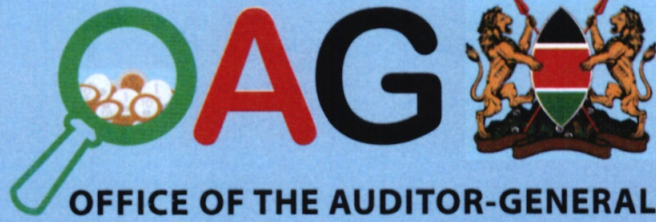
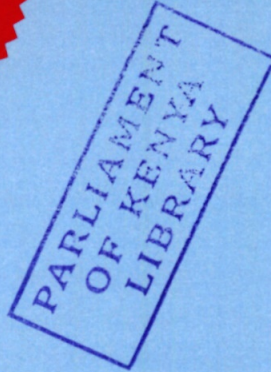


REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 02 DEC 2024	DAY: MONDAY
TABLED BY: HON. NAOMI WAQO, MP	DEPUTY MAJORITY WHO
CLERK-AT-THE-TABLE: RUTH NG'WYD	

**THE AUDITOR-GENERAL**

**ON**

**NAIVASHA HIGH SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2021**

**NAKURU COUNTY**



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



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*NAIVASHA HIGH 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)

*NAIVASHA HIGH 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 Nakuru County, Naivasha Sub-County

The school was registered in 3<sup>rd</sup> August 2017 under registration number 32S30000140 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 758 number of students as at 30<sup>th</sup> June 2021. It has 4 streams and 33 teachers of which 2 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.	Sam Weru	Chairman	24th May 2019
2.	Samuel Kibe	Secretary - Principal	
3.	Esther Ngigi	Member	
4.	Stephen Mwanzia	Member	
5.	Susan Mumo	Member	
6.	John Kanyoi	Member	
7.	James Waweru	Member – Rep CEB	
8.	Faith Gachanja	Member Rep Teachers	
9.	Sam Weru	Members - Sponsor	
10.	Benjamin Mwaura		
11.	Linda Kwamanga		
12.	Francis Muchiri	Member - Community	
13.	Naomi Wambuya	MemberSpecial Needs	
14.	Joseph Kasale	Rep Students	



**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.	<b>Executive Committee</b>	(i) Sam Weru (ii) Samuel Kibe (iii) Francis Muchiri (iv) Linda Odhiambo (v) Rachel Ndiritu	Chairman Secretary Member Member Member	1
2.	Audit Committee			
3.	Finance, procurement and general purposes Committee			
4.	Academic Committee			
5.	Development Committee (School Infrastructure Committee)	(i) James Waweru (ii) George Chege (iii) Samuel Kibe (iv) Sam Weru (v) Benjamin Mwaura (vi) Linda Odhiambo (vii) Rachael Ndiritu (viii) Bernard Chirchir	Chairman Secretary Member Member Member Member Member	1
6.	Discipline and welfare Committee			
7.	Adhoc Committee (if any during the year)	<b>Tender Opening Committee</b> (i) Catherine Kanyori (ii) Margaret Wanjiru (iii) Kamau Macharia (iv) Rachael Ndiritu <b>Technical &amp; Evaluation Committee</b> (i) George Chege (ii) Reuben Ngigi (iii) Jacline Bwari (iv) Sam Weru (v) Laban Mbugua	Chairperson Secretary Member Member  Chairperson Secretary Member Member Member	1

**(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:

Ref:	Designation	Name	TSC/ ID Number
1	Principal	Johny Michael Thuita	349588
2	Deputy Principal	George Wagoco Chege	416815
3	School Bursar	Laban Chege Mbugua	21699911



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

**(e) Schools contacts**

Post Office Box: 385-20117 Naivasha  
Telephone: 071803398  
E-mail: naivashahigh@gmail.com  
Website: XXXXXXXXX  
Facebook: XXXXXXXXX  
Twitter: XXXXXXXXX

