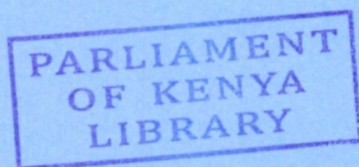
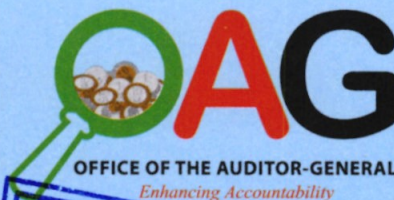


REPUBLIC OF KENYA



THE AUDITOR-GENERAL

ON

MWANGAZA GIRLS SECONDARY SCHOOL

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

ISIOLO COUNTY



Revised 30th June 2022.



(MWANGAZA GIRLS SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2022

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



MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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M'WANGAZA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in 2016 under registration number 17s30000124 and is currently categorized as a sub county public school established, owned or operated by the Government.

The school is a day school and had 412 number of students as at 30th June 2022. It has 3 streams and 21 teachers of which 4 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	CATHERINE ALONGO	Chairman	13/04/2022
2	SUSAN KARIMI	PTA chairman	13/04/2022
3	JANICE KIRIMI	Secretary - Principal	13/04/2022
4	DAVID NDURO	Bom Vice chairperson	13/04/2022
5	HAPPI ADAN	Member	13/04/2022
6	ZACHARY KABURU	Member	13/04/2022
7	OSMAN HASSAN	Member	13/04/2022
8	PETER EKAI	Member	13/04/2022
9	DAVID CHEGE	Member	13/04/2022
10	DADE BORU	Member	13/04/2022
11	DANIEL KINYUMU	Member	13/04/2022
12	MOSES MWITI	member	13/04/2022
13	BETSY MBUBA	Member	13/04/2022
14	MUGO STANLEY	Member	13/04/2022
15	ASHA KARU	Member	13/04/2022
16	JOHN NDUNGU	Member	13/04/2022



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

(c) Committees of the Board

Re f:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Executive Committee	Catherine alongo	BOM vice chairman	3 out of 3
		Susan Karimi	PTA Chairman	3 out of 3
		David Nduro	BOM Vice chairperson	3 out of 3
		Janice Mwindi	BOM Secretary/Principal	3 out of 3
		Happi Adan	Member	3 out of 3
2.	Audit Committee	Besty Mbuba	Secretary	None
		Zachary Kuburu	Chairperson	None
		Ann Gitonga	Member	None
		Ekai Peter	Member	None
3	Finance,procurement and general purposes Committee	Moses Mwiti	Chairperson	2 out of 2
		Ekai Peter	Secretary	2 out of 2
		Betsy Mbuba	Member	2 out of 2
		Mugo Stanley	Member	2 out of 2
4	Academic Committee	Osman abdi	Secretary	3 out of 3
		Asha Karu	Member	3 out of 3
		Catherine Along'o	chairperson	3 out of 3
		Betsy Mbuba	Member	3 out of 3
		Mugo Stanley	Member	3 out of 3
5	Discipline and welfare Committee	Zachary Kaburu	Chaiperson	2 out of 2
		Asha karu	Secretary	2 out of 2
		John Ndungu	Member	2 out of 2
		Susan Karimi	Member	2 out of 2

MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

(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/ ID No.
1	Principal	Janice Mwindi	223815
2	Deputy Principal	Rachael Thuranira	368306
3	School Bursar	Ann Kageni	25988565



KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 875-60300
Telephone: 0700295940
E-mail: mwangazagirls@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

The school operated 7 number of bank accounts in the following banks:

1. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1179841433-Operation account
2. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1179841360-Tuition account
3. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1171376383-Main account
4. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1260832260-Infrastructure
5. Name of Bank: KCB
Branch: ISIOLO
Account Number: 1179841557-CDF
6. Name of Bank: EQUITY BANK
Branch: ISIOLO
Account Number: 0410279866443-CDF
7. Name of Bank: EQUITY BANK
Branch: ISIOLO
Account Number: 0410279604294-CDF

2. Independent Auditors

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



II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST FOUR YEARS

s/no	Accounts	2021-2022	2021	2020	2019
		Ksh	Ksh	Ksh	ksh
	Total	(1,259,413.57)	845,003.40	1,447,475.00	2,212,024.50

Graphical presentation



Accounts had funds left at the end of the previous period amounting to 4,036,751.50 and the funds were utilized on the current period 2021-2022 and it lead to a deficit of 1,259,413.57

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

s/no	Accounts	2021-2022	2021	2020	2019
			ksh	Ksh	ksh
	Operation account	5,593,652.10	2,838,015.90	4,955,450.00	6,474,452.50
	Tuition account	1,275,458.80	445,328.00	649,649.00	1,142,413.90
	Total capitation	6,869,110.90	3,283,343.90	5,605,099.00	7,616,866.40

