

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 04 MAR 2025

DAY:
Tuesday

REPORT

TABLED
BY:

Deputy Chief Whip
Majority Party
Hon. Naomi Jello

CLERK-AT
THE-TABLE:

Benson Inzofu

OF

THE AUDITOR-GENERAL

ON

**MAZERAS GIRLS MEMORIAL SECONDARY
SCHOOL**

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

KWALE COUNTY



PARLIAMENT
OF KENYA
LIBRARY



MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

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1. Acronyms and Glossary of Terms

list of all applicable acronyms and glossary

| | |
|-------|--|
| BOM | Board of Management |
| CEB | County Education Board |
| IPSAS | International Public Sector Accounting Standards |
| KCSE | Kenya Certificate of Secondary Education |
| PFM | Public Finance Management |
| PSASB | Public Sector Accounting Standards Board |
| FY | Financial Year |
| FDSE | Free Day Secondary Education |

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2. **Key School Information and Management**

(a) **Background information**

The school is domiciled in Kenya its operations are governed under the basic education act 2023. It is located in Kwale County, Samburu Sub – County.

The school was re-registered in 2019 under registration number 0283000030 and is currently categorized as extra county school established, owned and operated by the government. The school is a boarding school for girls and has 735 number of students as at 30th June 2021. It has 6 streams and has a total of 29 teachers on duty against the curriculum-based establishment (CBC) of 39 teachers leaving school with a shortage of 10 teachers.

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

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

| Ref. | Name of Board Member | Designation | Date of appointment |
|------|----------------------|---------------------------|---------------------|
| 1 | Ms. Evangeline Talu | Chairman-Sponsor | 23/08/2019 |
| 2 | Ms. Beatrice Misigo | Secretary -Principal | 14/01/2019 |
| 3 | Mr. Michael Mwendar | Member-Special needs' Rep | 23/08/2019 |
| 4 | Mr. Samuel Mngongo | Member - Sponsor | 23/08/2019 |
| 5 | Mr. Nelson Mwanzanje | Member -Parents' Rep | 23/08/2022 |
| 6 | Mr. Joseph Chaka | Member-Parents'Rep | 23/08/2019 |
| 7 | Md. Teckla Mwaro | Member-Parents'Rep | 23/08/2019 |
| 8 | Md. Mwanyoha Ndegwa | Member - Rep CEB | 23/08/2019 |
| 9 | Mr. Joseph Muyaga | Member- Teachers'Rep | 23/08/2019 |
| 10 | Mr. Phillip Chirima | Member-Parents'Rep | 23/08/2019 |
| 11 | Mr. Dickson Kenga | Member – Special needs | 23/08/2019 |
| 12 | Mr. Abel Mtunji | P.A Chairman | 23/08/2019 |
| 13 | Md. Sylvia Chidodo | Member -Special needs | 23/08/2019 |
| 14 | Mr. Kennedy Tembo | C.E.B Representative | 23/08/2019 |
| 15 | Mr. Timothy Mwanza | Member-Parents'Rep | 23/08/2019 |
| 16 | Mr. Josphat Mnyazi | Member-Parents'Rep | 23/08/2019 |

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The functions of the School Board of Management are to:

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

(c) Committees of the Board

Names of the various committees of the Board established by the Board and the names of the committee members.

| Ref: | Name of Committee | Names of Members | Designation | Number of meetings attended during the year |
|------|---------------------|---|---|---|
| 1 | Executive committee | Evangeline mdune Beatrice misigo Michael mwendar Abel mtunji Samuel mngongo | Chairman Secretary Member Member PA chair member | 4 Meetings |

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| | | | | |
|----|--|---|--|------------|
| 2 | Audit committee | Sylvia chododo Samuel mngongo Nelson mwanzanje | Chairperson Member Member | 1 Meeting |
| 3 | Academic committee | Michael mwendar Joseph muyaga Slvester musyoki Evans wafula Beatrice Misigo | Chairperson Member Member Member Principal | 1 meeting |
| 4. | Finance, procurement and general purpose committee | Teclar mwaro Josphat kuri Beatrice Misigo Lornah ambasa | Chairperson Member Principal Member | 1 meeting |
| 3 | School Infrastructure Committee | Nelson mwanzanje Samuel mngongo Purity Murugi Beatrice Misigo | Chairman Member Secretary Principal Member | 4 Meeting |
| 4 | Discipline and students' welfare Committee | Teclar mwaro Joseph chaka Joseph Muyaga Purity Murugi | Chairman Member Secretary D/principal | 3 Meetings |

School operation Management

For the financial period ended 30th June 2021, the school day-to-day management was under the following persons:

| Ref: | Designation | Name | Identification |
|------|------------------|---------------------|-----------------|
| 1 | Principal | Ms. Beatrice misigo | TSC No.231140 |
| 2 | Deputy Principal | Ms. Purity murugi | TSC No.442817 |
| 3 | School Bursar | Mr. Jindwa chama | I.D No. 1187746 |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
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(d) Schools contacts

