

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 APR 2025	DAY: THURSDAY
TABLED OF	HON. SILVANUS OSORO, MP MAJORITY PARTY WHIP
CLERK-AT THE-TABLE:	INZOFU MWALE

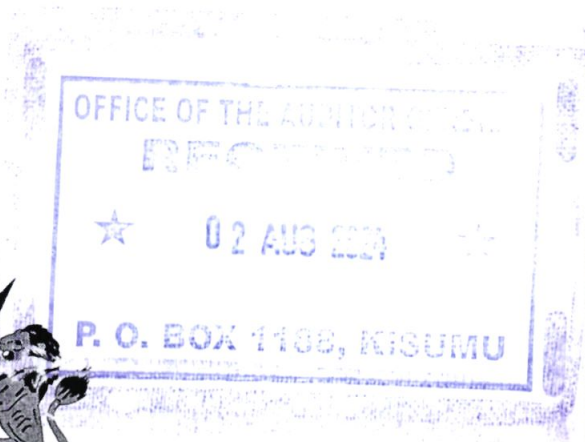
THE AUDITOR-GENERAL

ON

VIHIGA FRIENDS HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2022**

VIHIGA COUNTY



VIHIGA FRIENDS HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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

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1. Acronyms and Definition of Key Terms

A. Acronyms.

BOM	Board of Management
CED	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
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in **05/1964** under registration number **GP/A/5008/07** and is currently categorized as an **Extra County** public school established, owned or operated by the Government.

The school is a boarding school and had **1853** number of students as at 30th June 2022. It has 6 streams and **74** teachers of which **31** 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:

	Name of Member	Designation	Date of Appointment
1	Mr. Charles Omware	Chairman	14/03/2022
2	Mr. Daniel J. Mwachi	Secretary - Principal	14/03/2022
3	Mr. Kennedy Okila	P.A. Chairman	14/03/2022
4	Mrs. Grace adero	Member	14/03/2022
5	Mrs. Fanice Otero	Member	14/03/2022
6	Mr. Tom Onacha Kisia	Member	14/03/2022
7	Mrs. Alice K. Onacha	Member	14/03/2022
8	Prof. Egara Kabaji	Member – Rep CEB	14/03/2022
9	Mr. Edward Masika	Member Rep Teachers	14/03/2022
10	Mr. Amin Juma	Parents Rep	14/03/2022
11	Mrs. Mary Ogada	Members - Sponsor	14/03/2022
12	Mr. Josphat Otiende	Member - Sponsor	14/03/2022
12	Mrs. Ebby Sagala	MemberSpecial Needs	14/03/2022
13	Dr. Robert Kati	Co-opted Member	14/03/2022
14	Ms. Eunice Lubekho	Co-opted Member	14/03/2022
15	Mr. Benard Busaka	Co-opted Member	14/03/2022

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 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.

(a) Committees of the Board

1	Executive Committee	Charles Omware Daniel J. Mwachi Kennedy Okila Grace Adero Alice Onacha	Chairman Secretary Member Member Member	2
2	Audit Committee	N/A		
3	Finance, Procurement and General Purpose Committee	Robert Kati Daniel J. Mwachi Charles Omware Ebby Sagala Juma Amin	Chairman Secretary Member Member Member	2
4	Academic Committee	Benard Busaka Daniel Mwachi Prof. Egara Kabaji Edward Masika Kennedy Okila	Chairman Secretary Member Member Member	2
5	Development/SIC Committee	Tom Kisia Daniel Khaemba Daniel J. Mwachi	Chairman Secretary Member	4

		Kennedy Okila Charles Omware Grace Adero	Member Member Member	
6	Discipline and welfare Committee	Josphat Otiende Daniel Mwachi Kenedy Okila Alice Onacha Eunice Lubekho	Chairman Secretary Member Member Member Member	2
7	Adhoc Committee (if any during the year)	Wakhu Goodrick Mary Musau Nebert Isambe Charles Mugendi	Chairman Secretary Member Member	3

(b) School operation Management

For the financial year ended 30th June, 2022 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Daniel J. Mwachi	306494
2	Deputy Principal	Daniel Khaemba	390463
3	School Bursar	Jared Omunyole Ochieng	14051 (ICPAK)

(c) Schools contacts

Post Office Box: 140, Maragoli
 Telephone: 0717582574
 E-mail: vihigaschool@gmail.com
 Website: www.vihigaboys.ac.ke
 Facebook:
 Twitter:

(d) School Bankers

The following school operated 7 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: Mbale
Account Number: 1102382272 – B.E.S. account
2. Name of Bank: KCB
Branch: Mbale
Account Number: 1102382116 – Operations account
3. Name of Bank: KCB
Branch: Mbale
Account Number: 1102368237 – Tuition account
4. Name of Bank: KCB
Branch: Mbale
Account Number: 1282360744 – Income Generating account
5. Name of Bank: KCB
Branch: Mbale
Account Number: 1277873321 – Service Gratuity account
6. Name of Bank: KCB
Branch: Mbale
Account Number: 1240065159 – Project Management Committee account
7. Name of Bank: Equity
Branch: Mbale
Account Number: 0960294579786 – School Infrastructure account

