

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

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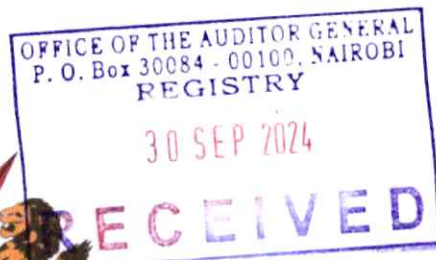
**THE AUDITOR-GENERAL**

**ON**

**REV. MUHORO SECONDARY SCHOOL  
FOR THE DEAF**

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

**NYERI COUNTY**



*Revised 30<sup>th</sup> June 2023.*



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**REV MUHORO SECONDARY SCHOOL FOR THE DEAF  
ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2023**

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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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**REV MUHORO SECONDARY SCHOOL FOR THE DEAF**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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**1. Acronyms and Glossary of Terms**

*Provide a list of all applicable acronyms and glossary of terms e.g.*

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education

## 2. 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 in NYERI County, MUKURWEINI Sub-County.

The school was registered in 08.03.2018 under registration number **19 S 0030 0103** and is currently categorized as a National Special Public School established, owned or operated by the Government.

The school is a day & boarding school and had 368 number of students as at 30<sup>th</sup> June 2023. It has 3 streams and 22 teachers of which 3 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	Erastus Manyara	Chairperson	5.3.2022
2	Sally Ndegwa	Vice Chairperson	5.3.2022
3	Mary Hunja	Member	5.3.2022
4	Migui Njagi	Member	5.3.2022
5	Mary Ndomo	Member	5.3.2022
6	Stanley Wambugu	Member	5.3.2022
7	Bismark Nyuguto	Member	5.3.2022
8	Susan Kirima	Member	5.3.2022
9	Samuel Kagia	Member	5.3.2022
10	Susan Thuku	Member	5.3.2022
11	Rev Lucas Murigu	Member	5.3.2022
12	Muriithi Nyika	Member	5.3.2022
13	Steven maina Gikonyo	Member	5.3.2022
14	Patrick Muthuuri	Member	5.3.2022
15	Robert Mathari	Member	5.3.2022
16	Esther Wangari	Member	5.3.2022
17	Elizabeth Gituku	Secretary	

**The functions of the School Board of Management are to:**

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

**(c) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Erastus Manyara Mary Hunja Sally Ndegwa Patrick Muthuuri	Chairperson Member Member Member	2
2	Audit Committee	Migui Njagi Mary Ndomo Stanley Wambugu Esther Wangari	Chairperson Member Member Member	
3	Finance, procurement and general purposes Committee	Bismark Nyuguto Erastus Manyara Mary Hunja	Chairperson Member Member	2
4	Academic Committee	Sally Ndegwa Susan Kirima Samuel Kagia Patrick Muthuuri	Chairperson Member Member Member	3
5	Development Committee	Migui Njagi Erastus Manyara Maina Gikonyo	Chairperson Member Member	
6	Discipline and welfare Committee	Susan Thuku Rev Lucas Murigu Muriithi Nyika Robert Mathari Samuel Kagia	Chairperson Member Member Member Member	2
7	Adhoc Committee (if any during the year)			

**REV MUHORO SECONDARY SCHOOL FOR THE DEAF**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

**(d) School operation Management**

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

Ref:	Designation	Name	Identification
1	Principal	GITUKU ELIZABETH	TSC No.322669
2	Deputy Principal	-	TSC No.
3	School Bursar	JOHN NDOGO	ICPAK No.
4	Other (specify)		

**(a) Schools contacts**

Post Office Box: P.O BOX 278 - 10103 MUKURWEINI  
Telephone: 0719822683  
E-mail: [revmuhorosfd@gmail.com](mailto:revmuhorosfd@gmail.com), [principalrevmuhoro@gmail.com](mailto:principalrevmuhoro@gmail.com)  
Website:  
Face book:  
Twitter:

**(b) School Bankers**

Provide details of the school bankers.

