

REPUBLIC OF KENYA



Enhancing Accountability



REPORT

DATE: 04 MAR 2025

DAY:
Tuesday

TABLED

BY:

OF

CLERK-AT
THE-TABLE:

Deputy chief whip
Majority party
Hon. Naomi Jillo
Benson Inzofu

THE AUDITOR-GENERAL

ON

KAJEMBE HIGH SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2022

MOMBASA COUNTY

Revised 30th June 2022



(KAJEMBE HIGH SCHOOL)
PUBLIC SECONDARY 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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(KAJEMBE HIGH SCHOOL)
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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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 Mombasa County, Jomvu Sub-County

The school was registered in May/2005 under registration number GP/A/3267/2005 and is currently categorized as a Sub county public school established, owned or operated by the Government.

The school is a Day school and had 842 number of students as at 30th June 2022. It has 17 streams and 35 teachers of which 14 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	JOYCE KAZUNGU	Chairperson	18/07/2019
2	JOSEPHINE NDIVO	Secretary - Principal	18/07/2019
3	STEPHEN CHEPKECH	Member	18/07/2019
4	HELLEN MBOYA	Member	18/07/2019
5	JOSPHAT MRUTU	Member	18/07/2019
6	REBECCA ANDALYA	PA Member	18/07/2019
7	GORET SAMBA	Member	18/07/2019
8	EDWIN KEYA OSORE	Member – Rep CEB	18/07/2019
9	JULIANA AZEY	Member Rep Teachers	18/07/2019
10	KENNEDY MOMANYI	3 Members - Sponsor	18/07/2019
11	AMINA ABDALLA	Member - Community	18/07/2019
12	CLEOPAS MWAWASI	MemberSpecial Needs	18/07/2019
13	MILDRED ADHIAMBO	Rep Students	18/07/2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of 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.	Joyce Kazungu	BOM Chairperson	2/2
	2.	Rebecca Andalya	P.A Chairperson	2/2
	3.	Stephen Chepkech	Member	2/2
	4.	Amina Abdallah	Member	2/2
2	P.A Committee			Once
	1.	Rebecca Andalya	P.A Chairperson(4R)	1/1
	2.	Irene moraa	4B	1/1
	3.	Raymond Orwa	4G	1/1
	4.	Hellen Mboya	4Y	1/1
	5.	Florence Opondo	3Y	0
	6.	Meshack Odeny	3R	0
	7.	Maimuna Azizi	3B	1/1
	8.	Nelly Marriam	3G	0
	9.	Lawrence Masha	2Y	1/1
	10.	Narsisi Mwasani	2R	0
	11.	Anastacia Mbogholi	2B	1/1
	12.	Triphon Karori	2G	1/1
	13.	Risper Mounde	1G	1/1
	14.	Ignitius Sudi	1W	0
	15.	Nicholas Omondi	1B	1/1
	16.	Shillah Mukomari	1Y	0
	17.	Millicent Awino	1R	1/1
	18.	Amuhaya S.O	Teacher	1/1
	19.			
	20.			

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				Number of meetings attended during the year
3	Academic Committee	Names of Members	Designation	
		1. Joyce Kazungu	BOM Chairperson	2/2
		2. Josephat Mruttu	Vice-Chair	2/2
		3. Rebecca Andalya	P.A Chairperson	2/2
		4. Robin Mwenda	Member	1/2
		5. Kennedy Momanyi	Member	2/2
4	Development Committee			
		1. Joyce Kazungu	BOM Chairperson	4/4
		2. Josephine Ndivo	Principal/Secretary BOM	4/4
		3. Rebecca Andalya	P.A Chairperson	4/4
		4. Stephen Chepkech	Member	3/4
		5. Robin Mwenda	Member	2/4
		6. Amuhaya S.O	Member	4/4
5	Discipline and welfare Committee			
		1. Joyce Kazungu	BOM Chairperson	3/3
		2. Josephat Mruttu	Vice-Chair	3/3
		3. Rebecca Andalya	P.A Chairperson	3/3
		4. Cleoppar mwawasi	Member	3/3
		5. Hellen mboya	Member	3/3
		6. Mohamed Ali	Member	3/3
		7. Amina Abdallah	Member	2/3

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	JOSEPHINE NDIVO	304206
2	Deputy Principal	HENRY GITAU	233395
3	School Bursar	JERMAH KITAVI	ID NO. 30028243

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 90487
 Telephone: +254720801853
 E-mail: kajembehighschool@gmail.com
 Website: www.kajembehighschool.com
 Facebook: KAJEMBE HIGH SCHOOL FORUM
 Twitter: #kajembehighschool

