

REPUBLIC OF KENYA



*Enhancing Accountability*

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CLERK AT THE TABLE:	RUTHEN NGENYO

**REPORT**

**OF**

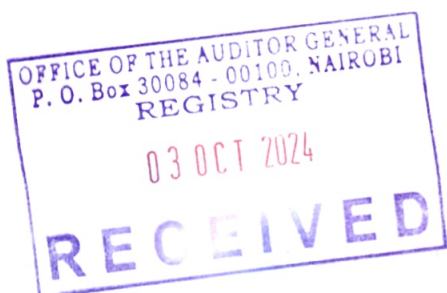
**THE AUDITOR-GENERAL**

**ON**

**MURANG'A HIGH SCHOOL**

**FOR THE SIX (6) MONTHS' PERIOD  
ENDED 30 JUNE, 2021**

**MURANG'A COUNTY**



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**MURANG'A HIGH SCHOOL**

**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS PERIOD ENDED**

**30<sup>TH</sup> JUNE 2021**

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

**MURANGA HIGH SCHOOL  
PUBLIC SECONDARY SCHOOLS  
Annual Report and Financial Statements  
For the Six Months Period Ended 30<sup>th</sup> June 2021**

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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 Murang'a County, Murang'a East Sub-County

The school was re-registered on 21<sup>st</sup> March 2017 under registration number 21S3000149 and is currently categorized as a National public secondary school established and operated by the Government.

The school is a boarding school and had 1,386 number of students as at 30<sup>th</sup> June 2021. It has 7 streams and 68 teachers of which 2 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:

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of Appointment</b>
1	Arch. Matias N. Kabiru	Chairman	14/11/2019
2	Willie M. Kuria	Secretary - Principal	14/11/2019
3	Walubengo Waningilo	Member	14/11/2019
4	David Nganga	Member	14/11/2019
5	John Karuru	Member	14/11/2019
6	Fednand Etyang	Member	14/11/2019
7	Lydia Kwamboka	Member	14/11/2019
8	Naomi Njoroge	Member	14/11/2019
9	Grace Njoki	Member – Rep CEB	14/11/2019
10	Rose Maundu	Member Rep Teachers	14/11/2019
11	Fr. Martin Wanyoike	Member – Sponsor	14/11/2019
12	Elijah G. Mwangi	Member – Community	14/11/2019
13	Faith Jepkemboi	Member Special Needs	14/11/2019
14	Dennis Kamiri	Student's Representative	14/11/2019

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

**The Function of the School Board of Management include:**

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

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**(c) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Arch Matias Kabiru	Chairman	3 out of 3
		Willie M. Kuria	Secretary	3 out of 3
		Rev. Stanley Ngure	PAC/Member	3 out of 3
		Fr. Martin Wanyoike	Member	3 out of 3
		Grace Njoki	Member	2 out of 3
		Faith Jepkemboi	Member	3 out of 3
2	Finance, Procurement and General Purposes Committee	Arch. Matias M. Kabiru	Chairperson	2 out of 2
		Faith Jepkemboi	Member	2 out of 2
		Lydia Kwamboka	Member	0 out of 2
		Joseph Wachira	Member	2 out of 2
3	Academic Committee	Grace Njoki	Chairperson	3 out of 3
		Rose Maundu	Member	3 out of 3
		Charles Karanja	Member	3 out of 3
		Antony Mwaura	Member	2 out of 3
4	Development Committee	David Nganga	Chairman	2 out of 2
		Elijah Mwangi	Member	2 out of 2
		Arch. Matias Kabiru	Member	2 out of 2
		Willie M Kuria	Member	2 out of 2
		Joseph Wachira	Member	2 out of 2
5	Discipline and Welfare Committee	Fr. Martin Wanyoike	Chairperson	3 out of 3
		Rev. Stanley Ngure	Member	3 out of 3
		Grace Njoki	Member	3 out of 3
		Matias Kabiru	Member	2 out of 3
		Ferdinand Etyyang	Member	3 out of 3
6	Human Rights and Students Welfare	Rachel Nganga	Chairperson	1 out of 1
		Waningilo Walubengo	Member	1 out of 1
		Naomi Njoroge	Member	1 out of 1
		Stanley Ngure	Member	1 out of 1
		Matias Kabiru	Member	1 out of 1



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**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:

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

Financial Performance - 3 Years Trend				
Year	School Fund	Operation	Tuition	Total
2019	-9,318,212	-87,950	-395,282	-9,801,444
2020	-862,626	-195,978	-268,402	-1,327,006
2021	470,086	-1,298,176	-184,049	-1,012,139
Total	-9,710,752	-1,582,104	-847,733	-12,140,589

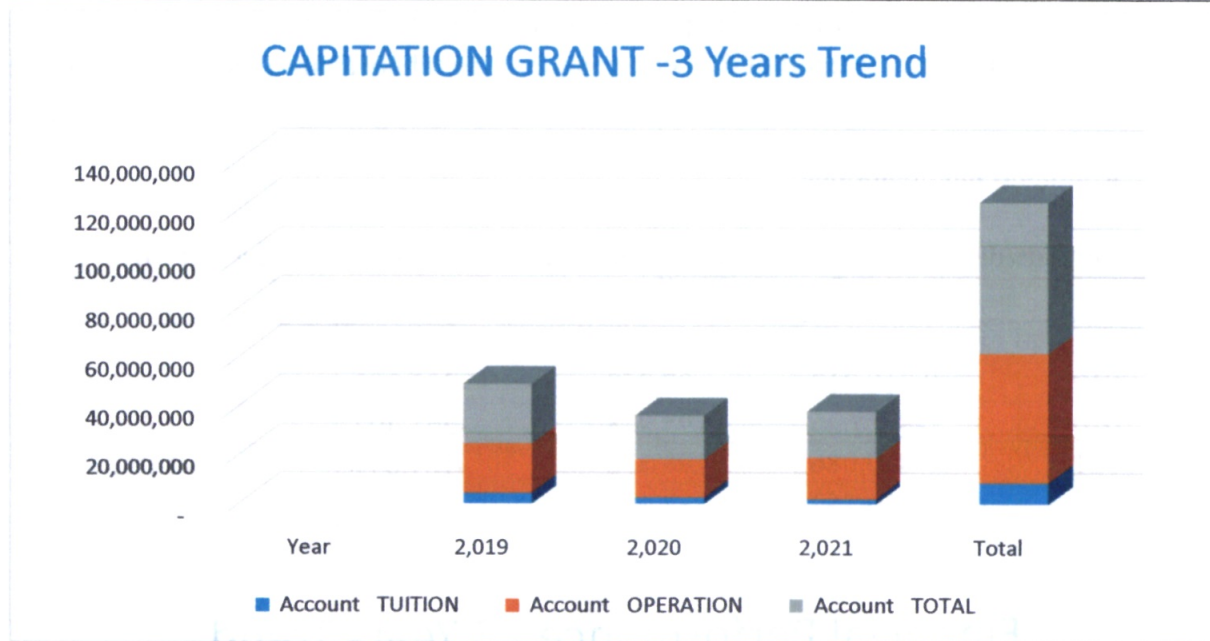
**Financial Performance - 3 Years Trend**



ii) Capitation grants from the Ministry of Education for the last three years

CAPITATION GRANT -3 Years Trend			
Year	TUITION	OPERATION	TOTAL
2019	4,272,628	20,204,612	24,477,240
2020	2,403,371	15,586,600	17,989,971
2021	1,916,190	11,958,182	13,874,372
Total	8,592,189	47,749,394	56,341,583

