

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 FEB 2025	DAY: WED
TABLED BY:	Hon. Samuel Chepkonga, MP
CLERK-AT-THE-TABLE:	Mado Ariani

THE AUDITOR-GENERAL

ON

AGUTHI SECONDARY SCHOOL

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

NYERI COUNTY

✓
Revised 30th June 2021.



**AGUTHI SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2021**

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

AGUTHI SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year 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 NYERI County, TETU Sub-County

The school was registered on 11/12/20 under registration number 19S00300168 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a boarding school and had 145 numbers of students as at 30th June 2021. It has 1 stream and 10 teachers of which 1 teacher is employed by the School Board of Management

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Dr. James M. Wanyaga	Chairman	21/3/2019
2	Nicholus muragu	Member	21/3/2019
3	Mark Marekia	Member	21/3/2019
4	Benson M. Mathenge	Member	21/3/2019
5	Irene Mwangi	Member	21/3/2019
6	Bishop Francis Ngunjiri	Member	21/3/2019
7	Salome Nderitu	Member	21/3/2019
8	Martha Muraya	Member – Rep CEB	21/3/2019
9	John muraguri	Member -Rep Teachers	21/3/2019
10	Peter kelvin Kihato	Members – Rep Sponsor	21/3/2019
11	Nicholus wambugu	Member -Rep Community	21/3/2019
12	John Karingithi	Member –Rep Special Needs	21/3/2019
13	Sofia Mustafa	Rep - Students	
14	Ann Wagaki	Members – Rep Sponsor	21/3/2019
15	Humphrey Kariuki	Members – Rep-Sponsor	21/3/2019
16	Alice Wahome	Member	21/3/2019
17	Elizabeth Maina	Member	21/3/2019

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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

- Promote the best interests of the school and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the school
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the school.
- Determine cases of students' 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 paragraph 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	Mark Marekia Mr paul Mwirigi Mr Moses Mathenge Mrs Irene Mwangi Mr Benson Mathenge DR.James Wanyaga	V/Chairman Secretary Member Member Member Chairman	5 out of 6
2	Audit Committee	Mrs Martha Muraya Mr Paul Mwirigi Mr Kelvin Kihato Mrs Salome Nderitu Mr.Benson Mathenge Mr Nicholus Wambugu	Chairman Secretary Member Member Member Member	2 out of 6
3	Finance, procurement and general-purpose Committee	Mrs Martha Muraya Mr Paul Mwirigi Mr Kelvin Kihato Mrs Salome Nderitu Mr.Benson Mathenge Mr Nicholus Wambugu	Chairman Secretary Member Member Member Member	2 out of 6

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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)				
4	Development Committee	Mr Nicholus Wambugu Mr Paul Mwirigi Mr Benson Mathenge Mrs.Irene Mwangi Mrs Salome Nderitu	Chairman Secretary Member Member Member	5 out of 6
5	Academic Committee	Mr.John Muraguri Mr Paul Mwirigi MRS Frashiah Mutahi Mr John Karingithi Dean Of Studies	Chairman Secretary Member Member Member	4 out of 6
6	Discipline and welfare Committee	Mr John Muraguri Mr paul Mwirigi Bishop Francis Ngunjiri Mr Moses Mathenge Mrs Martha Muraya	Chairman Secretary Member Member Member	1 out of 6

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(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	PAUL MWIRIGI M'NGITI	374487
2	Deputy Principal	PHOEBE WANGECHI NJOGU	334702
3	School Bursar	HELLEN WANJIRU BARAGU	27908003

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 480 NYERI
Telephone: 0769284537
E-mail: aguthisecondary@gmail.com
Website:
Facebook:
Twitter:

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(f) School Bankers

The following school operated SIX numbers of bank accounts 1 and one paybill Number as follows:

1. Name of Bank: KCB BANK
Branch: NYERI
Account Number: 1101833645
2. Name of Bank: KCB BANK
Branch: NYERI
Account Number: 1101836784
3. MPESA Pay Bill No. Business No. 522123
A/C NO 40026K
Attached to bank account 1101833645
4. Name of Bank: KCB BANK
Branch NYERI
Account Number 1101837020
5. Name of Bank KCB BANK
Branch NYERI
Account Number 1101732571
6. Name of bank TAIFA SACCO
Branch NYERI
Account Number 01-0502-001-07563
7. Name of Bank FAMILY BANK
Branch NYERI
Account Number 055000029836

(g) Independent Auditors

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

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(ii) SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

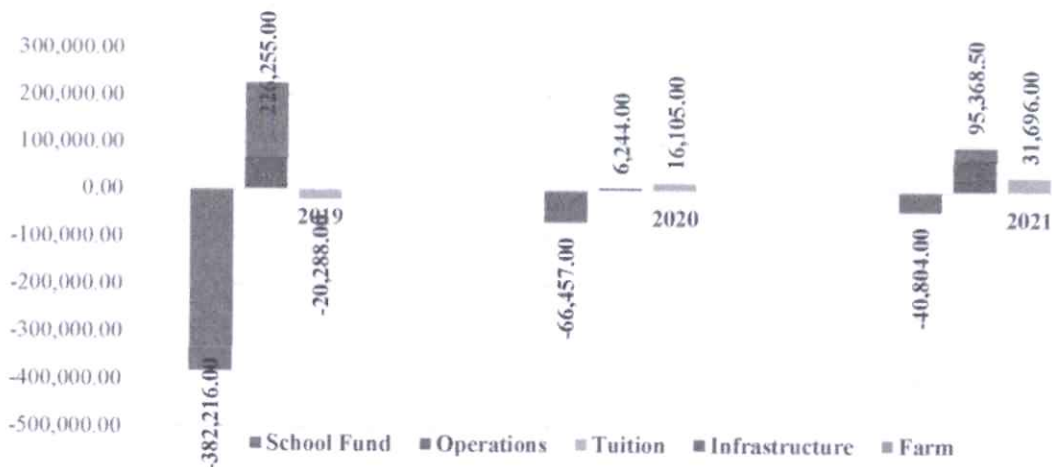
The following is a summary report of the performance of the school against the set performance evaluation criteria:

(a) Financial performance:

Under this section, it reflects the actual financial performance trend for the last three years period between 1st January 2019 to 30 December 2020 which covers a period of 24 months while 30th June 2021 covers a period of 6 months and is summarised as follows

