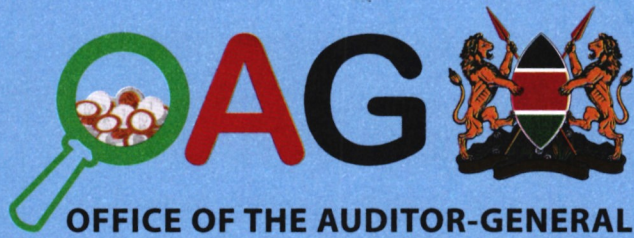


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PAPERS TAID	
DATE: 23 NOV 2023	DAY: <i>Thurs</i>
TABLED BY:	<i>Hon Kimani Ichungu, MP Leader of the majority party</i>
CLERK-AT THE TABLE:	<i>Miriam Moko</i>

REPORT

OF

THE AUDITOR-GENERAL

ON

S.A. KOLANYA BOYS HIGH SCHOOL

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

BUSIA COUNTY

PARLIAMENT
OF KENYA
LIBRARY





**S.A KOLANYA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

AUDIT REPORT AND FINANCIAL STATEMENTS

**FOR THE 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 Busia County, Teso North Sub-County

The school was registered in March 2021 under registration number 408300000169 and is currently categorized as an *Extra County* public school established, owned or operated by the Government.

The school is a boarding school and had 1244 number of students as at 30th June 2022. It has 6 streams and 54 teachers of which 15 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	SHEM ISUBAH PAPAHA	Chairman	12/5/2022
2	ALBERT K. MASILOLO	Secretary - Principal	12/5/2022
3	PATRICK WANDIEMA MATEP	Member	12/5/2022
4	ROSELYNE AMUNYELET	Member	12/5/2022
5	OMULEPUSAMMY BARASA	Member	12/5/2022
6	EVERLYNE MUKENYELI OLUBAYI	Member	12/5/2022
7	JANEPHER OKARONI AMUKUJE	Member	12/5/2022
8	REBECCA ABWAKU	Member – Rep CEB	12/5/2022
9	DAVID SIMIYU	Member Rep Teachers	12/5/2022
10	HARRISON ANGATIA YESWA EUNICE ILUKU OSHOROM SHEM ISUBAH PAPAHA	3 Members - Sponsor	12/5/2022
11	WYCLIFFE ORIDI	Member - Community	12/5/2022
12	GODFREY IPALEI(HSC)	Member Special Needs	12/5/2022
13	SAMUEL ASIGU	Rep Students	12/5/2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management includes:

- 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
1	Executive Committee	1.MR. ALBERT K.MASIOLO	SECRETARY
		2.MR. SHEM ISUBAH PAPAHA	CHAIR
		3.MR. PATRICK WANDIEMA MATEP	MEMBER
		4.CAPT. HARRISON YESWA	MEMBER
		5. MRS. REBECCA ABWAKU	MEMBER
		6.MRS.EVERLYNE MUKUNYELI	MEMBER
2	Audit Committee	1.SHEM ISUBAH PAPAHA	MEMBER
		2.ABWAKU REBACCA	MEMBER
		3.CAPT. HARRISON YESWA	MEMBER
		4.PATRICK MATEP	MEMBER
		5. SAMMY OMULEPU	CHAIR
3	Finance,procurement and general purposes Committee	1. MR. PATRICK MATEP	MEMBER
		2.MRS. REBECCA ABWAKU	MEMBER
		3.CAPT. HARRISON YESWA	MEMBER

		4. MR OMULEPU SAMMY BARASA	CHAIR
4	Academic Committee	1. PROF. OLUBAYI OLUBAYI	CHAIR
		2. MRS. MARY IJAA OKWII	MEMBER
		3. MR. DAVID MASIKA	MEMBER
		4. MRS MUKUNYELI OLUBAYI	MEMBER
		5. MRS ROSELYNE AMUNYELET	MEMBER
		6. MR. GODFREY IPALEI	MEMBER
5	Development Committee	1. MR.SHEM PAPA	MEMBER
		2. MR.WYCLIFFE ORIDI	CHAIR
		3. MRS. JENIFER OKARONI	MEMBER
6	Discipline and welfare Committee	1. MR. WYCLIFFE OSANGIRI	CHAIR
		2. EUNICE OSHOROMO ILUKU	MEMBER
		3. CAPT. HARRISON YESWA	MEMBER
		4. MRS.EVERLYNE MUKUNYELI	MEMBER
		5. MR. ROGIERS OYAKAPELI	MEMBER
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	MR. ALBERT K. MASILO	335614
2	Deputy Principal	MR. GEORGE OYODA	388114
3	School Bursar	MR. ISAAC EMORU	ID NO.21393914

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 19-50209
Telephone: 0794727875/0207853523
E-mail: sakolanyahigh@gmail.com
Website: www.sakolanyaboys.sc.ke
Facebook:
Twitter:

(f) School Bankers

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

1. Name of Bank: KCB BANK
Branch: MALABA
Account Number: 1267374330-TUITION ACCOUNT
1267374624-OPERATIONS ACCOUNT
1102088781- SCHOOL FUND ACCOUNT
1135326320- INFRASTRUCTURE ACCOUNT
2. Name of Bank: EQUITY BANK
Branch: MALABA BRANCH
Account Number: 1050279328754- FEE COLLECTION ACCOUNT
1050276556805-NG CDF ACCOUNT
1050277980527-GRATUITY ACCOUNT
3. MPESA Pay Bill No. 251565 attached to KCB bank account 110288781