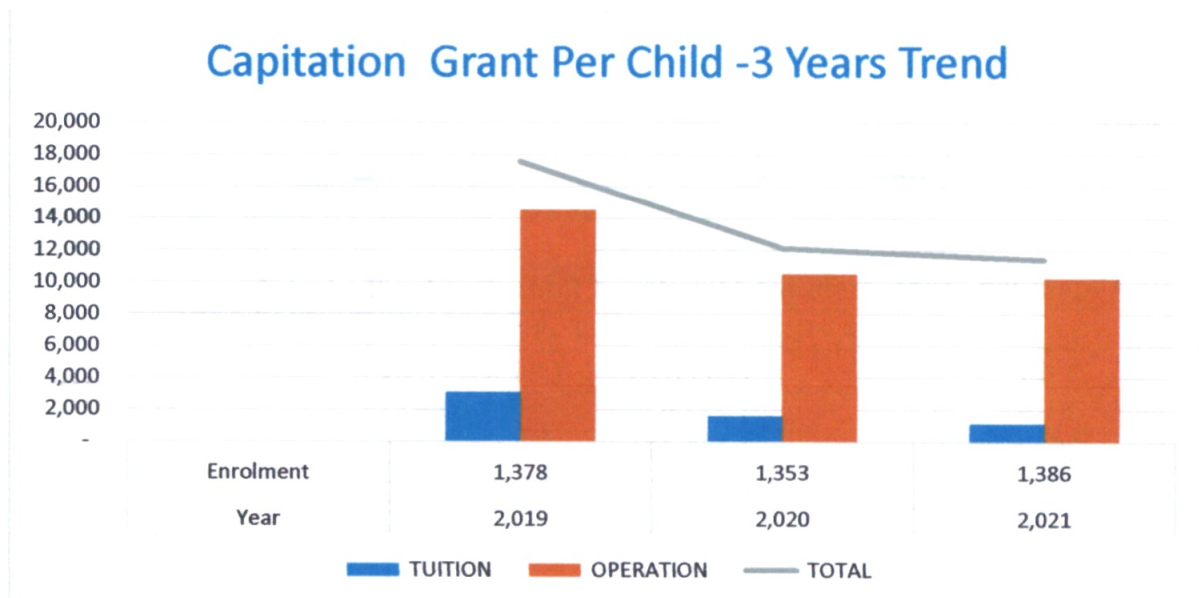
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(The decline of Ministry of Education grants is due to retention of some monies plus in 2020, all the grants were not received due to Covid 19 pandemic and also the fact 2021 pertains to half year's grants.)

**iii) Ratio of capitation grant per student over the last three years**

Capitation Grant Per Child -3 Years Trend				
Year	Enrolment	TUITION	OPERATION	TOTAL
2019	1,392	3,069	14,514	17,583
2020	1,496	1,606	10,418	12,024
2021	1,661	1,154	7,199	8,353

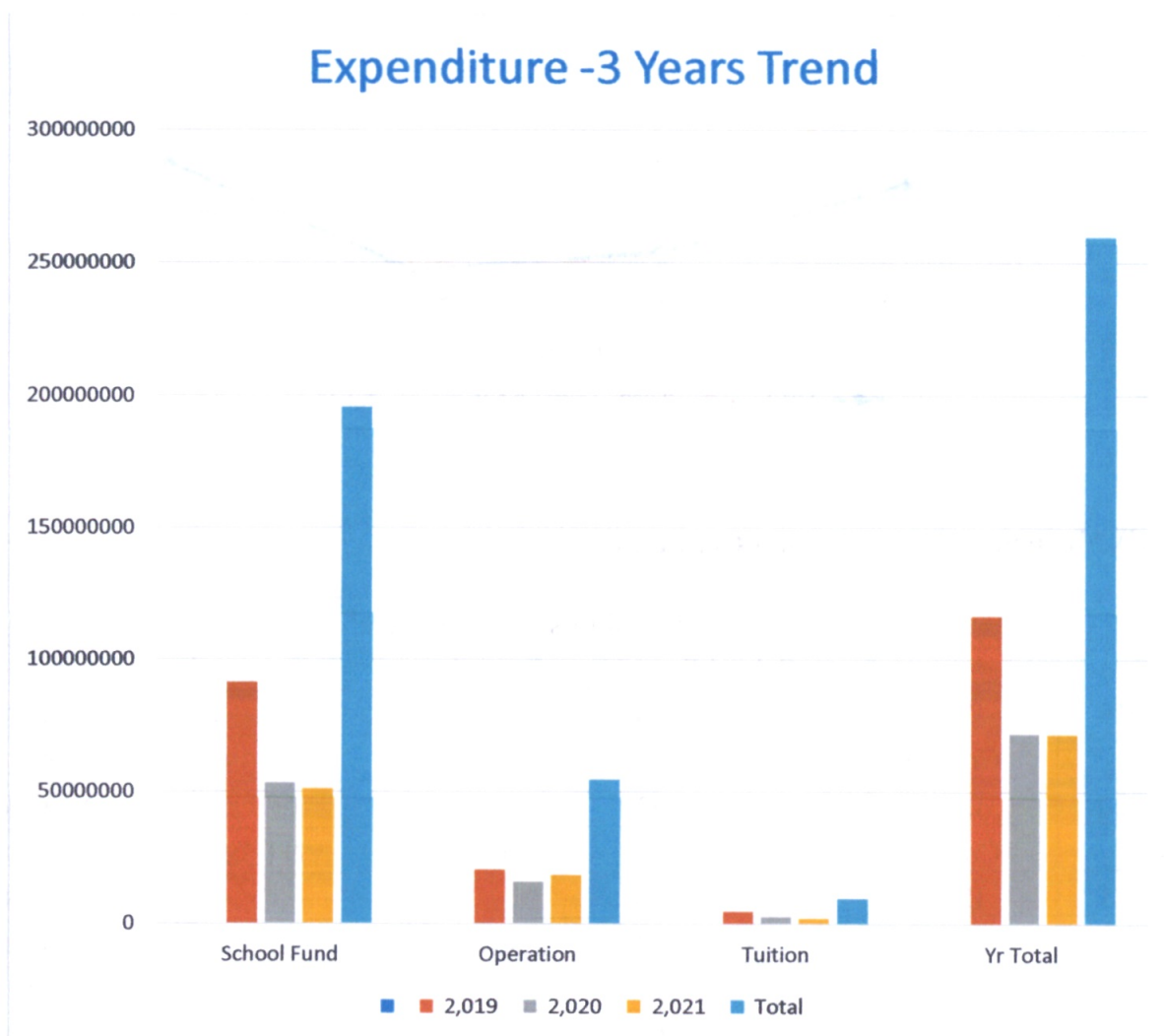


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(The decline of Ministry of Education grants is due to retention of some monies plus in 2020, all the grants were not received due to Covid 19 pandemic and also the fact 2021 pertains to half year's capitation.)

