*Revised 30th June 2024.*

*(Add your School Logo)*



*(Indicate the name of the school)*

**XXX Secondary/High School**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED**

**30TH JUNE 20XX**

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

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# Acronyms and Definition of Key Terms

1. **Acronyms***.*

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

TSC Teachers Service Commission

SMASSE Strengthening of Mathematics and Science in Secondary Education

1. **Definition of Key Terms**

**Comparative Year**- Means the prior period.

*(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)*

# Key School Information and Management

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

1. **Background information**

Theschool is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in XXX County, XXX Sub-County.

The school was registered in MM/YY under registration number xxx and is currently categorized as a XXX (*National, Extra County, County and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had xxx number of students as at *30th June 20XX*. It has XX streams and XX teachers of which XX teachers are employed by the School Board of Management.

1. **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 |   |  Chairman |  |
| 2 |   |  Secretary - Principal |  |
| 3 |   |  Member  |  |
| 4 |  | Member  |  |
| 5 |  | Member  |  |
| 6 |  | Member |  |
| 7 |  | Member |  |
| 8 |  | Member – Rep CEB |  |
| 9 |  | Member Rep Teachers |  |
| 10 |  | 3 Members - Sponsor |  |
| 11 |  | Member - Community |  |
| 12 |  | Member Special Needs |  |
| 13 |  | Rep Students |  |

**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, of 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.
1. **Committees of the Board**

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Ref:** | **Name of Committee** | **Names of Members** | **Designation** | **Number of meetings attended during the year** |
| 1 | Executive Committee | 1.2.**...** | **...................****....................****...................** | X out of XX**....................****....................** |
| 2 | Audit Committee |  |  | X out of XX |
| 3 | Finance,procurement and general purposes Committee |  |  |  |
| 4 | Academic Committee |  |  |  |
| 5 | Development Committee |  |  |  |
| 6 | Discipline and welfare Committee |  |  |  |
|  7 | Adhoc Committee (if any during the year) |  |  |  |

1. **School operation Management**

For the financial year ended 30th June, 20XX the School’s day-to-day management was under the following persons:

|  |  |  |  |
| --- | --- | --- | --- |
| **Ref:** | **Designation** | **Name** | **Identification** |
| 1 | Principal |   |  TSC No. |
| 2 | Deputy Principal |   |  TSC No. |
|  3 | School Bursar |   |  ICPAK No.  |
|  4 | Other (specify) |   |  |

1. **Schools contacts**

Post Office Box: XXXXXXXX

Telephone: XXXXXXXX

E-mail: XXXXXXXX

Website: XXXXXXXX

Facebook:

Twitter:

1. **School Bankers**

Provide details of the school bankers.

Name of Bank:

Branch

Postal Address.

1. **Independent Auditors**

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

# 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:

1. **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*
* *Capitation grants from the Ministry of Education for the last three years*
* *A three-year overview of growth of other income(s) earned by the school.*
* *A three-year overview of growth in expenditure of the school*
* *Movement of debtors and creditors of the school over the last three years*

*Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new)*.

1. **Teacher Student ratio**:

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

1. **The mean score in the *20XX* KCSE**:

*Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school’s set score.*

1. **Number of Candidates in the 20XX KCSE:**

*(Tabulate the number of candidates sitting for KCSE over the last three years).*

1. **The capacity of the school**:

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

1. **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).*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Projects** | **Source of funds** | **Status** | **Initial Cost (Kshs)** | **Amount Spent (Kshs)** | **Expected completion time** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

|  |
| --- |
|  ***……………………………………………*** |
|  **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 keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

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

The Board of Management is of the opinion that the school’s financial statements give a true and fair view of the state of the school’s transactions during the financial year ended 30th June, 20XX, and of the school’s financial position as at that date.

|  |
| --- |
| **……………………………………….** |
| **Name:**  |
| **Designation:** Chairman, School Board of Management |
| **Date:**  |

|  |
| --- |
| **…………………………………………** |
| **Name:** |
| **Designation:** School Principal & Secretary to Board of Management |
| **Date:**  |

|  |
| --- |
| **………………………………………….** |
| **Name:** |
| **Designation:** Bursar/ Finance Officer |
| **Date:**  |

