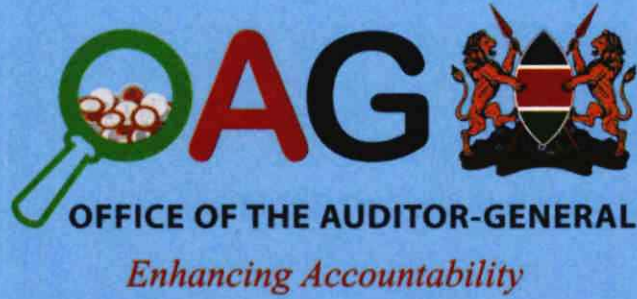


REPUBLIC OF KENYA



REPORT

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THE AUDITOR-GENERAL

ON

SOUTH TETU GIRLS HIGH SCHOOL

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

NYERI COUNTY

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE:	12 MAR 2025
	DAY: WEDNESDAY
TABLED BY:	DEPUTY MAJORITY WHIP (HON. NAOMI WAGWO, MP)
CLERK-AT THE-TABLE:	J. LEMERELLE

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

30 SEP 2024

RECEIVED

Revised 30th June 2021.



SOUTH TETU GIRLS' HIGH SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2021

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

*SOUTH TETU GIRLS' HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021*

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PUBLIC SECONDARY SCHOOLS - SOUTH TETU GIRLS' HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

SOUTH TETU GIRLS' HIGH 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 **Nyeri County, Mukurwe-ini Sub-County**.

The school was registered in **16th May 2018** under registration number **19S00300113** and is currently categorized as a **Extra County public school** established, owned or operated by the Government.

The school is a boarding school and has **1195**

It has **9** streams in form one and form two, **6** streams in form three and **4** streams in form four. The school has **27** TSC teachers and **26** teachers 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 Patrick gichuki wachira	Chairperson	16/5/2019
2	Mutua Mutindi	Secretary – Principal	16/5/2019
3	Mr. habel k mutahi	Member - Co-opted / P.T.A chairperson	16/5/2019
4	Mr.peterson mwangi muriithi	Member – Rep Parents/Local community	16/5/2019
5	Mr grace wambui manugu	Member – Rep Parents/Local community	16/5/2019
6	Madam Irene njeri	Member – Rep Parents/Local community	16/5/2019
7	Madam grace mary wanjiru	Member – Rep Parents/Local community	16/5/2019
8	Mr Samuel wanjema mwangi	Member – Rep Parents/Local community	16/5/2019
9	Prof symon Mahugu	Member - Rep Parents / Local community	16/5/2019
9	Dr Michael wambugu gachahi	Member – Rep persons with special needs	16/5/2019
10	Mrs Margaret gatonga	Member – Rep CEB	16/5/2019
11	Mr manasse mwangi ndegwa	Member – Rep Sponsor	16/5/2019
12	Mr Peterson wachira	Member – Rep Sponsor	16/5/2019
13	Mr. Samuel okanda oduor	Member – Rep Special Interest group	16/5/2019
14	Dr john k kinyua	Member - Co-opted	16/5/2019
15	Miss grace muthoni wainaina	Member - Co-opted	16/5/2019
16	Ms jane maina	Member - Rep Teachers	16/5/2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

- Promote the best interests of the school and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the school
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the school.
- Determine cases of 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.

(c) Committees of the Board

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Patrick gichuki wachira Mutindi Mutua Mr. Samuel wanjema mwangi Mrs. Margaret Murugi Gatonga Mr. habel mutahi	Chairperson Secretary Member Member Member	4 out of 6
2	Audit Committee	Mr Patrick gichuki wachira Mutindi Mutua Mr. Samuel wanjema mwangi Mrs. Margaret Murugi Gatonga Madam jane maina	Chairperson Secretary Member Member Member Member	3 out of 6
3	Finance, procurement and general-purpose Committee	Mr Patrick gichuki wachira Mutindi Mutua Mr. Samuel wanjema mwangi Mrs. Margaret Murugi Gatonga Mr. habel mutahi	Chairperson Secretary Member Member Member Member	4 out of 6

