

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID
REPORT
DATE: 30 NOV 2023 DAY: Thurs
TABLED BY: Hon Naomi Wago, MP
Deputy majority whip
CLERK OF THE TABLE: A. Chirika

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

MOI GIRLS' HIGH SCHOOL KAMUSINGA

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

BUNGOMA COUNTY



MOI GIRLS' HIGH SCHOOL KAMUSINGA
P.O BOX 282 TEL: 0737 373 679
KIMILILI

Email: moigirlskamusinga@yahoo.com

Our Ref: _____

Your Ref: MGK/FR/20/21

Date: 23/06/2022

Office of Auditor General,
Nairobi.

Thro'
OAG Regional office,
2042 – 50100,
Kakamega.



RE: SUBMISSION OF ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021.

The above subject matter refers;

We hereby submit Moi Girls' High School Kamusinga annual report and financial statements for the year ended 30th June, 2021 for audit, in line with the Public Finance Management Act 2012.

Please find attached copies of the 2021 Annual Reports and Financial Statements.

Thank you.

Joyce Mulunda

Chief Principal/BOM Secretary



CC

Controller of budget
The National Treasury
Ministry of Education
Commission on Revenue allocation



Revised 30th June 2021



MOI GIRLS' HIGH SCHOOL KAMUSINGA

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2021**

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

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2021

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.....	7
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	9
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF (MOI GIRLS' KAMUSINGA) SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021	
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2021	11
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021	
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	25
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021.....	11
IX. SIGNIFICANT ACCOUNTING POLICIES	15
X. NOTES TO THE FINANCIAL STATEMENTS.....	17

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Reports and Financial Statements
For the year ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

[Customise the details in this section to suit your School]

(a) Background information

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

The school was registered in 17.9.2019 under registration number 39530000205 and is currently categorized as Extra County (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had 1730 number of students as at 30th June 2021 It has 8 streams and 68 teachers of which 24 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	MR. RICHARD NYAMU	Chairman	23/04/2019
2	DR. JOSEPHINE OJIAMBO	Secretary - Principal	23/04/2019
3	MRS. MOSES NABIBIA	Member	23/04/2019
4	MR. DAVID KIBITI	Member	23/04/2019
5	MR. JOSEPH MULIRO	Member	23/04/2019
6	MRS. ANN NANG'ONI WEKESA	Member	23/04/2019
7	MR. MARY KIBITI	Member	23/04/2019
8	MR. PAUL NASOKHO	Member	23/04/2019
9	MR. IOSEPH MULALU	Member – Rep CEB	23/04/2019
10	MRS. JULITA WAMALWA	Member Rep Teachers	23/04/2019
11	REV. CANON PYOKO BITITI	Member - Sponsor	23/04/2019
12	MRS. CHARITY WASILWA	Member - Sponsor	23/04/2019
13	MR.ANDREW NGUTUKU	Member - Community	23/04/2019
14	DORCUS NAKUTI	MemberSpecial Needs	23/04/2019
		Rep Students	23/04/2019



MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2021

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 paragraph 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Provide the names of the various committees of the Board established by the Board and the names of the committee members:

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Richard Nyamu Ms. Charity Wasilwa Dr. Josephine Ojiambo Mr. Stephen Sungwacha Mr. David Kibiti	B.O.M Chair Vice chair Secretary Member Member	3
2	Audit Committee			
3	Finance, procurement and general purposes Committee	Mr. David Kibiti Mr. Thomas Mong'are Mr. Stephen Sungwacha Mrs. Zainabu Sirengo Mr. Jacob Kitayi	Chair person Member Member Member Bursar	6
4	Academic Committee	Mr. Paul Nasokho Mr. Joseph Muliro Mrs. Jackline Wanyonyi Dr. Josephine Ojiambo Mr. Benard Agoi	Chairperson Member Member Member Member	6

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2021

5	Discipline and welfare Committee	Ms. Charity Wasilwa Dr. Josephine Wanyama Dr. Stephene Sungwacha Mr. John Mukubui Mrs. Julita Wamalwa Mr. Leonard Oteba Mrs. Immaculate Malaba	Chairperson Secretary Member Member Member Member Deputy Admin	3
6	Human Rights & students Welfare	Rev. Canon Bititi Mr. Richard Nyamu Dr. Josephine Ojiambo Dr. Stephene Sungwacha SCDE Mr. BenardAgoi Mrs. Lena Micha Dorcus	Chairperson B.O.M Chair Secretary Member Teacher Rep Boarding Mistress Student leader	3
7	Shool Infrasture Committee	Mr. David Kibiti Dr. Josephine Ojiambo Dr. Sungwacha Stephen Sub – county Director – Mr. Peter Wanjala Mrs. Immaculate Malaba	Chairperson Chief Secretary P.A Chair M.O.E Member Deputy Administration	4
8	Adhoc Committee (if any during the year)			

(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	Dr. Josephine Ojiambo	240167
2	Deputy Principal	Mrs. Immaculate Malaba	387093
3	School Bursar	Mr. Jacob M Kitayi	

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2021

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 282 - 50204
Telephone: 0737 373 679
E-mail: moigirlskamusinga@yahoo.com
Website: www.moigirlskamusinga.sc.ke
Facebook: Moi Girls' High School Kamusinga
Twitter: Moi Girls' Kamusinga Twitter handle@mgkamusinga

(f) School Bankers

The following school operated 10 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1107228093
2. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1107233186
3. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1107228190
4. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1108385095
5. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1270156993
6. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1106850122
7. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1147574014
8. MPESA Pay Bill No. 522123 A/C no: 58095k KCB A/C 1107228093 attached to KCB bank account.
9. MPESA Pay Bill No: 655280
10. Name of Bank: KCB
Branch: KIMILILI
Account Number: 1221435132

