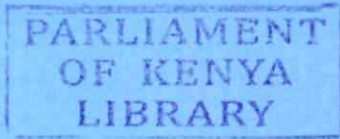


REPUBLIC OF KENYA



Enhancing Accountability

REPORT



OF


THE AUDITOR-GENERAL

ON

ST. JUDE GIRLS SECONDARY SCHOOL

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

MAKUENI COUNTY

 THE NATIONAL ASSEMBLY AS LAID	
DATE: 05 MAR 2025	DAY:
TABLED BY:	
CLERK AT THE TABLE:	

Revised 30th June 2021.



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
MACHAKOS HUB.

17 SEP 2024

RECEIVED

**ST. JUDE GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2021**

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

St. Jude Girls secondary School
Reports and Financial Statements For the year ended 30th June 2021

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Table of Contents	Page
I. Key School Information And Management.....	iv
II. Summary Report Of Performance Of The School.....	viii
III. Statement Of School Management Responsibility.....	xii
IV. Report Of The Independent Auditors (To be attached).....	xiii
V. Statement Of Receipts And Payments Period To 30 th June 2021.....	1
VI. Statement Of Financial Assets And Financial Liabilities As At 30 th June 2021.....	2
VII. Statement of Cash Flows for The Period Ended 30 th June 2021.....	3
VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2021.....	5
IX. Significant Accounting Policies.....	10
X. Notes To The Financial Statements.....	12

Key School Information And Management

(a) Background information

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

The school was registered in 10/12/2015 under registration number 17S30000320 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a boarding school and had 370 students number of students as at 30th June 2021. It has two streams and 18 teachers of which 6 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mary Nguli	Chairman	01.05.2019
2	Anne Muthiani	Secretary- Principal	01.05.2019
3	Francis Mutisya	Vice chairperson	01.05.2019
4	Onesmus Muli	PA Chairperson	01.05.2019
5	Obadiah Mbevi	Member	01.05.2019
6	Catherine Mbili	Member	01.05.2019
7	Fransisca Mulei	Member	01.05.2019
8	Bentes Muluku	Member	01.05.2019
9	James Makose	Member Special Needs	01.05.2019
10	Philip Maweu	Members	01.05.2019
11	Benson Kilonzo	Member	01.05.2019
12	Roselyne Kasyoka	Member	01.05.2019
13	Cosmas Mueke	Sponsor	01.05.2019
14	Andrew Musuu	Member	01.05.2019
15	Beriter Mutuku	Teacher representative	01.05.2019
16	Grace Ndunge	Student representative	01.05.2019

Key School Information and Management (Continued)**The function of the School Board of Management include:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of 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	Mary Nguli Anne Muthiani Francis Mutisya Benson Kilonzo Fr. Cosmus Mueke Onesmus Muli	Chairperson Secretary Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee	Mary Nguli Anne Muthiani Francis Mutisya Benson Kilonzo Onesmus Muli	Chairperson Secretary Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
3	Finance, procurement and general purposes Committee			
4	Academic Committee			
5	Development Committee	Anne Muthiani Francis Mutisya Onesmus Muli Philip Maweu Rose Mutuku Beriter Kamunzyu	Chairperson Member Member Member Secretary Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
6	Discipline and welfare Committee	Mary Nguli Anne Muthiani Francis Mutisya Obadiah Mbevi Rose Mutuku Geoffrey Kieti	Chairperson Secretary Member Member Member Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Florence N. Kathuku	389035
2	Deputy Principal	Rose Mutuku	389107
3	School Bursar	Elizabeth K. Kithisya	BOM employee

(e) Schools contacts

Post Office Box: 167 kathonzweni
 Telephone: 0715223117
 E-mail: 0
 Website: 0
 Facebook: 0
 Twitter: 0

(f) School Bankers

The following school operated 5 number of bank accounts in the following banks:

1. Name of Bank: Equity Bank
 Branch: Wote
 Account Number: 0670295021564
2. Tuition Account
 Name of Bank: KCB
 Branch: Wote
 Account Number: 1125740655
3. Operations Account
 Name of Bank: KCB
 Branch: Wote
 Account Number: 1125740574
4. Infrastructure Account
 Name of Bank: KCB
 Branch: Wote
 Account Number: 1265193274
5. CDF Account
 Name of Bank: Co-operative Bank
 Branch: Wote

Account Number: 1139539811300

1. MPESA Pay bill No. 247247 attached to 702950#ADMNO. bank account

(g) Independent Auditors

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

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 three years 2018-2020

Particulars	2018	2019	2020
Tuition	-455,670.00	-190,687.00	115,706.00
Operation	-1,777,194.00	-282,325.00	-178,145.00
Boarding & Lunch	-2,010,026.00	242,611.00	1,216,485.00
Infrastructure	0.00	0.00	109,589.00
CDF	0.00	20,885.00	143,550.00
Total	-2,031,838.00	-209,516.00	1,407,185.00
Growth	0.00	-2,241,354.00	1,616,700.90

