

REPUBLIC OF KENYA



*Enhancing Accountability*



**REPORT**



THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 10 APR 2021 THURSDAY

TABLED BY: HON. SILVANUS OSORO, MP  
MAJORITY PARTY WHIP

CLERK AT THE TABLE: INZOKI MWALE

**THE AUDITOR-GENERAL**

**ON**

**KAPLONG GIRLS HIGH SCHOOL**

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

**BOMET COUNTY**

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30024, 00100, NAIROBI

18 JUL 2024



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***KAPLONG GIRLS' HIGH SCHOOL***

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED  
30<sup>TH</sup> JUNE 2021**

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

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## I. Key School Information And Management

### (a) Background information

Kaplong Girls High School is a National Girls Secondary School domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in **Bomet** County, **Sotik** Sub-County

The school was registered in **08/02/2012** under registration number **PU/S/3/2162/12** and is currently categorized as a **National public school** established, and operated by the Government.

The school is a Girls Boarding school with a population of **1293** students as at **30<sup>th</sup> June 2021**. It has **7** streams and **57** teachers of which **28** 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	Mr. David Chepkwony	Chairman	29/06/2020
2	Mrs. Clara C. Mitei	Secretary - Principal	29/06/2020
3	Mrs. Lydia Chepkoech	Member	29/06/2020
4	Mrs. Mary Saboke	Member	29/06/2020
5	Mrs. Grace Wanjiru	Member	29/06/2020
6	Mr. Charles Omwansa Okerio	Member	29/06/2020
7	Mrs. Edith Lomola	Member	29/06/2020
8	Mr. Philip Chebunet	Member	29/06/2020
9	Mr. Mathew Tonui	Member	29/06/2020
10	Dr. Jane Sang	Member	29/06/2020
11	Mrs. Ann Turgut	Member	29/06/2020
12	Dr. Jane Maina	Member – Rep CEB	29/06/2020
13	Mr. Kisia Issa Ahinga	Member Rep Teachers	29/06/2020
14	Fr. Simion Rono	Member - Sponsor	29/06/2020
15	Mrs. Evaline Cherotich	Member - Sponsor	29/06/2020
16	Mr. Francis Kelong	Member - Community	29/06/2020
17	Mr. Andrew C. Kimetto	Member- Special Needs	29/06/2020
18	Edith Cheptoo	Rep Students	29/06/2020

*Key School Information and Management (Continued)*

**The function of the School Board of Management include:**

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

## (c) Committees of the Board

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	EXECUTIVE COMMITTEE	MR. DAVID CHEPKWONY	CHAIRPERSON	3 OUT OF 3
		MD. CLARA MITEI	MEMBER	3 OUT OF 3
		MATHEW TONUI	MEMBER	3 OUT OF 3
		DR. JANE MAINA	MEMBER	3 OUT OF 3
		FR. SIMON RONO	MEMBER	3 OUT OF 3
		MR. FRANCIS KELONG	MEMBER	3 OUT OF 3
2.	AUDIT COMMITTEE	DR. JANE SANG	CHAIRPERSON	1 OUT OF 1
		MRS LYDIA LANGAT	MEMBER	1 OUT OF 1
		MR. PHILIPH CHEBUNET	MEMBER	1 OUT OF 1
		MRS. MARY SABOGE	MEMBER	1 OUT OF 1
	FINANCE, PROCUREMENT AND GENERAL PURPOSE COMMITTEE	MR. MATHEW TONUI	CHAIRPERSON	2 OUT OF 2
		DR. JANE SANG	MEMBER	2 OUT OF 2
		MRS. MARY SABOGE	MEMBER	2 OUT OF 2
		FR. SIMON RONO	MEMBER	2 OUT OF 2
3.	ACADEMIC, STANDARD QUALITY AND ENVIRONMENT COMMITTEE	MR. CHARLES OKERIO	MEMBER	2 OUT OF 2
		DR. JANE MAINA	CHAIRPERSON	2 OUT OF 2
		MR. KISIA ISSA AHINGA	MEMBER	2 OUT OF 2
		MR. MATHEW TONUI	MEMBER	2 OUT OF 2
		MD. EDITH LOMOLA	MEMBER	2 OUT OF 2
4.	HUMAN RIGHTS AND STUDENTS WELFARE COMMITTEE	MD. EVALINE CHEROTICH	MEMBER	2 OUT OF 2
		MR. KISIA ISSA	CHAIRPERSON	1 OUT OF 1
		FR. GRACE WANJIRU MBURU	MEMBER	1 OUT OF 1
		MR. ANDREW KIMETO	MEMBER	1 OUT OF 1
5.	DISCIPLINE ETHICS AND INTEGRITY COMMITTEE	DR. JANE MAINA	CHAIRPERSON	1 OUT OF 1
		MR. FRANCIS KELONG	MEMBER	1 OUT OF 1
6.	DISCIPLINE ETHICS AND INTEGRITY COMMITTEE	MRS. ANN TURGUT	MEMBER	1 OUT OF 1
		MRS. EVALINE CHEROTICH	MEMBER	1 OUT OF 1
		MRS. ANN TURGUT	MEMBER	1 OUT OF 1
7.	SCHOOL INFRASTRUCTURE COMMITTEE	MR. DAVID CHEPKWONY	CHAIRPERSON	1 OUT OF 1
		MR. FRANCIS KELONG	MEMBER	1 OUT OF 1
		MR. MATHEW TONUI	MEMBER	1 OUT OF 1
		MD. CLARA MITEI	MEMBER	1 OUT OF 1