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2021

(g) Independent Auditors

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

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2021

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:

	Year	2021	2020	2019
		Ksh.	Ksh.	Ksh
1.	Surplus/(Deficit)	5,335,660.40	(8,799,340)	12,254,341.4
2.	Capitation Tuition A/C	1,819,845.00	2,350,893	4,085,531.2
	Operational A/c	<u>12,239,282.60</u>	<u>20,323,675</u>	<u>19,556,334.5</u>
	Total	<u>14,059,127.60</u>	<u>22,674,568</u>	<u>23,641,865.7</u>
3.	Ratios for capitation per student	1:8270	1:15,563	1:18,660
4.	Incomes Growth	44,282,877.09	67,309,762.20	81,644,424.4
5.	Expenditures	41,721,167.50	85,447,812.64	69,390,083
6.	Debtors	3,604,798	6,374,213	1,942,941
7.	Creditors	3,601,558	1,530,638	-
8.	Cash/bank balances	16,332,410.66	7,318,856.26	8,554,073

b) Teacher Student ratio: 1:27

Number of teachers recruited: 3
 Number of teachers transferred: 3
 Number of teachers employed by B.O.M: 10

c) Mean score in the last three years

Year	Mean score
2018	5.7136
2019	6.9861
2020	6.4383

d) Number of Candidates in the last three years KCSE:

Year	No
2018	220
2019	289
2020	276

e) Capacity of the school:

Students' population: **1730**

Shortage of space: **450** students

MOI GIRLS' HIGH SCHOOL KAMUSINGA
Annual Report and Financial Statements
For the year ended 30th June 2021

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

	2020 – 2021 Project	Sources of funding	Costs to date	Budget	Status of completion	Target completion
1.	Four classrooms 1 computer laboratory (1 st floor)	<ul style="list-style-type: none"> • MOEST Infrastructure fund – 5,013,000 • Parents MI Levy 4,689,540 • Fundraiser 481,500 • Boarding savings 1,827,887 • Boarding 8,107,301 • Gratuity (borrowed to refund) 2,000,000 • Computer levy 3,395,332 	25,514,560	27,229,050	Ground floor complete	2024
2.	Dining hall		7,396,312		Complete	2021

Sign



School Principal



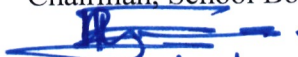
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

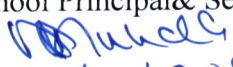
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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 keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of (**MOI GIRLS HIGH SCHOOL KAMUSINGA**) 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: Mr. Richard Nyamu
Designation: Chairman, School Board of Management
Sign: 
Date: 27/7/2023

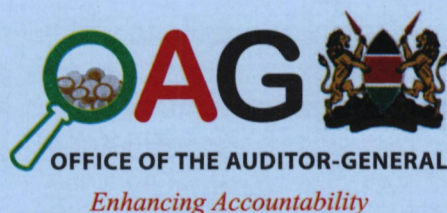
Name: Mrs. Joice Mulunda
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 27/7/2023

Name: Mr. Jacob Kitayi
Designation: Bursar/ Finance Officer
Sign: 
Date: 27. 7. 2023



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 MOI GIRLS' HIGH SCHOOL KAMUSINGA FOR THE YEAR ENDED 30 JUNE, 2021 - BUNGOMA 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, gazetted 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, 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

Adverse Opinion

I have audited the accompanying financial statements of Moi Girls' High School Kamusinga – Bungoma County set out on pages 11 to 25, which comprise of the

Report of the Auditor-General on Moi Girls' High School Kamusinga for Year ended 30 June, 2021- Bungoma County

statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of Moi Girls' High School Kamusinga – Bungoma 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 do not comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Adverse Opinion

1. Unsupported Comparative Balances

The financial statements reflect comparative amounts in regard to financial statements for 2019/2020 in respect to financial assets and financial liabilities together with the accompanying Notes to the financial statements which were not audited. Since this is the first year of audit and Management has not explained the basis for the comparative balances since the same were not audited.

In the circumstances, the validity, accuracy and completeness of the comparative amounts in the financial statements could not be confirmed.

2. Inaccuracies in the Financial Statements

Review of the financial statement revealed that the amount reported is at variance with the supporting schedules provided for audit review as detailed below:

No.	Details	Balances in 2020/2021 Financial Statements (Kshs)	Balances in the Supporting Schedules (Kshs.)	Variance (Kshs.)
1	Capitation grant for Tuition	4,170,738	1,840,155	2,330,583
2	Capitation grant for Operations	32,562,958	8,633,400	23,929,558
3	School fund Income- Parents' contribution	67,524,442	31,333,817	36,190,625
4	School fund income-Other receipts	7,334,503	3,388,427	3,946,076
5	Payments for Tuition	5,341,654	1,919,375	3,422,279
6	Payments for Operations	34,875,107	12,239,823	22,503,284
7	Boarding School Fund Payments	86,952,219	34,029,700	52,922,519

Report of the Auditor-General on Moi Girls' High School Kamusinga for Year ended 30 June, 2021- Bungoma County

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

3. Unsupported Capitation Grants for Operations- Medical

The statement of receipts and payments reflects capitation grants for operations of Kshs.32,562,958 which includes an amount of Kshs.254,000 in respect of medical and insurance as disclosed under Note 2 to the financial statements. However, supporting documents including NEMIS receipts schedules and acknowledgments to the Ministry of Education were not provided.

In the circumstances, the accuracy and completeness of capitation grants of Kshs.254,000 in respect of medical and insurance could not be confirmed.

