

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY

DATE: 08 NOV 2023

DAY  
Wednesday

TABLED  
BY  
**OF**

Hon. Silvanus Essaro  
Majority Party Whip

CLERK-AT  
THE-TABLE:

A. Shirbulu

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**PCEA KIKUYU HIGH SCHOOL**

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

**KIAMBU COUNTY**

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

14 JUL 2023

**RECEIVED**

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**P.C.E.A. KIKUYU 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)



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**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 Kiambu County, Kikuyu Sub-County

The school was registered in 10/2019 under registration number 22S00300394 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a boarding school and had 655 number of students as at 30<sup>th</sup> June 2022. It has 4 streams and 28 teachers of which 6 teachers are employed by the School Board of Management.

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

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

Ref.	Name of Board Member	Designation	Date of appointment
1	Mr. Kenneth N. Ndirangu	Chairman/Sponsor	26/4/2019
2	Mr. Samuel N. Mwangi	Secretary – Principal	26/4/2019
3	Dr. Catherine Kibunja	Member	26/4/2019
4	Mr. William Mugo	Member	26/4/2019
5	Mr. William Kamiri	Member	26/4/2019
6	M/s Jecinta Mwangi	Member	26/4/2019
7	Prof. Ayub Gitau	Member	26/4/2019
8	Mr. James Mbugua	Member	26/4/2019
9	M/s Monicah Njuguna	Member	26/4/2019
10	M/s Caroline Gatherer	Member	26/4/2019
11	Rev. Wilfred Kogo	Member – Rep CEB	26/4/2019
12	Mr. Daniel Kamau	Member Rep Teachers	26/4/2019
13	Rev. Kelvin Ng'ang'a	Member – Sponsor	26/4/2019
14	Dr. Naomi Gikonyo	Member/Sponsor	26/4/2019
15	Mr. George Mbugua	Member	26/4/2019
16	Mr. Livingstone Wamagata	Member – Community	26/4/2019
17	M/s Mary Kang'ethe	MemberSpecial Needs	26/4/2019
18	Michael Omondi	Rep Students	

**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 pupils' discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule 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			
		Mr. Kenneth Ndirangu	Chairman	1 out of 1
		Prof. Ayub Gitau	D/Chairman	0 out of 1
		Mr. William Mugo	Member	0 out of 1
		Mr. Livingstone Wamagata	Member	1 out of 1
		Dr. Catherine Kibunja	Member	1 out of 1
		Mr. S. N. Mwangi	Secretary	1 out of 1
2	Audit Committee			Nil
3	Finance, procurement and general purposes Committee & Audit			
		Prof. Ayub Gitau	Chairman	0 out of 1
		Mr. William Mugo	Member	1 out of 1
		Dr. Catherine Kibunja	Member	0 out of 1
		Mr. Mwangi S. N.	Secretary	1 out of 1
		Mr. Kenneth Ndirangu	Member	1 out of 1
		Mr. Livingstone Wamagata	Member	1 out of 1

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
4	Academic Standard Committee Quality & Environment			
		Dr. Barae Samuel	Chairman	Nil
		Dr. Naomi Gikonyo	Member	Nil
		M/s Jecinta Njeri	Member	Nil
		Mr. Daniel Kamau	Member	Nil
5	Discipline and welfare Committee			
		Rev. Wilfred Kogo	Chairman	2 out of 2
		M/s Macharia Elizabeth	Member	2 out of 2
		M/s Mary Kangethe	Member	2 out of 2
		M/s Monicah Njuguna	Member	2 out of 2
		M/s Caroline Gathere	Member	1 out of 2
		Mr. Gatere Charles	Member	2 out of 2
		Mr. Mwangi S. N.	Secretary	1 out of 1
6	Student welfare & Human Rights Committee			
		M/s Caroline Gathere	Chairperson	0 out of 1
		Mr. William Kamiri	Member	1 out of 1
		Mr. James Mbugua	Member	1 out of 1
		Michael Omondi	Member	1 out of 1
7	Infrastructure/Adhoc Committee (if any during the year)			
		Mr. Wamagata Livingstone	Chairman	2 out of 2
		Mr. Kenneth Njoroge	Member	2 out of 2
		Mr. Gatere Charles	Secretary	2 out of 2
		Mr. Mwangi S. N.	Member	2 out of 2
		Mr. Mugo William	Member	2 out of 2
		SCDE – Mr. Rwitha	Member	1 out of 2

**(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:

Ref:	Designation	Name	TSC Number
1	Principal	Samuel Ndirangu Mwangi	270630
2	Deputy Principal	Charles Gatere Njuguna	377213
3	School Bursar	Samuel Kamau Kihunyu	B.O.M.

