

REPUBLIC OF KENYA



*Enhancing Accountability*

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**REPORT**

DATE: 24 FEB 2015

DAY: Thursday

TABLED  
BY:

Hon Naomi Wago  
Deputy Majority Whip

OF

Inza N Mwalu

**THE AUDITOR-GENERAL**

**ON**

**MOLO HIGHWAY SECONDARY SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**NAKURU COUNTY**



B2

**MOLO HIGHWAY SECONDARY SCHOOL**  
**P.O BOX 736 MOLO TEL: 0721484653**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2022**

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

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**I. KEY SCHOOL INFORMATION AND MANAGEMENT****(a) Background information**

Molo highway secondary school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Molo Sub-County

The school was registered in 7/2018 under registration number 32S3000081 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 3 number of students as at 30<sup>th</sup> June 2022. It has 2 streams and 20 teachers of which 10 teachers are employed by the School Board of Management.

**(a) 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	PAUL KING'ORI	Chairman CEB REP	5/6/2022
2	ALICE W. THIGA	Secretary – Principal	5/6/2022
3	STANLEY MUTONGA	Parents Association	5/6/2022
4	BEATRICE GICHAJ	Parents Association	5/6/2022
5	ANN WAITHERA	Sponsor	5/6/2022
6	PHILIP MBAE	Parents Association	5/6/2022
7	JOHN MURAGE	Special group	5/6/2022
8	HEZRON KANYARI	Sponsor	5/6/2022
9	ANGELA KOSKE	Member Rep Teachers	5/6/2022
10	EUNICE NJOROGE	Sponsor	5/6/2022
11	DANIEL OYARO	Member – Community	5/6/2022
12	TERESIA MUMBI	Member Special Needs	5/6/2022
13	LEAH LEGULU	Rep Students	5/6/2022
14	ESTHER GITAU	Parents Association	5/6/2022
15	PHILLIP MBAE	Parents Association	5/6/2022
16	STANLEY WAWERU	Parents Association	5/6/2022
17	PASCAL NDULA	Parents Association	5/6/2022
18	SIMON MBUGUA	Member community	5/6/2022

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**The functions 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 pupil's 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.

**(b) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	i Paul Kingori	C/M	3 out of 3
		ii Alice W Thiga	H/T	3 out of 3
		iii Teresiah Mumbi	Member	3 out of 3
		iv Pascal Saya	Member	3 out of 3
		v Stanley Mutonga	Member	3 out of 3
2 L21	Finance procurement, Committee , general purposes committee	i Paul Kingori	C/M	3 out of 3
		ii Alice W Thiga	H/T	3 out of 3
		iii Stanley Mutonga	Member	3 out of 3
		v Eunice Njoroge	Member	3 out of 3
		vi Daniel Oyaro	Member	3 out of 3
3	Academic Committee	i Hezron Kanyari	c/m	2 out of 3
		ii Alice W Thiga	Member	2 out of 3
		iii Simon Mbugua	Member	2 out of 3
		iv Paul Kingori	Member	2 out of 3
		v Angela Koskei	Member	2 out of 3
4	Development Committee	i Pascal Saya	C/M	2 out of 3
		ii Alice W Thiga	Member	2 out of 3
		iii Teresiah Mumbi	Member	2 out of 3
		iv Stephen Ikenye	Member	2 out of 3
		v tanleyWaweru	Member	2 out of 3
		ix Paul Gitonga	Member	2 out of 3
5	Discipline and welfare Committee	i Philip Mbae	C/M	1 out of 3
		ii. Beatrice Wairimu		1 out of 3
		iii Simon Mbugua		1 out of 3
6	Adhoc Committee (if any during the year)			

**(c) School operation Management**

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

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	ALICE W THIGA	287039
2	Deputy Principal	STEPHEN UNO IKENYE	274418
3	School Bursar	-	

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(d) Schools contacts**

Post Office Box: 736-20106  
Telephone: 0721484653  
E-mail: molohighwaysec@gmail.com  
:

**(e) School Bankers**

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

1. Name of Bank: Cooperative bank (School fund account)  
Branch: Molo  
Account Number: 01139720052600
  
2. Name of Bank: Cooperative bank(Tuition account)  
Branch: Molo  
Account Number: 01139720052601
  
3. Name of bank: Cooperative bank (Operations account)  
Branch: Molo  
Account number: 01139720052602  
  
Name of bank: Cooperative bank(Infrastructure account)  
Branch: Molo  
Account number: 01139720052603

**(f) Independent Auditors**

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

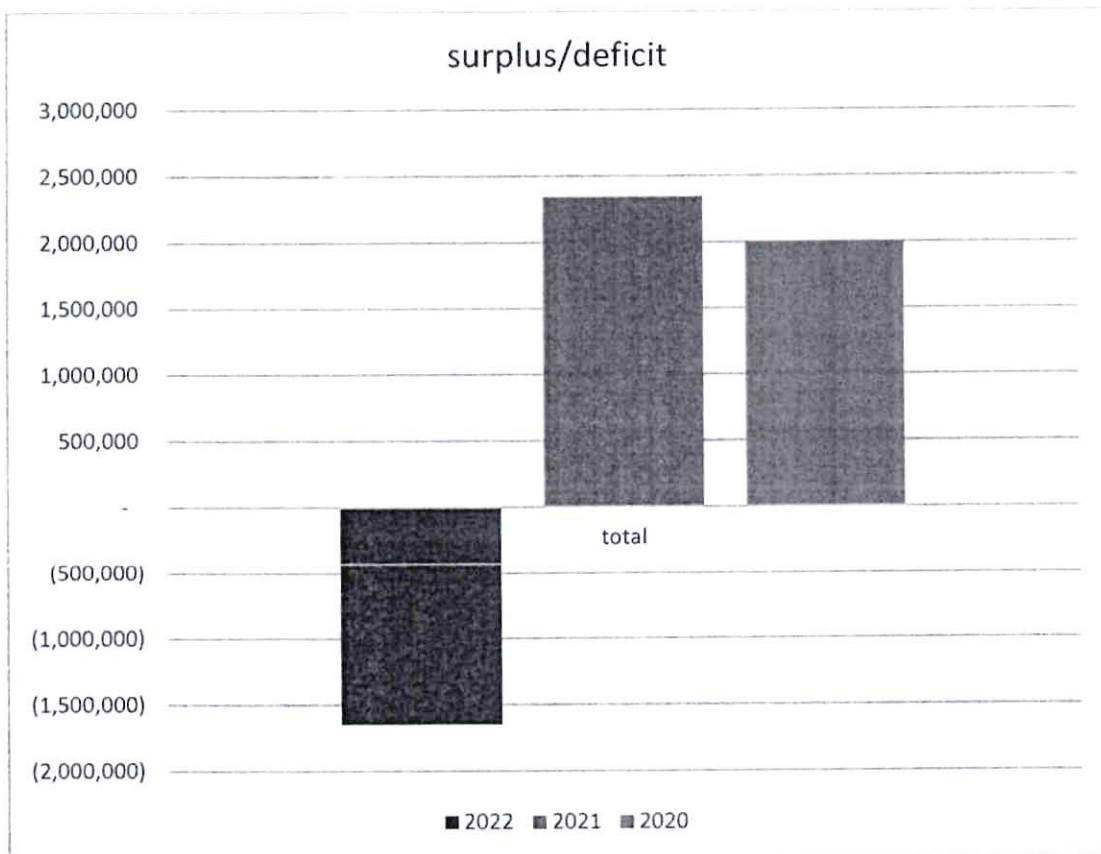
**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**Financial performance:**