4. Unsupported Capitation Grants for Operation- Activity

The statement of receipts and payments reflects capitation grants for operations of Kshs.32,562,958 which includes an amount of Kshs.508,000 in respect of activity as disclosed under Note 2 to the financial statement. However, supporting documents including NEMIS receipts schedules and acknowledgments to the Ministry of Education were not provided for audit.

In the circumstances, the accuracy and completeness of capitation grants of Kshs.508,000 in respect of activity could not be confirmed.

5. Unsupported Accounts Payable

The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.12,811,502 which includes balances of Kshs.4,226,731 and Kshs.8,584,770 and as disclosed under Note 12 to the financial statements in respect of trade creditors, prepaid fees and bursary fund clearance account respectively. However, recasting of Note 12 to the financial statements revealed a balance of Kshs.12,947,202, resulting in unexplained and unreconciled variance of Kshs.135,700. Further, the trade creditors balance of Kshs.4,226,731 was not supported with documents including ledger schedules and invoices, delivery notes, issues and receipts from the School Finance Committee deliberations.

Further, prepaid fees of an amount of Kshs.8,584,770 was not supported with schedules and student fee statements. In addition, there was no evidence indicating that proper mechanism had been put in place to settle these long outstanding accounts payables.

In the circumstances, the accuracy, completeness and fair presentation of statement of accounts payable balance could not be confirmed.

6. Unreconciled Balance- Net Financial Assets

The statement of financial assets and financial liabilities reflects a balance of Kshs.20,608,409 in respect of net financial assets. However, recasting of the financial

statements revealed a balance of Kshs.23,608,409, resulting in unexplained and unreconciled variance of Kshs.3,000,000.

In the circumstances, the accuracy and completeness of the statement of financial assets and financial liabilities could not be confirmed.

7. Unsupported Personnel Emoluments

The statement of receipts and payments reflects payments for operations and boarding and school fund payments of Kshs.34,875,107 and Kshs.86,952,219 respectively which includes amounts of Kshs.4,531,083 and Kshs.1,067,097 in respect of personnel emoluments totalling Kshs.5,598,180 as disclosed in Note 6 and 7 to the financial statements. However, supporting documents including payrolls and approved staff establishment were not provided for audit review.

In the circumstances, accuracy and completeness of the expenditure of an amount of Kshs.5,598,180 in respect of personnel emoluments could not be confirmed.

8. Unsupported Cash and Cash Equivalents

a. Statement of Cash Flows

The statement of cash flows reflects cash and cash equivalents of Kshs.16,510,063 at the end of the period which includes net increase/decrease in cash and cash equivalents at the beginning and beginning of the period of Kshs.212,839 and Kshs.18,638,452 respectively. However, review and recasting of the statements reveals cash and cash equivalents of Kshs.18,851,291, resulting in unexplained and unreconciled variance of Kshs.2,341,228.

b. Bank Reconciliations and Bank Certificates

The statement of financial assets and financial liabilities reflects cash and cash equivalent balance of Kshs.16,510,063 which includes Kshs.16,332,411 and Kshs.177,652 in respect of bank and cash in hand balances respectively. As disclosed in Notes 8 and 9 to the financial statements, the bank balances of Kshs.16,332,411 includes bank balances of five (5) bank accounts. However, the balance was not supported with certificate of bank balances and bank reconciliation statements. Further, the bank accounts disclosed in Note 8 to the financial statements did not include account numbers as required by the approved reporting template.

In the circumstances, the regularity, accuracy and completeness of cash and cash equivalents balance could not be confirmed.

9. Unsupported Accounts Receivable

The statement of financial assets and financial liabilities and as disclosed under Note 11 to the financial statements reflects accounts receivable balance of Kshs.19,909,848 in

respect of fee arrears. However, supporting documents including ledger schedule and students fee statements with ageing analysis, fees arrears and the School's Finance Committee minutes deliberations on accounts receivables were not provided for audit review. Further, details in Note 11 to the financial statements indicate accounts receivables which were incurred two years ago and there was no evidence indicating that proper mechanism had been put in place to recover these long overdue debts.

In the circumstances, the accuracy, completeness and recoverability and fair statement of accounts receivable could not be confirmed.

10. Unsupported Repairs and Maintenance & Improvements

The statement of receipts and payments and as disclosed in Notes 6 and 7 to the financial statements, reflects payments for operations and boarding and school fund payments of Kshs.34,875,107 and Kshs.86,952,219 which include amounts Kshs.19,674,514 and Kshs.2,258,790 in respect to repairs and maintenance & improvements, all totaling to Kshs.21,933,304. However, supporting documents including procurement plans, bills of quantities, contract agreements, payment and inspection and acceptance committee reports were not provided for audit review in respect of maintenance and repairs of work done.

In the circumstances, accuracy and completeness of the amounts totaling to Kshs.21,933,304 in respect to repairs and maintenance and improvement could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Moi Girls' High School Kamusinga 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 adverse opinion.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, based on the audit

procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing the financial statements for longer period is due to the adoption of IPSAS for schools and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented the annual report and financial statements covering only one year for financial year 2020-2021 with comparative balances for financial year 2019. Therefore, the financial statements have not been prepared for eighteen-months (18) as prescribed by the Public Sector Accounting Standards Board.

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

In the circumstances, Management did not comply with the guidelines issued by the public sector accounting standard board.

2.0 Presentation of the Financial Statements

The financial statements for the year under review did not comply with reporting format as prescribed and published by the Public Sector Accounting Standards Board as follows:

- i. The statement of financial assets and financial liabilities refers to 'the year ended 30 June, 2022' instead of 'as at 30 June, 2022'.
- ii. Further, the financial statements did not include the headers indicating the name of the School and the reporting period.
- iii. The preamble information was presented without customizing to provide information relevant to the School and the page numbers were not in roman numbers.
- iv. Page numbering are not consistent as some pages are skipped.