**(e) Schools contacts**

Post Office Box: 123 – 00902 Kikuyu  
 Telephone: 0202613222/0707669479  
 E-mail: kikuyuhigh@gamil.com  
 Website:  
 Facebook:  
 Twitter:

**(f) School Bankers**

The following school operated (5) number of bank accounts in the following banks

1. Name of Bank: Equity Bank  
 Branch: Kikuyu  
 Account Number: 0570262803526- CDF Account
2. Name of Bank: K.C.B. Bank  
 Branch: Kikuyu  
 Account Number: 1107156122- School Fund Account
3. Name of Bank: K.C.B. Bank  
 Branch: Kikuyu  
 Account Number: 1102950262- Tuition Account
4. Name of Bank: K.C.B. Bank  
 Branch: Kikuyu  
 Account Number: 1102952125- Operation Account
5. Name of Bank: K.C.B. Bank  
 Branch: Kikuyu  
 Account Number: 1217318569 -Infrastructure Account

**(g) Independent Auditors**

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

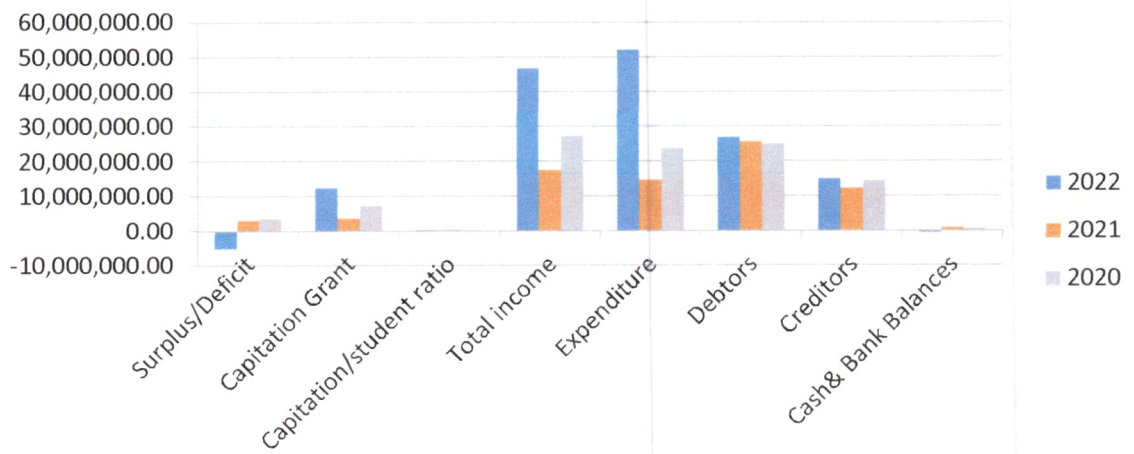


**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**a) Financial performance:**

year	Surplus/ Deficit	Capitation Grant			Capitation /students Ratio	Total Income	Expenditur e	Debtors	Creditors	Cash and Bank Balances
		Operation	Tuition	Total						
2022	(5,310,072.7)	10,149,453.30	2,254,719	12,404,172.3	18,937.67	46,814,934.30	52,125,007	26,890,481	14,915,928.5	(628,232.60)
2021	2,947,917.10	3,094,415.10	379,190.0	3,473,605.10	5,867.58	17,491,407.10	14,543,490	25,539,722.00	12,218,713.50	781,425.10
2020	3,463,737.85	6,273,200.00	928,453.0	7,201,653.00	14,607.82	27,156,555.85	23,692,818	24,916,517.00	14,312,125.00	563,248.00



**b) Teacher Student ratio:**

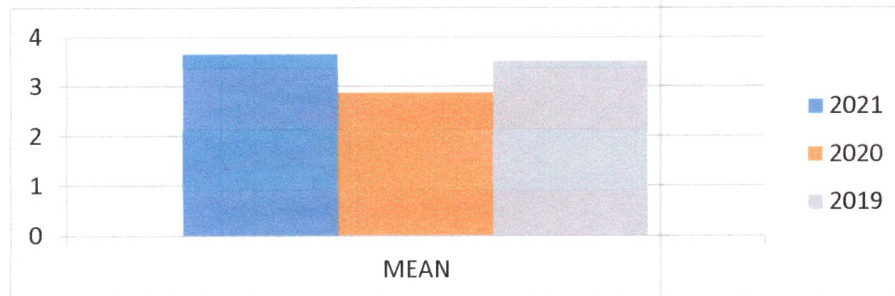
Number of student	655	TSC teachers	BOM Teachers	TSC posting 2022	Transfer/ retirement 2022
Number of teachers	34	28	6	4	2
Teacher/student ratio	1:19				

