

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

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

**THE AUDITOR-GENERAL**

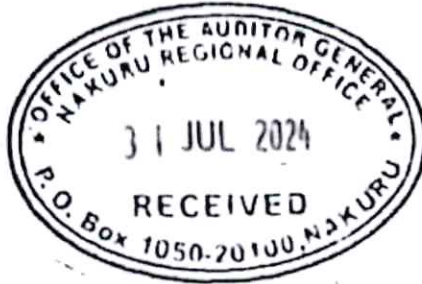
**ON**

**MAJANI MINGI SECONDARY SCHOOL**

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

**NAKURU COUNTY**

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



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MAJANI MINGI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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



Majani Mingi Secondary School

Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

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**i. Acronyms and Glossary of Terms**

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

**Majani Mingi Secondary School**  
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**2. 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 Nakuru County, Rongai Sub-County.

The school was registered in 2/14 under registration number PU/S/2/9180/14 and is currently categorized as a Sub-county public school established, owned or operated by the Government.

The school is a day/boarding school and had 247 number of students as at 30<sup>th</sup> June 2023. It has 1 streams and 9 teachers of which 1 teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Ronald Tanui	Chairman	20/06/2022
2	Zipporah C. Kemboy	Secretary- Principal	20/06/2022
3	Dorothy kimeli	Member	20/06/2022
4	Michael odhiambo	Member	20/06/2022
5	Samwel chebotibin	Member	20/06/2022
6	Stanley chebon	Member	20/06/2022
7	Rodah cherutich	Member	20/06/2022
8	Ritah wanjala	Member – Rep CEB	20/06/2022
9	Ondara o. okari	Member Rep Teachers	20/06/2022
10	Pamela Nafula	Members - Sponsor	20/06/2022
	Alfred Lusame	Members - Sponsor	20/06/2022
11	Kipkoech Molel	Members - Sponsor	20/06/2022
11	Eunice otieno	Member - Community	20/06/2022
12	Angeline Aoko	Member Special Needs	20/06/2022
13	Sharon chepkemboi	Rep Students	20/06/2022

The functions of the School Board of Management are to:

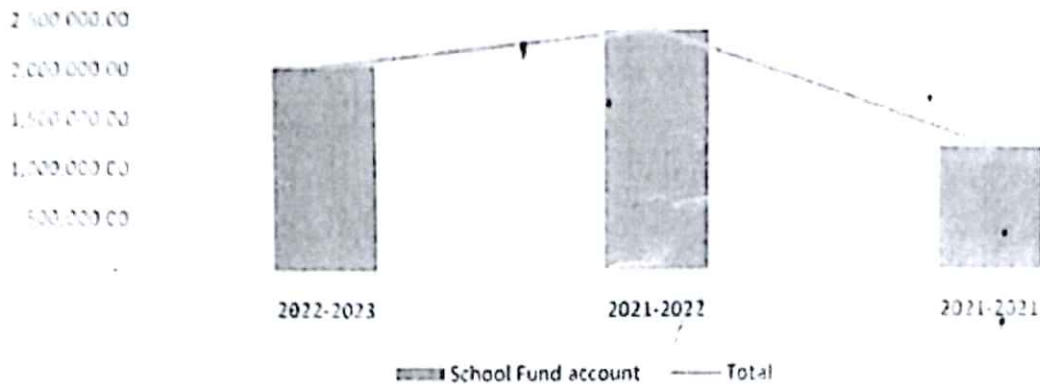
- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Ronald tanui 2. zipporah c. kemboy 3. samwel chebotibin 4. kipkoech molel	Chairman Secretary p.a chair member	3 out of 3
2	Audit Committee	1. Michael odhiambo 2. Rodah cherutich		0 out of 3
3	Finance, procurement and general purposes Committee	1. Molel kipkoech 2. Rita wanjala		0 out of 3
4	Academic Committee	1. Ondara okari 2. pamela nafula 3. stanly chebon		2 out of 3
5	Development Committee	1. Samwel chebotibin 2. dorothy kimeli 3. Raphael Kimani 4. Pamela Nafula 5. Ronald Tanui 6. Zipporah Kemboy	Secretary Chairperson	3 out of 3
6	Discipline and welfare Committee	1. Eunice atieno 2. Fred lusame 3. Angeline Aoko		0 out of 3
7	Adhoc Committee (if any during the year)			

