


REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

 THE NATIONAL ASSEMBLY PAPERS LAID	
<b>REPORT</b>	
DATE: 04 MAR 2025	DAY: Tuesday
OFFERED BY:	Deputy chief whip Hon. Naomi Jillo
CLERK-AT-THE-TABLE:	Benson Inzape

**THE AUDITOR-GENERAL**

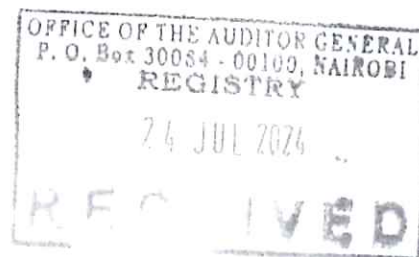
**ON**

**OUR LADY OF FATIMA KIRIKO GIRLS  
SECONDARY SCHOOL**

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

**KIAMBU COUNTY**

Revised 30<sup>th</sup> June 2022.



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*(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)*  
**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2022**

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

*(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)*  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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**I. Key School Information And Management**

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

**(a) 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 registered in 31/01/2019 under registration number **22800300336** and is currently categorized as a **County (National, Extra County, county and Sub County)** public school established, owned or operated by the Government.

The school is a day/boarding school and had **680** number of students as at **30<sup>th</sup> June 2022**. It has **4** streams and **31** teachers of which **10** teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Dr. Vincent Gaitho Gichuru	Chairman	6th May 2019
2	Judy M. Macharia	Secretary- Principal	6th May 2019
3	Joseph Kiburi Ngoyo	Member	6th May 2019
4	Samuel Kamau Kinuthia	Member	6th May 2019
5	Mercy Nyawira Maina	Member	6th May 2019
6	Edwin Mugo Wanyoike	Member	6th May 2019
7	Purity Gakonyo Matheri	Member	6th May 2019
8	Edith W. Kariuki	Member – Rep CEB	6th May 2019
9	Nancy Wanjiru Wachira	Member Rep Teachers	6th May 2019
	Ekra Kabura Mwangi		6th May 2019
	Mbote Nduguti		
10	Michael Wainaina Ngure	3 Members - Sponsor	
11	David Chege Gichuru	Member - Community	6th May 2019
12	Peter Mutura	Member Special Needs	6th May 2019
13	Esther Nyambura	Rep Students	6th May 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 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**

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Dr. Vicent Gaithe	Chairperson	3/3
		Judy M. Macharia	Secretary	3/3
		Peter Mutura	Member	3/3
		Joseph K. Ngoyo	Member	3/3
		Purity Gakonyo	Member	3/3
2	Audit Committee	Edwin Wanyoike	Chairperson	2/2
		Martha Wanyoike	Member	2/2
		Purity Gakonyo	Member	2/2
		Daniel K. Ngugi	Member	2/2
3	Finance, procurement and general purposes Committee	Mbote Nduguti	Member	2/2
		Samuel Kinuthia	Member	2/2
		Martha Kirai	Member	2/2
		Mercy Nyawira	Chairperson	2/2
4	Academic Committee	Mercy Nyawira	Chairperson	3/3
		Peter Mutura	Member	3/3
		David Gichuru	Member	3/3
		Silas Mbuko	Member	3/3
5	Development Committee	Joseph Ngoyo	Chairperson	4/4
		Peter Mutura	PA Chairperson	4/4
		Vincent Gaithe	BOM Chair	4/4
		Judy Macharia	Principal	4/4
		Jane Kanyi	Deputy Principal	4/4
		Arch Mungai	Public Works	4/4
		Ann Wanyoike	BOM Member	4/4
		Edith Kariuki	SCDE	4/4
6	Discipline and welfare Committee	Ann Wanyoike	Chairperson	2/2
		Michael Ngure	Member	2/2
		Peter Mutura	Member	2/2
		Nancy Wachira	Member	2/2
		Joseph Ngoyo	Member	2/2
7	Adhoc Committee (if any during the year)			

**(d) School operation Management**

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

Ref:	Designation	Name	TSC Number
1	Principal	Judy M. Macharia	348801
2	Deputy Principal	Jane M. Robert	387108
3	School Bursar	Daniel K. Ngugi	10932104

**(e) Schools contacts**

Post Office Box: 38 Gituamba  
Telephone: 0796736479  
E-mail: kirikogirlsg@gmail.com  
Website: N/A  
Facebook: N/A  
Twitter: N/A

**(f) School Bankers**

The following school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Kenya Commercial Bank(KCB)  
Branch: Thika  
Account Number: 1218484042
2. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Thika  
Account Number: 1106606450
3. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Thika  
Account Number: 1106606388
4. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Thika  
Account Number: 1166222950
5. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Thika  
Account Number: 113046617
6. MPESA Pay Bill No. 522123 Account No. 39179KADM..... attached to KCB Bank Account 1218494042

