

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

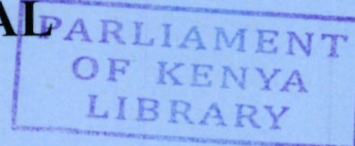
ON

HON. KHALIF GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

WAJIR COUNTY

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 18 JUN 2026	DAY: Thursday
TABLED BY:	Hon. Samuel Chepkong'o (on behalf of leaders of Majority)
CLERK-AT THE-TABLE:	hormale





HON KHALIF GIRLS SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30th June 2023



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1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30th June 2023

2. Key School Information and Management

(b) Back ground information

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

The school was registered in MARCH/2006 under registration number GP/A3629/2006 and is currently categorized as a COUNTY public school established, owned or operated by the Government.

The school is a boarding school and had 520 number of students as at 30th June 2023. It has 3 streams and **12 TSC** Teachers while **9** Teachers were employed by the School Board of Management.

(c) 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	FARAH ABDI SAMAN	CHAIRMAN	1 ST NOVEMBER 2022
2	OSMAN MUMIN HUSSEIN	SECRETARY - PRINCIPAL	1 ST NOVEMBER 2022
3	HABIBA ABDIRAHMAN	MEMBER	4 TH MAY 2023
4	ABDI BILLOW MOHAMED	MEMBER	1 ST NOVEMBER 2022
5	RUKIA ABDULLAHI	MEMBER	1 ST NOVEMBER 2022
6	HALIMA ABDULLAHI	MEMBER	1 ST NOVEMBER 2022
7	ABEY NUNOW	MEMBER	1 ST NOVEMBER 2022
8	FARAH ABDI SAMAN	MEMBER – REP CEB	1 ST NOVEMBER 2022
9	ABDIHAKIM HUSSEIN	MEMBER REP TEACHERS	1 ST NOVEMBER 2022
10	SAADIA YUSUF SHEIKH	3 MEMBERS - SPONSOR	1 ST NOVEMBER 2022
11	ABEY MOHAMED	MEMBER - COMMUNITY	1 ST NOVEMBER 2022
12	MEYMUNA GAIYE	MEMBER SPECIAL NEEDS	1 ST NOVEMBER 2022
13	ZUHURA DAUD	REP STUDENTS	1 ST NOVEMBER 2022

Key School Information and Management (Continued)

The function of the School Board of Management includes:

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

(d) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	MR. FARAH ABDI SAMAN	CHAIRPERSON	3
		MRS RUKIA ABDULLAHI	MEMBER	
		MR. BIRIK OSMAN	MEMBER	
2	Audit Committee	MR. ABEY NUNOW	MEMBER	1
		MRS HALIMA ABDULLAHI	VICE CHAIRPERSON	
		ISMAIL IROBE	MEMBER	
3	Finance, procurement and general purposes Committee	MR. OSMAN MUMIN	SECRETARY	1
		MR ABASS MAALIM	MEMBER	
		MRS.FARHIYA YUSSUF	MEMBER	
4	Academic Committee	MR ABDIRASHID ABDINOOR	MEMBER	3
		MRS HALIMA ABDULLAHI	VICE CHAIRPERSON	
		MR. OSMAN MUMIN	SECRETARY	
5	Development Committee	MR. FARAH ABDI SAMAN	CHAIRPERSON	3
		MR. OSMAN MUMIN	SECRETARY	
		MRS RUKIA ABDULLAHI	MEMBER	

HON KHALIF GIRLS SECONDARY SCHOOL
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(e) School operation Management

For the financial year ended 30th June 2023. The School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number/ID No.
1	Principal	OSMAN MUMIN HUSSEIN	418376
2	Deputy Principal	FARHIYA HUSSEIN	631337
3	School Bursar	ABEY AHMED	24912533

(f) Schools contacts

Post Office Box: 369-70200
Telephone: 0720804947
E-mail: hkgss06@gmail.com

(g) School Bankers

The following school operated 4 numbers of bank accounts in the following banks:

1. Name of Bank: KCB
Branch: WAJIR
Account Number:1105220443 (SCHOOL FUND ACCOUNT)
2. Name of Bank: KCB
Branch: WAJIR
Account Number: 1105189260 (TUITION ACCOUNT)
3. Name of Bank: KCB
Branch: WAJIR
Account Number:1105189910 (OPERATION ACCOUNT)
4. Name of Bank: KCB
Branch: WAJIR
Account Number:1212585682 (INFRASTRUCTURE ACCOUNT)