Name of Bank: **KENYA COMMERCIAL BANK LTD**  
Branch: **MUKURWEINI**  
Postal Address. **P.O BOX 840 – 10103 MUKURWEINI**

Name of Bank: **EQUITY BANK LTD**  
Branch: **MUKURWEINI**  
Postal Address. **P.O BOX MUKURWEINI**

Name of Bank: **ABSA BANK LTD**  
Branch: **NYERI**  
Postal Address. **P.O BOX 320– 10103 NYERI.**

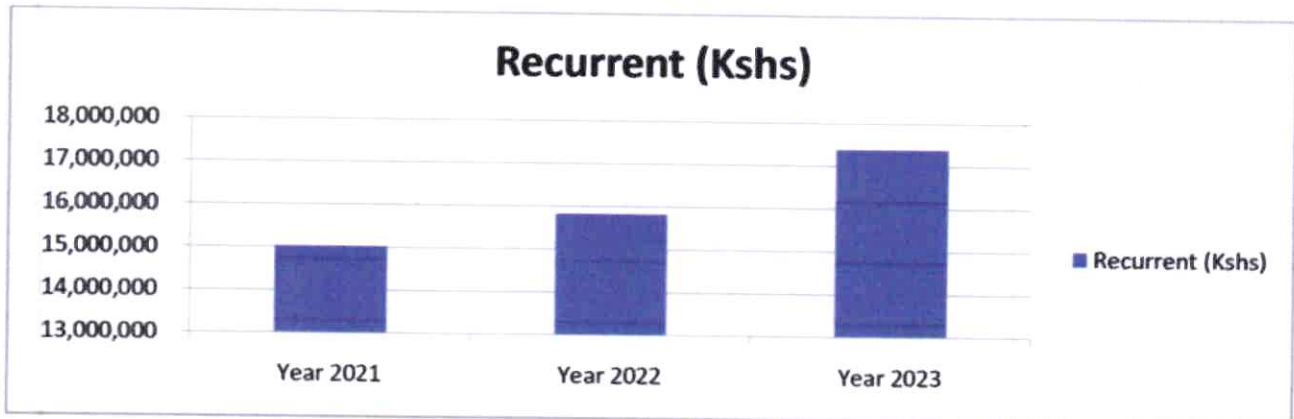
**(c) Independent Auditors**

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

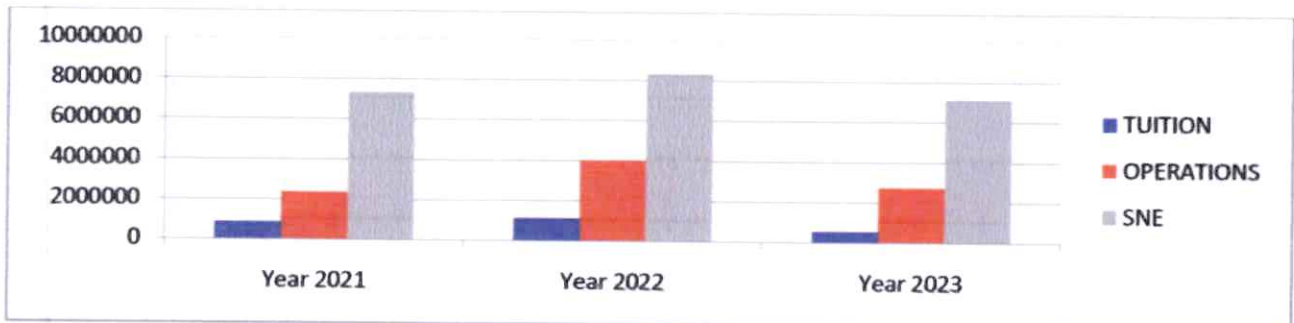
**3. Summary Report of Performance of The School**

