

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 25 NOV 2024

DAY.

MONDAY

REPORT
TABLED
BY:

HON. NAOMI WAQU
DEP. MAJORITY WHIP

CLERK-AT
THE-TABLE:

HALE Hussein

OF

THE AUDITOR-GENERAL

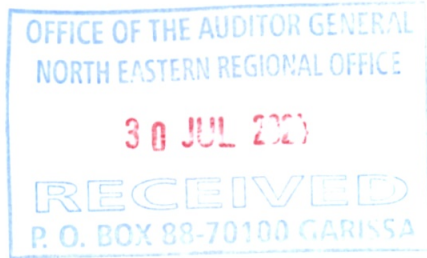
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NEP GIRLS HIGH SCHOOL

FOR THE SIX MONTHS PERIOD
ENDED 30 JUNE, 2021

GARISSA COUNTY



NEP GIRLS HIGH SCHOOL

REPORT AND FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDING
30th June 2021

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

NEP GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOLS
Reports and Financial Statements
For the six months period ending 30th 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 **GARISSA COUNTY, GARISSA SUB COUNTY**

The school was registered in 6TH JANUARY 1973 under registration number **PU/S/2/538/2011** and is currently categorized as NATIONAL public school operated by the Government.

The school is a boarding school and had 870 number of students as at 30th June 2021. It has 17 streams and 35 teachers of which 06 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	ZEINAB ABDI DIGALE	Chairman	18TH FEB.2020
2	ZEINAB KOSAR	Secretary - Principal	18TH FEB.2020
3	RUKIA M AFHEY	Member	18TH FEB.2020
4	MARYAN HUSSEIN ABDIRAHMAN	Member	18TH FEB.2020
5	SHEIKH HASSAN AMEY	Member	18TH FEB.2020
6	MOHAMED ALI ELM I	Member	18TH FEB.2020
7	ABDI KUNO GARANE	Member	18TH FEB.2020
8	EBLA MINH AJ	Member	18TH FEB.2020
9	SHEIKH ABDISALAM MOHAMED	Member	18TH FEB.2020
10	ALI MADHOWE OWLE	Member – Rep CEB	18TH FEB.2020
11	ADEN ISMAEL GARANE	Member Rep Teachers	18TH FEB.2020
12	EBLA HAJI ADEN	3 Members - Sponsor	18TH FEB.2020
13	NOOR MOHAMED HASSAN	Member - Community	18TH FEB.2020
14	SIYAT HARET ADEN	Member Special Needs	18TH FEB.2020
15	SUMEYA ABDI DAUD	Rep Students	18TH FEB.2020

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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1.ZEINAB ABDI- 2.MARYAN GEDI 3.EBLA H ADEN 4.ABDI KUNO 5.ABDISALAM MOHAMED	CHAIRPERSON SECRETARY MEMBER MEMBER MEMBER MEMBER	3 3 3 3 3 3
2	Audit Committee	1.ZEINAB ABDI 2.MOHAMED ELM 3.SIYAD HARED 3.RUKIA AFEY	CHAIRPERSON MEMBER MEMBER MEMBER	3 3 3 3
3	Finance,procurement and general purposes Committee	1.ZEINAB ABDI 2.MOHAMED ELM 3.SIYAD HARED 3.RUKIA AFEY	CHAIRPERSON MEMBER MEMBER MEMBER	3 3 3 3
4	Academic Committee	1.EBLA MINHAI 2.MOHAMED ELM 3.SIYAD HARED 4.RUKIA FFEY	CHAIRPERSON MEMBER MEMBER MEMBER	3 3 3 3
5	Development Committee	1.ABDI KUNO 2. ADEN ISMAIL 3.MARYAN HUSEN 4.ALI MADHOBE	CHAIRPERSON MEMBER MEMBER MEMBER	3 3 3 3
6	Discipline and welfare Committee	1.ZEINAB ABDI 2.MARYAN GEDI 3.EBLA H.ADEN 4.ADEN ISMAIL	CHAIRPERSON MEMBER MEMBER MEMBER	3 3 3 3
7	Adhoc Committee (if any during the year)	NONE	-	-

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(d) School operation Management

For the financial year ended 30th June 2021 the school day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	ZEINAB KOSAR	467842
2	Deputy Principal	KIEMA BENJAMIN	414615
3	School Bursar	HAFSA YUSSUF	NONE

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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 84-70100
Telephone: 0208100849
E-mail: nepgirls.secondary@yahoo.com
Website:
Facebook:
Twitter:

(f) School Bankers

The following school operated 7 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KENYA COMMERCIAL BANK
Branch: GARISSA
Account Number: 1286701384-TUTION ACCOUNT
2. Name of Bank: KENYA COMMERCIAL BANK
Branch: GARISSA
Account Number: 1286701252 -OPERATION ACCOUNT
3. Name of Bank: PREMIER BANK
Branch: GARISSA
Account Number: 009570301 -BOARDING ACCOUNT
4. Name of Bank: KENYA COMMERCIAL BANK
Branch: GARISSA
Account Number: 1286699797 -BOARDING ACCOUNT
5. Name of Bank: EQUITY BANK LIMITED
Branch: GARISSA
Account Number: 0580281080493 -BOARDING ACCOUNT
6. Name of Bank: PREMIER BANK
Branch: GARISSA
Account Number: 2977438501 -INFRASTRUCTURE ACCOUNT
7. Name of Bank: PREMIER BANK
Branch: GARISSA
Account Number: 2977001102-OPERATION ACCOUNT

8. MPESA Pay Bill No. **522123** attached to **1286699797** bank account,
KENYACOMMERCIAL BANK

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

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(g) Independent Auditors
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

