

REPUBLIC OF KENYA



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REPORT

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DATE: 20 FEB 2025	DAY: THURSDAY
TABLED BY:	HON. NAOMI WAQU, MP DEPUTY MAJORITY WHIP
CLERK-AT THE-TABLE:	IMZORU MWALE

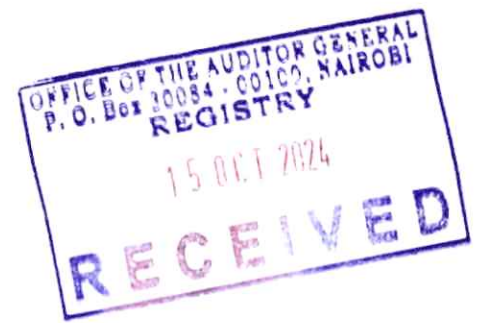
THE AUDITOR-GENERAL

ON

MWAANI GIRLS HIGH SCHOOL

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

MAKUENI COUNTY



MWAANI GIRLS' HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022

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

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I. Key School Information And Management**(a) Background information**

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

The school was registered in 11/2020 under registration number 17S30000014 and is currently categorized as an *Extra County* public school established, owned or operated by the Government.

The school is a boarding school and had **1165 students** as at **30th June 2022**. It has **7 streams** and **45 teachers** of which **11 teachers** are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr. Fredrick kitema	Chairman	26/07/20219
2	Mrs.Joan Muchina	Secretary - Principal	26/07/20219
3	Rev. Justus Mutuku	Member	26/07/20219
4	Md. Faith Moses	Member	26/07/20219
5	Rev. Patrick Kavwia	Member	26/07/20219
6	Md.Margret K. Sissy	Member	26/07/20219
7	Md.Esther W. Munyao	Member	26/07/20219
8	Mr. Stephen W. Kitunga	Member – Rep CEB	26/07/20219
9	Mr. Kennedy m. John	Member Rep Teachers	26/07/20219
10	Rev. Stanslous Mbuvo	Member - Sponsor	26/07/20219
11	Md. Beatrice Kioko	Member- sponsor	26/07/20219
12	Md. Esther Nzula levu	Member- sponsor	26/07/20219
13	Mr. Alex kioko	Member - Community	26/07/20219
14	Mr. Cleophas W. Mbuvi	MemberSpecial Needs	26/07/20219
15	Virginia w. Geoffrey	Rep Students	26/07/20219
16	Advocate Kalwa	Member	26/07/20219
17	Mr. George Kieti	Member	26/07/20219

Key School Information and Management

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Fredrick M. Kitema Mrs . Joan Muchina Mrs.George kieti Mrs . Faith Moses Rev. Stanslous Mbuvo	Chairman Secretary Member Member Member	1/1 1/1 1/1 1/1 1/1
2	Audit Committee	N/a	N/a	N/a
3	Finance,procurement and general purposes Committee	Mr. Fredrick M. Kitema Mrs . Joan Muchina Mrs.George kieti Mrs . Faith Moses Mr. . Cleophas w. Mbuvi Mr. Alex kioko	Chairman Secretary Member Member Member cordinator	0 1/1 1/1 1/1 1/1 1/1
4	Academic Committee	Mr. Fredrick M. Kitema Mrs . Joan Muchina Mrs.George kieti Mrs . Faith Moses Adv. Francis Kalwa Md. Esther W. Munyao Rev.Justus Mutuku	Chairman Secretary Member Cordinator Member Member Member	0 2/2 2/2 1/1 1/1 0 0
5	Development Committee	Mr. Fredrick M. Kitema Mrs . Joan Muchina Mrs.George kieti Mrs . Faith Moses Adv. Francis Kalwa Mr. Stephen Wambua	Chairman Secretary Member Member Member Cordinator	0/2 2/2 1/2 1/2 2/2 0/2
6	Discipline and welfare Committee	Mr. Fredrick M. Kitema Mrs . Joan Muchina Rev.Ptrick Kavwia Rev. Stanslous Mbuvo Md. Margret Sisi	Chairman Secretary Cordinator Member Member	0 0 0 0 0
7	Adhoc Committee (if any during the year)	N/a	N/a	N/a

(d) School operation Management

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

Ref:	Designation	Name	TSC Number/ICPAK NO.
1	Principal	Joan M. Muchina	TSC NO.304609
2	Deputy Principal	Anne K. Boore	TSC NO.446187
3	School Bursar	John K. Maithya	ICPAK NO.18528

(e) Schools contacts

Post Office Box: 21-90300, Makueni
 Telephone: 0719111281
 E-mail: mwaanigirls2016@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

The following school operated 7 bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB-BOARDING ACCOUNT
 Branch : WOTE
 Account Number : 1105240622
2. Name of Bank : KCB –OPERATION ACCOUNT
 Branch : WOTE
 Account Number : 1105240126
3. MPESA Pay Bill No.522123 attached to 1105240622 bank account.
4. Name of the bank : KCB –TUITION ACCOUNT
 Branch : WOTE
 Account Number : 1108805248
5. Name of the bank : KCB –DEVELOPMENT ACCOUNT
 Branch : WOTE
 Account Number : 1236669630
6. Name of the Bank : EQUITY BANK –CDF ACCOUNT
 Branch : WOTE
 Account Number : 0670292921590
7. Name of the Bank : ABSA
 Branch : WOTE
 Account Number : 2029885799(Dormant)
8. Name of the bank : KCB –SAVINGS ACCOUNT (DORMANT)
 Branch : WOTE
 Account Number : 1104700719