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

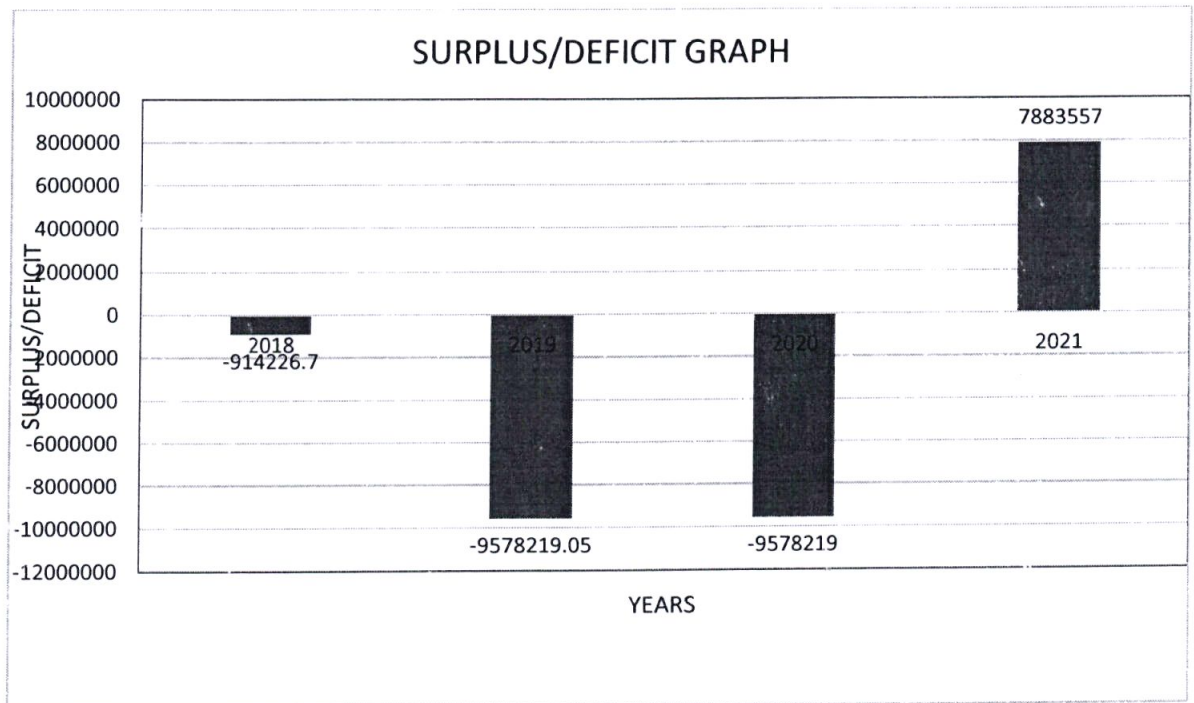
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) **Financial performance:**

Surplus / deficit analysis

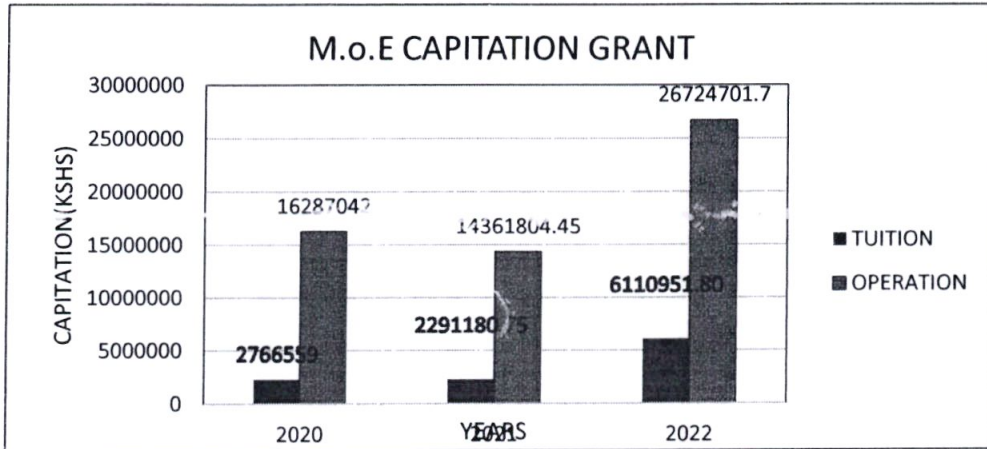
YEAR	DEC 2018	DEC 2019	DEC 2020	JUNE 2021
SURPLUS/DEFICIT	(914,226.70)	(9,578,219.05)	(,1965,759.76)	7,883,557.00

Graphical representation of Surplus/Deficit over the last three years;



Capitation Grants from M.o.E. for the last three years

YEAR	2020	2021	2022
TUITION	2,766,559	2,291,180.75	6,110,951.80
OPERATIONS	16,287,042	14,361,804.45	26,724,701.70

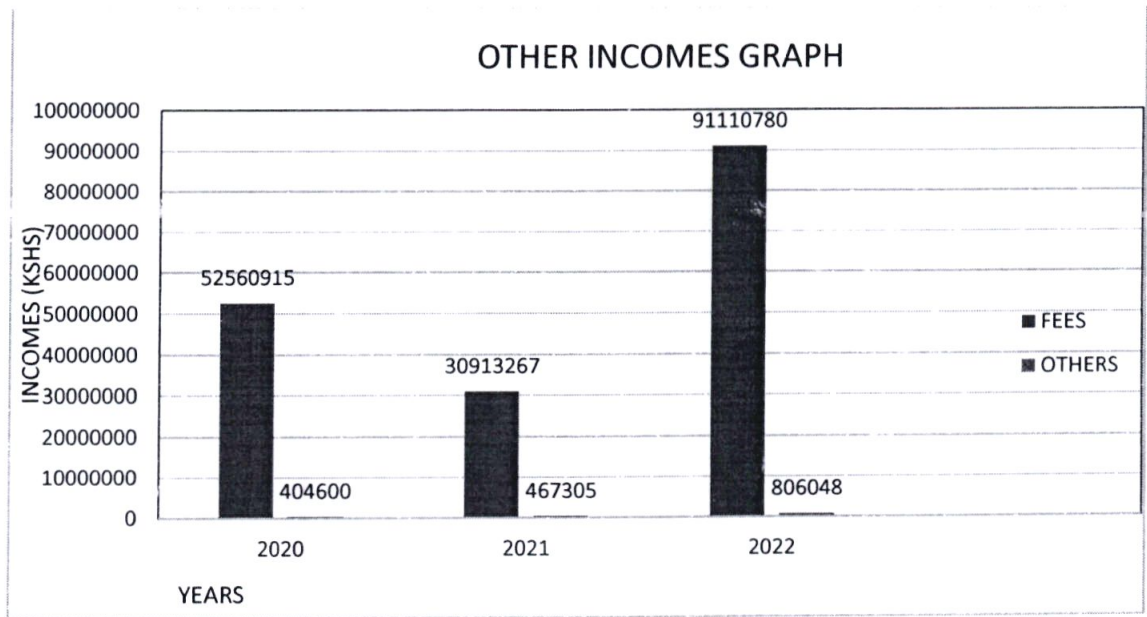


Ratio of capitation grant per student over the last three years;