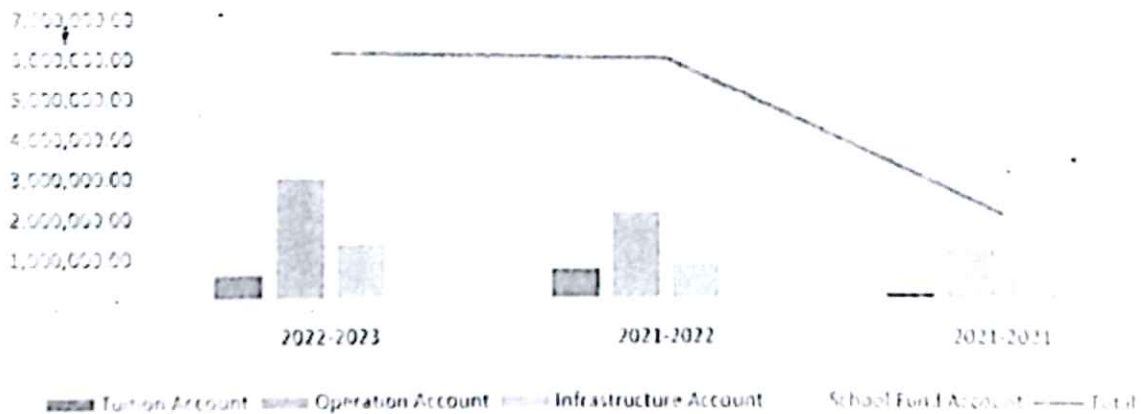
**Majani Mingi Secondary School**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

SNO	ACCOUNTS	2022-2023	2021-2022	2021-2021
1	School Fund account	2,017,245.00	2,332,750.00	1,202,730.00
	<b>Total</b>	<b>2,017,245.00</b>	<b>2,332,750.00</b>	<b>1,202,730.00</b>



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

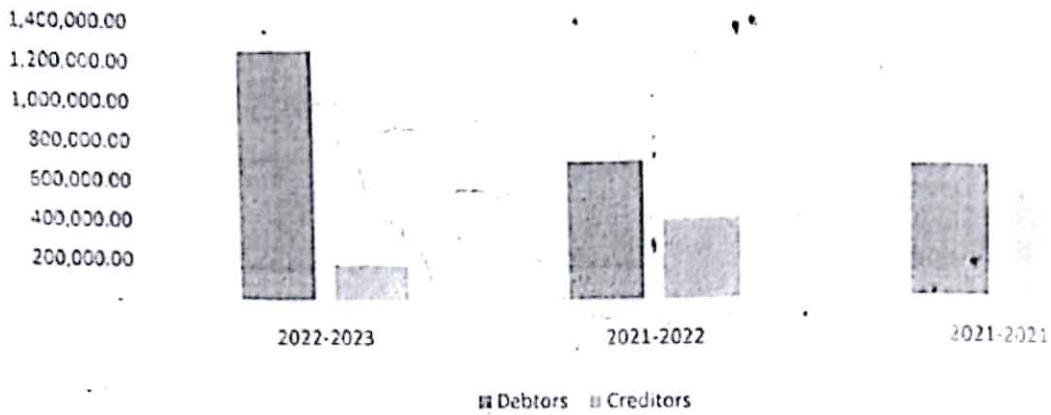
SNO	ACCOUNTS	2022-2023	2021-2022	2021-2021
1	Tuition Account	611,180.00	725,880.00	142,294.00
2	Operation Account	3,008,695.00	2,172,180.00	1,218,365.00
3	Infrastructure Account	1,334,900.00	860,000.00	782,205.00
4	School Fund Account	1,204,622.00	2,283,467.00	
	<b>Total</b>	<b>6,159,397.00</b>	<b>6,041,527.00</b>	<b>2,142,864.00</b>



**Majani Mingi Secondary School**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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

SNO	ACCOUNTS	2022-2023	2021-2022	2021-2021
1	Debtors	1,261,510.00	687,420.00	637,320.00
2	Creditors	180,000.00	395,000.00	865,000.00



**b) Teacher Student ratio:**

Enrolment	No of teachers	Ratio
247	9	28:1

- Number of teachers recruited and posted to the school within the year- 0
- Number of teachers that were transferred-1

S/n	Subject	No of teachers	Shortage
1	English	1	0
2	Kiswahili	1	0
3	Mathematics	2	0
4	Chemistry	2	0
5	Physics	1	0
6	Biology	2	0
7	Geography	3	0
8	History and Government	2	0
9	C.R.E	1	0
10	Agriculture	1	0

**Majani Mingi Secondary School**  
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

11	Business Studies	1	0
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**b) Mean score in the year 2020-2022 KCSE:**

Year	Mean	Grade	No of students transitioned to university	Target	Deviation
2020	2.16	D-	0	2.4	-0.24
2021	2.16	D-	1	2.4	-0.24
2022	2.6	D	1	2.4	+0.2

**c) Number of Candidates in the year 2020-2022 KCSE:**

Year	No of candidate
2020	49
2021	52
2022	54

**d) Capacity of the school:**

The capacity of the school is 247 and has the following facilities;

S/N	Facilities	Number
1	Classes	7
2	Laboratories	1
3	Administration	0
4	Ablutions	16
5	Kitchen	1
6	Gate	1
7	Bookstore	1
8	Kitchen store	1

