

REPUBLIC OF KENYA



Enhancing Accountability

REPORT



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 02 DEC 2024	DAY: Monday
TABLED OF:	HON. SAMI WAGI, MP DEPUTY MAJORITY WHIP
CLERK-AT THE-TABLE:	ESTHER NG'WYO

THE AUDITOR-GENERAL

ON

**SANTA MARIA GIRLS' SECONDARY
SCHOOL CHEPTULON**

**FOR THE SIX (6) MONTHS PERIOD
ENDED 30 JUNE, 2021**

ELGEYO MARAKWET COUNTY

X

Revised 30th June 2021.



SANTA MARIA GIRLS SECONDARY SCHOOL - CHEPTULON

PUBLIC SECONDARY SCHOOL

REPORT AND FINANCIAL STATEMENTS

**FOR THE SIX MONTHS ENDED
30th June 2021**

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



SANTA MARIA GIRLS SECONDARY SCHOOL - CHEPTULON
PUBLIC SECONDARY SCHOOL
Report and Financial Statements
For the Six Months ended 30th June 2021

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**PUBLIC SECONDARY SCHOOLS: SANTA MARIA GIRLS SECONDARY SCHOOL -
CHEPTULON**

Reports and Financial Statements

For the year ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

Santa Maria Girls Secondary School - Cheptulon is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. The school is located in Elgeyo Marakwet County, Marakwet West Sub-County.

The school was registered in 1984 under registration number 28S30000751 and is currently categorized as an extra county school established, owned or operated by the Government.

The school is a boarding school and had 855 students as at 30th June 2021. It has four streams and 36 teachers out of which 20 are employed by the school BOM.

(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	Martha Yator	Chairman	25 th July 2019
2	Rosemary Opinde	Secretary - Principal	
3	Peris Rutto	Member	25 th July 2019
4	Boniface Maiyo	Member	25 th July 2019
5	Rose Kimutai	Member	25 th July 2019
6	Benard Kiprotich	Member	25 th July 2019
7	John Kosgei Kochurio	Member	25 th July 2019
8	John Kirias	Member – PA	25 th July 2019
9	Jonah Kimosop	Member Rep Teachers	25 th July 2019
10	Martin Kimaiyo	Members - Sponsor	25 th July 2019
11	John Kiptum	Member - Community	25 th July 2019
12	Moses Kibor	Member Special Needs	25 th July 2019
13	Getrude Alele	Rep Students	25 th July 2019
14	David Kwambai	Member	25 th July 2019
15	Joel Kendagor	Member	25 th July 2019
16	Simion Kipkorir	Member -Chaplain	25 th July 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The functions 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	Martha Yator Rosemary Opinde John Kirias Joel Kendagor David Kwambai Martin Kimaiyo	Chair B.O.M Principal P.A Chair BOM Member BOM Vice Chair BOM Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee	No Audit Committee established		
3	Finance, Procurement and General Purposes Committee	John Kiptum John Kirias Rosemary Opinde Boniface Maiyo Joel Kendagor Rose Kipyatich	BOM Member P.A Principal BOM Member BOM Member BOM Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
4	Academic Committee	David Kwambai Rosemary Opinde Peris Rutto Moses Kibor Benard Kiprotich John Kirias	BOM Vice Chair BOM Secretary BOM Member BOM Member BOM Member BOM Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
5	Development Committee	John Kochurio Rosemary Opinde Martha Yator John Kirias Martin Kimaiyo	SIC Chair Principal P.A Chair BOM Member BOM Member	2 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2

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6	Discipline and Welfare Committee	John Kiptum Rosemary Opinde Rose Kipyatich John Kirias Boniface Maiyo Peris Rutto	BOM Member BOM Secretary BOM Member BOM Member BOM Member BOM Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1
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(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Rosemary Opinde	270851
2	Deputy Principal	Everlyne Kokita	347373
4	School Finance Officer	Nathan Kipchumba	

(e) Schools contacts

Post Office Box: 237-Kapsowar

Mobile Number: 0723491117

E-mail: santamaria@gmail.com

(f) School Bankers

The school operated 6 number of bank accounts and 1 Pay bill number as follows:

