REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 29 JUL 2026
DAY: WEDNESDAY
TABLED BY: Hon- ROBERT PUKOSE
CLERK-AT THE TABLE: J. Lemerelle

REPORT

OF

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

KARII KAMBURI SECONDARY SCHOOL

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

THARAKA NITHI COUNTY

OFFICE OF THE AUDITOR GENERAL
P.O. Box 30084 - 00100, NAIROBI
RECORDS OFFICE
30 APR 2026
RECEIVED

HARAMBEE

KARII KAMBURI SECONDARY SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED
30th June 2021

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

Table of Contents Page

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in 2010 under registration number 13500300828 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 134 number of students as at 30th June 2021. It has 1 stream and 11 teachers of which 3 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	Rev. John Kiragu Chabari	Chairman	30th July 2019
2	Mr. Daniel Nthiga	Secretary - Principal	30th July 2019
3	Mr. Paul Muthengi	Member	30th July 2019
4	Mr. Ikunga Karithi	Member	30th July 2019
5	Madam Joyce Maruta	Member	30th July 2019
6	Mr. Simon Makembo	Member	30th July 2019
7	Mr. David Iguna	Member	30th July 2019
8	Mr. Abraham Maruta	Member – Rep CEB	30th July 2019
9	Mr. Horphin Mwandiki	Member Rep Teachers	30th July 2019
10	Mr. Jeremy Nyaga Njagi	Sponsor	30th July 2019
11	Mr. Peter Nkari Njagi	Sponsor	30th July 2019
12	Rev. John Kiragu Chabari	Sponsor	30th July 2019
13	Madam Lucy Muthoni	Member - Community	30th July 2019
14	Madam Peninah Gaake	MemberSpecial Needs	30th July 2019
15	Kibui Bernard	Rep Students	30th July 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	None		
2	Audit Committee	None		
3	Finance,procurement and general purposes Committee	None		
4	Academic Committee	None		
5	Development Committee	None		
6	Discipline and welfare Committee	None		
7	Adhoc Committee (if any during the year)	None		

(d) School operation Management

For the financial year ended the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Daniel Nthiga	280093
2	Deputy Principal	Lawrence Magaju	351765
3	School Bursar	N/A-	

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 147-60215 Marimanti
Telephone: 0721-597-186
E-mail: kariikamburisecondary@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

The school operated four (4) bank accounts in the following banks:

1. Name of Bank: Co-operative
   Branch: Chuka
   Account Number: 01139058215901 - Operations Account

2. Name of Bank: Co-operative
   Branch: Chuka
   Account Number: 01139058215900 - Tution Account

3. Name of Bank: Co-operative
   Branch: Chuka
   Account Number: 01139058215902 - Infrastructure Account

4. Name of Bank: Trans-Nation Sacco
   Branch: Marimanti
   Account Number: 6820900006401 – Lunch Account

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance**:

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

	2021	2020	2019
Surplus Deficit	(265,023.50)		

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

Account	2021	2020	2019
Tuition	167,954.50		
Operations	1,051,930.00		
Total	1,219,884.50		
	134		
Ratio	9,103.61		

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

Account	2020/2021	2019/2020	2018/2019
Tuition	228,125.00		
Operations	899,980.00		
School Fund	850,503.00		
Total	1,978,608.00		

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

	2020/2021	2019/2020	2018/2019
Debtors	137,450.00		
Creditors	603,661.00		

- *Movement of cash and bank balances over the last three years*

	2021	2020	2019

Tuition	48,558.05		
Operations	565,652.55		
School Fund	124,333.77		
Total	738,544.37		

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends.

b) **Teacher Student ratio**:

Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

Teachers	Students	Ratio
11	134	12

No	Name of the teacher	Subject combination	Employer	Remarks
1	Mr. Daniel Nthiga	Kisw Geo	TSC	
2	Mr. Lawrence Magaju	Business Geo	TSC	
3	Mr. Titus Gichunge	Agri P.E	TSC	
4	Mr. Horphin Mwandiki	Eng Lit	TSC	
5	Mr. Michael Kimathi	Hist Kisw	TSC	
6	Mr. Daniel Murimi	Geo Business	TSC	
7	Mr. Jotham Murithi	Maths Phy	TSC	
8	Mdm. Purity Mukami	Maths Chem	TSC	
9	Mr. Amos Kamwara	Bio Chem	B.O.M	
10	Mr. Wilson Mutinda	CRE Kisw	B.O.M	
11	Mr. Ben Njeru	Hist CRE	B.O.M	

c) **Mean score in the 2018, 2019, 2020 KCSE**:

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

Year	Entry	Mean Score	Deviation	Transition to Higher Learning
2020	17	3.47	+0.07	
2019	15	3.4	+0.8	
2018	22	2.6		

d) Number of Candidates in the 2018, 2019, 2020 KCSE:

Tabulate the number of candidates sitting for KCSE over the last three years.

