

REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

KANYUAMBORA BOYS HIGH SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2021

 THE NATIONAL ASSEMBLY PAPERS LAID EMBU COUNTY DATE: 28 JUL 2026		DAY. TUE
TABLED BY:	Hon. Owen Baya Deputy Majority Leader	
CLERK AT THE TABLE:	Mr. M. Z. M. M. M.	



Revised 30th June 2021.



KANYUAMBORA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2021

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

KANYUAMBORA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in July/1980 under registration number G/A/26/80 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 650 number of students as at 30th June 2021. It has 4 streams and 35 teachers of which 6 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref.	Name of Board Member	Designation	Date of appointment
1	Hon. Justus K. Mate	Chairman	16/5/2019
2	Morris M. Thigaa	Secretary - Principal	16/5/2019
3	Pius Nthiga	Member	16/5/2019
4	Lilian Muthoni	Member	16/5/2019
5	Michael N. Makunyi	Member	16/5/2019
6	Francis Mbaka	Member	16/5/2019
7	Daniel Mbogo	Member	16/5/2019
8	Pauline Ireri	Member – Rep CEB	16/5/2019
9	Peter Nderitu	Member Rep Teachers	16/5/2019
10	-Rev. Canon Pithon Njuki -Rev. Canon Kriamiti - Patrick Njeru	3 Members - Sponsor	16/5/2019
11	Chief Njeru Kithenge	Member - Community	16/5/2019
12	Victor Nyaga	Member Special Needs	16/5/2019
13	David Kariuki	Rep Students	16/5/2019

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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

Ref.	Name of Committee	Names of members	Designation	Number of meetings attended during the year
	Executive Committee	Hon. Justus K. Mate	Chairman	5
		Pius Nthiga	Vice Chair	5
		Morris Thigaa	Sec/Principal	5
		Lilian Muthoni	Member	5
		Canon Kennedy Kiriamiti	Sponsor	5
		Francis Mbaka	Member	5
2	Audit Committee	Hon. Justus K. Mate	Chairman	1
		Morris Thigaa	Sec/Principal	1
		Sheila Imelda Karimi	Member	1
		Lilian Muthoni	Member	1
3	Finance, procurement and general purposes Committee	Daniel Mbogo	Chairman	2
		Victor Nyaga	Member	2
		Nicasio N. Chege	Member	2
		David Mbogo	Member	2
4	Academic Committee	Pius Nthiga		3
		Francis Mbaka		3
		Marangu Gitonga		3
		Emilio Muriithi		3
5	Development Committee	Daniel Mbogo	Chairman	3
		Victor Nyaga	Member	3
		Nicasio N. Chege	Member	3
		David Mbogo	Member	3

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		David Mbogo	Chairman	3
		Pauline Ireri	Member	3
		Wilson Ngari Utuku	Member	3
		Patrick Njeru Ireri	Member	3
		Morris Thigaa	Member	3
		Mercy Karendi	Member	3
6	Discipline and welfare Committee			

(d) School operation Management

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	Morris Thigaa	324771
2	Deputy Principal	David Mbogo	421231
3	School Bursar	Ann Mungai	ID 25352522

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 38-60102
Telephone: 0722-374-752
E-mail: kanyuamborab@gmail.com

(f) School Bankers

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

1. Name of Bank: Cooperative Bank
Branch: Embu
Account Number: 01129051033600
2. Name of Bank: Cooperative Bank
Branch: Embu
Account Number: 01139051033601
3. Name of Bank: Cooperative Bank
Branch: Embu
Account Number: 01139051033600
4. Name of Bank: Cooperative Bank
Branch: Embu
Account Number: 01139051033604
5. MPESA Pay Bill No. 400222 attached to Cooperative bank **account no. 01129051033600**

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

(g) Independent Auditors

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

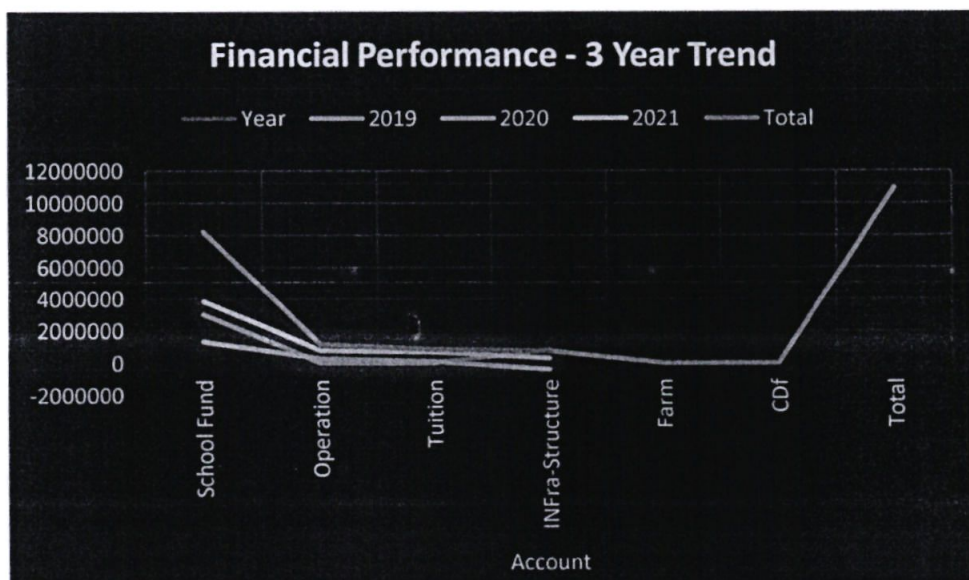
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II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance

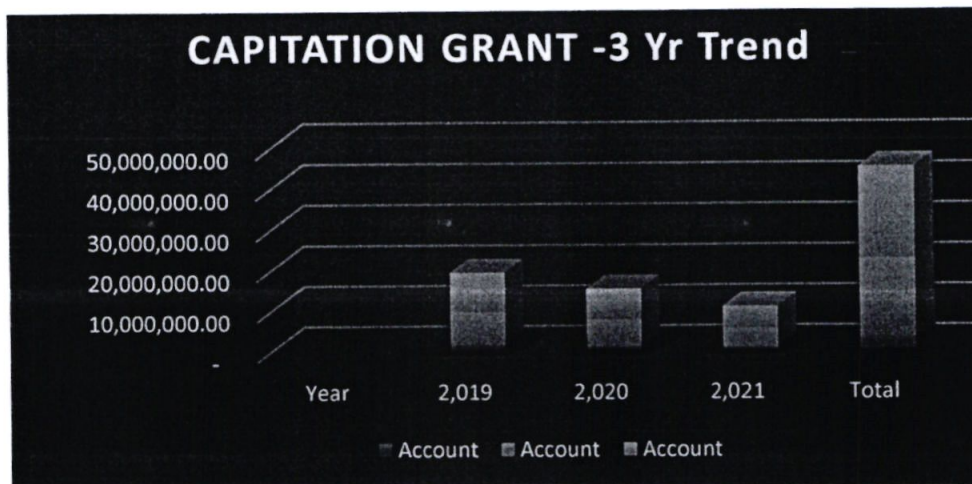
Financial Performance - 3 Year Trend							
	Account						
	School Fund	Operation	Tuition	Infra-Structure	Farm	CDf	Total
Year							
2019	3,027,888.00	54,732.00	35,044.00	813,859.00			3,931,523.00
2020	1,339,294.00	290,635.00	121,452.00	(384,512.00)			1,366,869.00
2021	3,844,332.00	799,674.00	689,111.00	315,745.00			5,648,862.00
Total	8,211,514.00	1,145,041.00	845,607.00	745,092.00	-	-	10,947,254.00



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

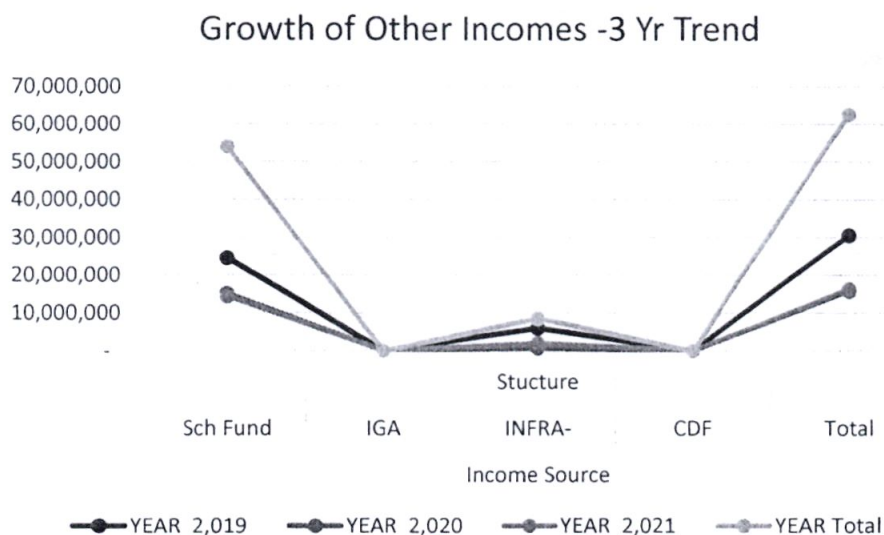
CAPITATION GRANT -3 Yr Trend				
		Account		
		TUITION	OPERATION	TOTAL
Year				
2,019		1,677,716.00	7,944,667.00	9,622,383.00
2,020		946,529.00	6,623,165.00	7,569,694.00
2,021		732,681.00	4,588,984.00	5,321,665.00
Total		3,356,926.00	19,156,816.00	22,513,742.00



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

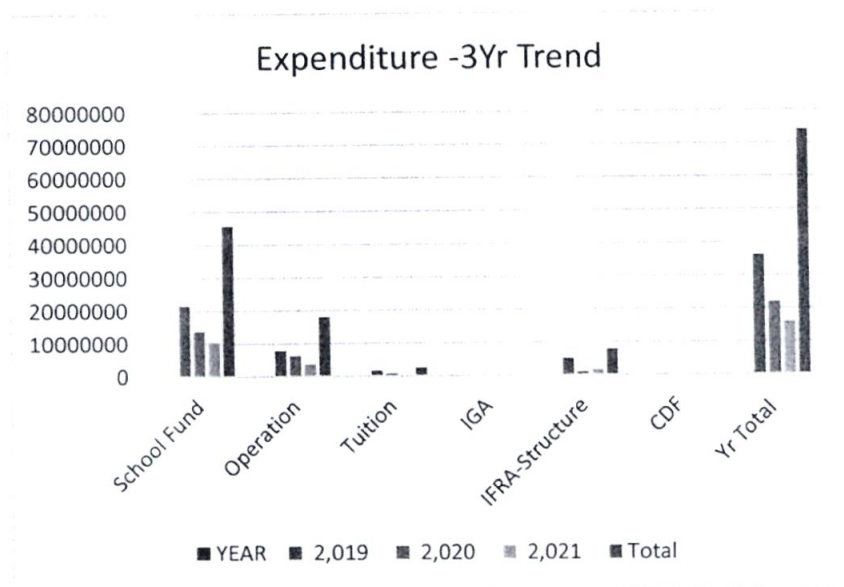
Growth of Other Incomes -3 Yr Trend						
		Income Source				
		Sch Fund	IGA	INFRA- Stucture	CDF	Total
YEAR						
	2,019	24,528,649	-	6,002,000	-	30,530,649
	2,020	15,083,128	-	664,500	-	15,747,628
	2,021	14,310,935	-	1,962,000	-	16,272,935
	Total	53,922,712	-	8,628,500	-	62,551,212