(f) School Bankers

The school operated 8 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

<u>BANK NAME</u>	<u>ACCOUNT NAME</u>	<u>ACCOUNT NUMBER</u>
KCB BANK	Tuition Account	1108914136
KCB BANK	Operations Account	1108915019
KCB BANK	School Fund Account/Boarding	1108479456
EQUITY BANK	Equity fees Account	1200263925995
EQUITY BANK	Infrastructural Account	1200279288849
	Savings Accounts;	
KCB BANK	Gratuity account	1115136828
KCB BANK	Bus account	1115136992
EQUITY BANK	Equity Cdf account	1200299291500

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

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

DESCRIPTION	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
SURPLUS/DEFICIT	(9,576,835.00)	7,288,826.00	(489,757.00)

Capitation grants from the Ministry of Education for the last three years

DESCRIPTION	2021-2022	2020-2021	2019-2020
RECEIPTS	Kshs	Kshs	Kshs
Capitation grants for tuition	2,867,560.00	1,033,848.00	1,247,455.00
Capitation grants for operations	12,519,889.00	7,335,427.00	7,708,825.00
TOTALS	15,387,449.00	8,369,275.00	8,956,280.00

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

- DESCRIPTION	2021-2022	2020-2021	2019-2020
OTHER INCOMES	Kshs	Kshs	Kshs
School Fund Income- Other receipts	4,123,007.00	4,105,151.00	378,167.00
School Fund Income-Parents Account	20,167,000.00	5,551,500.00	7,424,868.00
TOTALS	24,290,007.00	9,656,651.00	7,803,035.00

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

DESCRIPTION	2021-2022	2020-2021	2019-2020
PAYMENTS	Kshs	Kshs	Kshs
Payments for Tuition	5,156,641.00	428,962.00	2,643,414.00
Payments for operations	26,725,231.00	5,158,563.00	8,871,745.00
Payments for Main account	17,372,419.00	5,149,575.00	5,733,913.00
TOTAL PAYMENTS	49,254,291.00	10,737,100.00	17,249,072.00

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

ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Fees arrears	19,181,333.00	14,749,041.00	11,903,960.00
Other non-fees receivables			485,000.00
Salary advances		17,500.00	16,000.00
Imprest			
Total	19,181,333.00	14,766,541.00	12,404,960.00

ACCOUNTS PAYABLE

Description	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	8,690,445.00		
Prepaid fees	579,339.00	394,268.00	194,076.00
Retention monies	562,570.00		
Total	9,832,353.00	394,268.00	194,076.00

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Movement of cash and bank balances over the last three years

1 BANK ACCOUNTS

	Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021	2020-2019
			Kshs	Kshs	Kshs
1	Tuition Account	1108914136	95,120.00	2,384,201.00	1,779,315.00
2	Operations Account	1108915019	8,726.00	6,046,450.00	2,640,193.00
3	School Fund Account/Boarding	1108479456	164,005.00	192,155.00	590,878.00
4	Equity fees Account	1200263925995	2,318,795.00	1,984,660.00	2,637,605.00
5	Infrastructural Account	1200279288849	9,299,625.00	2,733,148.00	3,526,318.00
	Savings Accounts;			-	
6	Gratuity account	1115136828	1,837,374.00	2,060,069.00	2,060,069.00
7	Bus account	1115136992	108,396.00	108,396.00	108,396.00
8	Equity Cdf account	1200299291500	2,196,700.00	4,158,665.00	159,115.00
9	Development account	112415671	0	56,776.00	56,776.00
10	Cdf project account	110848028	0	1,160,390.00	1,160,390.00
11	Exam caution account	1108795395	0	726,141.00	726,141.00
12	Equity account	1200299956000	0	2,164.00	2,164.00
	Total		16,028,741.00	21,613,214.00	15,447,359.00

2 CASH IN HAND

Description	2021-2022	2020-2021	2019-2020	2018-2019
		Kshs	Kshs	Kshs
Tuition Account	0	0	0	0
Operation Account	1,761.00	13,745.00	6,468.00	2,029.00
School Fund account	2,021.00	1,011.00	4,800.00	1,949.00
Total	3,782.00	14,756.00	11,268.00	3,978.00

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b) **Teacher Student ratio:**