Post Office Box: 86 – 80114 – Mazaras

Telephone: 0701622305

E-mail : mazarasgirls@yahoo.com

(e) School Bankers The following school operated number of bank accounts in the following banks;

| Bank | Branch | Account Name | Account Number |
|------------------------|---------------|---------------------|-----------------------|
| Kenya Commercial Bank | Mariakani | Boarding | 1169729193 |
| Kenya Commercial Bank | Mariakani | Infrastructure | 1215204695 |
| National Bank of Kenya | Nkrumah Road | Tuition | 101025007534200 |
| National Bank of Kenya | Nkrumah Road | Operations | 01025007534201 |

PAYBILL BUSINESS NO. 522123. ACCOUNT NO. 68641k

(f) Independent Auditors

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

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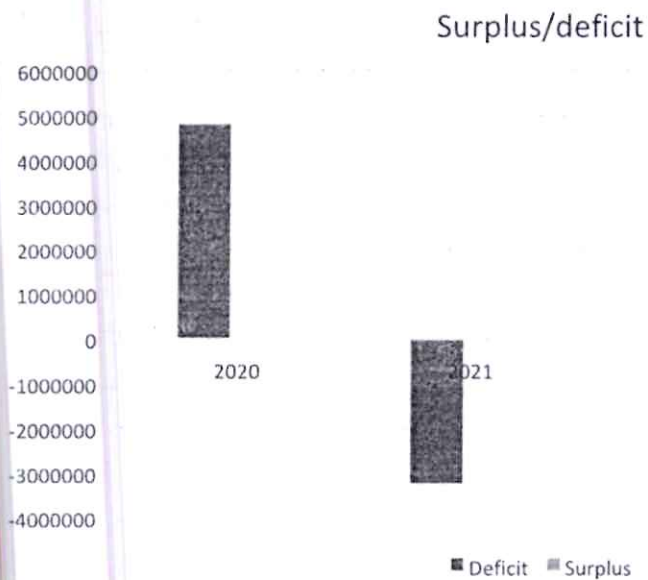
3. Summary Report of Performance of the School

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 comparison

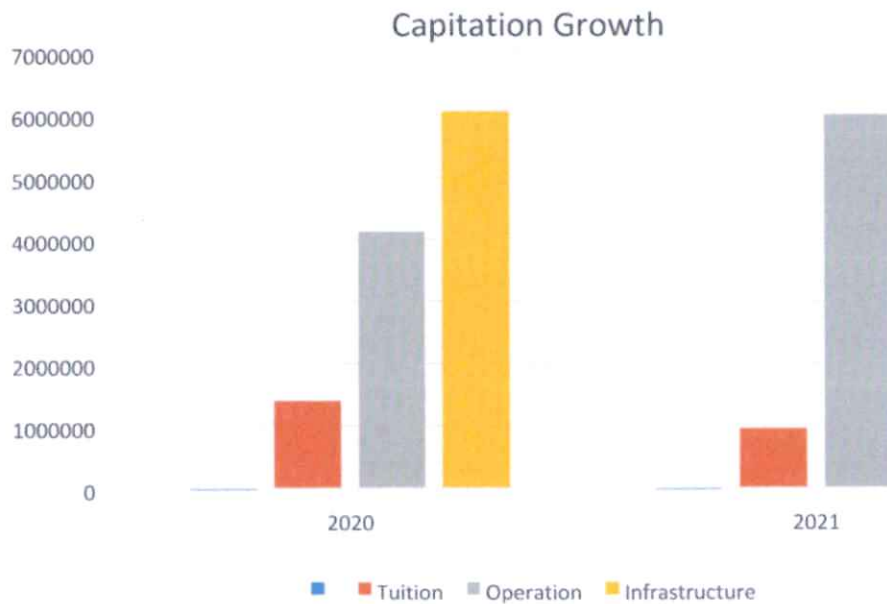
| Description | 2020/2021 | 2019/2020 |
|-----------------|-------------|-----------|
| Surplus/Deficit | (2,914,987) | 4,791,215 |



Capitation growth from Ministry of Education

| Description | 2020/2021 | 2019/2020 |
|--------------------------------------|------------|------------|
| Government Grant for Tuition | 956,206.00 | 1,408,710. |
| Government grants for operation | 5,995,513 | 4,120,275 |
| Government grants for infrastructure | 0 | 6,060,000. |

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Other Income

| Description | 2020/2021 | 2019/2020 |
|----------------------|-----------|-----------|
| Miscellaneous Income | 80,000 | 0 |

Expenditure of the School

| Description | 2020/2021 | 2019/2020 |
|-------------|------------|------------|
| Expenditure | 24,885,501 | 31,782,804 |

Movement of Debtors and Creditors

| Description | 2020/2021 | 2019/2020 |
|----------------------|------------|------------|
| Accounts Receivables | 41,866,162 | 38,873,394 |
| Accounts Payables | 13,600,518 | 12,320,547 |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL

