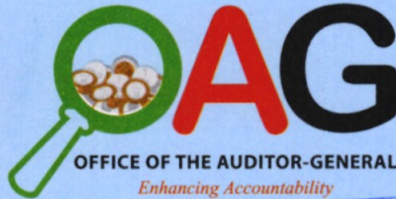


REPUBLIC OF KENYA



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Enhancing Accountability

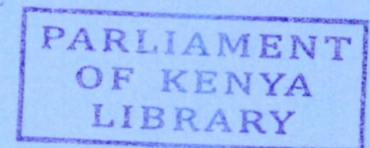
THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 JUN 2026	DAY: Week:
REPORT BY:	Hon. Owen Jaa Baya Deputy Majority Leader
CLERK-AT THE-TABLE:	Mudo Atubo

REPORT

OF

THE AUDITOR-GENERAL

ON



**MAWINGO
SECONDARY SCHOOL**

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

NYANDARUA COUNTY



MAWINGO SECONDARY SCHOOL

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)

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KEY SCHOOL INFORMATION AND MANAGEMENT

MAWINGO SECONDARY SCHOOL

(a) Background information

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

The school was registered in **8th JULY 1988** under registration number **18-S-0030-0809** and is currently categorized as a **County public school** established, owned or operated by the Government.

The school is a boarding school and had **522** and **116(exclusive of 2020 candidates who had done KCSE)** number of students as at **30th April 2021** and **30th June 2021** respectively.

It has **3** streams and **16** 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	Samson Kabugi Mweru	Chairman	7/2/2019
2	Mary Weveti King'echa	Secretary-Principal	7/2/2019
3	Rose Wangari Muriithi	Deputy chairperson	7/2/2019
4	Joseph Mwaura Mwangi	Member-Rep Parents/Local community	7/2/2019
5	Jackson Njoroge Mwangi	Member-Rep Parents/Local community	7/2/2019/
6	Patrick Kagiri Kuria	Member-Rep Parents/Local community	7/2/2019
7	Phillis Wambui Wachira	Member-Rep Parents/Local community	7/2/2019
8	Esther Wanjiru Ndirangu	Member-Rep Teachers	7/2/2019
9	Jacob Matheri Maina	Member-Rep Sponsor	7/2/2019

10	Elizabeth Njoki Maina	Member-Rep Sponsor	7/2/2019
11	Lucy Wanjiku Muchai	Member-Rep Sponsor	7/2/2019
12	William Woru Gichia	Member-Rep Special Interest group	7/2/2019
13	Rosalyn Njoki Kariuki	Member-Rep persons with Special needs	7/2/2019
14	John Waweru Nganga	-Member- Rep CEB	7/2/2019
15	Paul Githaiga Muchiri	PA-Member	7/2/2019
16	Naomi Kaara	PA-Member	7/2/2019
17	David Thuo Kiambi	PA- Chairman	7/2/2019

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 students' 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 paragraph 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	Mr Samson Kabugi Mweru Mrs Mary Weveti King'echa Mrs Rose Wangari Muriithi Mr Jacob Matheri Maina Mr Jackson Njoroge Mwangi	Chairman Secretary Member Member Member	3 out of 6
2	Finance, procurement and general-purpose Committee	Mr Jacob Matheri Maina Mrs Mary Weveti King'echa Mr Jackson Njoroge Mwangi Mrs Maureen Ndung'u	Chairman Secretary Member Member	3 out of 6
3	Development Committee	Mr Jacob Matheri Maina Mrs Mary Weveti King'echa Mr Jackson Njoroge Mwangi David Thuo Kiambi Mr Stephen Mwathi Thuo	Chairman Secretary Member Member Member	3 out of 6
4	Academic Committee	Mr William Gichia Mrs Mary Weveti King'echa M/s Lucy Wanjiku Muchai M/s Naomi Kaara Mr Collins Odera Wema Mr Samuel Muhenja Githinji Mr Francis Wanyoike Ms Hannah Wangari Muiruri	Chairman Secretary Member Member Member Member Member Member	3 out of 6
5	Discipline and welfare Committee	Mr Patrick Kagiri Kuria Mrs Mary Weveti King'echa Mrs Esther Wanjiru Ndirangu M/s Rosalyn Wambui Kariuki M/s Monicah Njeri Kiarici Mr Collins Odera Wema Mr Paul Githaiga Muchiri	Chairman Secretary Member Member Member Member Member	3 out of 6

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Mary Weveti King'echa	313104
2	Deputy Principal	Stephen Mwathi Thuo	359314
3	Accounts Clerk	Maureen Wamaitha Ndung'u	10892805

(e) Schools contacts

Post Office Box: 29-20301; Miharati
Mobile Number: 0707395651
E-mail: mawingosecondary@gmail.com
Website:

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(f) School Bankers

The school operated **6** number of bank accounts and **1** Pay bill number as follows:

- | | |
|-------------------|------------|
| (1) Name of Bank: | KCB |
| Branch: | Naivasha |
| Account Number: | 1107485207 |
| (2) Name of Bank: | KCB |
| Branch: | Naivasha |
| Account Number: | 1104243342 |
| (3) Name of Bank: | KCB |
| Branch: | Naivasha |
| Account Number: | 1104243121 |
| (4) Name of Bank: | KCB |
| Branch: | Naivasha |
| Account Number: | 1234703939 |
| (5) Name of Bank: | KCB |
| Branch: | Naivasha |
| Account Number: | 110348816 |

(6) Name of Bank:
Branch:
Account Number:

KCB
Naivasha
1103439014

(7) MPESA Pay Bill No.:

Business Number: 522123,
Account Number: 25892K
Attached to bank account
1107485207

