

REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 JUN 2026

DAY.

Thursday

TABLED
BY:

Hon. Samuel Chepkong'a

On behalf of leaders of Majority

CLERK-AT
THE-TABLE:

hema

THE AUDITOR-GENERAL

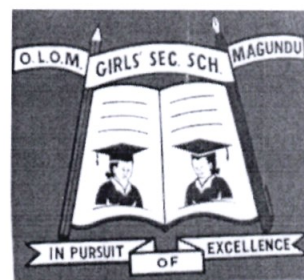
ON

PARLIAMENT
OF KENYA
LIBRARY

OUR LADY OF MERCY HIGH
SCHOOL - MAGUNDU

FOR THE YEAR ENDED
30 JUNE, 2022

THARAKA NITHI COUNTY



OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU

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)

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU
For the year ended 30th June 2022

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I. KEY SCHOOL INFORMATION AND MANAGEMEN

(a) Background information

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

The school was registered in 30/1/2019 under registration number 13S00300499 and is currently categorized as a Extra County, public school established, owned or operated by the Government.

The school is a boarding school and had 1082 number of students as at 30th June 2022. It has 6 streams and 51 teachers of which 4 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	MRS RITA NJIRU	Chairperson	29/7/2019
2	MRS CATHERINE K MUTEMBEI	Secretary - Principal	„ „
3	REV FR PETER GICHUNGE	Member sponser	„ „
4	JAFFARI GITONGA	Member sponser	„ „
5	MR PAUL ARIMI MWAKI	Member community	„ „
6	MONICAH K NJAGI	Member community	„ „
7	NJUE STEPHEN	Member community	„ „
8	FRANKLINE M NJUE	Member community	„ „
9	DR EVANGELINE MUTHONI	Member community	„ „
10	DR ANN KARIMI KINYUA	Member community	„ „
11	MAKARIUS KATHENYA	Member – Rep CEB	„ „
12	GITONGA E NJERU	Special interest	„ „
13	ALEXIUS MIRITI NJUE	MemberSpecial Needs	„ „
14	FRIDAH NTIYARI KIRUGU	Member Rep Teachers	„ „
15	ANNLIZA MUKAMI	Rep Students	„ „
16	PHINEAS K MARETE	Coopted parent rep	„ „
17	DICKENS KIMATHI	Coopted parent rep	„ „
18	JAMES MUCHIRI	Coopted parent rep	„ „

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	MRS RITA NJIRU MRS CATHERINE K MUTEMBEI MR PAUL MWAKI REV FR GICHUNGE PHINEAS KIRAI MARETE	CHAIRLADY SECRETARY MEMBER MEMBER MEMBER	6
2	Audit committee	ALEXIUS NJUE STEPHEN PHINEAS KIRAI PAUL MWAKI-CHIARMAN	CHAIRMAN MEMBER " "	
3	Finance, procurement and general purposes Committee	PAUL MWAKI-CHIARMAN ALEXIUS NJUE STEPHEN PHINEAS KIRAI MONICAH K NJAGI REV FR GICHUNGE	CHAIRMAN MEMBER " " " "	2
4	Academic Committee	MR GITONGA E NJERU MR JAFFARI GITONGA MR ALEXIUS MIRITI GITONGA M/S FRIDAH KIRAGU DR ANN KARIMI KINYUA DR EVANGELINE MUTHONI	CHAIRMAN " " " " " " " " " "	2
5	Development Committee	MR JAFFARI GITONGA MR PHINEAS KIRAI MARETE REV FR PETER GINCUNGE MRS RITA NJIRU MRS CATHERINE K MUTEMBEI MRS LUCY NTWIGA	CHAIRMAN " " " " " " " " " "	7

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OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU

For the year ended 30th June 2022

			FRANKLINE M NJUE MAKARIUS KATHENYA JAMES MUCHIRI ALEXIUS MIRITI NJUE	CHAIRMAN ” ” ” ” ” ”	
	6	Discipline and welfare Committee			2
			SIMON KIRATU ESTHER KIENDI EVANS KAIMENYI MR MBIU	CHAIRMAN ” ” ” ” ” ”	
	7	Adhoc Committee (Tender and procurement committee)			

(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	CATHERINE K MUTEMBEI	381890
2	Deputy Principal	MRS LUCY NTWIGA MRS STELLA KUBANIA	393812 337324
3	School Bursar	MR JOSES MWANDIKI	ID :23818890

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 138 CHUKA
Telephone: 0701476622/0721426310
E-mail: olomghs@gmail.

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks:

1.SCHOOL FUNDS ACCOUNT

Name of the bank =Co-operative bank
Branch =Chuka
Account Number =01129057830200

MPESA PAY BILL NO=400222 Account no= 664#

2.SCHOOL OPERATION ACCOUNT

Name of the bank =Equity Bank
Branch =Chuka
Account Number =0210291771230

3.SCHOOL TUITION ACCOUNT

Name of the bank =KCB
Branch =Chuka
Account Number =1103682385

4.SCHOOL INFRASTRUCTURE ACCOUNT

Name of the bank =Equity bank
Branch =Chuka
Account Number =0210277659923

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For the year ended 30th June 2022