(h) Independent Auditors

Office of the Auditor General
Anniversary Towers, University Way
P.O.Box30084
GPO 00100
Nairobi, Kenya

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30th June 2023

3. Summary Report of Performance of The School

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

a) Financial performance:

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

YEAR	SURPLUS	DEFICIT
2019/2020	8,472	-
2020/2021		660,872
2021/2022	6,484,927	

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

YEAR	FDSE GRANTS RECEIVED		TOTAL
	OPERATION (Kshs)	TUITION (Kshs)	(Kshs)
2019/2020	5,078,930	732,930	5,811,860
2020/2021	5,311,976	568,339	5,880,315
2021/2022	7,055,928	1,560,639	8,616,567

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

YEAR	ENROLMENT	CAPITATION PER STUDENT (Kshs)
2019/2020	482	16,473
2020/2021	396	9,846
2021/2022	539	16,743

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

YEAR	PARENTS CONTRIBUTION/FEES (Kshs)
2019/2020	6,018,390
2020/2021	3,928,503
2021/2022	19,685,252
TOTAL	29,632,145

Summary Report of Performance of The School (continued)

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

YEAR	EXPENDITURE INCURRED (Kshs)
2019/2020	5,900,386
2020/2021	6,108,867
2021/2022	13,136,458
TOTAL	25,145,711

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

YEAR	RECIEVABLES (Kshs)	PAYABLES (Kshs)
2019/2020	3,084,946	234,712
2020/2021	2,054,303	863,752
2021/2022	6,997,209	24,637

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

YEAR	CASH & BANK BALANCES	
	Cash	Bank (Kshs)
2019/2020	-	25,667
2020/2021	-	1,024,478
2021/2022	-	1,727,384

HON'KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30th June 2023

Summary Report of Performance of The School (continued)

b) Teacher Student ratio:

Curriculum based establishment (CBE)	Teachers on Duty (TOD)	Shortfall	No. recruited	No. transferred	No. of BOM teachers	Teacher – student ratio
28	12	16	1	0	8	1:50

c) Mean score in the KCSE:

KCSE 2020 OVERALL GRADE MEAN

GRADE		A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	2020	2019	Dev
ENTRY	132	0	0	4	1	7	8	37	32	30	12	5	0	0	0	5.068	3,772	+296

KCSE MARCH 2022 OVERALL MEAN

GRADE		A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	2021	2020	Dev
ENTRY	179	0	0	2	11	18	38	49	29	21	10	1	0	0	0	6.0559	5.068	+0.9879

School Mean: 6.0559 C (Plain)

KCSE DECEMBER 2022 OVERALL MEAN

GRADE		A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	2021	2022	Dev
ENTRY	168	0	0	4	21	39	38	49	15	2	0	0	0	0	0	6.0559	7.042 C+	+0.9861

School Mean: 7.042 C (Plus)

d) Number of Candidates in the 2020-2023 KCSE:

NUMBER OF STUDENTS	YEAR
126	2021
116	2022
172	2023

HON KHALIF GIRL'S SECONDARY SCHOOL
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Summary Report of Performance of The School (continued)

e) Capacity of the school:

NO. OF STUDENTS	NO. OF DORMITORIES	NO. OF DINNIG HALL	NO. OF LABORATORIES	NO. OF TOILETS/BATHROOMS	OTHER AMENITIES
520	5	1	1	20	Classrooms 16 Admin block 1 Staff house 2 Store 1 Mosque 1 Overhead tanks 4

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Summary Report of the Performance of the School (Continued)

f) Development projects carried out by the school:

PROJECT 2022-2023	STATUS	SOURCE OF FUNDS
1. 3 (NO.) TWIN TOILETS 2. PURCHASE OF LAB EQUIPMENTS 3. PURCHASE OF NEW 50 (NO.) DOUBLE DECKER BEDS	COMPLETED	M.O.E
ONGOING PROJECTS 2022/2023 1. TWO CLASSROOMS 2. ONE LABORATORY	ONGOING	WORLD BANK



OSMAN MUMIN HUSSEIN
School Principal

PRINCIPAL
HON KHALIF GIRLS' SEC SCHOOL
P.O. Box 364 - 79704, WAJIB

27/3/2026

4. Statement of School Management Responsibility

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

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

The Board of Management of HON KHALIF GIRLS' SECONDARY SCHOOL accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.

