

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 26 FEB 2025

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REPORT

TABLED
BY:

Hon. Samuel
Chep Kunga, MP

OF CLERK-AT
THE-TABLE:

M. Mado

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

MWIYOGO SECONDARY SCHOOL

**FOR THE SIX MONTHS' PERIOD ENDED
30 JUNE, 2021**

NYERI COUNTY

Revised 30th June 2021

✓
OFFICE OF THE AUDITOR
P. O. Box 30984 - 00107
REGISTRY
14 AUG 2024

RECEIVED



MWIYOGO SECONDARY SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30th June 2021

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

MWIYOGO SECONDARY SCHOOL
Report and Financial Statements
For the Period ended 30th June 2021

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MWIYOGO SECONDARY SCHOOLS
Reports and Financial Statements
For the period ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in MAY 2018 under registration number 19s00300116 and is currently categorized as a county public school established, owned or operated by the Government

The school is a day/boarding school and had 258 number of students as at 30th June 2021. It has 2 streams and 14 teachers of which 3 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:

1	Dr Hellen Kamiri	Chairman	19/10/2018
2	Mr Peter Mwaniki	Secretary - Principal	19/10/2018
3	James Gichuhi	Member	19/10/2018
4	Mr Stephen Kirethi	Member	19/10/2018
5	Rev John Rukwaro	Member	19/10/2018
6	Mrs Lucy Wangeci	Member	19/10/2018
7	M/s Purity Nyawira	Member	19/10/2018
8	M/s Rachael Mwariri	Member – Rep CEB	19/10/2018
9	Mr Godhard Kariuki	Member Rep Teachers	19/10/2018
10	Mr Patrick Kariuki Mute	Sponsor	19/10/2018
11	Rev Carol Mugendi	Sponsor	19/10/2018
12	Mr Samuel Kiboi	Sponsor	19/10/2018
13	Mrs Grace Muthoni	Member - Community	19/10/2018
14	Mr Joseph Njoroge	Member Special Needs	19/10/2018
15	Francis Kimani	Rep Students	19/10/2018

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

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

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Dr. Hellen Kamiri 2. Mr. Peter M .Mwaniki 3. Mr. James Gachuhi 4. Rev Rukwaro 5. Mr. Gachau	Chairperson Secretary Member Member Member	3 out of 6
2	Audit Committee	6. Dr. Hellen Kamiri 7. Mr. Peter M.Mwaniki 8. Mr. James Gachuhi 9. Rev Rukwaro 10. Mr. Gachau	Chairperson Secretary Member Member Member	2 out of 4
3	Finance, procurement and general purposes Committee	1. Dr. Hellen Kamiri 2. Mr. Mwaniki 3. Mr. muriithi 4. Mr. Kariuki 5. Mr. Gachau 6. Mr. Gichuhi 7. M/s Mwangi	Chairperson Secretary Member Member Member	4 out of 6
4	Academic Committee	1. Mr. P. Muriithi 2. Mr. Godhard Kariuki 3. Mr. Obao Amos 4. Ms Elizabeth Kinyua 5. Ms Benta Mbutu	Chairperson Dean Member Member Member	4 out of 6

MWIYOGO SECONDARY SCHOOL**Report and Financial Statements**For the Period ended 30th June 2021

5	Development Committee	1. Mr. James Gichuhi 2. Mr. Peter M. Mwaniki 3. Rev Rukwaro 4. Mr. Gachau	Chairperson Secretary Member Member	4 out of 6
6	Discipline and welfare Committee	1. Mr. Gichuhi 2. Mr. Muriithi 3. Mr. Obao 4. Mr. Kariuki 5. Mr. Muteru 6. M/S Kinyua 7. M/S Benta 8. Mr. Gitahi 9. Rev Rukwaro 10. Mr. Martin	Chairperson Secretary Member Member Member Member Member Member Member member	3 out of 5
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the period ended 30th June 2021 the School day-to-day management was under the following persons:

Ref :	Designation	Name	TSC Number
1	Principal	PETER MBAU MWANIKI	291539
2	Deputy Principal	PATRICK KARUE MURIITHI	375814
3	School Bursar	LYDIA NYAGUTHII MWANGI	

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 163 Mweiga
Telephone: 0721543198
E-mail: mwiyogosecsch@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

The following school operated 6 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Equity
Branch: Nyeri
Account Number: 0110290146875
2. Name of Bank: Equity
Branch: Nyeri
Account Number: 0110299539822
3. Name of Bank: Equity
Branch: Nyeri
Account Number: 0110291363695
4. Name of Bank: Equity
Branch: Nyeri
Account Number: 0110291735194
5. Name of Bank: Equity
Branch: Nyeri
Account Number: 0110297145053
6. Name of Bank: Taifa sacco
Account Number: 603-01-00840