YEAR	2020	2021	2022
CAPITATION	1:11,110	1:9,659.50	1:17,720.30

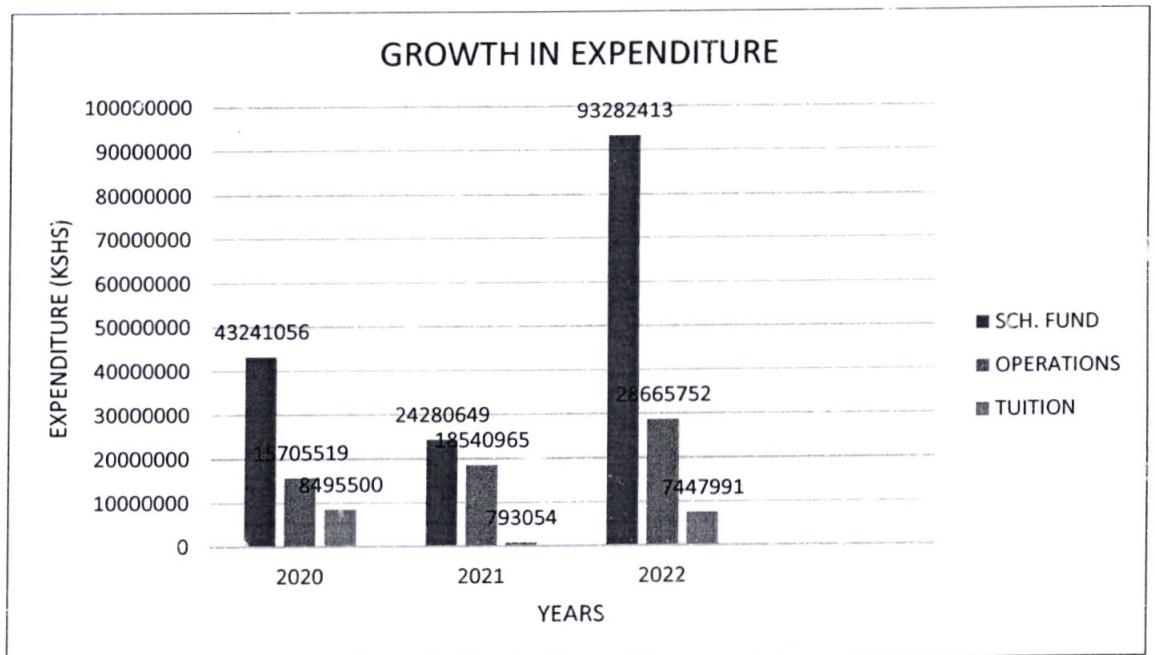
A three-year overview of growth of other income(s) earned by the school

YEAR	PARENTS FEES	HOUSE RENT	FARM INCOME	BAKERY	BUS HIRE	SALE OF SCRAP METAL
2020	52,560,915	240,400	21,300	142,900	-	-
2021	30,913,267	163,205	133,950	106,650	63,500	-
2022	91,110,780	79,550	440,348	14,000	103,000	169,150



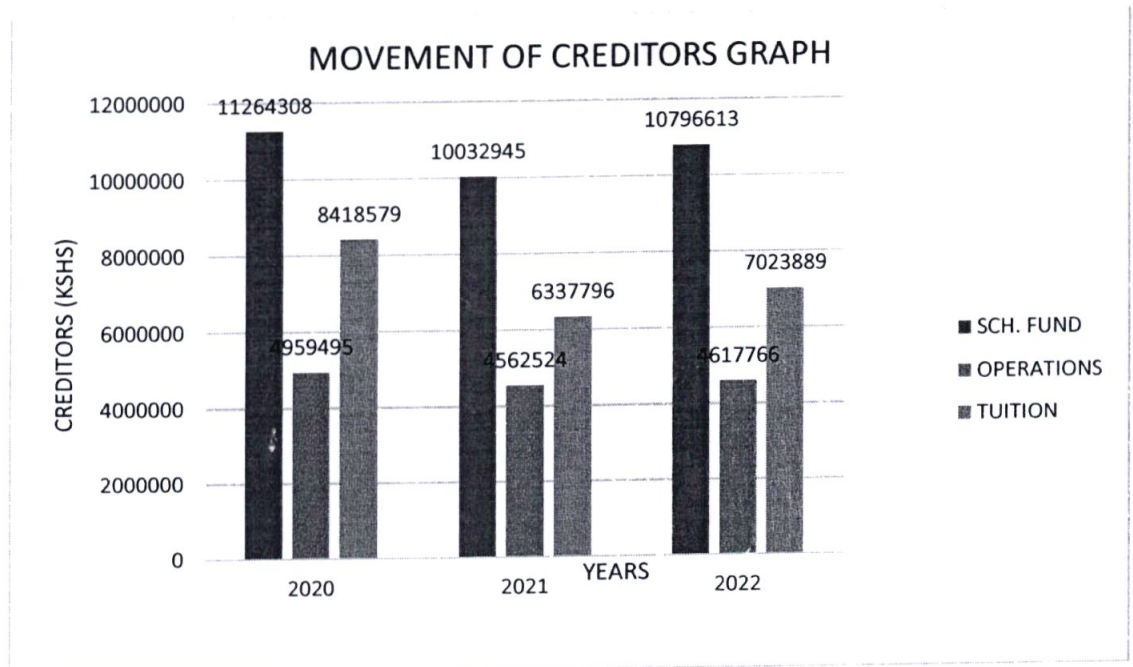
A three-year overview of growth in expenditure of the school

YEAR	SCH. FUND A/C	OPERATIONS A/C	TUITION A/C	TOTAL
2020	43,241,056	15,705,519	8,495,500	97,442,075
2021	24,280,649	18,540,965	793,054	43,614,668
2022	93,282,413	28,665,752	7,447,991	129,396,156



