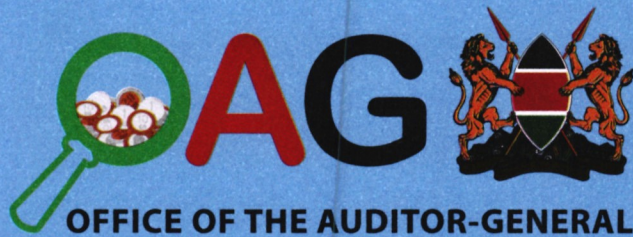


REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY PARLIAMENT	
DATE: 08 NOV 2023	DAY: Wednesday
TABLED BY:	Hon. Naomi Wago (Deputy Majority Whip)
CLERK-AT-THE-TABLE:	Mado

REPORT

OF

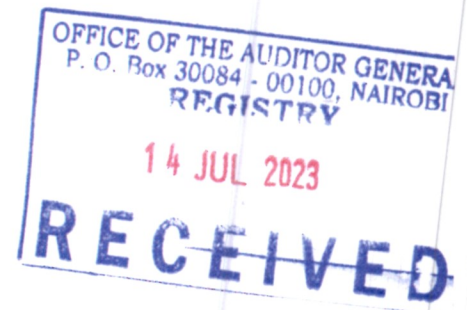
THE AUDITOR-GENERAL

ON

**IMMACULATE HEART OF MARY KAIRI
GIRLS SECONDARY SCHOOL**

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

KIAMBU COUNTY



**IMMACULATE HEART OF MARY KAIRI GIRLS SECONDARY
SCHOOL**

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR SIX MONTHS ENDING

30TH JUNE 2021

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

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

TABLE OF CONTENTS

	PAGE
I. KEY SCHOOL INFORMATION AND MANAGEMENT	2
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	7
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	14
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF IHM KAIRI GIRLS SECONDARY SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021	15
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2021 .	16
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021	17
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021 .	18
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021	19
IX. SIGNIFICANT ACCOUNTING POLICIES.....	20
X. NOTES TO THE FINANCIAL STATEMENTS	22

IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOLS
Reports and Financial Statements
For the Year Ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

Background information

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

The school was re-registered in 09/06/2020 under registration number 22S00300610 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day/boarding school and has 376 number of students as at 30th June 2021. It has 2 streams and 18 teachers of which 9 teachers are employed by the School Board of Management.

(a) 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	Peter Mungai Wairigu	Chairman	4th March 2019
2	Alice Mugure Murage	Secretary - Principal	4th March 2019
3	Simon Kihiro	Member	4th March 2019
4	Catherine Gitau	Co-opted Member	4th March 2019
5	Peter Muasya	Co-opted Member	4th March 2019
6	Mathew Kamau	Member - Sponsor	4th March 2019
7	Paul Ngigi Kinyanjui	Member - Sponsor	4th March 2019
8	Gabriel Wahinya	Member – Rep CEB	4th March 2019
9	Johana Ndichu	Member Rep Teachers	4th March 2019
10	Raphael Njau	Member - Community	4th March 2019
11	Peter Ngure	Member - Community	4th March 2019
12	Irene Nyambura	Member - Community	4th March 2019
13	Paul Koigi	Member – Community	4th March 2019
14	Martin Minjire	Member - Community	4th March 2019
15	Scola Miru	Member Special Needs	4th March 2019
16	Dione Ntombura	Rep Students	4th March 2019

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 pupil's discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule paragraph 21 and 23 of the Basic Education Act, 2013.

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

(b) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr. Peter Wairigu Mr. Gabriel Wahinya Mrs. Alice Mburu Mr. George Mbuthia Ms. Scola Miru	Chairman Vice Chair Sec/ Principal PA Chair Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Finance, Procurement and General Purposes Committee and Infrastructure	Mr. Simon Kihiro Mrs. Alice Mburu Mrs. Irene Nyambura Mr. Raphael Njau Mrs. George Mbuthia	Chair Member B.O.M Chair Member Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
3	Audit Committee	Mr. Paul Kinyanjui Mrs. Alice Mburu Mr. Mathew Kamau Mr. Paul Koigi	Chair B.O.M Secretary Member Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
4	Academic Committee	Mrs. Scola Miru Mr. Gabriel Wahinya Mr. Mathew Waichari Mr. Peter Wairigu Mr. George Mbuthia	Chair Secretary B.O.M Member Member Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
5	Development Committee	Mrs. Veronica Munyambu Mrs. Alice Mburu Mrs. Simon Kihiro Mr. Scolastica Waweru Mr. George Mbuthia	Chair B.OM Secretary B.O.M Chair Member Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
6	Discipline and Welfare Committee	Mr. George Mbuthia Mr. Peter Ngure Mr. Paul Koigi Mr. Gabriel Wahinya Mrs. Alice Mburu	Chair Member Member B.O.M Chair Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

KEY SCHOOL INFORMATION AND MANAGEMENT

(a) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Mrs. Anne Ndirangu	305400
2	Deputy Principal	Mrs. Joyce Kanyugo	352441
3	School Bursar	Mrs. Ruth Njoroge	33223689 (ID)

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(c) Schools contacts

Post Office Box: 66-01028, Gatukuyu.
Telephone: 0703835511
E-mail: ihmkairigirlsgmail.com

(b) School Bankers

The following school operated four number of bank accounts and an Mpesa Pay Bill in the following banks:

1. Name of Bank: Equity Bank, Thika Branch
Account Name: School Fund Account
Account Number: 0340295032586
2. Name of Bank: Equity Bank, Thika Branch
Account Name: School Operations Account
Account Number: 0340291737147
3. Name of Bank: Equity Bank, Thika Branch
Account Name: School Tuition Account
Account Number: 0340291366326
4. Name of Bank: Equity Bank, Thika Branch
Account Name: Project Fund Account
Account Number: 0340273472048

MPESA Pay Bill No. 4075659 attached to EQUITY bank, School Fund Account

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

(d) Independent Auditors

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

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

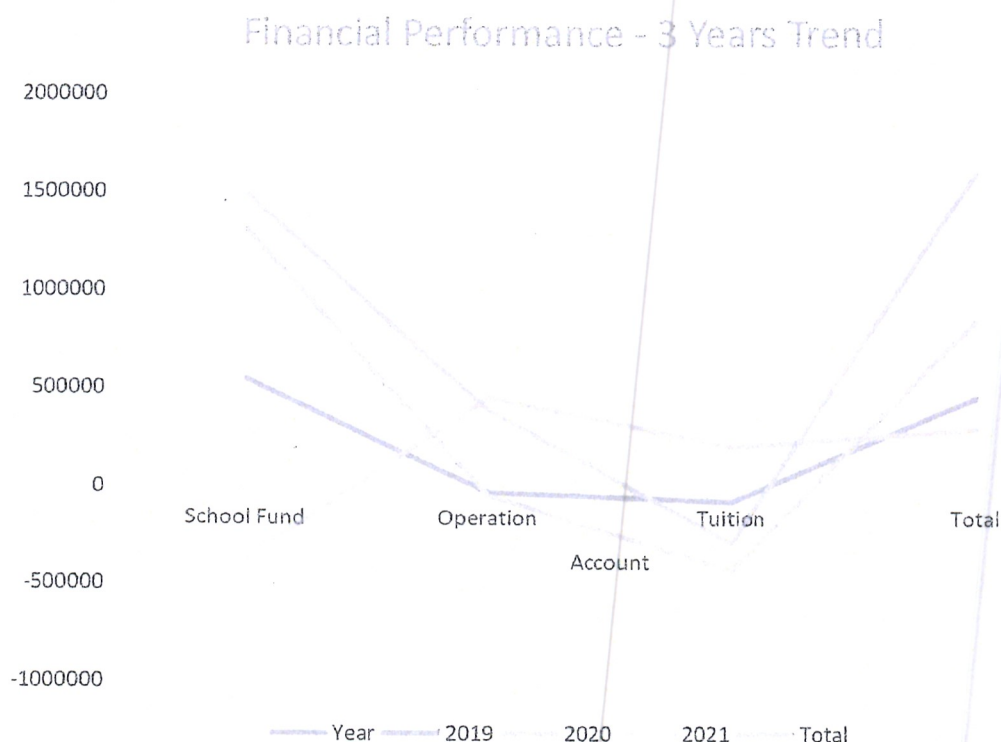
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

- *Surplus/deficit for the year and a comparison of the same for the last three years.*

Financial Performance - 3 Years Trend				
Year	School Fund	Operation	Tuition	Total
2019	551,348	-24,561.95	-69,745.6	457,040.5
2020	1,311,164	-40,070	-420,814	850,280.1
2021	-369,164	458,799	209,441	299,076
Total	1,493,348	394,167.05	-281,118	160,6397

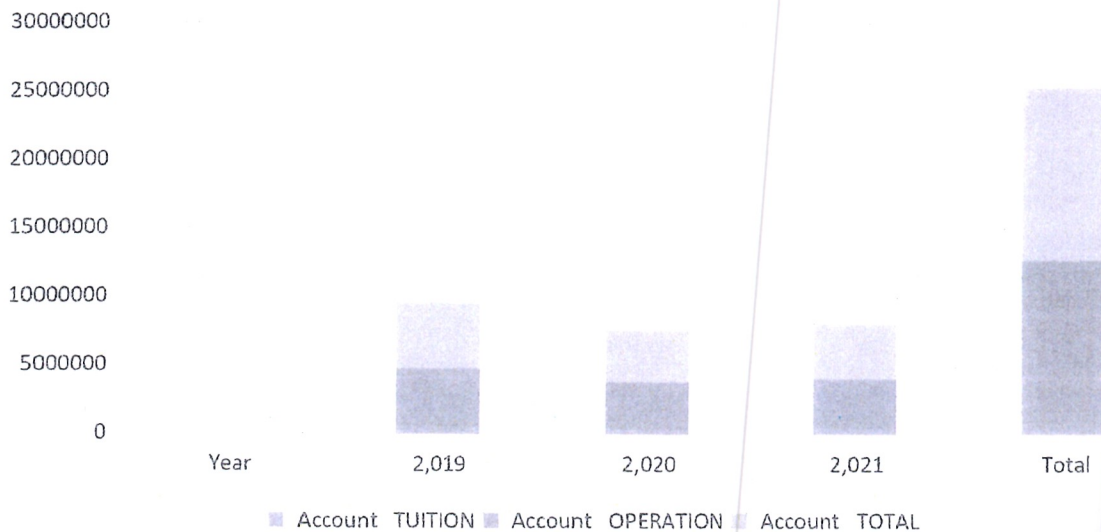


- *Capitation grants from the Ministry of Education for the last three years*

CAPITATION GRANT -3 Years Trend				
Year	TUITION	OPERATION	TOTAL	
2019	714,656	4,098,077	4,812,733	
2020	469,036	3,365,150	3,834,186	
2021	546,305	3,518,469	4,064,774	
Total	1,729,997	10,981,696	12,711,693	

