

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*



PARLIAMENT  
OF KENYA  
LIBRARY

**REPORT**

CLERK-AT THE-TABLE:	Benson Inzen
BY:	Deputy Chief Party Hau, Ngoni, Sili
DATE:	04 MAR 2025
DAY: Tuesday	
THE NATIONAL ASSEMBLY PAPERS LAID	

**THE AUDITOR-GENERAL**

**ON**

**ST JOHN'S GIRLS SECONDARY SCHOOL**

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

**KILIFI COUNTY**

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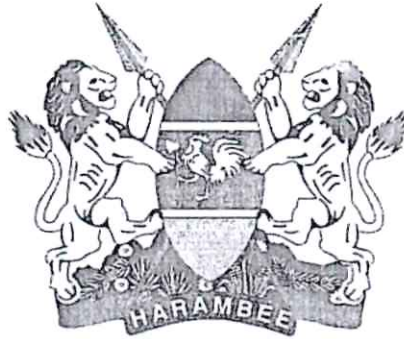
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Revised 30<sup>th</sup> June 2023



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*ST. JOHNS' GIRLS*  
**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> June 2023**

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

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For the year ended 30<sup>th</sup> June 2023**

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# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOENI TEL No. 0721-815047

E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

### 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 Kilifi County, Kaloleni Sub-County

The school was registered in 5<sup>th</sup> November 1986 under registration number G/A/500/86 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a boarding school and had 1,699 number of students as at 30<sup>th</sup> June 2023.... It has 8 streams and 60 teachers of which 21 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	Gerald Ngumbao	B.O.M Chairperson	8th July 2022
2	Arrestus Chombo	P.A Chairperson	8th July 2022
3	Beatrice Misigo	Secretary- Principal	8th July 2022
4	Christine Kasichana	Member	8th July 2022
5	Paddyson Kasena Changawa	MemberSpecial Needs	8th July 2022
6	Sharlet Biryā	Member-Sponsor	8th July 2022
7	Munga Martin	Member	8th July 2022
8	Marystella Bwire	Member Rep Teachers	8th July 2022
9	Kenneth Kamau	Member	8th July 2022
10	Johnstone Mwangiri	Member	8th July 2022
11	Dorcas Chea	Member	8th July 2022
12	Louis Yaah	Member-Rep CEB	8th July 2022
13	Joyce Akinyi	Member	8th July 2022
14	Derrick Yaa	Member	8th July 2022

**Reports and Financial Statements**  
For the year ended 30<sup>th</sup> June 2023

**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**

1	Executive Committee	1.GERALD NGUMBAO 2.CHRISTINE KASICHANA 3.ARRESTUS CHOMBO 4.KASENA CHANGAWA	CHAIRMAN MEMBER MEMBER MEMBER	3
2	Audit Committee	N/A	N/A	
	Finance, procurement and general purposes Committee	1.GERALD NGUMBAO 2.ARRESTUS CHOMBO 3.KASENA CHNAGAWA 4.SHARLET BIRYA	CHAIRPERSON MEMBER MEMBER MEMBER	4
4	Academic Committee	1.MUNGA MARTIN 2.CHRISTINE KATAWA 3.ARRESTUS CHOMBO 4.MARYSTELLA BWIRE	CHAIRPERSON MEMBER MEMBER MEMBER	4
5	Development Committee	1.KENETH KAMAU 2.JOHNSTONE MWANGIRI 3.DORCAS CHEA 4.LOUIS YAA	CHAIRPERSON MEMBER MEMBER MEMBER	3
6	Discipline and welfare Committee	1.SHARLET BIRYA 2.KENNETH KAMAU 3.JOYCE AKINYI 4.JOHNSTONE MWANGIRI 5.MARYSTELLA BWIRE	CHAIRPERSON MEMBER MEMBER MEMBER MEMBER	6
	Adhoc Committee (if any during the year)	1.GODFREY OLUOCH 2.JEDIDA NYAMBURA 3.LOICE LOZI 4.KIBWANA MWAPASHUA 5.KASENA CHANGAWA	CHAIRPERSON MEMBER MEMBER MEMBER MEMBER	1

**(d) School operation Management**

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

**Accounts and Financial Statements**  
for the year ended 30<sup>th</sup> June 2023

Ref:	Designation	Name	TSC Number
1	Principal	BEATRICE MISIGO	231140
2	Deputy Principal	MARGRET KABIBI KARISA	290052
3	Deputy Principal	GODFREY OLUOCH	✓
4	School Bursar	NDEGWA MUNGA	N/A

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: 3 – 80105  
 Telephone: 0722341849  
 E-mail: johnspekee@gmail.com  
 Website:  
 Facebook:  
 Twitter:

**and Financial Statements  
for the year ended 30<sup>th</sup> June 2023**

**(f) School Bankers**

The following school operated 9 numbers of bank accounts in the following banks

1. *Mombasa*  
Name of Bank: **Kenya Commercial Bank**  
Branch: Treasury Square, Nkrumah Road, Mombasa  
**Account Numbers:**
  1. Operational A/C No. - 1106573234
  2. Tuition A/C No - 1107631130
  3. Caution Money A/C No - 1104908026
  4. Reserve Fund A/C No. - 104093100
  5. Infrastructure A/C No - 1238682707
  6. Bus Fund A/C No - 1117350118
  7. Gratuity A/C No. - 1117350274
2. Name of Bank: Equity Bank  
Branch: Kilifi  
Account Number: 1060280897386
3. Name of Bank: Co-operative Bank  
Branch: Mariakani  
Account Number: 01117252797200
4. MPESA Pay Bill No. 799593 attached to 3 bank accounts

**(g) Independent Auditors**

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



**Reports and Financial Statements  
For the year ended 30<sup>th</sup> June 2023**

Operational Account	11,161,013.75	20,145,255.50	17,862,549.85
Infrastructure	8,018,500.00	6,169,500.00	4,618,000.00
<b>Total</b>	<b>20,936,347.00</b>	<b>30,932,703.30</b>	<b>28,023,307.85</b>
Enrolment	1352	1448	1669

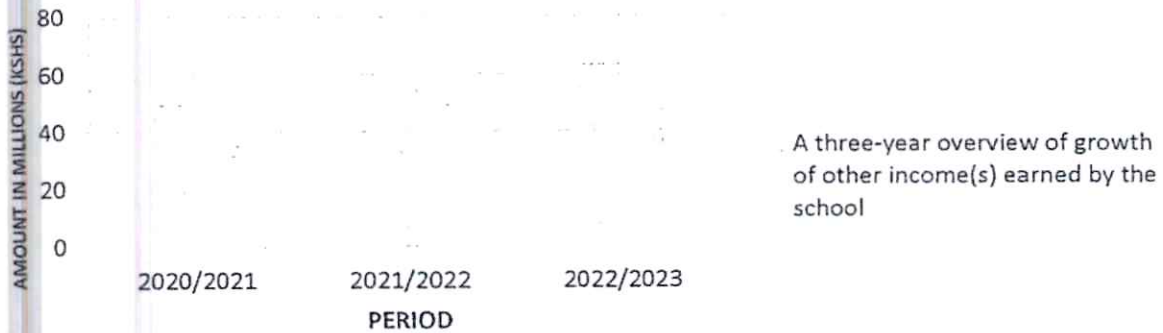
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measure.

