

REPUBLIC OF KENYA



*Enhancing Accountability*

## REPORT


PARLIAMENT  
OF KENYA  
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OF

### THE AUDITOR-GENERAL

ON

### SOUTH TETU GIRLS HIGH SCHOOL

FOR THE YEAR ENDED  
30 JUNE, 2022

 THE NATIONAL ASSEMBLY PAPERS LAID	
<b>NYERI COUNTY</b>	
DATE:	12 MAR 2025
	DAY: WEDNESDAY
TABLED BY:	DEPUTY MAJORITY WHIP (HON. NAOMI WAGUO MP)
CLERK-AT-THE-TABLE:	J. LEMERELLE

*Revised 30<sup>th</sup> June 2022.*



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**SOUTH TETU GIRLS' HIGH SCHOOL  
PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2022**

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

***SOUTH TETU GIRLS' HIGH SCHOOL***  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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## ***SOUTH TETU GIRLS' HIGH SCHOOL***

### **Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

#### **I. Key School Information And Management**

##### **SOUTH TETU GIRLS' HIGH SCHOOL**

###### **(a) Background information**

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

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

The school is a boarding school and had **1393**

It has **9** streams in form one and form two, **6** streams in form three and **4** streams in form four. The school has **28** TSC teachers and **30** teachers employed by the school Board of Management.

###### **(b) School Board of Management - Board Members**

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

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Madam Winfred Wangui Wanjaria	Chairperson/Sponsor	23/5/2022
2	Mutua Mutindi	Secretary – Principal	23/5/2022
3	Mr. Shem Spies	Member - Co-opted / P.T.A chairperson	23/5/2022
4	Mr. Wilson M. Macharia	Member – Rep Parents/Local community	23/5/2022
5	Dr. Samuel Oduor Okanda	Member – Rep Parents/Local community	23/5/2022
6	Mr. Peter Gathogo Gatua	Member – Rep Parents/Local community	23/5/2022
7	Madam Winfred Muthui	Member – Rep Parents/Local community	23/5/2022
8	Madam Aflonia Nyambura	Member – Rep Parents/Local community	23/5/2022
9	Mr. Gerald Mbuthia Mahuro	Member - Rep Parents / Local community	23/5/2022
9	Madam Alice Mugwimi	Member – Rep persons with special needs	23/5/2022
10	Mr. Bernard Gachia Wahome	Member – Rep CEB	23/5/2022
11	Mrs. Margaret Murugi Gatonga	Member – Rep Sponsor	23/5/2022
12	Madam Winfred Wangui Wanjaria	Member – Rep Sponsor	23/5/2022
13	Mr. Daniel Gichuki	Member – Rep Special Interest group	23/5/2022
14	Madam Winfred Muthui	Member - Co-opted	23/5/2022
15	Mr. Peter Gathogo Gatua	Member - Co-opted	23/5/2022
16	Ms Anne Wanjiru Muhu	Member - Rep Teachers	23/5/2022

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

**(c) Committees of the Board**

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Madam Winfred W. Wanjaria Mutindi Mutua Mr. Daniel Gichuki Muhoro Mrs. Margaret Murugi Gatonga Mr. Shem Spies	Chairperson Secretary Member Member Member	4 out of 6
2	Audit Committee	Madam Winfred W. Wanjaria Mutindi Mutua Mr. Daniel Gichuki Muhoro Mrs. Margaret Murugi Gatonga Mr. Shem Spies	Chairperson Secretary Member Member Member	3 out of 6
3	Finance, procurement and general-purpose Committee	Madam Winfred W. Wanjaria Mutindi Mutua Mr. Daniel Gichuki Muhoro Mrs. Margaret Murugi Gatonga Mr. Shem Spies	Chairperson Secretary Member Member Member	4 out of 6

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

<b>KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)</b>				
4	Development Committee	Mr. Wilson Macharia Madam Jane Maina Madam Winfred W. Wanjaria Mutindi Mutua Mr. Shem Spies Madam Winfred Muthui SCDE / CDE	Chairperson Secretary Member Member Member	4 out of 6
5	Academic Committee	Dr. Samuel Oduor Okanda Madam Mutua Mutindi Mr. Shem Spies Madam Jane Maina Mr. Daniel Gichuki Mr. Peter Gathogo Gatua	Chairperson Secretary Member Member Member Member	4 out of 6
6	Discipline and welfare Committee	Mr. Peter Gathogo Gatua Madam Jane Maina Madam Mutua Mutindi Mrs. Margaret Murugi Gatonga Madam Salome Wairimu Gakomo Ms Anne Muhu	Chairman Secretary Member Member Member Member Member Member	4 out of 6