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

Expenditure -3Yr Trend							
	School Fund	Operation	Tuition	IGA	IFRA-Structure	CDF	Yr Total
YEAR							
2,019	21,500,761	7,889,935	1,642,672		5,188,141		36,221,509
2,020	13,743,834	6,332,530	825,077		1,049,012		21,950,453
2,021	10,466,603	3,789,310	43,570		1,646,255		15,945,738
Total	45,711,198	18,011,775	2,511,319	-	7,883,408		74,117,700

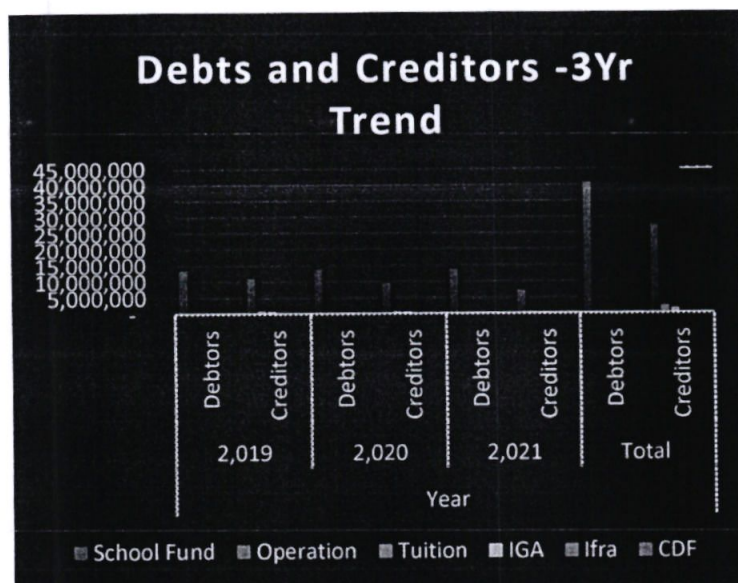


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- **Movement of debtors and creditors of the school over the last three years**

Debts and Creditors -3Yr Trend
Account

			School Fund	Operation	Tuition	IGA	Ifra	CDF	Yr Total
Year	2,019	Debtors	13,359,878	-	-	-	-	-	13,359,878
		Creditors	10,989,698	1,141,222	861,251	-	-	-	12,992,171
	2,020	Debtors	13,753,567	-	-	-	-	-	13,753,567
		Creditors	9,441,763	828,982	732,334	-	-	-	11,003,079
	2,021	Debtors	13,675,828	-	-	-	-	-	13,675,828
		Creditors	7,095,359	472,742	53,274	-	-	-	7,621,375
	Total	Debtors	40,789,273	-	-	-	-	-	40,789,273
		Creditors	27,526,820	2,442,946	1,646,859	-	-	-	31,616,625

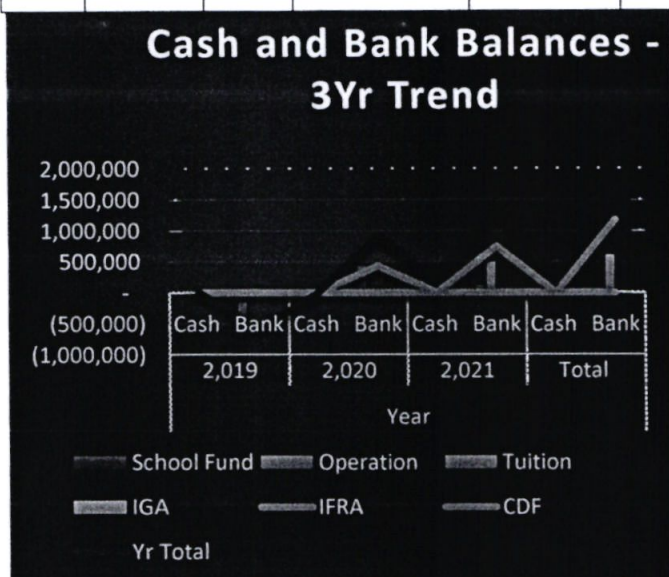


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- Movement of cash and bank balances over the last three years

Cash and Bank Balances -3Yr Trend

			Account						
			School Fund	Operation	Tuition	IGA	IFRA	CDF	Yr Total
Year	2,019	Cash	1,211	-	-	-	-	-	1,211
		Bank	(663,478)	67,678	11,296	-	-	-	(584,505)
	2,020	Cash	468	-	-	-	260	-	728
		Bank	429,087	47,896	3,831	-	429,087	-	909,901
	2,021	Cash	196,139	-	-	-	3,915	-	200,054
		Bank	114,931	489,507	13,882	-	741,177	-	1,359,497
	Total	Cash	197,818	-	-	-	4,175	-	201,993
		Bank	(119,460)	605,081	29,009	-	1,170,264	-	1,684,893



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b) Teacher Student ratio:

Ratio of students to Teachers	
Total enrolment	670
Total No of Teachers	27
Students : Teachers ratio	25:1

Teachers Turnover	
No of teachers recruited in the year	2
No of teachers transferred inwards in the year	2
No of teachers transferred outwards in the year	0
Net inflow of teachers	4

Teachers Employment	
No of teachers required by CBE	38
No of teachers employed by TSC	29
Shortage / Surplus No of teachers before BOM teachers	9
No of teachers employed by BOM	6
Net Shortage / Surplus No of teachers	3

