

REPUBLIC OF KENYA



Enhancing Accountability

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REPORT

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BY:

Hon. Samuel
Chepkenga, MP

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M. Mado

THE AUDITOR-GENERAL

ON

**ISIOLO BOYS SECONDARY SCHOOL
FOR THE SIX (6) MONTH'S PERIOD ENDED
30 JUNE, 2021**

ISIOLO COUNTY

Revised 30th June 2021



OFFICE OF THE AUDITOR GENERAL
UPPER EASTERN REGIONAL OFFICE - ISIOLO
2021
RECEIVED
P. O. Box 1027- 60300, ISIOLO

(ISIOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR SIX MONTHS (6) PERIOD ENDED
30th June 2021

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

(ISIOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	6
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	17
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE FINANCIAL STATEMENTS OF ISIOLO BOYS' SECONDARY SCHOOL FOR SIX MONTHS PERIOD ENDED 30 TH JUNE 2021	18
V. STATEMENT OF RECEIPTS AND PAYMENTS FOR SIX MONTHS PERIOD ENDED 30 TH JUNE 2021	19
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES FOR SIX MONTHS PERIOD ENDED 30 TH JUNE 2021	20
VII. STATEMENT OF CASH FLOWS FOR SIX MONTHS PERIOD ENDED 30 TH JUNE 2021	21
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR SIX MONTHS PERIOD ENDED 30 TH JUNE 2021	22
IX. SIGNIFICANT ACCOUNTING POLICIES	26
X. NOTES TO THE FINANCIAL STATEMENTS	28

PUBLIC SECONDARY SCHOOLS –ISIOLO BOYS’ SECONDARY SCHOOL
Reports and Financial Statements
For six (6) months period ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in **NOVEMBER 1992** under registration number GP/A/276/92 and is currently categorized as a *Extra County* public school established, owned or operated by the Government.

The school is a day/boarding school and had 294 number of students as at **30th June 2021**. It has 3 streams and 19 teachers of which 0 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	MOHAMED BORU	Chairman	19/10/2019
2	ABDI DIBA GODANA	Secretary - Principal	19/10/2019
3	ISMAIL GALMA	Member	19/10/2019
4	NICHOLAS LOCHULAGY	Member	19/10/2019
5	BISHOP KALUNYU	Member	19/10/2019
6	FATUMA ABDULLAHI	Member	19/10/2019
7	WAMBU KIBOI	Member	19/10/2019
8	SHUKE DADACHA	Member – Rep Teach	19/10/2019
9	ABDULLAHI GONJOBE	Member Rep	19/10/2019
10	ABDILATIF ABDI BORU	3 Members - Sponsor	19/10/2019
11	GOLLO BORU DIDA	Member - Community	19/10/2019
12	AHMED SETT	MemberSpecial Needs	19/10/2019
13	AMINA GAMADID	MEMBER	19/10/2019
14	BISHOP ANTONY IRERI	MEMBER	19/10/2019
15	TIYA GALAGALO	MEMBER	19/10/2019
16	ALEX MWANGARA	STUDENT REP	19/10/2019

(*ISILOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. MOHAMED BOBU 2. DIBA ABDI 3. ISMAIL GARMA 4. FATUMA ABDULLAHI 5. ROSE WAMBUI	CHAIRMAN PRIMARY P.A P.A	3 out of 4
2	Audit Committee	1. AMINA GAMADIO 2. AHMED SETT 3. NICHOLAS LOCHALAGY		2 out of 3
3	Finance, procurement and general purposes Committee	1. BISHO KARANYU 2. GOLLO BORU 3. FATUMA ABDULLAHI		1 out of 3
4	Academic Committee	1. ISMAIL GALMA 2. AHUKE DADACHA 3. MOHAMED BORU 4. ABDILATIF ABDI BORU		1 out of 2
5	Development Committee			
6	Discipline and welfare Committee	1. AHMED SETT 2. ABDILAH HAJI 3. BISHOP KARUNYU		1 out of 2

(d) School operation Management

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended *30th June 2021*

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

Ref:	Designation	Name	TSC Number
1	Principal	ABDI DIBA GODANA	430102
2	Deputy Principal	JAMES MBAABU GITUMA	436303
3	School Bursar	FREDRICK GATOBU	BOM/ISLBS /001

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended *30th June 2021*

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 54
Telephone: 0722995420
E-mail: abdidiba 81@gmail.com

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: TUITION ACCOUNT
Branch: EQUITY BANK LIMITED ISIOLO
Account Number: 041029148596
2. Name of Bank: OPERATION ACCOUNT
Branch: EQUITY BANK LIMITED ISIOLO
Account Number: 0410291811087
3. Name of Bank: SCHOOL FUND ACCOUNT
Branch: CONSOLIDATED BANK LIMITED ISIOLO
Account Number: 10111200000276
4. Name of Bank: INFRASTRUCTURE ACCOUNT
Branch: CONSOLIDATED BANK LIMITED ISIOLO
Account Number: 1011203000194