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)****(d) School operation Management**

For the financial year ended **30<sup>th</sup> June 2022** the school day-to-day management was under the following persons:

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

**(e) Schools contacts**

Post Office Box: 92-10103; Mukurwe-ini

Mobile Number: 0791204734  
E-mail: southtetugirls@gmail.com  
Website: [www.southtetugirlshs.ac.ke/](http://www.southtetugirlshs.ac.ke/)

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

**(f) School Bankers**

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

- |                        |  |
|------------------------|--|
| 1. Name of Bank:       | KCB  |
| Branch:                | Mukurwe-ini  |
| Account Number:        | 1103089757   |
| 2. Name of Bank:       | KCB  |
| Branch:                | Mukurwe-ini  |
| Account Number:        | 1103089927   |
| 3. Name of Bank:       | KCB  |
| Branch:                | Mukurwe-ini  |
| Account Number:        | 1103090046   |
| 4. Name of Bank:       | KCB  |
| Branch:                | Mukurwe-ini  |
| Account Number:        | 1104180146   |
| 5. Name of Bank:       | KCB  |
| Branch:                | Mukurwe-ini  |
| Account Number:        | 1255471026   |
| 6. Name of Bank:       | KCB  |
| Branch:                | Mukurwe-ini  |
| Account Number:        | 1102760870   |
| 7. MPESA Pay Bill No.: | Business Number: 522123,<br>Account Number: 40221K<br>Attached to bank account<br>1103089757 |

**(g) Independent Auditors**

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

**SOUTH TETU GIRLS' HIGH SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

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

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

		<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>1</b>		<b>Kshs</b>	<b>Kshs</b>	<b>Ksh</b>
	SURPLUS			
	DEFICIT	5,575,386.00	2,233,778.00	967,685/=

The surplus for the year 2022 increased by Kshs 3,341,608 from a surplus of Kshs 2,233,777.85 in the year 2021.

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

<b>SNO</b>	<b>ACCOUNTS</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
1	Operations Account	17,053,754.00	7,472,275.00	9,933,675/=
2	Tuition Account	3,896,642.00	1,192,741.00	1,356,964/=
	<b>Total</b>	<b>20,950,396.00</b>	<b>8,665,016.00</b>	<b>11,290,639/=</b>

**(c) OVERVIEW OF GROWTH OF OTHER INCOME SUMMARY**

<b>SNO</b>	<b>ACCOUNTS</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
1	Farm			
2	RENT	8000.00	83,960.00	.

**(d) OVERVIEW OF GROWTH IN EXPENDITURE SUMMARY**

<b>SNO</b>	<b>ACCOUNTS</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
		<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
1	School Fund Account	107,166,959.00	23,219,566.60	21,373,669/=

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

2	Operations Account	19,718,750.00	6,671,648.35	10,146,855/=
3	Tuition Account	3,826,596.00	1,025,210.00	1,463,900/=
4	Infrastructure Account	5,860,700.00		7,019,680.50

**(e) MOVEMENT OF DEBTORS SUMMARY**

SNO	ACCOUNTS	2022	2021	2020
<b>1</b>	<b>School Fund Account</b>	<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
a	Debtors	8,127,456.00	5,097,547.00	2,277,164.00
	<b>Total</b>	<b>8,127,456.00</b>	<b>5,097,547.00</b>	<b>2,277,164.00</b>

**(f) MOVEMENT OF CREDITORS SUMMARY**

SNO	ACCOUNTS	2022	2021	2020
<b>1</b>	<b>School Fund Account</b>	<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
a	Creditors	9,967,194	8,898,886.00	7,250,342
	<b>Total</b>	<b>9,967,194</b>	<b>8,898,886.00</b>	<b>7,250.342</b>

**(h) MOVEMENT OF CASH AND BANK BALANCES**

SNO	ACCOUNTS	2022	2021	2020
		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
1	School Fund Account	8,549,149.32	2,615,944.80	1,853,853.46
2	Operations Account	(423,860.32)	1,072,297.35	14,9937
3	Tuition Account	207,967.15	137,920.75	(29,610)
4	SAVINGS 110418046	1,400,661.00	580,913.00	
5	Savings	72,290.00	1,220.00	

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

	110276870			
6	infrastructure	1,292,171.00	252,371.00	
		11,098,378.00	4,595,725.00	

**(i) SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL****b) Teacher Student ratio:**

Between the month of January 2022 and 30<sup>th</sup> June 2022, the status of the teaching staff is as follows:

There are 28 teachers posted by the Teachers Service Commission and 30 recruited by the Board of Management. We are grateful that 6 teachers have been recruited to our school by the government. There was one retiree in June 2022. Although the teacher student ratio lies at 1: 44. We have a shortage of 33 teachers from the given CBE. This is due to serious shortage of teachers.