*a) Surplus/ Deficit*

	2022-2021	2021-2020	2020-2019
total	<b>(1,649,563)</b>	<b>2,340,334</b>	2004445

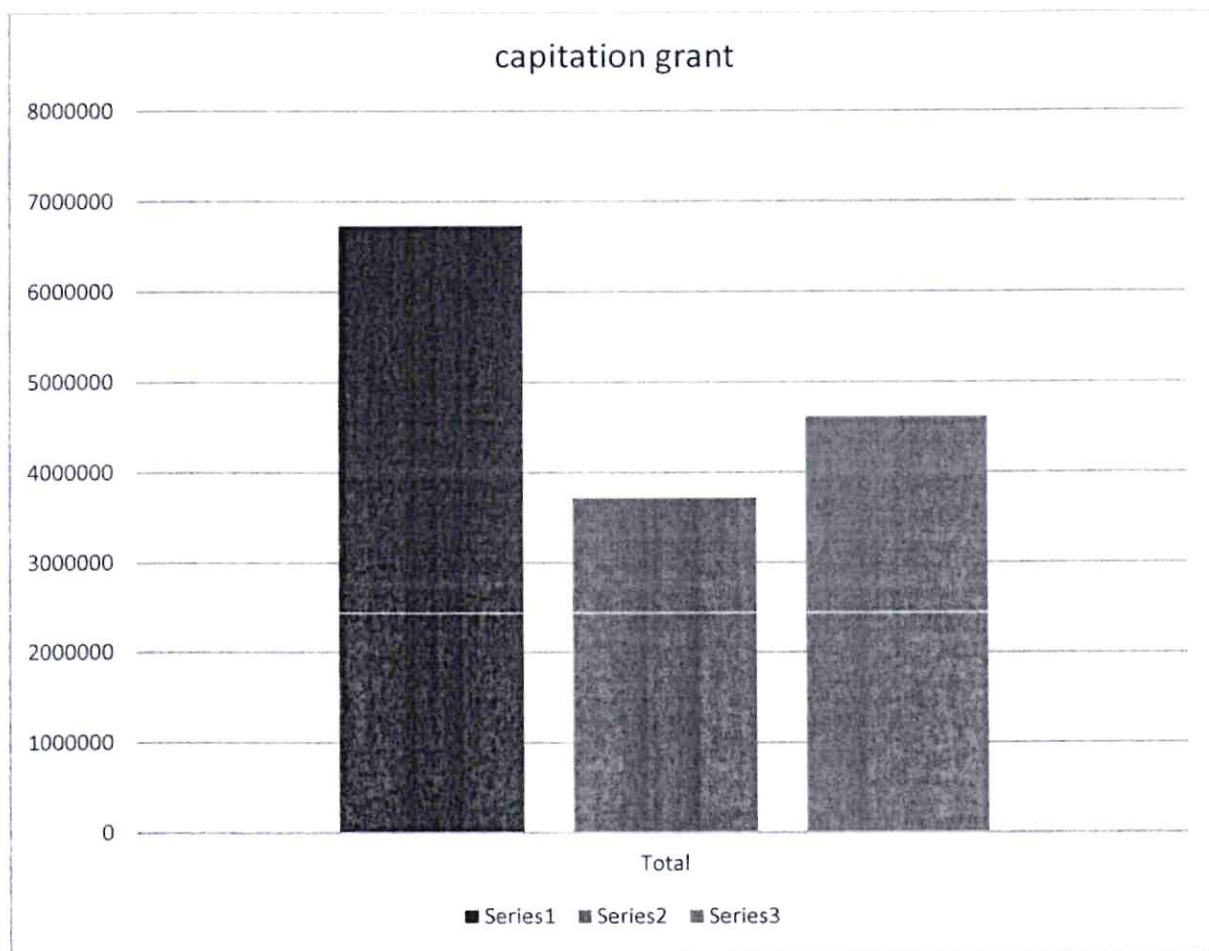


*MOLO HIGHWAY SECONDARY SCHOOL*

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

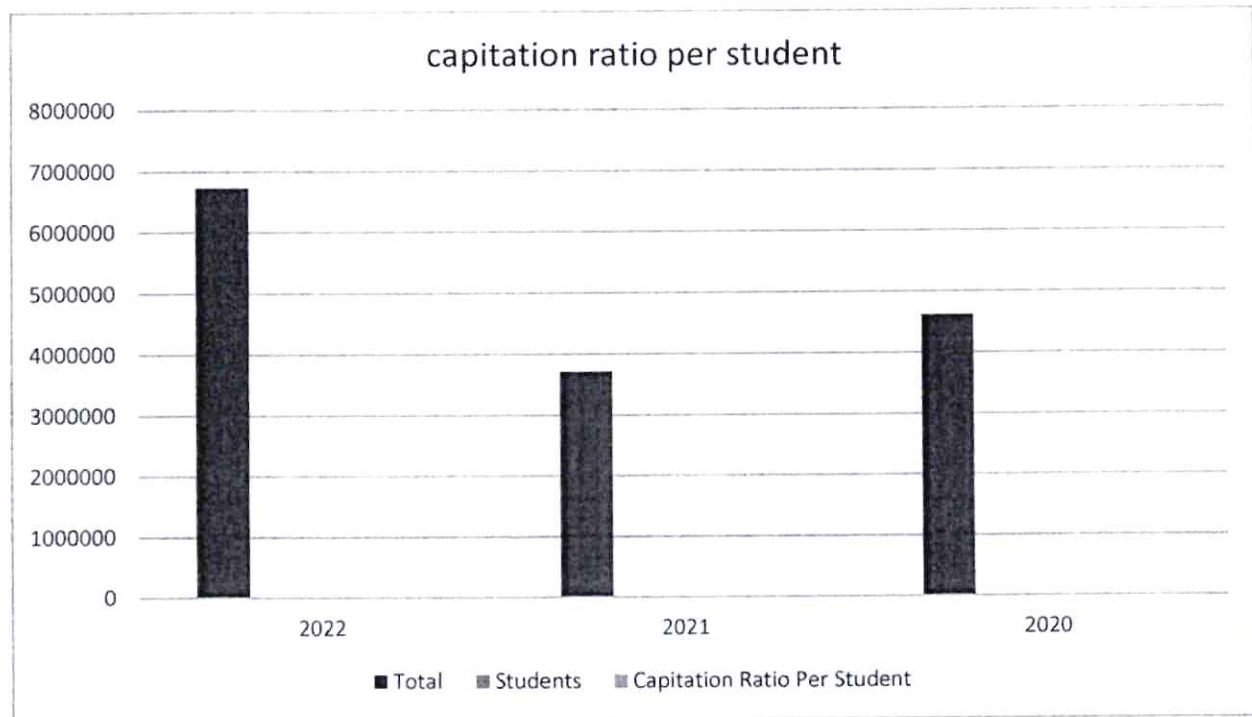
*-Capitation grants from the Ministry of Education for the last three years*