(g) Independent Auditors

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

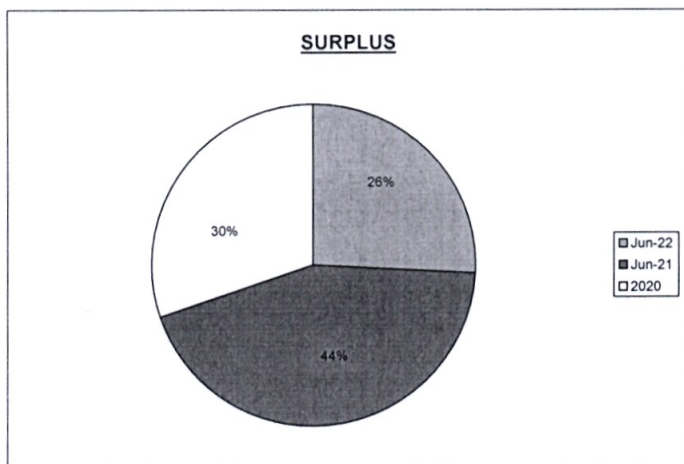
Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU
FOR THE YEAR ENDED 30TH JUNE 2022

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

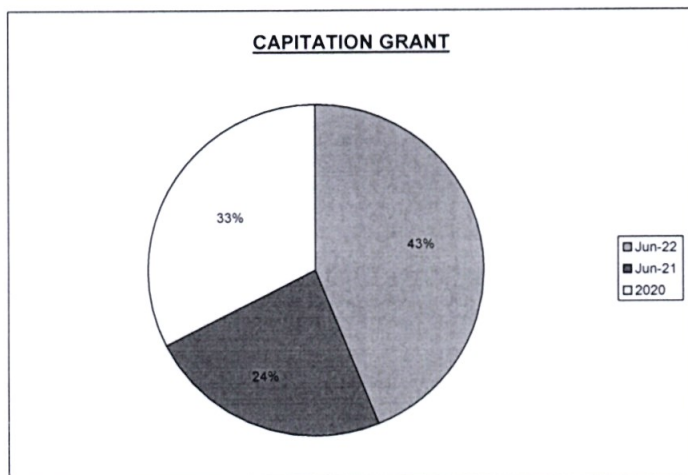
a).financial performance

DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
SURPLUS/DEFICIT	2,964,877.55	5,040,791.65	3,495,096.27	11,500,765.47

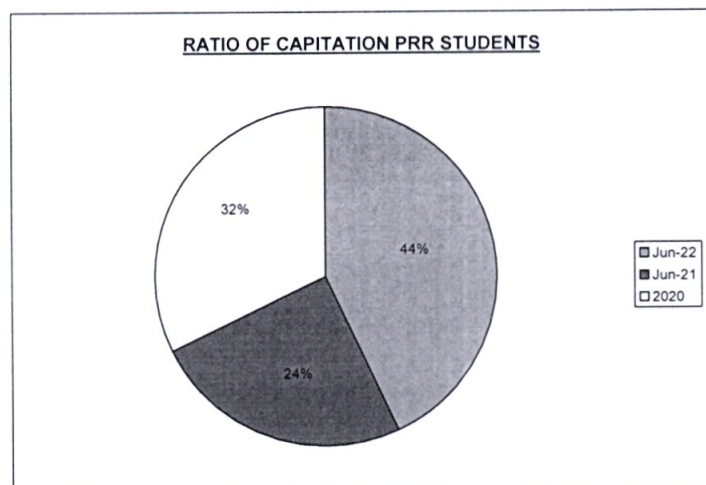


Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU
FOR THE YEAR ENDED 30TH JUNE 2022

DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
CAPITATION GRANTS	18,171,085.65	9,858,493.20	13,498,370.67	41,527,949.52

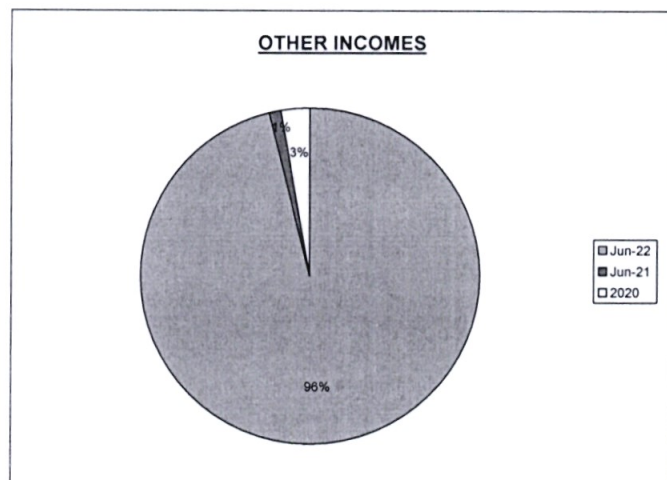


DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
RATIO OF CAPITATION PER STUDENTS	16,793.00	9,525.00	12,591.00	38,909.00

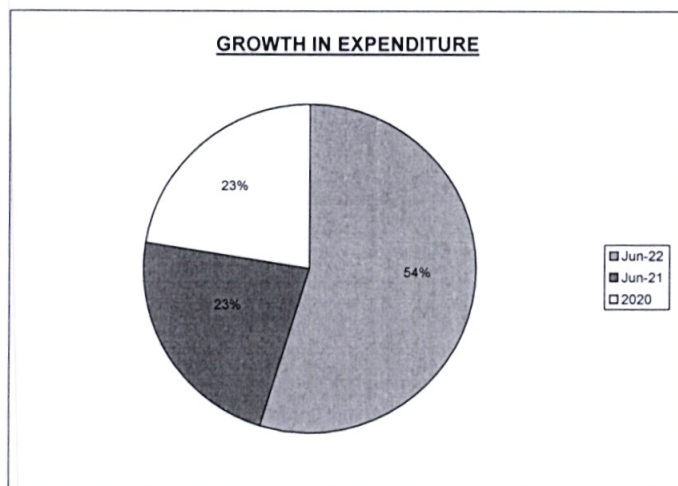


Annual Report and Financial Statements
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FOR THE YEAR ENDED 30TH JUNE 2022

DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
OTHER INCOMES	38,485,635.92	489,080.00	1,073,575.00	40,048,290.92

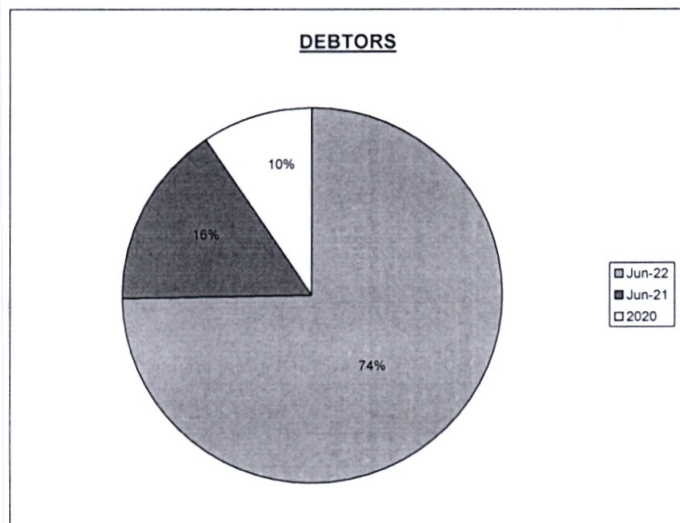


DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
GROWTH IN EXPENDITURE	33,405,221.00	13,802,811.00	13,734,296.00	60,942,328.00

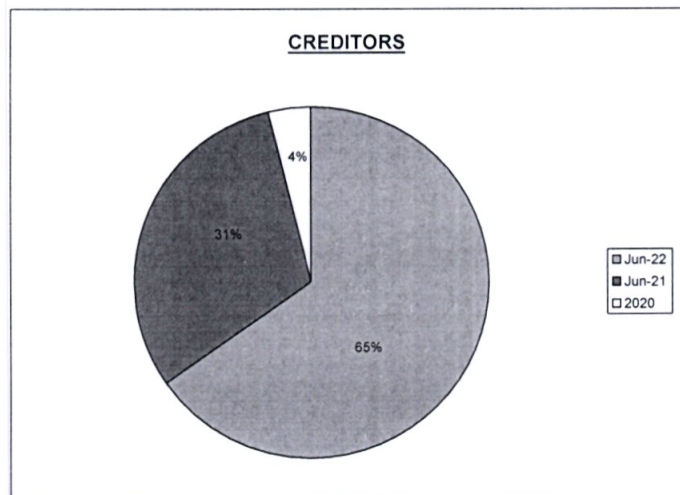


Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU
FOR THE YEAR ENDED 30TH JUNE 2022

DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
DEBTORS	8,973,396.00	1,893,421.00	1,151,610.00	12,018,427.00



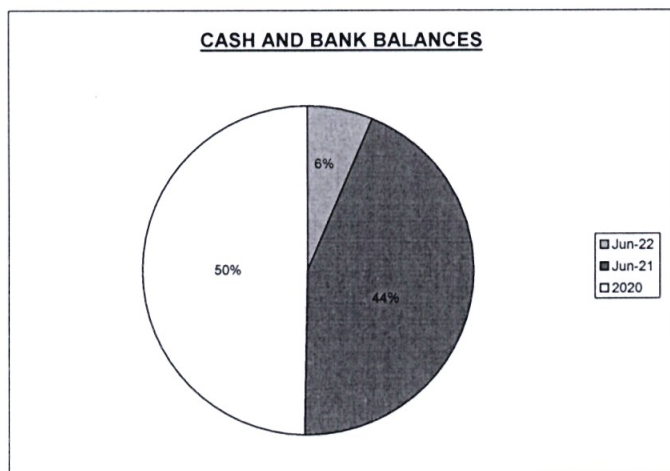
DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
CREDITORS	1,952,508.00	923,360.00	113,555.00	2,989,423.00



Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU
FOR THE YEAR ENDED 30TH JUNE 2022

DETAILS	YEARS			TOTALS
	Jun-22	Jun-21	2020	
CASH AND BANK BALANCES	1,852,131.11	12,519,082.86	14,282,154.31	28,653,368.28

CASH AND BANK BALANCES



Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

b) Teachers student ratio

TOTAL ENROLM-ENT	NO OF TEACHERS RECRUITED	NO OF TEACHERS TRANSFERED	NO OF TEACHERS RETIRED	NO OF TEACHERS DEPLOYED	TOTAL BOM TEACHERS	TOTAL TSC TEACHERS	TOTAL NO OF TEACHERS	RATIO
1082	8	2	0	0	4	46	50	1:23

c) Mean score in the 2020-2022 KCSE

YEAR	ENTRY	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	MEAN	GRADE
2021	233	0	0	0	2	6	20	31	51	62	46	15	0	4.5622	C-
2020	252	0	0	1	5	14	19	57	57	48	26	9	0	5.1389	C-
2019	183	0	0	2	3	5	24	41	45	33	27	2	1	5.1585	C-

d) Number of Candidates in the 2020-2022

YEAR	TOTAL REGISTERED CANDIDATES	NO, THAT DID KCSE	% TRANSITION TO MIDDLE COLLEGES & UNIVERSITIES
2021	233	233	12%
2020	252	252	38%
2019	184	183	40%

