

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

**REPORT 26 NOV 2024**

DAY.

*Tuesday*

TABLED  
BY:

*Hon. Naomi Wago  
Deputy Majority Whip  
Lorrake*

CLEAR  
THE TABLE:

**OF**

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

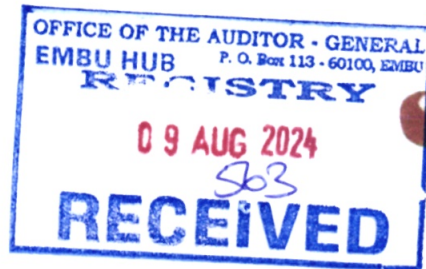
**ON**

**J. G. KIEREINI BOYS SECONDARY  
SCHOOL**

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

**KIAMBU COUNTY**





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***J.G. KIAREINI BOYS SCHOOL***  
**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> June 2021**

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



**J.G KIEREINI SECONDARY SCHOOL**  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2021**

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**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

**(a) Background information**

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

The school was registered in 7/2/2019 under registration number **22S00300344** and is currently categorized as a county public school established, owned or operated by the Government.

The school is a boarding school and had 748 number of students as at 30<sup>th</sup> June 2021. It has 4 streams and 27 teachers of which 5 teachers are employed by the School Board Of Management.

**(b) School Board of Management - Board Members**

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

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Francis N. Kibera	Chairman	6.3.2019
2	Joseph Miano	Secretary- Principal	6.3.2019
3	Mr Thomas Thuku	Member	6.3.2019
4	Mr Francis Mwihi	Member	6.3.2019
5	Mr Stephen Njuguna	Member	6.3.2019
6	Mr Michael Kangere	Member	6.3.2019
7	Lawi Kariuki	Member	6.3.2019
8	Dr Daniel Wambiri	Member – Rep CEB	6.3.2019
9	Stephen Gitu	Member Rep Teachers	6.3.2019
10	1. Frank Mbua Muiruri 2. Lucy W. Gitau 3. Rev. Peter Kariuki	3 Members - Sponsor	6.3.2019
11	Kuria Wa Kamura	Member - Community	6.3.2019
12	Margaret Githukaa	Member Special Needs	6.3.2019
	Joe Ngugi	Rep Students	6.3.2019



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

**The function of the School Board of Management include:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Prof. Francis Kibera Mr. J. N. Miano Mr. Francis Mwihia Mrs. Margaret Githuka Mrs. Lucy W. Gitau Mr. Michael Kangere	B.O.M Chairman B.O.M Secretary/ Principal P.A Chairman Member Member Member	
2	Audit Committee	Mr Lawi Kariuki Mr Samuel Kuria Mr Francis Mwihia Mr Stephen Njuguna		1 out of 3
3	Finance, procurement and general purposes Committee	Margaret Githuka Frank Muiruri Samuel Kamura Lawi Kariuki Thomas Thuku Stephen Kariuki Francis Mwihia Lucy Gitau		0
4	Academic Committee	Dr Daniel Wambiri Samuel Kamura Francis Mwihia Lawi Kamura Stephen Njuguna Rev. Stephen Kariuki		0
5	Development Committee	Margaret Githuka		



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		Thomas Thuku Stephen Kariuki Francis Mwihia Lucy Gitau		
6	Discipline and welfare Committee	James Kahiu Lucy Gitau Margaret Githuka Stephen Gitu Francis Mwihia Frank Mbua		
7	Adhoc Committee (if any during the year)			

**(d) School operation Management**

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

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	Joseph Miano	349547
2	Deputy Principal	James Kahiu	357378
3	School Bursar	Jane Mutonga	Id 4695763

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

**(e) Schools contacts**

Post Office Box: P.O. Box 218-00232  
Telephone: 0707-763006  
E-mail: j.g.kiereinboyshighschool.com  
Website: www.jgkiereiniboyss.sc.ke

**(f) SchoolBankers**

The school operated 7 number of bank accounts in the following banks:

1. Name of Bank : KENYA COMMERCIAL BANK  
Branch : RUIRU.  
Account Number : **1102-679-305** - SCHOOL FUND
2. Name of Bank : KENYA COMMERCIAL BANK  
Branch : RUIRU.  
Account Number : **1102-699-314** - OPERATIONS ACCOUNT
3. Name of Bank : KENYA COMMERCIAL BANK,  
Branch : RUIRU.  
Account Number : **1102-698-946** - TUITION ACCOUNT
4. Name of Bank : KENYA COMMERCIAL BANK,  
Branch : RUIRU.  
Account Number : **1102-012-491** - SAVING ACCOUNT.
5. Name of Bank : KENYA COMMERCIAL BANK,  
Branch : RUIRU.  
Account Number : **1182-811-531** - MAINTENANCE & IMPROVEMENT .
6. MPESA PayBill No.**522123** attached to Kenya commercial bank account no  
**36670K**
7. Name of Bank : GITHUNGURI DAIRY SACCO.  
Branch : KIGUMO.  
Account Number : **1200-06-07626** –FARM ACCOUNT



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**(g) Independent Auditors**

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

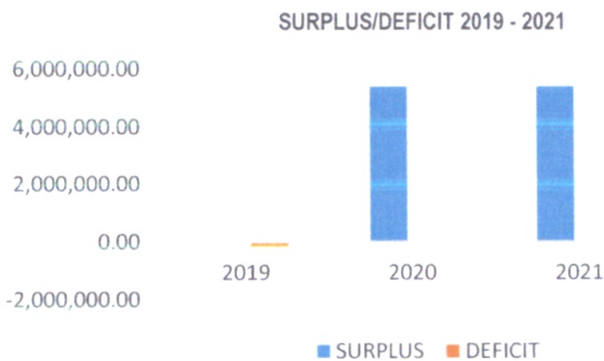
**II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