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021	2020	2019	
		Kshs	Kshs	Kshs	
1	School Fund Account	(40,804.00)	(66,457.00)	(382,216.00)	
2	Operations Account	95,638.50	6,244.00	226,255.00	
3	Tuition Account	31,696.00	16,105.00	(20,288.00)	
4	Infrastructure Account				
5	Farm Account				
	TOTAL	86,530.50	(44,108.00)	(176,279.00)	
	Increase/Decrease	130,638.50	(132,171.00)	(18,643.50)	

Trend over the Last Three Years



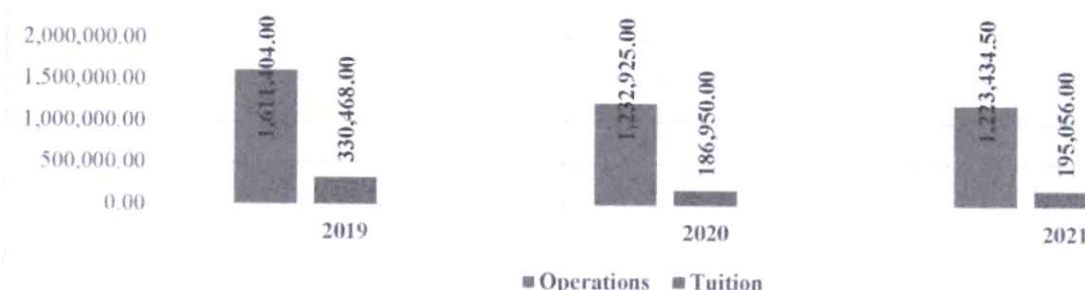
The deficit for the year 2020 decreased by Kshs132, 171.00 from a deficit of Kshs 176,279.00 in the year 2019. The surplus for the year 2021 increased by Ksh130,638.5 from a deficit of Kshs 132,171.00 in the year 2021.

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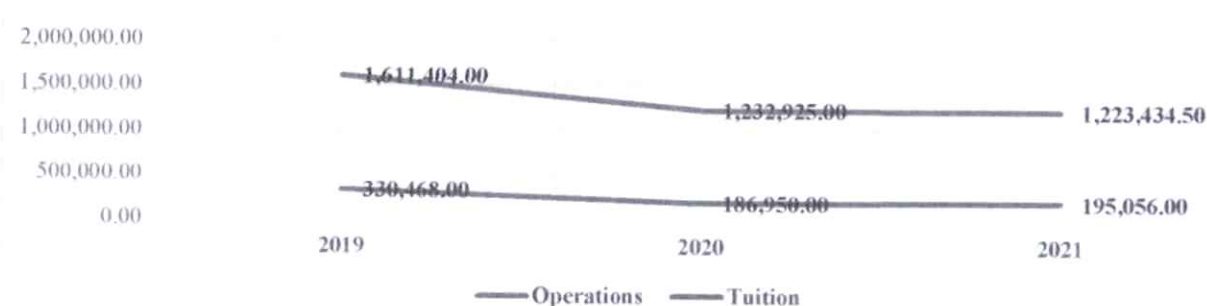
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021	2020	2019	
		KSHS	KSHS	KSHS	
1	Operations Account	1,223,434.50	1,232,925.00	1,611,404.00	
2	Tuition Account	195,056.00	186,950.00	330,468.00	
	Total	1,418,490.5	1,419,875.0	1,941,872.00	
	Increase/Decrease	(1,384.50)	(521,997.00)	(749,498.90)	
	No of Students	145	149	101	
	Ratio of Capitation per student	1.9456.6	1.9529.4	1.19226.5	

Trend Over the Last Three Years



Trend Over the Last Three Years



The total capitation for the year 2020 was Kshs 1,419,875.00 as compared to Kshs 1,941,872.00.00 in the financial year 2019 representing a decrease of Kshs 521,997.00 which resulted from not all students' received capitation grant, prolonged abrupt closure of the school due to Covid-19 and not all capitation grant were disbursed by the end of financial year 2020.

The capitation grant for the financial year 2021 was Ksh1,418,490.50 as compared to Kshs 1,419,875.00.00 in the financial year 2020 representing a decrease of Kshs 1,384.50. The net decrease is mainly attributed by the current period covering a period of 6 months.

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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF NET GROWTH OF OTHER INCOME(S)					
SNO	ACCOUNTS	2021	2020	2019	
		KSHS	KSHS	KSHS	
1	Tender				
2	Farm				
3	Accommodation				
4	Students' Id card				
	Total				
	Increase/Decrease				