Name of Bank: Kenya Commercial Bank
Branch: Kapsowar
Account Number: 1103175009
Purpose: School Fund Account

Name of Bank: Kenya Commercial Bank
Branch: Kapsowar
Account Number: 1103175157
Purpose: Operations

Name of Bank: Kenya Commercial Bank
Branch: Kapsowar
Account Number: 1103244841
Purpose: Tuition Account

Name of Bank: Kenya Commercial Bank
Branch: Kapsowar
Account Number: 1276521359
Purpose: Infrastructure Account

Name of Bank: Kenya Commercial Bank

**SANTA MARIA GIRLS SECONDARY SCHOOL - CHEPTULON
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For the Six Months ended 30th June 2021

Branch:	Kapsowar
Account Number:	1210373149
Purpose	CDF Account

Name of Bank:	Kenya Commercial Bank
Branch:	Kapsowar
Account Number:	1102954985
Purpose	Savings Account

MPESA Pay Bill No.:	Business Number: 522123
	Account Number: 20506KADMNO
	Attached to bank account - 1103175009

(g) Independent Auditors

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

SANTA MARIA GIRLS SECONDARY SCHOOL - CHEPTULON
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For the Six Months ended 30th June 2021

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

This section analyses the trend of the school's financial performance for the last three reporting periods. Whereas the two reporting periods between 1st January 2019 to 31st December 2020 covers a period of 12 months, the figures under the 30th June 2021 period covers a period of 6 months as below:

YEAR	2019	2020	2021
PERFORMANCE PERIOD	Jan - Dec 2019	Jan - Dec 2020	Jan - June 2021
	KShs	KShs	KShs
Surplus	1,706,690	-275,033	2,224,730
Capitation Grants - Operations & Infrastructure	8,697,382	8,740,140	5,642,395
Capitation Grants - Tuition	3,896,512	1,110,691	900,200
Total Capitation	12,593,894	9,850,831	6,542,595
Increase / (Decrease)		-2,743,063	-3,308,236
No. of Students (Number)	585	728	855
Ratio of Capitation per Student	21,528	13,531	7,652
Total Expenditure	38,068,214	26,967,854	16,848,680
Growth in Expenditure		-11,100,361	-10,119,174
Total Accounts Receivables	25,633,307	29,118,185	29,139,708
Growth in Accounts Receivables		3,484,879	21,523
Accounts Creditors	6,382,670	9,867,548	9,889,071
Growth in Accounts Payables		3,484,878	21,523
Cash and Bank Balances	342	76,572	2,301,302
Growth in Cash and Cash Equivalents		76,230	2,224,730

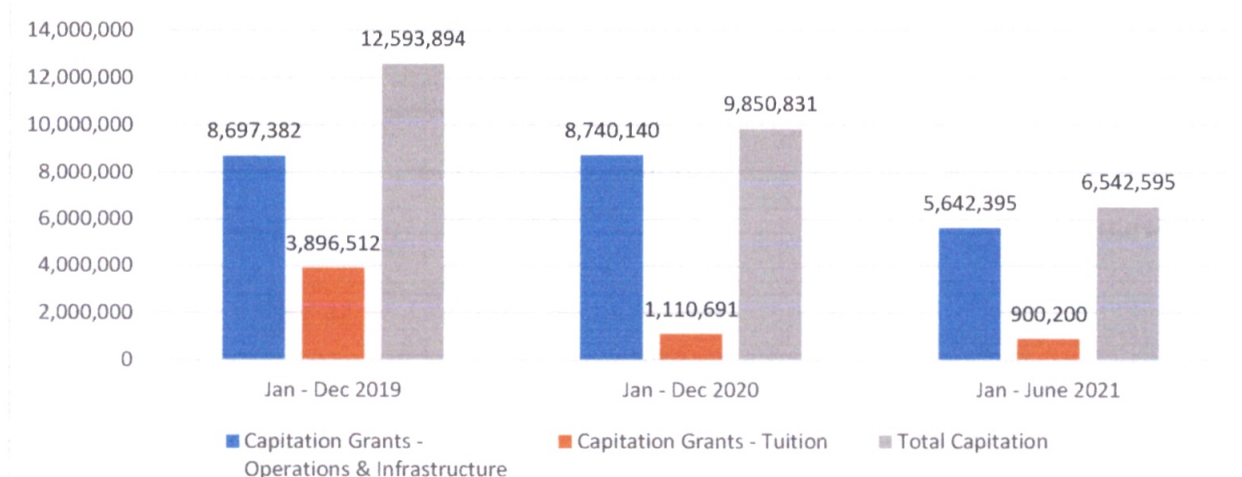
The school reported a surplus of KShs.2,224,730 over the six months period to June 2021, which reflected an improvement from the deficit of Kshs.275,034 reported the previous period. The growth in surplus was occasioned by a significant reduction in the expenditures incurred during the period