**iv) Three years growth in expenditure**

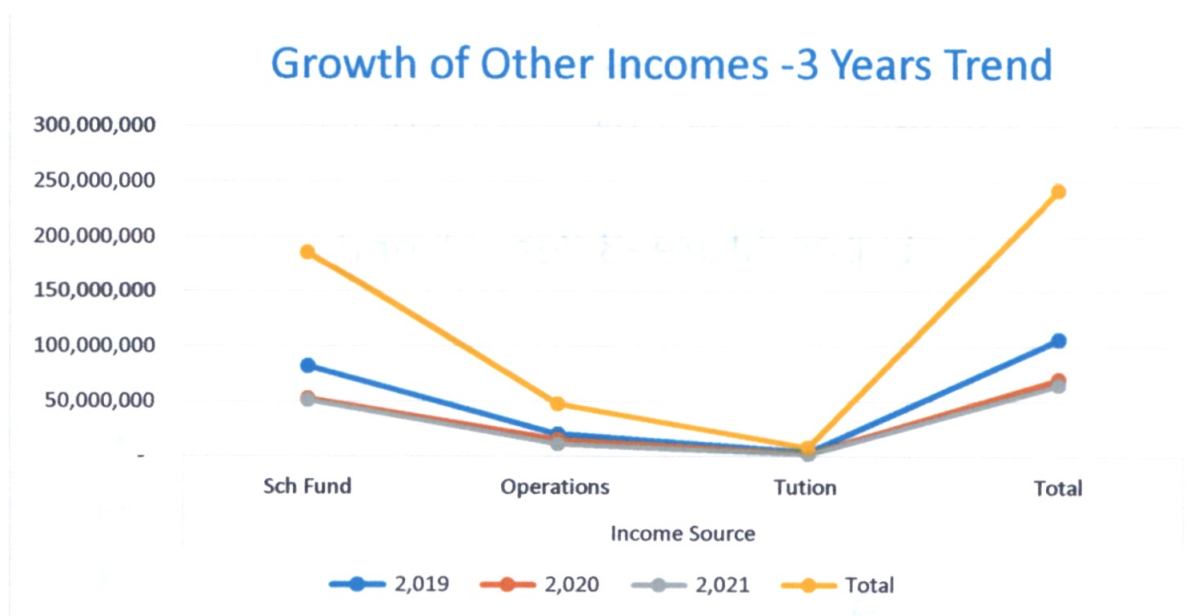
Expenditure -3 years Trend				
Year	School Fund	Operation	Tuition	Total
2019	91,262,752	20,292,562	4,667,910	116,223,224
2020	53,291,855	15,922,578	2,671,773	71,886,206
2021	51,175,658	18,357,358	2,102,740	71,635,756
<b>Total</b>	<b>195,730,265</b>	<b>54,572,498</b>	<b>9,442,423</b>	<b>259,745,186</b>



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**v) Three years growth in income**

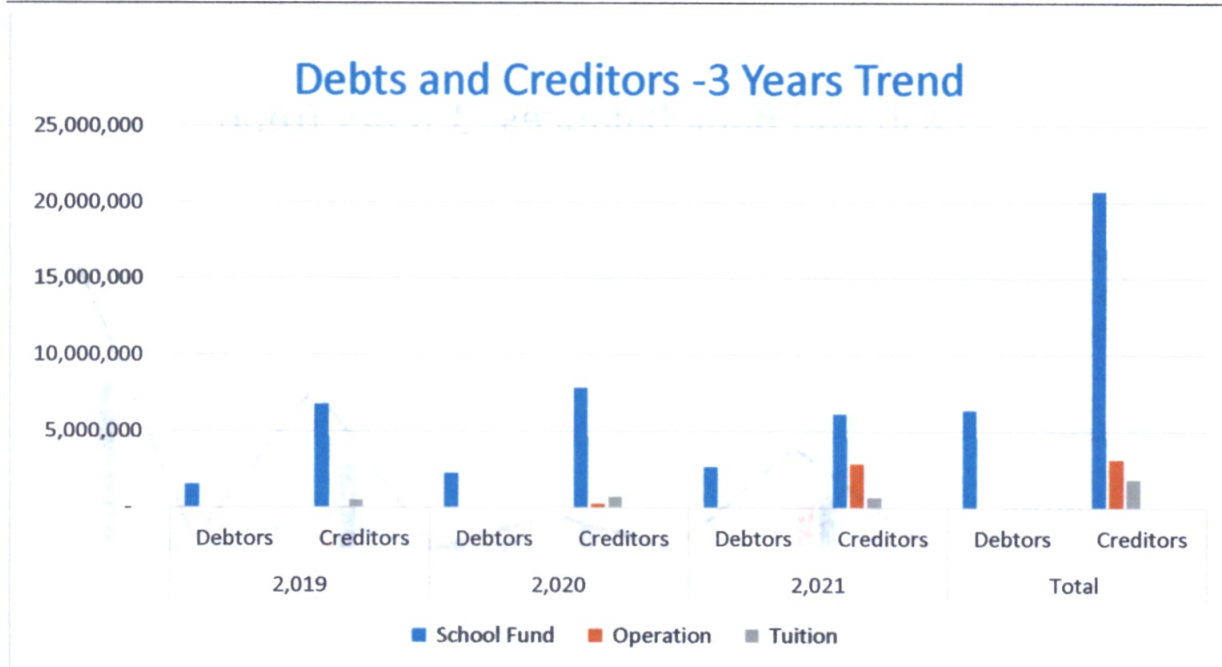
Growth of Other Incomes -3 Year Trend				
Year	School Fund	Operations	Tuition	Total
2019	81,944,540	20,204,612	4,272,628	106,421,780
2020	52,429,229	15,726,600	2,403,371	70,559,200
2021	51,421,544	11,983,182	1,916,191	65,320,917
Total	185,795,313	47,914,394	8,592,190	242,301,897



**vi) Movement of Debtors and Creditors**

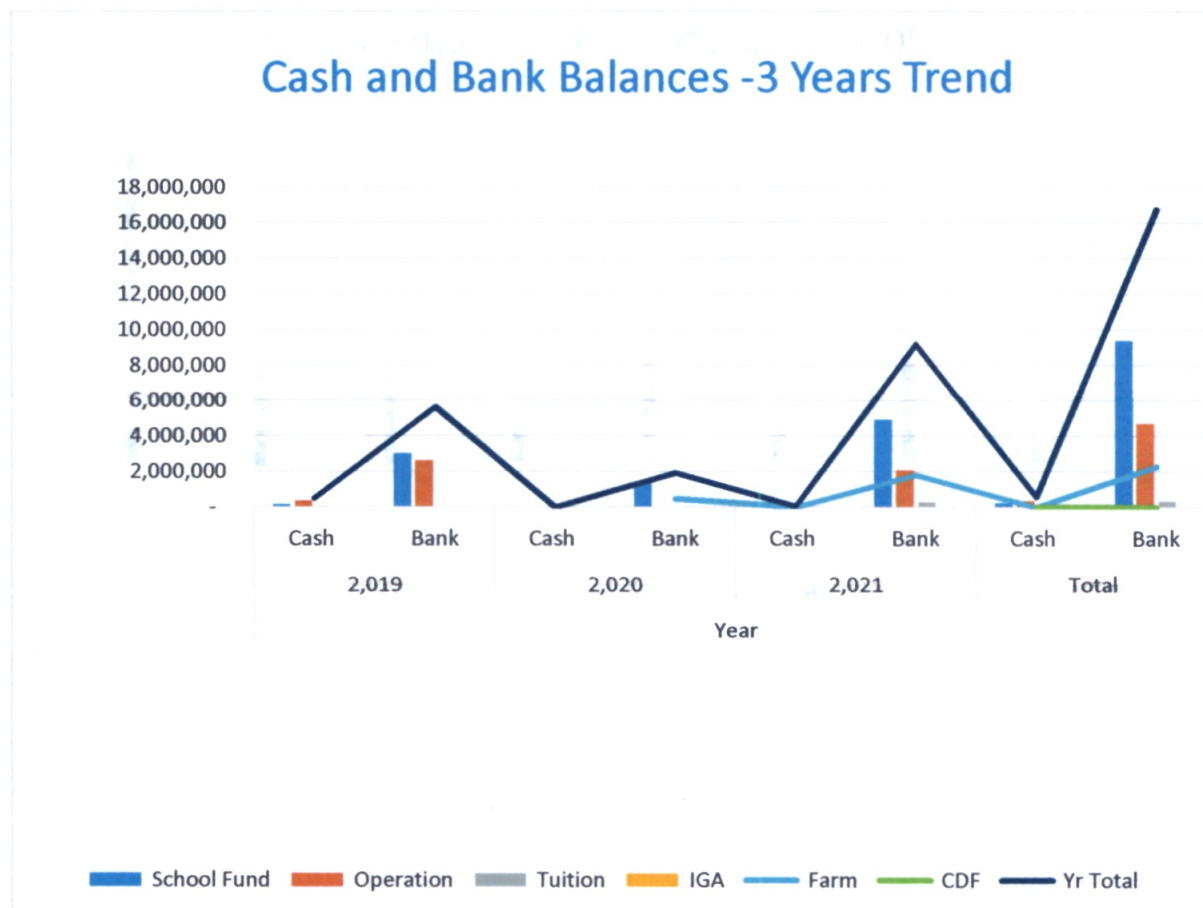
Debts and Creditors -3 Years Trend					
Year		School Fund	Operation	Tuition	Total
2019	Debtors	1,486,375	-	-	1,486,375
	Creditors	6,774,982	-	476,380	7,251,362
2020	Debtors	2,243,863	-	-	2,243,863
	Creditors	7,828,225	264,685	711,385	8,804,295
2021	Debtors	2,651,834	-	-	2,651,834
	Creditors	6,148,162	2,861,121	652,140	9,661,423
Total	Debtors	6,382,072	-	-	6,382,072
	Creditors	20,751,369	3,125,806	1,839,905	25,717,080