(g) Independent Auditors

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

(ISILO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

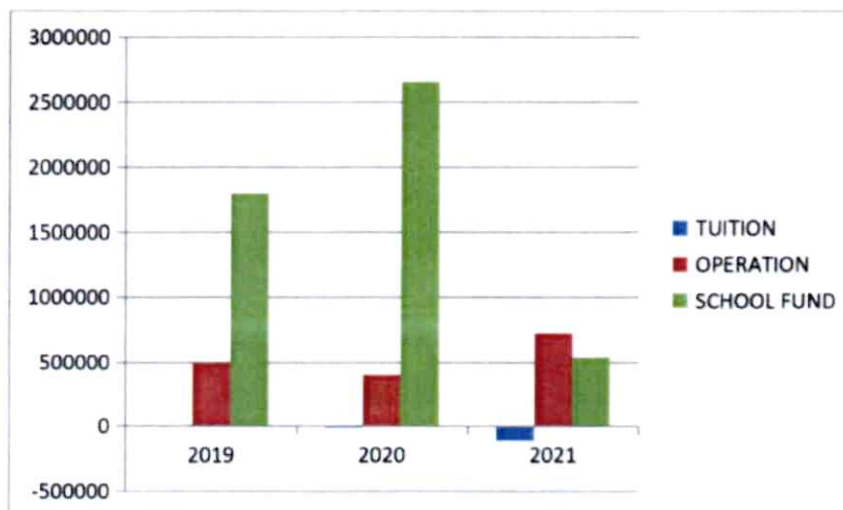
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance:**

1. SURPLUS / DEFICIET OF YEAR AND COMPARISON OF THE SAME FOR THE LAST THREE YEARS

	2019	2020	2021
TUITION	(980.76)	(117,514.00)	(112,601)
OPERATION	500,472	400,758.00	724,655
SCHOOL FUND	1,796,078.00	2,652,816.00	537,983.00