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under review. The drop in expenditures from Kshs.26,967,854 in 2020 to Kshs.16,848,680 represented a 37.5% reduction.

With regards to total capitation, the schools received KShs.6,542,595 as capitation, during the six months period to 30 June 2021, comprising of KShs.900,200 and KShs.5,642,395 in tuition and operations capitation grants respectively. Out of the operations capitation grants amounting to KShs.8,435,013 and received into the school's operations bank account, the management transferred infrastructure grants amounting to KShs.500,000 to the infrastructure bank. The total capitation received from the Ministry of Education has been declining over the past three years as shown below:



The effect of reduced government capitation has been the reduced sustainability of the school as evidenced by the high balance of accounts payables as show below:



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b) Teacher Student ratio

As at 30th June 2021, the school there were 23 teachers engaged by the Teachers Service Commission and 23 recruited by the Board of Management. However, the teacher student ratio lies at 1: 90.

YEAR	2020	2021
Teacher Student Ratio	1:95	1:90
Teachers Recruited during the Year	2	2
Number of Teachers Transferred	0	0
Number of teachers retired	0	0
Teachers Employed by TSC	20	23
Teachers Employed by B.O.M	17	23

c) Mean score in the Kenya Certificate of Secondary Education

YEAR	2020	2021
GRADE A	0	0
GRADE A-	0	0
GRADE B+	5	8
GRADE B	20	15
GRADE B-	42	37
GRADE C+	60	61
GRADE C	26	70
GRADE C-	13	51
GRADE D+	4	27
GRADE D	0	12
GRADE D-	0	2
GRADE E	0	0
Number of Candidates	170	283

d) Number of Candidates in the KCSE

Year	2019	2020	2021
No. of Candidates	170	170	283



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e) Capacity of the school

YEAR	2020		2021	
Facilities	Number	Student Population	Number	Student Population
Dormitories	6	728	6	855
Dining Hall	1	728	1	855
Laboratories	2	728	2	855
Toilets	40 Flash 15 Pit	728	40 Flash 15 Pit	855
Classrooms	11	728	11	855
Computer Lab	1	728	1	855

f) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	Completion of 100 Capacity Dormitory	2021	Complete	4,200,000	M & I Funds

Sign: *[Signature]*

School Principal



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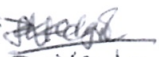
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

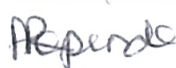
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant 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.

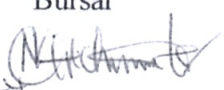
The Board of Management of Santa Maria Girls Secondary School - Cheptulon accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting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

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

Name: Martha Yator
Designation: Chairman, School Board of Management
Sign: 
Date: 24/7/24

Name: Rosemary Opinde
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 24/7/24



Name: Nathan Kipchumba
Designation: Bursar
Sign: 
Date: 24/7/24

REPUBLIC OF KENYA

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

REPORT OF THE AUDITOR-GENERAL ON SANTA MARIA GIRLS' SECONDARY SCHOOL - CHEPTULON FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 – ELGEYO MARAKWET 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, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Santa Maria Girls' Secondary School - Cheptulon - Elgeyo Marakwet County - set out on pages 12 to 26, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021,

Report of the Auditor-General on Santa Maria Girls' Secondary School - Cheptulon for the six (6) months' period ended 30 June, 2021 – Elgeyo Marakwet County

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Santa Maria Girls' Secondary School - Cheptulon as at 30 June, 2021, and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Accounts Receivables

1.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.29,139,708 as disclosed in Note 10 to the financial statements. However, the supporting schedules, detailed aging analysis and invoices were not provided for audit review.