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b) Teacher Student ratio:

| | | |
|---|---|------|
| 1 | Teacher to students' ratio | 1:19 |
| 2 | Number of Teachers Recruited and post to the school within the year | 2 |
| 3 | Number of Teachers Transferred during the year | 2 |
| 4 | Number of Teachers retired during the year | 0 |
| 5 | Number of Teachers Employed by TSC | 29 |
| 6 | No. of teachers employed by BOM | 10 |
| 7 | Subjects Allocation | |
| | i. Maths | 5 |
| | ii. English | 3 |
| | iii. Kiswahili | 2 |
| | iv. Chemist | 6 |
| | v. Biology | 5 |
| | vi. Physics | 2 |
| | vii. Business Studies | 2 |
| | viii. Geography. | 3 |
| | ix. C. R. E | 2 |
| | x. History | 2 |
| | xiii. Agriculture | 2 |

c) Mean score in the 2021 KCSE:

| Year | No. of candidates | Mean score | Index | Students who transitioned to higher learning institutions |
|------|-------------------|------------|---------|---|
| 2019 | 128 | 4.2891 | -0.5192 | 116 |
| 2020 | 122 | 4.8083 | +0.5192 | 115 |

d) Capacity of the School

| Facilities | Capacity | Current Users | Remarks |
|--------------|---------------|---------------|----------------------|
| Classrooms | 16 Classrooms | 735 Students | |
| Laboratories | 2 Labs | 55 Students | One new lab required |

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| | | | |
|--------------------|-------------------------------|--------------|------------------------|
| Dormitory | 8 Dorms | | |
| Girls Toilets | 48 | 735 Girls | |
| Dining hall | 00 | 735 Girls | |
| Gents' toilets | 1 cube | 19 Gents | 1 cube required |
| Ladies' toilets | 1 cube | 20 Ladies | 1 cube required |
| Lockers and chairs | As per the number of students | 735 Students | Minor repairs required |

Development projects carried out by the school:

| Projects | Source of funds | Status | Initial Cost (Kshs) | Amount Spent (Kshs) | Expected completion time |
|----------------|-----------------|-----------|---------------------|---------------------|--------------------------|
| 2 Dormitories | M and I | 25% | 8,500,000 | 2,194,491 | 31/12/2022 |
| Perimeter wall | Mombasa cement | Completed | | | completed |



.....
School Principal

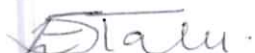
4. Statement of School Management Responsibility

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

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

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

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



.....
Name: Evangeline Talu

Designation: Chairman, School Board of Management Date:



.....
Name: Ms. Faith Waithaka

Designation: School Principal & Secretary to Board of Management Date:

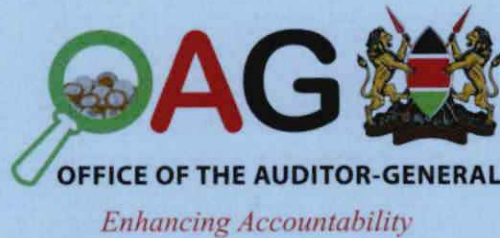


.....
Name: Mr. Jindwa chama

Designation: Bursar/ Finance Officer Date:

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 MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - KWALE 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

Adverse Opinion

I have audited the accompanying financial statements of Mazeras Girls Memorial Secondary School - Kwale County set out on pages 1 to 24, which comprise of the

Report of the Auditor-General on Mazeras Girls Memorial Secondary School for the six (6) months' period ended 30 June, 2021 - Kwale County

statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and the summary statement of budgeted versus actual amounts for the period then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the Mazeras Girls Memorial Secondary School – Kwale County as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Adverse Opinion

1. Unsupported Financial Statements Balances

The statement of receipts and payment reflects total receipts and payments totalling Kshs.21,970,514 and Kshs.24,885,501 respectively. Similarly, the statement of assets and liabilities reflects accounts receivables and accounts payables balances of Kshs.41,866,162 and Kshs.13,600,518 respectively. However, supporting schedules and the trial balance in support of the financial statements' balances were not provided for audit.

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

2. Unsupported Bank Accounts

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.1,049,753 as disclosed in Note 10 and Note 11 to the financial statements. An interview held with the Management revealed that the School has two accounts for the purpose of bus savings and gratuity that were not disclosed in the financial statements. Further, the cash and cash equivalents balance was not supported with cashbooks, bank statements and bank reconciliation statements.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.1,049,753 could not be confirmed.

3. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.41,866,162 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.33,873,333 which had been outstanding for more than two (2) years.

In the circumstances, the full recoverability of the outstanding receivables balance of Kshs.41,866,162 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.39,521,635 and Kshs.21,970,514 respectively, resulting to an under-funding of Kshs.17,551,121 or 44% of the budget. However, the School spent a balance of Kshs.18,557,858 against actual receipts of Kshs.21,970,514, resulting to an under-utilization of Kshs.3,412,656 or 16% of actual receipts.

The under-funding and under-utilization 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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which

stated that the schools financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of financial statements.

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

2. Long Outstanding Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects payables balance of Kshs.13,600,518. However, included in the balance are trade payables balance of Kshs.1,887,390 which had been outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates.