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

**a) Financial performance:**

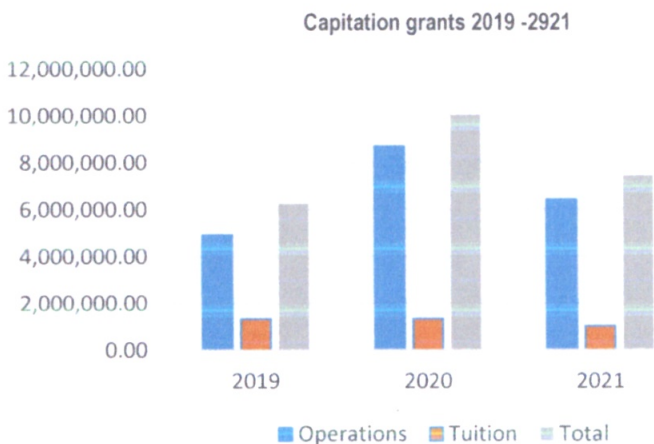
**(i) Surplus/ deficit**

YEAR	SURPLUS	DEFICIT
2019		170,758.00
2020	5,386,258.00	
2021	5,381,612.00	



**(ii) Capitation grants from the Ministry of Education for the last three years**

	Operations	Tuition	Total
2019	4,923,700.00	1,334,690.00	<b>6,258,390.00</b>
2020	8,701,700.00	1,334,609.00	<b>10,036,309.00</b>
2021	6,422,776.45	1,012,834.00	<b>7,435,610.45</b>





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(iii) Ratio of capitation grant per student over the last three years (2019 – 2021)

YEAR	ENROLMENT	GRANTS ( KSHS)	RATIO
2019	743	6,258,390.00	1:8,423.13
2020	784	10,036,309.00	1:12,801.41
2021	748	7,435,610.45	1:9,940.66

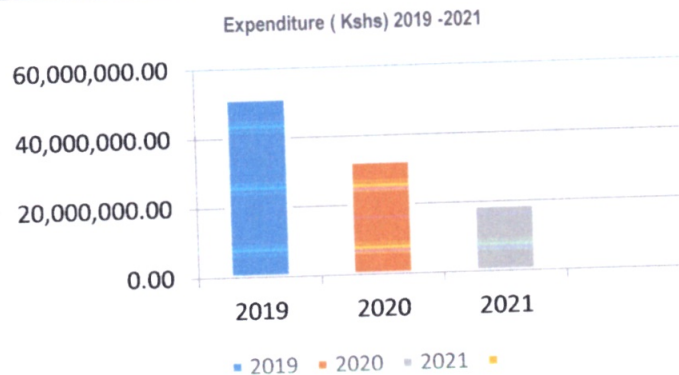
(iv) A three-year overview of growth of other income(s) earned by the school.

2019	7,411,263.55
2020	5,703,386.65
2021	940,975.41



(v) A three-year overview of growth in expenditure of the school

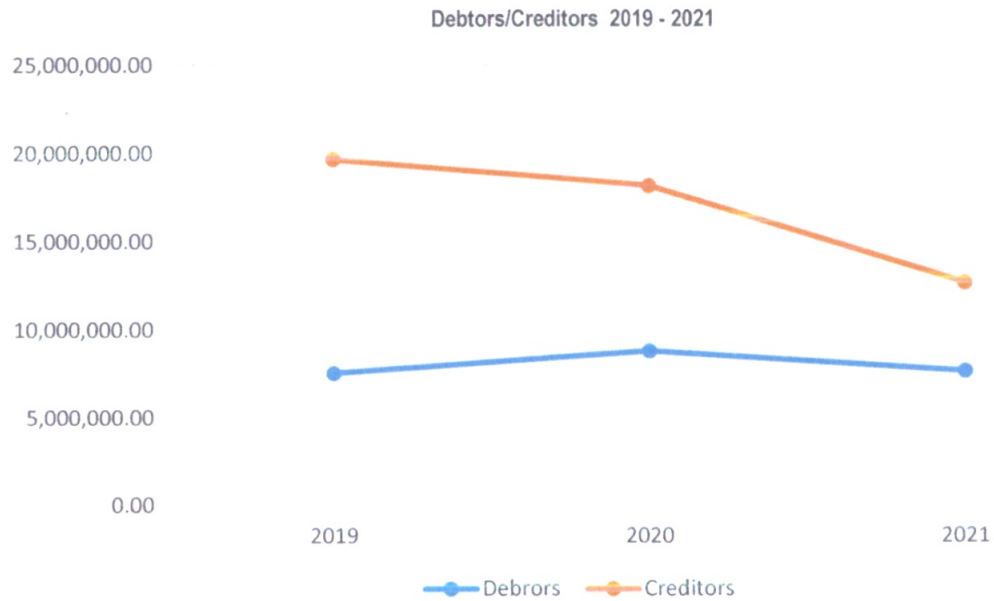
2019	51,523,510.30
2020	32,666,353.00
2021	<b>18,095,113</b>



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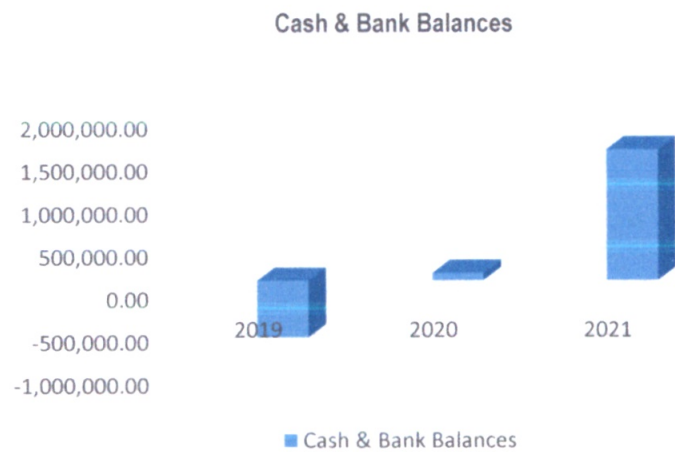
**(vi) Movement of debtors and creditors of the school over the last three years**

Year	Debtors	Creditors
2019	7,550,352.00	19,658,018.00
2020	8,798,706.00	18,148,783.90
2021	7,642,981.00	12,658,195.00



**(vii) Movement of cash and bank balances over the last three years**

Year	Cash & Bank Balances
2019	-662,165.00
2020	87,406.40
2021	1,525,016.00





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(viii) **Teacher Student ratio:**

year	Teachers		Total	New posting	Students No.	Retired / transferred	Ratio
	TSC	BOM					
2019	25	8	33	2	743	N/A	1:23
2020	23	5	28	2	784	N/A	1:28
2021	22	5	27	2	748	1	1:28