1.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.29,139,708 in respect of fees arrears as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs.24,649,398 or 85% 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 and full recoverability of the outstanding receivables balance of Kshs.29,139,708 could not be confirmed.

2. Variances in Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.9,889,071 as disclosed in Note 11 to the financial statements. However, the balance varies with a balance of Kshs.2,269,100 reflected in the ledger and trial balance resulting to an unexplained and an unreconciled variance of Kshs.7,619,971.

In the circumstances, the accuracy and completeness of trade payables balance of Kshs.9,889,071 could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,301,302 which includes bank balances of Kshs.2,156,983 and cash in hand balances of Kshs.144,318 as disclosed in Note 8 and 9 to the financial statements. However, the bank balances were not supported by bank reconciliation statements and cashbooks. Further, cash survey certificate was not provided to support the cash balance of Kshs.144,318.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.2,301,302 could not be confirmed.

4. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.900,200 and Kshs.5,642,395 as disclosed in Notes 1 and 2 to the financial statements. Review of the NEMIS capitation disbursements made to the School against the amount receipted by the School revealed an amount of Kshs.6,542,595 whereas the NEMIS capitation reflects an amount of Kshs.6,242,395, resulting to an unexplained variance of Kshs.600,000.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations of Kshs.900,200 and Kshs.5,642,395 could not be confirmed

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Santa Maria Girls' Secondary School - Cheptulon 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 audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.26,079,800 and Kshs.19,073,409 respectively, resulting to an under-funding of Kshs.7,006,391 or 27% of the budget. However, the School spent Kshs.16,848,680 against actual receipts of Kshs.19,073,409, resulting to an under-utilization of Kshs.2,224,729 or 12% of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

Management presented the report and financial statements covering six (6) months from January, 2021 to June, 2021 with comparative balances for calendar year 2020. This is contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines of 20 August, 2021 on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya. The standards requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021.

In the circumstances, Management was in breach of PSASB guidelines.

2. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grant amounts of Kshs.5,642,395 as disclosed in Note 2 to the financial statements which were from the Ministry of Education credited in the operations bank account. Included in the grants is an amount of Kshs.2,591,250 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only an amount of Kshs.500,000 was transferred to infrastructure account, leaving a balance of Kshs.2,091,250 as at 30 June, 2021. This was contrary to The Ministry of Education Circular Ref. 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.

3. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 11 to the financial statements reflects payables balance of Kshs.9,889,071. However, included in the balance are trade payables balance of Kshs.4,782,014 which had been outstanding for more than one year. This is 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 contract (s) are reflected in approved budget estimates.

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

4. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.19,073,409 and an amount of Kshs.16,848,680 in respect of total receipts and payments respectively. However, Management did not prepare an annual procurement plan as part of the annual budget preparation process. This is contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall 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.

5. Unconfirmed Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.6,542,595. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the period January – June, 2021, National Education Management Information System reflected six hundred and ninety-one (691) students while records from the County Director of Education had one thousand and sixty-six (1,066) students, resulting to an underfunding of the School by an amount of Kshs.2,285,630. This is 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 to be registered in National Education Management Information System (NEMIS) and the principals to ensure their records are accurate.

In the circumstances, underfunding of the School may have affected service delivery and effectiveness of learning to the students.

6. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 03 January 2024 instead of the statutory deadline of 30 September 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17

dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

7. Non-Adherence to One Third of the Basic Salary Rule

Review of the June, 2021 payroll revealed that two employees received net pays that were less than one third of their basic pay during the month of June, 2021 pay period. This is contrary to Section 19(3) of the Employment Act, 2007 which states that deductions from an employee's salary shall not exceed two thirds of such wages.

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

8. Failure to Deduct and Remit Statutory Deductions

During the period under review, the School Board of Management engaged an average of thirteen (13) teachers in a bid to address shortages of teachers, at a monthly consolidated pay of Kshs.15,000 per teacher. Review of the payroll revealed that Management did not deduct and remit National Social Security Fund (NSSF) and National Hospital Insurance Fund (NHIF) statutory deductions from the teacher's salaries, contrary to Section 20 of the National Social Security Fund Act, Revised 2013 and Section 16 of the National Health Insurance Fund Act, 2022.

