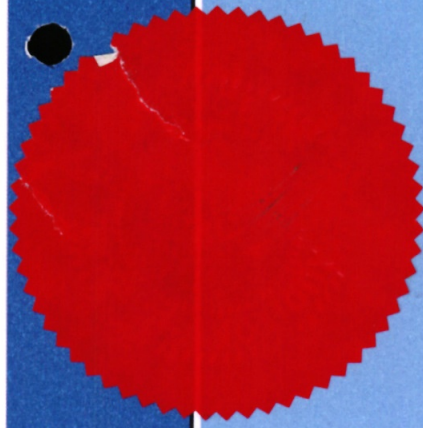


REPUBLIC OF KENYA




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REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 20 NOV 2024	
DAY: Wednesday	
TABLED BY:	Hon. Naomi Wagu, MP Deputy Majority Whip
CLERK-AT THE-TABLE:	Irene Nduku

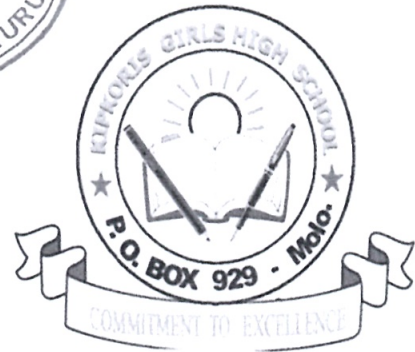
THE AUDITOR-GENERAL

ON

KIPKORIS GIRLS SECONDARY SCHOOL

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

NAKURU COUNTY



KIPKORIS GIRLS SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2022

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



KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

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KIPKORIS GIRLS SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

Kipkoris Girls Secondary School is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Nakuru County, Kuresoi North Sub-County

The school was registered in April/2016 under registration number 32530000027 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a boarding school and had 270 numbers of students as at 30th June 2022. It has two streams and 15 teachers of which 5 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1.	Fr. Murimi Simon	Chairman	14 TH May 2019
2.	Evaline Chumba	Secretary- Principal	14 TH May 2019
3.	Leonard Langat	Member	14 TH May 2019
4.	James Cheruiyot	Member	14 TH May 2019
5.	Sammy Teituk	Member	14 TH May 2019
6.	Emilly Kalya	Member	14 TH May 2019
7.	Gilbert Cheruiyot	Member	14 TH May 2019
8.	Joseph Koech	Member – Rep CEB	14 TH May 2019
9.	Denis Rotich	Member Rep Teachers	14 TH May 2019
10.	Rosemary Kamau	Members - Sponsor	14 TH May 2019
11.	David Chirchir	Member - Community	14 TH May 2019
12.	Benard Tonui	MemberSpecial Needs	14 TH May 2019
13.	Abigael Chepkorir	Rep Students	14 TH May 2019

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Fr. Murimi simon Evaline chumba Gilbert cheruiyot Rosemary kamau Joseph koech	Chairman Member Member Member	1/3
2	Audit Committee	-	-	-
3	Finance, procurement and general purposes Committee	Fr. Murimi Simon Evaline Chumba Sammy Teituk David chirchir Gilbert cheruiyot	Chairman Member Member Member Member	2/3
4	Academic Committee	Robert kosgei Wilson langat Isiah terer Daisy koech Daisy mabwai	Chairman-d.o.s member member	2/3
5	Development Committee	Fr murimi simon Evaline chumba James cheruiyot Leonard langat David chirchir	Chairman Member member member member	3/3
6	Tender Committee	-	-	
7	Discipline and welfare Committee	Denis Rotich Prisca turungi Robert kosgei Wesley kosgei	Member Chairperson Member Member	1/3
8	Adhoc Committee (if any	Evaline chumba	Member	1/3

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

	during the year)	Florence rono Daisy koech Patricia chepkoech Denis rotich	member chairperson member member	
--	------------------	--------------------------------------------------------------------	-------------------------------------------	--

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1.	Principal	Evaline chumba	419142
2.	Deputy Principal	Prisca Turungi	271950
3.	School Bursar	Patricia chepkoech	N/A

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 929-20106
Telephone: 0757160352
E-mail: kipkorisgirls@gmail.com
Website: -
Facebook: -
Twitter: -

(f) School Bankers

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

1. Bank: National Bank
Account Name: Kipkoris Girls Secondary School (Operations Account)
Branch: Molo
Account Number: 01025082249900
2. Bank: National Bank
Account Name: Kipkoris Girls Secondary School (Tuition Account)
Branch: Molo
Account Number: 01025082249901
3. Bank: National Bank
Account Name: Kipkoris Girls Secondary School (Infrastructure Account)
Branch: Molo
Account Number: 01025082249902
4. MPESA Pay bill No.247247, Account number 929000#Adm attached to equity bank account
5. Bank: Equity Bank
Account Name: Kipkoris Girls Secondary School (Boarding Account)
Branch: Molo
Account Number: 0230263694921

(g) Independent Auditors

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

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

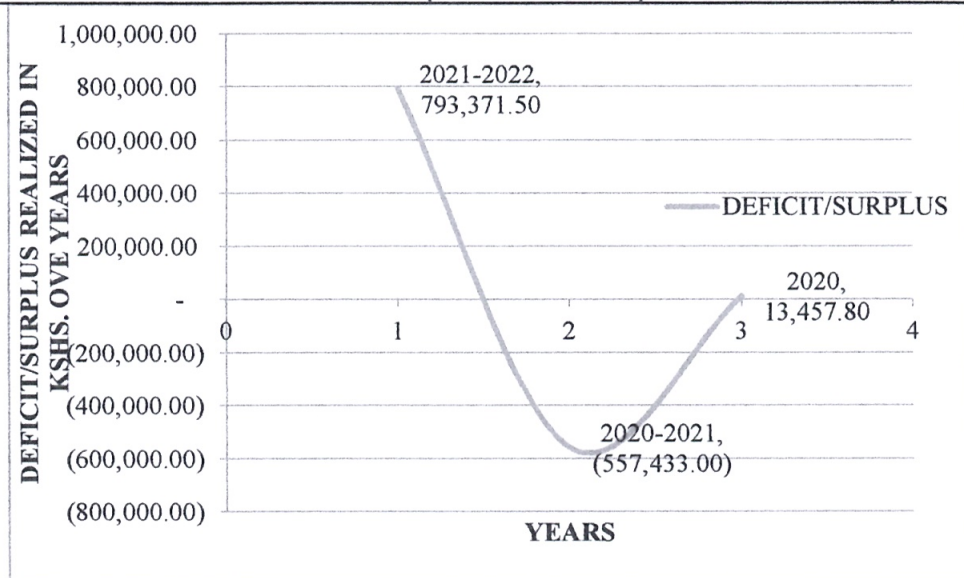
I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance:**