Trend Over the Last Three Years



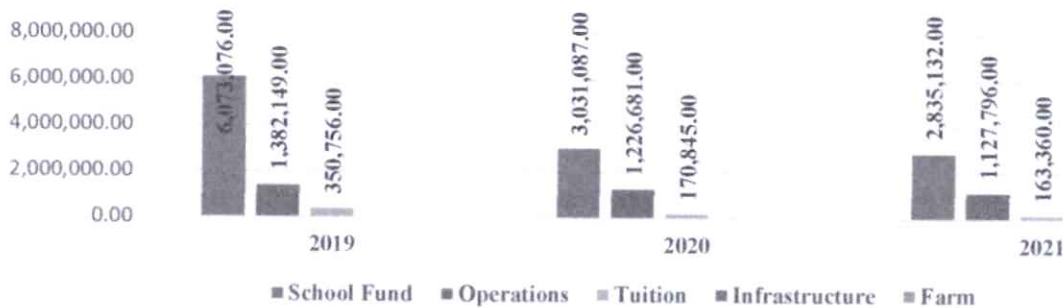
Trend Over the Last Three Years

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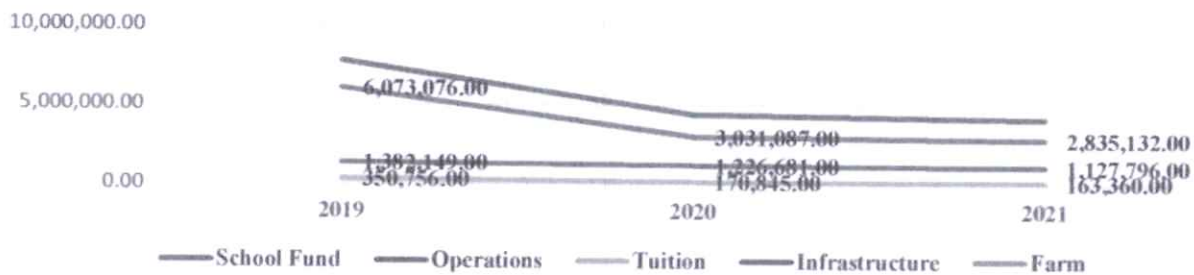
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	
		Kshs	Kshs	Kshs	
1	School Fund Account	2,835,132.00	3,031,087.00	6,073,076.00	
2	Operations Account	1,127,796.00	1,226,681.00	1,382,149.00	
3	Tuition Account	163,360.00	170,845.00	350,756.00	
4	Infrastructure Account	-	-	-	
5	Farm Account	-	-	-	
	Total	4,126,288.00	4,428,613.00	7,805,981.00	
	Increase/Decrease	(302,325.00)	(3,377,368.00)	(1,628,548.50)	

Trend Over the Last Three Years



Trend Over the Last Three Years



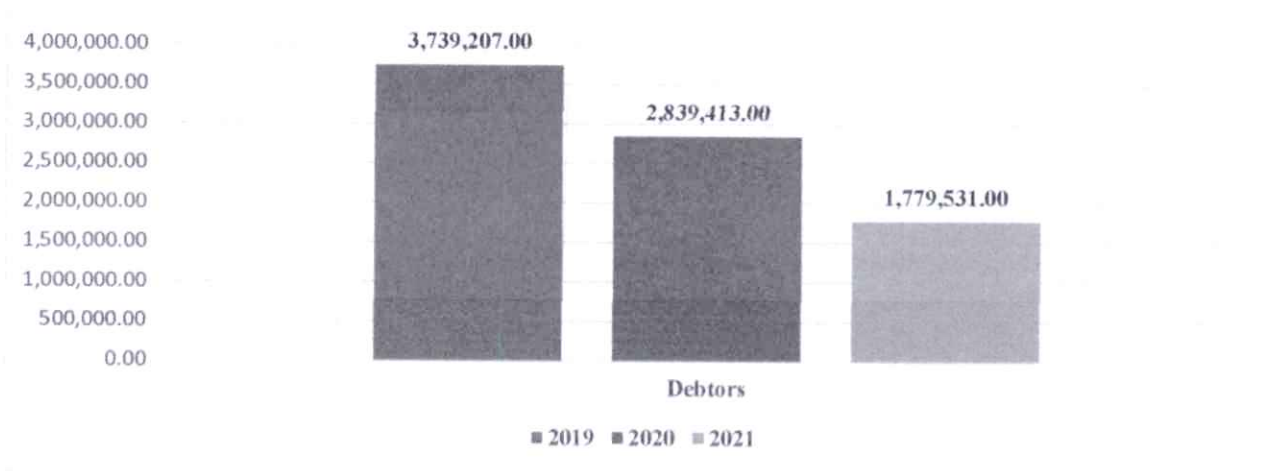
In the financial year 2021 shows a decrease of growth in expenditure which has resulted from offsetting some of the creditors in 2020 and the current year covering a period of 6 months , even though the financial year 2020 covers a period of 12 months a decrease has resulted from prolonged abrupt closure of the school due to Covid-19.

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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	
1	School Fund Account	KSHS	KSHS	KSHS	
a	Debtors	1,779,531.00	2,839,413.00	3,739,207.00	
	Total	1,779,531.00	2,839,413.00	3,739,207.00	
	Increase/Decrease	(1,059,882.00)	(899,794.00)	(2,032,699.00)	

Trend Over the Last Three Years



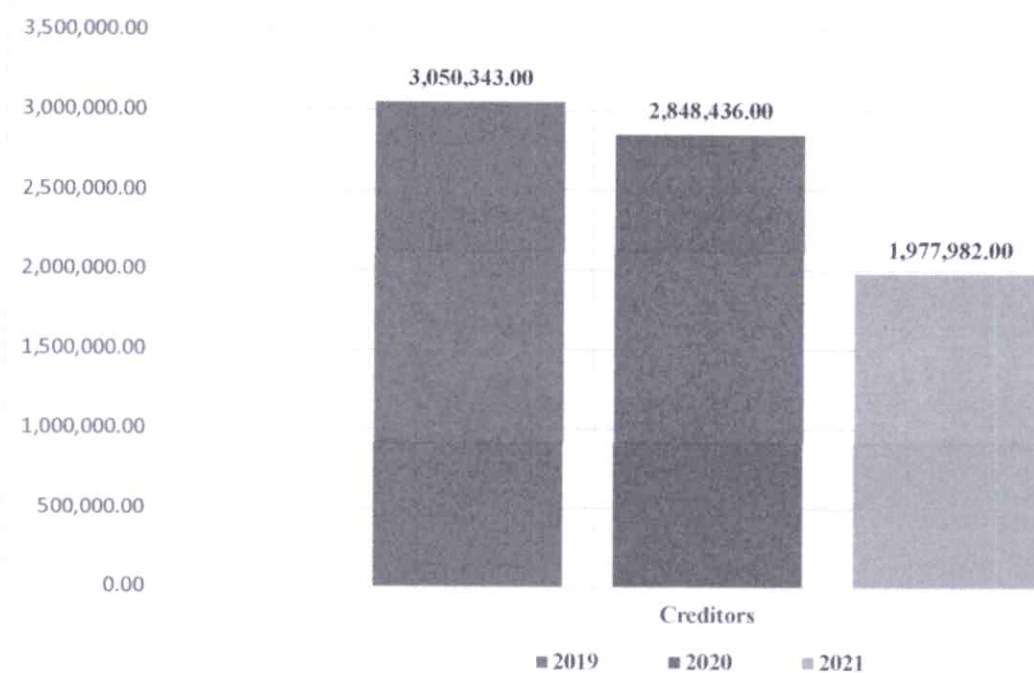
Total debtors as at 30th June 2021 decreased by 62.67% to Kshs 1,779,531.00 compared to Kshs 2,839,413.00 as at the end of the financial year 2020. The main contributors to the decrease in total debtors is the students' having less fees balances.