(g) Independent Auditors

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

I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

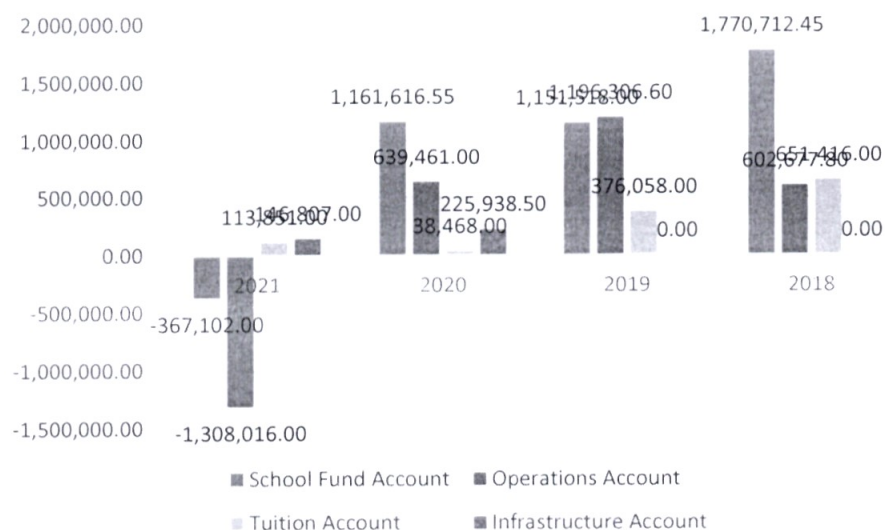
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Under this section, it reflects the actual financial performance trend for the last three years period between 1st January 2018 to 31st December 2020 which covers a period of 12 months while 30th June 2021 covers a period of 6 months and is summarised as follows:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST FOUR YEARS					
SNO	ACCOUNTS	2021	2020	2019	2018
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	(367,102.00)	1,161,616.55	1,151,518.00	1,770,712.45
2	Operations Account	(1,308,016.00)	639,461.00	1,196,306.60	602,677.80
3	Tuition Account	113,851.00	38,468.00	376,058.00	651,416.00
4	Infrastructure Account	146,807.00	225,938.50	-	-
	TOTAL	(1,414,460.00)	2,065,484.05	2,723,882.60	3,024,806.25
	Increase/Decrease	(3,479,944)	(658,398.55)	(300,923.65)	721,524.75

Trend Over the Last Three Years

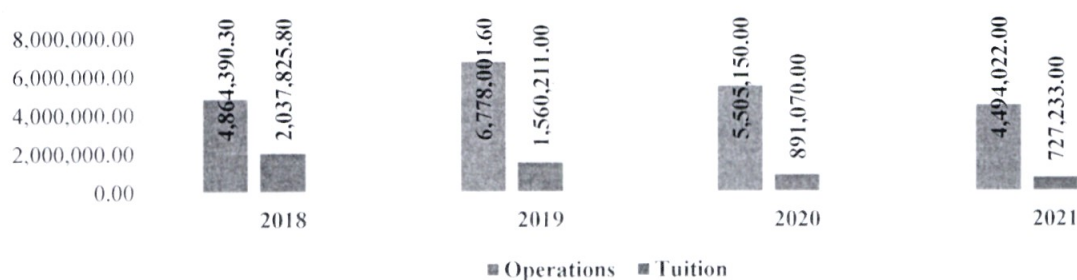


The surplus for the year 2019 decreased by Kshs (300,923.65) from a surplus of Kshs 3,024,806.25 in the year 2018 which was attributed by non-usage of the infrastructure funds which was resulted from late receiving of approval letter for the commencement of construction. The surplus for the year 2020 decreased by Kshs (658,398.55) from a surplus of Kshs 2,723,882.60 in the year 2019 due to prolonged closure after abrupt shutting of the schools due to Covid-19.

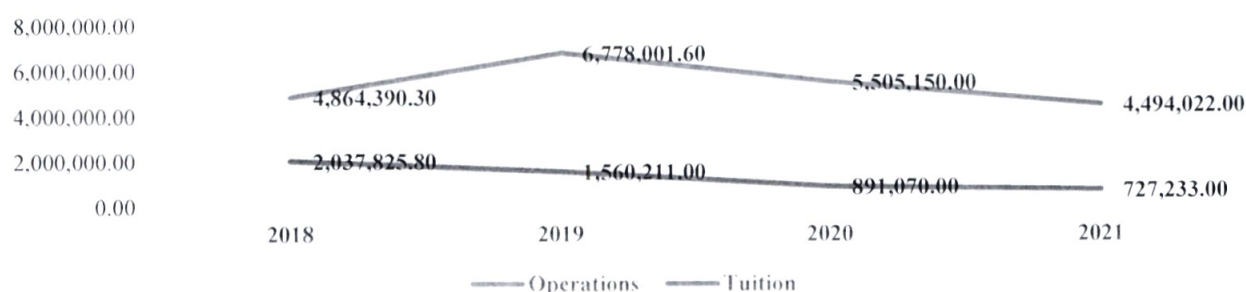
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021	2020	2019	2018
		KSHS	KSHS	KSHS	KSHS
1	Operations Account	5,971,250.00	5,505,150.00	6,778,001.60	4,864,390.30
2	Tuition Account	727,233.00	891,070.00	1,560,211.00	2,037,825.80
	Total		6,396,220.00	8,338,212.60	6,902,216.00
	Increase/Decrease	(1,174,965.00)	(1,941,992.60)	1,435,996.60	2,580,144.00
	No of Students	522	518	478	400
	Ratio of Capitation per student	1:10002.40	1:12347.92	1:17443.96	1:17255.54

Trend Over the Last Three Years



Trend Over the Last Three Years



The total capitation grants for the financial year 2019 was Kshs 8,338,212.00 as compared to Kshs 6,902,216.00 in the financial year 2018 representing an increase of Kshs 1,435,996.00. The net increase is mainly attributed by all students' receiving the capitation and increase in enrolment as shown in the ration above. The total capitation for the year 2020 was Kshs6,396,220.00 as compared to Kshs 8,338,212.00 in the financial year 2019 representing a decrease of Kshs1,941,992.00 which resulted from not all students' received capitation grant, prolonged abrupt closure of the school due to Covid-19 and not all capitation grant were disbursed by the end of financial year 2020. The capitation grant for the financial year 2021 was Kshs5,221,255.00 as compared to Kshs6,396,220.00 in the financial year 2020 representing a decrease of Kshs1,174,965.00. the net decrease is mainly attributed by the disbursement of capitation for term 2 2020 and term 3 2020 only. Also, the current period covers a period of 6 months.

