

REPUBLIC OF KENYA



REPORT

**NATIONAL ASSEMBLY
PAPERS LAID**

DATE: 24 JUN 2026

DAY.

WEDNESDAY

**FILED
BY:**

WON OJEN BAYAMP

DEPUTY LEADER OF OPPOSITION

**CLERK-AT
THE-TABLE:**

KEITH NGINYO

THE AUDITOR-GENERAL

ON

**PARLIAMENT
OF KENYA
LIBRARY**

**DANIEL ADVENTIST KAPTUBEI HIGH
SCHOOL**

**FOR THE YEAR ENDED
30 JUNE, 2021**

ELGEYO MARAKWET COUNTY

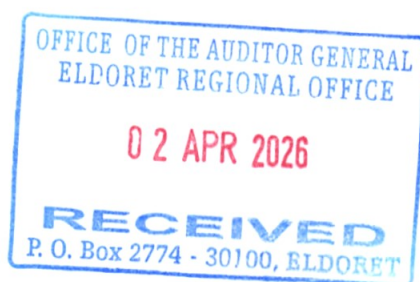
Revised 30th June 2021



**DANIEL ADVENTIST HIGH SCHOOL-KAPTUBEI
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR 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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I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in ELGEYO-MARAKWET County, KEIYO SOUTH Sub-County

The school was registered in **AUGUST 2013** under registration number 28S30000334 and is currently categorized as a COUNTY public school established, owned or operated by the Government.

The school is a day/boarding school and had 347 number of students as at **30th June 2021**. It has 2 streams and 22 teachers of which 5 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	JOHN KIMAGUT MINING	Chairman	10/04/2019
2	WILLIAM TOO	Secretary - Principal	10/04/2019
3	SAMUEL KOTUTT	Member	10/04/2019
4	JEPCHIRCHIR TOROITICH	Member	10/04/2019
5	JEFFERSAON KISORIO	Member	10/04/2019
6	DICKSON MONING	Member	10/04/2019
7	AMOS MORORI	Member	10/04/2019
8	JEPKOSGEI KESSE	Member – Rep CEB	10/04/2019
9	GLADYS BARNO	Member Rep Teachers	10/04/2019
10	HILLARY KOSGEI	3 Members - Sponsor	10/04/2019
11	MOSES KOSGEI	Member - Community	10/04/2019
12	MIRIAM LAGAT	Member Special Needs	10/04/2019
13	WILSON RUTTO	Rep Students	10/04/2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**The function of the School Board of Management include:**

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

(c) Committees of the Board

Provide the names of the various committees of the Board established by the Board and the names of the committee members:

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. John Mining 2. Samuel Kotutt 3. William Too 4. Jephchirchir Toroitich		3 out of 3
2	Audit Committee	1. Hillary Kosgei 2. Sheila Lagat 3. Dickson Moning	-Chairperson -Member -Member	0 out of 3
3	Finance, procurement and general purposes Committee	1. Naftali Komen 2. Moses Kosgei 3. Alice Kiplagat	-Chairperson -Member -Member	2 out of 3
4	Academic Committee	1. Miriam Lagat 2. Jefferson Kisorio 3. Gladys Barno	-Chairperson -Member -Member	3 out of 3
5	Development Committee	1. John Mining 2. William Too 3. Naftali Komen 4. Thomas Kirwa	-BoM Chair -Principal -Chairperson -Secretary	4 out of 6

PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2021

		5.Hillary Kosgei 6.Jepchirchir Toroitich 7.S.C.D.E	-P.A Chair -Member	
6	Discipline and welfare Committee	1.Wilson Rutto 2.Samuel Kotutt 3.Jepkosgei Kesse 4.Thomas Kirwa		2 out of 3
7	Adhoc Committee (if any during the year)	-	-	-

(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	William Too	421981
2	Deputy Principal	Thomas Kirwa	380241
3	School Bursar	Gilbert Serem	28385378-ID NO.