(g) Independent Auditors

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

II. Summary Report Of Performance Of The School

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

a) Financial performance:

(Under this section, the following information should be given:

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

ACCOUNT	2021/2022	2021	2020	2019
Boarding account	2,111,362.00	5,394,724.00	(4,712,665.00)	2,740,400.00
Operation account	1,841,398.00	2,546,207.00	(4,421,119.00)	(833,601.00)
Tuition account	(501,236.00)	668,493.00	(344,142.00)	(56,265.00)
Total	3,451,524.00	8,609,424.00	(9,477,926.00)	1,850,534.00

- *Capitation grants from the Ministry of Education for the last three years*

ACCOUNT	2022	2021	2020	2019
Operation	16,881,699.00	8,432,157.00	1,629,042.00	13,660,108.00
Tuition	3,848,577.00	1,343,535.00	11,335,450.00	2,888,675.00
Total	20,730,276.00	9,775,692.00	12,964,492.00	16,548,783.00

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

Particulars	2022	2021	2020	2019
Total	20,730,275.00	9,775,692.00	12,964,492.00	16,548,783.00
Population mean	1176	997	997	808
Ratio	1:17,628.00	1:9805.00	1:13,004.00	1:20,481.00

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

Particulars	2022	2021	2020	2019
Parents contributions and other income	75,729,411.00	23,254,565.00	26,938,162.00	48,459,009.00

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

<i>Account</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Operation</i>	<i>15,040,301.00</i>	<i>5,885,950.00</i>	<i>15,756,569.00</i>	<i>14,493,709.00</i>
<i>Tuition</i>	<i>4,349,813.00</i>	<i>675,041.00</i>	<i>1,973,184.00</i>	<i>2,944,940.00</i>
<i>Boarding</i>	<i>73,618,049.00</i>	<i>17,859,841.00</i>	<i>31,650,827.00</i>	<i>45,718,609.00</i>
<i>Total</i>	<i>93,008,049.00</i>	<i>24,420,832.00</i>	<i>49,380,580.00</i>	<i>63,157,258.00</i>

- *Movement of debtors over the last three years.*

<i>PARTICULARS</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>DEBTORS</i>	<i>15,113,897.00</i>	<i>15,584,093.00</i>	<i>15,742,470.00</i>	<i>14,141,271.00</i>

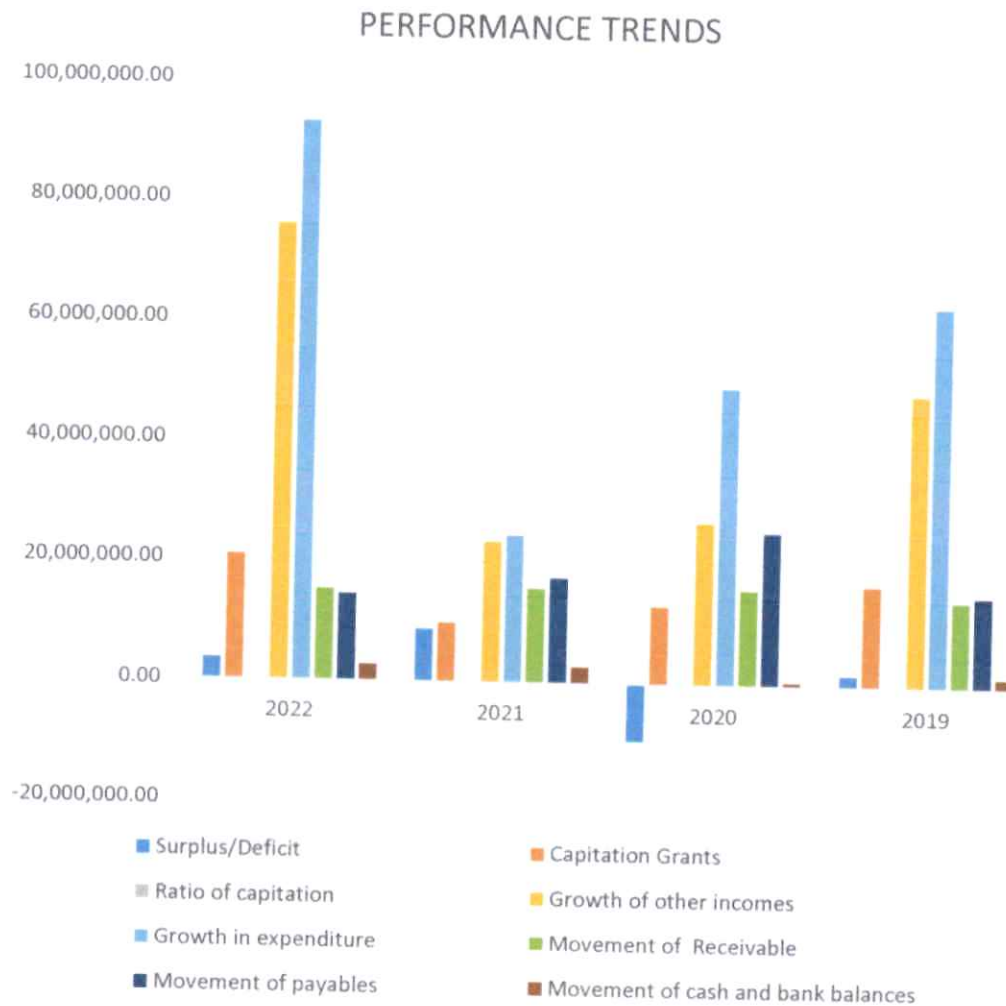
Movement of Creditors over the last three years.