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

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

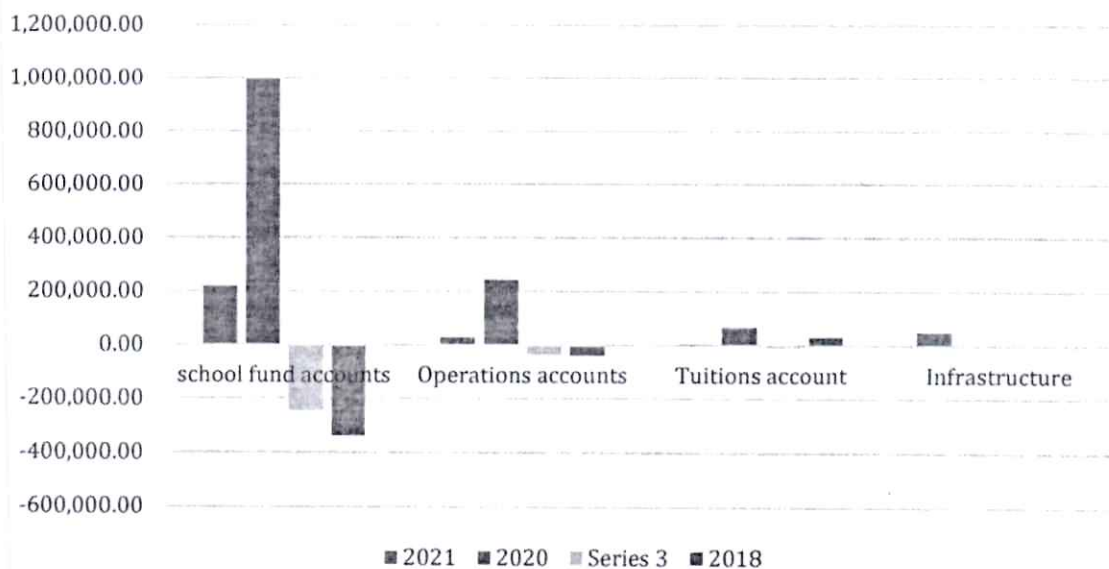
a) **Financial performance:**

Under this section, the school reflects actual financial performance trend for the last three years between 1st January 2018 to December 2020. The period covers 12 months but 2021 covers six months hence January to June.

Surplus/ deficit for the year and a comparison of the same for the last three years.

No	Accounts	2021	2020	2019	2018
		Ksh	Ksh	Ksh	Ksh
1	School fund account	217,567.00	995,832	(246,871.00)	(339,834.00)
2	Operations account	29,475.50	242,435.00	(37,738.00)	(39,674.22)
3	Tuition account	3,479.50	67,641.00	(9086.44)	29,746.86
4	Infrastructure	48,590.00			
	Total	299,112.00	1,305,908.00	(293,695.44)	(349,746.86)
	Increase/ Decrease.	(1,006,796.00)	1,599,603.44	56,051.42	

Chart Title

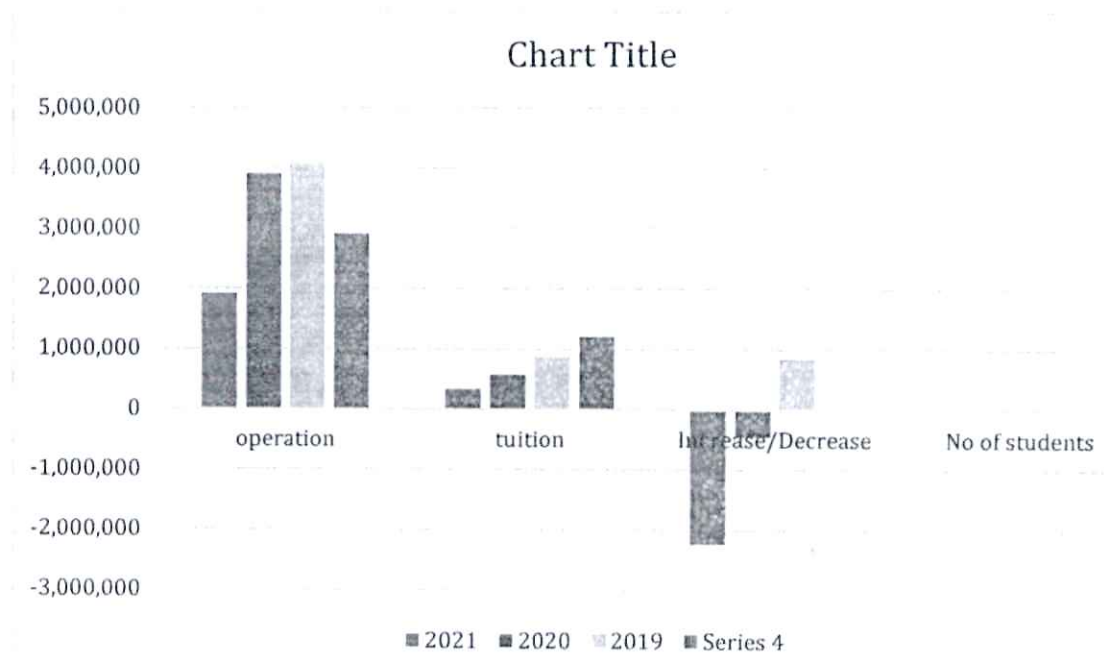


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There was an improvement from negative deficit of (349,746.86) to (293,695.44) by 56,051.42. Positive surplus of 1,599,603.44 on 2019 resulted from infrastructure fund received by year end not utilized. Year 2021 June had a positive balance on all accounts but a decrease of (1,006,7466.00).

- **Capitation grants from ministry of education for the last three years.**
- **\$ Ratio of capitation grant per student over the last three years.**

SNO	Accounts	2021	2020	2019	2018
		Ksh	Ksh	Ksh	Ksh
1	Operation accounts	2,188,582	3,909,767	4,074,880	2898,591
2	Tuition accounts	336,1	572,119	861,707	1,205,414
3	Total	2,524,691	4,481,886	4,936,587	4,104,005
4	Increase/Decrease	(1,957,195)	(454,701)	832,582	
5	No of students	258	259	264	213
6	Ratio of capitation	1:9,786	1:17, 305	1:18, 699	1:19,267



Total capitation for year 2018 was 4,104,005 and for year 2019 was 4,936,587 resulting to an increase by 832,582. This was caused by higher enrolment. In year 2020 capitation received was 4,481,886 a decrease by (454,701). Enrolment was