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

3. Failure to Prepare School Improvement Plan

During the year/period under review, the School did not have an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

The audit was conducted in accordance with the 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Approved ICT Policy

Review of the School ICT environment revealed that there was no formal approved ICT policy in place. It was also established that, the School does not have a data security and disaster recovery plan in place. Further, Management did not provide an ICT organization structure for audit review.

In the circumstances, the security and reliability of the School's data including the management information system could not be confirmed.

2. Lack of Internal Audit Function and Audit Committee

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

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

3. Lack of Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register which includes a parcel of land whose value was not disclosed. The was land donated by a Church vide an allotment letter drafted by the Church dated 8 June, 2012. However, land ownership documents were not provided for audit.

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 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


10 September, 2024

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

6. Statement of Receipts and Payments for the period Ended 30th June 2021

| Description Of Vote Head | Note | 2020/2021 | 2019/2020 |
|--|------|--------------------|-------------------|
| | | Kshs | Kshs |
| Receipts | | | |
| Government grants for tuition | 1 | 956,206 | 1,408,710 |
| Government grants for operations | 2 | 5,995,513 | 4,120,275 |
| Government Grants for infrastructure | 3 | - | 6,060,000 |
| School fund income- parents' contributions | 4 | 14,938,795 | 24,985,035 |
| Miscellaneous incomes | 5 | 80,000 | - |
| Total Receipts | | 21,970,514 | 36,574,020 |
| Payments | | | |
| Tuition | 6 | 956,206 | 1,408,710 |
| Operations | 7 | 5,371,437 | 4,324,606 |
| Infrastructure | 8 | - | 6,813,928 |
| Boarding and school fund | 9 | 18,557,858 | 19,235,561 |
| Total Payments | | 24,885,501 | 31,782,805 |
| Surplus/Deficit | | (2,914,987) | 4,791,215 |


The school financial statements were approved on _____ 2021 and signed by:

.....


Name: Ms. Evangeline Talu

Chair BOM


Date:

.....


Name: Ms. Faith Waithaka
School Principal/ Secretary to
BOM

BOM

Date:

.....


Name: Mr. Jindwa Chama

Bursar/ Finance Officer

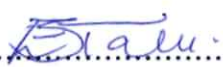
Date:

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021


7. Statement of Assets and Liabilities as at 30th June 2021


| Description | Note | 2020/2021 Kshs | 2019/2020 Kshs |
|---------------------------------------|------|-------------------|-------------------|
| Financial Assets | | | |
| Cash and cash equivalents | | | |
| Bank balances | 10 | 1,044,668 | 3,964,740 |
| Cash balances | 11 | 5,085 | - |
| Short term investments | 12 | - | - |
| Total cash and cash equivalent | | 1,049,753 | 3,964,740 |
| Account's receivables | 13 | 41,866,162 | 38,873,394 |
| Total financial assets | | 42,915,915 | 42,838,134 |
| Financial liabilities | | | |
| Accounts payables | 14 | 13,600,518 | 12,320,547 |
| Net financial assets | | 29,315,397 | 30,517,587 |
| Represented by | | | |
| Accumulated fund b/fwd | 15 | 32,230,384 | 25,726,372 |
| Surplus/deficit for the year | | (2,914,987) | 4,791,215 |
| Net financial position | | 29,315,398 | 30,517,587 |
| Cash and cash equivalents | | | |

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


Name: Evangeline Talu

Chair BOM
Date:


Name: Faith Waithaka
School Principal/ Secretary to
BOM
Date:


Name: Jindwa Chama
Bursar/ Finance Officer
Date:

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
 Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

8. Statement of Cash Flows for the period Ended 30th June 2021

| Description | Note | 2020/2021 Kshs | 2019/2020 Kshs |
|---|------|-------------------|-------------------|
| Cash from Operating Activities | | | |
| Receipts | | | |
| Government grants for tuition | | 956,206 | 1,408,710 |
| Government grants for operations | | 5,995,513 | 4,120,275 |
| Government grants for infrastructure | | | 6,060,000 |
| School fund income- parents contributions/ fees | | 14,938,795 | 28,485,715 |
| Other income | | 80,000 | - |
| Total receipts | | 21,970,514 | 40,074,700 |
| Payments | | | |
| Cash outflows for tuition | | 956,206 | 1,408,710 |
| Cash outflows for operations | | 5,371,437 | 4,324,606 |
| Cash outflows Boarding/lunch and school fund payments | | 18,557,858 | 28,925,751 |
| Total payments | | 24,885,501 | 34,659,067 |
| Net cash inflow/outflow from operating activities | | (2,914,987) | 5,415,633 |
| Cash flow from investing activities | | | |
| Acquisition of assets | | | (6,813,928) |
| Proceeds from sale of Assets | | - | - |
| Proceeds from investments | | - | - |
| Purchase of investments | | - | - |
| Net cash inflow/outflows from investing activities | | - | (6,813,928) |
| Cash flow from Financing activities | | | |
| Proceeds from prepayments | | | - |
| Repayment of principal borrowings | | - | - |
| Net cash inflow/outflow from financing activities | | - | - |
| Net increase/decrease in cash and cash equivalents | | (2,914,987) | (477,361) |
| Cash and cash equivalent at beginning of the FY | | 3,964,740 | 4,442,101 |
| Cash and cash equivalent at end of the FY | | 1,049,753 | 3,964,740 |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

