


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

 THE NATIONAL ASSEMBLY OF PAPERS LAID	
DATE: 05 MAR 2025	
DAY: Wednesday	
TABLED BY:	Hon Naomi Waga MP
CLERK-AT THE-TABLE:	Deputy Majority Party Whip At Shibuko

THE AUDITOR-GENERAL

ON

WERU SECONDARY SCHOOL

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

NYANDARUA COUNTY

Revised 30th June 2022



WERU SECONDARY SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th June 2022

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

Revised 30th June 2022

10 JUL 2024



WERU SECONDARY SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

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for the year ended 30th June 2022

1. Acronyms And Glossary Of Terms

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

BOM: Board of Management

CEB : County Education Board

IPSAS : International Public Sector Accounting Standards

FY: Financial Year

FDSE :Free Day Secondary Education

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2. Key School Information And Management

WERU SECONDARY SCHOOLSCHOOL

Background information

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

The school was registered in **May 1987** under registration number **H/A/889/87** and is currently categorized as a **Sub County school** established, owned or operated by the Government.

The school is a Mixed Day school and had **942** students as at 30th June 2022.

It has **5** streams and **43** teachers of which **11** teachers employed by the School Board of Management.

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. Kariuki Njung'e	Chairman-Rep Parents local community	11/05/2022
2	Mr. Francis G Kamau	Secretary - Principal	11/05/2022
3	Mrs Jane Kathure Muthui	Teacher	11/05/2022
4	Mr. Peter Ithondeka	Member – Rep Parents/Local community	11/05/2022
5	Mrs. Josephine T.Nditrangu	Member – Rep Parents/Local community	11/05/2022
6	Mr. Simon Gachigua	Member – Rep Parents/Local community	11/05/2022
7	Mrs Serah Waithanji	Member – Rep Parents/Local community	11/05/2022
8	Mr. Titus Karoki	Member – Co-opted	11/05/2022
9	Mrs. Ann Wangari M.	Member – Rep persons with special needs	11/05/2022
10	Mrs. Margaret M Mungai	Member – Rep CEB	11/05/2022
11	Mr. George Mwangi M	Member – Rep Sponsor	11/05/2022
12	Mrs. Rose Gachogu	Member – Rep Sponsor	11/05/2022

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13	Mr. Peter Kariuki King'ai	Member – Rep Special Interest group	11/05/2022
14	Mr. Peter N. Gicheru	Member - Co-opted	11/05/2022
15	Mrs. Ann Wanyiri Kahiga	Member - Co-opted	11/05/2022
16	Ms. Ann Wairimu Kihoi	Member – Co-Opted	11/05/2022

The function of the School Board of Management include:

Promote the best interests of the school and ensure its development.

Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013

Ensure and assure the provision of proper and adequate facilities for the school

Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.

Advise the County Education Board on the staffing needs of the school.

Determine cases of students' discipline and make reports to the CEB

Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB

Administer and manage the resources of the school

Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule paragraph 21 and 23 of the Basic Education Act, 2013.

Committees of the Board

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Kariuki Njung'e Mr. Francis G. Kamau Mr. Peter Kariuki Mr. Simon Gachigua	Chairman Secretary/Principal Member Member	4 OUT OF 6

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		Mrs Josphine T. Ndirangu	Member	
3	Finance, procurement and general-purpose Committee	Mr. Francis Maina D/P Mr. J. Kimani Bursar Ms. Esther Wambui Mr. Paul Njuguna Mrs. Lucy Wangui Mr. Jackson Macharia	Chairman Bursar Store H O D Games Master H.O.D Humanities H.O D Sciences	1 OUT OF 6
4	Development Committee	Mr Simon Gachigua Mr. Francis G. Kamau Mr. Kariuki Njung'e Mr Peter Kariuki Mr. Karoki Wachira Mrs. Josphine Ndirangu	Chairman Sec./Principal BOM Chairman PTA Chairman Member Member	3 OUT OF 6
5	Academic Committee	Mr Kariuki Njung'e Mr. Francis G. Kamau Mrs Jane Kathure Dr. Peter Ithondeka Mrs. Rose Gachogu Mrs. Damaris Mwai Mr. Francis Maina Mr. Peterson Kariuki Mrs Peninnah Waigwa	Chairman Secretary Member Member Member Member Member Member Member	3 OUT OF 6

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6	Discipline and Human Rights	Mr. Kariuki Njung'e Mr. Francis G. Kamau Mr. Francis Maina Mr. Ann Wanjiru K Ms. Srah Waithanji Mr. Peter Ng'ang'a Mr. Francis Maina Mrs. Damaris Mwai Mr. Jackson Macharia	Chairman Secretary D/Principal Member Member Member Member Member Member	3 OUT OF 6

School operation Management

For the financial year ended 30th June 2022 the school day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Chief Principal	Francis G. Kamau	254522
2	Deputy Principal-Administration	Francis Maina	361216
3	Deputy Principal-Academics	Damaris Mwai	347249
4	School Finance Officer	J. K. Kimani	ID 6438823

Schools contacts

**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

Post Office Box: 262 Oljoro Orok

Mobile Number: 0759600040

E-mail Werusecondaryschool@gmail

Name of Bank: KCB
Branch OL KALOU
Account 1102149098

Name of Bank Equity
Branch OL KALOU
Account 0160299069324

Name of Bank KCB
Branch OL KALOU
Account 1254709886

Name of Bank: KCB
Branch OL KALOU
Account 1204995060

5 Name of Bank KCB
Branch OLKALOU
Account 1102152056

Name of Bank KCB
Branch OL KALOU

**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

Account 1102152366

Mpesa Pay Bill No. Business Number 522123

Account Number 28633K

Attached to bank account

1102149098

Independent Auditor

Office of the Auditor General

Anniversary Towers, University Way

P.O Box 30084

GPO 00100

Nairobi, Kenya

**WERU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

3. 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:

Financial performance:

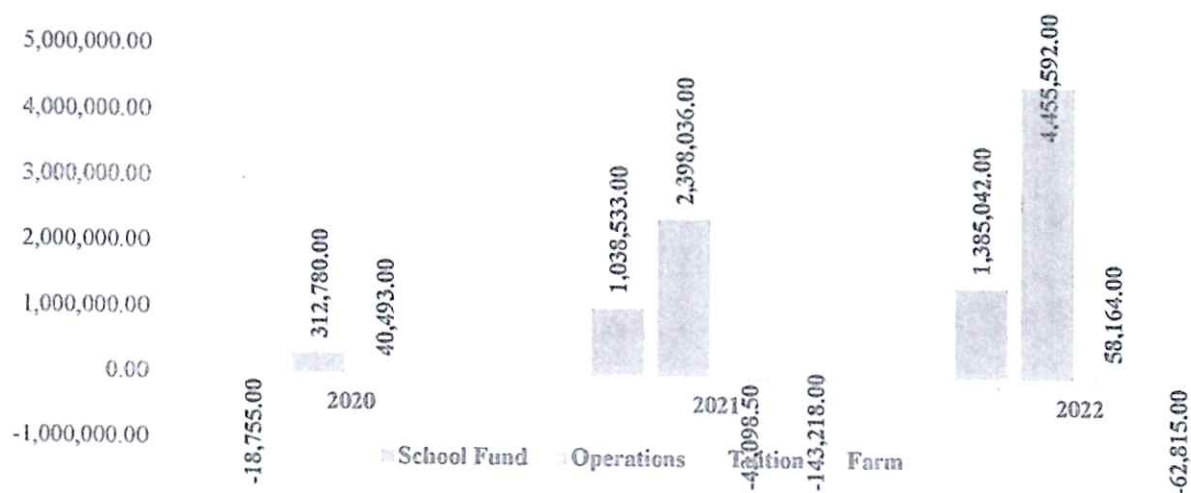
Under this section, it reflects the actual financial performance trend for the last three years period between 1st June 2021 to 30th June 2022 which covers a period of 12 months while

1st January 2021-30th June 2021 covers a period of 6 months and is summarised as follows:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST FOUR YEARS				
SNO	ACCOUNTS	2021-2022	2021	2020
		Kshs	Kshs	Kshs
1	School Fund Account	1,385,042	1,038,533.00	(18,755)
2	Operations Account	4,455,592	2,398,036	312,780
3	Tuition Account	58,164	(43,098.50)	40,493
4	Farm Account	(143,218)	-	-
	TOTAL	5,755,580	3,393,470.50	256,701
	Increase/Decrease	2,362,109.5	3,136,769.50	(1,199,136)

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Trend Over the Last Three Years

The surplus for the year 2022 increased by Kshs 2,436,322 from a surplus of

Kshs2,983,235 in the year 2021 which was attributed by usage of the infrastructure funds.

The surplus for the year 2021-2022 decreased from a surplus ofKshs2,983,235in the year 2020-2021 due to operation activities.

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

SNO	ACCOUNTS	2021-2022	2021	2020
		KSHS	KSHS	KSHS
1	Operations Account	19,187,063	7,911,642	11,044,037
2	Tuition Account	3,283,309	1,369,573.50	1,664,064
	Total	22,470,372	9,281,215.50	12,708,101
	Increase/Decrease	13,189,156.50	(3,426,885.50)	(4,139,868)
	No of Students	926	948	921
	Ratio of Capitation per student	1:24266	1:9790	1:13797

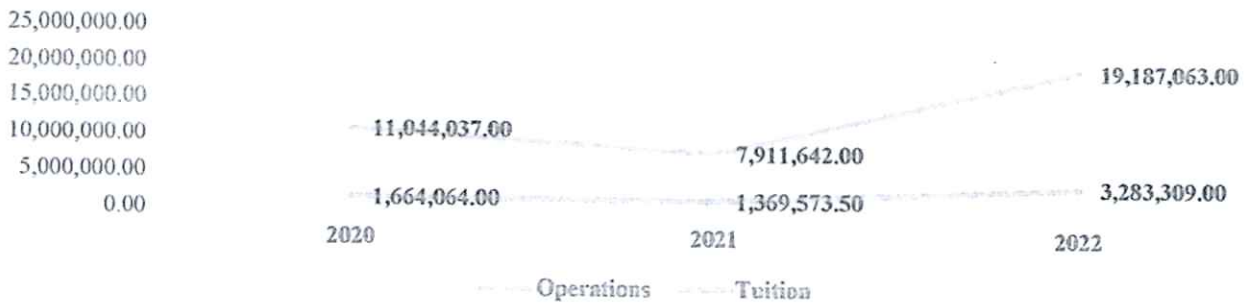
**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

Trend Over the Last Three Year



Trend Over the Last Three Years



The total capitation grants for Financial year 2022 was 22,470,372 as compared to 9,281,215.50 in 2021 representing an increase of 13,189,156.50. This decrease is attributed by the closure of school because of covid 19.

Total capitation for the year 2021 was 9,281,215.50 as compared to the year 2020 represent a decrease attributed by closure of schools due to covid 19.

The capitation grant for the financial year 2021 was kshs.9281215.50 as compared by Kshs.12,708,101 For the half year 2021. 2020 representing a decrease of kshs. 3.246.886. The net decrease was attributed by the disbursement of capitation for two terms. The period covers a period of 6 months January 2021 – June 2021

OVERVIEW OF NET GROWTH OF OTHER INCOME(S) (Note 21)

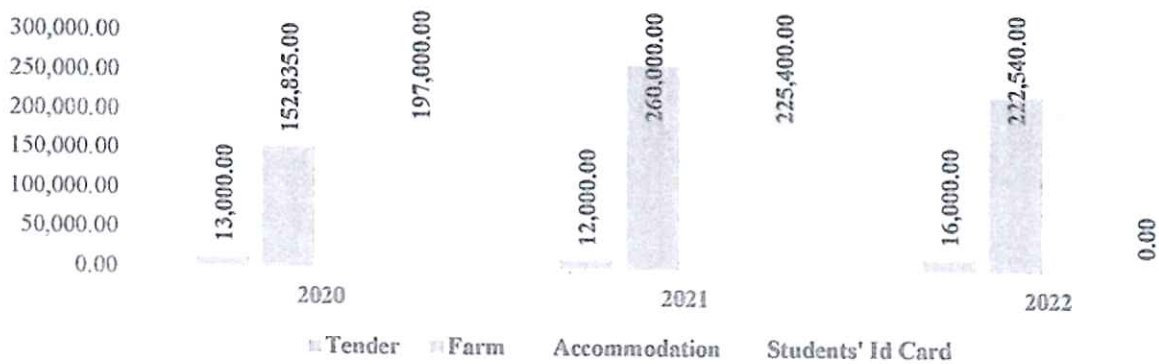
SNO	ACCOUNTS	2022	2021	2020
		KSHS	KSHS	KSHS
1	Tender	16,000	12,000	13,000
2	Farm	222,540	260,000	152,835
3	Accommodation	-	-	-