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

CAPITATION GRANT -3 Years Trend

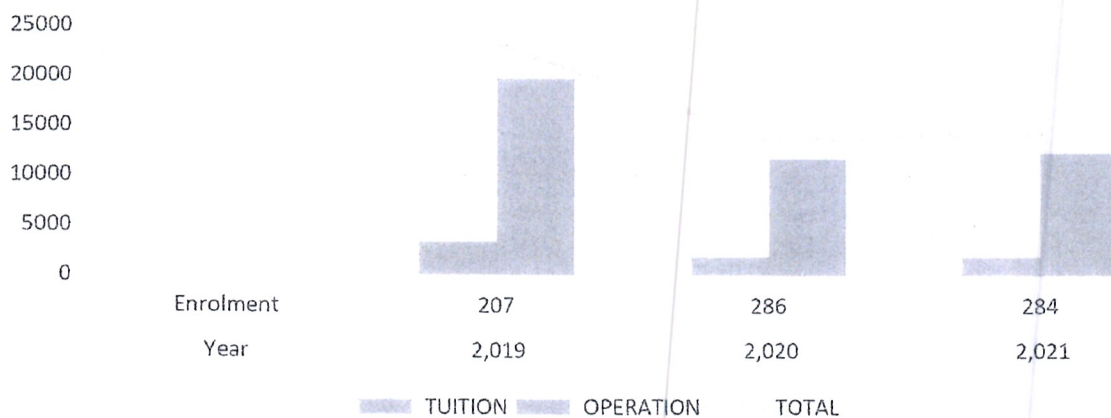


(The decline of Ministry of Education grants is due to retention of some monies plus in 2020, all the grants were not received due to Covid 19 pandemic and also the fact that 2021 pertains half year's grants)

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

Capitation Grant Per Child -3 Years Trend				
Year	Enrolment	TUITION	OPERATION	TOTAL
2019	207	3,452	19,797	23,249
2020	286	1,910	11,766	13,676
2021	284	1,923	12,389	14,312

Capitation Grant Per Child -3 Years Trend



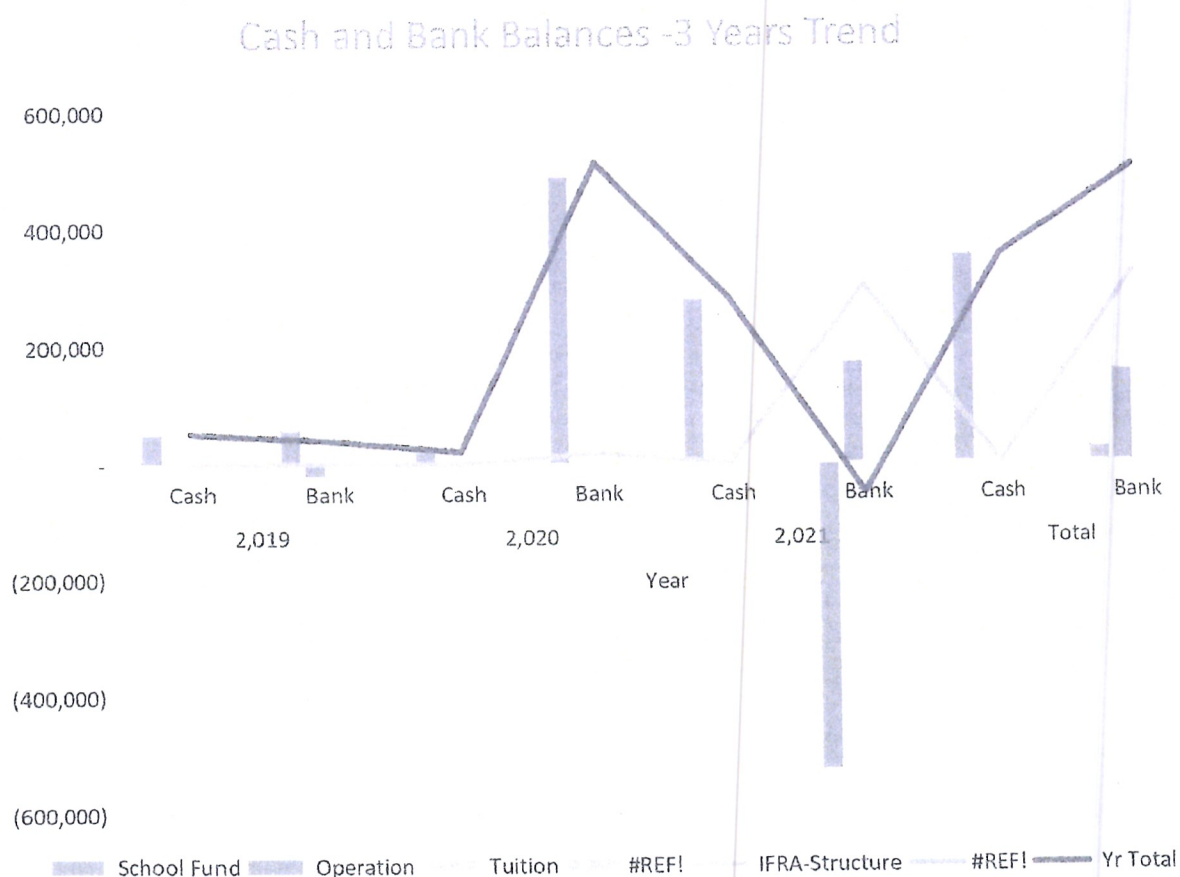
(The decline in M.O Education capitation is due to retention by the government plus the fact that 2020 grants were not received in full due to covid 19 pandemic and also in 2021, the