Majani Mingi Secondary School  
 Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

e) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time



.....  
 School Principal

**Majani Mingi Secondary School**

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023**

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**4. Statement of School Management Responsibility**

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


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

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

Name: Ronald Tanui

Designation: Chairman, School Board of Management

Date: 31/7/2024 

Name: Zipporah C. Kemboi

Designation: School Principal & Secretary to Board of Management

Date: 31/7/2024



Name: Alice kangogo

Designation: Bursar/ Finance Officer/clerk

Date: 31/7/2024



# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON MAJANI MINGI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – NAKURU COUNTY**

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### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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, 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**

#### **Adverse Opinion**

I have audited the accompanying financial statements of Majani Mingi Secondary School - Nakuru County set out on pages 1 to 22, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows, and statement of budgeted versus actual amounts for the year then ended,

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*Report of the Auditor-General on Majani Mingi Secondary School for the year ended 30 June, 2023 – Nakuru County*

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, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of the Majani Mingi Secondary School - Nakuru County as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with Public Finance Management Act, 2012 and Basic Education Act, 2013.

### **Basis for Adverse Opinion**

#### **1. Lack of Ledgers**

The ledgers to support figures in the financial statements were not provided for audit, contrary to Regulation 104(1) of the Public Finance Management (National Government) Regulations, 2015 which provides that all receipts and payments voucher of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

In the circumstances, the accuracy and completeness of the figures in the financial statements could be confirmed.

#### **2. Unsupported Payments**

The statement of receipts and payments reflects payment for operations amount of Kshs.3,008,695 as disclosed in Note 7 to the financial statements. The expenditure includes payments amounting to Kshs.420,600 which was not supported with requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificates of payments, contrary to Regulation 104(1) of the Public Finance Management(National Government) Regulations, 2015 which requires that all receipts and payment vouchers of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation. In the circumstances, the occurrence of the expenditure amounting to Kshs.420,600 could not be confirmed.

#### **3. Payment for Undelivered Goods**

The statement of receipts and payments reflects boarding and school fund payments balance of Kshs.1,204,622 and as disclosed in Note 9 to the financial statements. The expenditure includes payments amounting to Kshs.80,000 on various foodstuffs and boarding items which were not delivered contrary to Regulation 162. (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'an accounting officer of a procuring entity shall ensure that all inventory, stores and assets purchased are received, but shall not be used until taken on charge and as a basis for ensuring that all procured items are properly accounted for and put in proper use as intended by the procuring entity'.

In the circumstances, the expenditure of Kshs.80,000 on foodstuffs and boarding items is irregular.

#### **4. Unsupported Cash and Cash Equivalents Balance**

The statement of assets and liabilities reflects total cash and cash equivalents balance of Kshs.440,536 comprising of bank balances and cash balances of Kshs.435,152 and Kshs.5,384 respectively as disclosed in Notes 10 and 11 to the financial statements respectively. However, the bank balance of Kshs.435,152 includes balances of Kshs.384,783 in respect of various bank accounts that were not supported with bank reconciliation statements.

In addition, cash book records provided in support of the cash and bank balances for the same bank account were not updated, contrary to Regulation 100 of the Public Finance Management (National Government) Regulations, 2015 which states that 'Accounting Officers shall keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments and shall maintain such other books and registers as may be necessary for the proper maintenance and production of the accounts of the Vote for which he or she is responsible'.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.440,536 could not be confirmed.

#### **5. Unsupported and Long Outstanding Student Accounts Receivables**

The statement of assets and liabilities reflects accounts receivables of Kshs.1,261,510 as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.203,680 in respect of student fees arrears which had been outstanding for over 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 addition, detailed aging analysis, schedules and ledgers of the receivables were not provided for audit.

In the circumstances, the accuracy, completeness and full recoverability of the outstanding receivables balance of Kshs.1,261,510 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Majani Mingi 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 adverse 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.11,077,824 and Kshs.5,617,440 respectively,

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*Report of the Auditor-General on Majani Mingi Secondary School for the year ended 30 June, 2023 – Nakuru County*

resulting to an under-funding of Kshs.5,460,384 or 49% of the budget. However, the School spent a balance of Kshs.6,159,397 against actual receipts of Kshs.5,617,440 resulting to an over-utilization of Kshs.541,957 or 10% 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 were 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, 2023.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Majani Mingi 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 adverse opinion.

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

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Late Submission of Financial Statements for Audit**

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2023 but submitted the financial statements in 30 May, 2024. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted

to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

## **2. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.3,008,695 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.538,200 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 transferred to KESSHA amounting to Kshs.538,200 could not be confirmed.

