REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

KAJIAMPAU SECONDARY SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2021

THARAKA-NITHI COUNTY

KAJIAMPAU SECONDARY SCHOOL

P.O BOX 363-60400CHUKA

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 (IPSA

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1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary School
CBE	Competency Based Establishment

2. 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 in **THARAKA NITHI** County, **IGAMBANGOMBE** Sub-County.

The school was registered in 13th May 2002 under registration number **13S00300489** and is currently categorized as County public school established, owned or operated by the Government.

The school is a day/boarding school and had 573 numbers of students as at ***30th June 2021***. It has 4 streams and 23 teachers of which 6 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.	DR. LUCY KARIMI	CHAIRPERSON	1/07/2019
2.	JENNIFER KINYA	SECRETARY-PRINCIPAL	1/07/2019
3.	WILLIAM GITONGA	PA	1/07/2019
4.	REGINA KAMAKIA	MEMBER	1/07/2019
5.	RUFO M. PENINA	SPONSOR	1/07/2019
6.	KIGANKA GITUMA	MEMBER	1/07/2019
7.	JOHN KITHINJI	MEMBER	1/07/2019
8.	KIRIMI JULIUS	MEMBER	1/07/2019
9	DORMAN KAMAU	TEACHERS REP	1/07/2019
10	LUCY KAJIITA	SPONSOR	1/07/2019
11	ONESMUS KAMWARA	SPONSOR	1/07/2019
12	SAMSON MUTEMBEI	SPONSOR	1/07/2019
13	PETER KATHIGA	SPECIAL NEED	1/07/2019
14	GIDEON NYAGA	STUDENTS REP	1/07/2019

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule per
- 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	DR. Lucy Karimi Jennifer Kinya William Gitonga Onesmus Kamwara Regina Kamakia	CHAIRMAN SECRETARY PA CHAIR VICE CHAIR MEMBER	2
3	Audit	Dr. Lucy Karimi Jennifer Kinya William Gitonga Frankline Gituma Lucy Kajiita Penina Rufo Elijah Kithinji Regina Gitonga	Chair Person Secretary MEMBER MEMBER MEMBER MEMBER MEMBER MEMBER	2
4	Academic Committee	Frankline Gituma Arnold Mbaka Penina Rufo Onesmus Mugambi Regina Gitonga Dorman Kamau Jeniffer Ngari	Chairperson Sec-Deputy MEMBER MEMBER MEMBER MEMBER TEACHERS REP SNR TEACHER	2
5	Development Committee	Dr. Lucy Karimi Jennifer Kinya Peter kathiga Bonface Murithi Elijah kithinji	Chairperson Secretary MEMBER MEMBER MEMBER	2
6	Discipline and welfare Committee	Arnold Mwenda Nyaga Mwenda Marion mwende Loyd ntwiga Jennifer ngari Gitonga lewis Njagi erick Mbijiwe muchomba	Patron Chairman Secretary Member Member member member	2
7	Adhoc Committee (if any during the year)	Arnold Mbaka Jannifer Wangeci Nyamu Karen Marion mwende Festus Nyaga Jannifer Wakini Hellen Gaceri Victoria Karimi	Chairperson Secretary Dorm Minister Drama Patron HOD Technicals Matron Finance Officer Games Minister	2

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	Identification
1	Principal	JENIFFER KINYA	TSC No. 303213
2	Deputy Principal	ARNOLD MBAKA	TSC No. 398177
3	School Account Clerk	HELLEN GACERI MUCEE	ID No. 27331760

(d) Schools contacts

Post Office Box:	363-60400CHUKA
Telephone:	xxxxxxxx
E-mail:	kajiampausecsch@gmail.com
Website:	xxxxxxx
Face book:	xxxxxxx
Twitter:	xxxxxxx

(e) School Bankers

Provide details of the school bankers.