	2020	2019	2018
No. of Students sitting for KCSE	17	15	22

e) **Capacity of the school**:

Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education.

No. of Students	Dining hall	Laboratory	Classrooms	Toilets	Dormitories
134	0	1	4	10	0
Remarks	Required	Inadequate	Required	Shortage	Required

f) Development projects carried out by the school:

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

N/A					

Sign 28/4/26

School Principal

PRINCIPAL
KARII KAMBURI SEC SCHOOL
P. O. BOX 14? MARI...
Date.................................

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of Karii Kamburi 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, 2021~~XX~~, and of the school's financial position as at that date.

Name: Jonathan Musyimi
Designation: Chairman, School Board of Management
Sign: 28/4/2026

Name: David Mwenda Kirangu
Designation: School Principal& Secretary to Board of Management
Sign:
Date: 28/4/26

PRINCIPAL
KARII KAMBURI SEC SCHOOL
P. O. BOX 14? MARIMANTI
Date:........................

Name: Lydiah Kathure
Designation: Bursar/ Finance Officer
Sign: L.K
Date: 28/4/2026

IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF KARII KAMBURI SECONDARY SCHOOL OF THE SIX MONTHS PERIOD ENDING 30TH JUNE 2021

To be attached

V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE SIX MONTHS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	167,954.50	
Capitation grants for operations	2	1,052,930.4	
School Fund Income- Parents' Contributions	3	493,700.00	
School Fund Income- Other receipts	4		
Proceeds from borrowings			
TOTAL RECEIPTS		1,713,584.50	
PAYMENTS			
Payments for Tuition	5	228,125.00	
Payments for operations	6	899,980.00	
Boarding and school fund payments	7	850,503.00	
TOTAL PAYMENTS		1,978,608.00	
SURPLUS/DEFICIT		(265,023.50)	

The school financial statements were approved on ___________ 2026 and signed by:

Name Jonathan Musyimi

Chair BOM sign .... date 28/4/2026

Name David Mwenda

School Principal sign.............date 28/4/26

PRINCIPAL
KARII KAMBURI SEC SCHOOL
P. O. BOX 14? MARIMANTI
Date.................

Name Lydiah Kathure

Bursar/Finance Officer L.K

Date 28/4/2026

REPUBLIC OF KENYA

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

REPUBLIC OF KENYA

OAG
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON KARII KAMBURI SECONDARY SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 - 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 of Karii Kamburi Secondary School set out on pages 11 to 25, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and the 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, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Karii Kamburi Secondary School as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.167,954 and Kshs.1,052,930 as disclosed in Notes 1 and 2 to the financial statements. Further, comparison of bank statements and the financial statements revealed amounts of Kshs.213,522 and Kshs.1,707,674 respectively, resulting to an unexplained variance of Kshs.45,568 and Kshs.654,744.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations amounting to Kshs.167,954 and Kshs.1,052,930 respectively could not be confirmed.

2. Unsupported Payments

The statement of receipts and payments reflects payments for tuition and operations amounts of Kshs.228,125 and Kshs.899,980 respectively as disclosed in Notes 5 and 6 to the financial statements. However, review of payment vouchers amounting to Kshs.204,000 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection report and goods received notes. Further, the statement of receipts and payments reflects boarding and school fund expenditures amounting to Kshs.850,503 as disclosed in Note 7 to the financial statements. However, Management did not provide payment vouchers and supporting documentation for expenditures totalling Kshs.535,312.

In the circumstances, the accuracy, completeness and regularity of the payments of Kshs.204,000 charged under tuition and operations and Kshs. 535,312 for boarding and school fund could not be confirmed.

3. Unsupported Cash Withdrawals

The statement of receipts and payments for reflects total operations expenditure amounting to Kshs.899,503. Review of the bank statement reflects cash withdrawals amounting to Kshs.431,600. However, the withdrawals were not supported with the relevant documentation in support of utilization. In addition, there was no clear policy approved by the Board of Management on petty cash management.