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

YEA R	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2022	197	6.558	105	53.2%	8.5	Negative deviation of - 0.952
2021	217	6.59	106	48.84	8.0	Positive deviation of 0.1370.
2020	161	7.54	127	79%	8.5	Negative deviation of 0.073.

**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)****d) Development projects carried out by the school:**

Sno.	Project	Year	Status	Amount	Fund Source
1	Construction of	2021 - 2022	Ongoing		TIG, Maintenance &

**SOUTH TETU GIRLS' HIGH SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

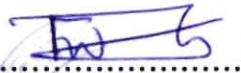
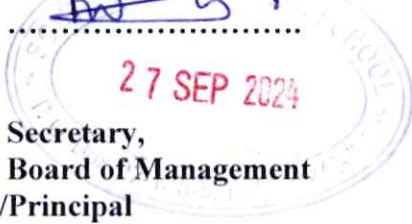
	Proposed dormitory block			7,664,016.00	Improvement
2	Construction of Proposed Classroom block	2021 - 2022	Ongoing	2,627,717.00	Maintenance & Improvement from Parents



**Chair,  
Board of Management**

**South Tetu Girls' High School South Tetu Girls' High School**

**Date:** .....

**Secretary,  
Board of Management  
/Principal**

**South Tetu Girls' High School**

**Date:** .....

.....

**School bursar** 

**South Tetu Girls' High School**

**Date:** .....

### 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 that the Board of Management of a public institution of basic education keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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



**Chair,  
Board of Management**

**Secretary,  
Board of Management  
/Principal**

**School bursar**

**South Tetu Girls' High School**

**South Tetu Girls' High School**

**South Tetu Girls' High  
School**

**Date: .....**

**Date: .....**

**Date: .....**

# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR-GENERAL ON SOUTH TETU GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – NYERI COUNTY**

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### **PREAMBLE**

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying Financial Statements of South Tetu Girl's High School - Nyeri County set out on pages 1 to 20, 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, the statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of South Tetu Girls High School - Nyeri County as at 30 June, 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 of, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the financial statements**

The financial statements presented for audit had the following inaccuracies;

- (i) The statement of receipts and payments reflects comparative amount of Kshs.7,472,275 in respect of capitation grants for operations as disclosed in Note 2 to the financial statements which is at variance with the recalculated amount of Kshs.6,544,219.
- (ii) The statement of receipts and payments reflects comparative amount of Kshs.6,168,110 in respect of payment for operations as disclosed in Note 6 to the financial statements which is at variance with the recalculated amount of Kshs.6,414,110.
- (iii) The statement of financial assets and financial liabilities reflects a net financial position of Kshs. 9,287,124 made up of accumulated fund balance brought forward of Kshs.3,711,738 as disclosed in Note 13 to the financial statements. However, the cash and bank balances disclosed in the Note do not relate to the current year, resulting in under valuation of the accumulated fund balance brought forward by Kshs.5,575,386.
- (iv) The statement of budget versus actual reflects an amount Kshs.50,453,400 in respect of total income budget which is at variance with the casted amount of Kshs.50,696,200.
- (v) The statement of budget versus actual amounts reflects an amount of Kshs.37,628,486 in respect of budget utilization for total income which is at variance with the recalculated amount of Kshs.37,381,129.

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

## **2. Accounts Receivables**

### **2.1. Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.8,127,456 as disclosed in Note 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit. Further, significant accounting policies on accounts receivables as disclosed in Note 5 does not explain the treatment of the students' fees balances which is the major source of income for the School.

### **2.2. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.8,127,456 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, included in the balance are receivables amounting to Kshs.1,608,509 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.8,127,456 could not be confirmed.

## **3. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.11,126,862 as disclosed in Note 8 and 9 to the financial statements. Included in this balance are bank and cash balances of Kshs.11,098,378 and Kshs.28,484. However, the bank balances were not supported by cash books, bank certificates and monthly bank reconciliation statements.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.11,126,862 could not be confirmed.

## **4. Lack of Ownership Documents**

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.157,344,000 in respect of fixed assets which includes land with a balance of Kshs.20,000,000 and motor vehicles with a balance of Kshs.7,390,000. However, land ownership documents were not provided for audit.

