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REPORT

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BY:

Hon. Samuel
Chepkonga, MP

OF

CLERK-AT
THE-TABLE:

M. Mudo

THE AUDITOR-GENERAL

ON

NYANDARUA HIGH SCHOOL

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

NYANDARUA COUNTY

Revised 30th June 2023



**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2023**

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



**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**
Annual Report and Financial Statements
For the year ended 30th June 2023

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KEY SCHOOL INFORMATION AND MANAGEMENT

NYANDARUA HIGH SCHOOL

(a) Background information

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

The school was registered in **28/07/2017** under registration number **18-S-0030-0471** and is currently categorized as a **National public school** established, owned or operated by the Government.

The school is a boarding school and had **984** numbers of students as at **30th JUNE 2023**.

It had **4** streams in **form 4**, **5** streams in **form 2 and 3** and **6** streams in **form 1** and **40** 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	DR. SIMON KANYINGI	Chairman	19/07/2022
2	MR. STEPHEN MUCHIRI	Secretary - Principal	19/07/2022
3	MR. LAWRENCE MWANGI	Member	19/07/2022
4	MR. JACK WAHOME	Member	19/07/2022
5	MR. NYANTIKA OMBIRO	Member	19/07/2022
6	MR. JOSEPH WARUI	Members - Sponsor	19/07/2022
7	MR. JAMES KIHUNGI	Members - Sponsor	19/07/2022
8	MR. LAWRENCE KARANJA	Member – Rep CEB	19/07/2022
9	MS DIANA YATOR	Member Rep Teachers	19/07/2022
10	MS ROSE NJUGUNA	Members - Sponsor	19/07/2022
11	MR. PIUS NDUNGU	Member Special Needs	19/07/2022
12	MS MARGARET WANGARI	Member	19/07/2022
13.	MS. ANN NGATHA	Member - Community	19/07/2022
14.	MR.SAMUEL WAMUGO	Member	19/07/2022
15.	MR.JOSEPH MATHENGE	Member	19/07/2022
16	MR. NELSON KIARIE	Member	19/07/2022
17	MS ROSEMARY MACHARIA	Member	19/07/2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The functions 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 students' 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 paragraph 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Number of meetings held
1	Executive Committee	DR. SIMON KANYINGI MR. LAWRENCE KARANJA MR. JACK WAHOME MR. GS MUCHIRI MS. ROSEMARY MACHARIA MS. ANN NGATHA	3
2	Audit Committee	MR. GS MUCHIRI MR. NELSON KIARIE MR. JAMES KIHUNGI	2
3	Finance, procurement and general purposes Committee	MR. LAWRENCE KARANJA MR. JACK WAHOME MR. GS MUCHIRI MS. ROSEMARY MACHARIA MR. JAMES KIHUNGI	2
4	Academic Committee	MR. LAWRENCE KARANJA MR. JACK WAHOME MR. GS MUCHIRI MR. PIUS NDUNG'U MS. DIANA YATOR MS. ANN NGATHA	1
5	Development Committee	DR. SIMON KANYINGI MR. JOSEPH WARUI MR. STEPHEN MUCHIRI MR. JACK WAHOME MR. LAWRENCE KARANJA	3
6	Discipline and welfare Committee	MR. NYANTIKA OMBIRO MR. STEPHEN MUCHIRI MR. JACK WAHOME MR. JOSEPH MATHENGE MS ROSE NJUGUNA	2
7	Adhoc Committee (if any during the year)		



KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	MR. STEPHEN MUCHIRI	336266
2	Deputy Principal	MS. JANE WARUINGI	372914
3	School Bursar	MS. RUTH NJORGE	ID 27771044

e) Schools contacts

i. Schools contacts

Post Office Box: 61-20303, Olkalou
Telephone: 0712684053
E-mail: nyandaruahsc@gmail.com

ii. School Bankers

The following school operate 5 numbers of bank accounts in the following banks:

1. Name of Bank: Equity Bank; School Fund A/C
Branch: Ol'kalou
Account Number: 0160293193956
Account Name: Nyandarua High School
2. Name of Bank: Kcb; Operations A/C
Branch: Ol'kalou
Account Number: 1102126748
Account Name: Nyandarua Secondary School – Operations
3. Name Of Bank: Kcb; Tuition A/C
Branch: Ol'kalou
Account Number: 1102124133
Account Name: Nyandarua Secondary – Tuition
4. Name Of Bank: Kcb; Infrastructure A/C
Branch: Ol'kalou
Account Number: 1260821528
Account Name: Nyandarua Secondary – Infrastructure
5. Name Of Bank: Equity ; Savings A/C
Branch: Ol'kalou
Account Number: 0620284367645
Account Name: Nyandarua High School Savings Account
6. Mpesa Pay Bill No.4048631 Attached To Equity Bank Account

