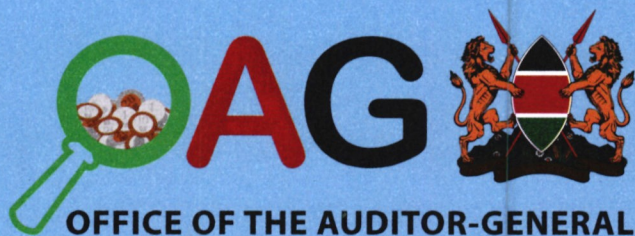


REPUBLIC OF KENYA



Enhancing Accountability

PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY PARLIAMENTARY BUILDING NAIROBI	
DATE: 07 NOV 2023	DAY TUESDAY
TABLED BY:	Mrs. KIMATI KICHUWATHI MAJORITY LEADER
CLERK-AT-TABLES:	INZEBU MWALE

REPORT

OF

THE AUDITOR-GENERAL

ON

AIC LESERU GIRLS SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2021**

UASIN GISHU COUNTY



**AIC LESERU GIRLS SECONDARY SCHOOL
PUBLIC SCHOOL**

ANNUAL REPORTS AND FINANCIAL STATEMENTS

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

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

AIC LESERU GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2021

AIC LESERU GIRLS SECONDARY SCHOOL
 PUBLIC SECONDARY SCHOOL
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30TH JUNE 2021

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PUBLIC SECONDARY SCHOOL
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KEY SCHOOL INFORMATION AND MANAGEMENT

AIC LESERU 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 **Uasin Gishu County, Turbo Sub-County**. The school was registered on **03/05/ 2015** under registration number **27S30000060** and is currently categorized as a County school established, operated by the Government.

The school is a boarding school and had **244(exclusive of 2020 candidates who had done KCSE)** number of students as at **30th June 2021 and 30th April 2021**. It has **Two** streams and **18** teachers of which **5** 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	MRS LILIAN MENJO	Chairperson/Sponsor	28/05/2019
2	MRS GRACE BARASA	Secretary – Principal	13/01/2021
3	MR SAMMY KITTUR	Member - Co-opted	28/05/2019
4	MR SIMON CHERUIYOT	Member – Rep Parents/Local community	28/05/2019
5	MS MILKA SONGOK	Member – Rep Parents/Local community	28/05/2019
6	MRS IRENE KEMEI	Member – Rep Parents/Local community	28/05/2019
7	MR FELIX TOROITICH	Member – Rep Parents/Local community	28/05/2019
8	MS PRISCAH CHELIMO	Member – Rep Parents/Local community	28/05/2019
9	MR MOSES BARMAO	Member – Rep persons with special needs	28/05/2019
10	MR JOHN KOROS	Member – Rep Parents/Local community	28/05/2019
11	MR PHILEMON BITTOK	Member – Rep CEB	28/05/2019
12	MRS LILIAN BOIT	Member – Rep Sponsor	28/05/2019
13	MR DANIEL SAWE	Member – Rep Sponsor	28/05/2019
14	MR STANELY K BUNGEI	Member – Rep Special Interest group	28/05/2019
15	MRS AUDIA KENNY	Member - Co-opted	28/05/2019
16	MR JACKSSON TUWEI	Member - Co-opted	28/05/2019
17	MR HERMON OLE PASHA	Member - Rep Teachers	28/05/2019

AIC LESERU GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

- Promote the best interests of the school and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the school
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the school.
- Determine cases of students' 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 paragraph 21 and 23 of the Basic Education Act, 2013.

AIC LESERU GIRLS SECONDARY SCHOOL
 PUBLIC SECONDARY SCHOOL
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(c) Committees of the Board

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	i. MRS LILIAN MENJO ii. MRS GRACE BARASA iii. MR SAMMY KITTTUR iv. MRS LILIAN BOIT v. MR JOHN KOROS	Chairperson Secretary Member Member Member	4 4 4 4 4
2	Audit Committee	i. MRS LILIAN BOIT ii. MR JACKSON TUWEI iii. MR STANELY BUNGEI iv. MR DANIEL SAWE	Chairperson Secretary Member Member Member	2 2 2 2 2
3	Finance, procurement and general-purpose Committee	i. MR JACKSON TUWEI ii. MR STANELY BUNGEI iii. MRS AUDIA KENY	Chairman Secretary Member	2 2 2
4	Development Committee	i. MR JOHN KOROS ii. MRS DORCAS KOECH iii. MR DANIEL SAWE iv. MR SAMMY KITTTUR v. MRS AUDIA KENY vi. MRS LILIAN BOIT	Chairman Secretary Member Member Member Member	4 4 4 4 4 4
5	Academic Committee	i. MR PHILEMON BITTOK ii. MR SAMMY KITTTUR iii. MR JOHN KOROS iv. MR HERMON OLE PASHA	Chairman Secretary Member Member	2 2 2 2
6	Discipline and welfare Committee	i. MR DANIEL SAWE ii. MR SIMON CHERUIYOT iii. MR STANELY BUNGEI iv. MRS IRENE KEMEI	Chairperson Secretary Member Member	3 3 3 3

AIC LESERU GIRLS SECONDARY SCHOOL
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 FOR THE YEAR ENDED 30TH JUNE 2021

(d) School Operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	MRS GRACE BARASA	273076
2	Deputy Principal-Administration	MRS DORCAS KOECH	350260
3	School Finance Officer	NANCY JEPKOSGEI	ID. 30519787

(e) Schools contacts

Post Office Box:6550 - 30100 Eldoret
 Mobile Number:
 E-mail: @gmail.com
 Website: None

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(f) School Bankers

The school operated 5 number of bank accounts and 1 Pay bill number as follows:

Name Of Bank: KCB-School Fund Account
 Branch: ELDORET
 Account Number 1211972224

Name Of Bank: KCB-Operatoins Account
 Branch: ELDORET
 Account Number: 1211979121

Name of Bank: KCB-Tuition Account
 Branch: ELDORET
 Account Number 1211979288

Name of Bank: KCB-INFRASTRUCTRUE
 Branch: ELDORET
 Account Number: 1236268059

Name of Bank: Cooperative -CDF
 Branch: ELDORET
 Account Number: 01141880530800

MPESA Pay Bill No.-Business Number: 522123 Account Number: 23967K
 Attached to KCB Bank Account NO.1211972224

AIC LESERU GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
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(g) Independent Auditors