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)				
4	Development Committee	Mr. John Kinyua Madam Jane Maina Mr Patrick gichuki wachira Mutindi Mutua Mr. habel mutahi SCDE / CDE	Chairperson Secretary Member Member Member	4 out of 6
5	Academic Committee	Dr. Samuel Oduor Okanda Madam Mutua Mutindi Mr. Samuel wanjema Madam Jane Maina Madam grace mary ritho Dr Michael gachahi Mr Peterson wachira Madam Irene njeri Prof symon mahugu	Chairperson Secretary Member Member Member Member	4 out of 6
6	Discipline and welfare Committee	Madam violet mukami Madam Jane Maina Madam Mutua Mutindi Mrs. Margaret Murugi Gatonga Mr habel mutahi Mr Samuel wanjema	Chairman Secretary Member Member Member Member Member Member	4 out of 6

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(d) School operation Management

For the financial year ended **30th June 2021** the school day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Madam Mutua Mutindi	304152
2	Deputy Principal	Madam Jane Maina	357835
4	School Bursar	Mr. Julius Mwai Wangai	13543970

(e) Schools contacts

*SOUTH TETU GIRLS' HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021*

Post Office Box: 92-10103; Mukurwe-ini
Mobile Number: 0791204734
E-mail: southtetugirls@gmail.com
Website: www.southtetugirlshs.ac.ke/

KEY SCHOOL INFORMATION AND MANAGEMENT(Continued)

(f) School Bankers

The school operated 5 number of bank accounts and 1 Pay bill number as follows:

- | | |
|-----------------------|--|
| 1. Name of Bank: | KCB |
| Branch: | Mukurwe-ini |
| Account Number: | 1103089757 |
| 2. Name of Bank: | KCB |
| Branch: | Mukurwe-ini |
| Account Number: | 1103089927 |
| 3. Name of Bank: | KCB |
| Branch: | Mukurwe-ini |
| Account Number: | 1103090046 |
| 4. Name of Bank: | KCB |
| Branch: | Mukurwe-ini |
| Account Number: | 1104180146 |
| 5. Name of Bank: | KCB |
| Branch: | Mukurwe-ini |
| Account Number: | 1255471026 |
| 6 MPESA Pay Bill No.: | Business Number: 522123,
Account Number: 40221K
Attached to bank account
1103089757 |

(g) Independent Auditors

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

a) 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:

b) **Financial performance:** Surplus / deficit for the years summary

Under this section, it reflects the actual financial performance trend for the last three years period

ACCOUNTS	2021	2020	2019
	Kshs	Kshs	Ksh
School Fund Account		703,585/=	965,020.03
Operations Account		(205,680)	1,262,005.90
Tuition Account		207,204	(698,039.01)
Infrastructure Account		262,577.50	4,350,258.00
TOTAL	2,233,778.00	967,686.50	5,879,244.92
Increase/Decrease		3,570,733.83	4,538,420.33

(b) CAPITATION GRANTS FROM M.O.E SUMMARY

SNO	ACCOUNTS	2021	2020	2019
		KSHS	KSHS	KSHS
1	Operations Account	7,472,275.00	9,933,675/=	9,250.837.20
2	Tuition Account	1,192,741.00	1,356,964/=	1,785.226.69
	Total	8,665,016.00	11,290,639/=	11,036,063.89
	Increase/Decrease			
	No of Students		906	726
	Ratio of Capitation per student		1:12,462	1:15,201

*SOUTH TETU GIRLS' HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021*

(c) OVERVIEW OF GROWTH OF OTHER INCOME SUMMARY

SNO	ACCOUNTS	2021	2020	2019
		KSHS	KSHS	KSHS
1	Farm			
2	Rent	83,960.00		

(d) OVERVIEW OF GROWTH IN EXPENDITURE SUMMARY

SNO	ACCOUNTS	2021	2020	2019
		Kshs	Kshs	Kshs
1	School Fund Account	23,007,510.00	107,166,960.10	33,418,257.97
2	Operations Account	6,168,110.00	19,718,750.00	11,442,913.00
3	Tuition Account	1,025,210.00	3,826,596.00	3,067,723.00
4	Infrastructure Account		7,019,680.50	806,856.00

(e) MOVEMENT OF DEBTORS SUMMARY

SNO	ACCOUNTS	2021	2020	2019
1	School Fund Account	KSHS	KSHS	KSHS
a	Debtors	5,097,547.00	2,277,164.00	1,515,810.00
	Total			

(f) MOVEMENT OF CREDITORS SUMMARY

SNO	ACCOUNTS	2021	2020	2019
1	School Fund Account	KSHS	KSHS	KSHS
a	Creditors	8,898,886.00	7,250,342.00	1,515,810.00
	Total			