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

9. Employment Above Mandatory Retirement Age

Review of the staff biodata and June, 2021 payroll revealed that the Board of Management retained an officer as a watchman despite him having attained the age of 61 years. This is contrary to Section D.21 of the Human Resource Policies and Procedures Manual for the Public Service, 2016, which states that all officers shall retire from the Service on attaining the mandatory retirement age of 60 years, 65 years for persons with disabilities.

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

10. Failure to Open a Bank Account for Income Generating Activities

The statement of receipts and payments reflects that the School generated revenue amounting to Kshs.120,000 and Kshs.66,000 from farming activities and bus hire respectively. Review of the cash books presented for audit revealed that Management posted the receipts generated from income generating activities to the boarding cash book. This is contrary to Circular MOE/CONF/G5 date 26 November, 2019 which requires the School to open a separate bank account for income generating activities.

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

11.Excess Supply of Books

During the period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed three hundred and fifty-four (354) books to the School for one of the set books but none were issued to the students since they were not required.

In the circumstances, value for money on the excess three hundred and fifty-four (354) text books 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 are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Ownership Documents

Annex 2 to the financial statements discloses a summary of fixed assets register balance of Kshs.15,400,000 which includes land with a Nil balance and motor vehicle with a balance of Kshs.15,400,000. However, land ownership documents were not provided for audit.

In addition, the log book for the motor vehicle indicated that it was jointly owned by the School and a financial institution.

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

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

Responsibilities of Management of those Charged with Governance

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

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

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

Those charged with governance are responsible for overseeing the 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 controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- 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 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.

Report of the Auditor-General on Santa Maria Girls' Secondary School - Cheptulon for the six (6) months' period ended 30 June, 2021 – Elgeyo Marakwet County

- 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 controls 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

05 September, 2024

**SANTA MARIA GIRLS SECONDARY SCHOOL - CHEPTULON
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**V. STATEMENT OF RECEIPTS AND PAYMENTS FOR SIX MONTHS PERIOD TO
30TH JUNE 2021**

Description	Note	Jan - June 2021	Jan - Dec 2020
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	900,200	1,110,691
Capitation grants for operations	2	5,642,395	8,740,140
School Fund Income- Parents' Contributions	3	12,344,814	16,841,990
School Fund Income- Other receipts	4	186,000	-
Proceeds from borrowings		-	-
Total Receipts		19,073,409	26,692,821
Payments			
Tuition	5	859,616	744,868
Operations	6	4,412,866	8,665,256
Boarding and school fund payments	7	11,576,198	17,557,730
Total Payments		16,848,680	26,967,854
Surplus		2,224,730	(275,033)

The school financial statements were approved on 24/7/2024 2024 and signed by:

Sign: 

Martha Yator

Sign: 

Rosemary Opinde

Sign: 

Nathan Kipchumba

Chair BOM

School Principal /
Secretary to BOM

Bursar

Date: 24/7/2024

Date:

Date: 24/7/2024



**SANTA MARIA GIRLS SECONDARY SCHOOL - CHEPTULON
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**VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30TH JUNE 2021**

Description	Note	Jan - June 2021	Jan - Dec 2020
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	2,156,984	92,655
Cash balances	9	144,318	(16,083)
Short term investment	10		
Total cash and cash equivalent		2,301,302	76,572
Account's receivables	10	29,139,708	29,118,185
Total financial assets		31,441,010	29,194,757
Financial liabilities			
Accounts payables	11	9,889,071	9,867,548
Net financial assets		21,551,939	19,327,209
Represented by			
Accumulated fund b/fwd	12	19,327,209	19,602,242
Surplus/deficit for the year		2,224,730	(275,033)
Net financial position		21,551,939	19,327,209

The School's financial statements were approved on _____ 2024 and signed by:

Sign: 

Martha Yator

Chair BOM

Date: 24/7/24

Sign: 