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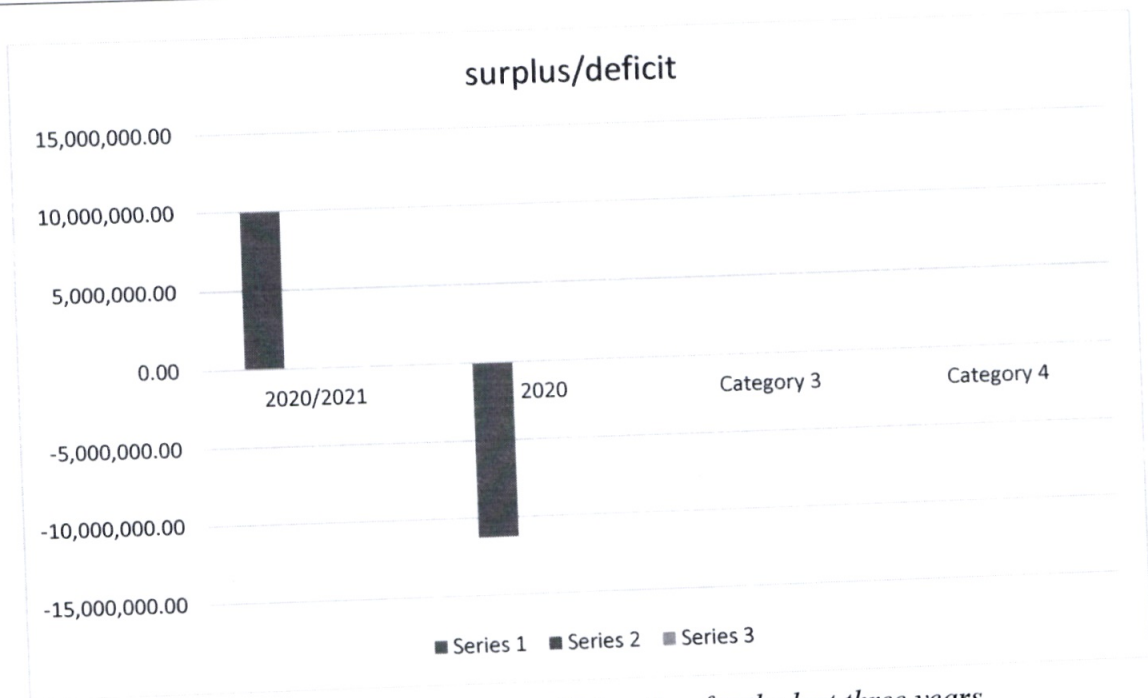
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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*

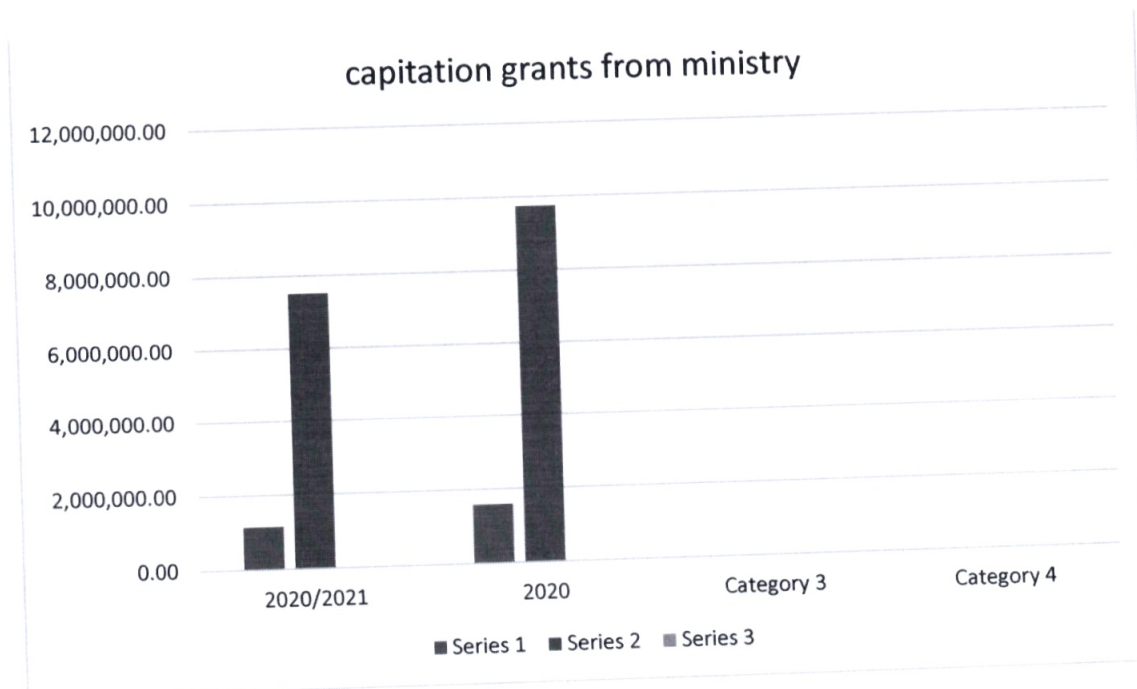
Description	Jan-june 2021 (ksh)	2019/2020 (ksh)
Surplus/deficit	9,964,500.34	(11,279,695.90)



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

Description	Jan-june 2021(ksh)	2019/2020(ksh)
Operation a/c	7,515,305.10	9,751,275.00
Tuition a/c	1,148,242.25	1,593,636.00
No of students	870	