(ix) **Mean score in the 2021 KCSE:**

**CANDIDATES TRANSITION TO HIGHER INSTITUTION 2019 TO 2021**

YEAR	A	A-	B+	B	B-	C+	C	C-	TOTAL	D+	D	D-	E	MEAN	GRADE
2019	0	0	7	11	18	10	22	21	89	15	20	5	0	5.814	C
2020	0	1	3	6	24	26	38	42	140	28	18	5	0	5.67	C
2021	0	0	0	1	10	13	22	34	80	45	41	20	0	4.435	D+

(x) **Number of Candidates in the 2021 KCSE:**

**KCSE CANDIDATES 2019 -2021**

YEAR	CANDIDATES
2019	129
2020	191
2021	186

(xi) **Capacity of the school:.**

Year	SCHOOL ENROLLMENT Student population	DINING HALL	
		TABLES	Total Capacity
2019	734	75	900
2020	784	75	900
2021	748	75	900

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**NUMBER OF STUDENTS IN THE SCHOOL VIS A VIS  
DORMITORIES CAPACITY 2019 to 2021**

<b>S/no</b>	<b>Dormitories</b>	<b>Capacity</b>
1	HAILLE SELLASIE	58
2	NYERERE	56
3	UHURU	54
4	WAIYAKI	56
5	KARURI	60
6	KOINANGE	58
7	KIMATHI	52
8	MANDELA	60
9	RONALD NGALA	36
10	KENYATTA	80
11	MWAI KIBAKI	80
12	MOI	72
13	TOM MBOYA	36
14	WANGARI MATHAAI	36
	<b>Total</b>	<b>794</b>
	<b>Student population 2019</b>	<b>743</b>
	<b>Student population 2020</b>	<b>784</b>
	<b>Student population 2021</b>	<b>748</b>



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**NUMBER OF STUDENTS IN THE SCHOOL VIS A VIS OTHER AMENITIES 2019 TO 2021**

**CLASSROOMS**

YEAR	STUDENTS	CLASSROOMS	CLASSROOMS : STUDENTS
2019	743	16	1:46
2020	784	16	1:49
2021	748	16	1:47

**TOILETS**

YEAR	STUDENTS	TOILETS	TOILETS : STUDENTS
2019	743	49	1:15
2020	784	49	1:16
2021	748	49	1:15

**BATHROOMS**

YEAR	STUDENTS	BATHROOMS	BATHROOMS : STUDENTS
2019	743	102	1:7
2020	784	102	1:8
2021	748	102	1:7

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(xii) Development projects carried out by the school:

**MINISTRY OF EDUCATION  
State Department of Early Learning & Basic Education  
SUMMARY OF FACILITIES CONSTRUCTED USING M.I.F. & T.I.G 2019/2020 FY  
NAME & QUANTITY OF PROJECTS UNDERTAKEN**

M.I.F	TOTAL	CLASS ROOM	TOTAL COSTS OF PROJECTS	BALANCE	DATE OF APPROVAL	DATE OF COMPLETION
7,210,000.00	5,413,237.00	3	5,413,237.00	1,796,763.00	4/3/2020	Oct-20

**MINISTRY OF EDUCATION  
State Department of Early Learning & Basic Education  
SUMMARY OF FACILITIES CONSTRUCTED USING M.I.F. & T.I.G 2020/2021 FY  
NAME & QUANTITY OF PROJECTS UNDERTAKEN**

School Name	TOTAL	CLASS ROOM	TOTAL COSTS OF PROJECTS	BALANCE	DATE OF APPROVAL	DATE OF COMPLETION
J.G. Kiereini	1,962,026.00	2	1,962,026.00	-	2/2/2021	Not complete

Sign *mwep* 5/8/2024

*School Principal*

**PRINCIPAL**  
J.G. KIEREINI BOYS SEC. SCH.  
P. O. Box 218 - 00232, RUIRU  
DATE: 5/8/24 SIGN: *mwep*

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**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.

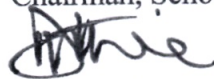
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *J.G Kiereini* 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, 2021, and of the school's financial position as at that date.

**Name:** DR. Daniel Wambiri  
**Designation:** Chairman, School Board of Management

**Sign:**  
**Date:**

  
5/8/24

**Name:** Mr. Stephen W. Mburu,  
**Designation:** School Principal & Secretary to Board of Management


**Sign:**  
**Date:**

MWEN.  
5/8/2024

**PRINCIPAL**  
J.G. KIEREINI BOYS SEC. SCH.  
P. O. Box 218 - 00232, RUIRU  
DATE: 5/8/24 SIGN: MWEN

**Name:** Jane Mutonga  
**Designation:** Bursar/ Finance Officer

**Sign:**  
**Date:**

  
5/8/2024



# REPUBLIC OF KENYA



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

*Enhancing Accountability*

## REPORT OF THE AUDITOR-GENERAL ON J. G. KIEREINI BOYS SECONDARY SCHOOL FOR THE SIX MONTHS' PERIOD ENDED 30 JUNE, 2021 – KIAMBU 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of J. G. Kiereini Boys Secondary School – Kiambu County set out on pages 17 to 36, which comprise of the statement of



financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the period 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 J. G. Kiereini Boys Secondary School – Kiambu County as at 30 June, 2021 and of its financial performance and its cash flows for the six months' (6) period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1.0 Overdrawn Account and Netting Off of Bank Balance**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,525,016 as disclosed in Note 8 and 9 to the financial statements. Included in the balance is one (1) bank account with an overdraft balance of Kshs.345,347 which has been netted off bank balances of Kshs.1,525,016, contrary to Section 28(4)(5) of the Public Finance Management Act, 2012.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.1,525,016 could not be confirmed.

#### **2.0 Unsupported Boarding and School Fund Payments**

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects expenditure on boarding and school fund payments amounting to Kshs.12,150,101. Included in this expenditure is an amount of Kshs.5,271,374 incurred for boarding, equipment and stores which further includes payment vouchers totalling Kshs.4,310,997 that were not supported with quotations from firms that supplied the goods and no professional opinion on supply by head of procurement.