Rosemary Opinde

School Principal /
Secretary to BOM

Date: JUL 2024

Sign: 

Nathan Kipchumba

Bursar

Date: 24/7/2024



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

Description	Note	Jan - June 2021	Jan - Dec 2020
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	900,200	1,110,691
Capitation grants for operations	2	5,642,395	8,740,140
School fund income- parents contributions/ fees	3	12,344,814	16,841,990
School fund income- other receipts	4	186,000	-
Total receipts		19,073,409	26,692,821
Payments			
Payments for tuition	5	859,616	744,868
Payments for operations	6	3,906,316	5,365,184
Boarding and school fund payments	7	11,576,198	17,557,730
Total payments		16,342,130	23,667,782
Net cash flow from operating activities		2,731,280	3,025,039
Cashflow from investing activities			
Proceeds from sale of assets			
Acquisition of assets		(506,550)	(3,300,072)
Proceeds from investments			
Purchase of investments			
Net cash flows from investing activities		(506,550)	(3,300,072)
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		2,224,730	(275,033)
Cash and cash equivalent at beginning of the year		76,572	351,605
Cash and cash equivalent at end of the year		2,301,302	76,572

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



PUBLIC SECONDARY SCHOOLS: SANTA MARIA GIRLS SECONDARY SCHOOL - CHEPTULON
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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE SIX MONTHS PERIOD ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs	%
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Laboratory equipment	600,000	-	600,000	238,395	361,605	40%
Teaching / learning materials	1,264,800	-	1,264,800	661,805	602,995	52%
Total	1,864,800	-	1,864,800	900,200	964,600	92%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Repairs and maintenance	2,250,000	-	2,250,000	2,591,250	(341,250)	115%
Medical Insurance	900,000	-	900,000	-	900,000	0%
SMASSE	90,000	-	90,000	-	90,000	0%
Other Vote heads	4,230,000	-	4,230,000	3,051,145	1,178,855	72%
Activity	675,000	-	675,000		675,000	0%
Total	8,145,000	-	8,145,000	5,642,395	2,502,605	69%
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments	50,000	-	50,000	31,270	18,730	63%
Repairs and maintenance	850,000	-	850,000	563,849	286,151	66%
Other Voteheads	5,251,500	-	5,251,500	4,504,418	747,083	86%
BES	9,373,500	-	9,373,500	7,175,005	2,198,496	77%
Activity	225,000	-	225,000	70,273	154,727	31%
Total	15,750,000	-	15,750,000	12,344,814	3,405,186	78%
OTHER RECEIPTS						



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Income from Farm	250,000	-	250,000	120,000	130,000	48%
Bus Hire	70,000	-	70,000	66,000	4,000	94%
Total	320,000	-	320,000	186,000	134,000	58%
TOTAL INCOME	26,079,800	-	26,079,800	19,073,409	7,006,391	73%
(1) EXPENDITURE FOR TUITION						
Laboratory Chemicals	741,325	-	741,325	500,000	241,325	67%
Teaching / learning materials	1,000,000	-	1,000,000	358,500	641,500	36%
Bank Charges	1,116	-	1,116	1,116	-	100%
Total	1,742,441	-	1,742,441	859,616	882,825	49%
(2) EXPENDITURE FOR OPERATIONS						
Medical	850,000	-	850,000	-	850,000	0%
Repairs and maintenance & improvements	3,000,000	-	3,000,000	506,550	2,493,450	17%
Other Voteheads	4,000,000	-	4,000,000	3,904,876	95,124	98%
Bank Charges	1,962	-	1,962	1,440	522	73%
Total	7,851,962	-	7,851,962	4,412,866	3,439,096	56%
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	389,375	-	389,375	31,270	358,105	8%
Repairs and maintenance & Improvements	141,500	-	141,500	142,650	(1,150)	101%
Other Vote Heads	4,000,000	-	4,000,000	3,198,525	801,475	80%
Expenses on Income Generating Activities	373,600	-	373,600	107,980	265,620	29%
Fee on Boarding Equipment and Stores	11,445,422	-	11,445,422	8,075,647	3,369,776	71%
Activity	135,000	-	135,000	20,000	115,000	15%
Savings Account Bank Charges	500	-	500	126	374	25%
TOTAL	16,485,397	-	16,485,397	11,576,198	4,909,200	70%
GRAND TOTAL	26,079,800	-	26,079,800	16,848,680	9,231,121	65%



Budgetary Notes

The underperformance in the revenues at 73% during the six months period ending 30th June 2021 was caused by the failure of parents to pay the school fees as billed, probably due to hard economic times experienced during the COVID-19 pandemic that depressed the economy and earnings.