## **3. Inaccuracies in Students Enrollment Data**

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.3,684,435. Comparison of data from National Education Management and Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2022/2023, NEMIS reflected two hundred and fifty (250) students while records from the County Director of Education had one hundred and ninety-five (195) students, resulting to an underfunding of the School by an amount of Kshs.670,104. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, under-funding of the School may have affected service delivery to the students.

## **4. Failure to Transfer Infrastructure Funds from the Operations Bank Account**

The statement of receipts and payments reflects Government grants for operations and Government grants for infrastructure amounts of Kshs.2,998,259 and Kshs.690,000 as disclosed in Notes 2 and 3 respectively to the financial statements. Out of this amount, Kshs.1,334,900 is reflected as payments for infrastructure as disclosed in Note 8 to the financial statements. However, records provided during audit revealed that Kshs.2,998,259 which included Kshs.998,000 was received in the operations bank account on diverse dates and was supposed to be transferred to the infrastructure account within fifteen days (15) after receipts of funds in the operations account as per Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021. However, the School Management did not transfer any amount of the infrastructure grants received to the infrastructure account.

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

## **5. Ineffective Use of Public Funds**

The statement of receipts and payments reflects payments for operations amount of Kshs.3,008,695 as disclosed in Note 7 to the financial statements. Out of this amount is administrative cost of Kshs.700,815 that includes expenditure paid to a service provider to repair and maintain one printer and one computer for Kshs.145,000. However, as at the time of audit verification it was noted that the printer and computer had problems and could not provide the services required.

In addition, the payment voucher lacked requisitions, Local Service Order, Job card for the work done as well as a report from the inspection and acceptance team to confirm the work done.

In the circumstance, value for money on the expenditure of Kshs.145,000 has not been confirmed.

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

## **REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

As required by Section 7(1) (a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, based on the audit procedures performed, I confirm that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **1. Failure to Develop School Improvement Plan and Poor Infrastructure**

Section 2.2.1 of the Operational Manual for Utilization of Learner Capitation, Grant and Other School funds requires a school to develop improvement plan which is a road map for changes that a school needs to improve the School environment and learning outcomes. However, during the period under review, the school did not develop a School Improvement Plan to be used to measure school improvement activities and hold schools accountable, keep the school in focus in achieving the school target, prioritization of school needs, ensuring prudent utilization of resources and to improve accountability. Further, site visit conducted at the School revealed that the school lacks clearly demarcated school grounds, and proper fencing.

In the circumstances, Management was in breach of the requirements of the Operation Manual for Utilization of Learner Capitation Grant and Other School Funds.

## **2. Lack of Approved Information Technology Security Policy**

Review of the School Information Technology Systems revealed that the School did not have an approved IT Policy for governance and management of its ICT resources. Further, there was no ICT Steering Committee in place to assist in the development of ICT Policy framework to enable the School to realize long-term ICT strategic goals. Lack of an approved IT Policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the School's ICT assets. In addition, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.

## **3. Management of School Assets**

### **3.1 Incomplete Summary of Fixed Assets Register**

Annex 2 to the financial statements reflects a summary of fixed assets with Nil balances. However, the assets listing provided for audit did not disclose information on date of purchase, location, cost, additions during the year, disposals during the year, and historical cost value carried forward. This is contrary to Public Sector Accounting Standards Board template and The National Treasury's Circular Ref: AG/4/16/3/Vol.3(66) dated 6 July, 2022 which provide for the inclusion of the register in the financial statements.

In the circumstances, Management was in breach of the law and School's assets are exposed to pilferage and loss

### **3.2 Lack of Fixed Assets Register**

During the audit, it was noted that the School did not maintain a fixed assets register as stipulated Section 72 of the Public Finance Management Act, 2012, which requires accounting officer to manage assets and liabilities of national government entities in a way which ensures that the national government entity achieves value for money in acquiring, using and disposing of those assets.

In the circumstance, it was difficult to keep track of the assets acquired or disposed and management was in breach of the law.

### **3.3 Lack of Ownership Documents for Land**

Annex 2 to the financial statements reflects a summary of various categories of fixed assets with nil balances. The summary of fixed assets register includes land estimated at 10.46 acres (4.25 HA) in Rongai Constituency of Nakuru County as indicated in the land allotment letter dated 16 May, 2022. However, no land survey plan and title deed or lease title was provided for audit.

In the circumstances, the ownership of land could not be confirmed.