(h) MOVEMENT OF CASH AND BANK BALANCES

SNO	ACCOUNTS	2021 KSHS	2020 KSHS	2019 KSHS
1	School Fund Account	2,615,935.00	452,918.96	(4,269,540.28)
2	Operations Account	1,072,297.00	23,812.65	1,104,806.750
3	Tuition Account	137,921.00	544,474.60	657,036.00
4	Infrastructure	252,371.00	4,350,258.00	

(i) SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

c) Teacher Student ratio:

Between the month of January 2021 and 30th June 2021 the status of the teaching staff is as follows:

There are 27 teachers posted by the Teachers Service Commission and 27 recruited by the Board of Management. We are grateful that 2 teachers have been recruited to our school by the government. There was one retiree in June 2021. Although the teacher student ratio lies at 1: 44. We have a shortage of 27 teachers from the given CBE. This is due to serious shortage of teachers.


d) Mean score in the year 2018, 2019, 2020 and 2021 KCSE:


YEA R	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2021	217	6,59	106	48,84%	8.0	negative deviation of 0.952
2020	161	7.54658	127	79%	8.5	positive deviation of 0.13
2019	158	7.4076	115	73%	8.0	negative deviation of 0.073


SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

e) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	Construction of Proposed dormitory block	2021 - 2022	Ongoing	6,698,594.00	TIG, Maintenance & Improvement
2	Construction of Proposed Classroom block	2021 - 2022	Ongoing	3,093,095.00	Maintenance & Improvement from Parents




 27 SEP 2021



**Chair,
 Board of Management**

**Secretary,
 Board of Management
 /Principal**

School bursar

South Tetu Girls' High School

South Tetu Girls' High School

South Tetu Girls' High School

Date:

Date:

Date:

f) 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.

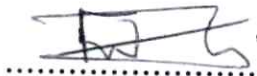
Schedule 4 (Section 23) of the Education Act, 2013 requires that the Board of Management of a public institution of basic education keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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

27 SEP 2021



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**Chair,
Board of Management**

**Secretary,
Board of Management
/Principal**


School bursar

South Tetu Girls' High School

South Tetu Girls' High School

**South Tetu Girls' High
School**

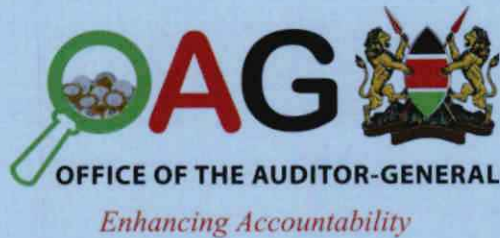
Date:

Date:

Date:

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON SOUTH TETU GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 – NYERI COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and 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 South Tetu Girls High School – Nyeri County set out on pages 12 to 28, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2021, the statement of receipts and payments, statement of cash flows, the statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of South Tetu Girls High School – Nyeri County as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act of, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit had the following inaccuracies:

- (i) The statement of receipts and payments reflects total expenditure of Kshs.32,434,608 which included an amount of Kshs.30,200,830 in respect of payments for tuition, operations and boarding and school fund which was not posted to the ledger.
- (ii) The statement of financial assets and financial Liabilities reflects a net financial position balance of Kshs.859,318 as disclosed in Note 13 to the financial statements. However, the cash and bank balances of Kshs.115,804 and Kshs.2,311,075 respectively do not relate to the current year, resulting in under casting of the accumulated fund balance brought forward by an amount of Kshs.11,132,664 that has not been explained.
- (iii) Disclosed in Note 15 to the financial statements are biological assets totalling Kshs.3,036,000. However, recalculation of the amount reveals a total of Kshs.2,836,000 resulting in a variance of Kshs.200,000 that has not been explained.
- (iv) The statement of budgeted versus actual amounts for the year ended 30 June, 2021 reflects an amount of Kshs.50,234,938 in respect of budget utilization difference. However, recalculation of the same reveals an amount of Kshs.50,488,038 resulting in a variance of Kshs.253,100 that has not been explained.
- (v) The statement of budgeted versus actual amounts reflects an amount of Kshs.4,262,580 in respect of final budget expenditure on tuition. However, recalculation of the same reveals an amount of Kshs.2,465,580 resulting in a variance of Kshs.1,797,000 that has not been explained.