(h) Independent Auditors

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

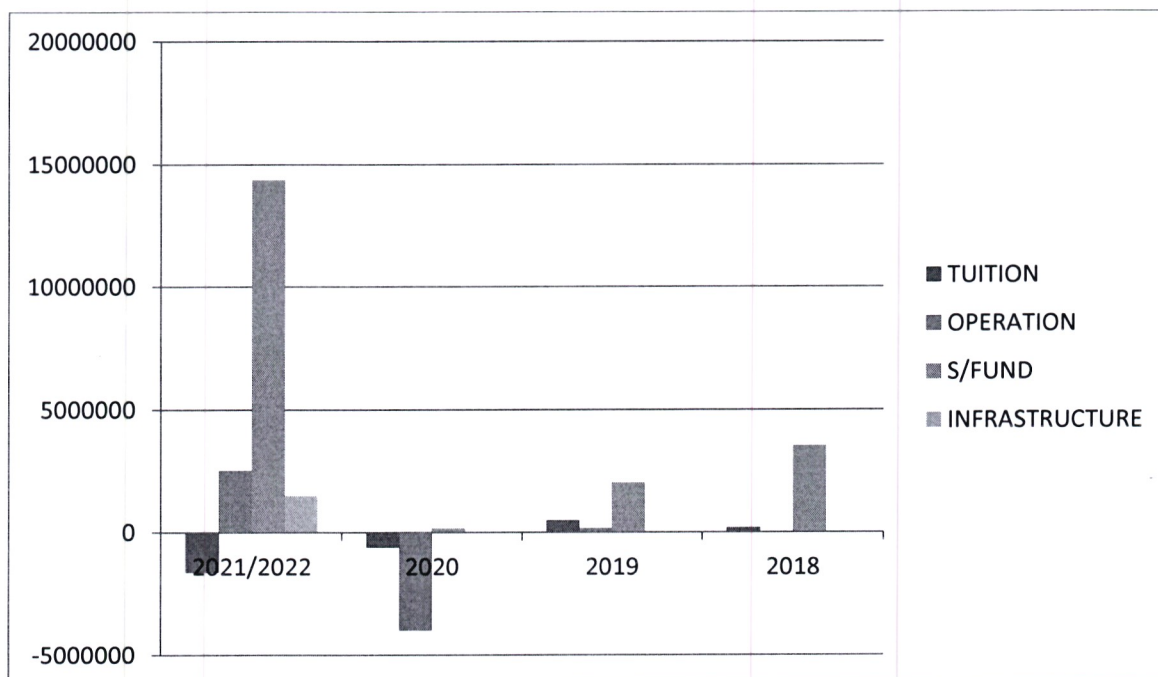
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

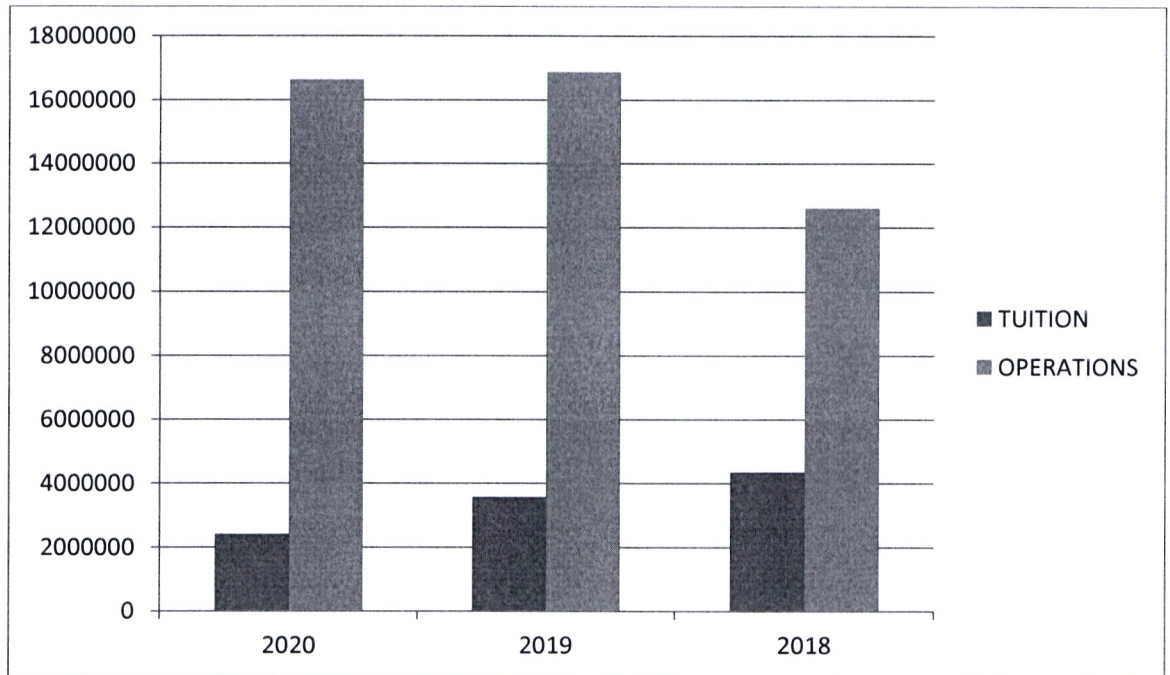
- Surplus/ deficit for the year and a comparison of the same for the last three years

YEAR	2021/2022	2020	2019	2018
TUITION	(1,631,699)	(616,385.72)	475,666.22	183,622.50
OPERATIONS	2,508,739.09	(3,984,313)	2,186,066.08	632,716.41
SCHOOL FUND	14,362,626.02	15,4951	200,5088	3,517,729.75
INFRASTRUCTURE	1,482,702	0	0	0



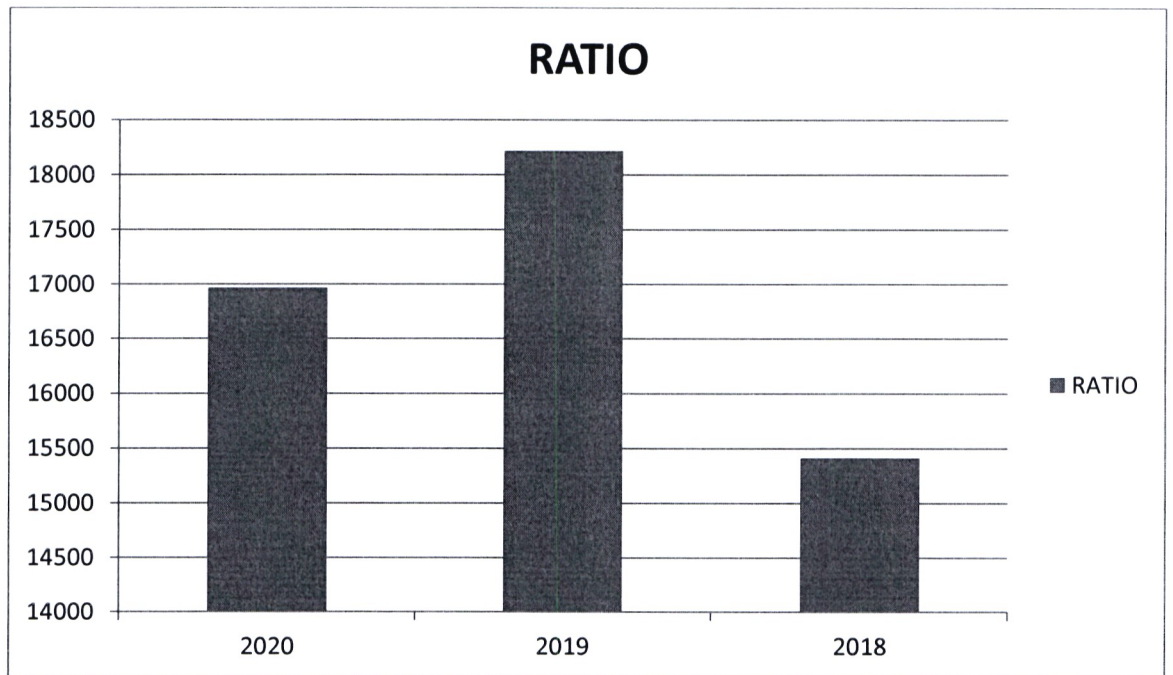
- Capitation grants from the Ministry of Education for the last three years