#### **4. Lack of Internal Audit Function and Audit Committee**

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

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 controls, risk management, and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**

**26 September, 2024**

Majani Mingi Secondary School  
Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

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

DESCRIPTION OF VOTE HEAD	Note	1ST JULY 2022- 30TH JUNE 2023	1ST JULY 2021- 30TH JUNE, 2022
			Kshs
<b>RECEIPTS</b>			
Government grants for tuition	1	686,175.75	671,149
Government grants for operations	2	2,998,258.90	2,103,185
Government grants for infrastructure	3	690,000.00	1,101,500
School Fund Income- Parents contributions	4	2,017,245.00	2,332,750
Miscellaneous incomes	5	-	-
<b>TOTAL RECEIPTS</b>		<b>6,391,679.65</b>	<b>6,208,584</b>
<b>PAYMENTS</b>			
Tuition	6	611,180.00	725,880
Operations	7	3,008,695.00	2,172,180
Infrastructure	8	1,334,900.00	860,000
Boarding and school fund	9	1,204,622.00	2,283,467
<b>TOTAL PAYMENTS</b>		<b>6,159,397.00</b>	<b>6,041,527</b>
<b>SURPLUS/DEFICIT</b>		<b>232,282.65</b>	<b>167,057</b>

The school financial statements were approved on 31/07/2024 and signed by:

REDA TAUMI

ZIPPORAH WENDY  
CHAIRBOM

MUCE KENGO

Name:

Name:

Name:

Chair BOM

School Principal/ Secretary to  
BOM

Bursar/ Finance Officer

Date: 31/7/2024

Date: 31/7/2024

Date: 31/7/2024







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

	Note	1ST JULY 2022- 30TH JUNE 2023	1ST JUL 2021-30 <sup>th</sup> JUNE, 2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	10	435,152.01	994,809
Cash Balances	11	5,384.30	2,534
Short term Investment	12	-	-
<b>Total Cash and Cash Equivalents</b>		<b>440,536.31</b>	<b>997,343</b>
Account's receivables	13	1,261,510.00	687,420
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,702,046.31</b>	<b>1,684,763</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	14	180,000.00	395,000
<b>NET FINANCIAL ASSETS</b>		<b>1,522,046.31</b>	<b>1,289,763</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	15	1,289,763.66	1,122,700
Surplus/Deficit for the year		232,282.65	167,063
<b>NET FINANCIAL POSITION</b>		<b>1,522,046.31</b>	<b>1,289,763</b>

The school's financial statements were approved on 31/7/2024 and signed by:

RODHA TAVI

Name:

Chair BOM

Date:



ZIPPORAH KENBOY  
CITEMA NJOR

Name:

School Principal/ Secretary to BOM

Date: 31/7/2024



MUCE KADUO

Name:

Bursar/ Finance Officer

Date: 31/7/2024



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

		1ST JULY 2022- 30TH JUNE 2023	1ST JULY 2021- 30TH JUNE, 2022
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Government grants for tuition	1	686,175.75	671,149.00
Government grants for operations	2	2,998,258.90	2,103,185.10
Government grants for infrastructure	3	690,000.00	1,101,500.00
School fund income-parents contribution/fees	4	1,443,155.00	1,812,650.00
Other income	5	0.00	
<b>Total receipts</b>		<b>5,817,589.65</b>	<b>5,688,484.10</b>
<b>Payments</b>			
Cash outflows for tuition	6	711,180.00	725,880.00
Cash outflows for operations	7	3,008,695.00	2,172,180.00
Cash outflows for Boarding/ school fund payments	9	1,319,622.00	2,283,467.00
<b>Total Payments</b>		<b>5,039,497.00</b>	<b>5,181,527.00</b>
<b>Net cash flow from operating activities</b>		<b>778,092.65</b>	<b>506,957.10</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			0.00
Acquisition of Assets	8	(1,334,900.00)	(860,000.00)
Proceeds from investments		0.00	0.00
<b>Net cash flows from Investing Activities</b>		<b>(1,334,900.00)</b>	<b>(860,000.00)</b>
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flows from Investing Activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(556,807.35)</b>	<b>(353,042.90)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>997,343.66</b>	<b>1,350,386.58</b>
<b>Cash and cash equivalent at END of the year</b>		<b>440,536.31</b>	<b>997,343.68</b>

The school's financial statements were approved on 31/7/2024 and signed by:

*Rebecca T. T. T.*

Name:

Chair BOM

Date: 31/7/2024

*[Signature]*

*Joseph M. M.*

Name:

School Principal/Secretary to BOM

Date: 31/7/2024



*W. M. M.*

Name:

Bursar/ Finance Officer

Date: 31/7/2024

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Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