KEY SCHOOL INFORMATION AND MANAGEMENT

(e) Schools contacts

Post Office Box: 183-30700
Telephone: 0722420012
E-mail: danielkaptubeiadventist@gmail.com

(f) School Bankers

The following school operated 6 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Kcb
Branch: Eldoret
Account Number: 1148882391 -Operation Account
2. Name of Bank: Kcb
Branch: Eldoret
Account Number: 1148880917-Tution Account
3. Name of Bank: Co-operative
Branch: Eldoret
Account Number: 01128443433300-School Fund Account
4. Name of Bank: Co-operative
Branch: Eldoret
Account Number: 01139443433300-RMI Account
5. Name of Bank: Equity
Branch: Iten
Account Number: 1530267461500- School Fund Account
6. Name of Bank: Sidian
Branch: Eldoret
Account Number: 01008030018009-CDF Account
7. MPESA Pay Bill No. 61500#ADM attached to Equity bank account

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

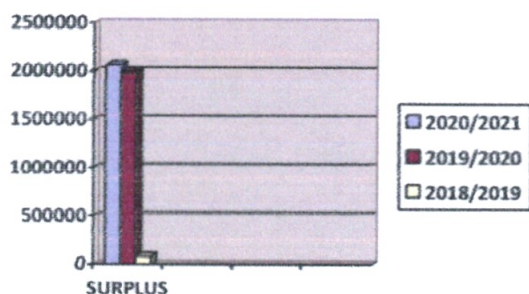
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Under this section, the following information should be given:

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

-	Year	-	Surplus	-	Deficit
-	2020/2021	-	2,062,171	-	
-	2019/2020	-	1,988,442	-	-
-	2018/2019	-	83,848.00	-	-



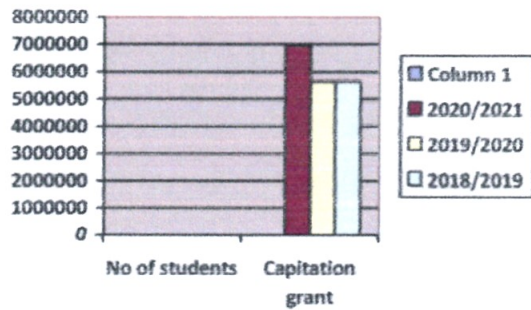
Capitation grants from the Ministry of Education for the last three years

-	Year	-	No of students	-	Capitation grant
-		-		-	
-	2020/2021	-	347	-	6,944,627.00
-	2019/2020	-	310	-	5,632,797.00
-	2018/2019	-	295	-	5,632,798.

PUBLIC SECONDARY SCHOOL

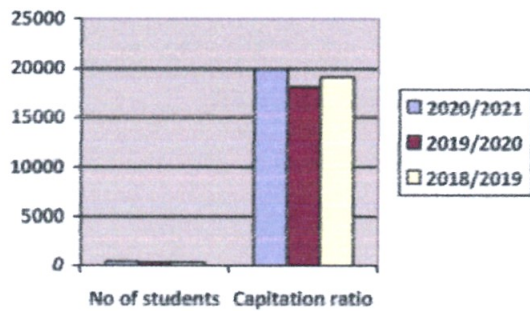
Annual Report and Financial Statements

For the year ended 30th June 2021



Ratio of capitation grant per student over the last three years

-	Year	-	No of students	-	Capitation ratio
-	2020/2021	-	347	-	20,013.00
-	2019/2020	-	310	-	18,170.00
-	2018/2019	-	295	-	19,094.



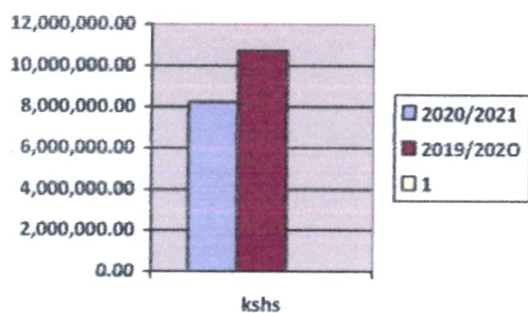
A three-year overview of growth of other income(s) earned by the school.

