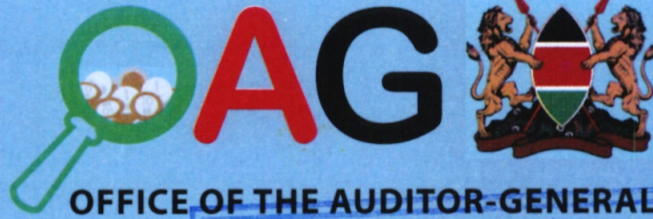


REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT: 03 DEC 2024

DAY:
Tuesday

PARLIAMENT
OF KENYA
LIBRARY

TABLED BY: Hon. Kimani Ichungwah
(Leader of the Majority Party)
CLERK-AT-TABLE: Anastacia

THE AUDITOR-GENERAL

ON

MBITA HIGH SCHOOL

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

HOMA BAY COUNTY

14 JUN 2024



B - 7

**MBITA HIGH SCHOOL
PUBLIC 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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I. Key School Information And Management

(a) Background information

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

The school was registered in 1966 under registration number 43S130000107 and is currently categorized as a National public school established, owned or operated by the Government.

The school is a boarding school and had 1841 number of students as at 30th June 2022. It has 30 streams and 79 teachers of which 30 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	DR. PATRICK SAWA	Chairman	20.05.2022
2	MR. KENNEDY OJIJO	Secretary - Principal	20.05.2022
3	MRS. SABINA A. OTIENO	Member	20.05.2022
4	MR. EDWIN MARERA OCHANDA	Member	20.05.2022
5	ENG. DORIS OMBARA	Member	20.05.2022
6	MR. JARRED AMONDE KISERA	Member	20.05.2022
7	ENG. HENRY NDUGAH	Member	20.05.2022
8	CPA JOESEPH O. MAREMBO.	Member – Rep CEB	20.05.2022
9	MRS. BENTER ODHIAMBO	Member Rep Teachers	20.05.2022
10			20.05.2022
	- PROF. ENOSE SIMATWA - MR. JARRED O. KISERA - MRS. JANET BETTY ONYANGO	3 Members - Sponsor	20.05.2022
11	MR. FRANCKLINE KENYA	Member - Community	20.05.2022
12	MASTER JOSEPH OCHIENG	Rep Students	20.05.2022
13		Member Special Needs	20.05.2022

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			
		1.ENG. HENRY NDUGAH	CHAIRMAN	
		2.MS. MATHEW OKELLO	MEMBER	
		3.MS. FENI KWAMBOKA	SECRETARY	
		4.MR. FRANCKLINE KENYA	MEMBER	
2	Audit Committee			4 out of 3
		1. CPA JOSEPH MAREMBO	CHAIRMAN	
		2. DR. ROSE OPONDO	MEMBER	
		3.MR. EDWIN MARERA OCHANDA	MEMBER	
		4.ENG. FELIX OSONGO	MEMBER	

MBITA HIGH SCHOOL

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

3	Finance, procurement and general purposes Committee		
		1. PROF. ENOS SIMATWA	MEMBER
		2. DR. ROSE OPONDO	CHAIRPERSON
		MS. FENI KWAMBOKA	MEMBER
4	Academic Committee		
		1. MRS. SABINA OTIENO	CHAIRPERSON
		2. DR. PATRICK SAWA	MEMBER
		3. DR. ROSE OPONDO	MEMBER
		4. MR. KENNEDY OJJO	MEMBER
5	Development Committee		
		1. MRS. SABINA OTIENO	
		2. MR. EDWIN MARERA OCHANDA	
		3. MR. JARRED O. KISERA	
		4. DR. PATRICK SAWA	
6	Discipline and welfare Committee		
		1. MRS. SABINA OTIENO	
		2. MR. EDWIN MARERA OCHANDA	
		3. MR. JARRED O. KISERA	
		4. DR. PATRICK SAWA	