YEAR	2020	2019	2018
TUITION	2,406,560	3,567,596.22	4,353,298.02
OPERATIONS	16,630,226.10	16,870,618.95	12,600,213.9



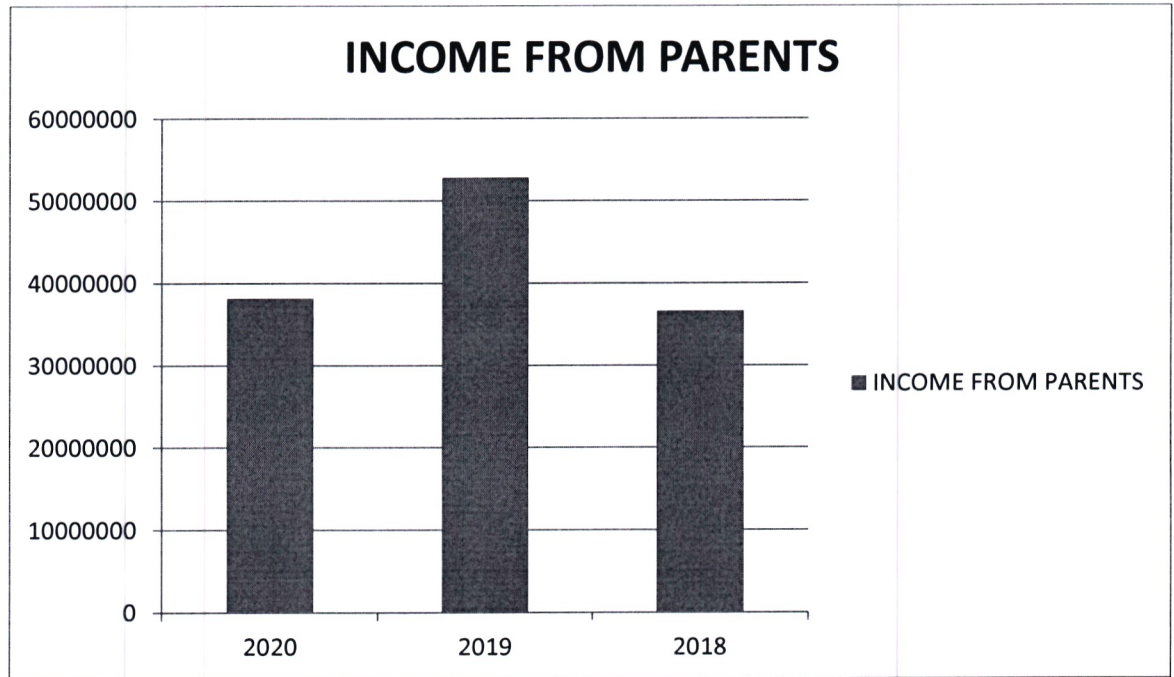
- *Ratio of capitation grant per student over the last three years*

YEAR	2020	2019	2018
RATIO	16,966.83	18,215.88	15,412.28



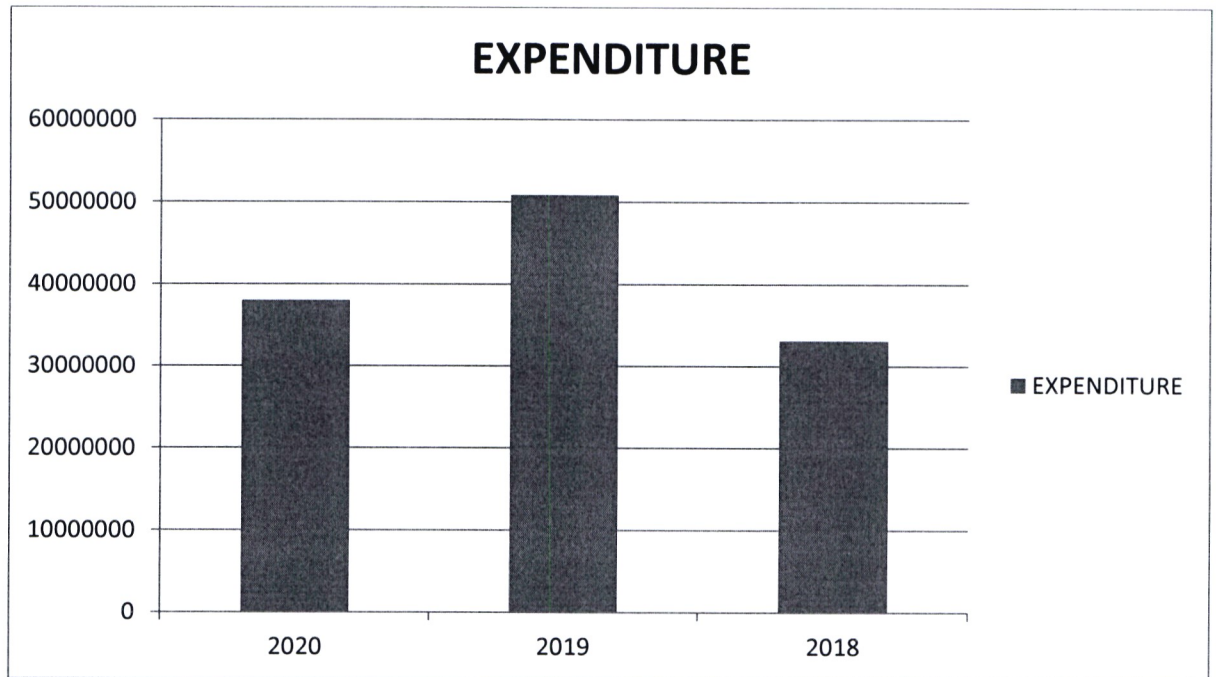
- *A three-year overview of growth of other income(s) earned by the school.*