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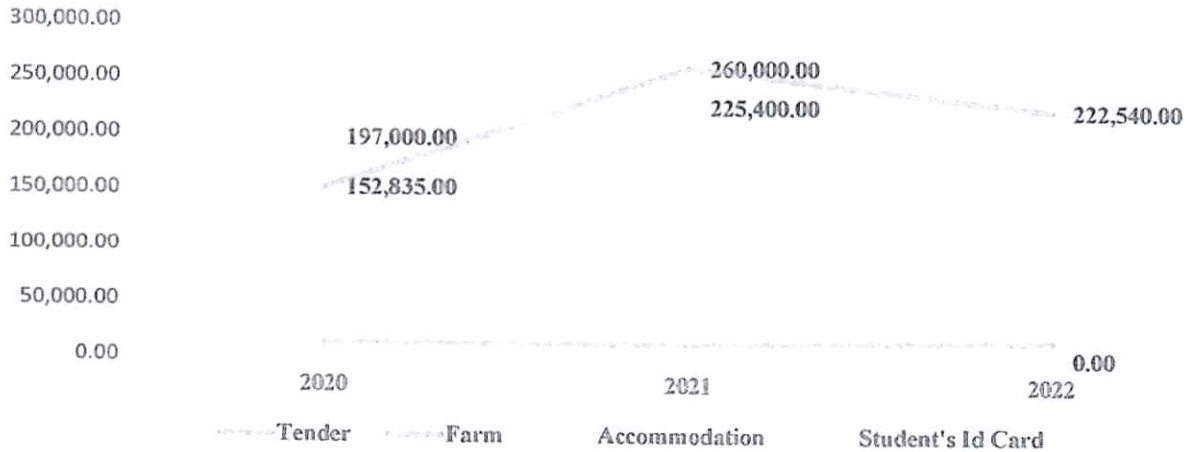
For the year ended 30th June 2022

4	Students' Id card	-	225,400	197,000
	Total	238,540	497,400	362,835
	Increase/Decrease	258,460	134,565	(20,165)

Trend Over the Last Three Years



Trend Over the Last Three Years



The net growth of other income generating activities for the financial year 2022 was Kshs238,540 as compared to Kshs497,400 in the financial year 2021 which represent an increase of Kshs258,860..

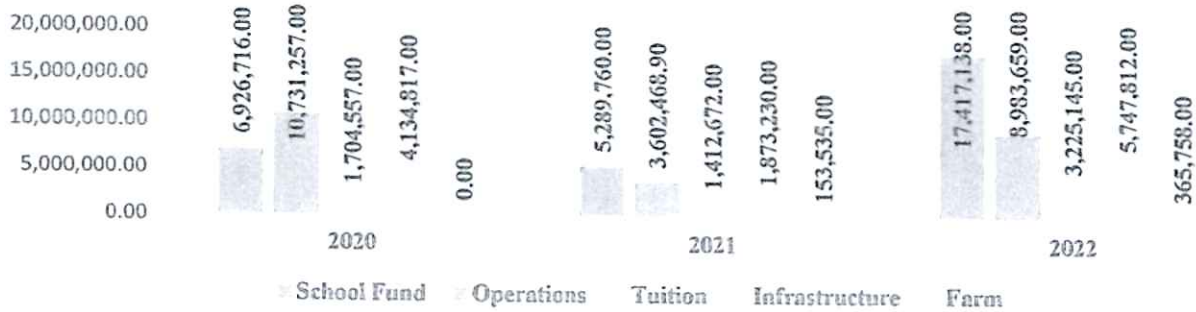
**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL

SNO	ACCOUNTS	2022	2021	2020
		Kshs	Kshs	Kshs
1	School Fund Account	17,417,138	5,289,760	6,926,716
2	Operations Account	8,983,659	3,602,468.90	10,731,257
3	Tuition Account	3,225,145.60	1,412,672	1,704,557
4	Infrastructure Account	5,747,812	1,873,230	4,134,817
5	Farm Account	365,758	153,535	-
	Total	35,739,512.60	12,331,665.90	23,497,347
	Increase/Decrease	23407846.70	(11165681.10)	(14,322,926)

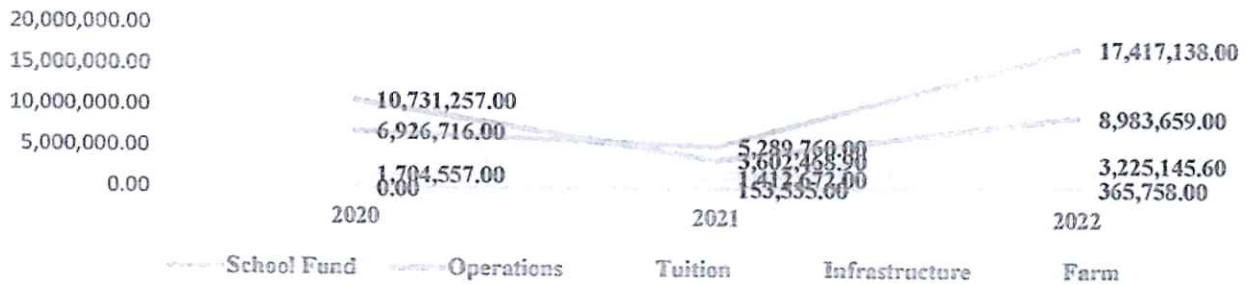
Trend Over the Last Three Years



Trend Over the Last Three Years

**WERU SECONDARY SCHOOL
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In the financial year 2021 shows increase of growth in expenditure as compared to 6 months period for year 2021.