<i>Account</i>	<i>2021-2022</i>	<i>2020-2021</i>	<i>2020-2019</i>
<i>Tuition</i>	1262123.6	555698	609694
<i>Operation</i>	5469943	3156014	4007200
<i>Total</i>	1262123.6	3711712	4616894



-Ratio of capitation grant per student over the last three years

	2021-2022	2021	2020
<b>Total</b>	6732066.6	3711712	4616894
<b>Students</b>	343	383	370
<b>Capitation Ratio Per Student</b>	17577.19739	9279.28	12478.1

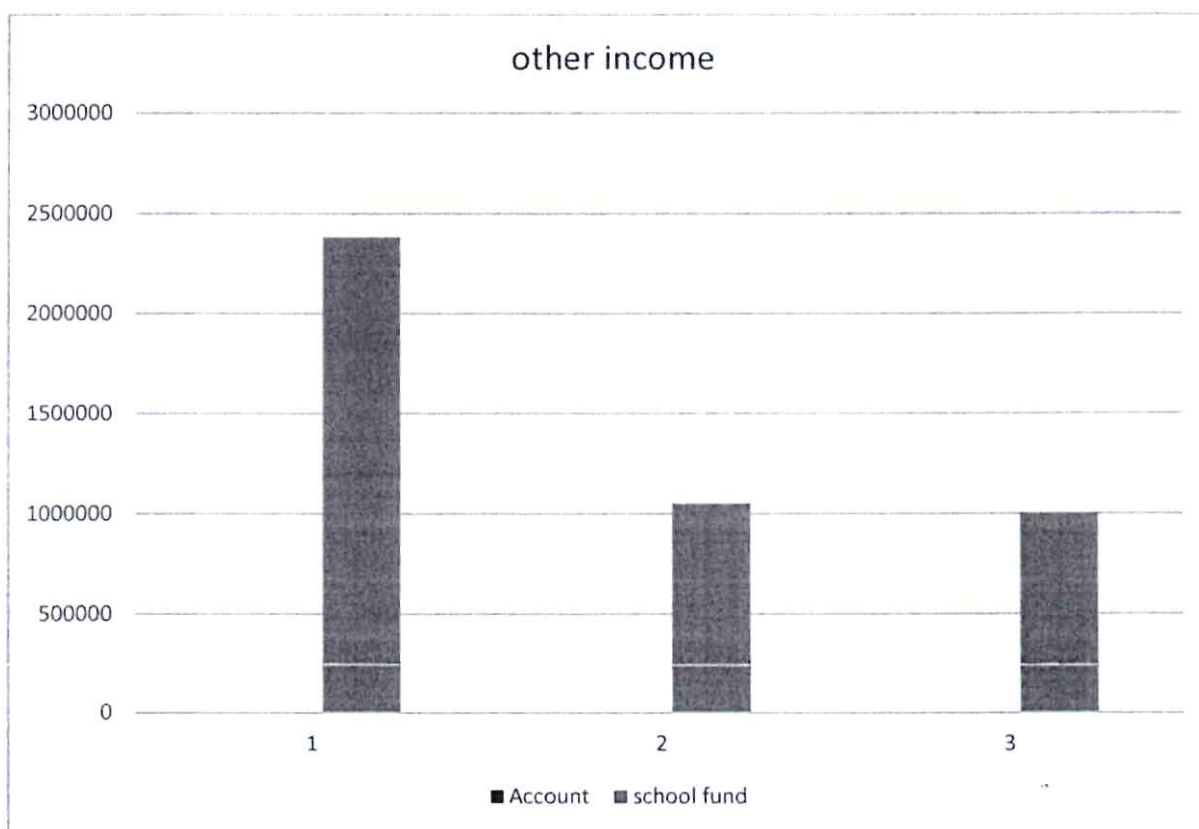


**MOLO HIGHWAY SECONDARY SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

*-A three year overview of growth of other incomes earned by the school.*

<i>Account</i>		<i>2021</i>	<i>2020</i>
	2021-2022		
<i>school fund</i>	2,383,834.00	<i>1050310</i>	<i>1004360</i>

