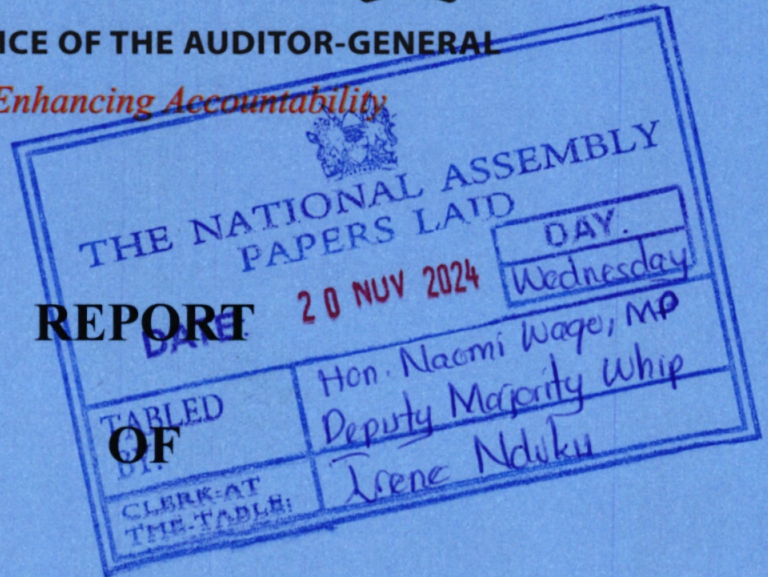


REPUBLIC OF KENYA



Enhancing Accountability



THE AUDITOR-GENERAL

ON

ENDARASHA BOYS HIGH SCHOOL

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

NYERI COUNTY

ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

Revised 30th June 2022.



ENDARASHA BOYS HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022**

Prepared in accordance with the CashBasis of Accounting Method under the International Public Sector Accounting Standar
(IPSAS)

ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

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ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

I.

I. KEY SCHOOL INFORMATION AND MANAGEMENT

ENDARASHA BOYS HIGH SCHOOL

(a) Back ground information

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

The school was re- registered on 17TH MAY 2018 under registration number 19 S 0030 0117 and is currently categorized as an *Extra County*, public school established, owned or operated by the Government.

The school is a boarding school and had 665 number of students as at 30th June 2022. It has 4 streams and 35 teachers of which 4 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	DR. ANTONY MUNGAI	CHAIRMAN/ SPONSOR	5 TH MARCH 2022
2	MR. PETER NJUGUNA	SECRETARY-PRINCIPAL	5 TH MARCH 2022
3	MR. MOSES MAINA	MEMBER- REP PARENT/LOCAL COMMUNITY	5 TH MARCH 2022
4	MR. CHRISTOPHER NJUE	MEMBER REP PARENT/LOCAL COMMUNITY	5 TH MARCH 2022
5	MRS ESTHER KIRAGU	MEMBER REP PARENT/LOCAL COMMUNITY	5 TH MARCH 2022
6	MRS JACKLINE NJOKI	MEMBER REP PARENT/LOCAL COMMUNITY	5 TH MARCH 2022
7	MRS CATHERINE MUCHOKI	MEMBER REP PARENT/LOCAL COMMUNITY	5 TH MARCH 2022
8	MS PATRICIA GATERE	REP. CEB	5 TH MARCH 2022
9	MR JOSEPH NDIANGUI	REP. CEB	5 TH MARCH 2022
10	FR. HARMAN KIBOI	REP. SPONSOR	5 TH MARCH 2022
11	MR. BENJAMIN WANJOHI	REP. SPONSOR	5 TH MARCH 2022
12	MRS MARY GITAHI	REP. TEACHERS	5 TH MARCH 2022
13	MR. LUKA GATHUA	MEMBER REP SPECIAL INTEREST	5 TH MARCH 2022
14	EPHANTUS MURIUKI	MEMBER REP. SPECIAL NEEDS	5 TH MARCH 2022
15	COLLINS NDUNG'U	REP STUDENT	5 TH MARCH 2022

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	DR. ANTHONY MUNGAI MR. PETER NUGUNA MR. BENJAMIN WANJOHI MRS JACKLINE NJOKI	CHAIRPERSON SECRETARY MEMBER MEMBER	2
2	Audit Committee	MS. CATHERINE MUCHOKI MR. EPHANTUS MURIUKI MS JACKLINE NJOKI (P.A)	MEMBER MEMBER MEMBER	0
3	Finance, procurement and general purposes Committee	MS. CATHERINE MUCHOKI MR EPHANTUS MURIUKI MS JACKLINE NJOKI (P.A)	MEMBER MEMBER MEMBER	0
4	Academic Committee	DR. ANTHONY MUNGAI MRS. MARY GITAH MR. CHRISTOPHER NJUE MR. MOSES MAINA FR. HARMAN KIBOI	MEMBER MEMBER MEMBER MEMBER MEMBER	0
5	Development Committee	DR. ANTONY MUNGAI MR. PETER NJUGUNA MR. J.P MAINA (SCDE) MR. GACHANJAE.K (D/P) MRS ESTHER KAGURU MS JACKLINE NJOKI (P.A)	MEMBER MEMBER MEMBER MEMBER MEMBER	0
6	Discipline and welfare Committee	DR. ANTHONY MUNGAI MRS. MARY W. GITAH MR. CHRISTOPHER NJUE MR. MOSES MAINA FR. HARMAN KIBOI	MEMBER MEMBER MEMBER MEMBER MEMBER	0

ENDARASHIA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

7	Adhoc Committee (if any during the year)	-	-	-	
---	--	---	---	---	--

(d) School operation Management

II.

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

Ref :	Designation	Name	TSC Number
1	Principal	PETERNJUGUNA	352951
2	Deputy Principal	ELIUD KIMARI GACHANJA	302700
3	School Bursar	MARGARET KANIARU	22034493

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(b) Schools contacts

Post Office Box: 34 10107

Telephone: 0720-668-226

E-mail: endarashaboys@yahoo.com

Website: endarashaboys.sc.ke

ENDARASHA BOYS HIGH SCHOOL**Reports and Financial Statements for the year ended 30th June 2022****(c) SchoolBankers**

The following school operated 8 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

	BANK	BRANCH	ACCOUNT NUMBER	TITLE
1	EQUITY	NYERI	0110262468503	TUITION
2	KCB	NYERI	1101850272	OPERATIONS
3	KCB	NYERI	1124302379	SCHOOL FUND
4	EQUITY	NYERI	011019454943	FEES COLLECTION
5	COOPERATIVE	NYERI	01100031450500	FEES COLLECTION
6	TAIFA SACCO	NYERI	01402 00585	FEES COLLECTION
7	COOPETATIVE	NYERI	01100031450501	GRATUITY ACCOUNT
8	TAIFA SACCO	FARM ACCOUNT	0140101265	FARM ACCOUNT
9	PAYBILL	BUS NO 522123 ACC 37338K	1124302379	

Independent Auditors

Office of the Auditor General Anniversary
Towers, University Way

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

P.O. Box 30084
GPO 00100
Nairobi, Kenya

ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

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:

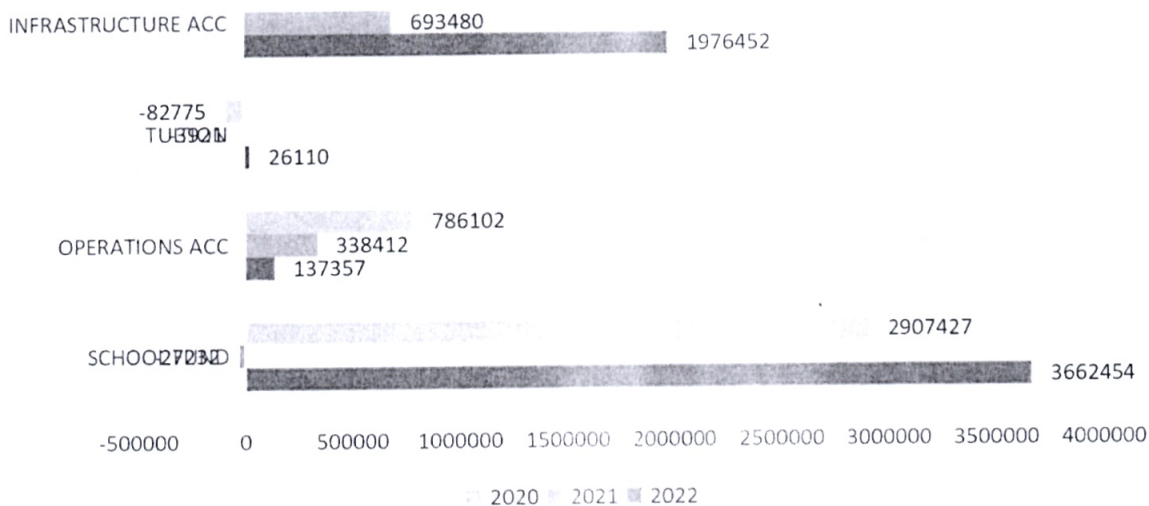
(Under this section, the following information should be given:

SURPLUS/ DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	ksh
School fund account	3,662,454.00	(27,232.00)	2,907,427.00	2,849,301.00
Operations account	137,357.20	338,412.25	786,102.00	(681,225.80)
Tuition account	26,110.00	(3,921.00)	(82,775.00)	(986,676.00)
Infrastructure account	1,976,452.00	693,480.00	0.00	36,780.00
TOTALS	5,802,373.20	1,000,739.25	3,610,754.00	1,218,179.20
Increase/decrease	↑ 4,801,669.75	↓ 2,610,014.75	↑ 2,392,575.00	↑ 1,374,831.80

Trend over the last 3 years

SURPLUS/DEFICIT CHART

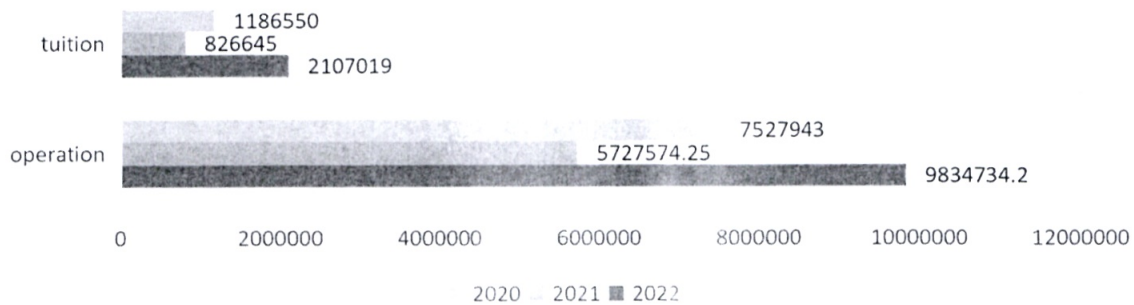


ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

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

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	Ksh
Operations account	9,834,734.2	5,727,574.25	7,527,943.00	7,402,464.00
Tuition account	2,107,019.00	826,645.00	1,186,550.00	1,550,419.00
TOTALS	11,941,753.20	6,554,219.25	8,714,493.00	8,952,883.00
Increase/decrease	↑ 5,387,533.95	↓ 2,160,273.75	↓ 238,390.00	↓ 3,749,414.29

CAPITATION CHART



ENDARASHA BOYS HIGH SCHOOL

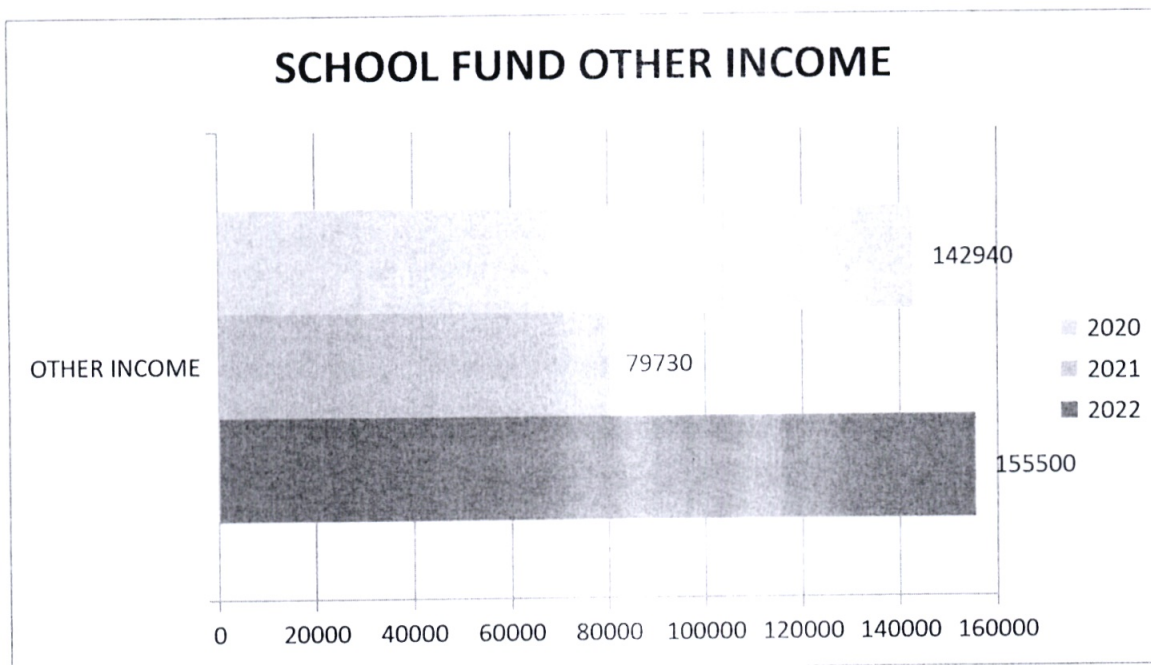
Reports and Financial Statements for the year ended 30th June 2022

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

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	Ksh
Operations account	9,834,734.20	5,727,574.25	7,527,943.00	7,402,464.00
Tuition account	2,107,019.00	826,645.00	1,186,550.00	1,550,419.00
TOTALS	11,941,753.20	6,554,219.25	8,714,493.00	8,952,883.00
No. of students	665	625	641	648
Capitation ratio	1:17957	1:10487	1:13595	1:13817

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

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	ksh
School fund account	155,500.00	79,730.00	142,940.00	361,990.00
TOTALS	155,500.00	79,730.00	142,940.00	361,990.00
Increase/decrease	↑ 75,770.00	↓ 63,210.00	↓ 219,050.00	↓ 42,340.00