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

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

## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.54,522,354 and Kshs.91,554,325 respectively, resulting to an over-funding of Kshs.37,031,971 or 60% of the budget. However, the School spent an amount of Kshs.83,592,433 against actual receipts of Kshs.91,554,325 resulting to an under-utilization of Kshs.7,961,892 or 91% of actual receipts.

The under-funding and under-utilization affected 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. There were no key audit matters to report in the year under review.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Unconfirmed Students Enrolment Data**

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.22,127,405. Comparison of data from National Education Management and information System (NEMIS) with records from the School revealed that during the financial year 2021/2022, NEMIS reflected one thousand, two hundred and fourteen (1,214) students while records from the School had one thousand, four hundred and five (1,405) students, resulting to an underfunding of the School by an amount of Kshs.1,249,854. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

## **2. Failure to Transfer Infrastructure Funds from the Operations Bank Account**

The statement of receipts and payments reflects operations grants amount of Kshs.18,230,763 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the grants is an amount of Kshs.6,026,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement the School's facilities. However, an amount of Kshs.5,085,500.00 was transferred to infrastructure account, leaving a balance of Kshs.940,500 as at 30 June, 2022.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.107,166,959 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs. 322,200 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.322,200 could not be confirmed.

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

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

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

## **Basis for Conclusion**

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

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

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services, and using the applicable basis of accounting unless Management is aware of the intention to terminate the School's or to cease operations.

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

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

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to

those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School's to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

18 September, 2024

**SOUTH TETU GIRLS' HIGH SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**V. Statement Of Receipts And Payments Period To 30<sup>th</sup> June 2022**


Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Receipts</b>			
Capitation grants for tuition	1	3,896,642.00	1,192,741.00
Capitation grants for operations	2	18,230,763.00	7,472,275.00
School fund income- parents' contributions	3	70,595,940.00	15,671,059.00
School fund income- other receipts	4	42,524,546.00	8,098,533.00
INFRASTRUCTURE RECEIPTS		6,900,500.00	
<b>Total Receipts</b>		<b>142,148,391.00</b>	<b>32,434,608.00</b>
<b>Payments</b>			
Payments for tuition	5	3,826,596.00	1,025,210.00
Payments for operations	6	19,718,750.00	6,168,110.00
Boarding and school fund payments	7	107,166,959.00	23,007,510.00
INFRASTRUCTURE payment		5,860,700.00	
<b>Total Payments</b>		<b>136,573,005.00</b>	<b>30,200,830.00</b>
<b>Surplus/Deficit</b>		<b>5,575,386.00</b>	<b>2,233,778.00</b>

The school financial statements were approved on 2 SEP 2022 and signed by:

  
.....


**Name:**  
**Chair BOM**

**Date:**

  
.....

**Name:**  
**School Principal/ Secretary to  
BOM**

**Date:**

  
.....

**Name:**  
**Bursar/ Finance Officer**

**Date:**

**SOUTH TETU GIRLS' HIGH SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**VI. Statement Of Financial Assets And Financial Liabilities As At 30<sup>th</sup> June 2022**

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	11,098,378.00	4,595,725.00
Cash balances	9	28,484.00	64,932.44
Short term investment			-
<b>Total cash and cash equivalent</b>		<b>11,126,862.00</b>	<b>4,660,657.00</b>
Account's receivables	11	8,127,456.00	5,097,547.00
<b>Total financial assets</b>		<b>19,254,318.00</b>	<b>9,758,204.00</b>
<b>Financial liabilities</b>			
Accounts payables	12	( 9,967,194.00)	(8,898,886.00)
<b>Net financial assets</b>		<b>9,287,124.00</b>	<b>859,318.00</b>
<b>Represented by</b>			
Accumulated fund b/fwd	13	3,711,738.00	(1,374,460.00)
Surplus/deficit for the year		5,575,386.00	2,233,778.00
<b>Net financial position</b>		<b>9,287,124.00</b>	<b>859,318.00</b>

The school's financial statements were approved on 27 SEP 2024 2024 and signed by:

  
.....

**Name:**  
**Chair BOM**  
**Date:**

  
.....

**Name:**  
**School Principal/ Secretary to BOM**  
**Date:**

  
.....