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

ACCOUNT	2021	2022	2023
Main Account	49,642,519.13	54,563,593.00	63,404,967.00

change

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

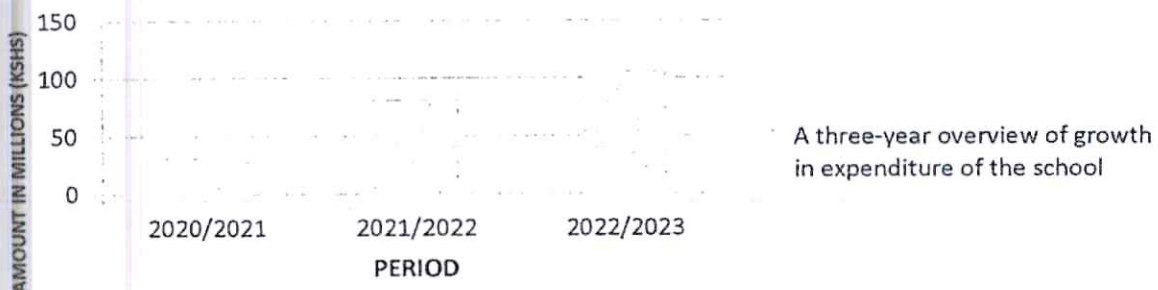


- A three-year overview of growth in expenditure of the school

ACCOUNT	2020	2022	2023
Main Account	31,549,380.03	81,781,811.41	106,006,330.60

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



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

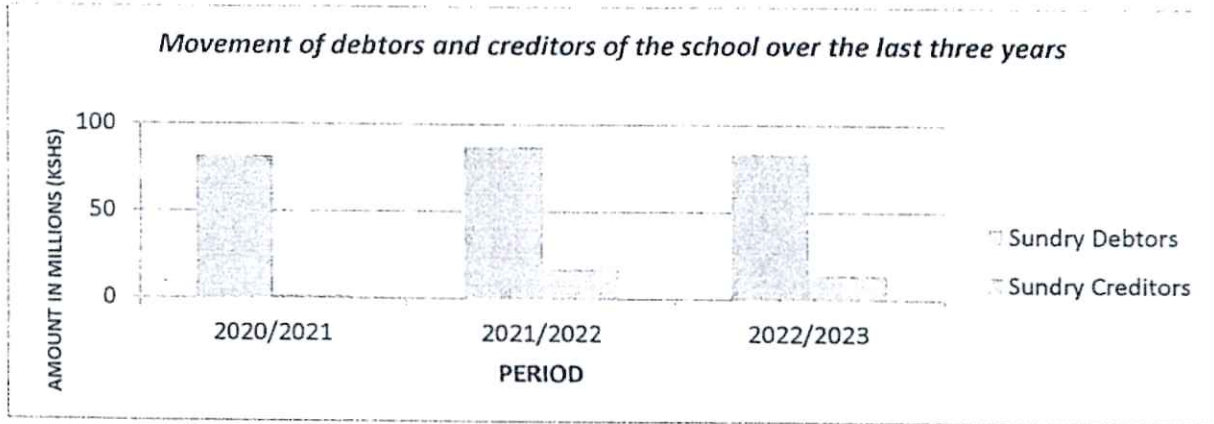
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DESCRIPTION	2023	2022	2021
Sundry Debtors	83,363,659.51	86,907,874.20	81,570,193.32
Sundry creditors	14,117,836.55	17,184,606.20	1,455,007.41

✓  
✓



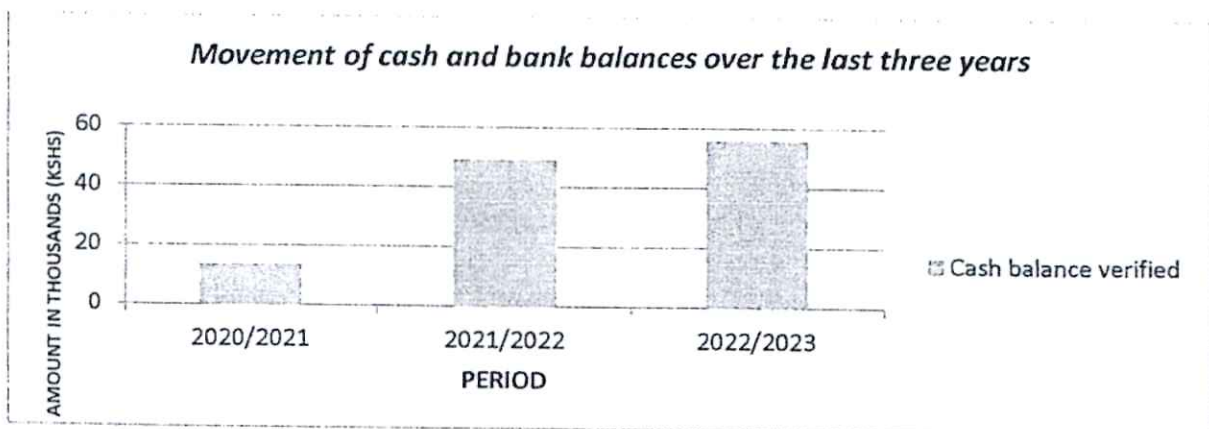
**Reports and Financial Statements  
 For the year ended 30<sup>th</sup> June 2023**



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

DESCRIPTION	2021	2022	2023
Cash at bank balance (reconciled)	-	-	-
Cash balance verified	13, 410.00	49,105.00	55,912,95
<b>TOTAL</b>	<b><u>13, 410.00</u></b>	<b><u>49,105.00</u></b>	<b><u>55,912.95</u></b>

- *Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends.*



**b) Teacher Student ratio 2023:**

- Teacher to student ratio – 1:27.361
- Number of teachers recruited – 61
- Number of teachers that were transferred/retired - 7
- Number of teachers employed by TSC - 38
- Number employed by BOM. – 23