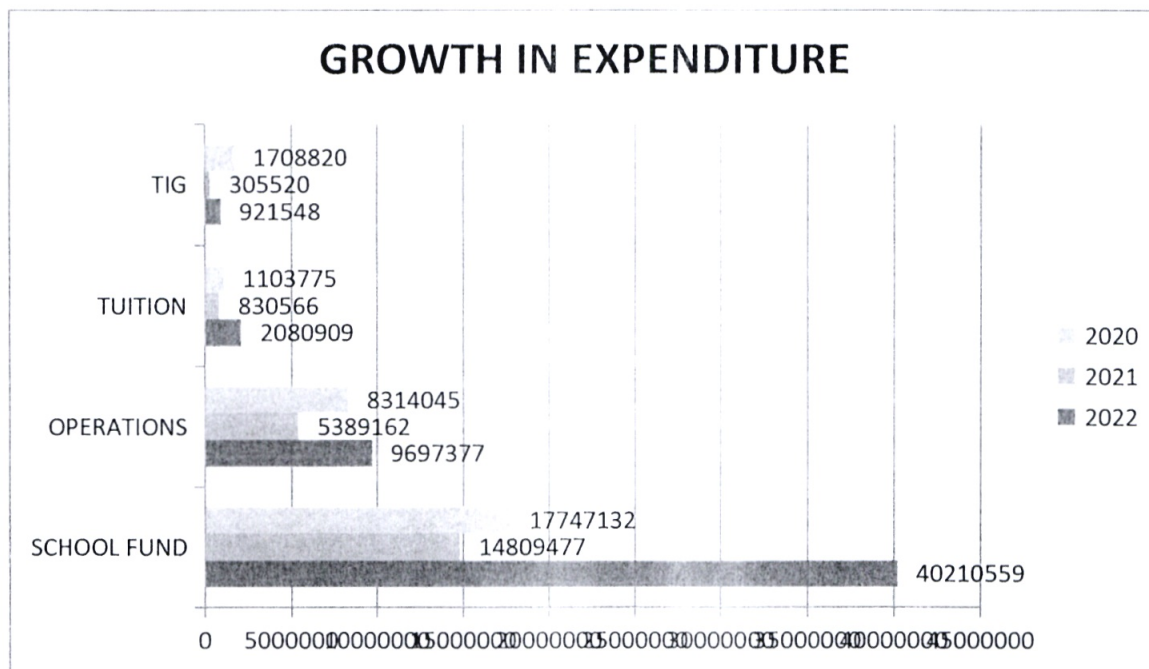
ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

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

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	ksh
School fund account	40,210,559.00	14,809,477.00	17,747,132.00	28,446,529.00
Operations account	9,697,377.00	5,389,162.00	8,314,045.00	8,083,689.00
Tuition account	2,080,909.00	830,566.00	1,103,775.00	2,538,095.00
Infrastructure account	921,548.00	3805,520.00	1,708,820.00	2,963,220.00
TOTALS	52,910,393.00	21,334,725.00	28,873,772.00	42,020,533.00
Increase/decrease	↑ 31,575,668.00	↓ 7,539,047.00	↓ 13,156,761.00	↓ 2,976,538.29

GROWTH IN EXPENDITURE CHART



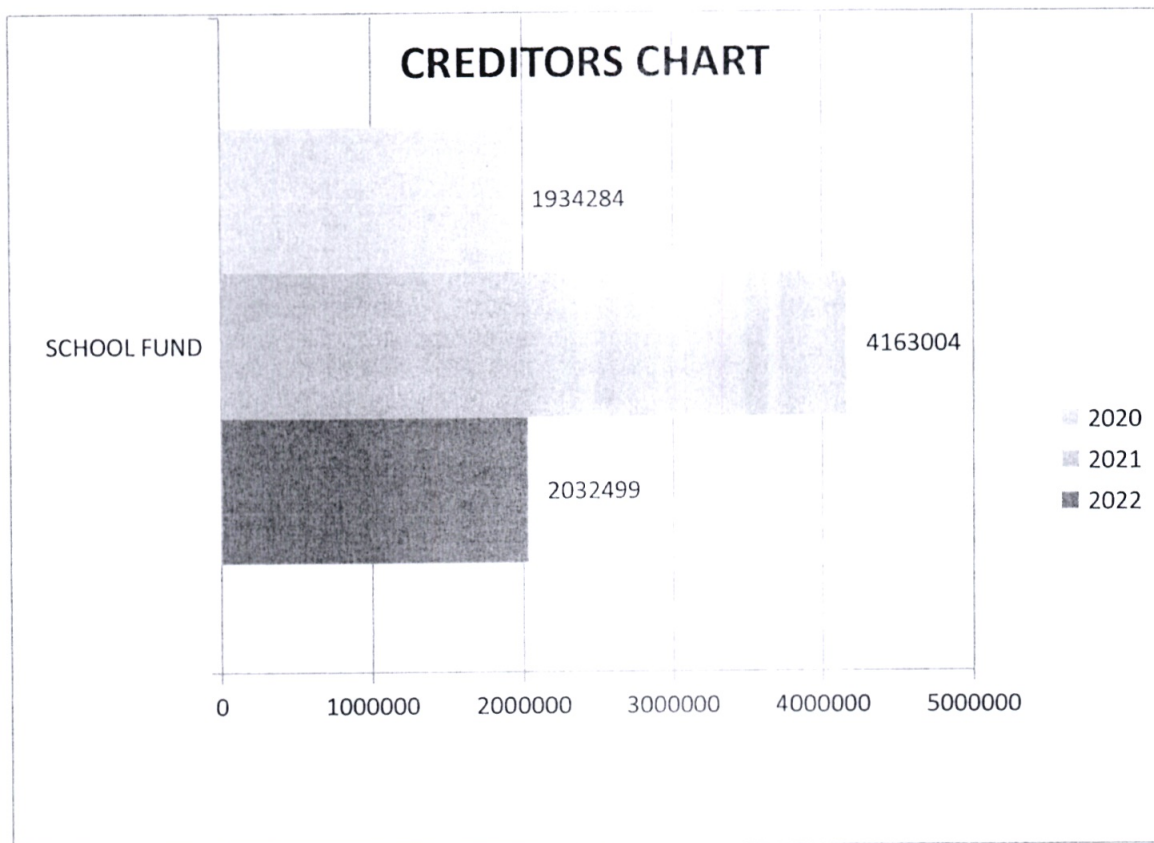
ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

- Movement of creditors of the school over the last three years

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	Ksh
School fund account	4,507,800.00	2,435,152.00	973,046.00	670,475.00
Tuition account	823,460.00	373,230.00	48,000.00	842,865.00
TOTALS	5,331,260.00	2,808,382.00	1,021,046.00	1,513,340.00
Increase/decrease	↑ 2,522,878.00	↑ 1,787,336.00	↓ 492,294.00	↓ 112,298.00

