

REPUBLIC OF KENYA



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REPORT

OF

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 NOV 2024	DAY: TUE
TABLED BY:	Hon. Naomi Wako MP DEP. MAJORITY PARTY WHIP
CLERK-AT THE-TABLE:	MERCY CHUMO

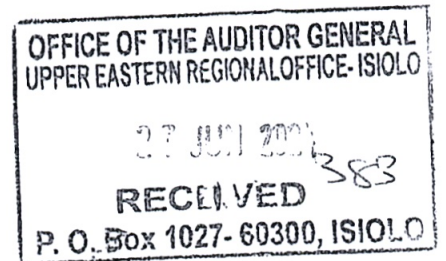
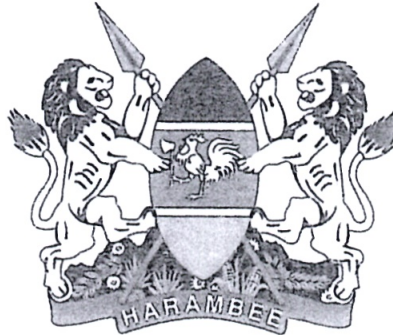
THE AUDITOR-GENERAL

ON

KINNA SECONDARY SCHOOL

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

ISIOLO COUNTY



KINNA SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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 ISIOLO County, GARBATULLA Sub-County

The school was registered in 1991 under registration number GP/A/625/96 and is currently categorized as a EXTRA COUNTY public school established, owned or operated by the Government.

The school is a day/boarding school and had 288 number of students as at 30th June 2022. It has 2 streams and 16 teachers of which 2 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	Halkano huka	Chairman	17/10/2019
2	Guyo bonaya	Secretary - Principal	17/10/2019
3	Mumina abdi	Member	17/10/2019
4	Wako hokile	Member	17/10/2019
5	Ibrahim jarso	Member	17/10/2019
6	Issa hersi	Member	17/10/2019
7	Fatuma halake	Member	17/10/2019
8	Yussuf huka	Member – Rep CEB	17/10/2019
9	Mugambi njuki	Member Rep Teachers	17/10/2019
10	Hassan ado	Members - Sponsor	17/10/2019
11	Halima ali	Member - Community	17/10/2019
12	Asili halkano	Member Special Needs	17/10/2019
13	Roba hussein	Rep Students	17/10/2019

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Hassan ado Mumina Abdi Guyo bonaya	Chairman Member Secretary	2/3
2	Audit Committee	Issa hersi wako hokile hassan ado	Chairman Secretary Member	1/3
3	Finance, procurement and general purposes Committee	Ibrahim jarso Halima ali Yussuf jillo	Chairman Secretary Member	2/3
4	Academic Committee	Mugambi njuki Guyo bonaya Mumina abdi	Chairman Secretary Member	3/3
5	Development Committee	Asili halkano Wako hokile Ibrahim jarso	Chairman Secretary Member	1/3
6	Discipline and welfare Committee	Hassan ado Mugambi njuki Halima ali	Chairman Secretary Member	2/3
7	Adhoc Committee (if any during the year)	-	-	-

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Guyo Bonaya	442582
2	Deputy Principal	Guyo Kanchoro	529137
3	School Bursar	Samson Nyagah	cpa94250

(e) Schools contacts

Post Office Box: 376-60600
Telephone: 0720899208
E-mail: kinnasecondary@gmail.com
Website: -
Facebook: -
Twitter: -

(f) School Bankers

The following school operated 3 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: Maua
Account Number: 1103263366 (school fund)
2. Name of Bank: CONSOLIDATED
Branch: ISIOLO
Account Number: 10111203000013(operation)
3. Name of Bank: CONSOLIDATED
Branch: ISIOLO
Account Number: 10111203000089(Tuition)
4. MPESA Pay Bill No.- attached to - bank account

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(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

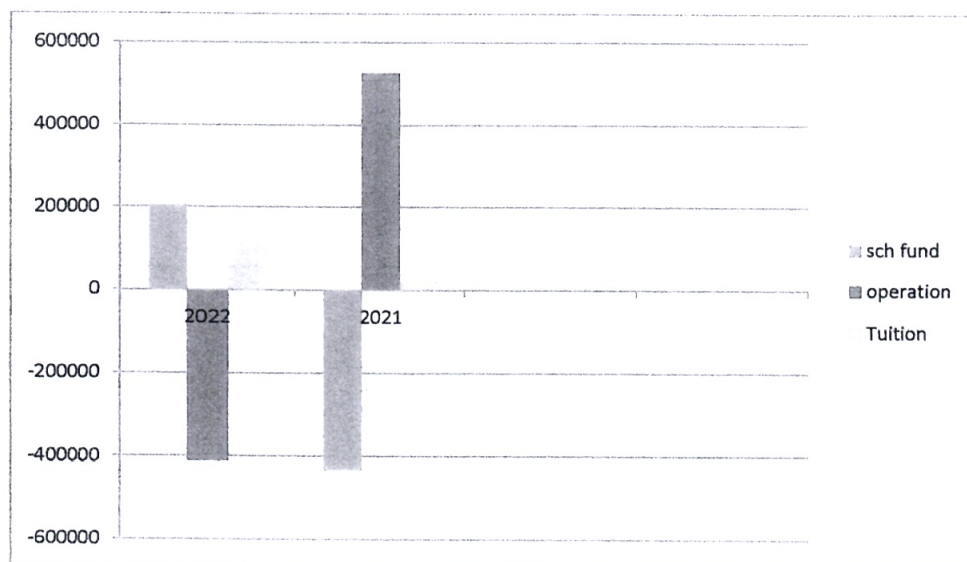
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Under this section ,its reflect the actual financial performance trend for the last two years period between 2021 covers a period of 6 months and year 2022 .