- (vi) The statement of budgeted versus actual amounts reflects an amount of Kshs.30,200,830 in respect of actuals on comparable basis. However, recalculation of the same reveals an amount of Kshs.30,258,330 resulting in a variance of Kshs.57,500 that has not been explained.
- (vii) The statement of budgeted versus actual amounts reflects amounts of Kshs.19,796,221 and Kshs.485,000 in respect of budget utilization difference on fee on boarding equipment (under receipts) and stores and repairs, maintenance and improvement (under expenditure for operations). However, casting across of the same reveals an amount of Kshs.10,396,221 and Kshs.4,985,000, resulting in a variance of Kshs.9,362,442 and Kshs.4,500,000 respectively that has not been explained.
- (viii) The financial statements presented for audit do not include comparative amounts for the prior period in the statement of financial assets and financial liabilities and statement of cash flows.

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

2. Accounts Receivables

2.1. Variances in Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.5,097,547 as disclosed in Note 11 to the financial statements. However, the ledger balance and issued invoices and casting reflects a balance of Kshs.5,080,547, resulting to an unexplained variance of Kshs.17,000.

2.2. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.5,097,547 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, included in the balance are receivables amounting to Kshs.4,637,077 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.5,097,547 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.4,660,657 as disclosed in Note 8 and 9 to the financial statements. Included in this balance are bank and cash balances of Kshs.4,595,725 and Kshs.64,932. However, the bank balances were not supported by cash books, bank certificates and monthly bank reconciliation statements.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.4,660,657 could not be confirmed.

4. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.150,660,000 in respect of fixed assets which includes land with a balance of Kshs.20,000,000 and motor vehicles with a balance of Kshs.7,390,000. However, land ownership documents were not provided for audit.

In the circumstances, the accuracy, completeness and ownership of land balance of Kshs.20,000,000 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, 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. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

Review of the financial statements submitted for audit revealed various inadequacies and inaccuracies contrary to the requirements of the financial reporting template issued by the Public Sector Accounting Standards Board (PSASB) contrary to Regulation 101(4) of the Public Finance Management (National Government) Regulations, 2015 which requires Accounting Officer to prepare the financial statements in a form that complies with the relevant accounting standards prescribed by the Public Sector Accounting Standards Board, and not later than three months after the end of the financial year and submit them

to the Auditor General with a copy to the County Treasury, the Controller of Budget and the National Treasury.

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

2. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.8,665,016. Comparison of data from National Education Management and information System (NEMIS) with records from the School revealed that during the financial year 2020/2021, NEMIS reflected nine hundred and eighteen (918) students while records from the School had seven hundred and thirty six (736) students, resulting to an underfunding of the School by an amount of Kshs.833,448. 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.

3. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs7,472,275 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.4,116,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement the School's facilities. However, an amount of Kshs.3,643,000 was transferred to infrastructure account, leaving a balance of Kshs.473,500 as at 30 June, 2021. This is contrary to Ministry of Education Circular dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministerial guidelines.

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.23,007,510 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.86,300 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.86,300 could not be confirmed.

5. 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.

6. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.8,898,886. However, included in the balance are trade payables balance of Kshs.4,903,838 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates'.

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

7. Failure to Prepare School Improvement Plan

During the year 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.

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 matter discussed 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), 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain 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's 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

17 September, 2024

SOUTH TETU GIRLS' HIGH SCHOOL
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III. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD JAN- TO 30TH JUNE
2021(SIX MONTHS)

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,192,740.75	1,671,104.00
Capitation grants for operations	2	7,472,275.00	9,941,175.00
School Fund Income- Parents' Contributions	3	15,671,059.00	22,077,254.00
School Fund Income- Other receipts	4	8,098,533.00	-
Proceeds from borrowings			0
Infrastructure account			
TOTAL RECEIPTS		32,434,608.00	33,689,533.00
			-
PAYMENTS			
Payments for Tuition	5	1,025,210.00	1,463,900.00
Payments for operations	6	6,168,110.00	10,146,855.00
Boarding and school fund payments	7	23,007,510.00	21,373,669.00
Infrastructure account			
TOTAL PAYMENTS		30,200,830.0	32,984,424.00
SURPLUS/DEFICIT		2,233,7778.00	705,109.00
			-

The school financial statements were approved on _____ 2021 and signed by:

Sign:



Name

Chair BOM

Sign

27 SEP 2024



Name

School Principal/
Secretary to BOM

Sign



Name

Bursar/
Finance Officer

*SOUTH TETU GIRLS' HIGH SCHOOL
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Date xxxx