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

**(g) Independent Auditors**

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

**II. Summary Report Of Performance Of The School**

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

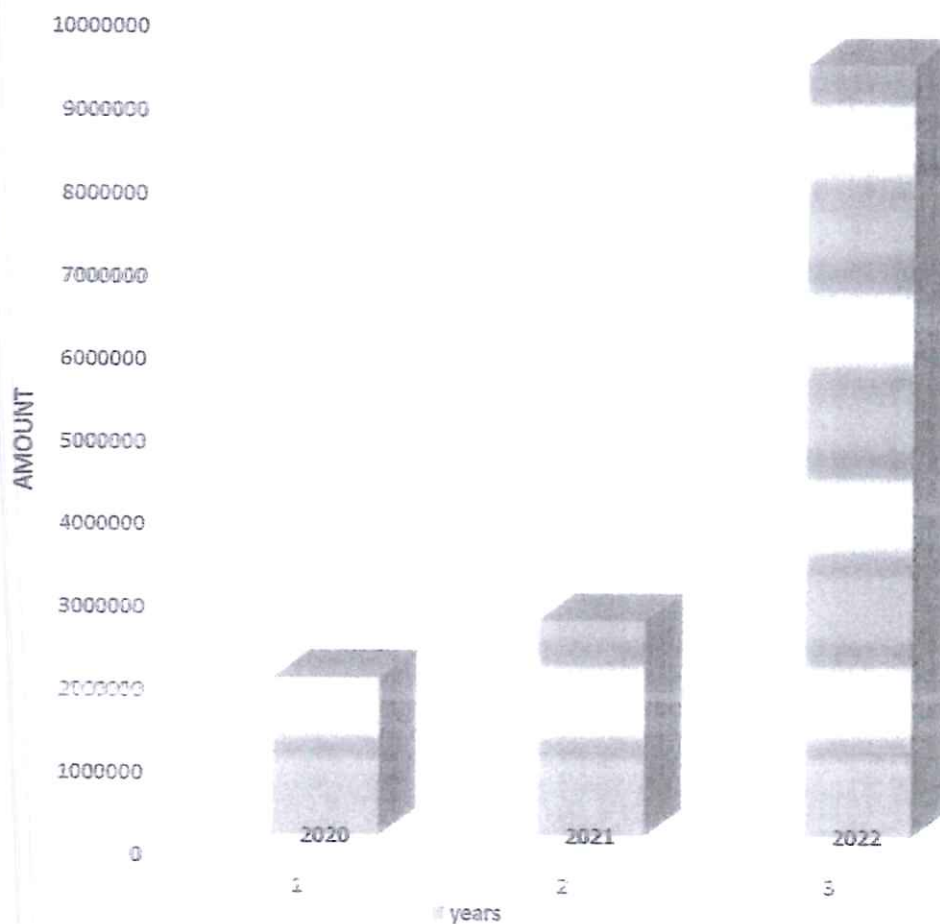
**a) Financial performance:**

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

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

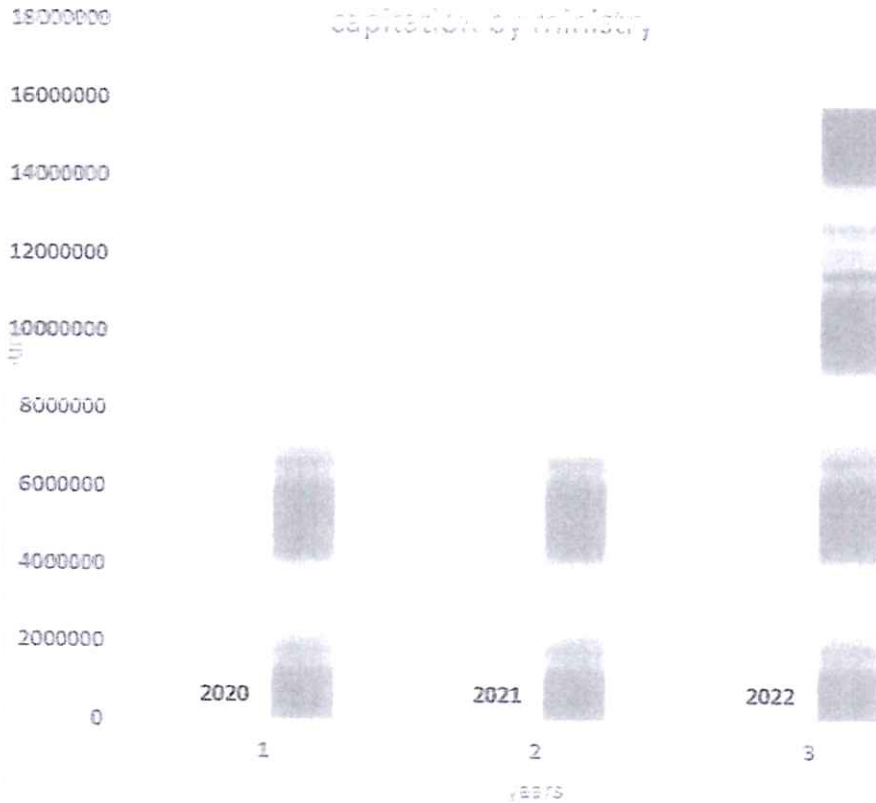
<b>Years</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<i>Surplus</i>	<i>1,900,020.00</i>	<i>2,590,062.60</i>	<i>9,276,968.36</i>

**SURPLUS FOR THE YEAR**



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

Year	2020	2021	2022
capitation grants	7,348,258	6,780,345.35	15,782,109.80



*(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)*  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

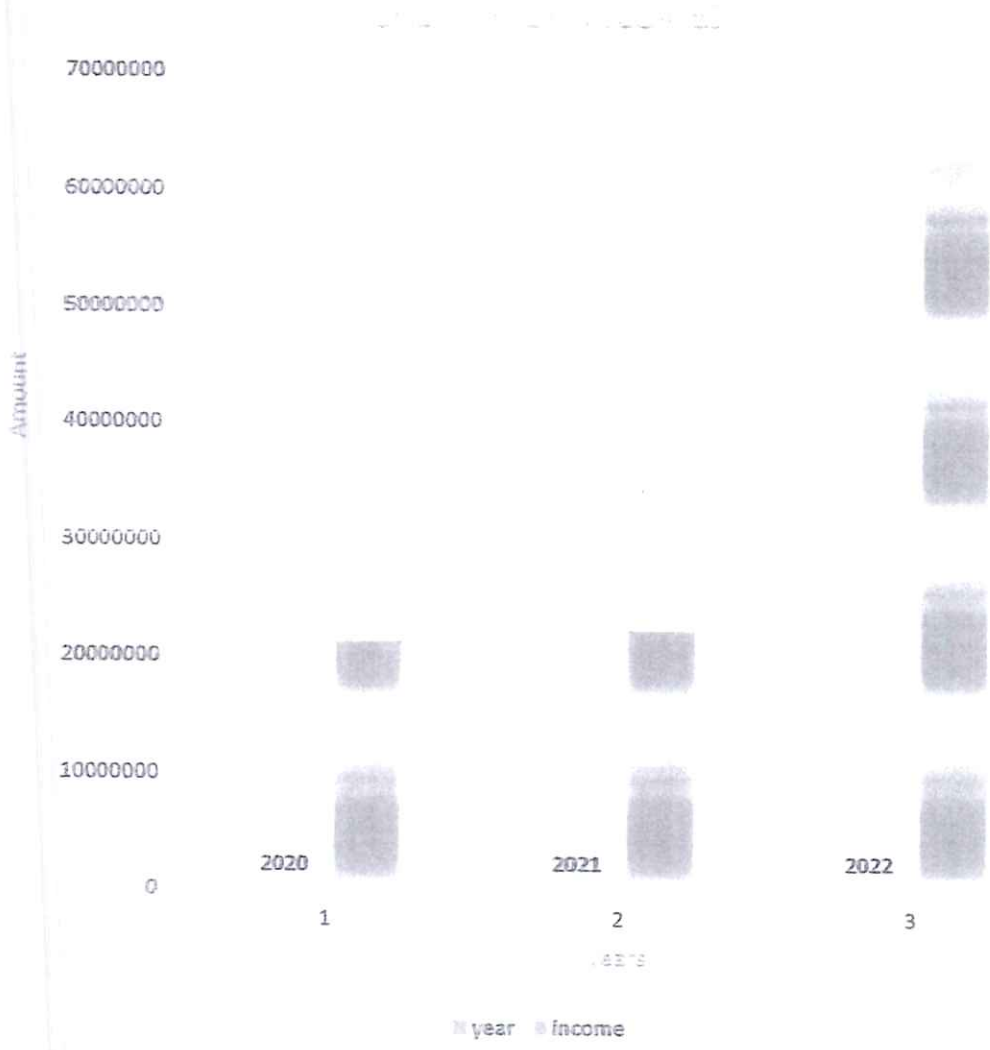
<i>Year</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>
<i>Ratio of capitation :students</i>	<i>7,348,258:600</i>	<i>6,780,345.35:660</i>	<i>15,782,109.80:680</i>

*2020 ratio of capitation per student 12,247.00*  
*2021 ratio capitation per student 10273.25*  
*2022 ratio capitation per student 23,209.00*

**(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

<b>Year</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Income</b>	21,246,625.00	22,201,552.60	63,546,437.80