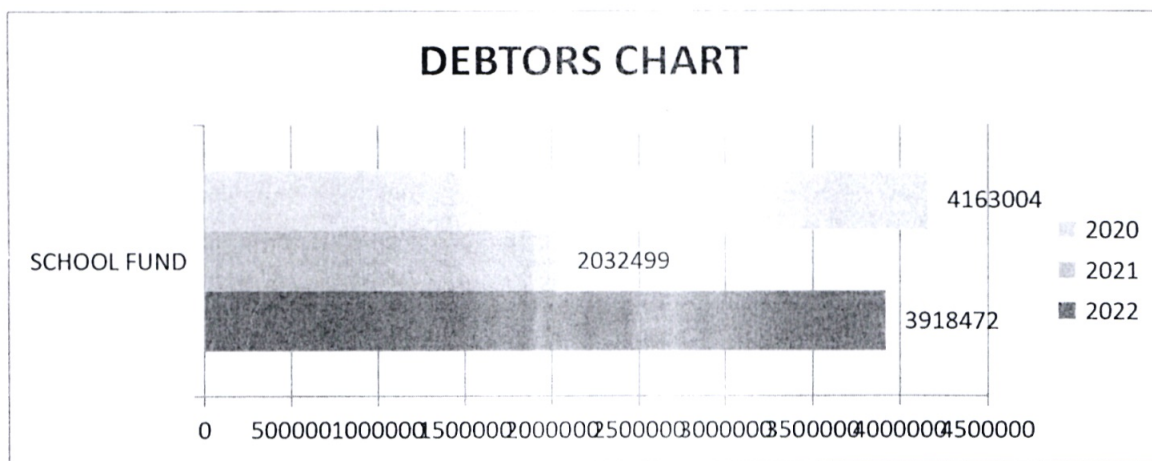
CREDITORS CHART



ENDARASHA BOYS HIGH SCHOOL
 Reports and Financial Statements for the year ended 30th June 2022

- Movement of debtors of the school over the last three years

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	ksh
School fund account	3,918,472.00	2,032,499.00	4,163,004.00	1,934,284.00
TOTALS	3,918,472.00	2,032,499.00	4,163,004.00	1,934,284.00
Increase/decrease	↑ 1,885,973.00	↓ 2,130,505.00	↑ 2,228,720.00	↓ 338,160.00



Movement of cash and bank balances over the last three years

ACCOUNT	2022	2021	2020	2019
	Ksh	ksh	ksh	ksh
School fund account	3,274,314.45	(388,175.55)	(493,605.05)	656,681.45
Operation account	466,835.94	329,478.74	(8,933.51)	11,783.49
Tuition account	26,929.34	819.34	4,740.34	98,150.34
Infrastructure account	2,997,856.00	1,021,440.00	327,960.00	36,780.00
TOTALS	6,765,935.73	963,562.53	(169,838.22)	803,395.28
Increase/decrease	↑ 5,802,373.20	↑ 793,724.31	↓ 633,557.06	↓ 552,472.20

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

- a) **Teacher Student ratio:**
 - 1Teacher:18 students
 - Recruited 2 teachers
 - One teacher has transferred (History / Geography)
- b) **Mean score in the 2021KCSE:**

	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	ENTRY	M.S.S	GRADE	DEV.
2021	0	0	2	3	19	19	29	18	9	3	2	0	104	6.22	C	+0.2388
2020	0	0	1	9	20	31	47	46	17	7	1	0	179	5.9832	C	+0.1544
2019	0	3	1	18	13	27	29	41	23	22	1	0	178	5.8258	C	

Students who have transitioned to institutions of higher learning

- 2021 – C+ and above 43/104 candidate (41.3%).....58.7% joined TVET
- 2020 – C+ and above 61/179 candidates (34%).....66% joined TVET
- 2019 – C+ and above 62/178 candidates (34.8%).....65.2% joined TVET

Remarks: The performance of the school has been on an upward trend for the last three years and a higher number of students joining institutions of higher learning and middle level colleges

Number of Candidates in the 2020KCSE:

- 2021 – 104 candidates
- 2020 -179 candidates
- 2019- 178 candidates

c) **Capacity of the school:**

- School enrolment - 665

FACILITY	NO	CAPACITY	REMARK
Dormitory	7	720	Δdequate
Science lab	4	120 per session	Δdequate
Computer lab	1	100 per session	Δdequate
Library	1	90	Δdequate
Dining hall	1	720	Δdequate
Toilets	48	600	Inadequate

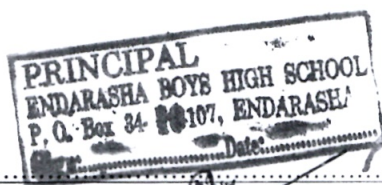
ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

d) 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

YEAR	PROJECT	VALUE	FUNDING
2020-2021	CLASSROOMS, DORMITORIES ; DINNING HALL TILING	1,757,140.00	GOK-TIG
	CONSTRUCTION OF TOILETS AND BATHROOMS AND DINING HALL VERANDA	1,108,044.00	GOK-TIG

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 (PSASB) of Kenya from time to time.

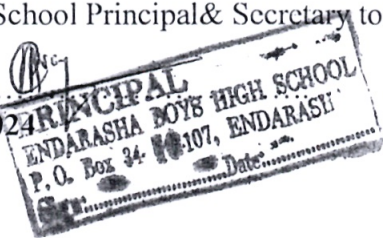
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of **ENDARASHA BOYS** 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, 2022, and of the school's financial position as at that date.

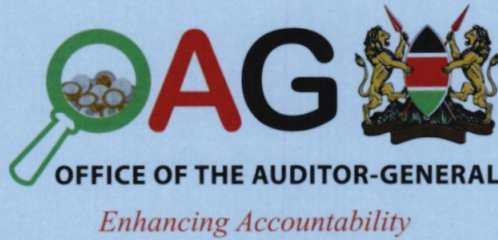
Name: Dr. Anthony Mungai
Designation: Chairman, School Board of Management
Sign: Mthumbi
Date: 03.07.2024

Name: Charles Wambui Mugo
Designation: School Principal & Secretary to Board of Management
Sign: [Signature]
Date: 03.07.2024



Name: MARGARET KANIARU
Designation: Bursar/ Finance Officer
Sign: [Signature]
Date: 03.07.2024

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 ENDARASHA BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NYERI 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 the 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 Endarasha Boys High School - Nyeri County set out on pages 19 to 39, 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 statement of comparison of budget versus actual amount 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 Endarasha Boys High School-Nyeri County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amounts of Kshs.2,107,019 and Kshs.9,834,734, respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, National Education Management Information System (NEMIS) reported a total number of 2,547 students while the enrolment records provided by the School indicated a total number of 2,525 students, resulting to an unexplained variance of 22 students. As a result of the variances, the School was over- funded by an amount of Kshs.489,368.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.2,107,019 and Kshs.9,834,734 respectively, could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.24,020,082 in respect of fees arrears as disclosed in Note 10 to the financial statements. However, included in the balance are receivables amounting to Kshs. 20,165,233 which had been outstanding for more than (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs. 20,165,233 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.61,378,570 and Kshs.58,712,802 respectively, resulting to an under-funding of Kshs.2,665,768 or 5% of the budget. However, the school spent a balance of Kshs.52,910,429 against actual receipts of Kshs.58,712,802, resulting to an under-utilization of Kshs.5,802,373 or 11% 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 judgement, 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. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement plan. This is contrary to Paragraph 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the Ministry of Education Operation Manual.

2. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.9,834,734 as disclosed in Note 2 to the financial statements which was received from the Ministry of Education and credited in the operations bank account. Included in the amount is Kshs.3,189,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.2,296,000 was transferred to infrastructure account, leaving a balance of Kshs.893,000 as at 30 June, 2022. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

3. Late Submission of Financial Statements to the Auditor-General

The financial statements for the year 2021/2022 were submitted on 15 February 2023 to the Auditor-General and not on 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 to 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.

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

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter 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.

Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.121,300,000 in respect of fixed assets which includes land with a balance of Kshs.26,000,000. However, land ownership document was not provided for audit.