MWIYOGO SECONDARY SCHOOL

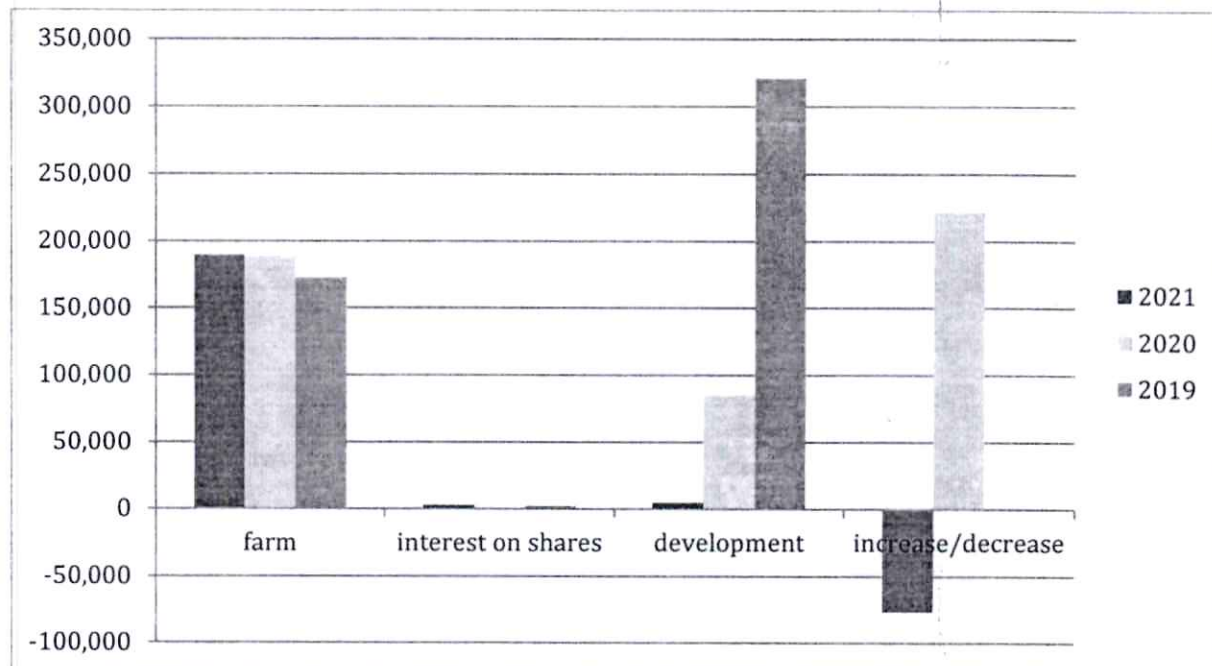
Report and Financial Statements

For the Period ended 30th June 2021

lower and prolonged closure of schools due to covid 19. Capitation grant for 2021 covers only 6 months hence abrupt decrease. However in all years not all students received capitation.

A three-year overview of growth of other income(s) earned by the school.

Sno	Accounts	2021	2020	2019
1	Farm	189,423	188,405	172,525
3	Interest on shares	2835	177	2,351
4	Development	4630	85,300	321,000
	Total	196,888	273,882.00	495,876
	Increase/decrease	(76,994.00)	(221,994.00)	



The net growth in other income generating activities for the year 2019 was 495,876..

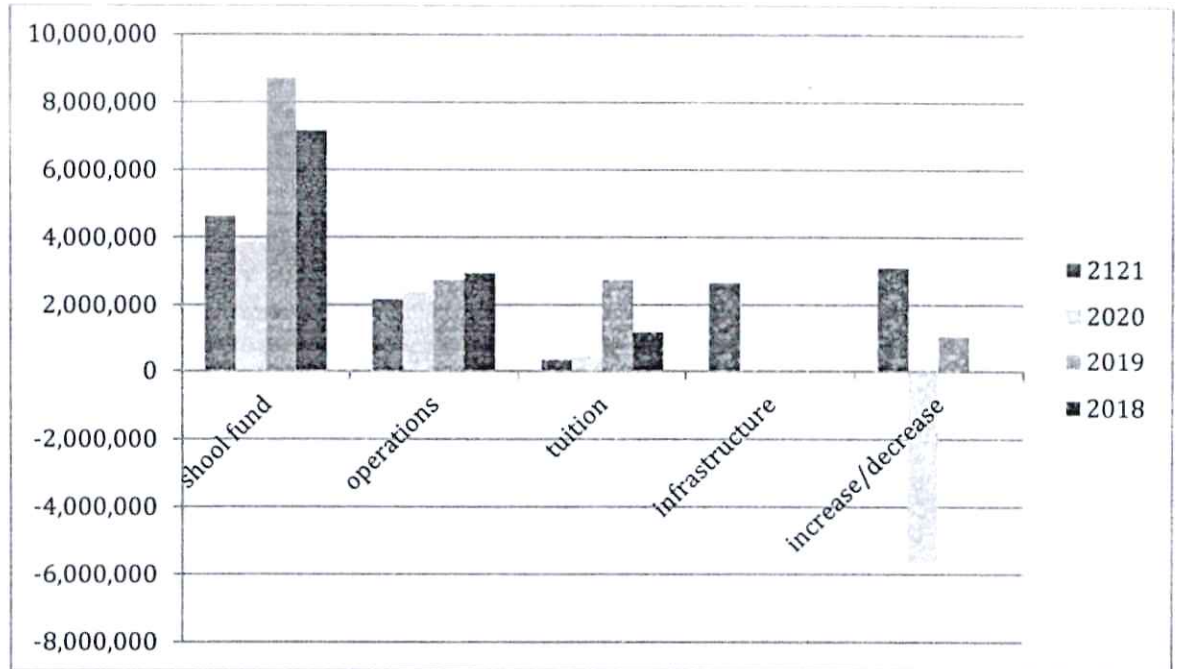
This was caused by parents contributing to school development activities. For year 2020 was 273,882 a drop by (221,994) caused by school closure. Year 2021 being half the growth was 196,888 a decrease by (76,994.00).

A three-year overview of growth in expenditure of the school.

Sno	Accounts	2021	2020	2019	2018
1	School fund account	4,619,388.00	3,852,389.00	8,718,892.00	7,159,017.00
2	Operations accounts	2,159,106.00	2,394,485.00	2,739,818.40	2,938,264.80
3	Tuitions accounts	332,630.00	420,059.00	870,793.00	1,175,653.00

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4	Infrastructure	2,654,230.00			
	Total	9,765,354.00	6,666,933.00	12,329,503.40	11,272,934.80
	Increase/decrease	3,098,421.00	(5,662,570.40)	1,056,568.60	