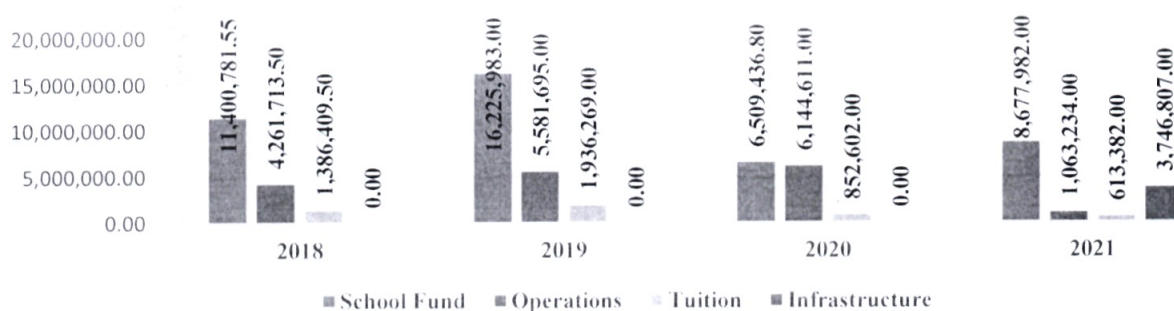
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.(Continued)

Both financial years 2021 and 2020 were affected by the Covid-19 pandemic which hinders the accommodation of students from other schools whenever they have educational trips.

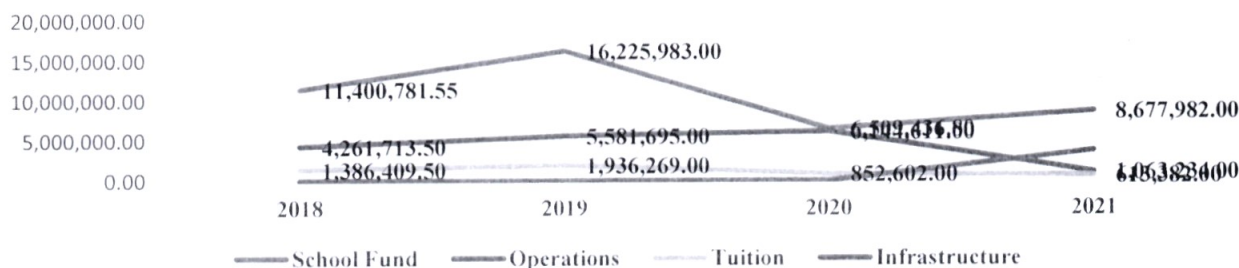
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.(Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	2018
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	8,677,982.00	6,509,436.80	16,225,983.00	11,400,781.55
2	Operations Account	1,063,234.00	6,144,611.00	5,581,695.00	4,261,713.50
3	Tuition Account	613,382.00	852,602.00	1,936,269.00	1,386,409.50
4	Infrastructure Account	3,746,807.00	-	-	-
	Total	14,106,405.00	13,229,389.98	23,743,947	17,048,906.55
	Increase/Decrease	877,015.02	(10,514,557.20)	6,695,048.45	565,977.95

Trend Over the Last Three Years



Trend Over the Last Three Years

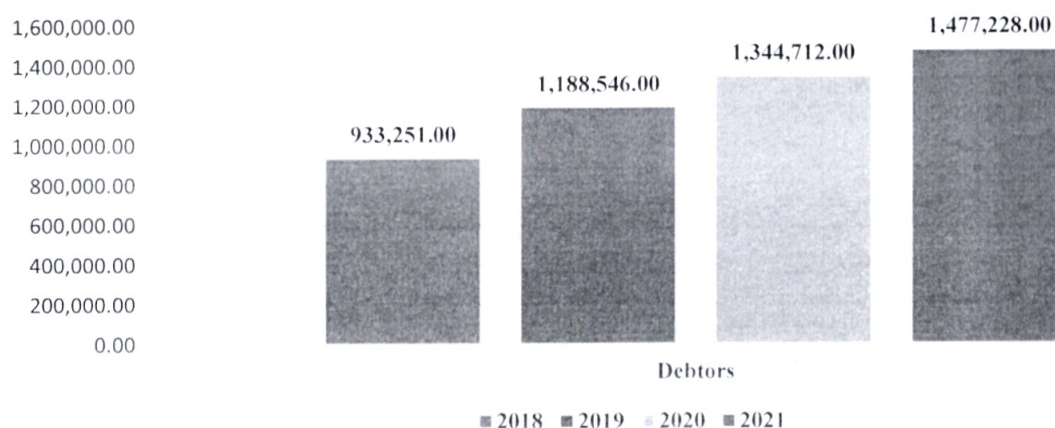


In the financial year 2021 shows a decrease of growth in expenditure which has resulted from the current year covering a period of 6 months, even though the financial year 2020 covers a period of 12 months a decrease has resulted from prolonged abrupt closure of the school due to Covid-19.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	2018
1	School Fund Account	KSHS	KSHS	KSHS	KSHS
a	Debtors	1,477,228.00	1,344,712.00	1,188,546.00	933,251.00
	Total	1,477,228.00	1,344,712.00	1,188,546.00	933,251.00
	Increase/Decrease	132,516.00	156,166.00	255,295.00	(279,285.00)

Trend Over the Last Three Years

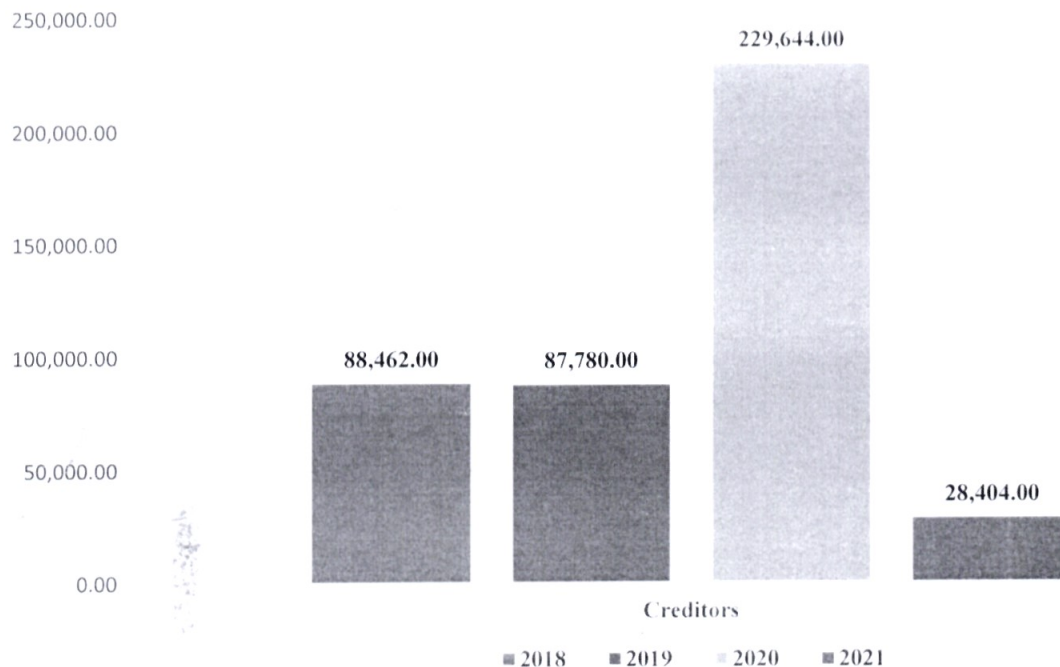


Total debtors as at 30th June 2021 increased by 9.855% to Kshs 1,477,228.00 compared to Kshs 1,344,712.00 as at the end of the financial year 2020. The main contributors to the increase in total debtors is the students' having more fees balances.

MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2021	2020	2019	2018
1	School Fund Account	KSHS	KSHS	KSHS	KSHS
a	Creditors	28,404.00	229,644.00	87,780.00	88,462.00
	Total	28,404.00	229,644.00	87,780.00	88,462.00
	Increase/Decrease	(201,240.00)	141,864.00	(682.00)	29,060.00

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

Trend Over the Last Three Years

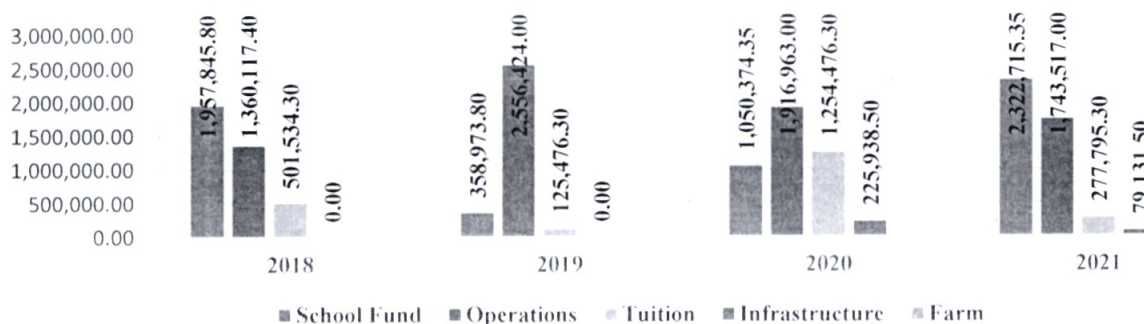


Total creditors as at 30th June 2021 decreased by Kshs28,404.00 compared to Kshs229,644.00 as at the end of the financial year 2020. The main contributors to the decrease in total creditors is other payables (prepaid fees).

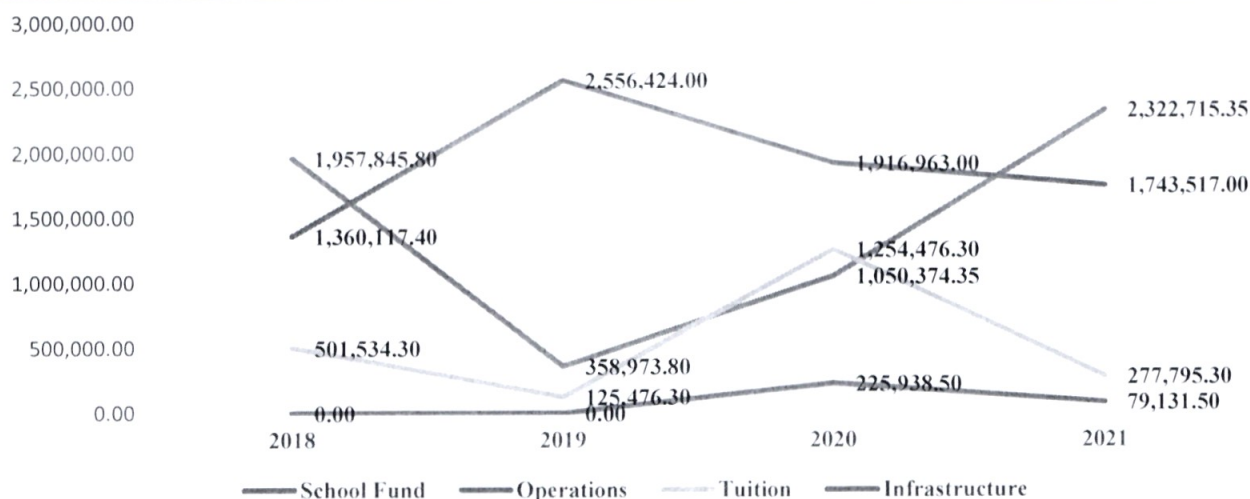
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2021	2020	2019	2018
		KSHS	KSHS	KSHS	KSHS
1	School Fund Account	2,415,156.35	1,050,374.35	358,973.80	1,957,845.80
2	Operations Account	1,747,751.00	1,916,963.00	2,556,424.00	1,360,117.40
3	Tuition Account	277,795.30	163,944.30	125,476.30	501,534.30
4	Infrastructure Account	79,131.50	225,938.50	0	0
5	Farm Development	1,226.30	1,226.30		
	Total	4,426,159.15	3,358,446.15	3,040,874.10	3,819,497.50
	Increase/Decrease	1,107,407.00	317,572.05	(778,623.40)	3,656,540.25

Trend Over the Last Three Years



Trend Over the Last Three Years



SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

b) Teacher Student ratio:

Between the month of January 2021 and June 2021, the status of the teaching staff is as follows:

There are 19 teachers posted by the Teachers Service Commission and 4 recruited by the Board of Management.

Although the teacher student ratio lies at 1: 27. We have a shortage of 6 teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4.

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

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2020	106	4.952	105	99.0	5.0	The least grade was a D- 19 student managed to join university.
2019	64	5.195	87	135.9	5.22	22 students out of 87 managed to join University.
2018	109	4.952	105	99.05	5.22	16 students managed to join University.

d) Number of Candidates in the 2018, 2019 , 2020 and 2021 KCSE

YEAR	ENROLMENT	TRANSITION
2020	106	105
2019	64	87
2018	109	105

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

c) Capacity of the school:

Indicate the number of students in the school 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.

FACILITY	CAPACITY
Dormitories	3
Dining Hall	1
Laboratories	2
Classrooms	10
Toilets	50

f) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	-New Ablution Block -Construction of 1 Classroom. -Construction of Boarding Mistress House.	2019-2020	Completed	700,000.00 800,000.00 2,500,000.00	Maintenance & Improvement from G.O.K NG-CDF Maintenance & improvement from parents
2	Girls Domitory 180 Capacity	2020-2021	Completed	9,500,000.00	Maintenance & Improvement from Parents /GOK
3	Construction of 2No.Classrooms	2020-2021	Completed	2,000,000.00	NG-CDF

.....*Mundia*.....