# Report Of The Independent Auditors *(To be attached)*

# Statement Of Receipts and Payments for the Year Ended 30th June 20XX

| **Description Of Vote Head** | **Note** | ***Insert Current FY*** | ***Insert Comparative FY*** |
| --- | --- | --- | --- |
|  |  | **Kshs** | **Kshs** |
| **Receipts** |  |  |  |
| Government grants for tuition | 1 | xxx | xxx |
| Government grants for operations | 2 | xxx | xxx |
| Government Grants for infrastructure | 3 | xxx | xxx |
| School fund income- parents’ contributions | 4 | xxx | xxx |
| Miscellaneous incomes | 5 | xxx | xxx |
| **Total Receipts** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Payments** |  |  |  |
| Tuition | 6 | xxx | xxx |
| Operations | 7 | xxx | xxx |
| Infrastructure | 8 | xxx | xxx |
| Boarding and school fund  | 9 | xxx | xxx |
| **Total Payments** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Surplus/Deficit**  |  | **xxx** | **xxx** |
|  |  |  |  |

The school financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20XX and signed by:

|  |  |  |
| --- | --- | --- |
| **…………………………….** | **…………………………….** | **……………………………….** |
| **Name:**  | **Name:** | **Name:** |
| **Chair BOM**  | **School Principal/ Secretary to BOM** | **Bursar/ Finance Officer** |
| **Date:**  | **Date:**  | **Date:**  |

# Statement of Assets and Liabilities As At 30th June 20XX

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Note** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|  |  | **Kshs** | **Kshs** |
| **Financial Assets** |  |  |  |
| **Cash and cash equivalents** |  |  |  |
| Bank balances | 10 | xxx | xxx |
| Cash balances | 11 | xxx | xxx |
| Short term investments | 12 | xxx | xxx |
| **Total cash and cash equivalent** |  | **xxx** | **xxx** |
|  |  |  |  |
| Account’s receivables | 13 | xxx | xxx |
|  |  |  |  |
| **Total financial assets (a)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Financial liabilities** |  |  |  |
|  |  |  |  |
| Accounts payables  | 14 | xxx | xxx |
| **Total Financial Labilities (b)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Net financial assets (a-b)** |  | **xxx** | **xxx** |
|  |  |  |  |
| **Represented by**  |  |  |  |
|  |  |  |  |
| **Accumulated fund b/fwd** | 15 | xxx | xxx |
| **Surplus/deficit for the year**  |  | xxx/(xxx) | xxx/(xxx) |
|  |  |  |  |
| **Net Assets** |  | **xxx** | **xxx** |

The school’s financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20XX and signed by:

|  |  |  |
| --- | --- | --- |
| **………………………………** | **………………………………..** | **…………………………….** |
| **Name:** | **Name:** | **Name:** |
| **Chair BOM** | **School Principal/ Secretary to BOM** | **Bursar/ Finance Officer** |
| **Date:** | **Date:** | **Date:** |

# Statement of Cash Flows for the Year Ended 30th June 20XX

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Note** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|  |  | **Kshs** | **Kshs** |
| **Cash from Operating Activities** |  |  |  |
| **Receipts**  |  |  |  |
| Government grants for tuition  |  | xxx | xxx |
| Government grants for operations  |  | xxx | xxx |
| Government grants for infrastructure |  | xxx | xxx |
| School fund income- parents contributions/ fees  |  | xxx | xxx |
| Other income |  | xxx | xxx |
| **Total receipts** |  | **xxx** | **xxx** |
| **Payments**  |  |  |  |
| Cash outflows for tuition |  | xxx | xxx |
| Cash outflows for operations |  | xxx | xxx |
| Cash outflows Boarding/lunch and school fund payments |  | xxx | xxx |
| **Total payments** |  | **(xxx)** | **(xxx)** |
| **Net cash inflow/outflow from operating activities** |  | **xxx/(xxx)** | **xxx/(xxx)** |
|  |  |  |  |
| **Cash flow from investing activities** |  |  |  |
| Acquisition of assets |  | (xxx) | (xxx) |
| Proceeds from sale of Assets |  | xxx | xxx |
| Proceeds from investments |  | xxx | xxx |
| Purchase of investments |  | (xxx) | (xxx) |
| **Net cash inflow/outflows from investing activities** |  | **xxx/(xxx)** | **xxx/(xxx)** |
|  |  |  |  |
| **Cash flow from Financing activities** |  |  |  |
| Proceeds from borrowings/ loans  | **18** | xxx | xxx |
| Repayment of principal borrowings  |  | (xxx) | (xxx) |
| **Net cash inflow/outflow from financing activities** |  | **xxx/(xxx)** | **xxx/(xxx)** |
|  |  |  |  |
| **Net increase/decrease in cash and cash equivalents** |  | **xxx/(xxx)** | **xxx/(xxx)** |
| Cash and cash equivalent at beginning of the FY |  | xxx | xxx |
| **Cash and cash equivalent at end of the FY** |  | **xxx** | **xxx** |

*Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.*

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

The school’s financial statements were approved on \_\_\_\_\_\_\_\_\_\_\_ 20XX and signed by:

|  |  |  |
| --- | --- | --- |
| **………………………………** | **………………………………..** | **…………………………….** |
| **Name:** | **Name:** | **Name:** |
| **Chair BOM** | **School Principal/ Secretary to BOM** | **Bursar/ Finance Officer** |
| **Date:** | **Date:** | **Date:** |

# Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 20XX

| **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** |
| **Receipts** |  |  |  |  |  |
|  |  |  |  |  |  |
| ***(1) Capitation Grant on Tuition*** |  |  |  |  |  |
| Reference Materials | xxx | xxx | xxx | xxx | x |
| Exercise Books | xxx | xxx | xxx | xxx | x |
| Laboratory Equipment | xxx | xxx | xxx | xxx | x |
| Internal Exams | xxx | xxx | xxx | xxx | x |
| Teaching / Learning Materials | xxx | xxx | xxx | xxx | x |
| Exams And Assessment | xxx | xxx | xxx | xxx | x |
|  |  |  |  |  |  |
| ***(2) Capitation Grant on Operations*** |  |  |  |  |  |
| Personnel Emoluments | xxx | xxx | xxx | xxx | x |
| Repairs And Maintenance | xxx | xxx | xxx | xxx | x |
| Local Transport / Travelling | xxx | xxx | xxx | xxx | x |
| Electricity And Water | xxx | xxx | xxx | xxx | x |
| Medical | xxx | xxx | xxx | xxx | x |
| Administration Costs | xxx | xxx | xxx | xxx | x |
| Activity | xxx | xxx | xxx | xxx | x |
| Gratuity | xxx | xxx | xxx | xxx | x |
|  | xxx | xxx | xxx | xxx | x |
| ***3) FDSE for infrastructure*** |  |  |  |  |  |
| Maintenance &Improvement MoE | xxx | xxx | xxx | xxx | x |
| M&I parents’ contribution | xxx | xxx | xxx | xxx | x |
| Economic Stimulus Programs | xxx | xxx | xxx | xxx | x |
| Transition Infrastructure Grants | xxx | xxx | xxx | xxx | x |
| Administration Block | xxx | xxx | xxx | xxx | x |
| ***(4) Fees Charged on Parents*** |  |  |  |  |  |
| Personnel Emoluments | xxx | xxx | xxx | xxx | x |
| Repairs And Maintenance | xxx | xxx | xxx | xxx | x |
| Local Transport / Travelling | xxx | xxx | xxx | xxx | x |
| Electricity And Water | xxx | xxx | xxx | xxx | x |
| Medical | xxx | xxx | xxx | xxx | x |
| Administration Costs | xxx | xxx | xxx | xxx | x |
| Activity | xxx | xxx | xxx | xxx | x |
| SMASSE | xxx | xxx | xxx | xxx | x |
| Fee On Boarding Equipment and Stores | xxx | xxx | xxx | xxx | x |
| ***5) Miscellaneous Income*** |  |  |  |  |  |
| Loans / Borrowing | xxx | xxx | xxx | xxx | x |
| Rent income  | xxx | xxx | xxx | xxx | x |
| Income From Farming Activities | xxx | xxx | xxx | xxx | x |
| Insurance Compensation | xxx | xxx | xxx | xxx | x |
| Income From Posho Mill | xxx | xxx | xxx | xxx | x |
| Income From Bus Hire | xxx | xxx | xxx | xxx | x |
| Fee For Hire of Ground and Equipment | xxx | xxx | xxx | xxx | x |
| Interest Income | xxx | xxx | xxx | xxx | x |
| Income From Any Other Investment | xxx | xxx | xxx | xxx | x |
| **Total Income** |  |  |  |  |  |