- v. The significant accounting policies were presented after the notes to the financial statements instead of being presented immediately before the same.
- vi. Accounts receivable and accounts payable are presented at Notes 10 and 11 yet the notes to the financial statements indicate Notes 11 and 12 respectively.
- vii. The analysis of pending payables is omitted from the financial statements.

In the circumstances, the financial statements were not presented in accordance with the applicable financial framework as prescribed by the Public Sector Accounting Standards Board (PSASB).

3.0 Failure by the Ministry to Support the School through Capitation

- i. The Ministry of Education Circular of 16 June, 2021 on the implementation of Free Day Secondary Education (FDSE) for the financial year 2020-2021 indicating capitation of Kshs.2,000 per student in respect of medical and insurance as per NEMIS student enrolment. The Ministry entered into a contract for provision of Comprehensive Medical Cover for Secondary School Students with the Board of Management of National Hospital Insurance Fund (NHIF) through medical scheme called EDUAFYA on 1 March, 2018 renewable for five years. However, there were no records from the School indicating the number of students treated and medical bills incurred
- ii. The review of the School's NEMIS data revealed that the Ministry disbursed capitations for the period under review in February and April with student NEMIS enrolment of one thousand four hundred and ten (1410) and one thousand three hundred and ninety two (1392) respectively with an average NEMIS enrolment of one thousand four hundred and one (1,401) students for the period, translating to capitation of Kshs.2,802,000 in respect of medical insurance which were retained by the Ministry of Education, hence not supported.
- iii. The Ministry of Education Circular of 16 June, 2021 on the implementation of Free Day Secondary Education (FDSE) for the year 2020-2021 indicates capitation of Kshs.1,500 per student in respect of activity as per NEMIS student enrolment. In addition, review of the School's NEMIS data revealed that the Ministry disbursed capitation for the period under review in February and April, 2021 with student NEMIS enrolment of one thousand four hundred and ten (1410) and one thousand three hundred and ninety two (1392) respectively and average NEMIS enrolment of one thousand four hundred and one (1,401) students translating to capitation of Kshs.2,101,500 in respect of activity which was retained by the Ministry of Education, hence not transferred to the ministry.

4.0 Failure to Present the Statement of Budgetary Versus Actual as Per PFM Regulation

The statement of budgeted versus actual amounts presented for audit did not include sub and grand totals of both income and expenditure. Further, the budget amounts presented was not supported by approved budget as required by Regulation 31(1) of the Public Finance Management (National Government) Regulations, 2015 which requires that 'the Accounting Officer shall ensure that the draft estimates relating to her or his department are prepared in conformity with the Constitution, the Act and these Regulations.(2) The Accounting Officer is responsible, in particular for ensuring that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of her or his national government entity during the financial year and the estimates are submitted to the National Treasury in the manner and format to be issued by the Cabinet Secretary'.

In the circumstances, Management did not comply with the regulation and reporting template.

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 because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

1.0 Failure to Maintain Fixed Asset Register

The financial statements indicated that summary of Fixed Assets Register was not presented in Annex 2 to the financial statements, contrary to the Public Sector Accounting Standards Board template and The National Treasury's Circular Ref: AG/4/16/3/Vol.3(66) dated 6 July, 2022. Further, the School did not maintain fixed assets register indicating date of assets acquisition, type of assets, supplier name, value, custodian and location in respect of the assets it owns contrary to Regulation 143(1)(2) of the of the Public Finance

Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws. The register of land and buildings shall record each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details.

In the circumstances, the existence of an effective assets management mechanisms could not be confirmed.

2.0 Lack of Risk Management Policy

Review of the documents and records provided for audit review revealed that School Management has not established Risk Management Policy. This is contrary to Regulation 165(1) (a-b) of the Public Finance Management (National Government) Regulations, 2015 which states that 'the Accounting Officer shall ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstance, Management was in breach of the law and was not able to identify risks and develop mitigating strategies.

3.0 Lack of Approved Information Technology Security Policy

Review of the School's Information Technology Systems revealed that the School did not have an approved IT Policy for governance and management of its ICT resources. Further, there was no ICT Steering Committee in place to assist in the development of ICT Policy framework to enable the School to realize long-term ICT strategic goals. Lack of an approved IT Policy may result in an unclear direction regarding maintenance of information security across the organization and safeguarding the School's ICT assets. In addition, without a sound and approved framework, users do not have any rules and procedures to follow in order to minimize risk of errors, fraud and the loss of data confidentiality, integrity and availability.

In the circumstances, the School are exposed to financial losses or falsification of records in the absence of information and communication Technology policy.

4.0 Lack of Insurance Cover for Property and Other Assets

Review of the financial statements and assets records revealed that the School did not have insurance cover for property and other assets.

In the circumstances, the School's assets may be exposed to losses without compensation in case of fire, theft or any other unforeseen calamities.

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 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 close the School or to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those Charged with Governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the 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 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL


Nairobi

12 October, 2023

MOI GIRLS HIGH SCHOOL KAMUSINGA
STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR
ENDED 30TH JUNE 2021

<u>RECEIPTS</u>	<u>NOTES</u>	<u>2020/2021</u>	<u>2019</u>
		<u>Kshs</u>	<u>Kshs</u>
Capitation grants for tuition	1	4,170,738.00	4,135,538.50
Capitation grants for operation	2	32,562,957.60	19,556,334.90
School fund income-parents contributions	3	67,524,441.50	57,475,851.00
School fund income-other receipts	4	7,334,503.00	5,959,141.00
Total receipts		111,592,640.10	87,126,865.40
<u>PAYMENTS</u>			
Payments for tuition	5	5,341,654.00	4,131,654.00
Payments for operations	6	34,875,107.00	14,435,645.00
Boarding and School fund payments	7	86,952,219.14	56,900,532.00
Total payments		127,168,980.14	75,467,831.00
surplus/defecit		-15,576,340.04	11,659,034.40