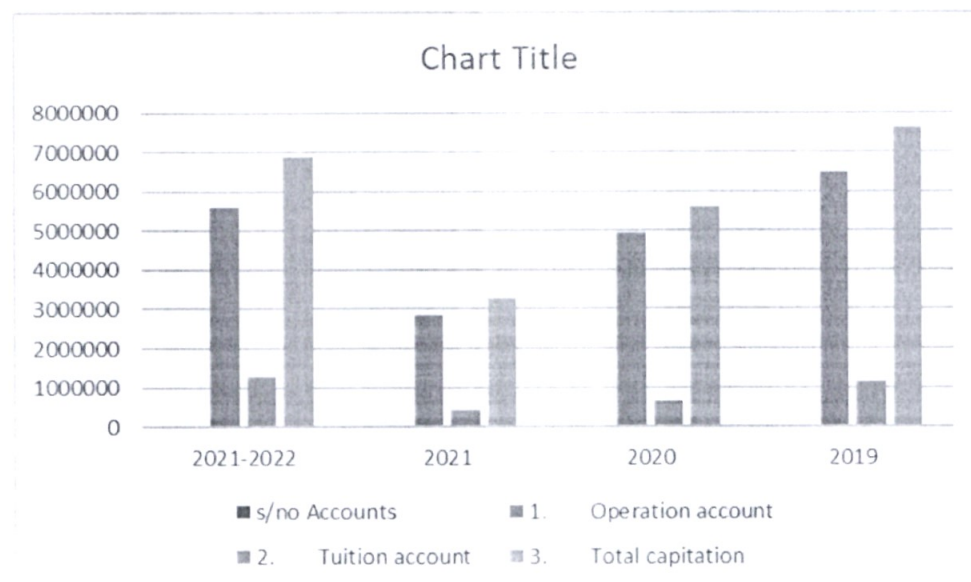


MWANGAZA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

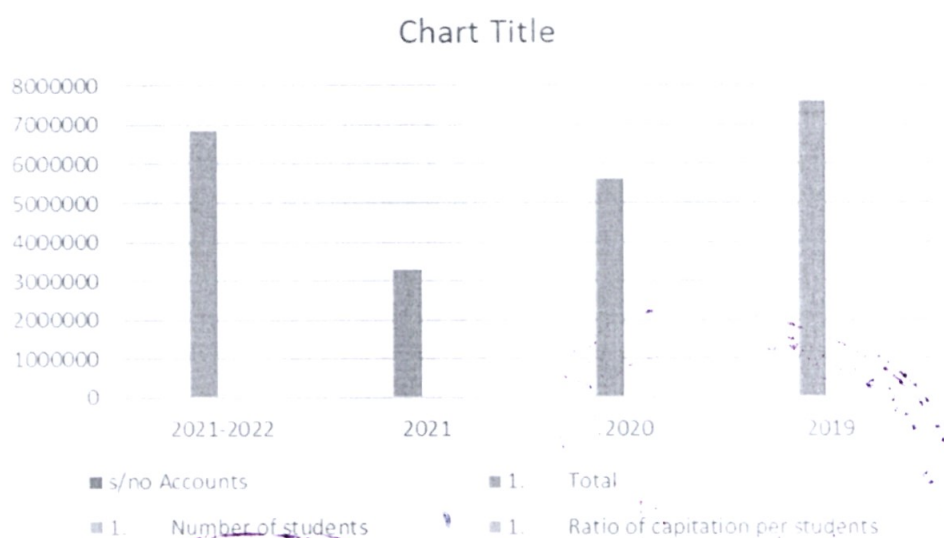
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RATIO OF CAPITATION GRANTS PER STUDENT OVER THE LAST THREE YEARS

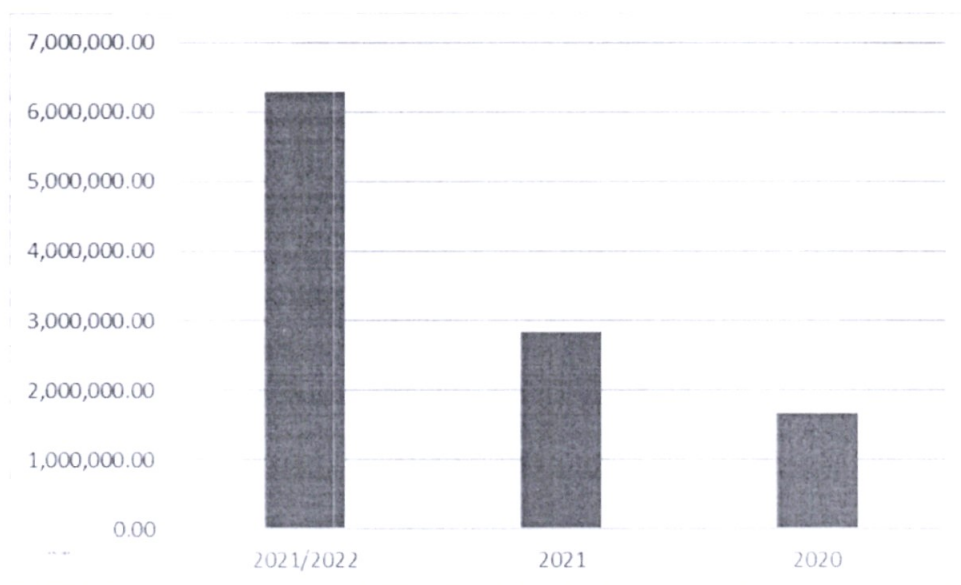
s/no	Accounts	2021-2022	2021	2020	2019
		Ksh	ksh	Ksh	ksh
	Total	6,869,110.90	3,283,343.90	5,605,099.00	7,616,866.40
	Number of students	415	384	384	367
	Ratio of capitation per students	1:16,522.07	1:8,550.3747	1:14,604	1:10,167