FARAH ABDI SAMAN.....

Name:

Designation: Chairman, School Board of Management

Date: 27/3/2026

OSMAN MUMIN HUSSEIN.....

Name:

Designation: School Principal & Secretary to Board of Management

Date: 27/3/2026

PRINCIPAL
HON KHALIF GIRLS' SEC SCHOOL
P.O. Box 369-70100, WAJIR

ABEY AHMED ABDI.....

Name:

Designation: Bursar/Finance Officer

Date: 27/3/2026

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

REPORT OF THE AUDITOR-GENERAL ON HON. KHALIF GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – WAJIR COUNTY

PREAMBLE

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

- A. Report on 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 the 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; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Hon. Khalif Girls Secondary School set out on pages 1 to 20, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of 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 Hon. Khalif Girls Secondary School as at 30 June, 2023 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. Unsupported School Fund Account - Parents Contribution

The statement of receipts and payments reflects school fund income - parents contributions amounting to Kshs.13,201,025 as disclosed in Note 3 to the financial statements. The amount was supported by a schedule indicating the student's name, admission number, the amount to be paid by the student during the year, aggregate amount paid by the student and the outstanding balance. However, the schedule was not supported with other records such as detailed schedule of fee payment per term, fees payment registers and student billing records. Further, the School was using Students and Academic Management Information System (SAMIS) to record fee collection but the system generated ledger reports, student billing statements and related transaction listings were not provided for audit.

In the circumstances, the accuracy and completeness of school fund income - parents contributions amounting to Kshs.13,201,025 could not be confirmed.

2. Inaccuracies in Payments for Operations

The statement of receipts and payments reflects payments for operations amounting to Kshs.5,760,265 as disclosed in Note 6 to the financial statements. However, the supporting ledgers reflect payments for operations which differ with the amounts reflected in Note 6 as analyzed below:

Description	Note Number	Amount as per Financial Statements (Notes)	Amount as per the Ledgers	Variance
		(Kshs.)	(Kshs.)	(Kshs.)
Payments for Operations				
Personnel Emoluments	6	2,006,352	2,010,427	(4,075)
Administration Cost		425,834	411,500	14,334
Local Transport/Travelling	6	353,535	559,205	(205,670)
Electricity and Water	6	400,500	267,828	132,672
Activity Expenses	6	222,200	161,200	61,000
Bank charges	6	4,594	2,855	1,739

In the circumstances, the accuracy and completeness of payments for operations amounting to Kshs.5,760,265 could not be confirmed.

3. Inaccuracies in Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.1,963,694 as disclosed in Note 8 to the financial statements. The balance included Kshs.259,244, Kshs.261,863, Kshs.387,446 and Kshs.1,055,139 in respect of tuition, operations, school fund and infrastructure accounts respectively. However, review of operations account bank reconciliation revealed a cashbook balance of Kshs.761,863, resulting in unreconciled variance of Kshs.500,000 against the disclosed balance in the financial statement of Kshs.261,863.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.1,963,694 could not be confirmed.

4. Inaccuracies in the Statement of Budgeted Versus Actual Amounts

The statement of cash flows reflects total actual receipts and payments of Kshs.21,698,640 and Kshs.21,462,330 respectively. However, the statement of budgeted versus actual amounts reflects total actual receipts and payments of Kshs.16,050,231 and Kshs.21,744,693 respectively, resulting in variances of Kshs.5,648,409 and Kshs.282,363 in receipts and payments respectively.

In the circumstances, the accuracy of the amounts reflected in the statement of budgeted versus actual amounts could not be confirmed.

5. Unsupported Accounts Receivables Balance

The statement of assets and liabilities reflects accounts receivables balance of Kshs.6,852,136 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance is Kshs.1,348,800 which was outstanding for more than a year, including amounts due from former students who had already left the School. However, the supporting schedules, detailed aging analysis and student billing statements were not provided for audit review.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivable balance of Kshs.6,852,136 could not be confirmed.