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	MR. KENNEDY OJJO	349223
2	Deputy Principal	MR. OTIENO NATHANIEL	450500
3	School Bursar	MR. NASSUR OKECH	N/A

(e) Schools contacts

Post Office Box: 81 – 40305, MBITA
Telephone: 0700448644
E-mail: mbitahigh@gmail.com
Website: www.mbitahigh.ac.ke
Facebook:
Twitter:

(f) School Bankers

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

1. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01129047218400
2. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01139047218400
3. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01139047218401
4. Name of Bank: Co-operative
Branch: Mbita
Account Number: 01139047218402
5. KCB
Branch: Mbita
Account Number: 1154826813
6. EQUITY
Branch: Mbita
Account Number: 0760268497276
7. MPESA Pay Bill No. 247247 attached to Equity bank account No. 0760268497276

(g) Independent Auditors

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

II. Summary Report Of Performance Of The School

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

a) Financial performance:

	TUITION			OPERATION			SCHOOL FUND		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
INCOME	2,528,383	1,731,087	3,406,485	17,561,460	11,609,728	22,061,380.9	45,610,030	29,518,329	127,781,258.25
EXPENDITURE	3,903,262	1,731,860	12,517,223	19,921,717	7,297,208	30,585,561.1	42,788,898	57,058,523	141,844,181.00
SURPLUS/DEFICIT	(1,374,879)	(773)		(2,360,257)	4,312,520		2,821,131	(6,691,468)	
CREDITORS	2,860,912						13,132,865	23,139,354	
DEBTORS							8,888,058	18,235,116	
CASH & BANK BALANCES	3,537	2,764	1,130,462.19	80,678	23,983	161,413.80	2,265,673	1,104,804	1,557,738.36

	TUITION			OPERATIONS		
	ENROL	CAPITATION	AMOUNT	ENROL	CAPITATION	AMOUNT
2020	1366	1,851	2,528,383	1507	11,650.00	17,561,460
2021	1143	1,302	1,488,797	1362	8,165.55	11,046,728
2022	1510	3,314.35	5,003,397	1510	14,480.20	22,061,399
TOTAL		6,467.35	9,020,577		34,295.75	50,669,587

b) Teacher Student ratio:

	SUBJECT	TEACHER	ENROLL
1	MATHEMATICS	10	1496
2	ENGLISH	10	1496
3	KISWAHILI	9	1496
4	GEOGRAPHY	4	1020
5	HISTORY & GOVT.	7	1496
6	CRE	4	1120
7	PHYSICS	7	1496
8	CHEMISTRY	10	1496
9	BIOLOGY	10	1496
10	AGRICULTURE	2	510
11	COMPUTER	2	360
12	BUSINESS STUDIES	2	840

c) Mean score in the 2020 – 2021 KCSE:

YEAR	MEAN SCORE	MEAN GRADE
2021	9.1567	B-
2020	8.9747	B
2019	8.4309	B-

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

YEAR	NUMBER OF CANDIDATES
2021	351
2020	356
2019	369

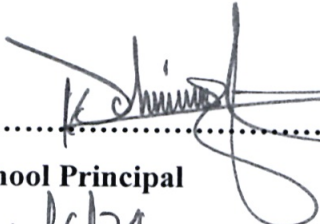
e) Capacity of the school:

YEAR	ENROLMENT	LABS	DORMS	CLASSES	D/HALL	TOILETS
2022	1841	120	1750	1800	1000	1400
2021	1496	120	1400	1350	1000	1200
2020	1366	120	1200	1000	1000	800

Summary Report of the Performance of the School (Continued)

f) Development projects carried out by the school:

YEAR	PROJECT	SOURCE OF FUNDING	ESTIMATED COST	ACTUAL	STATUS
2021/2022	Dormitory	MOE/PARENT	4,500,000	4,750,000	Completed and in use
	Twin classroom	MOE/PARENT	1,700,000	1,780,000	Completed and in use
	14 doors pit latrine	MOE/PARENT	1,960,000	1,900,000	Completed and in use



 School Principal
 10/6/24

PRINCIPAL
MBITA HIGH SCHOOL
 10 JUN 2024
 P. O. Box 81 - 40305, MBITA
 Sign:.....