YEAR	2020	2019	2018
INCOME FROM PARENTS	38,151,697.50	52,812,254.50	36,618,640.75



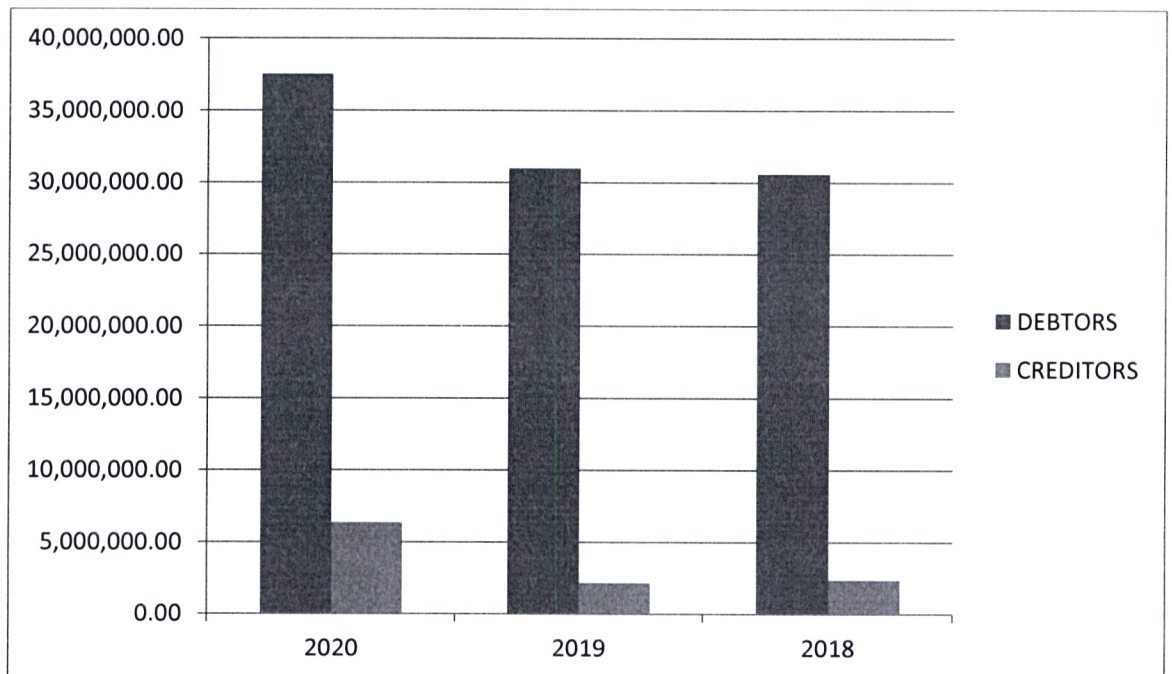
- *A three-year overview of growth in expenditure of the school*

YEAR	2020	2019	2018
PARENTS EXPENDITURE	37,996,746.50	50,807,166.50	33,100,911



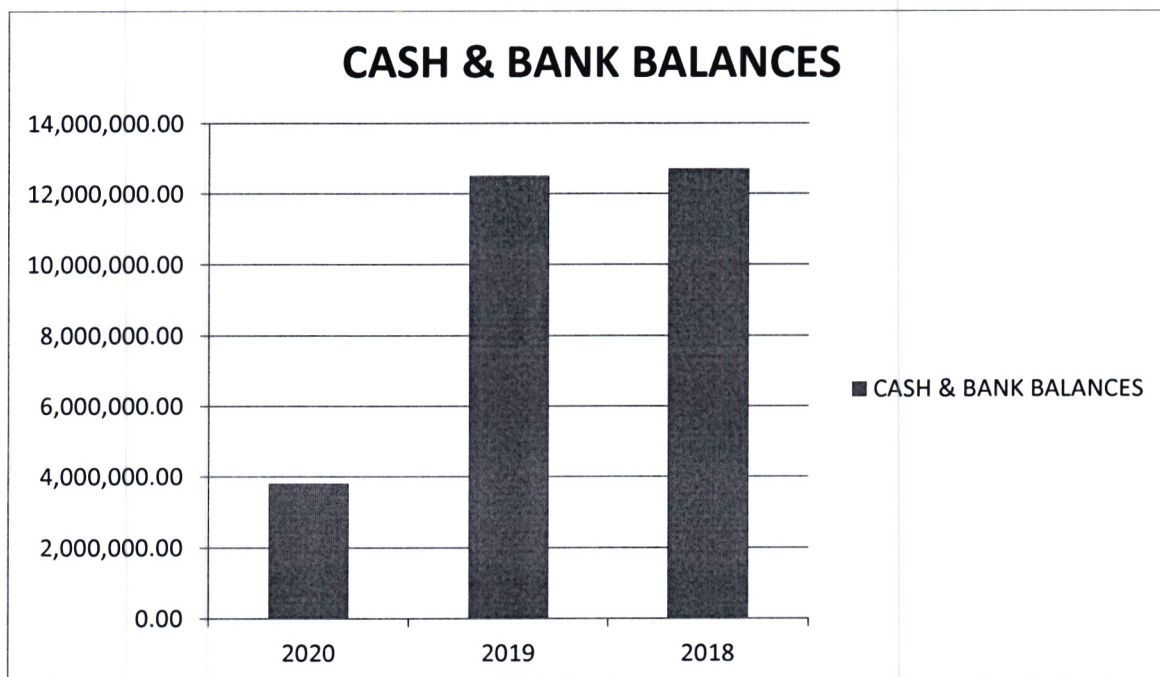
- *Movement of debtors and creditors of the school over the last three years*

YEAR	2020	2019	2018
DEBTORS	37,511,415.22	30,977,790.44	30,563,497.14
CREDITORS	6,362,605.00	2,121,880.00	2,331,498.35



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

YEAR	2020	2019	2018
CASH & BANK BALANCES	3,805,092.95	12,510,630.09	12,708,045.89



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

c) Mean score in the 2018-2020 KCSE:

<i>YEAR</i>	<i>GRADE C+& ABOVE</i>	<i>MEAN</i>
2018	40	4.87
2019	73	5.47
2020	125	6.37

Performance is on an upward trajectory over the past three years as shown in both the mean score as well as the number attaining university entry requirement.

d) Number of Candidates in the 2022 KCSE:

<i>YEAR</i>	<i>KCSE ENTRY</i>
2019	236
2020	286
2021	247

e) **Capacity of the school:**

Number of student"s vs. facilities

<i>FACILITY</i>	<i>NUMBER</i>	<i>STUDENTS</i>
<i>Dormitories</i>	12	1244
<i>Latrines</i>	60	1244
<i>Dining hall</i>	1	1244
<i>Classes</i>	25	1244
<i>Laboratories</i>	4	1244

f) **Development projects carried out by the school:**

PROJECT

1. THREE STOREYED DORMITORY
2. FOUR CLASSROOMS

SOURCE OF FUNDING

- MINSTTRY OF EDUCATION M.I FUNDS
PARENTS



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 *S.A Kolanya boy's high 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.