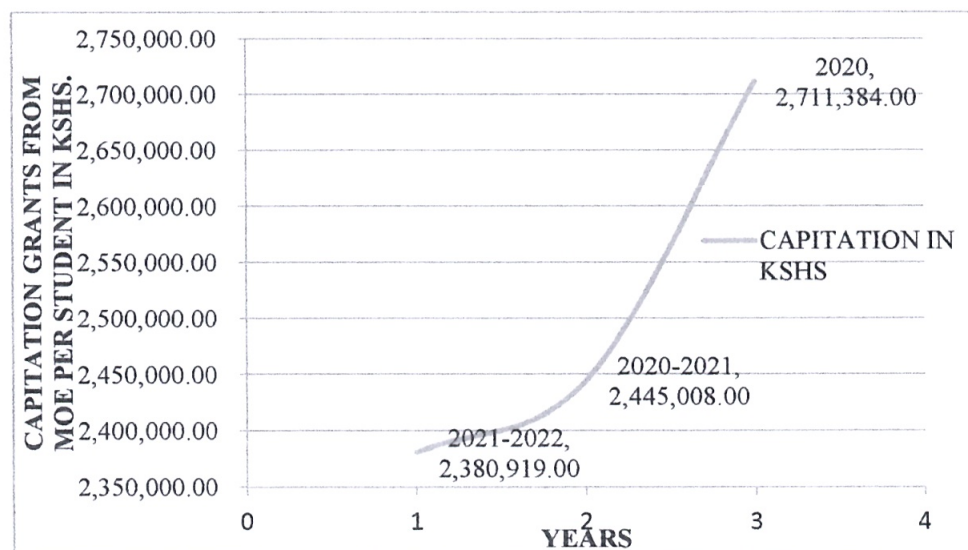
– Surplus/ deficit for the year and a comparison of the same for the last three years

YEAR	2021-2022	2020-2021	2020
DEFICIT/SURPLUS	793,371.50	(557,433.00)	13,457.80



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

YEAR	2021-2022	2020-2021	2020
CAPITATION IN KSHS	2,380,919.00	2,445,008.00	2,711,384.00



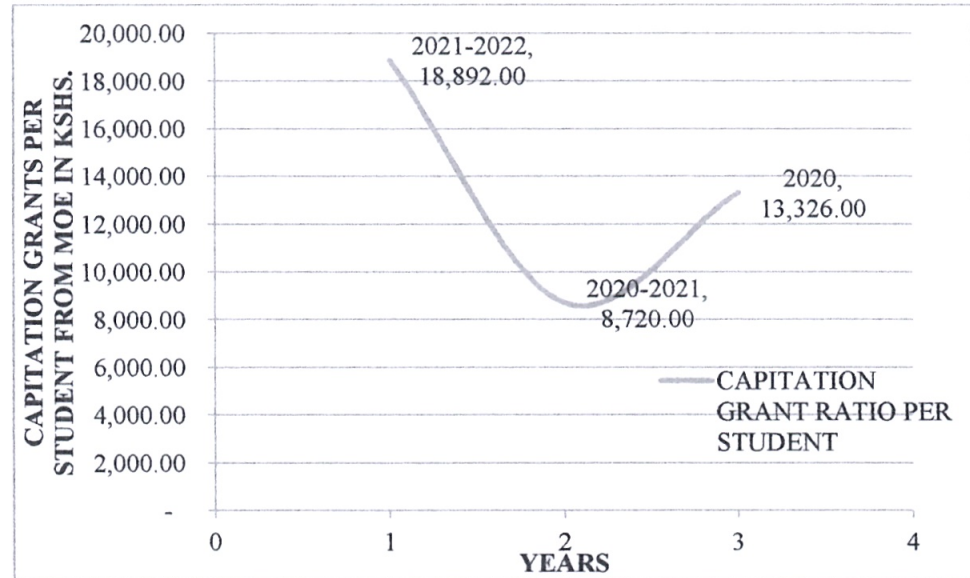
KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

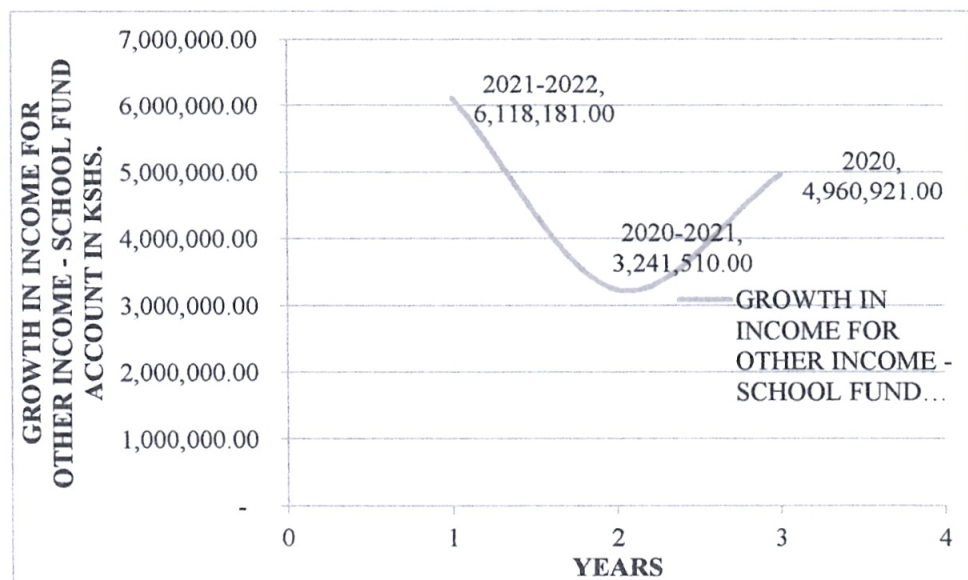
– Ratio of capitation grant per student over the last three years

YEARS	2021-2022	2020-2021	2020
CAPITATION GRANT RATIO PER STUDENT	18,892.00	8,720.00	13,326.00



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

YEARS	2021-2022	2020-2021	2020
GROWTH IN INCOME FOR OTHER INCOME - SCHOOL FUND ACCOUNT	6,118,181.00	3,241,510.00	4,960,921.00