SUBJECT	HIST	GEO	CRE	BIO	BUS	ENG/LIT	ART	HSC	CHEM	MATH	KISW	AGRI	PHYC
NO. OF TEACHERS	1	2	3	2	1	6	0	1	1	4	4	3	2
SHORTAGE	1	0	0	1	1	0	1	0	3	2	0	0	1

c) Mean score in the 2021

	2021	2020	2019
KCSE CANDIDATES(BOYS)	128	85	72
MEAN SCORE	3.656	2.871	3.514
BEST CANDIDATE(MEAN SCORE)	B-	C	C+

2021 candidates sat for KCSE in march 2022



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

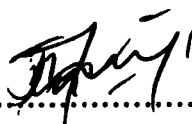
	2021	2020	2019
KCSE CANDIDATES(BOYS)	128	85	72

e) Capacity of the school:

ITEM	QUANTITY	REMARKS
STUDENT POPULATION	655	
CLASSROOMS	16	
LABORATORIES	2	
TOILETS	12	
URINAL	3	
DINING HALL	1	
ADMINISTRATION OFFICES	1	Hosting 7 offices
LIBRARY	1	
HOME SCIENCE BLOCK	1	
STAFF HOUSES	6	
DORMITORY	2	Hosting 655 students

f) Development projects carried out by the school:

PROJECT	SOURCE OF FUNDS	COST
Science Complex Completion	M.O.E	2,447,411.00
		2,447,411.00

  
.....  
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 (PSASB) of Kenya from time to time.

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

The Board of Management of *P.C.E.A. Kikuyu 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, 2022, and of the school's financial position as at that date.

Sign  .....

Name: **Kenneth Ndirangu Njoroge**

Designation: Chairman, School Board of Management

Date: 13.7.2023 .....

Sign  .....

Name: **Julius Kangethe Mwangi**

Designation: School Principal & Secretary to Board of Management

Date: 13/7/23 .....

Sign  .....

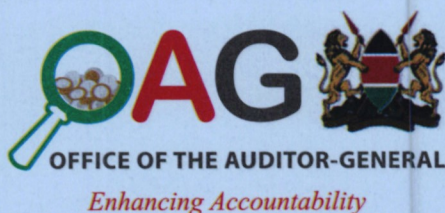
Name: **Samuel Kamau Kihunyu**

Designation: Bursar/ Finance Officer

Date: 13/7/2023 .....

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: 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 PCEA KIKUYU HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KIAMBU 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 PCEA Kikuyu High School - Kiambu County set out on pages 1 to 20, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2022, the statement of receipts and payments, statement of cash flows, 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 PCEA Kikuyu High School - Kiambu 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Variances Between Financial Statement and Supporting Schedules**

The audit revealed differences between financial statements and supporting schedules as detailed below;

<b>Particulars</b>	<b>Financial Statement Balance (Kshs.)</b>	<b>Supporting Schedule Balance (Kshs.)</b>	<b>Variance (Kshs.)</b>
Capitation Grants for Tuition	2,112,119	0	2,112,119
Capitation Grant Operation	10,151,283	0	10,151,283
School Fund Income - Parents Contribution	34,811,969	0	34,811,969
School Fund Income - Other Receipts	1,076,522	0	1,076,522
Payment for Tuition	3,291,779	2,370,118	921,661
Payments for Operations	9,078,392	0	9,078,392
Boarding and School Fund Payments	39,672,300	0	39,672,300
Accounts Receivable	27,228,177	0	27,228,177

In addition, the statement of financial position reflects accounts payables balance of Kshs.16,033,038 whereas Note 12 to the financial statement reflects a total of Kshs.1,033,038, resulting into unreconciled variance of Kshs.15,000,000.

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

#### **2. Incorrect Cash and Cash Equivalent Balance**

The statement of financial assets and financial liabilities reflects a negative cash and cash equivalent balance of Kshs.628,234 which comprised of negative bank balances of Kshs.641,157 and cash balances of Kshs.12,923 as disclosed in Note 8 and 9 to the

financial statements respectively. However, the bank reconciliation statements for the school fund account reflects un-receipted deposits of Kshs.1,352,790 and unrepresented cheques of Kshs.457,465 whose subsequent clearance was not provided for audit. In addition, the balance is inclusive of stale cheques of Kshs.65,580 which had not been reversed or replaced in the cash book.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.628,234 could not be confirmed.

### **3. Lack of Land Title Deed**

Records provided for audit revealed that the School occupies 18 acres of land. However, the ownership is under the Presbyterian Church of East Africa Kikuyu Mission this is contrary to Regulations 143(1) of Public Finance Management (National Government) Regulations, 2015 which prescribes that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, ownership and valuation of land could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the PCEA Kikuyu 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 qualified opinion.

### **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.

### **Other Matter**

#### **Budgetary Control and Performance**

The statement of budgeted versus actual amounts reflects total revenue budget of Kshs.53,789,344 and actual receipts of Kshs.47,771,067, resulting to a shortfall of Kshs.6,018,277 or 11% of the budget. Similarly, the statement reflects total expenditure budget of Kshs.53,310,442 and actual expenditure of Kshs.50,640,517 resulting to budget under-absorption of Kshs.2,669,225 or 5% of the budget.