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU

For the year ended 30th June 2022

e) Capacity of the school

FACILITIES	QUANTITY	CAPACITY TO	REMARKS
DORMITORY BEDS	550	1100	
CLASSES	26	1300	
LABORATORY	6	250	
TOILETS	83	1100	More days sanitation block needed
DINNING HALL	1	800	shortage
LIBRARY	1	80	shortage
WORKSHOPS	1	45	2 more required
COMPUTOR ROOM	1	31	shortage
STAFFROOM	1	ALL SEATED	Administration block needed
TEXTBOOKS	22000pcs	1:1(RATIO)	<u>sufficient</u> Agriculture F4 ,Computer F4,Business studies F4,
WATER	ADEQUATE		More storage water tanks needed
ELECTRICITY	ADEQUATE		

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL- MAGUNDU
For the year ended 30th June 2022

e) Development projects carried out by the school:

	YR	PROJECTS	NO	DATE OF APPROVAL	SOURCES OF FUNDS	AMOUNT	STATUS
1	2021/2022	PROPOSED COMPLETION WORKS CLASSROOM BLOCK PHASE 111	4	3/6/2021	RMI	6099951.35	COMPLETED
2	2021/2022	PROPOSED ABLUTION BLOCK	2	14/3/2022	RMI	4006223.28	ON GOING

[Handwritten Signature]



Sign

School Principal

II. 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 keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of Our Lady of Mercy Girls High School-Magundu 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.

Name: PRO Justus Mbae
Designation: Chairperson, School Board of Management

Sign: 

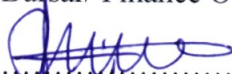
Date: 1/4/2026

Name: Mrs Catherine k Mutembei
Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 1/4/2026

Name: Mr Joses Mwandiki
Designation: Bursar/ Finance Officer

Sign: 

Date: 1/4/2026

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 OUR LADY OF MERCY GIRLS HIGH SCHOOL - MAGUNDU FOR THE YEAR ENDED 30 JUNE, 2022 - THARAKA NITHI COUNTY

PREAMBLE

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

- A. Report on 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 the 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, and;
- 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.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 for Our Lady of Mercy Girls High School - Magundu set out on pages 17 to 31, which comprise of the statement of financial

Report of the Auditor-General on Our Lady of Mercy Girls High School - Magundu for the year ended 30 June, 2022 - Tharaka Nithi County

assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and 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 respect, the financial position of Our Lady of Mercy Girls High School - Magundu 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. Unreconciled Differences Between School Collections and Bank Account

The statement of receipts and payments reflect receipts amounting to Kshs.20,112,599 for school income—parents' contributions and Kshs.38,485,635 for other receipts, all totalling Kshs.58,598,243, as disclosed in Note 3 and Note 4 to the financial statements. However, review of the bank statement for the collection account reflected a total collection of Kshs.53,558,380 for the year, resulting in an unexplained variance of Kshs.5,039,863 between the receipts reported in the financial statements and the bank statements. Management did not provide bank reconciliation statements or other supporting documentation explaining the variance for audit review.

In the circumstances, the accuracy and completeness of Kshs.20,112,599. on parents' contribution and Kshs.38,485,635 for other receipts could not be confirmed.

2. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.8,973,396 as disclosed in Note 12 to the financial statements. However, the supporting schedules, detailed ageing analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.8,973,396 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.87,780,404 and Kshs.68,155,578 respectively, resulting in an under-funding of Kshs.19,624,826 or 22% of the budget. However, the School spent an amount of Kshs.60,765,869 against actual receipts amounting to Kshs.68,155,578 resulting in an under-utilization of Kshs.7,389,709 or 11% of the actual receipts.

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

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. Except for the effect of the matters described in the Basis for Qualified Opinion section, there were no other key audit matters to report in the year under review.

Other Information

The Management is responsible for the Other Information set out on pages 2 to 15 which comprises, which comprises the Key Entity Information and Management, The Board of Governance, Report of the Principal, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I

confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Under-Funding of Capitation Grants and Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitations grants for tuition and capitation grants for operations amounts of Kshs.3,391,954 and Kshs.14,779,131 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the year under review, National Education Management Information System (NEMIS) reported a total number of five thousand one hundred and twenty-nine (5,129) students while the enrolment records provided by the School indicated a total number of five thousand three hundred and forty-five (5,345) students, resulting in an unexplained variance of two hundred and nineteen (219) students. As a result of the variances, the School was underfunded by an amount of Kshs.1,070,293 using a rate of Kshs.4,887.18 per student.

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

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.52,614,682 as disclosed in Note 8 to the financial statements. Included in the expenditure is an amount of Kshs.774,050 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of the funds transferred to KESSHA amounting to Kshs.774,050 could not be confirmed.

3. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 14 April, 2023, six (6) months late, instead of the statutory deadline 30 September, 2022. This was contrary to 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.

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

4. Late Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.14,779,131 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.5,360,500 in respect of infrastructure grants which were to be transferred to

infrastructure bank account for maintenance and improvement of the school's facilities. However, the amount of Kshs. 5,360,500 was transferred on various dates, none of which were within the stipulated period of 15 days from the date of receipt. This was contrary to the Ministry of Education Circular Ref. MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

5. Lack of a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

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

6. Non-Compliance with the Public Sector Accounting Standards Board Reporting Template

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. In the table of contents, the name of the School is not specified under the report of the independent auditors.
- ii. Header is missing on pages 2 to 17.
- iii. Note 13 of the statement of financial assets and financial liabilities is reported as a negative figure.