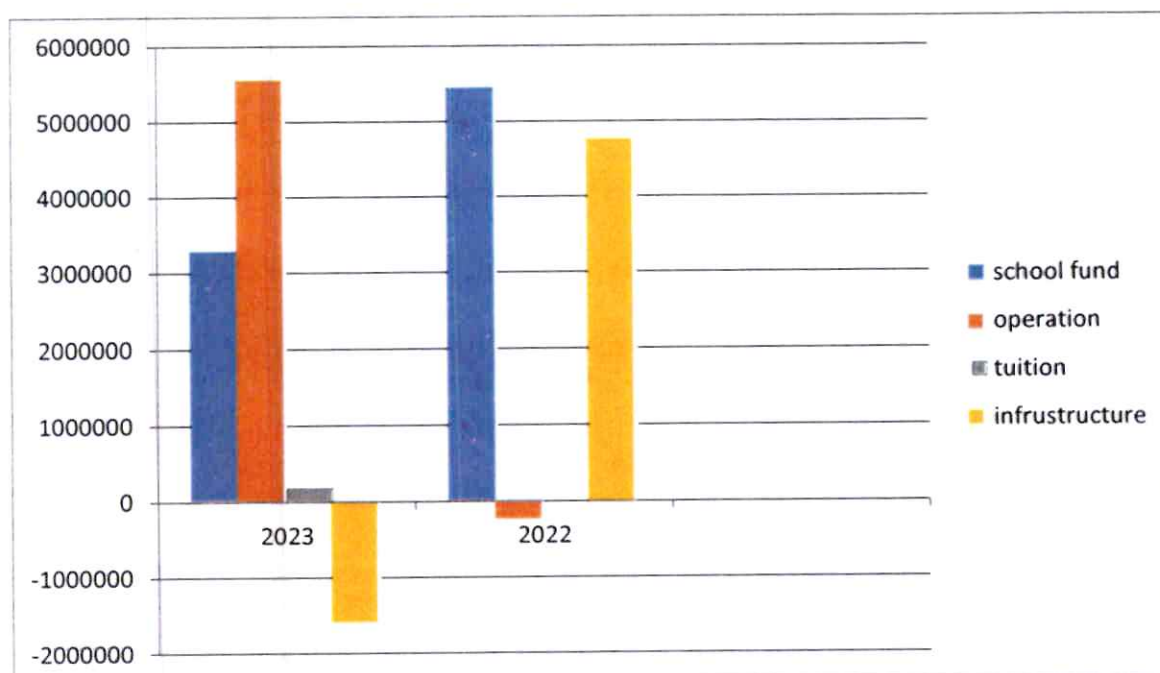
I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

Under this section, it reflects the actual financial performance trend for the last two years period between 1st July 2022 to 30th June 2023, 1st July 2021 to 30th June 2022, each reports covers a period of 12 months

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST TWO YEARS			
SNO	ACCOUNTS	2022/2023	2021/2022
		Kshs	Kshs
1	School Fund Account	3,286,036	5,441,347
2	Operations Account	5,556,501	(230,846)
3	Tuition Account	187,326	8,968
4	Infrastructure Account	(1,596,281)	4,778,449
5	Farm Account		
	TOTAL	7,433,582	9,997,918
	Increase/Decrease		

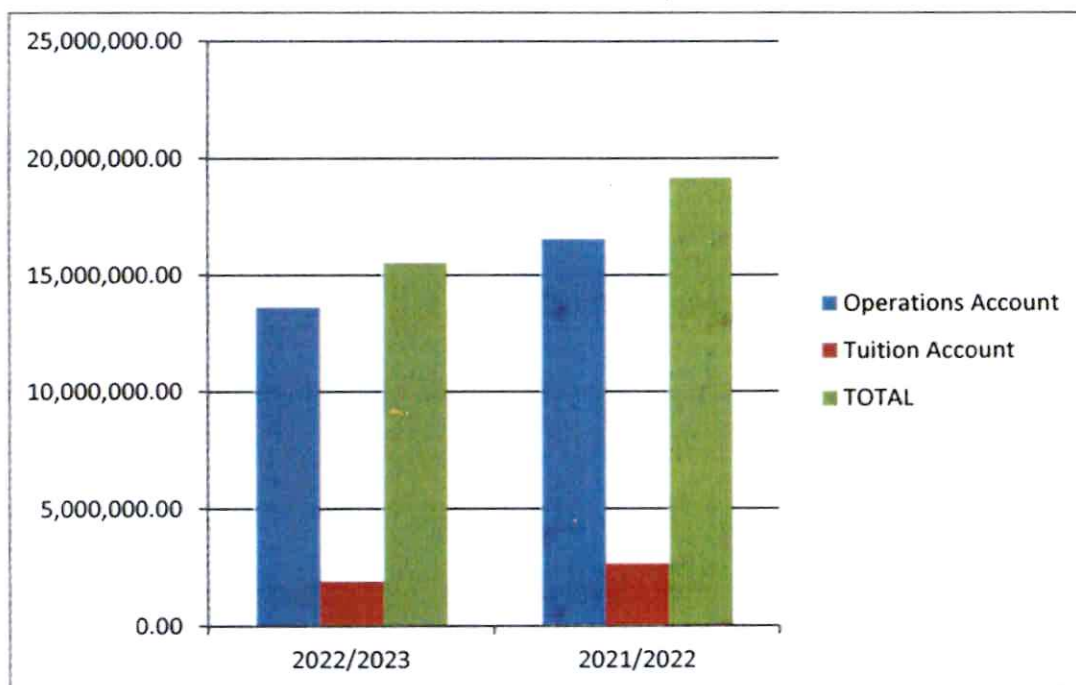


The surplus for the year 2022/2023 decreased to Kshs 7,433,582 from a surplus of Kshs 9,997,918 in the year 2021/2022 which was attributed by non-usage of the maintenance and improvement grant of kshs 5,000,000 in the operations account.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST TWO YEARS			
SNO	ACCOUNTS	2022 - 2023	2021 -2022
		KSHS	KSHS
1	Operations Account	10,739,707	16,526,202
2	Tuition Account	1,905,233	2,637,248
	Total	12,644,940	19,163,450
	Increase/Decrease	-6,518,510	12,688,345
	No of Students	984	828
	Ratio of Capitation per student	1:12,851	1:34,469

