

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT** THE NATIONAL ASSEMBLY PAPERS LAID

DATE: 26 FEB 2025

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Wed

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OF KENYA  
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BY:

OF

CLERK-AT  
THE-TABLE:

Hon. Samuel  
Chepkinga, MP

Mr. Mado

**THE AUDITOR-GENERAL**

**ON**

**HABEL NYAMU SECONDARY SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2023**

**KIRINYAGA COUNTY**

Revised 30<sup>th</sup> June 2021.



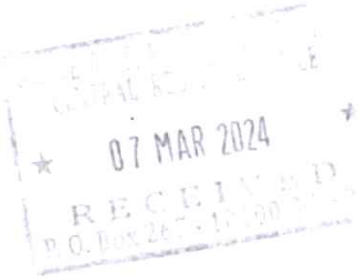
**HABEL NYAMU SECONDARY SCHOOL  
PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> June 2023**

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



**HABEL NYAMU SECONDARY SCHOOL  
PUBLIC SECONDARY SCHOOL  
Annual Report and Financial Statements  
For the year ended 30<sup>th</sup> June 2023**

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## KEY SCHOOL INFORMATION AND MANAGEMENT

### HABEL NYAMU SECONDARY SCHOOL

#### Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Kirinyaga County, Mwea East sub-county.

The school was registered in 28/1/2014 under registration number PU/S/2/9442/14 and is currently categorized as a **Mixed day school** established, owned or operated by the Government.

The school is a day mixed with an establishment of 93 students.

It has 1 stream and 9 teachers of which 2 teachers are employed by the School Board of Management.

#### (a) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	CYRUS M.GACURA	CHAIRMAN	7/4/2022
2	LILIA W. MWANGI	SECRETARY	7/4/2022
3	LENNAH MUTHONI	VICE CHAIRPERSON	7/4/2022
4	JUSTIN NJAGI	SPONSOR	7/4/2022
5	VINCENT CHEWA	MEMBER	7/4/2022
6	JULIA WAMBUI	MEMBER	7/4/2022
7	SAMUEL MAINA	MEMBER	7/4/2022
8	GEORGE N. KABUGI	MEMBER	7/4/2022
9	SIMON MAGONDU	MEMBER	7/4/2022
10	SFRAH WANJIKU	MEMBER	11/4/2022
11	CICILY MICERE	MEMBER	7/4/2022
12	GABRIEL WANJOHI	MEMBER	7/4/2022
13	DENNIS KINYUA	MEMBER	7/4/2022
14	GRACE W. WERU	MEMBER	7/4/2022

**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 students' discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the school
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule paragraph 21 and 23 of the Basic Education Act, 2013.

**(b) Committees of the Board**

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	CYRUS M GACURA LILIAN MWANGI JUSTIN NJAGI GEORGE N.KABUGI	CHAIRMAN SECRETARY MEMBER MEMBER	2
2	Finance, procurement and general-purpose Committee	CYRUS M GACURA LILIAN MWANGI VINCENT CHEWA CICILY MICERE	CHAIRMAN SECRETARY MEMBER MEMBER	2

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3	Development Committee	CYRUS M GACURA LILIAN MWANGI SIMON MAGONDU DENIS KINYUA	Chairperson Secretary Member Member	2
4	Academic Committee	CYRUS M GACURA LILIAN MWANGI SARAH WANJIKU GABRIEL WANJOHI	Chairman Secretary Member Member	2
6	Discipline and welfare Committee	CYRUS M GACURA LILIAN MWANGI SAMUEL MAINA DENIS KINYUA	Chairman Secretary Member Member	2

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

**(c) School operation Management**

For the financial year ended 30<sup>th</sup> June 2021 the school day-to-day management was under the following persons:

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	LILIAN W. MWANGI	252626
2	Deputy Principal	DICKSON GICHOHI	353064
3	School Finance Officer	N/A	

**(d) Schools contacts**

Post Office Box: 2830-60100 EMBU  
E-mail: habelnyamusec@gmail.com

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

**(e) School Bankers**

The school operated 4 number of bank accounts as follows:

- |                              |                |
|------------------------------|----------------|
| 1. Name of Bank: TUITION     | CO-OPERATIVE   |
| Branch:                      | MWEA           |
| Account Number:              | 01139491009000 |
| 2. Name of Bank: OPERATION   | CO-OPERATIVE   |
| Branch:                      | MWEA           |
| Account Number:              | 01139491009001 |
| 3. Name of Bank: SCHOOL FUND | EQUITY         |
| Branch:                      | MWEA           |
| Account Number:              | 0100194920017  |
| 4. Name of Bank: RMI         | EQUITY         |
| Branch:                      | MWEA           |
| Account Number:              | 1720279650360  |