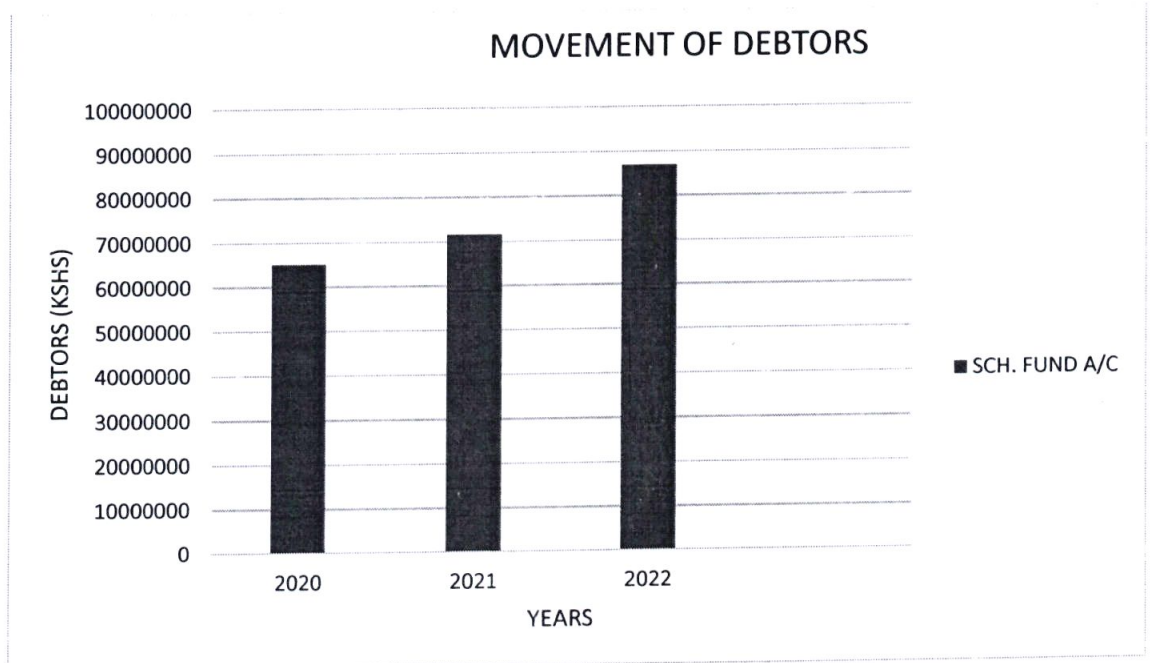
Movement of creditors of the school over the last three years

YEAR	SCH. FUND	OPERATIONS	TUITION	TOTAL
2020	11,264,308	4,959,495	8,418,579	24,642,382
2021	10,032,945	4,562,524	6,337,796	20,933,265
2022	10,796,613	4,617,766	7,023,889	22,438,268



Movement of debtors of the school over the last three years

YEAR	DEBTORS (FEES ARREARS 2007 TO 2021)
2020	65,171,752
2021	71,715,141
2022	86,898,569



Movement of cash and bank balances over the last three years

ACCOUNTS	2020		2021		2022	
	CASH	BANK	CASH	BANK	CASH	BANK
SCH. FUND	74.40	283,416.89	109420.40	203,905.89	79,605.40	698,642.18
OPERATIONS	757.90	20,770.25	-	145,004.70	-	16,388.40
TUITION	-	21,336.60	-	3,040.35	-	3,824.15
TOTAL	832.30	325,523.74	109420.40	351,950.94	79,605.40	7,188,854.73

b) Teacher Student ratio:

Include the teacher to student ratio – 1: 42

Number of teachers recruited and posted to the school within the year – 1 on TSC and 2 on internship.

Number of teachers that were transferred – 2 and number employed by BOM. - 9

c) Mean score in the 2021 KCSE:

Performance of the school over the last three years

YEAR	MEAN SCORE/GRADE	C+ AND ABOVE	DEVIATION
2021	6.6433 – C+	169 out of 342	-0.3346
2020	6.9779 – C+	159 out of 272	0.0889
2019	6.889 - C+	137 out of 243	0.9659
2018	5.923 - C	113 out of 312	0.3231

d) Number of Candidates in the 2021 KCSE:

Number of candidates sitting for KCSE over the last three years

YEAR	NUMBER OF CANDIDATES
2021	342
2020	272
2019	312

e) Capacity of the school:

Indicate the number of students in the school is 1853

Number of :-

Dormitories -	10
Dining hall-	1
Toilets-	56 doors
Laboratories-	4
Classrooms	44

a) Development projects carried out by the school:

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

PROJECT	SOURCE OF FUNDS	STATUS
Construction of 3No. classrooms (additional storey)	Maintenance & Improvement fund (MoE)	Complete and Occupied
Construction of 480 bed capacity dormitory	Maintenance & Improvement (MoE)	Ongoing

PRINCIPAL

VIHIGA FRIENDS HIGH SCHOOL

P. o. Box 140 - 50300, MARAGOLI

DATE: SIGN:

School Principal

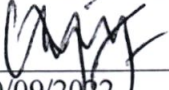
2. Statement of School Management Responsibility

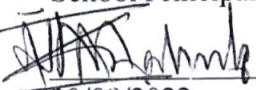
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

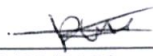
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

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

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

Name: Charles Omware
Designation: Chairman, School Board of Management
Sign: 
Date: 30/09/2022

Name: Daniel J. Mwachi
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 30/09/2022

Name: Jared Omonyole Ochieng
Designation: Bursar/ Finance Officer
Sign: 
Date: 30/09/2022

REPUBLIC OF KENYA



Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON VIHIGA FRIENDS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – VIHIGA 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 the 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, risk management environment and 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 Vihiga Friends High School - Vihiga County set out on Pages 1 to 23, which comprise the statement of assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and statement of budget versus actual amounts for the year then ended and

Report of the Auditor-General on Vihiga Friends High School for the year ended 30 June, 2022 – Vihiga County

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 Vihiga Friends High School - Vihiga County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Note 19 to the financial statements on other important disclosure reflects a balance of Kshs.1,958,910 on stock/inventory balance. However, Management did not carry out a stock take at the end of the financial year. Further, no records were maintained to show the level of stock at the close of financial year. In addition, a review of the Schools fixed asset register revealed that the School has recorded most of the assets. However, the summary of fixed assets register at Annex 2 and the fixed asset register omitted critical information on serial numbers of office equipment and other electronic items which were not tagged and does not reflect the cost.

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

2. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.9,278,805. Included in the balance is Kshs.9,199,200 in respect of bank for which the cashbook records and bank reconciliation statements for three (3) bank accounts were not provided for audit. Further, the balance includes Kshs.79,605 in respect of cash in hand for which the board of survey report was not provided for audit.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.9,278,805 could not be confirmed.

3. Accounts Receivables

3.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.90,942,773 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.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.90,942,773 could not be confirmed.