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

grants pertains to half years grants)

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

		Cash and Bank Balances -3 Years Trend					
Year		School Fund	Operation	Tuition	Infrastructure	Years Total	
2019	Cash	52,129	(30)	-	-	52,099	
	Bank	58,928	(18,629)	(1,703)	2,268	40,865	
2020	Cash	20,719	(30)	-	-	20,689	
	Bank	489,823	1,699	2,936	17,908	512,365	
2021	Cash	280,825	-	-	-	280,825	
	Bank	(525,372)	172,323	117	302,685	(50,248)	
Total	Cash	353,673	(60)	-	-	353,613	
	Bank	23,379	155,393	1,350	322,860	502,982	



**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

b) Teacher Student ratio:

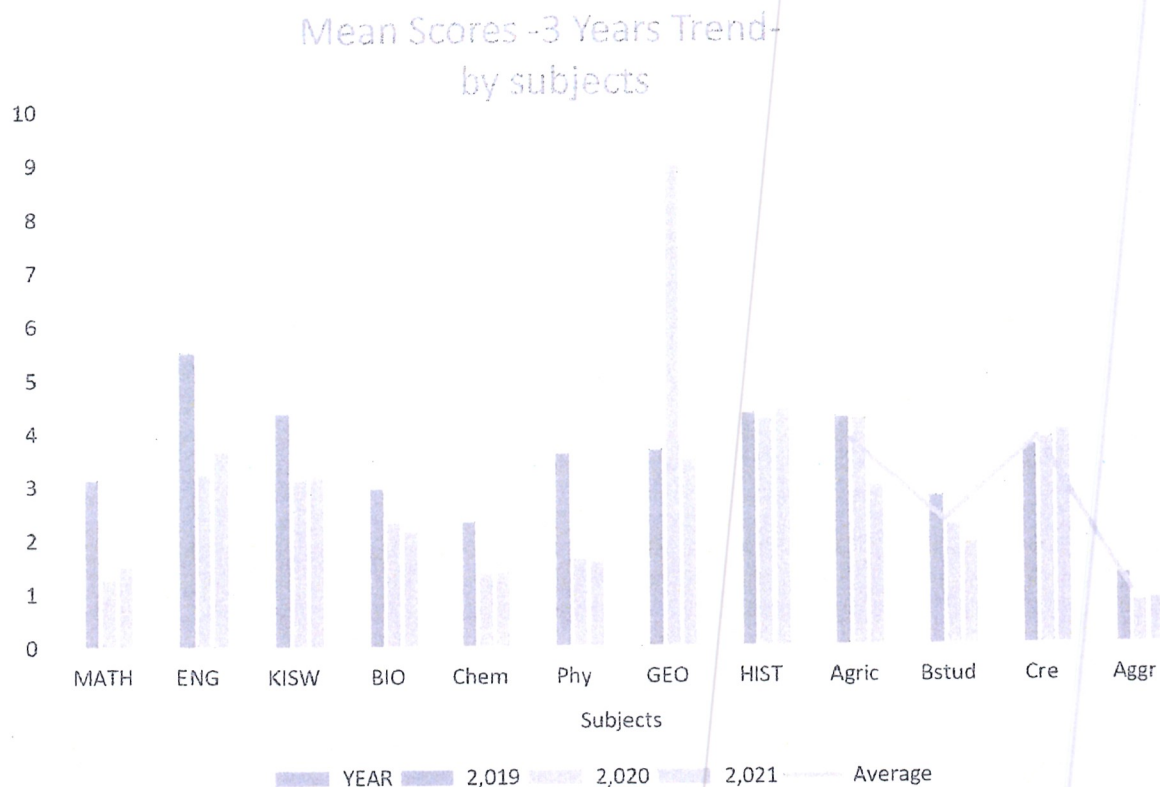
Ratio of students to Teachers	
Total enrolment	376
Total No of Teachers	18
Students: Teachers ratio	1:21

Teachers Turnover	
No of teachers recruited in the year	0
No of teachers transferred inwards in the year	1
No of teachers transferred outwards in the year	1
Net inflow of teachers	2

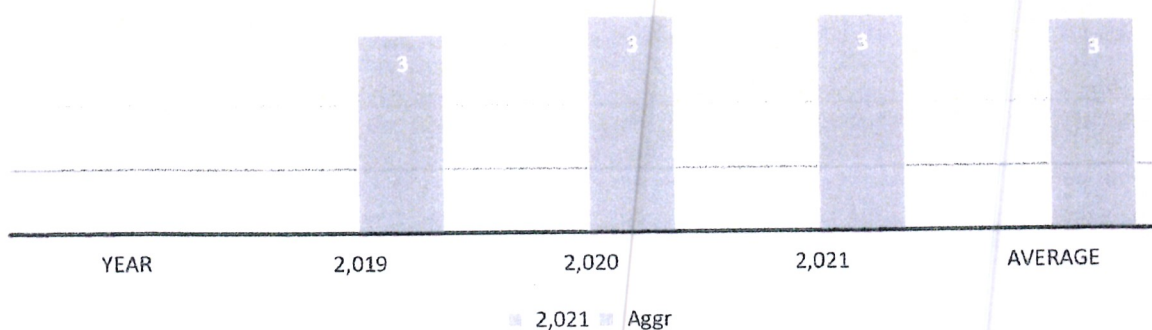
Teachers Employment	
No of teachers required by CBE	19
No of teachers employed by TSC	9
Shortage / Surplus No of teachers before BOM teachers	10
No of teachers employed by BOM	9
Net Shortage of teachers	10