-	Year	-	kshs
-	2020/2021	-	8,226,044.00
-	2019/2020	-	10,716,437.00
-	2018/2019	-	0.00

PUBLIC SECONDARY SCHOOL

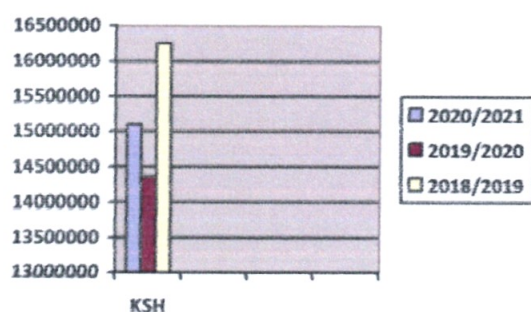
Annual Report and Financial Statements

For the year ended 30th June 2021



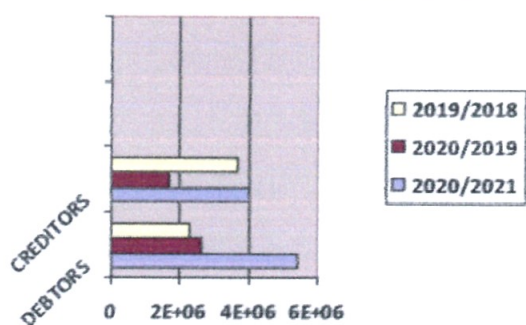
A three-year overview of growth in expenditure of the school

-	Year	-	kshs
-	2020/2021	-	13,108,500.00
-	2019/2020	-	14,360,792.00
-	2018/2019	-	16,256,216.



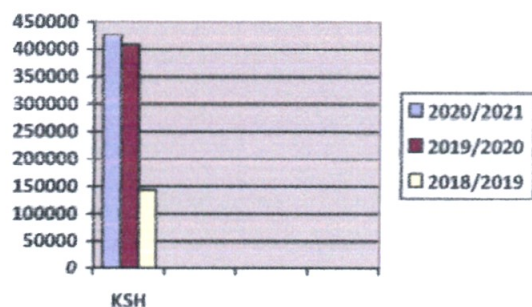
Movement of debtors and creditors of the school over the last three years

-	Year	-	Debtors(kshs)	-	Creditors(kshs)
-	2020/2021	-	5,441,899	-	4,002,103.00
-	2019/2020	-	2,600,607	-	1,693,326.00
-	2018/2019	-	2,243,059.00	-	3,648,041.



Movement of cash and bank balances over the last three years

-	Year	-	kshs
-	2020/2021	-	426,256.00
-	2019/2020	-	408,820.00
-	2018/2019		143,736.



b) Teacher Student ratio:

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

Year	TSC Employed Teachers	BOM Employed Teachers	Total Teachers	Teachers transfer	NO. Of Students	Teacher:Student Ratio
2021	17	5	22	nil	347	1:15

c) Mean score in the 2021KCSE:

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

<i>Year</i>	<i>Mean score</i>	<i>Target</i>	<i>Deviation</i>	<i>Students to Institutions of higher learning</i>
2021	3.6500	5.000	-1.5000	4
2020	4.0400	5.000	-0.9600	5
2019	3.8000	5.000	-1.2000	8

d) Number of Candidates in the 2021 KCSE:

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

<i>Year</i>	<i>No of candidates</i>
2021	80
2020	57
2019	84

e) Capacity of the school:

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

<i>No of students</i>	<i>Dormitories</i>	<i>Dining Hall</i>	<i>Laboratories</i>	<i>Toilets</i>	<i>Classes</i>
347	4	N/a	1	20	10

f) Development projects carried out by the school:

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

<i>s.no</i>	<i>project</i>	<i>Source of fund</i>	<i>Amount(kshs)</i>	<i>status</i>
<i>1</i>	<i>Boys Dorm</i>	<i>Maintenance and Improvement</i>	<i>1,124,000.00</i>	<i>completed</i>

Sign

School Principal



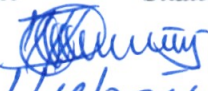
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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 *DANIEL ADVENTIST HIGH SCHOOL-KAPTUBEI* 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.