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

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 %
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Tuition			0.00	0.00	0.00	0.00%
Exercise books			0.00	0.00	0.00	0.00%
Laboratory equipments and apparatus	320,000.00		320,000.00	180,000.00	140,000.00	56.25%
Teaching/learning materials	460,000.00		460,000.00	506,175.75	(46,175.75)	110.04%
Library materials			0.00	0.00	0.00	0.00%
Internal exams			0.00	0.00	0.00	0.00%
Reference books			0.00	0.00	0.00	0.00%
<b>Sub totals</b>	<b>780,000.00</b>		<b>780,000.00</b>	<b>686,175.75</b>	<b>93,824.25</b>	<b>87.97%</b>
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
EWC	235,000.00		235,000.00	100,000.00	135,000.00	42.55%
LT @T	801,000.00		801,000.00	785,909.00	15,091.00	98.12%
RMI	1,877,860.00		1,877,860.00	690,000.00	1,187,860.00	36.74%
Personal emolument	1,440,000.00		1,440,000.00	513,200.00	926,800.00	35.64%
Admin cost	710,000.00		710,000.00	614,149.90	95,850.10	86.50%
Activity	365,760.00		365,760.00	295,000.00	70,760.00	80.65%
Medical and insurance	0.00		0.00	0.00	-0.00	0.00%
Infrastructure Grant	0.00		0.00	0.00	0.00	0.00%
	0.00		0.00	0.00	0.00	0.00%
<b>Sub totals</b>	<b>5,429,620.00</b>		<b>5,429,620.00</b>	<b>2,998,258.90</b>	<b>2,431,361.10</b>	<b>55.22%</b>

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<b>(3) FDSE FOR INFRASTRUCTURE</b>						
Maintenance and Improvement	1,877,860.00		1,877,860.00	690,000.00	1,187,860.00	36.74%
Transition infrastructure Grants			0.00	0.00	0.00	0.00%
Administration block			0.00	0.00	0.00	0.00%
Economic stimulumus gtrants			0.00	0.00	0.00	0.00%
Others(NGCDF,County government)			0.00	0.00	0.00	0.00%
<b>Sub total</b>	<b>1,877,860.00</b>		<b>1,877,860.00</b>	<b>690,000.00</b>	<b>1,187,860.00</b>	<b>36.74%</b>
<b>(4) FEES CHARGED ON PARENTS</b>						
Boarding/Lunch	2,990,344.00		2,990,344.00	1,243,005.00	1,747,339.00	41.57%
Repairs and Maintenance			0.00	0.00	0.00	0.00%
Personal Emoluments			0.00	0.00	0.00	0.00%
LTT			0.00	0.00	0.00	0.00%
Activity			0.00	0.00	0.00	0.00%
EWC			0.00	0.00	0.00	0.00%
Admin costs			0.00	0.00	0.00	0.00%
Rent income			0.00	0.00	0.00	0.00%
<b>Sub total</b>	<b>2,990,344.00</b>		<b>2,990,344.00</b>	<b>1,243,005.00</b>	<b>1,747,339.00</b>	<b>41.57%</b>
<b>(5) MISCELLANEOUS INCOME</b>						
<i>Rent income</i>			0.00	0.00	0.00	0.00%
<i>Income from farming activities</i>			0.00	0.00	0.00	0.00%
<i>Insurance compensation</i>			0.00	0.00	0.00	0.00%
<i>Income from posho mill</i>			0.00	0.00	0.00	0.00%
<i>Income from bus hire</i>			0.00	0.00	0.00	0.00%
<i>Fee for hire of ground and equipment</i>			0.00	0.00	0.00	0.00%
<i>Income from grants and donations</i>			0.00	0.00	0.00	0.00%
<i>Interest income</i>			0.00		0.00	0.00%

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<i>Loans/Borrowings</i>			0.00		0.00	0.00%
<b>SUB TOTAL</b>	0.00		0.00		0.00	0.00%
<b>GRAND TOTAL INCOME</b>	11,077,824.00		11,077,824.00	5,617,439.65	5,460,384.35	50.71%
<b>(1) EXPENDITURE FOR TUITION</b>			0.00		0.00	0.00%
Tuition			0.00	0.00	0.00	0.00%
Exercise books			0.00	0.00	0.00	0.00%
Laboratory equipments and apparatus	320,000.00		320,000.00	311,000.00	9,000.00	97.19%
Teaching/learning materials	460,000.00		460,000.00	300,000.00	160,000.00	65.22%
chalks			0.00	0.00	0.00	0.00%
Internal exams			0.00	0.00	0.00	0.00%
Bank charges			0.00	180.00	(180.00)	0.00%
<b>sub totals</b>	780,000.00		780,000.00	611,180.00	168,820.00	78.36%
<b>PAYMENTS FOR OPERATIONS</b>			0.00			
EWC	235,000.00		235,000.00	48,000.00	187,000.00	20.43%
LT @T	801,000.00		801,000.00	534,200.00	266,800.00	66.69%
RMI	1,877,860.00		1,877,860.00	690,000.00	1,187,860.00	36.74%
Personal emolument	1,440,000.00		1,440,000.00	910,680.00	529,320.00	63.24%
Admin cost	710,000.00		710,000.00	700,815.00	9,185.00	98.71%
Activity	365,760.00		365,760.00	125,000.00	240,760.00	34.18%
Medical and insurance	0.00		0.00	0.00	0.00	0.00%
Bank charges			0.00		0.00	0.00%
<b>SUBTOTALS</b>	5,429,620.00		5,429,620.00	3,008,695.00	2,420,925.00	55.41%
<b>INFRASTRUCTURE PAYMENTS</b>						
Construction of classrooms	1,877,860.00		1,877,860.00	1,334,900.00	542,960.00	71.09%
Construction of laboratory			0.00	0.00	0.00	0.00%
construction of dormitory			0.00	0.00	0.00	0.00%