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

AIC LESERU GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2021

I. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

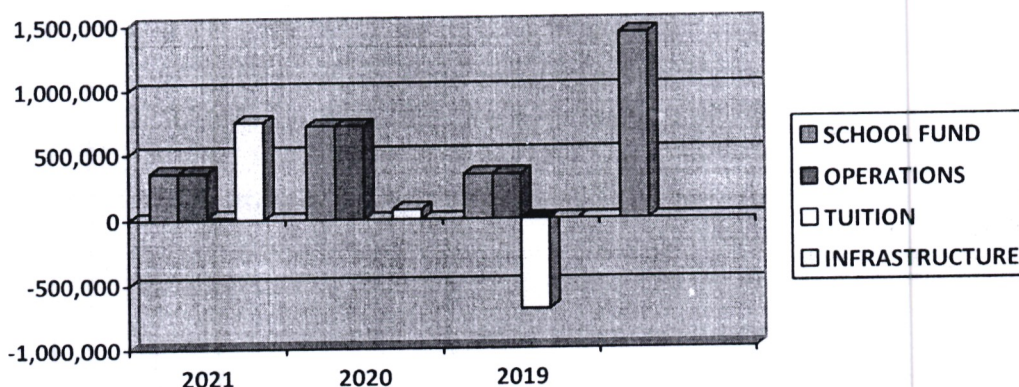
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

Under this section, it reflects the actual financial performance trend for the last three years period between 1st January 2018 to 31st December 2020 which covers a period of 12 months while 30th June 2021 covers a period of 6 months and is summarized as follows:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS				
SNO	ACCOUNTS	2021	2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	359,361.00	712,695.00	342,493.00
2	Operations Account	173,243.30	89,555.80	1,353,566.00
3	Tuition Account	19,334.25	(19,773.00)	(693,157.10)
4	Infrastructure Account	745,740.00	76,335.00	-
	TOTAL	1,297,678.55	782,477.80	1,002,901.90
	Increase/Decrease	515,200.75	(220,424.10)	-

Trend Over the Last Three Years



The surplus for the year 2020 decreased by Kshs **220,424.10** from a surplus of Kshs **1,002,901.90** in the year 2019 due to prolonged closure after abrupt shutting of the schools due to Covid-19. In 2021 the surplus increased by kshs 515,200.75 because of non-usage of Infrastructure Funds which resulted from savings from School Fund and Operations

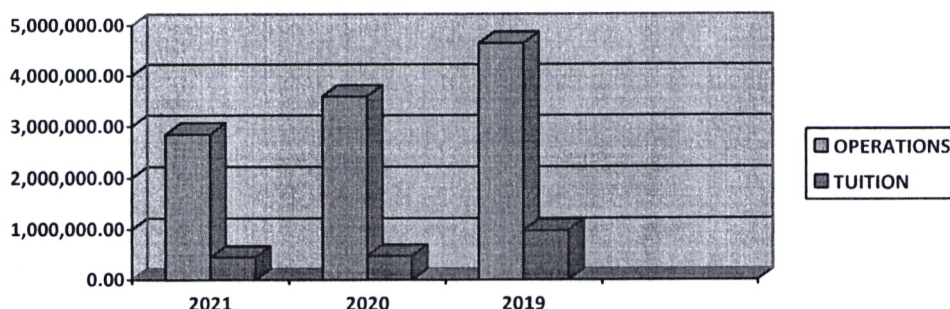
AIC LESERU GIRLS SECONDARY SCHOOL
 PUBLIC SECONDARY SCHOOL
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS

SNO	ACCOUNTS	2021	2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	Operations Account	2,851,717.30	3,599,650.00	4,645,980.00
2	Tuition Account	449,388.25	479,517.00	982,475.90
	Total	3,301,105.55	4,079,167.00	5,628,455.90
	Increase/Decrease	(778,061.45)	(1,549,288.90)	-
	No of Students	298	320	299
	Ratio of Capitation per student	11,077.5 :1	12,747.4 :1	18,735.8 :1

Trend Over the Last Three Years



Trend Over the Last Three Years

The total capitation for the year 2020 was **Kshs 4,079,167.00** as compared to **Kshs 5,628,455.90** in the financial year 2019 representing a decrease of **Kshs 1,549,288.90** which resulted from some students' not receiving capitation grant, prolonged abrupt closure of the school due to Covid-19 and not all capitation grant were disbursed by the end of financial year 2020.

The capitation grant for the financial year 2021 was **Kshs 3,301,105.55** as compared to

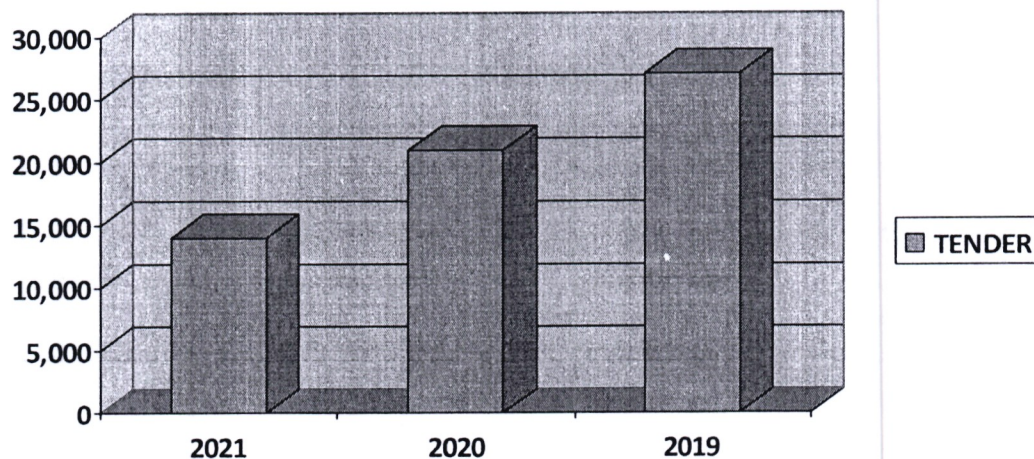
Kshs 4,079,167 in the financial year 2020 representing a decrease of **Kshs 778,061.45**. The net decrease is mainly attributed by the disbursement of capitation for term 2 2020 and term 3 2020 only. Also the current period covers period of 6 months.