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

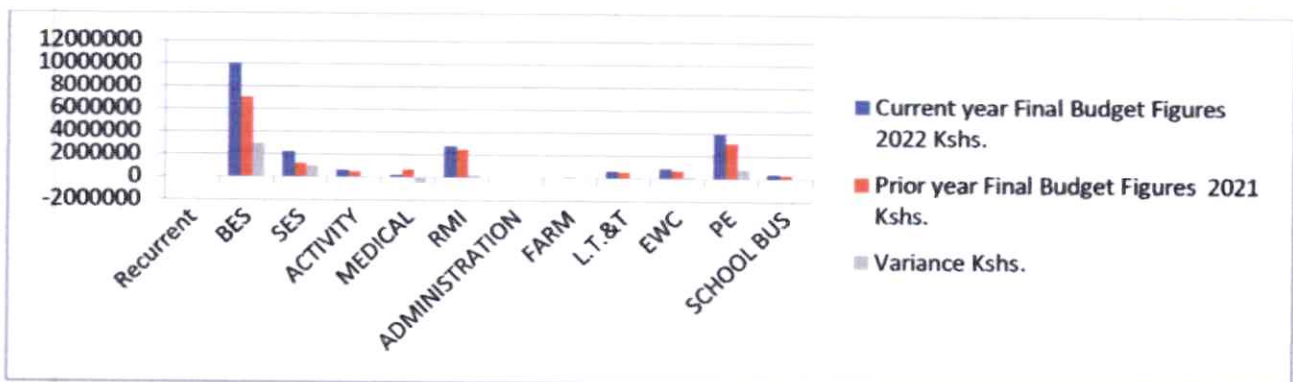
**a) Financial performance:**



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



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



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

**b) Teacher Student ratio:**

No. of teachers under TSC	No. of teachers under BOM	No. of teachers recruited	No. of teachers transferred	Students Enrolment	Teacher: student ratio
19	3	1	1	368	22:368 = 1:17

**c) Teachers establishment**

CBE	Teacher shortfall	Teacher Shortfall : Subjects combination	
28	9	BST/KSL	1
		BIOLOGY/KSL	1
		COMPUTER STUDIES/KSL	1
		HISTORY/KSL	1
		MATHEMATICS/KSL	1
		CHEMISTRY/KSL	1
		ENGLISH /KSL	1
		CRE/KSL	1
		PHYSICS /KSL	1

**d) Mean score in the 2023 KCSE:**

YEAR	2023	2022	2021
MSSS	3.256	3.222	3.291
Deviation	0.034	-0.069	0.1624

**e) Number of Candidates in the 2023 KCSE:**

Year	2023	2022	2021
No. of Candidates	89	78	92

**f) Capacity of the school:**

Facility	Girls dormitories	Boys dormitories	Dining hall	Toilets	Perimeter fence	Playing fields
Remarks	Not adequate	Adequate	Not adequate	Adequate	In adequate	Require fixtures & levelling

Facility	Classrooms	Science lab	ICT lab	Homescience Workshop	Woodwork shop
Remarks	Adequate	Not adequate	Requires equipment	Requires equipment	Equipment inadequate

**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).*

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
School toilets	M & I	Complete	1,379,000	1,379,000	
CBC Classrooms	MOE	Complete	1,576,000	1,379,000	



.....  
**School Principal**

#### 4. Statement of School Management Responsibility

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

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

The Board of Management of (*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 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.



.....  
**Name: ERASTUS MANYARA**

**Designation:** Chairman, School Board of Management

**Date:** 28.09.2023



.....  
**Name: ELIZABETH GITUKU**

**Designation:** School Principal & Secretary to Board of Management

**Date:** 28.09.2023



.....  
**Name: JOHN NDOGO**

**Designation:** Bursar/ Finance Officer

**Date:** 28.09.2023



# REPUBLIC OF KENYA

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



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON REV. MUHORO SECONDARY SCHOOL FOR THE DEAF FOR THE YEAR ENDED 30 JUNE, 2023 – NYERI COUNTY**

### PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal 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 Rev. Muhoro Secondary School for the Deaf - Nyeri County set out on pages 1 to 25, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and

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

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

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

The statement of receipts and payments reflects total receipts and total payments amounting to Kshs.22,411,576 and Kshs.30,148,346 respectively. However, the amounts were not reflected in the statements of budgeted versus actual amounts. Further, the statement of assets and liabilities reflects a balance of Kshs.7,327,768 in respect of surplus for the year. However, this differs from the balance of Kshs.7,736,768 reflected in the statement of receipts and payments. No explanation has been provided for the variance.

In addition, Note 6 to the financial statements reflects a total of Kshs.16,364,138 relating to the balance in respect of operations which is at variance with the recalculated amount of Kshs.16,364,138.

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

#### **2. Unsupported Accounts Receivables**

The statement of assets and liabilities reflects accounts receivables balance of Kshs.9,505,783 as disclosed in Note 13 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

Further, significant accounting policies on accounts receivables in Note 5 has not disclosed the treatment of the students' fees balances which is the major source of income for the School. In addition, the accounts receivables includes a balance of Kshs.6,645,856 which have been outstanding between two (2) to three (3) years.

