

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 03 DEC 2024

DAY.

Tuesday

TABLED
BY:

Hon. Kimani Ichung'wa
(Leader of the Majority Party)

OF

CLERK-AT
THE TABLE:

Anastacia

PARLIAMENT
OF KENYA
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THE AUDITOR-GENERAL

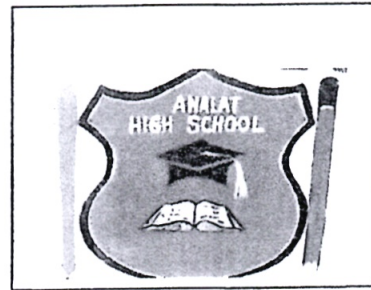
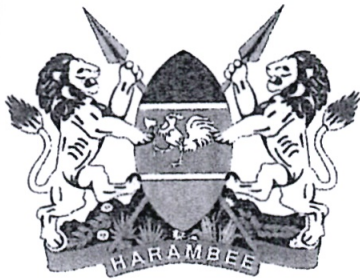
ON

ANALAT SECONDARY SCHOOL

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

NAKURU COUNTY

B-4



ANALAT SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022**

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

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1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education

2.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 Nakuru County, Njoro Sub-County

The school was registered in 12/10/2009 under registration number GP/A/7497/09 and is currently categorized as a *Sub County* public school established, owned or operated by the Government.

The school is a day school and had 291 students as at 30th June 2022. It has 2 streams and 13 teachers of which 5 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	BETH MUTHONI KARIUKI	Chairman	01/07/2022
2	RICHARD B. GITHAIGA	Secretary-principal	01/07/2022
3	MR. DAVID MURITU	Special interest group	01/07/2022
4	MS. SUSAN NJOKI	Member – Rep CEB	01/07/2022
5	MR. JOHN MBUGUA	Member -Rep Teachers	01/07/2022
6	MR. JOSPHAT MAINA	Member - Sponsor	01/07/2022
7	MS.HELLEN THUMBI	Member - Sponsor	01/07/2022
8	REV SAMUEL CHIRCHIR	Member - Community	01/07/2022
9	MS. ROSEMARY NDERITU	Member - Community	01/07/2022
10	REV FR JAMES MUKUHA	Member - Community	01/07/2022
11	MS. LUCY NDUNGU	Member - Community	01/07/2022
12	MS.MICHU PHYLIS	Member - Community	01/07/2022
13	MR. GEORGE KUNGU	Member - Community	01/07/2022
14	MR. SOLOMON KIBAKI	Member-Special Needs	01/07/2022
15	STUDENT PRESIDENT(mirriam)	Rep Students	01/07/2022

The functions of the School Board of Management are to:

- 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.

(a) Committees of the Board

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Beth muthoni kariuki Richard Burei Githaiga Rosemary nderitu David Muritu Josphat mwangi	Bom chair Bom secretary Bom member Bom vice chair PA chair	3/3
2	Audit Committee	Beth muthoni kariuki Mr david muritu Kirui Samuel Kipkorir	Chair person Member Secretary	
3	Finance, procurement and general purposes Committee	George Kungu Phillis michu Rosemary Nderitu	Member Member Member	2/3
4	Academic Committee	John Mbugua Hellen Thumbi	Member Member	3/3
5	Development Committee	Rev James Mukuha Susan Njoki Richard Githaiga George Karangu Josphat Maina Elizabeth Kitavi Beth muthoni	Member Member Bom Secretary SCDE Member DP/Secretary Bom chair person	3/3
6	Discipline and welfare Committee	Solomon Kibaki Phillis michu Rosemary Nderitu	Member Member Member	3/3
7	Adhoc Committee (if any during the year)	Nil		

(c) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	MR.RICHARD .B. GITHAIGA	364147
2	Deputy Principal	MS. ELIZABETH NTHEYA KITAVI	394271
3	School Bursar	MS. CAROLINE CHERONO	N/A

(d) Schools contacts

Post Office Box: 172-20115 Egerton
 Telephone: +254 721422941
 E-mail: secschoolanalat@gmail.com
 Website: N/A
 Face book: analat secondary school
 Twitter: N/A

(e) School Bankers

The school operated 4 bank accounts in the following banks:

1. Name of Bank: K.C.B BANK (Lunch programme)
 Branch: NJORO
 Account Number: 1131708393
2. Name of Bank: FAMILY BANK (Operation)
 Branch: NAKURU
 Account Number: 018000010974
3. Name of Bank: EQUITY BANK (Tuition)
 Branch: NAKURU
 Account Number: 0310291779433
4. Name of Bank: K.C.B. BANK (Infrastructure)
 Branch: NJORO
 Account Number: 1266933395
5. MPESA Pay Bill No. 522123 attached to K.C.B bank account

(f) Independent Auditors Office of the Auditor General

Anniversary Towers, University Way
 P.O. Box 30084
 GPO 00100
 Nairobi, Kenya

2. 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:

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

No	ACCOUNTS	2022	2021	2020	2019
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	525,723.00	720,110.00	25,403.00	279,338.00
2	Operation Account	(406,595)	370,168.05	(2,145.00)	35,135.85
3	Tuition Account	3,812.50	(99,272.50)	30,231.00	(80,726.65)
4	Infrastructure account	(664,164.00)	903,452.00	(6,787.00)	172,890.00
	Total	(541,223.50)	1,894,457.55	46,702.00	406,637.20
	Increase/Decrease	(1,353,234.55)	1,847,755.55	(359,935.20)	

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

N o	Account	2022 (Kshs)	2021(Kshs)	2020(Kshs)	2019(Kshs)
1	Operation account	4,381,255.00	2,534,718.05	3,466,150.00	4,121,185.05
2.	Tuition account	993,829.50	404,197.50	500,511.00	871,498.68
	Total	5,375,084.5	2,938,915.55	3,966,661.00	4,992,683.73
	Increase/Decrease	2,436,168.95	(1,027,745.45)	(1,026,022.73)	2,573,705.36
	No of students	291	311	311	267

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

Account	2022	2021	2020	2019
	Kshs	Kshs	Kshs	Kshs
Other income (Net)	3,724,900.00	1,737,802.00	1,312,500.00	2,045,516.00
Total	3,724,900.00	1,737,802.00	1,312,500.00	2,045,516.00
Increase/Decrease	1,987,098.00	425,302.00	733,016	

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

No	Account	2022	2021	2020	2019
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	3,199,177.00	1,017,692.00	1,337,903.00	1,766,178
2	Operation Account	3,303,850.00	1,159,550	2,260,795.00	4,086,049.15
3	Tuition Account	990,017.00	503,470.00	470,280.00	952,225.33
4	Infrastructure	2,148,164.00	101,548.00	0.00	0.00
	Total	9,641,208.00	2,782,260.00	4,068,978.00	6,804,452.48

Annual Report and Financial Statements For the year ended 30th June 2022

	Increase/ Decrease	6,858,948.00	(1,286,718.00)	(2,735,474.48)
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- Movement of debtors and creditors of the school over the last three years

a) movement of debtors

s/no	ACCOUNTS	2022	2021	2020	2019
1	School fund a/c	Kshs	Ksh	Ksh	Ksh
2	Debtors	2,702,109.00	2,090,364.00	1,706,339.00	3,783,871.00
	TOTAL	2,702,109.00	2,090,364.00	1,706,339.00	3,783,871.00
	Increase/decrease	611,745.00	384,025.00	(2,077,532.00)	

b) Movement of creditors

s/no	ACCOUNTS	2022	2021	2020	2019
3	Creditors	824,640.00	169,600.00	417,770.00	360,870.00
	Total	824,640.00	169,600.00	417,770.00	360,870.00
	Increase/Decrease	655,040.00	(248,170.00)	56,900.00	(20,610.00)