Capitation grants from Ministry of Education for three years

Particulars	2018	2019	2020
Tuition	1,893,770.00	1,031,437.00	584,818.00
Operation	4,549,776.00	4,877,507.00	3,496,350.00
Total	6,443,546.00	5,908,944.00	4,081,168.00
Growth	0.00	-534,602.00	-1,827,776.00

Ration of capitation grants per student 3 years

Particulars	2018	2019	2020
Number of students	337	327	370
Ration	1:19120.3	1:18070	1:11030

Growth of income for three years 2018-2020

Particulars	2018	2019	2020
Tuition	1,893,770.00	1,031,437.00	584,818.00
Operation	4,459,776.00	2,462,779.00	3,496,350.00
School fund	14,205,507.00	13,658,712.00	8,011,751.00
Infrastructure	0.00	0.00	1,373,000.00
CDF	0.00	1,300,100.00	500,000.00
Total	20,359,053.00	18,453,027.00	13,965,919.00
Growth	0.0	-1,906,026.00	-4,487,108.00

Growth of Expenditure for three years 2018-2020

Particulars	2018	2019	2020
Tuition	2,349,440.00	1,222,123.00	584,818.00
Operation	6,236,970.00	5,159,832.00	3,674,495.00
School fund/Boarding a/c	16,215,533.00	13,658,712.00	8,011,751.00
Infrastructure	0.00	0.00	1,263,411.00
CDF	0.00	1,320,985.00	356,450.00
Total	24,801,943.00	21,361,652.00	13,890,925.00
Growth	0.00	-3,440,291.00	-7,470,727.00

Movement of creditors for three years 2018-2020

Particulars	2018	2019	2020
Tuition	35,000.00	71,260.00	36,700.00
Operation	0.00	103,335.00	5,000.00
School fund/Boarding a/c	13,756.00	281,008.00	262,614.00
Infrastructure	0.00	0.00	0.00
CDF	0.00	0.00	0.00
Total	48,756.00	455,603.00	304,314.00
Growth	0.00	406,847.00	-151,289.00

Movement of debtors for three years 2018-2020

Particulars	2018	2019	2020
Tuition	0.00	0.00	0.00
Operation	0.00	0.00	0.00
School fund/Boarding a/c	4,480,067.00	4,995,706.00	6,028,267.00
Infrastructure	0.00	0.00	0.00
CDF	0.00	0.00	0.00
Total	4,480,067.00	4,995,706.00	6,028,267.00
Growth	0.00	515,639.00	1,032,561.00

Movement of cash and bank balances for three years 2018-2020

Particulars	2018	2019	2020
Tuition	186,588.00	32,161.00	113,307.00
Operation	686,271.00	403,946.00	230,801.00
School fund/Boarding a/c	49,167.00	146,725.00	208,920.00
Infrastructure	0.00	0.00	109,589.00
CDF	0.00	36,870.50	147,237.50
Total	922,026.00	586,520.00	809,857.00
Growth	0.00	-335,506.00	223,337.00

b) Teacher Student ratio for 2018-2021:

Year	Recruited	Posted	Transferred	Retired	No. of TSC teachers	No. of BOM Teachers
2018	0	0	0	0	9	8
2019	1	0	0	0	10	6
2020	2	0	0	0	12	5
2021	0	2	1	0	13	5

c) Mean score in the 2018 -2021 KCSE:

Year	No. Of students	No. Of students transitioned to high learning	Mean score	Improvement	Grade
2018	105	50	3.704	0	D+
2019	91	57	4.47	0.766	D+
2020	67	37	3.7331	-0.736	D+
2021	79	41	3.731	-0.2	D+

d) Number of Candidates in the 2018-2021 KCSE:

2018	2019	2020	2021
105	91	67	79

e) Capacity of the school Facilities

Assets	Number	capacity Ratio
Classrooms	12	1:19
Dormitories	3	1:200
Dining hall	0	0
Oblation block/ toilets teachers, students, visitors	21	1:44
School bus	1	1:352
Kitchen	1	1:352
Store	1	1:352
Science lab.	1	1:782
Computer lab.	1	1:13.53
Mabati store	1	1:252

Summary Report of the Performance of the School(Continued)

f) Development projects carried out by the school:

Project: Repair of the double deckers painting, fitting of window panes, Construction of two classrooms

Funded by i). Infrastructure MOE

ii). Parents (RMI)

Project	Estimated	Cost	Balance
Double deckers Repair	57,600.00	57,600.00	0.00
Chairs & lockers	150,000.00	150,000.00	0.00
Brooms	27,650.00	27,650.00	0.00
Painting & brushes	180,000.00	180,000.00	0.00
Window panes	50,000.00	50,000.00	0.00
classrooms	1,750,000.00	1,750,000.00	0.00
Kitchen	374,750.00	318,779.00	55,971.00
Total	2,590,000.00	2,534,029.00	55,971.00

