

REPUBLIC OF KENYA



Enhancing Accountability



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REPORT

NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 JUN 2025

DAY.

Wednesday

OF

TABLED
BY:

Hon. Owen Bayo, MP
Deputy Majority Leader

CLERK-AT
THE-TABLE:

Worrala

THE AUDITOR-GENERAL

ON

THE HILL SCHOOL GIRLS - ELDORET

**FOR THE YEAR ENDED
30 JUNE, 2024**

UASIN GISHU COUNTY

The Hill School Girls – Eldoret
Reports and financial statements
For the year ended 30th June 2024



THE HILL SCHOOL GIRLS- ELDORET
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

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List of Acronyms Names

- | | | |
|----------------|---|--|
| 1. BOM | - | Board of Management |
| 2. CBC | - | Competency Based Curriculum |
| 3. CEB | - | County Education Board |
| 4. CDF | - | County Development Function |
| 5. IPSAS | - | International Public Sector Accounting Standards |
| 6. KCSE | - | Kenya Certificate of Secondary Education |
| 7. M&I Account | - | Maintenance and Infrastructure Account. |
| 8. MOE | - | Ministry of Education |
| 9. PA Levies | - | Parent's Association levies |
| 10.PSAB | - | Public Sector Accounting Standards Board |

1. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Uasin Gishu County, Kesses Sub-County.

The school was registered in 10/12/2020 under registration number 27s30000549 and is currently categorized as a Extra County Public School established, owned or operated by the Government.

The school is boarding school and had 716 number of students as at 30th June 2024. It has 15 streams and 36 teachers of which 8 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:

1.	Dr. Dorcas Serem	Chairman	14/06/2022
2.	Mrs. Anastasia Tirop	Secretary- Principal	14/06/2022
3.	Mr. Naphtali Chesubei	Member	14/06/2022
4.	Mr. Mark Kemei	Member	14/06/2022
5.	Mr. Benard Kibet	Member	14/06/2022
6.	Ms. Hannah Irungu	Member	14/06/2022
7.	Mrs. Alice Sitienei	Member - Rep CEB	14/06/2022
8.	Mrs. Ann Tum	Member Rep Teachers	14/06/2022
9.	Mrs. Monica Metto	3 Members - Sponsor	14/06/2022
10.	Dr. Pacifica Mining	3 Members - Sponsor	14/06/2022
11.	Mr. Geofrey Letting	3 Members - Sponsor	14/06/2022
12.	Mr. Isaac Maiyo	Member Special Needs	14/06/2022
13.	Mr. Abraham Kemboi	Member	14/06/2022
14.	Valary Loice	Rep Students	14/06/2022

The functions of the School Board of Management are to:

- 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 paragraph 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	1. Dr. Dorcas Serem 2. Mrs. Annastasia Tirop 3. Mr. Abraham Kemboi 4. Mr. Bernard kibet	Chair Member Member Member	4 4 4 4
2	Audit Committee	1. Mr. Geoffrey letting 2. Mr. Abraham kemboi 3. Mr. Mark Kemei 4. Dr. Pacifica Mining	Chair Member Member Member	1 1 1 1
3	Finance, procurement and general purposes Committee	1. Mrs. Monica Metto 2. Mr. Naphtali Chesubei 3. Mr. Abraham kemboi 4. Mr. Mark Kemei	Chair Member Member Members	4 4 4 2
4	Academic Committee	1. Mr. Abraham Kemboi 2. Dr. Pacifica Mining 3. Mr. Benard Kibet 4. Mr. Naphtali Chesubei	Chair Member Member Member	3 3 3 3
5	Development Committee	1. Mr. Abraham Kemboi 2. Mrs. Annastasia Tirop 3. Mr. Geoffrey Letting 4. Mrs. Dorcas Serem 5. Mrs. Rop Jemimah 6. Mrs. Alice Sitienei	Chairperson member Member Member Member SCDE	4 4 4 4 4 4
6	Discipline and welfare Committee	1. Mrs. Pacifica Mining 2. Mr. Geoffrey Letting 3. Mr. Isaac Maiyo 4. Ms. Hannah Irungu 5. Mrs. Lydiah Odep	Chair Member Member Member Member	4 4 3 4 4
7	Adhoc Committee (if any during the year)	-	-	-

(d) School operation Management

For the financial year ended 30th June 2024 the School day-to-day management was under the following persons:

No.	Designation	Name	Identification
1	Principal	Mrs. Annastasia Tirop	TSC No. 321811
2	Deputy Principal	Ms. Annette Nafula Oggema	TSC No.351155
3	School Bursar	Ms. Judice Malel	ICPAK No.19564

(e) Schools contacts

Post Office Box: 7473-30100
Telephone: 0794794192
E-mail: hillschoolgirl@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

The school operate six number of bank accounts in the following banks:

1. Name of Bank: Kenya Commercial Bank
Branch: Eldoret
Account number: 1102444928
School Fund and other monies account
2. Name of Bank: Kenya Commercial Bank
Branch: Eldoret
Account number: 1102449091
Tuition Account
3. Name of Bank: Kenya Commercial Bank
Branch: Eldoret
Account number: 1107750709
Operation Account
4. Name of Bank: Kenya Commercial Bank
Branch: Eldoret
Account number: 1211009165
M & I Account
5. Name of Bank: Kenya Commercial Bank
Branch: Eldoret
Account number: 1129707407
CDF Account

6. Name of Bank: Kenya Commercial Bank
Branch: Eldoret
Account number: 1108729355
Saving Account

(g) Independent Auditors

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

2. Summary Report of Performance of The School

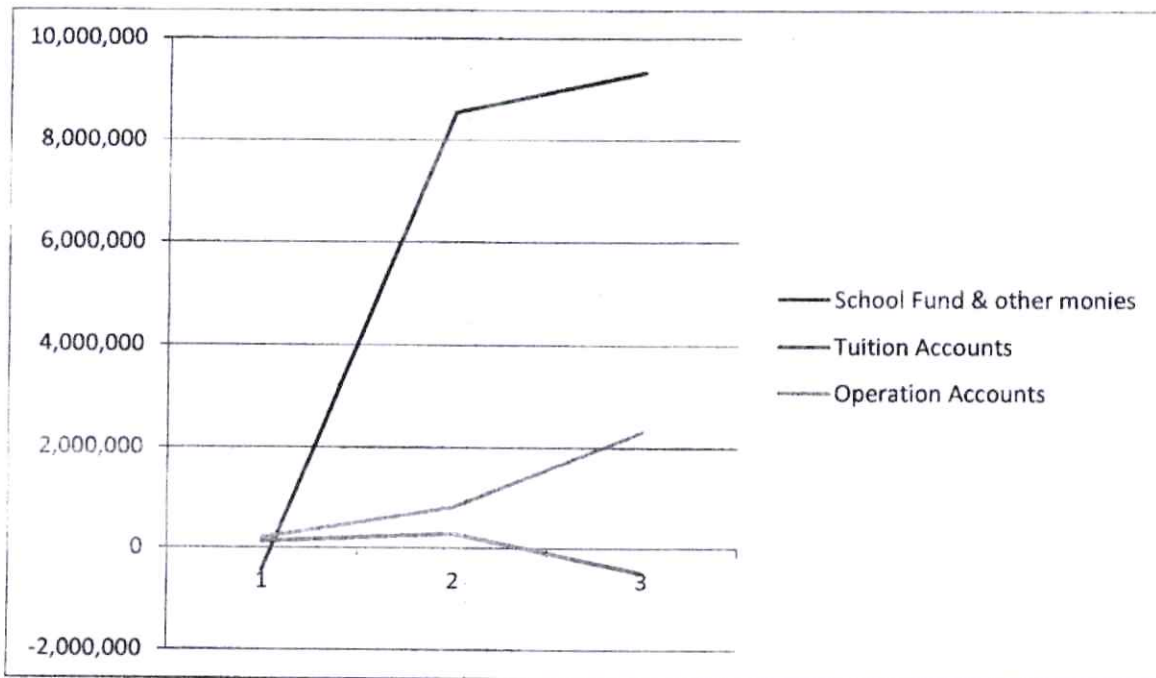
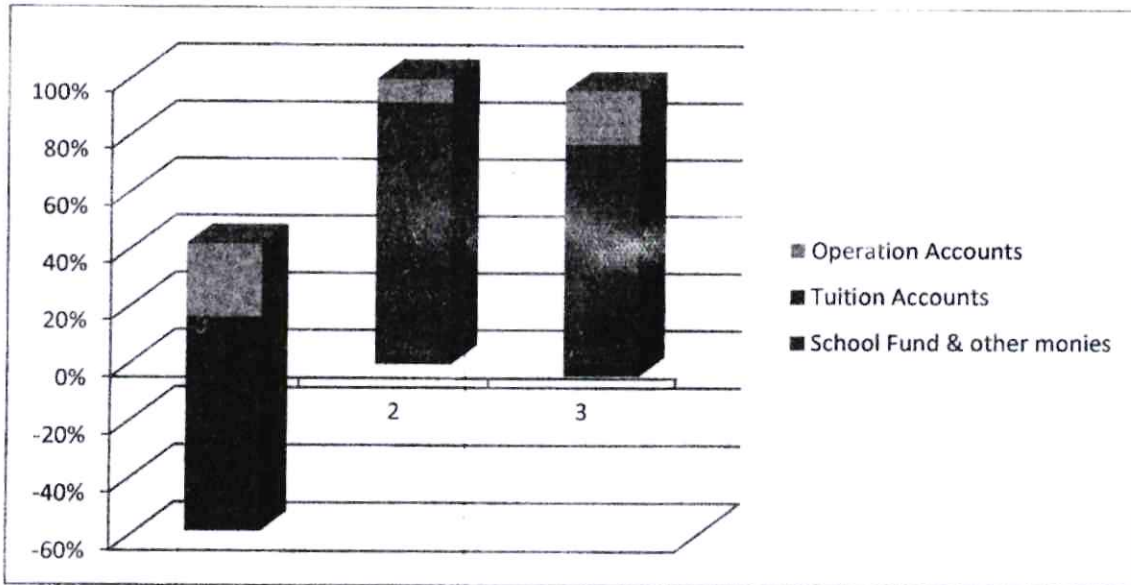
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