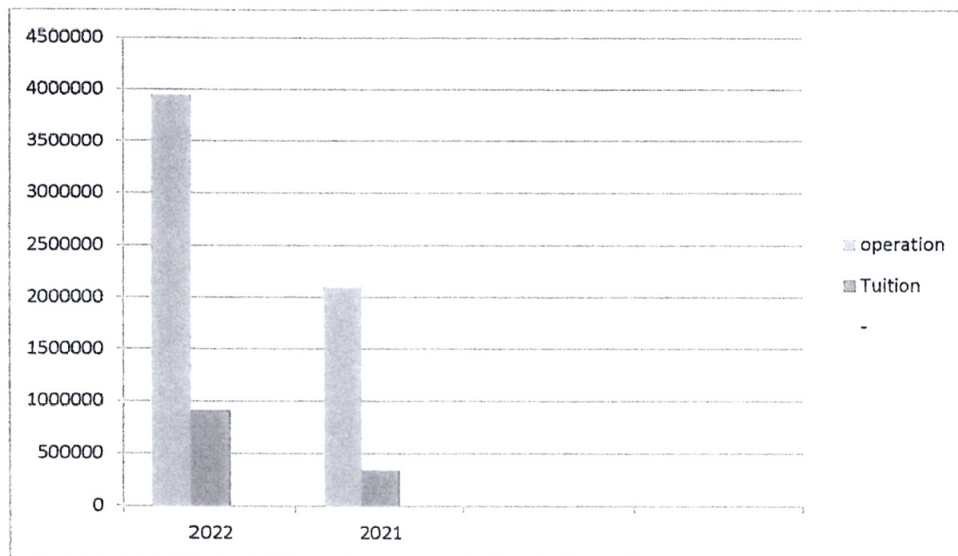
SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST TWO YEARS			
SNO		2022	2021
		KSHS	KSHS
1	School fund Account	205,659.00	(434,635.00)
2	Operation Account	(411,369.00)	526,903.00
3	Tuition Account	136,269.00	21,587.00
4	Infrastructure Account	0	0
5	Farm Account	0	0
	TOTAL	(69,441.00)	93,855.00
	Increase/Decrease	(24,414.00)	

Trend over last two years



CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST TWO YEARS

SNO	ACCOUNTS	2022	2021
		Kshs	Kshs
1	Operation Accounts	3,947,330.00	2,102,762.00
2	Tuition Accounts	911,708.00	342,732.00
	Total	4,859,038.00	2,445,494.00
	Increase/Decrease	2,413,544.00	-
	No of student	288	320
	Ratio of capitation per student	1:16872.00	1:7642.00



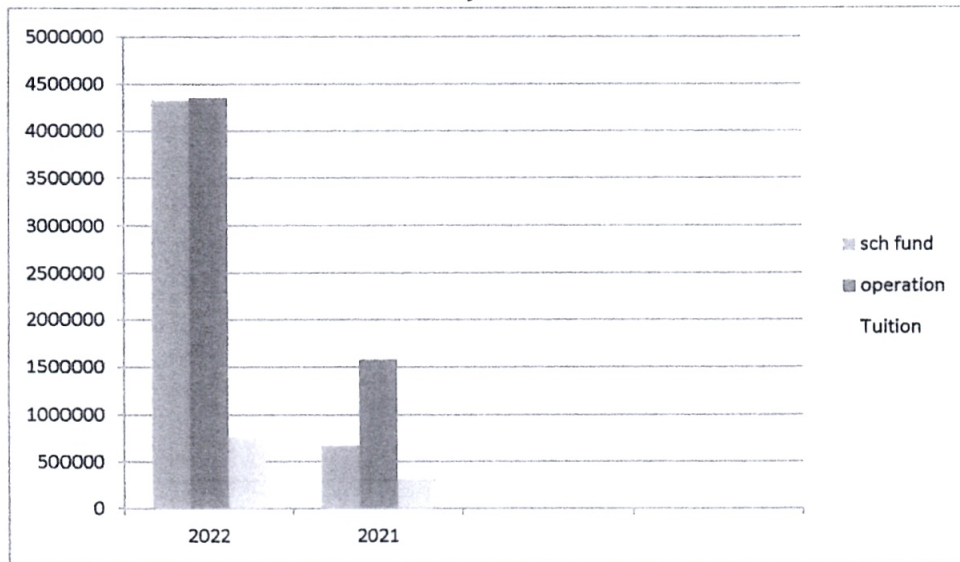
Trend over the last two years

The capitation for the year 2022 was kshs 4,859,038.20 a increase from year 2021 which was 2,445,493.75 . This is mainly attributed by increase in Govt subsidy per student.