NB: Project costing Infrastructure 1,850,000.00

Parents (RMI) 684,029.00

Sub total 2,534,029.00

Jhllks

School Principal



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

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



.....
Name: Mary Muteti

Designation: Chairman, School Board of Management

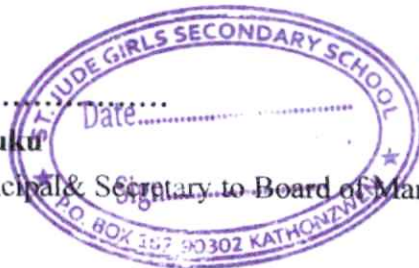
Date:



.....
Name: Florence N. Kathuku

Designation: School Principal & Secretary to Board of Management

Date: 16/9/2024



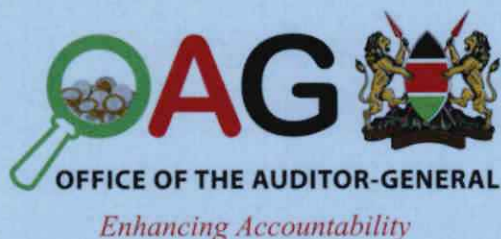
.....
Name: Elizabeth Kithisya

Designation: Bursar/ Finance Officer

Date: 16/9/2024

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON ST. JUDE GIRLS SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 – MAKUENI COUNTY

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial period 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 St. Jude Girls Secondary School - Makueni County set out on pages 1 to 21, which comprise of the statement of financial

*Report of the Auditor-General on St. Jude Girls Secondary School for the Six (6) months' period ended 30 June, 2021
– Makueni County*

assets and financial liabilities as at 30 June, 2021, statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the six (6) months' period then ended and 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 St. Jude Girls Secondary School - Makueni County as at 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis of Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of financial statements revealed the following anomalies;

- i. The statement of receipts and payments reflects school fund income-parents contributions amount of Kshs.6,767,958 and Kshs.7,849,601 for current year and prior year (2019/2020) which differs from Kshs.6,270,613 and Kshs.6,907,145 disclosed in cash flows statement.
- ii. The statement of receipts and payments reflects payments for tuition amounts of Kshs.351,076 and Kshs.469,112 and boarding and school fund payments amounts of Kshs.6,231,665 and Kshs.6,795,266 for current year and prior year (2019/2022) respectively. However, these differ from payments for tuition amounts of Kshs.387,776 and Kshs.503,672 and boarding and school fund payments amounts of Kshs.6,231,665 and Kshs.6,795,266 for current year and prior year (2019/2022) respectively.
- iii. The statement of receipts and payments reflects payments for operations amounts of Kshs.2,301,495 for prior period (2019/2020) which differs from cash flows statement amounts of Kshs.2,296,495. The variances have not been reconciled.

In the circumstances, the accuracy and completeness of the statement of cash flows and the statement of budgeted versus and actual amounts could not be confirmed.

2. Failure to Maintain Memorandum Cashbook

The statement of financial assets and financial liabilities reflects cash and cash equivalents amounts of Kshs.2,312,175 as disclosed in Note 8 and Note 9. The School

issued standing imprest issued totalling Kshs.1,304,700 which was not supported with a memorandum cash book to enable reconciliation. Further, there was no evidence of spot check performed by head of accounts. This is contrary to Public Finance Management Regulations, 2015.

In the circumstances, the accuracy and completeness of imprest amount of Kshs.1,304,700 could not be confirmed.

3. Non-Banking of School Fee Receipts

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,312,175. However, an amount of Kshs.632,190 relates to school fees received in cash which was not banked into the School Fund – Parents' Contribution bank account contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.2,312,175 could not be confirmed.

4. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,312,175 as disclosed in Note 8 and 9 to the financial statements. Included in this balance are tuition, operations, school fund account/boarding and infrastructural accounts balances of Kshs.118,841, Kshs.891,843, Kshs.534,159 and Kshs.545,589, respectively. However, the bank balances were not supported by cash books, bank certificates and bank reconciliation statements.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.2,312,175 could not be confirmed.

5. Unsupported Accounts Receivable

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.6,375,572 as disclosed in Note 11 to the financial statements. However, the supporting schedules were not provided for audit review.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.6,375,572 could not be confirmed.

6. Unsupported Payments

Statement of receipts and payments reflects boarding and school fund payments of Kshs.6,231,665. Included in this amount is expenditure on procurement of various goods and services under Boarding Equipment & Stores and Repairs and Maintenance totalling Kshs.4,169,439 which were not supported with Procurement Plan/Departmental Work

plans, Market Survey reports, Advertisements or request for quotations, Appointment letters to tender opening and evaluation committees, Professional opinions, Notification of Award/Unsuccessful Bidders, Contracts or framework agreements, LPOs or LSOs, Inspection and acceptance certificates, Delivery notes/Job cards, S11's and S13's and ETR receipts.

In the circumstances, the propriety of boarding and school fund payments of Kshs.6,231,665 could not be confirmed.

7. Unapproved Decrease of School Fees

The statement of receipts and payments reflects school fund income-parents contribution of Kshs.6,767,958. However, the School charging Kshs.36,500 instead of Kshs.40,435 departing from the School fee's structure issued by the Ministry of Education therefore undercharging school fees per student by Kshs.4,035 resulting to the School not collecting Kshs.1,472,775.00 (Kshs.4,035 * 365 learners).