In the circumstances, the accuracy, completeness and regularity, of the operations amount of Kshs.431,600 could not be confirmed.

4. Inaccuracies in Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities reflects cash and bank balances of Kshs.738,544 in respect of the three (4) banks accounts that the School operated namely tuition account of Kshs.48,558, operations account of Kshs.565,652, school fund account/boarding account of Kshs.124,333. However, the accounts were not supported by bank reconciliation statements and certificate of bank balances.

In the circumstances, the accuracy, completeness and existence of the cash and cash equivalents balance of Kshs.738,544 could not be confirmed.

5. Unsupported Payments

The statement of receipts and payments reflects boarding and school fund expenditures amounting to Kshs.850,503 as disclosed under Note 7. In addition, audit review revealed that payment vouchers totaling Kshs.285,010 lacked adequate narration and/or payee details. Further, the vouchers did not indicate the specific goods, services, or works procured, while others omitted critical information such as the payee's name, making it difficult to ascertain the legitimacy, accuracy, and purpose of the expenditure. This practice contravened Regulation 104 of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the regularity of the school fund expenditure amount of Kshs.285,010 could not be confirmed and Management was in breach of the law.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Karii Kamburi 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 qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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 of my report, there are no other key audit matters to report in the year under review.

Other Information

The Management is responsible for the other information which comprise of Key School Information and Management, Summary Report School Performance and Statement of School Management Responsibility. 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. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the annual report and financial statements to the Auditor-General on 2 March, 2026. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

2. Non-Compliance with the Public Sector Accounting Standards Board Reporting Framework

The statement of budgeted versus actual amounts did not reflect any balances of incomes and expenditures as required in the Public Sector Accounting Standards Reporting template. Further, Biological assets such as trees were not disclosed in the financial statements under other disclosures.

In the circumstances, the presentation and disclosure of the annual report and financial statements does not comply with the prescribed reporting template.

3. Lack of an Approved Budget

The statement of receipts and payments reflects actual income of Kshs.1,713,584 versus the actual expenditure of Kshs.1,978,608 resulting in a deficit of Kshs.265,023. However, Management failed to provide the approved budget by the Board of Management as required by Section 31 of the Public Finance Management Act, 2012 that requires the accounting officer to prepare budget estimates in conformity with the Act and Regulations. Section 2.1.2 of the Basic Education Act outlines the roles of the Board of Management in policy implementation. Part (a) states that the Board of Management's role is to facilitate the management and implementation of approved programs and projects. In addition, part b is to discuss and approve the school budget and ensure its implementation.

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

4. Lack of an Approved Annual Procurement Plan

The school's total expenditure of Kshs.1,978,608 was not supported by an approved Annual Procurement Plan for the period under review. This was in contravention of Regulation 41 of the Public Procurement and Asset Disposal Regulations, 2020, which mandates that all procurement requirements be planned and consolidated into an annual document to guide the entity's acquisition of goods, works, and services.

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

5. Failure to Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.1,052,930 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.579,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, no money was transferred to infrastructure account, leaving a balance of Kshs.579,000 as at 30 June, 2021. This was contrary to The Ministry of Education Circular 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 Ministry of Education Circular.

6. Irregular Payment to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects total operational expenditure amounting to Kshs.899,980 out of which an amount of Kshs.231,500 was transferred to Kenya Secondary Schools Heads Association. The total amount of Kshs.231,500 was contribution to the 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, the value for money on funds transferred to KESSHA amounting to Kshs.231,500 could not be confirmed.

7. Direct Procurement of Foodstuff and Industrial Goods

Review of bank statements and cashbook transactions for the period ended 30 June, 2021 revealed payments of Kshs.127,600 for cereals and Kshs.52,650 for industrial goods procured from two (2) suppliers. However, review of the supporting documents provided for audit disclosed that the payments were not backed by procurement documents such as quotations, records of negotiations, approved local purchase orders, invoices, delivery notes, or inspection and acceptance reports. This was contrary to Section 70(2) of the Public Procurement and Asset Disposal Act, 2015 which requires standard procurement documents to be used in procurement of goods and services.

In the circumstances, Management was in breach of the law and value for money may not have been achieved on goods procured.