<i>PARTICULARS</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>CREDITORS</i>	<i>14,344,880.00</i>	<i>17,387,261.00</i>	<i>25,324,235.00</i>	<i>15,001,557.00</i>

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

<i>Account</i>	<i>2022</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Operation</i>	<i>390,640.00</i>	<i>777,759.00</i>	<i>44,684.00</i>	<i>18,652.00</i>
<i>Tuition</i>	<i>89,802.00</i>	<i>214,169.00</i>	<i>17,076.00</i>	<i>230,108.00</i>
<i>School Fund</i>	<i>2,095,856.00</i>	<i>1,479,181.00</i>	<i>421,702.00</i>	<i>1,390,621.00</i>
<i>Savings</i>	<i>68,828.00</i>	<i>68,828.00</i>	<i>68,828.00</i>	<i>68,828.00</i>
<i>Infrastructure</i>	<i>72,571.00</i>	<i>193,439.00</i>	<i>35,281.00</i>	<i>56,009.00</i>
<i>Total</i>	<i>2,717,697.00</i>	<i>2,733,376.00</i>	<i>587,571.00</i>	<i>1,639,381.00</i>

Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends).



b) **Teacher Student ratio:**

	2021-2022	2020-2021	2019-2020
<i>The teacher to student ratio:</i>	1:26	1:28	1:28
<i>Number of teachers recruited and posted to the school within the year</i>	2	2	2
<i>Number of teachers that were transferred/retired during the period</i>	6	5	5
<i>Number of teachers employed by TSC</i>	33	28	27
<i>Number employed by BOM.</i>	11	7	9

Teachers the school has for each subject in order to indicate shortage/ allocation of resource.

SUBJECTS	NUMBER OF TEACHERS		
	2021-2022	2020-2021	2019-2020
Mathematics	9	7	7
English	8	5	5
Kiswahili	6	4	4
Chemistry	6	4	3
Physics	5	3	3
Biology	8	5	4
History	7	5	5
CRE	10	4	5
Agriculture	2	2	2
Business studies	2	2	2
Geography	4	2	2
Computer Studies	1	1	1

c) **Mean score in the 2022 KCSE:**

Performance of the school for each over the last three years.

6.747	6.1	6.00
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The school has a positive progress in academics

d) **Number of Candidates in the 2022 KCSE:**

Number of candidates sitting for KCSE over the last three years.

171	203	180
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e) **Capacity of the school:**

Number of students in the school

1143	1028	955
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Dormitories

9	9	9
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Dining hall

2	2	2
---	---	---

Laboratories

3	3	3
---	---	---

Toilets

108	108	108
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Land with legal ownership

11.7HA	11.7HA	11.7HA
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Dispensary

1	1	0
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f) Development projects carried out by the school (2021/2022).

PROJECTS	SOURCE OF FUNDS	AMOUNT SPEND	EXPECTED COMPLETION TIME
Construction of hand wash stand	MOE	129,430.00	Completed
Renovation of laboratory	MOE	149,650.00	Completed
Renovation of five staff houses	MOE	1,809,130.00	Completed
Tiling and painting ten classes	MOE	2,961,960.00	Completed
Renovation and portioning D/principal office, Verandah and equipping	Parents	525,030.00	Completed
Renovation of administration office	Parents	205,590.00	Completed
Casting walk way from science lab to students upper toilets	Parents	64,600.00	Completed
Construction of concrete seats 34 in number	MOE	772,140.00	Completed
Renovation of form north class room	Parents	77,200.00	Completed
Construction of cesspit and sewer line	MOE	255,870.00	Completed
Construction of three door pit latrine	MOE	533,050.00	Completed
Installation water tank near main water tank	Parents	163,750.00	Completed
Renovation and tiling upper toilets for students	Parents	713,000.00	Completed
Installation of gutters at school library	Parents	46,650.00	Completed
Re-roofing of principal official residential house	Parents	312,550.00	Completed
Renovation of office ,wash rooms and walkway	Parents	260,300.00	Completed
Renovation of dispensary and computer room	Parents	175,700.00	Completed
Upgrading CBC Classes	Parents	461,050.00	Completed
Construction of walk way to CBC Classes	Parents	453,140.00	Completed
Total		10,069,790.00	



 School Principal



II. Statement of School Management Responsibility

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

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

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

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



.....
Name: Mr. Fredrick M. Kitema

Designation: Chairman, School Board of Management

Date: 8th September, 2024



.....
Name: Dr. Elizabeth N. Mutinda

Designation: School Principal & Secretary to Board of Management

Date: 8th September, 2024



.....
Name: CPA John Maithya

Designation: Bursar/ Finance Officer

Date: 8th September, 2024



REPUBLIC OF KENYA



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

REPORT OF THE AUDITOR-GENERAL ON MWAANI GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - MAKUENI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulation 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 Mwaani Girls High School - Makueni County set out on pages 1 to 18, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects 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 Mwaani Girls High School - Makueni County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.15,361,036 as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.14,264,232 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.13,493,632 could not be confirmed.

2. Variance in School Fund Income- Parents' Contributions

The Statement of Receipts and Payments reflect school fund income-parent contributions of Kshs.75,173,071 as disclosed in Note 3 to the financial statements. However, review of the Expected Net revenue receipts from School Fund Income Parents' Contributions based on the accountable documents availed for audit revealed that the School should have collected a total of Kshs.59,173,096 resulting to an unreconciled variance of Kshs.15,999,975

Under the circumstances, the accuracy, completeness and validity of the balance of School Fund Income- Parents' Contributions of Kshs.75,173,071 could not be ascertained.