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**vii) Movement of cash and bank balances over the last three years**

Cash and Bank Balances -3 Years Trend						
		School Fund	Operation	Tuition	Farm	Total
2019	Cash	158,012	357,195	-		515,207
	Bank	3,004,991	2,618,951	38,032		5,661,973
2020	Cash	1,116	-	-	-	1,116
	Bank	1,460,903	21,653	4,635	464,128	1,951,319
2021	Cash	66,627	-	-	-	66,627
	Bank	4,935,684	2,095,041	306,431	1,836,828	9,173,983
Total	Cash	225,754	357,195	-	-	582,949
	Bank	9,401,578	4,735,644	349,098	2,300,956	16,787,276



**b) Teacher Student ratio:**

Ratio of students to Teachers	
Total enrolment	1,386
Total Number of Teachers	68
Students: Teacher's ratio	21

Teachers Turnover	
No of teachers recruited in the year	2
No of teachers transferred inwards in the year	1
No of teachers transferred outwards in the year	1
<b>Net inflow of teachers</b>	<b>2</b>

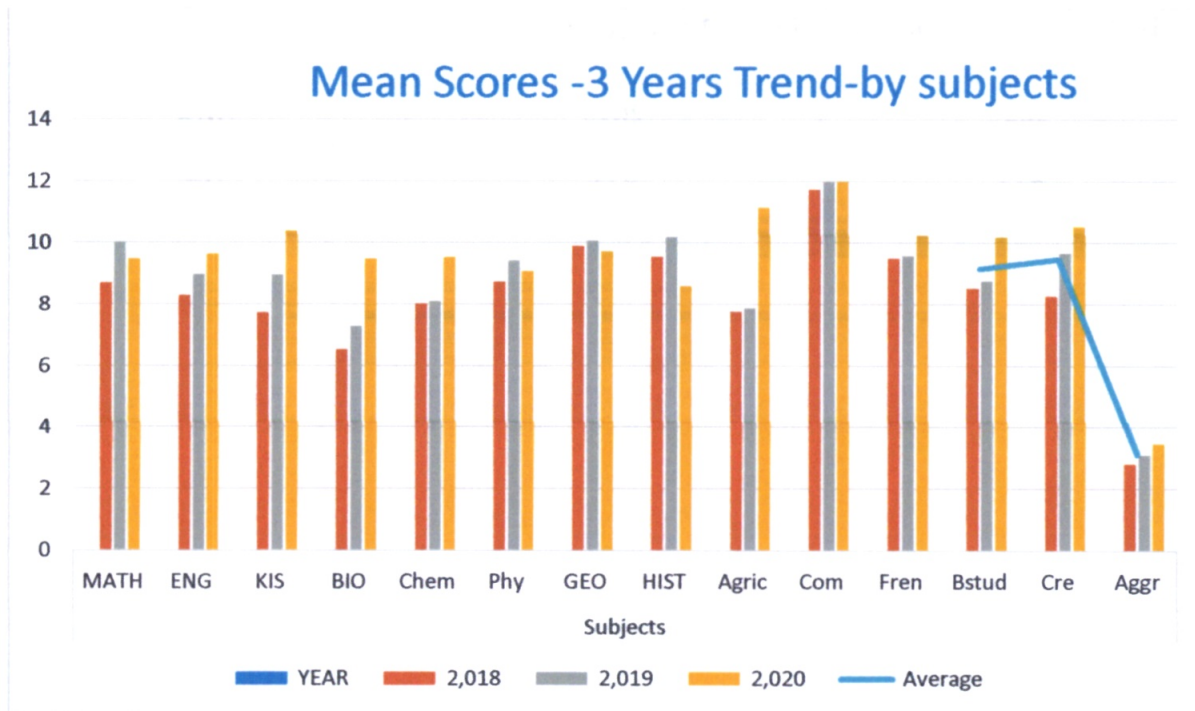
Teachers Employment	
No of teachers required by CBE	75
No of teachers employed by TSC	66
Shortage / Surplus No of teachers before BOM teachers	9
No of teachers employed by BOM	2
<b>Net Shortage / Surplus No of teachers</b>	<b>7</b>

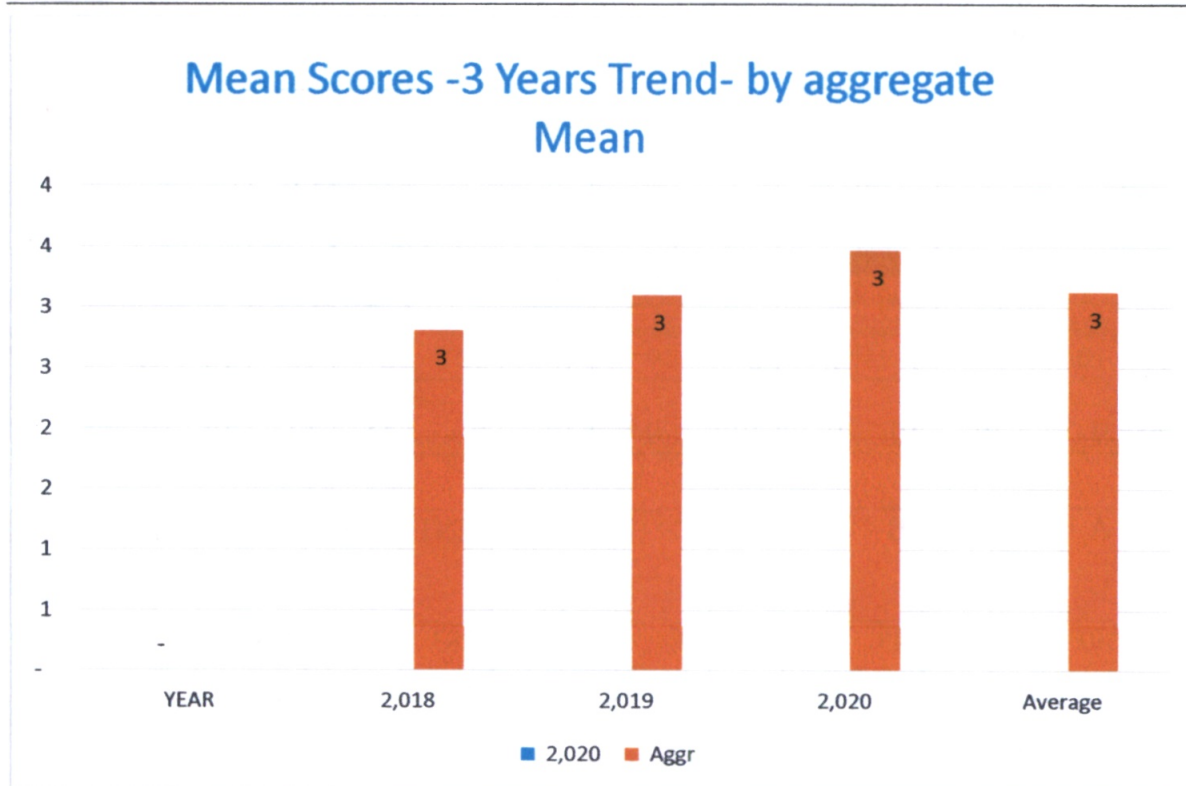
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**c) Mean Scores -3 Years Trend**