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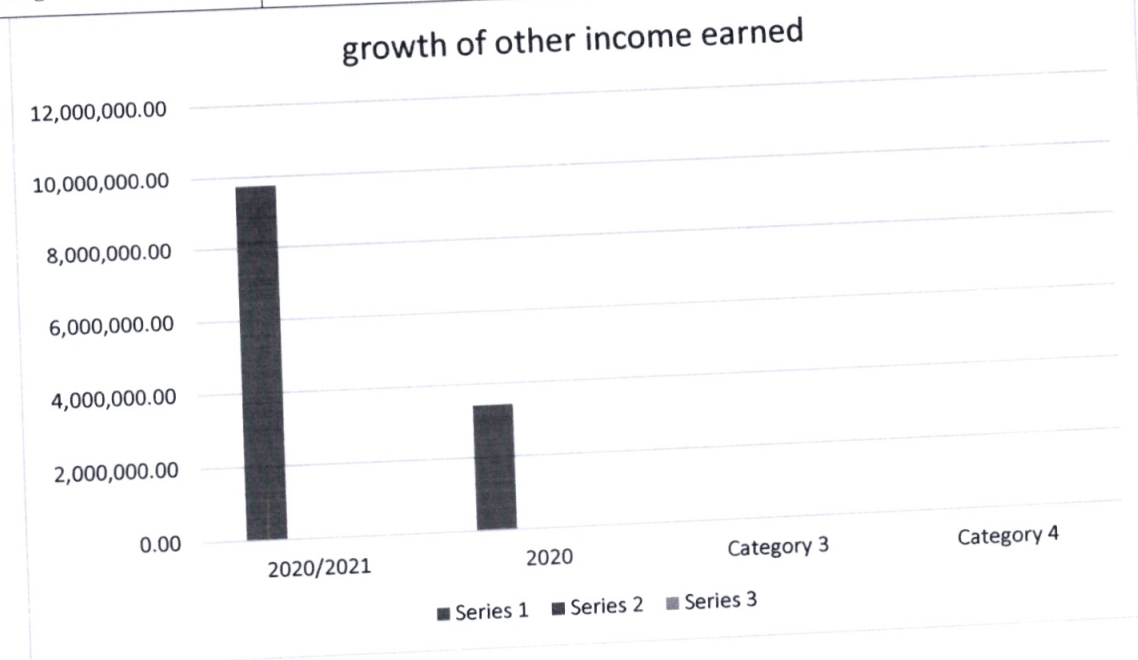


- Ratio of capitation grant per student over the last three years

Description	Jan-june 2021	2019/2020
Grant per student	1:9,958.1	1:13,040.1

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

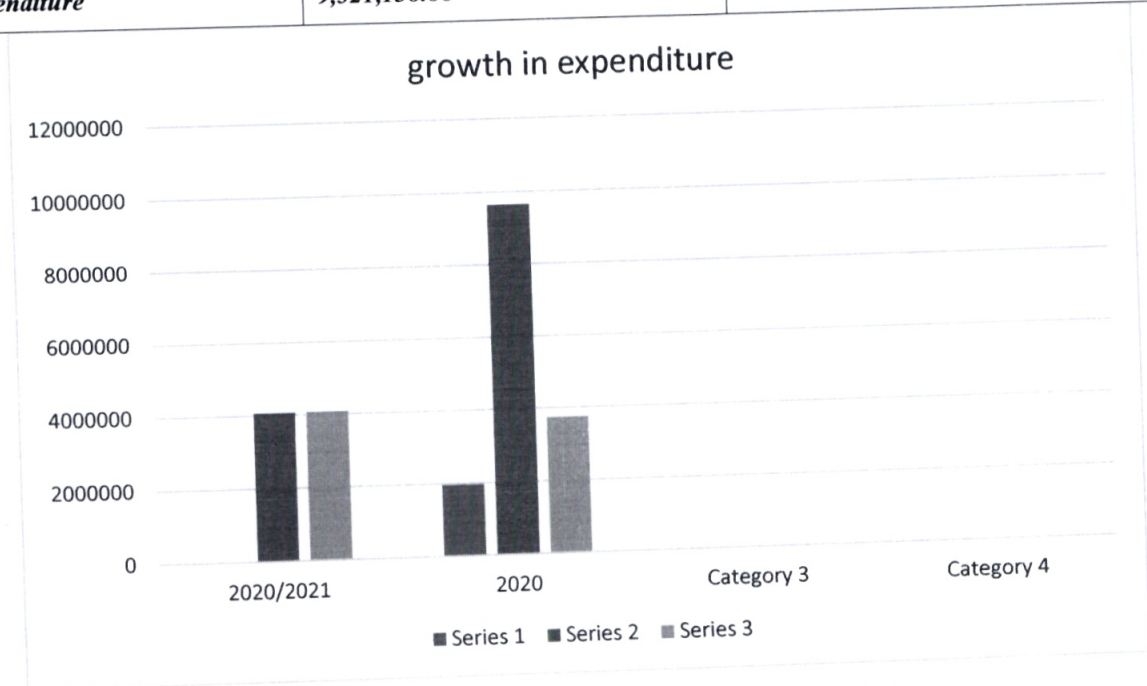
Description	Jan-june 2021	2019/2020
Boarding a/c	6,880,214.87	3,416,332.79