The growth is as a result of the extended termly period and expenditure in development project.

MOVEMENT OF DEBTORS OF THE SCHOOL

SNO	ACCOUNTS	2022	2021	2020
1	School Fund Account			
a	Debtors	1,256,380	685,873	848,277
	Total	1,256,380	685,873	848,277
	Increase/Decrease	(570,507)	(162,404)	(595,188)

Trend Over the Last Three Years

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Total debtors as at 30th June 2022 remained constant as compared to 2021 half year period of Kshs 685,873. There have been an improvement as compared to previous years despite of the challenges in fee payments.

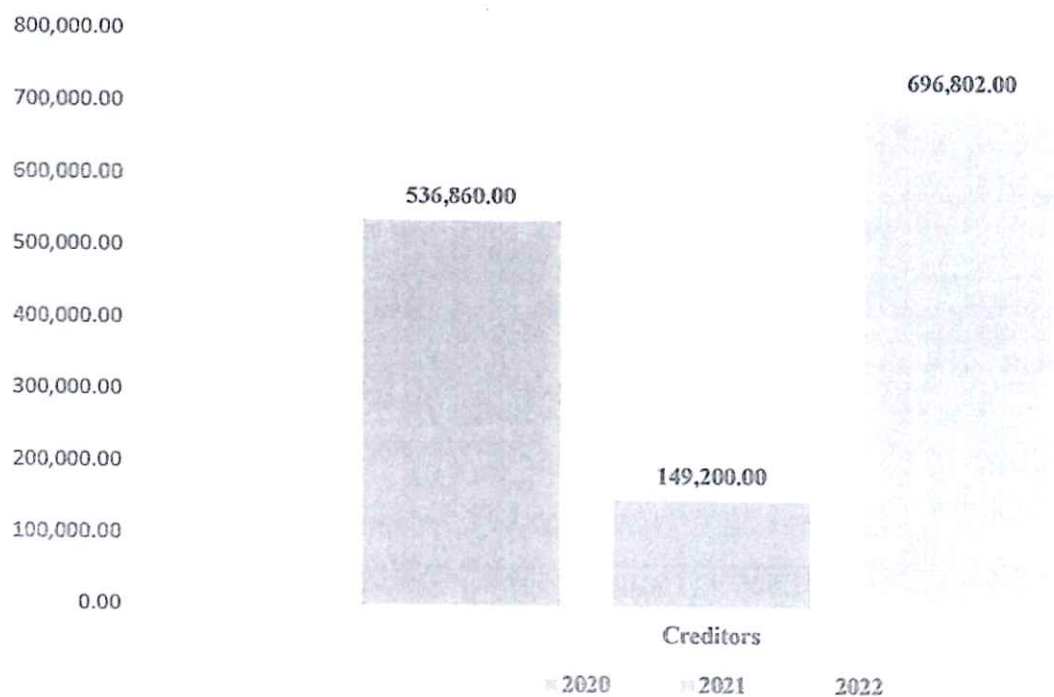
MOVEMENT OF CREDITORS OF THE SCHOOL

SNO	ACCOUNTS	2022	2021	2020
1	School Fund Account			
a	Creditors	696,802	149,200	536,860
	Total	696,802	149,200	536,860
	Increase/Decrease	(309,142)	387,600	457,865

Trend Over the Last Three Years

**WERU SECONDARY SCHOOL
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Total creditors as at 30th June 2022 increased as compared to 30th June 2021 by

Kshs547,602 .nevertheless there were prepaid fees over the period so effort to manage creditors is being enhanced by the management.

MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2022	2021	2020	2019

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		KSHS	KSHS	KSHS	KSHS
1	School Fund Account	2,168,818	700,471	99,154	161,931
2	Operations Account	247,739	1,408,705	308,503	81,613
3	Tuition Account	61,398.20	3,234	10,818.10	42,811,10
4	Infrastructure Account	1,873,021	1,550,029	97,483	-
5	saving Account	5,545	18,340.50	-	-
	Total	4,356,521.20	3,894,728.60	515,958.10	286,355.10
	Increase/Decrease	461,792.60	3,378,770.50	229,603	(1,271,715)

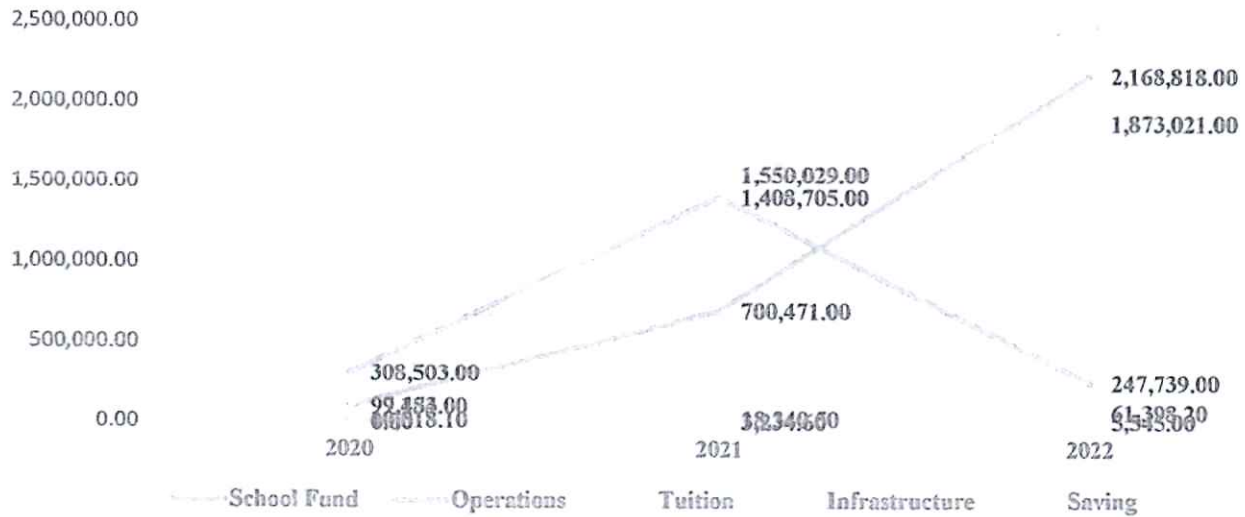
Trend Over the Last Three Years



Trend Over the Last Three Years

**WERU SECONDARY SCHOOL
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Teacher Student ratio:

Between the month of July 2021 and June 2022, the status of the teaching staff is as follows:

There are 32 teachers posted by the Teachers Service Commission and 11 recruited by the Board of Management. . We have a shortage of 19 teachers from the given CBE.