Further, the goods and services were not subjected to an assessment by the Inspection and Acceptance Committee before payment was effected contrary to Section 48(3) of Public Procurement and Asset Disposal Act, 2015.

In the circumstances, the accuracy and completeness of the boarding and school fund payments of Kshs.12,150,101 could not be confirmed. In addition, Management was in breach of the law.



### **3.0 Unsupported Statement of Cashflows Balances**

The statement of cashflows reflects total receipts of Kshs.24,784,544 while the statement of receipts and payments reflects Kshs.23,476,726 resulting to unexplained variance of Kshs.1,307,818. Further, the statement reflects total payments of Kshs.23,346,934 while the statement of receipts and payments reflects Kshs.18,095,113 resulting to unexplained variance of Kshs.5,251,821.

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

### **4.0 Long Outstanding Accounts Receivables**

The statement of financial assets and financial liabilities reflects a balance of Kshs.7,670,201 as disclosed in Note 11 to the financial statements. However, included in the balance are receivables amounting to Kshs.5,936,984 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.5,936,948 could not be confirmed.

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

### **Key Audit Matters**

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the 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**

### **1.0 Failure to Transfer Infrastructure Funds from the Operations Bank Account**

The statement of receipts and payments reflects operations grants amount of Kshs.6,422,776 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.3,501,500 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.3,104,500 was transferred to infrastructure account, leaving a balance of Kshs.397,000 as at 30 June, 2021.

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

### **2.0 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.12,150,101 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.194,750 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.194,750 could not be confirmed.

### **3.0 Inaccuracies in Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.1,012,834 and Kshs.6,422,776 as disclosed in Notes 1 and 2 to the financial statements. Review of the NEMIS capitation disbursements made to the School against the amount received by the School revealed an amount of Kshs.4,450,725 whereas the NEMIS capitation reflects an amount of Kshs.5,064,950, resulting to an unexplained variance of Kshs.614,225.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operation of Kshs.1,012,834 and Kshs.6,422,776 could not be confirmed.

### **4.0 Unconfirmed Student Enrollment Data**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.7,435,610. Comparison of data from National Education Management and Information System (NEMIS) with records from the County Director of Education revealed that during the financial period 2020/2021, NEMIS reflected seven hundred and seventy-nine (779) students while records from the County Director of Education had seven hundred and eighty-one (781) students, resulting to an underfunding of the School by an amount of Kshs.97,003. This was contrary to the



Ministry of Education Circular MOE.HQS/3/13/3 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.

#### **5.0 Failure to Maintain a Fixed Asset Register**

The School did not maintain a fixed assets register contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

Further, the School sits on 9 hectares of land but the Management had not acquired the ownership documents for the land.

In the circumstances, the ownership and valuation of the assets owned by the School could not be confirmed.

#### **6.0 Late Submission of Financial Statements**

During the year under review, Management submitted the financial statements to the Auditor-General on 10 November, 2023 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

#### **7.0 Long Outstanding Accounts Payables**

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects accounts payables balance of Kshs.13,345,345. However, included in the balance are trade payables balance of Kshs.10,893,295 which had been outstanding for more than one (1) year. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk of loss of public funds through litigations, interests and penalties.

The audit was conducted in accordance with the ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance

about whether the activities, financial transactions and information reflected in the financial statements comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

## REPORT ON 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

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

### **Responsibilities of the 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 governance.

In preparing the financial statements, Management is responsible for assessing the School's ability 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 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 comply 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 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 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 policies and procedures may deteriorate.


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



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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

  
**FCPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**


**24 September, 2024**

**J.G KIEREINI SECONDARY SCHOOL  
PUBLIC SECONDARY SCHOOL  
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**V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2021**

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	1,012,834.00	1,334,609.00
Capitation grants for operations	2	6,422,776.00	8,701,700.00
School Fund Income- Parents' Contributions	3	15,100,140.00	22,312,915.00
School Fund Income- Other receipts	4	940,975.00	5,703,387.00
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>23,476,726.00</b>	<b>38,052,611.00</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	558,080.00	1,006,053.00
Payments for operations	6	5,386,932.00	7,100,496.00
Boarding and school fund payments	7	12,150,101.00	24,559,804.00
<b>TOTAL PAYMENTS</b>		<b>18,095,113.00</b>	<b>32,666,353.00</b>
<b>SURPLUS/DEFICIT</b>		<b>5,381,613.00</b>	<b>5,386,258.00</b>

The school financial statements were approved on 5/8/2024 and signed by:

Sign:   
Name: Daniel Wambiri

Sign: MWEN  
Name: STEPHEN W. MBURU

Sign:   
Name: JANE MUTONGA

Chair BOM

School Principal/  
Secretary to BOM

Bursar/  
Finance Officer

Date: 5/8/24

Date: 5/8/2024

Date: 5/8/24

**PRINCIPAL**

J.G. KIEREINI BOYS SEC. SCH.  
P. O. Box 218 - 00232, RUIRU

DATE: 5/8/24 SIGN: MWEN



**J.G KIEREINI SECONDARY SCHOOL  
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**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT  
30<sup>TH</sup> JUNE 2021**

	Note	2020-2021	2019-2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	1,321,175.78	84,557.20
Cash Balances	9	203,840.60	2,848.80
Short term Investment	10		
<b>Total Cash and cash equivalent</b>		<b>1,525,016.38</b>	<b>87,406.00</b>
Account's receivables	11	7,670,201.00	8,823,926.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>9,195,217.38</b>	<b>8,911,332.00</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	13,345,345.00	18,443,071.90
<b>NET FINANCIAL ASSETS</b>		<b>(4,150,128.00)</b>	<b>(9,531,739.90)</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	(9,531,739.90)	(14,917,997.90)
Surplus/Deficit for the year		5,381,612.28	5,386,258
<b>NET FINANCIAL POSSITION</b>		<b>(4,150,128.00)</b>	<b>(9,531,739.90)</b>

The School's financial statements were approved on 5/8/2024 and signed by:

Name: Dr Daniel Wambiri  
Chairman, BoM

Sign: 

Date: 5/8/24

Name: Mr Stephen W. Mburu  
School Principal/Secretary  
to BoM

Sign: 

Date: 5/8/2024

Name: Jane Mutonga  
Bursar/Finance

Sign: 