Expenditure for tuition, operations and boarding were at 49%, 56% and 70% of the budget respectively due to the delayed procurement processes and low revenue performance during the period under review.

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. Santa Maria Girls Secondary School - Cheptulon'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

The comparability of the current period's figures and prior periods' is significantly reduced due to difference in the reporting cycles. Whereas the prior period's figures relate to the twelve-month period from January – December 2020, the current reporting period covers six months from January – June 2021. The school was previously reporting the calendar year as per the Ministry of Educations guidelines but has since adopted the financial reporting cycle for public sector entities which runs from 1st July to 30th June of the subsequent year.

10. Subsequent events

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

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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Tuition	-	-
Exercise books	-	-
Laboratory equipment	238,395	-
Internal exams	-	-
Teaching / learning materials	661,805	1,110,691
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Total	900,200	1,110,691

2 CAPITATION GRANT FOR OPERATIONS

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Personnel emoluments	-	-
Repairs and maintenance	2,591,250	2,745,500
Repairs and maintenance - Boarding	-	726,670
Medical Insurance	-	120,000
BOM Teachers	-	-
Medical Insurance	-	-
Other Vote heads	3,051,145	4,907,970
Activity	-	240,000
Total	5,642,395	8,740,140

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Personnel emoluments	31,270	2,234,939
Repairs and maintenance	563,849	1,109,161
Other Voteheads	4,504,418	-
Local Travel and Transport	-	450,340
Electricity and water	-	-
Medical	-	500,490
Administration costs	-	102,000
Bursary	-	-
BES	7,175,005	12,309,903
Activity	70,273	135,157
Total	12,344,814	16,841,990



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

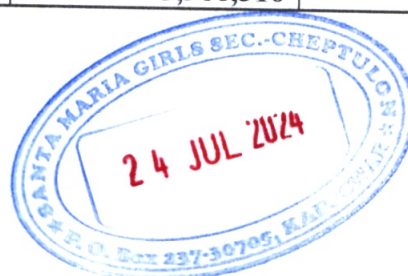
Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Income from Farm	120,000	-
Bus Hire	66,000	-
Total	186,000	-

5 PAYMENTS FOR TUITION

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Textbooks and reference materials	-	-
Exercise books	-	-
Laboratory Chemicals	500,000	-
Internal exams	-	-
Teaching / learning materials	358,500	744,250
Stationary	-	-
Tuition	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	1,116	618
Total	859,616	744,868

6 PAYMENTS FOR OPERATIONS

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Personnel emoluments	-	4,230,292
Administration Costs	-	430,072
Local Travel & Transport	-	158,840
Medical	-	4,500
Activity Expenses	-	541,480
Repairs and Maintenance & Improvements	506,550	3,300,072
Other Vote Heads	3,904,876	
Bank Charges	1,440	
Total	4,412,866	8,665,256
Amount Reported in the Statement of Receipts and Payments	4,412,866	8,665,256
Less Acquisition of Assets Amount	(506,550)	(3,300,072)
Operations Payments reported in Statement of Cash Flows	3,906,316	5,365,184



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7 BOARDING AND SCHOOL FUND PAYMENTS

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Personnel emoluments	31,270	2,891,498
Repairs and Maintenance & Improvements	142,650	726,670
Local transport / travelling	-	716,133
Electricity and water	-	560,480
Administration costs	-	604,737
Other Vote Heads	3,198,525	
Bank Charges	-	
Expenses on Income Generating Activities	107,980	215,000
Fee on Boarding Equipment and Stores	8,075,647	11,609,337
Activity	20,000	233,875
Bursary	-	
Tender Fee	-	
Savings Account Bank Charges	126	
Infrastructure Account Payments	-	
Acquisition of Assets	-	
TOTAL	11,576,198	17,557,730