Mary Wanjiku Mundia

**Chair,
Board of Management**

**Mawingo Secondary School
School**

Date: ..11/5/25.....

.....*Mweveta*.....

. Mary Weveti King'echa

**Secretary,
Board of Management
/Principal**

Mawingo Secondary School

Date:11/5/25....

.....*Maureen*.....

**Maureen Wamaitha
Ndung'u**

Accounts Clerk

Mawingo Secondary

Date: ...11/5/25.....

PRINCIPAL
MAWINGO GIRLS SECONDARY SCHOOL
P. O. Box 29 - 20301,
MIHARATI

II. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of **Mawingo 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, and of the school's financial position as at that date.


.....
Mary Wanjiku Mundia


.....
Mary Weveti King'echa


.....
Maureen Wamaita
Ndung'u

**Chair,
Board of Management**

**Secretary,
Board of Management
/Principal**

Accounts Clerk

Mawingo Secondary School

Mawingo Secondary School

Mawingo Secondary School

Date: 11/5/26.....

Date: 11/5/26.....

Date: 11/5/26.....



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON MAWINGO SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021– NYANDARUA 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 the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on the 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 Mawingo secondary school set out on pages 1 to 17, 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 statement of budgeted versus actual amounts for the six (6) months 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 Mawingo Secondary School – Nyandarua County as at 30 June, 2021, and of its financial performance and its cash flows for the six (6) months' period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

1.1. Variances between Financial Statements and Supporting Ledgers

Review of the financial statements revealed unexplained variances between amounts reflected in the statement of receipts and payments and amounts reflected in the supporting ledgers as indicated in the table below;

Item	Amount as per Financial Statements (Kshs.)	Amount as per Ledger (Kshs.)	Variance (Kshs.)
Capitation Grant for Operations	5,971,250	5,791,250	180,000
School Fund Account Income - Parents Contributions	8,530,380	8,523,115	7,265
Payments for Operations	4,663,234	3,224,562	1,438,672
Boarding & School Fund Payments	8,897,482	8,894,982	2,500

1.2. Inaccuracies in the Statement of Budgeted Versus Actual Amounts

The statement of budgeted versus actual amounts reflects total actual income of Kshs.22,847,792 which differs with the recasted amount of Kshs.15,051,910 resulting to an unexplained variance of Kshs.7,795,882. Further, the statement reflects total budgeted expenditure of Kshs.34,974,890 which differs with the recasted amount of Kshs.25,127,635 resulting to an unexplained variance of Kshs.9,847,255. Similarly, the statement reflects total actual expenditure of Kshs.10,507,538 which differs with the recomputed amount of Kshs.10,723,558 resulting to an unexplained variance of Kshs.216,020.

1.3 Inaccuracies in Capitation Grants for Operations

The statement of receipts and payments reflects capitation grant for operations amount of Kshs.5,971,250 as disclosed in Note 2 to the financial statements. However, review of the National Education Management Information System (NEMIS) capitation disbursements made to the School revealed an amount of Kshs.5,293,678 resulting in an unexplained variance of Kshs.677,572.

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

2. Unsupported Accounts Receivable

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.4,435,718 as disclosed in Note 13 to the financial statements. However, supporting schedules of the fee arrears indicating the amount owed by each student were not provided for audit. Further, a balance of Kshs.2,940,989 had been outstanding for more than two (2) years and no policy on impairment of long outstanding receivables was provided for audit.

In the circumstances, the accuracy of accounts receivable balance of Kshs.4,435,718 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.34,974,890 and Kshs.22,847,792 respectively, resulting in an under-funding of Kshs.12,127,098 or 35% of the budget. However, the School spent a recomputed amount of Kshs.10,723,558 against actual receipts of Kshs.22,847,792, resulting in an under-utilization of Kshs.12,124,234 or 53% 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 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, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unaudited Comparative Balances

I draw attention to the fact that prior to the 2020/2021 financial year, Public Secondary Schools in Kenya did not prepare financial statements for audit. Consequently, the Public Sector Accounting Standards Board prescribed 30 June, 2021 as the first-time adoption of the International Public Sector Accounting Standards (IPSAS) – Cash Basis of Accounting by Public Secondary Schools.

The financial statements for the six (6) months' period ended 30 June, 2021 include comparative information. However, the comparative figures were based on unaudited figures. My audit procedures were, therefore, limited to the extent that comparative information does not contain misstatements that materially affect the current period's financial statements. Accordingly, I do not express an opinion or any form of assurance on the comparative information. My audit opinion on the current period financial statements is not modified in respect of this matter.

Other Information

The Management is responsible for the other information set out on pages ii to xvii which comprise of Key School Information and Management, Summary Report of Performance of the School 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 USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects total expenditure amount of Kshs.17,920,905 which includes an amount of Kshs.793,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. This organization is not defined in Government funding and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.793,000 could not be confirmed.

2. Lack of a School Improvement Plan

During the period under review, the School did not have an approved School Improvement Plan. This was contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds under School Improvement Planning which requires the school 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 Ministry guidelines.

3. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.19,168,270 and Kshs.17,920,905 in respect of total receipts and payments respectively. However, during the period Management did not prepare an Annual Procurement Plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a Procurement Plan for each financial year as part of the annual budget preparation process.

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

4. Weakness in Procurement for Infrastructure Projects

The statement of receipts and payments reflects a total payment for infrastructure of Kshs.3,746,807. Review of records provided for audit revealed that the School undertook infrastructure projects. However, there was no evidence that the procurement process for the works was undertaken in accordance with the provisions of the Public Procurement and Asset Disposal Act, 2015. Specifically, there were no records to confirm that the works were advertised, tenders received and formally opened, evaluated by a duly constituted evaluation committee, awarded to a successful bidder and that formal contracts were entered into.

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

5. Over-Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.727,233 and Kshs.5,971,250 respectively, as disclosed in Note 1 and Note 2 to the financial statements. Comparison of data from National Education Management and Information System (NEMIS) with records from the School revealed discrepancies during the financial period ended 30 June, 2021. NEMIS reported five hundred and fifty-four (554) students while the enrolment records provided by the School indicated five hundred and eighteen (518) students, resulting in an unexplained variance of thirty-six (36) students. As a result of the variances, the School was over -funded by an amount of Kshs.389,148.

In the circumstances, inaccuracies in the NEMIS database may lead to erroneous funding decisions and affect the equitable allocation of capitation grants.