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c) Mean score in the 2021 KCSE:

Mean Scores -3 Yr Trend

	Subjects												
	Math	Eng	Kisw	Bio	Chem	Phy	GEO	Hist	Agri	Comp	Bstud	Cre	Aggr
YEAR													
2,019	4	6	6	4	3	5	7	7	4	9	6	6	5.53
2,020	4	6	7	4	4	6	9	11	9	10	7	8	7.08
2,021	4	5	6	4	3	3	8	8	7	8	5	5	5.44
Average	4	6	6	4	3	5	8	8	7	9	5	5	5.88



d) Number of Candidates in the 2021 KCSE:

YEAR	No of Candidates	Comment
2018	157	
2019	143	
2020	116	

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e) Capacity of the school

Capacity Analysis

	Means of infrastructure measurement	Quantity of infrastructure required	Actual quantity of infrastructure available	Infrastructure gap
Classrooms	No	18	16	2
Laboratories	No	6	4	2
Toilet Doors	No	40	33	7
Offices	No	8	6	2
Dining Hall	Number of students well seated	750	250	500
Library	Number of students well seated	120	0	120
Hostels	Number of Decker Beds well-spaced	375	375	0
Staffroom	Number of teachers well seated	40	40	0
Boardroom	Number of BOM members well seated	20	20	0
Textbooks	Average Students-Course book ratio	1:01	1:01	0
Water	Adequacy	Adequate	Inadequate	Inadequate water supply
Electricity	Adequacy	Adequate	adequate	adequate electricity supply
Staff housing	No of staff properly housed	30	16	14

**KANYUAMBORA BOYS HIGH SCHOOL
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Annual Report and Financial Statements
For the year ended 30th June 2021**

f) 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

- *The school didn't have any major project.*
- *However, the RMI fund was used to improve the Students pit latrines, double decker beds making and repairing and repairs in the laboratory.*

Sign

School Principal



KANYUAMBORA BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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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.

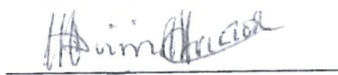
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of Kanyuambora Boys 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, 2021, and of the school's financial position as at that date.

Name: PIUS NTHIGA
Designation: Chairman, School Board of Management

Sign:

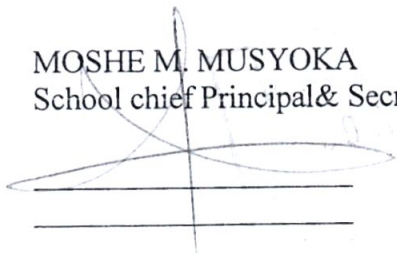


Date:

9/4/2026

Name: MOSHE M. MUSYOKA
Designation: School chief Principal & Secretary to Board of Management

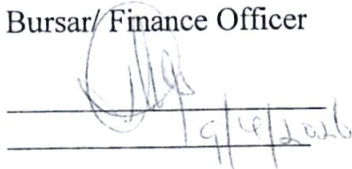
Sign:



Date:

Name: CPA JOSPHAT N. NJURANIO
Designation: Bursar/ Finance Officer

Sign:



Date:

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON KANYUAMBORA BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 – EMBU 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; and,
- 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.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Kanyuambora Boys High School set out on pages 18 to 25, which comprise of the statement of financial assets and

Report of the Auditor-General on Kanyuambora Boys High School for the year ended 30 June, 2021 – Embu County

financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kanyuambora Boys High School as at 30 June, 2021 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. Failure to Prepare Annual Report and Financial Statements for Eighteen (18) Months Period

The annual report and financial statements provided for audit were for a period of six (6) months, covering the period 01 January, 2021 to 30 June, 2021. This was contrary to Paragraph 5.3 of the Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Public Secondary Schools in Kenya issued by the Public Sector Accounting Standards Board (PSASB) on 20 August, 2021. The guidelines require schools to prepare financial statements including comparative information for an initial reporting period of eighteen (18) months from 1 January, 2020 up to 30 June, 2021. This was to facilitate the transition to the Government fiscal year.

The financial statements also omitted the mandatory disclosures explaining the reasons for the reporting period and the lack of comparability between the current and prior periods.

In the circumstances, this represents a departure from the prescribed financial reporting framework.

2. Unsupported Payments

The statement of receipts and payments reflects operations, boarding and school fund and infrastructure payments totalling Kshs.15,902,168 as disclosed in Notes 6, 7 and 7a to the financial statements. However, examination of payment vouchers amounting to Kshs.5,608,071 revealed that Management made payments without proper supporting documents such as requisitions, local purchase orders, inspection reports and progress reports, water and electricity bills, payroll records, bank transfer schedules and/or cheques counterfoils.

In the circumstances, the accuracy and completeness of payments for operations, boarding and school fund and infrastructure of Kshs.15,902,168 could not be confirmed.

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

Emphasis of Matter

Unrecoverable Long Outstanding Accounts Receivables

I draw attention to Note 11 to the financial statements regarding accounts receivables in respect of fees arrears amounting to Kshs.11,388,505 which have been outstanding for more than two (2) years. The amount includes Kshs.4,252,328 in respect to students who have since left the School after completion of their studies. This casts doubt on their full recoverability. Further, Management has not developed a policy on the impairment of long outstanding fees arrears. The continued existence of these receivables exposes the School to the risk of possible financial loss.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unaudited Comparative Information

I draw your attention to the fact that prior to the 2020/2021 financial year, public secondary schools were not preparing financial statements for audit. Consequently, the Public Sector Accounting Standards Board prescribed 30 June, 2021 as first-time adoption of the International Public Sector Accounting Standards Cash Basis of accounting by public secondary schools.