Name: Shem Isuba Papa
Designation: Chairman, School Board of Management

Sign: _____

Date: 29/6/2023

Name: Albert K Masiolo
Designation: School Principal & Secretary to Board of Management

Sign: _____

Date: 29/6/2023

Name: Isaac Emoru

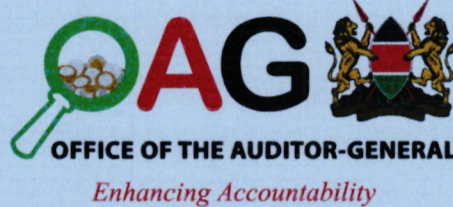
Designation: Bursar/ Finance Officer

Sign: _____

Date: 29/6/2023

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 S.A. KOLANYA BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – BUSIA 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 regulations and that its internal controls, risk management and overall 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

Adverse Opinion

I have audited the accompanying financial statements of S.A Kolanya Boys High School – Busia County set out on pages 14 to 27, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of S.A Kolanya Boys High School – Busia 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 do not comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Adverse Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit contained the following inaccuracies:

1.1 Students National Education Management Information System (NEMIS) Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition of Kshs.3,939,220 and capitation grants for operations of Kshs.20,624,984 as disclosed in Note 1 and Note 2 to the financial statements, totalling to Kshs.24,564,204. Review of the National Education Management Information System (NEMIS) report and the School's manual enrolment register revealed that the number of students captured in NEMIS were less than the number recorded in the School's manual register, resulting in underfunding by Kshs.2,830,066, as detailed below:

Month	Capitation per Student (Kshs.)	Number of Students per NEMIS	Total Capitation Per NEMIS (Kshs.)	Number of Students per School Manual Register	Expected Capitation (Kshs.)	Variance	Under Funding (Kshs)
April 2022-Operations	2,955	1,200	3,546,000	1,245	3,678,975	45	132,975
January 2022-Operations	2,074	1,200	2,488,800	1,245	2,582,130	45	93,330
October 2021-Operations	3,554	1,130	4,016,020	1,245	4,424,730	115	408,710
July 2021 - operations	4,500	850	3,825,000	1,245	5,602,500	395	1,777,500

Month	Capitation per Student (Kshs.)	Number of Students per NEMIS	Total Capitation Per NEMIS (Kshs.)	Number of Students per School Manual Register	Expected Capitation (Kshs.)	Variance	Under Funding (Kshs)
April 2022-tuition	1,050.6	1,200	1,260,720	1,245	1,307,997	45	47,277
January 2022-tuition	478	1,200	573,600	1,245	595,110	45	21,510
October 2021-tuition	525.34	1,130	593,634	1,245	654,048	115	60,414
July 2021 - tuition	730	850	620,500	1,245	908,850	395	288,350
Total			16,924,274		19,754,340		2,830,066

In addition, the underfunding of Kshs.2,830,066 has not been included in the receivables balance of Kshs.22,742,114 reflected in the statement of financial assets and liabilities.

In the circumstances, the accuracy and completeness of capitation grants of Kshs.24,564,204 and the receivables balance of Kshs.22,742,114 could not be confirmed.

1.2 Variances between Financial Statement and Supporting Schedules

Review of the statement of receipts and payments revealed that three (3) items had amounts which were at variance with the supporting schedules provided for audit as detailed below:

Details	Notes	Balances as per 2021/2022 Financial Statements (Kshs)	Balances as per Supporting Schedules (Kshs.)	Variance (Kshs.)
Capitation Grants for Tuition	1	3,939,220	4,187,420	248,200
Capitation Grants for Operations	2	20,624,984	15,646,532	4,978,452
Payments for Operations	6	21,971,490	26,182,247	4,210,757

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

2. Inaccuracies in the Statement of Cash Flows

The statement of cash flows reflects cash and cash equivalents balance of Kshs.14,188,772 while the re-casted balance is Kshs.34,617,912, resulting in unexplained and unreconciled variance of Kshs.20,429,140. Further, the cash and cash equivalents comparative balance of Kshs.6,932,885 varied with the re-casted balance of

Kshs.8,225,461, resulting to an unexplained and unreconciled variance of Kshs,1,292,576.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.14,188,772 could not be confirmed.

3. Unsupported Retained Capitation Grants for Textbooks

As disclosed in Note 1 to the financial statements, the statement of receipts and payments reflects capitation grants for tuition of Kshs.3,939,220 relating to teaching/learning materials and Kshs. Nil amount for text books and reference materials. Review of the correspondence between the School and the Ministry of Education on the implementation of Free Day Secondary Education (FDSE) revealed that the capitation grants in respect of textbooks were retained by the Ministry for purchase and supply of the text books and reference materials. However, records showing supply by the Ministry and receipt of the same by the School were not provided for audit.

In the circumstances, the accuracy and completeness of the Kshs. Nil receipts for textbooks and reference materials could not be confirmed.

4. Unsupported Accounts Receivables Balances

The statement of financial assets and financial liabilities and Note 10 to the financial statements reflects accounts receivables balance of Kshs.22,742,114. However, the supporting schedules were not provided for audit or evidence provided of efforts made to recover these overdue fees arrears. In addition, the accounts receivables include balances of Kshs.650,060, Kshs.55,000 and Kshs 40,000 in respect of NSSF, NHIF and imprest respectively whose details in relations to refunds were not provided for audit review.

In the circumstances, the accuracy, completeness, and recoverability of accounts receivables balance of Kshs.22,742,114 could not be confirmed.

5. Unsupported Accounts Payables Balance

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.5,112,736 which as disclosed in Note 11 to the financial statements excludes Kshs.8,534,428 and Kshs.12,480,575 in respect of trade creditors for prior year and for previous year (over two years), all totalling to Kshs.21,015,003 which remained unaccounted for. Further, supporting schedules, invoices and goods delivery notes were not provided for audit.

In the circumstances, the accuracy, completeness and validity of accounts payables balance of Kshs.5,112,736 could not be confirmed.

6. Unsupported School Fund Income-Parents Contributions

As disclosed in Note 3 to the financial statements, the statement of receipts and payments reflects Kshs.87,319,881 in respect of school fund income-parents contributions. However, supporting documents including supporting schedules and fees collections summary were not provided for audit.

In the circumstances, the accuracy and completeness of school fund income-parents contributions of Kshs.87,319,881 could not be confirmed.

7. Unsupported Other Receipts –School Fund Account

As disclosed in Note 4 to the financial statements, the statement of receipts and payments reflects a total amount of Kshs.10,001,838 in respect of school fund account which includes gratuity of Kshs.1,200,000. However, the supporting documents for the gratuity including bank statements and schedules were not provided for audit.