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

s/n	Accounts	2022	2021	2020	2019
		Kshs	Ksh	ksh	Ksh
1	School Fund a/c	48,704.30	368,595.40	16,241.00	50,408.00
2	Operation a/c	65,678.90	237,273.90	29,605.85	38,775.85
3	Tuition a/c	5,619.45	1,807.85	1,080.35	1,029.35
4	Infrastructure a/c	286,896.00	952,190.00	2,608.00	9,395.00
5	Equity bank	570.00	570.00	570.00	570.00
	Total	407,468.65	1,560,437.15	49,535.20	99,608.20
	Increase/Decrease	(1,152,968.50)	1,510,901.95	(50,073.00)	(8,390.80)

b) Teacher Student ratio:

1.	Teacher to student ratio 291/14	1:21
2.	Teachers recruited and posted to the school within the year	1
3.	Teachers that were transferred	Nil
4.	Number of teachers retired	Nil
5.	Teachers employed by TSC	9
6.	Teachers employed by Bom	5

No	Subject	No of teachers	Shortage
1.	English	2	1
2.	Kiswahili	1	1
3.	Mathematics	2	0

4.	Biology	2	1
5.	Physics	2	0
6.	Chemistry	3	0
7.	History	1	0
8.	Geography	1	0
9.	CRE	1	0
10.	Agriculture	1	0
11.	B/studies	0	1

ANALAT SECONDARY SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2022

Mean score in the 2019-2021 KCSE:

Year	Meanscore	No of student joined institution for Higher learning
2021	2.38	3 diploma, 6 Certificate
2020	2.56	3 diploma, 5 Certificate
2019	2.63	4 diploma, 6 certificate

d) Number of Candidates in the 2019- 2021 KCSE:

Year	No of candidates
2021	46
2020	38
2019	43

e. Capacity of the school:

Numbers of students as at 31/06/2022 were

Boys	Girls	Total
155	136	291

Facilities

Facility	Number available	Shortage
Classrooms	8	0
Lab	0	2
Toilets-boys	3	3
Girls	6	0
Kitchen	1	0
Dining hall	0	1

Toilets =Boys 1:30
Girls 1:25

f) Development projects carried out by the school:

Project	Year	Source of funds	Remarks
Constructed one classroom	2021	FDSE/MOE	Completed

School Principal

KIRUI SAMUEL K.

SECRETARY
BOARD OF MANAGEMENT
ANALAT SECONDARY SCHOOL
P. O. Box 172 EBERTON

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

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

BETH-M. KARIUKI

Name: 

Designation: Chairman, School Board of Management

Date: 24/08/2024

KIRUI SAMUEL K.

Name: 

Designation: School Principal & Secretary to Board of Management

Date: 23/08/2024

CAROLINE CHERONO

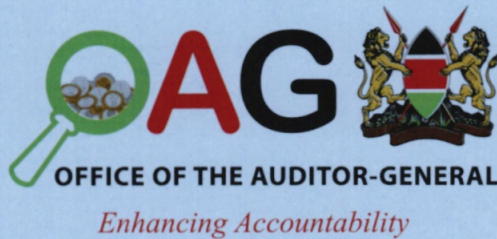
Name: 

Designation: Bursar/ Finance Officer

Date: 23/08/2024

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REPUBLIC OF KENYA



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

REPORT OF THE AUDITOR-GENERAL ON ANALAT SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Analat Secondary School - Nakuru County set out on pages 1 to 21, which comprise of the statement of receipts and payments, statement of assets and liabilities as at 30 June, 2022, statement of cash

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

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

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects a balance of Kshs.407,468 in respect of cash and cash equivalents as disclosed in Note 10 and Note 11 to the financial statements. Included in this balance are bank and cash in hand balances of Kshs.377,096 and Kshs.30,372 respectively. However, the bank and cash in hand balances were not supported by bank reconciliation statements and board of survey report.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.407,468 could not be confirmed.

2. Unsupported School Fund Income

The statement of receipts and payments reflects an amount of Kshs.3,724,900 in respect of school fund income as disclosed in Note 4 to the financial statement. However, the supporting ledger and fee collection reports were not availed for verification. Further, the School did not have fees collection system that could generate reports such as invoice per student, fees paid and outstanding balances.

In the circumstances, the accuracy and completeness of school fund income amount of Kshs.3,724,900 could not be confirmed.

3. Unsupported Payments

The statement of receipts and payments reflects an amount of Kshs.9,641,208 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements includes payments for tuition, payments for operations, payments for infrastructure and school fund payments. However, examination of payment vouchers revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the regularity, accuracy and completeness of payments amount of Kshs.9,641,208 could not be confirmed.

4. Unsupported Accounts Receivables Balance

The statement of assets and liabilities reflects a balance of Kshs.2,702,109 in respect of accounts receivables as disclosed in Note 13 to the financial statements. The supporting schedules, detailed aging analysis and issued invoices were not provided for audit. Included in the balance are receivables amounting to Kshs. 1,503,294 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, completeness and recoverability of the accounts receivables balance of Kshs.2,702,109 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Analat Secondary School Management in accordance with ISSAI 130 on 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, based on the 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 17 February, 2023 instead of the statutory deadline of 30 September, 2021/2022/2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2022 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Non-Compliance with Procurement Laws

The statement of receipts and payments reflects an amount of Kshs.9,641,208 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements, include payments for tuition, payments for operations, payments for infrastructure and school fund payments. However, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Section 53(2) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to prepare an annual procurement plan which is realistic in a format set out in the Regulations as part of the annual budget preparation process. Further, Management did not prequalify any suppliers during the year. Thus, the audit could not establish the criteria used in issuing requests for quotation and awards. In addition, Management neither issued letters of award nor appointed ad hoc tender opening and tender evaluation committees. This was contrary to Section 46(1) and Section 78(1) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to ensure that an ad hoc tender opening and tender evaluation committees are established.

In the circumstance, Management is in breach of the law.

3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects an amount of Kshs.3,303,850 in respect of payments for operations as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.192,900 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 system to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.192,900 could not be confirmed.

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects an amount of Kshs.2,897,255 in respect of operations grants as disclosed in Note 2 to the financial statements. Included in the

amount is Kshs.1,519,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.1,144,000 was transferred to infrastructure account, leaving a balance of Kshs.375,000 as at 30 June, 2022. This was contrary to the Ministry of Education Circular Ref: MOE.HQS/3/13/3 of 8 January, 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.

5. Over Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.993,829 and Kshs.2,897,255 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of three hundred and three (303) students while the enrolment records provided by the School indicated a total number of two hundred and thirty seven (237) students, resulting in an unexplained variance of sixty six (66) students. As a result of the variances, the School was over funded by an amount of Kshs.1,201,970.

In the circumstances, the over-funding of the School may have affected service delivery to the other schools which did not receive capitation for students and value for money could not be confirmed.

6. Non-Compliance with Laws on Management of Imprest Transactions

The statement of receipts and payments reflects an amount of Kshs.3,303,850 in respect of payments for operations which, as disclosed in Notes 7 to the financial statements includes expenditure of Kshs.494,750 in respect of local travel/transport. However, Management did not issue imprest warrants while advancing cash to its staff for operating expenses such as transport and subsistence allowance. This was contrary to Regulation 91(1) of the Public Finance Management (National Government) Regulations, 2015 which requires an officer authorized to hold and operate imprest to make formal application for the imprest through an imprest warrant. In addition, Management did not maintain an imprest register and had no imprest management system in place.

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

7. Non-Compliance with Laws on Basic Education

Review of the certificate of registration for the School revealed that its registration validity period had lapsed and had not been renewed. This was contrary to Section 76(1) of the Basic Education Act, 2013 which requires that a person shall not offer basic education in Kenya unless the person is accredited and registered. Further, physical verification of the condition of learning facilities in the School conducted in May, 2024 revealed that the classrooms were dilapidated with broken window panes, cracked floors and poor painting, the landscaping within the School compound was poorly maintained and the School lacked a dining hall, laboratory and a library. This was contrary to Section 82(2)(b) of the Basic Education Act, 2013 which requires the County Education Board to license and

register a basic education and training institution only if the institution has appropriate teaching and learning facilities.