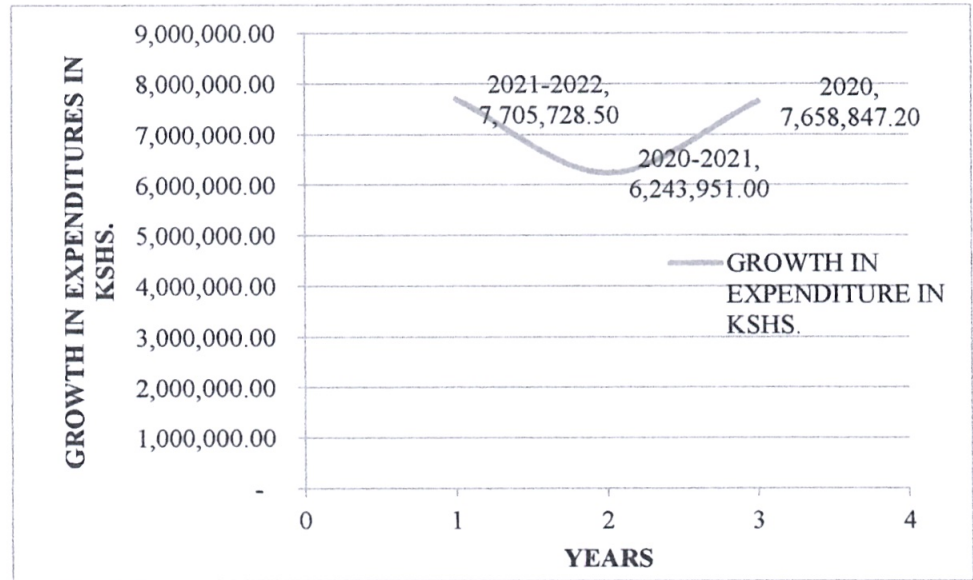
KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

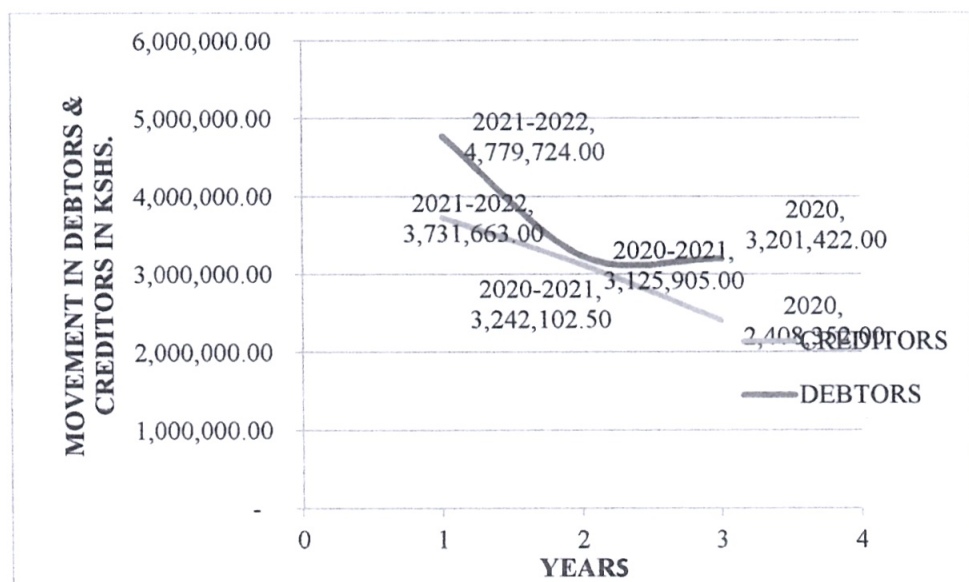
- A three-year overview of growth in expenditure of the school

YEARS	2021-2022	2020-2021	2020
GROWTH IN EXPENDITURE IN KSHS.	7,705,728.50	6,243,951.00	7,658,847.20



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

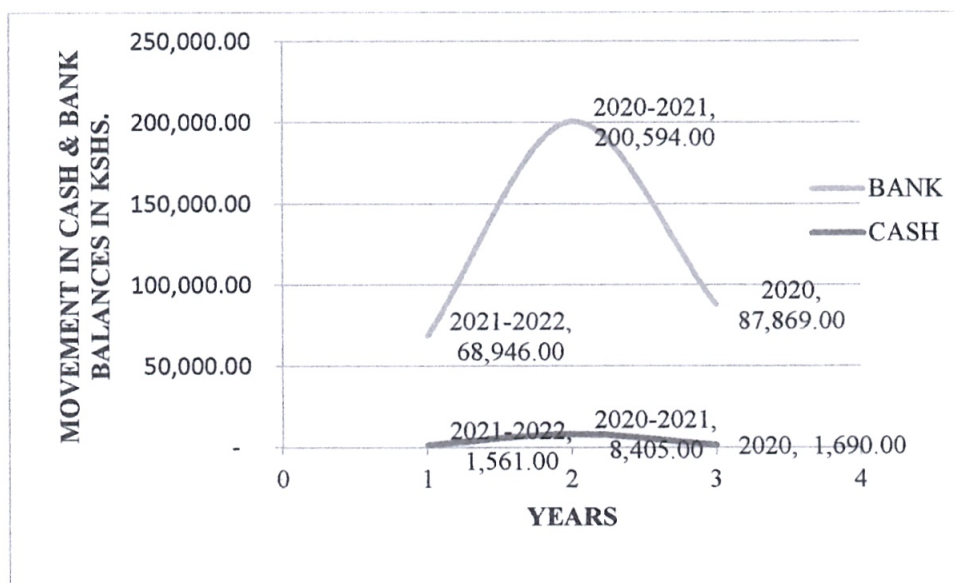
YEARS	2021-2022	2020-2021	2020
CREDITORS	3,731,663.00	3,125,905.00	2,408,352.00
DEBTORS	4,779,724.00	3,242,102.50	3,201,422.00



KIPKORIS GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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

YEARS	2021-2022	2020-2021	2020
BANK	68,946.00	200,594.00	87,869.00
CASH	1,561.00	8,405.00	1,690.00



a) **Teacher Student ratio:**

1. **Teachers recruited in the year**

	Gender		Total
	Male	Female	
Number of teachers employed by TSC	4	6	10
Number of teachers employed by B.O.M.	2	3	5
Number of teachers transferred or Retired during the year	-	-	-
Number of TSC teachers posted during the year	-	-	-
Number of B.O.M. teachers posted during the year	-	-	-

2. **Teacher student ratio**

NO. OF STUDENTS	NO. OF TEACHERS	TEACHER STUDENT RATIO
270	15	1:18

KIPKORIS GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

3. Teacher subject distribution

SUBJECT	NO. OF TEACHERS	NO. OF LESSONS PER SUBJECT PER WEEK
English	3	56
Kiswahili	2	46
Mathematics	4	54
Biology	2	36
Physics	1	36
Chemistry	2	36
History	2	28
Geography	1	32
C.R.E.	4	28
Agriculture	1	28
Business Studies	2	28
Shortage as per C.B.E – 5 Teachers		

b) Mean score in the 2019 – 2021 KCSE

YEARS	2021	2020	2019
MEAN SCORE	4.25	4.26	3.97
NO. OF STUDENTS TRANSITIONING TO INSTITUTIONS OF HIGHER LEARNING	30	32	26
NUMBER OF CANDIDATES SITTING FOR KCSE	60	81	90