3. Unsupported Payables

The statement of financial assets and liabilities reflects accounts payables of Kshs.13,894,880 as disclosed in Note 12 to the financial statements. However, the School did not provide any supporting documents for the accounts payable including invoices, delivery notes, LPOs/LSOs and interim or completion certificates.

In the circumstances, the accuracy and completeness of payables of Kshs.13,894,880 could not be confirmed.

4. Unsupported Bank Balances

The statement of financial assets and liabilities reflect cash and cash equivalent of Kshs.365,185. Included in the balance is a bank balance of Kshs.326,563 and cash balance of Kshs.38,622. Included in the bank balance is tuition account, operations, school fund account/boarding, savings and infrastructure accounts of Kshs.89,802, Kshs.390,125, Kshs.(295,696), Kshs.68,828 and Kshs.72,571 respectively. However, there were no cash book records were provided for the Savings Account for audit verification. Additionally, School did provide monthly bank reconciliations for the five bank accounts for audit review.

In the circumstances, the accuracy of the bank balance of Kshs.326,563 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Mwaani Girls High 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 year under review.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2022.

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 for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 15 May, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to the Ministry of Education circular Ref. No: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 the financial statements.

In the circumstances, Management was therefore 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 amount of Kshs.73,618,049 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.1,023,457 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.1,023,457 could not be confirmed.

3. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects grants for operations of Kshs.16,882,631 as disclosed in Note 2 to the financial statements. Out of this, Kshs.5,910,000 was to be transferred to the infrastructure account. However, the School only transferred Kshs.5,000,000 to its infrastructure account leaving a balance of Kshs.910,000 as at 30 June, 2022. This is contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

4. Irregular Increase of School Fees

The statement of receipts and payments reflects school fund income - parents' contributions of Kshs.75,173,071 as disclosed in Note 3 to the financial statements.

However, review of fee records revealed that students were charged an annual fee amount of Kshs.48,535 against a Ministry of Education (MOE) fee guidance of Kshs.35,000 resulting to each student paying an extra fee of Kshs.13,535 translating to Kshs.16,242,000 (13,535 * 1200 learners) for the year under review. This was contrary to Regulation 44 of the Basic Education Regulations, 2015 which provides that no public school or institution shall issue alternative fees structures other than those approved by the Cabinet Secretary.

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

5. Non-Banking of School Fees

The statement of receipts and payments reflects school fund income parents contributions of Kshs.75,173,071 as disclosed in Note 3 to the financial statements. However, review of the School records revealed that school fees totalling Kshs.1,722,744, was received in form of cash and not banked in the School Fund – Parents' Contribution bank account as per the specific dates and receipt numbers. This is contrary to Regulation 4 of the Public Finance Management (National Government) Regulations, 2015 which states that all public moneys collected shall be paid into the designated bank accounts of the National Government and shall not be used by any Public Officer in any manner between the time of their receipts and payment into the bank except as provided by the law.

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

6. Accuracy of Student Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.20,731,208. Comparison of data from National Education Management and information System (NEMIS) with records from the school revealed that during the financial year 2021/2022, NEMIS reflected varying student data of between 1165 and 1181 students while records from the School had between 1018 and 1200 students, resulting to an underfunding of the School by an amount of Kshs11,924,911. This was contrary to the Ministry of Education Circular No: MOE.HQS/3/13/3 dated 13 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, under-funding of the School may have affected service delivery to the students.

7. Irregular Virement of Infrastructure Funds

The statement of receipts and payments reflects Boarding and School Fund payments of Kshs.73,618,049. However, review of the financial statements and cash book availed for audit revealed that the School spent a total of Kshs.15,370,495.00 from the Boarding account. The amount was paid to various suppliers was used for completion of projects around the school as well as repairs and maintenance. This is in contravention to circular

No:MOE/CONF/G5 of 26 November, 2019 from the Ministry of Education which states that all Infrastructure grants and Maintenance and improvement to be transferred to the Infrastructure account. In addition, there was no supporting documents of approval for payment of the completion of the classrooms from the Boarding account was availed for verification.

In the circumstances, the validity and propriety of the payments of Kshs.15,370,495. could not be confirmed.

8. Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities and Note 12 to the financial statements reflects accounts payable balance of Kshs.13,894,880 which include trade creditors that had been outstanding for more than two (2) years of Kshs.8,199,201. 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 loss of public funds through litigations, interests and penalties.

9. Use of Cash to Procure Goods, Works and Services

The statement of receipts and payments reflects Boarding and school fund payments of Kshs.73,618,049. Review of cash records revealed that the school used cash totalling Kshs.8,245,332, to purchase goods and services instead of procuring using other suitable methods. This was contrary to the procedure for low value procurement. The audit could not establish if the goods procured were taken on charge by the person responsible for the stores.

In the circumstances, the School may not have received value for money for the expenditure of Kshs.8,245,332.

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed except for the 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 governance were not effective.

Basis for Conclusion

1. Non Adherence to Procurement Procedures and Regulations.

The statement of receipts and payments reflects Boarding and school fund payments of Kshs.73,618,049. Included in the amount is an expenditure on procurement of various goods and services at a cost of Kshs.38,806,187. However, the School did not provide supporting documents for audit verification such as Procurement Plan/Departmental work plans, Market Survey reports, Advertisements or request for quotations, Appointment letters to tender opening and evaluation committees, Professional opinions, Notification of Award/Unsuccessful Bidders, Contracts or framework agreements, LPOs OR LSOs, Inspection and acceptance certificates, Delivery notes/Job cards and ETR receipts.