6. Unsupported Accounts Payables Balance

The statement of assets and liabilities reflects accounts payable balance of Kshs.307,000 as disclosed in Note 12 to the financial statements. However, the balance includes Kshs.129,350, Kshs.33,650 and Kshs.80,000 in respect of Kenya Power and Lighting Company, Wajir Water and Sewerage Company Limited and a software service provider respectively which were not supported by invoices or supplier statements.

In the circumstances, the accuracy and completeness of accounts payables balance of Kshs.307,000 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects total receipts budget and actual on a comparable basis of Kshs.22,191,625 and Kshs.16,050,231 respectively, resulting in an under-funding of Kshs.6,141,394 or 28% of the budget. However, the School spent an amount of Kshs.21,744,693 against actual receipts of Kshs.16,050,231, resulting in an over-utilization of Kshs.5,694,462 or 35% of actual receipts.

The under-funding and affected the planned activities and may have impacted negatively on the operations of the School while spending on unrealized funds contributed to accumulation of payables.

My opinion is not modified in respect of this matter.

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. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

The Management is responsible for the Other Information set out on page iii to xii which comprise of Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibility, The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Late Submission of the Financial Statements

The financial statements for the year ended 30 June, 2023 were submitted to the Auditor-General on 1 September, 2025 instead of the statutory deadline of 30 September, 2023. This was contrary to Section 81 of Public Finance Management Act, 2012 which requires financial statements to be submitted to the Auditor-General within three (3) months after the end of each financial year.

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

2. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.6,934,380 as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.2,915,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, an amount of Kshs.922,000 was transferred over 15 days upon receipt. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects operation payments totalling to Kshs.5,760,265 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.96,000 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, value for money transferred to KESSHA amounting to Kshs.96,000 could not be confirmed.

4. Lack of a Functional Procurement Unit

Report of the Auditor-General on Hon. Khalif Girls Secondary School for the year ended 30 June, 2023 – Wajir County

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

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

5. Failure to Prepare School Improvement Plan

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

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

6. Non-Compliance with the Law on Ethnic Diversity in Employment

Review of the payroll revealed that the School had twenty-one (21) employees. However, all the employees, were from the dominant ethnic community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and no public establishment should have more than one third of its staff from the same ethnic group.

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

7. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.1,418,162 and Kshs.6,934,380 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the year under review, the approved capitation rate per student was Kshs.22,244 which, based on recorded student enrollment, should have translated to total capitation funding of Kshs.13,079,472. However, the School received a total of Kshs.8,616,567 while Kshs.415,716 was retained by the Ministry for Strengthening of Mathematics and Sciences in Secondary Schools (SMASSE) and other co-curricular activities, resulting in an under-funding of Kshs.4,047,189.

In the circumstances, the School was underfunded contrary to the Government Policy on Free Day Secondary Education which may have impacted negatively on the planned learning outcomes.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the

audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of 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 governance were not effective.

Basis for Conclusion

1. Lack of Internal Audit Unit and Audit Committee

During the year under review, the School did not have an Internal Audit Unit and an Audit Committee. This was contrary to Section 73(1)(a) of the Public Finance Management Act, 2012, which provides that every National Government entity shall ensure that it has appropriate arrangements in place for conducting internal audit according to the guidelines of the Accounting Standards Board. Further, Regulation 174(1) of the Public Finance Management (National Government) Regulations, 2015, requires each National Government entity to establish an Audit Committee.

In the circumstances, existence of an effective oversight mechanism, internal checks and balances in the School could not be confirmed.

2. Lack of Risk Management Policy

During the year under review, the Management did not establish or implement a Risk Management Policy to identify, assess, and mitigate potential risks. This lack of a formal policy may have exposed the School to unforeseen challenges, vulnerabilities, and inefficiencies in addressing operational, financial, and compliance-related risks. A comprehensive risk management framework would have been critical in safeguarding the School's assets and ensuring long-term sustainability.

In the circumstances, the effectiveness of risk management systems at the School could not be confirmed.

3. Weaknesses in Students and Academic Management Information System (SAMIS) Controls

The School uses Students and Academic Management Information System (SAMIS) to record and monitor boarding fee collections. However, there was no documented IT policy outlining procedures for user access management, password controls, system administration, data backup, or periodic review of system audit trails. User roles and access levels were not formally documented, and there was no evidence of

periodic review of user rights. Further, no documented evidence was provided to confirm that regular independent reconciliations were performed between amounts recorded in SAMIS, cash received, and bank deposits. There was also no evidence of supervisory review and approval of system-generated reports used for financial reporting. Further, the School did not have an IT strategic steering committee. In addition, there were no fire suppression systems to mitigate loss in case of a fire outbreak.