The revenue shortfall may have affected the School's planned activities and impacted negatively on service delivery to public.

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Irregular Payment to Kenya Secondary Schools Heads Association (KESSHA)**

The statement of receipts and payments reflects payments for operations of Kshs.9,078,392 as disclosed in Note 6 to the financial statements. However, review of records revealed that an amount of Kshs.650,700 was transferred as co-curricular funds to Kenya Secondary School Heads Association (KESSHA), a private entity that is not subject to Public Finance Management Act, 2012 or any other public finance regulations.

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

### **2. Unauthorised Virement (Reallocation) of Funds**

The statement of receipts and payments reflects total receipts of Kshs.46,814,934. However, review of records revealed that an amount of Kshs.1,034,200 was transferred from the operations account to the school fund account to the operations account without approval by the County Education Board (CEB). This was contrary to the provisions of the Ministry of Education Circular Ref. No: MOE/G1/9/1/44 dated 9 January, 2008 and MOE.HQS/3/13/3 dated 16 June, 2021 which directs that under the operations Account, schools may seek authority from the County Education Board to vire savings or surplus funds from one item to another when it is absolutely necessary but no virement from the tuition Account will be allowed.

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

### **3. Irregular Increase of School Fees**

Records provided for audit revealed that Management charged an annual fee of Kshs.40,535 for parents contribution under category B instead of Kshs.35,000 recommended by the Ministry of Education (MOE), resulting to irregular fee increment of Kshs.5,535 per student. This was contrary to Regulation 44 of the Basic Education Regulations, 2015 which states that no public school or institution shall issue alternative fee structures other than those approved by the Cabinet Secretary.

In the circumstances, Management was in breach of law.

#### **4. Long Outstanding Accounts Payables**

The statement of financial assets and liabilities reflects accounts payables balance of Kshs.16,033,037 which comprised of trade creditors of Kshs.14,915,929 and prepaid fees of Kshs.1,117,109 as disclosed in Note 12 to the financial statements. Included in trade creditors balance is Kshs.7,546,836 owed to suppliers for delivered goods and services and which have remained unpaid for a period in excess of two (2) years. Further, the prepaid fees balance was not supported by detailed schedules and ledgers indicating the particulars of the students.

In the circumstances, the ability of the school to settle the outstanding debts could not be confirmed.

#### **5. Unapproved Expenditure**

Management Incurred expenditure on various items amounting to Kshs.1,481,064 without budgetary approvals. This was contrary to regulation 23(2)(g) of public finance Management (National Government) Regulations, 2015.

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

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

#### **Conclusion**

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

#### **Basis for Conclusion**

#### **Long Outstanding Accounts Receivables**

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.27,228,176 which comprises of fees arrears of Kshs.26,890,481, salary advances of Kshs.25,000 and imprest of Kshs.312,696 as disclosed in Note 11 to the financial statements. Included in the fees arrears is a balance of Kshs.21,199,181 that has been outstanding in excess of two (2) years and no explanation was provided by Management

on how they intend to enforce collection of the fee arrears. In addition, student fee arrears aging analysis was not provided for audit review.

In the circumstances, recoverability of accounts receivables balance of Kshs.26,890,481 could not be confirmed.

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

### **Responsibilities of 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 controls, risk management and overall 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 sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School 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 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 controls 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 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 scepticism 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 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 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 School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the 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.

  
**CPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**


**Nairobi**

**13 October, 2023**

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	2,112,119.00	521,790.00
Capitation grants for operations	2	10,151,283.30	3,273,015.10
School fund income- parents' contributions	3	34,811,969.00	12,608,432.00
School fund income- other receipts	4	1,076,522.00	1,739,670.00
Proceeds from borrowings			
<b>Total Receipts</b>		<b>48,151,893.30</b>	<b>18,142,907.10</b>
<b>Payments</b>			
Payments for tuition	5	3,291,779.00	890,695.00
Payments for operations	6	9,078,392.00	2,577,231.00
Boarding and school fund payments	7	39,772,300.00	11,406,110.00
<b>Total Payments</b>		<b>52,142,471.00</b>	<b>15,052,636.00</b>
<b>Surplus/Deficit</b>		<b>(3,990,577.70)</b>	<b>3,090,271.10</b>

The school financial statements were approved on \_\_\_\_\_ 2022 and signed by:

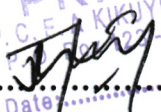
  
 Name: K. Njoro

Name: K. Njoro

Chair BOM

Date: 13-7-2023

**PRINCIPAL**  
 P.C.E.A. KIKUYU HIGH SCHOOL  
 P.O. BOX 10902, KIKUYU  
 Date: \_\_\_\_\_ Sign: \_\_\_\_\_

  
 Name: Julius K. Mwangi  
 School Principal/ Secretary to BOM

Date: 13/7/23



Name: S.K. Kihungu

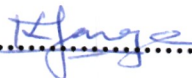
Bursar/ Finance Officer

Date: 13/7/2023

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

Description	Note	2021-2022 Ksh	2020-2021 Ksh
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	(641,156.60)	881,879.10
Cash balances	9	12,923.00	41,900.00
Short term investment	10	-	-
<b>Total cash and cash equivalent</b>		<b>(628,233.60)</b>	<b>923,779.10</b>
Account's receivables	11	27,228,176.80	25,852,417.80
<b>Total financial assets</b>		<b>26,599,943.20</b>	<b>26,776,196.90</b>
<b>Financial liabilities</b>			
Accounts payables	12	16,033,037.50	12,218,713.50
<b>Net financial assets</b>		<b>10,566,905.70</b>	<b>14,557,483.40</b>
<b>Represented by</b>			
Accumulated fund b/fwd	13	14,557,483.40	11,467,212.30
Surplus/deficit for the year		(3,990,577.70)	3,090,271.10
<b>Net financial position</b>		<b>10,566,905.70</b>	<b>14,557,483.40</b>

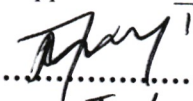
The school's financial statements were approved on \_\_\_\_\_ 2022 and signed by:



Name: KENNETH NJOROGE

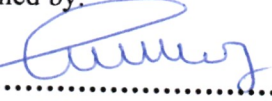
Chair BOM

Date: 13.7.2023



Name: JULIUS K. MWANGI  
 School Principal/ Secretary to  
 BOM

Date: 13/7/23



Name: S.K. KIKUYU

Bursar/ Finance Officer

Date:

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	2,112,119.00	521,790.00
Capitation grants for operations	2	10,974,148.30	3,439,295.10
School fund income- parents contributions/ fees	3	40,367,963.00	12,917,704.00
School fund income- other receipts	4	1,076,522.00	1,739,670.00
<b>Total receipts</b>		<b>54,530,752.30</b>	<b>18,618,459.10</b>
<b>Payments</b>			
Payments for tuition	5	2,639,567.00	624,630.00
Payments for operations	6	8,205,927.00	3,197,560.00
Boarding and school fund payments	7	40,533,320.00	13,370,928.00
<b>Total payments</b>		<b>51,378,814.00</b>	<b>17,193,118.00</b>
<b>Net cash flow from operating activities</b>		<b>3,151,938.30</b>	<b>1,425,341.10</b>
<b>Cashflow from investing activities</b>			
Proceeds from sale of assets		-	-
Acquisition of assets		4,703,951.00	1,064,810.00
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flows from investing activities</b>		<b>(4,703,951.00)</b>	<b>(1,064,810.00)</b>
<b>Cashflow from borrowing activities</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>(1,552,012.70)</b>	<b>360,531.10</b>
<b>Net increase in cash and cash equivalents</b>		<b>(1,552,012.70)</b>	<b>360,531.10</b>
<b>Cash and cash equivalent at beginning of the year</b>		<b>923,779.10</b>	<b>563,248.00</b>
<b>Cash and cash equivalent at end of the year</b>		<b>(628,233.60)</b>	<b>923,779.10</b>

VIII. Statement Of Budgeted Versus Actual Amounts 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 Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Receipts						
<b>(1) Capitation Grant on Tuition</b>						
Textbooks And Reference Materials		0	0		-	
Exercise Books	1,535,832.00	-	1,535,832.00	751,330.00	784,502.00	48.2%
Laboratory Equipment	658,125.00	-	658,125.00	415,989.00	242,136.00	63.2%
Internal Exams	527,712.00	-	527,712.00	421,600.00	106,112.00	79.9%
Teaching / Learning Materials	561,362.00	-	561,362.00	489,700.00	71,662.00	87.2%
Chalks	6,900.00	-	6,900.00	33,500.00	(26,600.00)	485.5%
Exams And Assessment	-	-	-	-	-	-
Bank Charges	2,000.00	-	2,000.00	-	2,000.00	0.0%
<b>(2) Capitation Grant on Operations</b>						
Personnel Emoluments	3,401,076.00		3,401,076.00	3,401,076.00	-	100.0%
Repairs And Maintenance	3,776,500.00		3,776,500.00	3,776,500.00	-	100.0%
Local Transport / Travelling	460,897.00		460,897.00	460,897.00	-	100.0%