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MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	
1	School Fund Account	KSHS	KSHS	KSHS	
a	Creditors	1,977,982.00	2,848,436.00	3,050,343.00	
	Total	1,977,982.00	2,848,436.00	3,050,343.00	
	Increase/Decrease	(870,454.00)	(201,907.00)	(367,957.00)	

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

Trend Over the Last Three Years

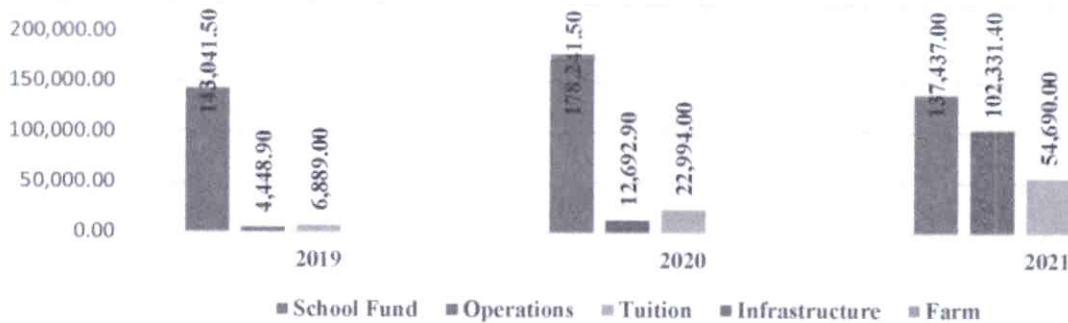


Total creditors as at 30th June 2021 decreased by Kshs 870,454.00 compared to Kshs 2,848,436.00 as at the end of the financial year 2020. The main contributors to the decrease in total creditors is paying off some creditors and decrease in prepaid fees.

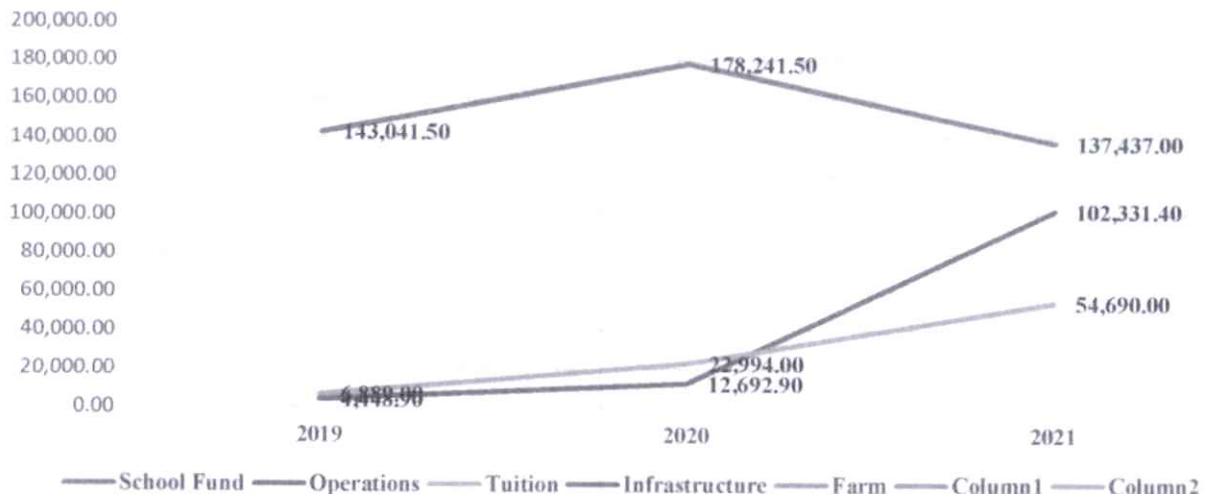
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2021	2020	2019	
		KSHS	KSHS	KSHS	
1	School Fund Account	137,437.00	178,241.50	143,041.50	
2	Operations Account	102,331.40	12,692.90	4,448.90	
3	Tuition Account	54,690.00	22,994.00	6,889.00	
4	Infrastructure Account				
5	Farm Account				
	Total	294,458.40	213,928.40	154,379.40	
	Increase/Decrease	80,530.00	59,549.00	73,479.00	



Trend Over the Last Three Years



In the financial year 2021 the total cash and bank balances shows an increase by ksh 80,530.00 compared to ksh. 213,928.40 in the financial year 2020, the increase has resulted due to the current year having a period of 6 months and also a decrease in expenditure.

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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

(b)Teacher Student ratio:

Between the month of January 2021 and June 2021, the status of the teaching staff is as follows:

There are 10 teachers posted by the Teachers Service Commission and 1 recruited by the Board of Management.

Although the teacher student ratio lies at 1: 14, we have a shortage of 2 teachers.

Although as the CBE the number appears enough, we take extra technical subjects:

French and Home science. There is overstaffing in the humanities department

(c)Mean score in the year 2019, 2020 AND 2021 KCSE:

YEAR	ENROLMENT	MEAN SCORE	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2021	45		30	67	3.0	
2020	46	2.136	22	48	2.5	
2019	39	2.438	32	82	2.73	

(d) Number of candidates KCSE

YEAR	2021	2020	2019		
No of students	30	22	32		

(e) Capacity of the school

- (i)The total number of students **400**
 400÷5 dormitories **80**
- (ii) One Dinning hall with capacity of students **500**
- (iii)**3** laboratories for the total population
- (iii) **4** Urinal and **20** toilets for the entire population.
- (iv) **8** classrooms with capacity of 400 students

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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

(f) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	Gravelling of the runway from the gate to administration block	2021	COMPLETE	200,000	School fund
2					
3					

Sign 

School Principal

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III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of **AGUTHI SECONDARY 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, 2021, and of the school's financial position as at that date.

Name: DR JAMES WANYAGA
Designation: Chairman, School Board of Management
Sign: *[Signature]*
Date: 30/7/2024

Name: PAUL MWIRIGI
Designation: School Principal & Secretary to Board of Management
Sign: *[Signature]*
Date: 30/7/2024

Name: HELLEN WANJIRU
Designation: Bursar/ Finance Officer
Sign: *[Signature]*
Date: 30/7/2024

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: 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 AGUTHI SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, 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 Aguthi Secondary School - Nyeri County set out on Pages 18 to 36 which comprise the statement of assets and liabilities for the 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 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 Aguthi Secondary School-Nyeri County as at 30 June, 2021, and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Long Outstanding Account Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.1,779,531 which includes fees arrears of Kshs.1,708,721 as disclosed in Note 11 to the financial statements. However, the fees areas include receivables amounting to Kshs.921,560 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.921,560 could not be confirmed.