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL

S/NO	ACCOUNTS	2022	2021
		Kshs	Kshs
1	School fund Acc	4,332,496.00	679,150.00
2	Operation Accounts	4,358,699.00	1,575,859.00
3	Tuition Accounts	775,439.00	321,145.00
	Total	9,466,634.00	2,576,154.00
	Increase/Decrease	6,890,480.00	

Trend over the last two years.

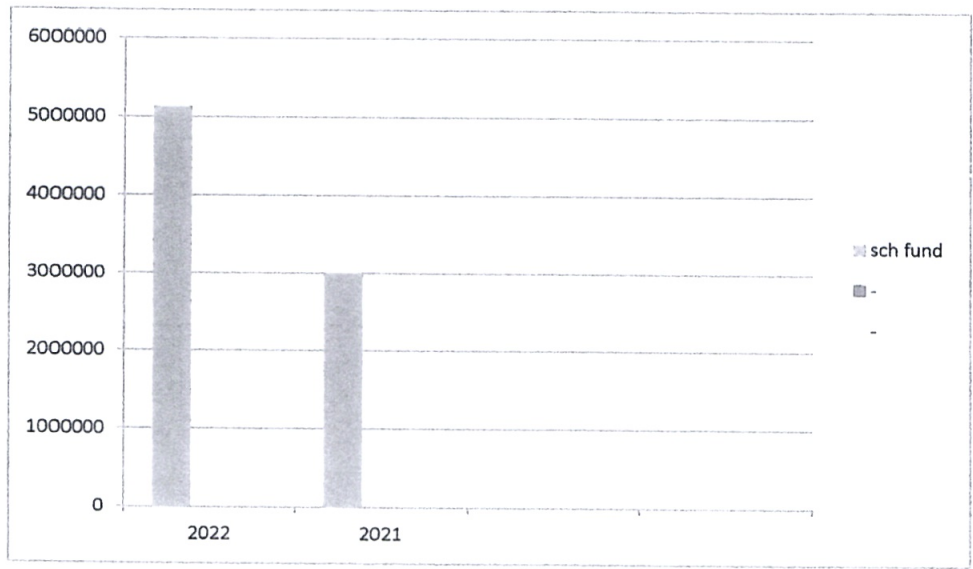


In the financial year 2022 shows an increase of growth in expenditure covering 12 months (1st July 2021 to 30th June 2022). This was attributed by opening of normal school calendar.

MOVEMENT OF DEBTORS OF THE SCHOOL

SNO	ACCOUNTS	2022	2021
1	School Fund Accounts	Kshs	Kshs
@	Debtors	5,134,796.00	3,014,390.00
	Total	5,134,796.00	3,014,390.00
	Increase/Decrease	2,120,406.00	

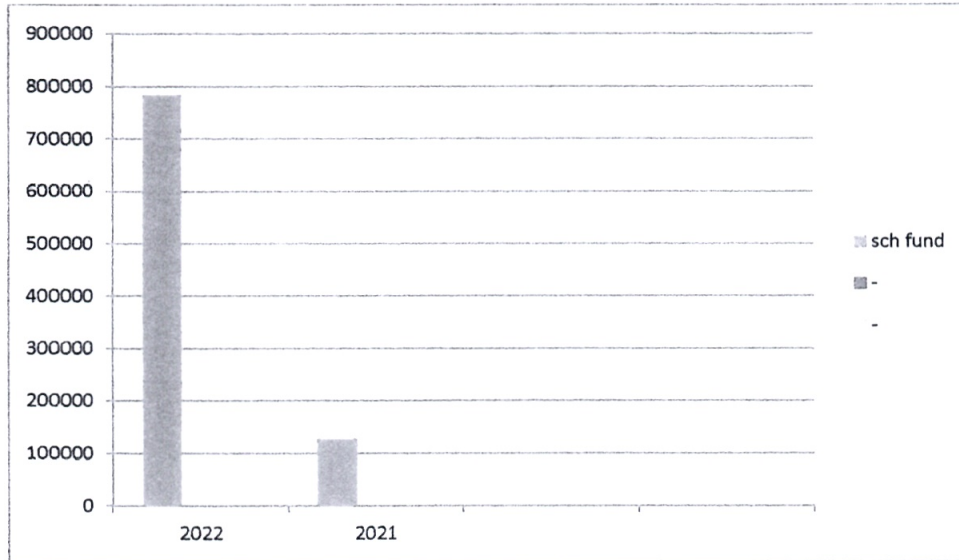
Trend over the last two years.



Total debtors as at 30th june 2022 increased *from* kshs 3,014,390.00 to kshs 5,134,796.20. The main contribution being most of the parents unable to clear their fees due to drought.

