


REPUBLIC OF KENYA



Enhancing Accountability

 THE NATIONAL ASSEMBLY REPORT APPROVED	
DATE:	30 NOV 2023
	DAY: Pitul
TABLED BY: OF	Hon Naomi Wago, MP Deputy majority whip
CLERK-AT-THE-TABLE:	A. Chiriko

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

MOI GIRLS' HIGH SCHOOL KAMUSINGA

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

BUNGOMA COUNTY



MOI GIRLS' HIGH SCHOOL KAMUSINGA
P.O BOX 282 TEL: 0737 373 679
KIMILILI

Email: moigirlskamusinga@yahoo.com

Our Ref: _____

Your Ref: MGK/FR/20/22

Date: 23/06/2022

Office of Auditor General,
Nairobi.

Thro'
OAG Regional office,
2042 – 50100,
Kakamega.



RE: SUBMISSION OF ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022.

The above subject matter refers;

We hereby submit Moi Girls' High School Kamusinga annual report and financial statements for the year ended 30th June, 2022 for audit, in line with the Public Finance Management Act 2012.

Please find attached copies of the 2022 Annual Reports and Financial Statements.

Thank you.

Joyce Mulunda

Chief Principal/BOM Secretary



CC

Controller of budget
The National Treasury
Ministry of Education
Commission on Revenue allocation



Revised 30th June 2022.



MOI GIRLS' HIGH SCHOOL KAMUSINGA

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2022**

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

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2022

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MOI GIRLS' HIGH SCHOOL KAMUSINGA
Reports and Financial Statements
For the year ended 30th June 2022

I. KEY SCHOOL INFORMATION AND MANAGEMENT

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in 17.9.2019 under registration number 39530000205 and is currently categorized as Extra County (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had 1730 number of students as at 30th June 2022 It has 8 streams and 68 teachers of which 24 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	MR. RICHARD NYAMU	Chairman	26/04/2022
2	DR. JOSEPHINE OJIAMBO	Secretary - Principal	26/04/2022
3	MRS. CAROLYNE KHASOA	Member	26/04/2022
4	MR. DAVID KIBITI	Member	26/04/2022
5	MR. JOSEPH MULIRO	Member	26/04/2022
6	MRS. JACKLINE WANYONYI	Member	26/04/2022
7	MR. PETER WANJALA	Member	26/04/2022
8	MR. LEONARD OTEBA	Member	26/04/2022
9	MR. PAUL NASOKHO	Member – Rep CEB	26/04/2022
10	MR. BERNARD AGOI	Member Rep Teachers	26/04/2022
11	MRS. JULITA WAMALWA	Member - Sponsor	26/04/2022
12	REV. CANON PYOKO BITITI	Member - Sponsor	26/04/2022
13	MRS. CHARITY WASILWA	Member - Community	26/04/2022
14		MemberSpecial Needs	26/04/2022
13	ALICE NYONGESA	Rep Students	26/04/2022



MOI GIRLS' HIGH SCHOOL KAMUSINGA
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For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Richard Nyamu Ms. Charity Wasilwa Dr. Josephine Ojiambo Mr. Stephen Sungwacha Mr. David Kibiti	B.O.M Chair Vice chair Secretary Member Member	3
2	Audit Committee			X out of XX
3	Finance, procurement and general purposes Committee	Mr. David Kibiti Mr. Thomas Mong'are Mr. Stephen Sungwacha Mrs. Zainabu Sirengo Mr. Jacob Kitayi	Chair person Member Member Member Bursar	6
4	Academic Committee	Mr. Paul Nasokho Mr. Joseph Muliro Mrs. Jackline Wanyonyi Dr. Josephine Ojiambo Mr. Benard Agoi	Chairperson Member Member Member Member	6

MOI GIRLS' HIGH SCHOOL KAMUSINGA
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For the year ended 30th June 2022

5	Discipline and welfare Committee	Ms. Charity Wasilwa Dr. Josephine Wanyama Dr. Stephene Sungwacha Mr. John Mukubui Mrs. Julita Wamalwa Mr. Leonard Oteba Mrs. Immaculate Malaba	Chairperson Secretary Member Member Member Member Deputy Admin	3
6	Human Rights & students Welfare	Rev. Canon Bititi Mr. Richard Nyamu Dr. Josephine Ojiambo Dr. Stephene Sungwacha SCDE Mr. BenardAgoi Mrs. Lena Micha Dorcus	Chairperson B.O.M Chair Secretary Member Teacher Rep Boarding Mistress Student leader	3
7	Shool Infrasture Committee	Mr. David Kibiti Dr. Josephine Ojiambo Dr. Sungwacha Stephen Sub – county Director – Mr. Peter Wanjala Mrs. Immaculate Malaba	Chairperson Chief Secretary P.A Chair M.O.E Member Deputy Administration	4
8	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	Dr. Josephine Ojiambo	240167
2	Deputy Principal	Mrs. Immaculate Malaba	387093
3	School Bursar	Mr. Jacob M Kitayi	

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 282 - 50204
Telephone: 0737 373 679
E-mail: moigirlskamusinga@yahoo.com
Website: www.moigirlskamusinga.sc.ke
Facebook: Moi Girls' High School Kamusinga
Twitter: Moi Girls' Kamusinga Twitter handle@mgkamusinga

(f) School Bankers

The following school operated 9 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1107228093
2. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1107233186
3. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1107228190
4. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1108385095
5. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1270156993
6. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1106850122
7. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1147574014

8. MPESA Pay Bill No. 522123 A/C no: 58095k KCB A/C 1107228093 attached to KCB bank account.

9. MPESA Pay Bill No: 655280

10. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1221435132

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

MOI GIRLS' HIGH SCHOOL KAMUSINGA
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(g) Independent Auditors

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

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2022

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:**

	Year	2022	2021	2020
		Ksh.	Ksh.	Ksh
1.	Surplus/(Deficit)	4,508,466.90	5,335,660.40	(8,799,340)
2.	Capitation Tuition A/c	5,494,280.60	1,819,845.00	2,350,893
	Operational A/c	<u>21,503,385.40</u>	<u>12,239,282.60</u>	<u>20,323,675</u>
	Total	<u>26,997,615.00</u>	<u>14,059,127.60</u>	<u>22,674,568</u>
3.	Ratios for capitation per student	1:15606	1:8270	1:15563
4.	Incomes Growth	129,492,242.90	44,282,877.09	67,309,762.20
5.	Expenditures	124,983,776.00	41,721,167.50	85,447,812.64
6.	Debtors	8,996,136.00	3,604,798	6,374,213
7.	Creditors	4,707,728.00	3,601,558	1,530,638
8.	Cash/bank balances	25,991,252.51	16,332,410.66	7,318,856.26

b) **Teacher Student ratio: 1:27**

Number of teachers recruited: 2
 Number of teachers transferred: -
 Number of teachers employed by B.O.M: 26

c) **Mean score in the last three years**

Year	Mean score
2019	5.9861
2020	6.4384
2021	6.0125

d) **Number of Candidates in the last three years KCSE:**

Year	No
2019	289
2020	277
2021	322

e) **Capacity of the school:**

Students' population: **1805**
 Shortage of space: **450** students

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2022

f) Development projects carried out by the school:

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

	2021 – 2022	Sources of funding (ksh)
1.	Four classrooms 1 computer laboratory (1 st floor) Ksh. 11,698,683.00	<ul style="list-style-type: none"> • MOEST Infrastructure fund : 5,104,000 • Parents MI levy 2,190,817 • Boarding savings: <u>4,403,866</u> <p style="text-align: right;">Ksh. 11,698,683.00</p>

Sign

School Principal



MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2022


III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

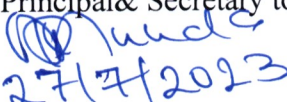
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

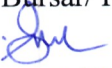
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: Mr. Richard Nyamu
Designation: Chairman, School Board of Management
Sign: 
Date: 27/7/2023

Name: Dr. Josephine N Ojiambo
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 27/7/2023

Name: Mr. Jacob Kitayi
Designation: Bursar/ Finance Officer
Sign: 
Date: 27.7.2023



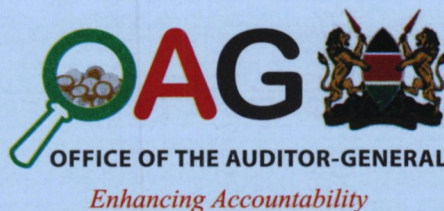


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REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
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 MOI GIRLS' HIGH SCHOOL KAMUSINGA FOR THE YEAR ENDED 30 JUNE, 2022- BUNGOMA 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, gazetted 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 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 of the Auditor-General on Moi Girls' High School Kamusinga for the year ended 30 June, 2022- Bungoma County

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of Moi Girls' High School Kamusinga - Bungoma County set out on pages 11 to 25, 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 Moi Girls' High School Kamusinga – Bungoma County as at 30 June, 2021 and of its financial performance and its cash flows for the period 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 prepared and presented for audit had the following anomalies: -

1.1 Variances Between the Financial Statements and Comparative Balances

The financial statements presented for audit reflect variances between 2020-2021 comparative balances as shown below:

No.	Description	Balance as per 2020/2021 Financial Statements - Kshs.	Balance as per 2021/2022 Financial Statements - Kshs.	Variance Kshs.
	Statement of receipt and payment			
1	Capitation grants for tuition	4,170,738	1,819,845	2,350,893
2	Capitation grants for operations	32,562,958	12,239,283	20,323,675
3	School fund income-parents contributions	67,524,442	26,835,323	40,689,119
4	School fund income-other receipts	7,334,503	3,388,427	3,946,076
5	Payments for tuition	5,341,654	1,919,375	3,422,279

Report of the Auditor-General on Moi Girls' High School Kamusinga for the year ended 30 June, 2022- Bungoma County

No.	Description	Balance as per 2020/2021 Financial Statements - Kshs.	Balance as per 2021/2022 Financial Statements Kshs.	Variance Kshs.
6	Payments for operations	34,875,107	5,772,092	29,103,015
7	Boarding and school fund payments	86,952,219	34,029,700	52,922,519
	Statement of Financial assets and liabilities			
8	Accounts receivables	19,909,848	16,909,848	3,000,000
9	Accounts payables	12,811,501	0	12,811,501
10	Fund balance b/f	36,184,749	0	36,184,749
11	Surplus/Deficit	(15,576,340)	0	(15,576,340)
13	Capitation grants for tuition	4,170,738	1,819,845	2,350,893
14	Capitation grants for operations	32,562,958	12,239,283	20,323,675
15	School fund income-parents contributions	67,524,442	26,835,323	40,689,119
16	School fund income-other receipts	7,334,503	3,388,427	3,946,076
17	Payments for tuition	5,341,654	1,919,375	3,422,279
18	Payments for operations	34,875,107	5,772,092	29,103,015
19	Boarding and school fund payments	86,952,219	34,029,700	52,922,519

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

1.2 Variances Between Financial Statements and Supporting Schedules

Review of the statements of receipts and payments revealed that four (4) items had amounts which were at variance with the supporting schedules provided for audit review as detailed below:

Details	Notes	Balances as per 2020/2021 Financial Statements (Kshs)	Balances as per Supporting Schedules (Kshs.)	Absolute Variance (Kshs.)
Capitation grant for Tuition	1	5,494,281	6,457,288	963,007
Capitation grant for Operations	2	21,503,385	27,227,034	5,723,649
School fund Income – Parents contribution	3	93,971,237	91,866,362	2,104,875
Payments for Operations	6	22,145,436	21,301,066	844,370

In the circumstances, the accuracy and completeness of the capitation grants for tuition, capitation grants for operations, school funds income-parents' contribution and payments for operations of Kshs.5,494,281, Kshs.21,503,385, Kshs.93,971,237 and Kshs.22,145,436 respectively could not be confirmed.

2. Unsupported Capitation Grants for Operations- Medical and Insurance

As disclosed in Note 2 to the financial statements, the statement of receipts and payments reflects capitation grants for operations of Kshs.21,503,385 which includes an amount of Kshs.338,200 in respect of medical and insurance. However, supporting documents including NEMIS receipts schedules and acknowledgments to the Ministry of Education were not provided.

In the circumstances, the accuracy and completeness of capitation grants receipts of an amount of Kshs.Kshs.338,200 in respect of medical and insurance could not be confirmed.

3. Unsupported Capitation Grants for Operation

The statement of receipts and payments, reflects capitation grants for operations of Kshs.21,503,385 which includes Kshs. Nil balance in respect of operations Activity and Strengthening of Mathematics and Science in Secondary Education (SMASSE), amount as disclosed in Note 2 to the financial statements. However, supporting documents including NEMIS receipts schedules and acknowledgments to the Ministry of Education were not provided for audit.

In the circumstances, the accuracy and completeness of Kshs.21,503,383 capitation grants for activity could not be confirmed.

4. Unsupported Boarding and School Fund Payments

The statement of receipts and payments reflects an amount of Kshs.94,688,727 as disclosed in Note 7 to the financial statements in respect of boarding and school fund payments. However, review of the supporting schedule including payment vouchers revealed an amount of Kshs.91,370,181, resulting in unexplained and unreconciled variance of Kshs.3,318,546. Further, procurement records, including requisitions, local/purchase or service orders, counter receipts and issue vouchers, stores ledger, inspection and acceptance reports, invoices and delivery notes were not provided for audit review.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.94,688,727 in respect of boarding and school payments could not be confirmed.