Additionally, the suppliers and services providers were not prequalified and listed in their appropriate categories. It was also noted the School did not have a functioning procurement unit.

In the circumstance, the adequacy of internal controls on adherence to procurement procedures and regulations could not be ascertained.

2. Lack of an Imprest Register

The Statement of Receipts and Payments and Note 3 to the financial statements reflect Boarding and School Fund Payments of Kshs.73,618,049. Included in this amount was an expenditure on transport and travel of Kshs.7,588,967. However, it was noted that the School did not maintain an Imprest register for temporary Imprest issued and money issued was not supported by the accountable documents. Consequently, it was not possible to confirm whether Imprest issued during the financial year under audit was fully accounted for and surrendered within the timelines set out in the law.

In the circumstances, the adequacy of controls related to imprest management could not be ascertained.

3. Lack of an Internal Audit Function

During the year under review, the School had not constituted an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury. Additionally, it is noted from the report that the Audit committee had not met in the financial year under review.

In the circumstances, the School did not benefit from the oversight role and advice from the audit committee and the internal audit function.

4. Effectiveness in the Management of Textbooks

Review of the School records established that for the financial years 2020, 2021, 2022, 2023 revealed there was no evidence of instructional need assessment that provided the basis of determining the number and subject of instructional material needed by the school. In addition, there was no evidence of SIMSC committee that was set up, SIMSC Minute Book Minutes highlighting the needs.

In the circumstances, the effectiveness of the management of textbooks by the Management could not be ascertained.

The audit was conducted in accordance with the 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 the 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 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 its 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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

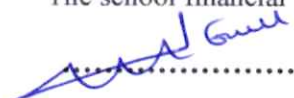
Nairobi

20 November, 2024

IV. Statement Of Receipts And Payments Period To 30th June 2022

Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	3,848,577.00	1,343,535.00
Capitation grants for operations	2	16,882,631.00	8,431,503.00
School fund income- parents' contributions	3	75,173,071.00	23,405,274.00
School fund income- other receipts	4	556,340.00	546,430.00
Proceeds from borrowings		-	-
Total Receipts		96,460,619.00	33,726,742.00
Payments			
Payments for tuition	5	4,349,813.00	675,041.00
Payments for operations	6	15,040,301.00	5,885,296.00
Boarding and school fund payments	7	73,618,049.00	17,859,841.00
Total Payments		93,008,163.00	24,420,178.00
Surplus/Deficit		3,452,456.00	9,306,564.00

The school financial statements were approved on 8th September, 2024 and signed by:


.....

Name: Mr. Fredrick Kitema

Chair BOM

Date: 8th September, 2024


.....

Name: Dr. Elizabeth Mutinda
School Principal/ Secretary to BOM

Date: 8th September, 2024


.....

Name: CPA John Maithya
Bursar/ Finance Officer

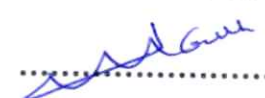
Date: 8th September, 2024



V. Statement Of Financial Assets And Financial Liabilities As At 30th June 2022


Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	326,563.00	356,034.00
Cash balances	9	38,622.00	23,898.00
Short term investment	10	-	-
Total cash and cash equivalent		<u>365,185.00</u>	<u>379,932.00</u>
Account's receivables	11	15,361,036.00	16,292,132.00
Total financial assets		15,726,221.00	16,672,064.00
Financial liabilities			
Accounts payables	12	13,894,880.00	18,293,179.00
Net financial assets		1,831,341.00	(1,621,115.00)
Represented by			
Accumulated fund b/fwd	13	(1,621,115.00)	(10,927,679.00)
Surplus/deficit for the year		3,452,456.00	9,306,564.00
Net financial position		1,831,341.00	(1,621,115.00)

The school's financial statements were approved on 8th September, 2024 and signed by:



 Name: Mr, Fredrick Kitema

Chair BOM

Date: 8th September, 2024


 Name: Dr. Elizabeth Mutinda
 School Principal/ Secretary to
 BOM

Date: 8th September, 2024


 Name: CPA John Maithya

Bursar/ Finance Officer

Date: 8th September, 2024



.VI. Sstatement of Cash Flows for the Period Ended 30th June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	3,848,577.00	1,343,535.00
Capitation grants for operations	2	16,882,631.00	8,431,503.00
School fund income- parents contributions/ fees	3	75,173,071.00	23,405,274.00
School fund income- other receipts	4	556,340.00	546,430.00
Total receipts		96,460,619.00	33,726,742.00
Payments			
Payments for tuition	5	4,349,813.00	675,041.00
Payments for operations	6	15,040,301.00	5,885,296.00
Boarding and school fund payments	7	73,618,049.00	17,859,841.00
Total payments		93,008,163.00	24,420,178.00
Net cash flow from operating activities		3,452,456.00	9,306,564.00
Cash flow from investing activities			
Proceeds from sale of assets		-	-
Acquisition of assets		-	-
Proceeds from investments/Arrears adjustments		1,288,992.00	776,216.00
Purchase of investments		-	-
Net cash flows from investing activities		1,288,992.00	776,216.00
Cash flow from borrowing activities			
Proceeds from borrowings/ loans/Creditors adjustments		(4,756,195.00)	(7,936,974.00)
Repayment of principal borrowings		-	-
Net cash flow from financing activities		(4,756,195.00)	(7,936,974.00)
Net increase in cash and cash equivalent		(14,747.00)	2,145,806.00
Cash and cash equivalent at beginning of the year		379,932.00	(1,765,874.00)
Cash and cash equivalent at end of the year		365,185.00	379,932.00

(The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools' should therefore adopt the direct method of cash flow as recommended by PSASB).

