	2,325,860	-886,860	161.63%
Local Transport / Travelling	666,555	-	666,555	904,860	-238,305	135.75%
Electricity And Water	2,014,000	-	2,014,000	634,095	1,379,905	31.49%
Medical	-	-	-	153,575	-	-
Administration Costs	1,144,948	-	1,144,948	688,060	456,888	60.14%
Activity	-	-	-	307,150	-	-
Others vorehead	-	-	-	5,398,155	-	-

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)
Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

Receipt/Expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Kshs	Kshs			Kshs	Kshs
Smasse	-	-	-	-	-	
TOTALS	7,635,007		7,635,007	11,894,575	-4,259,568	155.78%
(3) Fees Charged on Parents						
Personnel Emoluments	3,018,600	-	3,018,600	3,260,340	-241,740	108.08%
Repairs And Maintenance	936,000	-	936,000	1,668,046	-732,046	178.21%
Local Transport / Travelling	905,400	-	905,400	2,096,818	-1,191,418	231.59%
Electricity And Water	1,509,120	-	1,509,120	1,066,572	442,548	70.67%
Medical	-	-	-	-	-	-
Administration Costs	604,080	-	604,080	1,262,469	-658,389	208.99%
Activity	117,000	-	117,000	172,877	-55,877	147.75%
Prepaid fees				196,713		
Fee On Boarding Equipment and Stores	5,880,000	-	5,880,000	11,032,743	-5,152,743	187.63%
Other Income						
Rent Income	-	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-	-
Insurance Compensation	-	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-	-
Income From Bus Hire	-	-	-	-	-	-
Fee For Hire of Ground And Equipment	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-	-

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)
Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

Receipt/Expenses Item	Original Budget		Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b				
	Kshs	Kshs	c=a+b	D	e=c-d	f=d/c %
Total Income	12,970,200	-	21,685,747	20,756,578	-1,338,138	161.57%
GRAND TOTAL	21,685,747	-	21,685,747	33,037,943		
(1) Expenditure For Tuition						
Textbooks And Reference Materials	-	-	-	-	-	-
Exercise Books	1,640,040	-	1,640,040	1,571,810	68,230	95.83%
Laboratory Equipment	990,050	-	990,050	763,086	226,964	77.07%
Internal Exams	402,000	-	402,000	173,000	229,000	43.03%
Teaching / Learning Materials	600,000	-	600,000	861,193	-261,193	143.53%
Chalks/stationary	74,800	-	74,800	127,181	-52,381	170.02%
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
Administration Costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Total expenditure	3,706,890	-	3,706,890	3,496,270	210,620	94.31%
(2) Expenditure For Operations						
Personnel Emoluments	2,217,060	-	2,217,060	2,253,039	-35,979	101.62%
Repairs, Maintenance & Improvements	1,200,000	-	1,200,000	1,777,980	-577,980	148.16%
Local Transport / Travelling	680,040	-	680,040	-	680,040	-
Electricity, Water and Conservancy	300,000	-	300,000	200,000	100,000	66.66%
Medical	-	-	-	-	-	-
Administration Costs	400,180	-	400,180	59,600	340,580	-
Activity	120,660	-	120,660	-	120,660	-

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)
Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

Receipt/Expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Kshs	Kshs			Kshs	Kshs
KESSHA	-	-	-	270,120	-	-
Other votehead	-	-	-	3,830,933	-	-
Total expenditure	4,917,940		4,917,940	8,391,672	-3,473,732	170.63%
(3) Expenditure For School Fund						
Personnel Emoluments	2,304,480	-	2,304,480	3,097,927	-793,447	134.43%
Repairs, Maintenance and Improvements	400,000	-	400,000	1,174,200	-774,200	293.55%
Local Transport / Travelling	632,000	-	632,000	1,826,866	-1,194,866	289.06%
Electricity, Water and Conservancy	540,000	-	540,000	827,536	-287,536	153.24%
Medical Expenses	-	-	-	-	-	-
Administration Costs	917,060	-	917,060	1,232,390	-315,330	134.38%
Activity	-	-	-	249,310	-	-
Gratuity	-	-	-	-	-	-
Lunch Programme	-	-	-	-	-	-
Boarding Equipment and Stores	8,267,377	-	8,267,377	11,668,396	-3,401,019	141.13%
Expenditure For Income Generating Activity	-	-	-	-	-	-
Insurance	-	-	-	97,380	-	-
Other Expenses On Investments	-	-	-	-	-	-
Welfare	-	-	-	25,000	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)
Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