5. Understatement of Receipts and Payments

The statement of receipts and payments reflects Kshs.129,492,243 and Kshs.124,983,776 in respect of total receipts and total payments respectively. However, review and recasting of the financial statements revealed an amount of Kshs.4,508,467 in respect of surplus for the year which was not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of the surplus/deficit for the year could not be confirmed.

6. Unsupported Personnel Emoluments

The statement of receipts and payments reflects payments for operations and boarding and school fund payments of amounts of Kshs.22,145,436 and Kshs.94,688,727 respectively and as disclosed in Notes 6 and 7 to the financial statements. Included in the amount is Kshs.8,221,838 and Kshs.6,363,879 in respect of personnel emoluments, all totaling to Kshs.14,585,717. However, supporting documents including payrolls and approved staff establishment were not provided for audit review.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.14,585,717 in respect of personnel emoluments could not be confirmed.

7. Unsupported Payments for Repairs Maintenance and Improvements

The statement of receipts and payments and as disclosed in Notes 6 and 7 to the financial statements, reflects payments for operations and boarding and school payments of amounts of Kshs.22,145,436 and Kshs.94,688,727 respectively which include amounts of Kshs.6,866,688 and Kshs.6,954,684 in respect of repairs and maintenance and improvements, all totaling to Kshs.13,821,372. However, supporting documents including, payment vouchers, Ministry of Education approvals, bills of quantities, procurement documents, contract agreements and completion of works certificates were not provided for audit review.

In the circumstances, the accuracy and completeness of Kshs.13,821,372 in respect of repairs and maintenance and improvements could not be confirmed.

8. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.26,064,824 as disclosed under Notes 8 and 9 to the financial statements. The amount includes Kshs.25,991,252 and Kshs.73,572 in respect of bank and cash in hand balances respectively. The bank balance of Kshs.25,991,252 includes bank balances of five (5) bank accounts. However, the school fund account balance were not supported with certificate of bank balances and bank reconciliation statements, in addition to cash in hand which was not supported with board of cash survey report. Further, the bank details were not presented as prescribed in the approved template.

In the circumstances, the regularity, accuracy and completeness of the cash and cash equivalents balance of Kshs.26,064,824 could not be confirmed.

9. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities and as disclosed in Note 11 to the financial statements reflects accounts receivable balance of Kshs.20,106,070 in

respect to fee arrears. However, supporting documents including ledger schedule and students fee statements with ageing analysis were not provided for audit review. Further, Note 11 to the financial statements indicates accounts receivables incurred two years ago without evidence of proper mechanism of recovery.

In the circumstances, the accuracy, completeness and recoverability and fair statement of accounts receivable balance of Kshs.20,106,070 could not be confirmed.

10. Unsupported Accounts Payable

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects accounts payable balance of Kshs.17,370,454 which includes balances of Kshs.5,037,901, Kshs.135,700 and Kshs.12,196,853 in respect of trade creditors, retention monies and prepayments respectively. However, trade creditors of Kshs.5,037,901 were not supported with documents including ledger schedules and invoices, delivery notes, issues and receipts school finance committee deliberation. Prepaid fees and retention were not supported with student fee statements and interim practical completion certificates respectively. Further, Note 12 to the financial statements indicates accounts payable incurred two years ago without evidence of how these long outstanding liabilities will be settled.

In the circumstances, the accuracy, completeness and fair statement of accounts payable balance of Kshs.17,370,454 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Moi Girls' High School Kamusinga 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

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

1. Board Members Serving for More than Six (6) Years

Review of the financial statements and the Board of Management minutes revealed that three Board members who were appointed in 2017 had their appointments renewed on 26 April, 2022, an indication that the members would serve for more than six (6) years. This was contrary to Section 1(3) of the Basic Education Act, 2013 1(3) which states that 'a person appointed as chairperson or as a member shall hold office for a term of three years from the date of appointment and shall be eligible for reappointment for one further term of a period not exceeding three years.

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

2. Fixed Asset Register

Review of the financial statements revealed that summary of fixed assets register was not presented in Annex 2 to the financial statements, contrary to the Public Sector Accounting Standards Board template and The National Treasury's Circular Ref: AG/4/16/3/Vol.3(66) dated 6 July, 2022 which provide for the inclusion of the register in the financial statements. Further, the School did not maintain a fixed assets register indicating dates of assets acquisitions, type of assets, suppliers' names, asset values, custodians and locations, contrary to Regulation 143(1)(2) of the 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. The register of land and buildings shall record each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details'.

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

3. Failure to Present the statement of Budgetary Versus Actual as Per PFM Regulation

The statement of budgeted versus actual amounts presented did not include sub and grand totals of both income and expenditure. Further, the budget amounts presented were not supported by approved budget, contrary to Regulation 31(1) of the Public Finance Management (National Government) Regulations, 2015 which states that 'the Accounting Officer shall ensure that the draft estimates relating to her or his department are prepared in conformity with the Constitution, the Act and these Regulations.(2) The

Accounting Officer is responsible, in particular for ensuring that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of her or his national government entity during the financial year and the estimates are submitted to the National Treasury in the manner and format to be issued by the Cabinet Secretary'.

Further, the statement of budgeted and actual amounts does not have totals for all the components of the financial statements nor does the statement of receipts and payments reflect the surpluses for the year under review and the prior period.

In the circumstances, financial statements are incomplete and do not comply with prescribed and published Public Sector Accounting Standards Board reporting template.

4. Non-Compliance with the Public Sector Accounting Standards Board Requirement on Presentation of the Financial Statements

The financial statements for the year under review failed to comply with reporting format as prescribed and published by the Public Sector Accounting Standards Board as follows:

- i. The financial statements did not include the headers indicating the name of the School and the reporting period.
- ii. The preamble information was presented without customizing to provide information relevant to the School and the page numbers were not in roman numbers.
- iii. The significant accounting policies were presented after the notes to the financial statements.
- iv. Page numbering are not consistent as some pages are skipped
- v. Accounts receivable and accounts payable are presented at Notes 10 and 11 yet the notes to the financial statements indicate Notes 11 and 12 respectively.
- vi. The analysis of pending payables is omitted from the financial statements.
- vii. Further, the statement of financial assets and financial liabilities is headed 'for the year ended 30 June, 2022' instead of 'as at 30 June, 2022'.

In the circumstances, the School did not comply with the Public Sector Accounting Standards Board (PSASB) guidelines on presentation of the financial statements.

5. Failure by the Ministry to Support the School as Per Student Enrolment

5.1 Under Funding

The statement of receipts and payments reflects capitation grants for tuition of Kshs.5,494,281 and capitation grants for operations of Kshs.21,503,385, all totaling Kshs.26,997,666 as disclosed in Notes 1 and 2 respectively to the financial statements.

Review of the National Education Management Information System (NEMIS) report and the School's manual enrolment register revealed inconsistencies in respect of the number of students captured in the two registers with the number of students captured in NEMIS being lower than the number in the school manual register. Further, the variances resulted in under-funding by Kshs.3,285,421 as detailed below:

However, the underfunding of Kshs.3,285,421 was not included in the accounts receivable balance of Kshs.20,106,070 reflected in the statement of financial assets and financial liabilities.