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

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 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 control, risk management and 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 the sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the school or cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal 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 noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the school's 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 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the school to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

26 September, 2024

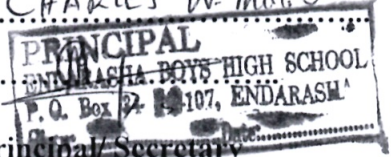
ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

IV. Statement of Receipts and Payments for the year ended 30th June 2022

Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	2,107,019.00	826,645.00
Capitation grants for operations	2	9,834,734.00	5,727,574.00
School fund income- parents' contributions	3a	37,464,572.00	14,782,245.00
School fund income- other receipts	3b	6,408,477.00	0.00
TIG account	4a	2,898,000.00	999,000.00
Total Receipts		58,712,802.00	22,335,464.00
Payments			
Payments for tuition	4b	2,080,909.00	830,566.00
Payments for operations	5	9,697,377.00	5,389,162.00
Boarding and school fund payments	6a	40,210,595.00	14,809,477.00
TIG account	6b	921,548.00	305,520.00
Total Payments		52,910,429.00	21,334,725.00
Surplus/Deficit		5,802,373.00	1,000,740.00

The school financial statements were approved on03.07.2024..... and signed by:

NAME <i>Dr ANTHONY MUMBI</i>	NAME <i>CHARLES W. MUGO</i>	Margaret Kaniaru
SIGN <i>[Signature]</i>	SIGN <i>[Signature]</i>	SIGN <i>[Signature]</i>
Chair BOM	Chief Principal/ Secretary BOM	Bursar/ Finance Officer
Date:... 03.07.2024.....	Date:... 03.07.2024.....	Date:..... 03.07.2024



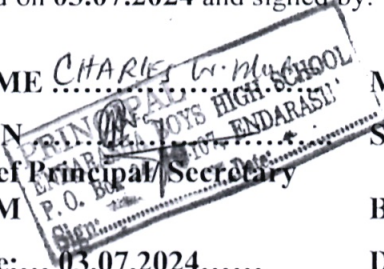
ENDARASHIA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Statement of Financial Assets And Financial Liabilities As At 30th June 2022

Description	Note	2021-2022 Kshs	2020-2021 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	7	12,426,173.00	1,855,858.00
Cash balances	8	128,696.00	52,822.00
Short term investment	9	0.00	0.00
Total cash and cash equivalent		<u>12,554,869.00</u>	<u>1,908,680.00</u>
Accounts receivables	10	24,020,082.00	26,360,735.50
Total financial assets		<u>36,574,951.00</u>	<u>28,269,416.00</u>
Financial liabilities			
Accounts payables	11	(6,540,170.00)	5,932,000.00
Net financial assets		30,034,781.00	22,337,416.00
Represented by			
Accumulated fund b/fwd	12	24,232,408.00	21,336,676.00
Surplus/deficit for the year		5,802,373.00	1,000,740.00
Net financial position		30,034,781.00	22,337,416.00

The school's financial statements were approved on **03.07.2024** and signed by:

NAME <i>Dr. Anthony Munkai</i>	NAME <i>CHARLES W. MUKAI</i>	Margaret Kaniaru
SIGN <i>[Signature]</i>	SIGN <i>[Signature]</i>	SIGN <i>[Signature]</i>
Chair BOM	Chief Principal/Secretary	Bursar/ Finance Officer
Date: ... 03.07.2024.....	Date: ... 03.07.2024.....	Date: 03.07.2024



ENDARASHIA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

V. Statement of Cash Flows for the Period Ended 30th June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	2,107,019.00	826,645.00
Capitation grants for operations	2	9,834,734.00	5,727,574.25
School fund income- parents contributions/ fees	3a	37,464,572.00	14,782,245.00
School fund income- other receipts	3b	6,408,477.00	0.00
School fund income- TIG	4a	2,898,000.00	999,000.00
Total receipts		58,712,802.00	22,335,464.00
Payments			
Payments for tuition	4b	2,080,909.00	830,566.00
Payments for operations	5	9,697,377.00	5,389,162.00
Boarding and school fund payments and TIG	6a	40,210,559.00	14,809,477.00
Payment for TIG	6b	921,584.00	305,520.00
Total payments		52,910,429.00	21,334,725.00
Net cash flow from operating activities		5,802,373.00	1,000,740.00
Cashflow from investing activities		0.00	
Proceeds from sale of assets		0.00	
Acquisition of assets		0.00	
Proceeds from investments		0.00	
Purchase of investments		4,843,816.00	945,117.00
Net cash flows from investing activities		10,646,189.00	1,945,856.00
Cashflow from borrowing activities		0.00	
Proceeds from borrowings/ loans		0.00	
Repayment of principal borrowings		0.00	
Net cash flow from financing activities		0.00	
Net increase in cash and cash equivalents		10,646,189.00	1,945,856.00
Cash and cash equivalent at beginning of the year	6c	1,908,680.00	(37,176.72)
Cash and cash equivalent at end of the year		12,554,869.00	1,908,680.00

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

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Tuition Account	2,817,920.00	1,346,800.00	4,164,720.00	2,107,019.00	2,057,701.00	51%
Exercise Books	0.00	0.00	0.00	0.00	0.00	0.00
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Internal Exams	0.00	0.00	0.00	0.00	0.00	0.00
Teaching / Learning Materials	0.00	0.00	0.00	0.00	0.00	0.00
Chalks	0.00	0.00	0.00	0.00	0.00	0.00
Exams And Assessment	0.00	0.00	0.00	0.00	0.00	0.00
Teachers Guides	0.00	0.00	0.00	0.00	0.00	0.00
<i>(2) Capitation Grant on Operations</i>						
LTT,EWC,ADMN AND PE ACT	7,865,000.00	3,932,500.00	11,797,500.00	6,825,200.00	5,338,038.50	54%
Repairs And Maintenance	3,900,000.00	1,950,000.00	5,850,000.00	2,883,535.00	2,966,465.30	49%
Local Transport / Travelling	0.00	0.00	0.00	0.00	0.00	0.00
Electricity And Water	0.00	0.00	0.00	0.00	0.00	0.00
Medical	0.00	0.00	0.00	126,000.00	0.00	0.00
Administration Costs	0.00	0.00	0.00	0.00	0.00	0.00

ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c%
	Kshs	Kshs			Kshs	Kshs
Activity	0.00	0.00	0.00	0.00	0.00	0.00
Gratuity	0.00	0.00	0.00	0.00	0.00	0.00
Smasse	0.00	0.00	0.00	0.00	0.00	0.00
<i>(3) Fees Charged on Parents</i>		0.00				
Personal emolument	2,015,000.00	1,007,500.00	3,022,500.00	2,839,103.00	183,397.00	94%
Repairs And Maintenance	1,560,000.00	780,000.00	2,340,000.00	1,727,706.00	612,294.00	74%
Local Transport / Travelling	422,500.00	211,250.00	633,750.00	599,624.00	34,126.00	94%
Electricity And Water	3,185,000.00	1,592,500.00	4,777,500.00	4,512,566.00	264,934.00	94%
Others	0.00	0.00	0.00	9,994,394.00	0.00	0.00
TIG	3,170,000.00	0.00	3,170,000.00	2,898,000.00	272,000.00	91%
Administration Costs	1,202,500.00	601,250.00	1,803,750.00	1,706,834.00	96,916.00	94%
Activity	162,500.00	81,250.00	243,750.00	400,422.00	156,672.00	164%
Uniform	3,787,920.00	0.00	3,787,920.00	4,111,438.00	-768,980.00	108%
Fee On Boarding Equipment and Stores	17,800,250.00	8,900,450.00	26,700,700.00	17,936,562.00	8,764,138.00	67%
<i>Other Income</i>						
Rent Income	44,400.00	0.00	44,400.00	44,400.00	0.00	100%
Income From Farming Activities	0.00	0.00	55,440.00	0.00	0.00	0.00
Insurance Compensation	0.00	0.00	0.00	0.00	0.00	0.00