1. SCHOOL FUND ACCOUNT

Name of Bank:	CO-OPERATIVE BANK
Branch	CHUKA
Account Number	01129057807500

2. OPERATIONS ACCOUNT

Name of Bank:	EQUITY BANK
Branch	CHUKA
Account Number	0210291771311

3. TUITION ACCOUNT

Name of Bank:	EQUITY BANK
Branch	CHUKA
Account Number	0210291339757

4. INFRASTRUCTURE ACCOUNT

Name of Bank: TRANSNATION SACCO
Branch CHUKA
Account Number 68260900066901

5. DEVELOPMENT ACCOUNT

Name of Bank: SOLUTION SACCO
Branch KATHWANA
Account Number 001007700002

6. Mpesa pay bill No. 400222 attached to SCHOOL FUND ACCOUNT (CO-OPERATIVE BANK ACCOUNT NO. 01129057807500)

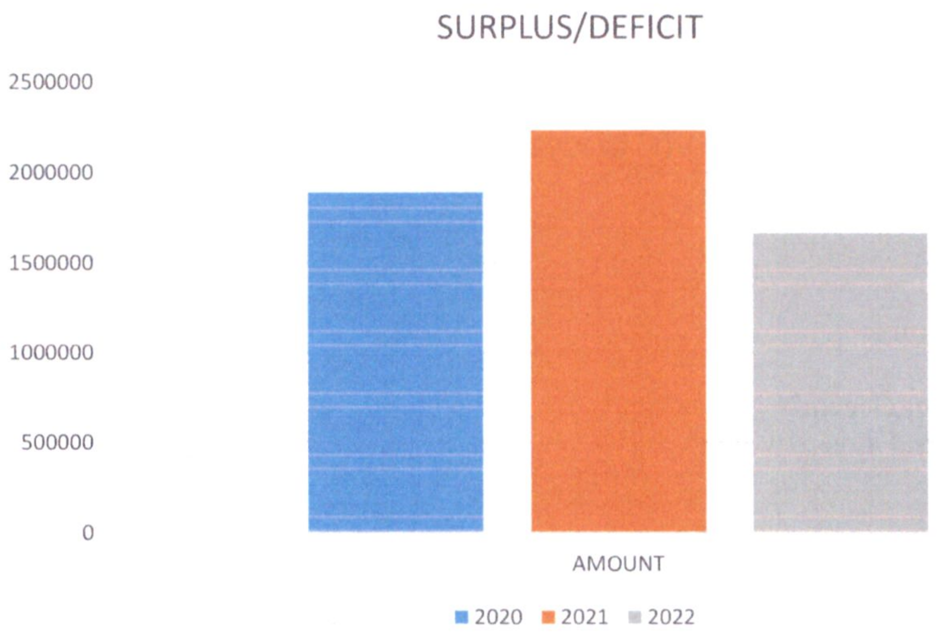
(f) Independent Auditors

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

3. Summary Report of Performance of The School

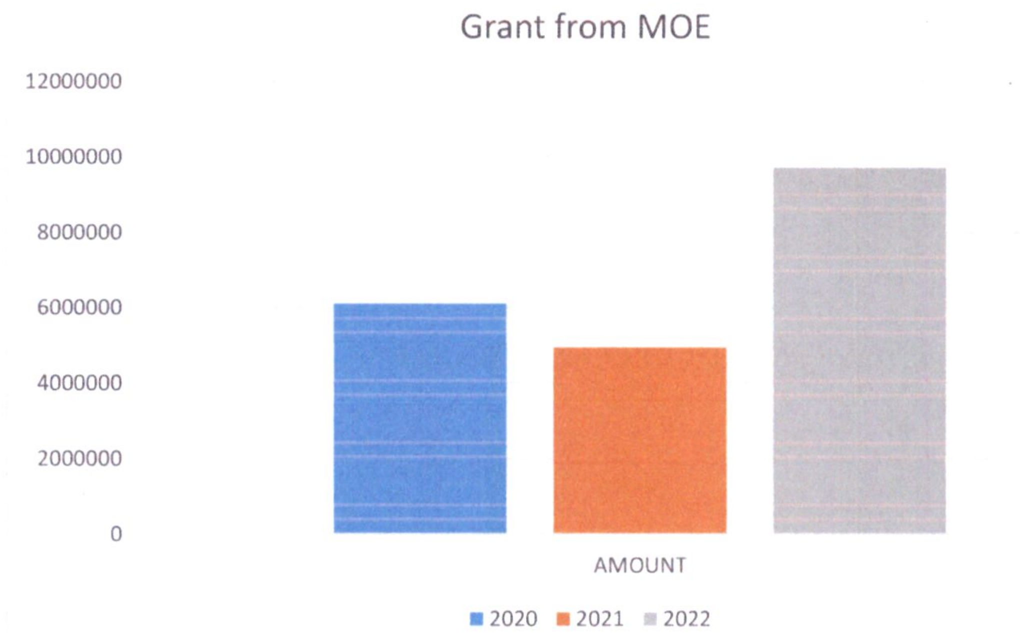
1. SURPLUS /DEFICIT

YEAR	AMOUNT
2021	2,233,306.62
2020	1,889,298.00
2019	82,564.96



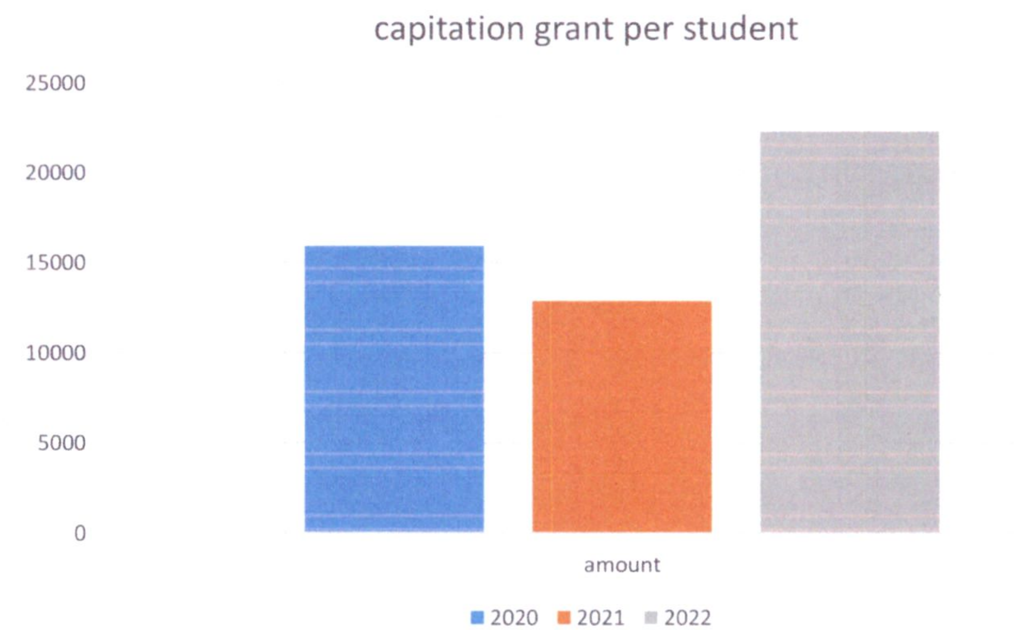
CAPITATION GRANTS FROM MINISTRY SINCE 2019

YEAR	AMOUNT
2021	4,949,405.15
2020	6,117,597.00
2019	7,965,854.94



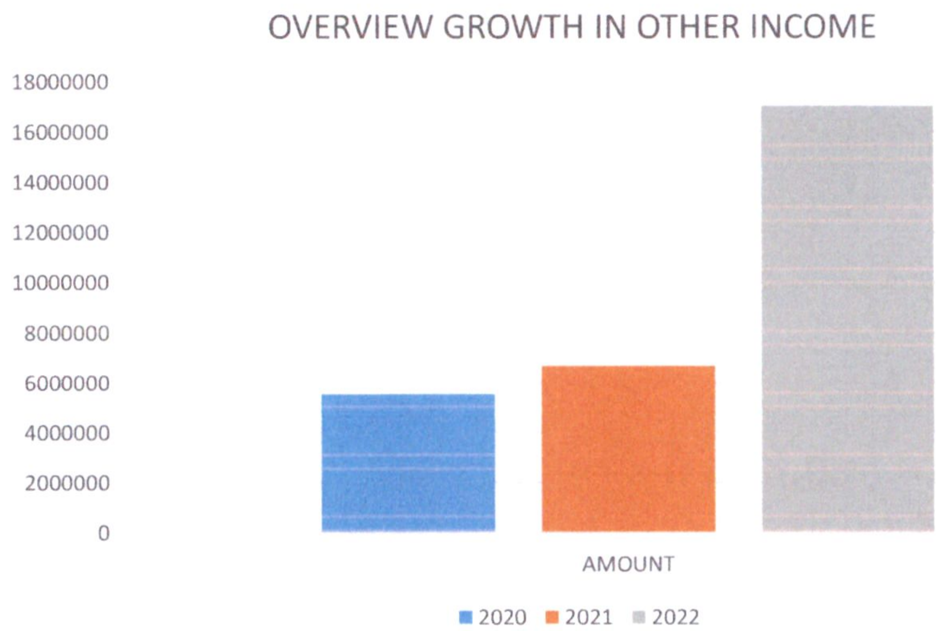
RATION OF CAPITATION GRANT PER STUDENT SINCE 2019