Year	Subjects												
	Math	Eng	Kis	Bio	Chem	Phy	Geo	Hist	Agr	Co m	Fren	BS	Cre
2018	9	8	8	7	8	9	10	10	8	12	10	9	8
2019	10	9	9	7	8	9	10	10	8	12	10	9	10
2020	9	10	10	9	10	9	10	9	11	12	10	10	11

Year	A	A-	B+	B	B-	C+	C	C-	D+	ENT	M.G	M.S.S S	%TRANS
2020	30	86	71	48	23	13	9	3	0	283	B+	9.866	95.76
2019	13	53	89	75	39	20	18	4	0	311	B	9.273	92.93
2018	2	36	65	65	57	40	28	16	5	314	B-	8.468	84.39





**d) Number of Candidates in the 2020 KCSE:**

2020	2019	2018
283	311	314

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**e) Capacity of the school**

Area	Means of infrastructure measurement	Quantity of infrastructure required	Actual quantity of infrastructure available	Infrastructure gap
Classrooms	Number of classes	35	27	8
Laboratories	Number of laboratories	8	6	2
Toilet Doors	Number of toilet doors	200	132	68
Offices	Number of offices	25	16	9
Dining Hall	Number of students well seated	2,500	2,500	
Library	Number of students well seated	400	80	320
Hostels	Number of Decker Beds well-spaced	1,600	1,386	314
Staffroom	Number of teachers well seated	70	40	30
Boardroom	Number of BOM members well seated	25	15	10
Staff housing	No of staff properly housed	40	16	24 Housing Units

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**f) Development projects carried out by the school**

<b>Projects Analysis</b>		
	<b>Name of project</b>	
	<b>Construction of a classroom</b>	<b>Construction of Dormitory</b>
Estimated (BQ) Cost	3,470,000	7,400,000
Source(s) of Funding	TIG	M&I FUND
Contract Cost – Labour only	1,348,490	2,365,600
Start Date of project	29 <sup>th</sup> January 2021	3 <sup>rd</sup> February 2020
Expected Completion date	August 2021	September 2021
Status	Work in Progress.	Work in Progress.
Amount due on project	918,820	1,135,131
Amount paid	429,670	1,230,469
Amount pending	None	None
comment on project success/challenges	Classroom successfully constructed and is currently in use.	Dormitory successfully constructed and is currently in use.

**Sign**

**School Principal**

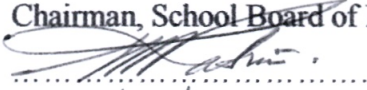
### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

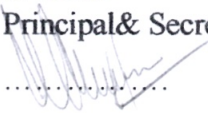
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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


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

The Board of Management of Murang'a 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 period ended 30<sup>th</sup> June, 2021, and of the school's financial position as at that date.

**Name** : Arch. Matias N. Kabiru  
**Designation** : ~~Chairman, School Board of Management~~  
**Sign** :   
**Date** : 19/09/2022

**Name** : Willie M. Kuria  
**Designation** : School Principal & Secretary to Board of Management  
**Sign** :   
**Date** : 19/09/2022

**Name** : Ephantus K. Kimani  
**Designation** : Bursar/ Finance Officer  
**Sign** :   
**Date** : 19/09/2022

# REPUBLIC OF KENYA



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON MURANG'A HIGH SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021- MURANG'A 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 the Government achieves value for money and that such funds are applied for 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 Murang'a High School - Murang'a County set out on pages 18 to 32, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and

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*Report of the Auditor-General on Murang'a High School for the six (6) months' period ended 30 June, 2021- Murang'a County*

payments, statement of cash flows and statement of budgeted versus actual amounts for the period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Murang'a High School - Murang'a County as at 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

## **Basis for Qualified Opinion**

### **1. Inaccuracies in the Financial Statements**

The statements of financial assets and financial liabilities reflects comparative balance for receivable and payable balance of Kshs.4,377,086 and Kshs.16,956,217 respectively. However, Note 12 to the financial statements on fund balance brought down reflects balances of Kshs.3,254,491 and Kshs.5,567,844 for the same items, resulting to an unreconciled variance of Kshs.1,122,595 and Kshs.11,388,373 respectively.

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

### **2. Long Outstanding Accounts Receivable**

The statement of financial assets and financial liabilities reflects a balance of Kshs.3,241,742 being accounts receivable as disclosed in Note 10 to the financial statements. Included in the balance is an amount of Kshs.3,156,382 being fees arrears out of which Kshs.1,486,375 remained outstanding for over two years. Further, a balance of Kshs.504,548 was owed by students who had since left the School.

In the circumstances, the accuracy and recoverability of the accounts receivable balance of Kshs.3,241,742 could not be confirmed.

### **3. Inaccuracies Accounts Payables**

The statement of financial assets and financial liabilities reflects a balance of Kshs.17,355,907 being accounts payables. As disclosed in Note 11 to the financial statements the payables include trade creditors balance of Kshs.14,674,772. However, Appendix I to the financial statements and supporting documents indicates trade creditors balance of Kshs.12,315,087 resulting to an unexplained variance of Kshs.2,359,685. Further, the payables include a balance of Kshs.14,674,772 being trade creditors out of which a balance of Kshs.2,359,685 remained unpaid for over two (2) years.

In the circumstances, the accuracy and completeness of accounts payable balance of Kshs.17,355,907 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Murang'a High School's 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 period 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**

During the period under review, Management submitted the financial statements to the Auditor-General on 07 March, 2024 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2022 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

The statement of receipts and payments reflects boarding and school fund payments amounting to Kshs.53,829,322 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.684,200 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare

organization that draws its membership from School Principals only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, the value for money for the funds transferred to KESSHA amounting to Kshs.684,200 could not be confirmed.

### **3. Lack of a Fixed Assets Register**

In the year under audit, the School did not maintain a detailed updated fixed assets register to control and monitor usage of its assets. This was contrary to the Public Finance Management (National Government) Regulations, 2015 which provides 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, Management was in breach of the law.

### **4. Oversupply of Textbooks**

During the period under audit, the School received from Kenya Institute of Curriculum Development (KICD) six hundred and ninety-eight (698) set books for each of the eight (8) set books that the School was offering. The set books were received in January, 2021. It was however noted that the population of students utilizing the set books was six hundred and eighty-four (684) resulting into an oversupply of fourteen (14) set books. As at the time of audit in June, 2024 the set books were no longer in the syllabus resulting to idle books in the library.

In the circumstances, the oversupply of books may result to idle books thus prone to loss and misuse with no value for money in the oversupplied set books.