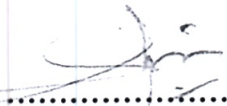
III. Statement Of School Management Responsibility


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

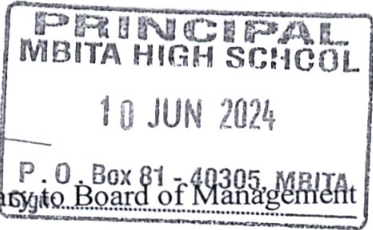
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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


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


.....
Name: ALBERT MURRAY
Designation: Chairman, School Board of Management

Date: 10/6/2024




.....
Name: KENNEDY OJITO
Designation: School Principal & Secretary to Board of Management
Date: 10/6/24


.....
Name: Nassur Okech
Designation: Bursar/ Finance Officer
Date: 10/06/2024

REPUBLIC OF KENYA



Enhancing Accountability

Phone: +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 MBITA HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – HOMA BAY 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 Mbita High School – Homa Bay County set out on pages 1 to 18, which comprise of the statement of assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows

Report of the Auditor-General on Mbita High School for the year ended 30 June, 2022 – Homa Bay County

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

Review of the financial statements revealed the following unsatisfactory matters.

- i. The balances reflected in the statement of receipts and payments differs with corresponding balances reflected in the statement of cash flows as shown in the table below:

Component	Statement of Receipts & Payments Balance Kshs.	Statement of Cash Flows Balance Kshs	Variance Kshs.
School Fund Income - Parents Contributions	121,498,246	118,581,404	2,916,842
Payments for Operations	22,747,656	14,608,037	8,139,619
Payments for Boarding & School Fund	137,904,029	131,075,724	6,828,305

- ii. Further, the statement of cash flows reflects cash flow from investing activities on acquisition of assets amount of Kshs.9,200,219. However, the supporting Annex 2 to the financial statements on summary of fixed assets register indicates nil additional assets during the year under review.
- iii. In addition, the statement of budgeted versus actual amounts also did not reflect the total balance on receipts and payments on original amounts, final budget and actual on comparable basis as required in the Public Sector Accounting Standards.

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

2. Inaccuracies in Capitation Grants for Tuition

The statement of receipts and payments and as disclosed in Note 1 to the financial statements reflects capitation grants for tuition amount of Kshs.5,003,397. However, the balance in the financial statements differs with the ledger balance of Kshs.6,092,377 resulting to unexplained variance of Kshs.1,088,980.

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

3. Inaccuracies in Government Grants for Operations

The statement of receipts and payments and as disclosed in Note 2 to the financial statements reflects Government grants for operations amounting to Kshs.22,061,381. However, the balances in the financial statements differ with the balances reflected in the ledger as shown in the table below:

Component	Amount as per Financial Statements Kshs.	Ledger Kshs.	Variance Kshs.
Personal Emoluments	-	5,117,464	5,117,464
Local Transport/Travelling	-	2,562,010	2,562,010
Electricity and water	-	2,562,010	2,562,010
Administration Costs	-	2,562,010	2,562,010
Total		12,803,496	12,803,496

In the circumstances, the accuracy and completeness of Government grants for operations balance could not be confirmed.

4. Inaccuracies in School Fund Income- Parents Contributions

The statement of receipts and payments and as disclosed in Note 3 to the financial statements reflects an amount of Kshs.121,498,246 in respect of school fund income-parents' contributions. Included in this balance is an amount of Kshs.69,495,078 in respect of boarding equipment and Stores. However, the ledger revealed a balance of Kshs.59,534,537 resulting to unexplained variance of Kshs.9,960,541.