**(f) Independent Auditors**

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

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**PUBLIC SECONDARY SCHOOL**  
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**I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**a) Financial performance:**

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

<b>SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST FOUR YEARS</b>					
SN O	ACCOUNTS	2023	2022	2021	2020
		KSHS	KSHS	KSHS	Kshs
1	School Fund Account	140,157.00	128,990.00	41,554.00	373,034.00
2	Operations Account	57,010.35	(67,084.00)	67,205.00	103,152.00
3	Tuition Account	(29,806.00)	179,905.40	2,375.00	(11,457.30)
4	Infrastructure Account	21,785.00	(36,650.00)	43,680.00	8,087.15
	<b>TOTAL</b>	189,146.35	205,161.40	154,814.00	472,815.85
	<b>Increase/Decrease</b>	<b>(16,015.05)</b>	<b>50,347.40</b>	<b>(318,001.85)</b>	<b>183,056.85</b>

**Trend Over the Last Three Years**

The surplus for the year 2019 increased by Kshs 146,016.00  
 The surplus for the year 2020 increased by Kshs 183,056.85 from a surplus of Kshs 289,759.00 in the year 2019 due to prolonged closure after abrupt shutting of the schools due to Covid-19. In year 2021 there was a sharp drop of surplus to a tune of ksh 154,814.00 this is because it's a 6 month period. During the financial year 2022 surplus increased by 50,347.40. While in year 2023 the surplus decreased by kshs 16,015.05

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**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

<b>CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS</b>					
<b>SNO</b>	<b>ACCOUNTS</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
1	Operations Account	1,185,921.35	1,798,605.00	975,899.00	1,209,090.00
2	Tuition Account	271,874.00	352,047.00	137,735.00	191,282.70.00
	<b>Total</b>	<b>1,457,795.35</b>	<b>2,150,652.00</b>	<b>1,113,634.00</b>	<b>1,400,372.7</b>
	<b>Increase/Decrease</b>	<b>(692,856.65)</b>	<b>1,037,018.00</b>	<b>(286,738.70)</b>	<b>(39,086.30)</b>
	No of Students	93	101	103	105
	<b>Ratio of Capitation per student</b>	<b>1:15,675.2</b>	<b>1:10,267.5</b>	<b>1:10,811.9</b>	<b>1:13,336.8</b>

The total capitation grants for the financial year 2019 was Kshs 1,439,459.00 as compared to Kshs 1,366,662.00 in the financial year 2018 representing a increase of Kshs 72,797.00

The total capitation for the year 2020 was Kshs 1,400,372.70 as compared to Kshs 1,439,459.00 in the financial year 2019 representing a decrease of Kshs 39,086.30 which resulted from prolonged abrupt closure of the school due to Covid-19 and not all capitation grants were disbursed by the end of financial year 2020.

The capitation grant for the financial year 2021 was Kshs 1,113,634.00 as compared to Kshs 1,400,372.70 in the financial year 2020 representing a decrease of Kshs 286,738.70 the net decrease is mainly attributed by the disbursement of capitation for term 2 2020 and term 3 2020 only. Also, the current period covers a period of 6 months. In year 2022 the capitation increased but enrolment decreased to 101 students. During the financial year ended 2023 capitation decreased to kshs 1,457,795.35 due to low enrolment of 93 students, while capitation per student increased to 15,675.20

**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**  
**OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL**

SNO	ACCOUNTS	2023 Kshs	2022 Kshs	2021 Kshs	2020 Kshs
1	School Fund Account	1,634,383.00	1,777,387.00	558,975.00	170,382.00
2	Operations Account	985,696.00	1,452,689.00	708,694.00	905,938.00
3	Tuition Account	301,680.00	172,141.60	135,360.00	202,740.00
4	Infrastructure Account	143,215.00	449,650.00	156,320.00	191,912.85
	Total	3,208,189.00	3,851,867.60	1,559,349.00	1,470,972.85
	<b>Increase/Decrease</b>	<b>(643,678.60)</b>	<b>2,292,518.60</b>	<b>88,376.15</b>	<b>(1,142,990.15)</b>

In the financial year 2022 and year 2021 shows a increase of growth in expenditure which has resulted from the previous year covering a period of 6 months, even though the financial year 2020 covers a period of 12 months an increase has resulted from prolonged abrupt closure of the school due to Covid-19. During the financial year ended 2023 the expenditure decreased by kshs 643,678,60,