**(f) School Bankers**

The school operated 6 number of bank accounts in the following banks:

1. Name of Bank: Co-operarative  
Branch: Naivasha  
Account Number: 01129115972000
2. Name of Bank: Kenya Commercial Bank  
Branch: Naivasha  
Account Number: 1105232964
3. Name of Bank: Kenya Commercial Bank  
Branch: Naivasha  
Account Number: 1105231488
4. Name of Bank: Co-operarative  
Branch: Naivasha  
Account Number: 01139115972000
5. Name of Bank: Co-operarative  
Branch: Naivasha  
Account Number: 01129115972001
6. Name of Bank: ABSA  
Branch: Naivasha  
Account Number: 2027446267
7. MPESA Pay Bill No. 400222 attached to 01129115972000 bank account

**(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:**

- **Surplus/ deficit for the year and a comparison of the same for the last three years**

	2020/2021	2020	2019
Surplus/Deficit	5,667,353.25	1,137,491.90	(1,452,994.80)

- **Capitation grants from the Ministry of Education for the last three years**

Account	2020/2021	2020	2019
Tuition	967,675.50	1,399,345.00	2,461,086.10
Operation	6,069,030.75	8,849,605.00	13,098,103.10
<b>Total</b>	<b>7,036,706.25</b>	<b>10,250,970.00</b>	<b>15,561,208.20</b>
No of Students	758	756	754
Ratio	1:9283	1:13559	1:20638

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

	2020/2021	2020	2019
Tuition	967,675.50	1,399,345.00	2,461,086.10
Operation	6,069,030.75	9,089,605.00	13,098,103.10
School Fund	14,731,477.00	18,094,416.50	32,980,745.00
<b>Total</b>	<b>21,768,183.25</b>	<b>28,585,386.50</b>	<b>48,541,953.20</b>

- **Growth in expenditure of the school**

	2020/2021	2020	2019
Tuition	1,003,958.00	775,132.00	3,751,396.00
Operation	2,422,877.00	9,081,891.00	12,873,218.20
School Fund	12,467,220.00	15,071,481.60	29,891,545.10
<b>Total</b>	<b>15,894,055.00</b>	<b>24,930,524.60</b>	<b>46,518,178.30</b>

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

	2020/2021	2020	2019
Debtors	4,245,230.65	5,513,819.65	3,683,185.65
Creditors	51,745.00	4,092,210.00	9,145,873.50

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

	2020/2021	2020	2019
Tuition	464,731.85	484,653.35	173,590.35
Operation	563,341.45	12,207.70	7,769.70
School Fund	206,418.30	108,267.30	198,090.80
<b>Total</b>	<b>1,234,491.60</b>	<b>607,148.35</b>	<b>381,469.85</b>

b) **Teacher Student ratio:**

*Teacher to student ratio 1:25*

*Number of teachers recruited and posted to the school within the year 1,*

*Number of teachers that were transferred during the period 1*

c) **Mean Score for the Last 3 Years**

YEAR	ENTRY	GRADES											MEAN SCORE
		A	A-	B+	B	B-	C+	C	C-	D+	D	D-	
2020	164	0	1	1	9	14	16	23	40	37	19	4	5.348
2019	171	0	1	6	8	7	13	29	38	31	32	6	5.181
2018	132	1	2	6	6	6	15	11	29	27	27	2	5.3409

d) **Number of Candidates in the Last 3 Years**

Year	No. Students
2020	164
2019	171
2018	132

e) **Capacity of the school:**

Year	No. Students	Dorm	Dining	Labs	Toilet
2020/21	758	6	1	3	57



NAIVASHA HIGH SCHOOL  
PUBLIC SECONDARY SCHOOL  
Annual Report and Financial Statements  
For the year ended 30<sup>th</sup> June 2021

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

*No development project carried out during the year. Waiting for approval for continuation of the stalled dormitory.*



**Sign**  
**School Principal**

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

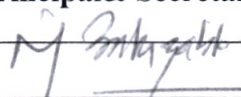
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2021, and of the school's financial position as at that date.