The school's financial statements were approved on 8th September, 2024 and signed by:

.....
Name: Mr, Fredrick Kitema

.....
Name: Dr. Elizabeth Mutinda

.....
Name: CPA John Maithya



Chair BOM

Date: 8th September, 2024

**School Principal/ Secretary to
BOM**

Date: 8th September, 2024

Bursar/ Finance Officer

Date: 8th September, 2024

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

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						
<i>(1) Capitation Grant on Tuition</i>						
Teaching / Learning Materials	4,220,664.00	-	4,220,664.00	3,848,577.00	372,087.00	91%
Teachers Guides	-	-	-	-	-	-
TOTAL	4,220,664.00	-	4,220,664.00	3,848,577.00	372,087.00	91%
<i>(2) Capitation Grant on Operations</i>						
Other vote heads(EWC,PE,ADM.COST & LT&T)	14,273,900.00	-	14,273,900.00	10,482,631.00	3,792,201.00	73%
Repairs And Maintenance	5,838,750.00	-	5,838,750.00	6,167,000.00	(328,250.00)	106%
Medical	1,037,000.00	-	1,037,000.00	233,000.00	804,000.00	22.47%
Smasse	103,700.00	-	103,700.00	-	103,700.00	-
TOTAL	21,253,350.00	-	21,253,350.00	16,882,630.00	4,371,651.00	79%
<i>(3) Fees Charged on Parents</i>						
Other incomes(PE,EWC,LT&T &ADM.COST)	14,651,910.00	-	14,651,910.00	19,137,584.00	(4,485,674.00)	131%
Repairs And Maintenance	2,733,800.00	-	2,733,800.00	3,047,385.00	(313,585.00)	111%
Medical	-	-	-	48,044.00	(48,044.00)	0%
Activity	1,105,415.00	-	1,105,415.00	365,135.00	740,280.00	33%

MWAANI GIRL'S HIGH SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Development fund	9,851,250.00	-	9,851,250.00	10,073,179.00	(221,929.00)	102%
Fee On Boarding Equipment and Stores	36,651,472.00	-	36,651,472.00	42,501,744.00	(5,850,272.00)	116%
Income from Bus hire	-	-	-	30,000.00	(30,000.00)	0%
Rent income	-	-	-	116,800.00	(116,800.00)	0%
Uniform	-	-	-	363,110.00	(363,110.00)	0%
Miscellaneous income	-	-	-	40,330.00	(40,330.00)	0%
KCSE	-	-	-	6,100.00	(6,100.00)	0%
Total	64,993,847.00		64,993,847.00	75,729,411.00	(10,735,564.00)	117%
GRAND TOTAL INCOME	90,467,861.00	-	90,467,861.00	96,460,619.00	(5,992,758.00)	107%
(1) Expenditure For Tuition						
Teaching / Learning Materials	4,220,664.00	-	4,220,664.00	4,349,813.00	(129,149.00)	103%
TOTAL	4,220,664.00	-	4,220,664.00	4,349,813.00	(129,149.00)	103%
(2) Expenditure For Operations						
Repairs, Maintenance & Improvements	5,838,750.00	-	5,838,750.00	3,763,350.00	(2,075,400.00)	64%
Activity	-	-	-	133,860.00	(133,860.00)	0%
Insurance	1,037,000.00	-	1,037,000.00	172,429.00	-	0%
Other vote heads/(E/W,C,PE,ADM,COST &L,T&T	14,273,900.00	-	14,273,900.00	10,970,662.00	3,303,238.00	77%

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
	103,700.00	-	103,700.00	-	103,700.00	0%
TOTAL	21,253,350.00	-	21,253,350.00	15,040,301.00	1,197,678.00	70.77%
<i>(3) Expenditure For School Fund</i>						
Repairs, Maintenance and Improvements	2,733,800.00	-	2,733,800.00	4,218,350.00	(1,484,550.00)	154%
Activity	1,105,415.00	-	1,105,415.00	16,850.00	1,088,565.00	2%
Development fund	9,851,250.00	-	9,851,250.00	10,881,751.00	(1,030,501.00)	110%
Boarding Equipment and Stores	36,651,472.00	-	36,651,472.00	34,587,837.00	2,063,635.00	94%
Other vote heads(EWC,LT &T,ADM.COST& PE)	14,651,910.00	-	14,651,910.00	21,058,341.00	(6,406,431.00)	144%
Uniform	-	-	-	2,412,560.00	(2,412,560.00)	0%
Medical expenses	-	-	-	388,060.00	(388,060.00)	0%
KCSE	-	-	-	54,300.00	(54,300.00)	0%
Totals	64,993,847.00	-	64,993,847.00	73,618,049.00	(8,624,202.00)	113.27%
Grand total	90,467,861.00		90,467,861.00	93,008,163.00	(2,540,302.00)	103%

i. Over utilization.

-Local travel and Transport and administration costs are high expenditure vote heads due to nature of operations they are utilized for. They have been over utilized due to that factor. I therefore request the ministry to harmonize the vote heads as per the needs to avoid scenario of over utilization. Not to clamp the four vote head together.

-Repair Maintenance and improvement and development fund is utilized in maintenance and construction of structures to cater for rising needs of infrastructure due to rising population of the students. The school consists of old and dilapidated infrastructure hence resulting to over utilization of the two vote heads.

ii. Underutilization.