In the circumstances, the accuracy, completeness and validity of other receipts-school fund account could not be confirmed.

8. Unsupported Payments

The statement of receipts and payments reflects amounts of Kshs.3,800,793, Kshs.21,971,491 and Kshs.68,428,612 in respect of payments for tuition, payments for operations and boarding and school fund payments totalling to Kshs.94,200,895. However, supporting documents including supporting schedules and payment vouchers were not provided for audit.

In the circumstances, the accuracy, completeness and validity of payment totalling to Kshs.94,200,895 could not be confirmed.

9. Unsupported Cash and Cash Equivalents Balance

As disclosed in Notes 8 and 9 to the financial statements, the statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.14,188,772 which includes Kshs.13,319,656 and Kshs.869,116 in respect of bank and cash balances respectively. However, the cash and cash equivalents balance was not supported with bank reconciliation statements and board of survey report.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.14,188,772 could not be confirmed.

10. Unapproved School Fund Income – Other Receipts

The statement of receipts and payments reflects school fund income-other receipts amount of Kshs.10,001,838 which as disclosed in Note 4 to the financial statements includes an amount of Kshs.7,731,341 in respect of construction of PA classroom/lab. Records reviewed indicated that the School charged Kshs.5,000 per student for the project as approved by the Principal Secretary, Ministry Education vide a letter dated 13 October, 2021. Further, under key school information and management section of the financial statements, it is disclosed that students enrolment for the year under review was 1244, thus translating to total approved extra fees of Kshs.6,220,000 resulting to unapproved extra fees charged totalled Kshs.1,511,341.

In the circumstances, the regularity of the additional fees of Kshs.1,511,341 in respect of construction of PA classroom/lab could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the S.A Kolanya Boys 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 adverse 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.

Other Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts for the six months' period ended 30 June, 2022 reflects casted grand totals for final income budget and actual on comparable basis totals of Kshs.87,549,715 and Kshs.69,495,429 respectively, resulting in an under-funding of Kshs.18,054,286 or 21% of the budget. Further, the statement did not reflect the expenditure actual and budgeted amounts. The incomplete statement of comparison of budget versus actual amounts is contrary to the provisions of Section 33(a) of the Public Finance Management (National Governments) Regulations, 2015 which requires that unless provided otherwise in the Act, these Regulations or any other guidelines developed in furtherance of the Act or these Regulations. The Regulation also provides for guidelines to be observed at all times during budget formulation and approval all revenue and expenditure.

In addition, the budget amounts presented were not supported by an approved budget, contrary to Regulation 31(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the draft estimates relating to her or his department are prepared in conformity with the Constitution, the Act and these Regulations and to submit the estimates to the National Treasury in the manner and format to be issued by the Cabinet Secretary.

The under-funding affected the planned activities and may have impacted negatively on service delivery to the public and the Management was in breach of the law.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, based on the audit

procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Irregular Board of Management Allowances

The statement of receipts and payments reflects boarding and school fund payments total amount of Kshs.68,428,6112 which as disclosed in Note 7 to the financial statements includes an amount of Kshs.1,838,848 in respect of local transport and subsistence allowances paid to the Board of Management. However, the expenditure was not supported by signed Board minutes and attendance register.

Further, review of the payment schedule to the Board members revealed that the chairman and members were paid Kshs.7,000 and Kshs.5,000 respectively per sitting above the approved rates contrary to Salaries Remuneration Commission circular Ref :SRC/ADM/CIR/1/13(122) of 16 April, 2014 on the payment of taskforce allowance and remuneration of commission of inquiry, tribunal ,boards and committees appointed by Government which approved allowances to chairpersons and members at Kshs.5,000 and Kshs.4,000 respectively.

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

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 because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of a Risk Management Policy

Review of the documents and records provided for audit review revealed that the School Management had not established a Risk Management Policy. This is contrary to Regulation 165(1) (a-b) of the Public Finance Management (National Governments)

Regulations, 2015 which states that 'the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations'.

In the circumstances, Management was in breach of the law and was not able to identify risks and develop mitigating strategies.

2. Lack of Approved Information Technology Security Policy

Review of the School Information Technology Systems revealed that the School did not have an approved IT Policy for governance and management of its ICT resources. Further, there was no ICT Steering Committee in place to assist in the development of ICT Policy Framework to enable the School to realize long-term ICT strategic goals. Lack of an approved IT Policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the School's ICT assets. In addition, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.

In the circumstances, the School may be exposed to financial losses or falsification of records in the absence of information and communication Technology policy.

3. Lack of Insurance Cover for Property, Plant and Equipment

Review of the financial statements and assets records revealed that the School did not have insurance cover for its property and assets.

In the circumstances, this may expose the School assets to losses without compensation in case of fire, theft or any other unforeseen calamities.

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 the 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, and ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My

consideration of the internal 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 the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 October, 2023

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022 Kshs	2020-2021 Kshs
RECEIPTS			
Capitation grants for tuition	1	3,939,220	1,459,770
Capitation grants for operations	2	20,624,984	11,152,220
School Fund Income- Parents' Contributions	3	87,319,881	20,237,144
School Fund Income- Other receipts	4	10,001,838	736,900
Proceeds from borrowings			
TOTAL RECEIPTS		121,885,923	33,586,034
PAYMENTS			
Payments for Tuition	5	3,800,793	2,019,445
Payments for operations	6	21,971,491	9,448,148
Boarding and school fund payments	7	68,428,612	22,645,987
TOTAL PAYMENTS		94,200,895	34,113,580
SURPLUS/DEFICIT		27,685,028	(527,546)

The school financial statements were approved on 26/6/ 2023 and signed by:

Sign: 

Name
SHEM ISUBA PAPAHA
Chair BOM

Date 29/6/23

Sign

Name
ALBERT K. MASILO
School Principal/
Secretary to BOM

Date 29 JUN 2023



Sign

Name
ISAAC EMORU
Bursar/
Finance Officer

Date



VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

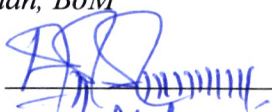
	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	13,319,656	6,932,885
Cash Balances	9	869,116	-
Short term Investment	10	-	-
Total Cash and cash equivalent		14,188,772	6,932,885
Account's receivables	11	22,742,114	3,676,323
TOTAL FINANCIAL ASSETS		36,930,886	10,609,208
FINANCIAL LIABILITIES			
Accounts Payables	12	5,111,736	8,534,428
NET FINANCIAL ASSETS		31,819,150	2,074,780
REPRESENTED BY			
Fund b/fwd.	13	4,134,122	2,602,326
NET FINANCIAL POSITION		4,134,122	2,602,326
SURPLUS/ DEFICIT		27,685,028	(527,546)