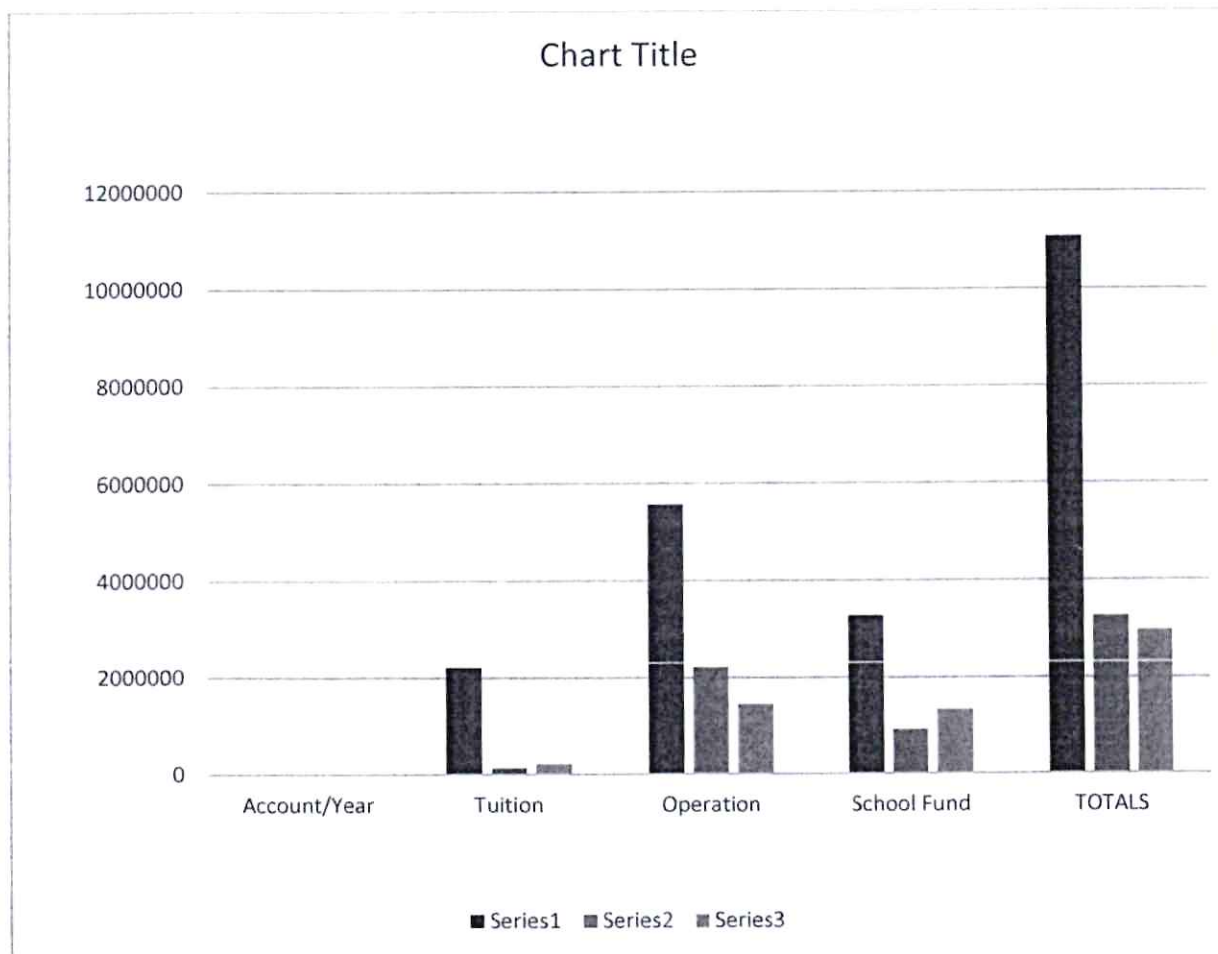


**MOLO HIGHWAY SECONDARY SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

<i>Account/Year</i>	<b>2021-2022</b>	<b>2021</b>	<b>2020</b>
<b>Tuition</b>	2,216,816.00	131725	221200
<b>Operation</b>	5570910	2218075	1433995
<b>School Fund</b>	3283438	901510	1317300
<b>TOTALS</b>	11,071,164.00	3251310	2972495



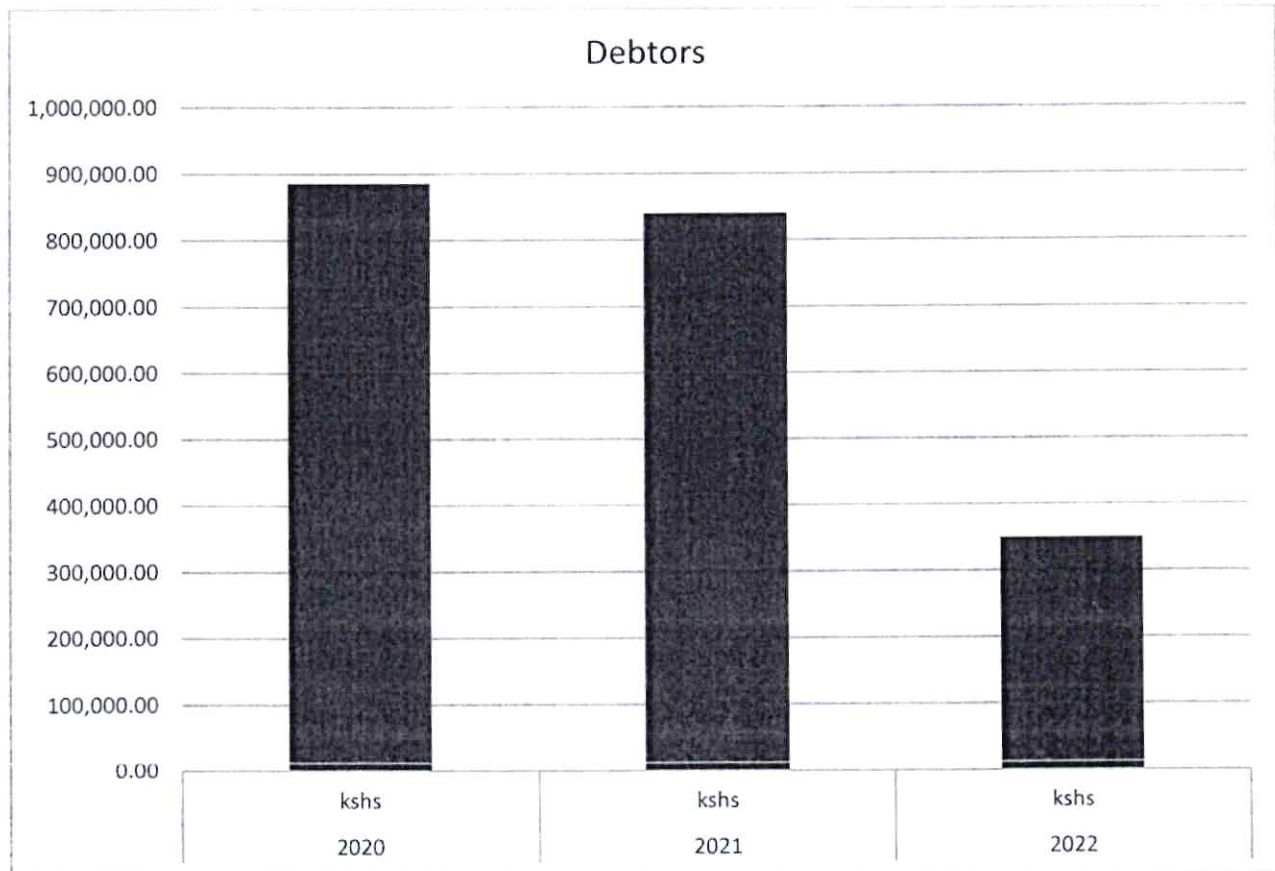
**MOLO HIGHWAY SECONDARY SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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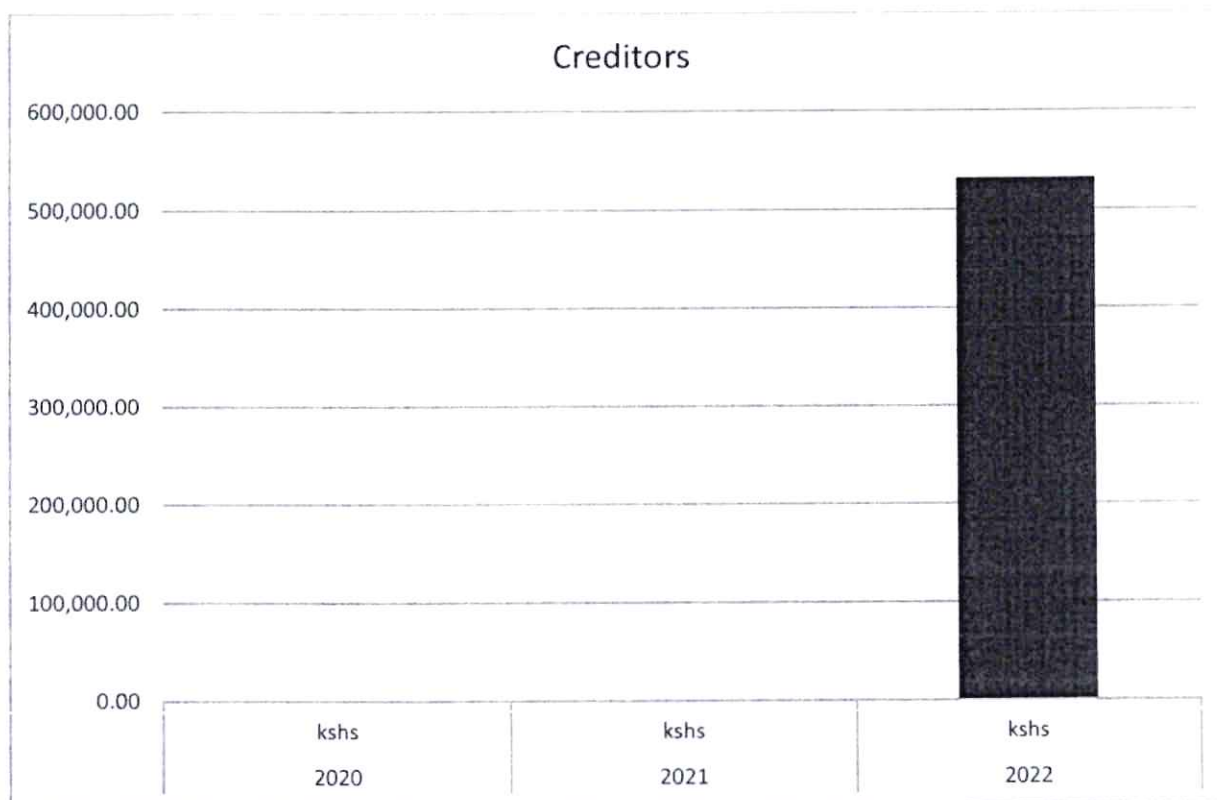
*Movement of debtors of the school over the last three years*