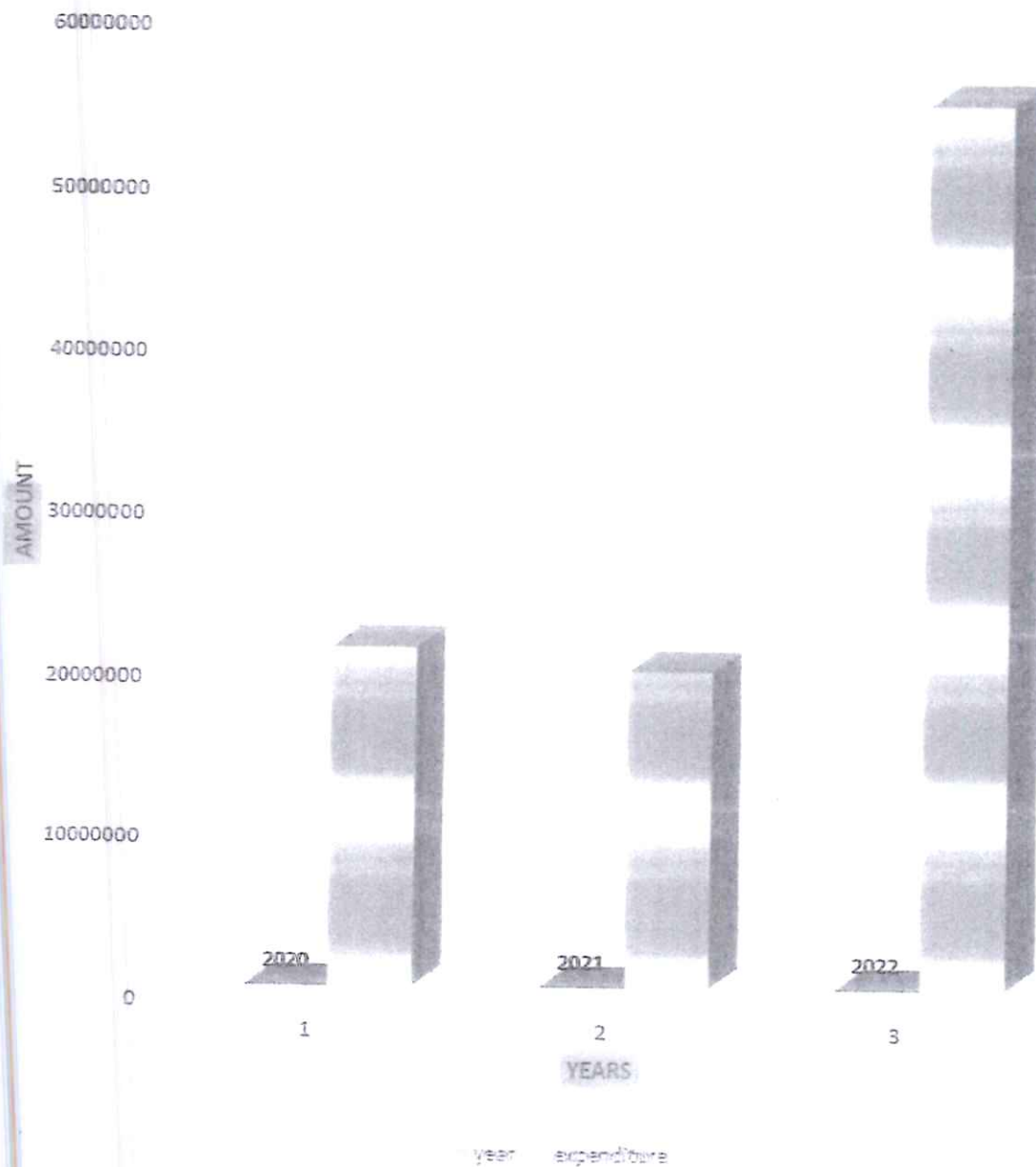


**(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

Year	2020	2021	2022
Expenditure	21,024,354.00	19,611,490.00	54,269,469.45

**EXPENDITURES OVER THE YEARS**

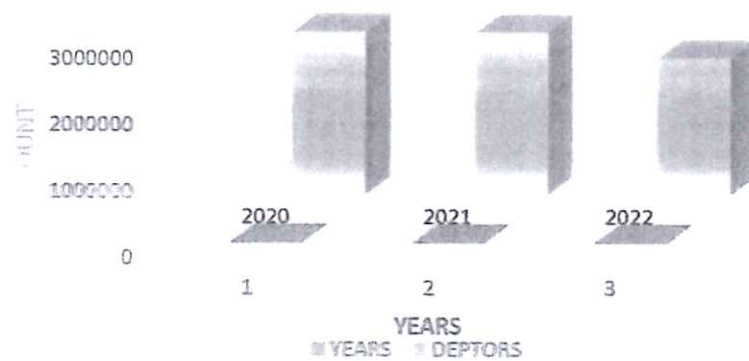


**(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

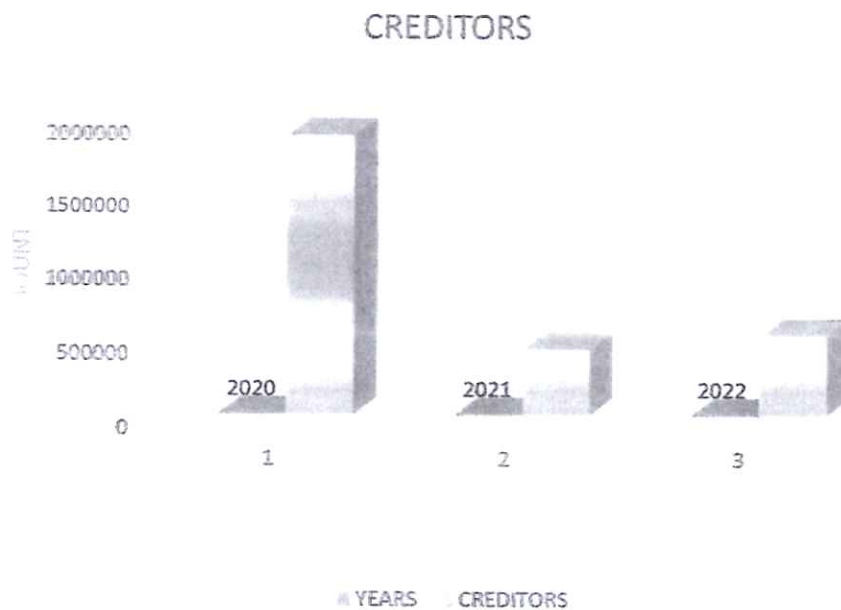
i) *Movement of Debtors*

Years	2020	2021	2022
Debtors	2,454,978.60	2445860	2067092



ii) *Movement of Creditors*

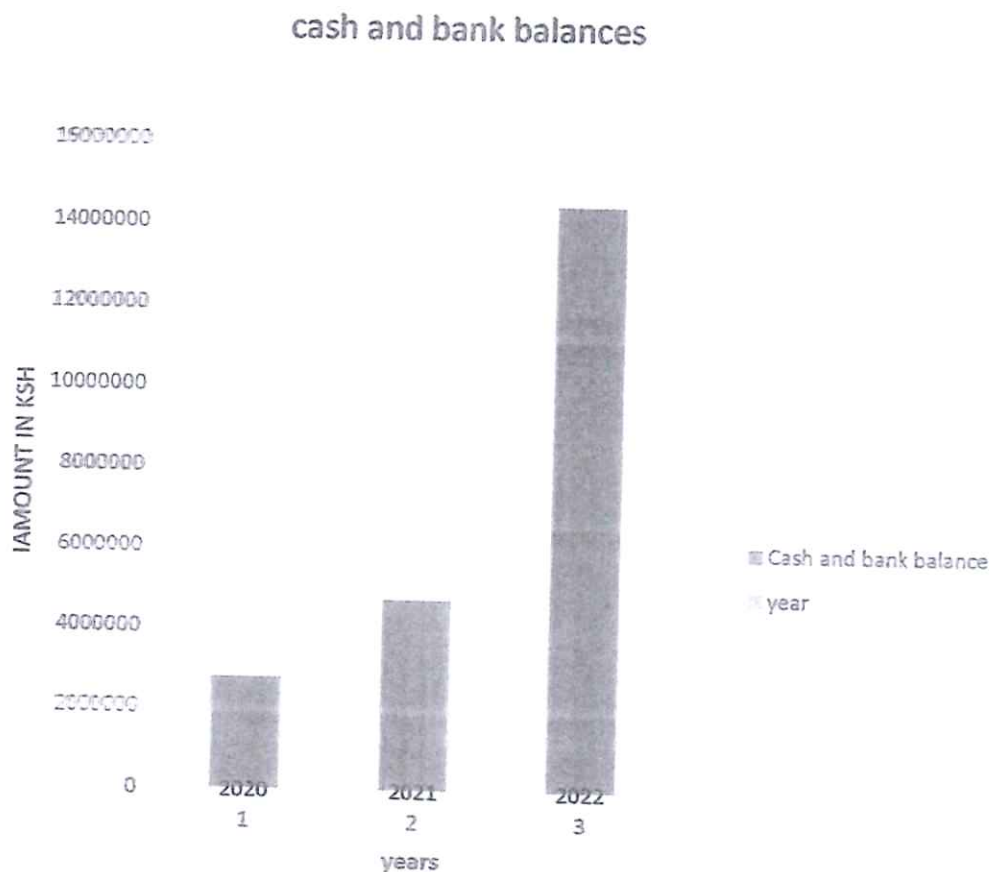
Years	2020	2021	2022
Creditors	1900021	440690	535600



*(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)*  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

Year	2020	2021	2022
Cash balance	2,750,780.96	4,707,457.41	14,454,022.71
Bank balance			



*Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends).*

**b) Teacher Student ratio:**

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

<b>Years</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<i>Students :teachers ratio</i>	<i>600:30</i>	<i>660:30</i>	<i>680:31</i>
<i>Teachers recruited</i>	<i>1</i>	<i>2</i>	<i>2</i>
<i>Teachers transferred/retired</i>	<i>0</i>	<i>3</i>	<i>0</i>
<i>TSC teachers</i>	<i>20</i>	<i>20</i>	<i>20</i>
<i>BOM teachers</i>	<i>6</i>	<i>10</i>	<i>10</i>

**TEACHERS SHORTAGE 4**

- a. Business studies/Geography
- b. Biology/Chemistry
- c. Physics/Mathematics 1
- d. English/Literature 1

**c) Mean score in the 2022 KCSE:**

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

<b>YEARS</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<i>Performance</i>	C	C+	C-
<i>Higher learning</i>	17	43	12
<i>Mean score</i>	5.1	5.8	5.1
<i>Target</i>	8	8	8