In the circumstances, the accuracy and recoverability of the accounts receivables balance of Kshs.9,505,783 could not be confirmed.

### **3. Unsupported Cash and Cash Equivalents**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.10,712,653 as disclosed in Note 10 and Note 11 to the financial statements. However, the bank balances were not supported by cash books, certificates of bank balances and bank reconciliation statements.

In the circumstances, the completeness and existence of bank balance of Kshs.10,712,653 could not be confirmed.

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

Annex 2 to the financial statements reflects a list fixed assets register with undisclosed values and whose balances have not been indicated. In addition, land ownership documents for the land in which the School is developed were not provided for audit.

In the circumstances, completeness, ownership and security of the fixed assets owned by the School could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Rev. Muhoro Secondary School for the Deaf 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.

## **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. Under Funding of Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.918,662 and Kshs.13,871,397 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of one thousand three hundred and forty-eight (1,348) students while the enrolment records provided by the School indicated a total number of one thousand three hundred and eighty-six (1,386) students, resulting to an unexplained variance of thirty-eight (38) students. As a result of the variances, the School was under funded by an amount of Kshs.520,700.

In the circumstances, the effectiveness and efficient application of the NEMIS to address fairness and equality in allocation of capitation grants could not be confirmed.

## **2. Excess Supply of Books**

During the year/period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed a total of one thousand three hundred and eighty-six (1,386) Kiswahili text and Set books to the School while only one hundred and twenty five (125) books were issued to the students, resulting to an unexplained excess text books of one thousand two hundred and sixty one (1,261) books in the School store.

In the circumstances, value for money on the excess text books could not be confirmed.

## **3. 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.13,263,338 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.629,750 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of funds transferred to KESSHA amounting to Kshs.629,750 could not be confirmed.

## **4. Failure to Prepare School Improvement Plan**

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

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

## **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 matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my

report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

#### **Lack of Human Resource Policies and Procedures Guideline**

Review of the records held by Rev. Muhoro Sec. School for the Deaf revealed that the school did not have an approved Human Resource & policies and procedures manual and an approved salary structure in place. As a result, there was no proper guidance on recruitment, remuneration of teaching and non-teaching staff, and training for continuous development of employees.

In the circumstances, existence of optimum human resources management could not be confirmed.

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 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 governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of 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 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 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 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

19 September, 2024

6. Statement Of Receipts and Payments For the Year Ended 30<sup>th</sup> June 2023

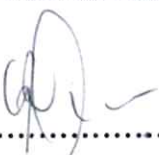
Description Of Vote Head	Note	Insert Current FY Kshs	Insert Comparative FY Kshs
<b>Receipts</b>			
Government grants for tuition	1	918,662	1,006,557
Government grants for operations	2	13,871,397	15,085,814
Government Grants for infrastructure	3	0	0
School fund income- parents' contributions	4	5,659,227	11,052,644
Miscellaneous incomes	5	1,962,290	0
<b>Total Receipts</b>		<b>22,411,576</b>	<b>27,145,015</b>
<b>Payments</b>			
Tuition	6	320,870	856,868
Operations	7	16,564,138	16,873,081
Infrastructure	8	0	0
Boarding and school fund	9	13,263,338	6,670,220
<b>Total Payments</b>		<b>30,148,346</b>	<b>24,400,169</b>
<b>Surplus/Deficit</b>		<b>(7,736,768)</b>	<b>2,744,846</b>

The school financial statements were approved on 21.09.2023 and signed by:

  
.....

Name: ERASTUS MANYARA  
Chair BOM

Date: 28.09.2023

  
.....

Name: ELIZABETH GITUKU  
School Principal/ Secretary to  
BOM

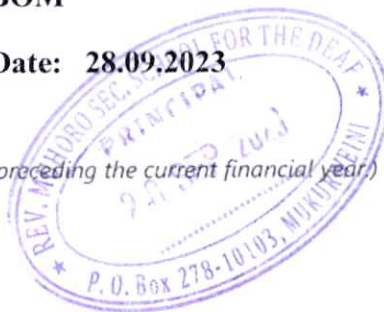
Date: 28.09.2023

  
.....