| ***(6) Expenditure For Tuition*** |  |  |  |  |  |
| Textbooks | xxx | xxx | xxx | xxx | x |
| Reference Materials | xxx | xxx | xxx | xxx | x |
| Exercise Books | xxx | xxx | xxx | xxx | x |
| Laboratory Equipment | xxx | xxx | xxx | xxx | x |
| Internal Exams | xxx | xxx | xxx | xxx | x |
| Teaching / Learning Materials | xxx | xxx | xxx | xxx | x |
| Chalks | xxx | xxx | xxx | xxx | x |
| Exams And Assessment | xxx | xxx | xxx | xxx | x |
| Teachers Guides | xxx | xxx | xxx | xxx | x |
| Administration Costs | xxx | xxx | xxx | xxx | x |
| Bank Charges | xxx | xxx | xxx | xxx | x |
|  |  |  |  |  |  |
| ***(7) Expenditure For Operations*** |  |  |  |  |  |
| Personnel Emoluments | xxx | xxx | xxx | xxx | x |
| Repairs, Maintenance & Improvements | xxx | xxx | xxx | xxx | x |
| Local Transport / Travelling | xxx | xxx | xxx | xxx | x |
| Electricity, Water and Conservancy  | xxx | xxx | xxx | xxx | x |
| Medical | xxx | xxx | xxx | xxx | x |
| Administration Costs | xxx | xxx | xxx | xxx | x |
| Activity Expenses | xxx | xxx | xxx | xxx | x |
| Gratuity | xxx | xxx | xxx | xxx | x |
| SMASSE | xxx | xxx | xxx | xxx | x |
|  |  |  |  |  |  |
| ***(8) Expenditure For infrastructure*** |  |  |  |  |  |
| Construction of classrooms | xxx | xxx | xxx | xxx | x |
| Construction of LAB | xxx | xxx | xxx | xxx | x |
| Construction of DORMS | xxx | xxx | xxx | xxx | x |
| Purchase of furniture | xxx | xxx | xxx | xxx | x |
| Purchase of equipment | xxx | xxx | xxx | xxx | x |
| Purchase of machinery | xxx | xxx | xxx | xxx | x |
|  ***(9) Expenditure For school fund/lunch/boarding*** |  |  |  |  |  |
| Personnel Emoluments | xxx | xxx | xxx | xxx | x |
| Repairs, Maintenance and Improvements | xxx | xxx | xxx | xxx | x |
| Local Transport / Travelling | xxx | xxx | xxx | xxx | x |
| Electricity, Water and Conservancy | xxx | xxx | xxx | xxx | x |
| Medical Expenses | xxx | xxx | xxx | xxx | x |
| Administration Costs | xxx | xxx | xxx | xxx | x |
| Activity | xxx | xxx | xxx | xxx | x |
| Gratuity | xxx | xxx | xxx | xxx | x |
| Lunch Programme | xxx | xxx | xxx | xxx | x |
| Boarding Equipment and Stores | xxx | xxx | xxx | xxx | x |
| Expenditure For Income Generating Activity | xxx | xxx | xxx | xxx | x |
| Insurance Costs | xxx | xxx | xxx | xxx | x |
| Other Expenses On Investments | xxx | xxx | xxx | xxx | x |
| Rent Expenses | xxx | xxx | xxx | xxx | x |
| Bank Charges | xxx | xxx | xxx | xxx | x |
| Loan Interest Repayment | xxx | xxx | xxx | xxx | x |
| Loan Principal Repayment | xxx | xxx | xxx | xxx | x |
| Acquisition Of Assets | xxx | xxx | xxx | xxx | x |
| **Totals** | **xxx** | **xxx** | **xxx** | **xxx** | **x** |

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

1. *Xxxx*
2. *Xxxx*

# 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 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.

1. **Recognition of receipts and payments**

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

1. **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.