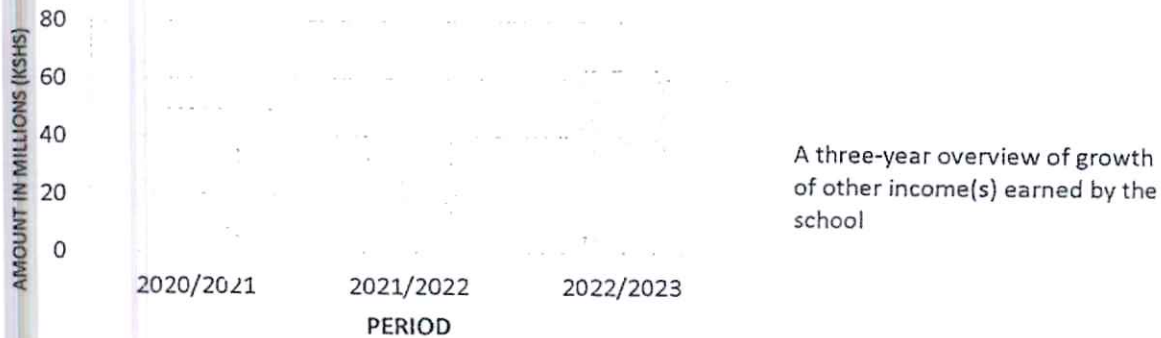
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2023**

Operational Account	11,161,013.75	20,145,255.50	17,862,549.85
Infrastructure	8,018,500.00	6,169,500.00	4,618,000.00
<b>Total</b>	<b>20,936,347.00</b>	<b>30,932,703.30</b>	<b>28,023,307.85</b>
Enrolment	1352	1448	1669

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

ACCOUNT	2021	2022	2023
Main Account	49,642,519.13	54,563,593.00	63,404,967.00

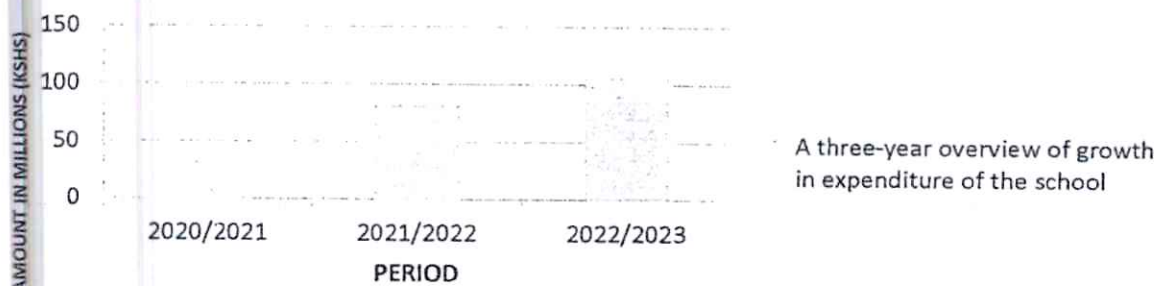
**A three-year overview of growth of other income(s) earned by the school**



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

ACCOUNT	2020	2022	2023
Main Account	31,549,380.03	81,781,811.41	106,006,330.60

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



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

DESCRIPTION	2023	2022	2021
Sundry Debtors	83,363,659.51	86,907,874.20	81,570,193.32
Sundry creditors	14,117,836.55	17,184,606.20	1,455,007.41



**Reports and Financial Statements  
For the year ended 30<sup>th</sup> June 2023**

- Teachers the school has for each subject – 4

**1. TEACHING LOAD**

Post	Four classes – single stream	Eight classes – double stream	Twelve classes & above – tripe stream
Head teacher	10-12	8-10	6-8
Deputy head teacher	20-24	15-18	12-15
H.O.D – Job group “M”	-	-	18-20
H.O.D – Job group “L”	-	20-24	20-24
Teachers	27	27	27

- C.B.E Total shortfall /27 + Teachers required (T.R)  $66.89+7=74$
- Teachers required from shortfall – total shortfall =  $168/27=6.22=7$
- Teachers available = 38
- Teachers shortage =36

**c) 55 Mean score in the 2022 KCSE:**

YEAR	ENTRY	MEAN
2020	279	5.699
2021	270	5.012
2022	282	5.7943

- COMMENTS:**
- Set target was
  - Did not achieve due to varied reasons

**d) 56 Number of Candidates in the 2023 KCSE:**

2020	2021	2022	2023
279	270	282	357

**e) 57 Capacity of the school:**

The capacity of the school is at 13 infrastructure status is a vie the enrolment.

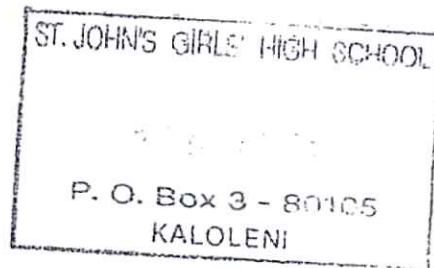
STRUCTURE	CAPACITY	ACTUAL	SHORTAGE/SURPLUS
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**Reports and Financial Statements  
For the year ended 30<sup>th</sup> June 2023**

Dormitories	1,500	1,700	(200)
Dining hall	1,500	1,700	(200)
Laboratories	210	210	0
Toilets	100	170	(70)
Bathrooms	150	170	(20)
Home Science laboratories	80	80	0
Computer laboratory	100	80	20
Staffroom	40	60	(20)
Administration block	8	6	2

**f) 58 Development projects carried out by the school:**

S/NO.	PROJECT	AMOUNT	PROJECT FUNDED BY
1.	Hostel	1,300,000	Parents
2.	Multipurpose Hall	380,000	Parents
3.	Egerton Hall	1,831,000	Parents
4.	HomeScience Lab	397,380	Parents

*Sign* **School Principal**



**Reports and Financial Statements  
For the year ended 30<sup>th</sup> June 2023**

**III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY**

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2023 and of the school's financial position as at that date.

Name: Gerald Sammy Ngumbao  
Designation: Chairman, School Board of Management  
Sign: *[Signature]*  
Date: 21.09.2023

Name: Beatrice Misigo  
Designation: School Senior Principal & Secretary to Board of Management  
Sign: *[Signature]*  
Date: 21.09.2023

Name: Ndegwa Munga Mgaza  
Designation: Bursar/ Finance Officer  
Sign: *[Signature]*  
Date: 21.09.2023

# REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## REPORT OF THE AUDITOR-GENERAL ON ST JOHN'S GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – KILIFI COUNTY

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### 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 that 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.