8. Weakness in Board of Management Meetings Held During the Year

Review of the Board of Management (BOM) minutes revealed that the Board convened only one meeting during the financial year under review. This was contrary to Section 6(1) of the Fourth Schedule to the Basic Education Act, 2013, which stipulates that the Board of Management shall meet at least once every four months. However, during the year under review, the BOM held only one (1) meeting. This was contrary to Section 6(1) of the Fourth Schedule of the Basic Education Act, 2013 which states that the Board of Management shall meet at least once every four months. This may result in delayed decision-making, inadequate monitoring of internal controls, and potential exposure to financial and administrative irregularities.

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

9. Irregularities in Procurement Processes

Review of the School's procurement processes revealed the following irregularities;

(i) 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.

(ii) Review of procurement of infrastructure projects revealed absence of budgets, need analysis reports, procurement plans, failure to advertise, wrong choice of procurement methods and failure to comply with evaluation regulations.

(iii) Management failed to maintain complete procurement records, including tender documents, tender advertisements, bid evaluation reports, correspondences with supplier, contract documents, payment certificates and contract performance monitoring reports. This was contrary to Section 68 of the Public Procurement and Asset Disposal Act, 2015 and limits audit trail and transparency.

(iv) Management did not maintain or update a list of registered suppliers for goods, works, or services according to its procurement needs. Goods were procured from suppliers without documented justification for their selection.

(v) The school did not provide any evidence indicating, that the School has an inspection and acceptance committee, that verifies goods once delivered and signs the Inspection and Acceptance Report. Failure to have the adhoc committee of inspection and acceptance is a violation of the law.

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

10. Lack of School Improvement Plan

The School does not have a formal School Improvement Plan (SIP) This was 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.

11. Inaccuracies in Student Enrollment Data

The statement of receipts and payments reflects Government grants for tuition and capitation grants for operations amount of Kshs.167,954 and Kshs.1,052,930, respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the period under review, the enrollment used to fund the School varied with the actual enrollment across different terms as 128 students in NEMIS and 142 to 136 students as per registers. As a result of the variances, the School was under funded by an amount of Kshs.122,764.

In the circumstances, service delivery as the school may have been affected by the underfunding.

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. Weakness in Revenue Collection

Review of the school's revenue management processes established that the School operates a largely manual school fees collection and banking system, with some fees received in cash and recorded manually before banking. Consequently, it was not possible to confirm the completeness of collections, the amounts actually banked, or the propriety of expenditures incurred from such funds, thereby affecting the reliability of the reported cash and cash equivalents balance.

The absence of a structured control framework exposes the school to risks of revenue leakage, delayed banking, misappropriation of funds, inaccurate financial reporting, and non-compliance with applicable public finance management requirements.

In the circumstances, weak controls over collection and banking of school funds leading to possible misappropriation and non-remittance could not be confirmed.

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register which includes two parcels of land. However, no values were disclosed for the schools assets of land buildings and equipment. Further, land ownership documents were not provided for audit.

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

3. Lack of Segregation of Duties

The statement of receipts and payments reflects total operational expenditure of Kshs.899,980, including Kshs.367,400 reported under personnel emoluments However, review of the school's operational and financial management structure revealed significant weaknesses in internal controls, particularly in relation to segregation of duties. The school has not employed a bursar or accountant to oversee financial management functions. Instead, the School Secretary undertakes all bursar and accounting responsibilities which includes preparation of payment vouchers, collection of school fees and other revenues, receipting, banking of collections, maintenance of accounting records, and participation in financial reporting processes.

In the circumstances, the lack of segregation of duties leading to risk of error and misappropriation could not be confirmed.

4. Lack of a Risk Management Policy

During the period under review, it was noted that the Management had not developed a risk management policy and no formal risk assessments were done during the financial year audited.

In the circumstances, internal controls and increases exposure to operational and fraud risks could not be confirmed.

5. Lack of Internal Controls and Overall Governance

The School registration was done in May 2010 (as per Registration certificate provided for audit) and is categorized as a Sub County Public School established and owned by the Government. However, the School lacked a functional Audit Committee and Internal Audit Unit. Further, Management did not develop a strategic plan to guide the operations of the School.

In the circumstances, the absence of key governance structures , and the risk of poor planning, misallocation of resources and ineffective monitoring of operations could not be confirmed.