Date: 5/8/2024

**PRINCIPAL**  
J.G. KIEREINI BOYS SEC. SCH.

P. O. Box 218 - 00232, RUIRU

DATE: 5/8/24 SIGN: MWep



**J.G KIEREINI SECONDARY SCHOOL**  
**PUBLIC SECONDARY SCHOOL**  
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**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2021**

		<b>2020-2021</b>	<b>2019-2020</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	1,012,834	1,334,609
Capitation grants for operations	2	6,436,776	8,701,700
School fund income- Parents contributions/ fees	3	16,393,959	18,637,053
School fund income- other receipts	4	940,975	5,703,387
<b>Total receipts</b>		<b>24,784,544</b>	<b>34,376,749</b>
<b>Payments</b>			
Payments for Tuition	5	1,018,565	550,300
Payments for operations	6	5,205,532	6,710,399
Boarding and school fund payments	7	17,122,837	26,366,479
<b>Total payments</b>		<b>23,346,934</b>	<b>33,627,178</b>
<b>Net cashflow from operating activities</b>		<b>1,437,610</b>	<b>749,571</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			
Acquisition of Assets			
Proceeds from investments			
<b>Net cash flows from Investing Activities</b>			
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flow from financing activities</b>		<b>1,437,610</b>	<b>749,571</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>87,406</b>	<b>(662,164)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	10	<b>1,525,016</b>	<b>87,406</b>
<b>Cash and cash equivalent at END of the year</b>			

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

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**VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2021**

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Exercise books	1,238,500.00		1,238,500.00	150,000.00	1,088,500.00	12.1%
Laboratory equipments and apparatus	560,590.00		560,590.00	80,000.00	480,590.00	14.3%
Teaching/learning materials	1,038,080.00		1,038,080.00	782,834.00	255,246.00	75.4%
chalks	29,550.00		29,550.00	-	-	0.0%
Internal exams	440,000.00		440,000.00	37,500.00	402,500.00	8.5%
					-	
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Personnel emoluments	4,604,000.00		4,604,000	2,747,753	1,856,247	59.7%
Local transport / travelling	538,400.00		535,400	220,475	317,925	41.2%
SMASSE	160,000.00	0	160,000	-	-	0.0%
Medical / Insurance	1,600,000.00		1,600,000	-	1,600,000	0.0%
Administration costs	521,600.00		521,600	157,200	364,400	30.1%
Electricity and water	1,840,000.00		1,840,000	171,849	1,668,151	9.3%
Maintenance & improvement	4,000,000.00		4,000,000	3,125,500	874,500	78.1%
Activity	1,200,000.00		1,200,000	-	1,200,000	0.0%



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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>(3) FEES CHARGED ON PARENTS</b>						
Personnel emoluments	3,200,000.00		3,200,000.00	1,114,700.00	2,085,300	34.8%
Repairs and maintenance	1,600,000.00		1,600,000.00	794,596.00	805,404	49.7%
Local transport / travelling	1,600,000.00		1,600,000.00	846,236	753,764	52.9%
Electricity and water	1,976,000.00		1,976,000	1,539,950	436,050	77.9%
Administration costs	2,400,000.00		2,400,000.00	608,087	1,791,913	25.3%
Activity	400,000.00		400,000.00	24,335	375,665	6.1%
Fee on Boarding	16,664,000.00		16,664,000.00	8,300,451	8,363,549	49.8%
Equipment and Stores	1,600,000.00		1,600,000	400	1,599,600	0.0%
Gratuity						
<b>OTHER INCOME</b>				3,000		
<b>Farm</b>				109,673		
<b>Beddings</b>				10,912		
<b>Examination fund</b>				5,000		
<b>Refundable fees</b>				11,000		
<b>Tender forms</b>				96,575		
<b>Uniform</b>				96,000		
<b>Tender forms</b>				400		
<b>Gratuity</b>				85,702		
<b>Administration</b>				2,603,405		
<b>Bursary fund</b>				5,020		
<b>Pocket money</b>				42,840		
<b>Clubs</b>				217		
<b>Divided</b>						

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Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<i>Fee prepayment</i>	-			625,310		
<b>TOTAL INCOME</b>	<b>47,210,720</b>	<b>0</b>	<b>47,207,720</b>	<b>24,396,919</b>	<b>22,810,801</b>	<b>51.7%</b>
<i>Farm</i>						
<b>(1) EXPENDITURE FOR TUITION</b>						
Exercise books	1,238,500.00	0	1,238,500.00		1,238,500	0%
Laboratory equipments and apparatus	560,590.00	0	560,590.00	111,900	448,690	20%
Teaching/learning materials	1,038,080.00	0	1,038,080.00	320,200	717,880	31%
chalks	29,550.00	0	29,550.00		29,550	0%
Internal exams	440,000.00	0	440,000.00	37,500	402,500	9%
Bank charges				480		
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	4,604,000		4,604,000	2,809,235	1,794,765	61.02%
Local transport / travelling	538,400		538,400	194,750	343,650	36.17%
Others	160,000		160,000		160,000	0.00%
Medical / Insurance	1,600,000		1,600,000		1,600,000	0.00%
Administration costs	521,600		521,600	206,100	315,500	39.51%
Electricity and water	1,840,000		1,840,000	100,000	1,740,000	5.43%
Maintenance & improvement	4,000,000		4,000,000	2,726,500	1,273,500	68.16%
Activity	1,200,000		1,200,000	2,700	1,197,300	0.23%
Bank Charges			0	1,810		
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						



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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
Personnel emoluments	3,200,000		3,200,000	952,501	2,247,499	29.77%
Repairs and maintenance	1,600,000		1,600,000	396,765	1,203,235	24.80%
Local transport / travelling	1,600,000		1,600,000	889,089	710,911	55.57%
Electricity and water	1,976,000		1,976,000	1,139,293	836,707	57.66%
Administration costs	2,400,000		2,400,000	946,437	1,453,563	39.43%
Activity	400,000		400,000	83,650	316,350	20.91%
Fee on Boarding	16,664,000		16,664,000	5,736,765	10,927,235	34.43%
Equipment and Stores	1,600,000		1,600,000	136,000	1,464,000	8.50%
Gratuity			0	107,643		
medical				41,280		
Farm Account				3,500		
Pocket money			0	3,300		
clubs						
<b>TOTAL</b>	<b>47,210,720</b>		<b>47,210,720</b>	<b>16,947,398</b>	<b>30,263,322</b>	<b>35.90%</b>