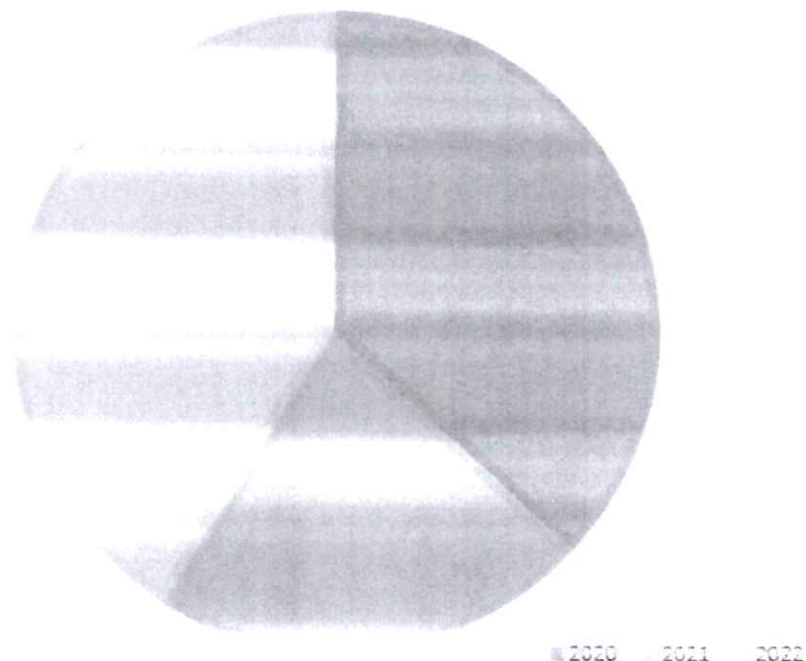
*There was improvement in the year 2020, 2021 and 2022 but a slight decline in the year 2022.*

**d) Number of Candidates in the 2022 KCSE:**

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

<b>YEAR</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>CANDIDATES</b>	<b>113</b>	<b>67</b>	<b>126</b>

CANDIDATES FOR LAST THREE YEARS



**e) Capacity of the school:**

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

<i>Year</i>	<i>2022 available</i>	<i>Required</i>	<i>shortage</i>
<i>Students:</i>	<i>680</i>	<i>700</i>	<i>20</i>
<i>Student: dining hall</i>	<i>1</i>	<i>2</i>	<i>1</i>
<i>Students Dormitories</i>	<i>5</i>	<i>7</i>	<i>2</i>
<i>Students: laboratories</i>	<i>3</i>	<i>5</i>	<i>2</i>
<i>Students :toilets</i>	<i>34</i>	<i>40</i>	<i>6</i>
<i>Classrooms</i>	<i>12</i>	<i>16</i>	<i>4</i>

**Summary Report of the Performance of the School (Continued)**

**a) Development projects carried out by the school:**

*(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).*

ITEM	SOURCE OF FUND	AMOUNT	STATUS
Construction of 6 classrooms and dormitory	MOE	3,300,000.00	COMPLETED
	Parent fund	11,046,940.00	
CBC classroom	Ministry of education	850,000.00	COMPLETED

THE B.O.M. SECRETARY  
OUR LADY OF FATIMA  
KIRIKO GIRLS' SEC. SCHOOL  
21 JUL 2024  
SIGN: .....  
P.O. Box 30  
School Principal  
TUMBA VIA THIKA

### III. Statement of School Management Responsibility

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

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

The Board of Management of (*Our Lady of Fatima Kiriko 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 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.