*KAPLONG GIRLS HIGH SCHOOL*  
**Reports and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

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**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Mrs. Clara C. Mitei	348718
2	Deputy Principal - Administration	Mrs Sarah Mwaura	364579
3	Deputy Principal - Academics	Mrs. Janet Koima	352047
4	AG Deputy Principal - Boarding	Mrs. Eddah Ruttoh	457764
5	School Bursar	Mrs. Jane Milgo	N/A

**(e) Schools contacts**

Post Office Box: 96-20406, SOTIK  
Telephone: 0729744470.  
E-mail: [kaplonggirls@yahoo.com](mailto:kaplonggirls@yahoo.com)  
[kaplonggirls@gmail.com](mailto:kaplonggirls@gmail.com)  
Website: [www.kaplonggirls.sc.ke](http://www.kaplonggirls.sc.ke)

**(f) School Bankers**

The school operated 7 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Sotik  
Account Number: 1105578089  
Account Name: Kaplong Girls Secondary Boarding Account
2. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Sotik  
Account Number: 1105590218  
Account Name: Kaplong Girls Secondary School Operation Account
3. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Sotik  
Account Number: 1105595283  
Account Name: Kaplong Girls Secondary School Tuition Account
4. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Sotik  
Account Number: 1139351192  
Account Name: Kaplong Girls Secondary School Infrastructure Account
5. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Sotik  
Account Number: 1134637160  
Account Name: Kaplong Girls Secondary School CDF Account
6. Name of Bank: Kenya Commercial Bank (KCB)  
Branch: Sotik  
Account Number: 1108290329  
Account Name: Kaplong Girls Secondary School Needy Students
7. Name of Bank: Equity Bank  
Branch: Litein  
Account Number: 0530262192321  
Account Name: Kaplong Girls Secondary School Boarding Account
8. MPESA Pay Bill No. 522123 attached to 1105578089 bank account

**(g) Independent Auditors**

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

## II. Summary Report Of Performance Of The School

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

### a) Financial performance:

S/N	DESCRIPTION	JAN-JUNE 2021	2020
1	SURPLUS/DEFICIT	5,529,695.00	(7,824,437.00)
2	CAPITATION GRANTS: OPERATION A/C : TUITION A/C	10,059,979.75	4,409,380.00
		1,467,509.25	1,834,241.00
3	RATIO OF CAPITATION / STUDENT	8,915.30.	5, 599.60
4	OTHER INCOME	25,562,608.00	35,621,642.00
5	EXPENDITURE	30,272,337.00	49,689,700.00
6	ACCOUNTS RECEIVABLES	3,660,358.00	966,956.00
	ACCOUNTS PAYABLES	5,724,018.00	5,410,786.00
7	BANK BALANCE	12,167,219.92	5,613,755.92
	CASH BALANCE	23,568.30	28,244.30

The School recorded a surplus of Ksh. 5,529,695.00 compared to a deficit of ksh. 7,824,437, this is attributed to mismatch in reporting periods adopted by IPSAS for secondary schools.

There is a decrease in revenue this is because of the six months period for 2021 compared to 12 months for the year 2020.

An increase in bank balance is due to M.I funds which is yet to be utilised.

### b) Teacher Student ratio:

S/N	DESCRIPTION	NUMBER
1	TEACHER – STUDENT RATIO	1:25
2	NUMBER OF TEACHERS POSTED DURING THE YEAR	1
3	TEACHERS TRANSFERRED/ RETIRED DURING THE YEAR	1
4	TSC TEACHERS	29
5	B.O.M TEACHERS	28

c) Mean score in the 2019-2020 KCSE:

S/N	DESCRIPTION	2020	2019
1	NUMBER OF CANDIDATES	206	204
2	SCHOOL MEAN	8.053	7.808
3	TRANSITION TO UNIVERSITY	176	154
4	TRANSITION TO COLLEGE	30	50

d) Number of Candidates in the 2021 KCSE:

S/N	DESCRIPTION	2021	2020	2019
1	NUMBER OF CANDIDATES	271	206	204

e) Capacity of the school:

S/N	DESCRIPTION	NUMBER
1	STUDENTS	1293
2	DORMITORIES	13
3	DINING HALL	1
4	LABORATORIES	3
5	TOILETS	178
6	CLASSES	26


*KAPLONG GIRLS HIGH SCHOOL*  
**Reports and Financial Statements For the six months ended 30<sup>th</sup> June 2021**

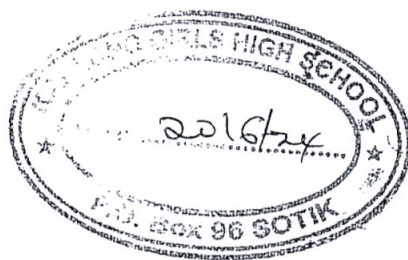
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*Summary Report of the Performance of the School (Continued)*

f) Development projects carried out by the school:

S/N	Description	Status as at 30/06/2021	SOURCE OF FUND
1	Student Furniture	Complete	Parents Fees
2	Lab Furniture and Equipping	complete	MOEST Capitation

Sign:   
School Principal



### III. Statement Of School Management Responsibility

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.

**Name: Mr. David Chepkwony**

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

**Sign:** 

**Date:** 20-6-2024

**Name: Mrs. Clara C. Mitei**

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


**Sign:** 

**Date:** 20-6-2024



**Name: Mrs. Jane Milgo**

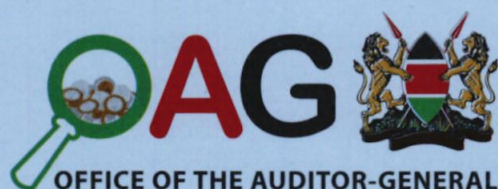
**Designation:** Bursar

**Sign:** 

**Date:** 20-6-2024

# REPUBLIC OF KENYA

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NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON KAPLONG GIRLS HIGH SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 – BOMET COUNTY**

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal control, 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 Kaplong Girls' High School - Bomet County set out on pages 1 to 15, which comprise 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 statement of budgeted versus actual amounts for the six(6) months' period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kaplong Girls' High School-Bomet County for the six (6) months period ended 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standard (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Unsupported Receipts**

The statement of receipts and payments reflects total receipts of Kshs.35,802,032. Included in the amount are receipts from parents' contributions and other receipts amount of Kshs.11,208,987 and Kshs.13,065,556 respectively as disclosed in Notes 3 and 4 to the financial statements. However, the reported income was not supported by detailed ledgers/schedules, invoices and miscellaneous receipts.

In the circumstances, the accuracy and completeness of the receipts amount of Kshs.35,802,032 could not be confirmed.

#### **2. Unsupported Payments for Operations**

The statement of receipts and payments reflects payments for tuition amount of Kshs.1,430,000 as disclosed in Note 5 to the financial statements. However, expenditure was in cash contrary to the procedure for low value procurement whose allowable ceiling is Kshs.50,000. In addition, expenditure was not supported with departmental requisitions, quotations, minutes of opening and evaluations.

In the circumstances, the accuracy, validity and propriety of the payments for operations amounting to Kshs.1,430,000 could not be confirmed.

#### **3. Unsupported Cash and Cash Equivalentents**

The statement of financial assets and financial liabilities reflects cash and cash equivalentents balance of Kshs.12,190,788. Included in this balance is bank and cash balances amount of Kshs.12,167,220 and Kshs.23,568 respectively as disclosed in Notes 8 and 9 to the financial statements. However, the balance was not supported by a board of survey report and cash books.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.12,190,788 could not be confirmed.

#### **4. Accounts Receivables**

##### **4.1. Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.3,660,358 as disclosed in Note 10 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.3,660,358 could not be confirmed.

##### **4.2. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.3,660,358 in respect of fees arrears as disclosed in Note10 to the financial statements. Included in the balance are receivables amounting to Kshs.1,698,499 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.3,660,358 could not be confirmed.

#### **5. Unsupported Payables**

The statement of financial assets and financial liabilities reflects payables balance of Kshs.5,724,318 as disclosed in Note 11 to the financial statements. Included in the balance is an amount of Kshs.1,288,065 in respect of prepaid fees. However, the balance was not supported by the list of students with credit fee balances as at 30 June, 2021.

In the circumstances, the accuracy and completeness of payables balance of Kshs.5,724,318 could not be confirmed.

#### **6. Unsupported Stock/Inventory**

Note 14 to the financial statements reflects Inventory balance of Kshs.640,780. However, the inventory balance was not supported by stock take certificates, stock valuation reports and inventory ledgers.

In the circumstances, the accuracy, completeness and existence of inventory balance of Kshs.640,780 could not be confirmed.

#### **7. Variances in the Financial Statements**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.12,190,788. However, the statement of cash flows reflects

cash and cash equivalent balance as at 30 June, 2021 of Kshs.5,529,695 resulting to an unexplained variance of Kshs.6,661,093. In addition, the statement of financial assets and financial liabilities reflects net financial assets balance of Kshs.10,126,828. However, the net financial position balance is Kshs9,107,735 resulting in an unexplained variance of Kshs.1,019,093.