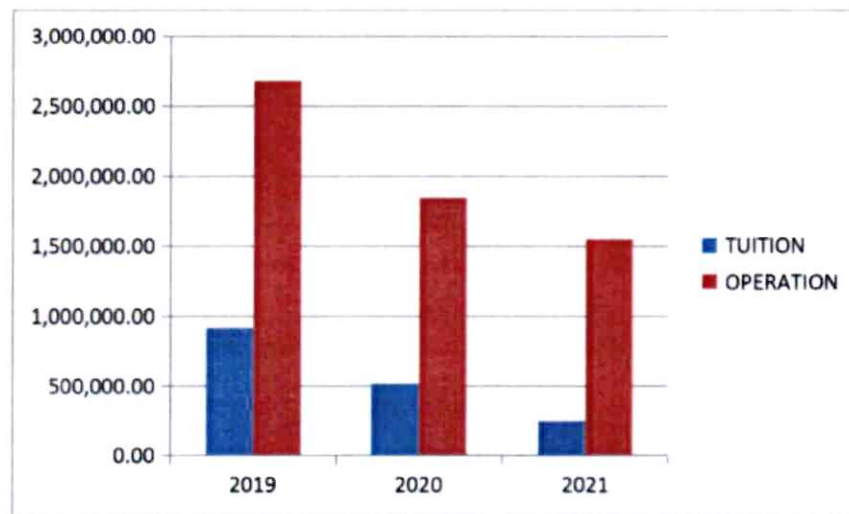


(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended *30th June 2021*

2. CAPITATION OF GRANTS FOR THE LAST THREE YEARS

	2019	2020	2021
TUITION	917,195	517,041.00	247,523
OPERATION	2,678,321	1,848,723.00	1,551,455

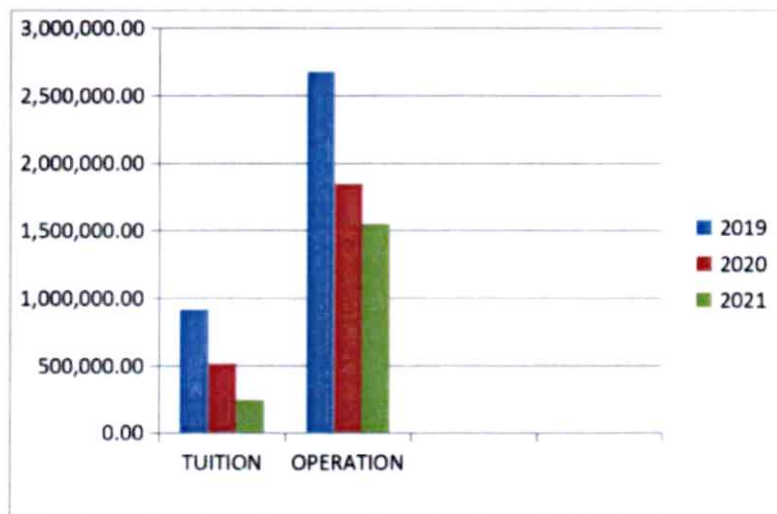


(ISIOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

3. CAPITATION OF GRANTS FOR THE LAST THREE YEARS

	2019	2020	2021
TUITION	917,195	517,041.00	247,523
OPERATION	2,678,321	1,848,723.00	1,551,455

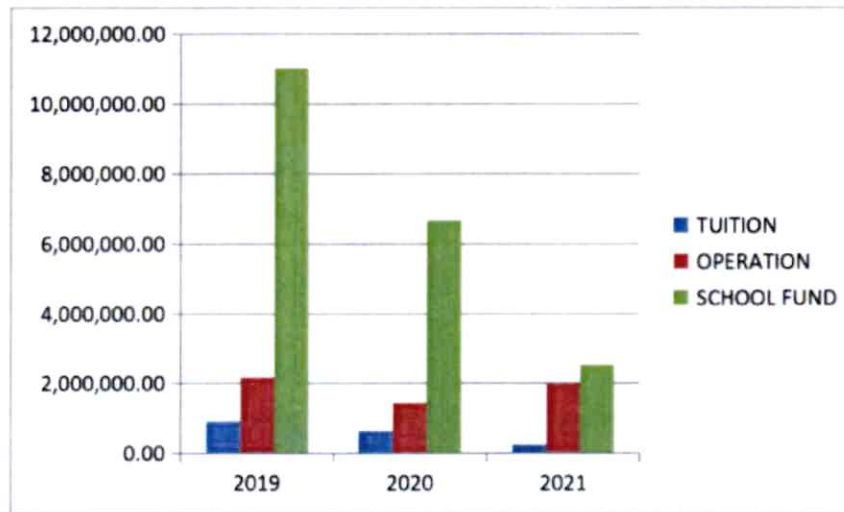


(ISILOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

**4. OVERVIEW GROWTH IN EXPEDITURE OF THE SCHOOL FOR THE
LAST THREE YEARS**

	2019	2020	2021
TUITION	918,176.00	634,555.00	249,800.00
OPERATION	2,177,849.00	1,449,965.00	1,992,850.00
SCHOOL FUND	11,016,513.00	6,670,750.00	2,526,917.00