The financial statements for the period ended 30 June, 2021 include comparable information. However, the comparative figures were based on unaudited balances. My audit process was, therefore limited to the extent that that comparative information does not contain misstatements that materially affect the current periods financial statements. Accordingly, I do not express an opinion or any form of assurance on the comparative information.

My opinion on the current period financial statements is not modified in respect of this matter.

Other Information

The Management is responsible for the Other Information set out on page 2 to 16 which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

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 effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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 annual report and financial statements to the Auditor-General on 22 February, 2023 instead of 30 September, 2021, one year and five months after the statutory period. This was contrary to Section 68 (2) (k) and Section 81 (4) (a) of the Public Finance Management Act, 2012 which requires accounting officers of a National Government entities to prepare annual financial statements for each financial year within three months after the end of the financial year, and submit them to the Auditor-General for audit.

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

2. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.732,681 and Kshs.4,588,984, respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year, the School was underfunded by Kshs.113,166 as a result of variances in students enrolment records between the National Education Management and Information System (NEMIS) and enrolment records provided by the School as shown below;

Capitation Grants for Tuition				
Enrolment		Disbursement		
School	NEMIS	Expected (Kshs)	Actual (Kshs)	Underfunding (Kshs)
576	558	198,720	192,510	6,210
572	564	343,915	339,105	4,810
572	564	203,489	200,643	2,846
		746,124	732,258	13,866
Capitation Grants for Operations				
Enrolment		Disbursement		
School	NEMIS	Expected (Kshs)	Actual (Kshs)	Underfunding (Kshs)
576	558	1,956,988.80	1,895,833	61,156
572	564	1,927,640	1,900,680	26,960
572	564	799,656	788,472	11,184
		4,684,285	4,584,985	99,300

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

3. Lack of Approved Budget

The statement of budgeted versus actual amounts reflects final budget of Kshs.22,235,400. However, during the period under review, the School did not have an approved budget. This was contrary to Section 68(2)(h) of the Public Finance Management Act, 2012, and Paragraph 16(1) and (2) of the Fourth Schedule of the Basic Education Act, 2013 which require that the Accounting Officer and Board of Management of a basic education institution to prepare annual estimates of revenue and expenditure for the institution under their charge and ensure it is approved by the Cabinet Secretary responsible for matters relating to basic education and training.

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

4. Non-Compliance with the Law on Procurement

The School prepared a Procurement Plan during the year. However, the plan was not approved by the Board of Management. This was contrary to Section 45(3) and Section 53(2) of the Public Procurement and Asset Disposal Act, 2015 which requires that the accounting officer prepare an Annual Procurement Plan as part of the annual budget preparations process and Regulation 40 (4) of the Public Procurement and Asset Disposal Regulations, 2020 which requires that procuring entity shall not commence any procurement proceedings unless the procurement is included in the approved procurement plan.

Further, the School did not have an established procurement function managed by qualified procurement professional as required under Section 47(1) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. The School did not also seek to transfer the procurement function through other alternative procurement structures as guided by Sections 51 and 52 of the Public Procurement and Asset Disposal Act, 2015.

In addition, the Management did not appoint tender opening and evaluation committees for the procurements reviewed contrary to the provisions of Sections 46 (1) and 78 (1) of the Public Procurement and Asset Disposal Act, 2015. Further, there was no evidences of professional opinion and notification of award sent to successful and unsuccessful bidders.

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

5. Irregular Fee Increase

Examination of the School fee structure for the year 2020/2021 showed that a parent was required to pay an amount of Kshs.40,535 per year per student, instead of Kshs.35,000 approved by the Ministry of Education resulting to an over-charge of Kshs.5,535. However, there was no written authority issued by the Cabinet Secretary to alter the fee payable as required by Regulation 44 and 45 of the Basic Education Regulations, 2015.

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

6. 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.10,466,603 as disclosed in Note 7 to the financial statements. Included in the payments is an amount of Kshs.355,000 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draw their membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that they have implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, the legality and value for money for funds transferred to KESSHA amounting to Kshs.355,000 could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON 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 effect of 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. Lack of Strategic Plan

Review of the School operations revealed that the School did not have a Strategic Plan since 2018. The School lacks a tool that provides a clear strategic direction and efficiently allocate resources towards the achievement of certain goals in line with the vision and mission of the entity.

In the circumstances, the School may not effectively manage and align its activities with its long-term objectives.

2. Weaknesses in Board of Management

Review of the Board of Management (BoM) minutes dated 16 May, 2019 revealed that the School BoM for the period 2019 to 2022 was duly constituted. However, the appointment letters for each BoM Member were not provided for audit review. In addition, its Committees did not convene any meetings. The absence of Committee meetings may have limited the Board's ability to provide effective supervision, assess operational performance, and ensure accountability in decision-making processes.

In the circumstances, this may expose the entity to risks associated with weak internal controls, delayed decision-making, and inadequate oversight.

3. Lack of Agreements on Information Technology System

Audit review revealed that the School has an accounting system however, it has not established disaster recovery and Information Technology (IT) continuity plans, in case of a major disaster on its IT infrastructure. This poses a major risk on the School's business continuity. Further, the School lacks a Service Level Agreement (SLA) with the Vendor. In addition, User Acceptance Test agreement between the vendor and client were not provided for audit review, making it difficult to confirm that proper IT controls are in place and the system meets the business requirements of the School.

In the circumstances, the effectiveness of the IT System at the School could not be confirmed.

4. Lack of a Risk Management Policy

During the year under review, the School had not established a Risk Management Policy. Therefore, Management is not able to identify, assess, monitor and control risks that may

negatively affect the School's ability to reach the set objectives as required by Regulation 165 (1) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, Management may fail to identify potential risks and the corresponding mitigating measures to be taken during the unfortunate events.