Mean score in the year 2022, 2021 and 2020KCSE:

YEAR	ENROLM ENT	MEAN	TRANSITIO N	TRANSITIO N (%)	SCHOOL TARGET
2022	243	3.600	243	100%	5.2
2021	243	4.331	243	100%	5.1
2020	198	4.1161	213	93%	5.2272

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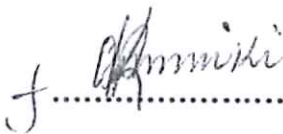
Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	1 Classroom units 2. Boys/Girls toilet 3. Roof painting and classrooms renovation. 4. Teachers sanitations	2019-2020	COMPLETE	5,198,000	MAINTAINANCE/ IMPROVEMENTS. G O K
2	Science lab and classrooms renovation.	2020	COMPLETE	3,600,000	MAINTAINANCE/ IMPROVEMENT G.O.K
3	Laboratory Water/gas system	2020-2022	COMPLETE	3,500,000	MAINTAINANCE/ IMPROVEMENTS. G.O.K

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4	Library construction	2021-2022	NOT COMPLETE	3,500,000	MAINTAINANCE /IMPROVEMENT. G.O.K
5	2 Classes (CBC)	2021-2022	COMPLETE	1,600,000	MAINTAINANCE/IMPROVEMENTS. G.O.K


.....

Kariuki Njung'e
Chair,
Board of Management
/Principal

Date: 9/7/2024


.....

Francis G. Kamau
Secretary,
Board of Management

Date: 9.7.2024


.....

J.K. Kimani
Finance Officer

Date: 9TH JULY, 2024

**WERU SECONDARY SCHOOL
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4. Statement Of School Management Responsibility

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

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

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

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



Kariuki Njung'e

**Chair,
Board of Management
/Principal**

Date: 9/7/2024



Francis G. Kamau

**Secretary,
Board of Management**

Date: 9.7.2024

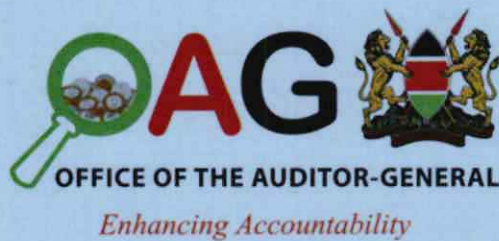


J. Kimani

Finance Officer

Date: 9th JULY, 2024.

REPUBLIC OF KENYA



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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 WERU SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NYANDARUA 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 Weru Secondary school set out on pages 1 to 28, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and

Report of the Auditor-General on Weru Secondary School for the year ended 30 June, 2022 - Nyandarua County

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 possible 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 Weru Secondary School - Nyandarua County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards/International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit had the following inaccuracies;

- (i) The statement of budgeted versus actual amounts reflects actual expenditure amount of Kshs.35,373,754. However, a recalculation of the expenditure revealed amounts of Kshs.31,709,359 resulting to unreconciled variance of Kshs.3,664,395. In addition, the statement reflects actual total income of Kshs.41,132,568 and total expenditure of Kshs.31,709,359 that were at variance with the corresponding balances reflected in the statement of receipts and payments of Kshs.36,270,245 and Kshs.34,479,442 resulting to an unreconciled variance of Kshs.4,862,323 and Kshs.2,770,083 respectively.
- (ii) The statement of assets and liabilities reflects accounts payables balance of Kshs.1,874,199 which as disclosed in Note 14 to the financial statements includes trade creditors balance of Kshs.1,585,479. However, review of Annex 1 to the financial statement reflects pending accounts payables of Kshs.408,082 resulting to an unreconciled variance of Kshs.1,177,397.
- (iii) The statement of receipts and payments reflects boarding and school fund payments of Kshs.17,417,138 as disclosed in Note 9 to the financial statements. However, a recalculation of Note 9 reflected balances of Kshs.9,015,960 and Kshs.2,744,165 respectively. The resulting variances of Kshs.8,401,178 and Kshs.2,794,577 respectively have not been reconciled.

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

2. Unreconciled Variances Between the Financial Statements and the Supporting Schedules

Review of the financial statements revealed that balances which were at variance with the corresponding amounts reflected in the supporting schedules as detailed below;

Audit Components	Financial Statement Balance (Kshs.)	Supporting Schedule Balance (Kshs.)	Variance (Kshs.)
Receipts			
Capitation Grants for Tuition	3,283,309	3,033,608	249,700
Capitation Grants for Operations	9,016,103	13,220,302	(4,204,199)
Infrastructure	5,156,000	5,596,260	(440,260)
Payments			
Payments for Tuition	3,225,145	3,222,565	2,580
Infrastructure	4,853,500.00	5,273,268	(419,768)

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

3. Unsupported Cash and Cash Equivalentents

The statement of asset and liabilities reflects total cash and cash equivalentents balance of Ksh.4,357,417 which includes bank balances of Kshs.4,356,521 and cash in hand balance of Kshs.896 as disclosed in Notes 10 and 11 to the financial statements, respectively. However, the balances were not supported by the respective bank reconciliation statements and Board of Survey reports.

In the circumstances, the accuracy and completeness of cash and cash balance of Kshs.4,357,417 could not be confirmed.

4. Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.7,436,515 which as disclosed in Note 13 to the financial statements represents fee arrears. However, aging analysis and ledger details were not provided to support the accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of the long outstanding accounts receivables – student debtors balance of Kshs.7,436,515 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution 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 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. Late Submission of Financial Statements

The School Management submitted the financial statements to the Auditor-General on 26 September, 2023, twelve months (12) after the statutory deadline of 30 September, 2022. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months (3) after the end of the fiscal year to which the accounts relate.