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	Jan - June 2021	Jan - Dec 2020
		Kshs	Kshs
Tuition Account	1103244841	46,987	6,403
Operations Account	1103175157	1,158,378	1,694
School Fund Account/Boarding	1103175009	908,602	41,163
Savings Account	1102954985	2,670	2,796
Infrastructural Account	1276521359	40,347	40,599
Total		2,156,983	92,655

9 CASH IN HAND

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Tuition Account	-	-
Operation Account	83,022	941
School Fund account	61,296	(17,024)
Total	144,318	- 16,083



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10 ACCOUNTS RECEIVABLE

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Fees arrears	29,106,708	29,118,185
Other non-fees receivables		
Salary advances	33,000	
Imprest		
Total	29,139,708	29,118,185

10(a) Fees Arrears Ageing Analysis

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Fees arrears for current year	2,238,802	2,758,365
Fees arrears for the previous year	2,218,508	
Fees arrears for prior periods (over two years)	24,649,398	26,359,820
Total	29,106,708	29,118,185

11 ACCOUNTS PAYABLE

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	9,889,071	8,500,825
Prepaid fees		1,366,723
Retention monies		
Total	9,889,071	9,867,548

11(a) Accounts Payables Ageing Analysis

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Trade creditors for current year	5,107,057	4,928,269
Trade creditors for the previous year	3,128,075	2,000,000
Trade creditors for prior periods (over two years)	1,653,939	1,572,556
Total	9,889,071	8,500,825

12 FUND BALANCE BROUGHT FORWARD

Description	Jan - June 2021	Jan - Dec 2020
	Kshs	Kshs
Bank balances	92,655	351,263
Cash balances	(16,083)	342
Short Term Investments	-	
Receivables	29,118,185	25,633,307
Payables	(9,867,548)	(6,382,670)
Total	19,327,209	19,602,242



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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.

13 Non-current Liabilities Summary

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

14 Biological assets

Description	Numbers	Jan - June 2021	Jan - Dec 2020
		Kshs	Kshs
Cattle – Dairy Cattle	3	270,000	270,000
Cattle – Heifer Calf	1	30,000	30,000
Cattle – Bull	1	60,000	60,000
Sheep	13	42,000	42,000
Trees – Mature Cypress	687	6,870,000	6,870,000
Trees – Premature Cypress	15	3,000	3,000
Total		7,275,000	7,275,000

15 Borrowings

Description	Jan - June 2021	Jan - Dec 2020
	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	-	-



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Other important disclosure notes

16 Stock/ Inventory

Description	Jan - June 2021	Jan - Dec 2020
	KShs	KShs
Stock/ inventory at beginning of the year	20,000	0
Stock/ inventory purchased during the year	3,465,000	
Stock/ inventory issued during the year	3,185,000	
Balance at end of the year	300,000	



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17 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)

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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	Outstanding Balance	Comments
				2021	2020	
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply Of Goods						
Miwaro Digitech	486,000		-	486,000	-	BES
Sub-Total	486,000		-	486,000	-	
Supply Of Services						
Gladys Jerop	20,000		-	20,000	-	Other Vote Heads
Pius Kipkorir Kemboi	685,000		-	685,000	-	Other Vote Heads
Joseph Chelanga	531,300		-	531,300	-	Other Vote Heads
Susan Kiprutto	211,800		-	211,800	-	Other Vote Heads
Simion Chebii	335,000		-	335,000	-	Other Vote Heads
Sub-Total	1,783,100		-	1,783,100	-	Other Vote Heads
Grand Total	2,269,100		-	2,269,100	-	



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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset Class	Date purchased	Location	Historical Cost b/f - 1st January 2021 (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f - 30th June 2021 (Kshs)
Land 1	1984	Moiben / Kuserwo				
Buildings And Structures						
Motor Vehicles	2005	School	15,400,000	-	-	15,400,000
Office Equipment, Furniture And Fittings						
ICT Equipment, And Other ICT Assets						
Tools And Apparatus						
Textbooks						
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
Total			15,400,000	-	-	15,400,000

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