714/25 Ratio 1:30

<u>TRANSFERRED</u> <u>TEACHER</u>	<u>RETIRED</u> <u>TEACHER</u>	<u>NEWLY</u> <u>EMPLOYED</u> <u>TEACHER-TSC</u>	<u>B.O.M</u> <u>TEACHERS</u>
01	00	2	TEN(10)

c) **Mean score in the 2021 KCSE**

d) **Number of Candidates in the 2020 KCSE:**

<u>YEAR</u>	<u>ENTRY</u>	<u>MEAN</u>	<u>DEV</u>	<u>NUMBER TO</u> <u>UNIVERSITY</u>
2019	135	3.25	+0.13	2
2020	165	2.87	-0.38	7
2021	188	2.76	-0.11	3

e) **Capacity of the school:**

<u>FACILITIE</u> <u>S</u>	<u>DORMITOR</u> <u>Y</u>	<u>DIN.HAL</u> <u>L</u>	<u>LABORATORIE</u> <u>S</u>	<u>TOILET</u> <u>S</u>	<u>STUDENT</u> <u>S</u>
TOTAL	0	1	3	20	847

f) **Development projects carried out by the school:**

<u>PROJECT</u>	<u>STATUS</u>	<u>FUND</u> <u>SOURCE</u>	<u>AMOUNT</u>
1NO.CLASSROOM	COMPLETE	CBC-MOE	788,220.00
1NO.CLASSRM &BALCONY	COMPLETE	M&I	2,041,595.00
2NO.CLASSROOMS	COMPLETE	CDF	3,584,100.00
4NO.CLASSROOMS	UNCOMPLETE	M&I	7,907,760.00

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III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

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

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

Chairperson:

Chairman, School Board of Management

Sign: *Jacome* **JOYCE KAZUNGU**

Date: *06/06/22*

School Head:

School Principal & Secretary to Board of Management

Sign: *Josephine* **JOSEPHINE NDIRO**

Date: *06/06/22*

Accounts Dept:

Bursar/ Finance Officer

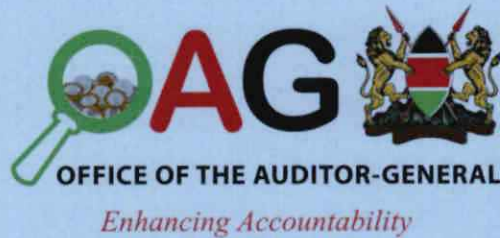
Sign: *[Signature]* **BURSAR**

Date: *06/06/22*

KAJEMBE HIGH SCHOOL
P.O. BOX 90487-80100, MUMBASA

Date: *06/06/22* Sign: *[Signature]*

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON KAJEMBE HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - MOMBASA COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kajembe High School - Mombasa County set out on pages 12 to 25, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kajembe High School - Mombasa 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

The statement of receipts and payments reflects capitation grants for operations amount of Kshs.12,519,889 against a balance of Kshs.8,676,811 reflected in the statement of cash flows resulting to an unreconciled variance of Kshs.3,843,078. Further, the statement of receipts and payments reflects total receipts and payments of Kshs.39,677,457 and Kshs.49,254,292 while the statement of budgeted versus actual amounts reflects total actual amounts of Kshs.26,704,544 and Kshs.30,004,846 respectively, resulting to unreconciled variances of Kshs.12,972,913 and Kshs.19,249,446.

In addition, the statement reflects final budget income totalling Kshs.39,007,668 against a casted amount of Kshs.43,007,668 resulting to a variance of Kshs.4,000,000 which was in respect to other income that was not taken into consideration.

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

2. Inconsistencies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.2,867,560 and Kshs.12,519,889 as disclosed in Note 1 and Note 2 to the financial statements. Review of the NEMIS capitation disbursements made to the School against the amount receipted by the School revealed an amount of Kshs.13,575,086 whereas the NEMIS capitation reflects an amount of Kshs.13,993,814 resulting to an unexplained variance of Kshs.418,728. Further, the statement of receipts and payments reflects capitation grants totalling Kshs.15,387,449 while the bank statements reflects a total of Kshs.13,575,086 resulting to an unexplained variance of Kshs.1,812,363.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations of Kshs.2,867,560 and Kshs.12,519,889 could not be confirmed.

3. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.19,181,333 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, included in the balance are receivables amounting to Kshs.10,063,931 which had been outstanding for more than two (2) years. Further, 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.19,181,333 could not be confirmed.

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

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.39,007,668 and Kshs.26,704,545 respectively, resulting to an under-funding of Kshs.12,303,123 or 32% of the budget. However, the School spent a balance of Kshs.30,004,846 against actual receipts of Kshs.26,704,545 resulting to an over-utilization of Kshs.3,300,301 or 12% of actual receipts. Approval to spend above the budgeted amount was not provided.

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.