Graphical presentation



MWANGAZA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022****A THREE YEAR OVERVIEW OF GROWTH OF OTHER INCOME EARNED BY THE SCHOOL**

Year	2021/2022	2021	2020
School fund account	6,286,140.00	2,831,780.00	1,667,620.00

Graphical presentation**A THREE-YEAR OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL**

s/no	Accounts	2021-2022	2021	2020	2019
		Ksh	Ksh	Ksh	ksh
	School fund account	5,856,078.97	1,307,699.00	1,473,417.00	2,631,748.00
	Operations	6,840,832.50	3,415,533.00	4,016,910.00	6,653,892.00
	Tuition	1,717,753.00	707,956.00	334,917.00	1,163,656.00
	Total	14,414,664.47	5,431,188.00	5,825,244.00	12,057,630.10

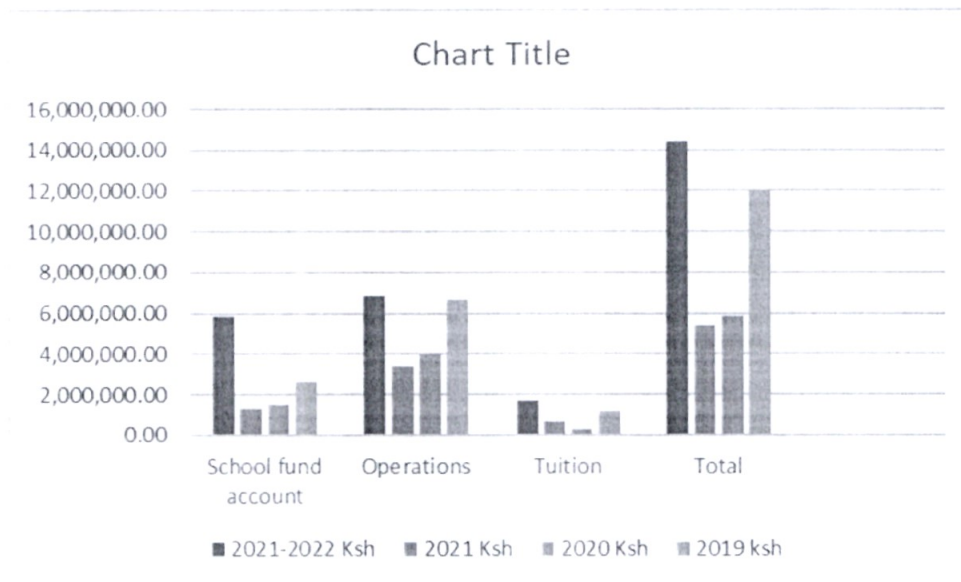


MWANGAZA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

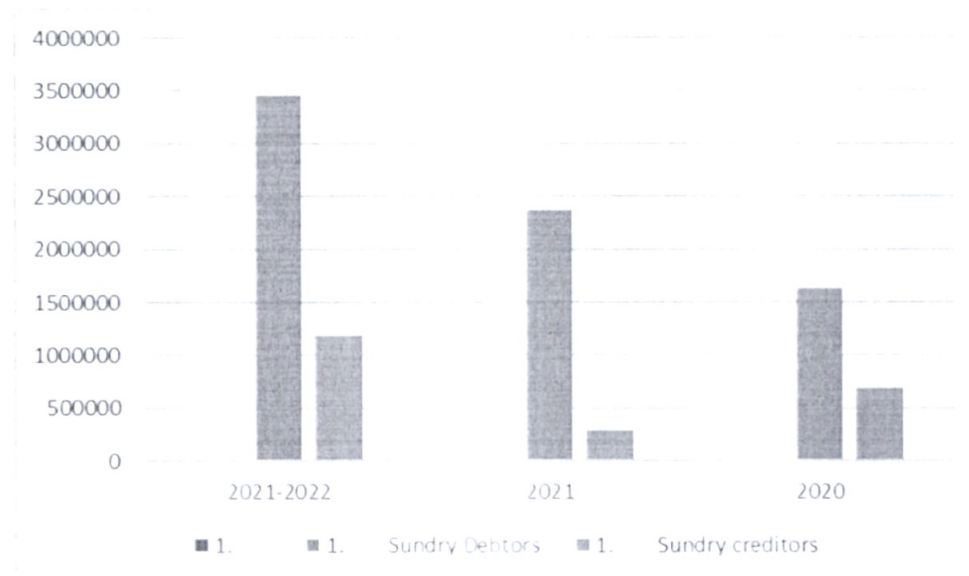
Graphical presentation



MOVEMENT OF DEBTORS IN THE SCHOOL OVER THE LAST THREE YEARS

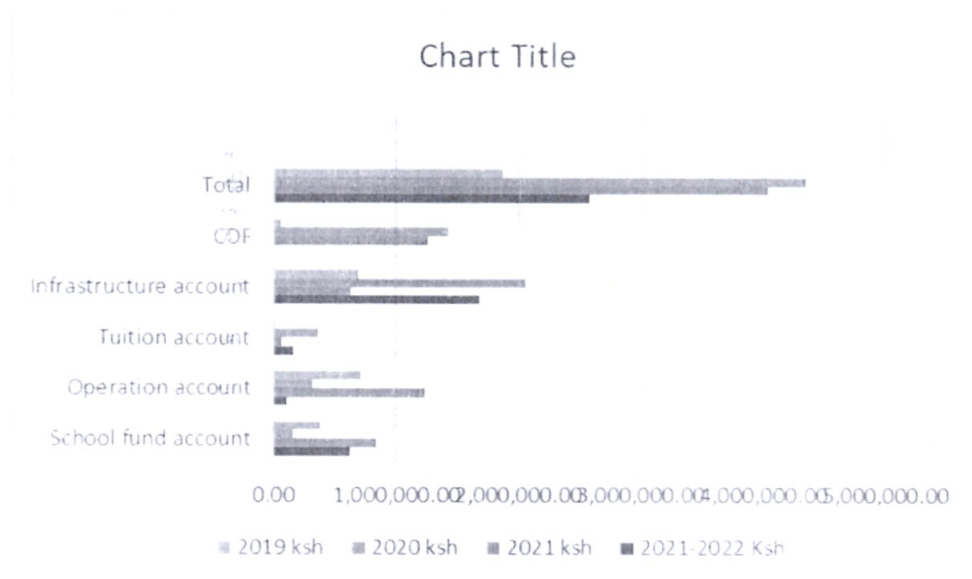
s/no	accounts	2021-2022	2021	2020
		Ksh	Ksh	Ksh
	Sundry Debtors	3,460,526.00	2,374,421.00	1,634,061.00
	Sundry creditors	1,182,274.00	286,825.05	693,995.05

Graphical presentation



M'WANGAZA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022****MOVEMENT OF CASH AND BANK BALANCES OVER THE LAST THREE YEARS**

s/no	Accounts	2021-2022	2021	2020	2019
		Ksh	ksh	ksh	ksh
1.	School fund account	622,228.50	842,414.50	166,723.50	383,749.50
2.	Operation account	109,985.60	1,240,035.50	323,099.60	714,213.60
3.	Tuition account	168,455.80	67,895.00	365,815.00	15,791.00
4.	Infrastructure account	1,677,548.90	625,955.40	2,052,948.90	691,665.90
5.	CDF	8,463.08	1,260,451.10	1,430,691.10	58,856.60
	Total	2,586,681.88	4,036,751.50	4,339,278.1	1,864,276.60

Graphical presentation**b) Teacher Student ratio:**

Between the month of January 2021 to June 2021 the status of the teaching staff is as follows. There are 21 teachers posted by the Teachers Service commission and 4 recruited by Board of Management

c) Mean score in the 2021 KCSE:

year	Enrolment	mean	Transition	Target	Comment
2021	82	2.83			
2020	67	2.43	100%	3.4	Target not attained due to 100% transation
2019	79	2.61	100%	3.01	

d) Number of Candidates in the 2021 KCSE:

The number of candidates sitting for KCSE over the last three years.