ENDARASHA BOYS HIGH SCHOOL
 Reports and Financial Statements for the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Income From Posho Mill	0.00	0.00	0.00	0.00	0.00	0.00
Income From Bus Hire	0.00	0.00	0.00	0.00	0.00	0.00
Fee For Hire of Ground And Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00
Income From Any Other Investment	0.00	0.00	0.00	0.00	0.00	0.00
Total Income	40,975,070.00	20,403,500.00	61,378,570.00	58,712,802.00	2,665,768.00	95%%
<i>(1) Expenditure For Tuition</i>						
Tuition	2,693,600.0	1,346,800.00	4,040,400.00	2,080,909.00	1,959,491.00	51%
Exercise Books	0.00	0.00	0.00	0.00	0.00	0.00
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Internal Exams	0.00	0.00	0.00	0.00	0.00	0.00
Teaching / Learning Materials	0.00	0.00	0.00	0.00	0.00	0.00
Chalks	0.00	0.00	0.00	0.00	0.00	0.00
Exams And Assessment	0.00	0.00	0.00	0.00	0.00	0.00
Teachers Guides	0.00	0.00	0.00	0.00	0.00	0.00
Administration Costs	0.00	0.00	0.00	0.00	0.00	0.00
Bank Charges	0.00	0.00	0.00	0.00	0.00	0.00

ENDARASHA BOYS HIGH SCHOOL

Reports and Financial Statements for the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
	0.00	0.00	0.00	0.00	0.00	0.00
(2) Expenditure For Operations	0.00	0.00	0.00	0.00	0.00	0.00
LTT,EWC,ADMN,PE AND ACT	7,865,000.00	3,932,500.00	11,797,500.00	6,744,491.00	5,344,747.00	54%
Repairs, Maintenance & Improvements	3,900,000.00	1,950,000.00	5,850,000.00	2,952,886.00	2,897,114.00	50%
Local Transport / Travelling	0.00	0.00	0.00	0.00	0.00	0.00
Electricity, Water and Conservancy	0.00	0.00	0.00	0.00	0.00	0.00
Medical	0.00	0.00	0.00	0.00	0.00	0.00
Administration Costs	0.00	0.00	0.00	0.00	0.00	0.00
Activity Expenses	0.00	0.00	0.00	0.00	0.00	0.00
Gratuity	0.00	0.00	0.00	0.00	0.00	0.00
Smasse	0.00	0.00	0.00	0.00	0.00	0.00
(3) Expenditure For School Fund						
Personnel Emoluments	2,015,000.00	1,007,500.00	3,022,500.00	2,803,053.00	219,447.00	92%
Repairs, Maintenance and Improvements	1,560,000.00	780,000.00	2,340,000.00	2,170,006.00	169,994.00	92%
Local Transport / Travelling	422,500.00	211,250.00	633,750.00	1,385,421.00	-751,671.00	218%
Electricity, Water and Conservancy	3,185,000.00	1,592,500.00	4,777,500.00	3,877,595.00	899,905.00	81%
Uniform Expenses	3,787,920.00	0.00	3,787,920.00	4,556,900.00	-768,980.00	120%
Administration Costs	1,202,500.00	601,250.00	1,803,750.00	1,672,969.00	130,781.00	92%
Activity	162,500.00	81,250.00	243,750.00	667,065.00	-423,315.00	273%
Gratuity	0.00	0.00	0.00	0.00	0.00	0.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A Kshs	b Kshs	c=a+b	D	e=c-d Kshs	f=d/c % Kshs
Lunch Programme	0.00	0.00	0.00	0.00	0.00	0.00
Boarding Equipment and Stores	17,800,250.00	8,900,450.00	26,700,700.00	14,415,053.00	12,285,647.00	53%
Expenditure For Income Generating Activity	0.00	0.00	0.00	1,017,570.00	0.00	0.00
Insurance Costs	0.00	0.00	0.00	0.00	0.00	0.00
Other Expenses On Investments	0.00	0.00	0.00	0.00	0.00	0.00
Rent Expenses	0.00	0.00	0.00	0.00	0.00	0.00
TIG	3,170,000.00	0.00	3,170,000.00	921,584.00	2,248,416.00	290%
Loan Interest Repayment	0.00	0.00	0.00	0.00	0.00	0.00
Loan Principal Repayment	0.00	0.00	0.00	0.00	0.00	0.00
Acquisition Of Assets	0.00	0.00	0.00	0.00	0.00	0.00
Totals	40,806,350.00	20,403,500.00	61,209,850.00	52,910,429.00	8299,421.00	86%

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

- i. *On receipts in tuition and operations account the main reason of underutilization of funds was mainly due to underfunding by the government where by the number of students funded was different from the actual students in school*
- ii. *The total amount used in budgeting is ksh 22,244 for both tuition and operations account but the government retains a substantial amount for textbooks, smasse ,activity ,medical which is never predetermined*
- iii. *In the school fund account the major cause of underutilization is poor fee payment by the parents*
- iv. *In activity overutilization is due to submission of a substantial amount to the sub county, county and regional activity fund leaving very little for the school to use in preparations of the activities*
- v. *In ltt the vote head has been allocated little funds compared to what its supposed to cater for. remedy is to introduce vehicle maintenance fund to cater for the maintenance and fuelling of the school vehicles.*

VII. 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 2022.

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

VIII. Notes to The Financial Statements
1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	0.00	219,075.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	2,107,019.00	607,570.00
Chalks	0.00	0.00
Exams And Assessment	0.00	0.00
Teachers Guides	0.00	0.00
Total	2,107,019.00	826,645.00

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Others	6,825,199.50	4,292,507.25
Repairs And Maintenance	2,883,534.70	1,270,000.00
Local Transport / Travelling	0.00	0.00
Electricity And Water	0.00	0.00
Medical	126,000.00	0.00
Administration Costs	0.00	0.00
Activity	0.00	0.00
Total	9,834,734.20	5,727,574.25

3 a) Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,839,103.00	529,014.00
Repairs and maintenance	1,727,706.00	394,804.00
Local transport / travelling	599,624.00	107,267.00
Electricity and water	4,512,566.00	814,789.00
Fee on Boarding Equipment and Stores	18,099,912.00	11,394,066.00
Administration costs	1,706,834.00	304,110.00
Activity	400,422.00	25,075.00
Uniform	7,578,405.00	0.00
Total	37,464,572.00	13,569,125.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

3 b) Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Prepaid fees	838,841.00	0.00
Income From Farming Activities	525,090.00	1,133,390.00
University Forms	100,500.00	0.00
Rent	74,500.00	2,100.00
Damages	66,490.00	0.00
Inter borrowing from operations	268,658.00	77,630
Exam	6,100.00	0.00
Other Income	122,000.00	0.00
Fees recoveries	2,096,122.00	0.00
Personal emolument recoveries	2,310,176.00	0.00
Total	6,408,477.00	1,213,120.00

(Include an explanation on the kind and source of grants/ donations received by the school. None received)

4 a) Receipts for TIG account

Description	2021-2022	2020-2021
	Kshs	Kshs
Tig account	2,898,000.00	999,000.00
Administration Costs	0.00	0.00
Bank Charges	0.00	0.00
Total	2,898,000.00	999,000.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