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

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

### **Key Audit Matters**

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

### **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.48,707,595 and Kshs.34,367,440 respectively, resulting to an under-funding of Kshs.14,340,155 or 29% of the budget. However, the School spent Kshs.28,818,148 against actual receipts of Kshs.34,367,440 resulting to an under-utilization of Kshs.5,549,292 or 16% 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

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

### **Conclusion**

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

## **Basis for Conclusion**

### **1. Irregular Payments to Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.23,281,562 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.174,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.174,000 could not be confirmed.

### **2. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 29 April, 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 which 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.

### **3. Long Outstanding Payables**

The statement of financial assets and financial liabilities and as disclosed in Note 11 to the financial statements reflects payables balance of Kshs.5,724,318. However, included in the balance are trade payables balance of Kshs.322,250. which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contracts are reflected in approved budget estimates.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

### **4. Under Funding of Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,467,509 and Kshs.10,059,980, respectively as disclosed in Notes 1 and 2 to the financial statements. During the financial year, NEMIS reported a total number of one thousand one hundred and twenty-seven

(1127) students while the enrolment records provided by the School indicated a total number of one thousand two hundred and ninety-three (1,293) students, resulting to an unexplained variance of one hundred and sixty six (166) students. As a result of the variances, the School was under funded by an amount of Kshs.1,241,472.

In the circumstances, the under-funding of the School may have affected service delivery for students.

#### **5. Unconfirmed Students Enrolment Data**

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.11,527,489. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial period 2020/2021, NEMIS reflected one thousand one hundred and twenty-seven (1127) students while records from the County Director of Education had one thousand two hundred and ninety-three (1,293) students, resulting to an underfunding of the School by an amount of Kshs.1,241,472. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, under-funding of the School may have affected service delivery to the students.

#### **6. Failure to Prepare School Improvement Plan**

During the year/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.

#### **7. Irregular Payment of Sitting Allowances**

During the period under review a total amount of Kshs.407,500 was spent on Board of Management (BOM) meetings. However, review of documents provided for audit revealed that the meetings held were not supported by an attendance register. In addition, the principal and some of the members of staff were paid BOM allowances even though the meeting was held within the school.

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

## **8. Unsupported Fixed Assets**

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.135,750,850 in respect of fixed assets balance as at 30 June, 2021. However, the school did not maintain an asset register detailing the year of acquisition, location, identification number and cost attached to. each asset.

In the circumstances, the accuracy and completeness of the non-current assets balance of Kshs.135,750,850 could not be confirmed.

## **9. Non-Compliance with Prescription on Principals, Board of Management and Committees' Terms of Services and Entitlement**

The institution Board of Management were paid allowances at rate of Kshs.4,000 per member. However, the School had not yet obtained guidelines on the payment of allowances from the Cabinet Secretary as provided in Section 63 of the Basic Education Act, 2013.

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, I confirm that nothing 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 Approved ICT Policy**

Review of the school ICT environment revealed that there was no formal approved ICT policy in place. Further, the School does not have a data security and disaster recovery plan in place. In addition, Management did not provide an ICT organization structure for audit review.

In the circumstances, the security and reliability of the School's data including the management information system could not be confirmed.

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

### **Responsibilities of Management and the Board of Management**

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

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

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

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

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

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control 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 noncompliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the 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 Management.
- Conclude on the appropriateness of the Management's use of 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 control that are identified during the audit.

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL


**Nairobi**

**20 January, 2025**

V. Statement Of Receipts And Payments Period To 30<sup>th</sup> June 2021

Description Of Vote Head	Note	Jan - June 2021	2020
		Kshs	
<b>Receipts</b>			
Capitation grants for tuition	1	1,467,509.25	-
Capitation grants for operations	2	10,059,979.75	-
School fund income- parents' contributions	3	11,208,987.00	-
School fund income- other receipts	4	13,065,556.00	-
<b>Total Receipts</b>		<b>35,802,032.00</b>	-
<b>Payments</b>			
Payments for tuition	5	1,430,000.00	-
Payments for operations	6	5,560,775.00	-
Boarding and school fund payments	7	23,281,562.00	-
<b>Total Payments</b>		<b>30,272,337.00</b>	-
<b>Surplus/Deficit</b>		<b>5,529,695.00</b>	

The school financial statements were approved on \_\_\_\_\_ 2021 and signed by:

  
.....

Name: Mr. David Chepkwony  
Chair BOM

Date: 20/6/2024

  
.....

Name: Mrs. Clara C. Mitei  
School Principal/ Secretary  
to BOM

Date: 20/6/2024

  
.....