YEAR	AMOUNT
2021	1:12889.00
2020	1:15931.00
2019	1:207744.00



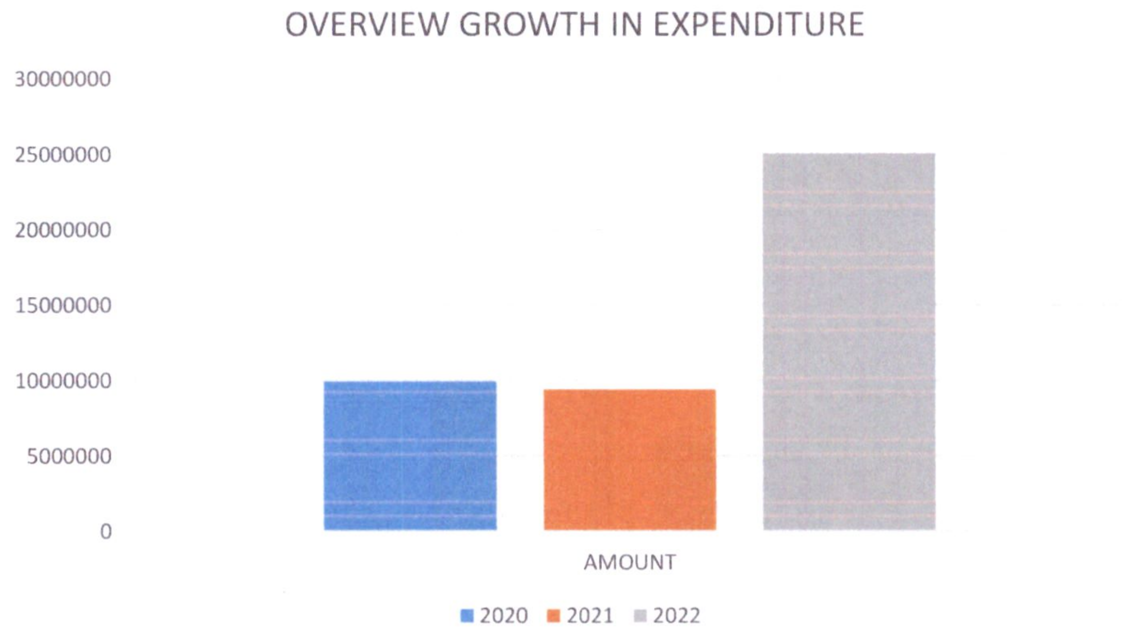
2. GROWTH OF OTHE INCOME

YEAR	AMOUNT
2021	6691696.00
2020	5559091.00
2019	12,410,658.00



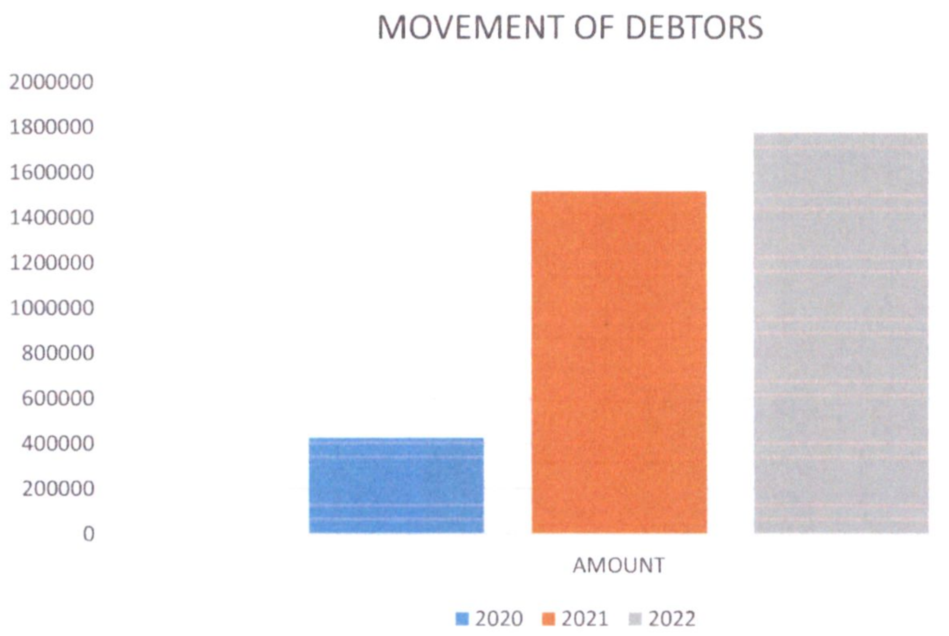
4THREE OVERVIEW EXPENDITURE OF OTHER INCOME