In the circumstances, the effectiveness of internal controls in respect of SAMIS at the School could not be confirmed.

4. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.53,765,250 which includes land with a balance of Kshs.8,000,000. However, land ownership documents were not provided for audit. In addition, the fixed asset register maintained was not updated and did not include details of the assets and their values. Further, assets were not tagged for easy of identification.

In the circumstances, the existence of effective internal controls in management of 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 controls, risk Management and overall governance were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

2 May, 2026

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30th June 2023

6. Statement of Receipts and Payments for the Year Ended 30th June 2023

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	1,418,162	1,560,639
Capitation grants for operations	2	6,934,380	7,055,928
School fund income-parents' contributions	3	13,201,025	19,685,252
School fund income-other receipts	4		
Proceeds from borrowings			
Total Receipts		21,553,567	28,301,819
Payments			
Payments for tuition	5	1,258,879	1,585,170
Payments for operations	6	5,760,265	7,095,264
Boarding and school fund payments	7	14,725,549	13,136,458
Total Payments		21,744,693	21,816,892
Surplus/Deficit		(191,126)	6,484,927

The school financial statements were approved on 27/3/2026 and signed by:

.....

Name: FARAH A. SAMAN

Chair BOM

Date: 27/3/2026

.....

Name: OSMAN MUMIN
School Principal/ Secretary to
BOM

Date: 27/3/2026

.....

Name: ABEY AHMED

Bursar/Finance Officer

Date: 27/3/2026

PRINCIPAL
HON KHALIF GIRLS' SEC SCHOOL
P.O. Box 369-7000, WAJIB

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

7. Statement of Assets and Liabilities as at 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	1,963,694	1,727,384
Cash balances	9	-	-
Short term investment	10	-	-
Total cash and cash equivalent		1,963,694	1,727,384
Accounts receivables	11	6,852,136	6,997,209
Total financial assets		8,815,830	8,724,593
Financial liabilities			
Accounts payables	12	307,000	24,637
Net financial assets		8,508,830	8,699,956
Represented by			
Accumulated fund b/fwd	13	8,699,956	2,215,029
Surplus/deficit for the year		(191,126)	6,484,927
Net financial position		8,508,830	8,699,956

The school's financial statements were approved on 27/3/2026 and signed by:

.....
Name: FARAH A. SAMAN

Chair BOM

Date: 27/3/2026

.....
Name: OSMAN MUMIN
School Principal/ Secretary to
BOM

Date: 27/3/2026

.....
Name: ABEY AHMED

Bursar/Finance Officer

Date: 27/3/2026

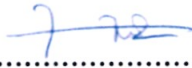
PRINCIPAL
HON KHALIF GIRLS' SEC SCHOOL
P.O. Box 369 - 70100, WAJIB

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30th June 2023

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Notes	2022-2023	2021-2022
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition		1,418,162	1,560,639
Capitation grants for operations		6,934,380	7,055,928
School fund income-parents contributions/ fees		13,346,098	14,742,346
School fund income-other receipts		-	-
Total receipts		21,698,640	23,358,913
Payments			
Payments for tuition		1,258,879	
Payments for operations		3,413,015	1,585,170
Boarding and school fund payments		14,443,186	5,017,264
Total payments		19,115,080	13,975,573
Net cash flow from operating activities		2,583,560	20,578,007
			2,780,906
Cash flow from investing activities			
Proceeds from sale of assets			
Acquisition of assets		(2,347,250)	(2,078,000)
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from investing activities		(2,347,250)	(2,078,000)
Cash flow from borrowing activities			
Proceeds from borrowings/loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities			
Net increase in cash and cash equivalents		236,310	702,906
Cash and cash equivalent at beginning of the year		1,727,384	1,024,478
Cash and cash equivalent at end of the year		1,963,694	1,727,384

The school's financial statements were approved on 27/3/2026 and signed by:


.....
Name: FARAH A. SAMAN
Chair BOM
Date: 27/3/2026


.....
Name: OSMAN MUMIN
School Principal/ Secretary to BOM
Date: 27/3/2026


.....
Name: ABEY AHMED
Bursar/ Finance Officer
Date: 27/3/2026

PRINCIPAL
HON KHALIF GIRLS' SEC SCHOOL
P.O. Box 364-27000, WAJIR

9. Statement of Budgeted Versus Actual Amounts for the Year Ended 30TH June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	D	e=c-d	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts						
(1) Capitation Grant on Tuition						
Exercise Books	400,000	-	400,000	350,000	50,000	88%
Laboratory Equipment	200,000	-	200,000	180,000	20,000	90%
Internal Exams	140,000	-	140,000	118,478	21,522	85%
Teaching / Learning Materials	670,000		670,000	620,000	50,000	93%
Chalks	80,600	-	80,600	62,684	17,916	78%
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	110,000	-	110,000	87,000	23,000	79%
SUB TOTALS	1,600,600		1,600,600	1,418,162	182,438	89%
(2) Capitation Grant on Operations						
Personnel Emoluments	2,500,000	-	2,500,000	2,386,562	113,438	95%
Maintenance & Improvement	3,000,000	-	3,000,000	2,915,500	85,500	97%
Local Transport / Travelling	400,000		400,000	369,768	30,232	95%
Electricity And Water	700,000	-	700,000	614,810	85,190	88%
Medical	-	-	-	-	-	-
Administration Costs	450,000	-	450,000	382,130	67,870	85%
Activity	340,000		340,000	265,610	74,390	78%
SUB TOTALS	7,390,000		7,390,000	6,934,380	455,620	94%

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	B	c=a+b	D	e=c-d	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
SUB TOTALS						
(3) Income For School Fund						
Personal Emoluments	1,440,800	-	1,440,800	824,800	616,000	79%
Repairs And Maintenance	459,200	-	459,200	299,745	159,455	65%
Local Transport / Travelling	380,000	-	380,000	275,792	104,208	73%
Electricity And Water	976,000	-	976,000	700,200	275,800	72%
Medical	-	-	-	-	-	-
Administration Costs	459,200	-	459,200	315,590	143,610	69%
Activity	225,825	-	225,825	168,833	56,992	75%
Fee On Boarding Equipment & Stores	5,900,000	-	5,900,000	1,986,729	3,913,271	37%
Lunch Programme	3,360,000	-	3,360,000	3,126,000	234,000	93%
SUB TOTALS	13,201,025		13,201,025	7,697,689	5,503,336	58%
Other Income						
Rent Income	-	-	-	-	-	-
Income From Farming Activities	-	-	-	-	-	-
Insurance Compensation	-	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-	-
Income From Bus Hire	-	-	-	-	-	-
Fee For Hire of Ground and Equipment	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-	-

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	B	c=a+b	d	e=c-d	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Total Income	22,191,625	-	22,191,625	16,050,231	6,141,394	74%
(1) Expenditure For Tuition						
Exercise Books	400,000		400,000	193,650	206,350	48%
Laboratory Equipment	200,000		200,000	179,800	20,200	90%
Internal Exams	140,000		140,000	81,000	59,000	58%
Teaching / Learning Materials	670,000		670,000	682,225	-12,225	102%
Chalks	80,600		80,600	40,832	39,768	51%
Exams And Assessment					-	-
Teachers Guides	110,000		110,000	78,000	32,000	71%
Bank Charges				3,372		
SUB TOTALS	1,600,600		1,600,600	1,258,879	341,721	79 %
(2) Expenditure For Operations						
Personnel Emoluments	2,500,000		2,500,000	2,006,352	493,648	80%
Maintenance & Improvement	3,000,000		3,000,000	2,347,250	652,750	78%
Local Transport / Travelling	400,000		400,000	353,535	46,465	88%
Electricity And Water	700,000		700,000	400,500	299,500	57%
Medical						
Administration Costs	450,000		450,000	430,428	19,572	102%
Activity	340,000		340,000	222,200	117,800	65%