- Personal emoluments is underutilized due to low number of school workers and level of salaries they receive.
- Activity fee was minimally utilized since there was no activities due to covid -19.
- Medical expenses are underutilized because the school employed qualified school nurse which reduced medical expenses significantly.

VIII. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)**5. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice

where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

IX. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching / Learning Materials	3,848,577.00	1,343,535.00
Total	3,848,577.00	1,343,535.00

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
Repairs And Maintenance	6,167,000.00	3,876,000.00
Medical	233,000.00	-
Other vote heads	10,482,631.00	4,555,503.00
Total	16,882,631.00	8,431,503.00

3 Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	7,708,953.00	1,969,219.00
Repairs and maintenance	3,047,385.00	867,950.00
Local transport / travelling	1,363,859.00	403,749.00
Electricity and water	7,251,430.00	2,023,950.00
Medical	48,044.00	144,644.00
Administration costs	2,813,342.00	751,471.00
Fees On Boarding equipment and stores	42,501,744.00	13,098,922.00
Development fund	10,073,179.00	4,045,284.00
Activity	365,135.00	91,085.00
Total	75,173,071.00	23,405,274.00

4 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent Income	116,800.00	61,650.00
Income From bus hire	30,000.00	40,000.00
Miscellaneous	40,330.00	27,175.00
Income From uniform	363,110.00	412,110.00
Income From KCSE	6100.00	5,495.00
Total	556,340.00	546,430.00

5 Payments for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	444,477.00	-
Exercise Books	2,779,734.00	178,600.00
Laboratory Equipment	559,805.00	275,325.00
Internal Exams	353,000.00	120,000.00
Teaching / Learning Materials	210,823.00	-
Bank Charges/Administration cost	1,974.00	101,116.00
Total	4,349,813.00	675,041.00

6 Payments for Operations and infrastructure account.

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	8,071,814.00	3,030,557.00
Service Gratuity	-	-
Administration Cost	1,215,143.00	747,004.00
Repairs And Maintenance & Improvements	623,245.00	640,940.00
Local Transport / Travelling	737,940.00	197,753.00
Electricity And Water	945,765.00	832,433.00
Medical	172,429.00	227,519.00
Activity Expenses	133,860.00	209,090.00
Smasse	-	-
Insurance Cost	-	-
Bank Charges	-	-
Infrastructure expenses	3,140,105.00	-
Total	15,040,301.00	5,885,296.00

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7 Boarding and School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	2,724,079.00	441,700.00
Fees on Boarding Equipment and Stores	34,587,837.00	11,704,460.00
Repairs And Maintenance & Improvements	4,218,350.00	2,200,315.00
Local Transport / Travelling	7,788,277.00	1,430,875.00
Electricity And Water	4,242,376.00	457,202.00
Medical Expenses	388,060.00	207,784.00
Administration Costs	6,303,609.00	946,607.00
Activity fees	16,850.00	200,000.00
Development fund	10,881,751.00	-
Expenses On uniform	2,412,560.00	13,600.00
KCSE Fee	54,300.00	-
Bus hire refund	-	10,000.00
Fees refund	-	247,298.00
Total	73,618,049.00	17,859,841.00

Notes To The Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	1108805248	89,802.00	214,169.00
Operations Account	1105240126	391,057.00	776,876.00
School Fund Account/Boarding	1105240622	(295,696.00)	(897,278.00)
Savings Account	1104700719	68,828.00	68,828.00
Parent Association saving Account ABSA	2029885799	-	-
CDF A/C NO.Equity bank	06702929215590	-	-
Infrastructural Account	1236669630	72,571.00	193,439.00
Total		326,562.00	356,034.00

9 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	515.00	883.00
School Fund account	38,107.00	23,015.00
Total	38,622.00	23,898.00

10 Short Term Investments

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

Notes To The Financial Statements (Continued)

11 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	15,361,036.00	16,292,132.00
Other Non-Fees Receivables		
Salary Advances	-	-
Imprest	-	-
Total	15,361,036.00	16,292,132.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	1,096,804.00	697,139.00
Fees Arrears For The Previous Year	-	15,594,993.00
Fees Arrears For Prior Periods (Over Two Years)	14,264,232.00	-
Total	15,361,036.00	16,292,132.00

12 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	12,184,066.00	16,937,261.00
Prepaid Fees	1,706,474.00	1,352,918.00
Pocket money	4,340.00	3000.00
Total	13,894,880.00	18,293,179.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	3,984,865.00	-
Trade Creditors for The Previous Year	-	16,937,261.00
Trade Creditors for Prior Periods (Over Two Years)	8,199,201.00	-
Total	12,184,066.00	16,937,261.00

Notes to The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	356,034.00	(1,781,518.00)
Cash Balances	23,898.00	15,644.00
Short Term Investments	-	-
Receivables	16,292,132.00	15,742,470.00
Payables	(18,293,179.00)	(24,904,275.00)
Total	(1,621,115.00)	(10,927,679.00)

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Total	-	-

15 Biological assets

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

16 Borrowings

Description	2021-2022	2020-2021
	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	-	-

Other important disclosure notes


17 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	1,349,000.00	1,205,000.00
Stock/ inventory purchased during the year	29,516,094.00	21,112,053.00
Stock/ inventory issued during the year	30,147,934.00	20,968,053.00
Balance at end of the year	717,160.00	1,349,000.00

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)