In the circumstances, the accuracy and completeness of capitation grants of Kshs.21,503,385 and the accounts receivable of Kshs.20,106,070 could not be confirmed.

Month	Total Capitation (Kshs.)	Capitation per Student (Kshs.)	Number of Students per NEMIS	Number of Student per School's Manual Register	Expected Capitation (Kshs.)	Variance in Students Data	(Under)/Over -Funding (Kshs)
June 2022-Operations	5,158,328	2806	1838	1730	4,854,380	108	303,048
April 2022-Operations	4,996,567	2955	1691	1730	5,112,150	(39)	(115,245)
January 2022-Operations	3,498,332	2074	1687	1730	3,588,020	(43)	(89,182)
October 2021-Operations	6,009,307	3,554	1691	1730	6,148,420	(39)	(138,606)
July 2021-Operations	4,995,000	4,500	1110	1730	7,785,000	(620)	(2,790,000)
June 2022-Tuition	1,463,507.5	796	1838	1730	1,377,080	108	85,968
April 2022-Tuition	1,776,564.6	1050	1691	1730	1,816,500	(39)	(39,935)
January 2022-Tuition	806,386	478	1687	1730	826,940	(43)	(20,554)
October 2021-Tuition	1,183,700	700	1691	1730	1,211,000	(39)	(27,300)
July 2021-Tuition	810,300	730	1110	1730	1,262,900	(620)	(452,600)
Total	30,697,992				33,982,390		(3,285,421)

5.2 Retained Capitation for Text Books

As disclosed in Note 1 to the financial statements, the statement of receipts and payments reflects capitation grants for tuition of Kshs.5,494,281 and Kshs.Nil balance in respect of 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 text books are retained and books are purchased and supplied by the Ministry of Education. Further, library receipts records in respect of text books reflects supply of English and Kiswahili set books from the Ministry during the year under review totaling to 1,796 texts book whose values were not provided for audit review.

In the circumstances, the School Management is unable to offer the required service to the students.

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 Risk Management Policy

As previously reported, the School Management had not established 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 circumstance, the existence of policies to identify risks and develop mitigating strategies could not be confirmed

2. Lack of Approved Information Technology Security Policy

As previously reported, 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 and Other Assets

As previously reported, the School did not have insurance cover for property and other assets.

In the circumstances, the School's assets are exposed 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 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 control, 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 and using the applicable basis of accounting unless the National Government either intends to dissolve the School or to cease operations,.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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 continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 October, 2023

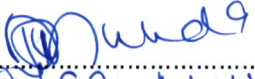
MOI GIRLS HIGH SCHOOL AMUSINGA
STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR
ENDED 30TH JUNE 2022

<u>RECEIPTS</u>	<u>NOTES</u>	<u>2021/2022</u>	<u>2020/2021</u>
		<u>Kshs</u>	<u>Kshs</u>
Capitation grants for tuition	1	5,494,280.60	1,819,845.00
Capitation grants for operation	2	21,503,385.40	12,239,282.60
School fund income-parents contributions	3	93,971,236.90	26,835,323.30
School fund income-other receipts	4	8,523,340.00	3,388,427.00
Proceeds from borrowings		-	-
Total receipts		129,492,242.90	44,282,877.90
<u>PAYMENTS</u>			
Payments for tuition	5	8,149,613.00	1,919,375.00
Payments for operations	6	22,145,436.00	5,772,092.00
Boarding and School fund payments	7	94,688,727.00	34,029,700.50
Total payments		124,983,776.00	41,721,167.50

The school financial statements were approved on 27.7.23 and signed by:

SIGNATURE 
NAME..... Richard Mwanu
CHAIRMAN BOARD OF MANAGEMENT

DATE 27/7/2023

SIGNATURE 
NAME..... Joyce Mubanga
PRINCIPAL/SECRETARY B.O.M



DATE 27/7/2023

SIGNATURE 
NAME..... JACOB KINYARI
BURSAR/FINANCE OFFICER

DATE 27.7.2023

MOI GIRLS HIGH SCHOOL KAMUSINGA
STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES FOR THE YEAR ENDED
30TH JUNE 2022

<u>FINANCIAL ASSETS</u>	<u>NOTES</u>	<u>2021/2022</u>	<u>2020/2021</u>
		<u>Kshs</u>	<u>Kshs</u>
Cash and cash equivalents			
Bank balances	8	25,991,252.15	16,332,410.66
Cash balances	9	73,571.90	177,652.10
Short term investment	10	-	-
Total cash and cash equivalents		26,064,824.05	16,510,062.76
Accounts' receivables	10	20,106,070.30	16,909,848.20
Total financial assets		46,170,894.71	33,419,910.96
<u>FINANCIAL LIABILITIES</u>			
Accounts payables	11	17,370,454.40	-
Net financial assets		28,800,440.31	33,419,910.96
REPRESENTED BY:			
Accumulated fund b/forward	12	20,608,409.41	-
Surplus/Deficit for the year		4,508,466.90	-
Net financial position		25,116,876.31	-

The school financial statements were approved on 27.7.23 and signed by:

SIGNATURE.....
NAME..... Richard Many DATE..... 27/7/2023
CHAIRMAN BOARD OF MANAGEMENT

SIGNATURE.....
NAME..... Joyce Muluwa DATE..... 27/7/2023

PRINCIPAL/SECRETARY B.O.M

SIGNATURE.....
NAME..... Jacob Many DATE..... 27.7.23

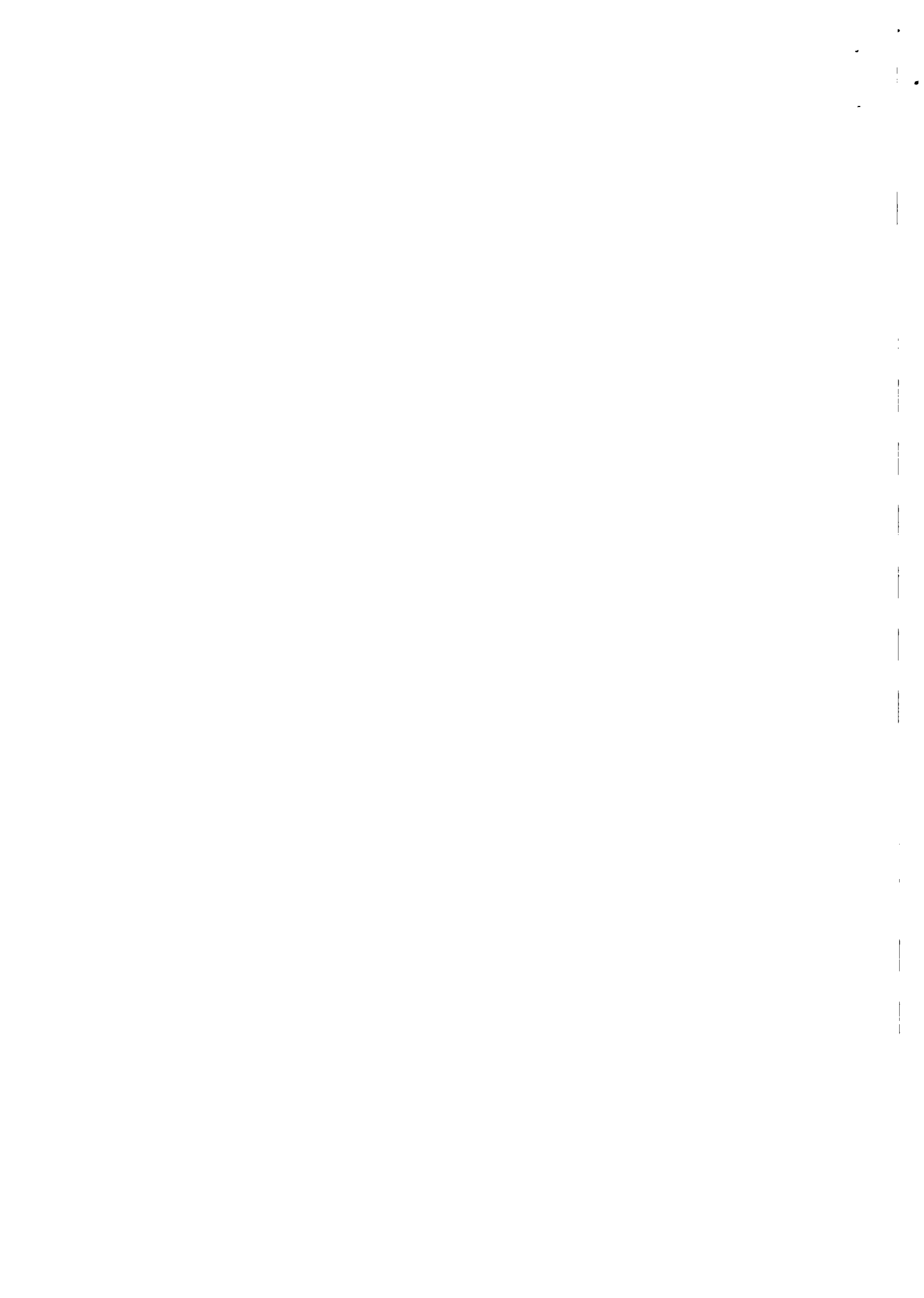


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MOI GIRLS HIGH SCHOOL KAMUSINGA
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE 2022

CASHFLOWS FROM OPERATING ACTIVITIES <u>NOTES</u>	2021/2022	2020/2021
Receipts	Kshs	Kshs
Capitation grants for tuition	5,494,280.60	1,819,845.00
Capitation grants for operation	21,503,385.40	12,239,282.60
School fund income-parents contribution/fees	93,971,236.90	26,835,323.30
School fund receipts-other income	8,523,340.00	3,388,427.00
Total receipts	129,492,242.90	44,282,877.90
Payments		
Payments for tuition	8,149,613.00	1,919,375.00
Payments for operations	22,145,436.00	5,772,092.00
Boarding and School fund payments	94,688,727.00	34,029,700.50
Total payments	124,983,776.00	41,721,167.50
Net cashflow from operating activities	4,508,466.90	2,561,710.40
Adjusted for;		
Decrease/(increase) in Accounts Receivables	-3,196,222.10	1,745,960.00
Increase/(decrease) in Accounts Payables	4,558,952.85	4,827,107.10
	5,871,197.65	9,134,777.50
CASHFLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of assets	-	-
Acquisition of Assets	-	-
Proceeds from investments	-	-
Purchase of investments	-	-
Net cashflow from investing activities	-	-
CASHFLOWS FROM BORROWING ACTIVITIES		
Proceeds from borrowings/loans	-	-
Repayment of principal borrowings	-	-
Net cashflow from financing activities	-	-
Net increase/decrease in cash and cash equivalents	5,871,197.65	9,134,777.50
Cash and cash equivalents at the beginning of the year	16,510,062.76	7,375,285.26
Cash and cash equivalents at the end of the year	22,381,260.41	16,510,062.76



MOI GIRLS HIGH SCHOOL-KAMUSINGA

STATEMENT OF BUDGET VERSUS ACTUAL AMOUNT FOR THE YEAR ENDED 30TH JUNE, 2022

VIII

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 %
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials						
Exercise books	1,250,000	625,000	1,875,000	1,139,436	735,564	61
Laboratory equipment	1,749,052	850,000	2,599,052	1,793,154	805,898	69
Internal exams						
Teaching / learning materials		800,000	800,000	747,660	52,340	93
Chalks		56,000	56,000	37,273	18,727	67
Exams and assessment reference/Library	3,996,648	71,100	4,067,748	453,215	3,614,533	11
(2) CAPITATION GRANT ON OPERATIONS						
Other Voteheads	11,850,000	7,990,000	19,840,000	15,729,958	4,110,042	79
Repairs and maintenance						
Local transport / travelling						
Electricity and water						
Medical	300,000		300,000	254,000	46,000	85
Administration costs						
Activity	2,250,000	1,125,000	3,375,000	60,000	3,315,000	2
Maintenance and improvement	9,000,000	4,250,000	13,250,000	15,374,500	4,750,000	116
SMASSE	300,000		300,000	300,000		100
(3) FEES CHARGED ON PARENTS						
Personnel emoluments						
Repairs and maintenance						

Electricity and water		342,742	342,742		342,742			
Medical	321,906		321,906		321,906			
Administration costs		198,939	1,072,943		1,072,943			
Activity	448,000	460,700	908,700		(12,700)			
Maintenance and improvement	13,186,100	6,488,414	19,674,514		6,697,686			
SMASSE			-		-			
(3) EXPENDITURE FOR SCHOOL FUND								
Personnel emoluments	14,270,010	8,485,474	22,755,484	4,531,083	5,784,536			20
Repairs and maintenance	3,000,000	2,380,000	5,380,000	2,258,790	620,000			42
Local transport / travelling	6,610,000	6,389,192	12,999,192	963,836	220,808			7
Electricity and water	4,886,000	3,420,000	8,306,000	770,917	1,466,000			9
Medical			-		-			
Administration costs	5,433,990	3,754,334	9,188,324	1,725,923	1,679,656			19
Activity	2,625,000	1,700,000	4,325,000	925,000	925,000			21
Maintenance and improvement	12,000,000	6,630,000	18,630,000	9,424,962	5,370,000			51
Home science	19,020	86,990	106,010	106,010	(67,970)			100
SES	24,600	77,880	102,480	102,480	(53,280)			100
Refunds	146,240	208,244	362,484		(62,004)			-
Computer	1,959,999	895,275	2,855,274	2,855,274	1,064,724			100
Expences from IGA			8,319,996					-
Other voteheads	31,200,000	22,049,000	53,249,000	13,063,820	9,151,000			25
Acquisition of Asset			7,166,172					-
Fee on Boarding Equipment and Stores	38,077,500	24,786,000	62,863,500	47,702,655	13,291,500			76

