

REPUBLIC OF KENYA



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TABLED BY: Deputy Leader of
Majority Party
OF CLERK-AT-THE-TABLE: WILLIE ORIERO

THE AUDITOR-GENERAL

ON

KIAMBOGO SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2022**

NAKURU COUNTY



KIAMBOGO PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2022

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

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1. Acronyms and Glossary of Terms

BOM	• Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education.

2. 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 in Nakuru County, Naivasha Sub-County.

The school was registered in 29 October/2002 under registration number GP/A/2387/2002 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a day/boarding school and had 734 number of students as at 30 June 2022. It has 3 streams and 24 teachers of which 9 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	John K.Mwangi	Chairman	23-05-2022
2	Daniel C.Rotich	Secretary – Principal	23-05-2022
3	Phyllis Mathu	Member	23-05-2022
4	George Kuria	Member	23-05-2022
5	Purity Wamahiu	Member	23-05-2022
6	Mercy Kinuthia	Member	23-05-2022
7	Francis Chege	Member	23-05-2022
8	Nancy Mutai	Member – Rep CEB	23-05-2022
9	Solomon Muiruri	Member Rep Teachers	23-05-2022
	Esther Mungai Joseph Wagura		23-05-2022
10	Harun kiarie	3 Members – Sponsor	
11	John Kinuthia	Member – Community	23-05-2022
12	Zack N Mukuha	Member Special Needs	23-05-2022
13	Peter Ndungu	Rep Students	23-05-2022

The functions of the School Board of Management are to:

- 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 (i) (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.Mr.John Mwangi 2.Mr.Daniel Rotich 3.MR.Joseph Wagura 4.Ms.Anne Wariara 5.Mr.Mercy Kinuthia	Chairperson Secretary Member Member Member	2/2 2/2 2/2 2/2 2/2
2	Audit Committee	1.Mr.Joseph Wagura 2.Mr.Daniel Rotich 3.Ms.Phyllis Mathu 4.Mr.Zack N. Mukuha 5.Ms.Anne Wariara	Chairperson Secretary Member Member Member	2/2 2/2 2/2 2/2 2/2
3	Finance, procurement and general purposes Committee	1.Mr.Harun kiarie 2.Ms Esther Mungai 3.Mr.John Mwangi 4.Mr.David kinuthia 5.Mr. Daniel Rotich	Chairperson Secretary Member Member Member	2/2 2/2 2/2 2/2 2/2
4	Academic Committee	1.Mr.Francis Chege 2.Mr.Daniel Rotich 3.Mr.John Mwangi 4.Mr Francis Ngigi	Chairperson Secretary Member Member Member	3/3 3/3 3/3 3/3 3/3

KIAMBOGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30 June 2022**

		6. Anne Wariara 7. Ms. Purity Musyoki	Member	3/3
5	Development Committee	1. Mr. John Kinuthia 2. Ms. Esther Mwangi 3. Mr. George Kuria 4. Mr. Daniel Rotich 5. Ms. Anne Wariara 6. Mr. John Mwangi	Chairperson Secretary Member Member Member Member	5/5 5/5 5/5 5/5 5/5 5/5
6	Discipline and welfare Committee	1. Ms. Mercy Kinuthia 2. Mr. John Mwangi 3. Mr. Daniel Rotich 4. Ms. Anne Wariara	Chairperson Secretary Member Member	1/1 1/1 1/1 1/1

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Annual Report and Financial Statements For the year ended 30 June 2022

(d) School operation Management

For the financial year ended 30 June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Daniel C Rotich	TSC No. 336100
2	Deputy Principal	Esther Mwangi	TSC No.404936
3	School Bursar	Agnes Wanjiru	
4	Other (specify)		

(e) Schools contacts

Post Office Box: 938-20117
Telephone: 0115052513
E-mail: secondarykiambogo@gmail.com

(f) School Bankers

Provide details of the school bankers.

1. OPERATION ACCOUNT

Name of Bank: KCB
Branch: NAIVASHA
Account Number: 1104214083

2. TUITION ACCOUNT

Name of bank : KCB
Branch: NAIVASHA
Account Number: 1104212757

3. CDF ACCOUNT

Name of Bank: EQUITY BANK
Branch: Naivasha
Account Number: 0200269326212

4. INFRASTRUCTURE ACCOUNT

Name of bank: KCB
Branch: Naivasha
Account Number: 1270652591

5. SCHOOL FUND ACCOUNT

Name of bank : EQUITY
Branch: NAIVAISHA
Account Number: 020029704388

(g) Independent Auditors

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

3. 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 and deficit for the last two years

	2021/2022	1st January to 30th June 2021
Surplus (Deficit)	2,431,324.80	4,003,406.35

- Capitation grants from the ministry of education for the last two years

	2021/2022	1st January to 30th June 2021
Operations	6,569,859.40	3,540,417.11
Tuition	2,380,780.40	835,199.25
Infrastructure	3,853,000.00	3,047,000.00
TOTAL	12,803,639.80	7,422,616.36

