

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

**METKEI GIRLS' PUBLIC SECONDARY
SCHOOL**

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

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Revised 30th June 2021



**METKEI GIRLS
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2021**

OFFICE OF THE AUDITOR GENERAL
ELDORET REGIONAL OFFICE

30 SEP 2024

RECEIVED
P. O. Box 2774 - 30100, ELDORET

**METKEI GIRLS
PUBLIC SECONDARY SCHOOL**

Annual Report and Financial Statements

For the year ended *30th June 2021*

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

**METKEI GIRLS
PUBLIC SECONDARY SCHOOL**
Annual Report and Financial Statements
For the year ended 30th June 2021

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I. KEY SCHOOL INFORMATION AND MANAGEMENT

METKEI GIRLS SECONDARY SCHOOL

a) Background information

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

The school was registered in **11/2015** under registration number **28s30000287** and is currently categorized as an Extra county public school established, owned or operated by the Government.

The school is a day/boarding school and had 958 numbers of students as at **30th June 2021**. It has 17 streams and 36 teachers of which 9 teachers are employed by the School Board of Management.

b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1.	Dr. Anderson Kipkoech	Chairman	
2.	Rev. Edith Koech	Secretary - Principal	
3.	Ms. Providence Kiptoo	Member	
4.	Ms. Rose Kotut	Member	
5.	Mr. Timon Teigong	Member	
6.	Mr. Isaac Kiprop	Member	
7.	Mr. Josphat Tanui	Member	
8.	Mr. Wilberforce K. Kutol	Member – Rep CEB	
9.	Mr. Joel Kiprono	Member Rep Teachers	
10.	1.Ms. Jackline Kiptoo 2.Ms. Christine Kibet 3.Ms. Sarah Kositany	3 Members - Sponsor	
11.	Mr Joseph Keitany	Member - Community	
12.	Mr. Emmanuel Koitie	MemberSpecial Needs	
13.	June Jeptoo	Rep Students	

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.

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Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Executive Committee	1.Dr. Anderson K. Kipkoech 2.Rev. Edith Koech 2.Mr. Emmanuel Koitie 3.Mr.Josphat Tanui 4.Mr Timon Teigong	BOM Chair BOM Secretary Member Member Member	8
2.	Audit Committee	1. Mr Wilberforce Kutol 2. Mr Ambrose Maina 3. Ms. Mary Kusinjilu	Chair Member Member	2
Ref:	Name of Committee	Names of members	Designation	Number of meetings attended during the year
3	Finance,procurement and general purposes Committee	1. Mr.Isaac Kiproop 2. Mr Emmanuel Koitie 3. Mr. Timon Teigong 4.Mr Josphat Tanui	Chair Member Member Member	12
4	Academic Committee	1.Ms. Providence Kiptoo 2.Mr. Wilberforce Kutol 3.Mr. Joel Kiprono	Chair Member Member	3

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5	Development Committee	1.Ms. Rose Kotut 2. Mr. Joseph Keitany 3.Mr. Josphat Tanui 4.Dr. Anderson Kipkoech 5. Mrs Rosemary Kuto 5. Ms. Hellen Bargaroria 6. Mr. Wilberforce Kutol	Chair Member Member BOM Chair BOM Secretary Member Member	6
6	Discipline and welfare Committee	1.Mr. Paul Kipsang 2. Mrs. Mary Kusingjilu 3. Ms. Christine Kibet 4.Ms. Hellen Bargaroria	Chair Member Member Secretary	4
7	Adhoc Committee (if any during the year)			2

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	REV. Edith Koech	
2	Deputy Principal	Ms Hellen Bargoria	312412
3	School Bursar	Late . Moses Lagat	

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(a) Schools contacts

Post Office Box: 161, 30101 AINABKOI

Telephone: 0703506000

E-mail: metkeigirlss@gmail.com

Website: <https://metkeigirls.co.ke>

Facebook:

Twitter:

(b) School Bankers

The following school operated 6 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: ELDORET
Account Number: 1103467077
2. Name of Bank: KCB
Branch: ELDORET
Account Number: 1103467379
3. Name of Bank: KCB
Branch: ELDORET
Account Number: 1258318679
4. Name of Bank: KCB
Branch: ELDORET
Account Number: 1102483486
5. Name of Bank: EQUITY
Branch: ITEN
Account Number: 1530278976402
6. Name of Bank: SIDIAN
Branch: ELDORET
Account Number: 1530278976402
7. MPESA Pay Bill No. **522123** attached to **KCB** bank account

METKEI GIRLS

PUBLIC SECONDARY SCHOOL

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Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) **Financial performance:**

Under this section, the following information should be given:

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

<i>Year</i>	<i>2018</i>	<i>2020</i>	<i>2021</i>
<i>Amount</i>	<i>3,186,387</i>	<i>2,597,884</i>	<i>1,294,424</i>

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

<i>Year</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
<i>Amount</i>	<i>18,861,771</i>	<i>15,989,713.65</i>	<i>17,652,755.20</i>
<i>Students</i>	<i>900</i>	<i>950</i>	<i>957</i>

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

<i>Year</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
<i>Students</i>	<i>1:20,958</i>	<i>1:16,831</i>	<i>1:18,445</i>

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

Nil

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

<i>Year</i>	<i>2018</i>	<i>2020</i>	<i>2021</i>
<i>Students</i>	<i>25,156,124</i>	<i>34,221,489</i>	<i>27,598,364</i>

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

Debtors

<i>Year</i>	<i>2018</i>	<i>2020</i>	<i>2021</i>
<i>Students</i>	<i>4,416,038</i>	<i>3,845,100</i>	<i>15,960,893</i>

Creditors

<i>Year</i>	<i>2018</i>	<i>2020</i>	<i>2021</i>
<i>Students</i>	<i>2,598,619</i>	<i>3,571,540</i>	<i>7,560,528</i>

Movement of cash and bank balances over the last three years

YEAR	2018	2020	2021
CASH	2,077	39,945	3,787

YEAR	2018	2020	2021
BANK	3,238,047.44	4,264,086	11,692,707

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Teacher Student ratio:

Include the teacher to student ratio, number of teachers recruited and posted to the school within the year,

Number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

<i>S/N</i>	<i>Teacher student Ratio</i>	<i>Teachers Employed by Tsc</i>	<i>Teachers Employed by BOM</i>	<i>Teachers Transferred</i>	<i>Teachers Posted To School</i>	<i>Teachers Retired</i>
<i>1.</i>	<i>1:25</i>	<i>36</i>	<i>9</i>	<i>0</i>	<i>0</i>	<i>0</i>

b) Mean score in the 2020/21 KCSE:

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

<i>Year</i>	<i>No.of students</i>	<i>Mean Score</i>	<i>Transitioned to higher learning</i>	<i>Comment</i>
<i>2020</i>	<i>147</i>	<i>8.308</i>	<i>134 C+ And Above</i>	<i>91% Transition</i>
<i>2019</i>	<i>161</i>	<i>8.329</i>	<i>137 C+ And Above</i>	<i>85%Transistion</i>
<i>2018</i>	<i>144</i>	<i>8.416</i>	<i>131 C+ And Above</i>	<i>90% Transition</i>

c) .

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d) Number of Candidates in the 2021 KCSE:

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

Year	No of students	
2020	147	
2019	161	
2018	144	

c) Capacity of the school:

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

No. of students	Dormitories	Dining hall	Laboratories	Toilets
1017	8		5	68

d) Development projects carried out by the school:

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

S/NO	NAME	SOURCE	STATUS
1.	Multipurpose hall	M.O.E &RMI from Parents	80% completion
2.	Drilling of bore hall water	RMI From Parents	90% complete
3.	Construction of biodigestor	M.O.E &RMI from Parents	95% complete
4.	Dormitory Extension	RMI From Parents	100% complete

Sign



School Principal

111. 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.

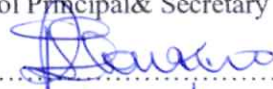
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.