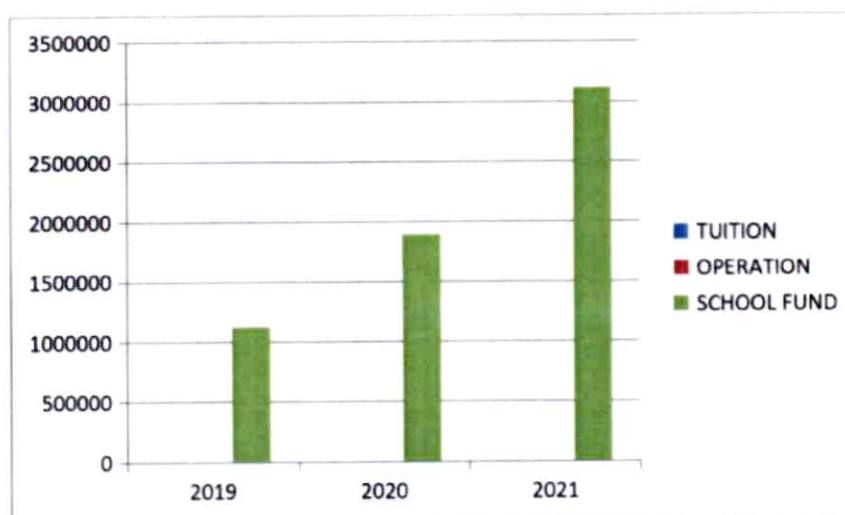


(ISILOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

5. MOVEMENT OF DEBTORS FOR THE LAST THREE YEARS

	2019	2020	2021
TUITION	-	-	-
OPERATION	-	-	-
SCHOOL FUND	1,123,722	1,892,909.00	3,117,473.00

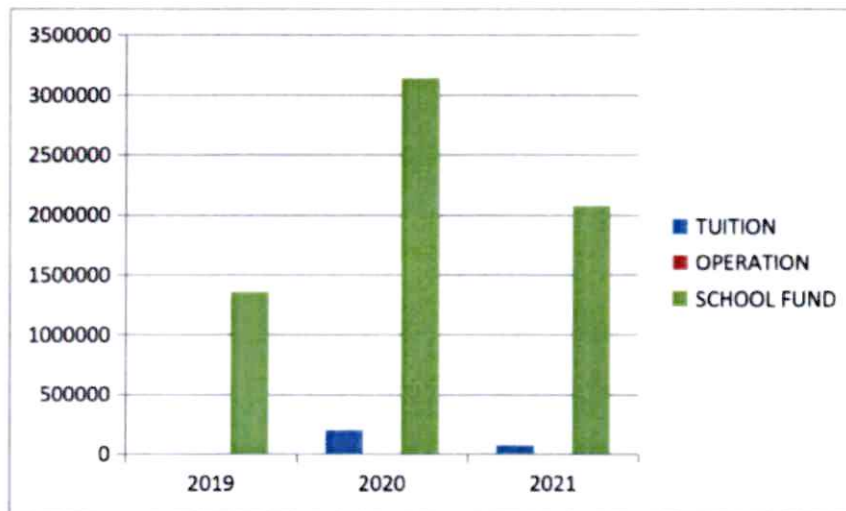


(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

6. MOVEMENT OF CREDITORS OF THE SCHOOL FOR THE LAST THREE YEARS

	2019	2020	2021
TUITION	-	197,835.00	74,558.00
OPERATION	-	-	-
SCHOOL FUND	1,356,398.00	3,144,552.00	2,079,824.00

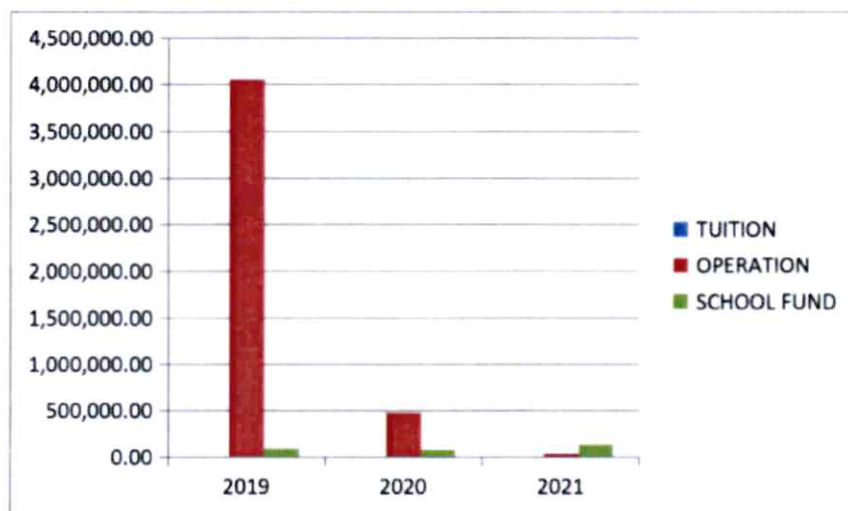


(ISILO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

7. MOVEMENT OF CASH AND BANK BALANCE OF THE SCHOOL FOR
THE LAST THREE YEARS

	2019	2020	2021
TUITION	1,512.00	1,833.62	1,556
OPERATION	405,963	479,088	38,412
SCHOOL FUND	94,091.00	80,793	133,828

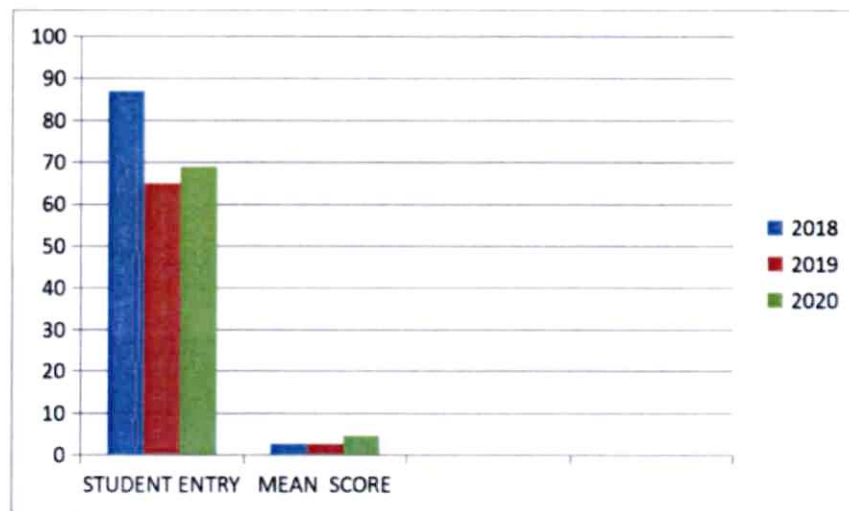


(ISILO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

C MEAN SCORE IN THE 2021 KCSE

	2018	2019	2020
STUDENT ENTRY	87	65	69
MEAN SCORE	2.720	2.785	4.696

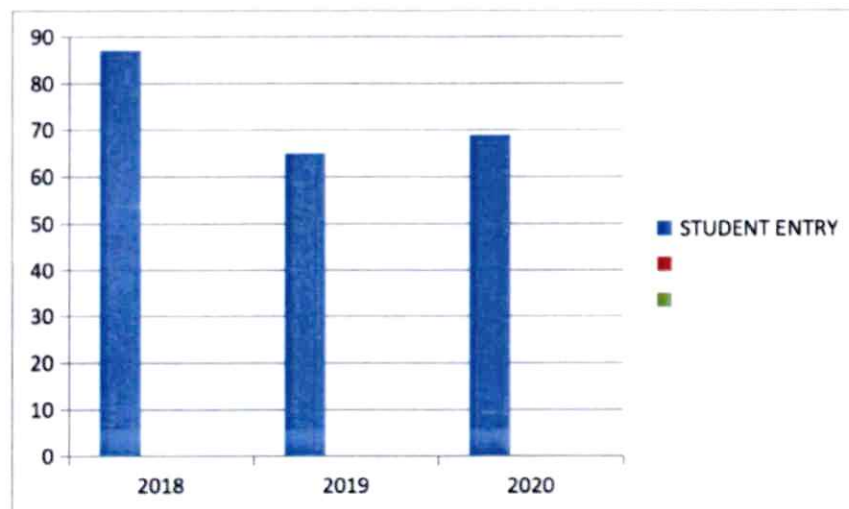


(ISILOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended *30th June 2021*

D) Number of candidates in the year 2021 KCSE

	2018	2019	2020
STUDENT ENTRY	87	65	69

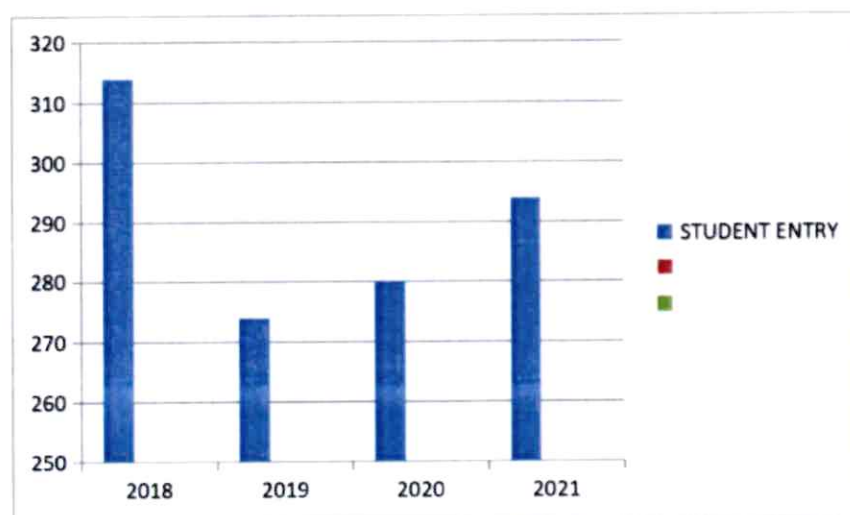


(ISIOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended *30th June 2021*

D) Capacity the school .