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Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2023

Purchase of furniture				0.00	0.00	0.00	0.00%
Purchase of equipment				0.00	0.00	0.00	0.00%
Purchase of apparatus				0.00	0.00	0.00	0.00%
Drilling of boreholes				0.00	0.00	0.00	0.00%
<b>SUBTOTALS</b>	<b>1,877,860.00</b>			<b>1,877,860.00</b>	<b>1,334,900.00</b>	<b>542,960.00</b>	<b>71.09%</b>
<b>BOARDING AND SCHOOL FUND PAYMENTS</b>							
Activity				0.00	0.00	0.00	0.00%
Academic improvement				0.00	0.00	0.00	0.00%
Bus hire				0.00	0.00	0.00	0.00%
Farm expenses				0.00	0.00	0.00	0.00%
Bursary				0.00	0.00	0.00	0.00%
Personnel emoluments				0.00	0.00	0.00	0.00%
Repairs and maintenance & Improvements				0.00	0.00	0.00	0.00%
Local transport / travelling				0.00	0.00	0.00	0.00%
Electricity and water				0.00	0.00	0.00	0.00%
Medical Expenses				0.00	5,560.00	(5,560.00)	0.00%.
Administration costs				0.00	0.00	0.00	-0.00%
Fee on Boarding Equipment and Stores	2,990,344.00			2,990,344.00	1,199,062.00	1,791,282.00	40.10%
<b>SUBTOTALS</b>	<b>2,990,344.00</b>			<b>2,990,344.00</b>	<b>1,204,622.00</b>	<b>1,785,722.00</b>	<b>40.28%</b>
<b>TOTAL</b>	<b>11,077,824.00</b>			<b>11,077,824.00</b>	<b>6,159,397.00</b>	<b>4,918,427.00</b>	<b>55.60%</b>

*Please refer to commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%*

Alajam  
Mingsi

## 10. Significant Accounting Policies

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

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

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

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

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

### 2. Recognition of receipts and payments

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

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of

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changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023.

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11. Notes To The Financial Statements

1 Government Grants for Tuition

		1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
Tuition			236,114.00
Exercise books		180,000.00	311,673.00
Laboratory equipments and apparatus		506,175.75	95,230.00
Teaching/learning materials			
Library materials			32,000.00
Internal exams			
Reference books			
<b>Total</b>		<b>686,175.75</b>	<b>671,197.00</b>

2 Government Grants for Operations

		1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
EWC		100,000.00	215,000.00
LT @T		785,909.00	399,575.00
RMI		690,000.00	
Personal emolument		513,200.00	830,788.00
Admin cost		614,149.90	619,222.00
Activity		295,000.00	
Medical and insurance			32,000.00
Infrastructure Grant			
<b>Total</b>		<b>2,998,258.90</b>	<b>2,103,185.00</b>

3 Government Grants for infrastructure

		1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
Maintenance and Improvement			
Transition infrastructure Grants		690,000.00	1,100,000.00
Administration block			
Economic stimulus grants			
Others(NGCDF, County government)			
<b>Total</b>			

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4 School Fund Income -Parents Contribution/Fees

	1ST JULY 2022-30TH JUNE 2023	1ST JUL 2021-30T JUNE, 20
Boarding/Lunch	1,243,005.00	2,332,750.
Repairs and Maintenance		
Personal Emoluments		
LTT		
Activity		
EWC		
Admin costs		
Rent income		
Income from farming activities-farm		
Academic improvements		
Medical		
Income from Bus Hire		
Uniform		
Arrears	774,240.00	
Income from grants and donations*-Bursary		
<b>Total</b>	<b>2,017,245.00</b>	<b>2,332,750.</b>

5 Miscellaneous Incomes

Description	Insert Current FY Kshs	Insert Comparative FY Kshs
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income (specify)*		
<b>Total</b>		

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Notes to the Financial Statements (continued)

6 Tuition

		1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
Tuition			
Exercise books			225,70
Laboratory equipments and apparatus		311,000.00	400,00
Teaching/learning materials chalks		300,000.00	95,000
Internal exams			5,000
Bank charges		180.00	180.
<b>Total</b>		<b>611,180.00</b>	<b>725,88</b>

7 Operations

		1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
EWC			
LT @T		48,000.00	120,00
RMI		534,200.00	202,00
Personal emolument		690,000.00	
Admin cost		910,680.00	1,070,00
Activity		700,815.00	714,00
Medical and insurance		125,000.00	65,20
Bank charges			
<b>TOTAL</b>		<b>3,008,695.00</b>	<b>2,172,</b>