4 b) Payments for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	0.00	128,800.00
Exercise Books	0.00	0.00
Laboratory Equipment	29,870.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	1,760,059.00	701,766.00
Chalks	0.00	0.00
Exams And Assessment	290,870.00	0.00
Teachers Guides	0.00	0.00
Administration Costs	0.00	0.00
Bank Charges	0.00	0.00
Total	2,080,799.00	830,566.00

Notes to the Financial Statements (Continued)

5 Payments for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Ltt,cwc,adm,pc and act(others)	5,880,726.00	0.00
Service Gratuity	0.00	0.00
Administration Cost	0.00	0.00
Repairs And Maintenance & Improvements	2,952,886.00	1,086,543.00
Local Transport / Travelling	0.00	3,440,745.00
Electricity And Water	0.00	0.00
Medical	863,765.00	0.00
Activity Expenses	0.00	0.00
Smasse	0.00	0.00
Insurance Cost	0.00	861,874.00
Bank Charges	0.00	0.00
Acquisition Of Assets	0.00	0.00
Total	9,697,377.00	5,389,162.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Notes To The Financial Statements (Continued)

6 a) Boarding and School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	2,803,053.00	696,244
Activity	667,065.00	0.00
Repairs And Maintenance & Improvements	2,170,042.00	180,776.00
Local Transport / Travelling	1,385,421.00	530,129.00
Electricity And Water	3,877,595.00	920,783.00
Other Expenses	11,472,057.00	0.00
Administration Costs	1,672,969.00	793,659.00
Farm expenses	1,747,340.00	1,048,583.00
Uniform	0.00	2,700.00
Advance	0.00	10,000.00
Fee On Boarding Equipment and Stores	14,415,053.00	10,540,603.00
University forms	0.00	70,000.00
Tender	0.00	16,000.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	0.00	0.00
Total	40,210,595.00	14,809,477.00

6 b) TIG ACCOUNT

Description	2021-2022	2020-2021
	Kshs	Kshs
TIG	921,548.00	305,520.00

*(Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

ENDARASHIA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Notes To The Financial Statements (Continued)

7 Bank Accounts-

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account- EQUITY	0110262468503	26,929.34	819.00
Operations Account- KCB	1101850272	466,835.94	329,479.00
School Fund Account/Boarding KCB	1124302379	3,145,618.95	(440,997.00)
TIG Account EQUITY	0110277501670	2,997,856.00	1,021,440.00
Savings account COOP	01100031450501	ti1,403,256.38	2,496.00
Fees collection account 1 COOP	01100031450500	278,780.65	77,491.00
Fees collection account 2 EQUITY	0110191454943	3,205,172.77	356,770.00
Fees collection account 3 TAIFA	014 02 00585	724,106.90	443,131.00
Income generating activities Account	014 01 01265	177,615.89	65,229.00
TOTAL		12,426,172.82	1,855,858.00

8 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	0.00	0.00
School Fund account	128,695.50	52,821.5
Total	128,695.50	52,821.50

9 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	0.00	Xxx
Treasury Bills	0.00	0.00
Fixed Deposit	0.00	0.00
Equity Stock	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Notes to The Financial Statements (Continued)

10 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	24,020,081.50	26,360,735.50
Other Non-Fees Receivables	0.00	0.00
Salary Advances	0.00	0.00
Imprest	0.00	0.00
Total	24,020,081.50	26,360,735.50

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	3,918,472.00	2,032,499.00
Fees Arrears For The Previous Year less recoveries	(63,623.00)	4,163,004.00
Fees Arrears For Prior Periods (Over Two Years)	20,165,232.50	20,165,232.50
Total	24,020,081.50	26,360,735.50

11 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	5,331,260.00	3,914,505.00
Prepaid Fees	1,208,910.00	679,106.00
Retention Monies	0.00	1,338,389.00
Total	6,540,170.00	5,932,000.00

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	5,331,260.00	2,803,152.00
Trade Creditors for The Previous Year	0.00	459,564.00
Trade Creditors for Prior Periods (Over Two Years)	0.00	1,990,178.00
Total	5,331,260.00	5,252,894.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

12 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	6,699,674.00	775,279.00
Cash Balances	52,822.00	132,662.00
Short Term Investments	0.00	0.00
Receivables	24,020,082.00	26,360,736.00
Payables	(6,540,170.00)	(5,932,000.00)
Total	24,232,408.00	21,336,676.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Other important disclosure notes

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

13 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)	0.00	0.00
Outstanding Leases	0.00	0.00
Hire Purchase	0.00	0.00
Gratuity And Leave Provision	0.00	0.00
Total	0.00	0.00

14 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	16	400,000.00	540,000.00
Sheep	50	50,000.00	335,000.00
Trees	150	350,000.00	200,000.00
Coffee Or Tea Plantation	0.00	0.00	0.00
Poultry	0.00	0.00	0.00
Total		1,000,000.00	1,075,000.00

15 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Borrowings	0.00	0.00
Borrowing at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments of during the year	0.00	0.00
Balance at end of the year	0.00	0.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Other important disclosure notes

16 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	2,447,412.00	10,834,214.00
Stock/ inventory purchased during the year	29,241,802.00	11,223,706.00
Stock/ inventory issued during the year	27,165,164.00	19,610,508.00
Balance at end of the year	4,524,050.00	2,447,412.00

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

17 Progress on Follow Up Of Auditor Recommendations

PRINCIPAL
ENDARASHA BOYS HIGH SCHOOL
P. O. Box 34-107, ENDARASHA
Date: 16/10/22

ENDARASHA BOYS HIGH SCHOOL
 Reports and Financial Statements for the year ended 30th June 2022

Annex 1 - Analysis of Pending Accounts Payable

[REDACTED]						
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5. Mvihoko general shop					30,635.00	To clear
6. Karoki traders					1,600,600.00	To clear
7. Bulvich enterprises					61,000.00	To clear
8. Joseph kago					160,500.00	To clear
9. Mary ngunjiri					53,760.00	To clear
10. Johanna hardware					5,050.00	To clear
11. Stlre mantra collections					216,680.00	To clear
12. Kenblest foods					79,152.00	To clear
13. Jassa hardware					36,560.00	To clear

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
Gathuitu school					50,330.00	To clear
Joel ndungu					273,320.00	To clear
Agnes wagaki					53,875.00	To clear
Fortune hardware					9,460.00	To clear
Majune enterprises					99,000.00	To clear
Endarasha cooperative					57,350.00	To clear
Agnes maina					731,000.00	To clear
William gichuhi					164,800.00	To clear
Enbridge star					25,200.00	To clear
Key electrical					45,900.00	To clear
Chamaka general					663,460.00	To clear
Sub-Total					4,417,632.00	
Supply Of Services						
14. Mashuhuri engineers					361,400.00	To clear

ENDARASHA BOYS HIGH SCHOOL
 Reports and Financial Statements for the year ended 30th June 2022

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
15. Hybrid auto					146,608.00	To clear
16. Richard kihagi					17,200.00	To clear
17. Lane enterprises					266,900.00	To clear
18. Kennedy ngorobi					121,520.00	To clear
Sub-Total					913,628.00	
Grand Total					5,331,260.00	

ENDARASHA BOYS HIGH SCHOOL
Reports and Financial Statements for the year ended 30th June 2022