6. Lack of a Financial Information Processing System

During the period under review, the school's financial information was processed manually hence primary books of account were not adequately maintained. For instance, the School did not maintain a proper general ledger and the ledgers were generated as an analysis of the cashbook.

In the circumstances, errors and incomplete records due to manual processing of financial information could not be confirmed.

7. Excess Supply of Books by the Ministry

During the period under review, the School had excess of various textbooks totalling three hundred and ninety-one (391) issued to the School. The books had been supplied by the Ministry of Education but were not required by the students, resulting in surplus stock held by the School.

In the circumstances, the value for money on the excess three hundred and ninety-one (391) text books 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 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

22 May, 2026

V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE SIX MONTHS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	167,954.50	
Capitation grants for operations	2	1,052,930.4	
School Fund Income- Parents' Contributions	3	493,700.00	
School Fund Income- Other receipts	4		
Proceeds from borrowings			
TOTAL RECEIPTS		1,713,584.50	
PAYMENTS			
Payments for Tuition	5	228,125.00	
Payments for operations	6	899,980.00	
Boarding and school fund payments	7	850,503.00	
TOTAL PAYMENTS		1,978,608.00	
SURPLUS/DEFICIT		(265,023.50)	

The school financial statements were approved on ____________ 2026 and signed by:

Name Jonathan Musyimi

Chair BOM sign .... date 28/4/2026

Name David Mwenda

School Principal sign.............. date 28/4/26

PRINCIPAL
KARII KAMBURI SEC SCHOOL
P. O. BOX 14? MARIMANTI
Date

Name Lydiah Kathure

Bursar/Finance Officer L.K

Date 28/4/2026

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	738,544.37	
Cash Balances	9		
Short term Investment	10		
Total Cash and cash equivalent		**738,544.37**	
Account's receivables	10	137,450	
TOTAL FINANCIAL ASSETS		**875,994.37**	
FINANCIAL LIABILITIES			
Accounts Payables	11	603,661.00	
NET FINANCIAL ASSETS		**272,333.37**	
REPRESENTED BY			
Accumulated Fund b/fwd	12	537,356.47	
Surplus/Deficit for the year		(265,023.50)	
NET FINANCIAL POSSITION		**272,332.97**	

The School's financial statements were approved on ____________ 2026 and signed by:

Name:-Jonathan Musyimi
Chairman, BoM

Sign: [signature]

Date: 28/4/2026

Name: DavidMwenda Kirangu
School Principal/Secretary to BoM

Sign: [signature]

Date: 28/4/26

Name: Lydiah Kathure
Bursar/Finance

Sign: L.K

Date: 28/4/2026

PRINCIPAL
KARII KAMBURI SEC SCHOOL
P. O. BOX 147 MARIMANTI
Date:..

VII. STATEMENT OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

		2020-2021 Kshs	2019-2020 Kshs
Receipts for operating income			
Capitation grants for tuition	1	167,954.50	
Capitation grants for operations	2	1,051,930.00	
School fund income- Parents contributions/ fees	3	356,250.00	
School fund income- other receipts	4		
Total receipts		1,576,134.50	
Payments			
Payments for Tuition	5	228,125.00	
Payments for operations	6	899,980.00	
Boarding and school fund payments	7	246,842.00	
Total payments		1,374,947.00	
Net cash flow from operating activities		201,187.50	
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets			
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		201,187.50	
Cash and cash equivalent at BEGINNING of the year		537,356.47	
Cash and cash equivalent at END of the year		738,543.97	

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	xxx	xxx	xxx	xxx	xxx	
Exercise books	xxx	xxx	xxx	xxx	xxx	
Laboratory equipment	xxx	xxx	xxx	xxx	xxx	
Internal exams	xxx	xxx	xxx	xxx	xxx	
Teaching / learning materials	xxx	xxx	xxx	xxx	xxx	
Chalks	xxx	xxx	xxx	xxx	xxx	
Exams and assessment	xxx	xxx	xxx	xxx	xxx	
Teachers guides	xxx	xxx	xxx	xxx	xxx	
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	xxx	xxx	xxx	xxx	xxx	
Repairs and maintenance	xxx	xxx	xxx	xxx	xxx	
Local transport / travelling	xxx	xxx	xxx	xxx	xxx	
Electricity and water	xxx	xxx	xxx	xxx	xxx	
Medical	xxx	xxx	xxx	xxx	xxx	
Administration costs	xxx	xxx	xxx	xxx	xxx	
Activity	xxx	xxx	xxx	xxx	xxx	
Gratuity	xxx	xxx	xxx	xxx	xxx	