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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

SNO	ACCOUNTS	2021	2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	Tender	14,000	21,000	27,000
2	Farm	N/A	N/A	N/A
3	Accommodation	N/A	N/A	N/A
	Total	14,000	21,000	27,000
	Increase/Decrease	(7,000)	(6,000)	

Trend Over the Last Three Years



The net growth of other income generating activities for the financial year 2021 was Kshs 14,000 as compared to Kshs 21,000 in the financial year 2020

The net growth of other income generating activities for the financial year 2020 was **Kshs 21,000** as compared to **Kshs 27,000** in the financial year 2019 which represent a decrease of **Kshs 6,000**

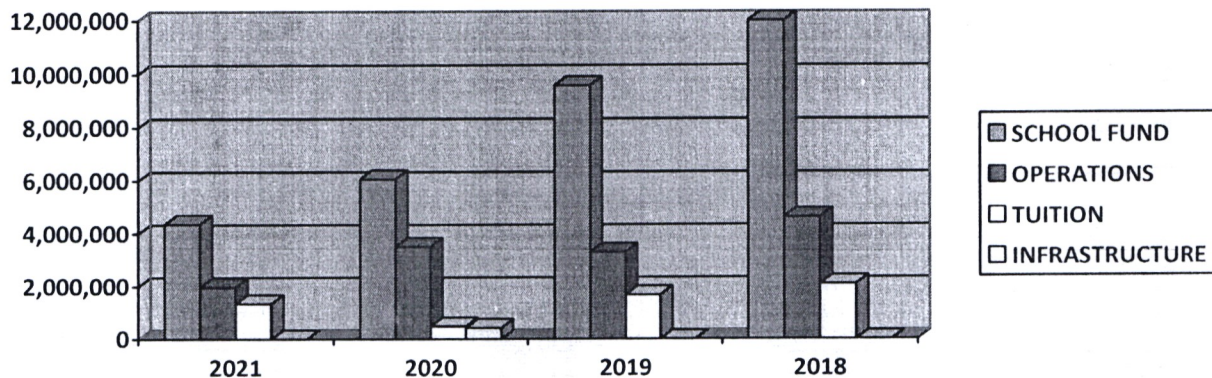
Both financial years 2021 and 2020 were affected by the Covid-19 pandemic which hindered the tendering of supply and delivery of goods and services to school.

AIC LESERU GIRLS SECONDARY SCHOOL
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL				
SNO	ACCOUNTS	2021	2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	4,369,806.00	6,068,297.00	9,585,197.00
2	Operations Account	1,975,604.00	3,510,094.20	3,292,414.00
3	Tuition Account	1,346,677.00	479,517.00	1,675,633.00
4	Infrastructure Account	2,130.00	423,665.00	-
	Total	7,694,217.00	10,481,573.20	14,553,244.00
	Increase/Decrease	(2,787,356.20)	(4,071,670.80)	

Trend Last Three Years



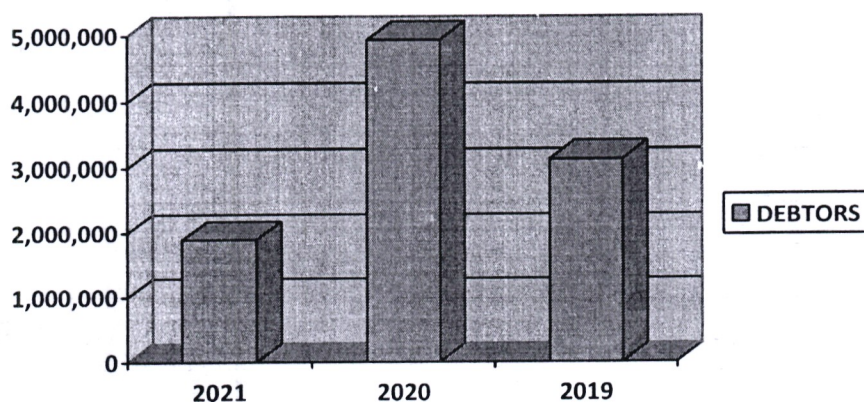
In the financial year 2021 shows a decrease of growth in expenditure which has resulted from the current year covering a period of 6 months, even though the financial year 2020 covers a period of 12 months a decrease has resulted from prolonged abrupt closure of the school due to Covid-19.

AIC LESERU GIRLS SECONDARY SCHOOL
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF DEBTORS OF THE SCHOOL				
SNO	ACCOUNTS	2021	2020	2019
1	School Fund Account	Kshs Cts	Kshs Cts	Kshs Cts
A	Debtors	1,893,219.00	4,930,233.00	3,128,434.00
	Total	1,893,219.00	4,930,233.00	3,128,434.00
	Increase/Decrease	(3,037,014.00)	1,801,799.00	-

Trend Over the Last Three Years



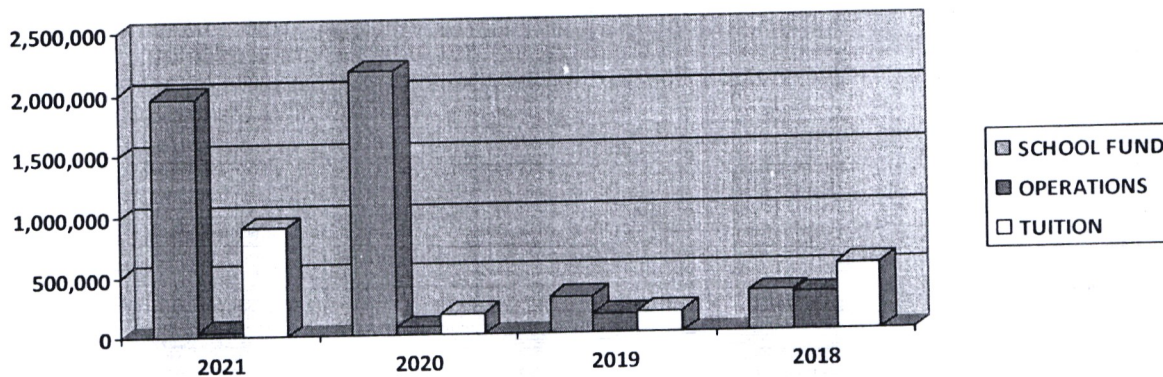
Total debtors as at 30th June 2021 decreased by **61.5%** to Kshs **1,893,219.00** compared to **Kshs 4,930,233.00** as at the end of the financial year 2020. The main contributors to the decrease in total debtors is that the school recovered the accumulated fees arrears in the current year.