Name: JOHN NDOGO  
Bursar/ Finance Officer

Date: 28.09.2023

(Comparative FY refers to the financial year preceding the current financial year.)



7. Statement of Assets and Liabilities As At 30<sup>th</sup> June 2023

Description	Note	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	10	10,712,653	18,443,375
Cash balances	11	0	6,047
Short term investments	12	0	
<b>Total cash and cash equivalent</b>		<b>10,712,653</b>	<b>18,449,422</b>
Account's receivables	13	9,505,783	6,895,871
<b>Total financial assets</b>		<b>20,218,436</b>	<b>25,345,293</b>
<b>Financial liabilities</b>			
Accounts payables	14	(45,800)	(89,350)
<b>Net financial assets</b>		<b>20,172,636</b>	<b>25,255,943</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	27,909,404	22,511,095
Surplus/deficit for the year		7,732,768	2,744,848
Increase in receivables			
Decrease in payables			
<b>Net financial position</b>		<b>20,172,636</b>	<b>25,255,943</b>

The school's financial statements were approved on 21.09.2023 and signed by:

.....  
 Name: ERASTUS MANYARA  
 Chair BOM  
 Date: 28.09.2023

.....  
 Name: ELIZABETH GITUKU  
 School Principal/ Secretary to  
 BOM  
 Date: 28.09.2023

.....  
 Name: JOHN NDOGO  
 Bursar/ Finance Officer  
 Date: 28.09.2023

(Comparative FY refers to the financial year preceding the current Financial year)





8. Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2023

Description	Note	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition		918,662	1,006,557
Government grants for operations		13,871,397	15,085,814
Government grants for infrastructure		0	0
School fund income- parents contributions/ fees		5,659,227	11,052,644
Other income		1,962,290	0
<b>Total receipts</b>		<b>22,411,576</b>	<b>27,145,015</b>
<b>Payments</b>		0	0
Cash outflows for tuition		320,870	856,868
Cash outflows for operations		16,564,138	16,873,081
Cash outflows Boarding/lunch and school fund payments		13,263,338	6,670,220
<b>Total payments</b>		<b>30,148,346</b>	<b>24,400,169</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>(7,736,770)</b>	<b>2,744,846</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
<b>Net cash inflow/outflows from investing activities</b>			
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
<b>Net cash inflow/outflow from financing activities</b>			
<b>Net increase/decrease in cash and cash equivalents</b>		<b>(7,736,770)</b>	<b>2,744,846</b>
Cash and cash equivalent at beginning of the FY		18,449,422	15,704,576
<b>Cash and cash equivalent at end of the FY</b>		<b>10,712,653</b>	<b>18,449,422</b>

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

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

The school's financial statements were approved on 21.9.2023 and signed by:

.....  


Name: ERASTUS MANYARA

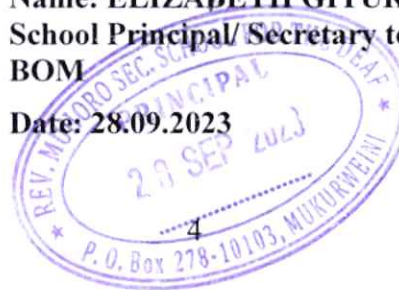
Chair BOM

Date: 28.09.2023

.....  


Name: ELIZABETH GITUKU  
 School Principal/ Secretary to BOM

Date: 28.09.2023



.....  


Name: JOHN NDOGO

Bursar/ Finance Officer

Date: 28.09.2023



*(Comparative FY refers to the financial year preceding the current Financial year.)*

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Receipts</b>					
<b>(1) Capitation Grant on Tuition</b>					
Reference Materials					
Exercise Books			517,500	0	
Laboratory Equipment			350,000	0	
Internal Exams			0	0	
Teaching / Learning Materials			0	0	
Exams And Assessment			0	918,662	
TOTAL			0	918,662	
<b>(2) Capitation Grant on Operations</b>			0		
Personnel Emoluments			3,966,000	3,596,026	91%
Repairs And Maintenance			680,000	739,583	109%
Local Transport / Travelling			1,020,000	786,076	77%
Electricity And Water			500,000	488,955	98%
Medical			300,000	250,000	83%
Administration Costs			950,000	660,759	70%
Activity			680,000	800,000	118%
Gratuity					