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution of Kenya, 2010, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of St John's Girls Secondary School – Kilifi County set out on pages 1 to 29, which comprise of the statement of

financial assets and liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows 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 the provisions of Article 229 of the Constitution of Kenya, 2010 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 the St John's Girls Secondary School 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 (Cash Basis) and comply with Basic Education Act 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.5,542,758 and Kshs.17,862,550 respectively as disclosed in Notes 1 and 2 to the financial statements. Review of the NEMIS capitation disbursements made to the school against the amount receipted by the school revealed an amount of Kshs.23,405,308 whereas the NEMIS capitation reflects an amount of Kshs.21,889,661, resulting to an unexplained variance of Kshs.1,515,646.85.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operation of Kshs.5,542,758 and Kshs.17,862,549.85 could not be confirmed.

#### **2. Accounts Receivables**

##### **2.1 Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.89,105,669 as disclosed in Note 11 to the financial statements. However, detailed aging analysis and issued invoices for fees arrears for prior periods of Kshs.52,634,004 were not provided for audit review. Further, significant accounting policies on accounts receivables as disclosed in Note 11 is silent on the treatment of the students' fees balances which is the major source of income for the school.

##### **2.2 Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.83,363,660 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, included in the balance are receivables amounting to Kshs.52,634,004 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.89,105,669 could not be confirmed.

### **3. Unsupported Accounts Payables**

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.32,935,587 as disclosed in Note 12 to the financial statements. Included in the account payables balance are amounts of Kshs. 7,456,804 and Kshs.1,685,945 relating to PTA and caution money which were not supported.

In the circumstances, the accuracy and completeness of the account's payables balance of Kshs.32,935,587 could not be confirmed.

### **4. Unsupported Payments**

The statement of receipts and payments reflects tuition, operations, boarding and school funds amount of Kshs.127,088,341 as disclosed in Notes 5, 6 and 7 to the financial statements. However, examination of payment vouchers amounting to Kshs.31,513,489 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the operations and infrastructure amounting to Kshs. 127,088,341 could not be confirmed.

### **5. Inaccuracies in the Financial Statements**

Review of the financial statements revealed various inaccuracies as shown below;

- i. Incomplete and inaccurate balances in the statement of budgeted versus actual amounts for the year;
- ii. Inaccurate opening balances in boarding and school fund payments; account receivables as well as Fund balance brought forward;
- iii. Failure to segregate school fund income from other receipts in the statement of receipts and payments and the respective notes.

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

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

## **Key Audit Matters**

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

## **Other Matter**

### **Unresolved Prior Year Matters**

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution of Kenya, 2010, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. 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.127,088,341 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.794,000 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.794,000 could not be confirmed.

#### **2. Unconfirmed Students Enrolment Data**

The statement of receipts and payments reflects capitation grants for tuition and operations grants totalling Kshs.23,405,531. 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 one thousand, five hundred and eighty-eight (1,588) students while records from the County Director of Education had one thousand six hundred and three (1,603) students, resulting

to an underfunding of the school by an amount of Kshs.270,027. 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. Excess 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 two thousand two hundred and eighty-one (2,281) books to the school while only two thousand two hundred and five (2,205) books were issued to the students, resulting to an unexplained excess of seventy-six (76) books in the school store.

In the circumstances, value for money on the excess seventy-six (76) text books could not be confirmed.

### **4. Failure to Transfer Infrastructure Funds from Operations Bank Account**

The statement of receipts and payments reflects operations grants amount of Kshs.17,862,550 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.8,500,500 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.6,000,000 was transferred to infrastructure account, leaving a balance of Kshs.2,500,500 as at 30 June, 2023. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/10/18(112) which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

### **5. Unapproved Fees on Parents Association Support Programme**

The statement of receipts and payments reflects school fund income - parents' contributions amount of Kshs.107,628,407 as disclosed in Note 3 (Kshs.49,607,210) and Note 4 (fees on boarding equipment and stores, Harambee and B.O.M Teachers salary of Kshs.47,627,225, Kshs.5,267,769 and Kshs.5,126,204) to the financial statements which includes BOM teacher's salary amount of Kshs.3,978,358. Examination of the records revealed that the school charged an amount of Kshs.5,000 per student to support the programme which had not been approved by the Ministry of Education through the County Education Board. This was contrary to Circular No. MOE.HQS/3/13/3 dated 16 June, 2021 on guidelines on implementation of Free Day and Secondary Education programme which stipulates that parent will only pay for school uniforms, boarding related costs as reflected in the boarding fees structure and lunch for the day scholars.

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

## **6. Non-Banking of School Fees Receipts**

Review of the collection, receipting and management of school fees revealed that the management was receiving school fees in form of cash which was thereafter used in the school without being banked in the school bank accounts. School fees amounting to Kshs.12,292,618 was not banked after being received at the school.

In the circumstances, Management was therefore in breach of Regulations 64(4) of the Public Finance Management (National Government) Regulations 2015.

## **7. Non-Segregation of Other Receipts from Boarding and School Fund**

The financial statements under Note 4 (other receipts) of the financial statements revealed that the school had various revenue streams of Kshs.5,383,769 excluding fees on boarding equipment and stores, Harambee and B.O.M Teachers salary of Kshs.47,627,225, Kshs.5,267,769 and Kshs.5,126,204 respectively. However, the audit revealed that the funds from other revenue streams were not being banked separately from the school fund income bank account. This was contrary to Ministry of Education circular Ref No MOE.HQs/3/13/3 dated 16 June 2021 on guidelines on implementation of Free Day and Secondary Education programme.

In the circumstances, Management did not adhere to the guidelines.

## **8. Lack of a Procurement Plan**

The statement of receipts and payments reflects an amount of Kshs.136,417,485 Kshs.127,088,341 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

## **9. Use of Cash to Procure Goods, Works and Services**

The Statement of receipts and payments reflects total expenditures of Kshs.127,088,340.50 on various expenditure accounts during the year under review. However, it was noted that expenditures on various accounts of Kshs.9,510,462 was procured through cash.

In the circumstances, Management was in breach of Section 108 of Public Procurement and Disposal Act (PPDA) and Regulations 93(1)(2)(3) of the Public Procurement and Disposal Regulations, 2020.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the

financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

### Conclusion

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

### Basis for Conclusion

#### 1. Lack of Internal Audit Function and Audit Committee

During the year under review, the school had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the school through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

#### 2. Failure to close Dormant Bank Accounts

The Statement of financial assets and financial liabilities reflects bank balances of Kshs.8,700,318.50. Included in the bank balance is an amount of Kshs.75,024 relating to three accounts which were dormant. No justification was provided for continued maintenance of the dormant accounts.

In the circumstances, the dormant amount of cash risks to be misused.

#### 3. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.44,518 in respect of fixed assets which includes land with a Nil balance and motor vehicles with a balance of Kshs.1. However, land ownership documents were not provided for audit verification.

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

The audit was conducted in accordance with ISSAI 2315 and 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.