In the circumstances, the completeness of the School fund income-parents contribution of Kshs.6,767,958 as at 30 June, 2021 could not be confirmed.

8. Net Increase in Cash and Cash Equivalents

The statement of cash flows reflects net increase in cash and cash equivalents of Kshs.1,502,319. However, the statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.6,375,572 and Kshs.6,028,267 for current year and prior year (2019/2020) resulting in an increase in account receivables of Kshs.347,305. Further, the statement reflects accounts payable of Kshs.491,730 and Kshs.304,314 for current year and prior year (2019/2020) resulting in an increase in accounts payable of Kshs.187,416. However, the increase in accounts receivables and accounts payables of Kshs.347,305 and Kshs.187,416 were not disclosed as an adjustment to working capital.

In the circumstances, the accuracy and completeness of the statement of cash flows could not be confirmed.

9. Lack of Imprest Register

The statement of receipts and payments reflects Boarding and School Fund Payments of Kshs.6,231,665. Included in this amount is an expenditure on other vote heads of Kshs.1,957,825 which comprises amongst others an amount of Kshs.434,156 which was not supported with an imprest register.

In the circumstances, it was not possible to confirm whether imprest issued during the financial year under audit was fully accounted for and surrendered within the stipulated timelines.

10. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.6,375,572 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.3,996,537 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.6,375,572 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the St. Jude Girls Secondary School's Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters no report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the period under review, Management submitted the financial statements to the Auditor-General on 25 September, 2023 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular No. Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance which

Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

2. Unsupported Payments

The statement of receipts and payments reflects operations and infrastructure amount of Kshs.1,255,657 as disclosed in Note 6 to the financial statements. The School procured stationeries of Kshs.232,640 and electrical accessories of Kshs.65,910 totalling Kshs.298,550. However, the procurement was not supported with user requests.

In the circumstances, the regularity, accuracy and completeness of the operations and infrastructure amounting to Kshs.1,255,657 could not be confirmed.

3. Virement of Funds/Re-allocation of Funds

The statement of receipts and payments reflects boarding and school fund payments of Kshs.6,231,665. However, review of cash book revealed that Kshs.138,360 from the Boarding account was used to pay Nthokah Hardware towards completion of a two-storey classroom project without written approval. In addition, the contract for the project were not provided for audit review.

In the circumstances, the accuracy and regularity of the payment for Kshs.138,360 as at 30 June, 2021 could not be confirmed.

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.6,231,665 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.249,547 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.249,547 could not be confirmed.

5. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.2,703,648. Comparison of data from National Education Management and information System (NEMIS) with records from the school revealed that during the financial year/period 2020/2021, NEMIS reflected three hundred and twenty nine (329) students while records from the School had three

hundred and sixty five (365) students, resulting to an underfunding of the School by Kshs.257,317. This was contrary to the Ministry of Education Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, underfunding of School may have affected service delivery to the students.

6. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.2,313,338 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,203,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.815,278 was transferred to infrastructure account, leaving a balance of Kshs.387,722 as at 30 June, 2021. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

7. Lack of a Procurement Function

During the audit it was established that the School had no procurement function contrary to section 47(1) and (2) of the Public Procurement and Disposal Act 2015 which states that a procurement function shall be handled by procurement professionals whose qualifications are recognized in Kenya.

In the circumstances, Management was in breach of law.

8. Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.9,500,606 and Kshs.7,838,398 in respect of total receipts and payments respectively. However, during the period Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation, 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

During the audit, it was established that the School made cash purchases of goods and services totalling Kshs.1,304,700. It was also not possible to confirm whether the goods procured were taken on charge. This was contrary to the procedure for low value procurement stipulated by Regulation 92 of the Procurement Regulations, 2020.

In the circumstances, Management was in breach of law.

2. Lack of Detailed Fixed Assets Register

Annex 2 to financial statement reflect register summary of fixed assets balance of Kshs.17,139 which include two parcels of land one motor- vehicle. However, the estimated costs have not been indicated. In addition, the additions and disposals of the assets were not disclosed. This is contrary to section 143(1) of Public Finance Management (National Government) Regulations, 2015 that prescribes that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

3. Ineffective Management of Textbooks

i. Lack of Storage Space

Physical verification revealed that the School did not have adequate storage space for textbook resulting to the School storing the remaining textbooks on the floor

exposing them to damages. The Management explained that the School did not have funds to construct shelves.

ii. Poor Record Keeping

The financial statement did not reflect estimated values for stock of textbooks, teachers guide and other instructional materials as at 30 June, 2021. This is contrary to part E of the Orange Book which requires each school to capture data list of the textbooks, teachers' guides and other instructional materials that are already in the School. Management explained that this is caused by inability to establish the stock levels of books.

iii. Lack of Need Assessment and Distribution List

During the audit it was established that there was no evidence of need assessment to form the basis for determining the number and subject of instructional material needed by the School and establishment of an SIMSC committee and SIMSC Minute book Minutes highlighting the needs. Further, examination of text books records maintained by schools and comparison with recorded received from KICD established that there were no KICD distribution lists. It was also established that the school was undersupplied with books compared to the number of learners enrolled as detailed in Appendix I attached. In addition, it was established that there was no inventory record for all books and no stock count of the books.