3.2 Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.90,942,773 as disclosed in Note 13 to the financial statements. However, the balance includes Kshs.89,663,129 relating to fees arrears out of which, a balance of Kshs.6,025,765 was in respect of fees arrears outstanding for more than one (1) year while a balance of Kshs.60,246,192 was for fees arrears of between two (2) to three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.90,942,773 could not be confirmed.

4. Unsupported Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.37,303,776 as disclosed in Note 14 to the financial statements. However, the supporting schedules, detailed aging analysis, ledgers, and unpaid invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of the account's payables balance of Kshs.37,303,776 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2022.

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. Failure to Maintain Separate Accounting Records for the Bakery

The statement of receipts and payments and Note 5 to the financial statements reflects miscellaneous incomes totalling Kshs.8,210,498. Included in this amount is income from bakery of Kshs.14,000. However, the School did not maintain separate accounting records for the bakery such as the stores ledgers/bin cards/S3, bread production register, bread sales register, cashbook, bank statements, asset register, and income and expenditure statements to confirm bakery input, output, income, expenditure and profit or loss. This is contrary to Regulation 64(1) (a) of the Public Finance Management Regulations, 2015 that provides that an Accounting Officer and or Receiver of Revenue are personally responsible for ensuring that adequate safeguards exist and are applied for the prompt collection and proper accounting.

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

2. Irregular Comingling of Funds

The statement of receipts and payments and Note 5 to the financial statements reflects miscellaneous incomes totalling Kshs.8,210,498. Included in this amount is Kshs.1,080,223 in respect of incomes from other income generating activities including rent income, income from farming activities, bakery, income from bus hire, and uniform income which was banked into the School fund account. This is contrary to the Ministry of Education Circular reference number MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day Secondary Education (FDSE) which states that schools with income generating activities should open separate bank accounts for each stream of income and account for it in accordance with financial regulations.

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

3. Irregular Cash Purchases

The statement of receipts and payments and Note 9 for the financial statements reflects payments totalling Kshs.94,606,277 in respect of boarding and school fund. Review of records revealed cash payments totalling Kshs.2,174,520 on purchase goods and services were done in cash and without proper supporting documents such as requisitions, local purchase orders, delivery notes, inspection reports, and goods received notes. This was contrary to Section 107(a) of the Public Procurement and Asset Disposal Act, 2015 which provides that a procuring entity may use a low-value procurement procedure if the entity is procuring low value items which are not procured on a regular or frequent basis and are not covered in framework agreement.

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

4. Failure to Prepare a School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, 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 law.

5. Irregular Reallocation of Funds

Review of the operations bank statement for 12 July, 2021 revealed transfer of Kshs.200,000 to tuition account. This is contrary to Ministry of Education Circular Ref. No: MOE/G1/9/1/44 dated 9 January, 2008 and MOE.HQS/3/13/3 dated 16 June, 2021 that directs under the operations account that schools may seek authority from the CEBs to wire savings or surplus funds from one item to another, when it is absolutely necessary but no virement from the tuition account will be allowed. In addition, virement of funds from infrastructure account is not allowed as guided by paragraph 3.13 of Circular ref: MOE.HQS/3/10/18/ (112)

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

6. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 16 February, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to the Ministry of Education circular Ref: MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

7. Long Outstanding Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.37,303,776 as disclosed in Note 14 to the financial statements. However, included in this balance is Kshs.27,849,673 in respect of trade creditors, out of which Kshs.429,100 was outstanding for more than one (1) year while a balance of Kshs.4,982,305 was outstanding for between two (2) to three (3) 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 contracts are reflected in approved budget estimates.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

8. 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 two thousand four hundred and fifty-six (2,456) books to the School while only two thousand two hundred and ninety two (2,292) books were issued to the students, resulting to an unexplained excess text books of one hundred and sixty four (164) books in the School store. Further, some books issued in the financial year 2017/2018 were still lying in the store as they were no longer in use.

In the circumstances, value for money on the excess one hundred and sixty-four (164) text books could not be confirmed.

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

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

Basis for Conclusion

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 the Board of Management

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 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 an 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.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not

reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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, CBS
AUDITOR-GENERAL

Nairobi

16 January, 2025

4. Statement Of Receipts and Payments for the Year Ended 30th June 2022


Receipts			
Government grants for tuition	1	6,110,952	2,291,181
Government grants for operations	2	26,743,362	14,489,542
Government grants for infrastructure	3	-	-
School fund income- parents' contribution/Fee	4	99,471,875	30,913,987
Miscellaneous incomes	5	8,210,498	910,905
Total Receipts		140,536,686	48,605,615
Payments			
Tuition	6	7,447,991.00	793,054 .00
Operations	7	15,049,028 .00	13,458,056.90
Infrastructure	8	5,446,983.00	1,639,667.85
Boarding and school fund	9	94,606,277 .00	24,538,429 .00
Total Payments		122,550,279.00	42,068,876.00
Surplus/Deficit		17,986,407.00	8,176,407.00

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



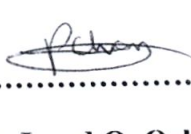
Name: Charles Omware
Chair BOM

Date: 30/7/2024



Name: Daniel J. Mwachi
School Principal/ Secretary to BOM

Date: 30/7/2024



Name: Jared O. Ochieng
Bursar/ Finance Officer

Date: 30/7/2024

5. Statement of Assets and Liabilities As At 30th June 2022


Description	Note	2021/2022	2020/2021
Financial Assets			
Cash and cash equivalents			
Bank balances	10	9,199,200	6,532,935
Cash balances	11	79,605	109,420
Short term investments	12	-	-
Total cash and cash equivalent		9,278,805	6,642,355
Account's receivables	13	90,942,773	72,880,882
Total financial assets (a)		100,221,578	79,523,237
Financial liabilities			
Accounts payables	14	37,303,776	34,591,842
Total Financial Liabilities (b)		37,303,776	34,591,842
Net financial assets (a-b)		62,917,802	44,931,395
Represented by			
Accumulated fund b/fwd	15	44,931,395	36,754,988
Surplus/deficit for the year		17,986,407	8,176,407
Net Assets		62,917,802.00	44,931,395.00