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

8. Excess Supply of Books

During the period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed three hundred and twenty-eight (328) books to the School while only one hundred and ninety two (192) books were issued to the students, resulting in an unexplained excess text books of one hundred and thirty six (136) books in the School store as indicated below;

Text Book Title (Form 3)	Number of Text Books Received	Date Received	Population of Form 3 Students	Excess Textbooks
Mapambazuko ya Machweo na Hadithi Nyingine (Hadithi Fupi)	82	24 March, 2022	48	34
A Silent Song and Other Stories (Anthology of Short Stories)	82	24 March, 2022	48	34
An Artist of the Floating World (Optional Novel)	82	24 March, 2022	48	34
Bembea ya Maisha (Tamthilia)	82	18 July, 2022	48	34
Total	328		192	136

In the circumstances, value for money on the excess one hundred and thirty-six (136) text books could not be confirmed.

9. Failure to Prepare School Improvement Plan

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

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

10. Non-Compliance with Budget Execution Guidelines

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.10,605,060 and Kshs.9,099,984 respectively resulting in under-funding of Kshs.1,505,075 or 14% of the budget. However, the School

spent an amount of Kshs.9,641,208 against actual receipts of Kshs.9,099,984 resulting in an over-utilization of Kshs.541,223 or 6% of actual receipts. This was contrary to Regulation 44(2) of the Public Finance Management Regulations, 2015 which requires government entities to execute their approved budgets based on the annual appropriation legislation, and the approved annual cash flow plan with the exception of unforeseen and unavoidable spending dealt with through the contingencies fund, or supplementary estimates.

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

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

Basis for Conclusion

1. Lack of 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) Regulation, 2015. The regulation requires the internal audit unit of a National Government entity to assess its effectiveness of internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

2. Lack of Policy Documents

During the financial year under review, the School did not have a risk management strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks. Consequently, Management did not perform formal risk assessments on all key financial risk areas such as cash, revenue and expenditure. Further, it was noted that Management lacked a disaster recovery plan/business continuity plan and therefore crucial information may never be recovered in the event of a disaster. In addition, the School was operating without an approved finance management policy to guide on key financial matters. Therefore, the School lacked sufficient safeguards and controls for managing its finances.

In the circumstances, the effectiveness of the internal controls of the School could not be confirmed.

3. Lack of Ownership Documents

Annexure 2 to the financial statements reflects summary of fixed assets register in respect of fixed assets which include land. Physical verification conducted in May, 2024 revealed that the School had other assets which included buildings, office equipment, Information Communication Technology (ICT) equipment and furniture and fittings of undetermined value which had been captured in the fixed assets register. However, land ownership document provided for review was registered in the name of the School's trustee instead of the School itself.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain 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 Schools to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

24 September, 2024

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

Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	993,829.50	404,197.50
Government grants for operations	2	2,897,255.00	1,529,718.05
Government Grants for infrastructure	3	1,484,000.00	1,005,000.00
School fund income- parents' contributions	4	3,724,900.00	1,737,802.00
Miscellaneous incomes	5	-	-
Total Receipts		9,099,984.50	4,676,717.55
Payments			
Tuition	6	990,017.00	503,470.00
Operations	7	3,303,850.00	1,159,550.00
Infrastructure	8	2,148,164.00	101,548.00
Boarding and school fund	9	3,199,177.00	1,017,692.00
Total Payments		9,641,208.00	2,782,260.00
Surplus/Deficit		(541,223.50)	1,894,457.55

The school financial statements were approved on 23/08/2024 and signed by:

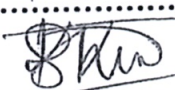
BEH: M. KARUKI.....

Name: 

Chair BOM


Date: 23/08/2024

KIRAU SAMUEL K.....

Name: 
School Principal/ Secretary to BOM

Date: 23/08/2024

CAROLINE CHERONO.....

Name: 
Bursar/ Finance Officer

Date: 23/08/2024

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

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	377,096.65	1,423,090.15
Cash balances	11	30,372.00	137,347.00
Short term investments	12	-	-
Total cash and cash equivalent		407,468.65	1,560,437.15
Account's receivables	13	2,702,109.00	2,090,364.00
Total financial assets		3,109,577.65	3,650,801.15
Financial liabilities			
Accounts payables	14	169,600.00	417,770.00
Net financial assets		2,939,977.65	3,233,031.15
Represented by			
Accumulated fund b/fwd	15	3,481,201.15	1,338,573.60
Surplus/deficit for the year		(541,223.50)	1,894,457.55
Net financial position		2,939,977.65	3,233,031.15

The school's financial statements were approved on 23/08/2024 and signed by:

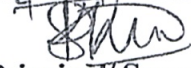
BEITH M. KARIUKI

Name: 

Chair BOM

Date: 23/08/2024

KIROI SAMUEL

Name: 
School Principal/ Secretary to BOM

Date: 23/08/2024

CAROLINE ODERO

Name: 
Bursar/ Finance Officer

Date: 23/08/2024

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

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	993,829.50	404,197.50
Government grants for operations	2	2,897,255.00	1,529,718.05
Government grants for infrastructure	3	1,484,000.00	1,005,000.00
School fund income- other receipts	4	3,137,105.00	1,353,777.00
Other income	5	-	-
Total receipts		8,512,189.50	4,292,692.55
Payments			
Cash outflows for tuition	6	990,017.00	503,470.00
Cash outflows for operations	7	3,303,850.00	1,159,550.00
Cash outflows Boarding/lunch and school fund payments	9	3,223,127.00	1,017,692.00
Total payments		7,516,994.00	2,680,712.00
Net cash inflow/outflow from operating activities		995,195.50	1,611,980.55
Cash flow from investing activities			
Acquisition of assets	8	(2,148,164.00)	(101,548.00)
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities	8	(2,148,164.00)	(101,548.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		(1,152,968.50)	1,510,432.55
Cash and cash equivalent at beginning of the FY		1,560,437.15	50,004.6
Cash and cash equivalent at end of the FY		407,468.65	1,560,437.15

The school's financial statements were approved on 23/08/2024 and signed by:

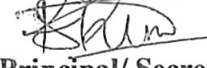
BEW: M. KARIUKI.....

Name: 

Chair BOM

Date: 23/08/2024

KIRUI SAMUEL K.....

Name: 
School Principal/ Secretary to
BOM

Date: 23/08/2024

CAROLINE CHERONO.....