Name: Joseph Kapkiyai
Designation: Chairman, School Board of Management
Sign: 
Date: 1/4/2026

Name: William Too
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 1/4/2026

Name: Gilbert Serem
Designation: Bursar/ Finance Officer
Sign: 
Date: 1/4/2026



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON DANIEL ADVENTIST KAPTUBEI HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 - ELGEYO MARAKWET COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Daniel Adventist Kaptubei High School set out on pages 14 to 32, 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 budget 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 of Daniel Adventist Kaptubei High School as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Variances in the Financial Statements

Review of the financial statements submitted for audit revealed the following inaccuracies:

- i. The statement of cash flows reflects cash outflow from investments amount of Kshs.1,779,171. However, the expenditure has been omitted from the statement of receipts and payments.
- ii. The statement of receipts and payments reflects capitation grant for operations amounts of Kshs.6,005,400 as disclosed in Note 2 to the financial statements. Review of the NEMIS capitation disbursements and receipts in bank statement reflects an amount of Kshs.2,379,210 resulting in an unreconciled variance of Kshs.3,626,190.
- iii. The statement of receipts and payments reflects payments for tuition and operations amounting to Kshs.927,598 and Kshs.5,516,243 respectively as disclosed in Notes 5 and 6 to the financial statements. However, review of bank statements and ledgers reflects Kshs.367,226 and Kshs.2,304,874 respectively resulting in unreconciled variance of Kshs.560,372 and Kshs.3,211,369.
- iv. The statement of receipts and payments reflects school fund income-other receipts amount of Kshs.6,222,781 as disclosed in Note 4 to the financial statements. However, review of ledgers revealed Kshs.2,036,564 resulting in unreconciled variance of Kshs.4,186,217.
- v. The statement of cash flows reflects school fund income-other receipts of Kshs.5,226,139 while the statement of receipts and payments reflects an amount of Kshs.6,222,781 resulting in unreconciled variance of Kshs.996,642.
- vi. The statement of receipts and payments reflects school fund income- parents contribution amount of Kshs.2,003,263 while the statement of cash flows reflects Kshs.2,999,905 resulting in unreconciled variance of Kshs.996,642.

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

2. Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities and as disclosed in Note 8 and Note 9 to the financial statements reflects cash and cash equivalents balance of Kshs.426,256 which includes bank balance of Kshs.348,077. However, the bank balance was not supported by certificate of bank balances and bank reconciliation statements.

In the circumstances, the accuracy, completeness of cash and cash equivalents balance of Kshs.426,256 could not be confirmed.

3. Unsupported Accounts Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects accounts payables balance of Kshs.4,002,103. However, included in the balance is trade payables balance of Kshs.1,024,908 which had been outstanding for more than one (1) year. However, Management did not maintain aging analysis indicating the names of creditors, goods or services provided, contract dates, original amounts and payments made.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.4,002,103 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Daniel Adventist Kaptubei High 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 a comparable basis of Kshs.5,200,000 and Kshs.4,373,246 respectively, resulting in an under-funding of Kshs.826,754 or 16% of the budget. Further, the School spent Kshs.4,444,116 against receipts of Kshs.4,373,246 resulting in over utilization of Kshs.70,870.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. 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 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 Board of Management is responsible for the Other Information set out on page 2 to 12 which comprise of Key School Information and Management, Summary Report of the 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 Schools' financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements

Management presented the annual report and financial statements covering one year from July, 2020 to June, 2021 contrary to the Public Sector Accounting Standards Board (PSASB) guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 which required the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021. Further, no disclosure note was made in the financial statements on the change from calendar year to government fiscal year and lack comparability due to the longer period covered by the current financial period.

In the circumstances, the financial statements did not comply with the financial reporting template issued by the Public Sector Accounting Standards Board.

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

The statement of receipts and payments reflects payments for operations amount of Kshs.5,516,243 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.75,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding System and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.75,000 could not be confirmed.

3. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.6,944,627. However, analysis of National Education Management and Information System (NEMIS) data revealed five hundred and sixty-six (566) students while school enrollment records indicated five hundred and eighty-one (581) students resulting to unexplained variance of fifteen (15) students. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the Principals to ensure their records are accurate.

In the circumstances, the under-funding may have affected service delivery to the students.

4. Failure to Prepare School Improvement Plan

During the period under review, the School did not have an approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual

for Utilization of Learner Capitation Grant and Other School Funds, which requires Schools to identify in every three-year School Improvement Planning Cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the Ministry of Education guidelines.

5. Failure to Transfer Infrastructure Funds

The statement of receipts and payments reflects operations grants amount of Kshs.6,005,400 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.1,124,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.558,000 was transferred to Infrastructure Account, leaving a balance of Kshs.566,000 as at 30 June, 2021. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School Infrastructure Account fifteen (15) days upon receipt of the funds in the Operations Account.