The School's financial statements were approved on 29th June 2023 and signed by:

Name: SHEM P. ISUBA
Chairman, BoM

Sign:

Date:


29/6/23

Name: ALBERT K. MASILO
School Principal/Secretary
to BoM

Sign:

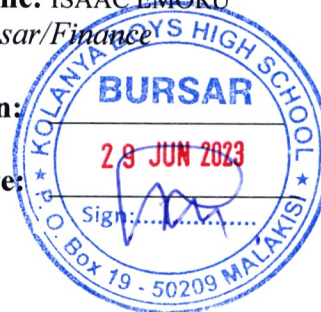
Date:



Name: ISAAC EMORU
Bursar/Finance

Sign:

Date:



VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2021-2022	2020-2021
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	3,939,220.00	1,459,770.00
Capitation grants for operations	2	20,624,984.00	11,152,220.00
School fund income- Parents contributions/ fees	3	87,319,881.00	20,237,144.00
School fund income- other receipts	4	10,001,838.00	736,900.00
Total receipts		121,885,923.00	33,586,034.00
Payments			
Payments for Tuition		3,800,793.00	2,019,445.00
Payments for operations		21,971,491.00	9,448,148.00
Boarding and school fund payments		68,428,612.00	22,645,987.00
Total payments		94,200,896.00	34,113,580.00
Net cash flow from operating activities		27,685,027.00	(527,546)
CASHFLOW FROM INVESTING ACTIVITIES			
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		27,685,027.00	(527,546)
Cash and cash equivalent at BEGINNING of the year		6,932,885.00	8,753,007.00
Cash and cash equivalent at END of the year		14,188,772.00	6,932,885.00

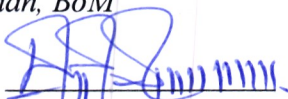
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The School's financial statements were approved on 29th June 2023 and signed by:

Name: SHEM P. ISUBA
Chairman, BoM

Sign:



Date:

29/6/23

Name: ALBERT K. MASILO
School Principal/Secretary
to BoM

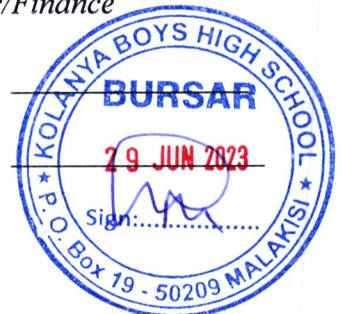
Sign:



Date:

Name: ISAAC EMORU
Bursar/Finance

Sign:



Date:

**S.A KOLANYA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOLS**

Audit Reports and Financial Statements

For six months period ended 30th June 2022

VIII. 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 Kshs	Opening Balance C/Bk and AIA	Previous Years Outstanding Disbursements	b Kshs	c=a+b	d Kshs	e=c-d f=d/c % Kshs
RECEIPTS							
(1) CAPITATION GRANT ON TUITION							
Teaching/ learning materials	2,422,168.00			3,939,220.00	3,800,793.00	138,427.00	96.486%
(2) CAPITATION GRANT ON OPERATIONS							
Personnel emoluments	3,039,400.00			3,039,400.00	3,838,212.80	(798,812.80)	126.28%
Maintenance and Improvement	1,636,600.00			1,636,600.00	2060496.00	(423,896.00)	125.92%
Local transport / travelling	642,950.00			642,950.00	586619.00	56,6331.00	91.238%
Electricity and water	1,169,000.00			1,169,000.00	2036760.00	(867,760.00)	174.23%
Medical/ Insurance	1,169,000.00			1,169,000.00	313846.00	855,154.00	0.268%
Administration costs	642,950.00			642,950.00	3232523.86	(2,589,573.86)	502.76%
Activity	876,750.00			876,750.00	543000.00	333,750.00	61.93%
(3) FEES CHARGED ON PARENTS							
Personnel emoluments	3,273,200.00			6,511,271.00	6,363,030.00	148,241.00	97.72%
Local transport / travelling	1,350,195.00			3,734,247.00	1,838,848.00	1,895,398.80	49.24%
Administration costs	1,923,005.00			3,258,574.00	6,780,444.00	(3,521,870.00)	208.087%
Activity	292,250.00			687,647.00	228,440.00	459,207.00	33.22%

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/c % Kshs
M.I	1636600.00		3,172,766.00	4,515,975.00	(1,343,209.00)	142.33%
Fee on Boarding Equipment and Stores	17,045,189.00		56684740.00	33356441.00	23328299.00	58.84%
OTHER INCOME						
Rent income			384,600.00	0	384600.00	0%
TOTAL INCOME						
TOTAL						

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.

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 2022

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Teaching / learning materials	3,939,220.00	1,459,770.00
Total	3,939,220.00	1,459,770.00

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments		1,271,964.00
Repairs and maintenance		4,204,000.00
M.I Transfer	6,375,000.00	2,242,000.00
Local transport / travelling	-	112,200.00
Electricity and water	-	333,851.10
Administration costs	-	112,200.00
Other Vote heads	14,249,984.00	3,380,160.00
Total	20,624,984.00	11,656,375.10

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	6,511,271.00	1,573,427.00
Fee on Boarding Equipment and Stores	56,684,740.00	12,441,531.36
Maintenance and Improvement	3,172,766.00	716,999.00
Fee collection account	8,814,191.00	2,149,585.00
Local transport / travelling	2,734,247.00	602,561.00
Electricity and water	5,456,445.00	1,880,089.00
Administration costs	3,258,574.00	871,052.00
Activity	687,647.00	1,900.00
Total	87,319,881.00	20,237,144.36

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Rent income	384,600.00	-
Income from farming activities	233,160.00	112,540.00
Gratuity	1,200,000.00	300,000.00
Income from Bus Hire	15,251.00	-
CDF	130,000.00	-
Income from uniform/ stores/ damages/ lost books	144,686.00	-
Tender Fees	83,000.00	1,000.00
KCSE(Repeaters)	79,800.00	9,500.00
Miscellaneous	-	313860.00
P.A. Classrooms/ Lab	7,731,341.00	-
Total	10,001,838.00	736,900.00

5 PAYMENTS FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Exercise books	645,560.00	779,650.00
Laboratory equipment	710,690.00	1,473,350.00
Teaching / learning materials	2,444,543.00	2,281,555.00
Total	3,800,793.00	4,534,465.00