2. Over Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.195,056 and Kshs.1,223,435 respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported a total number of one hundred and forty-nine (149) students while the enrollment records provided by the School indicated a total of one hundred and twenty-seven (127) students, resulting to an unexplained variance of twenty-two (22) students. As a result of the variances, the School was over-funded by Kshs.209,441.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.195,056 and Kshs.1,223,435 respectively could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Aguthi Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.6,774,460 and Kshs.2,508,599 respectively, resulting to an under-funding of Kshs 4,265,861 or 63% of the budget. However, the School spent a balance of Kshs.4,126,288 against actual receipts of Kshs.2,508,599 resulting to an over-utilization of Kshs.1,617,689 or 39 % of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the 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. 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.2,835,132 as disclosed in Note 7 to the financial statements. Included in the expenditure is the administration costs of Kshs.48,666 which further includes Kshs.38,050 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money realized from the transfer to KESSHA amounting to Kshs.38,050 could not be confirmed.

2. Excess Supply of Books

During the year 2020/2021, the Ministry of Education distributed set books to public secondary schools through the Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed 400 set books to the School, while two hundred and eighty (208) set books were issued to the students resulting to an unexplained excess one hundred and ninety-two (192) set books in the school store.

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

3. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects account payables balance of Kshs.1,977,982. However, included in the balance are trade payables balance of Kshs.819,133 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates.

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

4. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan. This is contrary to Paragraph 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 Ministry of Education Operation Manual.

5. Failure to Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.1,223,435 received from the Ministry of Education and credited in the operations bank account as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.599,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, no amount was transferred to infrastructure account, leaving the balance of Kshs 599,500 as at 30 June, 2021. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds

should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

6. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.4,212,818 and Kshs.4,126,288 in respect of total receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

7. Late Submission of Financial Statements to the Auditor-General

The financial statements for the year 2020/2021 were submitted on 30 April 2024 to the Auditor-General and not on the statutory date of 30 September 2021. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements to be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis of Conclusion

Lack of Internal Audit Function and Audit Committee

During the year under review, the school had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance

Management (National Government) Regulations, 2015 which requires the internal audit unit of a National Government entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the school did not benefit from the oversight role and advice from the audit committee and the internal audit function.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs) 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 (Accruals Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide

a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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, SBS
AUDITOR-GENERAL

Nairobi

26 September, 2024

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

DESCRIPTION OF VOTE HEAD	Note	2021 Kshs	2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	195,056.00	
Capitation grants for operations	2	1,223,434.50	
School Fund Income- Parents' Contributions	3	2,794,328.00	
School Fund Income- Other receipts	4		
Proceeds from borrowings			
TOTAL RECEIPTS		4,212,818.50	
PAYMENTS			
Payments for Tuition	5	163,360.00	
Payments for operations	6	1,127,796.00	
Boarding and school fund payments	7	2,835,132.00	
TOTAL PAYMENTS		4,126,288.00	
SURPLUS/DEFICIT		86,530.50	

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

Sign: 

Sign: 

Sign: 

Name Dr James Wanyaga Name Paul Mwirigi

Name.Hellen Wanjiru

Chair BOM

School Principal/
Secretary to BOM

Bursar/
Finance Officer

Date 30/7/2024

Date 30/7/2024

Date 30/7/2024

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

	Note	2021 Kshs	2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	205,369.40	
Cash Balances	9	95,089.50	
Short term Investment	10		
Total Cash and cash equivalent		<u>300,458.90</u>	
Account's receivables	11	1,779,531.00	
TOTAL FINANCIAL ASSETS		2,079,989.90	
FINANCIAL LIABILITIES			
Accounts Payables	12	1,977,982.00	
NET FINANCIAL ASSETS		102,007.90	
REPRESENTED BY			
Accumulated Fund b/fwd	13	15,477.40	
Surplus/Deficit for the year		86,530.50	
NET FINANCIAL POSITION		102,007.90	

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

Name: DR JAMES

WANYAGA

Chairman, BoM

For Sign: 

Date: 30/7/2024

Name: PAUL MWIRIGI

School Principal/Secretary

to BoM

Sign: 

Date: 30/7/2024

Name: Hellen Wanjiru

Bursar/Finance

Sign: 

Date: 30/7/2024

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


		2021-2021	2020-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	195,056.00	
Capitation grants for operations	2	1,223,434.50	
School fund income- Parents contributions/ fees	3	2,794,328.00	
School fund income- other receipts	4		
Total receipts		4,212,818.50	
Payments			
Payments for Tuition	5	163,360.00	
Payments for operations	6	1,127,796.00	
Boarding and school fund payments	7	2,835,132.00	
Total payments		4,126,288.00	
Net cash flow from operating activities		86,530.50	
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		86,530.50	
Cash and cash equivalent at BEGINNING of the year		213,928.40	
Cash and cash equivalent at END of the year		300,458.90	

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

Name: DR JAMES
WANYAGA
Chairman, BoM

Name: PAUL MWIRIGI
School Principal/Secretary
to BoM

Name: Hellen Wanjiru
Bursar/Finance

Sign: 

Sign: 

Sign: 

Date: 30/7/2024

Date: 30/7/2024

Date: 30/7/2024

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

STATEMENT OF BUDGETED VERSUS AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021						
Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c = a+b	d	e = c - d	f = d/c
RECEIPTS	Kshs	Kshs	Kshs	Kshs	Kshs	
(1) CAPITATION GRANT ON TUITION						
Exercise Books	90,500.00	-	90,500.00	51,750.00	38,750.00	57.2%
Lab. Equipment	100,000.00	-	100,000.00		100,000.00	0%
T/L Materials	151,800.00	-	151,800.00	143,306.00	8,494.00	94.4%
Stationery	125,000.00	-	125,000.00	-	125,000.00	0%
Ref/Lib (Textbooks)	107,000.00	-	107,000.00		107,000.00	0%
		-				
SUB-TOTAL	574,300.00	-	574,300.00	195,056.00	379,244.00	39.1%-
(2) CAPITATION GRANT ON OPERATIONS						
Local, Transport & Travelling	190,640.00	-	190,640.00		190,640.00	0%
Electricity, Water & Conservancy	327,680.00	-	327,680.00		327,680.00	0%
Repair, Maintenance & Improvement	196,160.00	-	196,160.00	529,850.00	(333,690.00)	
Activity (i)	130,640.00	-	130,640.00		130,640.00	0%
Other voteheads		-		693,585.00		0%
Personal Emoluments	598,560.00	-	598,560.00		598,560.00	0%
Administration Costs	163,520.00		163,520.00		163,520.00	0%
Medicine	207,920.00		207,920.00		207,920.00	0%
SUB-TOTAL	1,815,120.00	-	1,815,120.00	1,223,434.50	591,685.50	67.4%-