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

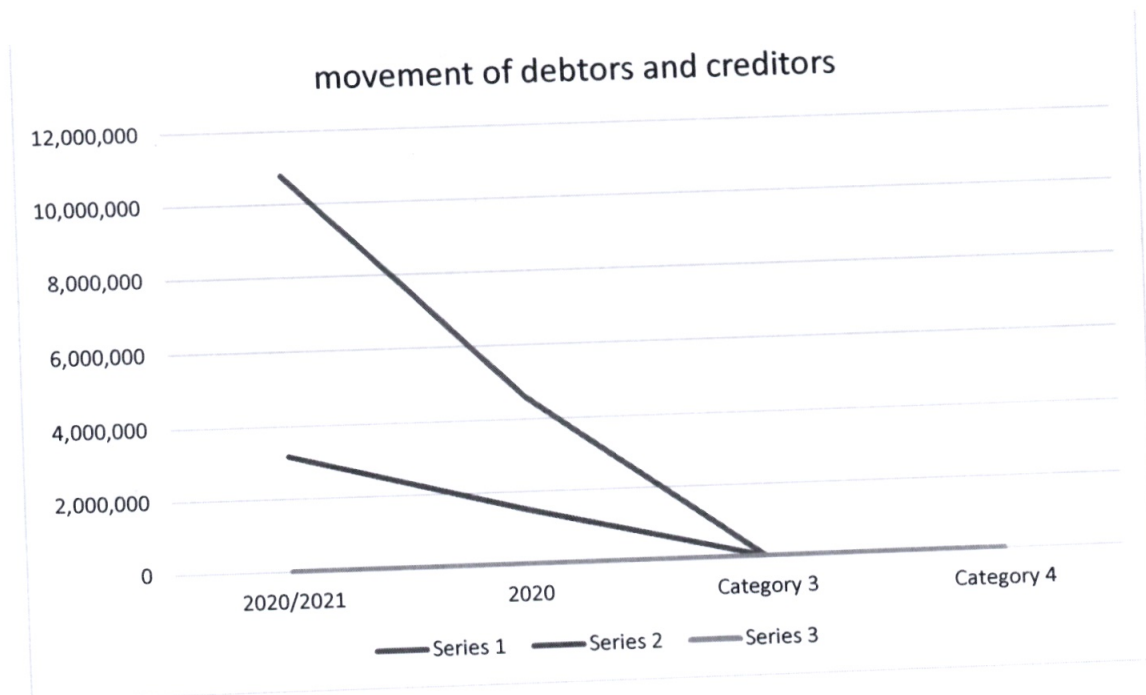
Description	Jan-june 2021 (ksh)	2019/2020 (ksh)
Operation a/c	4,072,502.00	9,652,185.80
Tuition a/c	873,710.88.00	1,962,942.52
Boarding a/c	4,574,926.00	3,742,984.00
Total expenditure	9,521,138.88	15,358,112.32



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

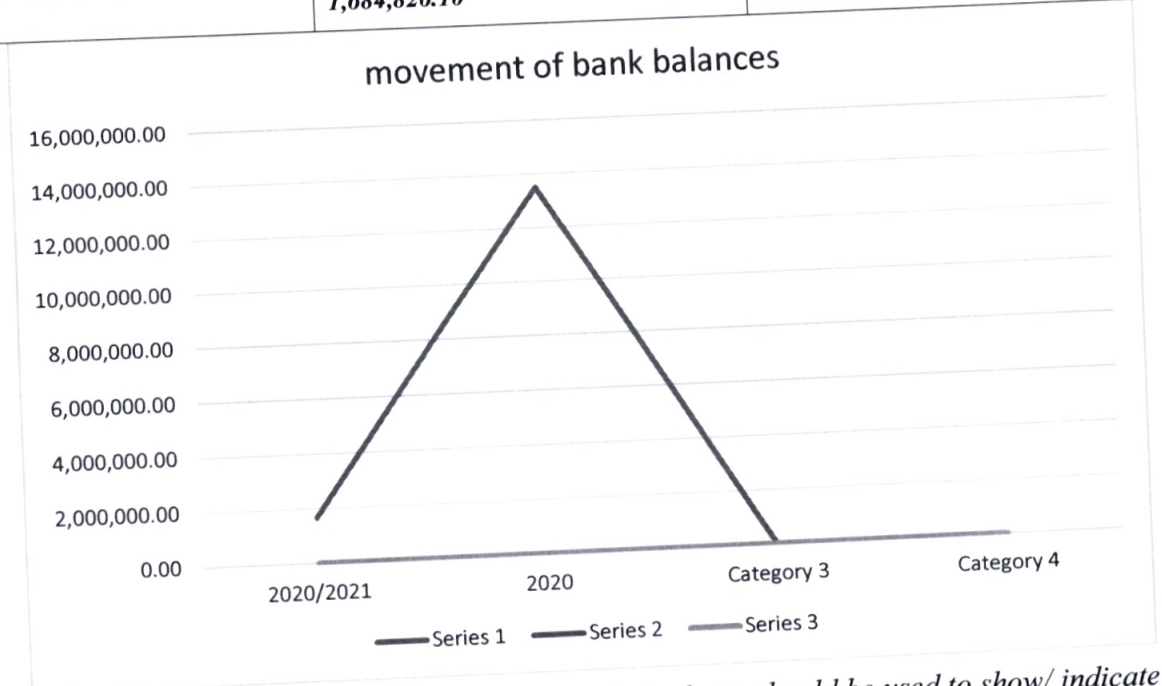
Description	2021	2019/2020
debtors	10,780,018	4,610,776
creditors	3,170,920	1,500,783

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

Description	Jan-june 2021 (ksh)	2019/2020 (ksh)
Bank balances	1,684,826.10	13,501,015
Total	1,684,826.10	13,501,015



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

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b) **Teacher Student ratio:**

Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

Teachers student ratio: 1:24

Student enrollement: 870

Teachers TSC: 29

BOM: 6

Total : 35

c) **Mean score in the 2020 KCSE:**

YEAR	MEAN SCORE	MEAN GRADE	ENTRY
2020	4.12	D+	103

d) **Number of Candidates in the 2020KCSE:**

YEAR	MEAN SCORE	MEAN GRADE	ENTRY
2020	4.12	D+	103
2021	3.8	D+	121

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e) **Capacity of the school:**

Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education.