TOTALS

MOI GIRLS HIGH SCHOOL KAMUSINGA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2022

1.CAPITATION GRANT FOR TUITION	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching and learning materials	5,494,280.60	1,819,845.00
Chalks		
Exams and assessments		
Teachers' guides		
Total	<u>5,494,280.60</u>	<u>1,819,845.00</u>
2.CAPITATION GRANT FOR OPERATIONS	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Personal Emoluments		
Repairs and Maintenance	6,249,000.00	5,224,500.00
Local Transport and Travelling		
Electricity,Water and Conservancy		
Medical	338,200.00	
Administration costs	14,916,185.40	7,014,782.60
Activity		
Total	<u>21,503,385.40</u>	<u>12,239,282.60</u>
3.PARENTS CONTRIBUTION/FEES-SCHOOL FUND ACC	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Repairs and Maintenance	4,766,995.75	983,705.00
Local Transport and Travelling		
Electricity,Water and Conservancy		
Computer	5,267,261.60	1,800,689.00
Homescience	548,990.60	283,122.00
SES	172,195.00	37,515.00
Medical		
Administrative costs	5000	
Other Voteheads	28,665,494.95	9,322,153.00
BES	53,358,179.00	14,285,955.30
Activity	1,187,120.00	122,184.00
Total	<u>93,971,236.90</u>	<u>26,835,323.30</u>

4.OTHER RECEIPTS-SCHOOL FUND ACCOUNT

	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Fee on Boarding,Equipment and Stores		
Rent Income	778,850.00	230,000.00
Income from farming activities	2,206,975.00	1,148,528.00
Insurance compensation		
Income from bakery	5,537,515.00	2,009,899.00
Income from Bus hire		
Fee for hire of ground and equipment		
Income from magazine		
Income from grants and donations		
Interest income		
Dividend income		
Total	8,523,340.00	3,388,427.00

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

5.PAYMENTS FOR TUITION

	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Textbooks and reference materials		
Exercise books	3,244,668.00	190,560.00
Laboratory equipment	1,423,376.00	1,154,439.00
Internal exams		
Teaching and learning materials	3,472,927.00	570,740.00
Chalks		
Exams and assessment		
Teachers' guides		
Administration costs	8,642.00	3,636.00
Bank charges		
Total	8,149,613.00	1,919,375.00

6.PAYMENTS FOR OPERATIONS

	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Personal Emoluments	8,221,838.00	4,531,083.00
Administration cost	3,106,235.00	778,667.00
Repairs, Maintenance and Improvement	6,866,688.00	
Local Transport and Travelling	3,625.00	
Electricity,Water and Conservancy	2,470,284.00	342,742.00
Medical	130,980.00	
Other voteheads		
Service Gratuity	1,345,786.00	119,600.00
SMASSE		
Acquisition of assets		
Total	22,145,436.00	5,772,092.00

7.BOARDING AND SCHOOL FUND PAYMENTS

	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Personal Emoluments	6,363,879.00	1,067,097.00
Service Gratuity	10,000.00	
Repairs,Maintenance and Improvement	6,594,683.50	687,995.00
Local,Transport and Travelling	2,750,288.00	963,836.00
Electricity,Water and Conservancy	4,941,241.00	770,917.00
SES	161,470.00	77,880.00
Other Voteheads	77,964.50	
Medical Expenses		
Administrative costs	6,422,280.00	1,725,923.00

Computer		895,275.00
Refunds	439,643.00	208,244.00
Activity	496,000.00	63,050.00
Expenses on Income Generating Activities	8,173,462.00	3,896,407.50
Fee on Boarding, Equipment and Stores		16,419,914.00
Home science	189,825.00	86,990.00
Loan principal repayment		
Loan interest repayment		
Acquisition of assets		7,166,172.00
Total	94,688,727.00	34,029,700.50

8. BANK ACCOUNTS

NAME OF BANK ACCOUNT NO & CURRENCY A/C NO.	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Tuition account	76,324.75	631,054.15
Operations account	9,734,404.00	5,671,705.00
School fund account	15,989,503.26	9,729,398.41
Savings account	885	885.00
P.A Development account		-
IGA account	190,135.50	299,367.50
Infrastructural account		
Total	25,991,252.51	16,332,410.06

9. CASH IN HAND

DESCRIPTION	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Operations account	630	630.00
School fund account	-155.1	177,022.10
Income generating activity account	73,097.00	
Total	73,571.90	-

10. SHORT TERM INVESTMENTS

DESCRIPTION	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Cooperative shares	-	
Treasury bills	-	
Fixed deposit	-	
Equity stock	-	
Other investments	-	
Total	-	-



11.ACCOUNTS RECEIVABLE**DESCRIPTION****2021/2022****2020/2021****Kshs****Kshs**

Fees arrears

20,106,070.30

16,909,848.20

Other non fees receivables

Salary advances

Imprest

Total**20,106,070.30****16,909,848.20****AGEING OF THE FEES ARREARS****DESCRIPTION****2021/2022****2020/2021****Kshs****Kshs**

Fees arrears for the current year

8,996,137.00

3,604,798.00

Fees arrears for the previous year

404,798.00

1,023,455.00

Fees arrears for prior periods(over two years)

10,705,135.30

12,281,595.20

Total**20,106,070.30****16,909,848.20****12. ACCOUNTS PAYABLES****DESCRIPTION****2021/2022****2020/2021****Kshs****Kshs**

Trade creditors

5,037,901.00

4,226,731.00

Prepaid fees

12,196,853.40

8,584,770.55

Bursary fund

135,700.00

Retention monies

Clearance account

Total**17,370,454.40****12,811,501.55****AGEING OF THE CREDITORS****DESCRIPTION****2021/2022****2020/2021****Kshs****Kshs**

Trade creditors for the current year

4,707,728.00

3,601,558.00

Trade creditors for the previous year

330,173.00

625,173.00

Trade creditors for prior periods(over two years)

Total**5,037,901.00****4,226,731.00****13. FUND BALANCE BROUGHT FORWARD****DESCRIPTION****2021/2022****2020/2021****Kshs****Kshs**

Bank balances

16,332,410.66

7,318,856.26

Cash balances

177,652.10

56,429.00

Short term investments

Receivables

16,909,848.20

18,655,808.20

Payables

-12,811,501.55

(7,984,394.45)