Name: Jane Milgo  
Bursar/ Finance Officer

Date: 20/6/2024



VI. Statement Of Financial Assets And Financial Liabilities As At 30<sup>th</sup> June 2021

Description	Note	Jan - June 2021	2019-2020
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	12,167,219.92	-
Cash balances	9	23,568.30	-
Short term investment	10		
<b>Total cash and cash equivalent</b>		<b><u>12,190,788.22</u></b>	-
Account's receivables	10	3,660,358.00	-
<b>Total financial assets</b>		<b>15,851,146.22</b>	-
<b>Financial liabilities</b>			
Accounts payables	11	5,724,318.00	-
<b>Net financial assets</b>		<b>10,126,828.22</b>	-
<b>Represented by</b>			
Accumulated fund b/fwd	12	3,578,040.22	-
Surplus/deficit for the year		5,529,695.00	-
<b>Net financial position</b>		<b>9,107,735.22</b>	-

The school's financial statements were approved on \_\_\_\_\_ 2021 and signed by:

.....  
 Name: Mr. David Chepkwony

Chair BOM

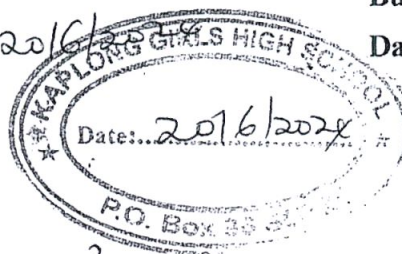
Date: 20/6/2021

.....  
 Name: Mrs. Clara C. Mitei  
 School Principal/ Secretary to  
 BOM

Date: 20/6/2021

.....  
 Name: Jane Milgo  
 Bursar

Date: 20/6/2021



VII. Statement of Cash Flows for The Period Ended 30<sup>th</sup> June 2021

Description	Notes	Jan – June 2021	2019-2020
		Kshs	Kshs
<b>Operating activities</b>			
<b>Receipts</b>			
Capitation grants for tuition	1	1,467,509.25	-
Capitation grants for operations	2	10,059,979.75	-
School fund income- parents contributions/ fees	3	11,208,987.00	-
School fund income- other receipts	4	13,065,556.00	-
<b>Total receipts</b>		<b>35,802,032.00</b>	-
<b>Payments</b>			
Payments for tuition	5	1,430,000.00	-
Payments for operations	6	5,560,775.00	-
Boarding and school fund payments	7	23,281,562.00	-
<b>Total payments</b>		<b>30,272,337.00</b>	-
<b>Net cash flow from operating activities</b>		<b>5,529,695.00</b>	-
<b>Cashflow from investing activities</b>			
<b>Net cash flows from investing activities</b>		-	-
<b>Cashflow from borrowing activities</b>			
<b>Net cash flow from financing activities</b>		-	-
<b>Net increase in cash and cash equivalents</b>		<b>5,529,695.00</b>	-
<b>Cash and cash equivalent at beginning of the year</b>		-	-
<b>Cash and cash equivalent at end of the year</b>		<b>5,529,695.00</b>	-

VIII. Statement Of Budgeted Versus Actual amounts for the six Months ended 30<sup>th</sup> June 2021

Receipt/Expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c%
	Kshs	Kshs			Kshs	Kshs
<b>Receipts</b>						
<b>(1) Capitation Grant on Tuition</b>						
Exercise Books	453,362.00	0	453,362	453,362.00	-	100.00%
Laboratory Equipment	660,379.50	0	660,380	660,379.50	-	100.00%
Teaching / Learning Materials	353,767.75	0	353,768	353,767.75	-	100.00%
<b>(2) Capitation Grant on Operations</b>						
Personnel Emoluments	1,763,469.12	0	1,763,469.12	1,763,469.12	0.00	100.00%
Repairs And Maintenance	881,733.56	0	881,733.56	881,733.56	0.00	100.00%
Local Transport / Travelling	1,175,645.75	0	1,175,645.75	1,175,645.75	0.00	100.00%
Electricity And Water	587,823.36	0	587,823.36	587,823.36	0.00	100.00%
M.I	4,181,750.00	0	4,181,750.00	4,181,750.00	0.00	100.00%
Administration Costs	1,469,557.96	0	1,469,557.96	1,469,557.96	0.00	100.00%
<b>(3) Fees Charged on Parents</b>						
Personnel Emoluments	4819448.00	0.00	4819448.00	3014165.00	580403.00	62.54%
Repairs And Maintenance	2409724.00	0.00	2409724.00	1507076.00	902648.00	62.54%
Local Transport / Travelling	3212966.00	0.00	3212966.00	2009498.00	4529733.00	62.54%
Electricity And Water	1606483.00	0.00	1606483.00	994605.00	611878.00	61.91%
M.I	5376400.00	0.00	5376400.00	846667.00	4529733.00	15.75%
Administration Costs	4016207.00	0.00	4016207.00	2511806.00	1504401.00	62.54%
Activity	905573.00	0.00	905573.00	325170.00	580403.00	35.91%
Fee On Boarding Equipment and Stores	14833304.00	0.00	14833304.00	12630964.00	2202340.00	85.15%
<b>Other Income</b>						
<b>Total Income</b>				19,089,873		