Trend over the Last Two Years



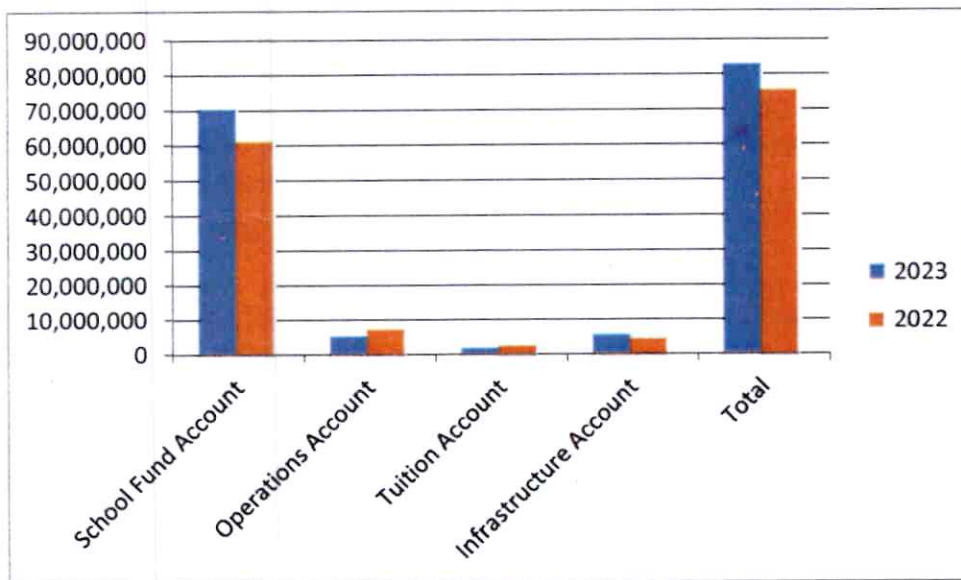
The total capitation for the year 2022/2023 was Kshs 12,644,940 as compared to Kshs 19,163,450 in the financial year 2021/2022 representing a decrease of Kshs -6,518,510

**NYANDARUA HIGH SCHOOL
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL			
SNO	ACCOUNTS	2022 – 2023	2021 – 2022
		Kshs	Kshs
1	School Fund Account	70,352,473	61,143,648
2	Operations Account	5,183,206	7,380,048
3	Tuition Account	1,717,907	2,628,280
4	Infrastructure Account	5,469,281	4,598,551
5	Farm Account	-	-
	Total	82,722,867	75,750,527
	Increase/Decrease	6,972,340	49,946,560

Trend over the Last two Years

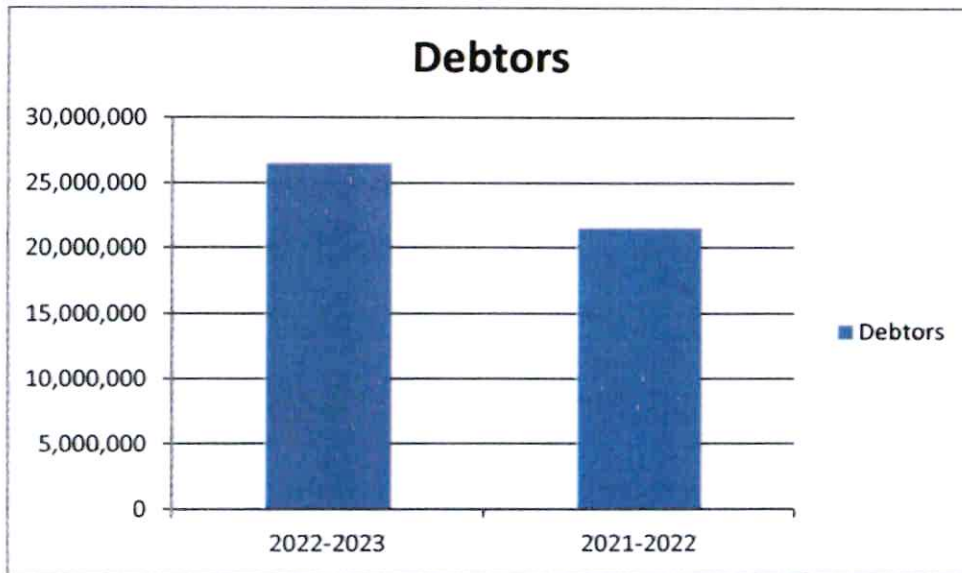


In the financial year 2022/2023 shows an increase of growth in expenditure by kshs 6,972,340 attributed to more expenses being incurred in school fund and infrastructure accounts.
In the financial year 2021/2022 shows an increase of growth in expenditure

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

MOVEMENT OF DEBTORS OF THE SCHOOL			
SNO	ACCOUNTS	2022 - 2023	2021 - 2022
1	School Fund Account	KSHS	KSHS
a	Debtors	26,535,392	21,533,684
	Total	26,535,392	21,533,684
	Increase/Decrease	5,001,708	356,528