 Sign and Date
 Principal



Annex 1 - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	C	d=a-c		
	Kshs	Kshs	Kshs	
1.				
Sub-Total				
Supply Of Goods				
2. Mariddadi glass and hardware	5,065,805.00	6,851,137.00	8,681,035.00	Supply of construction materials
3. Kaiti pharmacy	-	13,650.00	13,650.00	Supply of human drugs
4. The copycat ltd	-	199,520.00	199,520.00	Supply of ink ,master roll and repair of duplicator
5. Johari investments	-	706,984.00	706,984.00	Supply of exercise books
6. Ndiu nzau general supplies	-	193,450.00	193,450.00	Supply of stationary
7. Wote water and sewerage company	-	46,800.00	46,800.00	Supply of water
8. Rein Enterprises	-	115,500.00	115,500.00	Supply of fire wood
9. Urbanos kyusya mutisya	-	8,000.00	8,000.00	Supply of disinfectant
10. Mutui museo investment	-	288,280.00	288,280.00	Supply of vegetables
11. Stesyl enterprises	-	281,350.00	281,350.00	Supply of meat
12. Benmug General Agencies	2,500,200.00	0	0	Supply of benches and seats
13. Destiny aspirations	192,100.00	0	0	Supply of sign posts
14. Hunches trade commission	320,000.00	0	0	
15. Blue Marble Suppliers	2,194,000.00	0	0	

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16. Can lop ltd	20,000.00	0	0	0	
17. Gawi agencies	94,600.00	0	0	0	
18. Horizon instants	63,000.00	0	0	0	
19. Vision avenue ltd	17,500.00	0	0	0	
20. Nuru ya Sanaa	43,800.00	0	0	0	
21. United investors	0	653,250.00	653,250.00	0	2017 supplies
22. Gestetech services	41,000.00	0	0	0	
23. Veronica Syombua	142,800.00	0	0	0	
24. Laudecea detergents and general	30,000.00	0	0	0	
25. Joekim trading agencies	146,480.00	0	0	0	
26. Peter musau kinote	59,310.00	0	0	0	
27. Neema detergent	82,500.00	0	0	0	
28. Rhoda makau general supplies	46,800.00	0	0	0	
29. Sanaa busmix	43,500.00	0	0	0	
30. Bloma enterprises	300,000.00	0	0	0	
31. Change ltd	-	370,400.00	370,400.00	0	2017 supplies
32. Pezi publishers ltd	-	56,720.00	56,720.00	0	2017 supplies
33. George kiteme peter	-	100,000.00	100,000.00	0	2017 supplies
34. Prime tech Investment	-	75,000.00	75,000.00	0	2017 supplies
35. Brilliant system company ltd	-	48,000.00	48,000.00	0	2017 supplies
36. Top grade promotions	-	135,000.00	135,000.00	0	2017 supplies
37. Trim tab enterprises	-	200,000.00	200,000.00	0	2017 supplies
38. Hunches trade commissions	96,000.00	0	0	0	

39. Muthembwa investments	20,000.00	0	0	
40. Arun datta	185,815.00	100,000.00	100,000.00	2017 supplies
41. Rhamkey chemicals ltd	-	59,900.00	59,900.00	2017 supplies
42. Manthi Artline	-	330,000.00	330,000.00	2017 supplies
43. New Kayana motor garage	77,860.00	200,690.00	200,690.00	2017 supplies
44. Justex enterprises	28,000.00	0	0	
Sub-Total	11,811,070.00	11,033,631.00	10,658,296.00	
Supply Of Services				
45. Bell energy	93,190.00	0	0	
46. Benson Musembi	405,000.00	0	0	
47. Bell energy	-	175,000.00	175,000.00	Repair of kitchen stoves
48. Lanes Enterprises	-	190,600.00	190,600.00	Repair of kitchen stoves
49. Eric Mutisya	-	11,000.00	11,000.00	Salary
50. Kenya power	-	179,275.00	179,275.00	Electricity bills
51. Sosian General Agencies	-	327,000.00	327,000.00	Repairs and casting
52. Phormax Enterprises	-	51,000.00	51,000.00	Maintenance of CCTV
53. Philip Mutisya Mutuku	-	216,560.00	216,560.00	Maintenance of vehicles
Sub-Total	498,190.00	1,150,435.00		
Grand Total	12,291,400.00	12,184,066.00	1,150,435.00	
Prepaid fees		1,706,474.00		
Pocket money		4,340.00		
Figure to statement of financial position		13,894,880.00		

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Reports and Financial Statements For the year ended 30th June 2022

Asset Class	Date purchased	Units	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	1969	Est.20acres	20,000,000.00			20,000,000.00
Land 2	2/2/1974	11.7ha	29,000,000.00			29,000,000.00
Land 3	1976	1 acre	1,000,000.00			1,000,000.00
Buildings And Structures	From 1969	245	142,944,620.00	2,307,380.00	0	145,252,000.00
Motor Vehicles	2009/2020	2	4,400,000.00	-	100,000.00	4,300,000.00
Office Equipment, Furniture And Fittings	From 1969	19,182	12,482,000.00	-	-	12,482,000.00
ICT Equipment, And Other ICT Assets	Continuous	161	3,430,000.00	-	-	3,430,000.00
Tools And Apparatus	Continuous	3,958	4,656,250.00	-	-	4,656,250.00
Textbooks	Continuous	22,531	9,012,400.00	-	-	9,012,400.00
Other Machinery And Equipment	Continuous	180	6,479,680.00	-	-	6,479,680.00
Heritage And Cultural Assets	continuous	0	-	-	-	-
Intangible Assets- Soft Ware	continuous	4	-	-	-	530,000.00
Total		46,263	233,404,950.00	2,307,380.00	100,000.00	236,142,330.00

MWAANI GIRL'S SEC SCHOOL
 Principal
 SEP 2022