In the circumstances, Management did not comply with the PSASB guidelines.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters 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

1. Lack of an Internal Audit Function

During the year under review, the School had not constituted an Audit Committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which 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 existence of an effective oversight mechanisms could not be confirmed.

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.493,326,341 in respect of fixed assets which includes land with a balance of Kshs.19,200,000. However, the School occupies 13.4 hectares, but with no ownership documents

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

3. Non-Valuation of Biological Assets

Note 15 to the financial statements reflects a balance of Kshs.2,378,000 in respect of biological assets which includes cattle, pigs, trees, banana plantation and poultry. However, Management did not engage the services of a Sub County Agricultural Officer to value the cattle, goats and poultry as well as the forester to value the trees owned by the School.

In the circumstances, effective management of biological 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 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 the 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 the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

21 May, 2026

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022	Jun-21	
			Kshs	
RECEIPTS				
Capitation grants for tuition	1	3,391,954.60	1,355,527.00	
Capitation grants for operations	2	14,779,131.03	8,502,966.20	
Operation account-other receipt	2a	443,718.00	15,150.00	
School Fund Income- Parents' Contribution	3	20,112,599.00	7,587,860.00	
School Fund Income- Other receipts	4	38,485,635.92	11,672,850.00	
Infrastructure account	5	9,306,656.00	2,610,500.00	
TOTAL RECEIPTS		86,519,694.55	31,744,853.20	
PAYMENTS				
Payments for Tuition	6	4,619,786.00	133,335.00	
Payments for operations	7	18,918,152.00	6,866,747.85	
Boarding and school fund payments	8	52,614,682.00	19,243,027.00	
Infrastructure account	9	7,376,654.00	460,951.70	
TOTAL PAYMENTS		83,554,817.00	26,704,061.55	
SURPLUS		2,964,877.55	5,040,791.65	

The school financial statements were approved on 23/11/2022 and signed by:

SIGN: *[Signature]*

NAME: *Prof. Justus Ubae*
CHAIRMAN BOM

DATE: 1/4/2026

SIGN: *[Signature]*

NAME: *CATHERINE K. MUYENBER*
PRINCIPAL/SECRETARY BOM

DATE: 1/4/2026

SIGN: *[Signature]*

NAME: *Prof. Justus Ubae*
BURSAR

DATE: 1/4/2026

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

V I. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

	Note	2021-2022	Jun-21
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	12,464,640.91	14,277,337.86
Cash Balances	11	54,441.95	4,816.45
Short term Investment			
Total Cash and cash equivalent		12,519,082.86	14,282,154.31
Account's receivables	12	8,973,396.00	1,893,421.00
TOTAL FINANCIAL ASSETS		21,492,478.86	16,175,575.31
FINANCIAL LIABILITIES			
Accounts Payables	13	3,350,584.00	923,360.00
NET FINANCIAL ASSETS		18,141,894.86	15,252,215.31
REPRESENTED BY			
Accumulated Fund b/fwd	14	15,177,017.31	10,211,423.66
Surplus/Deficit for the year		2,964,877.55	5,040,791.65
NET FINANCIAL POSSITION		18,141,894.86	15,252,215.31

The School's financial statements were approved on 23/11/2022 and signed by:

SIGN.....
NAME.....
CHAIRMAN BOM

DATE.....

SIGN.....
NAME.....
PRINCIPAL/SECRETARY BOM

DATE.....

SIGN.....
NAME.....
BURSAR

DATE.....

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2021-2022	Jun-21
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	3,391,954.60	1,355,527.00
Capitation grants for operations	2	14,779,131.03	8,502,966.20
Operation account-other receipt	2a	443,718.00	15,150.00
School fund income- Parents contribution	3	20,112,599.00	7,587,860.00
School fund income- other receipts	4	38,485,635.92	11,672,850.00
Infrastructure account	5	9,306,656.00	2,610,500.00
Total receipts		86,519,694.55	31,744,853.20
Payments			
Payments for Tuition	6	4,619,786.00	133,335.00
Payments for operations	7	18,918,152.00	6,866,747.85
Boarding and school fund payments	8	52,614,682.00	19,243,027.00
Infrastructure account	9	7,376,654.00	460,951.70
Total payments		83,554,817.00	26,704,061.55
Net cash flow from operating activities		2,964,877.55	5,040,791.65
			0.00
CASHFLOW FROM INVESTING ACTIVITIES			0.00
Proceeds from Sale of Assets			0.00
Acquisition of Assets			0.00
Proceeds from investments			0.00
Purchase of investments			0.00
Net cash flows from Investing Activities			0.00
CASHFLOW FROM BORROWING ACTIVITIES			0.00
Proceeds from borrowings/ loans			0.00
Repayment of principal borrowings			0.00
Net cash flow from financing activities			0.00
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,964,877.55	5,040,791.65
Cash and cash equivalent at BEGINNING of the year		14282154.31	9,702,065.66
Cash and cash equivalent at END of the year		12519082.86	14,282,154.31