Name: **Sam M Weru**  
Designation: **Chairman, School Board of Management**

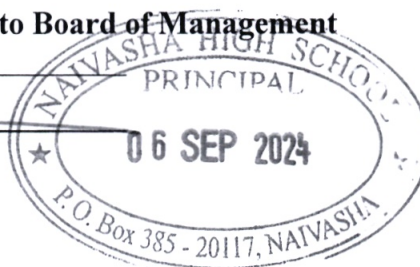
Sign: *for*  \_\_\_\_\_

Date: \_\_\_\_\_

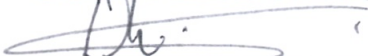
Name: **Samuel M Kibe**  
Designation: **School Principal & Secretary to Board of Management**

Sign:  \_\_\_\_\_

Date: \_\_\_\_\_



Name: **Laban Chege Mbugua**  
Designation: **Bursar/ Finance Officer.**

Sign:  \_\_\_\_\_

Date: *05/09/2024* \_\_\_\_\_



# REPUBLIC OF KENYA



*Enhancing Accountability*

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

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

## **REPORT OF THE AUDITOR-GENERAL ON NAIVASHA HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 - NAKURU 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 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 year under review.

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Naivasha High School - Nakuru County set out on pages 12 to 28, which comprise of the statement of financial assets



and financial liabilities as at 30 June, 2021, statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies, notes to the financial statements and other important disclosures 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 Naivasha High School as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.4,433,275 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.3,362,592 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.4,433,275 could not be confirmed.

#### **2. Unsupported Payables**

The statement of financial assets and financial liabilities reflects payables balance of Kshs.51,745 as disclosed in Note 12 to the financial statements. However, no schedules or ledgers were provided to support the payable balances.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.51,745 could not be confirmed.

The audit was conducted in accordance with International Standard of Supreme Audit Institutions (ISSAIs). I am independent of the Naivasha High 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.



## **Emphasis of Matter**

### **Budgetary Control and Performance**

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.28,187,954 and Kshs.21,768,183 respectively resulting to an under-funding of Kshs.6,419,771 or 23% of the budget. Similarly, the School expended Kshs.15,894,055 against an approved budget of Kshs.28,779,885 resulting to an under-expenditure of Kshs.12,885,830 or 45% of the budget. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

In addition, there was no evidence of quarterly budgetary evaluation reports, indicative of estimates against actual expenditures prepared and presented to the Board of Management for approval as provided for in the operation manual for utilization of learner capitation grant and other school funds issued by the Ministry of Education. Further, Management did not provide an approved annual procurement plan showing the works, goods supplies and services to be procured during the year and the recommended procurement methods to be used was not in place. As a result, the basis for procurement of goods and services during the year was not established.

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

## **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. Irregular Use of Cash in Procurement of Goods, Works and Services**

During the year under review, Management procured goods comprising of construction materials, stationery and groceries for a total cost of Kshs.953,000. The items were purchased in cash under low value procurement despite the items being procured frequently, and cumulatively exceeding the set threshold of Kshs.50,000 for low valued

procurement set out in Section 107 of the Public Procurement and Asset Disposal Act, 2015 and the Second Schedule of the Public Procurement and Disposal Regulations, 2020.

In the circumstances, the value for money on expenditure of Kshs.953,000 could not be confirmed.

## **2. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects payments operations amount of Kshs.2,422,877 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.26,200 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.26,200 could not be confirmed.

## **3. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 17 February, 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.

## **4. Unsupported Engagement of Teaching and Non-Teaching Personnel**

During the year under review, Management engaged several employees comprising non-teaching staff and Board of Management (BoM) teachers. However, a human resource policy, scheme of service for non-teaching staff and BoM teachers was not provided to confirm their terms of engagement. Also, a staff establishment to confirm that the School staffing levels was not provided for audit verification.