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

2. Weaknesses in Store Management

Review of store ledger and registers revealed that inventory totalling Kshs.134,850 was purchased during the year but not received in the store ledger and registers before being issued to the respective user departments. This is contrary to Section 168 of the public procurement and asset disposal regulations 2020 states that, an accounting officer of a procuring entity shall ensure proper management and distribution of inventory, stores and assets by ensuring that they are received and taken on charge and that they are consumed in the course of public business and a record of the same is maintained.

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

3. Transfer of Funds to Kenya Secondary Schools Heads Association

During the year under review, Management transferred co-curricular funds totalling Kshs.656,500 to Kenya Secondary School Heads Association, a private entity that is not subject to Public Finance Management Act, 2012 or any other public finance regulations. This contrary to Regulation 23(2)c of the Public Finance Management (National Government) Regulations, 2015 requires that an Accounting Officer shall, before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.

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

4. Inaccuracies in Text Book Records

Review of record maintained in the School revealed that the school expected to receive three thousand four hundred and forty-four (3,444) set books for form III and IV. However, two thousand six hundred and twenty-six (2,626) set books were received by the School, the resulting variance of eight hundred and eighteen (818) set books. This was contrary to Regulation 139.(1) of the Public Finance Management (National Government) Regulations, 2015 which requires an Accounting Officer of a National Government entity to take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, security threats, losses, wastage and misuse and movement and conditions of assets can be tracked and stock levels are at an optimum and economical level.

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

5. Inaccuracies of Student Enrollment Data

Review of data relating to number of students in the National Education Management Information System (NEMIS) against the enrolment record provided by the School revealed that one hundred and fifty-eight (158) students were in the registers in the School but were not enrolled in NEMIS which resulted to underfunding of the School by Kshs.298,103 for the year ended 30 June, 2022. This is contrary to Ministry of Education circulars dated 7 February, 2022 and 16 June, 2021 on issued guidelines on implementation of Free Day Secondary Education (FDSE) which requires that all learners to be registered in NEMIS the principals to ensure their records are accurate.

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

6. Over Transfer Infrastructure Funds from the Operations Bank Account

The School received an amount of Kshs.4,785,750 in the operations account that was supposed to be transferred to the school infrastructure bank account for maintenance and improvement of the school facilities. However, the School transferred an amount of Kshs.5,596,260 to the infrastructure bank account, the resulting difference of Kshs.810,510 represents over transfer to the infrastructure account. This is contrary to Ministry of Education Circular 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 days upon receipt of the funds in the operations account.

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

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 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Weaknesses in Information Technology Internal Controls

Review of the School Information Technology (IT) Systems revealed that the School did not have an approved IT Policy for governance and management of its IT resources. Further, there was no IT Steering Committee in place to assist in the development of ICT Policy framework to enable the School to realize long-term IT strategic goals.

In the circumstances, the School may be exposed to risk of errors or fraud that may result in loss of data confidentiality and integrity.

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 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 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 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 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 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 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


**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

6. Statement Of Receipts and Payments For the Year Ended 30th June 2022

Description Of Vote Head	Note	2021 - 2022	2020-2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,283,309	1,369,574
Government grants for operations	2	9,016,103	6,043,642
Government Grants for infrastructure	3	5,156,000	3,368,000
School fund income- parents' contributions	4	18,592,293	6,228,020
Miscellaneous incomes	5	222,540	90,720.00
Total Receipts		36,270,245	17,099,956
Payments			
Tuition	6	3,225,145	1,412,672
Operations	7	8,983,659	5,098,247
Infrastructure	8	4,853,500	1,915,359
Boarding and school fund	9	17,417,138	5,538,742
Total Payments		34,479,442	13,965,020
Surplus/Deficit		1,790,803	3,134,936

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

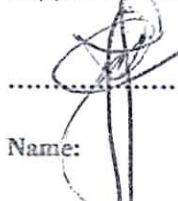

.....

Name:

Chair BOM

Date:


9/7/2024


.....

Name:

School Principal/ Secretary to BOM

Date: 9.7.2024


.....

Name:

Bursar/ Finance Officer

Date: 9th July, 2024.


**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

7. Statement of Assets and Liabilities As At 30th June 2022

Description	Note	2021 - 2022	2020 - 2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	4,356,521	3,636,203
Cash balances	11	896	1,360
Short term investments	12	-	-
Total cash and cash equivalent		4,357,417	3,637,563
Account's receivables	13	7,436,515	6,413,930
Total financial assets		11,793,932	10,051,493
Financial liabilities			
Accounts payables	14	(1,874,199)	(1,922,563)
Net financial assets		9,919,733	8,128,930
Represented by			
Accumulated fund b/fwd	15	8,128,930	4,993,994
Surplus/deficit for the year		1,790,803	3,134,936
Net financial position		9,919,733	8,128,930

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


Kariuki Njung'e

Name:

Chair BOM

Date: 9/7/2024


Francis G. Kamau

Name:

School Principal/ Secretary to
BOM

Date: 9.7.2024


John K. Kimani

Name:

Bursar/ Finance Officer

Date: 9th JULY, 2024

**WERU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

8. Statement of Cash Flows for the Year Ended 30th June 2022

Description	Note	2021 - 2022	2020 - 2021
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	3,283,309	1,369,575
Government grants for operations	2	9,016,103	6,043,642
Government grants for infrastructure	3	5,156,000	3,368,000
School fund income- parents contributions/ fees	4	18,592,293	6,228,020
Other income	5	222,540	90,720
Total receipts		36,270,245	17,099,956
Payments			
Cash outflows for tuition	6	3,225,145	1,412,672
Cash outflows for operations	7	8,983,659	5,098,247
Cash outflow for infrastructure	8	4,833,500	1,915,359
Cash out flows Boarding/lunch and school fund payments	9	17,417,138	5,538,742
Total payments		34,459,442	13,965,020
Net cash inflow/outflow from operating activities	a	1,790,803	3,134,936
Cash flow from investing activities			
Acquisition of assets	b	(1,070,949)	-
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash in flow/out lows from investing activities	b	719,854	3,134,936
Cashflow from Financing activities			

**WERU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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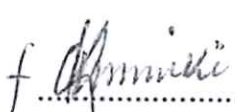
For the year ended 30th June 2022

Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities	c	719,854	3,134,936
Net increase/decrease in cash and cash equivalents			
Cash and cash equivalent at beginning of the FY	d	3,637,563	502,627
Cash and cash equivalent at end of the FY	e	4,357,417	3,637,563

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

(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).