<i>2021</i>	<i>2020</i>	<i>2019</i>
82	67	79

e) Capacity of the school:

<i>Facility</i>	<i>No</i>	<i>Capacity</i>	<i>No of students</i>	<i>Remarks</i>
<i>Laboratory</i>	<i>1</i>	<i>21</i>	<i>384</i>	<i>Inadequate</i>
<i>Classes</i>	<i>9</i>	<i>40</i>	<i>384</i>	<i>Adequate</i>
<i>Toilets</i>	<i>14</i>	<i>280</i>	<i>384</i>	<i>inadequate</i>

MWANGAZA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022**

f) Development projects carried out by the school:

<i>Project</i>	<i>Year</i>	<i>Status</i>	<i>amount</i>	<i>Funds source</i>
<i>One classroom</i>	<i>2021-2022</i>	<i>Completed</i>	<i>1,197,999.97</i>	<i>CDF</i>
<i>Two classrooms</i>	<i>2021-2022</i>	<i>Not Completed</i>		<i>Maintenance and ESP</i>

Sign **School Principal**

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

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

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

Name: Florence Njege
Designation: Chairperson, School Board of Management
Sign: 
Date: 01/04/2022

Name: Kellen K. Nciima
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 01/02/2022

Name: Ann Kageni
Designation: Bursar/ Finance Officer
Sign: 
Date: 01/04/2022



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 MWANGAZA GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - ISIOLO COUNTY

PREAMBLE

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

- A. Report on 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 the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Mwangaza Girls Secondary School set out on pages 16 to 33, 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, 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 Mwangaza Girls Secondary School as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Cash Basis and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for operations and infrastructure of Kshs.5,593,652 as disclosed in Note 2 to the financial statements. Review of the National Education Management and Information System (NEMIS) capitation disbursements made to the School reflects capitation grants for operations and infrastructure of Kshs.6,988,496, resulting in an unexplained variance of Kshs.1,394,844.