KIPKORIS GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements**For the year ended 30th June 2022**c) Capacity of the school:**

S/NO.	AMENITY	NO. OF AMENITIES	NO. OF STUDENTS USING THE AMENITY
1.	Classrooms	9	270
2.	Laboratories	2	270
3.	Library	1	270
4.	Dormitories	3	270
5.	Bathrooms	30	270
6.	Administration block	1	270
7.	Girl's Toilets	27	270

d) Development projects carried out by the school:

S/NO	PROJECT	SOURCE OF FUNDING	STATUS
1.	Construction 10 Door Modern toilets	M & I Funds	ONGOING
2.	Construction 10 Door Modern Bathrooms	M & I Funds	ONGOING
3.	Painting Classrooms	M & I Funds	COMPLETED
4.	Purchase of 30 double Decker beds	B.E.S. Funds	COMPLETED

Sign

*School Principal*

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

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 **KIPKORIS 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, 2022, and of the school's financial position as at that date.

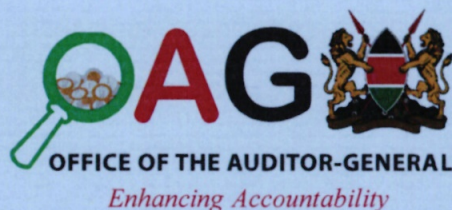
Name: FR. MURIMI SIMON
Designation: Chairperson, School Board of Management
Sign: _____
Date: 18/07/2024

Name: MS. EVALINECHUMBA
Designation: School Principal & Secretary to Board of Management
Sign: _____
Date: 18/7/24

Name: MS. CHEPKOECH PATRICIA
Designation: Bursar/ Finance Officer
Sign: _____
Date: 18/7/24

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 KIPKORIS GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and 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 Kipkoris Girls Secondary School-Nakuru County set out on pages 1 to 18, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the statement of budgeted and actual

amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kipkoris Girls Secondary School - Nakuru County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with 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. Unbalanced Budget

The statement of budget versus actual amounts reflects budgeted income and expenditure amounts of Kshs.8,234,534 and Kshs.8,152,649 respectively, resulting to a variance of Kshs.81,885. Further, the statement reflects incorrectly under payments for operations positive and negative utilization differences as indicated in the table:-

Item	Statement Utilization Difference Amount (Kshs.)	Correct Presentation Amount (Kshs.)	Variance (Kshs.)
Personal Emoluments	262,500	(262,500)	525,000
Administration Cost	66,665	(66,665)	133,330
Local Transport/Travelling	59,954	(59,954)	119,908
Electricity and Water	(64,375)	64,375	(128,750)
Activity Expenses	94,086	(94,086)	188,172
Bank Charges	5,299	(5,299)	10,598
Acquisition of Assets	174,880	(174,880)	349,760
Total	599,009	(599,009)	599,608

In the circumstances, the budget is not correctly presented and is not balanced, contrary to Regulation 33(c) of the Public Finance Management (National Government) Regulations, 2015 which provides that unless provided otherwise in the Act, these Regulations or any other guidelines developed in furtherance of the Act or these Regulations, that at all times during budget formulation and approval it must be ensured that the budget shall be balanced. Further, the accuracy of the statement could not be confirmed.

2. Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.70,507 as disclosed in Notes 8 and 9 to the financial statements. Included in this balance are bank accounts and cash balances of

Kshs.68,946 and Kshs.1,561, respectively which were not supported by bank reconciliation statements and board of survey reports.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.70,507 could not be confirmed.

3. Variances Between Financial Statements and Supporting Schedule Balances

Review of the financial statements and the supporting schedules for payments for operations revealed variances as follows;

	Financial Statement Amount (Kshs.)	Supporting Schedule Amount (Kshs.)	Variance (Kshs.)
Payments for Operations			
Personal Emoluments	912,500	28,000	884,500
Administration Costs	335,665	448,098	112,433
Local Transport/Travelling	182,514	97,650	84,864
Acquisition of Assets	582,880	0	582,880
Activity	184,586	0	184,586
Bank Charges	5,299	3,840	1,459

No explanation or reconciliation has been provided for the variances.

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

4. Misclassification of Bursary Receipts

The statement of receipts and payments and Note 4 to the financial statements reflects other receipts - school fund account amount of Kshs.4,607,445. Review of documents and information provided revealed that the amount includes bursaries totalling Kshs.3,642,295 received as school fees which were classified in the financial statements as other receipts instead of school fund income – parents’ contribution/fees.

In the circumstances, accuracy of School Fund Income – Parents’ Contribution/Fees could not be confirmed.

5. Variances Between Ledger and Financial Statements

Review of the ledgers and the financial statements revealed variances amounting to Kshs.11,815,136 on ten (10) items as detailed below;

Component	Financial Statement Amount (Kshs.)	Ledger Amount (Kshs.)	Variance (Kshs.)
Capitation Grant for Tuition	533,556	849,486	(315,930)
Capitation Grant for Operation	1,847,363	2,817,523	(970,160)

Component	Financial Statement Amount (Kshs.)	Ledger Amount (Kshs.)	Variance (Kshs.)
Parents Contribution	1,510,736	-	1,510,736
Other Receipts	4,607,445	-	4,607,445
Payments for Tuition	550,170	731,800	(181,630)
Payments for Operation	2,428,569	2,797,450	(368,881)
Boarding and School Fund Payment	4,726,990	2,043,665	2,683,325
Bank Accounts	68,946	-	68,946
Cash in Hand	1,561	-	1,561
Accounts Receivables	4,779,724	-	4,779,724
Total	21,055,060	9,239,924	11,815,136

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

6. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.533,556 and Kshs.1,847,363 respectively as disclosed in Notes 1 and 2 respectively to the financial statements. Review of the NEMIS capitation disbursements made to the School against the amount receipted by the School revealed amounts of Kshs.789,486 and Kshs.3,454,023 in respect of capitation grants for tuition and operations respectively whereas the NEMIS capitation reflects amounts of Kshs.533,556 and Kshs.1,847,363 respectively, resulting to an unexplained variances of Kshs.255,930 and Kshs.1,606,660 respectively. Further, bank statements reflected amounts of Kshs.789,486 and Kshs.3,454,023 respectively for capitation grants for tuition and operations, resulting to unexplained variances of Kshs.255,930 and Kshs.1,606,660 respectively.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations of Kshs.533,556 and Kshs.1,847,363 respectively could not be confirmed.

7. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.4,779,724 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.2,975,855 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy, completeness and full recoverability of the receivables balance of Kshs.4,779,724 could not be confirmed.

8. Authenticity of Accounts Payable

8.1 Variances in Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.3,731,663 and as disclosed in Note 12 to the financial statements. However, the balance varies with the analysis of pending accounts payable amounting to Kshs.3,397,175 reflected at Annex 1 to the financial statements, resulting to an unexplained or an unreconciled variance of Kshs.334,488.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.3,731,663 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.8,234,534 and Kshs.8,499,100 respectively, resulting to an over-funding of Kshs.264,566 of the budget. However, the School spent a balance of Kshs.7,738,529 against actual receipts of Kshs.8,499,100, resulting to an under-utilization of Kshs.760,571 of actual receipts.

In the circumstances, the under-utilization of funds affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.3,731,663. However, included in the balance are trade payables balance of Kshs.2,853,891 which had been outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates'. Further, accounts payable records including purchase orders, inspection and acceptance/ completion certificates, invoices, goods received and delivery notes were not provided for audit review.

In the circumstances, Management was in breach of the law and accuracy, existence and occurrence of accounts payable balance Kshs.3,731,663 could not be confirmed.

2. Failure to Prepare School Improvement Plan

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

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

3. Over Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.533,556 and Kshs.1,847,363 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year,

NEMIS reported a total number of two hundred and seventy-four (274) students while the enrolment records provided by the School indicated a total number of two hundred and seventy (270) students, resulting to an unexplained variance of four students. As a result of the variances, the School was over-funded by an amount of Kshs.34,757.

In the circumstances, the over-funding of the School may have affected service delivery to the other schools which did not receive capitation for students and value for money could not be confirmed.

4. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.2,380,919. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2021/2022, NEMIS reflected two hundred and seventy-four (274) students while records from the County Director of Education had two hundred and seventy (270) students, resulting to an underfunding of the School by an amount of Kshs.34,757. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16 June, 2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, under-funding of the School may have affected service delivery to the students.

5. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.8,499,100 and Kshs.7,705,729 in respect of total receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This is contrary to Regulation 40(1) and (4) of the Public Procurement and Asset Disposal Regulations, 2020 which requires a procuring entity to prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

6. Delay in the Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.1,847,363 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.1,312,000 in respect of infrastructure grants which were expected to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.1,249,000 was transferred to infrastructure account, leaving a balance of Kshs.63,000 as at 30 June, 2022. Further, the amount of Kshs.1,249,000 includes an amount of Kshs.200,000 that was transferred on 06 February, 2022 or forty-one (41) days after the date of receipt. This was contrary to The Ministry of Education

Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

7. Failure to Use Standard Procurements Documents

Examination of procurement records including tenders revealed that tender documents used for supplier prequalification and subsequent tender bidding process lacked information on physical address, location, KRA PIN, audited financial statements, company directors, dates of incorporation among other details and documents. This anomaly was notable in the tender documents submitted by the supplier of food items. This was contrary to Section 57(1) of the Public Procurement and Asset Disposal Act, 2015..

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

8. Irregularities in the Procurement of Goods and Services

The statement of receipts and payments reflects operations and boarding and school payments Kshs.2,428,569 and Kshs.4,726,989 respectively. Review of the payments and related records revealed the following observations;

Component Charged	Item Description	Contract Price (Kshs)	Amount Paid (Kshs)
Operations and Boarding and School Fund	Construction of Ablution Block and One Office	769,800	582,880
Operations and Boarding and School Fund	Purchase of Lockers	480,000	480,000
Operations and Boarding and School Fund	Purchase of Library Stools	140,200	140,200
Operations and Boarding and School Fund	Installation of Gas Pipping, Plumbing, Lightning Arrestors, Generator and Electric Water Pumping		1,120,000

- (i) Management did not advertise on the notice board or nearby County Offices tenders for goods, works and services. Further, a sample of records examined revealed procurement of the following items;
- (ii) Complete construction of one (1) classroom with offices at a cost of Kshs.769,800, purchase of lockers and chairs and library stools at a cost of Kshs.480,000 and Kshs.140,200 respectively, and installation of gas piping, plumbing, install lightning

arrestors and purchase of electric water pump for which a total of Kshs.1,120,000 had been paid as at 30 June, 2022.

However, the procurement of the above goods, services and works were not supported by the following documents; tender opening meeting minutes for procurement of goods and services; tender evaluation committee minutes; goods received notes and delivery notes; invoices and completion certificates; signed contracts between Management and suppliers/contractors.

Further, four (4) suppliers paid a total of Kshs.437,265 for supply of assorted goods without evidence of how they were identified and awarded the tenders.

In the circumstances, value for money could not be confirmed on the procurement of goods, services and works totalling Kshs.2,760,345.

Unsupported Procurements

The statement of receipts and payments reflects payments of Kshs.7,705,729 which include payments for operations amount of Kshs.2,428,989. Included in Kshs.2,428,989 are payments totalling Kshs.Kshs.437,265 which were not supported by goods received notes, inspection and acceptance certificates, requisitions, local purchase/service orders and invoices.

In the circumstances, value for money on payments totalling Kshs.437,265 could not be confirmed.

Ineffective Management of Textbooks

Examination of the School's text books records revealed that there were no requisition forms issued to show the School's requirements and that text books were delivered to the School without considering its requirements. In addition, no records were maintained for text books movements nor did the School have proper text books records for 2021-2022 and earlier years. Further, physical verification done in May, 2024 confirmed that the books were kept in a classroom gathering dust and were not segregated according to class and subject. In addition, text book records showing dates received or acquired and current status were not provided for audit. Furthermore, it was noted that the School had not engaged staff (Librarian) to manage textbooks.

In the circumstances, the correct number of text books received, lost, in-stock and school requirements could not be confirmed.

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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register without values which includes land 1 measuring 7.4 acres and land 2 of undisclosed size. However, land ownership documents were not provided for audit.

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

2. Lack of a Fixed Assets Register

Annex 2 to the financial statements reflects summary of fixed assets register with Nil assets values. However, a fixed assets register in a format that indicates the asset description, financier, serial/log book number, acquisition date, value, location, opening balances, additions or disposals during the period and the closing balances was not maintained. Instead, a stores ledger which is basically a listing of the assets is kept. This was contrary to Regulation 143(1) of Public Finance Management (National Government) Regulations, 2015 which provides that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, the effectiveness of the internal controls implemented to safeguard assets could not be confirmed.

3. Lack of Internal Audit Function and Audit Committee

During the year under review, the School did not constitute an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 2015 which requires the internal audit unit of a National Government entity to assess effectiveness of an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury. Further, Regulation 174(1) of the Public Finance Management (National Government) Regulations, 2015 provides that, each National Government entity shall establish an audit committee.