<b>YEAR</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Debtors</b>	350,000.00	840340	885930



*Movement of creditors of the school over the last three years*

<b>YEAR</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Creditors</b>	532,000.00	0	0



b) **Teacher Student ratio:**

Student to teacher ratio is 1:30

c) Retired teachers	Teachers transferred	Recruited/posted by tsc	Employed by tsc	Intern	Employed by BOM
nil	nil	nil	9	1	10

Subject	No of teachers	Shortage
Eng	3	1
Kisw	3	1
Math	3	1
Chem	3	1
Bio	3	1
Phy	2	1
Geo	2	1
Hist	2	1
Agri	2	No shortage
Cre	2	1
B/st	2	No shortage

d) Mean score in the 2021 KCSE:

Year	2019	2020	2021
Mean score	2.62	2.906	2.365

Grades	Entry	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X
No of students		0	0	0	1	0	0	1	3	5	9	23	8	1
Total	51	0	0	0	1	0	0	1	3	5	9	23	8	1

2020

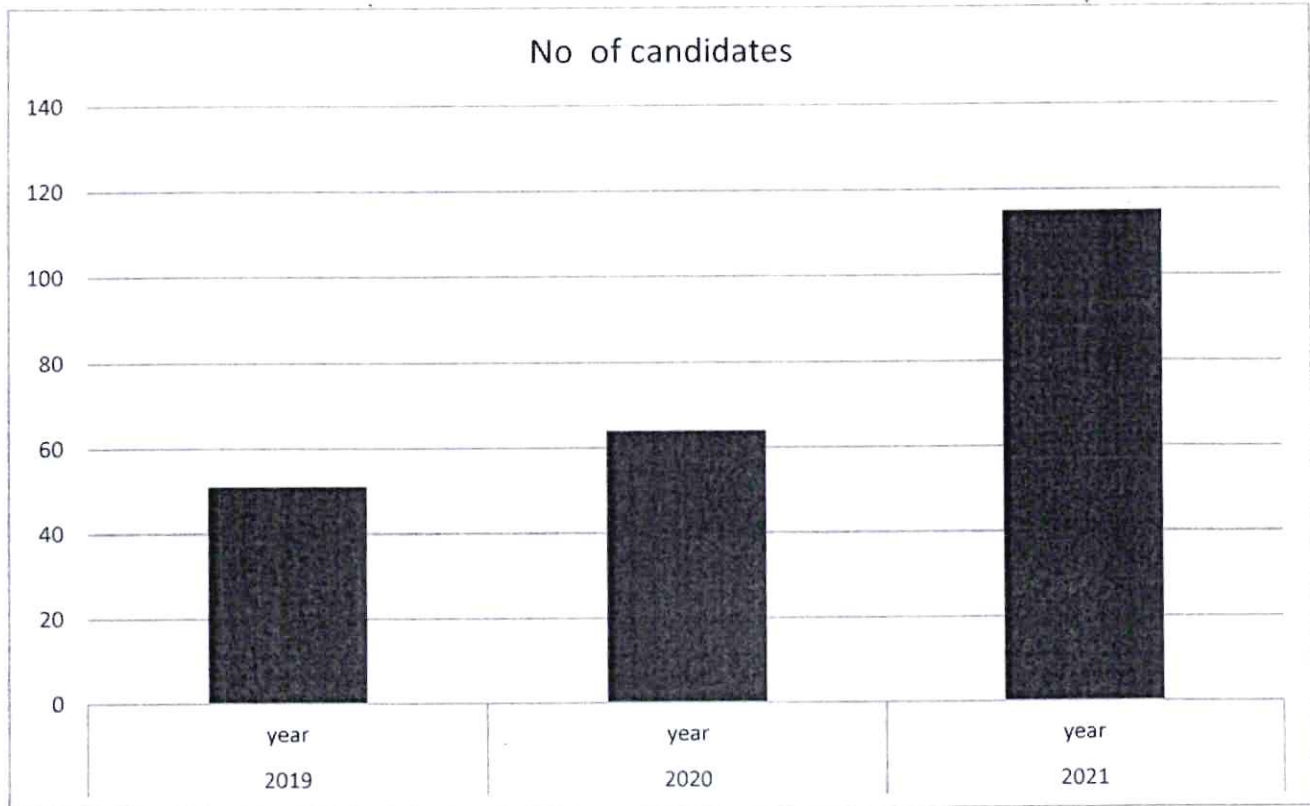
Grades	Entry	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E
No of students		0	0	0	0	0	1	2	10	7	11	23	10
Total	64	0	0	0	0	0	1	2	10	7	11	23	10

2021

Grades	Entry	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E
No of students		0	0	0	1	0	3	3	0	3	28	51	26
Total	115	0	0	0	1	0	3	3	0	3	28	51	26

e) Number of Candidates that sat for KCSE over the last 3 years

Year	2019	2020	2021
No of candidates	51	64	115



f) Capacity of the school:

Classrooms	Toilets	Dining hall	Laboratories	Dormitories
8	22	Nil	1	Nil

g) Development projects carried out by the school:

*Construction of storey building (tuition block) funded by RMI funds.*

**2022 project**

project	Funded by	Current situation
Storey building (tuition block)	Ministry Of Education	Ongoing

Sign   
School Principal 736. MOLO


### 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.

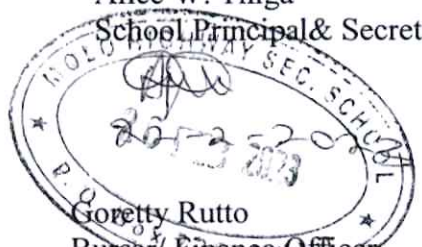
The Board of Management of Molo highway secondary school accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.

**Name:** Paul Kingori  
**Designation:** Chairman, School Board of Management  
**Sign:**   
**Date:** 22-2-2023

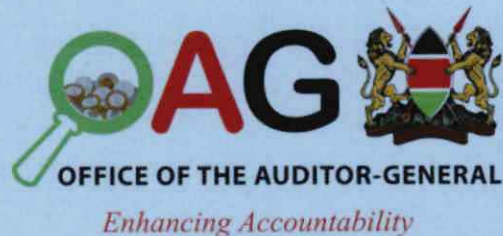
**Name:** Alice W. Thiga  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:**   
**Date:** 22-2-2023

**Name:** Goretti Rutto  
**Designation:** Bursar/ Finance Officer  
**Sign:**   
**Date:** 22-2-2023



# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON MOLO HIGHWAY SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU COUNTY**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Molo Highway Secondary School set out on pages 1 to 22, which comprise the statement of financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments,

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*Report of the Auditor-General on Molo Highway Secondary School for the year ended 30 June, 2022 - Nakuru County*

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position Molo Highway Secondary School as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs. 2,205,134 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.1,637,499 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivable balance of Kshs.2,205,134 could not be confirmed.