In the circumstances, the accuracy and completeness of capitation grants for operations and infrastructure amount of Kshs.5,593,652 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,586,681 which, as disclosed in Note 8 and Note 9 to the financial statements which comprise of bank balances totalling Kshs.2,580,797 held in seven (7) bank accounts and cash on hand of Kshs.5,884. However, the bank balances were not supported by bank reconciliation statements while the cash on hand balance was not supported by a board of survey report.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.2,586,681 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects receipts budget and actual on comparable basis amounts of Kshs.13,530,091 and Kshs.11,525,777 respectively,

resulting in under-funding of Kshs.2,004,314 or 15% of the budget. Further, the statement reflects actual expenditure of Kshs.13,195,718 against actual receipts of Kshs.11,525,777.

The under-funding affected the planned activities and may have adversely affected service delivery to the public.

My opinion is not modified in respect of this matter.

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. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the Other Information set out on pages 3 to 14, which comprise of Key School Information and Management, Summary Report of Performance of the School, Management Team, and Statement of School Management Responsibility. The Other Information does not include the financial statements and our auditor's report thereon.

In connection with my audit of the schools' financial statements, my responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and, accordingly, I do not express an audit opinion or any form of assurance thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects operation payments amounting to Kshs.6,840,833 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.77,200 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 transferred to KESSHA amounting to Kshs.77,200 could not be confirmed.

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.6,869,111. Comparison of data from National Education Management and Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2021/2022, NEMIS reflected one thousand five hundred and fifty-two (1,552) students while records from the School had one thousand four hundred and fifty-one (1,451) students, resulting in an overfunding of the School by an amount of Kshs.215,824. 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, over-funding of the School may have impacted resource allocation to other schools.

3. 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.1,182,274. However, included in the balance are trade payables balance of Kshs.163,407 which had been outstanding for more than two (2) years, and risk loss of public funds through litigations, interests and penalties. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the Government does not default on debt obligations.

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

4. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects capitation grants for operations amount of Kshs.5,593,652 as disclosed in Note 2 to the financial statements which was credited in the operations bank account. Included in the amount is Kshs.1,725,500 for infrastructure activities which was supposed to have been transferred to infrastructure account within fifteen (15) days upon receipt. However, out of the amount of Kshs.1,725,500, an amount of Kshs.393,000 was transferred to the infrastructure account after 48 days, occasioning a delay of 33 days. This was contrary to the Ministry of Education Circular Ref. No: MOE HQS 3/13/3, 2021, which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

5. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

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

- i. The statement of cash flows was not referenced to explanatory notes for some items.
- ii. Commentary on significant over/under budget utilization was not included the statement of budgeted vs actual amounts.

In the circumstances, Management did not comply with the PSASB reporting guidelines.

6. Late Submission of Financial Statements for Audit

The financial statements for the year ended 30 June, 2022 were submitted to the Auditor-General for audit on 5 March, 2026. This was contrary to Section 81(1)(4) of the Public Finance Management Act, 2012 which provides that financial statements should be submitted for audit not later than three (3) months after the end of each financial year, in this case 30 September, 2022.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.3,460,526 in respect of fees arrears as disclosed in Note 11 to the

financial statements. Included in the balance is accounts receivable balance of Kshs.1,241,821 which had been outstanding for more than two (2) years. However, there was no policy on impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the existence of effective mechanisms for debt management could not be confirmed.

2. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets balance of Kshs.16,491,520 which includes land with a nil balance. However, land ownership documents were not provided for audit. Further, Management did not prepare an updated fixed asset register.