### **Responsibility 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 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities,

financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgment 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 the 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 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

31 December, 2024



ports and Financial Statements  
for the year ended 30<sup>th</sup> June 2023

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2023

DESCRIPTION OF VOTE HEAD	Note	2022-2023	2021-2022
		KShs	KShs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	5,542,758.00	4,617,947.80
Capitation grants for operations	2	17,862,549.85	20,145,255.50
School Fund Income- Parents' Contributions	3	49,607,210.00	31,489,921.50
School Fund Income- Other receipts	4	63,404,907.00	54,563,593.00
<b>TOTAL RECEIPTS</b>		<b>136,417,484.85</b>	<b>110,816,717.80</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	5,860,780.75	6,395,976.20
Payments for operations	6	15,221,229.15	24,753,381.10
Boarding and school fund payments	7	106,006,330.60	82,644,584.95
<b>TOTAL PAYMENTS</b>		<b>127,088,340.50</b>	<b>113,793,942.25</b>
<b>SURPLUS/DEFICIT</b>		<b>9,329,144.35</b>	<b>( 2,977,224.45 )</b>

The school financial statements were approved on 30<sup>th</sup> June 20223 and signed by:

Sign:

Sign:

Sign:

Gerald Sammy Ngumbao

Beatrice Misigo

Ndegwa M. Mgaza

Chair BOM

School Principal/  
Secretary to BOM

Bursar/  
Finance Officer

Date: 21.09.2023

Date: 21.09.2023

Date: 21.09.2023



# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOLENI TEL No. 0721-815047

E-mail: johnspekee@gmail.com

## Reports and Financial Statements for the year ended 30<sup>th</sup> June 2023

### STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2023

	Note	2022-2023 KShs	2021-2022 Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances	8	8,700,318.50	3,040,642.45
Cash Balances	9	55,912.95	49,105.40
Short term Investment	10		-
<b>Total Cash and cash equivalent</b>		<b>8,756,231.45</b>	<b>3,089,747.85</b>
Account's receivables (Debtors)	11	89,105,668.51	78,834,776.01
<b>TOTAL FINANCIAL ASSETS</b>		<b>97,861,900.02</b>	<b>81,924,523.86</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables (Creditors)	12	(32,935,586.97)	26,327,355.22
<b>NET FINANCIAL ASSETS</b>		<b>64,926,312.99</b>	<b>55,597,168.64</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	55,597,168.64	58,574,393.09
Surplus/Deficit for the year		9,329,144.35	(2,977,224.45)
<b>NET FINANCIAL POSITION</b>		<b>64,926,312.99</b>	<b>55,597,168.64</b>



# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOLENI TEL No. 0722341849

E-mail: johnspekee@gmail.com

## Reports and Financial Statements

for the year ended 30<sup>th</sup> June 2023

School's financial statements were approved on \_\_\_\_\_ 2023 signed by:

Gerald S. Ngumbao  
Chairman, BoM

Sign:

Date: 21.09.2023

Beatrice Misigo  
School Principal/Secretary  
to BoM

Sign:

Date: 21.09.2023

Ndegwa M. Mgaza  
Bursar/Finance

Sign:

Date: 21.09.2023

## II. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2023

	2022-2023	2021-2022
	KShs	KShs
<b>Receipts for operating income</b>		
Capitation grants for tuition	5,542,758.00	4,617,947.80
Capitation grants for operations	17,862,549.85	20,145,255.50
School fund income- Parents contributions/ fees	105,034,180.30	31,489,921.50
School fund income- other receipts		54,563,593.00
<b>Total receipts</b>	<b>128,739,518.15</b>	<b>110,816,717.80</b>
<b>Payments</b>		
Payments for Tuition	5,503,355.75	(6,395,976.20)
Payments for operations	10,314,843.00	(14,588,998.40)
Boarding and school fund payments	102,348,419.65	(82,644,584.95)
<b>Total payments</b>	<b>118,166,648.40</b>	<b>103,629,559.55</b>
<b>Net cash flow from operating activities</b>	<b>10,572,869.75</b>	<b>7,187,158.25</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Assets(Stall rent)		
Acquisition of Assets ( Infrastructure )	(10,906,386.15)	(10,164,382.70)
Proceeds from investments(rent income)		
Purchase of investments		
<b>Net cash flows from Investing Activities</b>	<b>(10,906,386.15)</b>	<b>(10,164,382.70)</b>
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>		
Proceeds from borrowings/ loans		
Repayment of principal borrowings		
<b>Net cash flow from financing activities</b>		
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>5,666,483.60</b>	<b>(2,977,225.45)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>3,089,747.85</b>	<b>6,066,972.35</b>

# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOLENI TEL No. 0722341849

E-mail: johnspekee@gmail.com

## ports and Financial Statements the year ended 30<sup>th</sup> June 2023

sh and cash equivalent at END of the year		8,756,231.45	3,089,747.85

above presentation of cash flow statement uses the direct method of cash flow presentation which is puraged under IPSAS. Schools' should therefore adopt the direct method of cashflow as recommended SASB.



# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALO LENI TEL No. 0721-815047

E-mail: johnspekee@gmail.com

Reports and Financial Statements  
For the year ended 30<sup>th</sup> June 2023

## VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> 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
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Textbooks						
Exercise books	1,541,568.00	-	1,541,568.00	2,500,190.00	(958,622.00)	162.18%
Chemicals and Apparatus	377,280.00	-	377,280.00	1,538,038.00	(1,160,758.00)	407.66%
Internal exams	244,320.00	-	244,320.00	328,877.00	(84,557.00)	134.61%
Teaching / learning materials	198,912.00	-	198,912.00	906,286.00	(707,374)	455.62%
Chalks	75,000.00	-	75,000.00	121,563.25	(46,563,25)	162.08%
Exams and assessment	-	-	-	-	-	-
Reference Materials	49,728.00	-	49,728.00	147,803.75	(98,075.00)	297.22%
<b>TOTAL</b>	<b>2,486,808.00</b>		<b>2,486,808.00</b>	<b>5,542,758.00</b>	<b>(3,055,950.00)</b>	<b>222.89%</b>
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						



# ST. JOHN'S GIRLS SECONDARY SCHOOL

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E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