In the circumstances, the School did not benefit from the oversight role and advice from the audit committee and the internal audit function.

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to 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 Fund'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 Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists,

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 November, 2024

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021 - 2022	2020 - 2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for Tuition	1	533,556.00	338,715.00
Capitation grants for Operations	2	1,847,363.00	2,106,293.00
School Fund Income- Parents' Contributions	3	1,510,736.00	1,131,611.00
School Fund Income- Other receipts	4	4,607,445.00	2,109,899.00
Proceeds from borrowings		-	-
TOTAL RECEIPTS		8,499,100.00	5,686,518.00
PAYMENTS			
Payments for Tuition	5	550,170.00	243,901.00
Payments for Operations	6	2,428,569.00	1,990,360.00
Boarding and School Fund	7	4,726,989.50	4,009,690.00
TOTAL PAYMENTS		7,705,728.50	6,243,951.00
SURPLUS/DEFICIT		793,371.50	(557,433.00)

The school financial statements were approved on 30TH June 2022 and signed by:

Name: Fr Martin Muriuki Name: Nancy Oving Name: Catherine Depkemi
Chairperson, B.O.M. School Principal/ Secretary to BOM Bursar/ Finance Officer
Sign: [Signature] Sign: [Signature] Sign: [Signature]
Date: 18/07/2024 Date: 18/7/24 Date: 18/7/24

KIPKORIS GIRLS SECONDARY SCHOOL*Annual Report and Financial Statements**For the year ended 30th June 2022**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022**

	Note	2021 - 2022	2020 - 2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	68,946.00	200,594.00
Cash Balances	9	1,561.00	8,405.00
Short term Investment	10	-	-
Total Cash and cash equivalent		70,507.00	208,999.00
Accounts receivables	11	4,779,724.00	3,242,102.50
TOTAL FINANCIAL ASSETS		4,850,231.00	3,451,101.50
FINANCIAL LIABILITIES			
Accounts Payables	12	3,731,663.00	3,125,905.00
NET FINANCIAL ASSETS		1,118,568.00	325,196.50
REPRESENTED BY			
Accumulated Fund b/fwd	13	325,196.50	882,629.50
Surplus/Deficit for the year		793,371.50	(557,433.00)
NET FINANCIAL POSSITION		1,118,568.00	325,196.50

The school financial statements were approved on 30th June 2022 and signed by:Name: F. Martin Murimi Name: Nancy Odingo Name: Catherine Chepkor

Chairman, B.O.M.

School Principal/
Secretary to BOMBursar/
Finance OfficerSign: Sign: Sign: Date: 18/07/2024Date: 18/7/24Date: 18/7/24

KIPKORIS GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements**For the year ended 30th June 2022**VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022**

		2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	533,556.00	338,715.00
Capitation grants for operations	2	1,847,363.00	2,106,293.00
School fund income- Parents contributions/ fees	3	1,510,736.00	1,131,611.00
School fund income- other receipts	4	4,607,445.00	2,109,899.00
Total receipts		8,499,100.00	5,686,518.00
Payments			
Payments for Tuition		550,170.00	243,901.00
Payments for operations		1,845,689.00	1,990,360.00
Boarding and school fund payments		4,726,989.50	4,009,690.00
Total payments		7,122,848.50	6,243,951.00
Net cash flow from operating activities		1,376,251.50	(557,433.00)
Adjusted for:			
Changes in Receivables			
Changes in Payables		(1,537,621.50)	(40,680.00)
Accruals to cash Adjustments		605,758.00	717,553.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		582,880.00	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from Investing Activities		582,880.00	-
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		(138,492.00)	119,440.00
Cash and cash equivalent at BEGINNING of the year		208,999.00	89,559.00
Cash and cash equivalent at END of the year		70,507.00	208,999.00

KIPKORIS GIRLS SECONDARY SCHOOLS

Reports and Financial Statements

For the year ended 30th June 2022

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Textbooks and reference materials	-	-	-	-	-	-
Exercise books	235,000.00	-	235,000.00	190,500.00	44,500.00	81.1%
Laboratory equipment	133,240.00	-	133,240.00	123,506.00	9,734.00	92.7%
Internal exams	63,500.00	-	63,500.00	67,590.00	(4,090.00)	106.4%
Teaching / learning materials	55,000.00	-	55,000.00	113,950.00	(58,950.00)	207.2%
Chalks	22,600.00	-	22,600.00	12,050.00	10,550.00	53.3%
Exams and assessment	-	-	-	-	-	-
Teachers guides	35,890.00	-	35,890.00	25,960.00	9,930.00	0.0%
Reference/Library	-	-	-	-	-	-
Total	545,230.00	-	545,230.00	533,556.00	11,674.00	97.9%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	650,000.00	-	650,000.00	704,500.00	(54,500.00)	108.4%
Repairs and maintenance	408,000.00	-	408,000.00	485,000.00	(77,000.00)	118.9%
Local transport / travelling	122,560.00	-	122,560.00	97,500.00	25,060.00	79.6%
Electricity and water	289,500.00	-	289,500.00	183,608.00	105,892.00	63.4%
Medical	-	-	-	-	-	0.0%
Administration costs	269,000.00	-	269,000.00	301,255.00	(32,255.00)	112.0%
Insurance	-	-	-	-	-	-
Activity	90,500.00	-	90,500.00	75,500.00	15,000.00	83.4%
Total	1,829,560.00	-	1,829,560.00	1,847,363.00	(17,803.00)	101.0%
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments	664,000.00	-	664,000.00	744,855.00	(80,855.00)	112.2%

Repairs and maintenance	180,500.00	-	180,500.00	236,695.00	(56,195.00)	131.1%
Local transport / travelling	321,509.00	-	321,509.00	296,019.00	25,490.00	92.1%
Electricity and water	75,850.00	-	75,850.00	63,200.00	12,650.00	83.3%
Medical	50,500.00	-	50,500.00	43,631.00	6,869.00	86.4%
Administration costs	67,890.00	-	67,890.00	48,991.00	18,899.00	72.2%
Activity	45,995.00	-	45,995.00	77,345.00	(31,350.00)	168.2%
SMASSE	-	-	-	-	-	
Fee on Boarding Equipment and Stores	-	-	-	-	-	
	1,406,244.00		1,406,244.00	1,510,736.00	(104,492.00)	107.4%
OTHER INCOME	-	-	-	-	-	
Fee on Boarding Equipment and Stores	3,329,500.00	-	3,329,500.00	3,642,295.00	(312,795.00)	109.4%
Electricity, water & C		-	-	-	-	
LT&T	-	-	-	-	-	
Repairs and Maintenance	-	-	-	-	-	
Personal Emoluments	-	-	-	-	-	
Admin Costs	-	-	-	-	-	
Activity	-	-	-	-	-	
LUNCH	1,124,000.00	-	1,124,000.00	965,150.00	158,850.00	85.9%
Caution Money		-	-	-	-	
Rent income	-	-	-	-	-	
Income from farming activities		-	-	-	-	
Insurance compensation	-	-	-	-	-	
Income from Posho mill	-	-	-	-	-	
Income from Bus Hire	-	-	-	-	-	
Fee for hire of ground and equipment	-	-	-	-	-	
Income from grants and donations*	-	-	-	-	-	
Interest income	-	-	-	-	-	
Dividends income	-	-	-	-	-	
TOTAL INCOME	8,234,534.00	-	8,234,534.00	8,499,100.00	(264,566.00)	103.2%