5. Weakness in Management of Assets

Note 17 to the financial statement under other important disclosure notes reflects inventory balance amounting to Kshs.461,399. However, supporting schedules for the reported balance were not provided for audit review, raising concerns regarding the accuracy and completeness of the amount reported.

Further, the summary of fixed assets registers reflects total fixed assets of Kshs.187,780,618 as disclosed in annex 2 to the financial statement. Included is an amount of Kshs.33,600,000 in respect to land. However, the School lacks ownership documents for the land.

There were no effective measures in the management of assets at the School.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements comply with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 May, 2026

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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOUCHER HEAD		2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	732,681	946,529
Capitation grants for operations	2	4,588,984	6,623,165
School Fund Income- Parents' Contributions	3	-	-
School Fund Income- Other receipts	4	14,310,935	15,083,128
Infrastructure Income	4a	1,962,000	664,500
TOTAL RECEIPTS		21,594,600	23,317,322
PAYMENTS			
Payments for Tuition	5	43,570	825,077
Payments for operations	6	3,789,310	6,332,530
Boarding and school fund payments	7	10,466,603	13,743,834
Infrastructure Expenses	7a	1,646,255	1,049,012
TOTAL PAYMENTS		15,945,738	21,950,453
DEFICIT/SURPLUS		5,648,862	1,366,869

The school financial statements were approved on 9th April 2026 and signed by:

Sign: 

Name: Pius NTHELIA

Chair BOM

Date: 9/4/2026

Sign: 

Name: Musyoka M. Moshe

School Principal/
Secretary to BOM

Date: 9/4/2026

Sign: 

Name: Jwami Byaan

Bursar/
Finance Officer

Date: 9/4/2026

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

	Note	2020-2021 KShs	2019-2020 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	1,359,497	480,814
Cash Balances	9	200,054	728
Total Cash and cash equivalent		<u>1,559,551</u>	<u>481,542</u>
Account's receivables	11	13,675,828	13,753,567
TOTAL FINANCIAL ASSETS		15,235,379	14,235,109
FINANCIAL LIABILITIES			
Accounts Payables	12	7,621,375	12,269,966
NET FINANCIAL ASSETS		7,614,004	1,965,143
REPRESENTED BY			
Accumulated Fund b/fwd	13	1,965,142	598,273
Surplus/Deficit for the year		5,648,862	1,366,869
NET FINANCIAL POSITION		7,614,004	1,965,143

The School's financial statements were approved on 9/4/2026 and signed by:

Name: Pius NTAIGA
Chairman, BOM

Sign: [Signature]

Date: 9/4/2026

Name: [Signature]
School Principal/Secretary
to BOM
Date: 09 APR 2023
Kanyambora Sec. School
P.O. Box 39 - 10102 Ishiara

Name: [Signature] NTAIGA
Bursar/Finance

Sign: [Signature]

Date: 9/4/2026

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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
	Note	Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	732,681	946,529
Capitation grants for operations	2	4,588,984	6,623,165
School fund income- Parents contributions/ fees	3	13,800,063	14,689,440
Infrastructure Receipts	4	1,962,000	664,500
Total receipts		21,083,728	22,923,634
Payments			
Payments for Tuition	5	722,630	953,994
Payments for operations	6	4,147,373	6,644,770
Boarding and school fund payments	7	13,489,461	15,696,637
Infrastructure payments	7a	1,646,255	1,049,012
Total payments		20,005,719	23,295,401
Net cash flow from operating activities		1,078,009	(371,767)
CASHFLOW FROM BORROWING ACTIVITIES			
Overdraft		-	1,008,277
Net cash flow from financing activities		-	1,008,277
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,078,009	(412,502)
Cash and cash equivalents at BEGINNING of the year		481,542	894,044
Cash and cash equivalent at END of the year		1,559,551	481,542
Cash and cash equivalents as per FA&FL		1,559,551	481,542

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

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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR
ENDED 30TH JUNE 2021

				Actual on Comparabl e Basis		
			Final		Budget Utilization	
Receipt/expenses Item	Original Budget	Adjustments	Budget		Difference	% of Utiliz ation
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION INCOME</i>						
Teaching and learning materials	1,165,400	-	1,165,400	732,681	432,719	63
	1,165,400	-	1,165,400	732,681	432,719	63
<i>(2) CAPITATION GRANT ON OPERATIONS INCOME</i>						
OTHER VOTEHEADS	2,520,000	-	2,520,000	2,485,984	34,016	99
RMI	2,200,000	-	2,200,000	2,103,000	97,000	96
	4,720,000	-	4,720,000	4,588,984	131,016	
<i>(3) FEES CHARGED ON PARENTS INCOME</i>						
BES	7,950,000	-	7,950,000	7,831,073	118,927	99
EWC	1,160,000	-	1,160,000	1,159,850	150	100
ACTIVITY	87,500	-	87,500	34,740	52,760	40
ADMINISTRATION	1,365,000	-	1,365,000	953,606	411,394	70
LT&T	717,500	-	717,500	155,095	562,405	22
PERSONAL EMOLUMENT	2,170,000	-	2,170,000	2,131,740	38,260	98
RMI	700,000	-	700,000	550,716	149,284	79
	14,150,000	-	14,150,000	12,816,820	1,333,180	91
School Fund -OTHER INCOME						