Name: 

Bursar/ Finance Officer

Date: 23/08/2024



8. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2022

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	52,248.00	0	52,248.00	39,968.34	12,279.66	76.5%
Exercise books	347,074.93		347,074.93	266,712.82	80,362.11	76.8%
Laboratory equipment	563,530.26		563,530.26	432,734.35	130,795.91	76.8%
Internal exams	149,279.54		149,279.54	114,524.72	34,754.82	76.7%
Teaching / learning materials	149,279.54		149,279.54	114,524.72	34,754.82	76.7%
Chalks	33,587.90		33,587.90	25,364.55	8,223.35	75.5%
Exams and assessment			-		-	
Teachers guides			-		-	
			-		-	
	1,295,000.17		1,295,000.17	993,829.50	301,170.67	76.7%
(2) CAPITATION GRANT ON OPERATIONS			-		-	
Personnel emoluments	1,696,460.00		1,696,460.00	1,130,830.83	565,629.17	66.7%
Repairs and maintenance	350,000.00		350,000.00	306,584.37	43,415.63	87.6%
Local transport / travelling	525,500.00		525,500.00	386,355.15	139,144.85	73.5%
Electricity and water	460,700.00		460,700.00	446,787.93	13,912.07	97.0%
Medical			-	-	-	

Administration costs	852,400.00		852,400.00	626,696.72	225,703.28	73.5%
Activity			-	-	-	
Gratuity			-	-	-	
SMASSE			-	-	-	
(3) FEES CHARGED ON PARENTS	3,885,060.00		3,885,060.00	2,897,255.00	987,805.00	74.6%
Personnel emoluments			-	-	-	
Repairs and maintenance			-	-	-	
Local transport / travelling			-	-	-	
Electricity and water			-	-	-	
Medical			-	-	-	
Administration costs			-	-	-	
Activity			-	-	-	
SMASSE			-	-	-	
Fee on Boarding Equipment and Stores			-	-	-	
			-	-	-	
OTHER INCOME			-	-	-	
Lunch programme	3,675,000.00		3,675,000.00	3,724,900.00	(49,900.00)	101.4%
Infrastructure a/c	1,750,000.00		1,750,000.00	1,484,000.00	266,000.00	84.8%
Insurance compensation			-	-	-	
Income from Posho mill			-	-	-	
Income from Bus Hire			-	-	-	

Analat secondary school

Annual Report and Financial Statements For the year ended 30th June 2022

Fee for hire of ground and equipment			-	-	-	
Interest income			-	-	-	
Income from any other investment			-	-	-	
	5,425,000.00	-	5,425,000.00	5,208,900.00	216,100.00	96.0%
TOTAL INCOME	10,605,060.17	-	10,605,060.17	9,099,984.50	1,505,075.67	85.8%
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	52,248.00		52,248.00	69,600.00	(17,352.00)	133.2%
Exercise books	347,074.93		347,074.93	252,427.00	94,647.93	72.7%
Laboratory equipment	563,530.26		563,530.26	418,730.00	144,800.26	74.3%
Internal exams	149,279.54		149,279.54	105,600.00	43,679.54	70.7%
Teaching / learning materials	149,279.54		149,279.54	113,000.00	36,279.54	75.7%
Chalks	33,587.90		33,587.90	27,900.00	5,687.90	83.1%
Exams and assessment					-	
Teachers guides					-	
	1,295,000.17		1,295,000.17	987,257.00	307,743.17	76.2%
(1) EXPENDITURE FOR OPERATION						
Personnel emoluments	1,696,460.00		1,696,460.00	901,050.00	795,410.00	53.114
Repairs, maintenance and improvements	350,000.00		350,000.00	260,910.00	89,090.00	74.546
Local transport / travelling	525,500.00		525,500.00	494,750.00	30,750.00	94.148

Analat secondary school

Annual Report and Financial Statements For the year ended 30th June 2022

Electricity, water and conservancy	460,700.00	460,700.00	705,685.00	(244,985.00)	153.177%
Medical Expenses			-	-	
Administration costs	852,400.00	852,400.00	939,095.00	(86,695.00)	110.17%
Activity			-	-	
Gratuity			-	-	
	3,885,060.00	3,885,060.00	3,301,490.00	583,570.00	84.98%
(1) EXPENDITURE FOR SCHOOL FUND					
Lunch programme	3,675,000.00	3,675,000.00	3,188,145.00	486,855.00	86.75%
Infrastructure a/c	1,750,000.00	1,750,000.00	2,142,350.00	(392,350.00)	122.42%
Expenditure for Income Generating Activity			-	-	
Insurance costs			-	-	
Other expenses on investments			-	-	
Rent Expenses			-	-	
Bank Charges			-	-	
Loan Interest Repayment			-	-	
Loan Principal Repayment			-	-	
Acquisition of Assets			-	-	
Other Payments			-	-	
	5,425,000.00	5,425,000.00	5,330,495.00	94,505.00	98.26%
TOTAL	10,605,060.17	10,605,060.17			

9. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

- 5. Accounts Receivable**
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.
- 6. Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.
- 7. Non-current assets**
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.
- 8. Budget**
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.
- 9. Comparative figures**
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.
- 10. Subsequent events**
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Reference Materials	39,968.34	121,493.38
Exercise Books	266,712.82	79,437.71
Laboratory Equipment	432,734.35	130,838.64
Internal Exams	114,524.72	32,709.41
Teaching / Learning Materials	114,524.72	32,709.41
Chalks	25,364.55	7,008.95
Total	993,829.50	404,197.50

2 Government Grants for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	1,130,830.83	578,600.06
Repairs And Maintenance	306,584.37	169,500.00
Local Transport / Travelling	386,355.15	142,111.77
Electricity And Water	446,787.93	81,207.55
Medical	-	81,207.55
Administration Costs	626,696.72	304,525.82
Activity	-	172,565.30
Total	2,897,255.00	1,529,718.05

3 Government Grants for infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Maintenance & Improvement	1,484,000.00	1,005,000.00
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify) (NGCDF and County govt.		
Total	1,484,000.00	1,005,000.00

4 School Fund Income -Parents Contribution/Fees

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments		
Repairs and maintenance		
Local transport / travelling		
Electricity and water		
Medical		
Administration costs		
Activity		
Lunch fee programme	3,724,900.00	1,737,802.00
PA Levies*		
Others (specify)		
Total	3,724,900.00	1,737,802.00

5 Miscellaneous Incomes

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

6 Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Exercise Books	252,427.00	188,952.00
Textbooks/ Reference materials	69,600.00	0
Laboratory Equipment	418,730.00	230,920.00
Teaching / Learning Materials	113,000.00	49,868.00
Exams And Assessment	105,600.00	30,360.00
Teachers Guides	-	-
Bank Charges	2,760.00	3,370.00
Chalks	27,900.00	0.00
Total	990,017.00	503,470.00

7 Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	901,050.00	576,016.00
Service Gratuity	-	-
Administration Cost	939,095.00	332,350.00
Repairs And Maintenance & Improvements	260,910.00	-
Local Transport / Travelling	494,750.00	233,000.00
Electricity And Water	705,685.00	15,800.00
Medical		
Activity Expenses		
Insurance Cost		
Bank charges	2,360.00	2,384.00
Total	3,303,850.00	1,159,550.00

8 Infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Construction of classrooms	2,142,350.00	101,170.00
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Bank charges	5,814.00	378.00
Total	2,148,164.00	101,548.00

9 Boarding And School Fund

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments		
Service Gratuity		
Repairs And Maintenance & Improvements		
Local Transport / Travelling		
Electricity And Water		
Medical Expenses		
Administration Costs		
Lunch Programme	3,188,145.00	1,007,132.00
Bank Charges	11032.00	10,560.00
Expenses On Income Generating Activities**		
Fee On Boarding Equipment and Stores		
Rent Expenses		
Insurance Cost (Life Property)		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
PA expenses		
Others (specify)		
Total	3,199,177.00	1,017,692.00

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021-2022	2020-2021
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	0310291779433	5,619.45	1,807.85
Operations Account	Active	018000010974	40,212.90	172,637.90
School Fund Account/Boarding	Active	1131708393	44,398.30	297,384.40
Equity bank account	Dormant	0310294426367	570.00	570.00
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account	Active	1266933395	286,296.00	952,190.00
Total			377,096.65	1,423,090.15

11 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Notes and Coins	30,372.00	137,347.00
Total	30,372.00	137,347.00

12 Short Term Investments

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

13 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	2,702,109.00	2,090,364.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	2,702,109.00	2,090,364.00

13 b Ageing Analysis of Accounts Receivable

Description	2021-2022		2020-2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	771,040.00	28.53%	427,775.00	20.46%
Between 1- 2 years	427,775.00	15.83%	394,918.00	18.89%
Between 2-3 years	235,623.00	8.72%	1,267,671.00	
Over 3 years	1,267,671.00	46.91%		
Total	2,702,109.00	99.99	2,090,364.00	