Receipt/expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Kshs	Kshs			Kshs	Kshs
Personnel emoluments	15,964,000.00	-	15,964,000.00	6,059,337.00	9,904,663.00	38%
Repairs and maintenance	8,700,000.00	-	8,700,000.00	6,047,320.80	2,652,679.20	69.50%
Local transport / travelling	5,023,200.00	-	5,023,200.00	1,874,937.10	3,148,262.90	37.33%
Electricity and water	4,222,400.00	-	4,222,400.00	1,220,107.00	3,002,293.00	28.90%
Medical	290,000.00	-	290,000.00	514,246.00	(224,246.00)	177.33%
Administration costs	4,950,400.00	-	4,950,400.00	1,854,202.05	3,096,197.95	37.46%
Activity	2,537,500.00	-	2,537,500.00	292,400.00	2,245,100.00	11.52%
Gratuity	-	-	-	-	-	-
SMASSE	290,000.00	-	290,000.00	-	-	-
<b>TOTAL</b>	<b>41,977,500.00</b>		<b>41,977,500.00</b>	<b>17,864,549.95</b>	<b>23,824,950.05</b>	<b>42.56%</b>
<b>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	16,142,088.00	-	16,142,088.00	14,959,846.00	1,182,242.00	92.68%
Repairs and maintenance	10,150,000.00	-	10,150,000.00	9,766,832.00	383,168.00	96.22%
Local transport / travelling	5,075,399.00	-	5,075,399.00	7,410,936.00	(2,335,537.00)	146.02%
Electricity and water	4,272,084.00	-	4,272,084.00	6,057,023.00	(941,030.00)	141.78%
Medical	2,900,000.00	-	2,900,000.00	-	2,900,000.00	-
Administration costs	5,061,929.00	-	5,061,929.00	9,521,070.50	(4,459,141.50)	188.29%
Activity	2,900,000.00	-	2,900,000.00	1,891,503.00	1,008,497.00	65.22%
SMASSE	290,000.00	-	290,000.00	-	-	-
Fee on Boarding Equipment			30,203,500.00	47,627,221.00	-	-
Id Stores	30,203,500.00				(17,423,725.00)	157.69%



# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOLENI TEL No. 0722341849

E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<i>70702</i>	3-					
<b>OTHER INCOME</b>						
Rent income				392,795.00		
Harambee				5,267,769.00		
B.O.M Teachers				5,126,204.00		
Stall Rent				3,292,475.00		
Books/ID				398,136.00		
Card/Magazine/Tender				395,800.00		
Bakery funds				165,200.00		
Water project				56,815.00		
Church Offering				266,300.00		
Bus Fund				196,515.00		
Farm Project				50,000.00		
Tender Document				157,933.00		
Biometric System				11,800.00		
Examination						
<b>TOTAL</b>	<b>30,203,500.00</b>	<b>0,00</b>	<b>30,203,500.00</b>	<b>63,341,967,00</b>	<b>(33.138,467.00)</b>	<b>209,72%</b>
	<i>Y</i>					



# ST. JOHN'S GIRLS SECONDARY SCHOOL

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E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> 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
<b>(1) EXPENDITURE FOR TUITION</b>						
Reference materials	49,728.00		49,728.00	-	49,728.00	-
Exercise books	1,541,568.00	-	1,541,568.00	197,662.00	1,343,906.00	12.82%
Laboratory equipment	377,280.00	-	377,280.00	1,444,253.00	(1,066,973.00)	382.81%
Internal exams	244,320.00		244,320.00	-	244,320.00	-
Teaching / learning materials	198,912.00	-	198,912.00	1,745,679.00	(1,546,767.00)	877.61%
Chalks & Inks	75,000.00	-	75,000.00	0.00	75,000.00	0.00
Exams and assessment	-		-	-	-	-
Teachers guides	-		-	-	-	-
Administration costs	-		-	-	-	-
Bank Charges	-		-	7,201.00	(7,201.00)	-
<b>TOTAL EXPENDITURE</b>	<b>2,486,808.00</b>		<b>2,486,808.00</b>	<b>3,394,795.75</b>	<b>907,987.75</b>	<b>136.51%</b>
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	15,964,000.00	-	15,964,000.00	7,294,641.00	8,669,359.00	45.69%
Repairs, maintenance & improvements	8,700,000.00		8,700,000.00	401,500.00	8,298,500.00	95.41%



# ST. JOHN'S GIRLS SECONDARY SCHOOL

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## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

Receipt/expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Kshs	Kshs			Kshs	Kshs
Local transport / travelling	5,023,200.00	-	5,023,200.00	898,650.00	4,124,550.00	17.89%
Electricity, water and conservancy	4,222,400.00	-	4,222,400.00	308,262.00	3,914,138.00	7.30%
Medical	290,000.00	-	290,000.00	-	-	-
Administration costs	4,950,400.00	-	4,950,400.00	333,710.00	4,126,790.00	6.74%
Activity Expenses	2,531,500.00	-	2,531,500.00	-	0.00	0.00
SMASSE	290,000.00	-	290,000.00	-	-	-
Insurance Cost	-	-	-	0.00	0.00	-
Bank Charges	-	-	-	5,160.00	5,160.00	0.00
<b>TOTAL EXPENDITURE</b>	<b>41,977,500.00</b>		<b>41,977,500.00</b>	<b>9,241,923.00</b>	<b>32,735,577.00</b>	<b>22.02%</b>
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Personnel emoluments	16,142,088.00	-	16,142,088.00	12,345,924.00	3,796,164.00	76.48%
Repairs, maintenance and improvements	10,150,000.00	-	10,150,000.00	12,187,665.90	(2,037,665.90)	120.08%
Local transport / travelling	5,075,399.00	-	5,075,399.00	6,598,404.00	(1,523,005.00)	130.00%
Electricity, water and conservancy	4,272,084.00	-	4,272,084.00	4,354,863.00	(82,779.00)	101.94%
Medical Expenses	2,900,000.00	-	2,900,000.00	2,024,094.85	875,905.15	69.80%
Administration costs	5,061,929.00	-	5,061,929.00	6,241,035.90	(1,179,106.90)	123.29%
Activity	2,900,000.00	-	2,900,000.00	5,685,077.00	(2,785,077.00)	196.04%
T.E.S	-	-	-	3,493,640.00	0.00	0.00
BOM Teachers salary	-	-	-	0.00	0.00	0.00



# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOLENI TEL No. 0722341849

E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> 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
Boarding Equipment and Stores	30,203,500.00	-	30,203,500.00	34,631,454.00	(4,427,954.00)	114.66%
Expenditure for Income Generating Activity						
Farm project				148,730.00		
Harambee fund				6,078,250.00		
Bus Expenses				239,200.00		
Books/ID Card/Magazine				228,705.00		
Uniforms				509,620.00		
Tender & Church offerings				66,815.00		
T.E.S				3,891,020.00		
<b>TOTALS</b>	<b>30,203,500.00</b>	<b>0,00</b>	<b>30,203,500,00</b>	<b>98,724,498.65</b>	<b>(68,520,998.65)</b>	<b>326,86%</b>

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

- i.
- ii.



# ST. JOHN'S GIRLS SECONDARY SCHOOL

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## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

### 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. 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.

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**Reports and Financial Statements  
for the year ended 30<sup>th</sup> June 2023**

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**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 A/E holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**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.