#### **2. Unsupported Cash and Cash Equivalents Balance**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.889,852 as disclosed in Notes 8 and 9 to the financial statements. Included in this balance are tuition account, operation account, school fund account and infrastructural account balances of Kshs.30,232, Kshs.390,803, Kshs.171,689 and Kshs.294,590 respectively. However, the bank balances were not supported by bank reconciliation statements.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.889,852 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Molo Highway 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 a final receipts budget and actual on a comparable basis of Kshs. 11,066,000 and Kshs. 9,543,201 respectively, resulting to an under-budgeting of Kshs.1,522,799 or 14% of the budget. However, the School spent a balance of Kshs.11,192,764 against actual receipts of Kshs.9,543,201, resulting to an over-utilization of Kshs 1,649,563 or 15% of the budget.

The under collection affected implementation of the planned activities and may have impacted negatively in-service delivery to the public.

My opinion is not modified in respect of this matter

### **Other Matter**

### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2022

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association and Molo District School Heads Association**

The statement of receipts and payments reflects payments for operations of Kshs.5,616,510 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.622,000 transferred to Molo District School Heads Association and Kenya Secondary Schools Heads Association. However, Molo District School Heads Association and Kenya Secondary Schools Heads Association are welfare organizations that draws their membership from School Principals only. These organizations are not defined in Government Funding system and there is no assurance

that they have implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by the school.

In the circumstances, value for money transferred to the Associations amounting to Kshs. 622,000 could not be confirmed.

## **2. Non- Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

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

- i. Page 1 under the table of contents, roman numbers I and III contains information that reads 'error bookmark not defined' which was not deleted;
- ii. The statement of cash flows under receipts from operating activities reflects adjustments in changes in receivables of negative Kshs.804,905 which is not in the format prescribed in the template;
- iii. The statement of budgeted versus actual amounts heading is omitted from pages 4, 5 and 6; and
- iv. The amounts and balances in the financial statements and notes are not rounded off to the nearest shilling.

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

## **3. Late Submission of Financial Statements for Audit**

During the year under review, the School Management submitted their financial statements to the Auditor-General on 17 February, 2023, long after the statutory deadline of 30 September,2022. 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.

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

# REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

## **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Electiveness 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. Lack of Audit Committee and Internal Audit Function**

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

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

### **2. Lack of Ownership Documents**

Annex 2 to the financial statements on summary of fixed assets register reflects fixed assets balance as at 30 June, 2022 which includes land occupied by the School. However, the assets register maintained by the School lacked key information such as assets unique identifier codes, asset names, descriptions, purchase dates, capitalization, and purchase cost. Further, the land ownership documents were not provided for audit.

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 Management and the School Board of Management**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

The School Board of Management is responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk Management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk Management and overall governance processes and systems in

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



**FCPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**


**Nairobi**

**26 September, 2024**


V. Statement Of Receipts And Payments Period To 30<sup>th</sup> June 2022


DESCRIPTION OF VOTE HEAD	Note	2021 - 2022	2020-2021
		kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	1,262,124	555,697
Capitation grants for operations	2	5,469,943	3,156,014
School Fund Income- Parents' Contributions	3	-	-
School Fund Income- Other receipts	4	2,811,134	2,062,650
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>9,543,201</b>	<b>5,774,361</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	2,216,816	135,662
Payments for operations	6	5,616,510	2,390,555
Boarding and school fund payments	7	3,359,438	907,810
<b>TOTAL PAYMENTS</b>		<b>11,192,764</b>	<b>3,434,027</b>
<b>SURPLUS/DEFICIT</b>		<b>(1,649,563)</b>	<b>2,340,334</b>

The school financial statements were approved on 20-12-2022 and signed by:

Sign:   
 Name:- Paul Kingori  
 Bom Chair  
 Date 22-2-2023

Sign   
 Name:- Alice Thiga  
 School Principal/secretary Bom  
 Date 22-2-2023



Sign   
 Name:- Goretty Rutto  
 Bursar/ Finance Officer  
 Date 22-2-2023

V. Statement Of Financial Assets And Financial Liabilities As At 30<sup>th</sup> June 2022

<b>II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES</b>			
	<b>Note</b>	<b>2021-2022</b>	<b>2020-2021</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	887,294.25	1,732,884.00
Cash Balances	9	2,558.00	1,626.00
Short term Investment	10		-
<b>Total Cash and Cash Equivalents</b>		<b>889,852.25</b>	<b>1,734,510.00</b>
Account's receivables	11	2,205,134.00	2,477,839.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>3,094,986.25</b>	<b>4,212,349.00</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	12	532,200.00	-
<b>NET FINANCIAL ASSETS</b>		<b>2,562,786.25</b>	<b>4,212,349.00</b>
<b>REPRESENTED BY</b>			
Fund balance b/f 1st July...	13	4,212,349.65	1,872,015.00
Surplus/Deficit for the year		(1,649,563.40)	2,340,334.00
<b>NET FINANCIAL POSITION</b>		<b>2,562,786.25</b>	<b>4,212,349.00</b>

The school's financial statements were approved on 20-12-2022 and signed by:

Paul Kingori

Name:

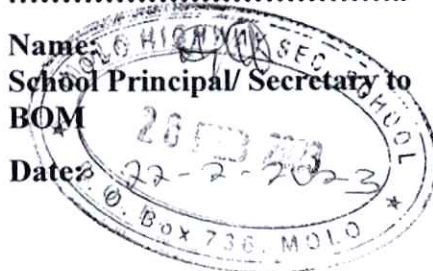
Chair BOM

Date: 22-2-2023

Alice W. Titika

Name:  
School Principal/ Secretary to  
BOM

Date: 22-2-2023



George Ruto

Name:

Bursar/ Finance Officer

Date: 22-2-2023

VI. Statement of Cash Flows for The Period Ended 30<sup>th</sup> June 2022

STATEMENT OF CASH FLOW			
		2021-2022	2020-2021
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Capitation grants for tuition	1	1,262,124	555,697
Capitation grants for operations	2	5,469,943	3,156,014
School fund income- Parents contributions/ fees	3	2,811,134	-
School fund income- other receipts	4		2,062,650
<b>Adjstments in changes in receivables&amp; payables</b>		804,905	(1,262,653)
<b>Total receipts</b>		<b>10,348,106</b>	<b>4,511,708</b>
<b>Payments</b>			
Payments for Tuition		2,216,816	135,662
Payments for operations		5,616,510	2,390,555
Boarding and school fund payments		3,359,438	907,810
		<b>11,192,764</b>	<b>3,434,027</b>
<b>Net cash flow from operating activities</b>		<b>(844,658)</b>	<b>1,077,681</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			
Acquisition of Assets			-
Proceeds from investments			-
<b>Net cash flows from Investing Activities</b>			-
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flows from Investing Activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(844,658)</b>	<b>1,077,681</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>1,734,511</b>	<b>656,830</b>
<b>Cash and cash equivalent at END of the year</b>		<b>889,852</b>	<b>1,734,511</b>