The school financial statements were approved on 27.7.23.....and signed by:

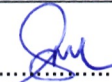
SIGNATURE 
NAME Richard Mwanj
CHAIRMAN BOARD OF MANAGEMENT

DATE 27/7/2023

SIGNATURE 
NAME Joyce Mwangi
PRINCIPAL/SECRETARY B.O.M



DATE 27/7/2023

SIGNATURE 
NAME JACOB KATAYI
BURSAR/FINANCE OFFICER

DATE 27.7.2023

MOI GIRLS HIGH SCHOOL KAMUSINGA
STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES FOR THE YEAR ENDED
30TH JUNE 2021

<u>FINANCIAL ASSETS</u>	<u>NOTES</u>	<u>2020/2021</u>	<u>2019</u>
		<u>Kshs</u>	<u>Kshs</u>
Cash and cash equivalents			
Bank balances	8	16,332,410.66	18,637,022.30
Cash balances	9	177,652.10	1,430.00
Short term investment	10	-	-
Total cash and cash equivalents		16,510,062.76	18,638,452.30
Accounts' receivables	11	19,909,848.20	18,936,681.30
Total financial assets		33,419,910.96	37,575,133.60
<u>FINANCIAL LIABILITIES</u>			
Accounts payables	12	12,811,501.55	1,390,384.15
Net financial assets		20,608,409.41	36,184,749.45
REPRESENTED BY:			
Accumulated fund b/forward	13	36,184,749.45	24,525,715.05
Surplus/Deficit for the year		-15,576,340.04	11,659,034.40
Net financial position		20,608,409.41	36,184,749.45

The school financial statements were approved on...27.7.23.....and signed by:

SIGNATURE.....[Signature]
NAME.....RICHARD MIAKU.....

DATE.....27/7/2023.....

CHAIRMAN BOARD OF MANAGEMENT

SIGNATURE.....[Signature]
NAME.....JOYCE MUKUNDA.....

DATE.....27/7/2023.....



PRINCIPAL/SECRETARY B.O.M

SIGNATURE.....[Signature]
NAME.....JACOB KATI.....

DATE.....27.7.2023.....

BURSAR/FINANCE OFFICER

MOI GIRLS HIGH SCHOOL KAMUSINGA
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30TH JUNE 2021

CASHFLOWS FROM OPERATING ACTIVITIES NOTES	2020/2021	2019
	Kshs	Kshs
Receipts		
Capitation grants for tuition	4,170,738.00	4,135,538.50
Capitation grants for operation	32,562,957.60	19,556,334.90
School fund income-parents contribution/fees	67,524,441.50	57,475,851.00
School fund receipts-other income	7,334,503.00	5,959,141.00
Total receipts	111,592,640.10	87,126,865.40
Payments		
Payments for tuition	5,341,654.00	4,131,654.00
Payments for operations	34,875,107.00	14,435,645.00
Boarding and School fund payments	86,952,219.14	56,900,532.00
Total payments	127,168,980.14	75,467,831.00
Net cashflow from operating activities	-15,576,340.04	11,659,034.40
Adjusted for;		
Decrease/(increase) in Accounts Receivables	2,026,833.10	3,936,675.00
Increase/(decrease) in Accounts Payables	11,421,117.40	1,390,384.15
	-2,128,389.54	16,986,093.55
CASHFLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of assets	-	-
Acquisition of Assets	-	-
Proceeds from investments	-	-
Purchase of investments	-	-
Net cashflow from investing activities	-	-
CASHFLOWS FROM BORROWING ACTIVITIES		
Proceeds from borrowings/loans	-	-
Repayment of principal borrowings	-	-
Net cashflow from financing activities	-	-
Net increase/decrease in cash and cash equivalents	212,838.54	16,986,093.55
Cash and cash equivalents at the beginning of the year	18,638,452.30	1,652,358.75
Cash and cash equivalents at the end of the year	16,510,062.76	18,638,452.30

MOI GIRLS HIGH SCHOOL-KAMUSINGA
STATEMENT OF BUDGET VERSUS ACTUAL AMOUNT FOR THE YEAR ENDED 30TH JUNE, 2021

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials		-	-	-	-	-
Exercise books	1,250,000	7,440	1,257,440	1,532,700	(275,260)	122
Laboratory equipment	1,249,052	7,434	1,256,486	523,376	733,110	42
Internal exams						
Teaching / learning materials	1,921,520	11,438	1,932,958	2,824,997	(892,039)	146
Chalks	56,000	333	56,333	-	56,333	-
Exams and assessment reference/Library	3,356,348	19,794	3,376,142	613,207	2,762,935	18
(2) CAPITATION GRANT ON OPERATIONS						
Other Voteheads	13,272,000	79,000	13,351,000	14,916,185	(1,565,185)	112
Repairs and maintenance						
Local transport / travelling						
Electricity and water						
Medical	3,360,000	20,000	3,380,000	338,200	3,041,800	10
Administration costs						
Activity	2,520,000	15,000	2,535,000		2,535,000	-
Maintenance and improvement	7,560,000	45,000	7,605,000	6,249,000	1,356,000	82
SMASSE						
(3) FEES CHARGED ON PARENTS						
Personnel emoluments						
Repairs and maintenance	3,360,000	20,000	3,380,000	4,562,730	(1,182,730)	135



MOI GIRLS HIGH SCHOOL KAMUSINGA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