The Board of Management of **METKEI GIRLS** 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: Ms Providence Kiptoo
Designation: Chairman, School Board of Management
Sign: 
Date: 4/9/24



Name: Ms Rosemary Tomno
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 04/09/2024

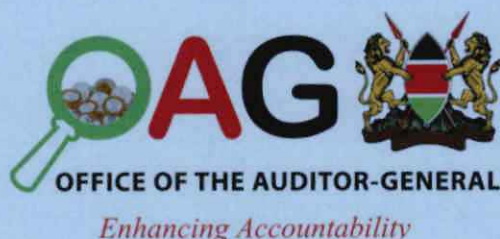


Name: Ms Hilda Sang
Designation: Bursar/ Finance Officer
Sign: 
Date:



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 METKEI GIRLS' PUBLIC SECONDARY SCHOOL 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 Metkei Girls' Public Secondary School – Elgeyo/Marakwet County - set out on pages 18 to 24, which comprises of the statement of financial assets and financial liabilities as at 30 June, 2021, and the

Report of the Auditor-General on Metkei Girls' Public Secondary School for the Six (6) Months' period ended 30 June, 2021 – Elgeyo/Marakwet County

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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Metkei Girls' Public Secondary School 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

Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.8,061,518 as disclosed in Note 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.8,061,518 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Metkei Girls Public Secondary School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing 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.28,192,750 and Kshs.25,435,864 respectively, resulting to an under-funding of Kshs.2,756,886 or 10% of the budget. However, the School spent a balance of Kshs.23,841,815 against actual receipts of Kshs.25,435,864 resulting to an under-utilization of Kshs.1,594,049 or 6% 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. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 12 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.

2. Failure to Prepare School Improvement Plan

During the period under review, the School did not have an approved School Improvement Plan, 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 law.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that

govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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

1. Inventory Management

Review of the store ledgers maintained revealed that the School procured food items, office stationery and supplies, drugs and sports supplies for its operations. However, the annual stock take was not conducted as at 30 June, 2021 to confirm the closing stock balances of inventories.

In the circumstances, effectiveness of internal controls in management of inventory could not be confirmed.

2. Lack of Fixed Assets Register

Annex 2: summary of fixed assets register to the financial statements reflect a summary of fixed assets register with Nil values. However, review of records revealed that the School had various assets which include; land, buildings, motor vehicles, furniture, texts books, computers and lab equipment which were not valued. The assets listing provided for review did not indicate the date of acquisition, detailed serial and tagging numbers, cost or valuation amount, depreciation rates and amount, and net book values.

In the circumstances, these may lead to loss of assets and inaccurate disclosure in financial statements.

3. Lack of Board of Management

During the year under review, the Board of Management that is supposed to direct the School in achieving its strategic objectives was not constituted.

In the circumstances, the School will not achieve its strategic objectives.

4. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 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 continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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

17 September, 2024

**METKEI GIRLS
PUBLIC SECONDARY SCHOOL**
Annual Report and Financial Statements
For the year ended **30th June 2021**

STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2020-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,260,497	
Capitation grants for operations	2	7,936,189	
School Fund Income- Parents' Contributions	3	18,401,678	
TOTAL RECEIPTS		27,598,364	
PAYMENTS			
Payments for Tuition	5	2,179,330	
Payments for operations	6	6,031,071	
Boarding and school fund payments	7	18,093,540	
TOTAL PAYMENTS		26,303,941	
SURPLUS/DEFICIT		1,294,423	

The school financial statements were approved on ----- and signed by:

Name: Ms. Providence Kiptoo

Chair BOM



Date

Name: Ms. Rosemary Tomno

School Principal/BOM secretary



Date.....

Name: Ms. Hilda Sang

Bursar



Date.....