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
SMASSE	xxx	xxx	xxx	xxx	xxx	x
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	xxx	xxx	xxx	xxx	xxx	x
Repairs and maintenance	xxx	xxx	xxx	xxx	xxx	x
Local transport / travelling	xxx	xxx	Xxx	xxx	xxx	x
Electricity and water	xxx	xxx	Xxx	xxx	xxx	x
Medical	xxx	xxx	Xxx	xxx	xxx	x
Administration costs	xxx	xxx	Xxx	xxx	xxx	x
Activity	xxx	xxx	Xxx	xxx	xxx	x
SMASSE	xxx	xxx	Xxx	xxx	xxx	x
Fee on Boarding Equipment and Stores	xxx	xxx	Xxx	xxx	xxx	x
OTHER INCOME						
Rent income	xxx	xxx	Xxx	xxx	xxx	x
Income from farming activities	xxx	xxx	Xxx	xxx	xxx	x
Insurance compensation	xxx	xxx	Xxx	xxx	xxx	x
Income from Posho mill	xxx	xxx	Xxx	xxx	xxx	x
Income from Bus Hire	xxx	xxx	Xxx	xxx	xxx	x
Fee for hire of ground and equipment	xxx	xxx	Xxx	xxx	xxx	X
Interest income	xxx	xxx	Xxx	xxx	xxx	X
Income from any other investment	xxx	xxx	Xxx	xxx	xxx	X
TOTAL INCOME						
(1) EXPENDITURE FOR TUITION						

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Textbooks and reference materials	xxx	xxx	Xxx	xxx	xxx	x
Exercise books	xxx	xxx	Xxx	xxx	xxx	x
Laboratory equipment	xxx	xxx	Xxx	xxx	xxx	x
Internal exams	xxx	xxx	Xxx	xxx	xxx	x
Teaching / learning materials	xxx	xxx	Xxx	xxx	xxx	x
Chalks	xxx	xxx	Xxx	xxx	xxx	x
Exams and assessment	xxx	xxx	Xxx	xxx	xxx	x
Teachers guides	xxx	xxx	Xxx	xxx	xxx	x
Administration costs	xxx	xxx	Xxx	xxx	xxx	x
Bank Charges	xxx	xxx	Xxx	xxx	xxx	x
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	xxx	xxx	Xxx	xxx	xxx	x
Repairs, maintenance & improvements	xxx	xxx	Xxx	xxx	xxx	x
Local transport / travelling	xxx	xxx	Xxx	xxx	xxx	x
Electricity, water and conservancy	xxx	xxx	Xxx	xxx	xxx	x
Medical	xxx	xxx	Xxx	xxx	xxx	x
Administration costs	xxx	xxx	Xxx	xxx	xxx	x
Activity Expenses	xxx	xxx	Xxx	xxx	xxx	x
Gratuity	xxx	xxx	Xxx	xxx	xxx	x
SMASSE	xxx	xxx	Xxx	xxx	xxx	x
(3) EXPENDITURE FOR SCHOOL FUND						

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Personnel emoluments	xxx	xxx	Xxx	xxx	xxx	x
Repairs, maintenance and improvements	xxx	xxx	Xxx	xxx	xxx	x
Local transport / travelling	xxx	xxx	Xxx	xxx	xxx	x
Electricity, water and conservancy	xxx	xxx	Xxx	xxx	xxx	x
Medical Expenses	xxx	xxx	Xxx	xxx	xxx	x
Administration costs	xxx	xxx	Xxx	xxx	xxx	x
Activity	xxx	xxx	Xxx	xxx	xxx	x
Gratuity	xxx	xxx	Xxx	xxx	xxx	x
Lunch programme	xxx	xxx	Xxx	xxx	xxx	x
Boarding Equipment and Stores	xxx	xxx	Xxx	xxx	xxx	x
Expenditure for Income Generating Activity	xxx	xxx	Xxx	xxx	xxx	x
Insurance costs	xxx	xxx	Xxx	xxx	xxx	x
Other expenses on investments	xxx	xxx	Xxx	xxx	xxx	x
Rent Expenses	xxx	xxx	Xxx	xxx	xxx	x
Bank Charges	xxx	xxx	Xxx	xxx	xxx	x
Loan Interest Repayment	xxx	xxx	Xxx	xxx	xxx	x
Loan Principal Repayment	xxx	xxx	Xxx	xxx	xxx	x
Acquisition of Assets	xxx	xxx	Xxx	xxx	xxx	x
TOTALS	xxx	xxx	Xxx	xxx	xxx	x