14 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors	824,640.00	169,600.00
Prepaid Fees	23,950.00	0.00
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (specify)		
Total	848,590.00	169,600.00

14a. Ageing Analysis of Accounts Payable

Description	2021-2022		2020-2021	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	824,640.00	100%	123,672.00	72.91%
Between 1- 2 years			45,928.00	27.08%
Between 2-3 years				
Over 3 years				
Total	824,640.00	100%	169,600.00	100%

15 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	1,423,090.15	34,207.60
Cash Balances	137,347.00	15,797.00
Short Term Investments	-	-
Receivables	2,090,364.00	1,706,339.00
Payables	(169,600.00)	(417,770.00)
Total	3,481,201.15	1,338,573.60

16 Non-current Liabilities Summary

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

17 Biological assets

Description	2021-2022	Valuation	2020-2021	Valuation
Trees –Mature trees	60	180,000	65	195,000
-Young trees	272	81,600	92	27,600
Coffee Or Tea Plantation				
Poultry				
Others (specify)				
Total	332	261,600.00	157	222,600.00

18 Borrowings

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

19 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
Food stuffs	270,532.19	
Lab consumables	78,807.40	
Kitchen items	6,121.75	
Medication		
Construction Materials	154,360.00	
Stationery	99,010.00	
	608,831.34	

20 Progress on Follow Up of Auditor Recommendations

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

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

Sign and Date
Principal

12. Annexes

Annex 1 - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid ToDate	Outstanding Balance as at 30/06/2022	Outstanding Balance 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Joseph kiharamucugu (timber)	78,860.00	10/05/22	0.00	78,860.00		
Sub-Total	78,860.00		0.00	78,860.00		
Supply Of Goods						
4. Storm Stationers (Stationery)	521,395.00	11/05/2022	338,860.00	182,535.00		
5. Biophy Supplies (Lab items)	505,980.00	30/03/22	179,000.00	326,980.00		
6. Diversitile Enterprises (Revision materials)	50,000.00	15/11/21	30,000.00	20,000.00		
7. Ngera computer garage (Cartridges)	4,450.00	11/05/22	0.00	4,450.00		
8. Highmark services (Revision Materials)	10,000.00	06/05/22	0.00	10,000.00		
9. Simon MburuChege (Cereals)	127,500.00	05/05/22	50,000.00	77,500.00		
10. Wilson kipngetichcherose (Meat)	3,520.00	01/06/22	0.00	3,520.00		
11. Joseph kiharamucugu (Fire wood)	105,600.00	11/02/22	51,000.00	54,000.00		
12. By Grace Calidad merchants (Groceries)	130,385.00	05/05/22	110,000.00	20,385.00		
13. Mau east hardware (Hard ware items)	46,410.00	10/05/22	0.00	46,410.00		
14. City and press publishers	-	-	-	-		
15. Joseph Langat	-	-	-	-		
Sub-Total	1,504,640.00		758,860.00	745,780.00		
Supply Of Services						
16.						
Sub-Total						
Grand Total	1,583,500.00		758,860.00	824,640.00		

Annex 2 – Summary of Fixed Assets Register

Asset class	Quantity 1/7/21	Date purchased	Location	Historical cost b/f(kshs) 1/7/2021	Additional During the year	Disposals During the Year	Historical cost of (kshs) 30 th June 2022
1.Land	1.5 acres		Field				
2.Buildings and structures	15						
a)Kitchen stores-2			School compound	100,000			100,000
b)Kitchen-1			School compound	200,000			200,000
c)Farm tools and equipment store-1			School compound	200,000			200,000
d)classrooms-7			School compound	3,500,000	1		4.000,000
e)staff room-1			School compound	500,000			500,000
f)administration office-1			School compound	500,000			500,000
g)broken furniture store- 1			School compound	200,000			200,000
3.motor vehicle							
4.office equipment ,furniture and fittings	763				103		
5.ICT Equipment and other ICT Assets	32						
6.Tools and apparatus	2,329		Laboratory		670		
7.Text books	8,508		Modified classroom library		21		
8.Other machinery and Equipment	220						
9.Heritage and cultural assets	3			3,000			
10.Intangible assets – software	3						

CONSOLIDATED TRIAL BALANCE AS AT 30TH JUNE 2022			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	377,096.65	
	Cash Balances	30,372.00	
	Short term investments	-	
	Receivables	2,702,109.00	
Payments			
	Payments for Tuition	990,017.00	
	Payments for operations	3,303,850.00	
	Payments for infrastructure	2,148,164.00	
	Boarding and school fund payments	3,199,177.00	
Receipts			
	Capitation grants for tuition		993,829.50
	Capitation grants for operations		2,897,255.00
	Capitation grants for infrastructure		1,484,000.00
	School Fund Income- Parents' Contributions		-
	School Fund Income- Other receipts		3,724,900.00
	Proceeds from borrowings		
	Payables		169,600.00
Prior Year Adjustment			
Fund Balance b/f			3,481,201.15
TOTAL		12,750,785.65	12,750,785.65

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 03 DEC 2024

DAY.

Tuesday

TABLED
BY:

Hon. Kimani Ichung'wa
(Leader of the Majority Party)

CLERK AT
THE TABLE:

Mastacia

OF

THE AUDITOR-GENERAL

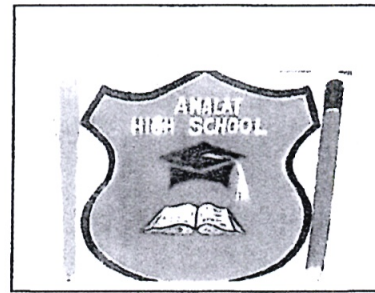
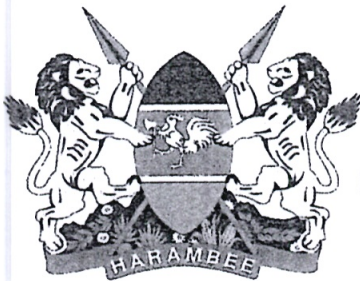
ON

ANALAT SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

NAKURU COUNTY

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ANALAT SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

2. Key School Information and Management

(a) Background information

Analat Secondary School is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Nakuru County, Njoro Sub-County.

The school was registered in 12/10/2009 under registration number GP/A/7497/09 as a single stream and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 240 students as at 30th June 2023. It had 12 teachers of which 3 teachers were 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	Beth Muthoni Kariuki	Chairman	01/07/2022
2	Kirui Samuel Kipkorir	Secretary - Principal	24/05/2023
3	Mr David Muritu	Special interest group	01/07/2022
4	Mr Josephat Mwangi	PTA Representantive	01/07/2022
5	Ms. Rosemary Nderitu	Member	01/07/2022
6	Ms. Lucy Ndungu	Member	01/07/2022
7	Ms. pyllis Michu	Member	01/07/2022
8	Mr George Kungu	Member	01/07/2022
9	Ms Susan Njoki	Member – Rep CEB	01/07/2022
10	Mr John Mbugua	Member Rep Teachers	01/07/2022
11	Mr Josphat Maina	Sponsor	01/07/2022
12	Ms Hellen Thumbi	Sponsor	01/07/2022
13	Reverend Fr. James Mukuha	Sponsor	01/07/2022
14	Reverend Samuel Chirchir	Member - Community	01/07/2022
15	Mr. Solomon Kibaki	MemberSpecial Needs	01/07/2022
16	Mirriam Gathoni	Rep Students	01/07/2022

The functions of the School Board of Management are to:

- 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	Beth muthoni kariuki Kirui Samuel Kipkorir David muritu Josphat mwangi Rosemary Nderitu	Chair person Secretary Member Member Member	3/3
2	Audit Committee	Beth muthoni kariuki Mr david muritu Kirui Samuel Kipkorir	Chair person Member Secretary Member	
3	Finance, procurement and general purposes Committee	Susan Njoki Phyllis michu Rosemary nderitu George kungu	Chair person Secretary Member Member	2/3
4	Academic Committee	Hellen Thumbi John Theuri Kirui Samuel Kipkorir	Chair person Member Member	3/3
5	Development Committee	Susan njoki Mr David muritu Mr josphat mwangi Kirui Samuel Kipkorir Elizabeth kitavi Beth muthoni kariuki	Chair person Member Member Secretary Member	3/3
6	Discipline and welfare Committee	Mr solomon kibaki Lucy Ndungu Fr james mukuha Elizabeth kamene Samuel chirchir Mr john mbugua	Chair person Member Member Member Member Member	3/3
7	Adhoc Committee (if any during the year)	Nil		

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	MR KIRUI SAMUEL KIPKORIR	TSC No.364849
2	Deputy Principal	MS.ELIZABETH NTHENYA KITAVI	TSC No.394271
3	School Bursar	CAROLINE CHERONO	ICPAK No.N/A

(e) Schools contacts

Post Office Box: 172-20115, Egerton
Telephone: +254721422941
E-mail: secschoolanalat@gmail.com
Website: N/A
Face book: Analat secondary school
Twitter: N/A

(f) School Bankers

The school operated 4 bank accounts in the following banks

1. Name of Bank: K.C.B BANK (Lunch account)

Branch: NJORO

Account Number: 1131708393

Postal Address.18-20100, Njoro

2. Name of Bank: FAMILY BANK (Operation account)

Branch: NAKURU

Account Number: 018000010974

Postal Address: Nakuru Finance Branch

3. Name of Bank: EQUITY BANK (Tuition account)

Branch: NAKURU

Account Number: 0310291779433

Postal Address: 3178-20100, Nakuru

4. Name of Bank: K.C.B BANK (Infrastructure account)

Branch: NJORO

Account Number: 1266933395

Postal Address.18-20100, Njoro

5. MPESA pay Bill No.522123 attached to K.C.B bank account.

(g) Independent Auditors

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

Analat secondary school

Annual Report and Financial Statements for the year ended 30th June 2023

f) Development projects carried out by the school:

Projects	Year	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
2 No classroom	2021-2022	FDSE/MOE	Partially completed	1,200,000.00	955,825.00	12/04/2021
2 No classroom (2021-2022 project)	2022-2023	FDSE/MOE	Partially completed	1,005,000.00		15/06/2023
Repair of 86 chairs and ockers and purchase of new ets	2022-2023	FDSE/MOE	completed	500,000.00		23/01/2023

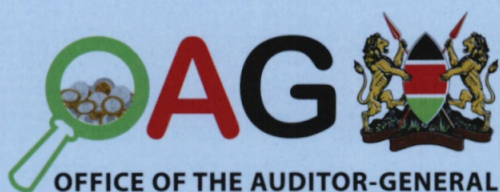
KIRUI SAMUEL K.

School Principal

23/08/2024

PRINCIPAL
ANALAT SECONDARY
P.O. Box 173, HCE
Date: _____
Signature: _____

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON ANALAT SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NAKURU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Analat Secondary School - Nakuru County set out on pages 1 to 21, which comprise of the statement of receipts and payments, statement of assets and liabilities as at 30 June, 2023, statement of cash flows, statement of budgeted versus actual amounts for the year then ended, and a

Report of the Auditor-General on Analat Secondary School for the year ended 30 June, 2023 - Nakuru County

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 Analat Secondary School - Nakuru County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects a balance of Kshs.265,830 in respect of cash and cash equivalents as disclosed in Note 10 and Note 11 to the financial statements. Included in this balance are bank and cash in hand balances of Kshs.261,507 and Kshs.4,323 respectively. However, the bank and cash in hand balances were not supported by bank reconciliation statements and board of survey report.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.265,830 could not be confirmed.

2. Unsupported School Fund Income

The statement of receipts and payments reflects an amount of Kshs.3,543,490 in respect of school fund income as disclosed in Note 4 to the financial statement. However, the supporting ledger and fee collection reports were not provided for audit review. Further, the School did not have fees collection system that could generate reports such as invoice per student, fees paid and outstanding balances.

In the circumstances, the accuracy and completeness of school fund income amount of Kshs.3,543,490 could not be confirmed.

3. Unsupported Payments

The statement of receipts and payments reflects an amount of Kshs.6,939,423 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements, includes payments for tuition, payments for operations, payments for infrastructure and school fund payments. However, examination of payment vouchers revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the regularity, accuracy and completeness of payments amount of Kshs.6,939,423 could not be confirmed.

4. Unsupported Accounts Receivables Balance

The statement of financial assets and financial liabilities reflects a balance of Kshs.3,593,864 in respect of accounts receivables as disclosed in Note 13 to the financial statements. The supporting schedules, detailed aging analysis and issued invoices were not provided for audit. Included in the balance are receivables amounting to Kshs.1,931,069 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, completeness and recoverability of the accounts receivables balance of Kshs.3,593,864 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Analat Secondary School Management in accordance with ISSAI 130 on 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

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.9,877,800 and Kshs.7,689,540.21 respectively resulting in under-funding of Kshs.2,188,259.79 or 22% of the budget. However, the School spent an amount of Kshs.6,939,423.29 against actual receipts of Kshs.7,689,540.21 resulting in an under-utilization of Kshs.750,116.92 or 10% of actual receipts.

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

My opinion is not modified in respect of this matter.

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, 2023.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the 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 12 April, 2024 instead of the statutory deadline of 30 September, 2021/2022/2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2023 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Non-Compliance with Procurement Laws

The statement of receipts and payments reflects an amount of Kshs.6,939,423.29 in respect of total payments which, as disclosed in Notes 6, 7, 8 and 9 to the financial statements, includes payments for tuition, payments for operations, payments for infrastructure and school fund payments. However, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Section (53)(2) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to prepare an annual procurement plan which is realistic in a format set out in the Regulations as part of the annual budget preparation process. Further, Management did not prequalify any suppliers during the year. Thus, the audit could not establish the criteria used in issuing requests for quotation and awards. In addition, Management neither issued letters of award nor appointed ad hoc tender opening and tender evaluation committees. This was contrary to Section 46(1) and Section 78(1) of the Public Procurement and Asset Disposal Act, 2015 which requires an Accounting Officer to ensure that an ad hoc tender opening and tender evaluation committees are established.

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

3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects an amount of Kshs.2,539,522 in respect of school fund payments as disclosed in Note 7 to the financial statements. Included in the payments is an amount of Kshs.75,100 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 system to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.75,100 could not be confirmed.

4. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects an amount of Kshs.2,479,702.96 in respect of operations grants as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.1,123,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.792,000 was transferred to infrastructure account, leaving a balance of Kshs.331,000 as at 30 June, 2023. This was contrary to the Ministry of Education Circular Ref. MOE.HQS/3/10/18(62) of 5 October, 2022 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.

5. Over Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure amounts of Kshs.783,147, Kshs.2,479,702 and Kshs.883,200 respectively as disclosed in Note 1, 2 and 3 to the financial statements. During the financial year, NEMIS reported a total number of three hundred (300) students while the enrolment records provided by the School indicated a total number of two hundred and twelve (212) students, resulting in an unexplained variance of eighty eight (88) students. As a result of the variances, the School was over funded by an amount of Kshs.2,609,078.

In the circumstances, the accuracy and completeness of capitation grants for tuition, operations and infrastructure amounts could not be confirmed.

6. Non-Compliance with Laws on Management of Imprest Transactions

The statement of receipts and payments reflects an amount of Kshs.2,539,522 in respect of payments for operations which, as disclosed in Notes 7 to the financial statements, includes expenditure of Kshs.524,770 in respect of local travel/transport. However, Management did not issue imprest warrants while advancing cash to its staff for operating

expenses such as transport and subsistence allowance. This was contrary to Regulation 91(1) of the Public Finance Management (National Government) Regulations, 2015 which requires an officer authorized to hold and operate imprest to make formal application for the imprest through an imprest warrant. In addition, Management did not maintain an imprest register and had no imprest management system in place.