Trend over the Last two Years

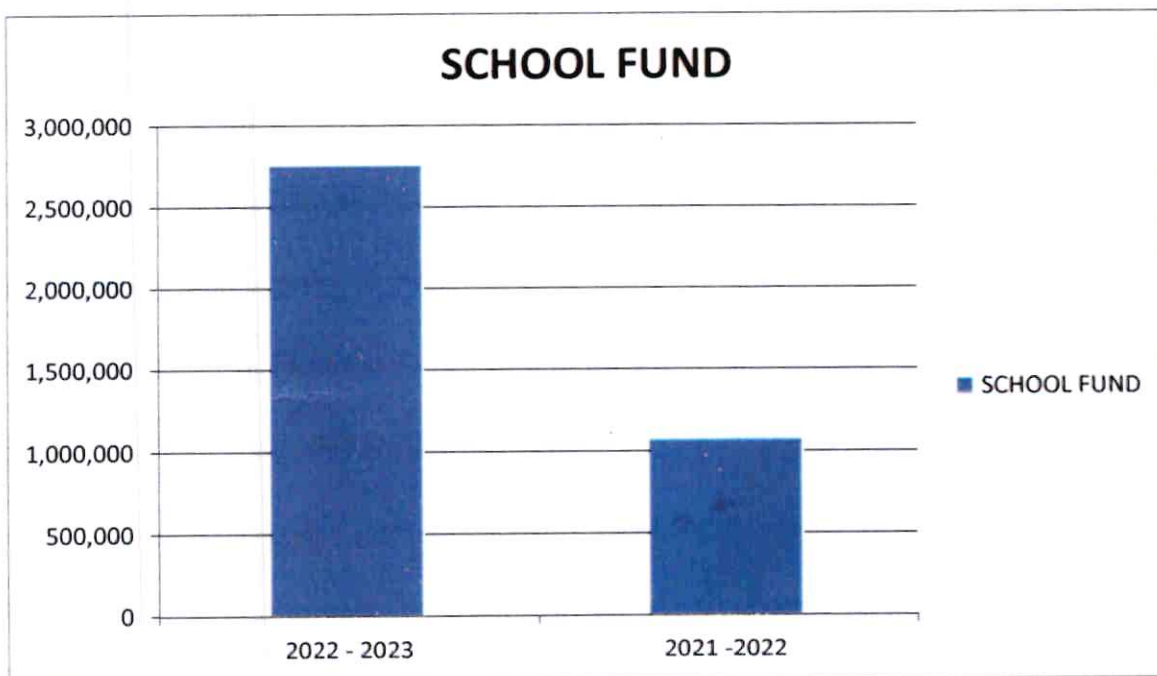


Total debtors as at 30th June 2023 increased by kshs 5,001,708 to Kshs 26,535,392 from kshs 21,533,684 in the financial year ended 30th June, 2022

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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MOVEMENT OF CREDITORS OF THE SCHOOL			
SNO	ACCOUNTS	2022 - 2023	2021 - 2022
1	School Fund Account	KSHS	KSHS
a	Creditors	2,754,334	1,064,901
	Total	2,754,334	1,064,901
	Increase/Decrease	1,689,433	348,691

MOVEMENT OF CREDITORS OF THE SCHOOL



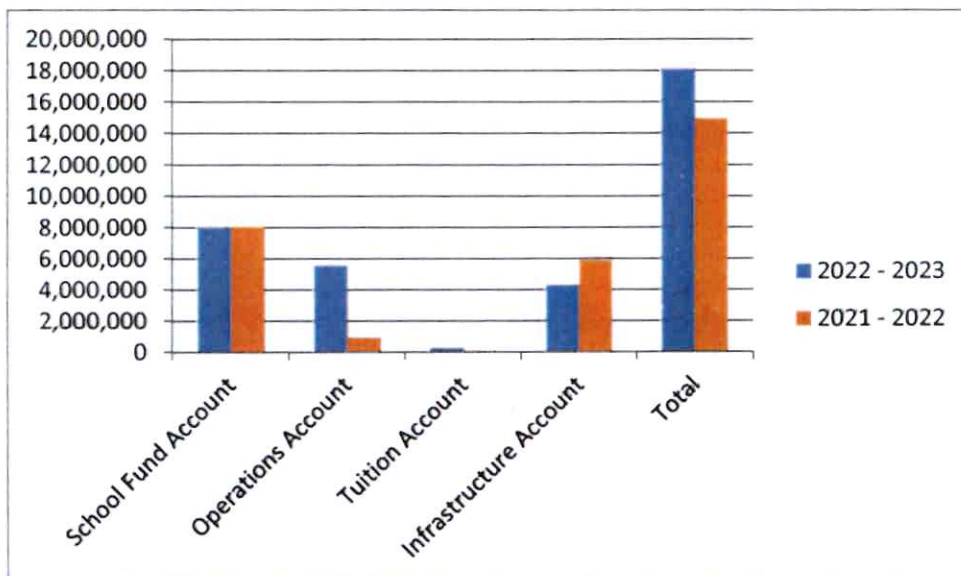
Total creditors as at 30th June 2023 increased by Ksh 1,689,433 compared to Ksh 1,064,901 for the financial year ended 30th June, 2022.

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

MOVEMENT OF CASH AND BANK BALANCES (note 11 and 12)			
SNO	ACCOUNTS	2022 - 2023	2021 - 2022
		KSHS	KSHS
1	School Fund Account	8,014,906	8,041,145
2	Operations Account	6,467,522	911,021
3	Tuition Account	235,706	48,380
4	Infrastructure Account	4,286,582	5,882,863
	Total	19,004,716	14,883,409
	Increase/Decrease	4,121,307	10,463,767

Trend over the Last 2 Years



**NYANDARUA HIGH SCHOOL
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

b) Teacher Student ratio:

Between the month of July 2022 and June 2023, the status of the teaching staff is as follows:

There are 38 teachers posted by the Teachers Service Commission and 10 recruited by the Board of Management. We are grateful that 3 teachers have been posted to school. Although the teacher student ratio lies at 1: 25. We have a shortage of 6 teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4


c) Mean score in the year 2021 and 2022 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2022	168	8.551	149	89.22	9.5	Negative deviation of 0.390 in mean grade. The least grade was a D (1) out of 168,149 out of 168 qualified for university and middle level colleges
2021	186	8.941	168	90.32	8.9	Positive deviation of 0.0665 in mean grade. The least grade was a D (1) Out of 186, 185 qualified for middle level colleges and university.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

d) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	Construction of a new boys dormitory	2019-2022	Complete and in use	15,169,131	TIG, Maintenance & Improvement



Dr, Simon Kanyingi
Chair,
Board of Management

Nyandarua High School

Date: 15/07/2024



Stephen Muchiri (Mr)
Secretary,
Board of Management
/Principal

Nyandarua High School

Date: 15/7/2024



Ruth Njoroge (Ms)
Finance Officer

Nyandarua High School

Date: 15/07/2024

II. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of **Nyandarua 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.