Date

Date

SOUTH TETU GIRLS' HIGH SCHOOL
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IV. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
JAN-30TH JUNE 2021(SIX MONTHS)

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	4,595,725.00	-
Cash Balances	9	64,932.00	-
Short term Investment		-	-
Total Cash and cash equivalent		4,660,657.00	-
Account's receivables	11	5,097,547.00	-
TOTAL FINANCIAL ASSETS		9,758,204.00	-
FINANCIAL LIABILITIES			
Accounts Payables	12	8,898,886.00	-
NET FINANCIAL ASSETS		859,318.00	-
REPRESENTED BY			
Accumulated Fund b/fwd	13	(1,374,460.00)	-
Surplus/Deficit for the year		2,233,777.85	-
NET FINANCIAL POSSITION		859,318.00	-

The School's financial statements were approved on _____ 2021 and signed by:

Name:
Chairman, BoM

Sign: 

Date:

Name: 27 SEP 2021
School Principal/Secretary
to BoM

Sign: 

Date:

Name:
Bursar/Finance

Sign: 

Date:

SOUTH TETU GIRLS' HIGH SCHOOL
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V. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED JAN - 30TH JUNE 2021
(SIX MONTHS)

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,192,740.75	-
Capitation grants for operations	2	7,472,275.00	-
School fund income- Parents contributions/ fees	3	15,671,059.00	-
School fund income- other receipts	4	8,098,533.00	-
Total receipts		32,434,608.00	-
Payments			
Payments for Tuition	5	1,025,210.00	-
Payments for operations	6	6,168,110.00	-
Boarding and school fund payments	7	23,007,510.00	0
Total payments		30,200,830.00	-
Net cash flow from operating activities		2,233,778.00	-
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		0	0
Acquisition of Assets		0	0
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash flows from Investing Activities		0	0
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings		0	0
Net cash flow from financing activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,233,778.00	-
Cash and cash equivalent at BEGINNING of the year		2,426,879.00	0
Cash and cash equivalent at END of the year		4,660,657.00	0

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools' should therefore adopt the direct method of cashflow as recommended by PSASB.

PUBLIC SECONDARY SCHOOLS - SOUTH TETU GIRLS' HIGH SCHOOL

Reports and Financial Statements

For the year ended 30th June 2021

VI. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 20XX

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Textbooks and reference materials	2711928		2711928	1192740.75	1,519,187	43.9 0/0
Exercise books					665.942	0
Laboratory equipment	665942		665,942			0
Internal exams	655570		655570		665570	0
Teaching / learning materials	121580		121580		121580	0
Chalks	10560		10560		10,560	0
Exams and assessment	100000		100,000		100,000	0
Teachers guides						
TOTALS	4,265,580		4,265,580	1,192,740.75	3,082,839	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	6300000		6300,000	2883915	3,416,085	46 0/0
Repairs and maintenance	5000000		5000000	3413500	1,586,500	68 0/0
Local transport / travelling	800000		800,000		800,000	0
Electricity and water	1500000		1500000		1,500,000	0
Medical	2000000		2000000		2,000,000	0
Administration costs	800000		800000	1174860	(374,860)	146 0/0
Activity	1500000		1500000		1,500,000	0
Gratuity						
SMASSE	200000		200000		200,000	0

1. UDLIA SECONDARY SCHOOL
Annual Report and Financial Statements
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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	4,270,000		427,000	158,158	2,688,420	37 0/0
Repairs and maintenance	2,000,000		200,000	729,160	1,270,840	36 0/0
Local transport / travelling	1,500,000		150,000	165,150	133,485	11 0/0
Electricity and water	4,000,000		4,000,000	1,797,089	2,202,911	45 0/0
Medical						
Administration costs	1,850,000		1,850,000	961,051	888,949	52 0/0
Activity	500,000		500,000	3250	496,750	0.1 0/0
SMASSE						
Fee on Boarding Equipment and Stores	20,830,000		20830000	10,433,779	19,796,221	217 0/0
OTHER INCOME						
Rent income				83,960	83,960	0
Fees refund				12,479	12,479	0
Bursary				1,288,447	1,288,447	0
Prepayment				3,356,913	3,356,913	0
Arears				1,833,694	1,833,694	0
Uniform				59,040	59,040	0
Pa expenses				24,000	24,000	0
Savings acc				1,440,000	1,440,000	0
TOTAL INCOME	57,315,580		57,315,580	32,434,608	50,234,938	
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials				200,000	200,000	0
Exercise books	711,928		711,928	259080	452848	36 0/0