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STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021 (Continued)

(3) FEES CHARGED ON PARENTS						-
Boarding, Equipment & Stores	3,271,520.00	-	3,271,520.00	1,946,037.00	1,325,483.00	59.5%
Local, Transport & Travelling	67,600.00	-	67,600.00	29,185.00	38,415.00	43.2%
Electricity, Water & Conservancy	335,280.00.00	-	335,280.00	145,895.00	189,385.00	43.5%
Repair, Maintenance & Improvement	249,600.00	-	249,600.00	107,792.00	141,808.00	43.2%
Activity (ii)	15,600.00	-	15,600.00	6,855.00	8,745.00	43.9%
Personal Emoluments	338,880.00	-	338,880.00	215,857.00	123,023.00	63.7%
Administration Costs	106,560.00	-	106,560.00	53,978.00	52,582.00	50.7%
SUB-TOTAL	4,385,040.00		4,385,040.00	2,503,599.00	1,879,441.00	57.1%
OTHER INCOME						
Rent				3,000.00		
GRANDTOTAL INCOME	6,774,460.00		6,774,460.00	2,508,599.00	2,850,370.5	

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STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021 (Continued)

EXPENDITURE FOR:						
(1) TUITION						
Exercise Books	90,500.00	-	90,500.00	72,500.00	18,000.00	80.1%
Lab. Equipment	100,000.00	-	100,000.00	19,320.00	80,680.00	19.3%
T/L Materials	151,800.00	-	151,800.00	43,360.00	108,440.00	28.6%
Stationery	125,000.00	-	125,000.00	28,180.00	96,820.00	22.5%
Ref/Lib (Textbooks)	107,000.00	-	107,000.00		107,000.00	0%
SMASSE		-				
Bank Charges		-				
SUB-TOTAL	574,300.00	-	574,300.00	163,360.00	410,940.00	28.4%
(2) OPERATIONS						
Local, Transport & Travelling	190,640.00	-	190,640.00	60,800.00	129,840.00	31.9%
Electricity, Water & Conservancy	327,680.00	-	327,680.00	165,832.00	161,848.00	50.6%
Repair, Maintenance & Improvement	196,160.00	-	196,160.00	102,995.00	93,165.00	52.5%
Activity (i)	130,640.00	-	130,640.00	38,050.00	92,590.00	29.1%
Medical/Insurance	207,920.00	-	207,920.00	-	207,920.00	0%
Personal Emoluments	598,560.00	-	598,560.00	748,799.00	150,239.00	0%
Administration Costs	163,520.00	-	163,520.00	11,320.00	152,200.00	6.9%
SUB-TOTAL	1,815,120.00	-	1,815,120.00	1,127,796.00	687,324.00	62.1%
(3) SCHOOL FUND						
Boarding, Equipment & Stores	3,271,520.00	-	3,271,520.00	1,776,071.00	1,495,449.00	54.3%
Local, Transport & Travelling	67,600.00	-	67,600.00	163,700.00	(96,100)	0%
Electricity, Water & Conservancy	335,280.00	-	335,280.00	80,000.00	255,280.00	23.9%
Repair, Maintenance & Improvement	249,600.00	-	249,600.00	180,800.00	68,800.00	72.4%
Activity (ii)	15,600.00	-	15,600.00	143,430.00	(127,830)	0%

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

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.

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6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021	2020
	Kshs	Kshs
Tuition	51,750.00	
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	143,306.00	
Chalks		
Exams and assessment		
Teachers guides		
Total	195,056.00	

2 CAPITATION GRANT FOR OPERATIONS

	2021	2020
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance	529,850.00	
Local transport / travelling		
Electricity and water		
Medical		
Administration costs		
Other votehead	693,584.50	
Total	1,223,434.50	

3 PARENTS CONTRIBUTION/FEEs - SCHOOL FUND ACCOUNT

	2021	2020
	Kshs	Kshs
Boarding equipment and Store	1,787,188.00	
Personnel emoluments	215,857.00	
Repairs and maintenance improvement	107,792.00	
Local transport / travelling	29,185.00	
Electricity and water	145,895.00	
Fee arrears	285,729.00	
Administration costs	53,978.00	
Activity fund	6,855.00	
Rent	3,000.00	
Prepayment	158,849	
Total	2,794,328.00	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2021	2020
	Kshs	Kshs
Personnel emoluments	748,799.00	
Service Gratuity		
Administration Cost	11,320.00	
Repairs and maintenance & improvements	102,995.00	
Local transport / travelling	60,800.00	
Electricity and water	13,858.00	
Medical		
Activity Expenses	38,050.00	
Creditors	151,974.00	
SMASSE		
Insurance Cost		
Bank Charges		
Acquisition of Assets		
TOTAL	1,127,796.00	

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021	2020
	Kshs	Kshs
Activity Fund	143,430.00	
Personnel emoluments	420,365.00	
Service Gratuity		
Repairs and maintenance & Improvements	95,800.00	
Local transport / travelling	163,700.00	
Electricity and water		
Medical Expenses	1,000.00	
Administration costs	48,666.00	
Lunch Programme		
Bank Charges		
Expenses on Income Generating Activities		
Fee on Boarding Equipment and Stores	1,125,884.00	
Farm	1,100	
Rent Expenses		
Creditors	835,187	
Insurance Cost (Life Property)		
Loan Principal repayment		
Loan Interest repayment		
Acquisition of Assets		
TOTAL	2,835,132.00	

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*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.*