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

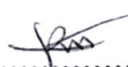

 Name: Charles Omware

Chair BOM

Date: 30/7/2024


 Name: Daniel J. Mwachi
 School Principal/ Secretary to BOM

Date: 30/7/2024


 Name: Jared O. Ochieng

Bursar/ Finance Officer

Date: 30/7/2024

6. Statement of Cash Flows for the Year Ended 30th June 2022

Description	2021	2022
Cash from Operating Activities		
Receipts		
Government grants for tuition		2,291,181
Government grants for operations and infrastructure		14,489,542
School fund income- parents contributions/ fees		26,462,273
Other income		910,905
Total receipts		44,153,901
Payments		
Cash outflows for tuition		2,893,837
Cash outflows for operations		10,243,036.15
Cash outflows Boarding/lunch and school fund payments		23,024,603
Total payments		36,161,476
Net cash inflow/outflow from operating activities		7,992,425
Cash flow from investing activities		
Acquisition of assets		(1,639,667)
Proceeds from sale of Assets- construction of classrooms		-
Proceeds from investments		-
Purchase of investments		-
Net cash inflow/outflows from investing activities		(1,639,667)
Cash flow from Financing activities		
Proceeds from borrowings/ loans	18	-
Repayment of principal borrowings		-
Net cash inflow/outflow from financing activities		-
Net increase/decrease in cash and cash equivalents		4,713,090
Cash and cash equivalent at beginning of the FY		1,929,265
Cash and cash equivalent at end of the FY		6,642,355

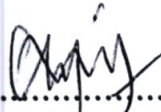
Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

VIHIGA FRIENDS HIGH SCHOOL


Annual Report and Financial Statements For the year ended 30th June 2022

(The above presentation of the 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 _____ 2022 and signed by:


.....
Name: Charles Omware
Chair BOM

Date: 30/7/2024


.....
Name: Daniel J. Mwachi
School Principal/ Secretary to BOM

Date: 30/7/2024


.....
Name: Jared O. Ochieng
Bursar/ Finance Officer

Date: 30/7/2024

7. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
<i>(1) CAPITATION GRANT ON TUITION</i>							
Textbooks and Reference Materials							
Exercise Books							
Laboratory Equipment							
Internal Exams							
Teaching & Learning Materials	7,678,832	-	-	7,678,832	6,110,952	1,567,880	79.6%
Chalks						-	-
Exams and Assessment						-	-
Reference & Library Materials						-	-
						-	-
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						-	-
Personnel Emoluments	-					-	-
Repairs and Maintenance	9,265,000	-	-	9,265,000	10,155,000	(890,000)	109.6%
Local Transport & Travelling						-	-

VIHIGA FRIENDS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

Electricity, Water & Conservancy						-	-
Other Voteheads	17,418,200	-	-	17,418,200	16,199,102	1,219,098	93.0%
NHIF - Edu afya	-			-	370,600	(370,600)	-
Medical						-	-
Administration Costs						-	-
Activity	2,779,500	-	-	2,779,500		2,779,500	0.0%
Gratuity						-	-
SMASSE	370,600	-	-			-	-
		-	-			-	-
(3) FEES CHARGED ON PARENTS						-	-
Personnel Emoluments	5,744,300			5,744,300	9,254,537	(3,510,237)	161.1%
Repairs and Maintenance	3,706,000			3,706,000	5,442,629	(1,736,629)	146.9%
Local Transport & Travelling	1,945,650			1,945,650	4,252,399	(2,306,749)	218.6%
Electricity, Water & Conservancy	8,153,200			8,153,200	12,778,035	(4,624,835)	156.7%
Medical	-			-	-	-	-
Administration Costs	5,781,360			5,781,360	13,545,278	(7,763,918)	234.3%
Activity	926,500			926,500	1,766,752	(840,252)	190.7%
SMASSE	-			-	-	-	-
Fee on Boarding Equipment and Stores	38,597,990			38,597,990	52,432,245	(13,834,255)	135.8%
OTHER INCOME							
Rent income	133,200			133,200	79,550	53,650	59.7%
Income from farming activities				-		-	-
Income From Bakery				-	14,000	(14,000)	-

VIHIGA FRIENDS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

Income from Posho mill				-		-	-
Income from Bus Hire	150,000			150,000	103,000	47,000	68.70%
Sale of Scrap Metal				-	169,150	(169,150)	-
Income from School Farm	550,000			550,000	440,348	109,652	80.1%
Dormitory Fire Damages	7,185,934			7,185,934	4,867,525	2,318,409	67.7%
Donations	-			-	106,600	(106,600)	-
Schhol Fes Arreas	11,433,149			11,433,149	5,407,384	6,025,765	47.3%
TOTAL INCOME	121,448,415			121,448,415	143,495,085	(22,046,270)	118.2%
(1) EXPENDITURE							
Personnel Emoluments	13,614,972			13,614,972	16,293,387	(2,678,415)	119.7%
Repairs, Maintenance and Improvements	1,853,000			1,853,000	1,709,950	143,050	92.3%
Local Transport & Travelling	4,600,000			4,600,000	6,949,728	(2,349,728)	151.1%
Electricity, Water & Conservancy	9,700,000			9,700,000	8,306,952	1,393,048	85.6%
Medical Expenses	950,000			950,000	462,855	487,145	48.7%
Administration Costs	10,647,800			10,647,800	20,507,781	(9,859,981)	192.6%
Activity	800,000			800,000	371,400	428,600	46.4%
Gratuity	1,784,885			1,784,885	829,160	955,725	46.5%
Teaching and Learning Materials	672,000			672,000	542,095	129,905	80.7%
Boarding Equipment and Stores	47,684,000			47,684,000	47,210,267	473,733	99.0%
Expenditure for Income Generating Activity - School Farm	335,000			335,000	247,790	87,210	74.0%
Exercise Books	2,560,000			2,560,000	4,235,930	(1,675,930)	165.5%
Examinations and assessment	5,457,500			5,457,500	1,182,647	4,274,853	21.7%

VIHIGA FRIENDS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2022

Insurance costs	-			-	-	-	-
Laboratory Chemicals & Equipment	2,900,000			2,900,000	1,485,969	1,414,031	51.2%
Rent Expenses	-			-	-	-	-
Bank Charges	-			-	73,391	(73,391)	-
Dormitory Fire Damages	7,185,934			7,185,934	3,669,524	3,516,410	51.1%
Terrazzo Flooring	-			-	882,759	(882,759)	-
Acquisition of Assets	12,005,000			12,005,000	9,496,983	2,508,017	79.1%
Other Payments - Sundry Creditors	20,924,162			20,924,162	20,149,012	775,150	96.3%
TOTAL	143,674,253			143,674,253	144,607,580	(933,327)	100.6%