In the circumstances, the effectiveness in management of textbook in the School could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of the 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 its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not

reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of 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 applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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

5 November, 2024

v. Statement of receipts and payments period to 30th June 2021

Description Of Vote Head	Note	2020-2021	2019-2020
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	390,310.00	584,818.00
Capitation grants for operations	2	2,313,338.00	3,496,350.00
School fund income- parents' contributions	3	6,767,958.00	7,849,601.00
School fund income- other receipts Bus hire	4	29,000.00	162,150.00
Grant from CDF	4A	0.00	500,000.00
Proceeds from infrastructure		0.00	0.00
Total Receipts		9,500,606.00	12,592,919.00
Payments			
Payments for tuition	5	351,076.00	469,112.00
Payments for operations	6	1,255,657.00	2,301,495.00
Payment for infrastructure	6A	0.00	1,263,411.00
Boarding and school fund payments	7	6,231,665.00	6,795,266.00
Payments for CDF: Science laboratory	7A	0.00	356,450.00
Total Payments		7,838,398.00	11,185,734.00
Surplus/Deficit		1,662,208.00	1,407,185.00

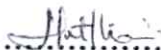
The school financial statements were approved on _____ 2024 and signed by:



Name: Mary Muteti

Chair BOM

Date:



Name: Florence N. Kathuku
School Principal/ Secretary to
BOM

Date: 16/9/2024



Name: Elizabeth Kithisya

Bursar/ Finance Officer

Date: 16/9/2024



Statement Of Financial Assets and Financial Liabilities As At 30th June 2021

Description	Note	2020-2021	2019-2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	2,237,670.00	772,695.00
Cash balances	9	74,505.00	37,161.00
Short term investment	10		0.00
Total cash and cash equivalent		2,312,175.00	809,856.00
Account's receivables	11	6,375,572.00	6,028,267.00
Total financial assets		8,687,747.00	6,838,123.00
Financial liabilities			
Accounts payables	12	491,730.00	304,314.00
Net financial assets		8,196,017.00	6,533,809.00
Represented by			
Accumulated fund b/fwd	13	6,533,809.00	5,126,624.00
Surplus/deficit for the year		1,662,208.00	1,407,185.00
Net financial position		8,196,017.00	6,533,809.00

The school's financial statements were approved on _____ 2024 and signed by:

..... 

Name: Mary Muteti

Chair BOM

Date:

..... 

Name: Florence N. Kathuku
School Principal/ Secretary to
BOM

Date: 16/9/2024

..... 

Name: Elizabeth Kithisya

Bursar/ Finance Officer

Date: 16/9/2024



Statement of Cash Flows for The Period Ended 30th June 2021

Description	Notes	2020-2021	2019-2020
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	390,310.00	584,818.00
Capitation grants for operations	2	2,313,338.00	3,496,350.00
School fund income- parents contributions/ fees	3	6,270,613.00	6,907,145.00
School fund income- Bus fund	4	29,000.00	162,150.00
Grants for CDF	4A	0.00	500,000.00
Total receipts		9,003,261.00	11,650,463.00
Payments			
Payments for tuition	5	387,776.00	503,672.00
Payments for operations	6	1,255,657.00	2,296,495.00
Infrastructure	6A	0.00	1,263,411.00
Boarding and school fund payments	7	5,857,509.00	7,007,100.00
Payments for CDF	7A	0.00	356,450.00
Total payments		7,500,942.00	11,427,128.00
Net cash flow from operating activities		1,502,319.00	223,335.00
Cashflow from investing activities			
Proceeds from sale of assets		0.00	0.00
Acquisition of assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash flows from investing activities		0.00	0.00
Cashflow from borrowing activities		0.00	0.00
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash flow from financing activities		0.00	0.00
Net increase in cash and cash equivalents		1,502,319.00	223,335.00
Cash and cash equivalent at beginning of the year		809,856.00	586,521.00
Cash and cash equivalent at end of the year		2,312,175.00	809,856.00

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

Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials	0.00	0.00	0.00	0.00	0.00	0%
Exercise Books	0.00	0.00	0.00	0.00	0.00	0%
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00	0%
Internal Exams	0.00	0.00	0.00	0.00	0.00	0%
Teaching / Learning Materials	1,718,280.00	-859,140.00	859,140.00	390,310.0	468,830.00	50%
Chalks	0.00	0.00	0.00	0.00	0.00	0%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00	0%
Teachers Guides	0.00	0.00	0.00	0.00	0.00	0%
	1,718,280.00	-859,140.00	859,140.00	390,310.00	468,830.00	50%
<i>(2) Capitation Grant on Operations</i>	0.00	0.00	0.00	0.00	0.00	0%
Personnel Emoluments	0.00	0.00	0.00	0.00	0.00	0%
Repairs And Maintenance	1,850,000.00	-925,000.00	925,000.00	706,278.00	218,722.00	80%
Local Transport / Travelling	0.00	0.00	0.00	0.00	0.00	0%
Other vote heads	2,923,000.00	-1,461,500.00	1,461,500.00	1,607,060.00	-145,560.00	110%
Medical	740,000.00	-370,000.00	370,000.00	0.00	370,000.00	0%
Administration Costs	0.00	0.00	0.00	0.00	0.00	0%
Activity	555,000.00	-277,500.00	277,500.00	0.00	277,500.00	0%
TOTAL	6,068,000.00	-3,034,000.00	3,034,000.00	2,313,338.00	1,658,322.00	76%