YEAR	AMOUNT
2021	9407794.53
2020	9940795.00
2019	20,581,082.00



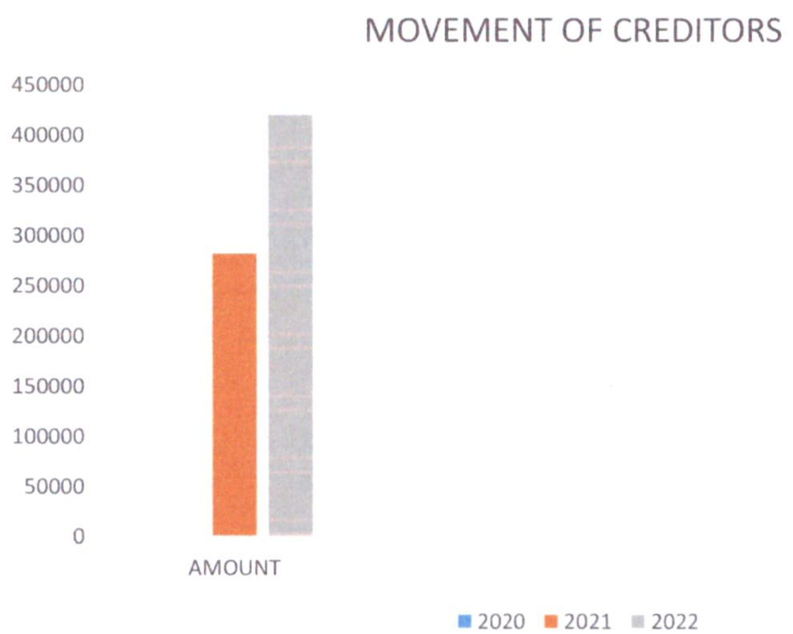
5 **MOVEMENT OF DEBTORS**

YEAR	AMOUNT
2021	1518830.00
2020	426090.00
2019	1,891,446.00



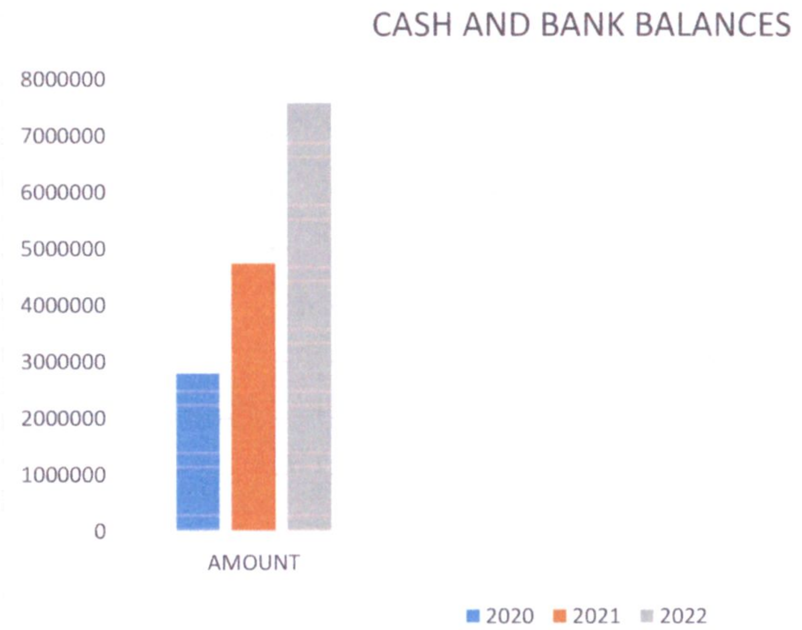
MOVEMENT OF CREDITORS OVER THREE YEARS

YEAR	AMOUNT
2021	282350.00
2020	
2019	570180.00



7 CASH AND BANK BALANCES OVER THE LAST THREE YEARS

YEAR	AMOUNT
2021	4750509.09
2020	27,89406.47
2019	1,981088.47



a)

a)**Teacher Student ratio**: 1:26

The number of TSC teachers employed by subject combinations

REF	NAME	EMPLOYER	SUBJECT COMBINATION	SHORTFALL
1	Jennifer Kinya	TSC	ENG/CRE	
2	Joseph Njoka	TSC	PHY/MATH	
3	Ngai Jenifer Wangeci	TSC	CHEM/MATHS	
4	Bosco Murithi	TSC	CRE/HISTORY	
5	Njue Lewis	TSC	HISTORY/KISWAHILI	
6	Mbae Nancy Makena	TSC	KISW/CRE	
7	Emma Kabethi	TSC	ENG/LIT	
8	Dorman Kamau Kironjo	TSC	HIST/GEO	
9	Elsie Kawira	BOM	ENG/LIT	
10	Joseph Mutura Njoka	TSC	PHY/MATH	
11	Kiria Benson Mutua	TSC	CHEM/MATH	
12	Jackline Gacheri Murithi	TSC	GEO/CRE	
13	Jane Gakii Mwenda	TSC	KISW/HIST	
14	Joseph Kwenga Kirugi	TSC	AGRIC/BIO	
15	Dominic Muchomba Mbijiwe	TSC	GEO/B/S	
16	Linsay Kendi	TSC	KISWAHILI/HISTORY	
17	Karuti Abedingo	TSC	ENG/LIT	
18	Denis Munene	BOM	CHEMISTRY/BIO	
19	Ngatia Damaris	BOM	CHEMISTRY/MATHS	
20	Jeffrian Njeru	TSC	HISTORY/CRE	
21	Obadiah Kibet Kipsang	BOM	BIO/AGRC	

a)

a)Mean score in the 2018, 2020 AND *2021* KCSE:

YEAR	*ENTRY*	*MEAN SCORE*	*REMARKS*
2018	*78*	*3.58*	
2019	*109*	*3.29*	
2020	*119*	*4.38*	
2021	*110*	*4.11*	

b) Number of Candidates in the 2018,2019,2020,2021 KCSE:

YEAR	**ENORLL**
2019	**109**
2020	**119**
2021	**110**

C. Capacity of the school

BOYS	**GIRLS**	**TOTAL**
261	**321**	**573**

STRUCTURE	**UNITS**	**CAPACITY**	**SHORTFALL**
Boys Toilets	3	261	2
Girls Toilets	3	298	nil
Boys Dormitories	4	256	1
Girls Dormitories	5	298	1
Laboratory (Temporal)	1	540	3
Library (Temporal)	1	540	1
Dinning Hall (Temporal)	1	540	1
Computer lab(Temporal)	1	540	2
Boys Bathrooms	3	256	1
Girls Bathrooms	3	298	2

Adm Block(Temporal)	1	25	1

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

Projects	Source of funds	Status	Amount
GIRLS DORMITORY	RMI (MOEST)	Ongoing	15,000000.00
CLASSROOM	MOEST/PTA	COMPLETE	16,000000.00

...JENIFFER....KINYA...............

School Principal

PRINCIPAL
KAJIAMPAU SECONDARY SCHOOL
P. O. Box 363-60400, CHUKA
Date. 13/4/26. Sign

4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012requires 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 (PSASB)of Kenya from time to time.

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

The Board of Management of **KAJIAMPAU 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, 2025, and of the school's financial position as at that date.

NAME : DR. LUCY KARIMI
Designation: Chairman, School Board of Management
SIGN :.......................................
Date: ...13/4/26........................

NAME : JENIFFER KINYA
Designation: School Principal& Secretary to Board of Management
SIGN :...Kinya...................................
Date: ....13/4/2026...........................

Date 13/4/26 Sign Kinya

NAME : HELLEN GACERI MUCEE
Designation: Bursar/ Finance Officer
SIGN :.......................................
Date: ....13/4/2026.........................