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 Kshs	Actual on Comparable Basis d Kshs	Budget-Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Electricity And Water	512,000.00	0	512,000.00	512,000.00	-	100.0%
Medical	131,000.00		131,000.00	131,000.00	-	100.0%
Administration Costs	1,400,810.30		1,400,810.00	1,400,810.00	-	100.0%
Activity	469,000.00		469,000.00	469,000.00	-	100.0%
Gratuity	-	-	-	-	-	-
Smasse	-	-	-	-	-	-
<b>(3) Fees Charged on Parents</b>						
Personnel Emoluments	5,051,126.00		5,051,126.00	5,051,126.00	-	100.0%
Repairs And Maintenance	1,723,200.00		1,723,200.00	1,587,814.00	135,386.00	92.1%
Local Transport / Travelling	2,543,524.00		2,543,524.00	2,393,599.00	149,925.00	94.1%
Electricity And Water	1,175,960.00		1,175,960.00	1,117,816.00	58,144.00	95.1%
Medical	-	-	-	-	-	-
Administration Costs	1,947,543.00	-	1,947,543.00	1,766,432.00	181,111.00	90.7%
Activity	248,350.00		248,350.00	278,178.00	(29,828.00)	112.0%
Smasse	-	-	-	-	-	-
Fee On Boarding Equipment and Stores	19,373,863.00		19,373,863.00	22,617,004.00	(3,243,141.00)	116.7%
<b>Other Income</b>						
Damages	658,338.00		658,338.00	658,338.00		100.0%

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
School Bus	2,256,540.00		2,256,540.00	2,256,540.00		0.0%
Farm	500,000.00	-	500,000.00	418,184.00	-	83.6%
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>	<b>48,921,658.00</b>	<b>-</b>	<b>48,921,658.00</b>	<b>48,151,893.00</b>	<b>769,765.00</b>	
<b>(I) Expenditure For Tuition</b>						
Textbooks And Reference Materials	-	-	-	-	-	-
Exercise Books	1,535,832.00	-	1,535,832.00	1,535,832.00	-	100.0%
Laboratory Equipment	658,125.00	-	658,125.00	658,125.00	-	100.0%
Internal Exams	527,712.00	-	527,712.00	527,712.00	-	100.0%
Teaching / Learning Materials	561,362.00	-	561,362.00	561,362.00	-	100.0%
Chalks	6,900.00	-	6,900.00	6,900.00	-	20.6%
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
Administration Costs	-	-	-	-	-	-

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 Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Bank Charges	2,000.00		2,000.00	1,848.00	152.00	-
<b>(2) Expenditure For Operations</b>						
Personnel Emoluments	3,401,076.00	-	3,401,076.00	1,449,144.00	1,951,932.00	43%
Repairs, Maintenance & Improvements	3,776,500.00	-	3,776,500.00	3,348,751.00	427,749.00	89%
Local Transport / Travelling	460,897.00	-	460,897.00	961,190.00	(500,293.00)	209%
Electricity, Water and Conservancy	512,000.00	-	512,000.00	925,081.00	(413,081.00)	181%
Medical	131,000.00	-	0	-	131,000.00	0%
Administration Costs	1,400,810.00	-	1,400,810.00	1,563,226.00	(162,416.00)	112%
Activity Expenses	469,000.00	-	469,000.00	831,000.00	(362,000.00)	177%
Gratuity	-	-	-	-	-	-
Smasse	-	-	-	-	-	-
<b>(3) Expenditure For School Fund</b>						
Personnel Emoluments	5,051,126.00	-	5,051,126.00	5,284,031.00	(232,905.00)	105%
Repairs, Maintenance and Improvements	1,723,200.00	-	1,723,200.00	4,923,164.00	(3,199,964.00)	286%
Local Transport / Travelling	2,543,524.00	-	2,543,524.00	1,712,040.00	831,484.00	67%
Electricity, Water and Conservancy	1,175,960.00	-	1,175,960.00	810,211.00	365,749.00	69%

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 Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Medical Expenses	-	-	-	-	-	-
Administration Costs	1,947,543.00	-	1,947,543.00	4,167,297	(2,219,754.00)	214%
Activity	248,350.00	-	248,350.00	325,550.00	(77,200.00)	131%
Gratuity	-	-	-	-	-	-
Damages	658,338.00	-	658,338.00	551,064.00	107,274.00	84%
Boarding Equipment and Stores	19,373,863.00	-	19,373,863.00	19,674,103.00	(300,240.00)	102%
School Bus	2,256,540.00	-	2,256,540.00	2,256,540.00	-	100%
School Farm	68,300.00	-	68,300.00	68,300.00	-	100%
Other Expenses On Investments	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-	-
<b>Totals</b>	<b>48,489,958.00</b>		<b>48,489,958.00</b>	<b>52,142,471.00</b>	<b>(3,652,512.70)</b>	