1.CAPITATION GRANT FOR TUITION	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Textbooks and reference materials		
Exercise books		
Laboratory equipment		
Internal exams		
Teaching and learning materials	4,170,738.00	4,135,538.50
Chalks		
Exams and assessments		
Teachers' guides		
Total	<u>4,170,738.00</u>	<u>4,135,538.50</u>

2.CAPITATION GRANT FOR OPERATIONS

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Personal Emoluments	15,374,500.00	
Repairs and Maintenance		
Local Transport and Travelling		
Other voteheads	15729957.6	19,556,334.90
Medical	254,000.00	
Administration costs	696,500.00	
Activity	508000	
Total	<u>32,562,957.60</u>	<u>19,556,334.90</u>

3.PARENTS CONTRIBUTION/FEES-SCHOOL FUND ACC	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Repairs and Maintenance	3,100,975.00	2,546,910.00
Local Transport and Travelling		
Other Voteheads	21621086	17,457,325.00
Computer	3,523,204.00	3,024,248.00
Homescience	514,117.00	618,410.00
SES	114,932.00	204,580.00
Medical		
Administrative costs		
Other Voteheads		
BES	38,267,631.50	33,253,028.00
Activity	382,496.00	371,350.00
Total	<u>67,524,441.50</u>	<u>57,475,851.00</u>

4.OTHER RECEIPTS-SCHOOL FUND ACCOUNT

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Fee on Boarding,Equipment and Stores		
Rent Income	785,840.00	476,700.00
Income from farming activities	2,955,554.00	1,358,830.00
Insurance compensation		
Income from bakery	3,593,109.00	4,094,091.00
Income from Bus hire		
Tree Nursery		29,520.00
Income from magazine		
Income from grants and donations		
Interest income		
Dividend income		
Total	<hr/> 7,334,503.00 <hr/>	<hr/> 5,959,141.00 <hr/>

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

5. PAYMENTS FOR TUITION

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Textbooks and reference materials		1679474
Exercise books	2,157,398.00	1,490,020.00
Laboratory equipment	1,718,015.00	741,030.00
Internal exams		
Teaching and learning materials	1,456,065.00	214,110.00
Chalks		
Exams and assessment		
Teachers' guides		
Administration costs		
Bank charges	10176	7,020.00
Total	5,341,654.00	4,131,654.00

6. PAYMENTS FOR OPERATIONS

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Personal Emoluments	4,531,083.00	
Administration cost	1,072,943.00	
Repairs, Maintenance and Improvement	19,674,514.00	3,761,841.00
Local Transport and Travelling		
Electricity, Water and Conservancy	342,742.00	
Medical	321,906.00	656,790.00
Other voteheads	8,023,219	8,893,798.00
Service Gratuity		
Activity	908700	1,123,216.00
Acquisition of assets		
Total	34,875,107.00	14,435,645.00

7. BOARDING AND SCHOOL FUND PAYMENTS

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Personal Emoluments	1,067,097.00	
Service Gratuity		
Repairs, Maintenance and Improvement	2,258,790.00	3,513,150.00
Local, Transport and Travelling	963,836.00	
Electricity, Water and Conservancy	770,917.00	
SES	102,480.00	160,060.00
Other Voteheads	13,063,820.34	14,805,225.00
Medical Expenses		
Administrative costs	1,725,923.00	
Computer	2855274	1,187,235.00

Refunds	362,484.00	
Activity	486,765.00	1,049,231.00
Expenses on Income Generating Activities	8,319,995.50	7,556,728.00
Fee on Boarding, Equipment and Stores	47702655.3	28,300,423.00
Home science	106,010.00	328,480.00
Loan principal repayment		
Loan interest repayment		
Acquisition of assets	7166172	
Total	86,952,219.14	56,900,532.00

8.BANK ACCOUNTS

NAME OF BANK ACCOUNT NO & CURRENCY A/C NO.	<u>2021/2020</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Tuition account	631,054.15	642,675.15
Operations account	5,671,705.50	7,607,670.00
School fund account	9,729,398.41	8,552,643.00
Savings account	885	183,403.15
P.A Development account		-
IGA account	299,367.50	
Infrastructural account		
Total	16,332,410.66	18,637,022.30

9.CASH IN HAND

DESCRIPTION	<u>2020/2021</u>	<u>2012</u>
	<u>Kshs</u>	<u>Kshs</u>
Operations account	630	
Tutionaccount		
Infrastructure account		
School fund account	177022.1	1,430.00
Income generating activity account		
Total	177,652.10	1,430.00

10.SHORT TERM INVESTMENTS

DESCRIPTION	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Cooperative shares	-	
Treasury bills	-	
Fixed deposit	-	
Equity stock	-	
Other investments	-	
Total	-	-

11.ACCOUNTS RECEIVABLE**DESCRIPTION**

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Fees arrears	16,909,848.20	18,936,681.30
Other non fees receivables		
Salary advances		
Imprest		-
Total	16,909,848.20	18,936,681.30

AGEING OF THE FEES ARREARS**DESCRIPTION**

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Fees arrears for the current year	3,604,798.00	4,850,581.00
Fees arrears for the previous year	1,023,455.00	1,082,330.00
Fees arrears for prior periods(over two years)	12,281,595.20	13,003,770.30
Total	16,909,848.20	18,936,681.30

12. ACCOUNTS PAYABLES**DESCRIPTION**

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Trade creditors	4,226,731.00	
Prepaid fees	8,584,770.55	1,390,384.15
Bursary fund	135,700.00	
Clearance account		
Total	12,811,501.55	1,390,384.15

AGEING OF THE CREDITORS**DESCRIPTION**

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Trade creditors for the current year	3,601,558.00	
Trade creditors for the previous year	625,123.00	
Trade creditors for prior periods(over two years)		-
Total	4,226,731.00	-