**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

**MOVEMENT OF DEBTORS OF THE SCHOOL**

SNO	ACCOUNTS	2023	2022	2021	2020
1	School Fund Account	KSHS			
a	Debtors	2,964,527.00	2,807,727.00	2,578,527.00	2,499,875.00
	<b>Total</b>	2,964,527.00	<b>2,807,727.00</b>	2,578,527.00	2,499,875.00
	<b>Increase/Decrease</b>	<b>156,800.00</b>	<b>229,200.00</b>	<b>78,652.00</b>	<b>255,874.00</b>

**Trend over the Last Three Years**

In the financial year ended 2023 the total debtors increased by 5.6%, During the financial year 2022 the total debtors increased by 8.8% while Total debtors as at 30<sup>th</sup> June 2021 increased by 3.1% to Kshs 2,578,527.00 compared to Kshs 2,499,875.00 as at the end of the financial year 2020. The main contributors to the increase in total debtors is because the period under comparison is 6 months period, another observation is hard economic situation being experienced by the parents

**MOVEMENT OF CREDITORS OF THE SCHOOL**

SNO	ACCOUNTS	2023	2022	2021	2020
1	School Fund Account	KSHS			
a	Creditors	121,400.00	102,000.00	162,888.00	165,888.00
	<b>Total</b>	121,400.00	102,000.00	162,888.00	165,888.00
	<b>Increase/Decrease</b>	<b>19,400.00</b>	<b>(60,888.00)</b>	<b>(3,000.00)</b>	<b>39,404.00</b>

**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

**Trend Over the Last Three Years**

In year 2022 the total creditors decreased by ksh 60,888.00, while in 2023 creditors increased by kshs 19,400.00 as compared to year 2022

Total creditors as at 30<sup>th</sup> June 2021 decreased by Kshs 3,000.00 compared to Kshs 39,404.00.00 as at the end of the financial year 2020. The main contributors to the decrease in total creditors is due to 6 months period of comparison.

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**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

**MOVEMENT OF CASH AND BANK BALANCES**

<b>SNO</b>	<b>ACCOUNTS</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
1	School Fund Account	1,191.36	3,134.36	13,293.36	3,391.36
2	Operations Account	36,986.85	1,761.50	68,845.50	1,640.50
3	Tuition Account	2,009.60	31,815.60	2,798.20	423.20
4	RMI Account	36,902.15	15,117.15	51,767.15	8,087.15

**Trend over the Last Three Years**

**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

**b) Teacher Student ratio:**

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

There are 8 teachers posted by the Teachers Service Commission and 3 recruited by the Board of Management.

the teacher student ratio lies at 1: 10

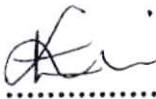
**Mean score in the year 2018, 2019 ,2020, 2021, 2022and 2023 KCSE:**

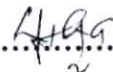
YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2023	20	2.2500	0	0%	3.5	None joined university Most students qualified for middle level colleges
2022	27	2.5926	0	0%	3.5	None joined university Most students qualified for middle level colleges
2021	25	2.1200	0	0%	3.5	None joined university Most students qualified for middle level colleges
2020	24	3.0000	1	4.16%	3.5	1 joined university and rest qualified to middle level colleges
2019	28	2.2857	0	0%	3.5	None joined university Most students qualified for middle level colleges
2018	22	2.4091	0	0%	3.5	None joined university Most students qualified for middle level colleges


**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

**D Development projects carried out by the school:**

Sno.	Project	Year	Status	Amount	Fund Source
1	Construction of kitchen	2018	Completed	754,000	Parents
2	Furniture	2019	completed	400,000	RMI
3	Water storage	2019	completed	400,000	RMI
4	Renovation (4 classrooms floor)	2020	50% complete	500,000	RMI
5	Renovation (4 classrooms floor)	2021	completed	500,000	RMI
6	Abulution block	2022	complete	400,000.00	NGCDF
	none	2023	0	0	n/a

  
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**ANTHONY C. KAMAU (Mr)**

**LILIAN W. MWANGI (Mrs)**

**Chair,  
Board of Management**

**Secretary,  
Board of Management  
/Principal**

**Finance Officer**

Habel Nyamu Sec. School

Habel Nyamu Sec. School

Habel Nyamu Sec. School

Date: 4/9/2023

Date: 4/9/23

Date: 4/9/2023


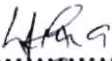
## II. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the School's transactions during the financial year ended 30<sup>th</sup> June, 2023, and of the school's financial position as at that date.

  
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.....  
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**ANTHONY C. KAMAU (Mr)**

**LILIAN W. MWANGI (Mrs)**

**Chair,  
Board of Management**

**Secretary,  
Board of Management  
/Principal**

**Finance Officer**

**Habel Nyamu Sec. School**

**Habel Nyamu Sec. School**

**Habel Nyamu Sec. School**

Date: 4/9/2023.....