S/N	FACILITIES	DESCRIPTION	NUMBER OF STUDENTS
1	Dormitories	11 dormitories	882 students in total
2	Laboratories	3 science labs	50 students per session
3	Classes	23 classrooms	875 students
4	Dining hall	Accommodates in shifts	Can accommodate 500 students at a go
5	Toilets	Washrooms	58 in number
6	Bathrooms	Washrooms	20 bathrooms
7	ICT lab	For computer studies	45 students
8	Mosque	For prayers	400 students per session
9	library	1 library	60 students per session

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f) Development projects carried out by the school:

Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format.

<i>Name of the project</i>	<i>status</i>	<i>Source of fund</i>	<i>amount</i>
Renovation of 4 no. Dorm blocks	complete	Ministry of education	560,000
Renovation/refurbishment of 2no. Executive toilets ,4no. Modern toilets,and renovation of computer lab	complete	Ministry of education	600,000
Renovation of 2no.classrooms and installation of fans 4no. Classrooms conversion of 16no.pit latrines into flash toilets and linkage to sewer system,construction of reserve water system complete with 1no.12,000 its underground tank,2no.10,000 its tanks ,water pump piping and fittings.	complete	Ministry of education	1,752,896

Sign



School Principal



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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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

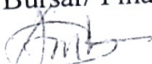
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

Name: ZEINAB ABDI
Designation: Chairman, School Board of Management
Sign: 

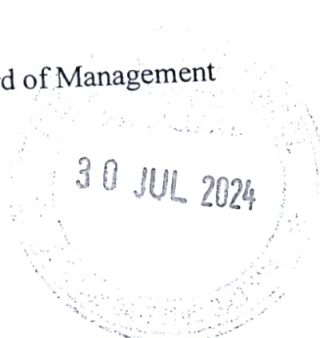
Date: 30/7/2024

Name: ZEINAB KOSAR
Designation: School Principal & Secretary to Board of Management
Sign: 

Date: 30/7/2024

Name: HAFSA YUSSUF
Designation: Bursar/ Finance Officer
Sign: 

Date: 30/7/2024



REPUBLIC OF KENYA

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



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NEP GIRLS HIGH SCHOOL FOR THE SIX MONTHS PERIOD ENDED 30 JUNE, 2021 – GARISSA COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, 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 NEP Girls High School – Garissa County set out on pages 1 to 18, 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 the statement of comparison of budget and actual

amounts for the period then ended, and a summary of significant accounting policies and other explanatory information in accordance with provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the NEP Girls High School – Garissa County as at 30 June, 2021 and of its financial performance and its cash flows for the 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

Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities and as disclosed in Note 11 to financial statements reflects accounts receivables balance of Kshs.42,060,903 which was in respect of fees. However, receivables of Kshs.31,280,885 or 74% was outstanding for a period of over one (1) year. The School has not developed a mechanism to ensure payment of school fees in time and some students have since left school with arrears of school fees. As a result, the recoverability of the fee arrears balance is doubtful.

In the circumstances, the fair value of accounts receivables balance could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.15,212,154 and Kshs.13,000,448, respectively resulting to under-funding of Kshs.2,211,706 or 15% of the budget. However, the School spent amount of Kshs.10,700,710 against actual receipts of Kshs.13,000,448 resulting to an under-utilization of Kshs.2,299,738 or 18% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

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 of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Late Submission of Financial Statements

During the year under review, the school Management did not submit the financial statements to the Auditor-General by the statutory date of 30 September, 2021. The financial statements were submitted on 13 June, 2024 which was eight (8) months after the statutory deadline. This was contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate. Late submission of financial statements adversely affects the Office of the Auditor-General in meeting the statutory timelines.

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

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

Review of the financial statements revealed that Annex 2 to the financial statements on summary of fixed assets register did not reflect the assets' historical costs brought forward and historical costs carried forward as prescribed by the Public Sector Accounting Standards Board (PSASB) reporting template. Further, the values in the financial statements are not rounded to the nearest Kenya Shillings as provided under the significant accounting policy on statements of compliance and basis of preparation of the financial statements.

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

3. Transfer of Funds to Kenya Secondary Schools Heads Association

During the year under, the School transferred an amount of Kshs.403,600 to Kenya Secondary Schools Heads Association (KESSHA) to support the association activities. However, KESSHA is a welfare organization that draws its membership from school Principals only. The organization is not defined in Government Funding System and there is no assurance that it has implemented effective, efficient and transparent financial

management and internal control systems to manage the funds transferred by the Schools.

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

4. Failure to Reconcile Students Enrolment Data

Review of student's records provided for audit revealed unexplained variance in student enrolment numbers between National Education Management Information System and School registers resulting tuition fees under disbursement on both operation and tuition fees of Kshs.254,074 as analyzed below:

Month	No. of Students Per NEMIS	No. of students as Per Register	Capitation grant per student- (Kshs)	Total expected capitation per school register (Kshs)	Actual capitation received (Kshs)	Capitation not Received (Kshs)
July, 2020	786	870	3,725	3,240,750	2,927,850	312,900
July, 2020	786	870	1	70	786	(16)
December, 2020	882	870	345	300,150	304,290	(4,140)
February, 2021	882	870	3,370	2,931,900	2,972,340	(40,440)
February, 2021	882	870	601	523,087	530,302	(7,214)
April, 2021	872	870	2,796	2,432,520	2,438,112	(5,5920)
April, 2021	872	870	711	619,005	620,428	(1,423)
Total						254,074

Management explained that the difference was due to failure by the School to fully register all students on National Education Management Information System (NEMIS) because 30% of the student population are non- citizens and are actually in School through United Nations and Elimu Scholarship Programme and due to this the learners lack birth certificates for registration on NEMIS and instead they were provided with GOK/UNHCR proof of registration as student manifest. This was contrary to the Ministry of Education Circular No. MOE.HQ/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners to be registered in National Education Management Information System and the principals to ensure their records are accurate.