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

ACCOUNT	2021-2022	Jan-June 2021
School fund	24,188,102.00	9,197,995.00
Farm Income	104,220.00	41,060.00
Total	24,292,322.00	9,239,055.00

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

Year	2021-2022	Jan-June2021
Tuition	2,073,609.00	1,109,856.00
Operations	6,720,144.00	3,194,025.01

KIAMBOGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30 June 2022**

Infrastructure	5,049,775.00	1,121,178.00
School fund	20,821,109.00	7,233,206.00
Total	34,664,637.00	12,658,265.01

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

	2021-2022	Jan-June2021
Creditors	1,525,734.00	741,018.00
Debtors	1,124,205.00	948,305.00

I) Teacher Student ratio:

1. The teacher student ratio is 1:31
2. Teachers recruited and posted to the school during the year - 2
3. Teachers transferred within the year -0
4. TSC teachers – 15
5. B.O.M Teachers - 9

ANALYSIS OF TEACHER PER SUBJECT

NO	SUBJECTS	NO.OF TEACHERS
1	Maths	2
2	English	4
3	Kiswahili	2
4	Biology	2
5	Physics	2
6	History	3
7	Geography	2
8	C.R.E	3
9	Agriculture	1
10	Chemistry	2
11	Bussines studies	2
	TOTAL	25

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II) Mean score in the 2019-2021 KCSE:

YEAR	MEANS SCORE
2021	2.803
2020	3.725
2019	4.040

III) Number of Candidates in the 2019 to 2021 KCSE:

YEAR	NO STUDENTS SITTING KCSE
2021	133
2020	92
2019	71

IV) Capacity of the school:

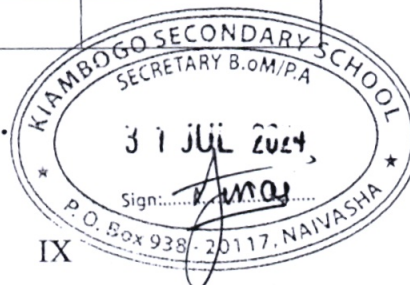
NO	DETAILS	NO.OF FACILITIES	NO.OF STUDENTS
1	Dormitories	5	460
2	Dinning hall	0	734
3	Laboratory	1	734
4	Toilets	27	734
5	Classrooms	14	734
6	Kitchen	1	734
7	Library	0	734

b) Development projects carried out by the school:

Projects	Source of Funds	Amount Spent (Kshs)	Status
School	M.O.E	5,049,145.00	Complete
laboratory	MIF		

..... *MUSA MJOLOPE*

School Principal



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 (PSASB) 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 Kiambogo secondary school accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with the 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, 2022, and of the school's financial position as at that date.

John K. Mwangi
.....

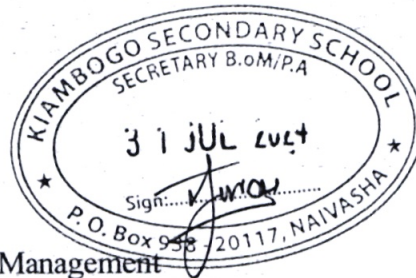
Name: *John K. Mwangi*
Designation: Chairman, School Board of Management

Date: *31/7/24*

Moses Mutoro
.....

Name:
Designation: School Principal & Secretary to Board of Management

Date:



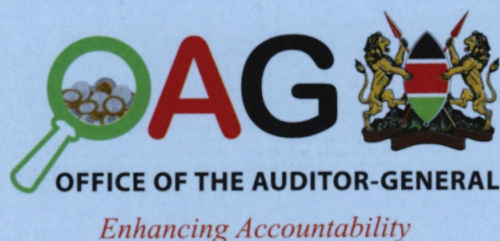
Phuomenan Mwangi
.....

Name: Phuomenan Mwangi
Designation: Bursar/ Finance Officer

Date:

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KIAMBOGO SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU 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, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kiambogo Secondary School - Nakuru County set out on pages 1 to 18, which comprise of the statement of financial

assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kiambogo Secondary School - Nakuru County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Presentation and Disclosures in the Financial Statements

1.1 Inaccuracies in the Financial Statements

The annual report and financial statements prepared and presented for audit had the following presentation and disclosure errors;

- i. In the statement of receipts and payments variances were noted between reported amounts and the amounts as per the accompanying disclosure notes as detailed below;

Item	Reported Amount (Kshs)	Amount as per Disclosure Note (Kshs)	Variance (Kshs)
Infrastructure (Note 8)	5,049,775	5,049,145	630
Boarding and School Fund (Note 9)	20,821,109	19,757,395	1,063,714

- ii. In the statement of cash flows variances were noted between reported amounts and the amounts as per the accompanying disclosure notes as detailed below;

Item	Reported Amount (Kshs)	Amount as per Disclosure Note (Kshs)	Variance (Kshs)
School Fund Income – Parents Contributions/Fees (Note 4)	24,012,202	24,188,102	(175,900)
Cash Outflows for Tuition (Note 6)	2,352,607	2,073,609	278,998
Cash Outflows Boarding/Lunch and School Fund Payments (Note 9)	19,736,135	19,757,395	(21,260)
Acquisition of Assets (Note 8)	5,071,035	5,049,145	(21,890)

In the circumstances, the accuracy, completeness and presentation and disclosure of the financial statements could not be confirmed and the financial statements do not comply with the requirements of the Public Sector Accounting Standards Board.