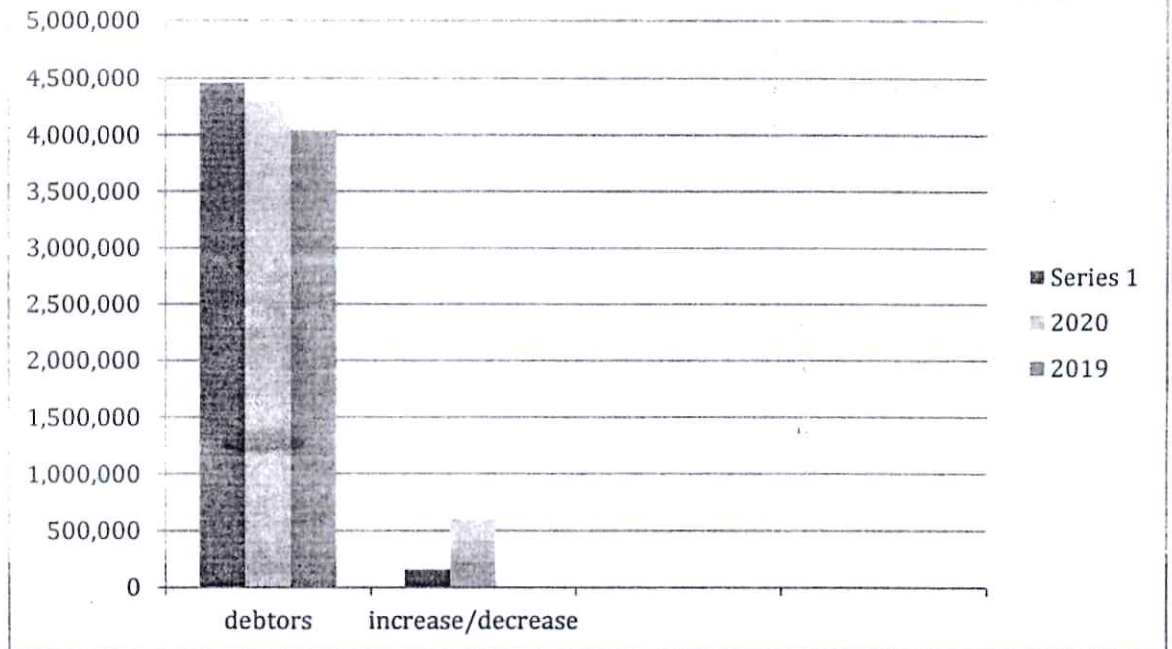


In the year 2019 there was growth in expenditure which resulted from more activities than in 2018. Year 2020 there was a decrease caused by abrupt closure of the school due to covid 19. Year 2021 covers 6 months the school has started normal operations hence an increase in expenditure by 3,098,421

Movement of debtors of the school over the last three years.

Sno	Accounts	2021	2020	2019
	School fund account	Ksh	Ksh	Ksh
1	Debtors	4,458,544	4,302,099	4,038,629
	Increase/Decrease	156,445	603,070	

MWIYOGO SECONDARY SCHOOL
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For the Period ended 30th June 2021



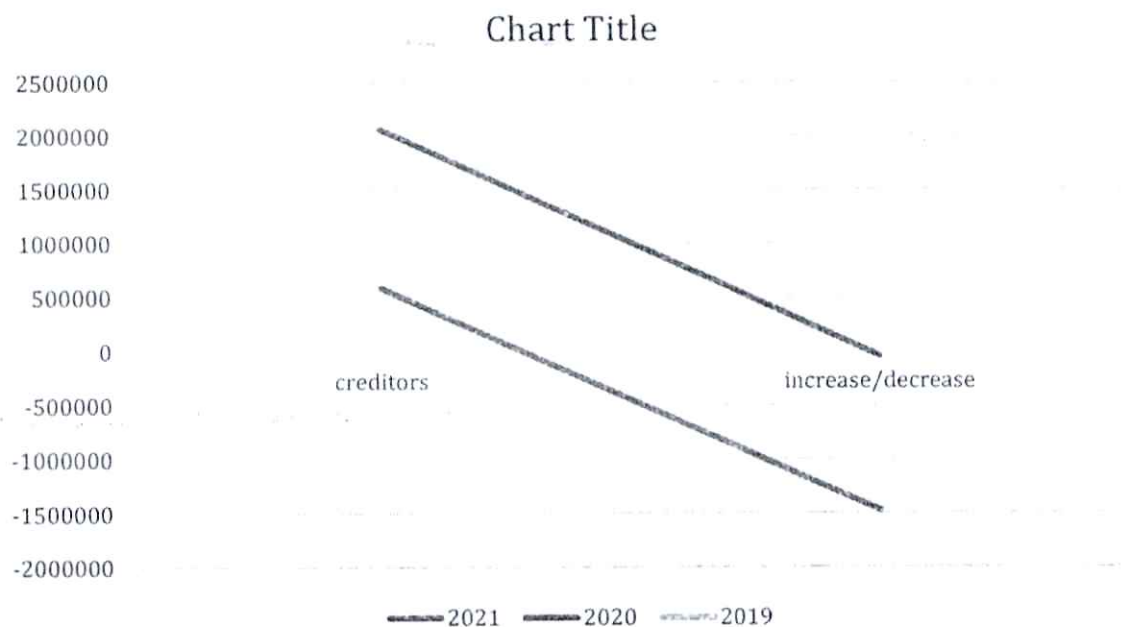
Total debtors in year 2018 was 708,364 and 2019 498,375 hence decrease by 209,989. In 2020 debtors the debts were 915,750 an increase by 417,375. This was caused by abrupt closing of school on term one.

Movement of creditors of the school over the last three years.

Sno		2021	2020	2019
1			Ksh	Ksh
	creditors	582,291	2,061,668	2,111,316
	Increase/Decrease	(1,479,377)	(49,648)	

In year 2021 the current year creditors were not included hence drastic decline.