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	B	c=a+b	d	e=c-d	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
SUB TOTALS	7,390,000		7,390,000	5,760,265	1,629,735	78%
(3) Expenditure For School Fund						
Personal Emoluments	1,440,800	-	1,440,800	2,562,368	-1,121,568	178%
Repairs And Maintenance	459,200	-	459,200	558,550	-99,350	122%
Local Transport / Travelling	380,000	-	380,000	464,196	-84,196	122%
Electricity And Water	976,000	-	976,000	945,000	31,000	97%
Medical	-	-	-	-	-95,069	-
Administration Costs	459,200	-	459,200	554,269	-95,069	120%
Activity	225,825	-	225,825	273,000	-41,175	103%
Fee On Boarding Equipment and Stores	5,900,000	-	5,900,000	6,684,083	-1,284,083	124%
Lunch Programme	3,360,000		3,360,000	2,684,083	675,917	79%
SUB-TOTAL	13,201,025		13,201,025	14,725,549	-1,524,524	108%
Expenditure For Income Generating Activity	-	-	-	-	-	-
Insurance Costs	-	-	-	-	-	-
Other Expenses On Investments	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	A	b	c=a+b	d	e=c-d	f=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Totals	22,191,625	-	22,191,625	21,744,693	446,932	100%

10. 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 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 Hon Khalif Girls Secondary 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 Hon. Khalif Girls Secondary School recognizes 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 recognizes 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 Wajir Girls Secondary 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 Hon. Khalif Girls Secondary 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 authorized 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 apportion of contracted services and works pending fulfillment 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 Hon Khalif Girls Secondary School budget was approved by the School Board of Management. Comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

11. Notes to The Financial Statements

1 Capitation Grant for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Textbooks and Reference Materials	-	-
Exercise Books	350,000	550,000
Laboratory Equipment	180,000	155,000
Internal Exams	118,478	275,384
Teaching/Learning Materials	620,000	470,000
Chalks	62,684	73,300
Teachers Guides	87,000	36,955
Total	1,418,162	1,560,639

2 Capitation Grant for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,386,56	3,347,90
Maintenance & Improvement	2,915,50	2,078,00
Local Transport/Travelling	369,76	350,00
Electricity And Water	614,81	650,00
Medical		30,02
Administration Costs	382,13	350,00
Activity	265,61	250,00
Total	6,934,380	7,055,928

3 Parents Contribution/Fees-School Fund Account

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	1,440,800	3,500,000
Repairs and maintenance	459,200	600,000
Local transport/travelling	380,000	700,000
Electricity and water	976,000.	900,000
Medical	-	-
Administration costs	459,200	500,000
Activity	225,825	-
Fees on boarding, Equipment & Stores	5,900,000	13,485,252
Lunch Programme	3,360,000	-
Total	13,201,025	19,685,252

Notes to the Financial Statements (Continued)

4 Other Receipts–School Fund Account

Description	2022-2023	2021-2022
	Kshs	Kshs
Fee On Boarding Equipment and Stores		
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
Dividends Income	-	-
Total	-	-

5 Payments For Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Textbooks And Reference Materials		
Exercise Books	193,650	589,200
Laboratory Equipment	179,800	163,000
Internal Exams	81,000	250,080
Teaching/Learning Materials	682,225	492,800
Chalks	40,832	21,408
Exams And Assessment		
Teachers Guides	78,000	67,842
Administration Costs		
Bank Charges	3,372	840
Total	1,258,879	1,585,170

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

Notes to The Financial Statements (Continued)

6 Payments For Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,006,352	2,998,550
Service Gratuity		
Administration Cost	425,834	370,500
Maintenance & Improvements	2,347,250	2,078,000
Local Transport/Travelling	353,535	360,600
Electricity And Water	400,500	796,064
Medical	-	-
Activity Expenses	222,200	490,800
Bank Charges	4,594	750
Total	5,760,265	7,095,264

Notes to the Financial Statements (Continued)

7 Boarding And School Fund Payments

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,562,368	1,165,476
Service Gratuity	-	-
Repairs and Maintenance & Improvements	558,550	364,500
Local Transport/Travelling	464,196	284,300
Electricity And Water	945,000	432,700
Medical Expenses	-	-
Administration Costs	554,269	418,688
Activity	273,000	-
Lunch Programme	2,684,083	-
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	6,684,083	10,471,314
Total	14,725,549	13,136,458

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

Notes to the Financial Statements (Continued)