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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

MOVEMENT OF CREDITORS OF THE SCHOOL				
SNO	ACCOUNTS	2021	2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	1,965,956.00	2,172,250.00	299,580.00
2	Operations Account	45,000.00	69,500.00	155,000.00
3	Tuition Account	900,500.00	174,110.00	174,110.00
	Total	2,911,456.00	2,415,860.00	628,690.00
	Increase/Decrease	495,596.00	1,787,170	

Trend Over the Last Three Years



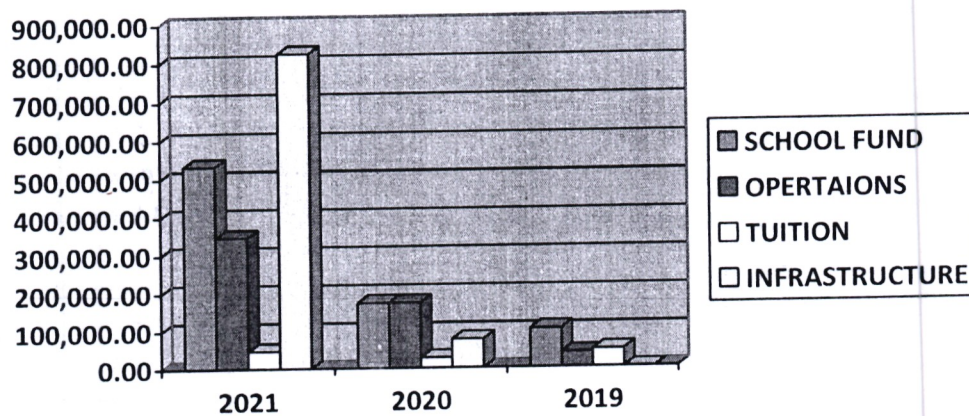
Trend Over the Last Three Years

Total creditors as at 30th June 2021 increased by **Kshs 495,596.00** compared to total creditors as at 30th June 2020 decreased by **Kshs 1,787,170.00** compared to **Kshs 2,415,860.00** as at the end of the financial year 2020. The main contribution to the increase in total creditors was because the current year covers a period of six months.

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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

MOVEMENT OF CASH AND BANK BALANCES				
SNO	ACCOUNTS	2021	2020	2019
		Kshs Cts	Kshs Cts	Kshs Cts
1	School Fund Account	532,624.26	173,263.00	103,686.26
2	Operations Account	346,687.40	173,444.40	40,328.60
3	Tuition Account	47,095.05	27,886.80	47,659.80
4	Infrastructure Acco	824,205.00	76,335.00	N/A
	Total	1,750,611.71	450,929.20	191,674.66
	Increase/Decrease	1,299,682.51	259,254.54	



Trend Over the Last Three Years

The total cash and bank balances as at 30th June 2021 increased by **Kshs 1,299,682.51** compared to an increase of **Kshs 259,254.54** as at end of the financial year 2020. The increase in cash and bank balances results from current year covering 6 months.

AIC LESERU GIRLS SECONDARY SCHOOL
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REPORT AND FINANCIAL STATEMENTS
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

b) Teacher Student ratio:

Between the month of January 2021 and June 2021, the status of the teaching staff is as follows:

There are **19** teachers posted by the Teachers Service Commission and **3** recruited by the Board of Management. We are grateful that **1** teacher has been posted to school after one (1) transferred to Moiben Sub- County. There is no retiree as at 30th June 2021. Although the teacher student's ratio lies at **1:18**. We have a shortage of 6 teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4

c) Mean score in the year 2018, 2019 and 2020 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2021	56	4.20	5	8.93%	5.8	Negative deviation of 0.4 in mean grade. The best grade was a B- (1).
2020	94	4.24	7	7.44%	5.2	Positive deviation of 0.52 in mean grade. The best grade was B- (1).
2019	77	3.73	3	3.90%	4.5	Positive deviation of 0.4164 in mean grade rate. The best grade was B-(2)
2018	74	3.31	1	1.35%	4.0	Positive deviation of 0.73 in mean grade. The best grade was C+(1)

AIC LESERU GIRLS SECONDARY SCHOOL
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SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)
d) Development projects carried out by the school:




Sno.	Project	Year	Status	Amount	Fund Source
1.	-Demolition of iron sheets and re-roofing of six classrooms	2021	Complete	875,600.00	Maintenance and Improvement Fund
	-Construction of dinning hall	2021	Ongoing	4,500,000.00	CDF-Fund
2.	-Construction of bathrooms	2020	Complete	500,000.00	Maintenance and Improvement Fund
3.	-Construction of student's 6 door toilet	2019	Complete	500,000.00	Maintenance and Improvement Fund
4.	-Construction of a dorm	2018	Complete	500,000.00	Maintenance and Improvement Fund

Mrs Lilian Menjo.
 Chair,
 Board of Management

Mrs. Grace Barasa
 Secretary,
 Board of Management

Ms. Nancy Jepkosgei
 Finance Officer

/Principal

Sign:  sign:  sign: 

Date: 16-7-2022 Date: 14/7/23 Date: 18-7-23

A.I.C LESERU GIRLS SCHOOL
 P. O. Box 6550-30100,
 ELDORET
**SEC BOM/SENIOR
 PRINCIPAL**

AIC LESERU GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2021

II. 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 that the Board of Management of a public institution of basic education keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of **Aic Leseru 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, 2021, and of the school's financial position as at that date.

Mrs Lilian Menjo.