1.2 Inaccuracies in the Capitation Grants for Operations

The statement of receipts and payments reflects government grants for operations amount of Kshs.6,569,859 as disclosed in Note 2 to the financial statements. However, it was observed that the reported amount was at variance with the amount as per the cash book of Kshs.10,422,859, resulting to an unreconciled variance of Kshs.3,853,000.

Further, it was observed that the actual receipts for repairs, maintenance and improvement funds were at variance with the disbursements made by the State Department for Basic Education. The School received an amount of Kshs.3,641,000 in relation to repairs, maintenance and improvement funds as per the State Department's records which was at variance with actual receipts of Kshs.3,532,000 resulting to a variance of Kshs.109,000 which was not reconciled.

In the circumstances, the accuracy and completeness of the capitation grants for operations amount of Kshs.6,569,859 could not be confirmed.

1.3 Inaccuracies in Payments for Operations

The statement of receipts and payments reflects payments for operations amount of Kshs.6,720,144 as disclosed in Note 7 to the financial statements. However, it was observed that the reported amount was at variance with the amount as per the cash book of Kshs.10,366,120, resulting to an unreconciled variance of Kshs.3,645,976.

In the circumstances, the accuracy and completeness of payments for operations amount of Kshs.6,720,144 could not be confirmed.

1.4 Inaccuracies in Payments for Tuition

The statement of receipts and payments reflects payments for tuition amount of Kshs.2,073,609 as disclosed in Note 6 to the financial statements. However, it was observed that the reported amount was at variance with the amount extracted from the payment vouchers of Kshs.2,351,383 resulting to an unreconciled variance of Kshs.277,774.

In the circumstances, the accuracy and completeness of the payments for tuition amount of Kshs.2,073,609 could not be confirmed.

1.5 Inaccuracies in Boarding and School Fund Payments

The statement of receipts and payments reflects boarding and school fund payments of Kshs.20,821,109 as disclosed in Note 9 to the financial statements. However, it was observed that the reported amount was at variance with the amount as per the cash book of Kshs.19,688,096 resulting to an unreconciled variance of Kshs.1,133,013.

In the circumstances, the accuracy and completeness of the payments for boarding and school fund amount of Kshs.20,821,109 could not be confirmed.

2. Unsupported Payments for Tuition

The statement of receipts and payments reflects payments for tuition amount of Kshs.2,073,609 as disclosed in Note 6 to the financial statements. However, audit verification of payment vouchers amounting to Kshs.1,082,293 revealed that payment vouchers were not adequately supported and lacked local purchase orders, delivery notes and inspection and acceptance certificates.

In the circumstances, the occurrence, accuracy and completeness of payments for tuition of Kshs.1,082,293 could not be confirmed.

3. Unsupported Payments for Operations

The statement of receipts and payments reflects payments for operations amount of Kshs.6,720,144 as disclosed in Note 7 to the financial statements. Included in this is an amount of Kshs.616,185 in respect to payment of transport and facilitation of official duties. No documentation was provided to show the rates and approval each cadre of staff is entitled to in terms of transport allowance. In addition, review of sampled payment vouchers revealed that the payment vouchers did not have receipts or work tickets.

In the circumstances, the accuracy and occurrence of payments for operations of Kshs.616,185 could not be confirmed.

4. Unsupported Payments for Boarding and School Fund

The statement of receipts and payments reflects boarding and school fund payments of Kshs.20,821,109 as disclosed in Note 9 to the financial statements. However, audit verification of sampled payment vouchers revealed that payments amounting to Kshs.1,873,604 were not adequately supported and lacked local purchase orders, receipts and inspection and acceptance certificates.

In the circumstances, the occurrence, accuracy and completeness of payments for boarding and school fund of Kshs.1,873,604 could not be confirmed.

5. Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities reflects a balance of Kshs.9,531,600 in respect of cash and cash equivalents as disclosed in Notes 10 and 11 to the financial statements. However, examination of records revealed that Management failed to prepare bank reconciliation statements for the four (4) bank accounts in operation. In addition, Management did not provide infrastructure cashbook for the period under review for audit. Further, Management did not provide a board of survey report to confirm the cash in hand balance of Kshs.117,681.

In the circumstances, the accuracy, completeness and existence of the cash and cash equivalents balance of Kshs.9,531,600 reflected in the financial statements could not be ascertained.

6. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects a balance of Kshs.1,124,205 in respect of accounts receivables as disclosed in Note 13 to the financial statements. However, support documentation including fee arrears schedule and aging analysis were not been provided for review. Further, included in the balance are receivables amounting to Kshs.587,805 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the existence, accuracy, completeness and full recoverability of accounts receivables balance of Kshs.1,124,205 could not be confirmed.

7. Unsupported Pending Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.1,525,734 as disclosed in Note 14 to the financial statements. However, support documentation including local purchase orders, invoices and goods received notes were not provided for audit review.

In the circumstances, the accuracy, completeness and occurrence of accounts payables balance of Kshs.1,525,734 could not be confirmed.

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

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.34,870,000 and Kshs.33,884,276 respectively, resulting to an under-funding of Kshs.985,724 or 3% of the budget. However, the School spent Kshs.29,491,308 against actual receipts of Kshs.33,884,276, resulting to an under-utilization of Kshs.4,392,968 or 13% of 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.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2022.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 20 April, 2024 instead of the statutory date of 30 September, 2022. This is 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.

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

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

The statement of receipts and payments reflects payments for operations amount of Kshs.6,720,144 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.763,020 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.763,020 could not be confirmed

3. Irregularities in the Procurement of Goods and Services

The statement of receipts and payments reflects boarding and school fund payments of Kshs.20,821,109 as disclosed in Note 9 to the financial statements. The payments include an amount of Kshs.1,758,325 paid to four (4) suppliers for supply of foodstuffs and other items. Management used open tender method of procurement to award the tenders. However, the following gaps were noted in the procurement process for the items;

- a) The procurements were not initiated by the user departments as there were no user requisitions for the goods and services. This is contrary to Section 44(2) h of the Public Procurement and Asset Disposal Act, 2015 which requires the Accounting Officer to ensure different professionals handle procurement initiation, processing and receipt of goods, works and services.
- b) Tender opening, tender evaluation and awarding of the tenders was done by the Tendering Committee. The Accounting Officer had not appointed Tender Opening and Tender Evaluation Committees as prescribed by Section 78(1) and Section 46(1) of the Public Procurement and Asset Disposal Act, 2015. The awarding of tender is the role of the Accounting Officer.
- c) The Evaluation Report had not been signed by all the committee members. Section 80(7) of the Public Procurement and Asset Disposal Act, 2015 prescribes that each of the Evaluation Committee members should sign.
- d) After tender evaluation, no Professional Opinion on the procurement proceedings for these items had been issued to the Accounting Officer by the person designated to handle procurements in the institution. This is contrary to Section 84(1) of the Public Procurement and Disposal Act, 2015 which requires the head of procurement to review the Tender Evaluation Report and provide a signed Professional Opinion to the Accounting Officer.
- e) Inspection and Acceptance Committees were not constituted to ensure the correct quantities of goods were received as recommended by Section 48(1) of the Public Procurement and Disposal Act, 2015.

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

4. Unsupported Direct Procurement of Goods

The statement of receipts and payments reflects boarding and school fund payments of Kshs.20,821,109 as disclosed in Note 9 to the financial statements. The payments include an amount of Kshs.741,590 paid to various suppliers for supply of furniture and foodstuffs. However, Management used the direct procurement method without satisfying the conditions set out in Section 103 (2) of the Public Procurement and Asset Disposal Act for using direct procurement method. This include; where only one supplier is available with no alternatives, urgent needs due to unforeseen events, standardization or compatibility with existing goods; and goods or services provided by a public entity at a fair price.

In the circumstances, Management was in breach of the law and value for money may not have been achieved on goods procured at a cost of Kshs.741,590.

5. Unapproved Budget

The statement of budgeted versus actual amounts reflects final income and payments budget of Kshs.34,870,000 and Kshs.29,310,200 respectively. It was however noted that the budget in place was not approved by the Board of Management. This is contrary to Section 16(1) of the Basic Education Act, 2013 on the preparation of annual estimates for schools.

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

6. Lack of a Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.37,095,962 and Kshs.34,664,637 in respect of total receipts and payments respectively. However, Management did not provide an annual procurement plan as part of the annual budget preparation process for audit.

This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which stipulates that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Inaccuracies in Student Enrollment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amounts of Kshs.2,380,780 and Kshs.6,569,859

respectively as disclosed in Notes 1 and 2 to the financial statements. Comparison of data from National Education Management and Information System (NEMIS) with enrolment records provided by the School revealed that during the financial period 2021/2022, NEMIS reflected seven hundred and twenty-four (724) students while School records had seven hundred and thirty-four (734) students, resulting to an unexplained variance of ten (10) students. As a result of the variances, the School was under funded by an amount of Kshs.40,054. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, underfunding of the School may have affected service delivery to the students.

2. Irregularities in the Composition of Board of Management

Audit review of Board of Management revealed that the Board did not hold meetings for four (4) committees that is; the Audit Committee, the Finance, Procurement and General-Purpose Committee, Academic Committee and Discipline and Welfare Committee which was contrary to the fourth schedule of the Basic Education Act, 2013 and the Board of Management did not have an annual work plan or written down schedule of activities for the year.