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

7. Non-Compliance with Laws on Basic Education

Review of the certificate of registration for the School revealed that its registration validity period had lapsed and had not been renewed. This was contrary to Section 76(1) of the Basic Education Act, 2013 which requires that a person shall not offer basic education in Kenya unless the person is accredited and registered. Further, physical verification of the condition of learning facilities in the School conducted in May, 2024 revealed that the classrooms had broken window panes, cracked floors and poor painting, the landscaping within the School compound was poorly maintained and the School lacked a dining hall, laboratory and a library. This was contrary to Section 82(2)(b) of the Basic Education Act, 2013 which requires the County Education Board to license and register a basic education and training institution only if the institution has appropriate teaching and learning facilities.

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

8. Excess Supply of Books

During the period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed four hundred and fifty-two (452) books to the School while only three hundred and eight (308) books were issued to the students, resulting in an unexplained excess text books of one hundred and forty four (144) books in the School store as indicated below;

Text Book Title (Form 3)	Number of Text Books Received	Date Received	Population of Form 3 and Form 4 Students	Excess Textbooks
Fathers of Nations	113	3 Mar, 2023	77	36
The Samaritan	113	13 April, 2023	77	36
A Parliament of Owls	113	30 March, 2023	77	36
Nguu za Jadi	113	13 July, 2023	77	36
Total	452		308	144

In the circumstances, value for money on the excess one hundred and forty-four (144) text books could not be confirmed.

9. Failure to Prepare School Improvement Plan

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

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

10. Stalled Construction of Classrooms

Review of documents revealed that the School incurred an expenditure of Kshs.1,888,185 in respect of the construction of one storey classroom block which comprised of the cost of civil works and construction materials. The construction of the classrooms commenced in financial year 2021/2022, however, the contractor had abandoned the site before completion of works. Site inspection by Regional Works Officer revealed that the structural integrity of the incomplete classroom block was compromised. Further, no clear roadmap was provided on how Management intended to address the matter and no plausible explanation was provided to explain why the project has been abandoned before completion.

In the circumstances, value for money was yet to be realized on the expenditure of Kshs.1,888,185 on the classroom construction which remained incomplete two year after inception.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of 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) Regulations, 2015 which requires the internal audit unit of a National Government entity to assess effectiveness of internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

2. Lack of Policy Documents

During the financial year under review, the School did not have a risk management strategy in place and therefore, had no approved processes and guidelines on how to mitigate operational, legal and financial risks. Consequently, the Management did not perform formal risk assessments on all key financial risk areas such as cash, revenue and expenditure. Further, it was noted that the Management lacked a disaster recovery plan/business continuity plan and therefore crucial information may never be recovered in the event of a disaster. In addition, the School was operating without an approved finance management policy to guide on key financial matters. Therefore, the School lacked sufficient safeguards and controls for managing its finances.

In the circumstances, the effectiveness of the internal controls of the School could not be confirmed.

3. Lack of Ownership Documents

Annexure 2 to the financial statements reflects summary of fixed assets register in respect of fixed assets which include land. Physical verification conducted in the month of May, 2024 revealed that the School had other assets which included buildings, office equipment, Information Communication Technology (ICT) equipment and furniture and fittings of undetermined value which had been captured in the fixed assets register. However, land ownership document provided for review was registered in the name of the School's trustee instead of the School itself.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

- Perform such other procedures as I consider necessary in the circumstances.

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

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

25 September, 2024

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	783,147.25	993,829.50
Government grants for operations	2	2,479,702.96	2,897,255.00
Government Grants for infrastructure	3	883,200.00	1,484,000.00
School fund income- parents' contributions	4	3,543,490.00	3,724,900.00
Miscellaneous incomes	5	-	-
Total Receipts		7,689,540.21	9,099,984.50
Payments			
Tuition	6	786,600.00	990,017.00
Operations	7	2,539,522.29	3,303,850.00
Infrastructure	8	915,743.00	2,148,164.00
Boarding and school fund	9	2,697,558.00	3,199,177.00
Total Payments		6,939,423.29	9,641,208.00
Surplus/Deficit		750,116.92	(541,223.50)

The school financial statements were approved on 23/08/2024 and signed by:

<p><i>BETH M. KARIUKI</i></p> <p>.....</p> <p>Name: <i>[Signature]</i></p> <p>Chair BOM</p> <p>Date: <u>23/08/2024</u></p>	<p><i>KIRUI SAMUEL K.</i></p> <p>.....</p> <p>Name: <i>[Signature]</i></p> <p>School Principal/ Secretary to BOM</p> <p><u>23/08/2024</u></p> <p>Date: <u>23/08/2024</u></p>	<p><i>CARDINE CHERONO</i></p> <p>.....</p> <p>Name: <i>[Signature]</i></p> <p>Bursar/ Finance Officer</p> <p>Date: <u>23/08/2024</u></p>
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Analat secondary school

Annual Report and Financial Statements for the year ended 30th June 2023

7. Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	261,507.57	377,096.65
Cash balances	11	4,323.00	30,372.00
Short term investments	12	-	-
Total cash and cash equivalent		265,830.57	407,468.65
Account's receivables	13	3,593,864.00	2,702,109.00
Total financial assets		3,859,694.57	3,109,577.65
Financial liabilities			
Accounts payables	14	824,640.00	169,600.00
Net financial assets		3,035,054.57	2,939,977.65
Represented by			
Accumulated fund b/fwd	15	2,284,937.65	3,481,201.15
Surplus/deficit for the year		750,116.92	(541,223.50)
Net financial position		3,035,054.57	2,939,977.65

The school's financial statements were approved on 23/08/2024 and signed by:

BETH M. KARIUKI

Name:

Chair BOM

Date: 23/08/2024

KIRUI SHAWELK'

Name:

School Principal/ Secretary to BOM

Date: 23/08/2024

CAROLINE CHERONO

Name:

Bursar/ Finance Officer

Date: 23/08/2024

The school's financial statements were approved on 23/08/2024 and signed by:

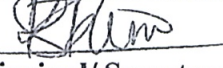
BETH M. KARIUKI

Name: 

Chair BOM

Date: 23/08/2024

KIRU Samuel K

Name: 
School Principal/ Secretary to
BOM

Date: 23/08/2024

CARDLINE CHERONO

Name: 

Bursar/ Finance Officer

Date: 23/08/2024

9. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2023

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	52,247.00		52,247.00	33,909.27	18,337.73	64.9%
Exercise books	341,120.00		341,120.00	221,521.54	119,598.46	64.9%
Laboratory equipment	502,730.00		502,730.00	326,422.67	176,307.33	64.9%
Internal exams	146,323.46		146,323.46	94,998.28	51,325.18	64.9%
Teaching / learning materials	149,279.54		149,279.54	96,921.83	52,357.71	64.9%
Chalks	14,500.00		14,500.00	9,373.66	5,126.34	64.6%
Exams and assessment			-		-	
Teachers guides			-		-	
	1,206,200.00		1,206,200.00	783,147.25	423,052.75	64.9%
			-		-	
(2) CAPITATION GRANT ON OPERATIONS			-		-	
Personnel emoluments	1,580,131.78		1,580,131.78	696,606.00	883,525.78	44.1%
Local transport / travelling	489,466.18		489,466.18	452,020.71	37,445.47	92.3%
Electricity and water	238,632.00		238,632.00	179,235.01	59,396.99	75.1%
Medical	128,069.08		128,069.08	58,300.00	69,769.08	45.5%
Administration costs	793,894.76		793,894.76	895,782.65	(101,887.89)	112.8%
Activity	388,406.20		388,406.20	197,758.60	190,647.60	50.9%
Gratuity			-		-	
SMASSE						