Date: 4/9/2023.....

Date: 4/9/2023.....

# REPUBLIC OF KENYA



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON HABEL NYAMU SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - KIRINYAGA COUNTY**

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### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the 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 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 Habel Nyamu Secondary School - Kirinyaga County set out on pages 16 to 34, which comprise of the statement of financial

assets and liabilities as at 30 June, 2023, and the statement receipts and payments, statement of cash flows and statement of comparison 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 the Habel Nyamu Secondary School - Kirinyaga County as at 30 June, 2023, 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 receipts and payments reflects amounts of Kshs.3,227,635 and Kshs.3,064,974 respectively. However, the School maintained manually recorded ledgers whose amounts and balances did not agree with amounts and balances as reported in the trial balance and the financial statements. Further, the statement of cash flows reflects School fund income - parents contribution amount of Kshs.1,195,740. However, the corresponding Note 3 to the financial statements indicates an amount of Kshs.1,333,140 resulting to an unexplained variance Kshs.137,400. In addition, the opening balances in statements of cash flows were incorrectly brought forward from previous year's financial statements.

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

#### **2. Long Outstanding Receivables**

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.2,964,527 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, included in the balance are receivables amounting to Kshs.2,566,027 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.2,964,527 could not be confirmed.

#### **3. Variances in Payables**

The statement of financial assets and liabilities reflects payables balance of Kshs.121,400 as disclosed in Note 12 to the financial statements. However, the balance varies with Kshs.294,650 reflected in the ledger resulting to an unexplained and an unreconciled variance of Kshs.173,250.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.121,400 could not be confirmed.

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

### **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.

### **Basis for Conclusion**

#### **1. Late Submission of Financial Statements**

During the year under review, the School Management did not submit the financial statements to the Office of Auditor-General by the statutory date of 30 September, 2023. The financial statements were submitted on 07 March, 2024, five (5) months after the statutory deadline. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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

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

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

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

### **3. Failure to Transfer Infrastructure Funds**

The statement of receipts and payments reflects operations grants amount of Kshs.1,185,921 as disclosed in Note 2 to the financial statements. The grants were from the Ministry of Education and was credited in the School's operations bank account. The grants included an amount of Kshs.396,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.200,000 was transferred to infrastructure account, leaving a balance of Kshs.196,000 as at 30 June, 2023. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account

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

### **4. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.1,634,383 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.315,840 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of funds transferred to KESSHA amounting to Kshs.315,840 could not be confirmed.

### **5. Failure to Maintain Fixed Asset Register**

Annex 2 to the financial statements reflects summary of fixed assets register. However, there was no evidence that the School maintained a fixed assets register. It was therefore not possible to ascertain the assets owned by the School. This is contrary to Section 143 (1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

### **6. Unconfirmed Students Enrollment Data**

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.1,456,795. Comparison of data from National Education Management and information System (NEMIS) with records from the School revealed that during the financial year 2022/2023, NEMIS reflected one hundred (100) students while records from the School had one hundred (100) students, resulting to an underfunding of the School by an amount of Kshs.24,080.

This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, underfunding of the School may have affected service delivery to the students.

## **7. Failure to Prepare School Improvement Plan**

During the year/period under review, the School did not have an approved School Improvement Plan. This was contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

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

## **REPORT ON 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**

#### **Lack of Internal Audit Function and Audit Committee**

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's

ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

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

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

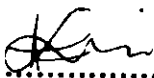
Nairobi

25 September, 2024

# HABEL NYAMU SECONDARY SCHOOL

## I. STATEMENT OF RECEIPTS AND PAYMENTS

DESCRIPTION OF VOTE HEAD	Note	July-June2023	July-June2022
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	271,874.00	352,047.00
Capitation grants for operations & infrastruc	2	1,185,921.35	1,798,605.00
School Fund Income- Parents' Contributions	3	1,333,140.00	1,518,578.00
School Fund Income- Other receipts	4	436,700.00	387,850.00
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>3,227,635.35</b>	<b>4,057,080.00</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	301,680.00	172,141.60
Payments for operations and infrastructure	6	1,128,911.00	1,902,339.00
Boarding and school fund payments	7	1,634,383.00	1,777,387.00
<b>TOTAL PAYMENTS</b>		<b>3,064,974.00</b>	<b>3,851,867.60</b>
<b>SURPLUS/DEFICIT</b>		<b>162,661.35</b>	<b>205,212.40</b>

  
.....

Cyrus M. Gacura (Mr)

  
.....

Lillian W. MWANGI (Mrs)

  
.....