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. Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. Information on committees of the Board at page three (3), has omitted details on the finance, procurement, and general purposes and audit committees.
- ii. Details on School bankers at page five (5) have omitted the CDF, development, examination and equity accounts.
- iii. The summary report of performance of the School at page 6 has omitted reports on capitation grant per student over the last three years.
- iv. Annexure 2 on summary of fixed assets register contains incomplete fields.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack of relevant information may affect users' reliance on the financial statements for decision making.

2. Late Submission of Financial Statements for Audit

During the year under review, the School Management submitted the financial statements to the Auditor-General on 28 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, 2022 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.

3. Lack of Effective Management of Textbooks

During the year under review, it was noted that confirmation of the status of textbooks issued to students in the various classes was not carried out within the year. Further, examination of records provided for audit revealed that stock taking of books was only done for students who had cleared form four, in December, 2022. However, the records were not signed or dated to show the person or persons responsible for the stock taking exercise or who confirmed the same.

In the circumstances, Management was exposed to loss of textbooks.

4. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.12,519,889 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.4,356,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. The total amount of Kshs.4,356,000 was transferred to the infrastructure account on various dates, which were beyond fifteen (15) days contrary to the Ministry of Education Circular MOE, HQS/3/13/3 dated 16 June, 2021, which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account as analysed below;

Amount to be transferred to Infrastructure Account (Kshs)	Date Disbursed from the Ministry	Date Transferred to Infrastructure Account	No of Days
1,238,000	03.08.2021	20.09.2021	48
484,000	06.01.2022	19.10.2022	273
22,500	06.01.2022	02.02.2022	27
1,294,500	08.10.2021	19.10.2021	11
438,000	06.01.2022	02.02.2022	27
879,000	20.04.2022	19.05.2022	29

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

5. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure of Kshs.2,867,560 and Kshs.12,519,889 respectively totalling Kshs.15,387,449. 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 2021/2022, NEMIS reflected six hundred and nineteen (619) students while records from the County Director of Education had eight hundred and thirty-five (835) students, resulting to an underfunding of the School by an amount of Kshs.4,804,704. 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, the under-funding may affect service delivery to the students.

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 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 procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Incomplete Assets Register and Lack of Land Ownership Documents

Annex 2 to the financial statements reflects a summary of fixed assets register which does not indicate the purchase date, cost price, current condition and current valuation of the School assets. Further, the assets register indicates that the land was acquired on 1 August, 2004, while the allotment letter revealed the plot and register numbers and the size of the land. However, the land ownership documents were not provided for audit and the value of the land could not be established.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is

necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and 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 governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 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 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 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 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

17 September, 2024

(KAJEMBE HIGH SCHOOL)
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

STATEMENT OF RECEIPTS AND PAYMENTS FOR LAST THE LAST				
THREE YEARS				
DESCRIPTION OF VOTE HEAD	NOTE	2021-2022	2020-2021	2019-2020
		Kshs	Kshs	Kshs
RECEIPTS				
Capitation grants for tuition	1	2,867,560.00	1,033,848.00	1,247,455.00
Capitation grants for operations	2	12,519,889.00	7,335,426.95	7,708,825.00
School Fund Income- Other receipts	3	4,123,007.00	4,105,151.00	378,167.00
School Fund Income-Parents Account	4	20,167,000.00	5,551,500.00	7,424,868.00
TOTAL RECEIPTS		39,677,457.00	18,025,926.00	16,759,315.00
PAYMENTS				
Payments for Tuition	5	5,156,641.00	428,962.00	2,643,414.00
Payments for operations	6	26,725,231.00	5,158,563.00	8,871,745.00
Payments for Main account	7	17,372,420.00	5,149,575.00	5,733,913.00
TOTAL PAYMENTS		49,254,292.00	10,737,100.00	17,249,072.00
SURPLUS/DEFICIT		(9,576,835.00)	7,288,826.00	(489,757.00)
		39,677,457.00	18,025,926.00	16,759,315.00

The school financial statements were approved on 15TH JULY, 2022 and signed by:

Sign: 

Chair BOM JOYCE KAZUNGU

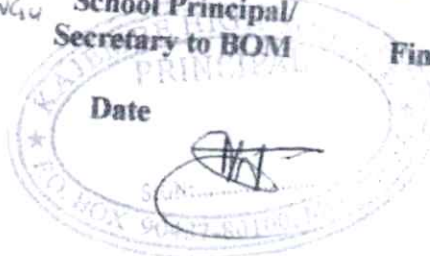
Sign JOSEPHINE NDVU

School Principal/
Secretary to BOM

Sign JEREMIAH KITANI

Bursar/
Finance Officer

Date 6/6/22




BURSAR
 KAJEMBE HIGH SCH
 P.O. BOX 90487-80100, MUMBAI
 Date:  Sign: 