**Name:**  
**Bursar/ Finance Officer**  
**Date:**

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022****VII. statement of Cash Flows for the Period Ended 30<sup>th</sup> June 2022**

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Operating activities</b>			
<b>Receipts</b>			
Capitation grants for tuition	1	3,896,642.00	1,192,741.00
Capitation grants for operations	2	18,230,763.00	7,472,275.00
School fund income- parents contributions/ fees	3	70,595,940.00	15,671,059.00
School fund income- other receipts	4	42,524,546.00	8,098,533.00
Infrastructure account		6,900,500.00	
<b>Total receipts</b>		<b>142,148,391.00</b>	<b>32,434,608.000</b>
<b>Payments</b>			
Payments for tuition	5	3,826,596.00	1,025,210.00
Payments for operations	6	19,718,750.00	6,168,110.00
Boarding and school fund payments	7	107,166,959.00	23,007,510.00
Infrastructure account		5,860,700.00	
<b>Total payments</b>		<b>136,573,005.00</b>	<b>30,200,830.00</b>
<b>Net cash flow from operating activities</b>		<b>5,575,386.00</b>	<b>2,233,778.00</b>
<b>Cashflow from investing activities</b>			
Proceeds from sale of assets		0	0
Acquisition of assets		0	0
Proceeds from investments		0	0
Purchase of investments		890,819.00	0
<b>Net cash flows from investing activities</b>		<b>6,466,205.00</b>	<b>0</b>
<b>Cashflow from borrowing activities</b>			
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings		0	0
<b>Net cash flow from financing activities</b>		<b>0</b>	<b>0</b>
<b>Net increase in cash and cash equivalents</b>		<b>6,466,205.00</b>	<b>2,233,778.00</b>
<b>Cash and cash equivalent at beginning of the year</b>		<b>4,660,657.00</b>	<b>2,426,879.00</b>
<b>Cash and cash equivalent at end of the year</b>		<b>11,126,862.00</b>	<b>4,660,657.00</b>

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

VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a Kshs	B Kshs	c=a+b Kshs	D Kshs	e=c-d Kshs	f=d/c % Kshs
Receipts						
<b>(1) Capitation Grant on Tuition</b>						
Textbooks And Reference Materials	2,144,000.00	0	2,144,000.00	2,073,714.00	70,286.00	00
Exercise Books						0
Laboratory Equipment						0
Internal Exams						0
Teaching / Learning Materials	2,000,000.00		2,000,000.00	1,822,928.00	177,071.00	0
Chalks						
Exams And Assessment						
Teachers Guides						
Totals	4,144,000		4,144,000	3,896,642.00	2,47,357.00	
<b>(2) Capitation Grant on Operations</b>						
Personnel Emoluments	6,300,000.00		6,300,000.00	9,602,792.00	3,302,792.00	152 0/0
Repairs And Maintenance	5,000,000.00		5,000,000.00	7,208,151.00	2,208,151.00	144 0/0
Local Transport / Travelling						
Electricity And Water						
Medical	242,800.00		242,800.00	242,800.00	0	100 0/0
Administration Costs						
Activity						
Gratuity						

**SOUTH TETU GIRLS' HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> 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
Smasse						
<b>(3) Fees Charged on Parents</b>						
Personnel Emoluments	4,270,000.00		4,270,000.00	8,009,363.00	3,739,363.00	187 0/0
Repairs And Maintenance	2,000,000.00		2,000,000.00	4,056,311.00	2,055,311.00	202 0/0
Local Transport / Travelling	1,500,000.00		1,500,000.00	2,869,500.00	1,369,500.00	19 0/0
Electricity And Water	4,000,000.00		4,000,000.00	8,322,277.00	4,322,277.00	208 0/0
Medical						
Administration Costs	1,850,000.00		1,850,000.00	3,895,711.00	2,045,711.00	210 0/0
Activity	500,000.00		500,000.00	1,068,996.00	568,996.00	13 0/0
Smasse						
Fee On Boarding Equipment and Stores	20,830,000.00	3,826,153.00	24,656,154.00	42,373,782.00	17,717,628.00	
<b>Other Income</b>						
Rent Income	59,400.00		59,400.00	8,000.00	51,400.00	
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						
<b>Total Income</b>	50,453,400	3,826,153	54,222,354	91,554,325	37,628,486	