Finance Officer

Chair BOM

Secretary, BOM/Principal

Habel Nyamu Sec. School

Habel Nyamu Sec. School

Habel Nyamu Sec. School

Date... 4/9/2023 .....


Date... 4/9/23 .....


Date... 4/9/2023 .....


**HABEL NYAMU SECONDARY SCHOOL**

**II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES**

	Note	july-june2023 Kshs	july-june2022 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	76,506.96	51,828.61
Cash Balances	9	583.00	-
Short term Investment	10	-	-
<b>Total Cash and Cash Equivalents</b>		<b>77,089.96</b>	<b>51,828.61</b>
Account's receivables	11	2,964,527.00	2,807,727.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>3,041,616.96</b>	<b>2,859,555.61</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable	12	121,400.00	102,000.00
<b>NET FINANCIAL SSETS</b>		<b>2,920,216.96</b>	<b>2,757,555.61</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	2,757,555.61	2,552,343.21
Surplus/Defict for the year		162,661.35	205,212.40
<b>NET FINANCIAL POSITION</b>		<b>2,920,216.96</b>	<b>2,757,555.61</b>

  
.....  
Cyrus M. Gacura (Mr)

  
.....  
Lilian W . MWANGI (Mrs)

  
.....  
-

Chair BOM

Secretary, BOM/Prinicipal

Finance Officer

Habel Nyamu Sec. School

Habel Nyamu Sec. School

Habel Nyamu Sec.School

Date... 4/9/2023 .....

Date... 4/9/23 .....


Date... 4/9/2023 .....

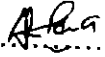
**HABEL NYAMU SECONDARY SCHOOL**  
**STATEMENT OF CASH FLOW**

		july-june2023 Kshs	july-june2022 Kshs
<b>Receipts from operating activities</b>			
Capitation grants for tuition	1	271,874.00	352,047.00
Capitation grants for operations	2	1,185,921.35	1,798,605.00
School fund income- Parents contributions/ fees	3	1,195,740.00	1,379,378.00
School fund income- other receipts	4	436,700.00	387,850.00
<b>Total receipts</b>		<b>3,090,235.35</b>	<b>3,917,880.00</b>
<b>Payments</b>			
Payments for Tuition		301,680.00	323,029.60
Payments for operations		985,996.00	1,453,709.00
Boarding and school fund payments		1,634,383.00	1,777,387.00
<b>Total payments</b>		<b>2,922,059.00</b>	<b>3,554,125.60</b>
<b>Net cash flow from operating activities</b>		<b>168,176.35</b>	<b>363,754.40</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		(142,915)	(448,630.00)
Proceeds from investments		-	-
<b>Net cash flows from Investing Activities</b>		<b>(142,915)</b>	<b>(448,630.00)</b>
<b>NET CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flows from Investing Activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>	d=a +b+ c	<b>25,261.35</b>	<b>(84,875.60)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	c	<b>51,828.61</b>	<b>136,704.21</b>
<b>Cash and cash equivalent at END of the year</b>	f=d +e	<b>77,089.96</b>	<b>51,828.61</b>
		-	(0)

**HABEL NYAMU SECONDARY SCHOOL  
TRIAL BALANCE AS AT 30TH JUNE 2023**

		DR	CR
<b>Cash and Cash equivalents</b>			
	Bank Balances	76,506.96	
	Cash Balances	583.00	
	Short term investments	-	
	Receivables	2,964,527.00	
<b>Payments</b>			
	Payments for Tuition	301,680.00	
	Payments for operations	1,128,911.00	
	Boarding and school fund payments	1,634,383.00	
<b>Receipts</b>			
	Capitation grants for tuition		271,874.00
	Capitation grants for operations		1,185,921.35
	School Fund Income- Parents' Contributions		1,333,140.00
	School Fund Income- Other receipts		436,700.00
	Proceeds from borrowings		
	Payables		121,400.00
	Prior Year Adjustment		
	<b>Fund Balance b/f</b>		2,757,555.61
	<b>TOTAL</b>	<b>6,106,590.96</b>	<b>6,106,590.96</b>

  
.....  
Cyrus M. Gacura (Mr)

  
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Lilian W. MWANGI (Mrs)

  
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Finance Officer

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Habel Nyamu Sec. School

Habel Nyamu Sec. School

Date... 4/9/2023..... Date... 4/9/23.....

Date... 4/9/2023.....