(KAJEMBE HIGH SCHOOL)
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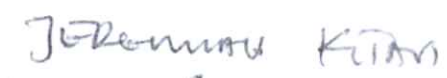
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

	Note	2021-2022 Kshs	2020-2021 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances			
Cash Balances	8	16,028,741.00	21,613,214.00
Short term Investment	9	3,782.00	14,756.00
Total Cash and cash equivalent	10	16,032,523.00	21,627,970.00
Account's receivables	11	19,181,333.00	13,724,635.00
TOTAL FINANCIAL ASSETS		35,213,857.00	35,352,606.00
FINANCIAL LIABILITIES			
Accounts Payables	12	9,832,354.00	394,268.00
NET FINANCIAL ASSETS		25,381,503.00	34,958,338.00
REPRESENTED BY			
Accumulated Fund b/fwd	13	34,958,338.00	27,669,512.00
Surplus/Deficit for the year		(9,576,835.00)	7,288,826.00
NET FINANCIAL POSSITION		25,381,503.00	34,958,338.00

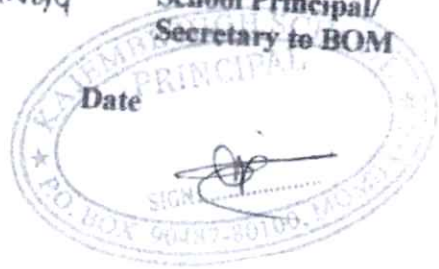
The School's financial statements were approved on 15TH JULY, 2022 and signed by:

Sign: 
 Chair BOM **JOYLE KAZUNGU**

Sign: 
 School Principal/
 Secretary to BOM

Sign: 
 Bursar/
 Finance Officer

Date: **06/06/24**



BURSAR
 KAJEMBE HIGH SCH
 P.O. BOX 90487-80100, M.O.M
 Date: 
 Date: 

(KAJEMBE HIGH SCHOOL)
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STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2021-2022	2020-2021
		Kshs	Kshs
CASHFLOW FROM OPERATING ACTIVITIES			
Receipts for operating income			
Capitation grants for tuition	1	2,867,560.00	1,033,848.00
Capitation grants for operations	2	8,676,811.00	4,955,682.00
School fund income- Parents contributions/ fees	3	20,167,00.00	5,395,399.00
School fund income- other receipts	4	4,123,007.00	4,000,000.00
Total receipts		39,677,456.00	15,384,929.00
Payments			
Payments for Tuition	5	5,156,641.00	428,962.00
Payments for operations	6	26,725,230.00	4,513,568.00
Boarding and school fund payments	7	17,372,419.00	6,451,306.00
Total payments		49,254,290.00	11,393,836.00
Net cash flow from operating activities		(9,576,834.00)	3,991,093.00
CASHFLOW FROM INVESTING ACTIVITIES			
Receipts from investing activities			
Maintenance & improvement		4,554,750.00	2,969,250.00
Acquisition of Assets			
Total Receipts		4,554,750.00	2,969,250.00
Payment from investing activities			
Acquisition of assets-Dinning tiles, Benches & tables		(573,363.00)	(791,000.00)
Total payments		(573,363.00)	(791,000.00)
Net cash flows from Investing Activities		3,981,387.00	2,178,250.00
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
Net increase in cash and cash equivalents		(5,595,447.00)	6,169,343.00
Cash and cash equivalent at BEGINNING of the year		21,627,970.00	15,458,627.00
Cash and cash equivalent at END of the year		16,032,523.00	21,627,970.00

PUBLIC SECONDARY SCHOOLS - KAJEMBE HIGH SCHOOL
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VII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	3,933,468.00		3,933,468.00	2,867,560.00	1,065,908.00	73%
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials						
Chalks						
Exams and assessment						
Teachers guides						
(2) CAPITATION GRANT ON OPERATIONS						
Bom teachers						
Maintainace and maintenance	4,235,000.00		4,235,000.00	4,554,750.00	(319,750.00)	108%
Other Voteheads	9,147,600.00		9,147,600.00	7,789,339.00	1,358,261.00	85%
Local transport / travelling						
Electricity and water						
Medical	550,550.00		550,550.00	175,800.00	374,750.00	32%