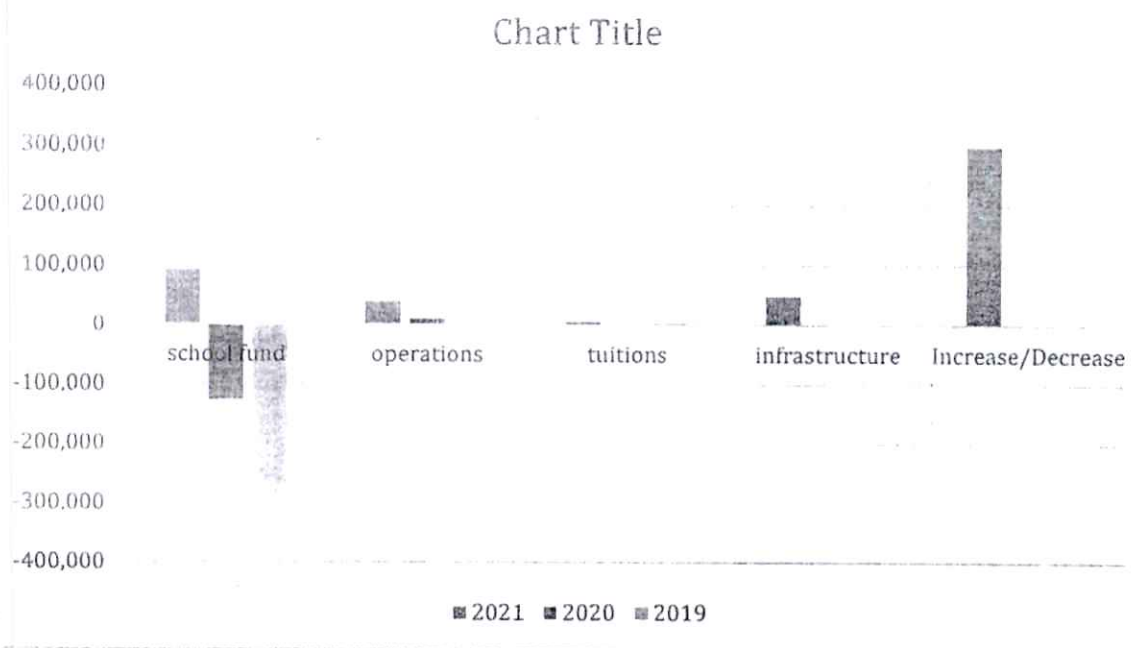
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Report and Financial Statements
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Movement of cash and bank balances over the last three years.

Sno	Account	2021	2020	2019	
			ksh	ksh	
1	School fund	90,987	(126,580)	(295,011)	
	Operations	39,026	9,551	1,389	
	Tuition	4,233	753	3,317	
	Infrastructure	48,590			
	Total	182,836	(116,276)	(290,305)	
	Increase/Decrease	299,112	174,029		

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b) Teacher Student ratio:

Between January 2021 to June 2021 the statues of the teaching staff are as follows.

There were 11 teachers posted by TSC and 3 recruited by the BOM. One teacher was posted to school by TSC on January and there was no retirement. The teacher student ratio stands at 1:18, there is a shortage of teachers due to subject specialization in form 3 and 4.

c) Mean score in the 2021 KCSE:

YEAR	ENROLLMENT	MEAN	TRANSITION	TRANSITION %	SCHOOL TARGET	COMMENT
2020	41	3.463	0	0	5.2	The students performance was average. There was improvement mean hence deviation positive 0.25 Majority of t students qualified for

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						middle level instituti.
2019	52	3.211	5	9.6%	5.0	There was a deviation of 0.375. The number of candidates was higher. Improvement was noted in biology.
2018	46	3.586	6	13%	4.5	The performance was better compared with previous year. This is attributed to 100% transition where the scores were very low marks.

d) Capacity of the school:

No	facility	No of items	ratio	comment
1	Toilets	14	1:18	Enough
2	Dormitory	3	1:70	Enough
3	Classrooms	6		The school requires 2 more classrooms
4	laboratories	2		We require 1 more laboratory to cater for clash subjects and accommodate 3 subjects with practical's
5	Dining hall	0		Its an urgent requirement.

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e) Development projects carried out by the school:

<i>sno</i>	<i>project</i>	<i>year</i>	<i>statues</i>	<i>amount</i>	<i>Fund sources</i>
1	<i>laboratory</i>	2019	<i>complete</i>	2,556,000	<i>TIG and RMI</i>
2	<i>Furniture/toilets/water harvesting</i>	2020	<i>Complete</i>	1,000,000	<i>R.M.I</i>
3	<i>Dormitory</i>	2020-2021	<i>Complete</i>	2,500,000	<i>E.S.P</i>
4	<i>Classrooms repair</i>	2021	<i>On going</i>	370,000	<i>R.M.I/infrustructure</i>

PRINCIPAL
 MWIYOGO SEC. SCHOOL
 Sign.....13/8/21.....

School Principal

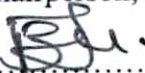
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


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


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

The Board of Management of *Mwiyogo 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 period ended 30th June, 2021, and of the school's financial position as at that date.

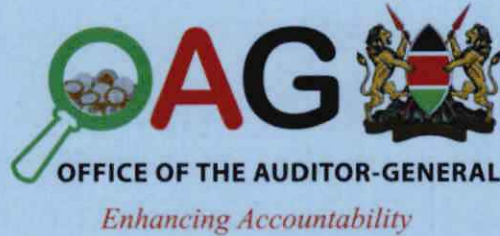
Name: DR HELLEN KAMIRI
Designation: Chairperson, School Board of Management
Sign: 
Date: 13-8-2021

Name: PETER MWANIKI
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 13/8/21

Name: LYDIA MWANGI
Designation: Bursar/ Finance Officer
Sign: 
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 MWIYOGO SECONDARY SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 - NYERI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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.

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 Mwiyo Secondary School - Nyeri County set out on pages 17 to 35, which comprise of the statement financial assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and notes to the financial statements for the period 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 Mwiyo Secondary School - Nyeri County as at 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Over Funding of Capitation Grants

The statement of receipts and payments and Notes 1 and Note 2 to the financial statements reflects capitation grants for tuition and capitation grants for operations amount of Kshs.336,109 and Kshs.2,188,582, respectively. Review of the National Education Management and Information Systems (NEMIS) data revealed a total number of 516 students in respect of the School while the enrolment records provided by the school indicated a total number of 476 students, resulting to an unexplained variance of 40 students. As a result of the variances, the School was over funded by an amount of Kshs.889,760.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.336,109 and Kshs.2,188,582, respectively could not be confirmed.