1. **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 an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

1. **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.

1. **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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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.

1. **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.

1. **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.

1. **Comparative figures**

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

1. **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 20XX.

# Notes To the Financial Statements

1. Government Grants for Tuition

| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
| --- | --- | --- |
|  | **Kshs** | **Kshs** |
| Reference Materials | xxx | xxx |
| Exercise Books | xxx | xxx |
| Laboratory Equipment | xxx | xxx |
| Internal Exams | xxx | xxx |
| Teaching / Learning Materials | xxx | xxx |
| Others *(specify)\** | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*\*Include others as per MOE circulars*

1. Government Grants for Operations

| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
| --- | --- | --- |
|  | **Kshs** | **Kshs** |
| Personnel Emoluments | xxx | xxx |
| Repairs And Maintenance | xxx | xxx |
| Local Transport / Travelling | xxx | xxx |
| Electricity And Water | xxx | xxx |
| Medical | xxx | xxx |
| Administration Costs | xxx | xxx |
| Activity | xxx | xxx |
| Other Vote Heads (specify)\* | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*\*Include others as per MOE circulars*

1. Government Grants for infrastructure

| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
| --- | --- | --- |
|  | **Kshs** | **Kshs** |
| Maintenance & Improvement | xxx | xxx |
| Transition infrastructure grants | xxx | xxx |
| Administration Block | xxx | xxx |
| Economic stimulus grants | xxx | xxx |
| Other *(specify)(NGCDF and County govt.* | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. School Fund Income - Parents Contribution/Fees

| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
| --- | --- | --- |
|  | **Kshs** | **Kshs** |
| Personnel emoluments | xxx | xxx |
| Repairs and maintenance | xxx | xxx |
| Local transport / travelling | xxx | xxx |
| Electricity and water | xxx | xxx |
| Medical | xxx | xxx |
| Administration costs | xxx | xxx |
| Activity | xxx | xxx |
| Fee on Boarding Equipment and stores | xxx | xxx |
| PA Levies\* | xxx | xxx |
| Others (specify) | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*\*Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

1. Miscellaneous Incomes

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|  | **Kshs** | **Kshs** |
| Rent Income  | xxx | xxx |
| Income From Farming Activities | xxx | xxx |
| Insurance Compensation | xxx | xxx |
| Income From Posho Mill | xxx | xxx |
| Income From Bus Hire | xxx | xxx |
| Fee For Hire of Ground and Equipment | xxx | xxx |
| Income From Grants and Donations\* | xxx | xxx |
| Interest Income | xxx | xxx |
| Dividends Income | xxx | xxx |
| Loans/Borrowings\* | xxx | xxx |
| Other Income *(specify)\** | xxx | xxx |
| **Total** | **xxx** | **xxx** |

*(Include an explanation on the kind and source of grants/ donations received by the school.)*

*\*Ensure proper authorization from MOE before obtaining loans/borrowings.*

*\*Indicate what other income relates to including income arising from writebacks if any.*

1. Tuition

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|  | **Kshs** | **Kshs** |
| Exercise Books | xxx | xxx |
| Textbooks | xxx | xxx |
| Reference materials | xxx | xxx |
| Laboratory Equipment | xxx | xxx |
| Teaching / Learning Materials | xxx | xxx |
| Exams And Assessment | xxx | xxx |
| Teachers Guides | xxx | xxx |
| Bank Charges | xxx | xxx |
| Others *(specify)* | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. Operations

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|  | **Kshs** | **Kshs** |
| Personnel Emoluments | xxx | xxx |
| Service Gratuity | xxx | xxx |
| Administration Cost | xxx | xxx |
| Repairs And Maintenance & Improvements | xxx | xxx |
| Local Transport / Travelling | xxx | xxx |
| Electricity And Water | xxx | xxx |
| Medical | xxx | xxx |
| Activity Expenses | xxx | xxx |
| Insurance Cost | xxx | xxx |
| Others (specify) | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. Infrastructure