8. 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 various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has 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 an 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

9. Notes To the Financial Statements

1 Government Grants for Tuition

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Tuition		606,855.00
Exercise books		
Laboratory equipments and apparatus		
Teaching/learning materials	6,110,951.80	1,684,325.75
chalks		
Stationery		
Total	6,110,951.80	2,291,180.75

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	10,155,000	104,128
Electricity and water		
Medical	370,600	
Administration costs		6,156,500
Food stuff	18,660	23,610
Local transport / travelling		
Other Voteheads	16,199,101	8,205,304
Total	26,743,362	14,489,542

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Maintenance & Improvement	-	-
Transition infrastructure grants	xxx	xxx
Administration Block	xxx	xxx
Economic stimulus grants	xxx	xxx
Other (<i>specify</i>)(NGCDF and County govt.	xxx	xxx
Total	xxx	xxx

4 School Fund Income - Parents Contribution/Fees

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	52,432,244	21,100,493
Personnel emoluments	9,254,537	2,407,937
Repairs and maintenance	5,442,629	-
Local transport / travelling	4,252,399	601,400
Electricity and water	12,778,035	3,383,792
Administration cost	13,545,278	3,420,364
Medical	-	-
Infrastructure		
Activity	1,766,752	-
Total	99,471,875	30,913,987

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

5 Miscellaneous Incomes

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Rent income	79,550	163,205
Income from farming activities	440,348	133,950
Bakery	14,000	106,650
foodstuff recovery	58,490	
damages fee	4,867,525	
donations	106,600	
Uniform income	443,325	-
Income from Bus Hire	103,000	63,500
Income from IGA Account	1,150,000	420,000
income from gratuity account	510,000	910,905
Loss recovery	268,510	23,600
Sale of scrape Metatals	169,150	
Total	8,210,498	910,905

(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.

6 Tuition

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Text books		
Exercise books	4,235,930	
Laboratory equipments and apparatus	1,485,969	342,318
Teaching/learning materials chalks	542,095	67,360
Internal exams	1,182,647	
Stationery		382,380
Bank charges	1,350	996
Total	7,447,991	793,054

7 Operations

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Personal Emoluments	7,240,323	7,057,877
Electricity water And Conservancy	1,184,575	436,675
Administration Cost	4,963,593	2,595,852
Repairs and maintenance & improvements		1,499,760
Local transport / travelling	1,151,867	978,879
Service Gratuity	329,160	440,290
Food stuff	32,490	9,780
Medical		-
Activity Expenses	139,400	381,500
Covid-19 expenses		55,500
Bank Charges	7,620	1,943
ablution block		-
class rooms 2units	-	-
Total	15,049,028	13,458,057

8 Infrastructure

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
construction of six class rooms & 24 door latrines	5,446,983	1,639,667
Construction of laboratory	-	-
Construction of dormitory	-	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Others (specify)	-	-
Total	5,446,983	1,639,668

9 Boarding And School Fund

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
sale of borehole water	-	-
Service gratuity A/c farm	1,440,830	-
Itt	247,790	26,670
Personnel emoluments	5,797,861	1,585,663
IGA a/c	9,053,064	1,003,313
Repairs and maintenance & Improvements	579,929	-
uniform expenses	1,709,950	-
Electricity and water	-	-
Medical Expenses	7,122,377	1,857,810
Administration costs	462,855	257,260
dormitory fire damages repair	15,544,188	2,806,618
bank charges	3,669,524	-
terrazzo flooring	64,420	-
Fee on Boarding Equipment and Stores	882,759	-
Rent Expenses	47,480,982	16,748,301
foodstuff recovery	39,450	-
activity	232,000	-
Refunds	278,297	213,994
Total	94,606,277	24,538,429

10 Bank Balances

Account Name & Currency	Status	Bank Account Number	2021-2022	JAN-JUNE 2021
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	1102368237	3,824.15	3,040.35
Operations Account	Active	1102382116	16,388.40	145,004.70
School Fund Account/Boarding	Active	1102382272	698,642.18	203,905.89
Savings Account/Gratuity	Active	1277873321	7,595.00	1,448,425.00
Infrastructural Account	Active	0960294579786	8,258,413.00	4,108,016.00
PMC Account	Dormant	1240065159	194,823.00	194,823.00
Income Generating Activities Account	Active	1282360744	19,514.00	429,720.00
Total			9,199,200	6,532,935

11 Cash balances

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
School Fund account	79,605	109,420
Total	79,605	109,420

12 Short Term Investments

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

13 Accounts Receivable

Description	2021-2022		JAN-JUNE 2021	
	Kshs		Kshs	
Fees Arrears	89,663,129		71,679,341	
Other Non-Fees Receivables				
nssf	345,949		345,949	
Kudheihia Workers	200		-	
Union Dues	20,786		20,786	
Salary advances	84,700		26,700	
PAYE	6,346		4,243	
Rent Arrears	784,800		767,000	
HELB	36,863		36,863	
Total	90,942,773		72,880,882	

13 b) Ageing Analysis of Accounts Receivable

Description	2021-2022		JAN-JUNE 2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	23,391,172	26 %	11,433,149	16 %
Between 1- 2 years	6,025,765	7 %	7,029,215	10 %
Between 2-3 years	60,246,192	67 %	53,216,977	74 %
Total (should tie to note 13 a)	89,663,129	100%	71,679,341	100%

14 Accounts Payable

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	27,849,673	26,335,567
NHIF	1,780,238	1,780,238
Co-operative	2,718,232	2,718,232
Pocket Money	18,925	18,925
Prepaid fees	4,101,245	2,903,417
caution money	835,463	835,463
Total	37,303,776	34,591,842

14a. Ageing Analysis of Accounts Payable

Description	2021-2022		JAN-JUNE 2021	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	22,438,268.00	81 %	21,233,262.00	81 %
Between 1- 2 years	429,100.00	2 %	4,398,160.00	17 %
Between 2-3 years	4,982,305.00	18 %	704,145.00	3 %
Total (should tie to note 14)	27,849,673.00	100%	26,335,567.00	100%

15 Fund Balance Brought Forward

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Bank Balances	6,532,935	1,928,433
Cash Balances	109,420	832
Short Term Investments		
Receivables	72,880,882	66,336,850
Payables	34,591,842	31,511,127
Total	44,931,395	36,754,988