Analat secondary school

Annual Report and Financial Statements for the year ended 30th June 2023

			-		-	
	3,618,600.00		3,618,600.00	2,479,702.97	1,138,897.03	68.5%
(3) FEES CHARGED ON PARENTS			-		-	
Personnel emoluments			-		-	
Repairs and maintenance			-		-	
Local transport / travelling			-		-	
Electricity and water			-		-	
Medical			-		-	
Administration costs			-		-	
Activity			-		-	
SMASSE			-		-	
Fee on Boarding Equipment and Stores			-		-	
			-		-	
OTHER INCOME			-		-	
Lunch programme	3,423,000.00		3,423,000.00	3,543,490.00	(120,490.00)	103.5%
Infrastructure a/c	1,630,000.00		1,630,000.00	883,200.00	746,800.00	54.2%
Insurance compensation			-		-	
Income from Posho mill			-		-	
Income from Bus Hire			-		-	
Fee for hire of ground and equipment			-		-	
Interest income			-		-	
Income from any other investment			-		-	
	5,053,000.00		5,053,000.00	4,426,690.00	626,310.00	87.6%
TOTAL INCOME	9,877,800.00		9,877,800.00	7,689,540.22	2,188,259.78	77.8%

Analat secondary school

Annual Report and Financial Statements for the year ended 30th June 2023

(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	52,247.00		52,247.00	50,000.00	2,247.00	95.7%
Exercise books	341,120.00		341,120.00	244,000.00	97,120.00	71.5%
Laboratory equipment	502,730.00		502,730.00	404,600.00	98,130.00	80.5%
Internal exams	146,323.46		146,323.46	85,900.00	60,423.46	58.7%
Teaching / learning materials	149,279.54		149,279.54	-	149,279.54	0.0%
Chalks	14,500.00		14,500.00	-	14,500.00	0.0%
Bank charges			-			
Teachers guides			-			
	1,206,200.00		1,206,200.00	784,500.00	421,700.00	65.0%
(1) EXPENDITURE FOR OPERATION			-			
Personnel emoluments	1,580,131.78		1,580,131.78	696,606.00	883,525.78	44.1%
Local transport / travelling	489,466.18		489,466.18	524,770.00	(35,303.82)	107.2%
Electricity, water and conservancy	238,632.00		238,632.00	229,145.00	9,487.00	96.0%
Medical Expenses	128,069.08		128,069.08	1,820.00	126,249.08	1.4%
Administration costs	793,894.76		793,894.76	778,345.00	15,549.76	98.0%
Activity	388,406.20		388,406.20	301,860.00	86,546.20	77.7%
Gratuity					-	
					-	
SUB TOTAL	3,618,600.00		3,618,600.00	2,532,546.00	1,086,054.00	70.0%
(1) EXPENDITURE FOR SCHOOL FUND						
Lunch programme	3,423,000.00		3,423,000.00	2,682,422.00	740,578.00	78.4%
Infrastructure a/c	1,630,000.00		1,630,000.00	913,285.00	716,715.00	56.0%

Analat secondary school

Annual Report and Financial Statements for the year ended 30th June 2023

Expenditure for Income Generating Activity						
Insurance costs						
Other expenses on investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition of Assets						
Other Payments						
	5,053,000.00		5,053,000.00	3,595,707.00	1,457,293.00	71.2%
TOTAL	9,877,800.00		9,877,800.00	6,912,753.00	2,965,047.00	70.0%
	-	-	-	776,787.22	(776,787.22)	

Underutilisation of budget is as a result of:

- a) Fall in enrolment from 326 to 278.
- b) Part payment of personal emoluments with lunch account instead of operation account only.
- c) Moving from usage of blackboard chalks of use of white board pens.

Over utilization of budget is as a result of:

- a) Inflation rate
- b) Less allocation on vote head.
- c) Many extreme but unforeseen demands.
- d) Shortfall occasioned by decrease in government disbursement
- e) Unprecedented breakages.
- f) Short fall caused by poor lunch fee payment.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	-	-
Lunch programme	3,543,490.00	3,724,900.00
Local transport / travelling	-	-
Electricity and water	-	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Fee on Boarding Equipment and stores	-	-
PA Levies*	-	-
Others (specify)	-	-
Total	3,543,490.00	3,724,900.00

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Rent Income		
Income From Farming Activities		
Insurance Compensation		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income (<i>specify</i>)*		
Total		

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials	50,000.00	69,600.00
Exercise books	244,000.00	252,427.00
Laboratory Equipment	404,600.00	418,730.00
Internal Exams	85,900.00	105,600
Teaching / Learning Materials	0	113,000
Chalks	-	27,900.00
Bank Charges	2,100.00	2,760.00
Others (<i>specify</i>)	-	-
Total	786,600.00	990,017.00

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	696,606.00	901,050.00
Repairs And Maintenance	-	260,910.00
Local Transport / Travelling	524,770.00	494,750.00
Electricity And Water	229,145.00	705,685.00
Medical	1,820.00	-
Administration Costs	778,345.00	939,095.00
Activity	301,860.00	-
Bank charges	6,976.29	2,360.00
Others (<i>specify</i>)		
Total	2,539,522.29	3,303,850.00

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	0310291779433	2,166.70	5,619.45
Operations Account	Active	018000010974	7,363.57	40,212.90
School Fund Account/Boarding	Active	1131708393	(1,695.70)	44,398.30
Equity bank account	Dormant	0310294426367	570.00	570.00
Parent Association Development Account	-	-	-	-
Income Generating Activities Account	-	-	-	-
Infrastructural Account	Active	1266933395	253,103.00	286,296.00
Total			261,507.57	377,096.65

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	4,323.00	30,372.00
Total	4,323.00	30,372.00

12 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
Total		

13 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	3,593,864.00	2,702,109.00
Other Non-Fees Receivables	-	-
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	3,593,864.00	2,702,109.00

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,150,630.00	32.02 %	771,040.00	28.53 %
Between 1- 2 years	512,165.00	14.25 %	351,168.00	13.00 %
Between 2-3 years	268,480.00	7.47 %	268,480.00	9.94 %
Over 3 years	1,662,589.00	46.26%	1,311,421.00	48.53 %
Total	3,593,864.00	100 %	2,702,109.00	100 %

14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	826,320.00	824,640.00
Retention Monies	-	-
Unpaid salaries and statutory deductions	-	-
Caution money	-	-
Other payables (<i>specify</i>)	-	-
Total	826,320.00	824,640.00

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	826,320.00	100 %	824,640.00	100 %
Between 1- 2 years	-	0 %		%
Between 2-3 years	-	0 %		%
Over 3 years	-	0 %		%
Total (should tie to note 14)	826,320.00	100 %	824,640.00	100 %

15 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	377,096.65	1,423,090.15
Cash Balances	30,372.00	137,347.00
Short Term Investments	-	-
Receivables	2,702,109.00	2,090,364.00
Payables	824,640.00	169,600.00
Total	2,284,937.65	3,481,201.15

CONSOLIDATED TRIAL BALANCE AS AT 30TH JUNE 2023			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	261,507.57	
	Cash Balances	4,323.00	
	Short term investments	-	
	Receivables	3,593,864.00	
Payments			
	Payments for Tuition	786,600.00	
	Payments for operations	2,539,522.29	
	Payments for infrastructure	915,743.00	
	Boarding and school fund payments	2,697,558.00	
Receipts			
	Capitation grants for tuition		783,147.25
	Capitation grants for operations		2,479,702.96
	Capitation grants for infrastructure		883,200.00
	School Fund Income- Other receipts		3,543,490.00
	Proceeds from borrowings		
	Payables		824,640.00
Prior Year Adjustment			
Fund Balance b/f			
			2,284,937.65
TOTAL			
		10,799,117.86	10,799,117.86