In the circumstances, the accuracy and completeness of school fund income - parents' contributions /fees balance could not be confirmed.

5. Inaccuracies in Boarding and School Fund

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects boarding and school fund expenditure balance of Kshs.137,904,029. Included in this balance is an amount of Kshs.79,723,716 in respect of fee on boarding

equipment and stores expenditure. However, the ledger revealed a balance of Kshs.37,172,208 resulting to unexplained variance of Kshs.42,551,508.

In the circumstances, the accuracy and completeness of boarding and school fund payments balance could not be confirmed.

6. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 8 to the financial statements reflects cash and cash equivalents balance of Kshs.1,606,165. However, Management did not prepare and maintain monthly bank reconciliation statements for all bank accounts.

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

7. Unsupported and Long Outstanding Accounts Receivables

The statement of assets and liabilities and as disclosed in Note 11 to the financial statements reflects accounts receivables balance of Kshs.82,586,304 in respect of fees arrears, un-surrendered imprests and salary advances which was not supported by ledgers and debtors' schedule showing the opening balances, receivables for the year, amount received during the year and the outstanding balances at the end of the year.

Further, Note 11 to the financial statements reflects accounts receivable balance of Kshs.82,586,304 while the schedule on ageing of accounts receivables reflects a balance of Kshs.80,356,492 resulting to unexplained variance of Kshs.1,999,812.

In addition, receivable balance of Kshs.70,395,951 or 85% of the accounts receivables was outstanding for a period of over one (1) year.

In the circumstances, the accuracy and completeness of the accounts receivables balance could not be confirmed.

8. Unsupported and Long Outstanding Accounts Payables

The statement of assets and liabilities and as disclosed in Note 12 to the financial statements reflects accounts payable balance of Kshs.38,596,909 in respect of trade creditors, prepaid fees and retention monies. Included in the accounts payable balance were trade creditors balances of Kshs.35,063,362 which were not supported by the creditors ledger, invoices, delivery notes, local purchase orders (LPO), and inspection and acceptance reports.

Further, the balance includes prepaid fees and retention monies balance of Kshs.3,513,447 and Kshs.20,100, respectively. However, details of the students who had prepaid fees and details of whom retention monies related to were not provided for audit.

In addition, Note 12 to the financial statements reflects accounts payables balance of Kshs.38,596,909. However, the accompanying schedule on ageing of accounts payables

reflects a balance of Kshs.35,063,362 resulting to unexplained variance of Kshs.3,533,547.

In the circumstances, the accuracy and completeness of the accounts payables balance could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Mbita High School – Homa Bay County 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 audit procedures performed, except for the effect of 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

During the year under review, the School Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2022. The financial statements were submitted on 21 May, 2024 which was twenty (20) months after the statutory deadline. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate. Late submission

of financial report adversely affects the Office of the Auditor- General in meeting the statutory timelines.

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

2. Non-Compliance with the Public Sector Accounting Standards Board

Review of the financial statements revealed that Annex 1 to the financial statements on analysis of pending accounts payables did not have details on the original amount, date contracted, amount paid to date, outstanding balance for current year and outstanding balance for the year as prescribed in the Public Sector Accounting Standards Board (PSASB) reporting template.

Further, Annex 2 to the financial statements on summary of fixed assets register did not reflect details on dates assets were purchased, historical cost brought forward, additions and disposals during the year and historical cost carried forward as required by the PSASB reporting template.

In the circumstances, Management did not comply with the PSASB reporting template requirements.

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

During the year under review, the School transferred an amount of Kshs.316,680 to Kenya Secondary Schools Heads Association (KESSHA) to support the association activities. 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 the Schools.

In the circumstances, the value for money of the funds transferred to KESSHA could not be confirmed.