(i) Surplus/Deficit

Account	2024	2023	2022
School Fund & other monies	-439,984	8,536,903	9,319,722
Tuition Accounts	121,310	286,031	-485,326
Operation Accounts	196,615	816,237	2,316,154
Totals	-122,059	9,639,171	11,150,560

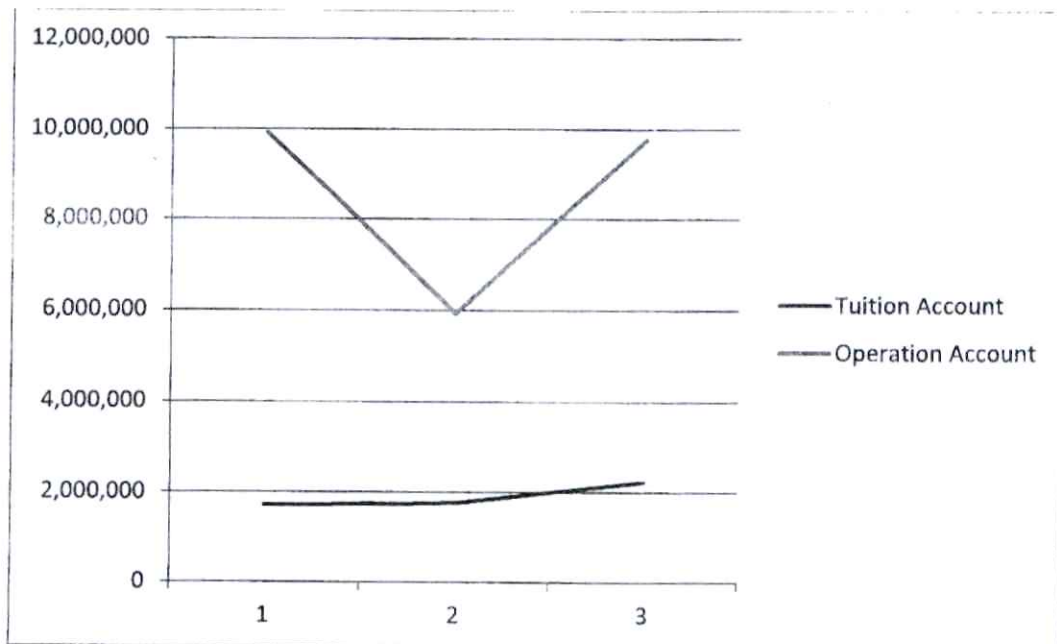
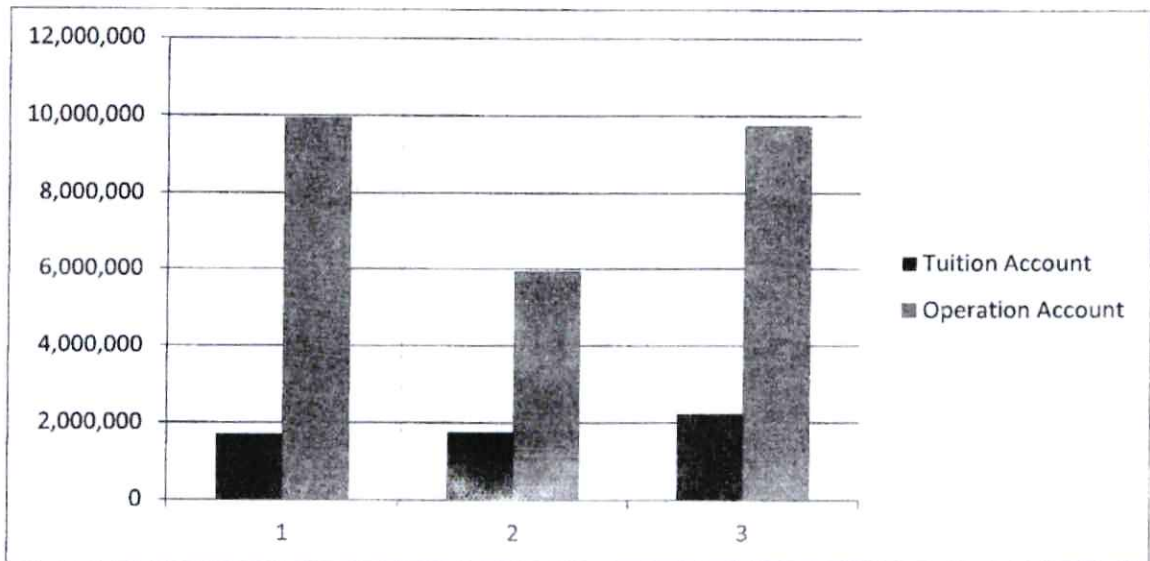
TREND OVER THE LAST THREE YEARS