Receipt/Expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
Acquisition Of Assets	Kshs	Kshs	-	-	Kshs	Kshs
Totals	13,060,917	-	13,060,917	20,199,005	-7,138,088	154.65%
GRAND TOTAL	21,685,747		21,685,747	32,086,947	(10,401,200)	147.96%

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

- i.
- ii. The actual expenditure is for 2020 financial year and six months 2021 financial year while the budget is for six months 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 30th June 2022.

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	JAN 2020-JUNE2021	2020-2020
	Kshs	Kshs
Textbooks And Reference Materials		
Exercise Books	1,096,696	
Laboratory Equipment	547,858	
Internal Exams	180,788	
Teaching / Learning Materials	490,458	
Chalks	70,990	
Exams And Assessment	-	
Teachers Guides	-	
Total	2,386,790	

2 Capitation Grant for Operations

Description	JAN 2020-JUNE2021	2020-2020
	Kshs	Kshs
Personnel Emoluments	1,483,030	
Repairs And Maintenance	2,325,860	
Local Transport / Travelling	904,650	
Electricity And Water	634,095	
Medical	153,575	
Administration Costs	688,060	
Activity	307,150	
Others	5,398,155	
Total	11,894,575	

3 Parents Contribution/Fees - School Fund Account

Description	JAN 2020-JUNE2021	2020-2020
	Kshs	Kshs
Personnel emoluments	3,260,340	
Repairs and maintenance	1,668,046	
Local transport / travelling	2,096,818	
Electricity and water	1,066,572	
Medical	-	
Administration costs	1,262,469	
Activity	172,877	

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

Description	JAN 2020-JUNE2021	2020-2020
	Kshs	Kshs
Fees on Boarding Equipment and Stores	11,032,743	
Prepaid fees	196,713	
Total	20,756,578	

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

Description	JAN 2020-JUNE2021	2020-2020
	Kshs	Kshs
Income From Farming Activities		
Examination fund		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Total		

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

5 Payments For Tuition

Description	JAN 2020-JUNE2021	2020-2020
	Kshs	Kshs
Textbooks And Reference Materials	-	
Exercise Books	1,571,810	
Laboratory Equipment	763,086	
Internal Exams	173,000	
Teaching / Learning Materials	861,193	
Chalks	127,181	
Exams And Assessment		
Teachers Guides		
Stationery		

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

Bank Charges		
Total	3,496,270	

Notes To The Financial Statements (Continued)

6 Payments For Operations

Description	JAN 2020-JUNE2021	2020-2020
	Kshs	Kshs
Personnel Emoluments	2,253,039	
Service Gratuity		
Administration Cost		
Repairs And Maintenance & Improvements	1,777,980	
Local Transport / Travelling		
Electricity And Water	200,000	
Medical		
Activity Expenses	59,600	
Smasse		
KESSHA	270,120	
Bank Charges		
Others	3,830,933	
Total	8,391,672	

(ST THOMAS AQUINAS MADENDE SECONDARY SCHOOL)

Reports and Financial Statements For 18 Months(1st Jan 2020-30th June2021)For the period ended 30th June 2021

Notes To The Financial Statements (Continued)

7 Boarding And School Fund Payments

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Personnel Emoluments	3,097,927	
Insurance	97,380	
Repairs And Maintenance & Improvements	1,174,200	
Local Transport / Travelling	1,826,866	
Electricity And Water	827,536	
Medical Expenses		
Administration Costs	1,232,390	
Lunch Programme		
Bank Charges		
Expenses On Income Generating Activities		
Fee On Boarding Equipment and Stores	11,668,396	
Rent Expenses		
Donations		
Activity	249,310	
Loan Interest Repayment		
Welfare	25,000	
Total	20,199,005	