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

6. Late Submission of Financial Statements

Management submitted the financial statements to the Auditor-General on 29 April, 2024 instead of the statutory deadline of 30 September, 2021. This is contrary to Ministry of Education Circular Ref. MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 and Section 81 of the Public Finance Management Act, 2012 or 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 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Weaknesses in Inventory Management

Note 17 to the financial statements reflects inventory balance of Kshs.2,376 in respect of food stuffs. However, there was no evidence of periodic stock takes and inventory reconciliations reports were not provided for audit.

In the circumstances, the existence of effective internal controls mechanisms on management of inventory could not be confirmed.

2. Failure to Discuss Internal Audit Reports

During the period under review, it was noted that the internal audit report from the Ministry of Education was not tabled, discussed or recommendations made in the internal audit report adopted by the Audit Committee.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

3. Weaknesses in Management of Assets

Annex 2 of the financial statements on summary of fixed assets register reflects assets valued at historical cost of Kshs.49,110,600. The balance include land valued at Kshs.9,000,000 whose ownership documents were registered under a local church. Further, Management did not maintain a fixed assets register and the assets were not tagged.

In the circumstances, the existence of effective internal controls in the management of fixed assets could not be confirmed.

4. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.5,441,899 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance is accounts receivable balance of Kshs.1,620,821 which had been outstanding for more than two (2) years and was not supported with aging analysis and there was no policy on doubtful debts.

In the circumstances, the existence of effective mechanisms for debt management could not be confirmed.

5. Lack of a Strategic Plan and Operational Plan

During the period under review, Management did not establish Strategic and Operational Plans to direct School operations and address evolving priorities and needs.

In the circumstances, the effectiveness of management to implement short term and long-term plans could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

11 May, 2026

PUBLIC SECONDARY SCHOOLS - (DANIEL ADVENTIST HIGH SCHOOL-KAPTUBEI)
Reports and Financial Statements
For the year ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	939,227.00	1,015,116.00
Capitation grants for operations	2	6,005,400.00	4,617,681.00
School Fund Income- Parents' Contributions	3	2,003,263.00	3,403,268.00
School Fund Income- Other receipts	4	6,222,781.00	7,313,169.00
Proceeds from borrowings			
TOTAL RECEIPTS		15,170,671.00	16,349,234.00
PAYMENTS			
Payments for Tuition	5	927,598.00	1,106,260.00
Payments for operations	6	5,516,243.00	4,717,838.00
Boarding and school fund payments	7	6,664,659.00	8,536,694.00
TOTAL PAYMENTS		13,108,500.00	14,360,792.00
SURPLUS/DEFICIT		2,062,500.00	1,988,442.00

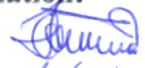
Name: Joseph Kapkiyai
Designation: Chairman, School Board of Management

Sign: 
Date: 1/4/2026

Name: William Too
Designation: School Principal & Secretary to Board of Management

Sign: 
Date: 1/4/2026

Name: Gilbert Serem
Designation: Bursar/ Finance Officer

Sign: 
Date: 1/4/2026



PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2021

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

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	348,077.00	103,169
Cash Balances	9	78,179.00	40,442
Short term Investment	10	-	-
Total Cash and cash equivalent		426,256.00	143,611
Account's receivables	11	5,441,899	2,600,607
TOTAL FINANCIAL ASSETS		5,868,155	2,744,218
FINANCIAL LIABILITIES			
Accounts Payables	12	4,002,103.00	1,693,326
NET FINANCIAL ASSETS			
REPRESENTED BY			
Accumulated Fund b/fwd	13	(196,448.00)	693,344
Surplus/Deficit for the year		2,062,500	357,538
NET FINANCIAL POSSITION		5,868,155	2,744,218

The School's financial statements were approved on 1/4/2026 and signed by:

Name Joseph Kapkiyai
Chairman, BoM

Sign: 

Date: 1/4/2026

Name: William Too
School Principal/Secretary
to BoM

Sign: 

Date: 1/4/2026

Name: Gilbert Serem
Bursar/Finance

Sign: 

Date: 1/4/2026



PUBLIC SECONDARY SCHOOL**Annual Report and Financial Statements**For the year ended **30th June 2021****VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021**