Dr. Simon Kanyingi
Chair,
Board of Management

Nyandarua High School
Date: 15/07/2024



Stephen Muchiri (Mr)
Secretary,
Board of Management
/Principal

Nyandarua High School
Date: 15/7/2024



Ruth Njoroge (Ms)
Finance Officer

Nyandarua High School
Date: 15/07/2024



REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON NYANDARUA HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - NYANDARUA COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on 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 Nyandarua High School - Nyandarua County set out on pages 1 to 16, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows, statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Nyandarua High School - Nyandarua County as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.26,535,392 in respect of fees arrears as disclosed in Note 13 to the financial statements. However, included in the balance are receivables amounting to Kshs.17,879,638 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.17,879,638 could not be confirmed.

2. Under-Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,905,233 and Kshs.10,739,707 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported a total number of seven hundred and eighteen (718) students while the enrolment records provided by the School indicated a total number of eight hundred and twenty (820) students, resulting to an unexplained variance of one hundred and two (102) students. As a result of the variances, the School was underfunded by an amount of Kshs.2,150,144.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.1,905,233 and Kshs.10,739,707 respectively could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.82,530,448 and Kshs.90,156,449 respectively, resulting to an over-funding of Kshs.7,626,001 or 9% of the budget. However, the School spent a balance of Kshs.82,722,867 against actual receipts of Kshs.90,156,449 resulting to an under-utilization of Kshs.7,433,582 or 9% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution 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, 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. 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.70,352,473 as disclosed in Note 9 to the financial statements. Included in expenditure is the administration costs of Kshs.6,567,276 which further includes an amount of Kshs.755,120 transferred to Kenya Secondary School 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.755,120 could not be confirmed.

2. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.16,517,940 as disclosed in Notes 1, 2 and 5 of the financial statements. However, comparison of data from National Education Management and Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2022/2023, NEMIS reflected 718 students while records from the County Director of Education had 820 students, resulting to an underfunding of the School by an amount of Kshs.2,150,144. This was contrary to the Ministry of Education Circular 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 the school may have affected service delivery to the students.

3. Under Supply of Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed 882 number of books to the school while the school distributed all the books to the students but still there was under supply of books by 630. No explanation was given for the under supply by the Kenya Institute of Curriculum Development (KICD).

In the circumstances, value for money realized on the supply textbooks could not be confirmed.

4. Failure to Prepare School Improvement Plan

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

In the circumstances, Management was in breach of Ministry of Education Operation Manual.

5. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.10,739,707 which was received from the Ministry of Education and credited in the

operations bank account as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.5,000,000 which further includes an amount of Kshs.3,894,769 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.763,400 was transferred to infrastructure account, leaving a balance of Kshs.3,131,369 as at 30 June, 2023.

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 Ministry of Education Circular.

The audit was conducted in accordance with 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 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 matter described in the Basis for Effectiveness in 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

Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.72,836,883 in respect of fixed assets which includes land with a balance of Kshs.54,000,000. However, land ownership documents were not provided for audit.

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

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accruals Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and 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 the sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or 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 control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements
- Perform such other procedures as I consider necessary in the circumstances.

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

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

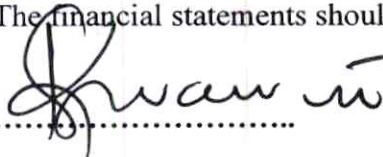
27 September, 2024

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**
Annual Report and Financial Statements
For the year ended 30th June 2023

**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE
2023**

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,905,233	2,637,248
Capitation grants for operations	2	10,739,707	7,149,202
School Fund Income- Parents' Contributions	3	72,695,230	65,515,574
School Fund Income- Other receipts Rent	4	943,279	642,421
Infrastructure	5	3,873,000	9,377,000
Farm	6		427,000
TOTAL RECEIPTS		90,156,449	85,748,445
PAYMENTS			
Payments for Tuition	7	1,717,907	2,628,280
Payments for Operations	8	5,183,206	7,380,048
Boarding and school fund payments	9	70,352,473	61,143,648
Payments for Infrastructure	10	5,469,281	4,598,551
Payment for Farm	11		
TOTAL PAYMENTS		82,722,867	75,750,527
SURPLUS/DEFICIT		7,433,582	9,997,918

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The report covers the 12 months for the period ended 30th June 2023 and accompanying comparatives cover the 12 months period ended 30th June 2022. The financial statements should be read in conjunction with the accompanying notes.


.....

Dr. Simon Kanyingi
Chair,
Board of Management

Nyandarua High School

Date: 15/07/2024


.....

Stephen Muchiri (Mr)
Secretary,
Board of Management
/Principal

Nyandarua High School

Date: 15/7/2024


.....