Reports and Financial Statements For the year ended 30th June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(3) Fees Charged on Parents						
Personnel Emoluments	0.00	0.00	0.00	0.00	0.00	0%
Repairs And Maintenance	740,000.00	-370,000.00	370,000.00	328,719.00	41,281.00	90%
Local Transport / Travelling	0.00	0.00	0.00	0.00	0.00	0%
Electricity And Water	0.00	0.00	0.00	0.00	0.00	0%
Other vote heads	3,280,050.00	-1,640,025.00	1,640,025.00	1,554,287.00	85,738.00	95%
Administration Costs	0.00	0.00	0.00	0.00	0.00	0%
Activity	92,500.00	-46,250.00	46,250.00	40,675.00	5,575.00	90%
SMASSE	0.00	0.00	0.00	0.00	0.00	0%
Fee On Boarding Equipment and Stores	9,392,450.00	4,696,225.00	4,696,225.00	4,844,277.00	-148,052.00	110%
Other Income						
Rent Income	0.00	0.00	0.00	0.00	0.00	0%
Income From Farming Activities	0.00	0.00	0.00	0.00	0.00	0%
Insurance Compensation	0.00	0.00	0.00	0.00	0.00	0%
Income From Posho Mill	0.00	0.00	0.00	0.00	0.00	0%
Income From Bus Hire	0.00	0.00	0.00	29,000.00	-29,000.00	0%
Fee For Hire of Ground And Equipment	0.00	0.00	0.00	0.00	0.00	0%
Interest Income	0.00	0.00	0.00	0.00	0.00	0%
Income From Any Other Investment	0	0	0	0	0	0%
TOTAL	13,505,000.00	-6,752,500.00	6,752,500.00	6,796,958.00	-44,458.00	101%
Total Income	21,291,280.00	-10,645,640.00	10,645,640.00	9,500,606.00	2,082,694.00	90%
(1) Expenditure For Tuition						

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Textbooks And Reference Materials	0.00	0.00	0.00	0.00	0.00	0%
Exercise Books	0.00	0.00	0.00	0.00	0.00	0%
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00	0%
Internal Exams	0.00	0.00	0.00	0.00	0.00	0%
Teaching / Learning Materials	1,718,280.00	-859,140.00	859,140.00	349,990.00	509,150.00	40%
Chalks	0.00	0.00	0.00	0.00	0.00	0%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00	0%
Teachers Guides	0.00	0.00	0.00	0.00	0.00	0%
Administration Costs	0.00	0.00	0.00	0.00	0.00	0%
Bank Charges				1,086.00	-1,086.00	0%
TOTAL	1,718,280.00	-859,140.00	859,140.00	351,076.00	508,064.00	40%
(2) Expenditure For Operations						
Personnel Emoluments	0.00	0.00	0.00	0.00	0.00	0%
Local travelling & transport	0.00	0.00	0.00	0.00	0.00	0%
Repairs, Maintenance & Improvements	0.00	0.00	0.00	0.00	0.00	0%
Electricity, Water and Conservancy	0.00	0.00	0.00	0.00	0.00	0%
Other vote heads	2,923,000.00	-1,461,500.00	1,461,500.00	1,231,342.00	230,158.00	90%
Medical	740,000.00	-370,000.00	370,000.00	24,315.00	345,685.00	10%
Activity	555,000.00	-277,500.00	277,500.00	0.00	277,500.00	0%
Total	6,068,000.00	-3,034,000.00	3,034,000.00	1,255,657.00	1,778,343.00	41%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<i>(3) Expenditure For School Fund</i>						
Personnel Emoluments	0	0	0	0	0	0%
Repairs, Maintenance and Improvements	740,000.00	-370,000.00	370,000.00	238,440.00	31,560.00	64%
Local Transport / Travelling	0	0	0	0	0	0%
Electricity, Water and Conservancy	0	0	0	0	0	0%
Other vote heads	3,280,050.00	-1,640,025.00	1,640,025.00	1,957,826.00	-317,801.00	120%
Administration Costs	0	0	0	0	0	0%
Activity	92,500.00	-46,250.00	46,250.00	0.00	46,250.00	0%
Gratuity	0.00	0.00	0.00	0.00	0.00	
Lunch Programme	0.00	0.00	0.00	0.00	0.00	0%
Boarding Equipment and Stores	9,392,450.00	-4,696,225.00	4,696,225.00	3,931,099.00	1,245,156.00	80%
Expenditure For Income Generating Activity	0.00	0.00	0.00	0.00	0.00	0%
Bus fund	0.00	0.00	0.00	104,300.00	-104,300	0%
Insurance Costs	0.00	0.00	0.00	0.00	0.00	0%
Other Expenses On Investments	0.00	0.00	0.00	0.00	0.00	0%
Rent Expenses	0.00	0.00	0.00	0.00	0.00	0%
Bank Charges	0.00	0.00	0.00	0.00	0.00	0%
Loan Interest Repayment	0.00	0.00	0.00	0.00	0.00	0%
Loan Principal Repayment	0.00	0.00	0.00	0.00	0.00	0%
Acquisition Of Assets	0.00	0.00	0.00	0.00	0.00	0%
Total	13,505,000.00	-6,752,500.00	6,752,500.00	6,231,665.00	520,835.00	92%
Totals	21,291,280.00	-10,645,640.00	10,645,640.00	7,838,398.00	2,807,243.00	80%