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



.....
Name: Evangeline Talu

Chair BOM

Date:



.....
Name: Faith Waithaka
School Principal/ Secretary to

BOM

Date:



.....
Name: Jindwa Chama

Bursar/ Finance Officer

Date:

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|---|-----------------|-------------|--------------|----------------------------|------------------|
| | a | B | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Receipts | | | | | |
| | | | | | |
| (1) Capitation Grant on Tuition | | | | | |
| Reference Materials | - | - | - | | |
| Exercise Books | 441,000.00 | - | 441,000 | 441,317 | 100% |
| Laboratory Equipment | 1,139,250.00 | - | 1,139,250 | 261,314 | 23% |
| Internal Exams | 306,495.00 | - | 306,495 | 0 | 0% |
| Teaching / Learning Materials | 848,190.00 | - | 848,190 | 253,575 | 29% |
| Exams And Assessment | | | | | |
| | | | | | |
| (2) Capitation Grant on Operations | | | | | |
| Personnel Emoluments | 3,675,000.00 | - | 3,675,000 | 2,024,684 | 55% |
| Local Transport / Travelling | 1,176,000.00 | - | 1,176,000 | 441,000 | 38% |
| Electricity And Water | 588,000.00 | - | 588,000 | 441,000 | 75% |
| Medical | 367,500.00 | - | 367,500 | 0 | 0% |
| Administration Costs | 1,470,000.00 | - | 1,470,000 | 441,000 | 30% |
| Activity | | | | | |
| Miscellaneous | 110,250.00 | - | 110,250 | 110,250 | 100% |

MAZERAS-GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

| | | | | | |
|---------|--|--|--|--|--|
| Grauity | | | | | |
| | | | | | |
| | | | | | |

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|--|-----------------|-------------|--------------|----------------------------|------------------|
| | a | B | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| 3) FDSE for infrastructure | | | | | |
| Maintenance & Improvement MOE | 3,675,000 | - | 3,675,000 | 2,537,579 | 69% |
| M&I parents' contribution | | | | | |
| (4) Fees Charged on Parents | | | | | |
| Personnel Emoluments | 5,637,450 | - | 5,637,450 | 932,313 | 17% |
| Repairs, Maintenance and Improvements | 1,470,000 | - | 1,470,000 | 616,387 | 42% |
| Local Transport / Travelling | 735,000 | - | 735,000 | 24,765 | 3% |
| Electricity And Water | 1,102,500 | - | 1,102,500 | 1,058,362 | 100% |
| Administration Costs | 1,102,500 | - | 1,102,500 | 995,128 | 90% |
| Activity | 367,500 | - | 367,500 | 80,718 | 22% |
| Fee On Boarding Equipment and Stores/Lunch | 15,310,000 | - | 15,310,000 | 11,231,122 | 73% |
| 5) Miscellaneous Income | | | | | |
| Income From Farming Activities | | | | | |
| Income From Bus Hire | 100,000 | | | 80,000 | 80% |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

| | | | | |
|--------------------------------------|---------------|--|---------------|----------------------|
| Fee For Hire of Ground and Equipment | | | | |
| Interest Income | | | | |
| Income From Any Other Investment | | | | |
| Total Income | 39,521,635.00 | | 39,521,635.00 | 21,970,514 - - - 56% |

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|---------------------------------------|-----------------|-------------|--------------|----------------------------|------------------|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| (6) Expenditure For Tuition | | | | | |
| Textbooks | | | | | |
| Reference Materials | | | | | |
| Exercise Books | 441,000 | - | 441,000 | 435,000 | 99% |
| Laboratory Equipment | 1,139,250 | - | 1,139,250 | 350,452 | 49% |
| Internal Exams | 306,495 | - | 306,495 | 50,054 | 17% |
| Teaching / Learning Materials | 848,190 | - | 848,190 | 120,700 | 26% |
| Chalks | | | | | |
| Exams And Assessment | | | | | |
| (7) Expenditure For Operations | | | | | |
| Personnel Emoluments | 3,675,000 | | 3,675,000 | 2,077,064 | 57% |
| Local Transport / Travelling | 1,176,00 | | 1,176,000 | 85,500 | 7% |
| Electricity, Water and Conservancy | 588,000 | | 588,000 | 329,769 | 56% |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