## **IX. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of compliance and basis of preparation**

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

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

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

### **2. Recognition of receipts and payments**

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

### **3. In-kind contributions**

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

### **4. Cash and cash equivalents**

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



**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

**X. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Textbooks and reference materials	150,000.00	-
Laboratory equipment	80,000.00	-
Teaching / learning materials	782,834.00	1,334,609.00
<b>Total</b>	<b>1,012,834.00</b>	<b>1,334,609.00</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	2,747,752.94	3,222,378.89
Repairs and maintenance	3,125,500.00	2,884,000.00
Local transport / travelling	220,474.51	363,007.11
Electricity and water	171,849.00	1,043,414.00
Administration costs	157,200.00	216,300.00
BOM Teachers		540,000.00
Medical / Insurance	-	144,200.00
Activity		288,400.00
<b>Total</b>	<b>6,422,776.45</b>	<b>8,701,700.00</b>

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

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	1,217,833.00	1,756,732.00
Bording equipment and stores	9,589,864.00	12,755,767.40
Repairs and maintenance	876,845.00	3,257,334.00
Local transport / travelling	942,650.00	688,870.00
Electricity and water	1,697,081.00	2,188,865.00
Administration costs	665,332.00	1,215,822.00
Application form	85,000.00	
Activity	25,535.00	449,525.00
<b>Total</b>	<b>15,100,140.00</b>	<b>22,312,915.40</b>



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**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
tender	11,000.00	62,000.00
exams	10,912.00	46,400.00
Income from farming activities	711,496.90	722,766.65
beddings	109,673.00	3,132,070.00
gratuity	400.00	172,900.00
bank charges	702.00	-
Interest income	216.51	19,256.00
uniforms	96,575.00	1,547,994.00
<b>Total</b>	<b>940,975.41</b>	<b>5,703,386.65</b>

**5 PAYMENTS FOR TUITION**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Exercise books		496,000.00
Laboratory equipment	320,200.00	70,435.00
Teaching / learning materials	199,900.00	411,378.00
Exams and assessment	37,500.00	28,000.00
Bank Charges	480.00	240.00
<b>Total</b>	<b>558,080.00</b>	<b>1,006,053.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6 PAYMENTS FOR OPERATIONS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	2,809,235.00	2,404,817.00
Service Gratuity	136,000.00	-
Administration Cost	218,100.00	132,690.00
Repairs and maintenance & improvements	-	2,301,386.00
Local transport / travelling	194,750.00	161,500.00
Electricity and water	100,000.00	
Medical	0.00	993,006.00
Activity Expenses	2,700.00	300,000.00
BOM teachers	156,400.00	540,000.00
Bank Charges	1,810.00	-
Acquisition of Assets	1,767,937.00	267,097.00
<b>TOTAL</b>	<b>5,386,932.00</b>	<b>7,100,496.00</b>

**7 BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	952,501.00	3,237,332.00
Bording equipment and stores	5,271,374.10	8,552,754.00
Repairs and maintenance	634,715.00	2,395,070.00
Local transport / travelling	889,089.00	844,327.00
Electricity and water	1,400,043.00	1,473,880.00
Administration costs	2,031,637.00	1,451,250.20
Activity	83,650.00	204,740.00
exams		67,000.00
School Farm	779,449.30	1,174,363.55
uniforms		909,650.00
medical	107,643.00	117,107.00
tender forms	-	23,000.00
beddings	-	4,109,330.00
<b>TOTAL</b>	<b>12,150,101.40</b>	<b>24,559,803.75</b>



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account		3,805.60	9,536.70
Operation Account		406,856.70	134,175.25
School Fund account		(345,347.25)	(500,946.25)
Savings Account – KCB - 1102012491		4,500.60	5,000.60
Githunguri Dairy shares		40,000.00	255,000.00
Farm Account		94,982.53	23,976.40
Infrastructural Account		1,116,377.50	157,814.50
<b>Total</b>		<b>1,321,175.78</b>	<b>84,557.20</b>

**9 CASH IN HAND**

Description	2020-2021	2019-2020
	Kshs	Kshs
Farm Account	48,500.00	1,500.00
Operation Account	1,202.20	1,202.20
School Fund account	154,138.40	146.60
<b>Total</b>	<b>203,840.60</b>	<b>2,848.80</b>

**10 SHORT TERM INVESTMENTS**

Description	2020-2021	2019-2020
	Kshs	Kshs
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
<b>Total</b>		

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11 ACCOUNTS RECEIVABLE**

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	7,642,981.00	8,798,706.00
Other non-fees receivables	19,220.00	17,220.00
Salary advance	8,000.00	8,000.00
Imprest	-	-
<b>Total</b>	<b>7,670,201.00</b>	<b>8,823,926.00</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	1,705,997.00	2,796,171.00
Fees arrears for the previous year	-	-
Fees arrears for prior periods (over two years)	5,936,984.00	6,002,535.00
<b>Total</b>	<b>7,642,981.00</b>	<b>8,798,706.00</b>

**12 ACCOUNTS PAYABLE**

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	12,678,975.00	18,148,783.90
Caution money		-
Prepaid fees	625,310.00	121,596.00
Retention monies	41,060.00	172,692.00
<b>Total</b>	<b>13,345,345.00</b>	<b>18,443,071.90</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	1,785,680.00	10,098,485.00
Trade creditors for the previous year	5,704,330.00	5,165,034.00
Trade creditors for prior periods (over two years)	5,188,965.00	2,885,264.90
<b>Total</b>	<b>12,678,975.00</b>	<b>18,148,783.90</b>



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**13 FUND BALANCE BROUGHT FORWARD**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank balances	1,321,175.78	84,557.20
Cash balances	203,840.60	2,848.80
Short Term Investments		-
Receivables	7,670,201.00	8,823,926.00
Payables	13,345,345.00	18,443,071.90
<b>Total</b>	<b>(4,150,127.62)</b>	<b>(9,531,739.90)</b>

**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 Biological assets**

<b>Description</b>	<b>Numbers</b>
Cattle	15
Trees	61
Pigs	25
<b>Total</b>	



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**Other important disclosure notes**