Ruth Njoroge (Ms)
Finance Officer

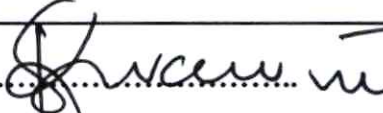
Nyandarua High School

Date: 15/07/2024

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2023

	Note	2022-2023	2021-2022
FINANCIAL ASSETS		KSHS	KSHS
Cash and Cash Equivalents			
Bank Balances	11	18,969,591	14,860,456
Cash Balances	12	35,125	22,953
Total Cash and cash equivalent		19,004,716	14,883,409
Account's receivables	13	26,535,392	21,533,684
TOTAL FINANCIAL ASSETS		45,540,108	36,417,093
FINANCIAL LIABILITIES			
Accounts Payables	14	2,754,334	1,064,901
NET FINANCIAL ASSETS		<u>42,785,774</u>	<u>35,352,192</u>
REPRESENTED BY			
Accumulated Fund b/fwd	15	35,352,192	25,354,274
Surplus/Deficit for the year		7,433,582	9,997,918
Accrual to cash adjustments			
NET FINANCIAL POSITION		<u>42,785,774</u>	<u>35,352,192</u>



Dr. Simon Kanyingi

**Chair,
Board of Management**

Nyandarua High School

Date: 15/07/2024



Stephen Muchiri (Mr)

**Secretary,
Board of Management
/Principal**

Nyandarua High School

Date: 15/7/2024



Ruth Njoroge (Ms)

Finance Officer

Nyandarua High School

Date: 15/07/2024

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022**

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2023

	Notes	2022-2023	2021-2022
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,905,233	2,637,248
Capitation grants for operations	2	10,739,707	7,149,202
School fund income- Parents contributions/ fees	3	70,782,789	64,442,836
School fund income- other receipts	4	943,279	1,069,421
Infrastructure	5	3,873,000	9,377,000
Farm	6		-
Total receipts		88,244,008	84,675,707
Payments			
Payments for Tuition	7	1,717,907	2,628,280
Payments for Operations	8	5,183,206	7,380,048
Boarding and school fund payments	9	71,752,307	61,143,648
Payments for Infrastructure			-
Payment for Farm			-
Total payments		78,653,420	71,151,976
Net cash flow from operating activities		9,590,588	14,588,632
Adjusted for			
Changes in Accounts Receivables		-	-
Changes in Accounts Payable		-	-
Accrual to cash adjustments		-	-
Net cash flow from operating activities		-	-
CASHFLOW FROM INVESTING ACTIVITIES	10	-	-
Decrease in Bus Project			-
Decrease in Investment			-
Decrease in Livestock			-
Decrease in Farm			-
Net cash flows from Investing Activities		(5,469,281)	(4,598,551)
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		4,121,307	9,990,081
Cash and cash equivalent at BEGINNING of the year		14,883,409	4,893,328
Cash and cash equivalent at END of the year		19,004,716	14,883,409

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

.....
Dr. Simon Kanyingi
Chair,
Board of Management

.....
Stephen Muchiri (Mr)
Secretary,
Board of Management
/Principal

.....
Ruth Njoroge (Ms)
Finance Officer

Nyandarua High School
Date: 15.10.2024

Nyandarua High School
Date: 15.10.2024

Nyandarua High School
Date: 15.10.2024

IV. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2023

STATEMENT OF BUDGETED VERSUS AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2023						
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	Kshs	
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Exercise Books		-	-	-	-	
Lab. Equipment	-	-	-	-	-	
T/L Materials	4,271,519	-	4,271,519	1,905,233	2,366,286	45%
Internal Exam	-	-	-	-	-	
Ref/Lib (Textbooks)	-	-	-	-	-	
SMASSE	-	-	-	-	-	
SUB-TOTAL	4,271,519	-	4,271,519	1,905,233	2,366,286	45%
(2) CAPITATION GRANT ON OPERATIONS						
Local, Transport & Travelling	909,975	-	909,975	0	909,975	0%
Electricity, Water & Conservancy	3,458,400	-	3,458,400	2,078,567	1,379,833	60%
Activity (i)	1,546,875	-	1,546,875	417,563	1,129,312	27%
Medical/Insurance	2,062,500	-	2,062,500	143,700	1,918,800	7%
Personal Emoluments	3,351,150	-	3,351,150	1,927,476	1,423,674	58%
infrastructure grant	-	-	-	5,000,000	-5,000,000	0%
Administration Costs	1,973,400	-	1,973,400	1,172,401	800,999	59%
SUB-TOTAL	13,302,300	-	13,302,300	10,739,707	2,562,593	81%

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2023(Continued)						
(3) FEES CHARGED ON PARENTS	a	b	c	d	e = c - d	f = d/c
Boarding, Equipment & Stores	36,035,925	-	36,035,925	45,033,232	-8,977,307	125%
Local, Transport & Travelling	2,447,775	-	2,447,775	1,874,736	573,039	77%
Electricity, Water & Conservancy	9,418,200	-	9,418,200	7,301,204	2,116,996	78%
Repair, Maintenance & Improvement	2,432,925	-	2,432,925	3,131,369	-698,444	129%
Activity (ii)	428,504	-	428,504	914,255	-485,751	213%
development	-	-	-	3,235,652	-3,235,652	0%
Personal Emoluments	5,700,750	-	5,700,750	7,094,375	-1,393,625	124%
Administration Costs	3,336,300	-	3,336,300	4,110,407	-774,107	123%
SUB-TOTAL	59,800,379	-	59,800,379	72,695,230	-12,874,951	122%
OTHER INCOME	-	-	-	-	-	-
Rent income	-	-	-	873,704	-873,704	-
Student ID	-	-	-	69,575	-69,575	-
SUB-TOTAL	-	-	-	943,279	-943,279	-
INFRASTRUCTURE ACCOUNT	-	-	-	-	-	-
3No. Science Laboratories	-	-	-	-	-	-
3No. Classrooms	5,156,250	-	5,156,250	3,873,000	1,283,250	75%
SUB-TOTAL	5,156,250	-	5,156,250	3,873,000	1,283,250	75%
GRAND TOTAL INCOME	82,530,448	-	82,530,448	90,156,449	-7,606,101	109%
EXPENDITURE FOR:						
(1) TUITION						
Exercise Books	6,047,056	-	6,047,056	1,717,907	4,329,149	28%
Lab. Equipment	-	-	-	-	-	0%
T/L Materials	-	-	-	-	-	0%
Internal Exam	-	-	-	-	-	0%
Ref/Lib (Textbooks)	-	-	-	-	-	0%
SMASSE	-	-	-	-	-	0%
Bank Charges	-	-	-	-	-	0%
SUB-TOTAL	6,047,056	-	6,047,056	1,717,907	4,329,149	28%

NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
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For the year ended 30th June 2023

SUB-TOTAL	6,047,056	-	6,047,056	1,717,907	4,329,149	28%
STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2023(Continued)						
(2) OPERATIONS						
Local, Transport & Travelling	909,975	-	909,975	54,500	855,475	6%
Electricity, Water & Conservancy	3,458,400	-	3,458,400	604,443	2,853,957	17%
Repair, Maintenance & Improvement	-	-	-	122,010	4,002,990	3%
Activity (i)	1,546,875	-	1,546,875	1,484,220	62,655	96%
Medical/Insurance	2,062,500	-	2,062,500	256,730	1,805,770	12%
Personal Emoluments	3,351,150	-	3,351,150	1,335,171	2,015,979	40%
Administration Costs	1,973,400	-	1,973,400	1,326,132	647,268	67%
SUB-TOTAL	13,302,300	-	13,302,300	5,183,206	12,244,094	39%
(3) SCHOOL FUND						
Boarding, Equipment & Stores	26,622,905	-	26,622,905	42,526,036	-15,903,131	160%
Local, Transport & Travelling	3,095,600	-	3,095,600	2,460,161	635,439	79%
Electricity, Water & Conservancy	5,492,000	-	5,492,000	6,795,276	-1,303,276	124%
Repair, Maintenance & Improvement	8,736,000	-	8,736,000	1,967,164	6,768,836	23%
Activity (ii)	1,966,025	-	1,966,025	2,805,039	-839,014	143%
Personal Emoluments	9,279,770	-	9,279,770	6,818,511	2,461,259	73%
Administration Costs	6,013,560	-	6,013,560	6,567,276	-553,716	109%
Expenditure from Income Generating Activities		-		413,010	-413,010	-
SUB-TOTAL	61,205,860	0	61,205,860	70,352,473	-9,146,613	115%
INFRASTRUCTURE ACCOUNT						
RMI	4,125,000	-	4,125,000	5,469,281	-1,344,281	133%
Bank Charges	-	-	-	-	-	-
SUB-TOTAL	4,125,000	-	4,125,000	5,469,281	-1,344,281	133%
TOTAL EXPENDITURE	84,680,216	-	84,680,216	82,722,867	6,082,349	98%

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

The school has only received 56% of the expected capitation from the government from 1st July 2022 to 30th June 2023

The school has only incurred 98% of the budgeted expenditure from 1st July 2022 to 30th June 2023.

V. 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.

5. Accounts Receivable

For the purposes of these financial statements, imprest 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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

VI. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2022-2023	2021-2022
	Kshs	Kshs
Exercise books		
Laboratory equipment		
Teaching / learning materials	1,905,233	2,637,248
Internal exams		
Textbooks and reference materials		
SMASSE		
Total	1,905,233	2,637,248

2 CAPITATION GRANT FOR OPERATIONS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	1,927,476	2,879,289
Grant	5,000,000	
Local transport / travelling		459,373
Electricity and water	2,078,567	2,942,372
Insurance	143,700	158,400
Administration costs	1,172,401	709,768
ACTIVITY	417,563	
Total	10,739,707	7,149,202

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2022-2023	2021-2022
	Kshs	Kshs
Boarding, Equipment & Stores	45,033,232	42,575,501
Local transport / travelling	1,874,736	1,931,484
Electricity, Water & Conservancy	7,301,204	7,256,020
Repairs and maintenance	3,131,369	2,446,953
Activity	914,255	941,359
Personnel emoluments	7,094,375	7,304,060
Administration costs	4,110,407	4,552,098
Development	3,235,652	
Total	72,695,230	65,515,574

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

Notes to financial statements continued		
4. other receipts – school fund account		
	2022-2023	2021-2022
	kshs	Kshs
Rent	873,704	563,140
School id	69,575	79,281
Total	943,279	642,421

5 INFRASTRUCTURE

	2022-2023	2021-2022
		Kshs
Boys dormitory	3,873,000	9,377,000
3 Classrooms	-	-
Total	3,873,000	9,377,000

6 FARM INCOME

	2022-2023	2021-2022
		Kshs
Farm Output	-	427,000
Total	-	427,000

7 PAYMENTS FOR TUITION

	2022-2023	2021-2022
	Kshs	Kshs
Exercise books	495,000	1,067,300
Laboratory equipment	393,135	1,071,280
Teaching / learning materials	829,772	465,700
Internal exams		24,000
Textbooks and reference materials		
Total	1,717,907	2,628,280

8 PAYMENTS FOR OPERATIONS

	2022-2023	2021-2022
	kshs	Kshs
Personnel emoluments	1,335,171	2,785,283
Maintenance and improvement	122,010	246,600
Local transport / travelling	54,500	
Electricity and water	604,443	1,236,930
Medical/insurance	256,730	
Administration costs	1,326,132	2,461,410
Activity	1,484,220	649,825
Total	5,183,206	7,380,048