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

17 Biological assets

Description	Numbers	2021-2022	JAN-JUNE 2021
		Kshs	Kshs
Cattle	7	7	7
Goats	0	-	-
Trees	50	55	50
Coffee Or Tea Plantation	0	-	-
Poultry	0	-	-
Others (specify)		62	57
Total	7	7	7

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

Description	2021-2022	JAN-JUNE 2021
	Kshs	Kshs
Stock/ inventory at beginning of the year	824,340	-
Stock/ inventory purchased during the year	30,020,654	-
Stock/ inventory issued during the year	28,061,744	-
Balance at end of the year	1,958,910	824,340

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

20 Progress On Follow Up of Auditor Recommendations

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

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

Sign and Date
Principal

10. Annexes

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	a	b	c	d-a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1. N/A						
2.						
3.						
Sub-Total						
Supply of goods						
4. Sundry Creditors – Boarding a/c	10,171,613	2021 to 2022	-	10,171,613	9,356,945	
5. Sundry Creditors – Operations A/c	2,888,778	2021 to 2022	-	2,888,778	2,440,060	
6. Sundry Creditors – Tuition a/c	7,023,889	2019 to 2022	-	7,023,889	6,540,796	
Sub-Total	20,084,280		-	20,084,280	18,637,801	
Supply of services						
7. Bonmak Investment – Emptyng latrines	100,000	2021 to 2022	0	100,000	0	
8. Benard Omung'a	125,000		0	272,000	0	
9. Sunshine Automobiles	1,020,338			567,866	0	
10. Retired Employees	990,650			1,344,595	0	
11. Complink Systems	118,000			210,000	210,000	
Sub-Total	2,353,988			2,353,988	210,000	
Grand Total	22,438,268			22,438,268	12,214,458	

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	1964		15,000,000	0	0	15,000,000
Land 2	1964		3,000,000	0	0	3,000,000
Buildings and structures			400,000,000	12000000	0	412,000,000
Motor vehicles :School Bus	23/3/2006	school	7,150,000	0	0	7,150,000
School Van	30/3/2012		2,513,823			2,513,823
Office equipment, furniture and fittings			34,200,000	3000,000 0		37,200,000
ICT Equipment, and Other ICT Assets	2017	Computer lab	1,850,000	1,015,000	0	2,865,000
Tools and apparatus	2018		600,000	0	0	600,000
Textbooks			12,600,000	0	0	12,600,000
Other Machinery and Equipment: Generator 1	2008	school	1,800,000	3,247,000	0	5,047,000
Heritage and cultural assets						
Intangible assets- soft ware: Accounting Program	2018	Accounts Office	150,000	80000	0	230,000
Zeraki Program for exams analysis	2021	Evaluation office	200,000			200,000
Total			471,913,823	19,342,000		491,255,823

(Attached find copy of school assets list).

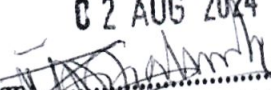
VIHIGA FRIENDS HIGH SCHOOL

LIST OF ASSETS 2022/2023

NO	ITEM	NO IN STORE
1	LAND	3.6Ha
2	SCHOOL BUS (ISUZU KAW 457Z)	1
3	SCHOOL VAN (TOYOTA HILUX KBR 335U)	1
4	GENERATOR (PA66GF30 204084379) (GASTON POWER MPLS100S-1-SR)	1
5	BAKERY	1
6	POSHO MILL	1
7	DOUBLE DECKER BEDS	988
8	STUDENTS DESKS	1970
9	STUDENTS CHAIRS	1970
10	DESK TOP COMPUTERS	59
11	LAP TOP	11
12	SAMSUNG PLASMA T.V (51" PSSIF)	1
13	SAMSUNG T.V 32"	1
14	KEYBOARD (YAMAHA 5700)	1
15	RADIO CASSETTE(TOSHIBA TX-DK 3000 DVD MPS – USB)	1
16	LG HIFI CD(CJ 98)	1
17	AMP MIXER (YAMAHA SMX – 12000D)	1
18	AHUJA AMPLIFIER(SSA – 250M)	1
19	BOX SPEAKER	2
20	WOOFER DELL SPEAKER	1
21	YAMAHA DRUM (5PCS)	1SET
22	PRS – 7000	1
23	PRS - 650	1
24	MICROPHONES (WIRELESS)	2
25	MICROPHONES (CORDED)	4
26	SPEAKER (PEAVEY 15")	1
27	TEACHERS CHAIRS	85
28	TEACHERS DESKS	85
29	EXECUTIVE CHAIRS	10
30	EXECUTIVE TABLES	1

PRINCIPAL
VIHIGA FRIENDS HIGH SCHOOL

02 AUG 2024

Sign: 
P.O. Box 140 - 50300, MARAGOLI

31	CONFERENCE TABLE		1
32	BOARD- ROOM TABLE		6
33	BOARD – ROOM CHAIRS		20
34	SOFASET		3
35	FRIDGE RAMTONS		1
36	DEEP FRIZER		1
37	PHOTOCOPY MACHINE (ECOSYS FS- 6525 MFP)		1
38	L.G T.V (232 24")		1
39	PRINTER (H.P PHOTOSMARR)		1
40	PRINTER (KYOCERA FS – 2100 DN)		1
41	PRINTER (HP LASERJET PRO 400)		1
42	PRINTER (KYOCERA FS4200DN)		2
43	PRINTER (EPSON L 850)		1
44	PRINTER (FS 1025MFP)		1
45	PHOTOPRINTER (RISO SS2)		1
46	PROJECTOR (ACTR)		1
47	PRINTER LESER-JET PRO (M102A)		1
48	CAP BOARD		3
49	FILE CABINET (STEEL)		9
50	WELDING MACHINE (BIG)		1
51	WELDING MACHINE (SMALL)		1
52	DORMITORIES: LUVAI BLOCK – 3 STOREY INDIRE AGOI GOVERNMENT LITU SAFARICOM MUDAVADI		1 1 1 1 1 1 1
53	CLASS ROOMS		43
54	LIBRARY		1
55	MULTIPURPOSE HALL		1
56	DINING HALL		1
57	DINING TABLES		50
58	DINING CHAIRS		200

PRINCIPAL
VIHIGA EDIENDE HIGH SCHOOL
02 AUG 2024
Sign:.....
P. O. Box 140 - 50300, MARAGOLI