| Receipts/Expenses Item | Original Budget | | Adjustments | | Final Budget | | Actual On-Comparable Basis | | % Utilization |
|--|-----------------|------|-------------|------|--------------|------|----------------------------|------|---------------|
| | a | Kshs | B | Kshs | c=a+b | Kshs | d | Kshs | |
| Medical | 367,500 | | | | 367,500.00 | | - | | 0% |
| Administration Costs | 1,470,000 | | | | 1,470,000 | | 184,130 | | 13% |
| Activity Expenses | 1,102,500 | | | | 1,102,500 | | 143,483 | | 13% |
| BoM Teachers' salaries | | | | | | | 357,000 | | |
| (8) Expenditure For infrastructure | | | | | | | | | |
| Construction of 2 no. of dormitories | 3,675,000 | | | | 3,675,000 | | 2,194,491 | | 60% |
| (9) Expenditure For school fund/lunch/boarding | | | | | | | | | |
| Personnel Emoluments | 5,637,450 | | | | 5,637,450 | | 5,991,777 | | 106% |
| Repairs, Maintenance and Improvements | 1,470,000 | | | | 1,470,000 | | 513,560 | | 35% |
| Local Transport / Travelling | 735,000 | | | | 735,000 | | 292,500 | | 40% |
| Electricity, Water and Conservancy | 1,102,500 | | | | 1,102,500 | | 688,900 | | 62% |
| Administration Costs | 1,102,500 | | | | 1,102,500 | | 1,508,648 | | 136% |
| Activity fees | 367,500 | | | | 367,500 | | 76,700 | | 21% |
| Boarding Equipment and Stores/Lunch | 15,310,050 | | | | 15,310,050 | | 8,890,317 | | 58% |
| Expenditure For Income Generating Activity- Bus hire | 100,000 | | | | 100,000 | | 595,456 | | 595% |
| Insurance Costs | | | | | | | | | |
| Rent Expenses | | | | | | | | | |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL

Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

| | | | | |
|---------------|-------------------|-------------------|-------------------|------------|
| Totals | 39,521,635 | 39,521,635 | 18,557,858 | 47% |
|---------------|-------------------|-------------------|-------------------|------------|

- i. Over expenditure was caused by change of market prices in the economy and unexpected events.
- ii. Some students were left out by the NEMIS because of age and failure to be release by their former schools.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

11. Notes to the Financial Statements

1 Government Grants for Tuition

| Description | 2020/2021 KShs | 2019/2020 KShs |
|-------------------------------|-------------------|-------------------|
| Reference Materials | - | - |
| Exercise Books | 441,317 | - |
| Laboratory Equipment | 261,314 | - |
| Chalk | | - |
| Internal Exams | - | - |
| Teaching / Learning Materials | 253,575 | 1,408,710 |
| Total | 956,206 | 1,408,710 |

2 Government Grants for Operations

| Description | 2020/2021 KShs | 2019/2020 KShs |
|------------------------------|-------------------|-------------------|
| Personnel Emoluments | 2,024,684 | 2,774,975 |
| Repairs And Maintenance | 2,537,579 | - |
| Local Transport / Travelling | 441,000 | 312,000 |
| Electricity And Water | 441,000 | 504,199 |
| medical | - | - |
| Administration Costs | 441,000 | 379,500 |
| Activity | - | 149,600 |
| Other Vote Heads (specify)* | - | - |
| Miscellaneous | 110,250 | - |
| Total | 5,995,513 | 4,120,275 |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL

Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

3 Government Grants for infrastructure

| Description | 2021/2022 | 2020/2021 |
|----------------------------------|-----------|---------------------|
| | Kshs | Kshs |
| Maintenance & Improvement | - | 6,060,000.00 |
| Transition infrastructure grants | - | |
| Administration Block | - | - |
| Total | - | 6,060,000.00 |

4 School Fund Income - Parents Contribution/Fees

| Description | 2020/2021 | 2019/2020 |
|--------------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Personnel emoluments | 932,313 | 2,410,875 |
| Lunch Programme | - | - |
| B.O.M Salaries | - | - |
| Electricity and water | 1,058,362 | 1,617,153 |
| Local transport/travelling | 24,765 | 508,001 |
| Medical | - | 27,000 |
| Administration costs | 995,128 | 760,673 |
| Activity | 80,718 | 1,127,280 |
| Fee on Boarding Equipment and stores | 11,231,122 | 16,771,337 |
| Repairs and maintenance | 616,387 | 1,762,716 |
| Others (specify) | - | - |
| Total | 14,938,795 | 24,985,035 |

5 Miscellaneous Incomes

| Description | 2021/2022 | 2020/2021 |
|----------------------|---------------|-----------|
| | Kshs | Kshs |
| Income From Bus Hire | 80,000 | - |
| Total | 80,000 | |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

Notes to the Financial Statements (continued)

6 Tuition payments

| Description | 2020/2021 | 2019/2020 |
|-------------------------------|----------------|------------------|
| | Kshs | Kshs |
| Exercise Books | 435,000 | 50,000 |
| stationary | - | - |
| Reference materials | - | - |
| Laboratory Equipment | 350,452 | - |
| Teaching / Learning Materials | 120,700 | 1,122,550 |
| Exams And Assessment | 50,054 | 235,070 |
| Internal Exams | - | - |
| Teachers Guides | - | - |
| Bank Charges | - | 1,090 |
| Total | 956,206 | 1,408,710 |