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

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OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference
	a	b	c=a+b	d	e=c-d
	Kshs	Kshs			Kshs
RECEIPTS					
(1) CAPITATION GRANT ON TUITION					
Exercise books	2,050,512.00	0.00	2,050,512.00	1,695,977.00	354,535.00
Laboratory equipment	833,017.00	0.00	833,017.00	679,053.00	153,964.00
Teaching / learning materials	623,747.00	0.00	623,747.00	508,462.00	115,285.00
Chalks	103,619.00	0.00	103,619.00	84,468.60	19,150.40
Exams and assessment	312,890.00	0.00	312,890.00	255,059.00	57,831.00
Teachers guides	207,239.00	0.00	207,239.00	168,935.00	38,304.00
TOTALS				3,391,954.60	
(2) CAPITATION GRANT ON OPERATIONS					
Personnel emoluments	10,443,238.00	0.00	10,443,238.00	6,717,018.00	3,726,220.00
Repairs and maintenance	8,207,000.00	0.00	8,207,000.00	5,009,259.00	3,197,741.00
Local transport / travelling	1,026,214.00	0.00	1,026,214.00	701,821.00	324,393.00
Electricity, water and conservancy	1,569,504.00	0.00	1,569,504.00	1,073,374.00	496,130.00
Medical	0.00	0.00	0.00	204,255.00	-204,255.00
Administration costs	1,569,504.00	0.00	1,569,504.00	1,073,374.00	496,130.00
Activity	1,614,000.00	0.00	1,614,000.00	0.00	1,614,000.00
TOTALS				14,779,101.00	

Annual Report and Financial Statements

OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU

For the year ended 30th June 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference
	a	b	c=a+b	d	e=c-d
	Kshs	Kshs			Kshs
(3) FEES CHARGED ON PARENTS					
Personnel emoluments	3,207,952.00	0.00	3,207,952.00	3,798,396.00	-590,444.00
Repairs and maintenance	3,508,100.00	0.00	3,508,100.00	2,317,600.00	1,190,500.00
Local transport / travelling	1,253,106.00	0.00	1,253,106.00	1,483,748.00	-230,642.00
Electricity, water and conservancy	4,781,853.00	0.00	4,781,853.00	5,661,983.00	-880,130.00
Medical	0.00	0.00	0.00	0.00	0.00
Administration costs	2,456,089.00	0.00	2,456,089.00	2,908,147.00	-452,058.00
Activity	550,000.00	0.00	550,000.00	309,782.00	240,218.00
Fee on Boarding Equipment and Stores	40,530,820.00	0.00	40,530,820.00	31,732,842.92	8,797,977.08
				48,212,498.92	
OTHER INCOME		0.00			0.00
Rent income	0.00	0.00	0.00	11,200.00	-11,200.00
Income from farming activities	2,932,000.00	0.00	2,932,000.00	692,875.00	2,239,125.00
Income from Bus Hire	0.00	0.00	0.00	642,900.00	-642,900.00
YCS CLUB				65,365.00	
TOTAL INCOME				1,412,340.00	
GRAND TOTALS			87,780,404.00	68,155,518.00	

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

(1) EXPENDITURE FOR TUITION

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference
	a	b	c=a+b	d	e=c-d
	Kshs	Kshs			Kshs
Exercise books	2,080,512.00	0.00	2,080,512.00	2,309,470.00	-228,958.00
Laboratory equipment	833,017.00	0.00	833,017.00	924,690.00	-91,673.00
Teaching / learning materials	623,747.00	0.00	623,747.00	692,390.00	-68,643.00
Chalks	103,619.00	0.00	103,619.00	115,022.00	-11,403.00
Exams and assessment	312,890.00	0.00	312,890.00	347,323.00	-34,433.00
Teachers guides	207,239.00	0.00	207,239.00	230,045.00	-22,806.00
Bank Charges	0.00	0.00	0.00	846.00	-846.00
TOTALS				4,619,786.00	
(2) EXPENDITURE FOR OPERATIONS					
Personnel emoluments	10,443,238.00	0.00	10,443,238.00	8,715,779.00	1,727,459.00
Repairs, maintenance & improvements	8,207,000.00	0.00	8,207,000.00		8,207,000.00
Local transport / travelling	1,026,214.00	0.00	1,026,214.00	856,464.00	169,750.00
	1,569,504.00		1,569,504.00		
Electricity, water and conservancy		0.00		1,330,286.00	239,218.00
Medical	0.00	0.00	0.00	204,255.00	-204,255.00
Administration costs	1,569,504.00	0.00	1,569,504.00	1,289,486.00	280,018.00
Activity Expenses	1,614,000.00	0.00	1,614,000.00	0.00	1,614,000.00
Bank Charges				13,090.00	
infrastructure				6,508,792.00	
TOTALS				18,918,152.00	

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OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU

For the year ended 30th June 2022

(3) EXPENDITURE FOR SCHOOL FUND

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference
	a	b	c=a+b	d	e=c-d
	Kshs	Kshs			Kshs
Personnel emoluments	3,207,952.00	0.00	3,207,952.00	4,122,609.00	-914,657.00
				0.00	
Repairs, maintenance and improvements	3,508,100.00	0.00	3,508,100.00		3,508,100.00
Local transport / travelling	1,253,106.00	0.00	1,253,106.00	1,610,394.00	-357,288.00
				6,145,265.00	
Electricity, water and conservancy	4,781,853.00	0.00	4,781,853.00		-1,363,412.00
Medical Expenses	0.00	0.00	0.00	0.00	0.00
Administration costs	2,456,089.00	0.00	2,456,089.00	3,156,373.00	-700,284.00
Activity	550,000.00	0.00	550,000.00	9,600.00	540,400.00
Boarding Equipment and Stores	40,530,820.00	0.00	40,530,820.00	31,403,178.00	9,127,642.00
Bank Charges	0.00	0.00	0.00	291,286.00	-291,286.00
RD Cheques	0.00	0.00	0.00	25,543.00	-25,543.00
Ycs club	0.00	0.00	0.00	95,000.00	
Sundry creditors	0.00	0.00	0.00	1,952,508.00	
Farm	0.00	0.00	0.00	592,170.00	
Bus expenses	0.00	0.00	0.00	487,000.00	
infrastructure	0.00	0.00	0.00	2,749,299.00	
TOTALS				52,640,225.00	
GRAND TOTALS			68,155,578.00	60,765,869.00	

Vote heads above 100% utilization was as result of high prices of commodities

Vote heads below 90% utilization was as result of =

- i. There was stock balances which were being used.
- ii. Activities in some vote heads were minimal hence below 90%.
- iii. Due to overbudgeting.