MOVEMENT OF CREDITORS OF THE SCHOOL

SNO	ACCOUNTS	2022	2021
1	School Fund	Kshs	Kshs
@	Creditors	783,700.00	128,004.00
	Total	783,700.00	128,004.00
	Increase/Decrease	655,696.00	-



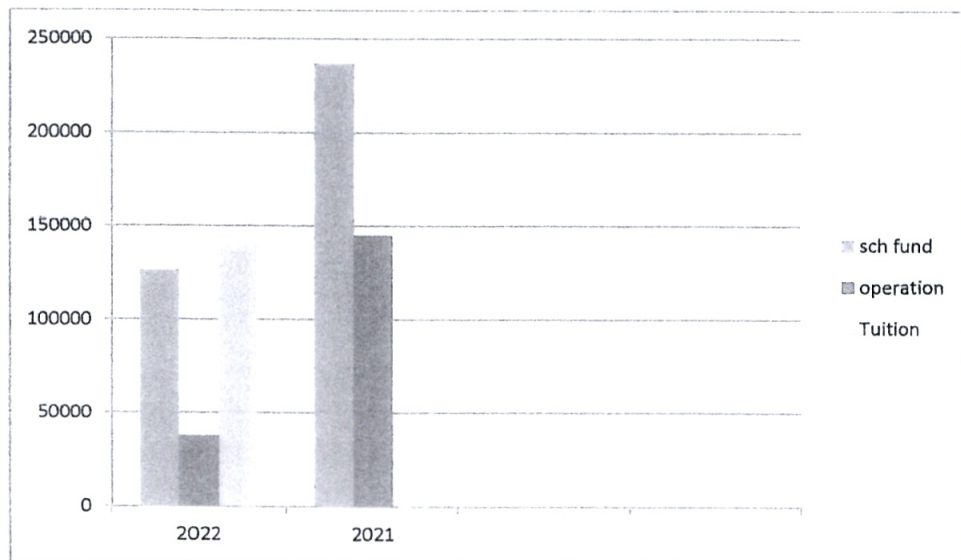
Trend over the last two years

The total creditors increased to Kshs 783,700.00 as at 30th June 2022 being trade creditors.

MOVEMENT OF CASH AND BANK BALANCES

SNO	ACCOUNT	2022	2021
1	School fund	126,496.00	236,897.00
2	Operation Account	37,768.00	145,077.00
3	Tuition Account	140,822.00	4,554.00
4	Infrastructure Account	0	0
	Total	305,086.00	386,528.00
	Increase/Decrease	(81,442.00)	-

Trend over the last two years



a) **Teacher Student ratio:**

Between the month of July 2021 and June 2022 the status of teaching staff is as follows: There are 17 teachers posted by the Teacher service commission, 1 transferred to another school, 1 resigned, 2 posted to the school and 1 recruited by the Bom. Although the teacher student ratio lies at 1:20. There is a shortage of teachers, this due to subject specialization in form 3 and 4.

b) **Mean score in the 2021 and 2022**

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION %	SCHOOL TARGET	COMMENT
2022	42	2.98	6	15%	5.0	
2021	67	3.20	23	34%	5.0	

c) **Number of Candidates in the 2022 KCSE:**

No of candidates sitting for KCSE over the last two years

YEAR	ENROLMENT
2022	42
2021	67

d) **Capacity of the school:**

Name of the facility	No	Name of the facility	No
Administration block	1	Football pitch	1
Classrooms	9 in use	Basketball pitch	1
Classrooms	4 dilapidated	Volleyball pitch	2
Laboratory	2	Bohehole(solar powered)	1
Library (not equipped)	1	10,000ltrs water tank	3
Dinning hall	1	-	
Toilets	19	-	
Dormitory	2	-	
Computer lab	1	-	
Basket ball pitch	1	-	

b) 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).

Guyo Bonaya



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 (PSASB) of Kenya from time to time.

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

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

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

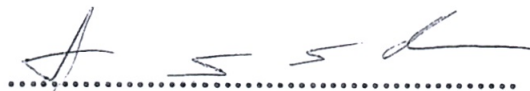


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Name: Halkano huka

Designation: Chairman, School Board of Management

Date: 27/6/24

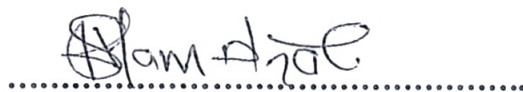


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Name: Guyo bonaya

Designation: School Principal & Secretary to Board of Management

Date: 27/06/24



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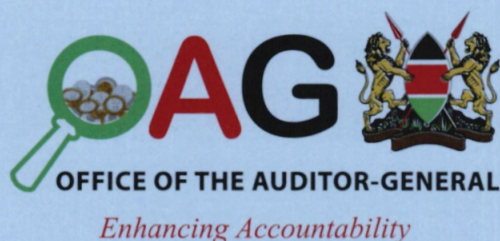
Name: Samson nyagah

Designation: Bursar/ Finance Officer

Date: 27/6/24

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KINNA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - ISIOLO COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulation 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 Kinna Secondary School - Isiolo County set out on pages 1 to 21, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022 and the statement of receipts and payments,

Report of the Auditor-General on Kinna Secondary School for the year ended 30 June, 2022 - Isiolo 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 of Kinna Secondary School - Isiolo County 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. Inaccuracies in the Financial Statements

The statement of budgeted versus actual amounts reflects total actual expenditure on comparable basis of Kshs.8,993,312 while the statement of receipts and payments reflects total expenditure of Kshs.9,466,634 resulting in unreconciled variance of Kshs.473,322.

Further, the statement of cashflows reflects cash and cash equivalents at the beginning of the year of Kshs.386,528 while the statement of financial assets and financial liabilities reflects a cash and cash equivalents balance of Kshs.3,664,101 resulting in unreconciled variance of Kshs.3,277,573.