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

5. Lack of Ownership Documents

Review of the assets register revealed the School owned motor vehicles, land and buildings of undisclosed value. However, the register lacked the necessary information

such as assets purchase dates and current assets condition. The register includes a motor vehicle that had private registration numbers instead of the blue parastatal registration number plate. Further, ownership documents for a parcel of land lacked ownership documents.

In the circumstances, the ownership and safety of the fixed assets 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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 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 control that are identified during the audit.

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

16 September, 2024

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V.STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDING 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	JAN-JUNE 2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,148,242.25	1,593,636.00
Capitation grants for operations	2	7,515,305.10	9,751,275.00
School Fund Income- Parents' Contributions	3	8,054,219.00	2,279,280.00
School Fund Income- Other receipts	4	7,350,905.87	887,166.79
Proceeds from borrowings		-	-
TOTAL RECEIPTS		24,068,672.22	14,511,357.79
PAYMENTS			
Payments for Tuition	5	873,710.88	1,962,942.52
Payments for operations	6	7,541,938.00	20,871,506.17
Boarding and school fund payments	7	5,688,523.00	2,956,605.00
TOTAL PAYMENTS		14,104,171.88	25,791,053.69
SURPLUS/DEFICIT		9,964,500.34	(11,279,695.90)

The school financial statements were approved on 30/7/2024 and signed by:

Sign: ABSO

Name ABDI MUNO

Chair BOM

Date 30/7/2024

Sign [Signature]

Name Ahmed Aelu

School Principal/
Secretary to BOM

Date 30/7/2024

Sign [Signature]

Name Ambic Ahmed

Bursar/
Finance Officer

Date 30/7/2024



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VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	JAN-JUNE 2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	4,794,553.44	1,684,826.10
Cash Balances	9	-	-
Short term Investment	10	-	-
Total Cash and cash equivalent		<u>4,794,553.44</u>	<u>1,684,826.10</u>
Account's receivables	11	42,060,903.00	33,535,993.00
TOTAL FINANCIAL ASSETS		46,855,456.44	35,220,819.10
FINANCIAL LIABILITIES			
Accounts Payables	12	(3,170,920.00)	(1,500,783.00)
NET FINANCIAL ASSETS		43,684,536.44	33,720,036.10
REPRESENTED BY			
Accumulated Fund b/fwd	13	33,720,036.10	44,999,732.00
Surplus/Deficit for the year		9,964,500.34	(11,279,695.00)
NET FINANCIAL POSSITION		43,684,536.44	33,720,036.10

The School's financial statements were approved on 30/7/2024 and signed by

Name: **ABDI KUNO** Name: **Ahmed Adhnan** Name: **Ambiso Ahmed**
 Chairman, BoM School Principal/Secretary Bursar/Finance

Sign: **[Signature]** Sign: **[Signature]** Sign: **[Signature]**

Date: **30/7/2024** Date: **30/7/2024** Date: **30/7/2024**



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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		JAN-JUNE 2021 Kshs	2019-2020 Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,148,242.25	1,593,636.00
Capitation grants for operations	2	7,515,305.10	9,751,275.00
School fund income- Parents contributions/ fees	3	5,029,327.00	2,529,166.00
School fund income- other receipts	4	1,850,887.87	887,166.79
Total receipts		15,543,762.22	14,761,243.79
Payments			
Payments for Tuition		873,710.88	1,962,942.52
Payments for operations		4,072,502.00	9,652,185.80
Boarding and school fund payments		4,574,926.00	3,742,984.00
Total payments		9,521,138.88	15,358,112.32
Net cash flow from operating activities		6,022,623.34	(596,868.53)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		(2,912,896.00)	(11,219,320.37)
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		(2,912,896.00)	(11,219,320.37)
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		3,109,727.34	(11,816,188.90)
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,684,826.10	13,501,015.00
Cash and cash equivalent at BEGINNING of the year		4,794,553.44	1,684,826.10
Cash and cash equivalent at END of the year			

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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	3,655,008.00	(1,827,504.00)	1,827,504.00	1,148,242.25	679,261.75	62.83%
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	-	-	-	-	-	-
Repairs and maintenance	4,410,000.00	(2,205,000.00)	2,205,000.00	3,291,500.00	(1,086,500.00)	149.27%
Local transport / travelling	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Other voteheads	8,290,800.00	(4,145,400.00)	4,145,400.00	3,866,205.10	279,194.90	93.26%
Activity	1,323,000.00	(661,500.00)	661,500.00	-	661,500.00	0.00%
Gratuity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	-	-	-	-	-	-
Repairs and maintenance	600,000.00	(300,000.00)	300,000.00	174,590.00	125,410.00	58.20%
Local transport / travelling	-	-	-	-	-	-
Electricity and water	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Other voteheads	4,455,000.00	(2,227,500.00)	2,227,500.00	2,626,229.00	(398,729.00)	117.90%
Activity	75,000.00	(37,500.00)	37,500.00	45,400.00	(7,900.00)	121.07%
SMASSE	-	-	-	-	-	-
Fee on Boarding Equipment and Stores	7,615,500.00	(3,807,750.00)	3,807,750.00	1,848,282.00	1,959,468.00	48.54%
OTHER INCOME						
Rent income	-	-	-	-	-	-
Income from farming activities	-	-	-	-	-	-
Insurance compensation	-	-	-	-	-	-
Income from Posho mill	-	-	-	-	-	-
Income from Bus Hire	-	-	-	-	-	-
Fee for hire of ground and equipment	-	-	-	-	-	-
Interest income	-	-	-	-	-	-
Income from any other investment	-	-	-	-	-	-
TOTAL INCOME	30,424,308.00	(15,212,154.00)	15,212,154.00	13,000,448.35	2,211,705.65	85.46%
(1) EXPENDITURE FOR TUITION						