100
100
100

(KAJEMBE HIGH SCHOOL)
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a-b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Activity	974,050.00		974,050.00	0.00	974,050	0%
(3) FEES CHARGED ON PARENTS						
Lunch programme	16,303,000.00		16,303,000.00	5,984,900.00	10,318,100.00	37%
BOM teachers	3,864,000.00		3,864,000.00	1,209,189.00	2,654,811.00	31%
Local transport / travelling						
Electricity and water						
Medical						
Administration costs						
Activity						
SMASSE						
Fee on Boarding Equipment and Stores						
OTHER INCOME	4,000,000.00		4,000,000.00	4,123,007.00	(123,007.00)	
Saving account						
Hire of Facilities						
Caution Money						
Tender Fees						
Text Books						
Fee for hire of ground and equipment						
Interest income						
Income from any other investment						
TOTAL INCOME	39,007,668.00		39,007,668.00	26,704,545.00	12,303,123.00	68%
(1) EXPENDITURE FOR TUITION						

(KAJEMBE HIGH SCHOOL)
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Receipts/expenses Item	Original Budget KShs	Adjustments KShs	Final Budget KShs	Actual on Comparable Basis KShs	Budget Utilization Difference KShs	% of Utilization KShs
Textbooks and reference materials	3,422,944.00		3,422,944.00	5,153,791.00	1,730,847.00	151%
Exercise books						
Laboratory equipment						
Internal exams						
Teaching / learning materials						
Chalks						
Exams and assessment						
Teachers guides						
Administration costs						
Bank Charges						
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	3,480,244.00		3,480,244.00	3,013,291.00	466,953.00	79%
Administration cost	2,141,964.00		2,141,964.00	2,498,006.00	(356,042.00)	116%
Local transport / travelling	1,047,246.00		1,047,246.00	684,334.00	362,912.00	65%
Electricity, water and conservancy	1,216,747.00		1,216,747.00	1,287,541.00	(70,794.00)	106%
Medical	1,652,000.00		1,652,000.00	133,704.00	1,518,296.00	8%
Infrastructure	4,130,000.00		4,130,000.00	1,748,524.00	2,381,476.00	42%
Activity Expenses	1,239,000.00		1,239,000.00	1,463,210.00	(224,210.00)	118%
Gratuity						
SMASSSE						

(KAJEMBE HIGH SCHOOL)
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Receipts/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(3) EXPENDITURE FOR SCHOOL FUND						
Lunch Programme	12,000,000.00		12,000,000.00	7,724,420.00	4,275,580.00	64%
Born Teachers	3,000,000.00		3,000,000.00	2,399,848.00	600,152.00	80%
Bus Hire	200,000.00		200,000.00	0.00	(200,000.00)	0%
Tender Fees	30,000.00		30,000.00	6,000.00	24,000.00	20%
Hire of Facilities	100,000.00		100,000.00	41,600.00	58,400.00	42%
Repairs & Maintenance	1,200,000.00		1,200,000.00	1,074,697.00	125,303.00	90%
Electricity and Water	1,000,000.00		1,000,000.00	648,430.00	351,570.00	65%
Activity	1,000,000.00		1,000,000.00	839,370.00	160,630.00	84%
Insurance costs						
Other expenses	510,523.00		510,523.00	0.00	(510,523.00)	0.00
Administration Expenses	1,500,000.00		1,500,000.00	1,198,680.00	301,320.00	80%
Bank Charges						
Loan Interest Repayment						
Local transport	137,000.00		137,000.00	89,400.00	47,600.00	65%
Acquisition of Assets						
TOTALS	39,007,668.00		39,007,668.00	30,004,846.00	9,002,822.00	77%

Recommendation on significant underutilization (below 90% of utilization) and any overutilization above 100%]

1. There was no full utilization of income/expenditure because of difference between calendar year(1st Jan,2022-31st Dec 2022) and financial year(1st Jul,2021-30th June,2022).

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The school recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the school. In addition, the school recognises all expenses when the event occurs and the related cash has actually been paid out by the school.

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

(KAJEMBE HIGH SCHOOL)
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

IX. NOTES TO THE FINANCIAL STATEMENTS

1. CAPITATION GRANT FOR TUITION

	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Textbooks and reference materials	2,867,560.00	1,033,848.00	1,247,455.00
Exercise books			
Laboratory equipment			
Internal exams			
Teaching / learning materials			
Chalks			
Exams and assessment			
Teachers guides			
Total	2,867,560.00	1,033,848.00	1,247,455.00

2. CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Other voteheads	7,789,339.00	3,501,977.00	4,030,925.00
Bom teachers		864,200.00	300,000.00
Maintenance & Improvement	4,554,750.00	2,969,250.00	2,973,500.00
Activity			269,600.00
insurance	175,800.00		134,800.00
Local transport / travelling			
Electricity and water			
Medical			
Administration costs			
Total	12,519,889.00	7,335,427.00	7,708,825.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Lunch programme	19,418,577.00	4,342,311.00	6,019,122.00
BOM teachers	748,423.00	1,209,189.00	1,405,746.00
Local transport / travelling			
Electricity and water			
Medical			
Administration costs			
Activity			
Total	20,167,000.00	5,551,500.00	7,424,868.00

(KAJEMBE HIGH SCHOOL)
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Saving Account	600,450.00	4,000,000.00	0
Hire of Facilities	126,350.00	73,000.00	118,000.00
Caution Money		4,570.00	134,500.00
Tender Fees	35,000.00	13,000.00	31,000.00
Text Books	10,350.00	14,581.00	14,035.00
Bursary	955,250.00		
Fee for hire of ground and equipment			80,632.00
Operation Account	250,000.00		
Gratuity Account	200,137.00		
Dormant accounts	1,945,470.00		
Total	4,123,007.00	4,105,151.00	378,167.00

NOTE:

- **Operation account** Inter account transfer between operation and main accounts.
- **Gratuity account** Received for payment of retired employee.(school Driver)
- **Dormant account** Received from closure of inactive accounts.
- **Saving account** Received from CDF for purchase of student lockers and desks.

5 PAYMENTS FOR TUITION

	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Textbooks and reference materials	5,153,791.00	428,092.00	2,642,040.00
Exercise books			
Laboratory equipment			
Internal exams			
Teaching / learning materials			
Chalks			
Exams and assessment			
Teachers guides			
Administration Costs			
Bank Charges	2,850.00	870.00	1,374.00
Total	5,156,641.00	428,962.00	2,643,414.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Personnel emoluments	3,013,291.00	1,505,346.00	2,819,598.00
Bom teachers			300,000.00
Administration Cost	2,498,006.00	992,792.00	1,232,792.00
Repairs & Maintenance	2,206,883.00	647,134.00	1,340,153.00
Local transport / travelling	684,334.00	119,830.00	240,280.00
Electricity and water	1,287,541.00	551,739.00	547,965.00
Medical	133,704.00	209,837.00	169,675.00
Infrastructure	2,969,250.00	791,000.00	879,912.00
Activity Expenses	1,463,210.00	336,155.00	1,273,270.00
Covid-19 Expenses			63,700.00
Bank Charges	10,038.00	4,730.00	4,400.00
Transfer from Main ac	250,000.00		
Acquisition of Assets-1NO CLSRM	957,524.00		
Acquisition of Assets-2NO CLSRM	2,443,005.00		
Maintenance & improvements	8,690,445.00		
PMC Expenses	118,000.00		
TOTAL	26,725,231.00	5,158,563.00	8,871,745.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Lunch programme	7,724,420.00	2,028,583.00	1,494,110.00
BOM Teachers	2,399,848.00	1,543,299.00	2,594,655.00
Caution Money			4,500.00
Bus Hire		186,100.00	617,710.00
Tender Fees	6,000.00	8,500.00	17,950.00
Hall hire maintenance	41,600.00	15,000.00	20,000.00
Electricity and water	648,430.00	116,000.00	57,020.00
Gratuity Account	200,137.00		80,150.00
Administration costs	1,198,680.00	695,465.00	238,460.00
Repairs and maintenance & Improvements	1,074,697.00	244,990.00	551,200.00
Activities	839,370.00		54,500.00
Bank Charges	24,401.00	4,714.00	3,658.00
Bursary	955,250.00		
Transfer from Equity account	224,717.00	306,924.00	
Local travel & Transport	89,400.00		
Dormant Account	1,945,470.00		
TOTAL	17,372,419.00	5,149,575.00	5,733,913.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

	Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021	2020-2019
			Kshs	Kshs	Kshs
1	Tuition Account	1108914136	95,120.00	2,384,201.00	1,779,315.00
2	Operations Account	1108915019	8,725.90	6,046,450.00	2,640,193.00
3	School Fund Account/Boarding	1108479456	164,005.00	192,155.00	590,878.00
4	Equity fees Account	1200263925995	2,318,795.00	1,984,660.00	2,637,605.00
5	Infrastructural Account	1200279288849	9,299,625.00	2,733,148.00	3,526,318.00
	Savings Accounts;			-	
6	Gratuity account	1115136828	1,837,374.00	2,060,069.00	2,060,069.00
7	Bus account	1115136992	108,396.00	108,396.00	108,396.00
8	Equity Cdf account	1200299291500	2,196,700.00	4,158,665.00	159,115.00
9	Development account	1124136712	0	56,776.00	56,776.00
10	Cdf project account	1108180281	0	1,160,390.00	1,160,390.00
11	Exam caution account	1108795595	0	726,141.00	726,141.00
12	Equity account	1200299956000	0	2,164.00	2,164.00
	Total		16,028,741.00	21,613,214.00	15,447,359.00