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INFRASTRUCTURE INCOME						
RMI	2,200,000	-	2,200,000	1,962,000	238,000	89
Total Infrastructure income	2,200,000	-	2,200,000	1,962,000	238,000	89
TOTAL INCOME	-	-	-	-	-	
(1) EXPENDITURE FOR TUITION						
Teaching and learning materials	1,165,400	-	1,165,400	43,210	1,122,190	4
	1,165,400	-	1,165,400	43,210	1,122,190	4
(2) EXPENDITURE FOR OPERATIONS						
OTHER VOTEHEADS	2,520,000	-	2,520,000	1,822,030	697,970	72
RMI	2,200,000	-	2,200,000	1,962,000	238,000	89
	4,720,000	-	4,720,000	3,789,310	930,690	80
(3) EXPENDITURE FOR SCHOOL FUND						
BES	7,950,000	-	7,950,000	7,928,253	21,747	100
EWC	1,160,000	-	1,160,000	281,790	878,210	24
ACTIVITY	87,500	-	87,500	11,000	76,500	13
ADMINISTRATION	1,365,000	-	1,365,000	879,370	485,630	64
LT&T	717,500	-	717,500	126,700	590,800	18
PERSONAL EMOLUMENT	2,170,000	-	2,170,000	637,960	1,532,040	29
RMI	700,000	-	700,000	226,287	473,713	32
TOTAL School fund Payments	14,150,000	-	14,150,000	10,091,360	4,058,640	71
INFRASTRUCTURE PAYMENTS						
RMI	2,200,000	-	2,200,000	1,646,255	553,745	75
TOTAL INFRASTRUCTURE PAYMENTS	2,200,000	-	2,200,000	1,646,255	553,745	75

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

- i. T/L 96% The underutilization of the funds is caused by some of the funds used in paying the creditors during the year.

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ii. *Other vote heads 28%*

iii. *Ewc 76% funds used to pay creditors*

IV Activity 87% funds used to pay creditors

V Adm 36% funds used to pay creditors

Vi ltt 82% utilization was guided by available funds

vii.p/e 71% funds used to pay creditors

viii.Rmi 68% funds used to pay creditors

ix.infrastructure fund 25%funds used as per need basis.

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

Note 1 CAPITATION GRANT FOR TUITION		
	2,021	2,020
	Kshs	Kshs
Teaching and learning materials	732,681	946,529
	732,681	946,529

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
OTHER VOTEHEADS	2,485,984	3,398,025
RMI	2,103,000	2,320,500
ACTIVITY	-	205,600
MED&INSURANCE	-	102,800
SERVICE GRATUITY	-	356,240
BOM TEACHER	-	240,000
Total	4,588,984	6,623,165

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3 PARENTS CONTRIBUTION/FEEs - SCHOOL FUND ACCOUNT

	2020	2019-2020
	KSh.	KSh.
BES	8,379,390	8,357,696
EWC	1,188,586	1,525,907
ACTIVITY	37,145	48,435
ADMINISTRATION	992,123	1,003,017
LT&T	172,090	213,910
PERSONAL EMOLUMENT	2,314,114	1,060,772
RMI	630,747	743,461
UNIFORM	476,940	1,910,930
BUSHIRE	119,800	119,000
OPERATIONS ACCOUNT	-	100,000
Sub-Total	14,310,935	15,083,128

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020	2019
	KSh.	KSh.
RMI	1,962,000	664,500
Sub-Total	1,962,000	664,500

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

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5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	KSh	KSh
Teaching and learning materials	43,210	824,837
Bank charges	360	240
Total	43,570	825,077

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	KSh	KSh
OTHER VOTEHEADS	1,822,030	3,019,230
RMI	1,962,000	2,320,500
ACTIVITY	-	200,000
MED&INSURANCE	-	95,000
BANK CHARGES	5,280	1,560
SERVICE GRATUITY	-	356,240
BOM TEACHER	-	240,000
SCHOOL ACCOUNT	-	100,000
TOTAL	3,789,310	6,332,530

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7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
BES	7,928,253	7,831,904
EWC	281,790	1,100,984
ACTIVITY	11,000	98,215
ADMINISTRATION	879,370	1,040,178
LT&T	126,700	189,655
PERSONAL EMOLUMENT	637,960	823,404
RMI	226,287	591,060
UNIFORM	192,951	1,910,930
BUSHIRE	94,280	99,000
BANK CHARGES	88,012	58,504
TOTAL	10,466,603	13,743,834

Note 7 a -Payments – INFRASTRUCTURE ACCOUNT

RMI	1,646,255	1,049,012
Sub-Total	1,646,255	1,049,012

*Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021 Kshs	2019-2020 Kshs
Coop Bank Embu Branch(Tuition) c/f	01139051033600	13,882	3,831
Coop Bank Embu (Operation) c/f	01139051033601	489,507	47,896
Coop Bank Embu Branch (SF) c/f	01129051033600	114,931	-
Coop Bank(Infra-Str) c/fwd	01139051033604	741,177	429,087
Total Bank Balances		1,359,497	480,814

9 CASH IN HAND

Description	2020-2021 Kshs	2019-2020 Kshs
School Fund	196,139	468
Infrastructure	3,915	260
Total Cash Balances	200,054	728

10 SHORT TERM INVESTMENTS

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
School Fund -Fees Debtors	13,675,828	13,753,567
Total ACCOUNTS RECEIVABLE	13,675,828	13,753,567

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year (Listed)	1,416,558	870,765
Fees arrears for the previous year	870,765	1,889,512
Fees arrears for prior periods (over two years)	11,388,505	10,993,290
Total	13,675,828	13,753,567

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12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
School Fund -Prepaid Fees	-	258,610.00
Trade Creditors -School Fund	7,095,358.76	9,441,762.76
Trade Creditors - Operation	472,742.00	828,982.00
Trade Creditors - Tuition	53,274.00	732,334.00
Bank OverDrawings	-	1,006,454.01
Cash Overdrawings:	-	1,823.00
Total Payables	7,621,374.76	12,269,965.77