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

- i. Xxx
- ii. Xxx

Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

Notes To The Financial Statements

1. Capitation Grant for Tuition

Description	2020-2021	2019-2020
	Kshs	Kshs
Textbooks And Reference Materials	0.00	0.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	390,310.00	584,818.00
Chalks	0.00	0.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Total	390,310.00	584,818.00

2. Capitation Grant for Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	0.00	0.00
Repairs And Maintenance	706,278.00	1,373,000.00
Other vote heads	1,607,060.00	1,933,750.00
Electricity And Water	0.00	0.00
Medical	0.00	63,200.00
Administration Costs	0.00	0.00
Activity	0.00	126,400.00
Total	2,313,338.00	3,496,350.00

3. Parents Contribution/Fees - School Fund Account

Description	2020-2021	2019-2020
	Kshs	Kshs
Other vote heads	1,554,287.00	1,929,049.00
Repairs and maintenance	328,719.00	418,158.00
Boarding fee	4,844,277.00	5,450,252.00
Electricity and water	0.00	0.00
Medical	0.00	0.00
Administration costs	0.00	0.00
Activity	40,675.00	52,142.00
Total	6,767,958.00	7,849,601.00

Notes To The Financial Statements (Continued)

4. Other Receipts – School Fund Account

Description	2020-2021	2019-2020
	Kshs	Kshs
Fee On Boarding Equipment andStores	0.00	0.00
Income From Farming Activities	0.00	0.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	29,000.00	162,150.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	0.00
Interest Income	0.00	0.00
Dividends Income	0.00	0.00
Total	29,000.00	162,150.00

4A. CDF grants

Description	2020-2021	2019-2020
	Kshs	Kshs
Science laboratory	0.00	500,000.00
TOTAL	0.00	500,000.00

5. Payments For Tuition

Description	2020-2021	2019-2020
	Kshs	Kshs
Textbooks And Reference Materials	0.00	0.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	349,990.00	468,620.00
Chalks	0.00	0.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Administration Costs	0.00	0.00
Bank Charges	1,086.00	492.00
Total	351,076.00	469,112.00

Notes To The Financial Statements (Continued)

6. Payments For Operations

Description	2020-2021	2019-2020
	Kshs	Kshs
Other vote heads	1,231,342.00	2,147,645.00
Service Gratuity	0.00	0.00
Administration Cost	0.00	0.00
Repairs And Maintenance & Improvements	0.00	0.00
Local Transport / Travelling	0.00	0.00
Electricity And Water	0.00	0.00
Medical	24,315.00	18,290.00
Activity Expenses	0.00	135,560.00
SMASSE	0.00	0.00
Insurance Cost	0.00	0.00
Bank Charges	0.00	0.00
Acquisition Of Assets	0.00	0.00
Total	1,255,657.00	2,301,495.00

6A. Payments For Infrastructure

Description	2020-2021	2019-2020
	Kshs	Kshs
Maintenance & improvement	0.00	1,262,075.00
Bank charges	0.00	1,336.00
Total	0.00	1,263,411.00

Notes To The Financial Statements (Continued)

7. Boarding And School Fund Payments

Description	2020-2021	2019-2020
	Kshs	Kshs
Personnel Emoluments	0.00	0.00
Other vote heads	1,957,826.00	2,193,944.00
Repairs And Maintenance & Improvements	238,440.00	893,910.00
Local Transport / Travelling	0.00	0.00
Land Purchase	0.00	800,000.00
Medical Expenses	0.00	0.00
Administration Costs	0.00	0.00
Bus fund	104,300.00	397,202.00
Bank Charges	0.00	0.00
Expenses On Income Generating Activities	0.00	0.00
Fee On Boarding Equipment and Stores	3,931,099.00	2,509,410.00
Activity	0.00	800.00
Insurance Cost (Life Property)	0.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	0.00
Total	6,231,665.00	6,795,266.00