4. Failure to Transfer of Funds from Operations Account to Infrastructure Account

During the year under review, the School received operations capitation grants of Kshs.22,061,381 out of which amount of Kshs.7,937,250 was supposed to be transferred to infrastructure account. However, only an amount of Kshs.6,540,450 was transferred resulting in under transfer of Kshs.1,396,800. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

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

5. Non-Compliance with the Public Procurement and Asset Disposal Act, 2015

Review of payment vouchers and supporting documentation revealed that an amount of Kshs.4,385,000 was paid for procurement of goods and services. However, Management

did not prepare a Procurement Plan for the financial year under review. This was contrary to Section 53 (2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that an Accounting Officer shall prepare an Annual Procurement Plan which is realistic in a format set out in the Regulations within the approved budget prior to commencement of each financial year as part of the annual budget preparation process.

Further, the procurement of goods and services had not supported by requisition documents from user Department contrary to Section 162 (1) of the Public Procurement and Assets Disposal Act 2015 that states that procurement of goods and services shall be supported by user requisition.

In addition, goods and services procured by the school were not supported by local purchase/service orders (LPOs/LSOs).

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

6. Failure to Prepare School Improvement Plan

During the year under review, Management did not develop a School Improvement Plan to be used to measure the School's improvement activities, keep the School in focus in achieving the school target, prioritization of School needs, ensuring prudent utilization of resources and to improve accountability. This was contrary to Section 2.2.1 of the Operational Manual for Utilization of Learner Capitation, Grant and Other School Funds which requires a school to develop improvement plan which is a road map for changes that a school needs to improve the school environment and learning outcomes.

In the circumstances, Management was in breach of the Operational Manual.

7. Failure to Reconcile Student Enrollment Data

Review of student's records provided for audit revealed unexplained variance in student numbers between National Education Management Information System (NEMIS) and School registers resulting to tuition fees under - disbursement on both capitation grants for tuition and operation fees of Kshs.3,202,283 as analyzed below:

Month	No. of Students Per NEMIS	No. of Students as Per Register	Capitation Grant per Student Kshs.	Total Expected Capitation per School Register Kshs.	Actual Capitation Received Kshs.	Capitation not Received
Jul.2021	1,023	1,129	5,230	5,904,670	5,350,290	554,380
Oct.2021	1,507	1,631	4,254	6,937,785	6,410,326	527,459
Jan.2022	484	591	5,230	3,090,930	2,531,320	559,610
Jan.2022	1520	1631	2,552	4,161,823	3,878,584	283,239
Apr.2022	1520	1839	4,005	7,365,195	6,087,600	1,277,595
Total						3,202,283

Management explained that the difference was due to failure by the School to fully register all students on National Education Management Information System Management (NEMIS) because some learners lacked birth certificates, others had duplicate birth certificates and some students had attained the age of 18 years and were automatically removed from the system. This was contrary to the Ministry of Education Circular MOE.HQ/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners to be registered in National Education Management Information System and the Principals to ensure their records are accurate.

In the circumstances, Management was in breach of the circular and the underfunding of the School may have affected service delivery to the students.

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

Basis for Conclusion

1. Lack of Ownership Documents

Review of the asset records revealed that the School did not have land ownership documents for two parcels of land allotted by the County Government. Further, the School motor vehicle log book had not been transferred to the School but was in the name of a local bank (Financier) due to undisclosed outstanding bank loan.

In addition, details of the outstanding loan balance were not disclosed in the financial statements and a log book for another of the School's motor vehicle was not provided for audit.

In the circumstances, the existence and custody of the assets could not be confirmed.

2. Lack of an Audit Committee

During the year under review, the School operated without an Audit Committee. This was contrary to Section 61(2) of the Basic Education Act 2013 which requires the Board of

Management to establish Finance, Procurement and General Purposes Committee, Academic Standards, Quality and Environment Committee, Ethics and Integrity Committee, Audit Committee, and Human Rights and Student Welfare Committee.

In the circumstances, the existence of an internal control mechanism to control operations could not be ascertained.