13. FUND BALANCE BROUGHT FORWARD**DESCRIPTION**

	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Bank balances	18,637,022.30	1,647,164.75
Cash balances	1,430.00	5,194.00
Short term investments		-
Receivables	18,936,681.30	22,873,356.30
Payables	-1,390,384.15	
Total	36,184,749.45	24,525,715.05

OTHER IMPORTANT DISCLOSURE NOTES

14. NON CURRENT LIABILITIES SUMMARY

DESCRIPTION	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Bank Loan(s)		
Outstanding Leases		
Hire Purchase		
Gratuity and Leave Provision		
Total		

15. BIOLOGICAL ASSETS

DESCRIPTION	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Cattle	14.00	
Pigs	246.00	
Trees	4800	
Coffee	110.00	
Total	5,170.00	

16. BORROWINGS

DESCRIPTION	<u>2020/2021</u>	<u>2019</u>
	<u>Kshs</u>	<u>Kshs</u>
Borrowing at Beginning of the year		
Borrowing during of the year		
Repayments during the year		
Balance at the end of the year		



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.




MOI GIRLS' HIGH SCHOOL KAMUSINGA

Annual Report and Financial Statements

For the year ended 30th June 2021

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.



**MOI GIRLS' HIGH SCHOOL KAMUSINGA
SCHOOL FUND A/C**

TRIAL BALANCE AS AT 30TH JUNE 2021

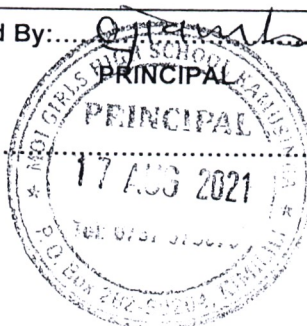
PARTICULARS	LF	ESTIMATES	DEBIT	CREDIT	COMM	BALANCE
OPENING BALANCE:		KSHS	KSHS	KSHS	KSHS	KSHS
CASH	CB1			16,509.00		
BANK	CB1			1,405,180.11		
BOARDING,EQUIP,STORES	1	53,309,600.00	16,169,379.00	11,835,692.30		37,140,221.00
ACTIVITY	2	525,225.00	63,050.00	109,424.00		462,175.00
ARREARS	3	677,293.00	13,000.00	5,363,758.00		664,293.00
BURSARY	4		2,539,726.00	2,535,191.00		
COMPUTER	5		895,275.00	1,631,312.00		
HOME SCIENCE	6	549,000.00	86,990.00	192,164.00		462,010.00
LT/T,ADM,EWC/P/E.	7			8,554,823.00		
M.I	8	2,900,000.00	292,020.00	881,745.00		2,607,980.00
PREPAID FEES	9		90,463.50	2,220,877.60		
S.E.S	10		77,880.00	25,305.00		
REFUNDS	11		208,244.00			
LT/T	12	5,824,000.00	963,836.00			
EWC	13	5,210,000.00	770,917.00			
ADM	14	9,979,000.00	1,433,256.00			
PERSONAL EMOLUMENTS	15	19,360,550.00	1,067,097.00			
SUNDRY CREDITOR	16		194,427.00			
NSSF	17		103,502.00	103,502.00		
PAYE	18		19,051.00	19,051.00		
NHIF	19		34,400.00	34,400.00		
UNION	20		7,939.00	7,939.00		
IGA	21		154,780.00	154,780.00		
CLOSING BALANCES - CASH	CB36		177,022.10			
-BANK	CB36		9,729,398.41			
			35,091,653.01	35,091,653.01		

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2021

Balance as per cash book	9,729,398.41
Add:UPC	
Add: direct credits	2,947,866.40
Balance as per Bank Statement	<u>12,677,264.81</u>

Prepared By:.....
BURSAR
Certified By:.....

DATE:..... DATE:.....



MOI GIRLS HIGH SCHOOL KAMUSINGA
TUITION A/C
TRIAL BALANCE AS AT 30TH JUNE 2021

VOTEHEADS	LF	ESTIMATES	DEBIT	CREDIT	COMM	BALANCE
OPENING		KSHS	KSHS	KSHS	KSHS	KSHS
BALANCE - CASH	CB 1					
- BANK	CB 1			60,227.15		
FDSE FUNDS	1	7,801,920.00		1,819,845.00		5,982,150.00
CONTIGENCIES	2		3,636.00			
SUNDRY CREDITOR	3		488,938.00			
TEACHING/LEARNING M.	4		287,840.00			
LAB EQUIP/ APPARATUS	5		468,604.00			
CLOSING						
BALANCE - CASH	CB6					
- BANK	CB6		631,054.15			
			1,880,072.15	1,880,072.15		

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2021

Balance as per Cash book	129,055.15
Balance as per bank statement	129,055.15

Prepared By: *[Signature]* Certified By: *[Signature]*
 BURSAR / A/CLERK PRINCIPAL

DATE: DATE:





MOI GIRLS HIGH SCHOOL KAMUSINGA
OPERATIONAL A/C
TRIAL AS AT 30TH JUNE 2021

PARTICULARS	LF	ESTIMATES	DEBIT	CREDIT	COMM	BALANCE
OPENING BALANCE:		KSHS	KSHS	KSHS	KSHS	
- CASH	CB 1			39,920.00		
- BANK	CB 1			4,960,216.00		
MANTAINANCE/IIMPROVEMENT	2	8,400,000.00	6,488,414.00	5,224,500.00		1,911,586.00
ADM/LT/T,EWC,P/E	3	14,536,000.00		7,007,109.60		7,528,890.40
M.I. COVID	4		164,405.00			
GRATUITY AC	5			380,000.00		
INFRASTRUCTURE AC	6		2,784,000.00	2,784,000.00		
SUNDRY CREDITOR	7		221,500.00			
PERSONAL EMOLUMENTS	8		4,531,083.00			
NSSF	9		403,780.00	403,780.00		
NHIF	10		134,500.00	134,500.00		
PAYE	11		76,154.00	76,154.00		
UNION	12		31,756.00	31,756.00		
ELECTRCITY/WATER/CONS	13		342,742.00			
ADM	14		198,939.00			
SUSPENCE	15			7,673.00		
FDSE FUNDS	1					
CLOSING BALANCE						
- CASH	CB6		630.00			
- BANK	CB6		5,671,705.60			
			21,049,608.60	21,049,608.60		