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	3,017,079.00	6,852,084.00
Trade creditors for the previous year	1,088,018.00	1,975,489.00
Trade creditors for prior periods (over two years)	3,516,277.76	2,175,505.76
Total	7,621,374.76	11,003,078.76

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2020/2021	2019/2020
	KShs	KShs
Bank balances	480,814	892,833
Cash balances	728	1,211
Receivables	13,164,956	13,359,879
Payables	(11,681,356)	(13,655,649)
Total	1,965,142	598,273

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

15 Biological assets

Biological assets

Description	Number	2020/2021	2019/2020
		KShs	KShs
Trees	90	450,000.00	510,000.00
Total		450,000.00	510,000.00

16 Borrowings

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Other important disclosure notes

17 Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs
Stock/ inventory at beginning of the year	160,605.00	461,912.00
Stock/ inventory purchased during the year	6,942,347.00	9,631,312.00
Stock/ inventory issued during the year	6,641,553.00	8,313,175.00
Balance at end of the year	461,399.00	1,780,049.00

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18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Ref. No	Issue / Observations from Auditor	Management Comments	Status (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Sundry creditors of Kshs.7,621,374	Not yet discussed by BOM	Unresolved	16th June 2022
2	Sundry debtors of Kshs.13,675,828	Not yet discussed by BOM	Unresolved	16th June 2022

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of goods or services	Original Amount	Date of invoice	Amount paid To Date	Outstanding Balance 2021	Outstanding Balance 2022	Balance
	KShs	KShs	KShs	KShs	KShs	KShs
Construction of buildings						
1						
2						
3						
Sub-Total						
Supply of goods						
4. CRUCIAL NECESSITIES	503,047.00	1ST JAN 2020	-	503,047.00	503,047.00	
5. EWASCO	1,637,361.76	1ST JAN 2018	-	1,637,361.76	1,637,361.76	
6. JOSMAN ENTERPRISES	299,058.00	1ST JAN 2018	-	299,058.00	299,058.00	
7. EASTLAB SUPPLIES	50,100.00	1ST JAN 2018	-	50,100.00	50,100.00	
8. NANCY IGOKI	35,000.00	1ST JAN 2018	-	35,000.00	35,000.00	
9. KAREY STARIGHT	32,800.00	1ST JAN 2018	-	32,800.00	32,800.00	
10. HIGHMARK SERVICES	49,000.00	1ST JAN 2018	-	49,000.00	49,000.00	

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11. GOOD SHEPHERD	50,000.00	1ST JAN 2018	-	50,000.00	50,000.00	
12. BOOKFLYER	185,000.00	1ST JAN 2019	-	185,000.00	185,000.00	
13. KELLEN MARETE	183,222.00	1ST JAN 2018	-	183,222.00	183,222.00	
14. TRIMTAB ENTERPRISES	20,000.00	1ST JAN 2018	-	20,000.00	20,000.00	
15. JULIUS MURITHI	1,084,900.00	1ST JAN 2021	-	1,084,900.00	1,084,900.00	
16. CRITICOS NYAGA	194,880.00	1ST JAN 2021	-	194,880.00	194,880.00	
17. BERNARD NJAGI	1,244,433.00	1ST JAN 2020	-	1,244,433.00	1,244,433.00	
18. PETER MUINGAI N	52,800.00	1ST JAN 2021	-	52,800.00	52,800.00	
19. GEOFFREY KINOTI	119,500.00	1ST JAN 2021	-	119,500.00	119,500.00	
20. SECUNDA NDUKU	38,070.00	1ST JAN 2021	-	38,070.00	38,070.00	
21. LYDIAH KARUGA	209,562.00	1ST JAN 2019	-	209,562.00	209,562.00	
22. MICHAEL NJIRU	93,360.00	1ST JAN 2021	-	93,360.00	93,360.00	
23. FESTUS NJAGI	150,000.00	1ST JAN 2021	-	150,000.00	150,000.00	
24. VICOM UNIFORMS	1,006,111.00	1ST JAN 2020	-	1,006,111.00	1,006,111.00	
25. PYRAMID ENTERPRISES	60,000.00	1ST JAN 2018	-	60,000.00	60,000.00	

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26. TUMANNOR BUSINESSES	67,000.00	1ST JAN 2021	-	67,000.00	67,000.00	
27. JOSEPH NYAGA	213,170.00	1ST JAN 2021	-	213,170.00	213,170.00	
28. STEMUR AGENCIES	43,000.00	1ST JAN 2021		43,000.00	43,000.00	
Sub-Total	7,621,374.76		-	7,621,374.76	7,621,374.76	
Supply of services						
28						
29						
30						
Sub-Total						
Grand Total						

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f	Additions during the year to June 2021	Disposals during the year to June 2021	Historical Cost c/f
	(Kshs)	(Kshs)	(Kshs)	(Kshs)
	1st Jan 2021			30th June 2021
Land 1	33,600,000.00	-	-	33,600,000.00
Buildings and structures	140,050,000.00	-	-	140,050,000.00
Motor vehicles	2,000,000.00	-	-	2,000,000.00
Office equipment, furniture and fittings	5,417,500.00	-	-	5,417,500.00
ICT Equipment, and Other ICT Assets	5,383,500.00	-	-	5,383,500.00
Tools and apparatus	1,098,300.00	-	115,102.00	983,198.00
Textbooks	22,220.00	4,200.00	-	26,420.00
Other Machinery and Equipment	320,000.00	-	-	320,000.00
Heritage and cultural assets	-	-	-	-
Intangible assets- soft ware	-	-	-	-
Total	187,891,520.00	4,200.00	115,102.00	187,780,618.00

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