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

REPUBLIC OF KENYA

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OAG
OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON KAJIAMPAU SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 – THARAKA NITHI 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 Kajiampau Secondary School – Tharaka Nithi County set out on pages 1 to 22, which comprise of the statement of assets and liabilities as at 30 June, 2021 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 Kajiampau Secondary School – Tharaka Nithi 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variance Between the Statement of Cash Flows and the Statement of Budgeted versus Actual Amounts

The statement of cash flows reflects amounts which differ with the corresponding actual amounts on a comparable basis reflected in the statement of budgeted versus actual amounts as detailed below;

Operating Income	**Statement of Cash Flows (Kshs.)**	**Statement of Budgeted Vs Actual (Kshs.)**	**Variances (Kshs.)**
School Fund Income - Parents'	5,809,492	6,070,506	261,014
School Fund - Other Receipts	610,000	-	(610,000)
Payments			
Payment for Tuition	721,580	691,580	(30,000)
School Fund Payments	6,473,530	6,460,069	13,461

In the circumstances, the accuracy and completeness of the statement of cash flows and the statement of budgeted versus and actual amounts could not be confirmed.

2. Variances Between Financial Statements and Notes to the Financial Statements

Review of the financial statements submitted for audit reveals the following anomalies;

i) The statement of receipts and payments reflects miscellaneous incomes amount of Kshs.610,000 while Note 5 to the financial statements discloses a Nil amount leading to an unreconciled and unexplained variance of Kshs.610,000.

ii) The statement of receipts and payments reflects school fund income - parent contributions amount of Kshs.6,081,696 while Note 4 to the financial statements discloses an amount of Kshs.2,644,460 leading to an unreconciled and unexplained variance of Kshs.3,437,236.

In the circumstances, the accuracy and completeness of miscellaneous incomes and school fund income - parent contributions could not be confirmed.

3. Lack of Supporting Ledgers

The statement of receipts and payments reflects total receipts and payments amounts of Kshs.11,641,101 and Kshs.9,407,795 respectively. However, the relevant ledgers to support the breakdown of sub items in the notes to the financial statement were not provided for review.

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

4. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.4,680,295 as disclosed in Note 13 to the financial statements. However, detailed ageing analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of accounts receivables balance of Kshs.4,680,295 could not be confirmed.

5. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.666,616 and Kshs.4,282,789 respectively as disclosed in Note 1 and Note 2 to the financial statements. However, review of the National Education Management and information System (NEMIS) and the amount receipted by the School revealed capitation grants for tuition and operations amounts of Kshs.5,737,044 leading to unreconciled and unexplained variance of Kshs.787,639.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations amounts of Kshs.666,616 and Kshs.4,282,789 respectively could not be confirmed.

6. Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.282,350 as disclosed in Note 14 to the financial statements. However, creditor's movement schedules, creditors ageing analysis and creditors invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.420,000 could not be confirmed.

7. Unconfirmed Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.4,750,509 which includes bank balances of Kshs.4,745,031 held in five (5) bank accounts as disclosed in Note 10 to the financial statements. However, account numbers for four (4) bank accounts differ with the account numbers disclosed under key School information and management.

Further, review of the documents provided for audit revealed that the School operated another bank account which had a closing balance of Kshs.231,651 as per the bank certificate but was not disclosed in the financial statements. In addition, the cashbook and monthly bank reconciliation statements for the account were also not provided for audit review.

In addition, review of cash books provided for audit revealed that some entries were done using a pencil contrary to Regulation 16(1) of the Public Finance Management (National Government) Regulations, 2015 which requires financial records and documents shall be written in indelible ink. Further, there was use of white wash in correction of the amount.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.4,750,509 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kajiampau 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 final receipts budget and actual on comparable basis of Kshs.13,541,717 and Kshs.11,019,910 respectively resulting in under funding of Kshs.2,521,807 or 18% of the final receipt budget. Similarly, the School spent Kshs.9,370,334 against actual receipts of Kshs.11,019,910 leading to under-utilization of Kshs.1,649,576 or 15% of the actual receipts.

The under-funding and under-utilization affected the implementation of the planned activities and may have impacted negatively on 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 Matter

Unaudited Comparative Balances

I draw attention to the fact that prior to the 2020/2021 financial year, Public Secondary Schools in Kenya did not prepare financial statements for audit. Consequently, the Public

Sector Accounting Standards Board prescribed 30 June, 2021 as the first-time adoption of the International Public Sector Accounting Standards (IPSAS) – Cash Basis of Accounting by Public Secondary Schools.

The financial statements for the year ended 30 June, 2021 include Nil comparative information. However, the Nil comparative amounts and balances were based on unaudited figures. My audit procedures were, therefore, limited to the extent that comparative information does not contain misstatements that materially affect the current period's financial statements. Accordingly, I do not express an opinion or any form of assurance on the comparative information.

My audit opinion on the current period financial statements is not modified in respect of this matter.

Other Information

The Management is responsible for the Other Information set out on page iii to xvii which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's 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 conclusion 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. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.4,282,789 as disclosed in Note 2 to the financial statements. The funds were received from the Ministry of Education and credited to the operations bank account. Included in the amount is Kshs.2,280,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities during the year. However, during the year the Management transferred Kshs.374,378 to infrastructure account, leaving a balance of Kshs.1,906,122. This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3 dated 16 June, 2021 which requires infrastructure grants as well as maintenance and improvement funds to be transferred to the School infrastructure account within fifteen days upon receipt of the funds in the operations account.

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

2. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.6,66,616 and Kshs.4,282,789, respectively as disclosed in Note 1 and Note 2 to the financial statements. During the year under review, National Education Management and information System (NEMIS) reported a total number of five hundred and thirteen (513) students while the enrolment records provided by the School indicated a total number of five hundred and seventy-eight (578) students, resulting in an unexplained variance of sixty five (65) students. As a result, the school was under funded by an amount of Kshs.286,604

In the circumstances, the under-funding of the School may have affected service delivery to the public.