**HABEL NYAMU SEC. SCHOOL  
APPROPRIATION**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Text books	-					
Exercise books	145,000.00	-	145,000.00	145,000.00	30,000.00	33%
Laboratory equipments and apparatus	95,000.00	-	95,000.00	95,000.00	20,000.00	43%
Teaching/learning materials	144,459.00	-	144,459.00	144,459.00	40,000.00	67%
chalks	7,000.00	-	7,000.00	7,000.00	2,000.00	
Internal exams	15,000.00	-	15,000.00	15,000.00	5,000.00	71%
Reference books	6,000.00	-	6,000.00	6,000.00	1,275.00	88%
					-	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>					-	
Personnel emoluments	457,500.00	0	457,500.00	296,500	161,000	64.8%
Repairs and maintenance	375,000.00	0	375,000.00	98,310	276,690	26.2%
Local transport / travelling	97,500.00	0	97,500.00	55,600	41,900	57.0%
Electricity and water	105,500.00	0	105,500.00	9,680	95,820	9.2%
Medical	40,000.00	0	40,000.00	30,000	10,000	75.0%
Administration costs	325,000.00	0	325,000.00	299,845	25,155	92.3%
Others	-				-	
Activity	177,500.00	0	177,500.00	25,000	152,500	14.1%

<b>(3) FEES CHARGED ON PARENTS</b>						
Fee on Boarding Equipment and Stores	2,400,000	0	2,400,000	2,133,360	266,640	65.5%
<b>(1) EXPENDITURE FOR TUITION</b>						
Text books						
Exercise books	145,000.00	-	145,000.00	139,000.00	6,000.00	95.0%
Laboratory equipments and apparatus	95,000.00	-	95,000.00	65,000.00	30,000.00	68.0%
Teaching/learning materials	144,459.00	-	144,459.00	119,500.00	24,959.00	82.7%
chalks	7,000.00	-	7,000.00	-	-	0.0%
Internal exams	15,000.00	-	15,000.00	56,500.00	41,500.00	37.0%
Reference books	6,000.00	-	6,000.00	20,478.00	1,478.00	341.0%
Bank charges			6,988.00			
	0		0	-	-	
#REF!			0			
			0		-	
<b>PAYMENTS FOR OPERATIONS AND INFRASTRUCTURE ACCOUNT</b>			0			
Personal Emoluments	457,500.00	0	457,500.00	296,500	161,000	64.8%
Administration Cost	325,000.00	0	325,000.00	399,845	74,845	123.0%
Repairs and maintenance & improvements	375,000.00	0	375,000.00	29,310	345,690	7.9%

Local transport / travelling	97,500.00	0	97,500.00	55,600	41,900	57.0%
Electricity and water	105,500.00	0	105,500.00	9,680	95,820	9.2%
Medical	40,000.00		40,000.00	-	40,000	0.0%
Activity Expenses	177,500.00	0	177,500.00	25,000	152,500	14.1%
Infrastructure	404,000	0	404,000	69,000	335,000	17.1%
<b>BOARDING AND</b>						
<b>SCHOOL FUND PAYMENTS</b>						
Personnel emoluments			0	58,500		0.0%
Administration costs			0	16,210		0.0%
Lunch Programme	2,400,000	0	2,400,000	2,115,392	284,608	88.0%
Bank Charges			0	-		0.0%
<b>TOTAL</b>	<b>2,481,000</b>	<b>0</b>	<b>4,382,000</b>	<b>2,190,102</b>	<b>2,763,280</b>	<b>66.0%</b>

government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**5. Accounts Receivable**

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2023.

## HABEL NYAMU SECONDARY SCHOOL

### I. NOTES TO THE FINANCIAL STATEMENTS

#### 1 CAPITATION GRANT FOR TUITION

			July-June 2023	July-June 2022
			Kshs	Kshs
	Text books		-	-
	Exercise books		-	-
	Laboratory equipments and apparatus		-	-
	Teaching/learning materials		271,874.00	352,047.00
	<b>Total</b>		<b>271,874.00</b>	<b>352,047.00</b>

#### 2 CAPITATION GRANT FOR OPERATIONS AND INFRASTRUCTURE ACCOUNT

			July-June 2023	July-June 2022
			Kshs	Kshs
	Personnel emoluments		-	-
	Repairs and maintenance		394,000.00	549,400.00
	Local transport / travelling			-
	Electricity and water			-
	Medical		10,100.00	-
	Administration costs			-
	Activity		35,312.00	-
	Others		746,509.35	1,249,205.00
	<b>Total</b>		<b>1,185,921.35</b>	<b>1,798,605.00</b>

3

**PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

	Personnel emoluments		
	Repairs and maintenance	-	-
	Local transport / travelling	-	-
	Electricity and water	-	-
	Lunch programme	1,312,060.00	1,518,578.00
	Administration costs	21,080.00	-
	Activity	-	-
	<b>Total</b>	<b>1,333,140.00</b>	<b>1,518,578.00</b>