KAPLONG GIRLS HIGH SCHOOL

Reports and Financial Statements For the six months ended 30<sup>th</sup> 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
<b>(1) Expenditure For Tuition</b>						
Exercise Books	453362.00	0		280,000.00	173,362	61.76%
Laboratory Equipment	660,379.50	0		710,000.00	(49,621)	107.51%
Teaching / Learning Materials	353,767.75	0		440,000.00	86,232)	124.38%
<b>(2) Expenditure For Operations</b>						
Personnel Emoluments	1763469.12	0.00	1763469.12	3670104.00	-1906634.88	208.12%
Repairs, Maintenance & Improvements	881733.56	0.00	881733.56		881733.56	0.00%
Local Transport / Travelling	1175645.75	0.00	1175645.75	185420.00	990225.75	15.77%
Electricity, Water and Conservancy	587823.36	0.00	587823.36	430000.00	157823.36	73.15%
M.I	4181750.00	0.00	4181750.00	3900000.00	281750.00	93.26%
Administration Costs	1469557.96	0.00	1469557.96	955251.00	514306.96	65.00%
Activity Expenses	0	0.00	0	120000	-120000.00	
<b>(3) Expenditure For School Fund</b>						
Personnel Emoluments	4819448	0.00	4819448	2650043.00	2169405.00	54.99%
Repairs, Maintenance and Improvements	2409724.00		2409724.00	902190.00	1507534.00	37.44%
Local Transport / Travelling	3212966.00		3212966.00	1414665.00	1798301.00	44.03%
Electricity, Water and Conservancy	1606483.00		1606483.00	318200.00	1288283.00	19.81%
M.I	5376400.00	0.00	5376400.00	0.00	5376400.00	0.00%
Administration Costs	4016207.00		4016207.00	2454118.00	1562089.00	61.11%
Activity	905573.00		905573.00	35000.00	870573.00	3.86%
Boarding Equipment and Stores	14833304.00	0.00	14833304.00	10353157.00	4480147.00	69.80%
<b>Totals</b>						

## IX. Significant Accounting Policies

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

### 1. Statement of compliance and basis of preparation

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

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

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

### 2. Recognition of receipts and payments

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

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**Significant Accounting Policies (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

**X. Notes To The Financial Statements****1 Capitation Grant for Tuition**

Description	Jan – June 2021	2020
	Kshs	Kshs
Exercise Books	453,362.00	-
Laboratory Equipment	660,379.50	-
Teaching / Learning Materials	353,767.75	-
<b>Total</b>	<b>1,467,509.25</b>	<b>-</b>

**2 Capitation Grant for Operations**

Description	Jan – June 2021	2020
	Kshs	Kshs
Personnel Emoluments	1,763,469.12	-
Repairs And Maintenance	881,733.56	-
Local Transport / Travelling	1,175,645.75	-
Electricity And Water	587,823.36	-
M.I	4,181,750.00	-
Others	-	-
Administration Costs	1,469,557.96	-
<b>Total</b>	<b>10,059,979.75</b>	<b>-</b>

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

Description	Jan – June 2021	2020
	Kshs	Kshs
Personnel emoluments	3,014,165.00	-
Repairs and maintenance	1,507,076.00	-
Local transport / travelling	2,009,498.00	-
Electricity and water	994,605.00	-
M.I	846,667.00	-
Administration costs	2,511,806.00	-
Activity	325,170.00	-
<b>Total</b>	<b>11,208,987.00</b>	<b>-</b>

## Notes To The Financial Statements (Continued)

## 4 Other Receipts – School Fund Account

Description	Jan – June 2021	2020
	Kshs	
Fee On Boarding Equipment and Stores	12,630,964.00	-
Tenders	64,000.00	-
Operation Account	200,000.00	-
Fees Arrears	170,592.00	-
<b>Total</b>	<b>13,065,556.00</b>	<b>-</b>

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

## 5 Payments For Tuition

Description	Jan – June 2021	2020
	Kshs	
Exercise Books	280,000.00	-
Laboratory Equipment	710,000.00	-
Teaching / Learning Materials	440,000.00	-
<b>Total</b>	<b>1,430,000.00</b>	<b>-</b>

## Notes To The Financial Statements (Continued)

## 6 Payments For Operations

Description	Jan - June 2021	2020
	K.shs	
Personnel Emoluments	3,670,104.00	-
Administration Cost	955,251.00	-
Boarding Account	200,000.00	-
Local Transport / Travelling	185,420.00	-
Electricity And Water	430,000.00	-
Activity Expenses	120,000.00	-
Others		-
<b>Total</b>	<b>5,560,775.00</b>	-