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Notes to the Financial Statements (continued)

8 Infrastructure

		1ST JULY 2022-30TH JUNE 2023	1ST JULY 20 30TH JUNE 202
Construction of classrooms		1,334,900.00	860,000.00
Construction of laboratory			
construction of dormitory			
Purchase of furniture			
Purchase of equipment			
Purchase of apparatus			
Drilling of boreholes			
<b>Total</b>		<b>1,334,900.00</b>	<b>860,000.00</b>

9 Boarding And School Fund

		1ST JULY 2022-30TH JUNE 2023	1ST JULY 30TH JUNE, 20
Activity			
Academic improvement			
Bus hire			
Farm expenses			
Bursary			
Personnel emoluments			
Repairs and maintenance & Improvements			
Local transport / travelling			
Electricity and water			
Medical Expenses			
Administration costs		5,560.00	1,372.00
Fee on Boarding Equipment and Stores		1,199,062.00	2,279,095
<b>TOTAL</b>		<b>1,204,622.00</b>	<b>2,283,467</b>

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Notes to the Financial Statements (continued)

10 Bank Accounts

Name of Bank, Account No. & currency	Bank Account Number	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
Tuition Account		4,657.91	29,662.10
Operations Account		293,590.10	304,000.00
School Fund Account/Boarding		122,105.00	1,420.00
Savings Account			
Income generating activities Account-School Vn Project			
Infrastructural Account		14,799.00	659,690.00
Farm Account			
<b>Total</b>		<b>435,152.01</b>	<b>994,800.00</b>

11 Cash In Hand

Description	1ST JULY 2022-30TH JUNE 2023	1ST JULY 2021-30TH JUNE 2022
Tuition Account		
Operation Account		
School Fund account	768.00	768.00
<b>Total</b>	<b>4,616.30</b>	<b>1,766.00</b>
	<b>5,384.30</b>	<b>2,534.00</b>

12 Short Term Investments

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

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	1ST JULY	1ST JULY
	2022-2023	2021-2022
	JUNE 2023	JUNE 2022
Fees arrears		
Other Non-Fees Receivables	1,261,510.00	687,420.00
Salary Advances(list/schedule attached)		
Imprest(list/schedule attached)		
Rent Arrears (list/schedule attached)		
<b>Total</b>	<b>1,261,510.00</b>	<b>687,420.00</b>

14 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year				
Between 1-2 years	774,240.00	61.37%	483,740.00	70.37%
Between 2-3 years	283,590.00	22.48%	29,600.00	4.31%
Over 3 years	203,680.00	16.15%	174,080.00	25.32%
		0.00%		0.00%
		0.00%		0.00%
<b>Total</b>	<b>1,261,510.00</b>	<b>100.00%</b>	<b>687,420.00</b>	<b>100.00%</b>

15 Accounts Payable

Description	1ST JULY	1ST JULY
	2022-2023	2021-2022
	JUNE 2023	JUNE 2022
Trade creditors (See ageing below and appendix 1)	180,000.00	395,000.00
Prepaid fees		
Retention monies		
<b>Total</b>	<b>180,000.00</b>	<b>395,000.00</b>

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	0.00	0%	0.00	0%
Between 1- 2 years	0.00	0%	395,000.00	46%
Between 2-3 years	180,000.00	21%	0.00	0%
Over 3 years	0.00	%	0.00	0%
<b>Total (should tie to note 14)</b>	<b>180,000.00</b>	<b>21%</b>	<b>395,000.00</b>	<b>46%</b>

Notes to the Financial Statements (continued)  
 16 Fund Balance Brought Forward

+ Description		1ST JULY 2022-30TH JUNE 2023	1ST JU 2021-30 JUNE
Bank balances		994,809.36	1,335.0
Cash balances		2,534.30	15,374
Short Term Investments			
Receivables		687,420.00	637,32
Payables		(395,000.00)	(865,00
Total		1,289,763.66	1,122,71

**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.

**17 Non-current Liabilities Summary**

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
<b>Total</b>		

**18 Biological assets**

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle			
Goats			
Trees			
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
<b>Total</b>			

**19 Borrowings**

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

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Other important disclosure notes

20 Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	29,965.00	
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		
	29,965.00	

21 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)



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12. Annexes

Annex I - Analysis of Pending Accounts Payable

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

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Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land	10 acres			10 acres
Buildings And Structures	7			7
Motor Vehicles				
Office Equipment, Furniture And Fittings	563			563
Textbooks	744			744
ICT Equipment	2			2
Tools And Apparatus	863			863
Other Machinery And Equipment	118			118
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
<b>Total</b>	<b>2,298</b>			<b>2,298</b>