In addition, there was no document guide on delegation of duties, direction, control and supervision. Further, several documents such as letter of appointment, job description, the job advert, contract renewal letter, gratuity awarded at end of contract and change of salary scale notification letters were missing from personnel files.



In the circumstances, the basis and support for personnel costs paid of Kshs. 3,213,205 could not be confirmed.

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

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

### Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register with Nil balance in respect of fixed assets which includes land measuring approximately 7.45 hectares and motor vehicles with Nil balances. However, land ownership documents and motor vehicle logbooks were not provided for audit.

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

#### 2. Incomplete Student Enrolment Records

Review of the students' records revealed that class registers for its learners enrolled each term were not updated and did not indicate the period they related to. Due to the incomplete state of the student enrolment and daily attendance records, it was not possible to ascertain the learners population at any given time and how the same was linked to enrolment data provided to the Ministry of Education for capitation grants.

In the circumstances, the accuracy and completeness of the enrollment details and attendance of learners could not be confirmed.

#### 3. Non-Compliance with Board and Committees Meetings Requirements

During the year under review, the Board of Management (BoM) and committees of the Board did not hold any meetings except one (1) meeting held by the Development

Committee. This was contrary to the requirement to hold at least four (4) full board and committee meetings in a year.

In the circumstances, the Board of Management exercise of the oversight and governance function could not be ascertained.

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

### **Responsibilities of Management and the Board of Management**

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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal 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 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.

The Board of Management is 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 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 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**

**14 November, 2024**

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	967,675.50	XXX
Capitation grants for operations	2	6,069,030.75	XXX
School Fund Income- Parents' Contributions	3	14,731,477.00	XXX
<b>TOTAL RECEIPTS</b>		<b>21,768,183.25</b>	<b>XXX</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	1,003,958.00	XXX
Payments for operations	6	2,422,877.00	XXX
Boarding and school fund payments	7	12,467,220.00	XXX
<b>TOTAL PAYMENTS</b>		<b>15,894,055.00</b>	<b>XXX</b>
<b>SURPLUS/DEFICIT</b>		<b>5,874,128.25</b>	<b>XXX</b>

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

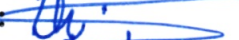
Name: Sam Weru  
 Chairman, BoM

Sign:   
 Date:

Name: Samuel Kibe  
 Principal/Secretary, BoM

Sign:   
 Date:

Name: Laban Mbugua  
 Bursar/Finance

Sign:   
 Date: 06/09/2022





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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	3,935,212.60	xxx
Cash Balances	9	24,110.00	xxx
Short term Investment	10	0.00	xxx
<b>Total Cash and cash equivalent</b>		<b>3,959,322.60</b>	<b>Xxx</b>
Account's receivables	11	4,433,275.65	xxx
<b>TOTAL FINANCIAL ASSETS</b>		<b>8,392,598.25</b>	<b>Xxx</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	51,745.00	xxx
<b>NET FINANCIAL ASSETS</b>		<b>8,340,853.25</b>	<b>XXX</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd.	13	2,466,725.00	xxx
Surplus/Deficit for the year		5,874,128.25	xxx
<b>NET FINANCIAL POSSITION</b>		<b>8,340,853.25</b>	<b>XXX</b>

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

Name: Sam Weru

Chairman, BoM

Sign: 

Date:

Name: Samuel Kibe

Principal/Secretary to BoM

Sign: 

Date:

Name: Laban Mbugua

Bursar/Finance

Sign: 