Mean Scores -3 Years Trend

YEAR	Subjects										
	MATH	ENG	KISW	BIO	Chem	Phy	GEO	HIST	Agric	Bstud	Cre
2019	3	6	4	3	2	4	4	4	4	3	4
2020	1	3	3	2	1	2	9	4	4	2	4
2021	2	4	3	2	1	2	4	4	3	2	4



**Mean Scores -3 Years Trend-
by aggregate Mean**



a) Number of Candidates in the 2020 KCSE:

2021	2020	2019
82	78	56

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

b) Capacity of the school:

Area	Means of infrastructure measurement	Quantity of infrastructure required	Actual quantity of infrastructure available	Infrastructure gap
Classrooms	Number of classes	12	9	3
Laboratories	Number of laboratories	4	1	3
Toilet Doors	Number of toilet doors	40	25	15
Offices	Number of offices	12	6	6
Dining Hall	Number of students well seated	500	300	200
Library	Number of students well seated	200	0	200
Hostels	Number of Decker Beds well-spaced	500	300	200

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

Staffroom	Number of teachers well seated	20	10	10
Staff housing	No of staff properly housed	5	0	5 Housing Units

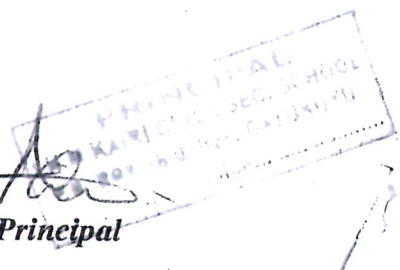
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

c) Development projects carried out by the school:

Projects Analysis		
	Name of project	
	Construction of Science Laboratory	Construction of 2 Classrooms
Estimated (BQ) Cost	1,425,000.00	3,574,300.00
Source(s) of Funding	Infrastructure Development Fund	Infrastructure Development Fund
Contract Cost	1,425,000.00	3,574,300.00
Start Date of project	20 th February 2021	2 nd April 2021
Expected Completion date	Completed by 30 th October 2022	12 th November 2022
Status (Stalled, WIP, complete)	Work in Progress	Work in Progress
Amount due on project	None	None
Amount paid	1,425,000.00	3,574,300.00
Amount pending	None	None
comment on project success/challenges	<i>Science Laboratory Project ongoing.</i>	Construction of 2 Classrooms Successfully Completed.

Sign

School Principal



**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

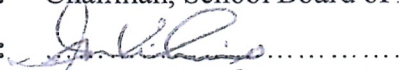
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY


Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

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

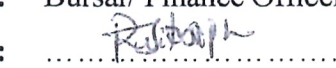
The Board of Management of *IHM Kairi Girls Secondary School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards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

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

Name : Mr. Simon Kihiro
Designation : Chairman, School Board of Management
Sign : 
Date : 12.7.2023

Name : Mrs. Anne Ndirangu
Designation : School Principal & Secretary to Board of Management
Sign : 
Date : 12-07-2023



Name : Mrs. Ruth Muthoni
Designation : Bursar/ Finance Officer
Sign : 
Date : 12-07-2023

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON IMMACULATE HEART OF MARY KAIRI GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021- KIAMBU COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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 Immaculate Heart of Mary Kairi Girls Secondary School – Kiambu County set out on pages 16 to 26, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the

Report of the Auditor-General on Immaculate Heart of Mary Kairi Girls Secondary for the year ended 30 June, 2021- Kiambu County

statement of receipts and payments, statement of changes in net assets, statement of cash flows and statement of budgeted versus actual amounts for the period 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 Immaculate Heart of Mary Kairi Girls Secondary School-Kiambu County as at 30 June, 2021, and of its financial performance and its cash flows for period 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. Variances Between Amounts Reported in the Financial Statements and the Supporting Schedules

The financial statements presented for audit contained variances between the amounts reported in the financial statements and those reflected in the supporting schedules as detailed below: -

Audit Component	Financial Statement Amount (Kshs.)	Supporting Schedule Amount (Kshs.)	Variance (Kshs.)
Payments for tuition	336,864	547,804	212,260
Capitation grants for operations	2,610,732	3,518,469	(907,737)
Boarding and School fund payments	6,758,352	6,933,987	(175,635)
School Fund Income- Parents Contribution	5,450,989	4,878,157	572,332
Cash Balance	280,825	0	280,825

Further, the statement of budgeted versus actual amounts reflects a total budget of Kshs.10,175,000 for both receipts and expenditure, while the approved budget reflects Kshs.18,247,399 resulting in an unexplained variance of Kshs.8,072,399.

In addition, the statement reflects actual income and actual expenditure of Kshs.8,705,837 and Kshs.8,401,985 respectively, while the statement of receipts and payments reflects receipts of Kshs.10,453,962 and payments of Kshs.10,154,886 resulting in an unexplained variance of Kshs.1,748,125 and Kshs.1,752,901 respectively.

In the circumstances, the accuracy and completeness of the respective balances could not be confirmed.

2. Overdrawn Cashbook Balance

The statement of financial assets and financial liabilities reflects negative bank balances of Kshs.50,248 as disclosed in Note 8 to the financial statements. The balances includes an overdrawn School fund/boarding account cash book balance of Kshs.525,372. No explanation was provided for the circumstances under which the cash book had been overdrawn.