2. Long Outstanding Receivables

The statement of financial assets and financial liabilities and Note 11 to the financial statements reflects accounts receivable balance of Kshs.4,458,044 in respect of fees arrears. However, included in the balance are receivables amounting to Kshs.4,302,099 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.4,302,099 could not be confirmed.

3. Overdrawn Account and Netting off of Bank Balance

The statement of financial assets and financial liabilities and Note 9 to the financial statements reflects bank balances of Kshs.114,517. Included in the balance is School fund account/boarding bank accounts with an overdraft balance of Kshs.21,332 which has been netted off bank balances of Kshs.114,517. This was contrary to Section 28(4)(5) of the Public Finance Management Act, 2012 which states that 'an Accounting Officer for a National Government entity shall not cause a bank account to be overdrawn beyond the limit authorised by The National Treasury or the Board of a National entity'.

In the circumstances, the accuracy, completeness and existence of bank balance of Kshs.114,517 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Mwiyo 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 a comparable basis of Kshs.13,635,730 and Kshs.5,662,392 respectively, resulting to an under-funding of Kshs.7,973,338 or 58% of the budget. However, the school spent an amount of Kshs.4,925,013 against actual receipts of Kshs.5,662,392, resulting to an under-utilization of Kshs.737,379 or 15% of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the students.

My opinion is not modified in respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments and Note 8 to the financial statements reflects boarding and school fund payments amount of Kshs.4,619,388. Included in the expenditure is administration cost of Kshs.70,320 which further includes an amount of Kshs.62,600 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 realized from the transfer of Kshs.62,600 to KESSHA could not be confirmed.

2. Long Outstanding Payables

The statement of financial assets and financial liabilities and Note 12 to the financial statements reflects accounts payables balance of Kshs.582,291. However, included in the balance are trade payables of Kshs.535,874 which had been outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates'.

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

3. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan. This was contrary to Paragraph 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 Ministry of Education Operation Manual.

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments and Note 2 to the financial statements reflects capitation grants for operations amount of Kshs.2,188,582 which was received from the Ministry of Education and credited in the operations bank account. Included in the amount is Kshs.1,161,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only Kshs.95,000 was transferred to infrastructure account, leaving a balance of Kshs.1,066,500 as at 30 June, 2021 This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

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

The financial statements presented for audit did not comply with the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as the financial statements prepared read for the year ended 30 June, 2021 instead of for the six (6) months period ended 30 June, 2021. Further, the section on progress on follow up of auditor's recommendations has not been signed by the school Principal as recommended by the Public Sector Accounting Standards Board (PSASB).

In the circumstances, Management was in breach of the PSASB Guidelines.

6. Late Submission of Financial Statements to the Auditor-General

The financial statements for the year 2020/2021 were submitted on 9 July 2024 to the Auditor-General and not on the statutory date of 30 September 2021. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements to be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAI) 4000. The Standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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, 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

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs) 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

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

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the 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 control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the school to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control 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

26 September, 2024

MWIYOGO SECONDARY SCHOOL



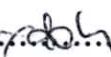
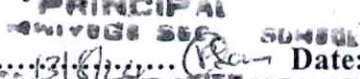
Report and Financial Statements

For the Period ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	336,109	
Capitation grants for operations	2	2,188,582	
School Fund Income- Parents' Contributions	4	4,836,955	
School infrastructure	3	2,702,820	
Proceeds from borrowings			
TOTAL RECEIPTS		10,064,466	
PAYMENTS			
Payments for Tuition	5	332,630	
Payments for operations	6	2,159,106	
Boarding and school fund payments	8	4,619,388	
Infrastructure	7	2,654,230	
TOTAL PAYMENTS		9,765,354	
SURPLUS/DEFICIT		299,112	
i			

The school financial statements were approved on13-8-24..... and signed by:

Sign:..... 	Sign..... 	Sign..... 
Name: Dr. Hellen Kamiri	Name: Mwaniki P.M	Name: Lydia Mwangi
Chair BOM	School Principal/ Secretary to BOM	Bursar/ Finance Officer
Date:13-8-2021.....	Date:13-8-24..... 	Date:13-08-24.....

MWIYOGO SECONDARY SCHOOL

Report and Financial Statements


For the Period ended 30th June 2021

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES FOR THE PERIOD ENDED L*30TH JUNE 2021


	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	9	114,517	
Cash Balances	10	68,319	
Short term Investment			
Total Cash and cash equivalent		182,836	
Account's receivables	11	4,458,044	
TOTAL FINANCIAL ASSETS		4,640,880	
FINANCIAL LIABILITIES			
Accounts Payables	12	(582,291)	
NET FINANCIAL ASSETS		4,058,589	
REPRESENTED BY			
Accumulated Fund b/fwd	13	3,759,477	
Surplus/Deficit for the year		299,112	
NET FINANCIAL POSSITION		4,058,589	

The School's financial statements were approved on 13-8-24 and signed by:


Name: DR HELLEN KAMIRI
Chairperson, BoM

Sign: 
Date: 13-8-2024

Name: PETER MWANIKI
School Principal/Secretary
to BoM

Sign: 
Date: 13/8/24

Name: LYDIA MWANGI
Bursar/Finance

Sign: 
Date: 13-08-2024

MWIYOGO SECONDARY SCHOOL
Report and Financial Statements
For the Period ended 30th June 2021

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	336,109	
Capitation grants for operations	2	2,188,582	
School fund income- Parents contributions/ fees	4	4,836,955	
Infrastructure	3	2,702,820	
Total receipts		10,064,466	
Payments			
Payments for Tuition	5	332,630	
Payments for operations	6	2,159,106	
Boarding and school fund payments	8	4,619,388	
Infrastructure	7	2,654,230	
Total payments		9,765,354	
Net cash flow from operating activities		299,112	
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
Acquisition of Assets			
Proceeds from investments			
Purchase of investments			
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		299,112	
Cash and cash equivalent at BEGINNING of the year	13	(116,276)	
	9,		
Cash and cash equivalent at END of the year	10	182,836	

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.