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	939,227	1,015,116
Capitation grants for operations	2	6,005,400	4,617,681
School fund income- Parents contributions/ fees	3	2,999,905	3,403,268
School fund income- other receipts	4	5,226,139	7,313,169
Total receipts		15,170,671	16,349,234
Payments			
Payments for Tuition		927,598	1,106,260
Payments for operations		5,516,243	4,717,838
Boarding and school fund payments		6,664,659	8,536,694
Total payments		13,108,500	14,360,792
Net cash flow from operating activities		2,062,171	1,988,442
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-1,779,171	-1,831,660
Purchase of investments		-	-
Net cash flows from Investing Activities		283,000	156,782
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		283,000	156,752
Cash and cash equivalent at BEGINNING of the year		143,610	300,392
Cash and cash equivalent at END of the year		426,256.00	143,610

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.

Name: Joseph Kapkiyai

Name: William Too

Name: Gilbert Serem

Chair BOM

Principal/BOM Secretary

Bursar/Finance

Sign: Sign: Sign: 

Date: 1/4/2026

Date: 1/4/2026

Date: 1/4/2026



VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expense Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	204,000.00	-	204,000.00	-	204,000.00	0%
Exercise books	163,800.00	-	163,800.00	149,000.00	14,000.00	90.96%
Laboratory equipment	102,900.00	-	102,900.00	80,000.00	22,900.00	78%
Internal exams	37,050.00	-	37,050.00	-	37,050.00	0%
Teaching / learning materials	79,200.00	-	79,200.00	55,000.00	24,200.00	69%
Chalks	14,100.00	-	14,100.00	27,620.00	-13,520.00	196%
Library reference material	35,550.00	-	35,550.00	55,000.00	-19,500.00	155%
Teachers guides	-	-	-	-	-	-
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	537,000.00	-	537,000.00	425,472.00	111,528.00	79.23%
Repairs and maintenance	1,200,000.00	-	1,200,000.00	1,058,000.00	142,000.00	88.82%
Local transport / travelling	105,000.00	-	105,000.00	23,000.00	82,000.00	22%
Electricity and water	159,000.00	-	159,000.00	73,900.00	85,100.00	46.4%
Medical	60,000.00	-	60,000.00	-	60,000.00	0%
Administration costs	159,000.00	-	159,000.00	557,400.00	-298,400.00	350.6%
Activity	225,000.00	-	225,000.00	14,840.00	210,160.00	6.6%
Gratuity	-	-	-	-	-	-
SMASSE	60,000.00	-	60,000.00	-	60,000.00	0%

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Receipt/expense Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	571,350.00	-	571,350.00	409,621.00	161,729.00	71.69%
Repairs and maintenance	300,000.00	-	300,000.00	398,600.00	-98,600	132.87%
Local transport / travelling	119,700.00	-	119,700.00	13,099.00	106,601.00	10.94%
Electricity and water	718,500.00	-	718,500.00	462,067.00	256,433.00	64.31%
Medical	-	-	-	-	-	-
Administration costs	340,950.00	-	340,950.00	85,904.00	255,046.00	25.20%
Activity	25,000.00	-	25,000.00	750.00	24,250.00	3%
SMASSSE	-	-	-	-	-	-
Fee on Boarding Equipment and Stores	3,124,500.00	-	3,124,500.00	3,003,205.0	121,294.0	96.12%
OTHER INCOME						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME	5,200,000.00		5,200,000.00	4,373,246.0	826,753.0	84%
(1) EXPENDITURE FOR TUITION						
Textbooks and reference		-		-	204,0000.00	0%