*SOUTH TETU GIRLS' HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Laboratory equipment	665,942		665,942		665,942	0
Internal exams	655,570		655,570		665,570	0
Teaching / learning materials	121,580		121,580	11,000	110,580	9 0/0
Chalks	10,560		10,560		10,560	0
Exams and assessment	100,000		100,000		100,000	0
Teachers guides						
Administration costs	2,000,000		200,000		200,000	0
Creditors			0	555,130		
TOTAL	4,265,580		4,265,580	1,025,210	2,405,500	
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	6,300,000		6,300,000	2,473,860	3,826,140	39 0/0
Repairs, maintenance & improvements	5,000,000		500,000	15,000	485,000	3 0/0
Local transport / travelling	800,000		800,000	116,050	683,950	14 0/0
Electricity, water and conservancy	1,500,000		1,500,000	98,000	1,402,000	65 0/0
Medical	2,000,000		2,000,000		2,000,000	0
Administration costs	800,000		800,000	281,200	518,800	3 0/0
Activity Expenses	1,500,000		1,500,000		1,500,000	0
Infrastructure				3,184,000		0
SMASSE	200,000		200,000		200,000	0
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	4,270,000		4,270,000	914,001	3,355,999	21 0/0
Repairs, maintenance and improvements	2,000,000		2,000,000	403,470	1,596,530	20 0/0
Local transport / travelling	1,500,000		1,500,000	5,27,800	972,200	35 0/0

1. UDESA SECONDARY SCHOOL
 Annual Report and Financial Statements
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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Electricity, water and conservancy	4,000,000		4,000,000	2,465,575	1,534,425	61 0/0
Medical Expenses			12450	12450	0	0
Administration costs	1,850,000		1,850,000	1,217,919	632,081	66 0/0
Activity	500,000		500,000	44,650	455,350	9 0/0
Gratuity						
Lunch programme						
Boarding Equipment and Stores	20,830,000		20,830,000	7,898,716	12,931,284	38 0/0
Savings				1,929,879	1,929,879	0
Insurance costs				83,000	83,000	0
Prepayment				3,847,405	3,847,405	0
Creditors				2,346,504	2,346,504	0
Fees refund				15,194	15,194	0
Bursary				1,293,447	1,293,447	0
Caution				6,5000	6,5000	0
Acquisition of Assets						
TOTALS	57,315,580		57,315,580	30,200,830	44,092,138	

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

- i. Xxxx
- ii. Xxxx

VII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

VIII. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	1,356,964.00
Tuition	1,192,740.75	314,140.00
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	-	-
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	1,192,740.75	1,671,104.00

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,883,915.00	3,164,725.00
Repairs and maintenance	3,413,500.00	3,389,000.00
Local transport / travelling	-	-
FSE	1,174,860.00	2,947,650.00
Activity	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
		-
Total	7,472,275.00	-

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2019-2020
	Kshs	Kshs
Personnel emoluments	1,581,580.00	2,104,348.00
Repairs and maintenance	729,160.00	1,105,576.00
Local transport / travelling	165,150.00	1,534,158.00
Electricity and water	1,797,089.00	2,889,884.00
Medical	-	-
Administration costs	961,051.00	1,718,088.00
Activity	3,250.00	230,920.00
BES	10,433,779.00	12,469,270.00

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Total	15,671,059.00	22,053,244
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	-	-
Savings Account	1,440,000.00	-
Rent income	83,960.00	-
Salary Advance		-
Uniform	59,040.00	-
Fees Arrears	1,833,694.00	-
Prepayment	3,356,913.00	-
Bursary	1,288,447.00	-
fees refund	12,479.00	
p.a	24,000.00	
Total	8,098,533.00	-

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

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	200,000.00	-
Exercise books	259,080.00	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	11,000.00	-
Chalks		-
Tuition Creditors	555,130.00	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	-	-
Total	1,025,210.00	-

*SOUTH TETU GIRLS' HIGH SCHOOL
PUBLIC SECONDARY SCHOOL*

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	2,473,860.00	-
	-	-
Administration Cost	281,200.00	-
Repairs and maintenance & improvements	15,000.00	-
Local transport / travelling	116,050.00	-
Electricity and water	98,000.00	-
Infrastructure fund	3,184,000.00	-
TOTAL	6,168,110.00	