	2018	2019	2020	2021
STUDENT ENTRY	314	274	280	294



(ISIOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

C. Development projects carried out by the school:

Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format

Sign 

School Principal 28/7/2021

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 *ISIOLO BOYS' 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).

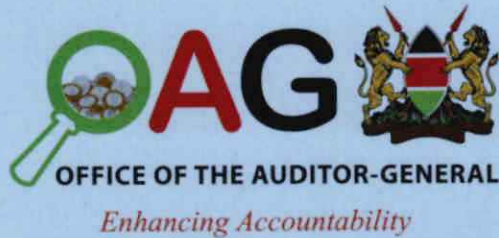
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: Mohamed B. Ali
Designation: Chairman, School Board of Management
Sign: [Signature]
Date: 23/7/2024

Name: JAMES M. MUMMA
Designation: School Principal & Secretary to Board of Management
Sign: [Signature]
Date: 23/7/2024

Name: [Signature]
Designation: Bursar Finance Officer
Sign: [Signature]
Date: 23/7/2024

REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON ISIOLO BOYS SECONDARY SCHOOL FOR THE SIX (6) MONTH'S PERIOD ENDED 30 JUNE, 2021 - ISIOLO 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Isiolo Boys Secondary School - Isiolo County set out on pages 19 to 34, which comprise of the statement of financial

Report of the Auditor-General on Isiolo Boys Secondary School for the Six (6) Month's period ended 30 June, 2021 - Isiolo County

assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and the 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 the Isiolo Boys Secondary School – Isiolo 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 Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of financial statements submitted for audit revealed the following inaccuracies;

- (i) The statement of receipts and payments reflects school fund income-other receipts of Kshs.5,144,724 as disclosed in Note 4 to the financial statements. However, review of the bank statements and cash books revealed total collection of Kshs.5,665,459 resulting in unreconciled variance of Kshs.520,735.
- (ii) The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.6,825,048 as disclosed in Note 12 to the financial statements. However, supporting documents reflect a balance of Kshs.6,654,018 resulting in unreconciled variance of Kshs.171,030.
- (iii) The statement of financial assets and financial liabilities reflects cash and cash equivalent balance of Kshs.226,148 as disclosed in Note 8 to the financial statements. The balance includes school fund account-boarding balance of Kshs.133,828 while the respective cashbook reflect a balance of Kshs.80,464 resulting in unreconciled variance of Kshs.53,364.
- (iv) Review of the statement of cashflows revealed variances between amounts reflected in the statement of receipts and payments and amounts in the statement of cashflows as detailed below;

	Amount as per Statement of Receipts and Payments (Kshs)	Amounts as per Statement of Cash Flows (Kshs)	Variances (Kshs)
School Funds Income- Parents Contributions	-	2,632,187	2,632,187

	Amount as per Statement of Receipts and Payments (Kshs)	Amounts as per Statement of Cash Flows (Kshs)	Variances (Kshs)
School fund income- other receipts	5,144,724	-	5,144,724
Payment for tuition	138,523	247,800	109,277
Boarding and school fund payments	4,606,741	4,386,202	220,539

- (v) The statement of budgeted versus actual amounts reflects actual receipts of Kshs.3,815,679 and actual expenditure of Kshs.2,765,382. However, the statement of receipts and payments reflects total receipts of Kshs.6,943,701 and total expenditure of Kshs.4,931,064 resulting in unexplained variance of Kshs.3,128,022 and Kshs.2,165,682 respectively.
- (vi) The statement of financial assets and financial liabilities reflects accumulated fund brought forward of Kshs.17,772,302 while Note 13 reflects Kshs.19,784,939 resulting to unreconciled variance of Kshs.2,012,637.

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

2. Long Outstanding Account's Receivables

The statement of assets and liabilities reflects accounts receivable balance of Kshs.26,383,840 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, included in the balance are receivables amounting to Kshs.23,871,303 which had been outstanding for more than one year.

In the circumstances, the completeness, accuracy and recoverability of the receivables balance of Kshs.26,383,840 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Isiolo Boys 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 judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the period under review.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.4,371,478 and Kshs.3,815,679 respectively, resulting to an under-funding of Kshs.555,799 or 13% of the budget. However, the School spent a balance of Kshs.4,931,064 against actual receipts of Kshs.6,943,701 resulting to an under-utilization of Kshs.2,012,637 or 29% of actual receipts.