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


.....

Name:

Chair BOM


Date: 9/7/2024


.....

Name:

School Principal/ Secretary to BOM

Date: 9/7/2024


.....

Name:

Bursar/ Finance Officer

Date: 9th July, 2024.

(Comparative FY refers to the financial year preceding the current Financial year.)

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

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For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	4,397,868	-	4,397,868	3,286,543	74.73%
Exercise Books	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-
Internal Exams	-	-	-	-	-
Teaching / Learning Materials	-	-	-	-	-
Exams And Assessment	-	-	-	-	-
(2) Capitation Grant on Operations					
Personnel Emoluments	5,564,572	-	5,564,572	5,646,400	101.5%
Repairs And Maintenance	1,007,608	-	1,007,608	660,540	65.56%
Local Transport / Travelling	984,880	-	984,880	829,040	84.18%
Electricity And Water	897,756	-	897,756	625,673	69.69%
Medical	1,325,600	-	1,325,600	-	
Administration Costs	920,484	-	920,484	-	63.62%
Activity	1,231,100	-	1,231,100	668,800	54.33%
Gratuity					
3) FDSE for infrastructure					

**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Transition Infrastructure Grants	4,735,000	-	4,735,000	10,170,960	214.8%
Administration Block	-	-	-	-	-
<i>(4) Fees Charged on Parents</i>	-	-	-	-	
Personnel Emoluments	-	-	-	-	
Repairs And Maintenance	-	-	-		
Local Transport / Travelling					
Electricity And Water					
Medical					
Administration Costs					
Activity					
SMASSE					
Fee On Boarding Equipment and Stores	12,754,500		12,754,500	18,436,422	144.5%
<i>5) Miscellenous Income</i>					
Loans / Borrowing					
Rent income					
Income From Farming Activities	222,540		222,540	222,540	-
Insurance Compensation					

**WERU SECONDARY SCHOOL
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Report and Financial Statements**

For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Posho Mill					
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income	34,042,108	-	34,042,108	41,132,568	145%
(6) Expenditure For Tuition					
Textbooks					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	4,397,868.00		4,397,868,00		
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					
(7) Expenditure For Operations					

**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Personnel Emoluments	5,564,572	-	5,564,572	4,,996,744	89.80%
Repairs, Maintenance & Improvements	1,007,608	-	1,007,608	787,567	78.16%
Local Transport / Travelling	984,880	-	984,880	746,270	75.77%
Electricity, Water and Conservancy	897,756	-	897,756	595,997	66.16%
Medical	1,325,600	-	1,325,600	24,362	1.838%
Administration Costs	920,484	-	920,484	811,099	88.12%
Activity Expenses	1,231,100	-	1,231,100	587,370	47.71%
Gratuity					
SMASSE					
(8) Expenditure For infrastructure	4,735,000	-	4,735,000	5,747,812	121.4%
Construction of classrooms					
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					

**WERU SECONDARY SCHOOL
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For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
<i>(9) Expenditure For school fund/lunch/boarding</i>					
Personnel Emoluments					
Repairs, Maintenance and Improvements					
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical Expenses					
Administration Costs					
Activity					
Gratuity					
Lunch Programme					
Boarding Equipment and Stores	12,784,500	-	12,784,500	17,412,138	136.2%
Expenditure For Income Generating Activity	-	-	-	-	-
Insurance Costs	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-
Rent Expenses	-	-	-	-	-
Bank Charges	-	-	-	-	-

**WERU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Loan Interest Repayment	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-
Totals	33,849,568	-	33,849,568	35,373,754	104%

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

WERU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2022

10. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government 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 school fees from parents, 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

**WERU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Report and Financial Statements**

○ the year ended 30th June 2022

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. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and 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. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 20XX.

**WERU SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Report and Financial Statements**

For the year ended 30th June 2022

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2021 - 2022	2020 - 2021
	Kshs	
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	250,000	150,000
Internal Exams	-	-
Teaching / Learning Materials	3,033,309	1,219,574
Others (specify)*	-	-
Total	3,283,309	1,369,574

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Personnel Emoluments	5,646,400.00	3,028,244.00
Repairs And Maintenance	660,540.00	612,380.00
Local Transport / Travelling	829,040.00	629,540.00
Electricity And Water	625,673.00	528,600.00
Medical	-	63,832.00
Administration Costs	585,650	756,346.00
Activity	668,800	424,700
Other Vote Heads (specify)*infrastructure	-	-
Total	9,016,103	6,043,642

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**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Maintenance &Improvement	5,156,000	3,368,000
Transition infrastructure grants	-	-
Administration Block	-	-
Economic stimulus grants	-	-
Other (specify)(NGCDF and County govt.	-	-
Total	5,156,000	3,368,000

4 School Fund Income -Parents Contribution/Fees

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	1,842,295	-
Repairs and maintenance	-	-
Local transport / travelling	501,595.00	-
Electricity and water	-	-
Medical	-	-
Administration costs	455,651	-
Activity	-	-
Fee on Boarding Equipment and stores	12,651,557	6,228,020
PA Levies*	2,907,436	-
Others (specify) Sundry debtors	233,795	-
Total	18,592,293	6,228,020

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

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5 Miscellaneous Incomes

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent Income	-	-
Income From Farming Activities	222,540	90,720
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	--	-
Dividends Income		-
Loans/Borrowings*	-	-
Other Income (specify)*	-	-
Total	222,540	90,720

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

**Ensure proper authorization from MOE before obtaining loans/borrowings.*

**Indicate what other income relates to including income arising from writebacks if any.*

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6 Tuition

Description	2021 -2022	2020 - 2021
	Kshs	Kshs
Exercise Books	346,500	138,600
Textbooks	73,890	-
Reference materials	-	-
Laboratory Equipment	1,432,055	568,210
Teaching / Learning Materials	1,023,716	365,347
Exams And Assessment	196,310	339,550
Teachers Guides	-	-
Bank Charges	2,674.00	965
Others A/C III	150,000	-
Total	3,225,146	1,412,672