Mrs. Grace Barasa

Ms. Nancy Jepkosgei

Chair,
Board of Management

Secretary,
Board of Management

Finance Officer

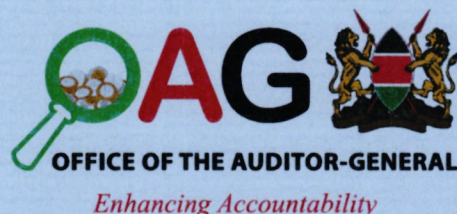
Sign:  sign:  sign: 

Date: 18-7-23 Date: 18/7/23 Date: 18.7.23

A.I.C LESERU GIRLS SCHOOL
P. O. Box 6550-30100,
ELDORET
**SEC BOM/SENIOR
PRINCIPAL**

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON AIC LESERU GIRLS SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021- UASIN GISHU 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 the AIC Leseru Girls School - Uasin Gishu County set out on pages 1 to 20, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows, and the statement of comparison 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 the AIC Leseru Girls School – Uasin Gishu County as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements presented for audit revealed unexplained and unreconciled variances between financial statements and supporting schedules as detailed below;

- i. There were Variances noted between statement of receipts and payments and statement of cash flows amounts:

Component	Statement of Receipts and Payments (Kshs.)	Statement of Cash Flows (Kshs.)	Variance (Kshs.)
School fund income-parents contribution	4,580,192	3,326,929	1,253,263
Payments for tuition	1,346,677	446,177	900,500
Payment for operations	1,975,604	1,930,604	45,000
Boarding & school fund payments	4,369,806	2,516,765	1,853,041

- ii. The statement of financial assets and liabilities reflects pending accounts payable balance of Kshs.2,911,456 while Annex 1 to the financial statements indicates a total of Kshs.2,271,500, thus resulting in unexplained variance of Kshs.639,956. In addition, re-casting the annexure gives a total balance of Kshs.2,226,500, resulting in unexplained variance of Kshs.45,000.
- iii. Annex 2 to the financial statements reflects an opening fixed assets historical cost balance of Kshs.17,772,500 and a closing balance of Kshs.17,772,500 as at 30 June, 2021. However, no evidence was provided to confirm the balances.
- iv. The statement of financial assets and financial liabilities reflects accumulated fund balance brought forward of Kshs.527,042. Was also noted that, Note 13 to the financial statements, fund balance brought forward comprises bank balances of Kshs.418,513, cash balance of Kshs.32,290 and receivables balance of Kshs.76,238. No reason was provided for including the same under fund balance brought forward instead of prior year's surplus/deficits as accumulated fund brought forward.

- v. Management did not prepare detailed ledgers to support the financial statements balances and there were variances between the financial statement balances and the cashbook as shown below:

	Financial Statements Amount (Kshs.)	Cash Book Balance (Kshs.)	Variance (Kshs.)
School Fund-Parents Contribution	4,580,192	2,696,350	1,883,842
Payment Of Operations	1,975,514	1,930,704	44,810
Boarding Expenses	4,369,806	3,003,159	1,366,647
Accounts Payable	4,580,192	2,696,350	1,883,842

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

2. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.2,911,456 which comprises creditors of Kshs.2,271,500 for the supply of goods and prepaid fees of Kshs.639,956 as disclosed in Note 12 to the financial statements. However, included in the amount is Kshs.2,271,500 in respect of supply of goods which was not supported with procurement records. Further the related payment vouchers were not supported by cash sale receipts.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.2,911,456 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the AIC Leseru Girls 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.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final income budget of Kshs.20,242,800 and actual on comparable basis amount of Kshs.7,881,297, resulting in an under-funding of Kshs.12,361,503 or 61% of the budget. Similarly, the School spent Kshs.7,692,087 against an expenditure budget of Kshs.20,242,800, resulting in an under-expenditure of Kshs.12,550,713 or 62% of the budget.

In the circumstances, underfunding and underutilization may adversely affect delivery of services by the School.

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

Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements

The Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of August 20, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing for longer period is due to the adoption of IPSAS for school and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented the annual report and financial statements covering only one year for financial year 2020-2021 with comparative balances for financial year 2019. Therefore, the financial statements have not been prepared for eighteen-months (18) as prescribed the Public Sector Accounting Standards Board (PSASB).

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

In the circumstances, Management did not comply with the guidelines issued by the public sector accounting standard board.

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

Basis for Conclusion

Lack of a Risk Management Policy

The School did not have a risk management policy and therefore had no approved processes and guidelines on how to mitigate operational, legal and financial risks, contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which requires the Accounting Officer to ensure that the national government entity develops risk management strategies.

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

Responsibilities of Management and those Charged with Governance

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

09 October, 2023

AIC LESERU GIRLS SECONDARY SCHOOL
 PUBLIC SECONDARY SCHOOL
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30TH JUNE 2021

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Notes	2020-2021	2019-2020
		6 Months	12 Months
		Kshs. Cts	Kshs. Cts
RECEIPTS			
Capitation grants for tuition	1	449,388.00	
Capitation grants for operations	2	2,851,717.00	
School Fund Income- Parents' Contributions	3	4,580,192.00	
School Fund Income- Other receipts	4		
TOTAL RECEIPTS		7,881,297.00	
PAYMENTS			
Payments for Tuition	5	1,346,677.00	
Payments for Operations	6	1,975,604.00	
Boarding and School Fund payments	7	4,369,806.00	
TOTAL PAYMENTS		7,692,087.00	
SURPLUS/DEFICIT		189,210.00	

The accounting policies and explanatory notes to these financial statements for an integral part of the financial statements. The report covers the six months for the period ended 30th June 2021. This is because of adoption of IPSAS in the current year.

The financial statements should be read in conjunction with the accompanying notes.

Mrs Lilian Menjo.


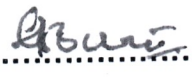
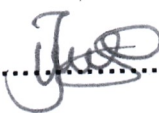
Mrs. Grace Barasa

Ms Nancy Jepkosgei.

Chair,
Board of Management

Secretary,
Board of Management
/Principal

Finance Officer

Sign..........sign..........sign.....

Date: 18-7-2023 Date: 18/7/23 Date: 18.7.23

AIC LESERU GIRLS SECONDARY SCHOOL
 PUBLIC SECONDARY SCHOOL
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30TH JUNE 2021

STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021 Kshs	2019-2020 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	1,721,556.00	
Cash Balances	9	12,933.00	
Short Term Investments	10	-	
Total Cash and cash equivalent		1,734,489.00	
Account's receivables	11	1,893,219.00	
TOTAL FINANCIAL ASSETS		3,627,708.00	
FINANCIAL LIABILITIES			
Accounts Payables	12	2,911,456.00	
NET FINANCIAL ASSETS		716,252.00	
REPRESENTED BY			
Accumulated Fund b/fwd 1 ST July ..	13	527,041.00	
Surplus/Deficit for the year		189,210.00	
Accrual to cash adjustments			
NET FINANCIAL POSITION		716,252.00	

Mrs Lilian Menjo.

Mrs Grace Barasa.