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	-	-	-	-	-	-
Laboratory equipment	-	-	-	-	-	-
Internal exams	-	-	-	-	-	-
Teaching / learning materials	3,655,008.00	(1,827,504.00)	1,827,504.00	872,000.00	955,504.00	47.72%
Chalks	-	-	-	-	-	-
Exams and assessment	-	-	-	-	-	-
Teachers guides	-	-	-	-	-	-
Administration costs	-	-	-	1,710.88	(1,710.88)	-
Bank Charges	-	-	-	-	-	-
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	-	-	-	-	-	-
Repairs, maintenance & improvements	4,410,000.00	(2,205,000.00)	2,205,000.00	3,064,500.00	(859,500.00)	138.98%
Local transport / travelling	-	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Other voteheads	8,290,800.00	(4,145,400.00)	4,145,400.00	3,688,357.00	457,043.00	88.97%
Activity Expenses	1,323,000.00	(661,500.00)	661,500.00	-	661,500.00	0.00%
Gratuity	-	-	-	-	-	-
SMASSE	-	-	-	-	-	-

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c = a + b	Actual on Comparable Basis d	Budget Utilization Difference e = c - d Kshs	% of Utilization f = d/c % Kshs
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	-	-	300,000.00	56,000.00	244,000.00	18.67%
Repairs, maintenance and improvements	600,000.00	(300,000.00)	-	-	-	-
Local transport / travelling	-	-	-	-	-	-
Electricity, water and conservancy	-	-	-	-	-	-
Medical Expenses	-	-	2,227,500.00	1,658,713.00	568,787.00	74.47%
Other voteheads	4,455,000.00	(2,227,500.00)	37,500.00	-	37,500.00	0.00%
Activity	75,000.00	(37,500.00)	-	-	-	-
Gratuity	-	-	-	-	-	-
Lunch programme	-	-	3,807,750.00	1,344,350.00	2,463,400.00	35.31%
Boarding Equipment and Stores	7,615,500.00	(3,807,750.00)	-	-	-	-
Expenditure for Income Generating Activity	-	-	-	-	-	-
Insurance costs	-	-	-	-	-	-
Other expenses on investments	-	-	-	-	-	-
Rent Expenses	-	-	-	15,080.00	(15,080.00)	0.00%
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
TOTALS	30,424,308.00	(15,212,154.00)	15,212,154.00	10,700,710.88	4,511,443.12	70.34%

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

- 5. Accounts Receivable**
For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.
- 6. Accounts Payable**
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.
- 7. Non-current assets**
Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.
- 8. Budget**
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.
- 9. Comparative figures**
Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.
- 10. Subsequent events**
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	-	-
Teaching / learning materials	1,148,242.25	1,593,636.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	1,148,242.25	1,593,636.00

2 CAPITATION GRANT FOR OPERATIONS

	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	3,291,500.00	4,510,000.00
Other Voteheads	3,866,205.10	4,800,000.00
Electricity and water	-	-
Medical	-	136,000.00
BOM	357,600.00	-
Activity	-	305,275.00
Total	7,515,305.10	9,751,275.00

3 PARENTS CONTRIBUTION/FEEES - SCHOOL FUND ACCOUNT

	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	174,590.00	373,800.00
Other Voteheads	7,834,229.00	1,645,080.00
Electricity and water	-	-
Medical	-	-
Administration costs	45,400.00	260,400.00
Activity	-	-
Total	8,054,219.00	2,279,280.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	7,348,300.00	877,850.00
Rent income	-	-
Income from farming activities	-	-
Insurance compensation	-	-
Income from Posho mill	-	-
Income from Bus Hire	-	-
Fee for hire of ground and equipment	-	-
Income from grants and donations*	2,605.87	9,316.79
Interest income	-	-
Dividends income	-	-
Total	7,350,905.87	887,166.79

5 PAYMENTS FOR TUITION

	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory equipment	-	-
Internal exams	872,000.00	1,959,145.00
Teaching / learning materials	-	-
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	1,710.88	3,797.52
Bank Charges	873,710.88	1,962,942.52
Total		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Administration Cost	-	-
Repairs and maintenance & improvements	2,912,896.00	11,219,320.37
Other Voteheads	4,244,897.00	9,594,980.80
BOM	357,600.00	-
Medical	-	-
Activity Expenses	-	-
SMASSE	-	-
Insurance Cost	-	-
Bank Charges	26,545.00	57,205.00
Acquisition of Assets	-	-
TOTAL	7,541,938.00	20,871,506.17