Rev. Muhoro Secondary school for the deaf  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/c % Kshs
<b>3) FDSE for infrastructure</b>					
Maintenance & Improvement MoE					
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments					
Repairs And Maintenance			900,000	671,210	75%
Local Transport / Travelling					
Electricity And Water					
Medical					
Administration Costs					
Activity			20,000	10,260	51%
SMASSE					
Fee On Boarding Equipment and Stores			6,003,470	4,270,721	71%
5) Arrears			0	250,015	
Others			0	457,021	
			0	3450	
Uniform			900,000	968,950	108%
Rent income					
Income From Farming Activities					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Insurance Compensation					
Income From Posho Mill					
Income From Bus Hire			360,000	310,000	86%
Fee For Hire of Ground and Equipment					
Prepayment			0	45,800	
Damages			0	19,810	
<b>Total Income</b>			<b>13,263,338</b>		
<b>(6) Expenditure For Tuition</b>					
Textbooks					
Reference Materials					
Exercise Books					
Laboratory Equipment			200,000	93,100	47%
Internal Exams			160,000	194,120	121%
Teaching / Learning Materials			0	32,140	
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges				1,500	
<b>Total</b>				<b>320,860</b>	
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments			3,000,000	3,367,193	112%

*Rev. Muthoro Secondary school for the deaf*  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Repairs, Maintenance & Improvements			900,000	827,118	92%
Local Transport / Travelling			1,050,000	1,187,536	113%
Electricity, Water and Conservancy			500,000	451,260	90%
Medical			0	22,584	
Administration Costs			500,000	459,235	92%
Activity Expenses farm			500,000	448,770	90%
Insurance			0	9650	
<i>Fees refund</i>			183,366	183,366	100%
<i>BES</i>			0	51,490	
<i>(8) Expenditure For infrastructure</i>			10,025,100	7,217,463	72%
SES (SNE)			0	2,050,123	
Construction of LAB					
<b>TOTAL</b>				<b>16,564,138</b>	
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments			0	83,000	
Repairs, Maintenance and Improvements			10,000,000	10,143,357	101%

*Rev. Muhoro Secondary school for the deaf*  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Local Transport / Travelling			300,000	204,500	60%
Electricity, Water and Conservancy			28,500	37,600	132%
Medical Expenses					
Administration Costs			30,000	23,900	80%
SES			0	176,195	
Uniform			1,750,00	1,800,638	103%
Education tour			100,000	99,870	100%
Boarding Equipment and Stores			0	210,895	
Expenditure For Income Generating Activity			0	17,600	
Insurance Costs			193,843	193,843	100%
Fees refund			0	271,940	
Rent Expenses					
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
<b>Totals</b>			<b>13,263,338</b>		

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

- i.*
- ii.*

## 10. Significant Accounting Policies

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

### 1. Statement of compliance and basis of preparation

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

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

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

### 2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 20XX.

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

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	918,662	1,006,557
Others (specify)*		
<b>Total</b>	<b>918,662</b>	<b>1,006,557</b>

\*Include others as per MOE circulars

**2 Government Grants for Operations**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Personnel Emoluments	3,596,026.90	4,606,978
Repairs And Maintenance	739,583.20	1,471,152
Local Transport / Travelling	786,072.90	1,495,858.80
Electricity And Water	488,955.15	1,495,858.80
Medical	250,000	355,097
Administration Costs	660,759.60	1,495,869.60
Activity	800,000	0
BES	1,000,000	3,000,000
SNE	1,550,000	1,165,000
Development	4,000,000	
Other Vote Heads (specify)*		
<b>Total</b>	<b>13,871,397.75</b>	<b>15,085,814.20</b>

\*Include others as per MOE circulars

**3 Government Grants for infrastructure**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Maintenance & Improvement		
Transition infrastructure grants		
Administration Block		

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Economic stimulus grants		
Other (specify)(NGCDF and County govt.		
<b>Total</b>		