Further, the Board was not properly constituted as it included the Deputy Principal as a member of five (5) Committees to the Board, which was contrary to Section 56(1-3) of the Basic Education Act, 2013 which lists members who should be included in the Board and does not include the Deputy Principal.

In addition, out of the fifteen (15) Board members disclosed in the financial statements, nine (9) members' appointment and acceptance letters were not provided for audit. Further, one Board member who was appointed on 24 June, 2019 for a three-year term was not disclosed in the financial statements.

In the circumstances, the effectiveness of the Board of Management in oversight of the School could not be confirmed.

3. Weaknesses in Management of Textbooks

Review of records provided for audit revealed that the School had not established a School Instructional Materials Selection Committee, which was contrary to Part E of the General Information of the Orange Book Published in 2017.

In addition, physical verification of textbooks revealed textbook storage facilities were inadequate, resulting to the School storing the remaining textbooks in unsafe conditions such as floor, therefore exposing the textbooks to damage in the event of heavy down pour or water spillage during cleaning.

Further, some books were missing as shown below:

Title	Issued	Lost
A Silent Song and Other Stories (Anthology of Short Stories)	298	63
The Pearl An Artist of the Floating World (Optional Novel)	298	70
Bembea ya Maisha (Tamthilia)	298	55

In the circumstances, Management had not implemented adequate controls for proper management of textbooks.

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

Responsibilities of Management and 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 sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be materials weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal controls 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 controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures, as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 October, 2024

KIAMBOGO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30 June 2022

5. Statement Of Receipts and Payments For the Year Ended 30 June 2022

Receipts			
Government grants for tuition	1	2,380,780.40	835,199.25
Government grants for operations	2	6,569,859.40	3,540,417.11
Government Grants for infrastructure	3	3,853,000.00	3,047,000.00
School fund income- parents' contributions	4	24,188,102.00	9,197,995.00
Miscellaneous incomes	5	104,220.00	41,060.00
Total Receipts		37,095,961.80	16,661,671.36
Payments			
Tuition	6	2,073,609.00	1,109,856.00
Operations	7	6,720,144.00	3,194,025.01
Infrastructure	8	5,049,775.00	1,121,178.00
Boarding and school fund	9	20,821,109.00	7,233,206.00
Total Payments		34,664,637.00	12,658,265.01
Surplus/Deficit		2,431,324.80	4,003,406.35

The school financial statements were approved on _____ and signed by:

John K. Mwangi *JOHN MWANGI*

Name:

[Signature]

Chair BOM

Date:

31/7/24

Name:

School Principal/ Secretary to BOM



Name:

Phylomena Makenya

Bursar/ Finance Officer

Date:

KIAMBOGO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30 June 2022

6. Statement of Assets and Liabilities As At 30th June 2022

Description	Note	2022/2023	1 JAN 30 JUNE 2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	9,413,919.44	6,470,003.64
Cash balances	11	117,681.00	21,456.00
Short term investments	12	-	-
Total cash and cash equivalent		9,531,600.44	6,491,459.64
Account's receivables	13	1,124,205.00	948,305.00
Total financial assets		10,655,805.44	7,439,764.64
Financial liabilities			
Accounts payables	14	1,525,734.00	741,018.00
Net financial assets		9,130,071.44	6,698,746.64
Represented by			
Accumulated fund b/fwd	15	6,698,746.64	2,695,340.29
Surplus/deficit for the year		2,431,324.80	4,003,406.35
Net financial position		9,130,071.44	6,698,746.64

The school's financial statements were approved on _____ and signed by:

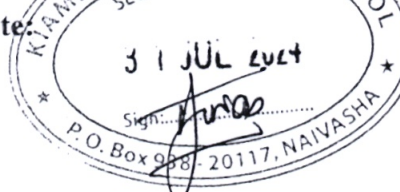
John K. Mwangi *MAFES MOKORE*

Name: *[Signature]*

Chair BOM

Date: *31/7/24*

Name: _____
School Principal/ Secretary to BOM

Date: _____


[Signature]
Name: *Phnomon MOKORE*

Bursar/ Finance Officer

Date: _____

KIAMBOGO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30 June 2022

7. Statement of Cash Flows for the Year Ended 30 June 2022

Description	Notes	2022/2023	JAN 30 JUNE
		KShs	2021 KShs
Cash from Operating Activities			
Receipts			
Government grants for tuition		2,380,780.40	835,199.25
Government grants for operations		6,569,859.40	3,540,417.11
Government grants for infrastructure		3,853,000.00	3,047,000.00
School fund income- parents contributions/ fees		24,012,202.00	8,837,495.00
Other income		104,220.00	41,060.00
Total receipts		36,920,061.80	16,301,171.36
Payments			
Cash outflows for tuition		4,552,607.00	830,858.00
Cash outflows for operations		6,720,144.00	3,194,025.01
Cash outflows Boarding/lunch and school fund payments		19,736,135.00	6,763,136.00
Total payments		28,808,886.00	10,788,019.01
Net cash inflow/outflow from operating activities		8,111,175.80	5,513,152.35
Cash flow from investing activities			
Proceeds from sale of Assets			
Acquisition of assets		(5,071,035.00)	(1,129,228.00)
Proceeds from investments		0.00	0.00
Purchase of investments			
Net cash inflow/outflows from investing activities		(5,071,035.00)	(1,129,228.00)
Net increase/decrease in cash and cash equivalents		3,040,140.80	4,383,924.35
Cash and cash equivalent at beginning of the FY		6,491,459.64	2,107,535.29
Cash and cash equivalent at end of the FY		9,531,600.44	6,491,459.64

The school's financial statements were approved on _____ and signed by:

John K. Mwangi

David Mwangi

[Signature]

Name: *[Signature]*

Name:
 School Principal/ Secretary to
 BOM

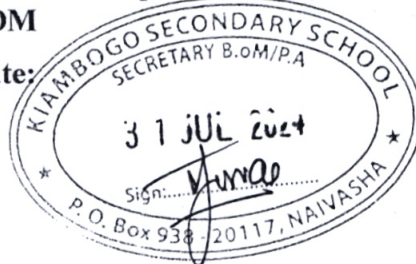
Name: *Philemon Makara*
 Bursar/ Finance Officer

Chair BOM

Date:

Date:

Date: *31/7/24*



8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipts/Expenses Item	Original Budget	Adjusted Budget	Actual Budget	% Of Budget	% Of Actual
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Exercise Books	350,000.00		350,000.00	200,000.00	57.14%
Laboratory Equipment	850,000.00		850,000.00	700,000.00	82.35%
Teaching and learning Materials	800,000.00		800,000.00	780,780.40	97.60%
Stationary	750,000.00		750,000.00	700,000.00	93.33%
(2) Capitation Grant on Operations					
Electricity And Water	1,200,000.00		1,200,000.00	1,093,001.40	91.08%
Local Transport / Travelling	1,220,000.00		1,220,000.00	1,016,162.00	83.29%
Repairs And Maintenance	450,000.00		450,000.00	403,362.00	89.63%
Personnel Emoluments	3,500,000.00		3,500,000.00	3,069,371.80	87.70%
Admin cost	1,100,000.00		1,100,000.00	987,962.20	89.81%
3) FDSE for infrastructure					
Construction of school laboratory	3,500,000.00		3,500,000.00	3,853,000.00	110.09%
M&I parents' contribution					
(4) Fees Charged on Parents					
Personnel Emoluments	2,300,000.00		2,300,000.00	2,265,480.00	98.50%
Repairs And Maintenance	2,000,000.00		2,000,000.00	2,265,480.00	113.27%
Local Transport / Travelling	850,000.00		850,000.00	831,064.00	97.77%
Fee On Boarding Equipment and Stores/lunch programme	16,000,000.00		16,000,000.00	15,614,392.00	97.59%
5) Miscellenous Income					
Income From Farming Activities				104,220.00	
Total Income	34,870,000.00		34,870,000.00	33,884,275.80	97.17%
(6) Expenditure For Tuition					
Exercise books	500,000.00		500,000.00	465,420.00	93.08%
Laboratory Equipment	650,000.00		650,000.00	630,613.00	97.02%
Stationaries	750,000.00		750,000.00	663,352.00	88.45%

KIAMBOGO SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30 June 2022

Receipt / Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	A	B	C=A+B	D	E=D/C%
	Kshs	Kshs	Kshs	Kshs	Kshs
Teaching / Learning Materials	290,000.00		290,000.00	287,000.00	98.97%
Creditors				26,000.00	
Bank Charges				1,224.00	
(7) Expenditure For Operations					
Personnel Emoluments	2,500,000.00		2,500,000.00	2,210,120.00	88.40%
Repairs, Maintenance & Improvements	550,000.00		550,000.00	545,400.00	99.16%
Local Transport / Travelling	730,000.00		730,000.00	721,110.00	98.78%
Electricity, Water and Conservancy	900,000.00		900,000.00	868,488.00	96.50%
Administration Costs	2,200,000.00		2,200,000.00	2,106,828.00	95.76%
Activity Expenses	250,200.00		250,200.00	245,200.00	98.00%
Medical and insurance	50,000.00		50,000.00	20,060.00	40.12
(8) Expenditure For infrastructure					
Construction of classrooms					
Construction of Laboratory	3,500,000.00		3,500,000.00	5,049,145.00	144.26%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	1,500,000.00		1,500,000.00	1,414,430.00	94.30%
Repairs, Maintenance and Improvements	820,000.00		820,000.00	817,715.00	97.72%
Local Transport / Travelling	250,000.00		250,000.00	243,999.00	97.60%
Electricity, Water and Conservancy	370,000.00		370,000.00	361,000.00	97.57%
Farm expenses				73,250.00	
Boarding Equipment and Stores/lunch programme	13,500,000.00		13,500,000.00	12,740,954.00	94.38%
Totals	29,310,200.00		29,310,200.00	29,491,308.00	100.62%

Commentary on significant underutilization and overutilization

- i) Underutilization was due to underfunding from the ministry of Education during the year.
- ii) Overutilization was caused by inflation which led to rise in price of commodities.