6 PAYMENTS FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	3,838,212.80	2,152,630.40
Service Gratuity	500,000.00	300,000.00
Administration Cost	3,232,523.86	1,452,043.14
Maintenance & improvements	2,060,496.00	2,484,200.00
Local transport / travelling	586,619.00	264,275.00
M.I. Transfer	8,860,033.00	1,256,265.00
Electricity and water	2,036,760.00	2,139,090.00
Activity Expenses	543,000.00	-
NSSF - MOE	-	109,620.00
Insurance and Medical	313,846.00	433,783.00
TOTAL	21,971,490.66	10,591,906.54

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	6,363,030.00	4,158,769.00
Service Gratuity	904,935.00	863,163.00
Maintenance & Improvements	4,515,975.00	440,790.00
Local transport / travelling	1,838,848.20	497,784.00
Electricity and water	3,121,377.50	1,635,923.00
Medical Expenses	21,735.00	-
Administration costs	6,780,444.00	1,387,991.00
Transfers to collection account	4,160,500.00	2,129,500.00
P.A classrooms	5,354,836.00	-
Expenses on Income Generating Activities	646,340.00	-
Fee on Boarding Equipment and Stores	33,356,441.00	5,890,211.00
Activity Expenses	228,440.00	10,760.00
KCSE (Repeaters)	112,600.00	-
Tender	31,500.00	-
IMPREST		60,000.00
NSSF	258,480.00	179,220.00
Farm Account	473,130.00	177,910.00
CDF	260,000.00	-
TOTAL	68,428,611.70	17,432,021.00

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account		124,150.00	435,189.00
Operations Account		6,149,986.14	4,840,405.75
School Fund Account/Boarding		7,045,520.07	1,657,290.02
Total		13,319,656.21	6,932,884.77

9 CASH IN HAND

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	869,116.00	1,820,122.00
Total	869,116.00	1,820,122.00

10 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	22,077,053.50	3,676,323.00
NHIF	55,000.00	-
N.S.S.F	650,060.00	179,220.00
Salary advances	-	-
Imprest	(40,000.00)	60,000.00
Total	22,742,113.50	3,915,543.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	22,077,053.50	
Fees arrears for the previous year	11,112,531.50	11,112,531.50
Fees arrears for prior periods (over two years)	26,398,884.02	
Total	59,588,469.02	11,112,531.50

11 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	5,111,736.00	8,534,428.00
Prepaid fees	-	-
Retention monies	-	-
Total	5,111,736.00	8,534,428.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	5,111,736.00	8,534,428.00
Trade creditors for the previous year	8,534,428.00	4,558,730.00
Trade creditors for prior periods (over two years)	12,480,575.00	14,600,513.00
Total	26,126,739.00	27,693,671.00

12 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	6,932,884.77	6,932,884.77
Cash balances	1,820,122.00	1,820,122.00
Short Term Investments	-	-
Receivables	3,915,543.00	3,915,543.00
Payables	(8,534,428.00)	(8,534,428.00)
Total	4,134,121.77	4,134,121.77

13 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle		521,000.00	
Pigs		55,000.00	
Trees		899,000.00	
Total		1,475,000.00	

14 Stock Inventory

Description	2021-2022	2020-2021
	KShs	KShs
Stock/ Inventory		
Stock/ Inventory at beginning of the year	2,001,492.00	
Stock/ Inventory purchased during the year	17,255,767.00	
Stock/ Inventory issued during the year	16,759,921.00	
Balance at end of the year	2,497,338.00	

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)

**S.A KOLANYA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOLS**

Audit Reports and Financial Statements

For six months period ended 30th June 2022

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To-Date c Kshs	Outstanding Balance 2022 d=a-c Kshs	Outstanding Balance 2022 Kshs	Comments
Construction of buildings						
1. Barasho K Ltd					206,350.00	
2. New Ebeneza Electricals					212,600.00	
3. Mwireri Mbao Stores					61,640.00	
Sub-Total					480,590.00	
Supply of goods						
4. Mega Bookshop					163,825.00	
5. Peak Lab Ltd					284,490.00	
6. Jetlink Educational Enterprises					108,000.00	
7. Dajohn Enterprises Ltd					53,230.00	
8. Jackmot Enterprises					163,500.00	
9. Nakuru Press Shop					835,200.00	
10. Nyahuru Stadium Bookshop					68,981.00	
11. Joseph Baraka					8,000.00	
12. Jescah Olemtukeyi					110,900.00	
13. Kima Steel and Concrete					855,000.00	
14. Jeremiah Mamai					80,000.00	
15. Nyongesa Innocent Lusweti					52,545.00	
16. Jane Oshoromo					80,000.00	
17. Stephen Amoh Olumasi					10,000.00	
18. Mildred Ongaka					80,000.00	
19. Joan Osiyel					37,500.00	
20. Asmap Ltd					24,000.00	

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022	Comments
21. Supa Festive				99,540.00		
22. Dan Otwane				200,400.00		
23. Kima Steel and Concrete				150,000.00		
24. Trend Setter IT Solutions				54,000.00		
25. Escarift Enterprises				130,940.00		
26. Yvonne Abigael Mateva				50,000.00		
27. New Adatia Wholesalers Ltd				21,200.00		
28. Paul Orapa				21,000.00		
29. Mwireri Mbao Stores				178,289.00		
30. New Ebeneza Electricals				128,222.00		
31. Bashir Hussein Ramadhan				56,000.00		
32. Fremwa Enterprises				4,310.00		
Sub-Total				4,109,072.00		
Supply of services						
33. Jarricom Ventures				71,500.00		
34. White Horse Hygiene Services				150,000.00		
35. Sunshine Automobiles				182,844.00		
36. Stephene Okoth Ogoye				117,730.00		
Sub-Total				522,074.00		
Grand Total				5,111,736.00		

**S.A KOLANYA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOLS
Audit Reports and Financial Statements
For six months period ended 30th June 2022**

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			7,200,000.00			7,200,000.00
Land 2						
Buildings and structures			81,500,000.00			81,500,000.00
Motor vehicles - KAN 441 U	17/01/2003	KOLANYA	1,275,000.00	NIL	0	1,275,000.00
- KCV 194Y	14/08/2019	BOYS	2,400,000.00	NIL	0	2,400,000.00
Office equipment, furniture and fittings			3,600,000.00			3,600,000.00
ICT Equipment, and Other ICT Assets			3,655,000.00			3,655,000.00
Tools and apparatus			2,500,000.00			2,500,000.00
Textbooks		LIBRARY				
Other Machinery and Equipment			1,859,000.00			1,859,000.00
Heritage and cultural assets						
Intangible assets- soft ware			380,000.00			380,000.00
Total			103,989,000.00			103,989,000.00