**NYANDARUA HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2023**

NOTES TO THE FINANCIAL STATEMENTS(Continued)

9 BOARDING AND SCHOOL FUND PAYMENTS

	2022-2023	2021-2022
	Kshs	Kshs
Boarding, Equipment & Stores	42,526,036	39,257,150
Local transport / travelling	2,460,161	1,682,220
Electricity, Water & Conservancy	6,795,276	2,809,348
Repairs and maintenance	1,967,164	2,408,551
Activity	2,805,039	707,110
Personnel emoluments	6,818,511	6,563,804
Administration costs	6,567,276	7,371,177
Insurance cost		251,668
Rent	345,610	3,300
School id	67,400	
Farm expenses		89,320
Total	70,352,473	61,143,648

10 INFRASTRUCTURE PAYMENTS

	2022-2023	2021-2022
		Kshs
Construction of boys dormitory	1,169,521	4,598,551
3 class rooms	4,299,760	
Total	5,469,281	4,598,551

11. BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2022-2023	2021-2022
		Kshs	Kshs
KCB TUITION	1102124133	235,706	48,380
EQUITY	0160293193956	8,000,563	910,739
KCB OPERATIONS	1102126748	6,446,740	8,018,474
KCB INFRASTRUCTURE	1260821528	4,286,582	5,882,863
Total		18,969,591	14,860,456



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NOTES TO THE FINANCIAL STATEMENTS(Continued)

12. CASH IN HAND

Description	2022-2023	2021-2022
	Kshs	Kshs
School Fund account	14,343	22,671
Operation account	20,782	282
Total	35,125	22,953

13. ACCOUNTS RECEIVABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears	26,535,392	21,533,684
Total	26,535,392	21,533,684

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees arrears for current year	6,908,002	3,654,046
Fees arrears for the previous year	3,654,046	2,221,842
Fees arrears for prior periods (over two years)	17,879,638	18,955,314
Less recovered	(1,906,294)	(3,297,518)
Total	26,535,392	21,533,684

14. ACCOUNTS PAYABLE

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	1,354,500	-
Prepaid fees	1,399,834	1,064,901
Total	2,754,334	1,064,901

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

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade creditors for current year	1,354,500	-
Trade creditors for the previous year	-	-
Trade creditors for prior periods (Over two years)	-	-
Less paid	-	-
Total	1,354,500	-

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NOTES TO THE FINANCIAL STATEMENTS(Continued)

15. ACCUMULATED FUND BALANCE BROUGHT FORWARD

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank balances	14,860,456	4,418,306
Cash balances	22,953	475,022
Receivables	21,533,684	21,177,156
Payables	(1,064,901)	(716,210)
Investments	-	-
Bus Project	-	-
Livestock	-	-
Farm	-	-
Project Fund	-	-
Total	35,352,192	25,354,274

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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.

16. Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	-	-	-
Trees	2818	5,164,000	4,864,000
Total		5,164,000	4,864,000

1 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)
Basis for qualified opinion				
1.0	Non submission of financial statements to the auditor general	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
7.0	Long outstanding accounts receivables	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
Other matters				
1.0	Budgetary control and performance	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
Report on lawfulness and effectiveness in use of public resources : basis for conclusion				
1.0	Failure to transfer infrastructure funds from operations account	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
2.0	Accuracy of capitation grants	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
3.0	Irregular awards for cctv related expenses	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
4.0	Transfer to KESSHA	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
5.0	Unsupported payment vouchers	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
6.0	Procurement of infrastructure project	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
Report on effectiveness of internal controls, risks management and governance				
1.0	Lack of Board charter and strategic plan	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
2.0	Lack of risk management policy	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
3.0	Lack of it & service	Auditor general	Not resolved	Awaiting certificate

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	continuity & disaster recovery plan	certification not yet received		of auditor general
4.0	failure to prepare & maintain a fixed assets register	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general
5.0	Lack of land ownership document	Auditor general certification not yet received	Not resolved	Awaiting certificate of auditor general

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

S/no	Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at as 30/06/2023	Comment
		Kshs	Kshs	Kshs	Kshs	
1.	School fund account	a	b	c	d=a-c	
	Supply of goods	1,354,500		-	1,354,500	
	Prepaid fees	1,399,834			1,399,834	
	Sub-Total (C)	2,754,334		-	2,754,334	
	Grand Total (E=A+B+C+D)	2,754,334	-	-	2,754,334	

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ANNEX 2 - SUMMARY OF FIXED ASSETS REGISTER

S/no	Asset class	Date purchased	Historical Cost b/f	Historical Cost c/f
			Kshs	Kshs
1	Land (54 acres)	Balance b/f 01/07/2022	54,000,000	54,000,000
2	Buildings and Structure	Balance b/f 01/07/2022	0	0
3	Motor Vehicles	Balance b/f 01/07/2022	5,000,000	5,000,000
4	Office Equipment, furniture and fittings	Balance b/f 01/07/2022	2,181,949	3,181,554
5	ICT Equipment and Other ICT Assets	Balance b/f 01/07/2022	2,779,904	3,254,5
6	Tools and Apparatus	Balance b/f 01/07/2022	1,508,530	1,726,547
7	Textbooks	Balance b/f 01/07/2022	4,143,625	4,574,225
8	Other Machinery and Equipment	Balance b/f 01/07/2022	480,000	520,000
9	Intangible assets-software	Balance b/f 01/07/2022	550,000.	580,000
	Totals		70,664,008	72,836,883