Date: 05/09/2022





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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	967,675.50	xxx
Capitation grants for operations	2	6,069,030.75	xxx
School fund income- Parents contributions/ fees	3	14,731,477.00	xxx
School fund income- other receipts	4	0.00	xxx
Debtors/ Creditors Adjustments		(2,978,651.00)	
<b>Total receipts</b>		<b>18,789,532.25</b>	<b>xxx</b>
<b>Payments</b>			
Payments for Tuition		1,003,958.00	xxx
Payments for operations		2,422,877.00	xxx
Boarding and school fund payments		12,467,220.00	xxx
<b>Total payments</b>		<b>15,894,055.00</b>	<b>xxx</b>
<b>Net cash flow from operating activities</b>		<b>2,895,477.25</b>	<b>xxx</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets		0.00	xxx
Acquisition of Assets		0.00	(xxx)
Proceeds from investments		0.00	xxx
Purchase of investments		0.00	(xxx)
<b>Net cash flow from Investing Activities</b>		<b>0.00</b>	<b>xxx</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings/ loans		0.00	xxx
Repayment of principal borrowings		0.00	(xxx)
<b>Net cash flow from Financing Activities</b>		<b>0.00</b>	<b>xxx</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>2,895,477.25</b>	<b>xxx</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>1,063,845.35</b>	<b>xxx</b>
<b>Cash and cash equivalent at END of the year</b>		<b>3,959,322.60</b>	<b>xxx</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 20XX