(DANIEL ADVENTIST HIGH SCHOOL -KAPTUREII)
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Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/e % Kshs
materials	204,000.00		204,000.00			
Exercise books	163,800.00	-	163,800.00	149,000.00	14,000.00	90.96%
Laboratory equipment	102,900.00	-	102,900.00	80,000.00	22,900.00	78%
Internal exams	37,050.00	-	37,050.00	-	37,050.00	0%
Teaching / learning materials	79,200.00	-	79,200.00	55,000.00	24,200.00	69%
Chalks	14,100.00	-	14,100.00	27,620.00	-13,520.00	196%
Library & reference material	35,550.00	-	35,550.00	55,000.00	-19,500.00	155%
Teachers guides	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	537,000.00	-	537,000.00	425,472.00	111,528.00	79.23%
Repairs, maintenance & improvements	1,200,000.00	-	1,200,000.00	1,058,000.00	142,000.00	88.82%
Local transport / travelling	105,000.00	-	105,000.00	23,000.00	82,000.00	22%
Electricity, water and conservancy	159,000.00	-	159,000.00	73,900.00	85,100.00	46.4%
Medical	60,000.00	-	60,000.00	-	60,000.00	0%
Administration costs	159,000.00	-	159,000.00	557,400.00	-298,400.00	350.6%
Activity Expenses	225,000.00	-	225,000.00	14,840.00	210,160.00	6.6%
Gratuity	-	-	-	-	-	-
SMASSE	60,000.00	-	60,000.00	-	60,000.00	0%
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	571,350.00	-	571,350.00	692,256.00	-120,096.00	121.16

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Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/e % Kshs
Repairs, maintenance and improvements	300,000.00	-	300,000.00	-	300,000.00	0%
Local transport / travelling	119,700.00	-	119,700.00	167,600.00	-47,900.00	140.02%
Electricity, water and conservancy	718,500.00	-	718,500.00	216,210.00	502,290.00	30.09%
Medical Expenses	-	-	-	-	-	0%
Administration costs	340,950.00	-	340,950.00	283,095.00	57,855.00	83.03%
Activity	25,000.00	-	25,000.00	-	25,000.00	0%
Gratuity	-	-	-	-	-	-
Lunch programme	-	-	-	-	-	-
Boarding Equipment and Stores	3,124,500.00	-	3,124,500.00	3,084,955.00	39,545.00	98.73%
Expenditure for Income Generating Activity	-	-	-	-	-	-
Insurance costs	-	-	-	-	-	-
Other expenses on investments	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
TOTALS	5,200,000.00		5,200,000.00	4,444,116.00	756,694.00	85%-

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

- i) Underfunding of funds from the ministry of Education
- ii) Poor fees collection

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- iii) *Planned activity was carried out*
- iv) *Poor fees collection*
- v) *Planned activities did not occur expected*
- vi) *Change in planned activities*
- vii) *Costs getting more than expected*
- viii) *Inflations*
- ix) *Payment of debts*

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	939,227	1,015,116
Chalks		
Exams and assessment		
Teachers guides		
Total	939,227	1,015,116

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance	2,488,500	1,812,000
Local transport / travelling	-	
Electricity and water	-	
Medical	-	
Administration costs		
Other votes	3,516,900	2,805,681
Activity	-	
Total	6,005,400	4,617,681

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,495,629	1,812,000
Repairs and maintenance	436,200	457,782
Local transport / travelling	20,800	139,049
Electricity and water	929,617	710,743
Medical	-	-
Administration costs	113,209	536,848
Activity	67025	142,210
Total	2,999,905	3,403,210

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	5,226,139	7,313,169
Rent income	-	-
Income from farming activities	-	-
Insurance compensation	-	-
Income from Posho mill	-	-
Income from Bus Hire	-	-
Fee for hire of ground and equipment	-	-
Income from grants and donations*	-	-
Interest income	-	-
Dividends income	-	-
Total	5,226,139	7,313,169

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

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	927,598	1,106,260
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	-	-
Total	927,598	1,106,260

NOTES TO THE FINANCIAL STATEMENTS (Continued)**6 PAYMENTS FOR OPERATIONS**

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	782,844	1,273,158
Service Gratuity		-
Administration Cost	971,105	865,126
Repairs and maintenance & improvements	128,500	-
Local transport / travelling	-	391,500
Electricity and water	160,000	260,360
Medical	8,000	95,050
Activity Expenses	120,120	-
Other votes	1,557,119	2,174,769.00
Insurance Cost	-	-
Bank Charges	9,384	984
Infrastructure	1,779,171	1,831,660
TOTAL	5,516,243	4,717,838

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	1,459,144	1,191,120
Activity	69,530	262,502
Repairs and maintenance & Improvements	1,800	853,120
Local transport / travelling	753,550	828,760
Electricity and water	425,310	243,149
Medical Expenses	-	-
Administration costs	554,015	610,010
Lunch Programme	-	-
Bank Charges	6,970.00	5,686
Expenses on Income Generating Activities	123,570	-
Fee on Boarding Equipment and Stores	3,270,770	4,542,347
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	6,664,659	8,536,694