Ms. Nancy Jepkosgei

Chair,
Board of Management

Secretary,
Board of Management
/Principal

Finance Officer

Sign:  sign:  sign: 

Date: 18-7-2021 Date: 18/7/21 Date: 18-7-21

A.I.C LESERU GIRLS SCHOOL
 P. O. Box 8550-30100,
 ELDORET
**SEC BOM/SENIOR
 PRINCIPAL**

AIC LESERU GIRLS SECONDARY SCHOOL
 PUBLIC SECONDARY SCHOOL
 REPORTS AND FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30TH JUNE 2021

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

	Notes	2021-2021	2020-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	449,388.26	
Capitation grants for operations	2	2,851,717.30	
School fund income- Parents contributions/ fees	3	3,326,929.00	
School fund income- other receipts	4	-	
Total receipts		6,628,035.00	
Payments			
Payments for Tuition	5	446,177.00	
Payments for Operations	6	1,930,604.00	
Boarding and school fund payments	7	2,516,765.00	
Total Payments		4,893,546.00	
Net cash flow from operating activities		1,734,489.00	
Adjusted for			
Changes in Accounts Receivables			
Changes in Accounts Payable			
Accrual to cash adjustments			
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Decrease in Livestock			
Decrease in Farm			
Net cash flows from Investing Activities			
CASHFLOW FROM BORROWING ACTIVITIES			
		1,734,489.00	
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,734,489.00	
Cash and cash equivalent at BEGINNING of the year	10		
Cash and cash equivalent at END of the year		1,734,489.00	

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

AIC LESERU GIRLS SECONDARY SCHOOL
 PUBLIC SECONDARY SCHOOL
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 FOR THE YEAR ENDED 30TH JUNE 2021

IV. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE, 2021

STATEMENT OF BUDGETED VERSUS 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
	Kshs	Kshs	Kshs	Kshs	Kshs	
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Teaching Learning Materials	485,066.00		485,066.00	246,767.00	238,299.00	51%
Lab equipment	566,450.00		566,450.00	202,621.25	363,828.75	36%
Reference materials	35,000.00		35,000.00		35,000.00	0%
Exam and Assessments	15,280.00		15,280.00	-	15,280.00	0%
Text books and Exercise books	224,284.00		224,284.00		224,284.00	0%
SUB-TOTAL	1,326,080.00		1,326,080.00	449,388.25	876,691.75	34%
(2) CAPITATION GRANT ON OPERATIONS						
Local, Transport & Travelling	596,800.00		596,800.00	100,921.00	495,879.00	17%
Electricity, Water & Conservancy	673,920.00		673,920.00	238,564.00	435,356.00	35%
Repair, Maintenance & Improvement	1,6000,000.00		1,6000,000.00	454,020.00	1,145,980.00	28%
Activity (i)	480,000.00		480,000.00	103,850.00	376,150.00	22%
Medical/Insurance	123,360.00		123,360.00	127,582.00	(4,222.00)	103%
Personal Emoluments	1,971,520.00		1,971,520.00	1,188,489.00	783,031.00	60%
Administration Costs	500,000.00		500,000.00	638,291.00	(138,291.00)	128%
SUB-TOTAL	5,945,600.00		5,945,600.00	2,851,717.00	3,093,883.00	48%

(3) FEES CHARGED ON PARENTS									
Boarding, Equipment & Stores	8,606,080.00		8,606,080.00	3,473,417.00	5,132,663.00				40%
Local, Transport & Travelling	512,000.00		512,000.00	124,107.00	387,893.00				24%
Electricity, Water & Conservancy	280,000.00		280,000.00	256,431.00	23,569.00				92%
Repair, Mainte & Improvement	736,000.00		736,000.00	146,494.00	589,506.00				20%
Activity (ii)	255,360.00		255,360.00	51,256.00	204,104.00				20%
Personal Emoluments	1,280,000.00		1,280,000.00	239,847.00	1,040,153.00				19%
Administration Costs	800,000.00		800,000.00	162,041.00	637,959.00				20%
Medical/insurance	501,760.00		501,760.00	126,599.00	375,161.00				25%
SUB-TOTAL	12,971,200.00		12,971,200.00	4,580,192.00	8,391,008.00				35%
OTHER INCOMES									
Tender	-		-	-	-				-
SUB-TOTAL									
INFRASTRUCTURE ACCOUNT									
Operation a/c	-		-						-
SUB-TOTAL	20,242,000.00		20,242,000.00	7,881,297.25	12,361,502.75				39%
GRANDTOTAL INCOME									
EXPENDITURE FOR:									
(1) TUITION									
Teaching Learning Materials	485,066.00		485,066.00	674,890.00	(189,824.00)				139%
Lab equipment	566,450.00		566,450.00	560,110.00	6,340.00				99%
Reference materials	35,000.00		35,000.00	30,000.00	5,000.00				86%
Exam and Assessments	15,280.00		15,280.00	-	15,280.00				0%
Text books and Exercise books	224,284.00		224,284.00	80,000.00	144,284.00				36%
Bank Charges				1,677.00	(1,677.00)				-
SUB-TOTAL	1,326,080.00		1,326,080.00	1,346,677.00	(20,597.00)				102%
(2) OPERATIONS									
Local, Transport & Travelling	596,800.00		596,800.00	151,210.00	445,590.00				25%
Electricity, Water & Conservancy	673,920.00		673,920.00	351,060.00	322,860.00				52%
Maintenance & Improv.	1,6000,000.00		1,6000,000.00	262,030.00	1,337,970				16%

Activity (i)	480,000.00		480,000.00	87,700.00	392,300.00	18%
Medical/Insurance	123,360.00		123,360.00	1,900.00	121,460.00	2%
Personal Emoluments	1,971,520.00		1,971,520.00	726,160.00	1,245,360.00	37%
Administration Costs	500,000.00		500,000.00	323,995.00	176,005.00	65%
NSSF				56,160.00	(56,160.00)	0%
NHIF				9,200.00	(9,200.00)	0%
Bank Charges				6,189.00	(6,189.00)	0%
SUB-TOTAL	5,945,600.00		5,945,600.00	1,975,604.00	3,969,996.00	33%
(3) SCHOOL FUND						
Boarding, Equipment & Stores	8,606,080.00		8,606,080.00	3,221,974.00	5,384,106.00	37%
Local, Transport & Travelling	512,000.00		512,000.00	163,850.00	348,150.00	32%
Electricity, Water & Conservancy	280,000.00		280,000.00	630.00	279,370.00	0.2%
Repair, Mainte & Improvement	736,000.00		736,000.00	314,635.00	421,365.00	43%
Activity (ii)	255,360.00		255,360.00	10,000.00	245,360.00	4%
Personal Emoluments	1,280,000.00		1,280,000.00	380,260.00	899,740.00	30%
Administration Costs	800,000.00		800,000.00	246,150.00	553,850.00	31%
Medical/insurance	501,760.00		501,760.00	-	501,760.00	0%
Nssf				17,280.00	(17,280.00)	0%
Nhif				10,850.00	(10,850.00)	0%
Bank charges				4,177.00	(4,177.00)	0%
SUB-TOTAL	12,971,200.00		12,971,200.00	4,369,806.00	8,601,394.00	34%
TOTAL EXPENDITURE	20,242,800.00		20,242,800.00	7,692,087.00	12,550,713.00	38%