## Notes To The Financial Statements (Continued)

## 7 Boarding And School Fund Payments

Description	Jan - June 2021	2020
	Kshs	
Personnel Emoluments	2,650,043.00	-
Repairs And Maintenance & Improvements	902,190.00	-
Local Transport / Travelling	1,414,665.00	-
Electricity And Water	318,200.00	-
Administration Costs	2,454,118.00	-
Activity	35,000.00	-
Creditors	4,995,939.00	-
Fee On Boarding Equipment and Stores	10,353,157.00	-
Tenders	85,000.00	-
Fees Refund	73,250.00	-
<b>Total</b>	<b>23,281,562.00</b>	-

## Notes To The Financial Statements (Continued)

## 8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	Jan – June 2021	2020
		Kshs	Kshs
Tuition Account	1105590283	(433.35)	(37,942.60)
Operations Account	1105595218	650,227.65	38,602.90
School Fund Account/Boarding	1105578089	1,413,100.62	(591,334.38)
Infrastructural Account	1139351192	10,104,324.00	6,204,450.00
<b>Total</b>		<b>12,167,219.92</b>	<b>5,613,755.92</b>

## 9 Cash In Hand

Description	Jan – June 2021	2020
	Kshs	Kshs
Tuition Account	1,170.00	1,170.00
Operation Account	2,884.85	15,304.85
School Fund account	19,513.45	11,769.45
<b>Total</b>	<b>23,568.30</b>	<b>28,244.30</b>

## Notes To The Financial Statements (Continued)

## 10 Accounts Receivable

Description	Jan – June 2021	2020
	Kshs	Kshs
Fees Arrears	3,660,358.00	5,624,601.60
<b>Total</b>	<b>3,660,358.00</b>	<b>5,624,601.60</b>

Description	Jan – June 2021	2019-2020
	Kshs	Kshs
Fees Arrears For Current Year	1,961,859.00	966,956.00
Fees Arrears For The Previous Year	796,364.00	
Fees Arrears For Prior Periods (Over Two Years)	902,135.00	
<b>Total</b>	<b>3,660,358.00</b>	<b>966,956.00</b>

## 11 Accounts Payable

Description	Jan – June 2021	2019-2020
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	4,435,953.00	10,153,132.50
Prepaid Fees	1,288,065.00	75,449.00
<b>Total</b>	<b>5,724,318.00</b>	<b>10,228,581.50</b>

Description	Jan – June 2021	2019-2020
	Kshs	Kshs
Trade Creditors for Current Year	4,113,703.00	5,410,786.00
Trade Creditors for The Previous Year	322,250.00	
Trade Creditors for Prior Periods (Over Two Years)	-	
<b>Total</b>	<b>4,435,953.00</b>	<b>5,410,786.00</b>

Notes To The Financial Statements (Continued)

12 Fund Balance Brought Forward

Description	Jan - June 2021	2019-2020
	KShs	KShs
Bank Balances	5,613,755.92	
Cash Balances	28,244.30	
Receivables	3,660,358.00	
Payables	5,724,318.00	
<b>Total</b>	<b>3,578,040.22</b>	

**Other important disclosure notes**

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non- financial assets and liabilities.

**13 Biological assets**

Description	Numbers	Jan – June 2021	2020
		Kshs	Kshs
Trees	300	300,000	
<b>Total</b>		<b>300,000</b>	

## Other important disclosure notes

## 14 Stock/ Inventory

Description	Jan – June 2021	2020
	Kshs	Kshs
<b>a) Inventory</b>		
Stock/ inventory at beginning of the year	1,864,424.00	1,580,694.00
Stock/ inventory purchased during the year	7,063,532.00	1,846,150.00
Stock/ inventory issued during the year	8,287,176.00	1,562,420.00
<b>Balance at end of the year</b>	<b>640,780.00</b>	<b>1,864,424.00</b>


15 Progress On Follow Up Of Auditor Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	SUNDRY CREDITORS	<ul style="list-style-type: none"> <li>• The BOM confirmed that all the creditors as at 31/12/2020 were already paid.</li> <li>• The BOM agreed to formulate internal policy to guide the school in ensuring old creditors are always cleared first before the new ones are considered for payment (FIFO method)</li> <li>• Finally all debts to be cleared on time to avoid any court litigation.</li> </ul>	<ul style="list-style-type: none"> <li>• Resolved</li> </ul>	
2.	SUNDRY CREDITORS	<ul style="list-style-type: none"> <li>• The BOM resolved to come up with mechanism and strategies for effective fees collection.</li> <li>• The BOM resolved to minimize accounts inter borrowing and if they occur refunds to be done before end of the year.</li> </ul>	<ul style="list-style-type: none"> <li>• Resolved</li> </ul>	