Annex 2 – Summary of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	B/F	Endarasha	26,000,000.00	0.00	0.00	26,000,000.00
Land 2	B/F	Endarasha	0.00	0.00	0.00	0.00
Buildings And Structures	B/F	Endarasha	80,000,000.00	0.00	0.00	80,000,000.00
Motor Vehicles	B/F	Endarasha	3,950,000.00	0.00	0.00	3,950,000.00
Office Equipment, Furniture And Fittings	B/F	Endarasha	20,000,000.00	0.00	0.00	20,000,000.00
ICT Equipment, And Other ICT Assets	B/F	Endarasha	2,000,000.00	0.00	0.00	2,000,000.00
Tools And Apparatus	B/F	Endarasha	4,000,000.00	0.00	0.00	4,000,000.00
Textbooks	B/F	Endarasha	3,000,000.00	0.00	0.00	3,000,000.00
Other Machinery And Equipment	B/F	Endarasha	4,000,000.00	0.00	0.00	4,000,000.00
Heritage And Cultural Assets	B/F	Endarasha	250,000.00	0.00	0.00	250,000.00
Intangible Assets- Soft Ware	B/F	Endarasha	100,000.00	0.00	0.00	100,000.00
Total			121,300,000.00	0.00	0.00	121,300,000.00

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

ENDARASHA BOYS HIGH SCHOOL

P.O.BOX 34-10107 ENDARASHA

SCHOOL FUND ACCOUNT

TRIAL BALANCE A\$ AT 30.06.2022

	L/F	ESTIMATES	DR	CR	COMM	BALANCE
OPENING BALANCES						
CASH				52,821.50		
BANK			440,997.05			
REVENUE						
ACTIVITY	F1	162,500.00	✓ 667,065.00	400,422.00		(504,565.00)
ADMINISTRATION COST	F2	1,202,500.00	✓ 1,672,969.00	1,706,834.00		(470,469.00)
EWC	F3	3,185,000.00	✓ 3,877,595.00	4,512,566.00		(692,595.00)
BES	F4	17,800,250.00	✓ 14,415,053.00	17,936,562.00		3,385,197.00
LTT	F5	422,500.00	✓ 1,385,421.00	599,624.00		(962,921.00)
EMOLUMENT	F6	2,015,000.00	✓ 2,803,053.00	2,839,103.00		(788,053.00)
RMI	F7	1,560,000.00	✓ 2,170,006.00	1,727,706.00		(610,006.00)
FUNDED ACCOUNTS						
			0.00	0.00		-
PROJECT	F8	0.00	0.00	163,350.00		-
OTHERS						
			0.00	0.00		-
FEES ARREARS	F9		0.00	2,096,122.00		-
TUITION	F26		✓ 3,900.00	0.00		
UNIFORM	F10	7,575,840.00	✓ 8,364,200.00	7,578,405.00		(788,360.00)
PREPAID FEES	F11		-	838,841.00		-
OPERATIONS ACCOUNT	F15		✓ 169,281.00	235,890.00		
FARM ACCOUNT	F16		✓ 1,747,340.00	525,090.00		
UNIVERSITY FORMS	F17	90,500.00	✓ 51,500.00	100,500.00		39,000.00
SAVINGS ACCOUNT	F18		✓ 501,000.00	0.00		
RENT	F29		0.00	74,500.00		
ADVANCE RECOVERED	F30		0.00	3,000.00		
DAMAGES	F21		0.00	63,490.00		
RENDER	F31		8,000.00	41,000.00		
MISC INCOME	F14		0.00	81,000.00		
CANCELLED CHEQUE	F32		0.00	32,768.00		
BOUNCED CHEQUE			✓ 40,000.00			
EXAM	F33		✓ 24,000.00	0.00		
CLEARANCE ACCOUNT						
			0.00	6,100.00		
BURSARY	F20		✓ 2,266,000.00	2,266,000.00		
NSSF	F12		33,076.00	33,076.00		
NHIF	F13		✓ 11,100.00	11,100.00		
CLOSING BALANCES						
CASH			128,695.50			
BANK			3,145,618.95			
TOTAL			43,925,870.50	43,925,870.50		

0.00

ENDARASHA BOYS HIGH SCHOOL

P.O.BOX 34-10107 ENDARASHA

OPERATIONS ACCOUNT

TRIAL BALANCE AS AT 30.06.2022

	L/F	ESTIMATES	DR	CR	COMMIT
OPENING BALANCES					
BANK				329,478.74	
REVENUE					
RMI	F42	3,900,000.00	2,952,886.00	2,883,534.70	
BOARDING ACCOUNT	F41		235,890.00	117,481.00	
OTHERS	F40	4,330,755.00	5,353,098.00	6,215,980.50	
INSURANCE AND MED	F46		863,765.00	126,000.00	
CANCELLED CHEQUE	F47		-	200,000.00	
CLEARANCE ACCOUNT			-		
NSSF	F43		216,083.00	216,083.00	
NHIF	F44		66,600.00	66,600.00	
PAYE	F45		9,055.00	9,055.00	
CLOSING BALANCES					
BANK			466,835.94		
			10,164,212.94	10,164,212.94	

0.00

ENDARASHA BOYS HIGH SCHOOL

P.O.BOX 34-10107 ENDARASHA

OPERATIONS ACCOUNT

BANK RECONCILIATION AS AT 30.06.2022

BANK BALANCE

756,537.25

; uncredited

0.69

756,537.94

UNPRESENTED CHEQUES

001718 12,541.00

001741 12,541.00

001742 264,620.00

289,702.00

CASHBOOK BALANCE

466,835.94

ENDARASHA BOYS HIGH SCHOOL

P.O.BOX 34-10107 ENDARASHA

TUITION ACCOUNT

TRIAL BALANCE A\$ AT 30.06.2022

	L/F	ESTIMATES	DR	CR	COMMIT	BALANCE
BANK				819.34		
TUITION ACCOUNT	F60	2,693,600.00	1,760,059.00	2,107,019.00		933,541.00
TEACHING MATERIALS	F61		290,870.00			
LAB CHEM AND EQUIP	F62		29,980.00			
TEXT BOOKS						
CLOSING BALANCE						
CASH AT BANK			26,929.34			
			2,107,838.34	2,107,838.34		
				0.00		

ENDARASHA BOYS HIGH SCHOOL

P.O.BOX 34-10107 ENDARASHA

TUITION ACCOUNT

BANK RECONCILLIATION A\$ AT 30.06.2022

BANK BALANCE	26,950.69
add ;uncredited/bank charges	0.34
less ;erroneous credit	<u>21.69</u>
CASHBOOK BALANCE	<u>26,929.34</u>

ENDARASHA BOYS HIGH SCHOOL

P.O.BOX 34-10107 ENDARASHA

TRANSITIONAL INFRASTRUCTURE ACCOUNT (TIG)

TRIAL BALANCE A\$ AT 30.06.2022

	L/F	ESTIMATES	DR	CR	COMM	BALANCE
OPENING BALANCES						
BANK				1,021,440.00		452,700.00
REVENUE						
OPERATIONS ACCOUNT	F51			2,898,000.00		
RMI	F52	3,170,000.00	921,584.00			2,248,416.00
CLOSING BALANCES						
BANK			2,997,856.00			
TOTAL			3,919,440.00	3,919,440.00		

0.00

ENDARASHA BOYS HIGH SCHOOL

P.O.BOX 34-10107 ENDARASHA

TRANSITIONAL INFRASTRUCTURE ACCOUNT (TIG)

BANK RECONCILIATION A\$ AT 30.06.2022

BANK BALANCE		2,997,856.00
	add bank charges	<u>0.00</u>
CASHBOOK BALANCE		<u>2,997,856.00</u>