## 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.

**X. Notes To The Financial Statements****1 Capitation Grant for Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	0.00	-
Exercise Books	751,330.00	142,600.00
Laboratory Equipment	415,989.00	198,790.00
Internal Exams	421,600.00	90,200.00
Teaching / Learning Materials	489,700.00	90,200.00
Chalks	33,500.00	-
Exams And Assessment	-	-
Teachers Guides	-	-
<b>Total</b>	<b>2,112,119.00</b>	<b>521,790.00</b>

**2 Capitation Grant for Operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	3,401,076.00	904,325.00
Repairs And Maintenance	3,776,500.00	1,407,000.00
Local Transport / Travelling	460,897.00	241,200.00
Electricity And Water	512,000.00	191,200.00
Medical	131,000.00	-
Administration Costs	1,400,810.30	328,615.10
Activity	469,000.00	200,675.00
<b>Total</b>	<b>10,151,283.30</b>	<b>3,273,015.10</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	5,051,126.00	1,690,643.00
Repairs and maintenance	1,587,814.00	593,000.00
Local transport / travelling	2,393,599.00	988,531.00
Electricity and water	1,117,816.00	373,582.00
Miscellaneous	-	128,600.00
Administration costs	1,766,432.00	772,679.00
Activity	278,178.00	74,125.00
<b>Total</b>	<b>34,811,969.00</b>	<b>12,608,432.00</b>

## Notes To The Financial Statements (Continued)

## 4 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	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	-	-
Farm	418,184.00	-
School Bus Fund	-	1,739,670.00
Damages	658,338.00	-
<b>Total</b>	<b>1,076,522.00</b>	<b>1,739,670.00</b>

## 5 Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	1,535,832.00	270,000.00
Laboratory Equipment	658,125.00	153,595.00
Internal Exams	527,712.00	260,660.00
Teaching / Learning Materials	561,362.00	205,450.00
Chalks	6,900.00	-
Exams And Assessment	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	1,848.00	990.00
<b>Total</b>	<b>3,291,779.00</b>	<b>890,695.00</b>

## Notes To The Financial Statements (Continued)

## 6 Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	1,449,144.00	892,500.00
Service Gratuity	-	98,888.00
Administration Cost	1,561,894.00	124,729.00
Repairs And Maintenance & Improvements	901,340.00	-
Local Transport / Travelling	961,190.00	84,200.00
Electricity And Water	925,081.00	60,450.00
Medical	-	-
Activity Expenses	831,000.00	429,300.00
Smasse	-	-
Insurance Cost	-	-
Bank Charges	1,332.00	954.00
Acquisition Of Assets	2,447,411.00	1,064,810.00
<b>Total</b>	<b>9,078,392.00</b>	<b>2,555,831.00</b>

## Notes To The Financial Statements (Continued)

## 7 Boarding And School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	4,354,031.00	870,258.00
Service Gratuity	-	360,504.00
Repairs And Maintenance & Improvements	4,923,164.00	778,060.00
Local Transport / Travelling	1,712,040.00	681,610.00
Electricity And Water	810,211.00	270,440.00
Medical Expenses	-	-
Administration Costs	4,167,297.00	972,497.00
Damages	551,064.00	-
B.O.M. Teachers	930,000.00	360,000.00
Expenses On Income Generating Activities	-	-
Fee On Boarding Equipment and Stores	19,674,103.00	5,932,229.00
School farm	68,300.00	30,000.00
Activity	325,550.00	-
Insurance Cost ( <i>Life Property</i> )	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	2,256,540.00	693,296.00
Miscellaneous Expense	-	126,916.00
<b>Total</b>	<b>39,772,300.00</b>	<b>11,075,810.00</b>

## 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		63,459.00	190,907.00
Operations Account		41,544.25	110,161.95
School Fund Account/Boarding		(1,278,434.65)	437,792.35
Savings Account		-	-
Parent Association Development Account		-	-
Income Generating Activities Account		-	-
Infrastructural Account		532,274.80	143,017.80
<b>Total</b>		<b>(641,156.60)</b>	<b>881,879.10</b>

## 9 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	296.00	125.00
School Fund account	12,627.00	41,775.00
<b>Total</b>	<b>12,923.00</b>	<b>41,900.00</b>

## 10 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit	-	-
Equity Stock	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Notes To The Financial Statements (Continued)

## 11 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	26,890,481.00	25,539,722.00
Other Non-Fees Receivables	-	-
Salary Advances	25,000.00	-
Imprest	312,695.80	312,695.80
<b>Total</b>	<b>27,228,176.80</b>	<b>25,852,417.80</b>

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	2,719,768.00	4,340,541.00
Fees Arrears For The Previous Year	2,971,532.00	-
Fees Arrears For Prior Periods (Over Two Years)	21,199,181.00	21,199,181.00
<b>Total</b>	<b>26,890,481.00</b>	<b>25,539,722.00</b>