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|  | **Kshs** | **Kshs** |
| Construction of classrooms | xxx | xxx |
| Construction of laboratory | xxx | xxx |
| Construction of dormitory | xxx | xxx |
| Purchase of furniture | xxx | xxx |
| Purchase of equipment | xxx | xxx |
| Purchase of apparatus | xxx | xxx |
| Drilling of boreholes | xxx | xxx |
| Others (specify) | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. Boarding And School Fund

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|  | **Kshs** | **Kshs** |
| Personnel Emoluments | xxx | xxx |
| Service Gratuity | xxx | xxx |
| Repairs And Maintenance & Improvements | xxx | xxx |
| Local Transport / Travelling | xxx | xxx |
| Electricity And Water | xxx | xxx |
| Medical Expenses | xxx | xxx |
| Administration Costs | xxx | xxx |
| Lunch Programme | xxx | xxx |
| Bank Charges | xxx | xxx |
| Expenses On Income Generating Activities\*\* | xxx | xxx |
| Fee On Boarding Equipment and Stores | xxx | xxx |
| Rent Expenses | xxx | xxx |
| Insurance Cost (*Life Property*) | xxx | xxx |
| Loan Principal Repayment | xxx | xxx |
| Loan Interest Repayment | xxx | xxx |
| Acquisition Of Assets | xxx | xxx |
| PA expenses | xxx | xxx |
| Others (specify) | xxx | xxx |
| **Total** | **xxx** | **xxx** |

 *(Expenses on income generating activities\*\* should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

1. Bank Accounts

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Account Name & Currency** | **Status** | **Bank Account Number** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|   | **Active/Dormant** |  | **Kshs** | **Kshs** |
| Tuition Account |  |  | xxx | xxx |
| Operations Account |  |  | xxx | xxx |
| School Fund Account/Boarding |  |  | xxx | xxx |
| Savings Account |  |  | xxx | xxx |
| Parent Association Development Account |  |  | xxx | xxx |
| Income Generating Activities Account |  |  | xxx | xxx |
| Infrastructural Account |  |  | xxx | xxx |
| **Total** |  |  | **xxx** | **xxx** |

1. Cash In Hand

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|   | **Kshs** | **Kshs** |
| Notes and Coins | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. Short Term Investments

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|   | **Kshs** | **Kshs** |
| Cooperative Shares | xxx | xxx |
| Treasury Bills | xxx | xxx |
| Fixed Deposit accounts | xxx | xxx |
| Other Investments | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. Accounts Receivable

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|   | **Kshs** | **Kshs** |
| Fees Arrears  | xxx | xxx |
| **Other Non-Fees Receivables** |  |  |
| Salary Advances (list/schedule attached) | xxx | xxx |
| Imprest (list/schedule attached) | xxx | xxx |
| Rent arrears (list/schedule attached) | xxx | xxx |
| **Total** | **xxx** | **xxx** |

**13 b) Ageing Analysis of Accounts Receivable**

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert******Comparative FY*** |
| ***Kshs*** | ***Kshs*** |
|  | **Current FY** | **% of the total** | **Comparative** **FY** | **% of the total** |
| Less than 1 year | xxx | % | xxx | % |
| Between 1- 2 years | xxx | % | xxx | % |
| Between 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total (should tie to note 13 a)** | **xxx** | **%** | **xxx** | **%** |

1. Accounts Payable

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|   | **Kshs** | **Kshs** |
| Trade Creditors (See Ageing Below and Appendix 1) | xxx | xxx |
| Prepaid Fees | xxx | xxx |
| Retention Monies | xxx | xxx |
| Unpaid salaries and statutory deductions | xxx | xxx |
| Caution money | xxx | xxx |
| Other payables *(specify)* | xxx | xxx |
| **Total** | **xxx** | **xxx** |

**14a. Ageing Analysis of Accounts Payable**

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert******Comparative FY*** |
| ***Kshs*** | ***Kshs*** |
|  | **Current FY** | **% of the total** | **Comparative** **FY** | **% of the total** |
| Less than 1 year | xxx | % | xxx | % |
| Between 1- 2 years | xxx | % | xxx | % |
| Between 2-3 years | xxx | % | xxx | % |
| Over 3 years | xxx | % | xxx | % |
| **Total (should tie to note 14)** | **xxx** | **%** | **xxx** | **%** |