**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	Fee on Boarding Equipment and Stores		
	Development		
	Bursary	436,700.00	373,000.00
	Electricity, water & C		
	Farm income	-	14,850.00
	Repairs and Maintenance		
	Personal Emoluments		
	Admin Costs		
	<b>Total</b>	<b>436,700.00</b>	<b>387,850.00</b>

5	PAYMENTS FOR TUITION		
		July-June 2021	July-June 2022
		IGIS	IGIS
	Text books		
	Exercise books		40,000.00
	Laboratory equipments and apparatus	120,000.00	-
	Teaching/learning materials	169,800.00	121,362.60
	chalks		
	Internal exams	11,400.00	10,000.00
	Reference books		
	Bank charges	480.00	779.00
	<b>Total</b>	<b>301,680.00</b>	<b>172,141.60</b>

6	PAYMENTS FOR OPERATIONS AND INFRASTRUCTURE ACCOUNT		
		July-June 2021	July-June 2022
		IGIS	IGIS
	Personal Emoluments	428,586.00	696,060.00
	Service Gratuity		-
	Administration Cost	194,510.00	248,019.00
	Repairs and maintenance & improvements	-	152,715.00
	Local transport / travelling	54,804.00	107,000.00
	Electricity and water	55,346.00	93,195.00
	Medical		
	Activity Expenses	252,450.00	155,700.00
	Bank charges	300.00	1,020.00
	Infrastructure account	142,915.00	448,630.00
	<b>TOTAL</b>	<b>1,128,911.00</b>	<b>1,902,339.00</b>

7	BOARDING AND SCHOOL FUND PAYMENTS		
	Activity		
	Medical Expenses		-
	Administration costs		10,480.00
	Lunch Programme		1,071,020.00
	Bursary		373,000.00
	Farm expenses		14,850.00
	Personal Emoluments		79,183.00
	Repairs and maintenance & improvements		11,600.00
	Local transport / travelling		25,400.00
	Bank Charges		
	<b>TOTAL</b>		<b>1,777,387.00</b>
	<p><i>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.</i></p>		

**8 BANK ACCOUNTS**

Name of Bank, Account No. & Currency	Bank Account Number	July-June 2023	July-June 2022
		KSh	KSh
Tuition Account	11394491 009000	2,009.60	31,815.60
Operations Account	01139491 009001	36,560.85	1,761.50
School Fund Account/Boarding	01001949 20017	1,034.36	3,134.36
Savings Account			
Income generating activities Account			
Infrastructural Account	17202796 50360	36,902.15	15,117.15
Farm Account			
<b>Total</b>		<b>76,506.96</b>	<b>51,828.61</b>

**9 CASH IN HAND**

Description	July-June 2023	July-June 2022
	KSh	KSh
Tuition Account	-	-
Operation Account	426.00	
School Fund account	157.00	
<b>Total</b>	<b>583.00</b>	<b>-</b>

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## SHORT TERM INVESTMENTS

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

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## ACCOUNTS RECEIVABLE

Description			
Fees arrears		2,964,527.00	2,807,727.00
Other non-fees receivables			-
Salary advances		-	-
Imprest		-	-
<b>Total</b>		<b>2,964,527.00</b>	<b>2,807,727.00</b>

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

Description			
Fees arrears for current year		273,700.00	241,700.00
Fees arrears for the previous year		124,800.00	203,374.00
Fees arrears for prior periods (over two years)		2,566,027.00	2,362,653.00
<b>Total</b>		<b>2,964,527.00</b>	<b>2,807,727.00</b>

**12 ACCOUNTS PAYABLE**

Description			
Trade creditors (See ageing below and appendix 1)		-	-
Prepaid fees		121,400.00	102,000.00
Retention monies			
Bursary			
<b>Total</b>		<b>121,400.00</b>	<b>102,000.00</b>

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

Description			
Trade creditors for current year		-	-
Trade creditors for the previous year		-	-
Trade creditors for prior periods (over two years)		-	-
<b>Total</b>		<b>-</b>	<b>-</b>

**15 Biological assets**

Description	Numbers	July-June 2023	July-June 2022
		Kshs	Kshs
Cattle	0	-	-
Goats	0	-	-
Trees	120	-	-
Coffee or tea plantation	0	-	-
Poultry	0	-	-
<b>Total</b>	<b>120</b>	<b>-</b>	<b>-</b>

**16 Borrowings**

Description		July-June 2023	July-June 2022
		Kshs	Kshs
<b>a) Borrowings</b>			
Borrowing at beginning of the year		-	-
Borrowings during the year		-	-
Repayments of during the year		-	-
<b>Balance at end of the year</b>		<b>-</b>	<b>-</b>