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

PUBLIC SECONDARY SCHOOL

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account-Kcb Bank	1148880917	4,504.35	6,797
Operations Account- Kcb Bank	1148882391	73,532.95	3,409
School Fund Account-Equity/co-op	1530267461500 01128443433300	254,211.15	92,963
Savings Account	-	-	-
Parent Association Development Account	-	-	-
Income generating activities Account	-	-	-
Infrastructural Account	01139443433300	15,829.00	-
Total		348,077.0	103,169

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	2,825.00	1730
School Fund account	75,353.60	38,712
Total	78,178.60	40,442

10 SHORT TERM INVESTMENTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	5,441,899	2,600,607
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	5,441,899	2,600,607

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	678,132.00	897,527
Fees arrears for the previous year	3,142,946	-
Fees arrears for prior periods (over two years)	3,683,321	1,703,080
Total	5,441,899	1,693,326

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,002,103	1,693,326
Prepaid fees	0	
Retention monies	-	-
Total	4,002,103.	1,693,326

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	2,977,195	1,693,326
Trade creditors for the previous year	1,024,908.0	
Trade creditors for prior periods (over two years)	-	0
Total	4,002,103	1,693,326

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	348,077	103,169
Cash balances	78,179	40,442
Short Term Investments	-	-
Receivables	3,379,399	2,243,059.00
Payables	4,002,103	1,693,326
Total	-196,448	6,93,344

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Other important disclosure notes

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

14 Non-current Liabilities Summary

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

15 Biological assets

Description		2020-2021	2019-2020
	Numbers		Numbers
Cattle	11	550,000	-
Goats	8	48,000	-
Trees	130	104,000	-
Coffee or tea plantation			-
Poultry			-
Total	149	702,000	-

16 Borrowings

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

Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021	2019-2020
	Kgs	Kgs
b) Borrowings		
Stock/ inventory at beginning of the year	1,204	550
Stock/ inventory purchased during the year	40,172	73,904
Stock/ inventory issued during the year	(39,000)	(73,250)
Balance at end of the year	2,376	1,204

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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 a K.shs	Date Contracted b K.shs	Amount Paid To- Date c K.shs	Outstanding Balance 2021 d=a-c K.shs	Outstanding Balance 2020 K.shs	Comments
Construction of buildings						
Sub-Total						
Supply of goods						
1. Timothy Kiprop	375484		323248	52236		
2. Amos Chemwok	316250		180750	135500		
3. Joel Morori	152000		62000	90000		
4. Kabao contractors	563,000		163000	400000		
5. Chebar Contractors	54000			54000		
6. Kipsabu uniforms	45800			4580		
7. Fountain Deliveries	150696			1506960		
8. Kerr office point	179330			179330		
9. Indo KENYA ENT.	37000.		37000.33	0		
10. Isaac Sawe	269000		69000	200000		
11. Christine Rotich	131110		131110	0		
12. Tosita enterprise	131800		31800	100000		
13. Phoebe Cherotich	127000		27000	100000		
Sub-Total	2532470		1024908.	1507561.		
Supply of services						
14. Labo Rav	798315			798315		
15. Capital products	232000			232000		
16. Nts salary	397562.			397562.71		
Sub-Total	1427877.			1428192.71		
Grand Total	3960347.		1024908.	2935441.		

PUBLIC SECONDARY SCHOOLS - (DANIEL ADVENTIST HIGH SCHOOL-KAPTUBEI)
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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1	2012	kaptubei	9,000,000	-	-	9,000,000
Land 2	-	-	-	-	-	-
Buildings and structures			35,000,000	-	-	35,000,000
Motor vehicles			3,000,000	-	-	3,000,000
Office equipment, furniture and fittings			260,000	-	-	260,000
ICT Equipment, and Other ICT Assets			80,000	-	-	80,000
Tools and apparatus			675,000		-	675,000
Textbooks			911,600		-	911,600
Other Machinery and Equipment			180,000	-	-	180,000
Heritage and cultural assets			-	-	-	-
Intangible assets- soft ware			4000	-	-	4000
Total			49,110,600			49,110,600

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