3.	FUNDED ACCOUNTS	<ul style="list-style-type: none"> <li>• BOM requested to ensure money for caution is refunded and for students with fees balances to be offset against their fees balances.</li> <li>• Dormant funded accounts balances are to be written off against the accumulated fund as they are no longer useful in the school</li> </ul>	<ul style="list-style-type: none"> <li>• Resolved</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
4.	OVERDRAWN ACCOUNTS	<ul style="list-style-type: none"> <li>• BOM resolved to improve in making sure that every project has a budget before it starts off.</li> <li>• BOM resolved to follow MOE guidelines as per dealing with uniforms is concerned.</li> </ul>	<ul style="list-style-type: none"> <li>• Resolved</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>
5.	BANK OVERDRAFT	<ul style="list-style-type: none"> <li>• BOM resolved that the money deposited in the accounts as prepayments should be recognized as fees for immediately school opens for next financial year.</li> <li>• No bank overdrafts agreement had been entered into during the year.</li> </ul>	<ul style="list-style-type: none"> <li>• Resolved</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

		<ul style="list-style-type: none"> <li>Overdrawn bank balance was effect of bank reconciliation statement items.</li> </ul>		
6.	INCOME AND EXPENDITURE ACCOUNT	<ul style="list-style-type: none"> <li>The BOM resolved to improve on all the budgeting and budgetary processes in the school.</li> <li>Mechanism for regular budget reviews was also agreed upon.</li> </ul>	<ul style="list-style-type: none"> <li>Resolved</li> <li>Resolved</li> </ul>	

  
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 Sign and Date  
 Principal



## Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 20XX	Outstanding Balance As at June 2021	Comments
	a	b	c	d-a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1. Tubcho Jommosons					139,970.00	Construction of a Classroom -RMI
2. Stacon Holdings					109,803.00	Construction of Staff Toilets -RMI
<b>Sub-Total</b>						
<b>Supply Of Goods</b>						
3. Kaplong Butchery					309,120.00	Supply of beef- BES
4. Micah Ruto					278,400.00	Supply of Milk -BES
5. Edwin Ngetich					198,000.00	Supply of firewood- BES
6. Salben Enterprises					448,000.00	Supply of Maize -BES
7. Simon Rotich					579,000.00	Supply of Rice -BES
8. Kibago Mansons					73,647.00	Supply of Fruits -BES
9. Clark & Tee Supplies Ltd.					314,030.00	Supply Kitchen Stuff- BES
10. Adakim Chemist					20,383.00	Supply of pharmaceuticals -BES
11. Isuldewan Stores					388,800.00	Supply of Beans -BES
12. Gilfeeds Enterprises					388,800.00	Supply of Bakery accessories- BES
13. Ridge Power International					28,450.00	Supply of electrical item EWC
14. Soleek Hardware					94,400.00	Supply of Hardware materials RMI

KAPLONG GIRLS HIGH SCHOOL

Reports and Financial Statements For the six months ended 30<sup>th</sup> June 2021

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 20XX	Outstanding Balance As at June 2021	Comments
<b>Sub-Total</b>						
<b>Supply Of Services</b>						
15. Dowel Engineering					225,000.00	Provision of Exhaustion Services- <b>BES</b>
16. Robco Office Supplies					297,500.00	Maintence of computers and its Accessories – <b>ADM COST</b>
17. Catholic Parish Kaplong					312,000.00	Hire of their buildings - <b>BES</b>
18. Deemro Enterprises					61,100.00	Maintenace of Eletricalls - <b>EWC</b>
19. Sito Security					90,000.00	Provision of Security Secrvices
20. Seculance Systems					227,100.00	Installation and Maintenace of CCTV - <b>ADM COST</b>
<b>Sub-Total</b>						
<b>Grand Total</b>						

## Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2021
Land 1	3.8.1994	Kaplong	13,000,000.00			13,000,000.00
Land 2	25.5.2005	Kaplong	1,800,000.00			1,800,000.00
Land 3	20.11.2008	Kaplong	6,500,000.00			6,500,000.00
Buildings And Structures		Kaplong	64,000,850.00			64,000,850.00
Motor Vehicles	2010	Kaplong	6,000,000.00			6,000,000.00
Office Equipment, Furniture And Fittings		Kaplong	16,500,000.00	1,000,000.00		17,500,000.00
ICT Equipment, And Other ICT Assets		Kaplong	12,650,000.00			12,650,000.00
Textbooks		Kaplong	11,000,000.00			11,000,000.00
Other Machinery And Equipment		Kaplong	2,500,000.00			2,500,000.00
Intangible Assets- Soft Ware		Kaplong	800,000.00			800,000.00
<b>Total</b>			<b>134,750,850.00</b>	<b>1,000,000.00</b>		<b>135,750,850.00</b>

Note: The above is the best estimate of the fixed assets currently by the management.