**SOUTH TETU GIRLS' HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

Receipt/Expenses Item	Original Budget a K.shs	Adjustments B K.shs	Final Budget c=a+b	Actual on Comparable Basis D	Budget Utilization Difference e=c-d K.shs	% of Utilization f=d/c % K.shs
<b>(1) Expenditure For Tuition</b>						
Textbooks And Reference Materials						
Exercise Books	2,144,000			1,174,767.00		0
Laboratory Equipment				200,550.00		0
Internal Exams				1,775,348.00		0
Teaching / Learning Materials				364,011.00		0
Chalks						0
Exams And Assessment				311,920.00		0
Teachers Guides						
Administration Costs						
Bank Charges						
<b>(2) Expenditure For Operations</b>						
Personnel Emoluments	6,300,000.00		6,300,000.00	9,083,074.00	2,783,074.00	144 0/0
Repairs, Maintenance & Improvements						
Local Transport / Travelling	800,000.00		800,000.00	673,492.00	126,508.00	84 0/0
Electricity, Water and Conservancy	1,500,000.00		1,500,000.00	1,139,515.00	360,485.00	76 0/0
Medical						
Administration Costs	800,000.00		800,000.00	2,077,539.00	1,277,539.00	259 0/0
Activity Expenses						
Gratuity						
Smasse						

**SOUTH TETU GIRLS' HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a Kshs	B Kshs	c=a+b	D	e=c-d Kshs	f=d/c % Kshs
<b>(3) Expenditure For School Fund</b>						
Personnel Emoluments	4,270,000.00		4,270,000.00	3,600,000.00	670,000.00	84 0/0
Repairs, Maintenance and Improvements	2,000,000.00		2,000,000.00	2,793,362.00	793,362.00	139 0/0
Local Transport / Travelling	1,500,000.00		1,500,000.00	2,927,679.00	1,427,679.00	195 0/0
Electricity, Water and Conservancy	4,000,000.00		4,000,000.00	4,700,523.00	(700,523)	117 0/0
Medical Expenses				98,205.00		0
Administration Costs	1,850,000.00		1,850,000.00	3,024,465.00	1,174,465.00	163 0/0
Activity	500,000.00		500,000.00	656,100.00	(156,100)	131 0/0
Gratuity						
Lunch Programme						
Boarding Equipment and Stores	20,830,000.00		20,830,000.00	48,991,883.10	28,161,883.00	235 0/0
Expenditure For Income Generating Activity						
Insurance Costs						
Other Expenses On Investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition Of Assets						
<b>Totals</b>	<b>44,350,000</b>	<b>3,826,154.00</b>	<b>44,350,000</b>	<b>83,592,433</b>	<b>35,918,372</b>	

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

- i.* Xxxx
- ii.* Xxxx

## **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 30<sup>th</sup> June 2022.

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022****X. Notes To The Financial Statements****1 Capitation Grant for Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	2,073,714.00	-
Tuition	-	1,192,741.00
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	1,822,928.00	-
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
<b>Total</b>	<b>3,896,642.00</b>	<b>1,192,741.00</b>

**2 Capitation Grant for Operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	9,602,792.00	2,883,915.00
Repairs and maintenance	7,208,161.00	3,413,500.00
Medical	242,800.00	-
STG	128,400.00	-
NHIF	326,200.00	-
NSSF	709,240.00	-
PAYE	13,170.00	-
Activity	-	246,804.00
<b>Total</b>	<b>18,230,763.00</b>	<b>7,472,275.00</b>

**3 Parents Contribution/Fees - School Fund Account**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	8,009,363.00	1,581,580.00
Repairs and maintenance	4,056,311.00	729,160.00
Local transport / travelling	2,869,500.00	165,150.00
Electricity and water	8,322,277.00	1,797,089.00

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

Description	2021-2022	2020-2021
	Kshs	Kshs
Medical	0.00	0.00
Administration costs	3,895,711.00	961,051.00
Activity	1,068,996.00	3,250.00
BES	42,373,782.00	10,433,779.00
<b>Total</b>	<b>70,595,940.00</b>	<b>15,671,059.00</b>

**Notes To The Financial Statements (Continued)****4 Other Receipts – School Fund Account**

Description	2021-2022	2020-2021
	Kshs	Kshs
Savings Account	7,010,000.00	1,440,000.00
Rent income	8,000.00	83,960.00
Uniform	15,929,671.00	59,040.00
Exam	6,000.00	0.00
Tuition	35,000.00	0.00
Biometric	291,750.00	0.00
PAYE	3,951.00	
stg	38,700.00	
nhif	111,720.00	
nssf	234,960.00	
Salary advance	100,000.00	
Fees Arrears	3,489,038.00	1,833,694.00
Prepayment	5,182,642.00	3,356,913.00
Bursary	8,875,679.00	1,288,447.00
fees refund	0.00	12,479.00
p.a	1,207,435.00	24,000.00
<b>Total</b>	<b>42,524,546.00</b>	<b>8,098,533.00</b>