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>RECEIPTS</b>						
<i>(1) CAPITATION GRANT ON TUITION</i>						
<i>Exercise books</i>	393,600.00		393,600.00	477,533.00	(83,933.00)	82.4%
<i>Laboratory equipment</i>	432,500.00		432,500.00	213,664.00	218,836.00	202.4%
<i>Internal exams</i>	200,000.00		200,000.00	30,357.00	169,643.00	658.8%
<i>Teaching / learning materials</i>	70,000.00		70,000.00	164,626.50	(94,626.50)	42.5%
<i>Chalks</i>	24,773.00		24,773.00	18,447.00	6,326.00	134.3%
<i>Exams and assessment</i>	218,000.00		218,000.00	63,048.00	154,952.00	345.8%
Bank Charges	393,600.00		393,600.00	477,533.00	(83,933.00)	82.4%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
<i>Personnel emoluments</i>	3,442,400.00		3,442,400.00	2,310,331.23	1,132,068.77	67.1%
<i>Maintenance &amp; Improvements</i>	2,717,000.00		2,717,000.00	2,788,500.00	(71,500.00)	102.6%
<i>Local transport / travelling</i>	358,800.00		358,800.00	240,804.92	117,995.08	67.1%
<i>Electricity and water</i>	543,400.00		543,400.00	364,697.30	178,702.70	67.1%
<i>Administration costs</i>	543,400.00		543,400.00	364,697.30	178,702.70	67.1%
<i>Medical</i>	351,000.00		351,000.00	0.00	351,000.00	0.0%
<i>Activity</i>	462,800.00		462,800.00	0.00	462,800.00	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	Kshs	Kshs
<b>(3) FEES CHARGED ON PARENTS</b>						
<i>Boarding, Equipment &amp; Stores</i>	9,748,440.00		9,748,440.00	7,176,715.00	2,571,725.00	73.6%
<i>Personnel Emoluments</i>	2,455,596.00		2,455,596.00	1,656,162.00	799,434.00	67.4%
<i>Electricity Water &amp; Conservancy</i>	1,702,116.00		1,702,116.00	1,300,958.00	401,158.00	76.4%
<i>Administrative costs</i>	965,016.00		965,016.00	661,346.00	303,670.00	68.5%
<i>Maintenance &amp; Improvement</i>	936,000.00		936,000.00	579,685.00	356,315.00	61.9%
<i>Local Travel &amp; Transport</i>	338,832.00		338,832.00	233,505.00	105,327.00	68.9%
<i>Activity</i>	234,000.00		234,000.00	72,825.00	161,175.00	31.1%
<i>Damages</i>	3,040,281.00		3,040,281.00	3,040,281.00	0.00	100.0%
<i>Tender &amp; Quotations</i>	10,000.00		10,000.00	10,000.00	0.00	100.0%
<b>OTHER INCOME</b>						
<b>TOTAL INCOME</b>	<b>28,187,954.00</b>	<b>0.00</b>	<b>28,187,954.00</b>	<b>21,768,183.25</b>	<b>6,419,770.75</b>	<b>77.2%</b>
<b>(1) EXPENDITURE FOR TUITION</b>						
<i>Exercise books</i>	415,600.00		415,600.00	80,580.00	335,020.00	19.4%
<i>Laboratory equipment</i>	432,500.00		432,500.00	511,129.00	(78,629.00)	118.2%
<i>Internal Exams</i>	128,700.00		128,700.00	282,500.00	(153,800.00)	219.5%
<i>Teaching / Learning Materials</i>	70,000.00		70,000.00	19,067.00	50,933.00	27.2%
<i>Chalks</i>	24,773.33		24,773.33	13,400.00	11,373.33	54.1%
<i>Exams and Assessment</i>	267,300.00		267,300.00	96,418.00	170,882.00	36.1%
<i>Bank Charges</i>	864.00		864.00	864.00	0.00	100.0%
<b>(2) EXPENDITURE FOR OPERATIONS</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	Kshs	Kshs
<i>Personal Emoluments</i>	1,716,811.94		1,716,811.94	1,454,487.00	262,324.94	84.7%
<i>Administration Costs</i>	891,755.51		891,755.51	368,650.00	523,105.51	41.3%
<i>Maintenance &amp; Improvements</i>	2,600,000.00		2,600,000.00	0.00	2,600,000.00	0.0%
<i>Local transport / travelling</i>	590,678.12		590,678.12	82,000.00	508,678.12	13.9%
<i>Electricity Water &amp; Conservancy</i>	771,880.29		771,880.29	316,397.00	455,483.29	41.0%
<i>Medical</i>	253,305.00		253,305.00	114,159.00	139,146.00	45.1%
<i>Activity Expenses</i>	458,062.00		458,062.00	26,200.00	431,862.00	5.7%
<i>B.O.M Teachers</i>	42,506.15		42,506.15	60,000.00	(17,493.85)	141.2%
<i>Bank Charges</i>	0.00		0.00	984.00	(984.00)	0%
<i>(3) EXPENDITURE FOR SCHOOL FUND</i>						
Boarding Equipment and Stores	11,807,058.00		11,807,058.00	5,605,030.00	6,202,028.00	47.5%
Personnel Emoluments	1,918,263.39		1,918,263.39	1,638,718.00	279,545.39	85.4%
Electricity Water & Conservancy	862,453.05		862,453.05	454,989.00	407,464.05	52.8%
Administration costs	996,394.49		996,394.49	481,198.00	515,196.49	48.3%
Maintenance & Improvement	936,000.00		936,000.00	2,000.00	934,000.00	0.2%
Local transport / travelling	659,988.54		659,988.54	1,529,210.00	(869,221.46)	231.7%
Activity	694,813.00		694,813.00	250.00	694,563.00	0.0%
Damages	2,683,685.00		2,683,685.00	2,683,685.00	0.00	100.0%
Bank Charges	12,140.00		12,140.00	12,140.00	0.00	100.0%
B.O.M Teachers	47,493.85		47,493.85	60,000.00	(12,506.15)	126.3%
<b>TOTALS</b>	<b>28,779,885.67</b>	<b>0.00</b>	<b>28,779,885.67</b>	<b>15,894,055.00</b>	<b>12,885,830.67</b>	<b>55.23%</b>