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

Responsibilities of Management and those Charged with Governance

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

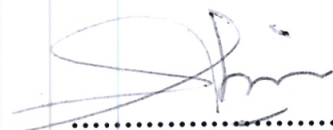
MBITA HIGH SCHOOL

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

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

Description Of Vote Head	Note	2021-2022 Kshs	2020-2021 Kshs
Receipts			
Capitation grants for tuition	1	5,003,397	1,731,087
Capitation grants for operations and infrastructure	2	22,061,381	11,046,728
School fund income- parents' contributions	3	121,498,246	47,729,545
School fund income- other receipts	4	16,243,553	23,900
Proceeds from borrowings			
Total Receipts		164,806,577	60,531,260
Payments			
Payments for tuition	5	6,533,609	1,731,860
Payments for operations and infrastructure	6	22,747,656	4,453,598
Boarding and school fund payments	7	137,904,029	56,725,524
Total Payments		167,185,294	62,910,982
Surplus/Deficit		(2,378,716)	(2,379,722)

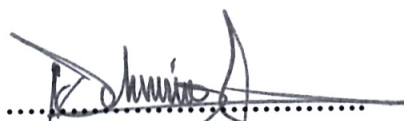
The school financial statements were approved on _____ 2022 and signed by:



Name: ISAAC KIBERA

Chair BOM

Date: 10/6/2024



Name: KENNEDY OJISO
School Principal/ Secretary to
BOM

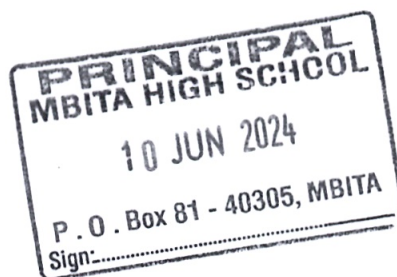
Date: 10/6/24



Name: Nassur Okech

Bursar/ Finance Officer

Date: 10/06/2024



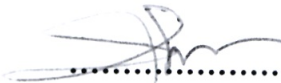
MBITA HIGH SCHOOL


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


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

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	1,606,165	1,134,020
Cash balances	9		
Short term investment	10		
Total cash and cash equivalent		<u>1,606,165</u>	<u>1,134,020</u>
Account's receivables	11	82,586,304	73,695,650
Total financial assets		84,192,469	74,829,670
Financial liabilities			
Accounts payables	12	38,596,909	26,855,394
Net financial assets		45,595,560	47,974,276
Represented by			
Accumulated fund b/fwd	13	47,974,276	50,353,998
Surplus/deficit for the year		(2,378,716)	(2,379,722)
Net financial position		45,595,560	47,974,276

The school's financial statements were approved on _____ 2022 and signed by:


 Name: JARRO KISERA
 Chair BOM
 Date: 10/6/2024


 Name: KENNEDY OTTO
 School Principal/ Secretary to BOM
 Date: 10/6/24


 Name: Nassur Okech
 Bursar/ Finance Officer
 Date: 10/06/2024

PRINCIPAL
MBITA HIGH SCHOOL
 10 JUN 2024
 P. O. Box 81 - 40305, MBITA
 Sign:.....

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

VII. Statement of Cash Flows for The Period Ended 30th June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	5,003,397	1,731,087
Capitation grants for operations	2	22,061,381	11,046,728
School fund income- parents contributions/ fees	3	118,581,404	41,289,723
School fund income- other receipts	4	16,243,553	23,900
Total receipts		161,889,734	54,091,438
Payments			
Payments for tuition	5	6,533,609	1,731,860
Payments for operations	6	14,608,037	6,608,472
Boarding and school fund payments	7	131,075,724	46,482,057
Total payments		152,217,370	54,822,389
Net cash flow from operating activities		9,672,364	(730,951)
Cashflow from investing activities			
Proceeds from sale of assets			
Acquisition of assets		(9,200,219)	(474,920)
Proceeds from investments			
Purchase of investments			
Net cash flows from investing activities		(9,200,219)-	(474,920)
Cashflow from borrowing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
Net increase in cash and cash equivalents		472,145	(1,205,871)
Cash and cash equivalent at beginning of the year		1,134,020	2,339,890
Cash and cash equivalent at end of the year		1,606,165	1,134,020