IV. 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.

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

x. NOTES TO THE FINANCIAL STATEMENTS

1. CAPITATION GRANT FOR TUITION

	2021-2022	Jun-21
	Kshs	Kshs
EXE BOOKS	1,695,977.00	677,764.00
LABORATORY EQUIPMENT	679,053.00	271,370.00
EXAM & ASSESMENTS	255,059.00	101,929.00
TEACHING MATERIALS	508,462.00	203,197.00
CHALKS	84,468.60	33,755.00
REFERENCE/TEACHING GUIDE	168,935.00	67,512.00
TOTALS	3,391,954.60	1,355,527.00

2. CAPITATION GRANT FOR OPERATIONS

	2021-2022	Jun-21
	Kshs	Kshs
R.M.I	5,009,259.00	3,907,499.00
LT&T	701,821.00	323,384.00
EW&C	1,073,374.00	494,587.00
ADM	1,073,374.00	494,587.20
P.EMOLUMENT	6,717,048.03	3,282,909.00
MEDICALS	204,255.00	
TOTALS	14,779,131.03	8,502,966.20

2a. OTHER RECEIPT - OPERATION

	2021-2022	Jun-21
	Kshs	Kshs
RENT	18,700.00	7,150.00
OLOM NON TEACHING STAFF WELFARE	325,018.00	8,000.00
UNPRESENTED CHEQUE	100,000.00	0.00
TOTALS	443,718.00	15,150.00

3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	Jun-21
	Kshs	Kshs
RMI	2,830,365.00	691,742.00
LT&T	1,804,226.00	788,153.00
ADM/CONTINGENCIES	3,536,285.00	1,299,387.00
E W & C	6,884,928.00	2,896,993.00
P.EMOLUMENT	4,618,820.00	1,831,922.00
ACTIVITY	437,975.00	79,663.00
TOTALS	20,112,599.00	7,587,860.00

4. OTHER RECEIPTS - SCHOOL FUND ACCOUNT

	2021-2022	Jun-21
	Kshs	Kshs
BES	37,073,295.92	11,153,470.00
FARM	692,875.00	489,080.00
RENT	11,200.00	30,300.00
BUS HIRE	642,900.00	
CLUB (Y.C.S)	65,365.00	
TOTALS	38,485,635.92	11,672,850.00

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022
5.INFRASTRUCTURE ACCOUNT

		2021-2022	Jun-21	
		Kshs	Kshs	
INFRASTRUCTURE		9,306,656.00	2,610,500.00	
TOTALS		9,306,656.00	2,610,500.00	

6.PAYMENTS FOR TUITION

		2021-2022	Jun-21	
		Kshs	Kshs	
EXE BOOKS		2,309,470.00		
LABORATORY EQUIPMENT		924,690.00		
EXAM & ASSESSMENTS		347,323.00		
TEACHING MATERIALS		692,390.00	132,975.00	
CHALKS		115,022.00		
REFERENCE/TEACHING GUIDE		230,045.00		
BANK CHARGES		846.00	360.00	
TOTALS		4,619,786.00	133,335.00	

7. PAYMENTS FOR OPERATIONS

		2021-2022	Jun-21	
		Kshs	Kshs	
LT&T		856,464.00	335,697.00	
EW&C		1,330,286.00	513,419.00	
ADM		1,289,486.00	509,879.85	
P.EMOLUMENT		8,715,779.00	3,416,212.00	
INFRASTRUCTURE		6,508,792.00	2,088,000.00	
MEDICAL		204,255.00		
BANK CHARGES		13,090.00	3,540.00	
TOTALS		18,918,152.00	6,866,747.85	

Annual Report and Financial Statements
OUR LADY OF MERCY GIRLS HIGH SCHOOL-MAGUNDU
For the year ended 30th June 2022

8. BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	Jun-21
	Kshs	Kshs
BES	32,326,051.00	13,616,081.00
LT&T	1,720,681.00	599,607.00
ADM/CONTINGENCIES	3,372,534.00	985,334.00
E W & C	6,566,118.00	2,348,409.00
P.EMOLUMENT	4,404,943.00	1,393,680.00
ACTIVITY	9,600.00	
BUS HIRE	487,000.00	
FARM	592,170.00	186,730.00
BANK CHARGES	291,286.00	112,486.00
RD CHEQUES	25,543.00	
INFRASTRUCTURE	2,749,299.00	
YCS CLUB	95,000.00	700.00
TOTALS	52,640,225.00	19,243,027.00

9. INFRASTRUCTURE PAYMENTS

	2021-2022	Jun-21
	Kshs	Kshs
MATERIAL COST	5,294,990.00	
LABOUR COST	1,918,724.00	459,506.70
BANK CHARGES	2,940.00	1,445.00
CONTINGENCES	160,000.00	
TOTALS	7,376,654.00	460,951.70