Total**20,608,409.41****18,046,699.01**



OTHER IMPORTANT DISCLOSURE NOTES

14. NON CURRENT LIABILITIES SUMMARY

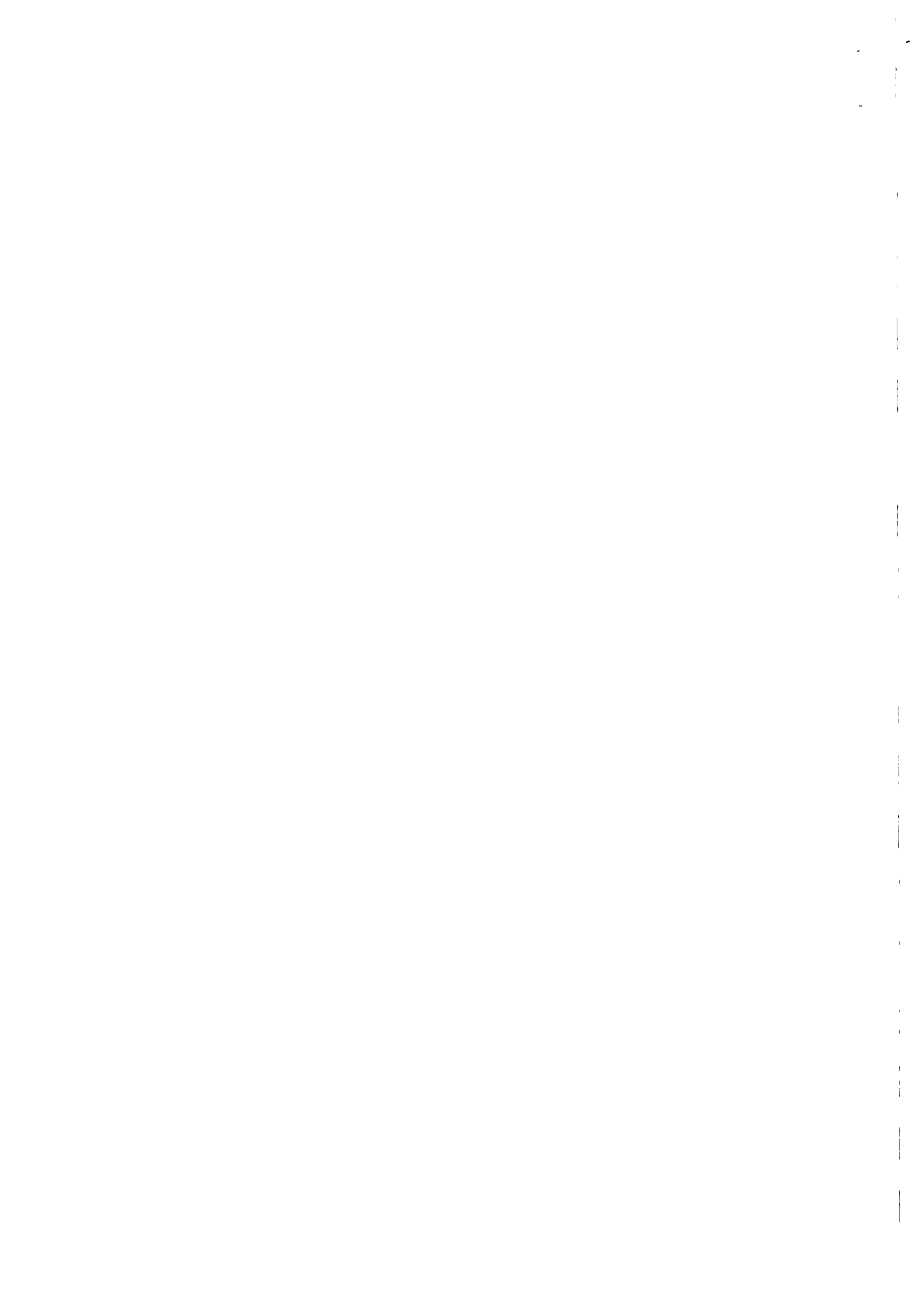
DESCRIPTION	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Bank Loan(s)		
Outstanding Leases		
Hire Purchase		
Gratuity and Leave Provision		
Total		

15. BIOLOGICAL ASSETS

DESCRIPTION	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Cattle	14.00	20.00
Pigs	246.00	283.00
Trees	4800	4,800.00
Coffee	110.00	110.00
Total	5,170.00	5,213.00

16. BORROWINGS

DESCRIPTION	<u>2021/2022</u>	<u>2020/2021</u>
	<u>Kshs</u>	<u>Kshs</u>
Borrowing at Beginning of the year		
Borrowing during of the year		
Repayments during the year		
Balance at the end of the year		



IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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


MOI GIRLS' HIGH SCHOOL KAMUSINGA

Annual Report and Financial Statements

For the year ended 30th June 2022

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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



MOI GIRLS' HIGH SCHOOL KAMUSINGA

SUNDRY CREDITORS 2021/2022

	PAYEE	ACCOUNT	VOTE HEAD	AMOUNT Kshs.
		SCHOOL FUND/A/C		
1.	Khamulati stores		BES	158,960
2.	Quadstone Investments		EWC	100,000
3.	Ctex Technologies slns		BES	112,500
4.	Cyber School Technology slns		ADM	232,000
				<u>603,460</u>
		OPERATIONAL A/C		
1.	Kesiwa Construction ltd		M.I	216,573
2.	Weston Commodities Ent ltd		ADM	627,797
				<u>844,370</u>
		TUITION A/C		
1.	Peak Lab ltd		T/L/R	200,000
2.	Vaghela School Centre			647,930
3.	Yokhama Enterprises ltd			300,000
4.	Asulab Enterprises ltd			400,000
5.	Nopat Agencies			1,711,968
				<u>3,259,898</u>
	TOTAL			<u>4,707,728</u>





MOI GIRLS' HIGH SCHOOL KAMUSINGA

SUNDRY DEBTORS AS AT 30TH JUNE 2022

TERM 1

FORM	LT&T, EWC, ADM, P.E.	ACTIVITY	BES	SES	M.I	TOTAL
I	524,920	5,250	1,961,150	1200	21,220	2,513,740
II	585,170	20,000	2,109,578	-	80,750	2,795,498
III	417,341	13,255	1,644,577	2400	55,610	2,133,183
IV	346,277	11,500	1,114,459	34,795	46,685	1,553,716
Total	1,873,708	50,005	6,829,764	38,395	204,265	8,996,137

PREPAID FEES

<u>FORM</u>	<u>KSHS.</u>
I	60,560
II	80,740
III	114,065
IV	84,188.25
Total	<u>339,553.25</u>