8 Bank Accounts

Name of Bank, Account No.& Currency	Bank Account Number	2022-2023	2021-2022
		Kshs	Kshs
Tuition Account	1105189260	259,245	35,961
Operations Account	1105189910	261,864	72,405
School Fund Account/Boarding	1105220443	387,447	1,128,535
Gratuity Account	-	-	-
Parent Association Development Account	-	-	-
Income Generating Activities Account	-	-	-
Infrastructural Account	1212585682	1,055,139	490,483
Total		1,963,694	1,727,384

9 Cash in Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
School Fund account	-	-
Total	-	-

10 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit	-	-
Equity Stock	-	-
Other Investments	-	-
Total	-	-

HON KHALIF GIRLS SECONDARY SCHOOL
Reports and Financial Statements as at 30TH June 2023

Notes to the Financial Statements (Continued)

11 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	6,852,136	6,997,209
Other Non-Fees Receivables	-	-
Salary Advances	-	-
Imprest	-	-
Total	6,852,136	6,997,209

11 (b) Ageing analysis

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears For Current Year	5,503,336	6,997,209
Fees Arrears For The Previous Year	1,348,800	-
Fees Arrears For Prior Periods (Over Two Years)	-	-
Total	6,852,136	6,997,209

12 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	307,000	
Prepaid Fees		24,637
Retention Monies	-	-
Total	307,000	24,637

10 (b) Ageing analysis

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors for Current Year	307,000	-
Trade Creditors for The Previous Year		-
Trade Creditors for Prior Periods (Over Two Years)		-
Total	307,000	-

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Notes to the Financial Statements (Continued)

13 Accumulated fund b/fwd

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	1,727,384	1,024,478
Cash Balances	-	-
Short Term Investments	-	-
Receivables	6,997,209	2,054,303
Payables	(24,637)	(863,752)
Total	8,699,956	2,215,029

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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.

14 Non-current Liabilities Summary

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Total	-	-

15 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	-	-	-
Goats	-	-	-
Trees	320	64,000	64,000
Coffee Or Tea Plantation	-	-	-
Poultry	-	-	-
Total	320	64,000	64,000

16 Borrowings

Description	2022-2023	2021-2022
	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	-	-

Other important disclosure notes

17 Stock/Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
b) Inventory	-	-
Stock/inventory at beginning of the year	-	-
Stock/inventory purchased during they ear	-	-
Stock/inventory issued during the year	-	-
Balance at end of the year	-	-

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12 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)



27/3/2026

Principal

PRINCIPAL
HON KHALIF GIRLS' SEC SCHOOL
P.O. Box 369 - 79700, WAJIB

HON KHALIF GIRLS SECONDARY SCHOOL
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12. XI Annexes

Annex1-Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance JUNE 2023	Outstanding Balance JUNE 2022	Comments
	a	B	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings	-	-	-	-	-	-
1.	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-
Supply Of Goods	-	-	-	-	-	-
4. Eagles current enterprises	64,000	2023	0	64,000	-	-
5.						-
6.	-	-	-	-	-	-
Sub-Total	64,000	-	0	64,000	-	-
Supply Of Services						-
7. KPLC (Utility bill)	129,350	2023	0	129,350	-	-
9. Samis Software Services	80,000	2023	-	80,000	-	-
10. Wajir Water & Sewerage Co. (utility bill)	33,650	2023	-	33,650	-	-
Sub-Total	243,000	-	0	243,000	-	-
Grand Total	307,000	-	0	307,000		-

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Annex2–Summary of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land 1	2001	School	8,000,000	-	-	8,000,000
Land 2	-	-	-	-	-	-
Buildings and Structures	2001-2023	School	19,218,000	2,347,250	-	21,565,250
Motor Vehicles	-	-	-	-	-	-
Office Equipment, Furniture and Fittings	2006-2020	School	3,000,000	-	-	3,000,000
ICT Equipment, and Other ICT Assets	2011-2021	School	500,0000	-	-	500,0000
Tools and Apparatus	2010-2019	School	1,000,0000	-	-	1,000,0000
Textbooks	2006-2021	School	3,400,000	-	-	3,400,000
Other Machinery and Equipment	2007-2021	School	400,000	-	-	400,000
Heritage and Cultural Assets	-	School	-	-	-	-
Intangible Assets-Software	2021	School	240,0000	-	-	240,000
Total			51,418,000	2,347,250		53,765,250