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 on whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities which 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 and 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

Weaknesses in the Board of Management

Review of the School's Board of Management records revealed weaknesses in governance and oversight during the year under review. The Audit Committee, did not hold any meeting thereby limiting the Board's ability to effectively discharge its responsibilities. Further, the School did not prepare the annual Governance report for submission to the Director of Basic Education as required by Section 60 of the Basic Education Act, 2013.

In addition, the Board did not develop a calendar outlining its activities for the year. Further, review of the minutes of the Board also revealed that minutes of previous meetings were not confirmed by the Chairperson in the subsequent meetings hence making it difficult to establish if the resolutions passed by the Board were implemented.

In the circumstances, the effectiveness of the governance mechanism at the school could not be confirmed.

The audit was conducted in accordance with the 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 overall governance.

In preparing the financial statements, the 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 the 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 are in compliance with the authorities which govern them, and that public money is applied in an effective manner.

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 also 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

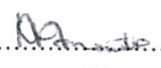
**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE SIX MONTHS PERIOD
ENDED 30TH JUNE 2021**

DESCRIPTION OF VOTE HEAD	Note	2021-2021	2020-2020
		6 Months	12 Months
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	727,233.00	891,070.00
Capitation grants for operations	2	5,971,250.00	5,505,150.00
School Fund Income- Parents' Contributions	3	8,530,380.00	7,671,053.00
School Fund Income- Other receipts	4	339,407.00	151,135.00
Infrastructure	5	3,600,000.00	2,432,000.00
TOTAL RECEIPTS		19,168,270.00	16,650,408.00
PAYMENTS			
Payments for Tuition	6	613,382.00	852,602.00
Payments for Operations	7	4,663,234.00	6,144,611.00
Boarding and school fund payments	8	8,897,482.00	6,509,436.80
Payments for Infrastructure	9	3,746,807.00	2,806,764.00
Payment for Farm	11	0.00	138,630.00
TOTAL PAYMENTS		17,920,905.00	16,452,043.80
SURPLUS/DEFICIT		1,247,365.00	198,364.20

The accounting policies and explanatory notes to these financial statements for an integral part of the financial statements. The report covers the six months for the period ended 30th June 2021 and accompanying comparatives cover the twelve months period ended 31st December 2020. The financial statements should be read in conjunction with the accompanying notes.


Mary Wanjiku Mundia


Mary Weveti King'echa


Maureen Wamaitha
Ndung'u

Chair,
Board of Management

Secretary,
Board of Management
/Principal

Accounts Clerk

Mawingo Secondary School

Mawingo Secondary School

Mawingo Secondary School

Date: 11/5/20

Date: 11/5/20

Date: 11/5/20

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

	Note	2021-2021	2020-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	12	4,427,385.50	3,334,321.50
Cash Balances	13	93,675.00	24125.00.00
Total Cash and cash equivalent		4,521,060.50	3,358,446.50
Account's receivables	14	4,435,717.85	4,322,562.85
		8,956,778.35	7,681,009.35
TOTAL FINANCIAL ASSETS			
FINANCIAL LIABILITIES			
Accounts Payables	15	28,404.00	0.00
NET FINANCIAL ASSETS		8,928,374.35	7,681,009.35
REPRESENTED BY			
Fund balance /balance forward	16	7,681,009.00	7,482,644.80
Surplus/Deficit for the year		1,247,365.00	198,364.55
NET FINANCIAL POSITION		8,928,374.00	7,681,009.35
			-

The School's financial statements were approved on2021 and signed by:

Mundia
.....
Mary Wanjiku Mundia
Chair,

Weweti
.....
Mary Weweti King'echa
Secretary,

Maureen
.....
Maureen Wamaitha Ndung'u

Board of Management

Board of Management
/Principal

Accounts clerk

Date: *11/5/20*.....

Date: *11/5/20*.....

Date: *11/5/20*.....

PRINCIPAL
MAWINGO GIRLS SECONDARY SCHOOL
P. O. Box 29 - 20301,
MIHARATI

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

	Notes	2021-2021	2020-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	727,233.00	891,070.00
Capitation grants for operations	2	5,971,250	6,398,512.00
School fund income- Parents contributions/ fees	3	8,646,833	8,639,349.35
Other receipts	4	339407	151135
Infrastructure	5	3,600,000	2,432,000.00
Total receipts		19,284,723	18,360,931.35
Payments			
Payments for Tuition	7	613,382.00	852,602.00
Payments for Operations	8	4,697,140	7,037,973.00
Boarding and school fund payments	9	9,064,780	8,257,788.35
Infrastructure		0	2,806,764.00
Total payments		14,375,302	18,955,127.35
Net cash flow from operating activities			(594,196.00)
CASHFLOW FROM INVESTING ACTIVITIES			
Purchase from sales of Assets	18		
Aquisition of Assets	18	(3,746,807.00)	(2,806,764.00)
Purchase of Investments	18		
Proceeds from investments (Net)	18		
Net cash flows from Investing Activities		(3,746,807.00)	
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings	18		
Net cash flow from financing activities		1,162,614.00	
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,162,614.00	(594,196.00)
Cash and cash equivalent at BEGINNING of the year		3,358,446.50	3,952,642.50
Cash and cash equivalent at END of the year		4,521,060.50	3,358,446.50

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

The school's financial statements were approved on 30/9/2021 and signed by:
 Mary Wanjiku Mundia Mary Weveti King'echa Maureen Wamaitha Ndung'u
 Chair, Mundia Secretary, Wet Accounts clerk
 Board of Management Board of Management /Principal
 Date: 11/5/20 Date: 11/5/20 Date: 11/5/20