**17 1 Stock/ Inventory**

Description		July-June 2023	July-June 2022
		Kshs	Kshs
<b>Stock/Inventory</b>			
Stock/ inventory at beginning of the year		20,000.00	10,000.00
Stock/ inventory purchased during the year		150,000.00	150,000.00
Stock/ inventory issued during the year		140,000.00	140,000.00
<b>Balance at end of the year</b>		<b>30,000.00</b>	<b>20,000.00</b>

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## FUND BALANCE BROUGHT FORWARD

Description	July-June 2023		July-June 2022	
Bank balances				
Cash balances		76,506.96		51,828.61
Short Term Investments		583.00		-
Receivables		-		-
Payables		2,964,527.00		2,807,727.00
Total		(121,400.00)		(102,000.00)
		2,920,216.96		2,757,555.61

Other important disclosure notes

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## Non-current Liabilities Summary

Description	July-June 2023		July-June 2022	
		Kshs		Kshs
Bank loan(s)		-		-
Outstanding Leases		-		-
Hire purchase		-		-
Gratuity and leave provision		-		-
Total		-		-



**HABEL NYAMU SECONDARY SCHOOL  
PUBLIC SECONDARY SCHOOL**

Annual Report and Financial Statements

For the year ended 30<sup>th</sup> June 2023

**ANNEX 2- SUMMARY OF FIXED ASSETS REGISTER**

S/no	Asset class	UNITS	ADDITION DURING THE YEAR	DISPOSAL DURING THE YEAR	BAL C/F (KSHS) TOTAL 30 <sup>TH</sup> JUNE 2023
1	Land	5 Acres		0	5 Acres
2	Buildings and Structure	7 Classrooms, 1 science Laboratory 1 ADM. Block		0	7 Classrooms, 1 science Laboratory 1 ADM. Block
3	Motor Vehicles	0		0	0
4	Office Equipment, furniture and fittings	14 office desks, 14 office chairs 3 cabinet		0	14 office desks, 14 office chairs 3 cabinet
5	ICT Equipment and Other ICT Assets	4 computer 1 photocopier 1 printer		0	4 computer 1 photocopier 1 printer
6	Tools and Apparatus	Laboratory equipments- 10 voltermeters, 30 ammeters, 20 stopwatches, 3 rheostats, 150 beakers, 60 measuring cylinders, 120 test tubes, 3 microscopes		0	Laboratory equipments- 10 voltermeters, 30 ammeters, 20 stopwatches, 3 rheostats, 150 beakers, 60 measuring cylinders, 120 test tubes, 3 microscopes
7	Textbooks	ENG-270, KISW 290, MATHS- 265, CHEM- 220, BIO- 200, PHY- 205, HIST 180, CRE- 162, BST- 210, AGRI- 140, GOE-155		0	ENG-270, KISW 290, MATHS- 265, CHEM- 220, BIO- 200, PHY- 205, HIST 180, CRE- 162, BST- 210, AGRI- 140, GOE-155
8	Other Machinery and Equipment	2 energy saving jikos, 5 sufurias, 10 buckets, 4 tanks		0	2 energy saving jikos, 5 sufurias, 10 buckets, 4 tanks
9	Intangible assets-software	NIL		0	NIL
	<b>Total</b>			<b>0</b>	

**HABEL NYAMU SECONDARY SCHOOL**

**TRIAL BALANCE AS AT 30TH JUNE 2023**

		<b>DR</b>	<b>CR</b>
<b>Cash and Cash equivalents</b>			
	Bank Balances	76,506.96	
	Cash Balances	583.00	
	Short term investments	-	
	Receivables	2,964,527.00	
<b>Payments</b>			
	Payments for Tuition	301,680.00	
	Payments for operations	1,128,911.00	
	Boarding and school fund payments	1,634,383.00	
<b>Receipts</b>			
	Capitation grants for tuition		271,874.00
	Capitation grants for operations		1,185,921.35
	School Fund Income- Parents' Contributions		1,333,140.00
	School Fund Income- Other receipts		436,700.00
	Proceeds from borrowings		
	Payables		121,400.00
Prior Year Adjustment			
<b>Fund Balance b/f</b>			2,757,555.61
<b>TOTAL</b>		<b>6,106,590.96</b>	<b>6,106,590.96</b>

.....  
Cyrus M.Gacura (Mr)

.....  
Lilian W . MWANGI (Mrs)

.....  
-

Chair BOM

Secretary,BOM/Principal

Finance Officer

Habel Nyamu Sec. School

Habel Nyamu Sec. School

Habel Nyamu Sec.School

Date..... Date.....

Date.....



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