**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.

**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.

**Comparative figures**

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

**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 30<sup>th</sup> June 2021.



# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOENI TEL No. 0722341849

E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

### X. NOTES TO THE FINANCIAL STATEMENTS

#### 1 CAPITATION GRANT FOR TUITION

	2022-2023	2021-2022
	KShs	KShs
Textbooks and reference materials	147,803.75	-
Exercise books	2,500,190.00	1,336,899.83
Laboratory equipment	1,538,038.00	620,738.29
Internal exams	328,877.00	753,753.43
Teaching / learning materials	906,286.00	1,108,462.45
Chalks	121,563.25	443,384.78
Exams and assessment		-
Teachers guides		354,709
<b>Total</b>	<b>5,542,758.00</b>	<b>4,617,947.80</b>

#### 2 CAPITATION GRANT FOR OPERATIONS

		2021-2022
		KShs
Personnel emoluments	6,059,337.00	7,675,520.31
Repairs and maintenance	6,047,320.80	6,912,135.88
Local transport / travelling	1,874,937.05	1,092,972.39
Electricity and water	1,220,107.00	2,199,139.68
Medical	514,246.00	-
Administration costs	1,854,202.05	2,265,487.24
Activity	292,400.00	
<b>Total</b>	<b>17,862,549.85</b>	<b>20,145,255.50</b>

#### 3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

Personnel emoluments	14,959,846.00	8,091,302.00
Repairs and maintenance	9,766,832.00	7,844,594.00
Local transport / travelling	7,410,936.00	2,524,676.00
Electricity and water	6,057,023.00	6,666,023.00
Medical		55,001.00
Administration costs	9,521,070.00	5,423,761.50
Activity	1,891,503.00	884,564.00
<b>Total</b>	<b>49,607,210.00</b>	<b>31,489,921.50</b>



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E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2022-2023	2021-2022
	KShs	Kshs
✓ Fee on Boarding Equipment and Stores ✕	47,627,225.00	37,226,921.00
✓ Rent income & Stall Rent	3,685,270.00	2,797,592.00
✓ Tender fees	50,000.00	81,500.00
School uniform		1,414,262.00
✓ Mock/ magazine/Id	398,136.00	1,985,997.00
✓ Water project	165,200.00 ✓	206,292.00
✓ Prize Giving /	56,815.00	1,059,940.00
✓ Bakery	395,800.00	477,264.00
✓ Harambee	5,267,769.00	3,424,128.00
✓ Bus Fund	266,300.00	353,250.00
✓ B.O.M. Teachers salary ✕	5,126,204.00	5,439,207.00
✓ Farm Project	196,515.00	55,120.00
✓ Exam	11,800.00	47,120.00
✓ Biometrics	157,933.00	
<b>Total</b>	<b>63,404,967.00</b>	<b>54,563,593.00</b>

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

#### 5 PAYMENTS FOR TUITION

	2022-2023	2021-2022
	KShs	Kshs
Textbooks and reference materials		
Exercise books	604,196.00	1,198,724.00
Laboratory equipment	1,580,883.00	2,030,229.00
Internal exams		-
Teaching / learning materials	3,317,147.00	1,629,185.00
Chalks	352,440.00 ✓	-
Exams and assessment		-
Teachers guides		1,534,906.20
Administration Costs		-
Bank Charges	6,114.75 ✓	2,932.00
<b>Total</b>	<b>5,860,780.75</b>	<b>6,395,976.20</b>



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Reports and Financial Statements  
for the year ended 30<sup>th</sup> June 2023

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 6 PAYMENTS FOR OPERATIONS

	2022-2023	2021-2022
	KShs	KShs
Personnel emoluments	7,819,214.00	9,448,268.00
Service Gratuity		1,122,080.00
Administration Cost	823,610.00	1,196,482.40
Repairs and maintenance & improvements		205,960.00
Local transport / travelling	401,500.00	1,778,780.00
Electricity and water	898,650.00	765,428.00
Medical	308,262.00	72,000.00
Activity Expenses	28,713.00	
SMASSE	4,222,513.15	
Insurance Cost	650,000.00	
Bank Charges		
Acquisition of Assets	5160.00	
<b>TOTAL</b>	<b>15,221,229.15</b>	<b>14,588,998.40</b>

### 7 BOARDING AND SCHOOL FUND PAYMENTS

	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	8,367,566.00	5,050,693.00
Prize Giving		706,200.00
Repairs and maintenance & Improvements	14,598,327.85	8,063,977.00
Local transport / travelling	6,601,092.00	5,024,565.00
Electricity and water	4,479,013.00	5,616,473.00
Medical Expenses	2,024,094.85	446,236.85
Administration costs	8,102,563.90	4,788,454.06
Activity	5,685,077.00	1,272,086.00
Agriculture project	148,730.00	182,800.00
Exercise books		
Fees on Boarding Equipment and Stores	40,585,533.00	36,591,295.54
BOM Teachers salary	3,978,358.00	5,271,400.00
School uniforms	509,620.00	1,391,880.00
T.E.S	3,493,640.00	2,530,495.00
Bus fund	239,200.00	575,485.00
Harambee	2,567,250.00	3,633,501.00
Dormitory(Hostel)	1,300,000.00	946,818.50
Tender	64,000.00	28,000.00
Magazine/ Id	252,445.00	494,125.00
Imarika	348,320.00	30,100.00



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Chairs and Lockers			
Egererton Hall	52,090.00		
Multipurpose Hall	1,831,000.00		
HomeScience Lab	380,000.00		
Biometrics	397,380.00		
<b>TOTAL</b>	<b>1,330.00</b>		
	<b>106,006,330.00</b>	<b>82,644,584.95</b>	

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

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2022-2023	2021-2022
		Kshs	Kshs
Tuition Account	1107631130	7,201.00	17,798.75
Operations Account	1106573234	2,885,080.40	96,774.45
School Fund Account/Boarding	1106571169		-
Service gratuity	1117350274	34,015.30	34,015.30
Caution money	1104908026	436.10	436.10
Chama cha Walimu na Wafanyakazi	1238682707	40,572.10	40,572.10
Equity Bank	1060280897	3,865,350.00	507,754.00
Infrastructure Account	12386822707	1,769,521.20	2,297,907.35
M-pesa paybill no.	799593	98,142.40	45,384.40
<b>Total</b>		<b>8,700,318.50</b>	<b>3,040,642.45</b>

#### 9 CASH IN HAND

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Account	-	-
Operation Account	41.00	21.00
School Fund account	55,871.95	49,084.40
<b>Total</b>	<b>55,912.95</b>	<b>49,105.40</b>