~~*[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]*~~

~~Xxxx~~
~~Xxxx~~

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	167,954.50	
Exercise books	xxx	xxx
Laboratory equipment	xxx	xxx
Internal exams	xxx	xxx
Teaching / learning materials	xxx	xxx
Chalks	xxx	xxx
Exams and assessment	xxx	xxx
Teachers guides	xxx	xxx
Total	167,954.50	xxx

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	xxx	xxx
Repairs and maintenance	xxx	xxx
Local transport / travelling	xxx	xxx
Electricity and water	xxx	xxx
Medical	xxx	xxx
Administration costs	1,051,930.00	xxx
Activity	xxx	xxx
Total	1,051,930.00	xxx

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	xxx	xxx
Repairs and maintenance	xxx	xxx
Local transport / travelling	xxx	xxx
Electricity and water	xxx	xxx
Medical	xxx	xxx
Administration costs	493,700.00	xxx
Activity	xxx	xxx
Total	493,700.00	xxx

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	Xxx	xxx
Rent income	Xxx	xxx
Income from farming activities	Xxx	xxx
Insurance compensation	Xxx	xxx
Income from Posho mill	Xxx	xxx
Income from Bus Hire	Xxx	xxx
Fee for hire of ground and equipment	Xxx	xxx
Income from grants and donations*	xxx	xxx
Interest income	Xxx	xxx
Dividends income	xxx	xxx
Total	Xxx	xxx

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(Include an explanation on the kind and source of grants/ donations received by the school.)

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	xxx	xxx
Exercise books	xxx	xxx
Laboratory equipment	xxx	xxx
Internal exams	xxx	xxx
Teaching / learning materials	228,125.00	xxx
Chalks	xxx	xxx
Exams and assessment	xxx	xxx
Teachers guides	xxx	xxx
Administration Costs	xxx	xxx
Bank Charges	xxx	xxx
Total	228,125.00	xxx

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021 Kshs	2019-2020 Kshs
Personnel emoluments	~~xxx~~	~~xxx~~
Service Gratuity	~~xxx~~	~~xxx~~
Administration Cost	899,980.00	~~xxx~~
Repairs and maintenance & improvements	~~xxx~~	~~xxx~~
Local transport / travelling	~~xxx~~	~~xxx~~
Electricity and water	~~xxx~~	~~xxx~~
Medical	~~xxx~~	~~xxx~~
Activity Expenses	~~xxx~~	~~xxx~~
SMASSE	~~xxx~~	~~xxx~~
Insurance Cost	~~xxx~~	~~xxx~~
Bank Charges	~~xxx~~	~~xxx~~
Acquisition of Assets	~~xxx~~	~~xxx~~
TOTAL	899,980.00	~~xxx~~

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021 Kshs	2019-2020 Kshs
Personnel emoluments	~~xxx~~	~~xxx~~
Service Gratuity	~~xxx~~	~~xxx~~
Repairs and maintenance & Improvements	~~xxx~~	~~xxx~~
Local transport / travelling	~~xxx~~	~~xxx~~
Electricity and water	~~xxx~~	~~xxx~~
Medical Expenses	~~xxx~~	~~xxx~~
Administration costs	~~xxx~~	~~xxx~~
Lunch Programme	~~xxx~~	~~xxx~~
Bank Charges	~~xxx~~	~~xxx~~
Expenses on Income Generating Activities	~~xxx~~	~~xxx~~
Fee on Boarding Equipment and Stores	850,503.00	~~xxx~~
Rent Expenses	~~xxx~~	~~xxx~~
Insurance Cost (Life Property)	~~xxx~~	~~xxx~~
Loan Principal repayment	~~xxx~~	~~xxx~~
Loan Interest repayment	~~xxx~~	~~xxx~~
Acquisition of Assets	~~xxx~~	~~xxx~~
TOTAL	850,503.00	~~xxx~~

~~*Expenses on income generating activities" should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others*~~