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

2. Unsupported Accounts Receivable Balance

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.35,300,993 as disclosed in Note 11 to the financial statements. However, the balance is not supported with detailed analysis of students with school fees arrears.

In the circumstances, the validity, completeness and accuracy of accounts receivable balance of Kshs.35,300,993 could not be confirmed.

3. Unsupported Accounts Payable Balance

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.11,004,816 as disclosed in Note 12 to the financial statements. However, the aging analysis and detailed ledger in support of accounts payable were not provided for audit.

In the circumstances, the validity, completeness and accuracy of the accounts payable balance of Kshs.11,004,816 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, 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.

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

The statement of receipts and payments reflects government grants for operations of Kshs.3,947,330 as disclosed in Note 2 to the financial statements. The amount includes Kshs.1,760,500 which was to be transferred to the infrastructure account. However, the amount was not transferred as required by the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

In the circumstances, Management is in breach of the Ministry of Education Circular.

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

The statement of receipts and payments reflects boarding school funds payments of Kshs.4,332,496 as disclosed in Note 7 to the financial statements. The balance includes an amount of Kshs.496,000 paid to Kenya Secondary Schools Heads Association (KSSHA). 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.152,000 could not be confirmed.

3. Non-Compliance with the Public Procurement and Asset Disposal Act, 2015

Examination of payment vouchers relating to the year under review totalling to Kshs.4,36,863 revealed that the goods received were not accompanied by Inspection and Acceptance Committee reports contrary to requirement of Section 48 of the Public Procurement and Assets Disposal Act, 2015.

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

4. Failure to Prepare School Improvement Plan

During the year 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, the effectiveness of Management to implement a School Improvement plan could not be confirmed.

5. Unconfirmed Student Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure totalling Kshs.4,859,038. Comparison of data from National Education Management Information System (NEMIS) with records from the County Director of Education revealed that during the financial year, NEMIS reflected two hundred and seventy (270) students while records from the school management were not provided for audit verification.

In the circumstances, the adequacy of capitation received by the School could not be confirmed.

6. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 26 October, 2023 instead of the statutory deadline of 30 September 2022. This was contrary to the 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 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

7. Excess Supply of Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the School had one hundred and ninety-eight (198) excess books in store. Further, one hundred and sixteen (116) books were delivered to the Schools for subjects not offered in the School.

In the circumstances, value for money on the excess three hundred and fourteen (314) text books could not be confirmed.

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 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 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. Lack of Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.25,672,440 in respect of fixed assets which includes land with nil balance. However, land ownership documents were not provided for audit review.

In the circumstances, the effectiveness of internal control over land and other assets could not be confirmed.

2. Weaknesses in Governance

During the year under review, the Board of Management held only one (1) meeting contrary to Section 6(1) of the Basic Education Act, 2013 which states that a Board of Management shall meet at least once every four months.

Further, the minutes of the meeting held were not provided for audit review.

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

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 October, 2024

V. Statement Of Receipts And Payments Period To 30th June 2022

Description Of Vote Head	Note	2021-2022	2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	911,708.00	342,732.00
Capitation grants for operations	2	3,947,330.00	2,102,762.00
School fund income- parents' contributions	3	4,538,155.00	47,500.00
School fund income- other receipts	4	-	177,015.00
Proceeds from borrowings		-	-
Total Receipts		9,397,193.00	2,670,009.00
Payments			
Payments for tuition	5	775,439.00	321,145.00
Payments for operations	6	4,358,699.00	1,575,859.00
Boarding and school fund payments	7	4,332,496.00	679,150.00
Total Payments		9,466,634.00	2,576,154.00
Surplus/Deficit		(69,441.00)	93,855.00

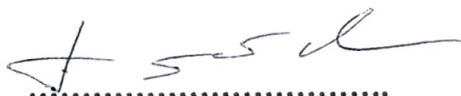
The school financial statements were approved on _____ 2022 and signed by:



Name: Halkano huka

Chair BOM

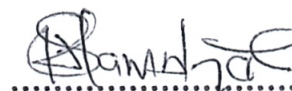
Date: 27/6/24



Name: Guyo Bonaya
School Principal/ Secretary to
BOM

Date:

27/06/24



Name: Samson nyagah

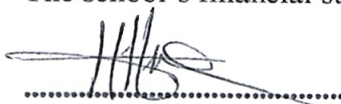
Bursar/ Finance Officer

Date: 27/6/24

VI. Statement Of Financial Assets And Liabilities As At 30th June 2022

Description	Note	2021-2022	2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	305,087.00	-
Cash balances	9	12,000.00	423,000.00
Short term investment	10	-	-
Total cash and cash equivalent		<u>317,087.00</u>	<u>423,000.00</u>
Account's receivables	11	35,300,993.00	31,366,339.00
Total financial assets		35,618,080.00	31,789,339.00
Financial liabilities			
Accounts payables	12	11,004,816.00	7,106,635.00
Net financial assets		24,613,264.00	24,682,705.00
Represented by			
Accumulated fund b/fwd	13	24,682,705.00	24,588,850.00
Surplus/deficit for the year		(69,441.00)	93,855.00
Net financial position		24,613,264.00	24,682,705.00
			-

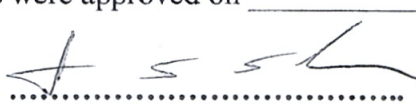
The school's financial statements were approved on _____ 2022 and signed by:


.....