# ST. JOHN'S GIRLS SECONDARY SCHOOL

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E-mail: johnspekee@gmail.com

## Reports and Financial Statements for the year ended 30<sup>th</sup> June 2023

### 10 SHORT TERM INVESTMENTS

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
<b>Total</b>	-	-



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For the year ended 30<sup>th</sup> June 2023

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 11 ACCOUNTS RECEIVABLE

Description	2022-2023	2021-2022
	KShs	Kshs
Fees arrears	83,363,659.51	75,191,258.01
Other non-fees receivables	3,175,856.00	2,584,362.00
Salary advances	459,556.00	242,928.00
Imprest →	1,711,667.00	136,897.00
R/D cheques	394,930.00	679,331.00
<b>Total</b>	<b>89,105,668.51</b>	<b>78,834,776.01</b>

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

Description	2022-2023	2021-2022
	KShs	Kshs
Fees arrears for current year	23,464,427.00	17,756,013.00
Fees arrears for the previous year	7,265,229.00	7,496,094.00
Fees arrears for prior periods (over two years)	52,634,003.51	49,939,151.01
<b>Total</b>	<b>83,363,659.51</b>	<b>75,191,258.01</b>

### 12 ACCOUNTS PAYABLE

Description	2022-2023	2021-2022
	KShs	Kshs
Trade creditors (See ageing below and appendix 1)	14,117,836.55	7,663,527.00
Prepaid fees	2,337,584.00	6,094,454.00
Retention monies		
PTA		
Caution money	* 7,456,804.00	7,456,804.00 *
Bank overdraft	* 1,685,944.95	1,685,944.95
<b>Total</b>	<b>7,297,417.47</b>	<b>3,426,625.27</b>
	<b>32,935,586.97</b>	<b>26,327,355.22</b>

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

Cont

Description	2022-2023	2021-2022
	KShs	Kshs
Trade creditors for current year	12,869,480.95	7,663,527.00
Trade creditors for the previous year	1,248,255.60	-
Trade creditors for prior periods (over two years)		-
<b>Total</b>	<b>14,117,836.55</b>	<b>7,663,527.00</b>



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## Reports and Financial Statements for the year ended 30<sup>th</sup> June 2023

### NOTES TO THE FINANCIAL STATEMENTS (Continued)

#### 13 FUND BALANCE BROUGHT FORWARD

Description	2022-2023	2021-2022	
	KShs	Kshs	
Bank balances	8,700,318.50	3,040,642.45	
Cash balances	55,912.95	49,105.40	
Short Term Investments			
Receivables	89,105,668.51	78,834,776.01	
Payables	(32,935,586.97)	(26,327,355.22)	
<b>Total</b>	<b>64,926,312.99</b>	<b>55,597,168.64</b>	



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## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

### 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	2022-2023	2021-2022
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
<b>Total</b>	-	-

#### 15 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle		4	6
Goats		0	2
Trees		996	1000
Coffee or tea plantation		0.00	-
Poultry		0.00	-
<b>Total</b>		<b>1000</b>	<b>1008</b>

#### 16 Borrowings

Description	2022-2023	2021-2022
	KShs	KShs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
<b>Balance at end of the year</b>	-	-



# ST. JOHN'S GIRLS SECONDARY SCHOOL

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## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

### Other important disclosure notes

#### 17 Stock/ Inventory

Description	2022-2023	2021-2022
	KShs	KShs
<b>b) Borrowings</b>		
Stock/ inventory at beginning of the year	156,000.00	-
Stock/ inventory purchased during the year	24,270,000.00	12,901,900.00
Stock/ inventory issued during the year	23,992,000.00	12,745,900.00
<b>Balance at end of the year</b>	<b>434,000.00</b>	<b>156,000.00</b>



# ST. JOHN'S GIRLS SECONDARY SCHOOL

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E-mail: johnspekee@gmail.com

## Reports and Financial Statements

For the year ended 30<sup>th</sup> June 2023

### 18 PROGRESS ON FOLLOW UP OF AUDIT OR 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)





# ST. JOHN'S GIRLS SECONDARY SCHOOL

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## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022-1	Comments
11. One Planet Publishing & Media Services Limited	412,728.00	24/04/2023	0.00	412,728.00		
12. Pekas Mgandini & Hardware Limited	378,810.00	26/02/2022	0.00	378,810.00		
13. Mombasa Road General Suppliers	2,101,670.00	21/03/2023	780,000.00	1,321,670.00		
14. Luta Enterprises Limited	124,150.00	06/03/2023	0.00	124,150.00		
15. Gentrade Suppliers Limited	762,271.95	30/04/2023	0.00	762,271.95		
16. Pamwana Books & General Suppliers	170,000.00	09/06/2023	0.00	170,000.00		
<b>Sub-Total</b>	<b>16,381,057.95</b>		<b>5,978,549.00</b>	<b>10,402,508.95</b>		
<b>B)</b>						
1. Eden Books & Stationers	1,544,792.00	01/07/2022	600,000.00	944,792.00		
2. Rensha Enterprises	425,215.00	20/03/2023	0.00	425,215.00		
3. Sigo Limited	1,163,600.00	21/03/2023	200,000.00	963,600.00		
4. Scenic Stationeries	352,440.00	26/01/2023	0.00	352,440.00		
5. Mfi Document Solution Ltd						
<b>Sub-Total</b>	<b>3,486,047.00</b>		<b>800,000.00</b>	<b>2,686,047.00</b>		
<b>Supply of services</b>						
1. MFI Document Solution Ltd	1,849,280.00	28/02/2023	820,000.00	1,029,280.00		
<b>Sub-Total</b>	<b>1,849,280.00</b>		<b>820,000.00</b>	<b>1,029,280.00</b>		
<b>Grand Total</b>	<b>21,716,384.95</b>		<b>7,598,549.00</b>	<b>14,117,835.95</b>		



# ST. JOHN'S GIRLS SECONDARY SCHOOL

P. O. BOX 3, KALOLENI TEL No. 0721-815047

E-mail: johnspekee@gmail.com

## Reports and Financial Statements For the year ended 30<sup>th</sup> June 2023

### ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2023
Land 1		Kaloleni- Vishakani				
Land 2						
Buildings and structures			63	3	0	66
Motor vehicles	2009	Kaloleni	1	0	0	1
Office equipment, furniture and fittings			3,430	1,130	10	4,550
ICT Equipment, and Other ICT Assets			53	8	16	45
Tools and apparatus			15,000	1,000	4,000	12,000
Textbooks			26,000	2,080	315	27,765
Other Machinery and Equipment			32	1	2	29
Heritage and cultural assets			50	50	40	60
Intangible assets- soft ware			2	0	0	2
<b>Total</b>						

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