9. 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 school fees from parents, 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

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

KIAMBOGO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30 June 2022

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.

KIAMBOGO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30 June 2022

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. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30 June 2022.

KIAMBOGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30 June 2022****10. Notes To The Financial Statements****1 Government Grants for Tuition**

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Exercise books	200,000.00	
Tuition		221,638.00
Laboratory Equipment	700,000.00	613,561.25
Stationaries	700,000.00	
Teaching / Learning Materials	780,780.40	
Total	2,380,780.00	835,199.25

2 Government Grants for Operations

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Electricity And Water	1,093,001.40	
Local Transport / Travelling	1,016,162.00	
RMI	403,362.00	
Personal emolument	3,069,371.80	
Admin cost	987,962.20	
Admin Cost,EWC,Personal Emolument,LTT		3,540,417.11
Activity		
Total	6,569,859.40	3,540,417.11

3 Government Grants for infrastructure

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Maintenance & Improvement-Operation	3,853,000.00	2,247,000.00
Maintenance & Improvement-School fund		800,000.00
Total	3,853,000.00	3,047,000.00

KIAMBOGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30 June 2022****4 School Fund Income - Parents Contribution/Fees**

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Fee on Boarding Equipment and stores/lunch programme	15,790,292.00	9,197,995.00
Personnel emoluments	2,265,480.00	
Repairs and maintenance	2,394,992.00	
Local transport / travelling	831,064.00	
Electricity and water	1,352,010.00	
Administration costs	999,210.00	
Activity	564,054.00	
Total	24,188,102.00	9,197,995.00

5 Miscellaneous Incomes

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Income From Farming Activities	104,220.00	41,060.00
Insurance Compensation		
Total	104,220.00	41,060.00

6 Tuition

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Tuition		185,250.00
Laboratory Equipment	630,613.00	214,750.00
Teaching / Learning Materials	287,000.00	308,998.00
Stationery	663,352.00	300,000.00
creditors	26,000.00	100,000.00
Bank charges	1,224.00	858.00
Exercise books	465,420.00	
Total	2,073,609.00	1,109,856.00

KIAMBOGO SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30 June 2022

• **Notes to the Financial Statements (continued)**

7 Operations

Description	2021-2022	1 JAN 2021 - 30 JUNE 2021
	Kshs	Kshs
Electricity And Water	868,488.00	178,880.00
Local Transport / Travelling	721,110.00	311,845.00
Repairs And Maintenance & Improvements	545,400.00	484,850.00
Personal emolument	2,210,120.00	1,227,550.00
Admin costs	2,106,828.00	984,368.01
Activity Expenses	245,200.00	5,555.00
Medical	20,060.00	
Bank charges	2,938.00	977.00
Total	6,720,144.00	3,194,025.01

KIAMBOGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30 June 2022****Notes to the Financial Statements (continued)****8 Infrastructure**

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Construction of twelve door girls toilet		1,120,800
Construction of laboratory	5,049,145.00	
Total	5,049,145.00	1,120,800

9 Boarding And School Fund

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Personnel Emoluments	1,414,430.00
Repairs And Maintenance & Improvements	4,121,525.00	395,720.00
Local Transport / Travelling	817,525.00	271,580.00
Electricity And Water	243,999.00	57,500
Farm Expenses	73,250.00	162,900.00
Administration Costs	997,476.00	247,326.00
Fees refund	29,500.00	60,000.00
Bank Charges	21,260.00	8,050.00
Fee On Boarding Equipment and Stores/lunch programme	11,677,240.00	4,866,280.00
Infrastructure		800,000.00
Creditors	361,000.00	26,000.00
Total	19,757,395.00	7,233,206.00

KIAMBOGO SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30 June 2022

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Bank Account Number	2021-2022 Kshs	1 JAN 2021- 30 JUNE 2021 Kshs
Tuition Account	1104212757	86,398.05	58,224.65
Operations Account	1104214083	1,066,965.00	1,207,164.50
School Fund Account/Boarding	020029704388	7,522,979.49	3,270,263.49
Infrastructural Account	1270652591	737,576.00	1,934,351.00
Total		9,413,919.44	6,470,003.64

11 Cash In Hand

Description	2021-2022 Kshs	1 JAN 2021- 30 JUNE 2021 Kshs
Operation account	11,370.00	21,456.00
School fund account	106,311.00	
Total	117,681.00	21,456.00

12 Short Term Investments

Description	2021-2022 Kshs	1 JAN 2021- 30 JUNE 2021 Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit accounts		
Other Investments		
Total		