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

VII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2022

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Textbooks and reference materials	-					
Exercise books	650,000.00	-	650,000.00	451,174.00	198,826.00	69%
Laboratory equipment	1,000,000.00	-	1,000,000.00	480,660.00	519,340.00	48%
Teaching / learning materials	300,000.00	-	300,000.00	280,000.00	20,000.00	93%
Chalks	80,000.00	-	80,000.00	50,289.60	29,710.40	63%
SUBTOTAL	2,030,000.00		2,030,000.00	1,262,123.60	767,876.40	62%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>					-	
Personnel emoluments	2,280,000.00	-	2,280,000.00	1,998,000.00	282,000.00	88%
Repairs and maintenance	250,000.00	-	250,000.00	246,326.80	3,673.20	99%
Local transport / travelling	200,000.00	-	200,000.00	185,294.20	14,705.80	93%
Electricity and water	90,000.00	-	90,000.00	74,822.00	15,178.00	83%
Medical					-	.

Administration costs	1,200,000.00	-	1,200,000.00	1,089,000.00	111,000.00	91%
Infrastructure	2,000,000.00	-	2,000,000.00	1,786,500.00	213,500.00	89%
Activity	90,000.00	-	90,000.00	90,000.00	-	100%
SUBTOTAL	6,110,000.00		6,110,000.00	5,469,943.00	640,057.00	90%
<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	400,000.00	-	400,000.00	200,885.00	199,115.00	50%
Administration costs	50,000.00	-	50,000.00	48,000.00	2,000.00	96%
CDF	76,000.00		76,000.00	76,000.00	-	100%
Lunch programme	2,400,000.00	-	2,400,000.00	2,486,249.00	(86,249.00)	104%
SUBTOTAL	2,926,000.00		2,926,000.00	2,811,134.00	114,866.00	96%
GRANT TOTAL	11,066,000.00		11,066,000.00	9,543,200.60	1,522,799.40	86%
<b>(1) EXPENDITURE FOR TUITION</b>						
Textbooks and reference materials						
Exercise books	650,000.00	-	650,000.00	605,000.00	45,000.00	93%
Laboratory equipment	1,000,000.00	-	1,000,000.00	1,066,200.00	(66,200.00)	107%
Teaching / learning materials	500,000.00	-	500,000.00	475,896.00	24,104.00	95%

Chalks	80,000.00	-	80,000.00	69,000.00	11,000.00	86%
Bank Charges	720.00		720.00	720.00	-	100%
SUBTOTALS	2,230,720.00		2,230,720.00	2,216,816.00	13,904.00	99%
<b>PAYMENTS FOR OPERATIONS</b>						
Personal Emoluments	2,280,000.00	-	2,280,000.00	1,950,800.00	329,200.00	86%
Service Gratuity					-	
Administration Cost	1,200,000.00	-	1,200,000.00	1,132,470.00	67,530.00	94%
Repairs and maintenance & improvements	250,000.00	-	250,000.00	241,915.00	8,085.00	97%
Local transport / travelling	200,000.00	-	200,000.00	178,705.00	21,295.00	89%
Electricity and water	90,000.00	-	90,000.00	75,280.00	14,720.00	84%
MI	2,000,000.00	-	2,000,000.00	1,946,020.00	53,980.00	97%
Activity Expenses	90,000.00	-	90,000.00	90,000.00	-	100%
Bank Charges	1,320.00		1,320.00	1,320.00	-	100%
SUBTOTALS	6,111,320.00		6,111,320.00	5,616,510.00	494,810.00	92%
<b>BOARDING AND SCHOOL FUND PAYMENTS</b>						
Personnel emoluments	400,000.00	-	400,000.00	382,100.00	17,900.00	96%

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

Activity						
CDF	76,000.00		76,000.00	76,000.00	-	
Repairs and maintenance & Improvements	150,000.00		150,000.00	110,900.00	39,100.00	74%
Local transport / travelling	30,000.00		30,000.00	18,400.00	11,600.00	61%
Electricity and water	10,000.00		10,000.00	6,720.00	3,280.00	67%
Medical Expenses						
Administration costs	70,000.00	-	70,000.00	74,350.00	(4,350.00)	106%
Lunch Programme	2,700,000.00		2,700,000.00	2,689,048.00	10,952.00	100%
Bank Charges	1,920.00		1,920.00	1,920.00	-	100%
<b>SUBTOTAL</b>	<b>3,437,920.00</b>		<b>3,437,920.00</b>	<b>3,359,438.00</b>	<b>60,582.00</b>	<b>98%</b>
<b>GRANT TOTAL</b>	<b>11,779,960.00</b>		<b>11,779,960.00</b>	<b>11,192,764.00</b>	<b>1,095,910.00</b>	<b>95%</b>

- i. Poor payment of lunch prog fees
- ii Virement from other voteheads

## VIII. Significant Accounting Policies

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

### 1. Statement of compliance and basis of preparation

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

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

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

### 2. Recognition of receipts and payments

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

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**Significant Accounting Policies (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

## IX. Notes To The Financial Statements

## 1. CAPITATION GRANT FOR TUITION

		2021-2022	2020-2021
		Kshs	Kshs
Textbooks and reference materials			555,697.00
Exercise books		451,174.00	
Laboratory equipment		480,660.00	
Internal exams			
Teaching / learning materials		280,000.00	
Chalks		50,289.60	
Exams and assessment		∞	
Teachers guides			
Reference/Library			
<b>Total</b>		<b>1,262,123.60</b>	<b>555,697.00</b>

## 2. CAPITATION GRANT FOR OPERATIONS

		2021-2022	2020-2021
		Kshs	Kshs
Personnel emoluments		1,998,000.00	417,254.00
Repairs and maintenance		246,326.80	1,487,000.00
Local transport / travelling		185,294.20	417,254.00
Electricity ,water & Conservancy		74,822.00	417,254.00
Medical			
Administration costs		1,089,000.00	417,252.00

MOLO HIGHWAY SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Insurance			
Activity		90,000.00	
Infrastructure		1,786,500.00	
transfer from school fund			
<b>Total</b>		<b>5,469,943.00</b>	<b>3,156,014.00</b>

3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

		2021-2022	2020-2021
		Kshs	Kshs
Personnel emoluments			
Repairs and maintenance			
Local transport / travelling			
Electricity, water and Conservancy			
Medical & Insurance			
Administration costs			
Activity			
<b>Total</b>		<b>-</b>	<b>-</b>

**MOLO HIGHWAY SECONDARY SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**4.OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

Boarding Equipments & stores			
lunch programme		2,811,134.00	1,890,650.00
Electricity, water & C			
LT&T			
Repairs ,Maintenance & Improvement			
Personal Emoluments			
Admin Costs			
Activity			
Excess fees			
Pocket Money			
Caution Money			
Receipt From Operations Ac			172,000.00
Income from farming activities			
Insurance compensation			
Income from Posho mill			
Income from Bus Hire			
Fee for hire of ground and equipment			
Income from Borehole water			
Income from grants and donations			
Interest income			
<b>Total</b>		<b>2,811,134.00</b>	<b>2,062,650.00</b>