#### 4 School Fund Income -Parents Contribution/Fees

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
KUCCPS	0	6,620
Bus hire		22,000
Personnel emoluments		796,850
Repairs and maintenance	671,210	
Prepayment		89,350
Examination		24,150
Education Tour		232,855
Damages		18,105
Local transport / travelling	0	0
Electricity and water	0	
Medical	0	
Administration costs	0	
Activity	10,260	45,580
Fee on Boarding Equipment and stores	4,270,721	6,567,841
PA Levies*		
Arrears	250,015	502,568
Others (specify)	457,021	659,925
School ID		15,100
Uniform		2,071,700
<b>Total</b>	<b>5,659,227</b>	<b>11,052,644</b>

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

#### 5 Miscellaneous Incomes

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Uniform	968,560	
Id cards	3,450	
Education tour	602,550	

Prepayments	45,800	
Income from bus hire	310,000	
KUCCPS	12,120	
Damages/breakages	19,810	
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income ( <i>specify</i> )*		
<b>Total</b>	<b>1,962,290</b>	

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

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

\*Indicate what other income relates to including income arising from writebacks if any.

## Notes to the Financial Statements (continued)

## 6 Tuition

Description	<i>Insert Current FY</i>	<i>Insert Comparative FY</i>
	Kshs	Kshs
Exercise Books	0	214,000
Textbooks	0	134,873
Reference materials	0	0
Laboratory Equipment	93,100	294,425
Teaching / Learning Materials	32,140	30,000
Exams And Assessment	194,120	135,570
Teachers Guides	0	0
Bank Charges	1,500	0
Woodwork	0	48,000
Others ( <i>specify</i> )	0	0
<b>Total</b>	<b>320,860</b>	<b>856,868</b>

## 7 Operations

Description	<i>Insert Current FY</i>	<i>Insert Comparative FY</i>
	Kshs	Kshs
Personnel Emoluments	3,367,193	4,053,176
Farm	9,650	0
Administration Cost	459,235	869,927
Service Gratuity		
Repairs And Maintenance & Improvements	829,118	955,356
Local Transport / Travelling	1,187,536	691,350
Electricity And Water	451,260	1,064,510
Medical	22,584	86,250
Activity Expenses	448,770	469,085
Insurance Cost	183,366	379,861
Fees refund	51,490	23,245
Development	0	1,401,600
School Bus	86,350	0
BES	7,217,463	5,690,953
SES (SNE)	2,050,123	1,136,618
Uniform	0	51,150
Others ( <i>specify</i> )	0	
<b>Total</b>	<b>16,564,138</b>	<b>16,873,081</b>

## Notes to the Financial Statements (continued)

## 8 Infrastructure

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others (specify)		
<b>Total</b>		

## 9 Boarding And School Fund

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Personnel Emoluments	83,000	378,090
SES	176,195	0
Repairs And Maintenance & Improvements	10,143,357	2,149,685
Local Transport / Travelling	204,500	225,300
Electricity And Water	37,600	180,300
Uniform	1,800,638	2,474,500
Medical Expenses	0	0
Administration Costs	23,900	180,580
Education tour	99,870	0
ID card	17,600	0
Bank Charges	0	0
Expenses On Income Generating Activities**	0	
Fee On Boarding Equipment and Stores	210,895	679,341
Rent Expenses	0	0
Insurance Cost (Life Property)	193,843	189,159
Fees refund	271,940	202,365
Farm	0	10,900
Loan Principal Repayment	0	0
Loan Interest Repayment	0	0
Acquisition Of Assets	0	0
PA expenses		
Others (specify)		
<b>Total</b>	<b>13,263,338</b>	<b>6,670,220</b>

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

## Notes to the Financial Statements (continued)

## 10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	Insert Current FY	Insert Comparative FY
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1103061380	823,215	225,423
Operations Account	Active	1103061631	7,163,865	9,850,559
School Fund Account/Boarding	Active	1103061062	426,082	6,279,035
Savings Account	dormant	1102780286	118,680	118,680
Parent Association Development Account	-		901,622	1,054,912
Income Generating Activities Account	-			
Infrastructural Account	Active	1103061216		
Equity	Active	0830261349242	839,189	474,766
Upper Tana	Dorman	1224693744	440,000	440,000
ABSA Karatina	Dormant	0305611468	0	0
<b>Total</b>			<b>10,712,653</b>	<b>18,443,375</b>

## 11 Cash In Hand

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Notes and Coins		6,047
<b>Total</b>		<b>6,047</b>