7 Operations payments

| Description | 2020/2021 | 2019/2020 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Personnel Emoluments | 2,077,064 | 2,600,901 |
| Miscellaneous | - | - |
| Administration Cost | 184,130 | 895,699 |
| Repairs And Maintenance & Improvements | 2,194,491 | - |
| Local Transport / Travelling | 85,500 | 194,355 |
| Electricity And Water | 329,769 | 245,502 |
| bom teachers | 357,000 | 180,000 |
| Activity Expenses | 143,483 | 98,750 |
| Insurance Cost | - | 105,711 |
| Bank charges | - | 3,688 |
| Total | 5,371,437 | 4,324,606 |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL

Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

8 Infrastructure

| Description | 2020/2021 | 2019/2020 |
|--------------------------------------|-----------|------------------|
| | Kshs | Kshs |
| Construction of Classrooms | - | - |
| Construction of dormitory | - | 6,813,928 |
| Construction of Kitchen/Dinning Hall | - | - |
| Purchase of furniture | - | - |
| Purchase of equipment | - | - |
| Purchase of apparatus | - | - |
| Drilling of boreholes | - | - |
| Bank charges | - | - |
| Total | | 6,813,928 |

9 Boarding and School Fund

| Description | 2021/2022 | 2020/2021 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Personnel Emoluments | 5,991,777 | 3,127,280 |
| Repairs And Maintenance & Improvements | 513,560 | 3,692,738 |
| Local Transport / Travelling | 292,500 | 318,220 |
| Electricity And Water | 688,900 | 1,135,780 |
| Activity expense | 76,700 | 419,650 |
| Administration Costs | 1,508,648 | 2,604,845 |
| BOM teachers' salary | - | 808,694 |
| Expenses On Income Generating Activities | 595,456 | - |
| Bus hire | | |
| Fee On Boarding Equipment, Stores and Lunch | 8,890,317 | 6,833,902 |
| Total | 18,557,858 | 19,235,561 |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

10 Bank Accounts

| Account Name & Currency | 2021/2021 | 2019/2020 |
|------------------------------|------------------|------------------|
| | Kshs | Kshs |
| Tuition Account | 10,465 | 321,448 |
| Operations Account | 5,631 | 119,382 |
| School Fund Account/Boarding | 160,137 | 2,968,563 |
| Bus Savings Account | 58,176 | 58,176 |
| Gratuity Savings Account | 58,935 | 58,935 |
| Infrastructural Account | 751,324 | 408,236 |
| Total | 1,044,668 | 3,934,740 |

11 Cash In Hand

| Description | 2021/2021 | 2019/2020 |
|-------------------------------|--------------|-----------|
| | Kshs | Kshs |
| Notes and Coins | | |
| Operations | 3,092 | |
| School fund /Boarding account | 1,993 | |
| Total | 5,085 | |

12 Short Term Investments

| Description | 2021/2021 | Insert Comparative FY |
|--------------|-----------|-----------------------|
| | Kshs | Kshs |
| Total | - | - |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

13 Accounts Receivable

| Description | 2020/2021 | 2019/2020 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Fees Arrears | 41,866,162 | 38,873,394 |
| Other Non-Fees Receivables | - | - |
| Salary Advances (list/schedule attached) | - | - |
| Imprest (list/schedule attached) | - | - |
| Rent arrears (list/schedule attached) | - | - |
| Total | 41,866,162 | 38,873,394 |

13 b Ageing Analysis of Accounts Receivable

| Description | <i>Insert</i> | | |
|--|---------------------------|---------------------------|---------------------------|
| | <i>Comparative FY</i> | | |
| | <i>Kshs</i> | | |
| | Comparative FY | Comparative FY | % of the total |
| Less than 1 year | 7,157,171 | 1,835,658 | 5% |
| Between 1- 2 years | 835,658 | 6,789,600 | 17.47% |
| Between 2-3 years | 4,365,892 | 9,540,080 | 24.54% |
| Over 3 years | 29,507,441 | 20,708,056 | 53% |
| Total (should tie to note 13 a) | 41,866,162 | 38,873,394 | 1 |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL

Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

14 Accounts Payable

| Description | 2020/2021 | 2019/2020 |
|---|-------------------|------------------|
| | Kshs | Kshs |
| Trade Creditors (See Ageing Below and Appendix 1) | 9,713,128 | 9,399,613 |
| Prepaid Fees | 3,887,390 | - |
| Retention Monies | - | - |
| Total | 13,600,518 | 9,399,613 |

14b. Ageing Analysis of Accounts Payable

| Description | 2020/2021 | | 2019/2020 | |
|--------------------------------------|-------------------|----------------|------------------|----------------|
| | Current FY | % of the total | Comparative FY | % of the total |
| Less than 1 year | 4,507,357 | 35% | 3,944,650 | 42% |
| Between 1- 2 years | 7,205,753 | 65% | 5,454,963 | 58% |
| Between 2-3 years | 1,887,390 | - | - | - |
| Over 3 years | - | - | - | - |
| Total (should tie to note 14) | 13,600,518 | 100% | 9,399,613 | 100% |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL
Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

Notes to the Financial Statements (continued)

15 Fund Balance Brought Forward

| Description | 2020/2021 | 2019/2020 |
|------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Bank Balances | 491,929 | 2,410,760 |
| Cash Balances | 9,315 | 31,341 |
| Short Term Investments | - | - |
| Receivables | 41,128,753 | 24,890,478 |
| Payables | (9,399,613.) | (1,606,207) |
| Total | 32,230,384 | 25,726,372 |