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

My opinion is not modified in respect of this matter.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Reallocation of Funds Without Approval

The statement of receipts and payments reflects capitation grants for operations of Kshs.1,551,455 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.712,500 disbursed for infrastructure activities but was used for operation activities contrary to the Ministry of Education Circular Ref. No: MOE/G1/9/1/44 dated 9 January, 2008 and MOE.HQS/3/13/3 dated 16 June, 2021 which directed that under the operations account, schools may seek authority from the County Education Boards to vire savings or surplus funds from one item to another, when it is absolutely necessary but no virement from the tuition and infrastructure account will be allowed.

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

2. Late Submission of Financial Statements

The financial statements for the six (6) months period ended 30 June, 2021 were submitted for audit on 29 September, 2023 instead 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, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of financial statements.

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

3. Irregular Payment to Kenya Secondary Schools Heads Association

The statement of receipts and payments and Note 6 to the financial statements reflects payment for operations amount of Kshs.185,800. Included in the amount is an expenditure of Kshs.73,000 in respect of Kenya Secondary Schools Heads Association (KSSHA). 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.

Further, the expenditure was not in the budget for the period under review.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.73,000 could not be confirmed.

4. Non-Compliance with the Public Procurement and Asset Disposal Regulations, 2020

The statement of receipts and payments and Note 7 to the financial statements reflects boarding and school fund payments of Kshs.4,606,741. The amount includes expenditure on goods and services totalling to Kshs.623,305 which was incurred through cash purchases contrary to Regulation 92 of the Public Procurement and Asset Disposal Regulations, 2020 which provides that a procuring entity may use low value procurement method where estimated cost of goods, works or services being procured per item per financial year is as per threshold matrix in the second schedule.

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

5. Failure to Prepare School Improvement Plan

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

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

6. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.6,825,048. However, included in the balance are trade payables balance of Kshs.4,900,825 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract (s) are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk of loss of public funds through litigations, interests and penalties.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing 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 Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed asset register balance of Kshs.192,980,000 in respect of fixed assets which includes land with a balance of Kshs.100,000,000. However, land ownership documents were not provided for audit.

In the circumstances, the accuracy, completeness and ownership of land balance of Kshs.100,000,000 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in

an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

27 November, 2024

(ISILOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

V. STATEMENT OF RECEIPTS AND PAYMENTS FOR SIX(6) MONTHS PERIOD ENDED 30TH JUNE 2021.

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Kshs
RECEIPTS			
Capitation grants for tuition	1	247,523	
Capitation grants for operations	2	1,551,455	
School Fund Income- Parents' Contributions	3		
School Fund Income- Other receipts	4	5,144,724.00	
Proceeds from borrowings			
TOTAL RECEIPTS		6,943,701.00	
PAYMENTS			
Payments for Tuition	5	138,523.00	
Payments for operations	6	185,800.00	
Boarding and school fund payments	7	4,606,741.00	-
TOTAL PAYMENTS		4,931,064.00	-
			-
SURPLUS/DEFICIT		2,012,637.00	-

The school financial statements were approved on 23/7/2024 2021 and signed by:

Sign: [Signature] Sign [Signature] Sign [Signature]
 Name: Mohamed G. Ali Name: JAMES M. KILUMBA Name: FREDRICK CARSON

Chair BOM School Principal/ Secretary to BOM Bursar/ Finance Officer
 Date 23/7/2024 Date 23/7/2024 Date 23/7/2024

(ISIOLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30TH JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents		-	
Bank Balances	8	226,148	
Cash Balances	9	-	
Short term Investment	10	-	
Total Cash and cash equivalent		226,148	
Account's receivables	11	26,383,840	
TOTAL FINANCIAL ASSETS		26,609,988	
FINANCIAL LIABILITIES			
Accounts Payables	12	6,825,048.00	-
NET FINANCIAL ASSETS		19,784,940	-
REPRESENTED BY			
Accumulated Fund b/fwd	13	17,772,303	-
Surplus/Deficit for the year		2,012,637.00	-
NET FINANCIAL POSSITION		19,784,940	-

The School's financial statements were approved on 23/7/2024 and signed by:

Name: Mohamed Ali
Chairman, BoM

Sign: [Signature]

Date: 23/7/2024

Name: JAMES M. CIVIMA
School Principal/Secretary
to BoM

Sign: [Signature]

Date: 23/7/2024

Name: FREDRICK GATOBU
Bursar/Finance

Sign: [Signature]

Date: 23/7/2024

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

VII. STATEMENT OF CASH FLOWS FOR THE SIX (6) MONTHS PERIOD ENDED 30TH JUNE 2021

	2020-2021	2019-2020
	Kshs	Kshs
Receipts for operating income		
Capitation grants for tuition	247,523	-
Capitation grants for operations	1,551,455	-
School fund income- Parents contributions/ fees	2,632,187	-
School fund income- other receipts	-	-
Total receipts	4,431,164.00	-
Payments	-	-
Payments for Tuition	247,800.00	-
Payments for operations	185,800.00	-
Boarding and school fund payments	4,386,202.00	-
Total payments	4,819,802.00	-
Net cash flow from operating activities	(388,638.00)	-
CASHFLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Assets	-	-
Acquisition of Assets	-	-
Proceeds from investments	-	-
Purchase of investments	-	-
Net cash flows from Investing Activities	-	-
CASHFLOW FROM BORROWING ACTIVITIES		
Proceeds from borrowings/ loans	-	-
Repayment of principal borrowings	-	-
Net cash flow from financing activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	(388,638.00)	-
Cash and cash equivalent at BEGINNING of the year	614,786	-
Cash and cash equivalent at END of the year	226,148	-