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

- i. Laboratory Equipment and internal Exam had an Overutilization due to practical and exams administered to form 4 2020 during the year.*
- ii. Exercise books & chalk was underutilized due the balances from previous year.*
- iii. On Teaching and Learning Materials are only ordered when departments request, by the end of year only few departments had placed their requisition this lead to underutilization.*
- iv. On Exam & Assessments there was an underutilization most of the fund was reserved for KNEC exams materials that ended up being readily available in school.*
- v. Personal Emoluments underutilization was brought about by amount budgeted to cater for service gratuity was yet paid at the end of the year.*
- vi. Underutilization in Administrative costs was caused by the balances of stationaries at the end of the previous year making the school not to procure as budgeted.*
- vii. Local Travel & Transport underutilization is as result of there were no Workshops, Conferences and any other external activities that took place due to COVID-19 protocols.*
- viii. The underutilization in Electricity Water & Conservancy is because there were items e.g. Biometric system that was supposed to be installed before mid-year but due non availably of funds it was not implemented.*
- ix. No funds spent under Maintenance & improvement, the school was awaiting approval of project to be undertaken.*
- x. The school had budgeted for dispensary drugs but due to implementation Eduafya programme it did not incur on the said budget item and it led to underutilization of medical vote head.*
- xi. No games were to be carried out due to COVID-19 and this led to underutilization of Activity fee fund.*
- xii. As at the end of the year 2020 the school had some foodstuffs in stock and school did not incur on the same and this led in underutilisation the Boarding Equipment & Stores.*

## 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.

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**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>
Exercise books	477,533.00	xxx
Laboratory equipment	213,664.00	xxx
Internal exams	30,357.00	xxx
Teaching / learning materials	164,626.50	xxx
Chalks	18,447.00	xxx
Exams and assessment	63,048.00	xxx
<b>Total</b>	<b>967,675.50</b>	<b>xxx</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	2,310,331.23	xxx
Maintenance & Improvements	2,788,500.00	xxx
Local transport / travelling	240,804.92	xxx
Electricity and water	364,697.30	xxx
Administration costs	364,697.30	xxx
<b>Total</b>	<b>6,069,030.75</b>	<b>xxx</b>

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

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Boarding, Equipment & Stores	7,176,715.00	xxx
Personnel Emoluments	1,656,162.00	xxx
Electricity Water & Conservancy	1,300,958.00	xxx
Administrative costs	661,346.00	xxx
Maintenance & Improvement	579,685.00	xxx
Local Travel & Transport	233,505.00	xxx
Activity	72,825.00	xxx
Damages	3,040,281.00	xxx
Tender & Quotations	10,000.00	xxx
<b>Total</b>	<b>14,731,477.00</b>	<b>xxx</b>



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

**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

**5 PAYMENTS FOR TUITION**

	2020-2021	2019-2020
	Kshs	Kshs
Exercise books	80,580.00	xxx
Laboratory equipment	511,129.00	xxx
Internal Exams	282,500.00	xxx
Teaching / Learning Materials	19,067.00	xxx
Chalks	13,400.00	xxx
Exams and Assessment	96,418.00	xxx
Bank Charges	864.00	xxx
<b>Total</b>	<b>1,003,958.00</b>	<b>xxx</b>

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

**6 PAYMENTS FOR OPERATIONS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Personal Emoluments	1,454,487.00	xxx
Administration Cost	368,650.00	xxx
Maintenance & Improvements	0.00	xxx
Local transport / travelling	82,000.00	xxx
Electricity and water	316,397.00	xxx
Medical	114,159.00	xxx
Activity Expenses	26,200.00	xxx
B.O.M Teachers	60,000.00	xxx
Bank Charges	984.00	xxx
<b>TOTAL</b>	<b>2,422,877.00</b>	<b>xxx</b>