**LABORATORY CONSUMABLES 2021-2022 JUNE**

S/No	ITEM	UNITS	Opening stock	Purchased	closing stock	Require ments	cost per unit	Total
1	Acetic Acid	m/s	1640	2500	2500	NIL	3450	3450
2	Acetone	m/s	4290	NIL	200	2500	4850	5238
3	Akaline Cells	pcs	24	NIL	24	NIL	50	1200
4	Aluminium chloride	g	902	NIL	500	NIL	2400	2500
5	Microscope slides prepared	g	NIL	NIL	0	NIL	250	0
6	Aluminium nitrate	g	250	500	258	NIL	1450	748
7	Aluminium sulphate	g	1280	NIL	990	NIL	1150	2277
8	Ammonia solution	g	5027	NIL	0	2500	2100	2100
9	Ammonium carbonate	g	175	NIL	175	NIL	800	280
10	Ammonium chloride	g	535	NIL	400	NIL	780	624
11	Ammonium Ferrous sulphate	g	221	NIL	221	500	1145	1651
12	Ammonium hydrogen carbonate	g	412	NIL	412	NIL	800	659
13	Ammonium nitrate	g	470	NIL	470	NIL	2150	2021
14	Ammonium sulphate	g	179	NIL	179	500	450	611
15	Ascorbic acid	m/s	384	NIL	84	500	785	916
16	Barium carbonate	g	320	NIL	320	NIL	1240	794
17	Barium chloride	g	200	NIL	200	500	1240	1736
18	Barium sulphate	g	181	NIL	181	NIL	950	344
19	Barium nitrate	g	2249	NIL	1749	NIL	1650	5772
20	Benedicts solution	m/s	2180	NIL	1100	NIL	600	660
21	Benzoic acid	g	790	NIL	390	NIL	1550	1209
22	Calcium carbonate	g	424	NIL	424	NIL	1420	1204
23	Calcium chloride	g	784	NIL	334	500	1500	2502
24	Calcium hydroxide	g	671	NIL	521	NIL	950	990
25	Calcium nitrate	g	188	NIL	188	NIL	1750	658
26	DCPIP	g	1	NIL	1	5	450	2700
27	Calcium sulphate	g	486	NIL	400	NIL	1150	920
28	Torch bulbs	pcs	-	NIL	-	100	30	3000
29	Chloroform	m/s	-	NIL	-	2500	4800	4800
30	Connecting wire	rolls	1	NIL	1	1	650	1300
31	Copper carbonate	g	77	NIL	77	500	2900	3346
32	Copper chloride	g	100	NIL	100	NIL	2750	550
33	Copper powder	g	250	NIL	250	NIL	1400	700
34	Copper turnings	g	312	NIL	312	NIL	1600	998
35	Copper nitrate	g	315	NIL	300	NIL	3920	2352
36	Copper oxide	g	251	NIL	240	NIL	2660	1277



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37	Copper sulphate	g	1732	NIL	1500	NIL	1550	<b>4650</b>
38	Candles	pkts	8	NIL	NIL	5	100	<b>500</b>
39	Litmus papers	pkts	8	NIL	4	NIL	900	<b>3600</b>
40	Litmus solution	m/s	200	NIL	200	NIL	1650	<b>660</b>
41	Magnesium carbonate	g	87	NIL	87	NIL	1650	<b>287</b>
42	Magnesium chloride	g	210	NIL	210	NIL	1500	<b>630</b>
43	Magnesium nitrate	g	244	NIL	244	500	1225	<b>1822</b>
44	Magnesium sulphate	g	97	NIL	97	NIL	925	<b>179</b>
45	Labels	pkts	2	NIL	NIL	10	35	<b>350</b>
46	Manganeze IV oxide	g	276	NIL	250	NIL	2500	<b>1250</b>
47	Maleic acid	g	600	NIL	520	NIL	3250	<b>3380</b>
48	Menthylated spirit	g	5630	NIL	3130	NIL	1500	<b>9390</b>
49	Methyl orange	m/s	3600	NIL	3100	NIL	560	<b>3472</b>
50	Match boxes	pkts	1	NIL	—	2	40	<b>80</b>
51	Nitric acid	m/s	1504	NIL	700	NIL	3370	<b>944</b>
52	Oxalic acid	g	1114	NIL	314	NIL	1350	<b>848</b>
53	Sulphur	g	395	NIL	300	NIL	950	<b>570</b>
54	Oranges	pcs	Nil	NIL		NIL	10	<b>0</b>
55	Phenolphthalein Indicators	m/s	1490	NIL	490	2000	315	<b>1568</b>
56	Placitine	kg	1	NIL	1	1	250	<b>500</b>
57	Potassium carbonate	g	95	NIL	—	500	1950	<b>1950</b>
58	Potassium chloride	g	173	NIL	100	500	910	<b>1092</b>
59	Potassium chlorate	g	432	NIL	432	NIL	3550	<b>3067</b>
60	Potassium dichromate	g	NIL	NIL	30	500	4150	<b>4399</b>
61	Potassium Iodide	g	524	NIL	390	NIL	2150	<b>1677</b>
62	Potassium nitrate	g	360	NIL	210	NIL	990	<b>416</b>
63	Potassium permanganate	g	616	NIL	416	NIL	4150	<b>3453</b>
64	Scapel blades	pkts	1	NIL	NIL	5	1000	<b>5000</b>
65	Silver nitrate	g	32	NIL	8	NIL	6500	<b>0</b>
66	Sodium carbonate	g	191	NIL		1500	1850	<b>1850</b>
67	Sodium chloride	g	179	500	490	NIL	950	<b>931</b>
68	Sodium hydrogen - carbonate	g	827	NIL	450	NIL	950	<b>855</b>
69	Sodium hydroxide	g	816	NIL	316	NIL	650	<b>410</b>
70	Sodium nitrate	g	506	NIL	195	NIL	1550	<b>604</b>
71	Sodium sulphate	g	581	NIL	371	NIL	930	<b>690</b>
72	Sodium thiosulphate	g	2677	NIL	2277	NIL	750	<b>3415</b>
73	Startch soluble	g	393	NIL	250	NIL	850	<b>425</b>
74	Sulphuric acid	m/s	2922	NIL	900	NIL	3600	<b>1296</b>
75	Sucrose	g	350	NIL	250	NIL	1050	<b>525</b>
76	Cotton twine	roll	Nil	2	2	NIL	150	<b>300</b>
77	Visking tubing	roll	1	NIL	1	NIL	2400	<b>2400</b>
78	Wooden splints	pkts	Nil	NIL	—	2	1000	<b>2000</b>
79	Yeast	g	763	NIL	763	NIL	950	<b>1449</b>