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

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	%
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	4,862,570		4,862,570	5,003,397	102.8
Exams And Assessment					
(2) Capitation Grant on Operations					
Personnel Emoluments					
Repairs And Maintenance	8,213,800		8,213,800	7,937,250	96.6
Local Transport / Travelling					
Electricity And Water					
Medical	656,800		656,800	304,000	46.3
Administration Costs					
Activity					
Gratuity					
3) FDSE for infrastructure					
Maintenance & Improvement MoE					
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	12,907,400		12,907,400	17,956,767	139

MBITA HIGH SCHOOL

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	%
Repairs And Maintenance					
Local Transport / Travelling	3,449,796		3,449,796	5,248,495	152
Electricity And Water	9,762,688		9,762,688	4,863,889	50
Medical	1,690,00		1,690,000	319,330	19
Administration Costs	4,349,794		4,349,794	8,267,399	190
Activity					
SMASSE					
Fee On Boarding Equipment and Stores					
5) Miscellenous Income					
Loans / Borrowing					
Rent income					
Income From Farming Activities					
Insurance Compensation					
Income From Posho Mill					
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income					
Income From Any Other Investment					
Total Income					
(6) Expenditure For Tuition					
Textbooks					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials					
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					

MBITA HIGH SCHOOL

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	%
(7) Expenditure For Operations					
Personnel Emoluments					
Repairs, Maintenance & Improvements	2,440,000		2,440,000	2,713,655	111
Local Transport / Travelling					
Electricity, Water and Conservancy					
Medical					
Administration Costs	4,587,196		4,587,196	1,429,088	31
Activity Expenses	2,696,473		2,696,473	316,680	12
Gratuity					
SMASSE					
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	12,907,400		12,907,400	12,954,805	100.3
Repairs, Maintenance and Improvements					
Local Transport / Travelling	3,449,796		3,449,796	5,248,495	152
Electricity, Water and Conservancy	9,762,688		9,762,688	4,863,889	49.8
Medical Expenses	2,346,800		2,346,800	319,330	13.6
Administration Costs	4,349,794		4,349,794	8,267,399	190
Activity	2,696,473		2,696,473	565,420	20.9
Gratuity					
Lunch Programme					

MBITA HIGH SCHOOL

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	%
Boarding Equipment and Stores	58,517,458		58,517,458	71,795,546	122
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments					
Rent Expenses					
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets					
Totals					

IX Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

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

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	5,003,397	1,731,087
Chalks		
Total	5,003,397	1,731,087

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments		
Repairs And Maintenance	7,937,250	4,850,250
Local Transport / Travelling		
Electricity And Water		
Medical	304,000	
Administration Costs		
Other vote heads (PE,EWC,ACT,ADM)	13,616,470	5,857,043
Special needs education grants	203,661	339,435
Total	22,061,381	11,046,728

3 Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	17,956,767	3,946,916
Repairs and maintenance	5,305,770	1,147,440
Local transport / travelling	5,284,639	1,431,800
Electricity and water	14,400,731	3,990,263
Medical		6,350
Administration costs	6,992,143	2,161,369
Activity	2,063,118	452,632
Boarding equipment and stores	69,495,078	34,592,775
Total	121,498,246	47,729,545

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Id card	317,400	
Rent Income		2,500
Uniform	15,896,153	
Fee arrears recovered		
Income From Bus Hire	30,000	
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		21,400
Interest Income		
Total	16,243,553	23,900

5 Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials		
Exercise Books	1,433,088	370,000
Laboratory Equipment	1,600,000	100,000
Internal Exams	1,122,060	1,045,000
Teaching / Learning Materials	2,377,621	216,500
Chalks		
Exams And Assessment		
Teachers Guides		
Administration Costs		
Bank Charges	840	360
Total	6,533,609	1,731,860