Name: Halkano huka

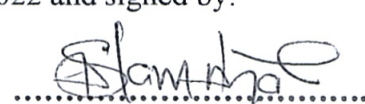
Chair BOM

Date: 27/06/24


.....

Name: Guyo Bonaya
School Principal/ Secretary to
BOM

Date: 27/06/24


.....

Name: Samson nyagah

Bursar/ Finance Officer

Date: 27/6/24

VII. Statement of Cash Flows for The Period Ended 30th June 2022

Description	Notes	2021-2022	2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	911,708.00	342,733.00
Capitation grants for operations	2	3,947,330.00	2,102,762.00
School fund income- parents contributions/ fees	3	4,538,155.00	970,700.00
School fund income- other receipts	4	-	-
Total receipts		9,397,193.00	3,416,195.00
Payments			
Payments for tuition	5	775,439.00	321,145.00
Payments for operations	6	4,358,699.00	1,965,792.00
Boarding and school fund payments	7	4,332,496.00	735,150.00
Total payments		9,466,634.00	3,044,087.00
Net cash flow from operating activities		(69,441.00)	372,108.00
Cashflow from investing activities			
Proceeds from sale of assets		-	-
Acquisition of assets			
Proceeds from investments		-	
Purchase of investments		(-)	(-)
Net cash flows from investing activities			-
Cashflow from borrowing activities			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		(69,441.00)	372,108.00
Cash and cash equivalent at beginning of the year		386,528.00	14,420.00
Cash and cash equivalent at end of the year		317,087.00	386,528.00

(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).

II. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials	134,500.00	-	134,500.00	156,600.00	-22,100.00	116.43%
Exercise Books	403,500.00	-	403,500.00	319,523.00	83,977.00	79.18%
Laboratory Equipment	322,800.00	-	322,800.00	100,968.00	221,833.00	31.27%
Internal Exams	56,490.00	-	56,490.00	110,905.00	-54,415.00	196.32%
Teaching / Learning Materials	169,960.00	-	169,960.00	198,910.00	-28,950.00	117.03%
Chalks	27,500.00	-	27,500.00	24,803.00	2,698.00	90.18%
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
Subtotal	1,114,750.00	-	1,114,750.00	911,708.00	203,043.00	
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments	1,425,700.00	-	1,425,700.00	1,196,900.00	228,800.00	89.96%
Repairs And Maintenance	1,345,500.00	-	1,345,500.00	985,750.00	359,750.00	73.26%
Local Transport / Travelling	215,200.00	-	215,200.00	416,749.00	-201,549.00	193.65%
Electricity And Water	484,200.00	-	484,200.00	711,250.00	-227,050.00	146.89%
Medical	-	-	-	-	-	-
Administration Costs	403,500.00	-	403,500.00	505,699.00	-102,199.00	125.32%
Activity	403,500.00	-	403,500.00	130,982.00	272,518.00	32.46%
Gratuity	-	-	-	-	-	-
Smasse	-	-	-	-	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Subtotal	4,277,600.00	-	4,277,600.00	3,947,330.00	330,270.00	
<i>(3) Fees Charged on Parents</i>						
Personnel Emoluments	499,100.00	-	499,100.00	146,750.00	352,350.00	29.40%
Repairs And Maintenance	386,400.00	-	386,400.00	109,600.00	276,800.00	28.36%
Local Transport / Travelling	104,650.00	-	104,650.00	371,950.00	-267,300.00	355.42%
Electricity And Water	758,900.00		758,900.00	130,250.00	628,650.00	17.16%
Medical	-	-	-	-	-	-
Administration Costs	297,850.00	-	297,850.00	541,506.00	-243,656.00	181.80%
Activity	24,150.00	-	24,150.00	99,750.00	-75,600.00	413.04%
Smasse	-	-	-	-	-	-
Fee On Boarding Equipment and Stores	6,028,985.00	-	6,028,985.00	3,138,349.00	2,890,636.00	52.05%
<i>Other Income</i>						
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	13,492,385.00	-	13,492,385.00	9,397,193.00	4,095,192.00	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Textbooks And Reference Materials	176,000.00	-	176,000.00	152,319.00	23,681.00	86.54%
Exercise Books	295,000.00	-	295,000.00	326,300.00	-31,300.00	110.61%
Laboratory Equipment	300,000.00	-	300,000.00	0.00	300,000.00	0%
Internal Exams	34,300.00	-	34,300.00	95,750.00	-61,450.00	279.15%
Teaching / Learning Materials	169,946.00	-	169,946.00	193,510.00	-23,564.00	113.86%
Chalks	27,500.00	-	27,500.00	6,600.00	20,900.00	24%
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
Administration Costs	-	-	-	-	-	-
Bank Charges	-	-	-	960.00	-960	0%
Subtotal	1,002,746.00		1,002,746.00	775,439.00	227,307.00	
<i>(2) Expenditure For Operations</i>						
Personnel Emoluments	2,410,620.00	-	2,410,620.00	1,934,356.00	476,264.00	80.24%
Repairs, Maintenance & Improvements	386,400.00	-	386,400.00	392,213.00	-5,813.00	101.50%
Local Transport / Travelling	310,000.00		310,000.00	672,994.00	-362,994.00	217.09%
Electricity, Water and Conservancy	360,000.00		360,000.00	215,136.00	144,864.00	59.76%
Medical	-	-	-	-	-	-
Administration Costs	360,000.00	-	360,000.00	662,040.00	-302,040.00	183.90%
Activity Expenses	403,500.00	-	403,500.00	228,850.00	174,650.00	56.71%
Bank Charges	-	-	-	5,950.00	-5,950.00	0%
Gratuity	-	-	-	-	-	-
Smasse	-	-	-	-	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Subtotal	4,230,520.00	-	4,230,520.00	4,111,539.00	118,981.00	
<i>(3) Expenditure For School Fund</i>						
Personnel Emoluments	499,100.00	-	499,100.00	384,540.00	114,560.00	77.04%
Repairs, Maintenance and Improvements	524,500.00	-	524,500.00	109,600.00	414,900.00	20.89%
Local Transport / Travelling	310,000.00	-	310,000.00	462,117.00	-152,117.00	149.07%
Electricity, Water and Conservancy	360,000.00	-	360,000.00	161,240.00	198,760.00	44.78%
Medical Expenses	-	-	-	-	-	-
Administration Costs	360,000.00	-	360,000.00	877,390.00	-517,390.00	243.71%
Activity	49,250.00	-	49,250.00	128,000.00	-78,750.00	259.89%
Gratuity	-	-	-	-	-	-
Lunch Programme	-	-	-	-	-	-
Boarding Equipment and Stores	6,990,920.00	-	6,990,920.00	1,970,937.00	5,019,983.00	28.19%
Expenditure For Income Generating Activity	-	-	-	-	-	-
Insurance Costs	-	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	12,510.00	-12,510.00	0%
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-	-
Totals	12,224,186.00		12,224,184.00	8,993,312.00	3,299,140.00	