## 12 Short Term Investments

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
<b>Total</b>		

## Notes to the Financial Statements (continued)

## 13 Accounts Receivable

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Fees Arrears	9,505,782	6,895,871
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears(list/schedule attached)		
<b>Total</b>	<b>9,505,782</b>	<b>6,895,871</b>

## 13 b Ageing Analysis of Accounts Receivable

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	2,859,926	30 %	2,071,787	30 %
Between 1- 2 years	0	%	0	%
Between 2-3 years	6,645,856	70 %	0	%
Over 3 years		%	4,824,084	70 %
<b>Total (should tie to note 13 a)</b>	<b>9,505,782</b>	<b>%</b>	<b>6,895,871</b>	<b>%</b>

## 14 Accounts Payable

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)		
Prepaid Fees	45,800	89,350
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables ( <i>specify</i> )		
<b>Total</b>	<b>45,800</b>	<b>89,350</b>

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year		%		%
Between 1- 2 years		%		%
Between 2-3 years		%		%
Over 3 years		%		%
<b>Total (should tie to note 14)</b>		%		%

15 Fund Balance Brought Forward

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Bank Balances	18,443,375	15,698,024
Cash Balances	6,047	6550
Short Term Investments		0
Receivables	9,505,782	6,895,871
Payables	(45,800)	(89,350)
<b>Total</b>	<b>27,909,404</b>	<b>22,511,095</b>

**Other important disclosure notes**

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

**16 Non-current Liabilities Summary**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
<b>Total</b>		

**17 Biological assets**

Description	Numbers	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
Cattle	2		
Goats	0		
Trees	1,854		
Coffee Or Tea Plantation	60		
Poultry	0		
Others (specify)	0		
<b>Total</b>	<b>1,916</b>		

**18 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		
<b>Balance at the end of the year</b>		

**Other important disclosure notes**

**19 Stock/ Inventory**

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

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

**REV MUHORO SECONDARY SCHOOL FOR THE DEAF**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

Ref No.	Issue / Observations from Auditor	Management comments	Status:	Time frame
1	Inaccuracies in the financial statements	The budget analysis figures, surplus cash and cash equivalents figures are now inserted. <i>See the revised 2022/2023 financial statements.</i>	Resolved	
2	Unsupported Accounts Receivables	<i>See Appendix D</i> on detailed aging analysis of school's receivables.	Resolved	
3	Unsupported Cash & Cash Equivalents	Cash, ledger summaries AND trial balances are now attached to confirm the balances. <i>See Appendix B.</i>	Resolved	
4	Lack of Ownership Documents	The fixed assets register has been updated. <i>See Appendix F.</i> The school has a green card as a land ownership document pending issuance of the land title deed. <i>See Appendix G</i> for a copy of the green card.	Unresolved	June 2025
5	Under Funding of Capitation Grants	The school will liaise with the MOE on correctness of school's enrolment data to ensure all students are captured in NEMIS for fair allocation of capitation grants.	Unresolved	January 2025
6	Excess Supply of Books	In future, the school will only receive text books equal to the number of learners and declare any excesses to MOE.	Unresolved	February 2025 as new books are issued.
7	Irregular Transfer of Funds to KESSHA	The school's management will comply as guided by the Ministry of Education.	Unresolved	On issuance of guidelines
8	Failure to Prepare School Improvement Plan	Attached is <i>Appendix P</i> , a copy of the School's Improvement Plan for the period. This is reviewed from time to time by the Board of Management based on the school's strategic plan	Resolved	
9	Lack of Human Resource Policies and Procedures Guideline.	The management will prepare and approve a Human Resource policies & procedures manual as advised.	Unresolved	January 2025



12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.						
2.						
3.						
Sub-Total						
<b>Supply Of Goods</b>						
4.						
5.						
Sub-Total						
<b>Supply Of Services</b>						
6.						
7.						
8.						
Sub-Total						
<b>Grand Total</b>						

**Annex 2 – Summary of Fixed Assets Register**

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 20XX
Land				
Buildings And Structures				
Motor Vehicles	<b>1 Bus</b>			
Office Equipment, Furniture And Fittings				
Textbooks	<b>5676</b>			
ICT Equipment				
Tools And Apparatus				
Other Machinery And Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
<b>Total</b>				

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