In the circumstances, the existence of effective measures in the management of fixed assets could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, 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 the 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 for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply with the authorities which govern them and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the school's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

5 May, 2026

MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,275,459.00	445,328.00
Capitation grants for operations	2	5,593,652.00	2,838,016.00
School Fund Income- Parents' Contributions	3		
School Fund Income- Other receipts	4	6,286,140.00	2,831,780.00
Proceeds from borrowings			
TOTAL RECEIPTS		13,155,251.00	6,115,124.00
PAYMENTS			
Payments for Tuition	5	1,717,753.00	657,375.00
Payments for operations	6	6,840,833.00	3,415,534.00
Boarding and school fund payments	7	5,856,079.00	1,197,212.00
TOTAL PAYMENTS		(14,414,665.00)	(5,270,121.00)
SURPLUS/DEFICIT		(1,259,414.00)	845,003.00

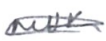
The school financial statements were approved on 01/04/2022 and signed by:

Sign: 

Name: Florence Njege

Chairperson BOM

Date 01/04/2022

Sign: 

Name: Kellen K. Nciima

School Principal/
Secretary to BOM

Date 01/04/2022

Sign: 

Name: Ann Kageni

Bursar/
Finance Officer

Date 01/04/2022



MWANGAZA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

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

	Note	2021 - 2022	2021
			Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	2,580,797.00	3,958,077.00
Cash Balances	9	5,884.00	78,674.00
Short term Investment	10		
Total Cash and cash equivalent		<u>2,586,681.00</u>	<u>4,036,751.00</u>
Account's receivables	11	3,460,526.00	2,374,421.00
TOTAL FINANCIAL ASSETS		6,047,207.00	6,411,172.00
FINANCIAL LIABILITIES			
Accounts Payables	12	1,182,274.00	286,825.00
NET FINANCIAL ASSETS		4,864,933.00	6,124,347.00
REPRESENTED BY			
Accumulated Fund b/fwd	13	6,124,347.00	5,279,344.00
Surplus/Deficit for the year		(1,259,414.00)	845,003.00
NET FINANCIAL POSSITION		4,864,933.00	6,124,347.00

The School's financial statements were approved on 01/04/2022 and signed by:

Name: Florence Njege
Chairperson, BoM

Sign: 

Date: 01/04/2022

Name: Kellen K. Nciima
School Principal/Secretary
to BoM

Sign: 

Date: 01/04/2022

Name: Ann Kageni
Bursar/Finance

Sign: 

Date: 01/04/2022



MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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

		2021-2022	2021
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,275,459.00	445,328.00
Capitation grants for operations	2	5,593,652.00	2,838,016.00
School fund income- Parents contributions/ fees	3	6,366,253.00	2,198,290.00
School fund income- other receipts	4		
Total receipts		13,235,364.00	5,481,634.00
Payments			
Payments for Tuition		1,183,898.00	743,248.00
Payments for operations		6,783,108.00	1,585,584.00
Boarding and school fund payments		5,520,427.00	1,502,839.00
Total payments		13,487,433.00	(3,831,671.00)
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets		(1,198,000.00)	(1,952,489.00)
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalent at BEGINNING of the year		4,036,751.00	4,339,277.00
Cash and cash equivalent at END of the year		2,586,682.00	4,036,751.00

MWANGAZA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

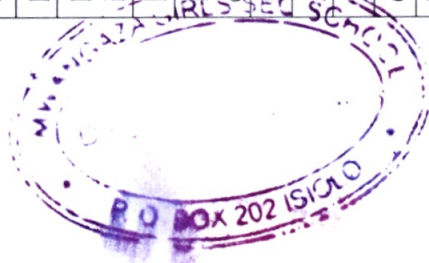
Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials		-				
Exercise books		-				
Laboratory equipment		-				
Internal exams						
Teaching / learning materials	1,625,635.00	-	1,625,635.00	1,275,485.80	350,150.00	78%
Chalks						
Exams and assessment						
Teachers guides						
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1,856,000.00	-	1,856,000.00	1,858,476.90	-2,2476.90	100.1%
Repairs and maintenance	1,919,250.00	-	1,919,250.00	2,008,492.00	-89,242.00	104.60%
Local transport / travelling	397,250.00	-	397,250.00	368,188.80	29,061.20	107.90%
Electricity and water	385,250.00	-	385,250.00	368,188.80	17,061.20	104.60%
Medical	529,688.00	-	529,688.00	78,600.00	451,088.00	14.80%
Administration costs	654,705.50	-	654,705.50	911,705.60	-257,000.10	139.30%
Activity	452,612.00	-	452,612.00			
SMASSE						
(3) FEES CHARGED ON PARENTS						

MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Personnel emoluments		-				
Repairs and maintenance						
Local transport / travelling						
Electricity and water						
Medical						
Administration costs						
Activity						
SMASSE						
Fee on Boarding Equipment and Stores	5,709,700.00	-	5,709,700.00	4,656,639.00	1,053,061.00	81.60%
TOTAL INCOME	13,530,090.50	-	13,530,090.50	11,525,776.90	2,004,313.60	85.2%
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	148,618.00	-	148,618.00	19,140.00	129,478.00	12.9%
Exercise books	280,150.00	-	280,150.00	269,700.00	10,450.00	96.3%
Laboratory equipment	292,627.00	-	292,627.00	861,877.00	-569,250.00	294.5%
Internal exams						
Teaching / learning materials	904,240.00	-	904,240.00	561,360.00	342,880.00	62.1%
Chalks						
Exams and assessment						
Teachers guides						
Administration costs						
Bank Charges						
(2) EXPENDITURE FOR						

MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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
OPERATIONS						
Personnel emoluments	1,856,000.00	-	1,856,000.00	2,139,904.00	-283,904.00	115.3%
Repairs, maintenance & improvements	1,919,250.00	-	1,919,250.00	826,532.50	1,092,718.00	43.1%
Local transport / travelling	397,250.00	-	397,250.00	142,150.00	255,100.00	35.8%
Electricity, water and conservancy	385,250.00	-	385,250.00	273,701.00	111,549.00	71%
Medical	529,688.00	-	529,688.00	41,055.00	488,633.00	7.7%
Administration costs	654,705.50	-	654,705.50	3,083,860.00	2,429,154.50	471%
Activity Expenses	452,612.00	-	452,612.00	320,700.00	131,912.00	70.9%
Gratuity						
SMASSE						
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	216,600.00	-	216,600.00	142,850.00	73,750.00	66%
Repairs, maintenance and improvements						
Local transport / travelling						
Electricity, water and conservancy						
Medical Expenses						
Administration costs						
Activity						
gratuity						
Boarding Equipment and Stores	5,493,100.00	-	5,493,100.00	4,512,889.00	980,211.00	82%
Expenditure for Income Generating Activity						



MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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
Insurance costs						
Other expenses on investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition of Assets						
TOTALS	13,530,090.50	-	13,530,090.50	13,195,718.50	334,372.00	97.5%

In tuition account their was increased expenditure due to K.C.S.E preparation

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

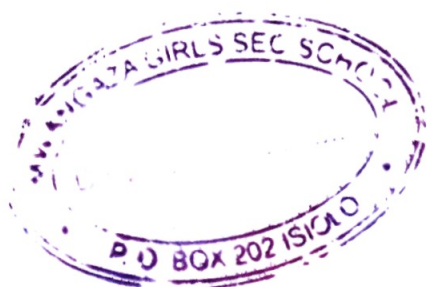
The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

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

MWANGAZA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022****X. NOTES TO THE FINANCIAL STATEMENTS****1 CAPITATION GRANT FOR TUITION**

	2021-2022	2021
	Kshs	Kshs
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching / learning materials	1,275,459.00	445,328.00
Chalks		
Exams and assessment		
Teachers guides		
Total	1,275,459.00	445,328.00

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	1,858,477.00	1,017,460.00
Repairs and maintenance	2,008,492.00	1,222,250.00
Local transport / travelling	368,189.00	194,450.00
Electricity and water	368,189.00	194,450.00
Medical	78,600.00	
Administration costs	911,705.00	209,406.00
Activity		
Total	5,593,652.00	2,838,016.00

3 PARENTS CONTRIBUTION/FEES – SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Medical		
Administration costs		
Activity		
Total		



NOTES TO THE FINANCIAL STATEMENTS

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	6,279,090.00	2,831,780.00
Rent income		
Income from farming activities	7,050.00	
Insurance compensation		
Income from Posho mill		
Income from Bus Hire		
Fee for hire of ground and equipment		
Income from grants and donations*		
Interest income		
Dividends income		
Total	6,286,140.00	2,831,780.00

5 PAYMENTS FOR TUITION

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	19,140.00	21,307.00
Exercise books	269,700.00	77,000.00
Laboratory equipment	861,877.00	427,784.00
Internal exams		
Teaching / learning materials	561,360.00	130,294.00
Chalks		
Exams and assessment		
Teachers guides		
Administration Costs		
Bank Charges	5,676.00	990.00
Total	1,717,753.00	657,375.00

MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS

6 PAYMENTS FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,139,904.00	741,105.00
Service Gratuity		
Administration Cost	2,683,860.00	375,455.00
Repairs and maintenance & improvements	826,533.00	1,971,390.00
Local transport / travelling	142,150.00	62,650.00
Electricity and water	273,701.00	110,616.00
Medical	7,900.00	6,000.00
Activity Expenses	320,700.00	145,500.00
SMASSE		
Insurance Cost	41,055.00	
Bank Charges	5,030.00	2,818.00
Acquisition of Assets		
Laboratory materials	400,000.00	
TOTAL	6,840,833.00	3,415,534.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	142,850.00	103,750.00
Service Gratuity		
Repairs and maintenance & Improvements	90,100.00	204,600.00
Local transport / travelling		900.00
Electricity and water	3,000.00	
Medical Expenses	1,000.00	2,450.00
Administration costs		51,485.00
Lunch Programme	3,712,493.00	831,473.00
Bank Charges	8,636.00	2,554.00
Activity		
Expenses on Income Generating Activities		
Fee on Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost (Life Property)		
Loan Principal repayment		
Loan Interest repayment		
Acquisition of Assets	1,198,000.00	
Laboratory material	700,000.00	
TOTAL	5,856,079.00	1,197,212.00



MWANGAZA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022**

The laboratory equipment were paid using the boarding and school fund account because the school did not have enough funds in tuition account since the school was never funded with money for buying laboratory materials .