Sign: .....

Name: **Dr. Vincent Gaitho Gichuru**

Designation: **Chairman, School Board of Management**

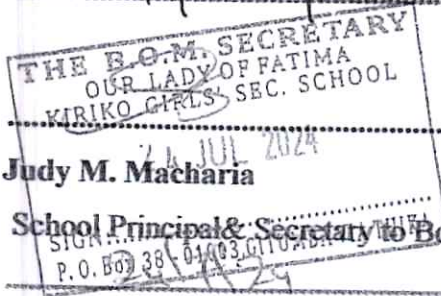
Date: 24/07/2024

Sign: .....

Name: **Judy M. Macharia**

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

Date: 24/7/24



Sign: .....

Name: **Daniel K. Ngugi**

Designation: **Bursar/ Finance Officer**

Date: 24/7/24

# REPUBLIC OF KENYA

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



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

*Enhancing Accountability*

## **REPORT OF THE AUDITOR-GENERAL ON OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - 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 the 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, 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 Our Lady of Fatima Kiriko Girls Secondary School-Kiambu County set out on pages 1 to 21, which comprise the

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Our Lady of Fatima Kiriko Girls Secondary School-Kiambu 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Statement of Receipts and Payments**

The statement of receipts and payments reflects balances that differs with the cash books in support of the balances as indicated below;

	<b>Financial Statements Balances (Kshs)</b>	<b>Cashbook (Kshs)</b>	<b>Variance (Kshs)</b>
Capitation Grants for Tuition	13,730,715	9,761,215	3,969,500
Payments for Operations	7,367,822	11,248,026	3,880,204
Boarding and School Fund Payments	44,886,863	41,521,722	3,365,141

In the circumstances, the accuracy of the statements of receipts and payments could not be confirmed.

#### **2. Unexplained Variance in School Fund Income**

The statement of receipts and payments reflects total receipts of School fund income totaling Kshs.47,764,328 that comprised of School fund income - parents contributions of Kshs.46,792,591 and School fund income – other receipts of Kshs.971,737 as disclosed in Notes 3 and 4 to the financial statements. However, the monthly analysis of receipts collected as obtained from the cashbook of the School fund account showed total

collections of Kshs.52,441,371 resulting to an unexplained and unreconciled variance of Kshs.4,677,043.

In the circumstances, the accuracy and completeness of the total receipts of Kshs.47,764,328 could not be confirmed.

### **3. Unsupported Payment for Tuition and Operations**

The statement of receipts and payments reflects payment for tuition and operations of Kshs.2,014,784 and Kshs.7,367,822 respectively as disclosed in Notes 5 and 6 to the financial statements. However, review of the payments revealed that expenditure totaling Kshs.1,147,018 on tuition and Kshs.4,057,936 on operations were not supported with contracts and local purchase orders.

In the circumstances the accuracy of Kshs.2,014,784 and Kshs.7,367,822 for payments of tuition and operations respectively, could not be confirmed.

### **4. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance totaling Kshs.14,454,023, comprising of bank balances of Kshs.14,034,710 and cash balances of Kshs.419,312. However, board of survey report, bank confirmation certificates, monthly bank reconciliation statements and cash books were not provided for audit.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.14,454,023 could not be confirmed.

### **5. Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.2,067,092 as disclosed in Note 11 to the financial statements. However, the balance includes fees arrears reported for the prior periods of Kshs.2,393,284 as disclosed in the ageing analysis in the notes to the financial statements which did not agree with the previous year closing balance of Kshs.2,445,860 resulting in unreconciled variance of Kshs.52,576. Further, the reported fees recovered during the year of Kshs.1,526,712 was not supported with debtors' listing and hence the recovery could not be confirmed.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.2,067,092 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Our Lady of Fatima Kiriko Girls Secondary School- Kiambu County Management in accordance with ISSAI 130 on the

Code of Ethics I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

### **Unresolved Prior Year Matters**

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution and 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments and Note 6 to the financial statements reflects payments for operations of Kshs.7,367,822, which include an amount of Kshs 336,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, Management was in breach of the law and value for money in the transfer to KESSHA amounting to Kshs.336,000 could not be confirmed.

## **2. Failure to Transfer Infrastructure Funds from Operations Bank Account**

The statement of receipts and payments reflects operations grants amount of Kshs.13,730,715 as disclosed in Note 2 to the financial statements. The balance includes Kshs.3,416,500 which was received from the Ministry of Education and was supposed to be transferred to the infrastructure bank account. However, only KShs.2,832,000 was transferred resulting in an unexplained variance of KShs.584,500.

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

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

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

The financial statements for the year 2021/2022 were submitted on 9 June, 2024 to the Auditor-General and not on the statutory date of 30 September, 2022. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements to be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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

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

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

### **Conclusion**

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

Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **Lack of Fixed Asset Register**

Annex 2 to the financial statements reflects a summary of the fixed asset register with assets total historical cost of Kshs.23,217,000. However, there was no fixed asset register prepared as per the Guidelines on Asset and Liability Management in the Public Sector as prescribed by the Public Sector Accounting Standards Board.

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

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

### **Responsibilities of Management and those Charged with Governance**

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the School's policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of 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 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

27 September, 2024

(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**IV. Statement of Receipts and Payments Period To 30<sup>th</sup> June 2022**

Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Receipts</b>			
Capitation grants for tuition	1	2,051,394.80	723,570.25
Capitation grants for operations	2	13,730,715.00	3,762,775.35
School fund income- parents' contributions	3	46,792,591.00	15,232,422.00
School fund income- other receipts	4	971,737.00	188,785.00
Proceeds from borrowings		0.00	0.00
<b>Total Receipts</b>		<b>63,546,437.80</b>	<b>19,916,552.60</b>
<b>Payments</b>			
Payments for tuition	5	2,014,784.00	730,861.00
Payments for operations	6	7,367,822.00	4,264,351.00
Boarding and school fund payments	7	44,886,863.45	12,331,278.00
<b>Total Payments</b>		<b>54,269,469.45</b>	<b>17,326,490.00</b>
<b>Surplus/Deficit</b>		<b>9,276,968.35</b>	<b>2,590,062.60</b>

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

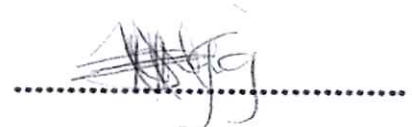


Name: **Dr. Vincent Gaitho**

Chair BOM

Date: 24/07/2024

THE B.O.M. SECRETARY  
 OUR LADY OF FATIMA  
 KIRIKO GIRLS' SEC. SCHOOL  
 Name: **Judy M. Macharia**  
 School Principal/Secretary  
 to BOM  
 SIGN: Judy M. Macharia  
 P.O. Box 38 - 01003, GITUMBA VIA THIRA  
 Date: \_\_\_\_\_