3. Non-Compliance with Procurement Regulations in Acquisition of Goods and Services

The statement of receipts and payments reflects total receipts and payments amounts of Kshs.11,641,101 and Kshs.9,407,794 respectively. During the audit review of the procurement process for various categories of goods and services conducted via an Invitation to tender, the following material irregularities were observed:

i) The tender evaluation was conducted by a committee that had not been formally appointed by the Accounting Officer or the School Governing Body. No delegation of authority or letter of appointment was provided to confirm the legitimacy of the members who participated in the evaluation process contrary to Regulations 28(2) of Public Procurement and asset Disposal Regulations, 2020 which provides that the accounting officer of a procuring entity shall appoint an evaluation committee for the purposes of carrying out the technical and financial evaluation of the tenders or proposals.

ii) The evaluation was conducted without any documented or pre-determined evaluation criteria. There was no scoring matrix, technical compliance checklist, or preferential points system applied to assess the bids contrary to Regulations 58(3) of Public Procurement and asset Disposal Regulations, 2020 which provides that the tender evaluation committee shall evaluate the tenders using the evaluation criteria contained in the e-tender document.

iii) For the bids that were purportedly evaluated, the quotation documents containing the priced offers were not provided for audit verification. Consequently, the prices quoted by bidders could not be confirmed, nor could the accuracy of the evaluation be substantiated contrary to Regulations 58(3) of Public Procurement and asset Disposal Regulations, 2020 which provides that the tender evaluation committee shall evaluate the tenders using the evaluation criteria contained in the e-tender document.

iv) Several categories received fewer than three (3) bids, violating the principle of competitive bidding. Additionally, certain categories included in the original invitation to tender were not tendered at all specifically, supply of dry firewood, sports equipment's, maize milling and no evidence of re-advertisement was maintained to attract further bids contrary to Regulations 158 of Public Procurement and asset Disposal Regulations, 2020 which provides that Procurement of goods, works and services under these Regulations shall be competitive in accordance with the provisions of section 157(3)(b) of the Act.

v) The minutes of the evaluation meeting were incomplete and unsigned by committee members. Further, there was no documented professional opinion to attest that the process was fair, equitable, and compliant with procurement regulations Contrary to Section 84(1) of Public Procurement and asset Disposal Act, 2015 which provides that the head of procurement function of a procuring entity shall, alongside the report to the evaluation committee as secretariat comments, review the tender evaluation report and provide a signed professional opinion to the accounting officer on the procurement or asset disposal proceedings.

In the circumstances, the compliance and eligibility of bidders could not be verified and the award decisions could not be traced to any objective, transparent, or justifiable rationale.

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

The statement of receipts and payments reflects operations and boarding and school fund payments amount of Kshs.2,212,685 and Kshs.6,473,530 respectively as disclosed in Note 7 and Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.211,400 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.211,400 could not be confirmed.

5. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, 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. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.11,641,101 and Kshs.9,407,794 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

7. Lack of a Functional Procurement Unit

During the financial year under review the school did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

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 the 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. Unconfirmed Ownership and Value of Fixed Assets

The summary of fixed assets register reflects fixed assets balance carried forward of Kshs.53,863,900 which include land parcel of Kshs.10,000,000. However, the five (5) hectare parcel of land on which the School is situated, does not have a title deed.

Further, the Management did not prepare an updated fixed assets register with details such as serial number, net book value, description of assets and location of the assets.

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

2. Lack of Risk Management Policy

During the year under review, the School did not have an approved risk management policy in place contrary to Regulation 165 of the Public Financial Management (National Government) Regulations, 2015, which requires that an Accounting Officer to ensure that the National Government entity develops risk management strategies, including fraud prevention mechanisms and a system of risk management and internal controls to support robust business operations.

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue 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

24 April, 2026

6. Statement Of Receipts and Payments For the Year Ended 30th June 2021

Description Of Vote Head	Note	2020-2021	2019-2020
		Kshs	Kshs
Receipts			
Government grants for tuition	1	666615.75	
Government grants for operations	2	4282789.40	
Government Grants for infrastructure	3		
School fund income- parents' contributions	4	6081696.00	
Miscellaneous incomes	5	610000.00	
Total Receipts		**11641101.15**	
Payments			
Tuition	6	721580.00	
Operations	7	2212685.00	
Infrastructure	8		
Boarding and school fund	9	6473529.53	
Total Payments		**9407794.53**	
Surplus/Deficit		**2233306.62**	

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

DR.LUCY KARIMI	**JENIFFER KINYA**	**HELLEN GACERI MUCEE**
CHAIR BOM	**SCHOOL PRINCIPAL/BOM SECRETARY**	**BURSAR/FINANCE OFFICER**
SIGN:..................	SIGN :..................	**SIGN:** ....
DATE :13/4/26..........	DATE 13/4/26..........	DATE 13/4/26

PRINCIPAL
KAJIAMPAU SECONDARY SCHOOL
P. O. Box 363-60400, CHUKA
Date 13.4.26 Sign..........

7. Statement of Assets and Liabilities As At 30th June 2021

Description	Note	2020-2021 Kshs	2019-2020 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	4745031.09	
Cash balances	11	5478.00	
Short term investments	12		
Total cash and cash equivalent		**4750509.09**	
Account's receivables	13	4680295.00	
Total financial assets			
Financial liabilities			
Accounts payable	14	(282350.00)	
Net financial assets		**9148454.09**	
Represented by			
Accumulated fund b/fwd	15	6915147.47	
Surplus/deficit for the year		2233306.62	
Net financial position			

The school's financial statements were approved on ____________ 2021 and signed by:

DR. LUCY KARIMI

CHAIR BOM

SIGN……………………..

Date: 13/4/26……

MADAM JENIFFER KINYA
School Principal/ Secretary to BOM

SIGN : Kinya…………….

Date:…13/4/26…………

PRINCIPAL
KAJIAMPAU SECONDARY SCHOOL
P. O. Box 363-60400, CHUKA
Date 13/4/26 Sign Kinya

HELLEN GACERI

Bursar/ Finance Officer

SIGN: ……………………

Date:…13/4/26…..

8. Statement of Cash Flows for the Year Ended 30th June 2021

Description	Note	*2020-2021* Kshs	*2019-2020* Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	666615.75	
Government grants for operations	2	4282789.40	
Government grants for infrastructure	3		
School fund income- parents contributions/ fees	4	5809492.00	
Other income	5	610000.00	
Total receipts		**11368897.15**	
Payments			
Cash outflows for tuition	6	721580.00	
Cash outflows for operations	7	2212685.00	
Cash outflows for infrastructure	8		
Cash outflows Boarding/lunch and school fund payments	9	6473529.53	
Total payments		**9407794.53**	
Net cash inflow/outflow from operating activities		**2233306.62**	
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities			
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		**1961102.62**	
Cash and cash equivalent at beginning of the year		2789406.47	
Cash and cash equivalent at end of the year		**4750509.09**	

The school's financial statements were approved on ___________ 2021 and signed by:

DR LUCY KARIMI	**MADAM JENIFFER KINYA**	**HELLEN GACERI**
CHAIR BOM	SCHOOL PRINCIPAL/BOM SECRETARY	BURSAR/FINANCE OFFICER
SIGN	**SIGN**	**SIGN:** ....
Date: 13/4/26	**Date:** 13/4/26	**Date:** 13/4/26

PRINCIPAL
KAJIAMPAU SECONDARY SCHOOL
P. O. Box 363-60400, CHUKA
Date 13/4/26 Sign ......