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

Notes To The Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	JAN 2020-JUNE 2021	2020-2020
		Kshs	Kshs
Tuition Account	01025036820800	1,110.15	
Operations Account	01242036820800	845,651.08	
School Fund Account/Boarding	01021036820800	279,612.47	
Savings Account		-	
CDF	01242037194900	4,422.00	
Income Generating Activities Account			
Infrastructural Account	01022230680800	73,333.00	
Total		1,204,128.7	

9 Cash In Hand

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Tuition Account	-	
Operation Account	-	
School Fund account	45,342	
Total	45,342	

10 Short Term Investments

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Cooperative Shares	-	
Treasury Bills	-	
Fixed Deposit	-	
Equity Stock	-	
Other Investments	-	
Total	-	

Notes To The Financial Statements (Continued)

11 Accounts Receivable

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Fees Arrears (see ageing analysis)	18,508,132	
School fund ac(2020 audited)		
Salary Advances		
Imprest		
Total	18,508,132	

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

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Fees Arrears For Current Year	1,098,321	
Fees Arrears For The Previous Year(audited)	17,409,811	
Fees Arrears For Prior Periods (Over Two Years)		
Total	18,508,132	

12 Accounts Payable

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	19,131,830	
Prepaid fees	84,344.00	
RD cheques	-	
Harambee	-	
Caution money	-	
Retention Monies	-	
Total	19,216,174	

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

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Trade Creditors for Current Year	3,174,449	
Trade Creditors for The Previous Year(audited)	15,957,381	
Trade Creditors for Prior Periods (Over Two Years)		

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Total	19,131,830	
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Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Bank Balances	1,204,128.7	
Cash Balances	45,342	
Short Term Investments	-	
Receivables	18,508,132	
Payables	(19,216,174)	
Total	541,428.7	

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	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Total	-	-

15 Biological assets

Description	Numbers	JAN 2020-JUNE 2021	2020-2020
		Kshs	Kshs
Cattle	13	-	-
Goats	-	-	-
Trees	245	-	-
Coffee Or Tea Plantation	-	-	-
Poultry	15	-	-
Pigs	13	-	-
Total		-	-

16 Borrowings

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

Other important disclosure notes

17 Stock/ Inventory

Description	JAN 2020-JUNE 2021	2020-2020
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	2,595	10,345
Stock/ inventory purchased during the year	1,468,320	345,480
Stock/ inventory issued during the year	(1280,315)	(353,230)
Balance at end of the year	190,600	2,595

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18 Progress On Follow Up Of Auditor Recommendations

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

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

Sign and Date
Principal




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Annex 1 - Analysis Of Pending Accounts Payable(Provided by ageing analysis of creditors 2020/2021 Annex BA)

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 20XX-1	Comments
	a	B	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
Sub-Total						
Grand Total						

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Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	1981	School	Donation- community	-	-	-
Land 2	2005	Next plot	Paid through fees shs 75000	-	-	-
Buildings And Structures	NA	School-42 structures	-	1	-	-
Motor Vehicles	2005	School	6,000,000	-	-	5,750,000
Office Equipment, Furniture And Fittings	2016-2021	Principal Departments	-	-	-	-
ICT Equipment, And Other ICT Assets	2016	Computer lab - 29	870,000	-	-	850,000
Tools And Apparatus	2019	Labaratory	-	-	-	-
Textbooks	2018-2021	Library&store	Govt donations	-	-	-
Other Machinery And Equipment	2014	Posho mill Freezer Generator Photoprinter	625,000	-	-	600,000
Heritage And Cultural Assets	-	-	-	-	-	-
Intangible Assets- Soft Ware(Exams software	2021	DOS Office	50,000	-	-	50,000
Total						

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