Name: **Daniel Kuria Ngugi**

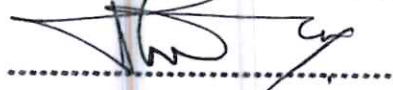
Bursar/ Finance Officer

Date: 24/7/24

**V. Statement of Financial Assets and Financial Liabilities as At 30<sup>th</sup> June 2022**

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	14,034,710.46	4,672,266.36
Cash balances	9	419,312.25	31,110.00
Short term investment	10	0.00	0.00
<b>Total cash and cash equivalent</b>		<b>14,454,022.71</b>	<b>4,703,376.36</b>
Accounts receivables	11	2,067,092.00	2,445,860.00
<b>Total financial assets</b>		<b>16,521,114.71</b>	<b>7,149,236.36</b>
<b>Financial liabilities</b>			
Accounts payables	12	(535,600.00)	(440,690.00)
<b>Net financial assets</b>		<b>15,985,514.71</b>	<b>6,708,546.36</b>
<b>Represented by</b>			
Accumulated fund b/fwd	13	6,708,546.36	4,118,483.76
Surplus/deficit for the year		9,276,968.35	2,590,062.60
<b>Net financial position</b>		<b>15,985,514.71</b>	<b>6,708,546.36</b>

The school's financial statements were approved on \_\_\_\_\_ 2022 and signed by:



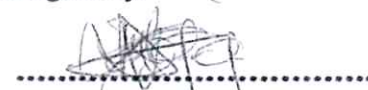
Name: **Dr. Vincent Gaitho G**

Chair BOM

Date: 24/07/2024

THE B.O.M. SECRETARY  
 OUR LADY OF FATIMA  
 KIRIKO GIRLS SEC. SCHOOL  
 P.O. Box 38 - 01003, GITUMBA VIA THIKA

Name: **Judy M. Macharia**  
 School Principal/ Secretary to  
 BOM  
 Date: 24/7/24



Name: **Daniel K. Ngugi**

Bursar/ Finance Officer

Date: 24/7/24

(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

**VI Statement of Cash Flows for The Period Ended 30<sup>th</sup> June 2022**

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
<b>Operating activities</b>			
<b>Receipts</b>			
Capitation grants for tuition	1	2,051,394.80	723,570.25
Capitation grants for operations	2	13,730,715.00	3,762,773.35
School fund income- parents contributions/ fees	3	46,792,591.00	14,750,881.65
School fund income- other receipts	4	971,737.00	88,785.00
<b>Total receipts</b>		<b>63,546,437.80</b>	<b>19,426,010.25</b>
<b>Payments</b>			
Payments for tuition	5	2,014,784.00	730,861.00
Payments for operations	6	7,367,822.00	2,751,778.00
Boarding and school fund payments	7	44,558,144.45	14,803,521.65
<b>Total payments</b>		<b>53,940,750.45</b>	<b>18,286,160.35</b>
<b>Net cash flow from operating activities</b>		<b>9,605,687.35</b>	<b>1,139,849.60</b>
<b>Cash flow from investing activities</b>			
Proceeds from sale of assets		0.00	0.00
Acquisition of assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
<b>Net cash flows from investing activities</b>		<b>0.00</b>	<b>0.00</b>
<b>Cash flow from borrowing activities</b>		<b>0.00</b>	<b>0.00</b>
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
<b>Net cash flow from financing activities</b>		<b>0.00</b>	<b>0.00</b>
<b>Net increase in cash and cash equivalents</b>		<b>9,605,689.35</b>	<b>1,139,849.60</b>
<b>Cash and cash equivalent at beginning of the year</b>		<b>4,703,376.36</b>	<b>3,563,526.76</b>
<b>Cash and cash equivalent at end of the year</b>		<b>14,454,022.71</b>	<b>4,703,376.36</b>

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

**VII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2022**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>Receipts</b>						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials	0.00	0.00	0.00	0.00	0.00	
Exercise Books	0.00	0.00	0.00	0.00	0.00	
Laboratory Equipment	135,050.00	0.00	135,050.00	135,050.00	0.00	100%
Internal Exams	441,700.00	0.00	441,700.00	441,700.00	0.00	100%
Teaching / Learning Materials	1,540,000.00	0.00	1,540,000.00	1,474,644.80	65,355.20	95.75%
Chalks	0.00	0.00	0.00	0.00	0.00	
Exams And Assessment	0.00	0.00	0.00	0.00	0.00	
Teachers Guides	0.00	0.00	0.00	0.00	0.00	
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments	2,942,617.00	0.00	2,942,617.00	2,942,617.00	0.00	100%
Repairs And Maintenance	3,300,000.00	0.00	3,300,000.00	3,751,680.00	451,680.00	114%
Local Transport / Travelling	1,177,047.00	0.00	1,177,047.00	1,177,047.00	0.00	100%
Electricity And Water	1,177,047.00	0.00	1,177,047.00	1,177,047.00	0.00	100%
Medical	130,000.00	0.00	130,000.00	124,600.00	5,400.00	96%
Administration Costs	588,524.00	0.00	588,524.00	588,524.00	0.00	100%
Infrastructure	3,934,000.00	0.00	3,934,000.00	3,934,000.00	0.00	100%
Welfare		35,200.00	35,200.00	35,200.00	0.00	100%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Activity	0.00	0.00	0.00	0.00	0.00	0.00
Gratuity	0.00	0.00	0.00	0.00	0.00	0.00
Smasse	0.00	0.00	0.00	0.00	0.00	0.00
<i>(3) Fees Charged on Parents</i>						
Personnel Emoluments						
Electricity And Water						
Local Transport / Travelling						
Administration Costs	12,916,200.00	0.00	12,916,200.00	12,145,112.00	771,088.00	94%
Repairs And Maintenance	1,320,000.00	0.00	1,320,000.00	2,188,414.00	868,414.00	166%
Medical	0.00	0.00	0.00	0.00	0.00	
Dorm/classroom construction	11,600,000.00	0.00	11,600,000.00	10,664,807.00	935,193.00	92%
Parent Association	1,200,000.00	0.00	1,200,000.00	1,311,684.00	(111,684.00)	109%
Activity	330,000.00	0.00	330,000.00	504,388.00	(174,388.00)	152%
Smasse	0.00	0.00	0.00	0.00	0.00	
Fee On Boarding Equipment and Stores	20,621,700.00	0.00	20,621,700.00	19,879,187.00	742,513.000	96.39%
<i>Other Income</i>						
Rent Income	0.00	34,830.00	34,830.00	34,830.00	0.00	100%
Uniform	0.00	22,190.00	22,190.00	22,190.00	0.00	100%
Income From Farming Activities	0.00	82,570.00	82,570.00	82,570.00	0.00	100%
Tenders	0.00	69,000.00	69,000.00	69,000.00	0.00	100%
Insurance Compensation	0.00	0.00	0.00	0.00	0.00	100%

REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Income From Posho Mill	0.00	0.00	0.00	0.00	0.00	0.00
Income From Bus Hire	0.00	52,432.00	52,432.00	52,432.00	0.00	100%
Bakery	0.00	209,255.00	209,255.00	209,255.00	0.00	100%
Advance	0.00	60,350.00	60,350.00	60,350.00	0.00	100%
Pension	0.00	441,110.00	441,110.00	441,110.00	0.00	100%
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00
Income From Any Other Investment	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>						
<i>(1) Expenditure For Tuition</i>						
Textbooks And Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / Learning Materials						
Chalks						
Exams And Assessment	3,065,040.00	0.00	3,065,040.00	2,012,728.00	1,052,312.00	66%
Teachers Guides	0.00	0.00	0.00	0.00	0.00	
Administration Costs	0.00	0.00	0.00	0.00	0.00	
Bank Charges	0.00	2,056.00	2,056.00	2,056.00	0.00	100%

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(2) Expenditure For Operations</b>						
Local Transport / Travelling						
Electricity, Water and Conservancy						
Administration Costs						
Personnel Emoluments						
	5,214,000.00	0.00	5,214,000.00	5,891,332.00	677,332.00	113%
Medical	0.00	0.00	0.00	0.00	0.00	
Activity Expenses	990,000.00	0.00	990,000.00	469,680.00	520,320.00	47%
RMI	3,500,000.00	0.00	3,500,000.00	112,040.00	3,387,960.00	320%
Gratuity						
Welfare		35,200.00	35,200.00	31,800.00	3,400.00	90.3%
Insurance		446,282.00	446,282.00	446,282.00	0.00	100%
Smasse	0.00	0.00	0.00	0.00	0.00	
Bank Charges	0.00	1,866.00	1,866.00	1,866.00	0.00	100%
<b>(3) Expenditure For School Fund</b>						
Personnel Emoluments						
Local Transport / Travelling						
Electricity, Water and Conservancy						
Administration Costs	7,702,200.00	0.00	7,702,200.00	8,549,137.20	846,937.20	111%
Repairs, Maintenance and Improvements	1,400,000.00	0.00	1,400,000.00	3,701,992.00	2,301,992.00	264%
Medical Expenses		130,000.00	130,000.00	123,310.00	6,690.00	94.8%
Activity	1,050,000.00	0.00	1,050,000.00	267,300.00	782,700.00	75%

(OUR LADY OF FATIMA KIRIKO GIRLS SECONDARY SCHOOL)  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Gratuity						
Lunch Programme						
Boarding Equipment and Stores	20,621,700.00	0.00	20,621,700.00	15,729,471.00	4,892,229.00	76.2%
Expenditure For Income Generating Activity		149,950.00	149,950.00	149,950.00	0.00	100%
Insurance Costs	0.00	209,277.00	209,277.00	209,277.00	0.00	100%
Other Expenses On Investments	0.00	0.00	0.00	0.00	0.00	
Rent Expenses	0.00	34,830.00	34,830.00	34,830.00	0.00	100%
Bank Charges	0.00	0.00	0.00	0.00	0.00	
Loan Interest Repayment	0.00	0.00	0.00	0.00	0.00	
Loan Principal Repayment	0.00	0.00	0.00	0.00	0.00	
Acquisition Of Assets	0.00	0.00	0.00	0.00	0.00	
Pigsty	0.00	152,130.00	152,130.00	152,130.00	0.00	100%
Parents Association	2,100,000.00	0.00	2,100,000.00	700,050.00	1,399,950.00	33%
Uniform		22,150.00	22,150.00	22,150.00	0.00	100%
Advance	0.00	60,350.00	60,350.00	74,100.00	13,750.00	122.7%
Bakery	0.00	209,255.00	209,255.00	154,550.00	54,705.00	73.8%
<b>Totals</b>						

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

- i. Majority of non teaching staffs applied for advances during financial year 2022 which resulted to overutilization.
- ii. Many Students had broken chairs, lockers, beds and they needed to be repaired for issue to Form One students.

## VIII. 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 30<sup>th</sup> June 2022.

**IX. Notes To The Financial Statements**

**1 Capitation Grant for Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	1,474,644.80	97,858.00
Exercise Books		
Laboratory Equipment	135,050.00	100,000.00
Internal Exams	441,700.00	525,712.25
Teaching / Learning Materials		
Chalks		
Exams And Assessment		
Teachers Guides		
<b>Total</b>	<b>2,051,394.80</b>	<b>723,570.25</b>

**2 Capitation Grant for Operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	2,942,617.00	926,887.35
Repairs And Maintenance	3,751,680.00	1,909,000.00
Local Transport / Travelling	1,177,047.00	370,755.00
Electricity And Water	1,177,047.00	370,755.00
Medical	124,600.00	0.00
Administration Costs	588,524.00	185,378.00
Welfare	35,200.00	0.00
Infrastructure	3,934,000.00	0.00
Activity	0.00	0.00
<b>Total</b>	<b>13,730,715.00</b>	<b>3,762,772.00</b>

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**3. Parents Contribution/Fees - School Fund Account**

Description	2021-2022	2020-2021
	Kshs	Kshs
Boarding fee	19,978,187.00	8,805,152.00
Personnel emoluments	6,072,556.00	1,147,033.00
Repairs and maintenance	2,188,414.00	487,495.00
Local transport / travelling	3,643,533.60	688,220.00
Parents association	1,311,684.00	0.00
Dorm construction/classroom	10,664,806.00	3,558,215.00
Electricity and water	0.00	0.00
Medical	0.00	0.00
Administration costs	2,429,022.40	458,812.00
Activity	504,388.00	87,495.00
<b>Total</b>	<b>46,792,591.00</b>	<b>15,232,422.00</b>

**4 Other Receipts – School Fund Account**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fee On Boarding Equipment andStores	0.00	0.00
Rent Income	34,830.00	8,200.00
Income From Farming Activities	82,570.00	162,585.00
Insurance Compensation	0.00	0.00
Income From Posho Mill	0.00	0.00
Income From Bus Hire	52,432.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00
Income From Grants and Donations*	0.00	18,000.00
Interest Income	0.00	0.00
Uniform	22,190.00	0.00
Pension	441,110.00	0.00
Bakery	209,255.00	0.00
Tenders	69,000.00	0.00
Advance	60,350.00	0.00
Dividends Income	0.00	0.00
<b>Total</b>	<b>971,737.00</b>	<b>188,785.00</b>

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

**5. Payments For Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials		
Exercise Books	657,273.00	8,715.00
Laboratory Equipment	579,145.00	190,680.00
Internal Exams	758,310.00	108,000.00
Teaching / Learning Materials	0.00	423,000.00
Chalks		
Exams And Assessment		
Teachers Guides		
Administration Costs		
Bank Charges	2,056.00	466.00
<b>Total</b>	<b>2,014,784.00</b>	<b>730,861.00</b>

**Notes To The Financial Statements (Continued)**

**6. Payments For Operations**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	2,972,463.00	987,718.00
Service Gratuity	0.00	0.00
Administration Cost	583,774.60	197,543.00
Repairs And Maintenance & Improvements	112,040.00	193,600.00
Local Transport / Travelling	1,167,549.20	395,087.00
Electricity And Water	1,167,547.20	395,087.00
Medical	0.00	0.00
Activity Expenses	469,680.00	166,930.00
Smasse	0.00	0.00
Insurance Cost	446,282.00	0.00
Bank Charges	1,806.00	2,002.00
Acquisition Of Assets	446,680.00	1,926,384.00
<b>Total</b>	<b>7,367,822.00</b>	<b>4,264,351.00</b>