BANK RECONCILIATION STATEMENT AS AT 30TH JUNE 2021

Balance as per cash book	5,671,705.60
Balance as per bank statement	5,671,705.60

Prepared By:  Certified By: 
 BURSAR PRINCIPAL

DATE: DATE: 17 JUN 2021


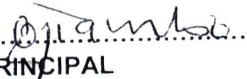


MOI GIRLS' HIGH SCHOOL KAMUSINGA
INCOME GENERATING ACTIVITIES
TRIAL BALANCE AS AT 30TH JUNE 2021

PARTICULARS	L.F	ESTIMATES	DEBIT	CREDIT	COMMIT	BALANCE
		KSHS	KSHS	KSHS	KSHS	KSHS
OPENING BALANCES - CASH	CB 1					
- BANK	CB 1			512,348.00		
RENT	1	924,000.00	73,715.00	230,000.00		156,285.00
BAKERY	3	1,800,000.00	1,399,900.00	2,009,899.00		609,999.00
DAIRY	5	400,000.00	163,486.00	311,240.00		147,754.00
VEGETABLES	7	400,000.00	72,288.00	73,150.00		862.00
TREE NURSERY	9	50,000.00	92,425.00	8,820.00		-83,605.00
BANANAS	11	20,000.00		6,150.00		6,150.00
PIGS	13	1,500,000.00	1,704,125.00	622,779.00		-1,081,346.00
BEES	15	50,000.00	26,300.00	32,250.00		5,950.00
ADMNISTRATION	17		1,868.50	3,000.00		1,257.50
GREENHOUSE	19		67,300.00			-67,300.00
BAL C/D - CASH	CB6		0.00	91,139.00		
- BANK	CB6		299,367.50			
TOTALS			3,900,775.00	3,900,775.00		

BANK RECONCILIATION AS AT 30TH JUNE 2021

Balance as per cash book	299,367.50
Balance as per Bank Statement	299,367.50

Prepared By:  Certified By: 
BURSAR **PRINCIPAL**

DATE: DATE:



MOI GIRLS HIGH SCHOOL-KAMUSINGA

TRIAL BALANCE AS AT 30TH JUNE 2021

	DR	CR
	Kshs	Kshs
Cash and Cash equivalents		
Bank Balances	16,332,411	
Cash Balances	177,652	
Short term investments	-	
Receivables	16,909,848	
Payments		
Payments for Tuition	5,341,654	
Payments for operations	34,875,107	
Boarding and school fund payments	86,952,219	
Receipts		
Capitation grants for tuition		4,170,738
Capitation grants for operations		32,562,958
School Fund Income- Parents' Contributions		67,524,442
School Fund Income- Other receipts		7,334,503
Proceeds from borrowings		
Prior Year Adjustment		
Fund Balance b/f		36,184,749
Payables		12,811,502
TOTAL	160,588,891	160,588,891



MOI GIRLS HIGH SCHOOL KAMUSINGA

ACCOUNT PAYABLES AS AT 30TH JUNE 2021

1. SCHOOL FUND ACCOUNT.

S/N	PAYEE	VOTEHEAD	AMOUNT (KSH)
1	KISUMU MODERN ELECTRICALS	M.I	140,400
2	CTECX TECHNOLOGIES SOLUTIONS	ADM	292,667
3	JUA KALI STRUCTURAL ENG.	BES	246,000
4	SUNSHINE AUTOMOBILES	RMI	255,575
		TOTAL	934642
2.	OPERATION ACCOUNT		
1	GURDIT SINGH SHOP	ACT	77,600
2.	GLENNIS NAMASAKE	ACT	42,000
3	KISIWA CONSTR. COMPANY	MI	677,758
4	WESTON COMM. ENTERPRISE	ADM	415,263
		TOTAL	1,212,621
3.	INCOME GENERATION ACCOUNT		
	MOWA ENG. WORKS	BAKERY	295,000
		TOTAL	295,000
4.	TUITION ACCOUNT		
1	VAGHELA SCHOOL CENTRE	TLM	58,220
2	PEAK LAB LIMITED	LAB EQUIP /APP	334,500
3	NOPAT AGENCIES	EXE BOOKS	190,560
4	YOKHAMA ENTER	LAB CHEM	351,335
5	ASULAB ENTER	TLM	224,680
		TOTAL	1,159,295
		GRAND TOTAL	3,601,558



MOI GIRLS' HIGH SCHOOL KAMUSINGA

FEES ARREARS SUMMARY FROM 1ST JANUARY 2021 TO 30TH JUNE 2021

	LT & T/EWC/ADM/PE	COMPUTER	MI	ACTIVITY	BES	H/SCIENCE	SES	TOTAL
Form 1	196,090	52,202	25,670	3,200	749,704	40,450	-	1,067,316
Form 2	170,953	45,645	22,185	2,750	571,928	25,355	600	839,416
Form 3	255,639	71,530	34,505	4,300	748,947	18,560	3,350	1,136,831
Form 4	144,648	-	19,600	2,450	379,684	6,593	8,260	561,235
	767,330	169,377	101,960	12,700	2,450,263	90,958	12,210	3,604,798