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	01139058215900	48,558.05	xxx
Operations Account	01139058215901	565,652.55	xxx
School Fund Account/Boarding	682090000006401	124,333.77	xxx
Savings Account		xxx	xxx
Parent Association Development Account		xxx	xxx
Income generating activities Account		xxx	xxx
Infrastructural Account	01139058215902		
Total		738,544.37	xxx

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	xxx	xxx
Operation Account	xxx	xxx
School Fund account	xxx	xxx
Total	Xxx	xxx

10 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed deposit	xxx	xxx
Equity stock	xxx	xxx
Other investments	xxx	xxx
Total	xxx	xxx

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears	137,450	~~Xxx~~
Other non-fees receivables	~~xxx~~	~~xxx~~
Salary advances	~~xxx~~	~~xxx~~
Imprest	~~xxx~~	~~xxx~~
Total	137,450	~~xxx~~

[Include an ageing of the fees / non fees arrears below]

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears for current year	137,450	~~Xxx~~
Fees arrears for the previous year	~~Xxx~~	~~Xxx~~
Fees arrears for prior periods (over two years)	~~xxx~~	~~Xxx~~
Total	137,450	~~Xxx~~

12 ACCOUNTS PAYABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors (See ageing below and appendix 1)	603,661.00	~~xxx~~
Prepaid fees	~~xxx~~	~~xxx~~
Retention monies	~~xxx~~	~~xxx~~
Total	603,661.00	~~xxx~~

~~[Include an ageing of the creditor's arrears below]~~

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors for current year	603,661.00	~~xxx~~
Trade creditors for the previous year	~~xxx~~	~~xxx~~
Trade creditors for prior periods (over two years)	~~xxx~~	~~xxx~~
Total	603,661.00	~~xxx~~

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021 Kshs	2019-2020 Kshs
Bank balances	537,356.47	~~xxx~~
Cash balances	~~xxx~~	~~xxx~~
Short Term Investments	~~xxx~~	~~xxx~~
Receivables	~~xxx~~	~~xxx~~
Payables	~~xxx~~	~~xxx~~
Total	537,356.47 ~~xxxx~~	~~xxx~~

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2020-2021 Kshs	2019-2020 Kshs
Bank loan(s)	~~xxx~~	~~xxx~~
Outstanding Leases	~~xxx~~	~~xxx~~
Hire purchase	~~xxx~~	~~xxx~~
Gratuity and leave provision	~~xxx~~	~~xxx~~
Total	~~xxxx~~	~~xxx~~

15 Biological assets

Description	Numbers	2020-2021 Kshs	2019-2020 Kshs
Cattle		~~xxx~~	~~xxx~~
Goats		~~xxx~~	~~xxx~~
Trees		~~xxx~~	~~xxx~~
Coffee or tea plantation		~~xxx~~	~~Xxx~~
Poultry		~~xxx~~	~~xxx~~
Total		~~xxx~~	~~xxx~~

16 Borrowings

Description	2020-2021 KShs	2019-2020 KShs
a) Borrowings		
Borrowing at beginning of the year	~~xxx~~	~~xxx~~
Borrowings during the year	~~xxx~~	~~xxx~~
Repayments of during the year	~~(xxx)~~	~~(xxx)~~
Balance at end of the year	~~xxx~~	~~xxx~~

Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021 KShs	2019-2020 KShs
b) Borrowings		
Stock/ inventory at beginning of the year	~~xxx~~	~~xxx~~
Stock/ inventory purchased during the year	~~xxx~~	~~xxx~~
Stock/ inventory issued during the year	~~(xxx)~~	~~(xxx)~~
Balance at end of the year	~~xxx~~	~~xxx~~

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. Dajohn Lab Chemicals	207,000		0.00	207,000		
5. Purity Gatunga Stores	100,000		0.00	100,000		
6. Jik Manyanga	90,000		0.00	90,000		
7. Mugambi Emporium	106,000		0.00	106,000		
8. Green Valley Printers	100,661		0.00	100,661		
Sub-Total	603,661			603,661		
Supply of services						
Sub-Total						
Grand Total	603,661		.	603,661		

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st J____ 20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 20
Land 1						
Land 2						
Buildings and structures						
Motor vehicles						
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Tools and apparatus						
Textbooks						
Other Machinery and Equipment						
Heritage and cultural assets						
Intangible assets- soft ware						
Total						

~~(The School should ensure that a detailed fixed assets register is maintained).~~