**7 BOARDING AND SCHOOL FUND PAYMENTS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Fee on Boarding Equipment and Stores	5,605,030.00	xxx
Personnel Emoluments	1,638,718.00	xxx
Electricity Water & Conservancy	454,989.00	xxx
Administration costs	481,198.00	xxx
Maintenance & Improvement	2,000.00	xxx
Local transport / travelling	1,529,210.00	xxx
Activity	250.00	xxx
Damages	2,683,685.00	xxx
Bank Charges	12,140.00	xxx
B.O.M Teachers	60,000.00	xxx
<b>TOTAL</b>	<b>12,467,220.00</b>	<b>xxx</b>

*Expenses 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	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account	1105231488	448,370.85	xxx
Operations Account	1105232964	663,146.45	xxx
School Fund Account/Boarding	01129115972000	182,308.30	xxx
Savings Account	2027446267	707,418.00	xxx
Development Account	01129115972001	11,826.00	xxx
Infrastructural Account	01139115972000	1,922,143.00	xxx
<b>Total</b>		<b>3,935,212.60</b>	<b>xxx</b>

**9 CASH IN HAND**

Description	2020-2021	2019-2020
	Kshs	Kshs
School Fund account	24,110.00	xxx
<b>Total</b>	<b>24,110.00</b>	<b>xxx</b>

**10 SHORT TERM INVESTMENTS**

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

**11 ACCOUNTS RECEIVABLE**

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	4,403,275.65	5,495,089.65
Imprest	30,000.00	0
<b>Total</b>	<b>4,433,275.65</b>	<b>5,495,089.65</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	206,775.00	2,132,497.00
Fees arrears for the previous year	2,132,497.00	526,372.50
Fees arrears for prior periods (over two years)	3,362,592.65	3,156,813.15
Fees Arrears Recovered During the year	(1,298,589.00)	(320,593.00)
<b>Total</b>	<b>4,403,275.65</b>	<b>5,495,089.65</b>

**12 ACCOUNTS PAYABLE**

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	0.00	4,092,210.00
Prepaid fees	7,000.00	0.00
Retention	44,745.00	
<b>Total</b>	<b>51,745.00</b>	<b>4,092,210.00</b>

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	0.00	2,487,350.00
Trade creditors for the previous year	2,487,350.00	4,465,157.00
Trade creditors for prior periods (over two years)	1,604,860.00	1,604,860.00
Trade creditors paid during the year	(4,047,465.00)	(4,465,157.00)
<b>Total</b>	<b>44,745.00</b>	<b>4,092,210.00</b>



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

**13 FUND BALANCE BROUGHT FORWARD**

<b>Description</b>	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank balances	1,032,036.35	0.00
Cash balances	31,809.00	0.00
Receivables	5,495,089.65	0.00
Payables	(4,092,210.00)	0.00
<b>Total</b>	<b>2,466,725.00</b>	<b>0</b>

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**Other important disclosure notes**

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

**14 Non-current Liabilities Summary**

**15 Biological assets**

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Trees	1000	xxx	xxx

**16 Borrowings**

**Other important disclosure notes**

**17 Stock/ Inventory**



**18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

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

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2021	Comments
	a		b	c=a-b		
	Kshs		Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
1. Fraintech Building & Construction Ltd	447,445	14 <sup>th</sup> July 2020	402,700	44,745.00	44,745.00	10% Retention Money for Computer Lab Construction
2.						
3.						
<b>Sub-Total</b>	<b>447,445.00</b>		<b>402,700.00</b>	<b>44,745.00</b>	<b>44,745.00</b>	
<b>Supply of goods</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Grand Total</b>	<b>447,445.00</b>		<b>402,700.00</b>	<b>44,745.00</b>	<b>44,745.00</b>	



ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Number	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 20xx
Land	7.45Ha						
Buildings and structures	40						
Motor vehicles	1						
Office equipment, furniture and fittings	1501						
ICT Equipment, and Other ICT Assets	65						
Tools and apparatus	12270						
Textbooks	8646						
Other Machinery and Equipment	361						
Heritage and cultural assets							
Intangible assets- soft ware							
<b>Total</b>							