**5. PAYMENTS FOR TUITION**

	2021-2022	2020-2021
Textbooks and reference materials		
Exercise books	605,000.00	131,725.00
Laboratory equipment	1,066,200.00	
Internal exams		
Teaching / learning materials	475,896.00	
Chalks	69,000.00	
Exams and assessment		
Teachers guides		
Reference Materials		
Bank Charges	720.00	3,937.00
<b>Total</b>	<b>2,216,816.00</b>	<b>135,662.00</b>

**6 PAYMENTS FOR OPERATIONS**

	2021-2022	2020-2021
Personal Emoluments	1,950,800	693,500
Service Gratuity		
Administration Cost	1,132,470	176,620
Repairs and maintenance & improvements	241,915	
Local transport / travelling	178,705	49,700
Electricity and water	75,280	12,000

MOLO HIGHWAY SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Medical & Insurance			
Activity Expenses		90,000	
SMASSE			
Insurance Cost			
Infrastructure		1,946,020	1,284,815
Bank Charges		1,320	1,920
Acquisition of Assets			
Transfer to School fund			172,000
<b>TOTAL</b>		<b>5,616,510.00</b>	<b>2,390,555.00</b>

7. BOARDING AND SCHOOL FUND PAYMENTS

		2021-2022	2022-2021
		Kshs	Kshs
Activity			
Posho mill			
Bus hire			
Pocket Money			
caution Money			
Personnel emoluments		382,100.00	
Service Gratuity			
Repairs and maintenance & Improvements		110,900.00	
Local transport / travelling		18,400.00	
Electricity and water		6,720.00	
Excess fees			

MOLO HIGHWAY SECONDARY SCHOOL

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Administration costs		74,350.00	
Activity			
Lunch Programme		2,689,048.00	901,510.00
Bank Charges		1,920.00	6,300.00
Expenses on Income Generating Activities-School Farm			
Boarding Equipment and Stores			
CDF		76,000.00	
Insurance Cost - Bus			
Loan Principal repayment			
Loan Interest repayment			
transfer to operation account			
Acquisition of Assets			
<b>TOTAL</b>		<b>3,359,438.00</b>	<b>907,810.00</b>

**8. BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	01139720052601	30,231.70	452,724.10
Operations Account	01139720052602	390,803.10	377,250.10
School Fund Account/Boarding	01139720052600	171,689.45	448,220.45
Income generating activities Account			
CDF			
Infrastructural Account	01139720052602	294,570.00	454,690.00
Farm Account			
<b>Total</b>		<b>887,294.25</b>	<b>1,732,884.65</b>

**9. CASH IN HAND**

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	1,060.00	1,060.00
Operation Account	399.00	399.00
School Fund account	1,099.00	167.00
<b>Total</b>	<b>2,558.00</b>	<b>1,626.00</b>

## 10. SHORT TERM INVESTMENTS

Description		2021-2022	2020-2021
		Kshs	Kshs
Cooperative shares		-	-
Treasury Bills		-	-
Fixed deposit		-	-
Equity stock		-	-
Other investments		-	-
<b>Total</b>		-	-

## 11. ACCOUNTS RECEIVABLE

Description		2021-2022	2020-2021
		Kshs	Kshs
Fees arrears		2,205,134.00	2,477,839.00
Other non-fees receivables			
Salary advances			
Imprest			-
<b>Total</b>		<b>2,205,134.00</b>	<b>2,477,839.00</b>

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

**MOLO HIGHWAY SECONDARY SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

<b>Description</b>			
Fees arrears for current year		350,000.00	840,340.00
Fees arrears for the previous year		840,340.00	885,930.00
Fees arrears received during the year		(622,705.00)	(139,250.00)
Fees arrears for prior periods (over two years)		1,637,499.00	890,819.00
<b>Total</b>		<b>2,205,134.00</b>	<b>2,477,839.00</b>

**12.ACCOUNTS PAYABLE**

<b>Description</b>			
Trade creditors (See ageing below and appendix 1)		532,200.00	-
Prepaid fees			
Retention monies		-	-
<b>Total</b>		<b>532,200.00</b>	<b>-</b>

<b>Description</b>			
Trade creditors for current year		532,200.00	

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Trade creditors for the previous year			-
Trade creditors for prior periods (over two years)			
Trade creditors paid for the year			(561,563.00)
<b>Total</b>		<b>532,200.00</b>	-

**13. FUND BALANCE BROUGHT FORWARD**

<b>Description</b>			
Bank balances		1,734,510.65	648,576.65
Cash balances		-	8,253.00
Short Term Investments			
Receivables		2,477,839.00	1,215,185.35
Payables		-	-
<b>Total</b>		<b>4,212,349.65</b>	<b>1,872,015.00</b>

### Other important disclosure notes

#### 14. NON-CURRENT LIABILITIES SUMMARY

Description		2021-2022	2020-2021
		Kshs	Kshs
Bank loan(s)		-	-
Outstanding Leases		-	-
Hire purchase		-	-
Gratuity and leave provision		-	-
<b>Total</b>		-	-

#### 15. Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	1	-	-
Goats	0	-	-
Trees		-	-
Coffee or tea plantation		-	-
Poultry		-	-

<b>Total</b>		-	-
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**16. Borrowings**

Description		2021-2022	2020-2021
		KShs	KShs
<b>a) Borrowings</b>			
Borrowing at beginning of the year		-	-
Borrowings during the year		-	-
Repayments of during the year		-	-
<b>Balance at end of the year</b>		-	-

**17. Stock/ Inventory**

Description		2021-2022	2020-2021
		KShs	KShs
<b>Stock/Inventory</b>			
Stock/ inventory at beginning of the year		-	-
Stock/ inventory purchased during the year		-	-
Stock/ inventory issued during the year		-	-
<b>Balance at end of the year</b>		-	-

**18. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

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

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Annex 1 - Analysis Of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022	Comments
	a	b	c	d = a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Constructio n of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4. Djohn	312200	march2022		312200	312200	kcse exams to clear fy2022-2023
5. Samuel maina	300000	april2022	100000	200000	200000	will be cleared 2022
6.						
<b>Sub-Total</b>			<b>100000</b>	<b>512200</b>		
<b>Supply of services</b>						
7. Robtech copy	45000	may2022	25000	20000	20000	to be clear 2022-2023
8.						
9.						
<b>Sub-Total</b>			<b>25000</b>	<b>20000</b>	<b>532200</b>	
<b>Grand Total</b>			<b>125000</b>	<b>532200</b>	<b>532200</b>	

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## NEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Number	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 20xx
Land 1	1					
Land 2						
Buildings and structures	Classes 6 Toilets 22 Lab 1 Kitchen 1					
Motor vehicles	Nil					
Office equipment, furniture and fittings	1000					
ICT Equipment, and Other ICT Assets	4					
Tools and apparatus	4000					
Textbooks	5500					
Other Machinery and Equipment	Jikos 4					
Farm tool equipments	Jembes 7 Panga 1 Axe 1 Hammer 1					
Intangible assets- soft ware	1					
<b>Total</b>						