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, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **Lack of Ownership Documents**

Review of the School's documents indicated that the School occupies two parcels of land, with a total acreage of 37 acres. However, the titles are registered to Diocese of Murang'a Registered Trustees and no efforts have been made to transfer the title in the School's name despite circulars from the Ministry of Education requiring all public school acquire title deeds for their school land.

In the circumstances, the ownership and safe custody of the fixed assets 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue 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 controls 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 controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

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

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

**Nairobi**


**18 September, 2024**

**MURANGA HIGH SCHOOL  
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For Six Months Period Ended 30<sup>th</sup> June 2021**

**V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE SIX MONTHS  
PERIOD ENDED 30<sup>TH</sup> JUNE 2021**

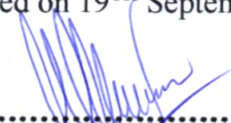
DESCRIPTION OF VOTE HEAD	Note	Jan-June 2021 Kshs	2019-2020 Kshs
<b>RECEIPTS</b>			
Capitation Grants for Tuition	1	1,918,691	2,403,371
Capitation Grants for Operations	2	17,059,182	23,882,740
School Fund Income- Parents' Contributions	3	43,031,781	61,867,415
School Fund Income – Other receipts	4	8,613,963	8,558,036
<b>TOTAL RECEIPTS</b>		<b>70,623,617</b>	<b>96,711,562</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	2,102,740	2,671,773
Payments for Operations	6	18,357,358	17,000,406
Boarding and School Fund Payments	7	53,829,322	82,915,197
<b>TOTAL PAYMENTS</b>		<b>74,289,420</b>	<b>102,587,375</b>
<b>SURPLUS/DEFICIT</b>		<b>(3,665,803)</b>	<b>(5,875,813)</b>

The school financial statements were approved on 19<sup>TH</sup> September, 2022 and signed by:

Sign: 

Name: Arch. Matias N Kabiru  
Chair BOM

Date: 19/09/2022

Sign: 

Name: Willie M. Kuria  
School Principal /  
Secretary to BOM

Date: 19/09/2022

Sign: 

Name: Ephantus Kimani  
Bursar/Finance Officer


Date: 19/09/2022

**MURANGA HIGH SCHOOL  
PUBLIC SECONDARY SCHOOL  
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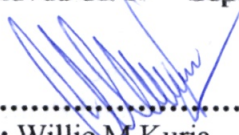
**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES  
AS AT 30<sup>TH</sup> JUNE 2021**

	Note	Jan-June 2021 Kshs	2019-2020 Kshs.
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	16,719,125	12,556,209
Cash Balances	9	66,626	1,115
<b>Total Cash and cash equivalent</b>		<b>16,785,751</b>	<b>12,557,324</b>
Account's Receivables	10	3,241,742	4,377,087
<b>TOTAL FINANCIAL ASSETS</b>		<b>20,027,493</b>	<b>16,934,411</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	11	17,355,907	16,956,217
<b>NET FINANCIAL ASSETS</b>		<b>2,671,586</b>	<b>(21,805)</b>
<b>REPRESENTED BY</b>			
<b>Fund balance b/fwd</b>	12	6,337,389	5,854,009
<b>Surplus/Deficit for the year</b>		<b>(3,665,803)</b>	<b>(5,875,814)</b>
<b>NET FINANCIAL POSITION</b>		<b>2,671,586</b>	<b>(21,805)</b>


The School's financial statements were approved on 19<sup>TH</sup> September, 2022 and signed by:

Sign:   
Name: Arch. Matias N. Kabiru  
Chair BOM

Date: 19/09/2022

Sign:   
Name: Willie M Kuria  
School Principal /  
Secretary to BOM

Date: 19/09/2022

Sign:   
Name: Ephantus Kimani  
Bursar/Finance Officer

Date: 19/09/2022

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**VII. STATEMENT OF CASH FLOWS FOR THE SIX MONTHS PERIOD ENDED  
30<sup>TH</sup> JUNE 2021**

	Note	Jan-June 2021	2019-2020
		Kshs	Kshs.
<b>Receipts for Operating Income</b>			
Capitation Grants for Tuition	1	1,918,691	2,403,371
Capitation Grants for Operations	2	17,059,182	20,816,240
School fund income- Parents contributions	3a	44,759,271	62,948,613
Farm Account	4	10,144,139	6,442,444
<b>Total Receipts</b>		<b>73,881,283</b>	<b>92,610,668</b>
<b>Payments</b>			
Payments for Tuition	5a	1,616,895	2,436,768
Payments for Operations	6a	18,184,386	12,611,911
Boarding and School Fund Payments	7a	49,851,579	64,649,596
Farm Account			7,424,718
SIBA Account			1,097,710
<b>Total Payments</b>		<b>69,652,860</b>	<b>88,220,703</b>
<b>Net Cash Flow from Operating Activities</b>		<b>4,228,423</b>	<b>4,389,965</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
<b>Cash and Cash Equivalent at BEGINNING of the year</b>		<b>12,557,328</b>	<b>8,167,363</b>
<b>Cash and Cash Equivalent at END of the year</b>		<b>16,785,751</b>	<b>12,557,328</b>

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. The School has therefore adopted the direct method of cashflow as recommended by PSASB.

**MURANGA HIGH SCHOOL**  
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**VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Chalk	60,000		60,000	57,523	2,477	96%
Exercise Books	913,000		913,000	276,261	636,739	100%
Teaching and Learning Materials	140,000		140,000	138,834	1,166	99%
E&A Exams	74,000		74,000	74,000	0	100%
Laboratory equipment	1,204,000		1,204,000	1,203,676	324	99%
Reference Materials	166,000		166,000	165,896	104	99%
<b>(2) CAPITATION ON OPERATIONS</b>						
Personnel emoluments	2,588,000		2,588,000	2,587,248	752	99%
Repairs and maintenance	5,825,000		5,825,000	5,824,500	500	99%
Transport / Travelling	659,000		659,000	658,460	540	99%
Electricity and water	1,541,000		1,541,000	1,540,966	34	99%
Administration costs	1,347,000		1,347,000	1,346,093	907	99%
Medical	691,000		691,000	915	690,085	1%
M&I Fund	8,249,591		8,249,591	5,076,000	3,173,591	6%
<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	5,086,000		5,086,000	5,085,080	920	99%
Repairs and maintenance	1,076,000		1,076,000	552,882	523,118	51%
Transport / Travelling	2,910,000		2,910,000	2,907,148	2,852	98%
Electricity and water	2,900,000		2,900,000	1,403,368	1,496,632	50%

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Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Administration costs	7,396,000		7,396,000	4,612,332	2,783,668	62%
Boarding Equipment and Stores	19,030,000		19,030,000	16,410,911	2,619,089	86%
Rent	122,100		122,100	122,100	0	100%
Uniform	3,097,332		3,097,332	3,097,332	0	100%
Activity	1,238,000		1,238,000	433,581	804,419	35%
PA Projects	8,437,047		8,437,047	8,437,047	0	100%
Medical	610,679		610,679	8,100	602,579	2%
<b>TOTAL INCOME</b>	<b>75,360,749</b>		<b>75,360,749</b>	<b>62,020,253</b>	<b>13,340,496</b>	
<b>(1) EXPENDITURE FOR TUITION</b>						
Laboratory equipment	1,204,000		1,204,000	1,103,000	101,000	92%
Chalk	60,000		60,000	0	60,000	0.00%
Exercise Books	913,000		913,000	913,000	0	100%
Teaching and Learning Materials	140,000		140,000	0	140,000	0.00%
E&A Exams	74,000		74,000	5,000	69,000	1%
Reference Materials	166,000		166,000	81,380	84,650	49%
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	2,588,000		2,588,000	2,537,919	50,081	98%
Repairs & Maintenance	5,825,000		5,825,000	5,076,000	749,000	87%
Transport / Travelling	659,000		659,000	248,500	410,500	38%
Electricity and water	1,541,000		1,541,000	948,966	592,034	62%
Medical	691,000		691,000	690,441	559	1%
Administration costs	1,347,000		1,347,000	810,541	536,459	60%
Acquisition of Assets	8,249,591		8,249,591	8,249,591	0	100%
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						