PUBLIC SECONDARY SCHOOLS – ISIOLO BOYS’ SECONDARY SCHOOL
Reports and Financial Statements
For six (6) months period ended 30th June 2021

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR SIX(6) MONTHS PERIOD ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	
Exercise books	-	-	-	-	-	
Laboratory equipment	-	-	-	-	-	
Internal exams	-	-	-	-	-	
Teaching / learning materials	247,523	-	247,523	247,523	-	100%
Chalks	-	-	-	-	-	
Exams and assessment	-	-	-	-	-	
Teachers guides	-	-	-	-	-	
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	-	-	-	-	-	
Repairs and maintenance	712,500.00	-	712,500.00	712,500.00	-	100%
Local transport / travelling	-	-	-	-	-	
Electricity and water	-	-	-	-	-	
Medical	-	-	-	-	-	
Administration costs	-	-	-	-	-	
Activity	-	-	-	-	-	
Gratuity /other votes	838,955	-	838,955	838,955	-	100%
SMASSE	-	-	-	-	-	

(ISIGLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

Receipt/expenses Item	Original Budget a K.shs	Adjustments b K.shs	Fiscal Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d K.shs	% of Utilization f=d/c % K.shs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments						
Repairs and maintenance	147,000.00	-	147,000.00	112,000.00	35,000.00	76%
Local transport / travelling	-	-	-	-	-	
Electricity and water	-	-	-	-	-	
Medical /other notes	857,745.00	-	857,745.00	587,839.00	269,906.00	68%
Administration costs	-	-	-	-	-	
Activity	36,750.00	-	36,750.00	-	-	100%
SMASSE	-	-	-	-	-	
Fee on Boarding Equipment and Stores	1,531,005.00	-	1,531,005.00	1,316,862.00	214,143.00	86%
OTHER INCOME						
Rent income	-	-	-	-	-	
Income from farming activities	-	-	-	-	-	
Insurance compensation	-	-	-	-	-	
Income from Posho,mill	-	-	-	-	-	
Income from Bus Hire	-	-	-	-	-	
Fee for hire of ground and equipment	-	-	-	-	-	
Interest income	-	-	-	-	-	
Income from any other investment	-	-	-	-	-	
TOTAL INCOME	-	-	-	-	-	
(1) EXPENDITURE FOR TUITION						
Textbooks and reference	-	-	-	-	-	

(ISIGLO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

Receipts/expenses Item	Original Budget a K.shs	Adjustments b K.shs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d K.shs	% of Utilization f=d/c % K.shs
materials						
Exercise books						
Laboratory equipment	-	-	-	-	-	
Internal exams	-	-	-	-	-	
Teaching / learning materials	247,523	-	247,523	62,765.00	184,758	25%
Chalks	-	-	-	-	-	
Exams and assessment	-	-	-	-	-	
Teachers guides	-	-	-	-	-	
Administration costs	-	-	-	-	-	
Bank Charges	-	-	-	-	-	
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	-	-	-	-	-	
Repairs, maintenance & improvements	356,250.00	-	356,250.00	-	-	100%
Local transport / travelling	-	-	-	-	-	
Electricity, water and conservancy	-	-	-	-	-	
Medical	-	-	-	-	-	
Administration costs	-	-	-	-	-	
Activity Expenses	-	-	-	-	-	
Gratuity						
other votes	419,477	-	419,477	185,800.00	233,677	44%
SMASSE						
(3) EXPENDITURE FOR SCHOOL FUND						

(ISILO BOYS' SECONDARY SCHOOL)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

Receipts/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Personnel emoluments	-	-	-	-	-	-
Repairs, maintenance and improvements	147,000.00	-	147,000.00	84,000.00	63,000.00	57%
Local transport / travelling	-	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-	-
Medical Expenses	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
Activity	36,750.00	-	36,750.00	-	-	-
Gratuity	-	-	-	-	-	-
other votes	857,745.00	-	857,745.00	847,512.00	10,233.00	98%
Lunch program me	-	-	-	-	-	-
Boarding Equipment and Stores	1,531,005.00	-	1,531,005.00	1,585,305.00	(54,300)	103%
Expenditure for Income Generating Activity	-	-	-	-	-	-
Insurance costs	-	-	-	-	-	-
Other expenses on investments	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
TOTALS	-	-	-	-	-	-

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

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.

Report and Financial Statements
For six (6) months period ended 30th June 2021

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

The comparative figures for the previous financial year have been omitted since they have not been 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 2021.

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	247,523	-
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	247,523	-

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	712,500.00	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
other votes	838,955	-
Total	1,551,455	-

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Total	-	-

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	5,144,724.00	-
Rent income	-	-
Income from farming activities	-	-
Insurance compensation	-	-
Income from Posho mill	-	-
Income from Bus Hire	-	-
Fee for hire of ground and equipment	-	-
Income from grants and donations*	-	-
Interest income	-	-
Dividends income	-	-
Total	5,144,724.00	-

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

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	137,323.00	-
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	1,200.00	-
Bank Charges	-	-
Total	138,523.00	-

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Administration Cost	-	-
Repairs and maintenance & improvements	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Activity Expenses	-	-
SMASSE	-	-
Insurance Cost	-	-
Bank Charges	-	-
other votes	185,800	-
Acquisition of Assets	-	-
TOTAL	185,800.00	-