7 Operations

Description	2021 -2022	2020 - 2021
	Kshs	Kshs
Personnel Emoluments	4,996,744	2,468,,760
Service Gratuity	-	-
Administration Cost	811,099	211,814
Repairs And Maintenance & Improvements	787,567	1,713,378
Local Transport / Travelling	746,270	118,600
Electricity And Water	593,997	249,100
Medical	24,362	9,800
Activity Expenses	587,370	326,795
Infrastructure	-	-

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Others (specify Sundry Creditors)	436,250	-
Bank Charges	-	-
Total	8,983,659	5,098,247

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8 Infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Construction of classrooms	-	1,330,000
Construction of library phase 1	4,853,500	538,000
Construction of dormitory	-	-
Purchase of furniture	-	5,230
Purchase of equipment	-	
Purchase of apparatus	-	
Drilling of boreholes	-	
Administration cost	-	42,129
Total	4,853,500	1,915,359

9 Boarding And School Fund

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	1,482,613	565,050
Service Gratuity		-
Repairs And Maintenance & Improvements	655,670	237,637
Local Transport / Travelling	1,062,084	410,061
Electricity And Water	58,140	-
Medical Expenses		-
Administration Costs	861,416	454,141
Lunch Programme		-
Bank Charges school farm	365,758	153,535
Expenses On Income Generating Activities**		-

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Fee On Boarding Equipment andStores		-
Activity	905,520	-
Insurance Cost (Life Property)		-
Loan Principal Repayment		-
Loan Interest Repayment		-
Sundry creditors	308,916	8,700
PA expenses	2,950,085	761,506
Others (specify) School Farm	365,758	153,535
Total	17,417,138	5,538,742

*(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5 These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

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10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021 - 2022	2020-2021
	Active/Dormant		Kshs	Kshs
Tuition Account	active	1102152056	61,398	3,234
Operations Account	active	1102152366	247,739	1,408,705
School Fund Account/Boarding	active	1102149098	2,168,818	655,895
Savings Account	active	1204995060	5,545	18,340
Parent Association Development Account			-	-
Income Generating Activities Account			-	-
Infrastructural Account	active	1254709886	1,873,021	1,550,029
Total			4,356,521	3,636,203

11 Cash In Hand

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Notes and Coins	896	1,360
Total	896	1,360

12 Short Term Investments

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Cooperative Shares		-
Treasury Bills		--

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Fixed Deposit accounts		-
Other Investments		-
Total		-

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Notes to the Financial Statements

13 Accounts Receivable

Description	2021 -2022	2020 -2021
	Kshs	Kshs
Fees Arrears	7,436,515	6,413,930
Other Non-Fees Receivables	-	-
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears(list/schedule attached)	-	-
Total	7,436,515.00	6,413,930

13 b Ageing Analysis of Accounts Receivable

Description	2021 -2022		2020 -2021	
	Kshs		Kshs	
	Current 2022	% of the total	Comparative 2021	% of the total
Less than 1 year	1,256,380	17%	685,833	11%
Between 1- 2 years	685,833	9%	848,277	13%
Between 2-3 years	5,494,302	74%	4,879,820	76%
Total (should tie to note 13 a)	7,436,515	100%	6,413,930	100%

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14 Accounts Payable

Description	2021 -2022	2020 -2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,585,479	1,081,098
Prepaid Fees	288,720	841,465.00
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	1,874,199	1,922,563

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Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2021 -2022		2020 -2021	
	Kshs		Kshs	
	Current FY 2022	% of the total	Comparative FY 2021	% of the total
Less than 1 year	408,082	26%	780,681	72%
Between 1- 2 years	780,681	49%	300,417	28%
Between 2-3 years	396,716	25%	-	%
Total (should tie to note 14)	1,585,479	100%	1,081,098	100%

15 Fund Balance Brought Forward

Description	2021 -2022	2020 -2021
	Kshs	Kshs
Bank Balances	4,356,521	3,636,203
Cash Balances	896	1,360
Short Term Investments	--	
Receivables	7,436,515	6,413,930
Payables	(1,874,199)	(1,922,563)
Total	9,919,733	8,128,930

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Other important disclosure notes

IPSAS Cash Standard encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

16 Non-current Liabilities Summary

Description	2021 -2022	2020 -2021
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2021 -2022	2020 -2021
		Kshs	Kshs
Cattle	9	450,000	350,000
Goats		-	-
Trees	140	210,000	300,000
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		660,000	650,000

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18 Borrowings

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

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Other important disclosure notes

19 Stock/ Inventory

Description	2021 -2022	2020 -2021
	Kshs	Kshs
Food stuffs	4,364,283	4,236,408
Lab consumables	955,246	362,408
Farm produce	618,500	586,350
Medication	85,000	78,000
Construction Materials	660,540	612,380
Others (specify)	-	-
Balance at end of the year	6,683,569	5,875,546

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

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20 Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
Supply Of Goods						
2. Jane Mathenge	15,210	30/06/2022	-	15,210	-	
3. Charma Stores	115,010	30/06/2022	-	115,010	-	
4. Rahab Wangechi	46,700	30/06/2022	-	46,700	-	
5. Ruth Kariti	24,580	30/06/2022	-	24,580	-	
Sub-Total	201,500		-	201,500	-	
Supply Of Services			--		-	
6. Lucy Wambui	10,800	30/06/2022		10,800	-	
7. B.O.M Salaries	195,782	30/06/2022	-	195,782	-	
Sub-Total	206,582	-	-	206,582	-	
		-	-		-	
Grand Total	408,082	-	-	408,082	-	

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land	78,000,000	-	-	52,000,000
Buildings And Structures	18,000,000	-	-	26,000,000
Motor Vehicles	6,460,000	-	-	6,800,000
Office Equipment, Furniture and Fittings	1,374,850	-	-	1,374,850
Textbooks	5,486,780	-	-	5,486,780
ICT Equipment	1,418,000	-	-	1,418,000
Tools And Apparatus	1,200,000	-	-	1,200,000
Other Machinery and Equipment	200,000	-	-	200,000
Heritage And Cultural Assets		-	-	
Intangible Assets- Soft Ware	500,000	-	-	500,000
Total	112,639,630	-	-	94,979,630

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