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Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.
Personnel Emoluments	5,086,000		5,086,000	4,692,419	393,581	92%
Local transport / travelling	2,910,000		2,910,000	2,570,344	339,656	88%
Electricity, water and conservancy	2,900,000		2,900,000	2,871,699	28,301	99%
Repairs and maintenance	1,076,000		1,076,000	1,075,270	730	99%
Administration costs	7,396,000		7,396,000	7,395,997	3	99%
Rent	121,200		121,200	42,000	79,200	65%
Uniform	3,097,332		3,097,332	2,326,560	770,772	75%
Activity	1,238,000		1,238,000	1,237,080	920	99%
PA Projects	8,437,047		8,437,047	2,616,644	5,820,403	31%
Medical	610,679		610,679	610,679	0	100%
Boarding Equipment and Stores	19,030,000		19,030,000	18,225,325	804,675	95%
<b>TOTALS</b>	<b>75,359,849</b>		<b>75,359,849</b>	<b>64,328,325</b>	<b>11,031,524</b>	

[Majority of the vote heads are within the budget provisions. This includes the budget estimates for the period ended 31<sup>st</sup> June 2021.]

## **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. 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. The comparative figures include 2020 audited account which covers a period of 1 year from January to December, 2020, whereas 2021 financial statements are for a period of six months hence not comparable.

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the period ended 30<sup>th</sup> June 2021.

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**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Exercise Books	276,261	1,427,800
Laboratory Equipment and Apparatus	1,203,676	299,838
Teaching and Learning Materials	141,334	270,107
Chalks	57,523	25,960
Internal Exams	74,000	283,614
Reference Books	165,896	96,052
<b>Total</b>	<b>1,918,690</b>	<b>2,403,371</b>

**2 CAPITATION GRANT FOR OPERATIONS**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Personnel Emoluments	2,612,248	4,377,100
Repairs and Maintenance	5,824,500	5,946,500
Transport and Travel	658,460	859,033
Electricity and Water	1,540,966	1,535,317
Infrastructure	5,076,000	7,445,640
Covid 19 Funds	0	710,500
Administration costs	1,346,093	2,223,250
Insurance	915	261,800
Activity	0	523,600
<b>Total</b>	<b>17,059,182</b>	<b>23,882,740</b>

**3 PARENTS CONTRIBUTION/FEEs - SCHOOL FUND ACCOUNT**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Personnel Emoluments	5,127,080	5,476,861
Transport and Travel	2,907,148	1,754,732
Electricity and Water	1,403,368	5,118,028
Boarding, Equipment's and Stores	16,410,911	25,746,999
Repairs and Maintenance	552,882	2,245,018
Uniform	3,097,332	10,128,545
PA Projects	8,437,047	5,760,505
Medical	8,100	1,300,000
Administrative costs	4,654,332	3,698,944
Activity	433,581	637,782
<b>Total</b>	<b>43,031,781</b>	<b>61,867,414</b>

**MURANGA HIGH SCHOOL  
PUBLIC SECONDARY SCHOOL  
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For Six Months Period Ended 30<sup>th</sup> June 2021**

**3a. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT- NOTE TO CASHFLOW**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Reported in statement of receipts and payments	43,031,781	
Add prepayments within the period	2,681,135	
Less prepayments recognized	(2,651,834)	
Add fee arrears collected	1,698,189	
<b>Total</b>	<b>44,759,271</b>	<b>62,948,613</b>

**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Point of Sale	5,970,594	4,950,458
House Rent	121,200	125,533
School Farm	393,774	0
Income Generating Activities	933,328	723,464
Edu Afya	138,840	0
Farm Account	0	387,395
School Fund Account	0	1,113,786
Pocket Money	975,984	561,600
Leasing Activities	80,243	128,000
Caution Money	0	567,800
<b>Total</b>	<b>8,613,963</b>	<b>8,558,036</b>

**4a. OTHER RECEIPTS – SCHOOL FUND NOTE TO CASHFLOW**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Reported in statement of receipts and payments	8,613,963	
Add farm account activities recovery	1,530,176	
<b>Total</b>	<b>10,144,139</b>	<b>6,442,444</b>

**5 PAYMENTS FOR TUITION**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Exercise Books	913,000	1,431,300
Laboratory Equipment and Apparatus	1,103,000	281,385
Teaching and Learning Materials	0	263,238
Chalks	0	11,000
Internal Exams	5,000	570,200
Reference Books	81,380	114,410
Bank Charges	360	240
<b>Total</b>	<b>2,102,740</b>	<b>2,671,773</b>

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**5a. PAYMENTS FOR TUITION- NOTE TO CASHFLOW**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Reported in Statement of Receipts and Payments	2,102,740	
Add previous creditors paid within the year	711,385	
Less accrued expenses during the year	(1,197,230)	
<b>Total</b>	<b>1,616,895</b>	<b>2,436,768</b>

**6 PAYMENTS FOR OPERATIONS**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Personnel Emoluments	2,537,919	4,780,677
Activity	0	144,300
Administration Cost	810,541	1,525,531
Repairs and Maintenance	5,076,000	5,946,500
Transport and Travel	248,500	396,000
ICT Grants	0	23,200
Acquisition of Assets	8,044,991	1,326,350
Electricity and Water	948,966	2,146,635
Medical and Insurance	690,441	711,213
<b>TOTAL</b>	<b>18,357,358</b>	<b>17,000,405</b>

**6a. PAYMENTS FOR OPERATIONS- NOTE TO CASHFLOW**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Reported in Statement of Receipts and Payments	18,357,358	
Add previous creditors paid within the year	429,600	
Less accrued expenses during the year	(602,572)	
<b>Total</b>	<b>18,184,386</b>	<b>12,611,911</b>

**7 BOARDING AND SCHOOL FUND PAYMENTS**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Boarding, Equipment's and Stores	20,878,989	21,801,398
Repairs and Maintenance	1,075,270	2,351,370
Electricity and Water	2,871,699	6,165,129
MPH Project	0	3,144,150
Transport and Travel	2,570,344	4,454,460
Activity	1,237,080	1,665,958
Administration Costs	7,450,497	8,465,676
Personal Emolument	4,737,419	7,586,372
Income Generating Activities	482,354	614,829
House Rent	221,500	129,970
School Farm	666,201	5,257,798
Uniform	2,326,560	10,240,630

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Description	Jan-June 2021 Kshs	2019-2020 Kshs
PA Projects	2,616,644	7,621,308
Medical	610,679	661,924
Bank Charges	5,110	5,640
Pocket Money	12,000	302,274
Bakery	2,641,303	2,220,320
Point of Sales Activities	3,425,673	88,200
Leasing Activities	0	137,790
<b>TOTAL</b>	<b>53,829,322</b>	<b>82,915,196</b>

**7a. BOARDING AND SCHOOL FUND PAYMENTS - NOTE TO CASHFLOW**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Reported in Statement of Receipts and Payments	53,829,322	
Add previous creditors paid within the year	6,537,542	
Less accrued expenses during the year	(10,515,285)	
<b>Total</b>	<b>49,851,579</b>	<b>64,649,596</b>