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

- i. Reduction of revenue due to covid 19 outbreak and the management was unable to meet most of deadline hence underutilization of funds.*
- ii. Change of academic calendar posed a challenge as most of activities were abandoned and/or postponed midway resulting to overutilization of budget.*

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.

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 2022.

X. Notes To The Financial Statements

1. Capitation Grant for Tuition

Description	2021-2022	2021
	Kshs	Kshs
Textbooks And Reference Materials	156,600.00	-
Exercise Books	319,523.00	-
Laboratory Equipment	100,968.00	-
Internal Exams	110,905.00	-
Teaching / Learning Materials	198,910.00	-
Chalks	24,803.00	-
Exams And Assessment	-	-
Teachers Guides	-	-
Total	911,708.00	342,732.00

2. Capitation Grant for Operations

Description	2021-2022	2021
	Kshs	Kshs
Personnel Emoluments	1,196,900.00	-
Repairs And Maintenance	985,750.00	-
Local Transport / Travelling	416,749.00	-
Electricity And Water	711,250.00	-
Medical	-	-
Administration Costs	505,699.00	-
Activity	130,982.00	-
Total	3,947,330.00	2,102,762.00

3. Grants Contribution/Fees - School Fund Account

Description	2021-2022	2021
	Kshs	Kshs
Personnel emoluments	146,750.00	15,000.00
Repairs and maintenance	109,600.00	8,600.00
Local transport / travelling	371,950.00	1,200.00
Electricity and water	130,250.00	20,400.00
Administration costs	541,506.00	2,250.00
Activity	99,750.00	50.00
Fee on Boarding Equipment and Stores	3,138,349.00	-
Total	4,538,155.00	47,500.00

4. Other Receipts - School Fund Account

Description	2021-2022	2021
	Kshs	Kshs
Fee On Boarding Equipment and Stores	-	177,015.00
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	-	177,015.00

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

5. Payments For Tuition

Description	2021-2022	2021
	Kshs	Kshs
Textbooks And Reference Materials	152,319.00	205,370.00
Exercise Books	326,300.00	-
Laboratory Equipment	-	-
Internal Exams	95,750.00	-
Teaching / Learning Materials	193,510.00	114,935.00
Chalks	6,600.00	-
Exams And Assessment	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	960.00	840.00
Total	775,439.00	321,145.00

Payments For Operations

Description	2021-2022	2021
	Kshs	Kshs
Personnel Emoluments	1,934,356.00	1,446,127.00
Service Gratuity	-	-
Administration Cost	662,040.00	-
Repairs And Maintenance & Improvements	392,213.00	64,840.00
Local Transport / Travelling	672,994.00	-
Electricity And Water	215,136.00	-
Medical	-	-
Activity Expenses	228,850.00	-
Smasse	-	-
Salary advance		28,212.00
Insurance Cost(Nhif)	-	32,000.00
Bank Charges	5,950.00	4,680.00
Acquisition Of Assets	247,160.00	-
Total	4,358,699.00	1,575,859.00

7.Boarding And School Fund Payments

Description	2021-2022	2021
	Kshs	Kshs
Personnel Emoluments	384,540.00	-
Service Gratuity		-
Repairs And Maintenance & Improvements	109,570.00	-
Local Transport / Travelling	462,117.00	155,800.00
Electricity And Water	161,240.00	13,000.00
Medical Expenses	-	-
Administration Costs	877,390.00	31,200.00
Lunch Programme	-	-
Bank Charges	12,510.00	1450.00
Expenses On Income Generating Activities	-	-
Fee On Boarding Equipment and Stores	2,018,189.00	457,700.00
Rent Expenses	-	-
Insurance Cost (<i>Life Property</i>)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Imprest		20,000.00
Acquisition Of Assets	306,,940.00	-
Total	4,332,496.00	679,150.00