## 12 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	14,915,928.50	12,218,713.50
Prepaid Fees	1,117,109.00	-
Retention Monies	-	-
<b>Total</b>	<b>1,033,037.50</b>	<b>12,218,713.50</b>

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	7,369,093.00	4,665,693.00
Trade Creditors for The Previous Year	-	1,556,105.00
Trade Creditors for Prior Periods (Over Two Years)	7,546,835.50	5,996,915.50
<b>Total</b>	<b>14,915,928.50</b>	<b>12,218,713.50</b>

## Notes To The Financial Statements (Continued)

## 13 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	KShs	KShs
Bank Balances	(641,156.60)	881,879.10
Cash Balances	12,923.00	41,900.00
Short Term Investments	-	-
Receivables	27,228,176.80	25,852,417.80
Payables	(16,033,037.50)	(12,218,713.50)
<b>Total</b>	<b>10,566,905.70</b>	<b>14,557,483.40</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)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
<b>Total</b>	-	-

**15 Biological assets**

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
<b>Total</b>		-	-

**16 Borrowings**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	-	-

**Other important disclosure notes****17 Stock/ Inventory**

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

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

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

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

-----  
Sign and Date  
Principal

Annex 1 - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount a Kshs	Amount Paid To- Date c Kshs	Outstanding Balance 2022 d=a-c Kshs	Outstanding Balance 2021 Kshs	Comments
<b>Supplier of Goods.</b>					
1. Rosemary Wanjiku		53310	42840	53310	
2. Paul Wakanya Ndungu		280500	0	280500	
3. Watken Enterprises		246750	369250	380500	
4. Catherine Wanjiru Kamiri		392400	540940	504660	
5. Lucy Wanjiku Mburu		14700		14700	
6. Jackson N. Wairimu		420000	303050	420000	
7. Brainwaves		22500	22500		
8. Thomas Konza			234000		
9. Kency Store		14000	126970		
10. Tradelink Ventures		72600		72600	
11. Wynberg Solutions		90000	54500	92000	
12. Asced Enterprises		667200		446400	
13. Knitstar Enterprises			333280	181000	
14. Kikuyu Water				13200	
15. David Gitau Ngaruiya		64650		45750	
16. Nanak Prime Venture		24000		24000	

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Supplier Of Goods Or Services	Original Amount	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
17. Kenafic Bakers Ltd		244952	637530	244952	
18. Mary W. Njoroge		39900	64600	39000	
19. John Thuku Ndungu		25900		25900	
20. Farmerlink Solutions		130000		230000	
21. Martin Kariuki Muthoni		575230	1579431	1075220	
22. Lucy W. Nduguti		1029452	1171625	524270	
23. Gastone Kenya Ltd.		598855		598855	
24. Readmore Bookshop & Stationers		325545	1440999.5	1051100	
25. Grassim Suppliers		694990	268390	79670	
26. Zani Sports Collection				27000	
27. Primehood Suppliers		320000	775500	593800	
28. Stanje Enterprises		190375		70295	
29. Annwam Enterprises		301450	656550	958000	
30. Edduassists Enterprises		<b>375900</b>	<b>3294241</b>	1980000	
31. Xapic Trade concepts		277000		277000	
32. Anthony Gachie		340100		340100	
33. Samar Energy Savers		250000	578000	578000	
34. Ideal link			572500		
35. AJR			11500		
36. Samuel Barae			26200		
37. Salome W. Nganga			120000		

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Supplier Of Goods Or Services	Original Amount	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
38. Jeremiah K. Kimotho			28150		
39. Judy W. Kuria			215000		
40. Copy Cat Ltd.		116000			
<b>Sub-total</b>		8198259	13467546.50	11221782	
<b>SUPPLIER OF SERVICES</b>					
1. Gratom Babz Ltd			65000	65000	
2. Workers salary		485481	31380	485481	
3. Moses Ndungu Chege			290000	305800	
4. David N. Muthui				77650	
5. Francis Kago				13000	
6. Paul Thuo				27500	
7. Kikuyu Hospital			349600		
8. Fortsort Innovations			70000		
9. Simon Kuria			20000		
10. Brian Ichung'wa			207962		
11. Jei Qui			154900		
<b>Sub-total</b>		485481	1188842	974431	
<b>Grand Total</b>		8683740	14656388.50	12196213	

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 18 acres	Donated by the P.C.E.A. Church	Kikuyu	504,000,000	-	-	504,000,000
Buildings And Structures			200,000,000			200,000,000
Motor Vehicles			7,500,000			7,500,000
Office Equipment, Furniture And Fittings			2,000,000			2,000,000
Tools And Apparatus			2,200,000			2,200,000
Textbooks			2,500,000			2,500,000
Generator			2,000,000			2,000,000
<b>Total</b>			<b>720,200,000</b>			<b>720,200,000</b>