PUBLIC SECONDARY SCHOOLS METKEI GIRLS SECONDARY SCHOOL)
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STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021	2020-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	4,264,086	
Cash Balances	9	4,380	
Total Cash and cash equivalent		4,268,466	
Account's receivables	11	8,061,518	
TOTAL FINANCIAL ASSETS		12,329,984	
FINANCIAL LIABILITIES			
Accounts Payables	12	7,560,528	
NET FINANCIAL ASSETS		4,769,456	
REPRESENTED BY			
Accumulated Fund b/fwd.	13	3,475,033	
Surplus/Deficit for the year		1,294,423	
NET FINANCIAL ASSETS		4,769,456	

The School's financial statements were approved on _____

Name: MS. Rosemary Tomno
 Chairman B.O.M.
 Sign: _____

Name: Ms. Rosemary Tomno
 School Principal/Secretary to BoM
 Sign: _____

Name: Ms. Hilda Sang
 Sign: _____

Date: 04 SEP 2024

Date: 04 SEP 2024

Date: 04 SEP 2024

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

		2020-2021	2020-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,260,497	
Capitation grants for operations	2	7,936,189	
School fund income- Parents contributions/ fees	3	18,401,678	
Total receipts		27,598,364	
Payments			
Payments for Tuition		2,179,330	
Payments for operations		6,031,071	
Boarding and school fund payments		18,093,540	
Total payments		26,303,941	
Net cash flow from operating activities		1,294,423	
CASHFLOW FROM INVESTING ACTIVITIES			
Net cash flows from Investing Activities		0	
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		0	
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,294,423	
Cash and cash equivalent at BEGINNING of the year		2,974,043	
Cash and cash equivalent at END of the year		4,268,466	

PUBLIC SECONDARY SCHOOLS METKEI GIRLS SECONDARY SCHOOL)
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STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Teaching / learning materials	2,156,400		2,156,400	1,260,497	895,903	71%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>						
Personnel emoluments	2,589,750		2,589,750	2,500,000	89,750	96%
Repairs and maintenance	2,848,700		2,848,700	2,676,900	1,710,800	93%
Local transport / travelling	824,850		824,850	890,000	65,150	107%
Electricity and water	1,417,950		1,417,950	900,089	517,861	63%
Administration costs	707,400		707,400	500,700	206,700	71%
Activity	565,200		565,200	326,400	238,800	58%
<i>(3) FEES CHARGED ON PARENTS</i>						
Personnel emoluments	1,395,000		1,395,000	1,101,466	293,534	78%
Repairs and maintenance	1,322,000		1,322,000	1,385,434	(63,434)	95%
Local transport / travelling	292,500		292,500	171,526	120,974	58%
Electricity and water	589,750		589,750	1,487,986	1,101,764	74%
Administration costs	2,832,500		2,832,500	2,150,598	681,902	75%
Activity	67,500		67,500	31,276	36,224	46%
Fee on Boarding Equipment and Stores	14,573,250		14,573,250	11,379,392	3,193,858	79%
OTHER INCOME	0	0	0	0	0	
TOTAL INCOME	28,192,750		28,192,750	25,435,864	2,756,886	90%
<i>(1) EXPENDITURE FOR TUITION</i>						
Teaching and learning materials	2,156,400		2,156,400	2,179,330	(22,930)	100%
<i>(2) EXPENDITURE FOR OPERATIONS/BOARDING</i>						
Personnel emoluments	3,584,750		3,584,750	3,216,386	368,364	80%
Repairs, maintenance & improvements	2,180,700		2,180,700	2,005,380	175,320	91%
Local transport / travelling	1,117,350		1,117,350	794,537	322,813	71%
Electricity, water and conservancy	1,007,700		1,007,700	1,936,934	70,766	96%
Medical	120,000		120,000	30,276	89,724	3%
Administration costs	1,539,900		1,539,900	2,299,580	(759,680)	149%
<i>(3) EXPENDITURE FOR SCHOOL FUND</i>						
Boarding Equipment and Stores	14,573,250		14,573,250	11,379,392	3,193,858	59%
TOTALS	28,460,050		28,460,050	23,841,815	4,618,235	84%