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021	2020
		Kshs	Kshs
Tuition Account	1101837020	54,690.00	
Operations Account	1101836784	108,298.40	
School Fund Account/Boarding	1101833645	42,381.00	
Savings Account			
Parent Association Development Account			
Income generating activities Account			
Infrastructural Account			
Total		205,369.40	

9 CASH IN HAND

Description	2021	2020
	Kshs	Kshs
Tuition Account	-	
Operation Account	33.00	
School Fund account	95,056.50	
Total	95,089.50	

10 SHORT TERM INVESTMENTS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021	2020
	Kshs	Kshs
Fees arrears	1,708,721.00	
Other non-fees receivables/Rent arrear	70,810.00	
Salary advances		
Imprest		
Total	1,779,531.00	

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

Description	2021	2020
	Kshs	Kshs
Fees arrears for current year	428,726.00	
Fees arrears for the previous year	358,435.00	
Fees arrears for prior periods (over two years)	921,560.00	
Total	1,708,721.00	

12 ACCOUNTS PAYABLE

Description	2021	2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	1,819,133.00	
Prepaid fees	158,849.00	
Retention monies	-	
Total	1,977,982.00	

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

Description	2020-2021	2020
	Kshs	Kshs
Trade creditors for current year	395,840.00	
Trade creditors for the previous year	2,530,454.00	
Trade creditors for prior periods (over two years)		
Creditors paid	1,107,161.00	
Total	1,819,133.00	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021	2020
	Kshs	Kshs
Bank balances	207,888.40	
Cash balances	6,040.00	
Short Term Investments		
Receivables	1,779,531.00	
Payables	1,977,982.00	
Total	15,477.40	

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

15 Biological assets

Description	Numbers	2021 Kshs	2020 Kshs
Cows	2		
Goats	-		
Calves	2		
bull	1		
Trees	190		
Coffee plantation	200		
Poultry	-		
Total			

16 Borrowings

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

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Other important disclosure notes

17 Stock/ Inventory

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

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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)

**AGUTHI SECONDARY SCHOOL
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

S/no	Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at as 30/06/2021	Comment
		Kshs	Kshs	Kshs	Kshs	
		a	b	c	d=a-c	
A	Supply of goods			-	-	
	Tuition Account(A)					
1	NGAWAI INVESTMENT	145,971.00	30/06/2021	-	145,971.00	
2	KNIGHT BOOK CENTRE	19,000.00	30/06/2021	-	19,000.00	
	Sub-Total (A)	164,971.00		-	164,971.00	
B	School Fund/Boarding Account					
3	MURANGA UNIVERSITY	185,000.00	30/06/2021	-	185,000.00	
4	DAVID MUTERU	10,060.00	30/06/2021	-	10,060.00	
5	PHYLIS MUNENE	67,000.00	30/06/2021	-	67,000.00	
6	MARGARET W. GITONGA	13,600.00	30/06/2021	-	13,600.00	
7	BEATRICE KIMANI	13,200.00	30/06/2021	-	13,200.00	
8	STETAMZ ENTERPRISES	44,570.00	30/06/2021	-	44,570.00	
9	PETER GITHINJI	6,500.00	30/06/2021	-	6,500.00	
10	GRYPSY ENTERPRISES SHOP	45,000.00	30/06/2021	-	45,000.00	
11	MATAMBO GREEN ENTERPRISE	80,000.00	30/06/2021	-	80,000.00	
12	JOHN KAMARA NDIRANGU	36,610.00	30/06/2021	-	36,610.00	
13	AGNES NYAMBERE	19,600.00	30/06/2021	-	19,600.00	
14	KHIMJI DEVSHI BOOKSHOP	53,801.00	30/06/2021	-	53,801.00	
15	GEORGE NDIRANGU	21,000.00	30/06/2021	-	21,000.00	
16	FELISHINAH WAMUYU	52,500.00	30/06/2021	-	52,500.00	
17	WILTEX SHOP	198,130.00	30/06/2021	-	198,130.00	
18	KPLC	99,468.00	30/06/2021	-	99,468.00	
19	TEAWASCO	62,200.00	30/06/2021	-	62,200.00	
20	NICHOLAS MITHIGI	76,400.00	30/06/2021	-	76,400.00	
21	GEOFRREY THIONGO	64,355.00	30/06/2021	-	64,355.00	
22	DPL FESTIVE	95,344.00	30/06/2021	-	95,344.00	
	Sub-Total (B)	1,244,338.00			1,244,338.00	

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C	Supply of services					
23	PATRICK MAINA	5,000.00	30/06/2021	-	5,000.00	
24	UMOJA AGROVET	3,650.00	30/06/2021	-	3,650.00	
25	SALARY	231,288.00	30/06/2021	-	231,288.00	
26	LUCY IRUNGU	17,500.00	30/06/2021	-	17,500.00	
27	JIMKA ENGINNERING	1,300.00	30/06/2021	-	1,300.00	
28	KHIMJO SUPPLY AGENCIES	18,530.00	30/06/2021	-	18,530.00	
29	LYDIAH MUTHONI & OTHERS	52,800.00	30/06/2021	-	52,800.00	
30	JOHN WANJUKI	79,756.00	30/06/2021	-	79,756.00	
	Sub-Total (C)	409,824.00			409,824.00	
	Grand Total (A+B+C)	1,819,133.00			1,819,133.00	

**AGUTHI SECONDARY SCHOOL
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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

S/no	Asset class	Date purchased	Historical Cost b/f	Historical Cost c/f
			Kshs	Kshs
1	Land	Balance b/f 01/01/2021	51,000,000.00	51,000,000.00
2	Buildings and Structure	Balance b/f 01/01/2021	61,800,000.00	61,800,000.00
3	Motor Vehicles	Balance b/f 01/01/2021	-	-
4	Office Equipment, furniture and fittings	Balance b/f 01/01/2021	710,000.00	710,000.00
	ICT Equipment and Other ICT Assets	Balance b/f 01/01/2021	527,000.00	527,000.00
6	Tools and Apparatus	Balance b/f 01/01/2021	759,000.00	759,000.00
7	Textbooks	Balance b/f 01/01/2021	3,968,000.00	3,968,000.00
8	Other Machinery and Equipment	Balance b/f 01/01/2021	2,453,600.00	2,453,600.00
9	Intangible assets-software	Balance b/f 01/01/2021	25,000.00	25,000.00
	Total		121,242,600.00	121,242,600.00