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	914,001.00	0
Activity	44,650.00	0
Repairs and maintenance & Improvements	403,470.00	0
Local transport / travelling	527,800.00	0
Electricity and water	2,466,575.00	0
Medical Expenses	12,450.00	0
Administration costs	1,217,919.00	0
Lunch Programme/BES	7,898,716.00	0
Savings	296,871.00	0
Operation Expenses	83,000.00	0
Prepayment	3,847,405.00	0
Creditors	2,346,504.00	0
Fees Refund	15,194.00	0
Busary	1,293,447.00	0
KCB Savings	1,633,008.00	0
Caution	6,500.00	0
TOTAL	23,007,510.00	0

*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.*

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1103089927	137,921.00	-
Operations Account	1103090046	1,056,510.00	-
School Fund Account/Boarding	1103089757	2,566,790.00	-
Savings Account	1104180146	580,913.00	-
SAVINGS Account	110276870	1220.00	-
Income generating activities Account		-	-
Infrastructural Account	1255471026	252,371.00	-
Total		4,595,725.00	-

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	15,787.00	-
School Fund account	49,145.00	-
Total	64,932.00	-

10 SHORT TERM INVESTMENTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	-	-
Other non-fees receivables	-	-
Salary advances	17,000.00	-
Imprest	-	-
Total		-

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	-	-
Fees arrears for the previous year	443,470.00	-
Fees arrears for prior periods (over two years)	4,637,077.00	-
Total	5,097,547.00	-

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	-	-
Prepaid fees	3,220,461.00	-
Retention monies	-	-
Total	3,220,461.00	

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	774,587.00	-
Trade creditors for the previous year	4,903,838.00	-
Trade creditors for prior periods (over two years)	-	-
Total	8,898.886.00	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	2,311,075.00	-
Cash balances	115,804.00	-
Short Term Investments	-	-
Receivables	5,097,547.00	-
Payables	(8,898,886.00)	-
Total	(1,374,460)	-

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	0	0
Outstanding Leases	0	0
Hire purchase	0	0
Gratuity and leave provision	0	0
Total	0	0

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	4 @ 150,000.00	600,000.00	0
Goats		0	0
Trees	267@8000.00	2,136,000.00	0
Coffee or tea plantation		0	0
PIGS	10	100,000.00	0
Total		3,036,000.00	0

16 Borrowings

Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings	0	0
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayments of during the year	0	0
Balance at end of the year	0	0

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Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	0	0
Stock/ inventory purchased during the year	0	0
Stock/ inventory issued during the year	0	0
Balance at end of the year	0	0

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	c	d-a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
1. ELEAON MERCHANTS					1,139,790	
2. LUMU CLEANING AND HEALTH CARE					92,700	
3 SOFTWARE FOR SCHOOLS KENYA					20,300	
4 WAKULIMA DAIRY LTD					449,500	
5 JAMAKA GROCERS					52,430	
6 SAMS GENERAL MERCHANTS					263,845	
7 GEORGE KIBUI RUGI					30,000	
8 MILLIBEL GENERAL SUPPLIERS					88,120	
9ROBERT GATHENYI					76,100	
10 SAMAR ENERGY SAVERS					335,000	
11 WILSON WANJARIA KARIUKI					61,934	
12 OMWASCO					262,410	
13TRAVJADE COMPANY					63,650	
14CHARLES WATATUA KABURU					418,073	
15 FRANCIS K NGANGA					147,960	
16 MARKET BOOKSHOP					756,820	
17 MARY NYATHIRA MUNGAI					84,400	
18 WAKULIMA DAIRY LTD					374,500	
19 CHARLES MACHARIA WANJAU					267,900	
20 SAMUEL GITAU KINYANJUI					52,700	
21 KENBLEST PROCESORS					210,000	
22 PETER MWANGI IHIGA					300,110	

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
23 HENRY KIAMA					130,183	
TOTALS					5,678,425	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 20xx
Land 1						20,000,000
Land 2						
Buildings and structures						115,900,000
Motor vehicles						7,390,000
Office equipment, furniture and fittings						100,000
ICT Equipment, and Other ICT Assets						340,000
Tools and apparatus						500,000
Textbooks						5,500,000
Other Machinery and Equipment						780,000
Heritage and cultural assets						
Intangible assets- soft ware						150,000
Total						150,660,000

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