MOI GIRLS' HIGH SCHOOL KAMUSINGA
SCHOOL FUND A/C
TRIAL BALANCE AS AT 30TH JUNE 2022

PARTICULARS	LF	ESTIMATES	DEBIT	CREDIT	COMM	BALANCE
OPENING BALANCE:		KSHS	KSHS	KSHS	KSHS	KSHS
CASH	CB1			177,022.10		
BANK	CB1			9,729,398.41		
BOARDING,EQUIP,STORES	1	61,238,500.00	54,679,192.00	46,528,415.00		6,229,135.00
ACTIVITY	2	1,250,000.00	496,000.00	1,137,115.00		754,000.00
ARREARS	3		15,000.00	5,814,914.90		
BURSARY	4		10,845,825.00	10,981,525.00		
COMPUTER	5		2,787,166.00	5,267,261.60		
HOME SCIENCE	6		189,825.00	548,990.60		
LT/T,ADM,EWC/P/E.	7	34,481,500.00	77,964.50	26,791,786.95		14,257,847.50
M.I	8	5,880,000.00	6,594,683.50	4,562,730.75		714,683.50
PREPAID FEES	9		83,039.00	3,695,121.85		
S.E.S	10		161,470.00	133,800.00		
REFUNDS	11		439,643.00			
LT/T	12		2,750,288.00			
EWC	13		4,841,241.00			
ADM	14		6,190,280.00	5,000.00		
PERSONAL EMOLUMENTS	15		6,363,879.00			
SUNDRY CREDITOR	16		1,559,815.00			
NSSF	17		696,550.00	696,550.00		
PAYE	18		114,306.00	114,306.00		
NHIF	19		227,400.00	227,400.00		
UNION	20		42,474.00	42,474.00		
SAVINGS AC 110685122	21		1,298,423.00			
GRATUITY AC 1147574014	22		10,000.00			
CLOSING BALANCES - CASH	CB80			155.10		
-BANK	CB80		15,989,503.26			
			116,453,967.26	116,453,967.26		

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 20222

Balance as per cash book	15,989,503.26
Add: Uncredited cheques	3,997,778.00
Add: direct credits	<u>2,087,293.50</u>
Balance as per Bank Statement	<u>22,074,574.76</u>

Prepared By:.....

BURSAR

Certified By:.....

PRINCIPAL
Date: 19 JUL 2022

**MOI GIRLS HIGH SCHOOL KAMUSINGA
TUITION A/C
TRIAL BALANCE AS AT 30TH JUNE 2022**

VOTEHEADS	LF	ESTIMATES	DEBIT	CREDIT	COMM	BALANCE
OPENING		KSHS	KSHS	KSHS	KSHS	KSHS
BALANCE - CASH	CB1					
- BANK	CB1			631,054.15		
FDSE FUNDS	1					
CONTIGENCIES	2		8,642.00			
SUNDRY CREDITOR	3		1,159,295.00			
TEACHING/LEARNING M.	4	9,654,100.00	2,824,997.00	5,494,280.60		7,031,398.00
LAB EQUIP/ APPARATUS	5		523,376.00			
EXERCISE BOOKS	6		1,532,700.00			
CLOSING						
BALANCE - CASH	CB12		0.00			
- BANK	CB12		76,324.75			
			6,125,334.75	6,125,334.75		

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2022

Balance as per Cash book	76,324.75
Balance as per bank statement	76,324.75

Prepared By:  Certified By: 
BURSAR / A/CLERK **PRINCIPAL**


DATE: DATE:  19-7-2022

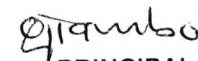
MOI GIRLS HIGH SCHOOL KAMUSINGA
OPERATIONAL A/C
TRIAL BALANCE AS AT 30TH JUNE 2022

PARTICULARS	LF	ESTIMATES	DEBIT	CREDIT	COMM	BALANCE
OPENING BALANCE:		KSHS	KSHS	KSHS	KSHS	
- CASH	CB1			630.00		
- BANK	CB1			5,671,705.60		
ACTIVITY	1	1,725,000				
MANTAINANCE/IIMPROVEMENT	2	8,750,000.00	6,650,115.00	6,249,000.00		2,098,885.00
ADM/LT/T,EWC,P/E	3	24,440,000.00		14,916,185.40		11,265,815.00
INFRASTRUCTURE AC	4		5,104,000.00	10,177,000.00		
SUNDRY CREDITOR	5		1,212,621.00			
PERSONAL EMOLUMENTS	6		8,221,838.00			
NSSF	7		688,692.00	688,692.00		
NHIF	8		278,800.00	278,800.00		
PAYE	9		133,357.00	133,357.00		
UNION	10		50,807.00	50,807.00		
EWC	11		2,470,284.00			
ADMN COSTS	12		2,478,438.00			
GRATUITY AC	13		1,345,786.00			
MEDICAL/INSURANCE	14		130,980.00	338,200.00		
LT/T	15		3,625.00			
CLOSING BALANCE	CB12		630			
	CB12		9,734,404.00			
TOTAL			38,504,377.00	38,504,377.00		

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2022

Balance as per cash book	9,734,404.00
ADD: Direct credits	<u>2,592,682.00</u>
Balance as per bank statement	<u>12,327,086.00</u>

Prepared By: 
BURSAR

Certified By: 
PRINCIPAL

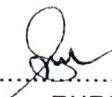
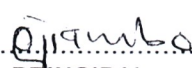
DATE: DATE: 19. 7. 2022

MOI GIRLS' HIGH SCHOOL KAMUSINGA
INCOME GENERATING ACTIVITIES
TRIAL BALANCE AS AT 30TH JUNE 2022

PARTICULARS	L.F	ESTIMATES	DEBIT	CREDIT	COMM	BALANCE
		KSHS	KSHS	KSHS	KSHS	KSHS
OPENING BALANCES-CASH	CB1		91,139.00			
- BANK	CB1			299,493.50		
RENT	1	924,000.00	66,850.00	778,850.00		712,000.00
BAKERY	3	3,600,000.00	4,427,571.00	5,537,515.00		1,109,944.00
DAIRY	5	400,000.00	562,098.00	436,005.00		-126,093.00
VEGETABLES	7	600,000.00	241,870.00	373,310.00		131,440.00
TREE NURSERY	9	100,000.00	151,300.00	90,585.00		-60,715.00
BANANAS	11	20,000.00	0.00	5,375.00		5,375.00
PIGS	13	1,500,000.00	2,690,655.00	1,233,100.00		-1,457,555.00
HONEY	15	50,000.00	15,150.00	42,600.00		27,450.00
ADMNISTRATION	17		12,968.00	3,000.00		-9,968.00
FRUITS	19		5,000.00	23,000.00		18,000.00
GREENHOUSE	20					
SUNDRY CREDITOR	21		295,000.00			
BAL C/D						
CASH	CB12		73,097.00			
BANK	CB12		190,135.50			
TOTALS			8,822,833.50	8,822,833.50		

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2022

Balance as per cash book	190,135.50
ADD: UPC	<u>653,580.00</u>
Balance as per Bank Statement	843,715.50

Prepared By:  Certified By: 
 BURSAR PRINCIPAL

DATE: DATE: 