PRINCIPAL
 MAWINGO GIRLS SECONDARY SCHOOL
 P. O. Box 29 - 20301,
 MIHARATI

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

STATEMENT OF BUDGETED VERSUS 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
RECEIPTS	Kshs	Kshs	Kshs	Kshs	Kshs	
(1) CAPITATION GRANT ON TUITION						
Exercise Books	561,000.00	0.00	561,000.00	179,400.00	381,600.00	31.9%
Lab. Equipment	1,197,875.00	0.00	1,197,875.00	0.00	1,197,875.00	0%
T/L Materials	342,550.00	0.00	342,550.00	342,550.00	.000	100%
Internal Exam	342,250.00	0.00	342,250.00	205,283.00	136,967.00	59%
Ref/Lib (Textbooks)	198,505.00	0.00	198,505.00	0.00	198,505.00	0%
SMASSE	112,000.00	0.00	112,000.00	0.00	112,000.00	0%
CHALKS	68,450.00		68,450.00	0.00	68,450.00	0%
SUB-TOTAL	2,822,630.00	0.00	2,822,630.00	727,233.00	2,095,397.00	25%
(2) CAPITATION GRANT ON OPERATIONS						
Local, Transport & Travelling	1,711,250.00	0.00	1,711,250.00	450,000.00	1,261,250.00	26%
Electricity, Water & Conservancy	55,000.00	0.00	55,000.00	450,000.00	(395,000.00)	818%
Repair, Maintenance & Improvement	1,400,000.00	0.00	1,400,000.00	2,041,000.00	(1,036,000.00)	145%
Activity (i)	1,026,750.00	0.00	1,026,750.00	0.00	1,026,750.00	0%
Medical/Insurance	1,369,000.00	0.00	1,369,000.00	0.00	1,369,000.00	0%
Personal Emoluments	1,369,000.00	0.00	1,369,000.00	1,450,000.00	(1,117,000.00)	105%
Administration Costs	1,369,000.00	0.00	1,369,000.00	1,410,562.25	(41,562.25)	103%
SUB-TOTAL	8,300,000.00	0.00	8,300,000.00	7,211,562.25	1,067,437.75	86%

STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021 (Continued)

(3) FEES CHARGED ON PARENTS									
Boarding, Equipment & Stores	16,777,560.00	0.00	16,777,560.00	5,979,124.00	10,798,436.00				35.6%
Local, Transport & Travelling	342,500.00	0.00	342,500.00	171,401.00	171,099.00				49%
Electricity, Water & Conservancy	2,637,200.00	0.00	2,637,200.00	854,185.00	1,783,015.00				32%
Repair, Maintenance & Improvement	1,288,900.00	0.00	1,288,900.00	474,050.00	2,597,865.00				36.7%
Activity (ii)	66,900.00	0.00	66,900.00	14,115.00	52,785.00				21%
Personal Emoluments	1,668,300.00	0.00	1,668,300.00	590,410.00	1,097,890.00				34.9%
Administration Costs	1,070,900.00	0.00	1,070,900.00	439,830.00	631,070.00				41%
SUB-TOTAL	23,852,260.00	0.00	23,852,260.00	8,523,115.00	1,7132,160.00				250.2%
GRANDTOTAL INCOME	34,974,890.00	0.00	34,974,890.00	22,847,792.00	20,294,994.75				47%

STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021 (Continued)

EXPENDITURE FOR:									
(1) TUITION									
Exercise Books	561,000.00		0.00	561,000.00	0.00		561,000.00		0%
Lab. Equipment	1,197,875.00	0.00		1,197,875.00		255,930.00	941,945.00		21%
T/L Materials	342,550.00		0.00	342,550.00		357,452.00	(15202.00)		104%
Internal Exam	342,250.00		0.00	342,250.00		0.00	342,250.00		0%
Ref/Lib (Textbooks)	198,505.00		0.00	198,505.00		0.00	198,505.00		0%
SMASSE	112,000.00		0.00	112,000.00		0.00	112,000.00		0%
CHALKS	68450.00	0.00		68,450.00					
SUB-TOTAL	2,822,630.00		0.00	2,822,630.00		613,382.00	2,140,498.00		21%
(2) OPERATIONS									
Local, Transport & Travelling	1,711,250.00			1,711,250.00		0.00	1,711,250.00		0%
Electricity, Water & Conservancy	55,000.00			55,000.00		196,140.00	-141,140.00		356%
Repair, Maintenance & Improvement	1,400,000.00		0.00	1,400,000.00		0.00	1,400,000.00		0%
Activity (i)	1,026,750.00		0.00	1,026,750.00		0.00	1,026,750.00		0%
Medical/Insurance	1,369,000.00		0.00	1,369,000.00		0.00	1,369,000.00		0%
Personal Emoluments	1,369,000.00		0.00	1,369,000.00		237,813.00	1,131,187.00		17%
Administration Costs	1,369,000.00		0.00	1,369,000.00		629,281.00	739,719.00		45%
SUB-TOTAL	8,300,000.00		0.00	8,300,000.00		1,063,234.00	7,236,766.00		18.5%
(3) SCHOOL FUND									
Boarding, Equipment & Stores	16,777,560.00		0.00	8,386,780.00		5,651,794.00	2,734,986.00		67%
Local, Transport & Travelling	342500.00	.00		849,075.00		239,650.00	609,425.00		28%
Electricity, Water & Conservancy	2,637,200.00		0.00	1,318,600.00		454,992.00	863,608.00		34.5%
Repair, Maintenance & Improvement	1,288,900.00		0.00	644,450.00		474,050.00	573,490.00		73.5%
Activity (ii)	66,900.00	0.00		66,900.00		40,000.00	0.00		59.7%

STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30 TH JUNE 2021 (Continued)						
Personal Emoluments	1,668,300.00	0.00	1,668,300.00	1,241,599.00	426,701.00	74%
Administration Costs	1,070,900.00	0.00	1,070,900.00	944,837.00	126,063.00	88%
SUB-TOTAL	23,852,260.00	0.00	23,852,260.00	8,830,922.00	5,334,273.00	37%
TOTAL EXPENDITURE	34,974,890.00	0.00	34,974,890.00	10,507,538.00	14,711,537.00	30%

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

- i. The school has only received **47%** of the expected revenue from 4th January 2021 to 30th June 2021
- ii. The school has only utilized **30%** of the fees collected from 4th January 2021 to 30th June 2021

IV. 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.

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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

VI. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

		2021-2021	2020-2020
		Kshs	Kshs
Exercise books		-	-
Laboratory equipment		-	348,534.00
Teaching / learning materials		547,833.00	259,668.00
Internal exams		179,400.00	244,400.00
Textbooks and reference materials		-	38,468.00
SMASSE		-	-
Total		727,233.00	891,070.00

2 CAPITATION GRANT FOR OPERATIONS

		2021-2021	2020-2020
		Kshs	Kshs
Personnel emoluments		1,477,228	1,000,000.00
Repairs and maintenance		2,041,000.00	161,550.00
Local transport / travelling		360,000.00	900,000.00
Electricity and water		360,000.00	802,850.00
Medical			95,600.00
Administration costs		1,051,848.00	900,000.00
Activity		681,174.00	191,200.00
Total		5,971,250.00	5,505,150.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