10. BANK ACCOUNTS

Name of Bank	Bank Account	ACCOUNT NO	2021-2022	Jun-21
			Kshs	Kshs
TUITION ACCOUNT	KCB	1103682385	10,329.00	1,238,160.40
OPERATION ACCOUNT	EQUITY	0210291771230	218,321.44	3,913,624.41
SCHOOL FUND ACCOUNT/BOARD	CO-OPERATIVE	01129057830200	4,530,276.67	3,349,841.25
INFRASTRUCTURE ACCOUNT	EQUITY	0210277659923	7,705,713.80	5,775,711.80
TOTALS			12,464,640.91	14,277,337.86

11 CASH IN HAND

Description	Jun-21	2021-2022	Jun-21
	Kshs	Kshs	Kshs
OPERATION ACCOUNT		103.00	103.00
SCHOOL FUND ACCOUNT/BOARDING		54,338.95	4,713.45
Total		54,441.95	4,816.45

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12 ACCOUNTS RECEIVABLE

Description		2021-2022	Jun-21
		Kshs	Kshs
Fees arrears		18,765,895.00	9,721,991.75
other non fees receivables		0.00	0.00
salary advance		0.00	0.00
imprest		0.00	0.00
total		18,765,895.00	9,721,991.75

Description		2021-2022	Jun-21
		Kshs	Kshs
Fees arrears for current year		8,973,396.00	1,893,421.00
fees arrears for previous year		1,893,421.00	1,151,610.00
fees arrears for prior period		7,899,078.00	6,676,960.75
total		18,765,895.00	9,721,991.75

13 ACCOUNTS PAYABLE

Description		2021-2022	Jun-21
		Kshs	Kshs
Trade creditors		1,952,508.00	923,360.00
prepaid fees		1,398,076.00	0.00
retention money			0.00
total		3,350,584.00	923,360.00

Description		2021-2022	Jun-21
		Kshs	Kshs
Trade creditors for current year		1,952,508.00	923,360.00
Trade creditors for previous year		923,360.00	113,555.00
trade creditor for prior periods		113,555.00	163,340.00
total		2,989,423.00	1,200,255.00

14 FUND BALANCE BROUGHT FORWARD

Description		2021-2022	Jun-21
		Kshs	Kshs
Bank balances		14,277,337.86	9,698,686.81
cash balances		4,816.45	3,378.85
short term investments		0.00	0.00
receivables		1,822,913.00	618,223.00
payable		(928,050.00)	(108,865.00)
TOTALS		15,177,017.31	10,211,423.66

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Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and

liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

15 Biological assets

Description	Numbers	2021-2022	Jun-21
		Kshs	Kshs
Cattle	12	753,000.00	600,000.00
Pigs	24	480,000.00	460,000.00
Trees	346	480,000.00	540,000.00
Banana plantation	623	425,000.00	420,000.00
Poultry	350	240,000.00	198,000.00
Total		2,378,000.00	2,218,000.00

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1 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Ref No.	Issue / Observations from Auditor	Manageme nt comments	Status:	Timeframe:
			(Resolved / Not Resolved)	(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 Contracted	Amount Paid To Date	Outstanding Balance June 2022	Outstanding Balance Jun-22	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
Sub-Total	0.00		0.00	0.00	0.00	
Supply of goods						
1.Ndege stores	1,134,015.00	30/6/2021 30/6/2022	1,052,950.00	81,065.00	81,065.00	All creditors were paid at the begging of july 2022
2. Erastus njagi	707,400.00	30/6/2021 30/6/2022	617,950.00	89,450.00	89,450.00	
3. John murithi	1,031,890.00	30/6/2021 30/6/2022	909,150.00	122,740.00	122,740.00	
4. Morris ntwiga	554,340.00	30/6/2021 30/6/2022	479,540.00	74,800.00	74,800.00	
5.Prumact enterprises	8,803,210.00	30/6/2021 30/6/2022	8,299,210.00	504,000.00	504,000.00	
Sub-Total	12,230,855.00		11,358,800.00	872,055.00	872,055.00	

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance June 2022	Outstanding Balance Jun-22	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
6.Lenham enterprises	1,850,005.00	30/6/2021 30/6/2022	1,365,670.00	485,335.00	485,335.00	All creditors were paid at the begging of july 2022
7.Everest business supplies	246,000.00	30/6/2021 30/6/2022	140,000.00	106,000.00	106,000.00	
8.Dpl festive LTD	3,974,450.00	30/6/2021 30/6/2022	3,525,632.00	448,818.00	448,818.00	
9.Visat digital solutions	100,800.00	30/6/2021 30/6/2022	60,500.00	40,300.00	40,300.00	
Sub total	6,171,255.00		5,091,802.00	1,080,453.00	1,080,453.00	
Supply of services						
Sub-Total	0.00		0.00	0.00	0.00	
Grand Total	18,402,110.00		16,449,602.00	1,952,508.00	1,952,508.00	

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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 2021
Land 1	1974	karimba	19,200,000.00	0.00	0.00	19,200,000.00
Land 2			0.00	0.00	0.00	0.00
Buildings and structures			420,000,000.00	6,099,951.35	0.00	426,099,951.35
Motor vehicles			1,950,000.00	0.00	0.00	1,950,000.00
Office equipment, furniture and fittings			20,000,000.00	666,000.00	0.00	20,666,000.00
ICT Equipment, and Other ICT Assets			12,000,000.00	663,000.00	0.00	12,663,000.00
Tools and apparatus			600,000.00	86,640.00	0.00	686,640.00
Textbooks			9,500,000.00	100,000.00	0.00	9,600,000.00
Other Machinery and Equipment: 30kva cummins GENERATOR			2,460,750.00	0.00	0.00	2,460,750.00
Heritage and cultural assets						
Total			485,710,750.00	7,615,591.35	0.00	493,326,341.35