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

**5 Payments For Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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Textbooks and reference materials		200,000.00
Exercise books	1,174,767.00	259,080.00
Laboratory equipment	200,550.00	-
Internal exams		-
Teaching / learning materials	364,011.00	11,000.00
Chalks		
Tuition Creditors	1,775,348.00	555,130.00
Exams and assessment	311,920.00	-
Teachers guides		-
Administration Costs		-
<b>Total</b>	<b>3,826,596.00</b>	<b>1,025,210.00</b>

**Notes To The Financial Statements (Continued)****6 Payments For Operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	9,083,074.00	2,473,860.00
School Fund Account	3,620.00	-
Administration Cost	2,077,539.00	281,200.00
Repairs and maintenance & improvements	5,544,500.00	15,000.00
Local transport / travelling	673,492.00	116,050.00
Electricity and water	1,139,515.00	98,000.00
nssf	709,240.00	
nhif	326,200.00	
stg	128,400.00	
paye	13,170.00	
Activity		246,804.00
Infrastructure fund		3,184,000.00
Other Voteheads	20,000.00	-
Acquisition of Assets		-
<b>TOTAL</b>	<b>19,718,750.00</b>	<b>6,168,110.00</b>

**SOUTH TETU GIRLS' HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**Notes To The Financial Statements (Continued)**

**7 Boarding And School Fund Payments**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	3,600,104.00	914,001.00
Tuition Account	1,130,250.00	-
Activity	656,100.00	44,650.00
Repairs and maintenance & Improvements	2,793,362.00	403,470.00
Local transport / travelling	2,927,679.00	527,800.00
Electricity and water	4,700,523.00	2,466,575.00
Medical Expenses	98,205.00	12,450.00
Administration costs	3,024,465.00	1,217,919.00
Lunch Programme/BES	48,991,883.10	7,898,715.60
Uinform	14,255,880.00	-
Savings	1,294,950.00	296,871.00
Operation Expenses		83,000.00
Prepayment	4,785,416.00	3,847,405.00
Creditors	6,049,330.00	2,346,504.00
Fees Refund	130,228.00	15,194.00
Busary	8,697,652.00	1,293,447.00
KCB Savings	2,904,345.00	1,633,008.00
Cautionn	2,500.00	6,500.00
Insurance	179,566.00	
Farm	36,340.00	
Students Welfare	36,000.00	
Biometric	382,850.00	
<b>TOTAL</b>	<b>107,166,659.00</b>	<b>23,007,510.00</b>

*(Expenses on income generating activities\*\* should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

**SOUTH TETU GIRLS' HIGH SCHOOL**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**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	1103089927	207,967.00	137,921.00
Operations Account	1103090046	(423,860.00)	1,056,510.00
School Fund Account/Boarding	1103089757	8,549,149.00	2,566,790.00
Savings Account	110276870	72,290.00	1,220.00
Savings account	1104180146	1,400,661.00	580,913.00
Income generating activities Account			-
Infrastructural Account	1255471026	1,292,571.00	252,371.00
<b>Total</b>		<b>11,098,378.00</b>	<b>4,595,725.00</b>

**9 Cash In Hand**

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account		-
Operation Account	8,171.00	15,787.00
School Fund account	20,313.00	49,145.00
<b>Total</b>	<b>28,484.00</b>	<b>64,932.00</b>

**10 Short Term Investments**

Description	2021-2022	2020-2021
	Kshs	Kshs
Savings Account		-
Collection account		-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
<b>Total</b>		-

**SOUTH TETU GIRLS' HIGH SCHOOL****Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022****Notes To The Financial Statements (Continued)****11 Accounts Receivable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	8,127,456.00	5,080,547.00
Other Non-Fees Receivables		-
Salary Advances		17,000.00
Imprest		-
<b>Total</b>	<b>8,127,456.00</b>	<b>5,097,547.00</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	6,518,947.00	-
Fees Arrears For The Previous Year		443,470.00
Fees Arrears For Prior Periods (Over Two Years)	1,608,509.00	4,637,077.00
Fees recovered		
<b>Total</b>	<b>8,127,456.00</b>	<b>5,080,547.00</b>

**12 Accounts Payable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,421,884.00	5,678,425.00
Prepaid Fees	5,545,310.00	3,220,461.00
Retention Monies		-
<b>Total</b>	<b>9,967,194.00</b>	<b>8,898.886.00</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	4,421,884.00	774,587.00
Trade Creditors for The Previous Year	0.00	4,903,838.00
Trade Creditors for Prior Periods (Over Two Years)	0.00	-
<b>Total</b>	<b>4,421,884.00</b>	<b>5,678,425.00</b>