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**Notes To The Financial Statements (Continued)**

**3 Boarding And School Fund Payments**

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	4,624,569.00	1,271,641.00
Service Gratuity	0.00	0.00
Repairs And Maintenance & Improvements	3,701,992.00	1,106,746.00
Local Transport / Travelling	1,849,827.60	508,656.00
Electricity And Water	1,849,827.60	508,656.00
Medical Expenses	123,310.00	40,592.00
Administration Costs	924,913.80	254,329.00
Activities	267,300.00	81,220.00
Lunch Programme	0.00	0.00
Bank Charges	0.00	0.00
Expenses On Income Generating Activities	0.00	0.00
Fee On Boarding Equipment and Stores	15,729,471.00	5,927,237.00
Rent Expenses	0.00	0.00
Insurance Cost (Life Property)	209,277.00	249,873.00
Farm	80,590.00	159,280.00
Bakery	154,550.00	0.00
Picnic	152,130.00	0.00
Parents Association Fund	700,050.00	0.00
Uniform	22,190.00	0.00
Advance	74,100.00	0.00
Tender	15,000.00	0.00
Pension	365,640.00	0.00
Loan Principal Repayment	0.00	0.00
Loan Interest Repayment	0.00	0.00
Acquisition Of Assets	14,042,125.45	2,223,048.00
<b>Total</b>	<b>44,886,863.45</b>	<b>12,331,278.00</b>

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

Notes To The Financial Statements (Continued)

4 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account(KCB)	1106606388	46,072.42	9,461.62
Operations Account(KCB)	1106606450	11,909.93	15,227.93
School Fund Account/Boarding(KCB)	1130456617	75,470.25	0.00
Savings Account(KCB)	157385711	4,081.05	0.00
Parent Association Development Account	0.00	0.00	0.00
Income Generating Activities Account	0.00	0.00	0.00
Infrastructural Account(KCB)	1166222950	6,214,110.00	3,211,716.00
<b>Total</b>		<b>14,034,710.46</b>	<b>4,672,266.36</b>

5 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	0.00	0.00
Operation Account	200,000.00	0.00
School Fund account	219,312.25	25,000.00
Infrastructure	0.00	6,110.00
<b>Total</b>	<b>419,312.25</b>	<b>31,110.00</b>

6 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit	0.00	0.00
Equity Stock	0.00	0.00
Other Investments	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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**Notes To The Financial Statements (Continued)**

**7 Accounts Receivable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	2,067,092.00	2,417,855.00
Other Non-Fees Receivables	0.00	0.00
Salary Advances	0.00	13,005.00
Imprest	0.00	15,000.00
<b>Total</b>	<b>2,067,092.00</b>	<b>2,445,860.00</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	1,200,520.00	787,297.00
Fees Arrears recovered during the year	(1,526,712.00)	(667,172.00)
Fees Arrears For The Previous Year	787,297.00	1,272,512.00
Fees Arrears For Prior Periods (Over Two Years)	1,605,987.00	1,025,203.00
<b>Total</b>	<b>2,067,092.00</b>	<b>2,417,855.00</b>

**8 Accounts Payable**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	0.00	0.00
Prepaid Fees	530,000.00	437,690.00
Retention Monies	5,600.00	3,000.00
<b>Total</b>	<b>535,600.00</b>	<b>440,690.00</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	535,600.00	440,690.00
Trade Creditors for The Previous Year	0.00	0.00
Trade Creditors for Prior Periods (Over Two Years)	0.00	0.00
<b>Total</b>	<b>535,600.00</b>	<b>440,690.00</b>

**Notes To The Financial Statements (Continued)**

**9 Fund Balance Brought Forward**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	14,034,710.46	4,672,266.76
Cash Balances	419,312.25	31,110.00
Short Term Investments	0.00	0.00
Receivables	2,067,092.00	2,445,860.00
Payables	(535,600.00)	(440,690.00)
<b>Total</b>	<b>15,985,514.71</b>	<b>6,708,546.76</b>

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**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.

**10 Non-current Liabilities Summary**

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

**11 Biological assets**

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle		0	0
Goats		0	0
Trees		20	20
Coffee Or Tea Plantation		0	0
Poultry		0	0
<b>Total</b>		<b>20</b>	<b>20</b>

**12 Borrowings**

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

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**Other important disclosure notes**

**13 Stock/ Inventory**

Description	2021-2022	2020-2021
	Kshs	Kshs
<b>b) Inventory</b>		
Stock/ inventory at beginning of the year	6,708,905.00	4,118,843.00
Stock/ inventory purchased during the year	63,546,431.00	19,916,552.00
Stock/ inventory issued during the year	54,269,469.00	17,326,490.00
Balance at end of the year	15,985,867.00	6,708,905.00

**14 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: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>

.....  
 Sign and Date  
 Principal

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**Annex 1 - Analysis Of Pending Accounts Payable**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.	0.00	0.00	0.00	0.00	0.00	
2.	0.00	0.00	0.00	0.00	0.00	
3.	0.00	0.00	0.00	0.00	0.00	
<b>Sub-Total</b>	0.00	0.00	0.00	0.00	0.00	
<b>Supply Of Goods</b>						
4.	0.00	0.00	0.00	0.00	0.00	
5.	0.00	0.00	0.00	0.00	0.00	
6.	0.00	0.00	0.00	0.00	0.00	
<b>Sub-Total</b>	0.00	0.00	0.00	0.00	0.00	
<b>Supply Of Services</b>						
7.	0.00	0.00	0.00	0.00	0.00	
8.	0.00	0.00	0.00	0.00	0.00	
9.	0.00	0.00	0.00	0.00	0.00	
<b>Sub-Total</b>	0.00	0.00	0.00	0.00	0.00	
<b>Grand Total</b>	0.00	0.00	0.00	0.00	0.00	

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

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Land 1	1995	KIRIKO	3,000,000.00	N/A	N/A	N/A
Land 2	2015	KIRIKO	1,000,000.00	N/A	N/A	1,000,000.00
Buildings And Structures	1993		N/A	15,000,000.00	N/A	15,000,000.00
Motor Vehicles	1998		1,800,000.00			
	2013		5,200,000.00	.	N/A	1,800,000.00
Office Equipment, Furniture And Fittings	2010			N/A	N/A	N/A
ICT Equipment, And Other ICT Assets	2/4/2021		N/A	450,000.00	N/A	450,000.00
Tools And Apparatus	2017		N/A	135,050.00	N/A	135,050.00
Textbooks	2017		2,000,000.00	N/A	N/A	2,000,000.00
Other Machinery And Equipment	2021		600,000.00	N/A	N/A	600,000.00
Heritage And Cultural Assets	N/A		N/A	N/A	N/A	N/A
Intangible Assets- Soft Ware	2/3/2021		232,000.00	90,000.00	N/A	232,000.00
<b>Total</b>			<b>13,932,000.00</b>	<b>15,675,050.00</b>		<b>23,217,000.00</b>

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