		2021-2021	2020-2020
		Kshs	Kshs
Boarding, Equipment & Stores		5,979,124.00	5,191,056.35
local transport / travelling		171,401.00	137,070.00
Electricity, Water & Conservancy		854,185.00	0.00
Repairs and maintenance		474,050.00	813,447.00
Activity		14,115.00	55,700.00
Personnel emoluments		590,410.00	640,165.00
Administration costs		447,095.00	389,470.00
Total		8,530,380.00	7,671,053.35

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

		2021-2021	2020-2020
		Kshs	Kshs
Uniforms		132,830.00	0.00
Income from farming activities		180,577	151,135.00
Tender sales		26,000	0
Total		339,407.00	151,135.00

5. INFRASTRUCTURE

		2021-2021	2020-2020
		Kshs	Kshs
Construction 2No. Classrooms			2,432,000.00
Construction of Girls dormitory		3,600,000.00	
Ablution Block			
Total		3,600,000.00	2,432,000.00

6.PAYMENTS FOR TUITION

		2021-2021	2020-2020
		Kshs	Kshs
Exercise books			
Laboratory equipment		255,930.00	348,534.00
Teaching/learning materials		357,452.00	259,668.00
Internal exams			
Textbooks and reference materials			
SMASSE			
Bank charges			
Total		613,382	852,602.00

7. PAYMENTS FOR OPERATIONS

		2021-2021	2020-2020
		Kshs	Kshs
Personnel emoluments		237,813.00	
Repairs and maintenance		3,600,000.00	1,912,000.00
Local transport / travelling		-	3,850,801.00
Electricity and water		196,140.00	-
Medical		-	6,810.00
Administration costs		629,281.00	-
Activity		-	375,000.00
Total		4,663,234.00	6,144,611.00

8. BOARDING AND SCHOOL FUND PAYMENTS

		2021-2021	2020-2020
		Kshs	Kshs
Boarding, Equipment & Stores		5,651,794.00	4,039,032.00
Local transport / travelling		239,650.00	183,720.00
Electricity, Water & Conservancy		454,992.00	845,429.00
Repairs and maintenance		70,960.00	938,005.00
Activity		40,000.00	150.00
Personnel emoluments		1,241,599.00	362,794.00
Administration costs		947,337.00	140,546.80
Salary advance		0.00	0.00
Uniforms		14,150.00	
School farm		211,000.0	138,630.00
Tender payment		26,000	
Total		8,897,482.00	6,509,436.80

9. INFRASTRUCTURE PAYMENTS

		2021-2021	2020-2020
		Kshs	Kshs
Girls Dormitory		3,746,807.00	2,806,764.00
Total		3,746,807.00	2,806,764.00

10. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2021	2020-2020
		Kshs	Kshs
KCB	1107485207	2,322,715.35	1,698,778.30
KCB Operations	1104243121	1,746,517.00	1,893,029.00
KCB Tuition	1104243342	277,795.30	163,944.30
KCB Infrastructure	1234703939	79,131.50	225,938.50
KCB Savings	1103438816	1,061.75	1,061.75
KCB Savings	1103439014	164.30	164.30
Total		4,427,385.50	3,334,321.15

NOTES TO THE FINANCIAL STATEMENTS(Continued)

11. CASH IN HAND

Description		2021-2021	2020-2020
		Kshs	Kshs
School Fund account			
Operation account		1,234.00	191.00
Tuition account		92,441.00	23,934.00
Total		93,675.00	24,125.00

13. ACCOUNTS RECEIVABLE

Description		2021-2021	2020-2020
		Kshs	Kshs
Fees arrears		4,418,217.85	4,322,562.85
Salary Advance		17,500.00	-
Total		4,435,717.85	4,322,562.85

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

Description		2021-2021	2020-2020
		Kshs	Kshs
Fees arrears for current year		1,477,228.00	1,344,712.00
Fees arrears for the previous year		0	91,601.00
Fees arrears for prior periods (over two years)		2,940,989.85	2,886,249.85
Total		4,418,217.85	4,322,562.85

14. ACCOUNTS PAYABLE

Description		2021-2021	2020-2020
		Kshs	Kshs
Trade creditors (See ageing below and appendix 1)			
Prepaid fees		28,404.00	0.00
Total		28,404.00	0.00

NOTES TO THE FINANCIAL STATEMENTS(Continued)**15. ACCUMULATED FUND BALANCE BROUGHT FORWARD****15 FUND BALANCE BROUGHT FORWARD**

Description		2021-2021	2020-2020
		Kshs	Kshs
Bank balances		3,334,321.15	3,673,482.95
Cash balances		24,125.00	284,212.00
Receivables		4,322,562.85	4,074,795.35
Payables		0	(549,845.50)
Total		7,681,009.35	7,482,644.80

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.

17 Biological assets

Description	Numbers	2021-2021	2020-2020
		Kshs	Kshs
Cattle	10	500,000.00	480,000.00
Trees			
Total		500,000.00	480,000.00

19 Stock/Inventory

Description		2021-2021	2020-2020
		Kshs	Kshs
Stock/ inventory at beginning of the year		0.00	20,250.00
Stock/ inventory purchased during the year		0.00	1,424,605.00
Stock/ inventory issued during the year		0.00	1,440,000
Balance at end of the year		0.00	4,855.00

1 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

[illegible]

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1
	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	Kshs
Construction of buildings					
1.	0.00	0.00	0.00	0.00	0.00
2.	0.00	0.00	0.00	0.00	0.00
3.	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00
Supply of goods					
4.	0.00	0.00	0.00	0.00	0.00
5.	0.00	0.00	0.00	0.00	0.00
6.	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00
Supply of services					
7.	0.00	0.00	0.00	0.00	0.00
8.	0.00	0.00	0.00	0.00	0.00
9.	0.00	0.00	0.00	0.00	0.00
Sub-Total	0.00	0.00	0.00	0.00	0.00
Grand Total	0.00	0.00	0.00	0.00	0.00

ANNEX 2 - SUMMARY OF FIXED ASSETS REGISTER

S/no	Asset class	Date purchased	Historical Cost b/f	Historical Cost c/f
			Kshs	Kshs
1	Land		13,000,000.00	
2	Buildings and Structure		53,100,000.00	
3	Motor Vehicles		-	
4	Office Equipment, furniture and fittings		1,000,000.00	
5	ICT Equipment and Other ICT Assets		100,000.00	
6	Tools and Apparatus			
7	Textbooks		2,080,000.00	
8	Other Machinery and Equipment			
9	Intangible assets-software			
	Total		69,380,000.00	