In the circumstances, the accuracy and completeness of the negative bank balances of Kshs.50,248 as at 30 June, 2021 could not be confirmed.

3. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflect an accounts payables balance of Kshs.943,775 as disclosed in Note 12 to the financial statements. However, Annex 1 to the financial statements on detailed pending accounts payables listing reflects a balance of Kshs.733,215 resulting to an unreconciled variance of Kshs.210,560. Further, no creditors ledger was provided for audit to support and capture details of goods/services received or rendered and details of local purchase/service orders, delivery notes, invoices, certified interim/final certificates and inspection and acceptance committee reports.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.943,775 as at 30 June, 2021 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Immaculate Heart of Mary Kairi Girls Secondary School 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.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except 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. Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements

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

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

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

In the circumstances, Management did not comply with the prescriptions as issued by the Public Sector Accounting Standards Board (PSASB).

2. Long outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.2,902,054 in respect of fees arrears as disclosed in Note 11 to the financial statements. However, there was no evidence of a recovery process despite the School having rendered the services.

In the circumstances, the efficiency in recoverability of accounts receivable balance of Kshs.2,902,054 as at 30 June, 2021 could not be confirmed.

3. Failure to Register Students on the National Education Management Information System (NEMIS) Platform

Review of the registration details revealed that Management had not registered 58 students during the financial year under review. No justification was provided as to why registration of the learners has not been effected. Further, out of the 58 students, 7 were registered to different schools which may have been receiving capitation for students who did not report to those Schools. This was contrary to the Ministry of Education circular dated 26/11/2019 which directed on registration of learners on the NEMIS platform. In

addition, failure to register the learners has denied the Management an amount of Kshs.1,290,152 in form of capitations.

In the circumstances, Management was in breach of the Ministry's Guidelines.

4. Lack of an Annual Procurement Plan

During the year under review, the School did not have an approved procurement plan to guide the procurements undertaken, contrary to Section 45(3)(a) of the Public Procurement and Asset Disposal Act, 2015 which requires all procurement processes to be within the approved budget of the procuring entity and to be planned by the procuring entity concerned through an annual procurement plan.

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

5. Non-compliance in Procurement and Implementation of Development Project

The statement of receipts and payments reflects Kshs.3,059,670, in respect of payments for operations as disclosed in Note 6 to the financial statements which includes Kshs.622,000 expenditure for equipping school laboratory. However, supporting documentation on how the procurement process was done up to and leading to the award of the contract was not provided for audit.

In addition, contract agreement, inspection and acceptance committee report were not provided contrary to Regulation 115(1) of the Public Finance Management (National Government) Regulations, 2015 which requires all purchases of goods, works and services from suppliers, including capital investments to comply with the provisions prescribed in the Public Procurement and Asset Disposal Act, 2015. Further, there was no evidence of involvement of a public works officer in supervision.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to abolish or to cease its 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 Management's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with 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 the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's

ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 October, 2023


**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**


V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021 Kshs	2019-2020 Ksh
RECEIPTS			
Capitation grants for tuition	1	370,671.00	469,036.00
Capitation grants for operations	2	2,610,732.00	4,864,427.00
School Fund Income- Parents' Contributions	3	5,450,989.00	7,535,936.00
School Fund Income – Other receipts	4	2,021,570.00	0.00
TOTAL RECEIPTS		10,453,962.00	12,869,399.00
PAYMENTS			
Payments for Tuition	5	336,864.00	889,850.00
Payments for operations	6	3,059,670.00	4,869,870.00
Boarding and school fund payments	7	6,758,352.00	7,345,388.00
TOTAL PAYMENTS		10,154,886.00	13,105,108.00
SURPLUS/DEFICIT		299,076.00	(235,709.00)

The school financial statements were approved on _____ 2022 and signed by:

Sign: 
Name: Simon Kihiro
Chair BOM

Sign: 
Name: Mrs. Ann Ndirangu
School Principal /
Secretary to BOM

Sign: 
Name: Mrs Ruth Muthoni
Bursar/Finance Officer

Date: 12-7-2023

Date: 12-07-2023


Date: 12-07-2022

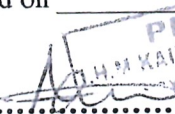
**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**


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

	Note	2020-2021 Kshs.	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	(50,248.00)	491,059.00
Cash Balances	9	280,825.00	38,627.00
Total Cash and cash equivalent		230,577.00	529,686.00
Account's receivables	11	2,902,054.00	2,311,403.00
TOTAL FINANCIAL ASSETS		3,132,631.00	2,841,089.00
FINANCIAL LIABILITIES			
Accounts Payables	12	943,775.00	1,437,716.00
NET FINANCIAL ASSETS		2,188,856.00	1,403,373.00
REPRESENTED BY			
Fund balance b/ fwd 1 st July...	13	1,889,780.00	1,639,082.00
Surplus/Deficit for the year		299,076.00	(235,709.00)
NET FINANCIAL POSSITION		2,188,856.00	1,403,373.00

The School's financial statements were approved on _____ 2022 and signed by:

Sign: 
Name: Mr. Simon Kihiro
Muthoni
Chair BOM

Sign: 
Name: Mrs. Anne Ndirangu
School Principal /
Secretary to BOM

Sign: 
Name: Mrs. Ruth
Bursar/Finance Officer

Date: 12-7-2023

Date: 12-07-2023

Date: 12-07-2023

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

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

	Note	2020-2021 Kshs.	2019-2020 Kshs
Receipts for Operating Income			
Capitation grants for tuition	1	370,671.00	469,036.00
Capitation grants for operations	2	2,610,732.00	3,365,150.00
Infrastructure	3	1,257,737.00	1,176,300.00
School fund income- Parents contributions/ fees	4	5,630,626.00	8,656,553.00
Total Receipts		9,869,766.00	13,667,039.00
Payments			
Payments for Tuition	5	373,490.00	889,850.00
Payments for operations	6	2,436,710.00	3,405,220.00
Infrastructure	7	972,960.00	2,023,138.00
Boarding and school fund payments	8	6,385,715.00	7,345,389.00
Total Payments		10,344,509.00	13,663,597.00
Net Cash Flow from Operating Activities		(299,109.00)	3,442.00
NET INCREASE IN CASH AND CASH EQUIVALENTS		(299,109.00)	3,442.00
Cash and Cash Equivalent at BEGINNING of the year		529,686.00	526,244.00
Cash and Cash Equivalent at END of the year		230,577.00	529,686.00

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. The School has therefore adopted the direct method of cashflow as recommended by PSASB.

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

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

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.	Kshs.	Kshs.
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Teaching / learning materials	550,000.00		550,000.00	546,305.00	3,695.00	99%
(2) CAPITATION GRANT ON OPERATIONS						
Other Vote Heads	1,480,000.00		1,480,000.00	1,470,732.00	9,268.00	99%
Repairs and maintenance	1,145,000.00		1,145,000.00	1,140,000.00	5,000.00	98%
(3) FEES CHARGED ON PARENTS						
Fee on Boarding Equipment and Stores	5,300,000.00		5,300,000.00	3,862,135.00	1,437,865.00	73%
Other Vote Heads	1,700,000.00		1,700,000.00	1,686,665.00	13,335.00	99%
TOTAL INCOME	10,175,000.00		10,175,000.00	8,705,837.00	1,469,163.00	
(1) EXPENDITURE FOR TUITION						
Teaching / learning materials	550,000.00		550,000.00	335,544.00	214,456.00	61%
(2) EXPENDITURE FOR OPERATIONS						
Other Vote Heads	1,480,000.00		1,480,000.00	1,008,290.00	471,710.00	68%
Repairs, maintenance & improvements	1,145,000.00		1,145,000.00	998,000.00	147,000.00	87%
(3) EXPENDITURE FOR SCHOOL FUND						
Boarding Equipment and Stores	5,300,000.00		5,300,000.00	5,281,763.00	18,237.00	99%
Other Vote Heads	1,700,000.00		1,700,000.00	778,388.00	921,612.00	46%
TOTALS	10,175,000.00		10,175,000.00	8,401,985.00	1,773,015.00	

[Majority of the vote heads are within the budget which is recommendable]

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

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

2. Recognition of Receipts and Payments

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

3. In-kind Contributions

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

4. Cash and Cash Equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-Current Assets

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

8. Budget

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

9. Comparative Figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

Description	2020-2021 Kshs	2019-2020 Kshs
Teaching / learning materials	370,671.00	469,036.00
Total	370,671.00	469,036.00

2 CAPITATION GRANT FOR OPERATIONS

Description	2020-2021 Kshs	2019-2020 Kshs
Personnel emoluments	0.00	60,427.00
Repairs and maintenance	1,140,000.00	1,155,000.00
Infrastructure Development	0.00	164,300.00
Other Voteheads	1,470,732.00	2,320,900.00
Infrastructure RMI	0.00	1,012,000.00
Medical	0.00	50,600.00
Activity	0.00	101,200.00
Total	2,610,732.00	4,864,427.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

Description	2020-2021 Kshs	2019-2020 Ksh
Personnel emoluments	160,605.00	0.00
Repairs and maintenance	474,066.00	73,200.00
Boarding Equipments & Stores	3,862,135.00	6,200,350.00
Lunch program	0.00	199,815.00
Administration Costs	0.00	48,728.65
Infrastructure Development	49,737.00	0.00
Infrastructure RMI	858,000.00	0.00
Other vote heads	0.00	988,730.00
Activity	46,446.00	25,112.00
Total	5,450,989.00	7,535,935.65

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

Description	2020-2021 Kshs	2019-2020 Kshs
Lunch program	334,905.00	0.00
Other Voteheads	1,686,665.00	0.00
Total	2,021,570.00	0.00

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 PAYMENTS FOR TUITION

Description	2020-2021 Kshs	2019-2020 Kshs
Teaching / learning materials	335,544.00	889,062.00
Bank charges	1,320.00	787.00
Total	336,864.00	889,849.90

6 PAYMENTS FOR OPERATIONS

Description	2020-2021 Kshs	2019-2020 Kshs
Administration costs	0.00	8,880.00
Repairs and maintenance & improvements	998,000.00	1,075,440.00
Infrastructure RMI	622,000.00	1,463,990.00
Other Vote heads	1,008,290.00	2,320,900.00
School Fund	300,000.00	0.00
Bank Charges	2,880.00	660.00
Activity	128,500.00	0.00
TOTAL	3,059,670.00	4,869,870.00