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

- i. The school has only received 39% of the expected revenue from 4th January 2021 to 30th June 2021, the above percentage is small because the current Financial year covers only six months .
- ii. The school has only utilized 38% of the fees collected from 4th January 2021 to 30th June, this shows underutilization of funds. The reason is the current Financial year covers only six months

V. 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.

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

AIC LESERU GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2021

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

AIC LESERU GIRLS SECONDARY SCHOOL
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VI. NOTES TO THE FINANCIAL STATEMENTS

I. NOTES TO THE FINANCIAL STATEMENTS		
1	CAPITATION GRANT FOR TUITION	
	2021-2021	2020-2020
	Kshs	Kshs
Text books	-	
Exercise Books	-	
Laboratory Equipment	202,621.25	
Internal Exams	-	
Teaching / Learning Materials	246,767.00	
Chalks		
Exams and Assessments		
Reference/Library		
Teachers Guides		
Total	449,388.25	

2	CAPITATION GRANT FOR OPERATIONS	
	2021-2021	2020-2020
	Kshs	Kshs
Personnel Emoluments	1,188,489.00	-
Maintenance & Improvement	454,020.00	
Others		
Local Transport & Travelling	100,921.00	
Electricity Water & Conservancy	238,564.00	
Medical	91,800.00	
Administration Costs	638,291.00	
Insurance	35,782.00	
Activity	103,850.00	
Total	2,851,717.00	

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3 PARENTS CONTRIBUTION/FEEES - SCHOOL FUND ACCOUNT			
		2021-2021	2020-2020
		Kshs	Kshs
Personnel emoluments		239,847.00	-
Fee on Boarding Equip. and Stores		3,473,417.00	-
Maintenance & Improvement		146,494.00	-
Local transport / travelling		124,107.00	-
Electricity and water		256,431.00	-
Medical		45,183.00	-
Insurance		81,416.00	-
Administration costs		162,041.00	-
Activity		51,256.00	-
Total		4,580,192.00	-

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT			
		2021-2021	2020-2020
		Kshs	Kshs
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*		-	-
Tender fees		-	-
Pocket Money		-	-
Caution Money		-	-
Dividends income		-	-

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5 PAYMENTS FOR TUITION			
		2021-2021	2020-2020
		Kshs	Kshs
Textbooks		80,000.00	-
Exercise Books		-	-
Laboratory Equipment and Chemicals		560,110.00	-
Internal exams		-	-
Teaching / learning materials		674,890.00	-
Chalks			-
Exams and assessment			-
Library/reference materials		30,000.00	-
Administration Costs			-
Bank Charges		1,677.00	-
			-
Total		1,346,677.00	
6 PAYMENTS FOR OPERATIONS			
		2021-2021	2020-2020
		Kshs	Kshs
Personnel emoluments		726,160.00	-
Service Gratuity			-
Administration Cost		323,995.00	-
Maintenance & improvements		262,030.00	-
Local transport / travelling		151,210.00	-
Electricity and water		351,060.00	-
Medical		1,900.00	-
Activity Expenses		87,700.00	-
NSSF		56,160.00	-
NHIF		9,200.00	-
SMASSE			-
Insurance Cost			-
Bank Charges		6,189.00	-
Acquisition of Assets			-
Total		1,975,604.00	-

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7	BOARDING AND SCHOOL FUND PAYMENTS	2021-2021	2020-2020
		Kshs	Kshs
	Personnel emoluments	380,260.00	-
	Service Gratuity		-
	Maintenance & Improvements	314,635.00	-
	Local transport / travelling	163,850.00	-
	Electricity and water	630.00	-
	Medical Expenses		-
	Administration costs	246,150.00	-
	Lunch Programme		-
	Bank Charges	4,177.00	-
	Expenses on Income Generating Activities		-
	Fee on Boarding Equipment and Stores	3,221,974.00	-
	Activity Expenses	10,000.00	-
	NHIF	10,850.00	
	NSSF	17,280.00	
	Acquisition of Assets		-
	Total	4,369,806.00	-

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

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8 BANK ACCOUNTS			
	Name of Bank, Account No. & currency	2021-2021	2020-2020
		Kshs	Kshs
	Tuition Account	30,972.05	
	Operations Account	343,435.40	
	School Fund Account/Boarding	522,943.26	
	Savings Account		
	Parent Association Development Account		
	Income generating activities Account		
	Infrastructural Account	824,205.00	
	Total	1,721,555.71	
9 CASH ON HAND			
	Description		
	Tuition Account		
	Operation Account	3,252.00	
	School Fund account	9,681.00	
	Total	12,933.00	
10 SHORT TERM INVESTMENTS			
	Description	2021-2021	2020-2020
		Kshs	Kshs
	Cooperative shares	-	-
	Treasury Bills	-	-
	Fixed deposit	-	-
	Other investments	-	-
	Total	-	-

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11 ACCOUNTS RECEIVABLE			
Description		2021-2021	2020-2020
		Kshs	Kshs
Fees arrears		1,893,219.00	76,238.00
Other non-fees receivables			
Salary advances			
Imprest			
Total		1,893,219.00	76,238.00
[Include an ageing of the fees / non fees arrears below]			
Description		2021-2021	2020-2020
		Kshs	Kshs
Fees arrears for current year		-	-
Fees arrears for the previous year		-	-
Fees arrears for prior periods (over two years)		-	-
12 ACCOUNTS PAYABLE			
Description		2021-2021	2020-2020
		Kshs	Kshs
Trade creditors (See ageing below and appendix 1)		2,271,500.00	
Prepaid fees		639,956.00	
Retention monies			
Total		2,911,456.00	
[Include an ageing of the creditor's arrears below]			