**8 BANK ACCOUNTS**

BANK	Name of Account	Account Number	Jan-June 2021 Kshs	2019-2020 Kshs
Co-operative	Tuition Account	01139055926400	306,431	4,635
Co-operative	Operations Account	01139055926401	2,095,040	21,652
Co-operative	School fund Account	01129055926400	4,724,906	1,367,831
KCB	School fund Account	1108568076	210,778	93,072
KCB	Savings Account	1106451325	107,969	107,969
Consolidated	Dispensary Account	10051203000017	460,464	318,943
Equity	SIBA Account	0220263414819	0	2,681
Co-operative	Infrastructure Account	01139055926402	6,976,709	10,175,299
Equity	Farm Account	0220268103973	1,836,828	464,127
	<b>Total</b>		<b>16,719,125</b>	<b>12,556,209</b>

**9 CASH IN HAND**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
School Fund account	66,626	1,115
<b>Total</b>	<b>66,626</b>	<b>1,115</b>

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**10 ACCOUNTS RECEIVABLE**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Fees arrears	3,156,382	4,377,086
Other Non-Fees Receivables -Rent	85,360	0
<b>Total</b>	<b>3,241,742</b>	<b>4,377,086</b>

**Accounts Receivable- Ageing Analysis**

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears for current year	2,651,834	2,243,863
Fees arrears recovered during the year	(3,225,690)	(1,121,268)
Fees arrears for the previous year	2,243,863	1,486,375
Fees arrears for prior periods (over two years)	1,486,375	1,768,116
<b>Total</b>	<b>3,156,382</b>	<b>4,377,086</b>

**11 ACCOUNTS PAYABLE**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Trade creditors (See ageing below and Appendix 1)	14,674,772	9,950,177
Prepaid fees	2,681,135	7,006,040
<b>Total</b>	<b>17,355,907</b>	<b>16,956,217</b>

**Accounts Payable- Ageing Analysis**

Description	Jan-June 2021 Kshs	2019-2020 Kshs
Trade creditors for current year	12,315,087	9,950,177
Trade creditors paid during the year	(7,590,492)	(5,567,844)
Trade creditors for the previous year	9,950,177	5,567,844
<b>Total</b>	<b>14,674,772</b>	<b>9,950,177</b>

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**12 FUND BALANCE BROUGHT FORWARD**

<b>Description</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs</b>
Bank Balances	12,556,212	7,652,156
Cash Balances	1,116	515,206
Receivables	3,730,238	3,254,491
Payables	(9,950,177)	(5,567,844)
<b>Total</b>	<b>6,337,389</b>	<b>5,854,010</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.

**13 BIOLOGICAL ASSETS**

<b>Description</b>	<b>Numbers</b>	<b>Price per Unit</b>	<b>Jan-June 2021 Kshs</b>	<b>2019-2020 Kshs.</b>
Cattle	1	70,000	70,000	
Calves	2	10,000	20,000	
Goats	6	8,500	51,000	
Trees	1,130	2,000	2,260,000	
Rabbits	18	1,000	18,000	
Poultry	130	800	104,000	
<b>Total</b>			<b>2,523,000</b>	

**14 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

This is the first period the school is being audited by the external auditor, hence no previous issues raised.

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Supply of Goods</b>					
1. Multi media univ	7,048			7,048	To be paid in term 1 2022
2. Waloc enterprises	74,500			74,500	To be paid in term 1 2022
3. Margaret W.Kimani	107,015			107,015	To be paid in term 1 2022
4. Oasis supplies	475,000			475,000	To be paid in term 1 2022
5. Feronia gardens	196,980			196,980	To be paid in term 1 2022
6. Amish shaan ltd	505,000			505,000	To be paid in term 1 2022
7. Gogangu agencies	119,000			119,000	To be paid in term 1 2022
8. Paul Kamau	176,401			176,401	To be paid in term 1 2022
9. Elijah W Mwaura	298,841			298,841	To be paid in term 1 2022
10. Murang'a pharmacy	113,293			113,293	To be paid in term 1 2022
11. Nelson Wanjii	2,558			2,558	To be paid in term 1 2022
12. Grace Wakeru	150,960			150,960	To be paid in term 1 2022
13. New muthokinju h/w	55,410			55,410	To be paid in term 1 2022
14. Awali energies ltd	78,703			78,70	To be paid in term 1 2022
15. Nancy Wanjiku	22,500			22,500	To be paid in term 1 2022
16. Kimiriri auto garage	55,700			55,700	To be paid in term 1 2022
17. Weaverbird garment	2,276,140			2,276,140	To be paid in term 1 2022
18. Zaka capital ent	1,123,180			1,123,180	To be paid in term 1 2022
19. My bema enterprises	22,500			22,500	To be paid in term 1 2022

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	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	Kshs
20.David Simiyu	8,426			8,426	To be paid in term 1 2022
21.Neslink electrical	154,250			154,250	To be paid in term 1 2022
22. Mamu farm ltd	122,100			122,100	To be paid in term 1 2022
23.FNK Engineering	22,900			22,900	To be paid in term 1 2022
24.Patrick Mwangi	25,000			25,000	To be paid in term 1 2022
25.Muranga water company	1,374,036			1,374,036	To be paid in term 1 2022
26.Maguna andu ltd	137,732			137,732	To be paid in term 1 2022
27.Gracious sunrise	913,000			913,000	To be paid in term 1 2022
28.Bediel enterprises	93,900			93,900	To be paid in term 1 2022
29.The Copy cat ltd	110,548			110,548	To be paid in term 1 2022
30.Gerann investment	32,400			32,400	To be paid in term 1 2022
31.Gracious Sunrise	284,230			284,230	To be paid in term 1 2022
32. Marlic link ent	15,000			15,000	To be paid in term 1 2022
<b>Sub Total</b>	<b>9,154,251</b>			<b>9,154,251</b>	
<b>Supply of Services</b>					
33. Mutech Motors	173,187			173,187	To be paid in term 1 2022
34. Kimondo auto service	129,840			129,840	To be paid in term 1 2022
35. Emmy guard ltd	42,933			42,933	To be paid in term 1 2022
36. APA Insurance ltd	355,191			355,191	To be paid in term 1 2022
37. Muranga water company	64,685			64,685	To be paid in term 1 2022

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	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
38. laysam gems enterprises	100,000			100,000		To be paid in term 1 2022
39. lanes enterprises	2,295,000			2,295,000		
<b>Sub Total</b>	<b>3,160,836</b>			<b>3,160,836</b>		
<b>Grand Total</b>	<b>12,315,087</b>			<b>12,315,087</b>		

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**ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

<b>Asset class</b>	<b>Historical Cost b/f (Kshs) 1<sup>st</sup> July 2021</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost c/f (Kshs) 30<sup>th</sup> June 2021</b>
Land 37 Acres	240,000,000			240,000,000
Buildings and structures	364,700,000	1,400,000		366,100,000
Motor vehicles KYF 408	1,000,000			1,000,000
KBW 153V	6,900,000			6,900,000
KBJ 265IU	2,390,200			2,390,200
Office equipment, furniture and fittings	15,041,000			15,041,000
ICT Equipment, CCTV Other ICT Assets	5,040,000			5,040,000
Tools and apparatus	7,500,000			7,500,000
Textbooks	14,578,000			14,578,000
Other Machinery and Equipment	2,147,900			2,147,900
Firefighting equipment's	400,000			400,000
Intangible assets - software	2,345,000			2,345,000
Bio-digester Systems	4,600,000			4,600,000
Borehole	2,723,090			2,723,090
Tent and Chairs	273,000			273,000
Green house	500,000			500,000
Generator 100 KVA	2,080,000			2,080,000
27 KVA	1,500,000			1,500,000
<b>Total</b>	<b>673,718,190</b>	<b>1,400,000</b>		<b>675,118,190</b>