MWIYOGO SECONDARY SCHOOLS

Reports and Financial Statements

For the period ended 30th June 2021

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE PERIOD ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	420,000		420,000		420,000	0.0%
Exercise books	376,840		376,840	125,973	250,868	33.4%
Laboratory equipment	114,680		114,680	77,900	36,780	67.9%
Internal exams						
Teaching / learning materials	114,680		114,680	14,750	99,930	12.9%
Chalks	36,840		36,840		36,840	0.0%
Exams and assessment	262,040		262,040	100,577	161,463	38.4%
Ref/library books	68,000		68,000	16,910	51,090	24.9%
TOTAL	1,393,080		1,393,080	336,110	1,056,970	
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	1,260,000		1,260,000	799,152	460,848	63.4%
Repairs and maintenance	300,000		300,000	538,600	(238,600)	179.5%
Local transport / travelling	450,000		450,000	183,200	266,800	40.7%
Electricity and water	300,000		300,000	219,660	80,340	61.0%
Medical	600,000		600,000		600,000	0.0%
Administration costs	360,000		360,000	101,600	258,400	28.2%

MWIYOGO SECONDARY SCHOOL
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For the Period ended 30th June 2021

Activity	450,000		450,000	64,500	385,500	14.3%
Total	3,720,000		3,720,000	1,906,712	1,813,288	
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	836,000		836,000	299,610	536,390	35.8%
Repairs and maintenance	380,000		380,000	153,235	226,765	40.3%
Local transport / travelling	228,000		228,000	89,530	138,470	39.26%
Electricity and water	931,000		931,000	345,005	585,995	37.1%
Administration costs	456,000		456,000	179,370	276,630	3.9%
Activity	28,500		28,500	150	28,350	0.5%
Fee on Boarding Equipment and Stores	5,663,150		5,663,150	2,352,670	3,310,480	41.5%
TOTAL	8,522,650		8,522,650	3,419,570	5,103,080	
TOTAL INCOME	13,635,730		13,635,730	5,662,392	7,973,338	
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	420,000		420,000		420,000	0.0%
Exercise books	376,840		376,840	46,800	330,040	12.4%
Laboratory equipment	114,680		114,680	101,810	12,870	88.8%
Internal exams						
Teaching / learning materials	114,680		114,680		114,680	0.0%
Chalks	36,840		36,840		36,840	0.0%
Exams and assessment	262,040		262,040	61,240	200,800	23.4%
Ref/lib books	68,000		68,000		68,000	0.0%
Total	1,393,080		1,393,080	209,850	1,183,230	
(2) EXPENDITURE						

MWIYOGO SECONDARY SCHOOL

Report and Financial Statements

For the Period ended 30th June 2021

FOR OPERATIONS						
Personnel emoluments	1,260,000		1,260,000	653,871	606,129	51.9%
Repairs, maintenance & improvements	300,000		300,000	58,490	241,510	19.5%
Local transport / travelling	450,000		450,000	242,650	207,350	53.9%
Electricity, water and conservancy	300,000		300,000	288,900	11,100	96.3%
Medical	600,000		600,000	25870	574,130	4.3%
Administration costs	360,000		360,000	195,627	164,373	54.3%
Activity Expenses	450,000		450,000	21,250	428,750	4.7%
TOTAL	3,720,000		3,720,000	1,486,658	2,233,342	
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	836,000		836,000	405,012	430,988	48.4%
Repairs, maintenance and improvements	380,000		380,000	317,818	62,182	83.6%
Local transport / travelling	228,000		228,000	251,500	(23500)	110.3%
Electricity, water and conservancy	931,000		931,000	117,270	813,730	12.6%
Medical Expenses						
Administration costs	456,000		456,000	70,320	385,680	15.4%
Activity	28,500		28500		28500	0.0%
Gratuity						
Lunch programme						
Boarding Equipment and Stores	5,663,150		5,663,150	2,066,585	3,596,565	36.5%
TOTAL	8,522,650		8,522,650	3,228,505	5,294,145	
TOTAL EXPEDITURE	13,635,730		13,635,730	4,925,013	8,710,717	

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

- i. The period ended 30th June hence it covered only 6 months. the budget had been prepared for the whole year . This resulted to less cash collection and expenditure.
- ii. Medical vote head was not awarded any grant

MWIYOGO SECONDARY SCHOOL

Report and Financial Statements

For the Period ended 30th June 2021

- iii The period was immediately after covid 19 No activities were carried out The vote head was not funded
- iv LTT vote head was over utilized on parents account due to Kessha subscription's
- v Income amount reflected on receipts and payments statement is 10,064,466 and on budget is 5,662,392 bringing a difference of 4,402,074, This is caused by (a) Operations a/c has 281,870 From clearing accounts NSSF 41,470, nhif 29,400, infrastructure 200,000 salary advance 11,000. (b) Parents a/c amount is 1,417,385, caused by debtors 759,805, caution 1,000. Nssf 22,392. Nhif 16,800. Bursary 375,500. Development 4,630, farm income 189,423 Cash refund 6,000 salary advance 18,500, tuition a/c 16,500, shares interest 2,835 Exam 4,000. (c) infrastructure income 2,702,820
- vi. Expenditure amount reflected on statement of receipts and payment is 9,765,354 and on budget is 4,925,013 posting a difference of 4,840,341 This is brought about by , (a) Tution a/c has 122,780. From creditors 121,640. Bank charges 1,140, (b) Operations account has 672,448 brought by creditors 373,418 Nssf 61,950. Nhif 18,400. Infrastructure 200,000, bank charges 7,680. Salary advances 11,000. (C) Parents a/c has 1,390,883 brought about by creditors 784,324. Nhif 17,700. Bursary 375,500. Farm expenses 157,910, cash refund 6,000, salary advance 18,500 Shares 3,000. Bank charges 11,449. Tuition a/c 16,500. (d) infrastructure account is virement from operations a/c and has 2,654,230,

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 imp rest, salary advances and other receivables and b) payables that include deposits and retentions an 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 period 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 period arising from contracted goods or services during the period 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 period 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 period ended 30th June 2021.