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80	Zinc carbonate	g	266	NIL	216	NIL	2440	<b>1054</b>
81	Zinc chloride	g	166	NIL	106	NIL	1850	<b>392</b>
82	Zinc powder	g	869	NIL	369	NIL	2550	<b>1881</b>
83	Zinc nitrate	g	231	NIL	190	NIL	1850	<b>703</b>
84	Zinc oxide	g	103	NIL	91	NIL	1550	<b>282</b>
85	Zinc sulphate	g	502	NIL	395	NIL	1650	<b>1303</b>
86	Distilled water	l	20	NIL	-	60	550	<b>33000</b>
87	Dry cells	prs	-	60	60	NIL	100	<b>6000</b>
88	Ethanol	m/s	2397	NIL	200	2500	2850	<b>3078</b>
89	Meat	kg	-	NIL	-	NIL	400	<b>0</b>
90	Tomatoes	pcs	-	NIL	-	NIL	10	<b>0</b>
91	Potatoes	Kasuku	-	NIL	-	NIL	100	<b>0</b>
92	Lemons	pcs	-	NIL	-	NIL	10	<b>0</b>
93	Groundnuts	pcs	-	NIL	-	NIL	200	<b>0</b>
94	Universal reels	reels	2	NIL	2	NIL	950	<b>1900</b>
95	Magnesium ribbon	roll	-	NIL	-	NIL	450	<b>0</b>
96	Hydrochloric acid	m/s	11735	NIL	735	2500	3390	<b>4386</b>
97	Nichrome wire	rolls	-	NIL	-	NIL	550	<b>0</b>
98	Tomatoe tree	pcs	-	NIL	-	NIL	10	<b>0</b>
99	Apples	pcs	-	NIL	-	NIL	25	<b>0</b>
100	Thorn apples	pcs	-	NIL	-	NIL	15	<b>0</b>
101	Pawpaws	pcs	-	NIL	-	NIL	30	<b>0</b>
102	Bananas ripe	pcs	-	NIL	-	NIL	5	<b>0</b>
103	Mangoes	pcs	-	NIL	-	NIL	20	<b>0</b>
104	Avocadoes	pcs	-	NIL	-	NIL	20	<b>0</b>
105	Melon	pcs	-	NIL	-	NIL	250	<b>0</b>
106	Green maize	combs	-	NIL	-	NIL	20	<b>0</b>
107	Green pepper	pcs	-	NIL	-	NIL	10	<b>0</b>
108	Garden peas	kasuku	-	NIL	-	NIL	150	<b>0</b>
109	Ferrous sulphate	g	414	NIL	114	500	1420	<b>1743</b>
110	Fish	pcs	-	NIL	-	NIL	200	<b>0</b>
111	Bread	pcs	-	NIL	-	NIL	60	<b>0</b>
112	Rabbit	pcs	-	NIL	-	NIL	400	<b>0</b>
113	Coconuts	pcs	-	NIL	-	NIL	40	<b>0</b>
114	Grapes	pcs	-	NIL	-	NIL	50	<b>0</b>
115	Pineapples	pcs	-	NIL	-	NIL	50	<b>0</b>
116	Lithium carbonate	g	235	NIL	235	NIL	9300	<b>4371</b>
117	Rubber horse	m	-	NIL	-	NIL	2000	<b>0</b>
118	Hydrogen peroxide	m/s	3224	NIL	1724	NIL	595	<b>410</b>
119	Burette clips	pcs	-	NIL	-	NIL	60	<b>0</b>
120	Laboratory gas	kg	0	NIL	-	NIL	2000	<b>0</b>
	<b>TOTAL</b>						<b>162560</b>	<b>195474</b>

**15 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.

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



**J.G. KIEREINI BOYS SCHOOL  
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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE  
CREDITORS**

	SUPPLIER	2017/2018	2019	2020	2021	TOTAL
	BOARDING A/C	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT
1.	Clarity General Merchants			94000	98000	192000
2.	Genx Computer Solutions		1328250	261200	987200	2576650
3.	David Kuria			238000	119000	357000
4.	Kigima Smart Electrical & Services		244700	325950	141750	712400
5.	Wamo Tech Services			1125000	81000	1206000
6.	Dominic Mugo		459100	2400	237950	699450
7.	Amicell Smart Services				12000	12000
8.	Magitech Supplier				88000	88000
9.	Margaret Nyakio	100500	780475	389050		1270025
10.	Joseph Nganga			10900		10900
11.	Peter Ngotho	394500		901200		1295700
12.	Njagat Enterprises			84000		84000
13.	Lucy Nduta			77585		77585
14.	Primax Office Equipment		179000	91000		270000
15.	James Kabogo	110500				110500
16.	George Chege			296240		296240
17.	Njeri J.B			110000		110000
18.	Samuel G Mutungu		407000			407000
19.	Francis Ndungu			84730		84730
20.	Alice Ngugi			35415		35415
21.	Furahia Furniture			372070		372070
22.	Timothy Ngiga			1500		1500
23.	Michael Mwangi				13520	13520
24.	Nancy Muthoni			7260	7260	14520
25.	Abraham Maina	230400				230400
26.	Githunguri Dairy			3900		3900
27.	Johalimo Generals supplies		954540	1192930		2147470
28.	<b>TOTALS</b>	<b>835900</b>	<b>4353065</b>	<b>5704330</b>	<b>1785680</b>	<b>12678975</b>

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**NB: Summary of creditors**

Year 2017/2018	Ksh. 835,900.00	
Year 2019	<u>Ksh. 4,353,065.00</u>	
Total for 2 years & below		Ksh. 5,188,965.00
Year 2020		Ksh. 5,704,330.00
Year 2021		<u>Ksh. 1,785,680.00</u>
Total		<u>Ksh 12,678,975.00</u>