NOTES TO THE FINANCIAL STATEMENTS (Continued)**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	1179841360	168,456.00	67,895.00
Operations Account	1179841433	108,509.00	1,220,344.00
School Fund Account/Boarding	1171376383	618,221.00	783,832.00
CDF 1	0410279866443	685.00	1,200,125.00
Infrastructural Account	1260832260	1,677,149.00	625,555.00
CDF 2	0410279604294	1,469.00	1,469.00
CDF 3	1179841557	6,308.00	58,857.00
Total		2,580,797.00	3,958,077.00

9 CASH IN HAND

Description	2020-2021	2020-2021
	Kshs	Kshs
Tuition Account	-	
Operation Account	1,876.00	20,091.00
School Fund account	4,008.00	58,583.00
Total	5,884.00	78,674.00

10 SHORT TERM INVESTMENTS

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

MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2020-2021
	Kshs	Kshs
Fees arrears	3,460,526.00	2,374,421.00
Other non-fees receivables		
Salary advances		
Imprest		
Total	3,460,526.00	2,374,421.00

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

Description	2020-2021	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,312,700.00	1,132,600.00
Fees arrears for the previous year	906,005.00	280,160.00
Fees arrears for prior periods (over two years)	1,241,821.00	961,661.00
Total	3,460,526.00	2,374,421.00

12 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	987,786.00	215,955.00
Prepaid fees	194,488.00	70,870.00
Retention money		
Total	1,182,274.00	286,825.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	824,379.00	
Trade creditors for the previous year		
Trade creditors for prior periods (over two years)	163,407.00	215,955.00
Total	987,786.00	215,955.00



NOTES TO THE FINANCIAL STATEMENTS

13 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2021
	Kshs	Kshs
Bank balances	3,958,077.00	4,337,624.00
Cash balances	78,674.00	1,654.00
Short Term Investments		
Receivables	2,374,421.00	1,634,061.00
Payables	286,825.00	693,995.05
Total	6,124,347.00	5,279,344.00

MWANGAZA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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	2020
	Kshs	Kshs
Bank loan(s)	xxx	xxx
Outstanding Leases	xxx	xxx
Hire purchase	xxx	xxx
Gratuity and leave provision	xxx	xxx
Total	xxxx	xxx

15 Biological assets

Description	Numbers	2020-2021	2020
		Kshs	Kshs
Cattle		xxx	xxx
Goats		xxx	xxx
Trees		xxx	xxx
Coffee or tea plantation		xxx	xxx
Poultry		xxx	xxx
Total		xxx	xxx

16 Borrowings

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



Other important disclosure notes

17 Stock/ Inventory

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

MWANGAZA GIRLS SECONDARY SCHOOL**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.

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Land without title deeds	Isiolo county doesn't have title deeds for land but registration process is taking place	Not resolved	None
	Audit could not confirm if assets were adequately insured	Insurance is in place	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 2022	Outstanding Balance 2021-2022	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. Priscilar Kinanu	11,300.00	30/06/2022		11,300.00	11,300.00	
5. Naftary Kiambi	41,200.00	30/06/2022		41,200.00	41,200.00	
6. Karegi Purity	36,760.00	30/06/2022		36,760.00	36,760.00	
7. Regina kinya	143,540.00	30/06/2022		143,540.00	143,540.00	
8. Wayfield bookshop	32,860.00	08/06/2022		32,860.00	32,860.00	
9. Regional books and stationers	1,232,235.00	28/03/2022	774,240.00	457,995.00	457,995.00	
10. Skyintel enterprices	443,000.00	19/03/2022	400,000.00	43,000.00	43,000.00	
11. Creditor 2020 and below	163,407.00	06/01/2018		163,407.00	163,407.00	
Sub-Total				930,062.00	930,062.00	
Supply of services						
12. NHIF	3,450.00	30/06/2022		3,450.00	3,450.00	
13. NSSF	10,020.00	30/06/2022		10,020.00	10,020.00	
14. IDEAL SECURITY	10,000.00	20/06/2022		10,000.00	10,000.00	
15. KPLC	8,174.00	30/06/2022		8,174.00	8,174.00	
16. GERALD MURIUKI	6,900.00	30/06/2022		6,900.00	6,900.00	
17. MUKETHA ELECTRICALS	19,180.00	27/06/2022		19,180.00	19,180.00	
Sub-Total				57,724.00	57,724.00	
Grand Total				987,786.00	987,786.00	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1						
Buildings and structures	-				-	
Classes			8,374,435.95	1,197,999.97	-	9,572,435.92
Laboratory	2015		3,000,000.00			3,000,000.00
14 door student's toilets						
Administration block	2021		3,425,085.60			3,425,085.60
Motor vehicles	-	-	-	-	-	-
Office equipment, furniture and fittings						
ICT Equipment, and Other ICT Assets						
Computers 13			360,000.00			360,000.00
Laptops	2021		45,000.00			45,000.00
Epson projector			89,000.00			89,000.00
Tools and apparatus						
Textbooks						

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Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Other Machinery and Equipment	-	-	-	-	-	-
Heritage and cultural assets						
Intangible assets- soft ware						
Total						