7 BOARDING AND SCHOOL FUND PAYMENTS

	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Personnel emoluments	-	-
Service Gratuity	-	-
Repairs and maintenance & Improvements	56,000.00	345,200.00
Other Voteheads	1,658,713.00	1,545,080.00
Electricity and water	-	-
Medical Expenses	-	201,770.00
Activity Expenses	-	-
Lunch Programme	-	-
Bank Charges	15,080.00	24,465.00
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	3,958,730.00	840,090.00
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	5,688,523.00	2,956,605.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	JAN-JUNE 2021	2019-2020
		Kshs	Kshs
Tuition Account		310,115.59	32,978.35
Operations Account		1,544,985.07	1,158,041.97
School Fund Account/Boarding		2,369,351.83	66,668.83
Savings Account		-	-
Parent Association Development Account		-	-
Income generating activities Account		-	-
Infrastructural Account		570,100.95	427,136.95
Total		4,794,553.44	1,684,826.10

9 CASH IN HAND

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	-	-
Total	-	-

10 SHORT TERM INVESTMENTS

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Fees arrears	42,060,903.00	33,535,993.00
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	42,060,903.00	33,535,993.00

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

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	10,780,018.00	4,610,776.00
Fees arrears for the previous year	2,427,668.00	3,390,767.00
Fees arrears for prior periods (over two years)	28,853,217.00	25,534,450.00
Total	42,060,903.00	33,535,993.00

12 ACCOUNTS PAYABLE

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	3,170,920.00	1,500,783.00
Prepaid fees	-	-
Retention monies	-	-
Total	3,170,920.00	1,500,783.00

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

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	3,170,920.00	1,500,783.00
Trade creditors for the previous year	-	-
Trade creditors for prior periods (over two years)	-	-
Total	3,170,920.00	1,500,783.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Bank balances	1,684,826.10	13,501,015.00
Cash balances	-	-
Short Term Investments	-	-
Receivables	33,535,993.00	32,285,096.00
Payables	(1,500,783.00)	(786,379.00)
Total	33,720,036.10	44,999,732.00

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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

Description	JAN-JUNE 2021	2019-2020
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

15 Biological assets

Description	Numbers	JAN-JUNE	2019-2020
		2021	Kshs
Cattle		-	-
Goats		-	-
Trees		-	-
Coffee or tea plantation		-	-
Poultry		-	-
Total		-	-

16 Borrowings

Description	JAN-JUNE 2021	2019-2020
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

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Other important disclosure notes

17 Stock/ Inventory

b) Borrowings		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
Balance at end of the year	-	-

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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.



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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 2021	Outstanding Balance 2020-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. Al kitab book sellers	22,000	25/6/2020	-	22,000	NIL	
5. Hassan power	39,600	25/6/2020	-	39,600	NIL	
6. Habak supplies	499,476	25/6/2020	-	499,476	NIL	
7. Salama bakery	182,050	25/6/2020	-	182,050	NIL	
8. Garane technologies	1,009,270	25/6/2020	-	1,009,270	NIL	
9. Raya mini store	1,209,820	25/6/2020	-	1,209,820	NIL	
10. Glory Garissa enterprise	110,000	25/6/2020	-	110,000	NIL	
11. Wamo Kenya agency	16,054	25/6/2020	-	16,054	NIL	
Sub-Total				3,088,270		
Supply of services						
12. Nhif	10,250	25/6/2020	-	10,250	NIL	
13. Kplc	25,000	25/6/2020	-	25,000	NIL	
14. nssf	31,200	25/6/2020	-	31,200	NIL	
15. kudheiha	16,200	25/6/2020	-	16,200	NIL	
Sub-Total				82,650		
Grand Total				3,170,920		

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class		NUMBER	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land 1			1973	Within school	Donated by the community	-	-	-
Land 2								
Buildings and structures	1	dormitories	11	1973-2020	Within school	CDF/MOE/NGO	-	-
	2	laboratories	4	1973-2021	Within school	MOE/CDF/NGO		
	3	classrooms	20	1973-2021	Within school	MOE/CDF/NGO	-	-
	4	Dinning hall	1	1973-1990	Within school	DANIDA	-	-
	5	library	1	1998	Within school	ARID LANDS	-	-
	6	mosque	1	2004	Within school	INDIVIDUAL WELL WISHERS	-	-
	7	Computer lab	1	2006	Within school	ARID LANDS	-	-
	8	Administration block	1	2015	Within school	MOE	-	-
	9	student toilets/bathroom/staff toilets	34	1994-2022	Within school	BOM	-	-
	10	staff quarters	11	1973-2015	Within school			

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Motor vehicles	11	School bus	1	2008	Within school	CDF DONATIONS	-	-	-
	12	School van	1	2020	Within school	970,000	-	-	-
Office equipment, furniture and fittings	13	Office tables	22	2000-2024	Within school	variance	-	-	-
	14	Office chairs	38	1999	Within school	variance	-	-	-
	15	printers	9	1998	Within school	variance	-	-	-
	16	Metallic cabinet	6	2018	Within school	variance	-	-	-
	17	Wooden cupboard	2	2017	Within school	variance	-	-	-
	18	Water dispenser	10	2005	Within school	variance	-	-	-
	19	fan	10	2006	Within school	variance	-	-	-
ICT Equipment, and Other ICT Assets	21	Laptop	6	2019	administration	variance	-	-	-
	22	desktop	30	2015	administration	variance	-	-	-
	23	projector	2	2020	administration	variance	-	-	-
	24	Lcd screen 32inch	1	2020	administration	variance	-	-	-
Tools and	25	Microscopes/water	20/2	2004	laboratory	variance	-	-	-

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apparatus		bath							
Textbooks	26	Klb/moran/	16,758						
Other Machinery and Equipment	27	Jembes/pangas/regs	10	2000 21	Within school	variance	-	-	
Heritage and cultural assets	28	Traditional outfit	60	2019	Within school	variance	-	-	
Intangible assets- soft ware	29	Visat digital system	1	2021	Finance office	variance	-	-	
Total									

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