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget ultilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	kshs	Kshs
Receipts						
(1) Capitation Grant on Tuition						
Reference Materials						
Stationery	424800.00	-	424800.00	399326.00	25474.00	94%
Laboratory Equipment	327456.00	-	327456.00	141294.00	186162.00	43%
Internal Exams	296640.00	-	296640.00	29774.75	(1134.75)	100.3%
Teaching / Learning Materials	225504.00	-	225504.00	66394.00	159110.00	29.4%
Exams And Assessment	67392.00		67392.00	29827.00	37565.00	44.2%
(2) Capitation Grant on Operations						
Personnel Emoluments	1739520.00	-	1739520.00	1186874.40	552645.60	68.2%
Repairs And Maintenance	754560	-	754560	1633900	(879340.00)	206.%
Local Transport / Travelling	665280	-	665280.00	250360	414920.00	87.6%
Electricity And Water	388800.00	-	388800.00	382050.00	7650.00	98.2%
Medical	178560.00	-	178560	65505.00	113055.00	36.6%
Administration Costs	665280.00	-	665280	382050.00	283230.00	57.4%
Activity	820,800.00	-	820,800.00	382050.00	438750.00	46.5%
Gratuity						

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget ultilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	kshs	Kshs
3) FDSE for infrastructure						
Maintenance &Improvement	-	-	-	-		-
M&I parents' contribution	-	-	-	-		-
Economic Stimulus Programs	-	-	-	-		-
Transition Infrastructure Grants	-	-	-	-		-
Administration Block	-	-	-	-		-
(4) Fees Charged on Parents						
Personnel Emoluments	838550.00		83850.00	162050.00	676500	19.3%
Repairs And Maintenance	541000.00		541000.00	571665.00	(30665.00)	105.6%
MEDICAL						
BUS						
BURSARY						
Local Transport / Travelling	175825.00		175825.00	167565.00	8260.00	95%
Electricity And Water	419275.00		419275.00	153480.00	265795.00	36.6%
SP						
Administration Costs	473375.00		473375.00	1578510.00	(105135.00)	133.1%
Activity						
ARREARS	-		-			
UNFORMS	-		-			
EXAM	-		-			
Fee On Boarding Equipment and Stores	5293800.00		5293800.00	3437236.00	1856564.00	64.9%
TOTAL INCOME	14148097.00		14148097.00	11031101.15	3116995.15	78%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget ultilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	kshs	Kshs
5) Miscellaneous Income						
Loans / Borrowing	-	-	-	-		-
Rent income	-	-	-	-		-
Income From Farming Activities	-	-	-	-		-
Insurance Compensation	-	-	-	-		-
Income From Posho Mill	-	-	-	-		-
Income From Bus Hire	-	-	-	-		-
Fee For Hire of Ground and Equipment	-	-	-	-		-
Interest Income	-	-	-	-		-
Income From Any Other Investment	-	-	-	-		-
Total Income						
(6) Expenditure For Tuition						
Stationery	424800		424800	165620.00	259180.00	39%
Reference Materials	-	-	-	-		-
Exercise Books	-	-	-	-		-
Laboratory Equipment	327456.00		327456.00	36277000	(35314.00)	110%
Internal Exams	296640		296640.00	10080.00	286560.00	3.4%
Teaching / Learning Materials	225504.00		225504.00	152270.00	73234.00	67.5%
Chalks	-	-	-	-		-
Exams And Assessment	67392.00		67392-	-	67392.00	-
Teachers Guides	-	840.00	840.00	840.00-		-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget ultilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	kshs	Kshs
Administration Costs	-	-	-	-		-
Bank Charges	-	-	-	-		-
(7) Expenditure For Operations						
Personnel Emoluments	173520.00		1739520.00	826187.00	913333.00	47.5%
Repairs, Maintenance & Improvements	754560.00		754560.00	374378.00	380182.00	50%
Local Transport / Travelling	665280.00		665280.00	210000.00	455280.00	31.6%
Electricity, Water and Conservancy	388800.0		38800.00	292175.00	96625.00	75%
Medical	178560.00		178560.00	36880.00	141680.00	20.6%
Administration Costs	665280.00		665280.00	427965.00	237315.00	64.3%
Activity Expenses	820800.00		820800.00	45100.00	775700.00	5.5%
Bank charges	-					
SMASSE						
(8) Expenditure For infrastructure						
Construction of classrooms	-	-	-	-		-
Construction of LAB	-	-	-	-		-
Construction of DORMS	-	-	-	-		-
Purchase of furniture	-	-	-	-		-
Purchase of equipment	-	-	-	-		-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget ultilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	kshs	Kshs
Purchase of machinery	-	-	-	-		-
(9) Expenditure For school fund/lunch/boarding						
Personnel Emoluments	838550.00		838550.00	874700.00	36150.00	104%
Repairs, Maintenance and Improvements	541000.00		541000.00	447776.00	93224.00	83%
Local Transport / Travelling	175,825.00		175825.00	111710.00	64115.00	64%
Electricity, Water and Conservancy	419275.00		419275.00	168989.00	250286.00	40%
Medical Expenses						
Administration Costs	473375.00		473375.00	894129.00	420754.53	188%
Activity						
Gratuity						
Lunch Program me						
Boarding Equipment and Stores	5293800.00		5293800.00	3968765.00	1325035.00	75%
BURSARY						
Insurance Costs						
Other Expenses On Investments						
BUS Expenses						
Bank Charges						
Loan Interest Repayment	-	-	-	-		-
Loan Principal Repayment	-	-	-	-		-
Acquisition Of Assets	-	-	-	-		-
Totals	**14148097.00**	**840**	**14148097.00**	**9407794.53**	**4741242.47**	**66.5%**

10. 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 legislation 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 school fees from parents, imprest, salary advances and other receivables and b) payable that include deposits and retention and payable 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 recognizes 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 recognize all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognized when the event occurs whether cash is received or not. Expenditure arising from operations is recognized when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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 retention 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 fulfillment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

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 2025.