1. Fund Balance Brought Forward

|  |  |  |
| --- | --- | --- |
| **Description** | ***Insert Current FY*** | ***Insert Comparative FY*** |
|   | **Kshs** | **Kshs** |
| Bank Balances | xxx | xxx |
| Cash Balances | xxx | xxx |
| Short Term Investments  | xxx | xxx |
| Receivables | xxx | xxx |
| Payables | (xxx) | (xxx) |
| **Total** | **xxx** | **xxx** |

**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.

1. Non-current Liabilities Summary

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
|   | **Kshs** | **Kshs** |
| Bank Loans | xxx | xxx |
| Outstanding Leases | xxx | xxx |
| Hire Purchase | xxx | xxx |
| Gratuity And Leave Provision | xxx | xxx |
| Others (specify) | xxx | xxx |
| **Total** | **xxx** | **xxx** |

1. Biological assets

|  |  |  |  |
| --- | --- | --- | --- |
| **Description** | **Numbers** | **Insert Current FY** | **Insert Comparative FY** |
|   |  | **Kshs** | **Kshs** |
| Cattle |  | xxx | xxx |
| Goats |  | xxx | xxx |
| Trees |  | xxx | xxx |
| Coffee Or Tea Plantation |  | xxx | xxx |
| Poultry  |  | xxx | xxx |
| Others (specify) |  | xxx | xxx |
| **Total** |  | **xxx** | **xxx** |

1. Borrowings

|  |  |  |
| --- | --- | --- |
| **Description** | **Kshs** | **Kshs** |
| Borrowings at beginning of the year | xxx | xxx |
| Borrowings during the year | xxx | xxx |
| Repayments during the year | (xxx) | (xxx) |
| **Balance at the end of the year** | **xxx** | **xxx** |

**Other important disclosure notes**

1. Stock/ Inventory

|  |  |  |
| --- | --- | --- |
| **Description** | **Insert Current FY** | **Insert Comparative FY** |
|  | **Kshs** | **Kshs** |
| Food stuffs | xx | xx |
| Lab consumables | xx | xx |
| Farm produce | xx | xx |
| Medication | xx | xx |
| Construction Materials | xx | xx |
| Others (specify) | xx | xx |
|  | **xx** | **xx** |

*(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)*

1. Progress On Follow Up of Auditor Recommendations

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

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

------------------------------

Sign and Date

Principal

# Annexes

**Annex I** - **Analysis of Pending Accounts Payable**

| **Supplier Of Goods or Services** | **Original Amount** | **Date Contracted** | **Amount Paid To-Date** | **Outstanding Balance****Current FY** | **Outstanding Balance****Comparative FY** | **Comments** |
| --- | --- | --- | --- | --- | --- | --- |
|  | A | b | C | d=a-c |  |  |
|  | Kshs | Kshs | Kshs | Kshs | Kshs |  |
| **Construction Of Buildings** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |
| **Supply Of Goods** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |
| **Supply Of Services** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| **Sub-Total** |  |  |  |  |  |  |
| **Grand Total** |  |  |  |  |  |  |

**Annex 2** – **Summary of Fixed Assets Register**

| **Asset Class** | **Historical Cost b/f****(Kshs)****1st July 20XX** | **Additions during the year****(Kshs)** | **Disposals during the year****(Kshs)** | **Historical Cost c/f****(Kshs)****30th June 20XX** |
| --- | --- | --- | --- | --- |
| Land |  |  |  |  |
| Buildings And Structures |  |  |  |  |
| Motor Vehicles |  |  |  |  |
| Office Equipment, Furniture and Fittings |  |  |  |  |
| Textbooks |  |  |  |  |
| ICT Equipment |  |  |  |  |
| Tools And Apparatus |  |  |  |  |
| Other Machinery and Equipment |  |  |  |  |
| Heritage And Cultural Assets |  |  |  |  |
| Intangible Assets- Soft Ware |  |  |  |  |
| **Total**  |  |  |  |  |

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