Notes To The Financial Statements (Continued)

6 Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	2,355,758	3,292,098
Furniture	3,104,150	
Administration Cost	1,429,088	52,400
Repairs And Maintenance & Improvements		
Local Transport / Travelling	437,920	200,000
Electricity And Water	2,042,309	234,180
Medical	156,912	
Activity Expenses	316,680	200,000
Infrastructure grant -Homa dorm	4,776,163	
New classes-2022	932,940	
Infrastructure grant -MIF-pit latrine	764,175	474,920
Repair of lockers and chairs	1,452,750	
Painting and glasses	2,879,820	
Twin classroom	2,098,991	
Total	22,747,656	4,453,598

Notes To The Financial Statements (Continued)

7 Boarding And School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	12,954,805	6,580,371
Service Gratuity		
Repairs And Maintenance & Improvements		56,375
Local Transport / Travelling	5,248,495	1,045,125
Electricity And Water	4,863,889	1,053,550
Medical Expenses	319,330	82,400
Administration Costs	17,807,449	4,202,885
Activity	565,420	76,690
Uniform	15,366,647	1,703,900
Fee On Boarding Equipment and Stores	79,723,716	41,829,378
Rent Expenses		
Insurance Cost (<i>Life Property</i>)	85,700	94,850
ID Card	317,400	
KCB School Van Loan Repayment - Principal	443,626	
KCB School Van Loan Repayment - Interest	207,551	
Total	137,904,029	56,725,524

Notes To The Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account		34,613	2,765
Operations Account		4,486	23,984
School Fund Account/Boarding		43,958	24,000
School fund account/boarding		195,356	341,745
School fund account/boarding		1,318,424	739,060
Farm account			
Infrastructural Account		9,328	2,467
Total		1,606,165	1,134,020

9 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account		
Operation Account		
School Fund account		
Total		

10 Short Term Investments

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

Notes To The Financial Statements (Continued)

11 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	80,356,492	73,583,650
Salary Advances	2,219,812	102,000
Usurrendered imprest	10,000	10,000
Total	82,586,304	73,695,650

An ageing of the fees / non fees arrears below

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	9,960,541	
Fees Arrears For The Previous Year	27,942,692	31,130,391
Fees Arrears For Prior Periods (Over Two Years)	42,453,259	42,453,259
Total	80,356,492	73,583,650

12 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	35,063,362	23,130,391
Prepaid Fees	3,513,447	3,695,940
Retention Monies	20,100	20,100
Total	38,596,909	26,855,394

[An ageing of the creditor's arrears below]

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	21,571,423	
Trade Creditors for The Previous Year-operation	13,491,939	23,139,354
Trade Creditors for Prior Periods (Over Two Years)		
Total	35,063,362	23,139,354

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances-note8	1,134,020	2,339,890
Cash Balances-note9		
Short Term Investments -note10		
Receivables-note11	73,695,650	63,427,788
Payables-12	(26,855,394)	(15,413,681)
Total	47,974,276	50,353,998

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)	1,940,874	
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Total	1,940,874	

15 Biological assets

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

16 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
Balance at end of the year		

Other important disclosure notes


17 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year		
Stock/ inventory purchased during the year		
Stock/ inventory issued during the year		
Balance at end of the year		

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: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
1.				


 Sign and Date
 Principal
 10/6/24

PRINCIPAL
MBITA HIGH SCHOOL
 10 JUN 2024
 P. O. Box 81 - 40305, MBITA
 Sign:.....

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
6.						
Sub-Total						
Supply Of Services						
7.						
8.						
9.						
Sub-Total						
Grand Total						

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1						
Land 2						
Buildings And Structures						
Motor Vehicles						
Office Equipment, Furniture And Fittings						
ICT Equipment, And Other ICT Assets						
Tools And Apparatus						
Textbooks						
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
Total						