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	-	-	-	-		
Exercise books	235,000.00	-	235,000.00	302,150.00	(67,150.00)	128.6%
Laboratory equipment	133,240.00	-	133,240.00	160,265.00	(27,025.00)	120.3%
Internal exams	63,500.00	-	63,500.00	72,255.00	(8,755.00)	113.8%
Teaching / learning materials	55,000.00	-	55,000.00	-	55,000.00	0.0%
Chalks	22,600.00	-	22,600.00	15,260.00	7,340.00	67.5%
Exams and assessment	-	-	-	-	-	
Teachers guides	-	-	-	-	-	0.0%
Administration Costs						
Bank Charges	-	-	-	240.00	(240.00)	0.0%
Total	509,340.00	-	509,340.00	550,170.00	(40,830.00)	108.0%
PAYMENTS FOR OPERATIONS						
Personal Emoluments	650,000.00	-	650,000.00	912,500.00	262,500.00	140.4%
Service Gratuity	-	-	-	-	-	
Administration Cost	269,000.00	-	269,000.00	335,665.00	66,665.00	124.8%
Repairs and maintenance & improvements	-	-	-	-	-	
Local transport / travelling	122,560.00	-	122,560.00	182,514.00	59,954.00	148.9%
Electricity and water	289,500.00	-	289,500.00	225,125.00	(64,375.00)	77.8%
Medical	-	-	-	-	-	0.0%
Activity Expenses	90,500.00	-	90,500.00	184,586.00	94,086.00	204.0%
SMASSE	-	-	-	-	-	
Insurance Cost	-	-	-	-	-	
Bank Charges	-	-	-	5,299.00	5,299.00	
Acquisition of Assets	408,000.00	-	408,000.00	582,880.00	174,880.00	142.9%
Total	1,829,560.00	-	1,829,560.00	2,428,569.00	599,009.00	132.7%
BOARDING AND SCHOOL FUND PAYMENTS						
Activity	-	-	-	-	-	

For the year ended 30th June 2022

Posho mill	-	-	-	-	-	-
Bus hire	-	-	-	-	-	-
Pocket Money	-	-	-	-	-	-
caution Money	-	-	-	-	-	-
Personnel emoluments	664,000.00	-	664,000.00	517,200.00	146,800.00	78%
Service Gratuity	-	-	-	-	-	-
Repairs and maintenance & Improvements	180,500.00	-	180,500.00	180,500.00	-	100%
Local transport / travelling	321,509.00	-	321,509.00	18,000.00	303,509.00	6%
Electricity and water	75,850.00	-	75,850.00	80,305.00	(4,455.00)	106%
Medical Expenses	50,500.00	-	50,500.00	138,150.00	(87,650.00)	274%
Administration costs	67,890.00	-	67,890.00	90,150.00	(22,260.00)	133%
Lunch Programme	1,124,000.00	-	1,124,000.00	1,629,665.00	(505,665.00)	145%
Bank Charges	-	-	-	6,484.50	(6,484.50)	
Expenses on Income Generating Activities	-	-	-	-	-	-
Fee on Boarding Equipment and Stores	3,329,500.00	-	3,329,500.00	2,099,335.00	1,230,165.00	63%
Rent Expenses	-	-	-	-	-	-
Insurance Cost (Life Property)	-	-	-	-	-	-
Loan Principal repayment	-	-	-	-	-	-
Loan Interest repayment	-	-	-	-	-	-
Acquisition of Assets	-	-	-	-	-	-
TOTAL	5,813,749.00	-	5,813,749.00	4,759,789.50	1,053,959.50	81.9%
TOTAL EXPENDITURE	8,152,649.00	-	8,152,649.00	7,738,528.50	414,120.50	94.9%

NOTE

- i. There was increase in enrolment leading to overutilization.
- ii. There was underutilization due to funds allocated to pay sundry creditors.

X. SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

KIPKORIS GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

XI. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021 - 2022	2020 - 2021
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	190,500.00	120,000.00
Laboratory equipment	123,506.00	88,115.00
Internal exams	67,590.00	44,000.00
Teaching / learning materials	113,950.00	49,600.00
Chalks	12,050.00	-
Exams and assessment	-	-
Teachers guides	25,960.00	37,000.00
Total	533,556.00	338,715.00

2 CAPITATION GRANT FOR OPERATIONS

	2021 - 2022	2020 - 2021
	Kshs	Kshs
Personnel emoluments	704,500.00	380,620.00
Repairs and maintenance	485,000.00	863,250.00
Local transport / travelling	97,500.00	285,931.00
Electricity and water	183,608.00	232,986.00
Medical	-	-
Administration costs	301,255.00	343,506.00
Activity	75,500.00	-
Total	1,847,363.00	2,106,293.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021 - 2022	2020 - 2021
	Kshs	Kshs
Personnel emoluments	744,855.00	531,241.00
Repairs and maintenance	236,695.00	113,620.00
Local transport / travelling	296,019.00	115,947.00
Electricity and water	63,200.00	-
Medical	43,631.00	-
Administration costs	48,991.00	266,248.00
Activity	77,345.00	104,555.00
Total	1,510,736.00	1,131,611.00

KIPKORIS GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements**For the year ended 30th June 2022**NOTES TO THE FINANCIAL STATEMENTS (Continued)****4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	2021 - 2022	2020 - 2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	3,642,295.00	2,109,899.00
Rent income	-	-
Income from farming activities	-	-
Insurance compensation	965,150.00	-
Income from Posho mill	-	-
Income from Bus Hire	-	-
Fee for hire of ground and equipment	-	-
Income from grants and donations	-	-
Interest income	-	-
Dividends income	-	-
Total	4,607,445.00	2,109,899.00