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Repairs and maintenance & Improvements	84,100.00	-
Local transport / travelling	-	-
Electricity and water	-	-
Medical Expenses	-	-
Administration costs Muslim league	10,000.00	-
Lunch Programme	1,775,685.00	-
Bank Charges	-	-
other votes	2,736,956.60	-
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	-	-
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	4,606,741.00	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account		1,556	-
Operations Account		38,412	-
School Fund Account/Boarding		133,828	-
Savings Account		48,101	-
Parent Association Development Account		-	-
Income generating activities Account		-	-
Infrastructural Account		4,250	-
Total		226,147	-

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	-	-
Total	-	-

10 SHORT TERM INVESTMENTS

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

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	26,383,840	-
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	26,383,840	-

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	3,117,473.00	-
Fees arrears for the previous year	1,892,909.00	-
Fees arrears for prior periods (over two years)	21,978,394	-
total	26,988,776	-
Less recovery	(604,936.00)	-
Total	26,383,840	-

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	6,825,048.00	-
Prepaid fees	-	-
Retention monies	-	-
Total	6,825,048.00	-

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	2,154,382.00	-
Trade creditors for the previous year	3,342,387.00	-
Trade creditors for prior periods (over two years)	3,371,399.00	-
Less creditors paid	(2,043,120.00)	-
Total	6,825,048.00	-

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	226,148	-
Cash balances		-
Short Term Investments		-
Receivables	26,383,840	-
Payables	6,825,048	-
Total	19,784,9340	-

Other important disclosure notes

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

14 Non-current Liabilities Summary

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

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	7 each 58,572	410,000.00	-
Goats		-	-
Trees	340 each 800	272,000.00	-
Coffee or tea plantation		-	-
Poultry		-	-
Total		682,000.00	-

16 Borrowings

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

(*ISIOLO BOYS' SECONDARY SCHOOL*)
PUBLIC SECONDARY SCHOOL

Report and Financial Statements
For six (6) months period ended 30th June 2021

Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	88,000.00	-
Stock/ inventory purchased during the year	1,996,758.00	-
Stock/ inventory issued during the year	1,975,458.00	-
Balance at end of the year	109,300.00	-

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

PUBLIC SECONDARY SCHOOLS – ISILO BOYS’ SECONDARY SCHOOL
Reports and Financial Statements
For six (6) months period ended 30th June 2021

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To-Date c Kshs	Outstanding Balance 2020 d-a-c Kshs	Outstanding Balance 2021 Kshs	Comments
Supply of goods						
1. EDMWEGI GENERAL SUPPLIES	2,352,135.00	10/2/2016	1,452,135.00	900,000.00	900,000.00	
2. SALESIO KIAMBI	1,071,390.00	1/7/2019	165,200.00	906,190.00	906,190.00	
3. HARRIET NGAUTANI	562,255.00	24/1/2020	112,991.00	449,264.00	449,264.00	
4. MOHANSONS ENTERPRISES	150,000.00	17/5/2019	38,450.00	111,550.00	111,550.00	
5. BARETU COMPANY	90,000.00	10/2/2016		90,000.00	90,000.00	
6. JOSEPH KIBORI	37,600.00	10/2/2016		37,600.00	37,600.00	
7. ESHA ALI	163,000.00	1/4/2018	28,000.00	135,000.00	135,000.00	
8. JOSAMWA MILK	101,840.00	11/6/2018		101,840.00	101,840.00	
9. BETSY K MBURUGU	23,120.00	1/10/2019		23,120.00	23,120.00	
10. REGIONAL BOOKS AND STATIONERIES	123,235.00	11/6/2018		123,235.00	123,235.00	
11. WELINGTON ENTERPRISES	127,650.00	15/11/2020		137,650.00	137,650.00	
12. JENERUSHA KANARIO	98,600.00	31/11/2018		98,600.00	98,600.00	
13. DIVINE BUTCHERY	168,380.00	1/3/2021	20,000.00		148,380.00	
14. MINDS COMPUTER COLLEGE	110,500.00	1/2/2021			110,500.00	
15. IWASCO	562,500.00		200,000.00	362,500.00	362,500.00	
16.						
17.						
Sub-Total						
Supply of Services						
18. Staff salaries	5,582,544.00		2,846,997.00	2,735,547.00	3,089,615.00	
19.						
Sub-Total						
Grad total	11,334,749.00		4,863,773.00	3,476,549.00	6,825,048.00	

PUBLIC SECONDARY SCHOOLS – ISIOLO BOYS’ SECONDARY SCHOOL
Reports and Financial Statements
For six (6) months period ended 30th June 2021

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 20xx
Land 1		Isiolo	100,000,000.00			100,000,000.00
Buildings and structures		Isiolo	80,000,000.00			80,000,000.00
Motor vehicles		Isiolo	3,500,000.00			3,500,000.00
Office equipment, furniture and fittings		Isiolo	1,500,000.00			1,500,000.00
ICT Equipment, and Other ICT Assets		Isiolo	1,200,000.00			1,200,000.00
Tools and apparatus		Isiolo	3,000,000.00			3,000,000.00
Textbooks		Isiolo	2,500,000.00			2,500,000.00
Other Machinery and Equipment		Isiolo	1,200,000.00			1,200,000.00
Heritage and cultural assets		Isiolo				
Intangible assets- soft ware		Isiolo	80,000.00			80,000.00
Total		Isiolo	192,980,000.00			192,980,000.00