X. NOTES TO THE FINANCIAL STATEMENTS

MWIYOGO SECONDARY SCHOOL
Report and Financial Statements
For the Period ended 30th June 2021

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books	125,973	
Laboratory equipment	77,900	
Internal exams		
Teaching / learning materials	14,750	
Chalks		
Exams and assessment	100,577	
Teachers guides	16,910	
Total	336110	

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	799,151	
Repairs and maintenance	538,600	
Local transport / travelling	183,200	
Electricity and water	219,660	
Medical		
Administration costs	101,600	
Activity	64,500	
NSSF	41,470	
NHIF	29,400	
Infrastructure	200,000	
Salary advance	11,000	
Total	2,188,581	

3. CAPITATION GRANT FOR INFRASTRUCTURE

	2020-2021	2019-2020
	Ksh	Ksh
MOE Grants	2,452,820	
Transfer from operations	200,000	
Main A/C refund	50,000	
TOTAL	2,702,820	

4. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
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MWIYOGO SECONDARY SCHOOL
Report and Financial Statements
For the Period ended 30th June 2021

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	299,610	
Repairs and maintenance	153,235	
Local transport / travelling	89,530	
Electricity and water	345,005	
Medical		
Administration costs	179,370	
Activity	150	
BES	2,352,670	
Debtors	759,805	
Caution	1,000	
NSSF	22,392	
NHIF	16,800	
Bursary	375,500	
Development	4,630	
School farm	189,423	
Cash refund	6,000	
Salary advance	18,500	
Interest on shares	2835	
Exams	4000	
Tuition a/c	16500	
Total	4,836,955.00	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores		
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		
Total		

MWIYOGO SECONDARY SCHOOL**Report and Financial Statements**For the Period ended 30th June 2021**5. PAYMENTS FOR TUITION**

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials		
Exercise books	46,800.	
Laboratory equipment	101,810	
Internal exams		
Teaching / learning materials		
Chalks		
Exams and assessment	61,240.	
Teachers guides		
Creditors	121,640	
Bank Charges	1,140	
Total	332,630.00	

6. PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	653,871	
Service Gratuity		
Administration Cost	195,627	
Repairs and maintenance & improvements	58,490	
Local transport / travelling	242,650	
Electricity and water	288,900	
Medical	25,870	
Activity Expenses	21,250	
SMASSE		
Insurance Cost		
Bank Charges	7,680	
Salary advance	11,000	
Infrastructure	200,000	
Creditors	373,418	
NHIF	61,950	
NSSF	18,400	
TOTAL	2,159,106	

MWIYOGO SECONDARY SCHOOL
Report and Financial Statements
For the Period ended 30th June 2021

7. INFRASTRUCTURE

	2020-2021	2019-2020
	Ksh	Ksh
Dormitory expenses	2,651,470	
Bank charges	2,760	
Total	2,654,230	

8. BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	405,012	
Service Gratuity		
Repairs and maintenance & Improvements	317,818	
Local transport / travelling	251,500	
Electricity and water	117,270	
Creditors	784,324	
Administration costs	70,320	
Bursary	375,500	
Bank Charges	11,449	
School farm	157,910	
Fee on Boarding Equipment and Stores	2,066,585	
Nhif	17,700	
Salary advance	18,500	
Cash refund	6,000	
Shares	3,000	
Tuition a/c	16,500	
TOTAL	4,619,388	

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	0110291363695	4232.67	
Operations Account	0110291735194	23,154	
School Fund Account/Boarding	0110290146875	(21332.)	

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Savings Account	603-01-00840	15,782.	
Parent Association Development Account	0110299539822	44,110.	
Income generating activities Account			
Infrastructural Account	0110273716480	48,570	
Total		114,517	

10 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	0	
Operation Account	15,872	
School Fund account	52,427	
Infrastructure	20	
Total	68,319	

7. SHORT TERM INVESTMENTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	4,447,544	
Other non-fees receivables		
Salary advances	10,500	
Imprest		
Total	4,458,044	

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year		

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Fees arrears for the previous year	145,445.	
Fees arrears for prior periods (over two years)	4,302,099	
Total	4,447,544	

Fees arrears is ksh 4,447,544. This amount is added salary advance ksh 10,500 to make it ksh 4,458,044.

12 ACCOUNTS PAYABLE

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

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year		
Trade creditors for the previous year	46,417.00	
Trade creditors for prior periods (over two years)	535,874.00	
Total	582,291.00	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	(125,837.85)	
Cash balances	9562.00	
Short Term Investments		
Receivables	4,458,044.00	
Payables	(582,291.00)	
Total	3,759,477.15	

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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.

8. Non-current Liabilities Summary

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

9. Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	1	62,500	
Trees	1254	250,800	
poultry	12	9,600	
Total		322,900	

10. Borrowings

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

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Other important disclosure notes

11. Stock/ Inventory

Description	2020-2021		2019-2020	
	Shs		K Shs	
b) Borrowings				
Stock/ inventory at beginning of the year	32,800			
Stock/ inventory purchased during the year	1,862,570			
Stock/ inventory issued during the year	1,833,370			
Balance at end of the year	62,000			

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12. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE;;

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2020	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4.						
5.						
6.						
Sub-Total						
Supply of services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 30 th June 2021
Land 1	Bal b/f 1/1/2021	school	5,625,000			5,625,000
Land 2						
Buildings and structures	Bal b/f 1/1/2021	compound	45,679,600	2,500,000		48,179,600
Motor vehicles						
Office equipment, furniture and fittings	Bal b/f 1/1/2021	Administration block	206,400			206,400
ICT Equipment, and Other ICT Assets	Bal b/f 1/1/2021	ICT room	505,625			505,625
Tools and apparatus	Bal b/f 1/1/2021	laboratory	750,000			750,000
Textbooks	Bal b/f 1/1/2021	store	1,360,000	220,000		1,580,000
Other Machinery and Equipment	Bal b/f 1/1/2021	Administration block	215,800			215,800
Intangible assets- soft ware	Bal b/f 1/1/2021	office	67,420			67,420
Total			54,409,845	2,720,000		57,129,845

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