5 PAYMENTS FOR TUITION

	2021 - 2022	2020 - 2021
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	302,150.00	-
Laboratory equipment	160,265.00	73,000.00
Internal exams	72,255.00	108,402.00
Teaching / learning materials	-	-
Chalks	15,260.00	19,819.00
Exams and assessment	-	42,500.00
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	240.00	180.00
Total	550,170.00	243,901.00

KIPKORIS GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2021 - 2022	2020 - 2021
	Kshs	Kshs
Personnel emoluments	912,500.00	802,700.00
Service Gratuity	-	-
Administration Cost	335,665.00	281,820.00
Repairs and maintenance & improvements	-	758,700.00
Local transport / travelling	182,514.00	92,850.00
Electricity and water	225,125.00	54,290.00
Medical	-	-
Activity Expenses	184,586.00	-
SMASSE	-	-
Insurance Cost	-	-
Bank Charges	5,299.00	-
Acquisition of Assets	582,880.00	-
TOTAL	2,428,569.00	1,990,360.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021 - 2022	2020 - 2021
	Kshs	Kshs
Personnel emoluments	517,200.00	424,600.00
Service Gratuity	-	-
Repairs and maintenance & Improvements	147,700.00	258,148.00
Local transport / travelling	18,000.00	330,090.00
Electricity and water	80,305.00	-
Medical Expenses	138,150.00	12,905.00
Administration costs	90,150.00	53,800.00
Lunch Programme	1,629,665.00	2,930,147.00
Bank Charges	6,484.50	-
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	2,099,335.00	-
Rent Expenses	-	-
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	4,726,989.50	4,009,690.00

KIPKORIS GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements**For the year ended 30th June 2022**NOTES TO THE FINANCIAL STATEMENTS (Continued)****8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2021 - 2022	2020 - 2021
		Kshs	Kshs
Tuition Account		6,905.00	23,519.00
Operations Account		10,125.00	7,182.00
School Fund Account/Boarding		48,273.00	66,220.00
Savings Account		-	-
Parent Association Development Account		-	-
Income generating activities Account		-	-
Infrastructural Account		3,643.00	103,673.00
Total		68,946.00	200,594.00

9 CASH IN HAND

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	90.00
Infrastructural Account	700.00	2,200.00
School Fund account	861.00	6,115.00
Total	1,561.00	8,405.00

10 SHORT TERM INVESTMENTS

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

KIPKORIS GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements**For the year ended 30th June 2022**NOTES TO THE FINANCIAL STATEMENTS (Continued)****11 ACCOUNTS RECEIVABLE**

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Fees arrears	4,779,724.00	3,242,102.50
Other non-fees receivables	-	-
Salary advances	-	-
Imprest	-	-
Total	4,779,724.00	3,242,102.50

Ageing of the fees / non fees arrears

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Fees arrears for current year	1,549,621.00	266,248.00
Fees arrears received during the year	(6,000.00)	(225,568.00)
Fees arrears for the previous year	260,248.00	1,744,106.00
Fees arrears for prior periods (over two years)	2,975,855.00	1,457,316.50
Total	4,779,724.00	3,242,102.50

12 ACCOUNTS PAYABLE

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	3,397,176.00	2,853,891.00
Prepaid fees	334,487.00	272,014.00
Retention monies	-	-
Total	3,731,663.00	3,125,905.00

Ageing analysis for creditors'

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Trade creditors for the current year	681,985.00	1,460,716.00
Trade creditors paid during the year	(138,700.00)	(805,700.00)
Trade creditors for the previous year	2,853,891.00	2,198,875.00
Trade creditors for prior periods (over two years)	-	-
Total	3,397,176.00	2,853,891.00

KIPKORIS GIRLS SECONDARY SCHOOL
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For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Bank balances	200,594.00	87,869.00
Cash balances	8,405.00	1,690.00
Short Term Investments	-	-
Receivables	3,242,102.50	3,201,422.50
Payables	3,125,905.00	2,408,352.00
Total	325,196.50	882,629.50

KIPKORIS GIRLS SECONDARY SCHOOL

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For the year ended 30th June 2022

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

15 Biological assets

Description	Numbers	2021 - 2022	2020 - 2021
		Kshs	Kshs
Cattle	6		
Sheep	10		
Trees	2,106		
Coffee or tea plantation	-		
Poultry	-		
Total	2,122		

16 Borrowings

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

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

Other important disclosure notes

17 Stock/ Inventory

Description	2021 - 2022	2020 - 2021
	Kshs	Kshs
b) Borrowings		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
Balance at end of the year	-	-

KIPKORIS GIRLS SECONDARY SCHOOL

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For the year ended 30th June 2022

18 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

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

KIPKORIS GIRLS SECONDARY SCHOOLS

Reports and Financial Statements

For the year ended 30th June 2022

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 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.	-			-		
Sub-Total	-			-		
Supply of goods						
2. Patmatt Entreprises	600,000			600,000		
3. Robco	364,900			364,900		
4. Kericho Book Sellers	57,000			57,000		
5. Shamaha Entreprises	82,000			82,000		
6. Jackmot Entreprises	206,000			206,000		
7. Eagles Current Entreprises	55,000			55,000		
8. Shanice General Suppliers	86,000			86,000		
9. Philip Chepkwony (Mosiro)	325,520			325,520		
10. Victor Boror	215,000			215,000		
11. Takotai Entreprises	311,380			311,380		
12. Takotai Investments	21,000			21,000		
13. Shamaha Entreises	19,000			19,000		
14. Alex Rotich	29,000			29,000		
15. Andrew Chelanga	200,000			200,000		
16. G-Max Engineering	425,000			425,000		
17. Joyce Sang	20,000			20,000		
18. Kuresoi Framukam	106,000			106,000		
19. Wesley Sigei	12,500			12,500		
20. Ebenezer	182,000			182,000		
21. Yokhama	79,875			79,875		
Sub-Total	3,397,175			3,397,175		
Supply of services						
22.						

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 20XX-1	Comments
Sub-Total	-			-		
Grand Total	3,397,175			3,397,175		

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Quantity	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land 1 – TITLE DEED NO.	7.4 Acres					
Land 2	-					
Buildings and structures						
- Classes	9					
- Laboratory	2					
- Abolition block	3					
Motor vehicles	-					
Office equipment, furniture and fittings						
- Student desks & chairs	271					
- Teachers desks & chairs	15					
- Office cabinets	4					
ICT Equipment, and Other ICT Assets						
- Computers	5					
- Printers	3					
- Projector	1					
Tools and apparatus						
- Farm Tools	15					
- Laboratory apparatus	710					
Textbooks	2,300					
Other Machinery and Equipment	-					
Heritage and cultural assets	-					

KIPKORIS GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

Asset class	Quantity	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
<i>Intangible assets- soft ware</i> - Software	3					
Total	<u>3,348</u>					