III. 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.

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2020-2021	2020-2020
	Kshs	Kshs
Textbooks and reference materials	252,100	
Exercise books	252,099	
Laboratory equipment	352,940	
Internal exams	75,630	
Teaching / learning materials	25,210	
Chalks	289,914	

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	2020-2021	2020-2020
	Kshs	Kshs
Teachers guides	12,604	
Total	1,260,497	

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2020-2020
Personnel emoluments	2,500,000	
Repairs and maintenance	2,676,900	
Local transport / travelling	890,000	
Electricity and water	900,089	
Medical	468,500	
Administration costs	500,700	
Total	7,936,189	

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2020-2020
Personnel emoluments	1,101,466	
Repairs and maintenance	385,434	
Local transport / travelling	171,526	
Electricity and water	1,487,896	
BES	11,379,392	
Administration costs	2,150,598	
Infrastructure	1,694,000	
Activity	31,276	
Total	18,093,540	

4 PAYMENTS FOR TUITION

	2020-2021	2020-2020
	kshs	kshs
Textbooks and reference materials	80,000	
Exercise books	570,000	
Laboratory equipment	1,134,417	
Internal exams	112,000	
Teaching / learning materials	242,320	
Chalks	40,000	
Administration Costs	593	
Total	2,179,330	

5 PAYMENTS FOR OPERATIONS

	2020-2021	2020-2020
	Kshs	Kshs
Personnel emoluments	2,250,000	
Administration Cost	813,250	
Repairs and maintenance & improvements	372,900	
Local transport / travelling	103,783	
Electricity and water	566,034	

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Medical	160,000	
Insurance Cost	68,558	
Bank Charges	2,546	
Transfer to infrastructure	1,694,000	
TOTAL	6,031,071.00	

6 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2020-2020
Personnel emoluments	966,386	
Repairs and maintenance & Improvements	1,632,480	
Local transport / travelling	219,030	
Electricity and water	1,370,900	
Administration costs	1,486,330	
Bank Charges	3,946	
Fee on Boarding Equipment and Stores	8,614,374	
Infrastructure	3,800,094	
TOTAL	18,093,540	

7 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021 kshs	2020-2020 kshs
Tuition Account		408,625	
Operations Account		1,561,220	
School Fund Account/Boarding		1,073,190	
Savings Account		296,624	
Infrastructural Account		924,427	
Total		4,264,086	

8 CASH IN HAND

Description	2020-2021 kshs	2020-2020 kshs
Tuition Account	0	
Operation Account	3,244	
School Fund account	1,136	
Total	4,380	

9 ACCOUNTS RECEIVABLE

Description	2020-2021 Kshs	2020-2020 Kshs
Fees arrears	7,981,518	
Salary advances	80,000	
Total	8,061,518	

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Description	2020-2021	2020-2020
	Kshs	Kshs
Fees arrears for current year	2,781,651	
Fees arrears for the previous year	1,238,637	
Fees arrears for prior periods (over two years)	4,041,230	
Total	8,061,518	

10 ACCOUNTS PAYABLE

Description	2020-2021	2020-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	7,560,528	
Total	7,560,528	

Description	2020-2021	2020-2020
Trade creditors for current year	7,560,859	
Total	7,560,859	

11 FUND BALANCE BROUGHT FORWARD

Description	2020-2021 kshs	2020-2020 kshs
Bank balances	2,934,429	
Cash balances	39,945	
Receivables	8,061,518	
Payables	7,560,859	
Total	3,475,033	

12 Stock/ Inventory

Description	2020-2021	2020-2020
a) Borrowings		
Stock/ inventory at beginning of the year	1,281,600	
Stock/ inventory purchased during the year	8,704,400	
Stock/ inventory issued during the year	9,660,000	
Balance at end of the year	326,000	

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATION

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 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land 1						1
Land 2						0
Buildings and structures						50
Motor vehicles						2
Office equipment, furniture and fittings						3000
ICT Equipment, and Other ICT Assets						
Tools and apparatus						2,000
Textbooks						5,000
Other Machinery and Equipment						3
Heritage and cultural assets						0
Intangible assets- soft ware						2
Total						