9 CASH IN HAND

Description	2021-2022	2020-2021	2019-2020	2018-2019
		Kshs	Kshs	Kshs
Tuition Account	0	0	0	0
Operation Account	1,761.00	13,745.00	6,468.00	2,029.00
School Fund account	2,021.00	1,011.00	4,800.00	1,949.00
Total	3,782.00	14,756.00	11,268.00	3,978.00

10 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed deposit	xxx	xxx

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Fees arrears	19,181,333.00	14,749,041.00	11,903,960.00
Other non-fees receivables			485,000.00
Salary advances		17,500.00	16,000.00
Imprest			
Total	19,181,333.00	14,766,541.00	12,404,960.00

An ageing of the fees / non fees arrears

Description	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Fees arrears for current year	8,660,742.00	2,306,660.00	1,993,591.00
Fees arrears for the previous year	456,660.00	1,565,629.00	862,570.00
Fees arrears for prior periods (over two years)	10,063,931.00	10,876,752.00	9,047,799.00
Total	19,181,333.00	14,749,041.00	11,903,960.00

12 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	8,690,445.00		
Prepaid fees	579,339.00	394,268.00	194,076.00
Retention monies	562,570.00		
Total	9,832,353.00	394,268.00	194,076.00

An ageing of the creditor's arrears (appendix 1)

Description	2021-2022	2020-2021	2019-2020
	Kshs	Kshs	Kshs
Trade creditors for current year	8,690,445.00		
Trade creditors for the previous year			
Trade creditors for prior periods (over two years)			
Total	8,690,445.00	394,268.00	194,076.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2020-2021	2019-2020	2018-2019
	Kshs	Kshs	Kshs	Kshs
Bank balances	16,028,741.00	21,613,214.00	15,447,359.00	17,203,015.00
Cash balances	3,782.00	14,756.00	11,268.00	3,978.00
Short Term Investments	0	0	0	0
Receivables	19,181,333.00	13,724,635.00	12,404,960.00	10,952,275.00
Payables	(9,832,353.00)	(394,268.00)	(194,076.00)	0
Total	25,381,503.00	34,958,338.00	27,669,512.00	28,159,269.00

Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

14 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank loan(s)	xxx	xxx
Outstanding Leases	xxx	xxx
Hire purchase	xxx	xxx
Gratuity and leave provision	xxx	xxx
Total	xxxx	xxx

15 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle		xxx	xxx
Goats		xxx	xxx
Trees		xxx	xxx
Coffee or tea plantation		xxx	Xxx
Poultry		xxx	xxx
Total		xxx	xxx

16 Borrowings

Description	2021-2022	2020-2021
	KShs	KShs
a) Borrowings		

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Other important disclosure notes

17 Stock/ Inventory

Description	2021-2022 KShs	2020-2021 KShs
Foodstuffs	75,250.00	66,905.00
Lab consumables	0.00	0.00
Farm produce		0.00
Stationary	54,401.00	129,355.00
Construction materials		
Other (specify)		
TOTALS	129,651.00	196,259.00

18. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date constructed	Amount Paid To-Date	Outstanding Balance JUNE-2022	Outstanding Balance JUNE-2022	Comments
	a Kshs	b Kshs	c Kshs	d Kshs	e Kshs	
Construction of buildings						
1. 4NO CLASSROOMS	7,907,760.00		0.00	7,907,760.00	7,907,760.00	Construction in progress
2. 1NO CLASSROOM,BALCONY,OFFICE	2,041,595.00		1,054,750.50	986,844.50	986,844.50	Almost complete
3. 2NO CLASSROOMS-CDF	3,584,100.00		3,225,690.00	358,410.00	358,410.00	Completed-Bal retention money
Sub-Total	13,533,455.00		4,280,440.50	9,253,014.50	9,253,014.50	Outstanding creditors
Supply of goods						
4.						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total	13,533,455.00		4,280,440.50	9,253,014.50	9,253,014.50	Outstanding creditors

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	01/08/2004	MIKINDANI	MUNICIPAL	NILL	NILL	N/A
Land 2						
Buildings and structures						
Motor vehicles	05/08/2009	MIKINDANI	1,800,000.00	N/A	N/A	N/A
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks			1,736,000.00	1,385,600.00	0.00	3,121,600.00
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total						