**Notes To The Financial Statements (Continued)**

**13 Fund Balance Brought Forward**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	4,595,725.00	2,311,075.00
Cash Balances	64,932.00	115,804.00
Short Term Investments	890,819.00	-
Receivables	8,127,456.00	5,097,547.00
Payables	(9,967,194.00)	(8,898,886.00)
<b>Total</b>	<b>3,711,738.00</b>	<b>(1,374,460.00)</b>

**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	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**15 Biological assets**

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	4@150000.00	600,000.00	0
Goats		0	0
Trees	567@8000	4,536,000.00	0
Coffee Or Tea Plantation		0	0
PIGS	15@15000	225,000.00	0
<b>Total</b>		<b>5,361,000.00</b>	<b>0</b>

**16 Borrowings**

Description	2021-2022	2020-2021
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**SOUTH TETU GIRLS' HIGH SCHOOL**

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

	<b>Kshs</b>	<b>Kshs</b>
<b>a) Borrowings</b>	0	0
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayments of during the year	0	0
<b>Balance at end of the year</b>	0	0

**Other important disclosure notes**

**17 Stock/ Inventory**

<b>Description</b>	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
<b>b) Inventory</b>		
Stock/ inventory at beginning of the year	0	0
Stock/ inventory purchased during the year	0	0
Stock/ inventory issued during the year	0	0
<b>Balance at end of the year</b>	0	0

**18 Progress On Follow Up Of Auditor Recommendations**

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

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

-----  
 Sign and Date  
 Principal

**SOUTH TETU GIRLS' HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**Annex 1 - Analysis Of Pending Accounts Payable**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
1. MUIRU MEAT POINT BUTCHERY	253,580.00	2021			253,580.00	
2. CHEM EQUIPMENT ENTERPRISES	9,000.00	2021			9,000.00	
3. SOFT WARE FOR SCHOOLS KENYA	45,000.00	2021			45,000.00	
<b>4 KEBLEST PROCESSORS LTD</b>	<b>414,000.00</b>	<b>2021</b>			<b>414,000.00</b>	
<b>5 SAMUEL KAHUHO</b>	210,000.00	2021			210,000.00	
<b>6 MAUA WELDING</b>	257,000.00	2021			257,000.00	
7 LUMU CLEANING AND HEALTH CARE	146,700.00	2021			146,700.00	
8 JASON MUGO MATHENGE	9,260.00	2021			9,260.00	
<b>9 ONESMUS NJUGUNA KURIA</b>	<b>721,500.00</b>	<b>2021</b>			<b>721,500.00</b>	
<b>10 SWITCH REALITY ENTERPRISE</b>	133,000.00	2021			133,000.00	
11 FRANGANGA ENTERPRISES	54,000.00	2021			54,000.00	
12 WORD TECH BRANDING	385,600.00	2021			385,600.00	
13 PROTCOR GENERAL MERCHANTS	471,600.00	2021			471,600.00	
<b>14 ASMAT ENTERPRISES</b>	<b>34,950.00</b>	<b>2021</b>			<b>34,950.00</b>	
<b>15 JACKS ELECTRICALS</b>	<b>14,190.00</b>	<b>2021</b>			<b>14,190.00</b>	
<b>16 MARY NYATHIRA</b>	<b>62,400.00</b>	<b>2021</b>			<b>62,400.00</b>	

**SOUTH TETU GIRLS' HIGH SCHOOL**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
17 MILLIBELL SUPPLIERS	88,120.00	2021			88,120.00	
18MARKET BOOKSHOP	147,184.00	2021			147,184.00	
19 LOGIK LTD	964,800.00	2021			964,800.00	
<b>Grand Total</b>					<b>4,421,884.00</b>	

**SOUTH TETU GIRLS' HIGH SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**Annex 2 – Summary Of Fixed Assets Register**

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Land 1 6.9 HA	N/A	MIHUTI				20,000,000.00
Land 2						
Buildings And Structures						121,900,000.00
Motor Vehicles BUS KAR 651L SCHOOL VAN KYF 330						7,390,000.00
Office Equipment, Furniture And Fittings						100,000.00
ICT Equipment, And Other ICT Assets						340,000.00
Tools And Apparatus						500,000.00
Textbooks						6,000,000.00
Other Machinery And Equipment						780,000.00
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						334,000.00
<b>Total</b>						<b>157,344,000.00</b>

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