7 BOARDING AND SCHOOL FUND PAYMENTS

Description	2020-2021 Kshs	2019-2020 Kshs
Boarding, Equipment's and Stores	5,281,763.00	6,206,595.00
Repairs and maintenance & Improvements	0.00	73,200.00
Local transport / travelling	1,500.00	0.00
Infrastructure Account	350,000.00	0.00
Administration costs	34,660.00	48,728.00
Lunch program	0.00	28,135.00
Operations Account	284,920.70	0.00
NHIF	12,000.00	0.00
NSSF	15,120.00	0.00
Other Vote heads	778,388.00	988,730.00
TOTAL	6,758,351.70	7,345,388.00

4. These costs includes farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021 Kshs	2019-2020 Kshs
Tuition Account		116.56	2,935.56
Operations Account		172,323.10	(1,698.90)
School Fund Account		(525,371.90)	489,822.80
Infrastructure Account		302,684.50	0.00
Total		(50,247.74)	491,059.46

9 CASH IN HAND

Description	2020-2021 Kshs	2019-2020 Ksh
Infrastructure Account	0.00	17,907.50
School Fund account	280,825.00	20,719.00
Total	280,825.00	38,626.50

10 SHORT TERM INVESTMENTS

Description	2020-2021 Kshs	2019-2020 Kshs
Equity stock	-	-

11 ACCOUNTS RECEIVABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears	2,902,054.00	2,311,403.00
Total	2,902,054.00	2,311,403.00

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

Description	2020-2021 Kshs	2019-2020 Kshs
Fees arrears for current year	934,196.00	1,275,176.00
Fees arrears recovered during the year	0.00	80,600.00
Fees arrears for the previous year	1,275,176.00	692,682.00
Fees arrears for prior periods (over two years)	692,682.00	424,145.00
Total	2,902,054.00	2,311,403.00

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**
Annual Report and Financial Statements
For the Year Ended 30th June 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12 ACCOUNTS PAYABLE

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors (See ageing below and Appendix 1)	793,175.00	1,390,431.00
Prepaid fees	150,600.00	47,285.00
Total	943,775.00	1,437,716.00

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

Description	2020-2021 Kshs	2019-2020 Kshs
Trade creditors for current year	733,215.00	849,098.00
Trade creditors paid during the year	547,804.00	462,656.00
Trade creditors for the previous year	545,108.00	457,200.00
Trade creditors for prior periods (over two years)	62,656.00	546,789.00
Total	793,175.00	1,390,431.00

13 FUND BALANCE BROUGHT FORWARD

Description	2020-2021 Kshs	2019-2020 Kshs
Bank balances	508,967.00	489,823.00
Cash balances	20,719.00	36,421.00
Receivables	1,967,858.00	2,116,827.00
Payables	607,764.00	1,003,989.00
Total	1,889,779.96	1,639,081.80

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

Other important Disclosure Notes

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

14 BIOLOGICAL ASSETS

Description	Numbers	Price per Unit	2020-2021 Kshs.	2019-2020 Kshs.
Cattle	2	70,000.00	140,000.00	120,000.00
Calves	1	28,000.00	28,000.00	20,000.00
Pigs	10	5,000.00	50,000.00	35,000.00
Trees	20	3,000.00	60,000.00	60,000.00
Total			278,000.00	235,000.00

Other Important Disclosure Notes (Continued)

15 STOCK/ INVENTORY

Description	2020-2021 KShs.	2019-2020 KShs.
a) Stock Inventories		
Stock/ inventory at beginning of the year	222,797.00	451,231.00
Stock/ inventory purchased during the year	4,982,897.00	3,987,548.00
Stock/ inventory issued during the year	5,142,021.00	4,215,982.00
Balance at end of the year	63,673.00	222,797.00

16 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)
1.	Trade creditors	To be paid in good time.	Being resolved.	By December 2023.
2.	Fees debtors	To receive the school fees in good time.	Being resolved.	By December 2023.

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of Goods						
1. Elias Ngari W.	309,320.00	20 th March, 2021		309,320.00		To be paid by 31 st July 2021
2. Kenblest Limited	88,351.00	13 th January, 2021		88,351.00		To be paid by 31 st July 2021
3. Bemwa Stationers	151,694.00	30 th March 2021		151,694.00		To be paid by 31 st July 2021
4. Chem Equipments Enterprises	183,850.00	15 th February 2021		183,850.00		To be paid by 31 st July 2021
Grand Total	733,215.00			733,215.00		

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land	8,000,000.00			8,000,000.00
Buildings and structures	40,000,000.00			40,000,000.00
Office equipment, furniture and fittings	480,000.00			480,000.00
ICT Equipment, and Other ICT Assets	220,000.00			220,000.00
Tools and apparatus	200,000.00			200,000.00
Textbooks	150,000.00			150,000.00
Other Machinery and Equipment	300,000.00			300,000.00
Water Systems	1,200,000.00			1,200,000.00
Electrical Installation	1,380,000.00			1,380,000.00
Chairs & Desks	420,000.00			420,000.00
CCTV Intallations	220,000.00			20,000.00
Total	52,570,000.00			52,570,000.00

(The school should maintain a detailed fixed assets register.)

**IHM KAIRI GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the Year Ended 30th June 2021**

11 STOCK/ INVENTORY (EXPLAINED)

Stock/ inventory at the beginning of the year		
Food stuffs		
Maize 7 bags @ 6,800	47,600	
Beans 10 bags @ 10500	105,000	
Sugar 4 bags @ 8500	34,000	
rice 11 bags @3500	38,500	
Bar soap	2,303	222,797
Stock / inventory purchased during the year		
Foodstuffs	3,877,480	
Teaching & learning materials	1,105,417	4,982,897
Stock / inventory issued during the year		5,142,021