KIAMBOGO SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30 June 2022

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2021/2022	1 JAN 2021 - 30 JUNE 2021
	Kshs	Kshs
Fees Arrears	1,124,205.00	948,305.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	1,124,205.00	948,305.00

13 b Ageing Analysis of Accounts Receivable

Description	2021/2022	1 JAN 2021 - 30 JUNE 2021
Fees arrears for the current year	445,900.00	360,500.00
Fees arrears for the previous year	90,500.00	0
Fees arrears for prior periods	587,805.00	587,805.00
	1,124,205.00	948,305.00

14 Accounts Payable

Description	2021/2022	1 JAN 30 JUNE 2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,525,734.00	741,018.00
Prepaid Fees		
Retention Monies		
Total	1,525,734.00	741,018.00

KIAMBOGO SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30 June 2022****Notes to the Financial Statements (continued)****14a. Ageing Analysis of Accounts Payable**

Description	2021/2022	JANUARY 2021- JUNE 2021
Trade Creditors for current year	1,525,734.00	741,018.00
Trade Creditors for the previous year		
Trade Creditors for prior periods		
TOTAL	1,525,734.00	741,018.00

15 Fund Balance Brought Forward

Description	1 JULY 2021-30 JUNE 2022	1 JAN-30 JUNE 2021
	Kshs	Kshs
Bank Balances	6,470,003.64	2,067,413.29
Cash Balances	21,456.00	40,122.00
Short Term Investments		
Receivables	948,305.00	587,805.00
Payables	(741,018.00)	
Total	6,698,746.64	2,695,340.29

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Other important disclosure notes

IPSAS Cash Standard 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.

16 Non-current Liabilities Summary

Description	2021-2022	1 JAN 2021- 30 JUNE 2021
	Kshs	Kshs
Bank Loans		0
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total		

17 Biological assets

Description	Numbers	2021/2022	1 JAN 2021- 30 JUNE 2021
		Kshs	Kshs
Cattle			
Goats			
Trees	200		
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total			

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year		
Borrowings during the year		
Repayments during the year		
Balance at the end of the year		

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Other important disclosure notes

19 Stock/ Inventory

Description	2021-2022	1 JAN 2021 30 JUNE 2021
	Kshs	Kshs
Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

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20 Progress On Follow Up Of Auditor Recommendations

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

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

KIAMBOGO SECONDARY SCHOOL
 SECRETARY B.O.M.P.A.
 31 JUL 2024
 Sign: *[Signature]*
 P.O. Box 938 20117, NAIVASHA

Sign and Date
 Principal

KIAMBOGO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30 June 2022

11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 2021/2022	Outstanding Balance Jan-July 2021	Comments
	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
Construction Of Buildings						
1.						
Supply Of Goods						
2. Victors Uniform	102,470.00	1/7/2022		102,470.00		School fund
3. Welgaton Fire extinguishers	74,300.00	1/7/2022		74,300.00		Schoolfund
4. Laverrom Holdings Ltd	329,670.00	1/7/2022		329,670.00		Schoolfund
5. One way Bookshop	232,960.00	1/7/2022		232,960.00		School fund
6. Montevard Company Ltd	363,429.00	1/7/2022		363,429.00		School fund
7. Mama Sera Shop	206,755.00	1/7/2022		206,755.00		School fund
8. Naiva Neema Cerials	144,000.00	1/7/2022		144,000.00		Schoolfund
Sub-Total	1,453,584.00			1,453,584.00		
Supply Of Services						
9. Peter Mwangi	22,150.00	1/7/2022		22,150.00		School fund
10. KPLC	50,000.00	1/7/2022		50,000.00		School fund
Grand Total	1,525,734.00			1,525,734.00		

KIAMBOGO SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30 June 2022

Annex 2 – Summary of Fixed Assets Register

Asset Class	No. of Assets b/w 1 July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost of (Kshs) 30 th June 2022
Land	5.755 Hectares			
Buildings And Structures	Class room blocks – 4 Dormitories – 5 Ablution blocks – 5 Science Laboratories -2 Store – 1 Gates – 1			
Motor Vehicles	Nil			
Office Equipment, Furniture And Fittings	Student desks & Chairs – 780 Office & Staffroom chairs – 50 Office & Staffroom chairs – 50 Students beds – 280 Semi-permanent servant quarter houses – 4 Permanent servant quarter -1			
Textbooks	Library Books -1830 copies Text books diverse subjects – 1085 Teachers reference books – 300			
ICT Equipment	Computers – 4 Labtops- 19 Kyocera Printer/Copiers – 4 Projectors - 1			
Tools And Apparatus	Farm tools – 14 Laboratory tools - 98			
Other Machinery And Equipment	Sports nets -6 Sports goal posts – 2 Kitchen cooker and equipments – 6			
Intangible Assets- Soft Ware	Zeraki exams software - 1			

The school had not done the valuation of assets therefore the number of assets were incorporated in the above summary of fixed asset register.