11. Notes to the Financial Statements

1 Government Grants for Tuition

Description	2020-2021	2019-2020
	Kshs	Kshs
Reference Materials		
stationery		
Exercise Books	399326.00	
Laboratory Equipment	141294.00	
Internal Exams	29774.00	
Teaching / Learning Materials		
CHAILKS	66394.00	
Teachers guides	29827.00	
Total	**666615.75**	

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	1186874.40	
Repairs And Maintenance	1633900.00	
Local Transport / Travelling	250360.00	
Electricity And Water	382050.00	
Administration Costs	382050.00	
Medical	65505.00	
Activity	382050.00	
Other Vote Heads (specify)*		
Total	**4282789.40**	

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2020-2021	2019-2020
	Kshs	Kshs
Maintenance &Improvement		
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Total		

4 School Fund Income -Parents Contribution/Fees

Description	2020-2021	2019-2020
	Kshs	Kshs
Personal emoluments	162050.00	
RMI	571665.00	
L.T.T	167656.00	
ADM. COST	1578510.00	
E.W.C	153480.00	
MEDICAL	11190.00	
activity		
Total	**2644460.00**	

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

5 Miscellaneous Incomes

Description	2020-2021	2019-2020
	Kshs	Kshs
Rent Income		
Income From Farming Activities		
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		
Loans/Borrowings*		
Other Income *(specify)**		
Total		

Notes to the Financial Statements (continued)

6 Tuition

Description	*2020-2021*	*2019-2020*
	Kshs	Kshs
EXC BOOKS	165620.00	
LABORATORY EQUIPMENTS	362770.00	
Internal exams	10080.00	
TEACHING & LEARNING MATERIALS	152270.00	
chalks		
EXAMS	30000.00	
BANK CHARGES	840.00	
Total	**721580.00**	

7 Operations

Description	*2020-2021*	*2019-2020*
	kshs	Kshs
Personal Emoluments	826187.00	
Service Gratuity		
Administration Cost	427965.00	
Repairs and maintenance & improvements	374378.00	
Local transport / travelling	210000.00	
Electricity and water	292175.00	
insurance		
Activity Expenses	45100.00	
exams		
medical	36880.00	
Bank Charges		
ex. Books		
Total	**2212685.00**	

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2020-2021 Kshs	2019-2020 Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Bank charges		
Total		

9 Boarding and School Fund

Description	2020-2021 Kshs	2019-2020 Kshs
BES	3437236.00	
RMI	447776.00	
L.T.T	111710.00	
E.W.C	168989.00	
ADM. COST		
ACITIVITY		
P.E	174700.00	
MEDICAL INSURANCE		
ARREARS		
FARM		
KNEC		
BUS	610000.00	
BUS INSURANCE		
CREDITORS		
BURSARY		
BANK CHARGES		
BES		
Total	**4047236.00**	

Notes to the Financial Statements (continued)

10 Bank Accounts

AccountName& Currency	Status	Bank Account Number	*2020-2021*	2019-2020
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	291339757	111091.71	
Operations Account	Active	291771311	2328647.41	
School Fund Account/Boarding	Active	9057807500	369355.50	
Savings Account				
Parent Association Development Account		001002700002	435936.47	
Income Generating Activities Account				
Infrastructural Account	Active	60900066901	150000.00	
Total			**4745031.09**	

11 Cash In Hand

Description	*2020-2021*	*2019-2020*
	Kshs	Kshs
Tution account		
Operation account		
School fund account	**5478.00**	
TOTAL	**5478.00**	

12 Short Term Investments

Description	*2020-2021*	*2019-2020*
	Kshs	Kshs
Cooperative Shares		
Fees arrears		
Fixed Deposit accounts		
Other Investments		
Total		

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees Arrears	4680295.00	
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears(list/schedule attached)		
Total	**4680295.00**	

13 b Ageing Analysis of Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	
Fees arrears for current year	1518830.00	
Fees arrears for the pervious	4125741.00	
Fees arrears for the previous year (over two years)		
Less recovery	964276.00	
Total (should tie to note 13 a)		

14 Accounts Payable

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	282350.00	
Prepaid Fees		-
Retention Monies		-
Unpaid salaries and statutory deductions		-
Caution money		-
Other payables *(specify)*		-
Total	**282350.00**	

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2020-2021 Kshs		2019-2020 Kshs	
	2020-2021	**% of the total**	**2019-2020**	**% of the total**
Less than 1 year		100%	282350.00	100%
Between 1- 2 years				-
Between 2-3 years				-
Over 3 years				-
Total (should tie to note 14)			**282350.00**	**-**

15. Fund Balance Brought Forward

Description	2020-2021 Kshs	2019-2020 Kshs
Bank Balances	27704410.47	
Cash Balances	18996.00	
Short Term Investments		-
Receivables		
Payables	4125741.00	
Total	**6,915,147.47**	

Other important disclosure notes

IPSAS Cash Standard 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.

16 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
cattle	3	60,000.00	
Goats	60	240,000.00	
Trees	88	153,500.00	
Coffee Or Tea Plantation			
Poultry			
SHEEP			
Total		**453500.00**	

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	**-**	**-**

Other important disclosure notes

19 Stock/ Inventory

Description	*2020-2021* Kshs	*2019-2020* Kshs
Stock/inventory beginning of the year	335430.00	
Stock /purchased during the year	33373450.00	
Stock/inventory issued during the year	(3034190.00)	
Balance at the end	674690.00	

20 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)

Sign and Date
Principal

PRINCIPAL
KAJIAMPAU SECONDARY SCHOOL
P. O. Box 363-60400, CHUKA
Date 13/4/26 Sign

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2024-2025	Outstanding Balance Comparative 2022-2023	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
Henry kajogo	22000.00	2021		22000.00		To clear next financial year
Joseph Gitonga	193600.00	2021		193,600.00		To clear financial year
Jackson mwithi	66750.00	2021		66750.00		To clear next financial year
Grand Total	**282350.00**			**282350.00**		

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land	**10,000,0000.00**			**10,000,000.00**
Buildings And Structures	**29,195,000.00**			**29,195,000.00**
Motor Vehicles	**700,000.00**			**700,000.00**

Asset Class	Historical Cost b/f (Kshs) 1st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Office Equipment, Furniture And Fittings	**3,421200.00**			**3,421,200.00**
Textbooks	**3155700.00**			**3,155,700.00**
ICT Equipment	**1014000.00**			**1,014,000.00**
Tools And Apparatus	**433500.00**			**433,500.00**
Other Machinery And Equipment	**5804500.00**			**5,804,500.00**
Heritage And Cultural Assets				-
Intangible Assets- Soft Ware	**140,000.00**			
Total	**53,863,900.00**			**53,863,900.00**