7A. Payments for CDF – Science Laboratory

Description	2020-2021	2019-2020
	Kshs	Kshs
CDF	0.00	355,610.00
Bank charges	0.00	840.00
Total	0.00	356,450.00

Notes To The Financial Statements (Continued)

8. Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1125740655	118,841.00	113,307.00
Operations Account	1125740574	891,843.00	221,797.00
School Fund Account/Boarding	0670295021564	534,159.00	180,764.00
CDF Account		147,238.00	147,238.00
Parent Association Development Account		0.00	0.00
Income Generating Activities Account		0.00	0.00
Infrastructural Account	1265193274	545,589.00	109,589.00
Total		2,237,670.00	772,695.00

9. Cash In Hand

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	0.00	9,004.00
School Fund account	74,505.00	28,157.00
Total	74,505.00	37,161.00

10. Short Term Investments

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit	0.00	0.00
Equity Stock	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Notes To The Financial Statements (Continued)

11. Accounts Receivable

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees Arrears	6,370,572.00	6,023,267.00
Other Non-Fees Receivables	5,000.00	5,000.00
Salary Advances	0.00	0.00
Impress	0.00	0.00
Total	6,375,572.00	6,028,267.00

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees Arrears For Current Year	1,586,046.00	1,552,290.00
Fees Arrears For The Previous Year	787,989.00	787,989.00
Fees Arrears For Prior Periods (Over Two Years)	3,996,537.00	3,682,988.00
Total	6,370,572.00	6,023,267.00

12. Accounts Payable

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix I)	5,000.00	74,174.00
Prepaid Fees	486,730.00	188,440.00
Retention Monies	0.00	41,700.00
Total	491,730.00	304,314.00

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade Creditors for Current Year	486,730.00	74,174.00
Trade Creditors for The Previous Year	5,000.00	188,440.00
Trade Creditors for Prior Periods (Over Two Years)	0.00	41,700.00
Total	491,730.00	304,314.00

Notes To The Financial Statements (Continued)

13. Fund Balance Brought Forward

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Balances	2,237,670.00	772,694.00
Cash Balances	74,505.00	37,161.00
Short Term Investments	0.00	0.00
Receivables	6,375,572.00	6,028,267.00
Payables	491,730.00	-304,314.00
Total	8,196,017.00	6,533,809.00

Other important disclosure notes

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

14. Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank Loan(S)	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Total	0.00	0.00

15. Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle	0	0.00	0.00
Goats	0	0.00	0.00
Trees	0	0.00	0.00
Coffee Or Tea Plantation	0	0.00	0.00
Poultry	0	0.00	0.00
Total	0	0.00	0.00

16. Borrowings

Description	2020-2021	2019-2020
	Kshs	Kshs
a) Borrowings	0.00	0.00
Borrowing at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments of during the year	0.00	0.00
Balance at end of the year	0.00	0.00

Other important disclosure notes

17. Stock/ Inventory

Description	2020-2021	2019-2020
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	0.00	0.00
Stock/ inventory purchased during the year	0.00	0.00
Stock/ inventory issued during the year	0.00	0.00
Balance at end of the year	0.00	0.00

17A. Bursary (find the attached list of beneficiaries)

Description	2020-2021	2019-2020
	Kshs	Kshs
Students	680,250.00	162,000.00
Total	680,250.00	162,000.00

17B. SPONSORED STUDENTS (find the attached list of beneficiaries)

Description	2020-2021	2019-2020
	Kshs	Kshs
Students	363,400.00	0.00
Total	363,400.00	0.00

18. Progress On Follow Up Of Auditor Recommendations

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

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

J. H. H. 16/9/2024

Sign and Date
 Principal



St. Jude Girls secondary School
Reports and Financial Statements For the year ended 30th June 2021

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 20XX-1	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
Sub-Total	0.00		0.00	0.00		
Supply Of Goods						
1. Aspet School Supplies	36,700.00	2020	36,700.00	0.00		
2. Makutano Community borehole	22,650.00	2020	22,650.00	0.00		
3. Peter Musyimi Nzioka	23,450.00	2020	18,450.00	5,000.00		
4. DPL Festive ltd	16,074.00	2020	16,074.00	0.00		
5. Mukuyuni Filling station	12,000.00	2020	12,000.00	0.00		
Sub-Total	110,174.00		105,174.00	5,000.00		
Supply Of Services						
6. Prepaid fees	188,440.00		-188,440.00	481,730.00		
Sub-Total	188,440.00					
Grand Total	299,314.00		294,314.00	486,730.00		

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st January 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land 1		Kathonzweni	1	0	0	1
Land 2			1	0	0	1
Buildings And Structures			53	0	0	53
Motor Vehicles			1	0	0	1
Office Equipment, Furniture And Fittings			1201	0	0	1201
ICT Equipment, And Other ICT Assets			33	0	0	33
Tools And Apparatus			3699	0	0	3699
Textbooks			11761	0	0	11761
Other Machinery And Equipment			385	0	0	385
Heritage And Cultural Assets			3	0	0	3
Intangible Assets- Soft Ware			1	0	0	1
Total			17139	0	0	17139