*(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).*

8. Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2021
		Kshs	Kshs
Tuition Account -Consolidated bank	10111203000089	140,822.00	4,554.00
Operations Account-Consolidated bank	10111203000013	37,768.00	(59,923.00)
School Fund Account/Boarding-Kcb	1103263366	126,496.00	18,897.00
Savings Account		-	-
Parent Association Development Account		-	-
Income Generating Activities Account		-	-
Infrastructural Account		-	-
Total		305,087.00	(36,472.00)

9. Cash In Hand

Description	2021-2022	2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	12,000.00	205,000.00
School Fund account	-	218,000.00
Total	12,000.00	423,000.00

10. Short Term Investments

11.Accounts Receivable

Description	2021-2022	2021
	Kshs	Kshs
Fees Arrears	35,300,993.00	31,366,340.00
Other Non-Fees Receivables		
Salary Advances	-	-
Imprest	-	-
Total	35,300,993.00	31,366,340.00

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

Description	2021-2022	2021
	Kshs	Kshs
Fees Arrears For Current Year	5,134,796.00	3,014,340.00
Fees Arrears For The Previous Year	1,584,157.00	3,878,500.00
Fees Arrears For Prior Periods (Over Two Years)	28,582,040.00	24,473,500.00
Total	35,300,993.00	31,366,340.00

12. Accounts Payable

Description	2021-2022	2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,898,366.00	6,412,610.00
Retention Monies(caution)	657,553.00	657,553.00
Bank overdraft	-	36,472.00
Nssf	432,080.00	-
operations account	2,090,586.00	-
Tuition account	684,116.00	-
Schol fund account	1,354,810.00	-
P.T.A fund	328,061.00	-
CDTF(community dev. trust fund)	419,244.00	-
Service gratuity	140,000.00	-
Total	11,004,816.00	7,106,635.00

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

Description	2021-2022	2021
	Kshs	Kshs
Trade Creditors for Current Year	783,700.00	128,004.00
Trade Creditors for The Previous Year	-	460,965.00
Trade Creditors for Prior Periods (Over Two Years)	4,114,666.00	5,823,641.00
Total	4,898,366.00	6,412,610.00

13. Fund Balance Brought Forward

Description	2021-2022	2021
	Kshs	Kshs
Bank Balances		13,073.00
Cash Balances	423,000.00	
Short Term Investments	-	-
Receivables	31,366,340.00	28,351,999.00
Payables	7,106,635.00	3,776,223.00
Total	24,682,705.00	24,588,850.00

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	2021-2022	2021
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Total	-	-

15.Biological assets

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

16. Borrowings

Description	2021-2022	2021
	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	2021-2022	2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	809,480.00	659,500.00
Stock/ inventory purchased during the year	1,096,150.00	1,170,480.00
Stock/ inventory issued during the year	(1,860,730.00)	(1,020,500.00)
Balance at end of the year	44,900.00	809,480.00

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: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>

 Sign and Date
 Principal

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 30/06/2022	Outstanding Balance 20XX-1	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
1. Trade creditors 2022	1,380,390.00	30/06/2021	596,690.00	783,700.00	-	
2.. Trade creditors b/f	-	-	-	4,114,666.00		
Sub-total	1,380,390.00	-	596,690.00	4,898,366.00		
3.Retention Monies (caution money)		30/06/2021	-	657,553.00	-	
4.. Nssf		30/06/2021	-	432,080.00		
5.. Operations account		30/06/2021	-	2,090,586.00		
6.. Tuition account		30/06/2021	-	684,116.00		
7.. School fund account		30/06/2021	-	1,354,810.00		
8.. P.T.A fund		30/06/2021	-	328,061.00		
9. CDTF(community dev trust fund)		30/06/2021	-	419,244.00		
10.Service gratuity		30/06/2021	-	140,000.00		
Grand Total	826,290.00		596,690.00	11,004,816.00	-	

Annex 2 - Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	Bal b/f 1/1/2021	school	30acres	-	-	30acres
Land 2		-	-	-	-	-
Buildings And Structures	Bal b/f 1/1/2021	school	21,300,000.00	-	-	21,300,000.00
Motor Vehicles		-	-	-	-	-
Office Equipment, Furniture And Fittings	Bal b/f 1/1/2021	school	450,000.00	219,890.00	-	669,890.00
ICT Equipment, And Other ICT Assets	Bal b/f 1/1/2021	computer lab	1,200,000.00	166,000.00		1,366,000.00
Tools And Apparatus	Bal b/f 1/1/2021	school	178,730.00	168,210.00	-	346,940.00
Textbooks	Bal b/f 1/1/2021	school	2,543,710.00	-	-	2,543,710.00
Other Machinery And Equipment		-	-	-	-	-
Heritage And Cultural Assets		-	-	-	-	-
Intangible Assets- Soft Ware		-	-	-	-	-
Total			25,672,440.00	554,100.00	-	26,226,540.00

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