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

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CONSOLIDATED TRIAL BALANCE AS AT 30TH JUNE 2021			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	205,369.40	
	Cash Balances	95,089.50	
Payments			
	Payments for Tuition	163,360.00	
	Payments for operations	1,127,796.00	
	Boarding and school fund payments	2,835,132.00	
	Infrastructure		
	Farm		
Receipts			
	Capitation grants for tuition		195,056.00
	Capitation grants for operations		1,223,434.50
	School Fund Income- Parents' Contributions		2,794,328.00
	Other Receipts		
	Infrastructure		
	Farm		
Fund Balance b/f			213,928.40
TOTAL		4,426,746.90	4,426,746.90

AGUJ THI SECONDARY SCHOOL

o box 480 nyeri 0769284537:Aguthisecondary@gmail.com

AGUJ THI SEC. OPERATION A/C TRIAL BALANCE

CURRENT PERIOD: JAN-21-TO JUN 21

COMPARE WITH JAN2020-DEC 2020

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit balance	Credit balance	Debit balance	Credit balance
	kshs	kshs	kshs	kshs
OPENING BALANCES				
Cash in hand		13.00		
cash at bank		12,679.90		
Activity fund	38,050			
Repair and Maintenance&improvement	102,995	529,850		
Electricity and water	13,858			
local transport &travelling	60,800			
Medical Expenses				
Administration cost	11,320			
Personal Emolument	748,799			
Other votehead		693,584.50		
Nssf	42,250	42,250		
Nhit	6,200	6,200		
Sacco Deduction	86,793	86,793		
Union	4,800	4,800		
Welfare	86,100	86,100		
Payee				
Cremitors	151,974			
Closing Balance				
CASH	33			
BANK	108,298.40			
TOTAL	1,462,270.40	1,462,270.40		

Prepared by: Hellen warini date 30/7/2024

Approved by: PAUL MURUGU date 30/7/2024

AGUTHI SECONDARY SCHOOL

P.O. box 480 nyeri 0769284537:Aguthisecondary@gmail.com

AGUTHI SEC. SCHOOL FUND A/C TRIAL BALANCE

CURRENT PERIOD:JAN-21-TO JUN 21

COMPARE WITH JAN2020-DEC 2020

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit balance	Credit balance	Debit balance	Credit balance
	kshs	kshs	kshs	kshs
OPENING BALANCES				
Cash		6,027.00		
Bank		172,214.50		
Boarding equipment&store	1,125,884.00	1,787,188.00		
local transport &travelling	163,700.00	29,185.00		
Electricity and water		145,895.00		
Repair and Maintenance&improvement	95,800.00	107,792.00		
Activity fund	143,430.00	6,855.00		
Admnistration cost	48,666.00	53,978.00		
fee arrears		285,729.00		
Personal Emolument	420,365.00	215,857.00		
Farm	1,100.00			
Rent		3,000.00		
Sacco deduction	21,904.00	21,904.00		
Welfare	22,100.00	22,100.00		
Union	2,400.00	2,400.00		
Nssf	8,450.00	8,450.00		
Nhif	9,300.00	9,300.00		
payee	1,800.00	1,800.00		
Operation A/c				
Medicine	1,000.00			
Creditors	835,187.00			
prepayment		158,849.00		
Closing balance				
CASH	95,056.50			
BANK	42,381.00			
TOTAL	3,038,523.50	3,038,523.50		

Prepared by: Hellen wanjiru date 30/7/2024

Approved by: PAUL MURUGA M. date 30/7/2024

AGUTHI SECONDARY SCHOOL

SCHOOL FUND ACCOUNT			
BANK RECONCILIATION STATEMENT			
AS AT 30 JUNE 2021			
Balance as per bank statement			490,012
Less unPresented bank slips			37,181
Less Unpresented Cheques			
		4620	95,000
		4621	8,000
		4623	40,000
		4624	40,000
		4526	100,000
		4627	34,040
		4628	30,000
		4629	50,000
		4631	5,000
		4632	3,410
		4633	5,000
Bank balance as per the cash book			42,381

I Certify that I have verified the bank balance in cash book with bank statement and that the above is correct.

prepared by:

Name: Hellen signature: [Signature] designation: A/C CLERK Date: 30/7/2024
WANJIM

verified by:

Name: Mwizira signature: [Signature] designation: PRINCIPAL Date: 30/7/2024
P.M

AGUTHI SECONDARY SCHOOL

OPERATION ACCOUNT				
BANK RECONCILIATION STATEMENT				
AS AT 30 JUNE 2021				
Balance as per bank statement				188,041
increased effect				56,171
less unrepresented cheque				
		1130		1,000
		1133		1,200
		1135		8,800
		1136		23,100
		1137		5,288
		1138		1,000
		1139		18,000
		1141		1,200
		1142		3,100
		1143		17,329
		1144		48,657
		1140		8,450
Bank charges				
Bank balance as per the cash book				108,298

Certify that I have verified the bank balance in cash book with bank statement and that the above is correct.

Prepared by:

Name: Hellen Wanjiru signature: [Signature] designation: AIC/Rep Date: 30/7/2024

Verified by:

Name: Mwenda signature: [Signature] designation: Principal Date: 30/7/2024

AGUTHI SECONDARY SCHOOL

	TUITION ACCOUNT				
BANK RECONCILIATION STATEMENT					
AS AT 30 JUNE 2021					
Balance as per bank statement				84,080	
Less: Unpresented Cheques		336		30,000.00	
	Bank charges			610.00	
Bank balance as per the cash book				54,690	

I Certify that I have verified the bank balance in cash book with bank statement and that the above is correct.

prepared by:

Name: Hellen wanji signature: [Signature] designation: ACCOUNTANT Date: 30/7/2024

verified by:

Name: Mwiza P. M. signature: [Signature] designation: PRINCIPAL Date: 30/7/2024

AGUTHI SEC SCHOOL									
PREPAID AND ARREARS FORTHE MONTH JAN 2021- JUNE 2021									
	FORM 1	FORM 2	FORM 3	FORM4	TOTAL				
PREPAID	60,829	62,960	22,163	12,897	158,849				
ARREARS	82,810	163,593	93,607	88,716	428,726				

	HOUSE RENT ARREAR	2021
1 JOHN MURAGURI		6,660
2 EVAN MUCHIRA		64,150
TOTAL		70,810