Other important disclosure notes

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

16 Non-current Liabilities Summary

| Description | 2021/2022 | 2020/2021 |
|------------------------------|-----------|-----------|
| | Kshs | Kshs |
| Bank Loans | - | - |
| Outstanding Leases | - | - |
| Hire Purchase | - | - |
| Gratuity And Leave Provision | - | - |
| Others (specify) | - | - |
| Total | - | - |

MAZERAS GIRLS MEMORIAL SECONDARY SCHOOL

Annual Report and Financial Statements For Six Months from 1 January to 30th June 2021

17 Biological assets

| Description | Numbers | 2021/2022 Kshs | 2020/2021 Kshs |
|--------------------------|---------|-------------------|-------------------|
| Cattle | | - | - |
| Goats | | - | - |
| Trees | | - | - |
| Coffee Or Tea Plantation | | - | - |
| Poultry | | - | - |
| Total | | - | - |

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

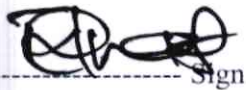
| Description | 2021/2022 Kshs | 2020/2021 Kshs |
|------------------------|-------------------|-------------------|
| Food stuffs | 14,447,668 | 27,943,685 |
| Lab consumables | 1,147,316 | 1,560,452 |
| Farm produce | - | - |
| Medication | - | - |
| Construction Materials | - | - |
| | 15,594,984 | 29,504,137 |

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20 Progress on Follow up of Auditor Recommendations

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

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



and Date
Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2020/2021 | Outstanding Balance Comparative 2019/2020 | Comments |
|----------------------------------|-----------------|-----------------|---------------------|-------------------------------|---|------------|
| | a | b | c | d | e | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Construction Of Buildings | | | | | | |
| 1. | | | | - | | |
| 2. | | | | | | |
| Sub-Total | | | | | | |
| Supply Of Goods | | | | | | |
| 3. Suncity butchery | 778,080.00 | | | 778,080.00 | 210,000.00 | To be paid |
| 4. Promise grocery | 454,360.00 | | | 454,360.00 | 18,000.00 | To be paid |
| 5. Dzek enterprises | 355,000.00 | | | 355,000.00 | 80,000.00 | To be paid |
| 6. Ndanamort Gen supplies | 415,920.00 | | | 415,920.00 | 79,800.00 | To be paid |
| 7. Tsetsetse enterprises | 13,800.00 | | | 13,800.00 | 41,250.00 | To be paid |
| 8. Muki hardware | 126,576.00 | | | 126,576.00 | - | |
| 9. Bamumin butchery | 200,000.00 | | | 200,000.00 | 187,920.00 | To be paid |

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| | | | | | | |
|-------------------------|---------------------|--|--|---------------------|-------------------|------------|
| 10. Tawakal wholesalers | 5,480,010.00 | | | 5,480,010.00 | 7,048,284.00 | To be paid |
| 11. Teacher at large | 310,400.00 | | | 310,400.00 | 105,550.00 | To be paid |
| 12. Lizam enterprises | 740,543.00 | | | 740,543.00 | 3,740,543.00 | To be paid |
| 13. Jakalu | 457,680.00 | | | 457,680.00 | 523,200.00 | To be paid |
| 14. Nisha printers | 179,359.00 | | | 179,359.00 | | To be paid |
| 15. Jona pestcon | 21,700.00 | | | 21,700.00 | 143,400.00 | To be paid |
| 16. Grand lab | 179,700.00 | | | 179,700.00 | 142,600.00 | To be paid |
| | 9,713,128.00 | | | 9,713,128.00 | 12,230,547 | |

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Annex 2 – Summary of Fixed Assets Register

| Asset Class | Historical Cost b/f (Kshs) 1 st July 2022 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30 th June 2022 |
|--------------------------|--|--|--|---|
| Land 1 (L.R.NO.1001/2 | 7,5490ha | | | |
| Buildings And Structures | 47,500,000.00 | | | 47,500,000.00 |
| Motor vehicle | 6,200,000.00 | | | 6,200,000.00 |
| Generator | 1,334,000.00 | | | 1,334,000.00 |
| Printers | 280,000.00 | | | 280,000.00 |
| Double deckers | 9,300,000.00 | | | 9,300,000.00 |
| Sewing machines | 732,200.00 | | | 732,200.00 |
| Copy printer | 250,000.00 | | | 250,000.00 |
| Staff quarters | 7,000,000.00 | | | 7,000,000.00 |
| Laboratories | 7,000,000.00 | | | 7,000,000.00 |
| Computers (P. AWRD) | 500,000.00 | | | 500,000.00 |
| Printers | 280,000.00 | | | 280,000.00 |
| Text Books | 3,104,150.00 | | | 3,104,150.00 |
| Tents | 474,000.00 | | | 474,000.00 |
| Projectors | 108,000.00 | | | 108,000.00 |
| Total | 84,062,350.00 | | | 84,062,350.00 |