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Description		2021-2021	2020-2020
		Kshs	Kshs
	Trade creditors for current year	-	-
	Trade creditors for the previous year	-	-
	Trade creditors for prior periods (over two years)	-	-
		-	-
13	FUND BALANCE BROUGHT FORWARD		
Description		2021-2021	2020-2020
		Kshs	Kshs
	Bank balances	418,513.20	
	Cash balances	32,290.26	
	Short Term Investments		
	Receivables	76,238.00	
	Payables		
	Total	527,041.46	
	Other important disclosure notes		

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14 Non-current Liabilities Summary			
Description		2021-2021	2020-2020
		Kshs	Kshs
Bank loan(s)		-	-
Outstanding Leases		-	-
Gratuity and leave provision		-	-
Total		-	-
15 Biological assets			
Description		2021-2021	2020-2020
		Kshs	Kshs
Cattle		257,000.00	-
Total		257,000.00	-
16 Borrowings			
Description		2021-2021	2020-2020
		KShs	KShs
a) Borrowings			
Borrowing at beginning of the year		-	-
Borrowings during the year		-	-
Repayments of during the year		-	-
Balance at end of the year		-	-
17 1 Stock/ Inventory			
Description		2021-2021	2020-2020
		KShs	KShs
Stock/Inventory			
Stock/ inventory at beginning of the year		289,574.00	-
Stock/ inventory purchased during the year		3,046,058.00	-
Stock/ inventory issued during the year		3,275,008.00	-
Balance at end of the year		60,624.00	-

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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.

19 Biological assets

Description	Numbers	2021-2021	2020-2020
		Kshs	Kshs
Cattle	6	257,000.00	
Total	6	257,000.00	

20 Stock/Inventory

Description		2021-2021	2020-2020
		Kshs	Kshs
Stock/ inventory at beginning of the year	80	289,574.00	-
Stock/ inventory purchased during the year	300	3,046,058.00	-
Stock/ inventory issued during the year	367	3,275,008.00	-
Balance at end of the year	13	60,624.00	-

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21 Summary of overview of net growth of other income(s)

Description	2021	2020	2019	2018
INCOMES	Kshs	Kshs	Kshs	Kshs
Tender	14,000	21,000	27,000	20,000
Farm				
Accommodation				
EXPENDITURES				
Tender	14,000	21,000	27,000	20,000
Farm				
Accommodation				
NET GROWTH INCOMES				
Tender	-	-	-	-
Farm				
Accommodation				

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE						
S/no	Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at as 30/06/2021	Comment
		Kshs	Kshs	Kshs	Kshs	
		a	b	C	d=a-c	
A	Supply of Goods Operations Account					
1	KPLC	45,000.00			45,000.00	
	Sub-Total (A)	45,000.00			45,000.00	
B	Supply of goods School Fund Account					
1	Zakayo Yego	420,000.00			420,000.00	
2	Dema Energy System	47,000.00			47,000.00	
3	Botto Solar Co Ltd	195,000.00			195,000.00	
4	Isaros Enterprise	235,000.00			235,000.00	
5	Elijah Kosgei	10,600.00			10,600.00	
6	Abraham Muten	14,850.00			14,850.00	
7	Seiyot Holding Ltd	345,050.00			345,050.00	
8	Thomas Mengich	47,500.00			47,500.00	
9	Silas Chepkwony	11,000.00			11,000.00	
	Sub-Total (B)	1,326,000.00			1,326,000.00	
C	Supply of goods Tuition Account					
1	Spearhead Enterprises	552,600.00			552,600.00	
2	Noah Technology	334,110.00			334,110.00	
3	Litemore Ltd	13,790.00			13,790.00	
	Sub -Total c	900,500.00			900,500.00	
	Grand Total (E=A+B+C)	2,271,500.00			2,271,500.00	

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ANNEX 2 - SUMMARY OF FIXED ASSETS REGISTER

S/No	Asset class	Date purchased	Historical Cost b/f	Historical Cost c/f
			Kshs Cts	Kshs Cts
1	Land 4.2 Acres	Balance b/f 01/01/2021	2,100,000.00	2,100,000.00
2	Buildings and Structures	Balance b/f 01/01/2021	12,500,000.00	12,500,000.00
3	Motor Vehicles	Balance b/f 01/01/2021	200,000.00	200,000.00
4	Office Equipment, furniture and fittings	Balance b/f 01/01/2021	350,000.00	350,000.00
5	ICT Equipment and Other ICT Assets	Balance b/f 01/01/2021	250,000.00	250,000.00
6	Tools and Apparatus	Balance b/f 01/01/2021	1,375,000.00	1,375,000.00
7	Textbooks	Balance b/f 01/01/2021	900,000.00	900,000.00
8	Other Machinery and Equipment	Balance b/f 01/01/2021	47,500.00	47,500.00
9	Intangible assets-Software	Balance b/f 01/01/2021	50,000.00	50,000.00
	Total		17,772,500.00	17,772,500.00

During the 2021/2022 Financial year, the school put tiles in the 7 dormitories, painted the front walls and construct a six door pit latrine

Mrs. Lilian Menjo
Chair,
Board of Management

Mrs Grace Barasa
Secretary,
Board of Management
/Principal

Ms. Nancy Jepkosgei
Finance Officer

Leseru Girls Secondary
School

Leseru Girls Secondary School

Leseru Girls Secondary
School

Sign.....

Sign.....

Sign.....

Date: 18.7.2022

Date: 18/7/22

date: 18.7.22

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ANNEX 3 – TRIAL BALANCE

TRIAL BALANCE AS AT 30TH JUNE, 2021			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	1,721,556.00	
	Cash Balances	12,933.00	
	Short term investments		
	Receivables	1,893,219.00	
Payments			
	Payments for Tuition	1,346,677.00	
	Payments for operations	1,975,604.00	
	Boarding and school fund payments	4,369,806.00	
Receipts			
	Capitation grants for tuition		449,388.00
	Capitation grants for operations		2,851,717.00
	School Fund Income- Parents' Contributions		4,580,192.00
	School Fund Income- Other receipts		
	Proceeds from borrowings		
Prior Year Adjustment			
	Fund Balance b/f		527,041.00
	Payables		2,911,456.00
		11,319,795.00	11,319,795.00