The surplus for the year 2024 decrease by Kshs. 8,238,771 from a surplus of Kshs.9,639,171 in the year 2023.

ii) Capitation Grants

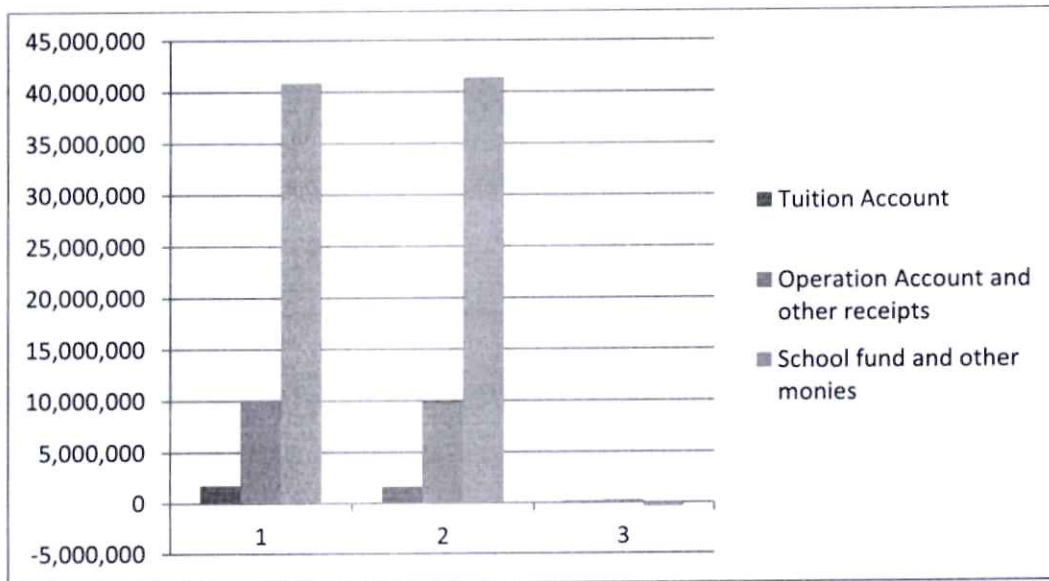
Account	2024	2023	2022
Tuition Account	1,714,102	1,761,993	2,227,949
Operation Account	9,932,031	5,919,132	9,749,081
Total	11,646,131	7,681,125	11,977,030

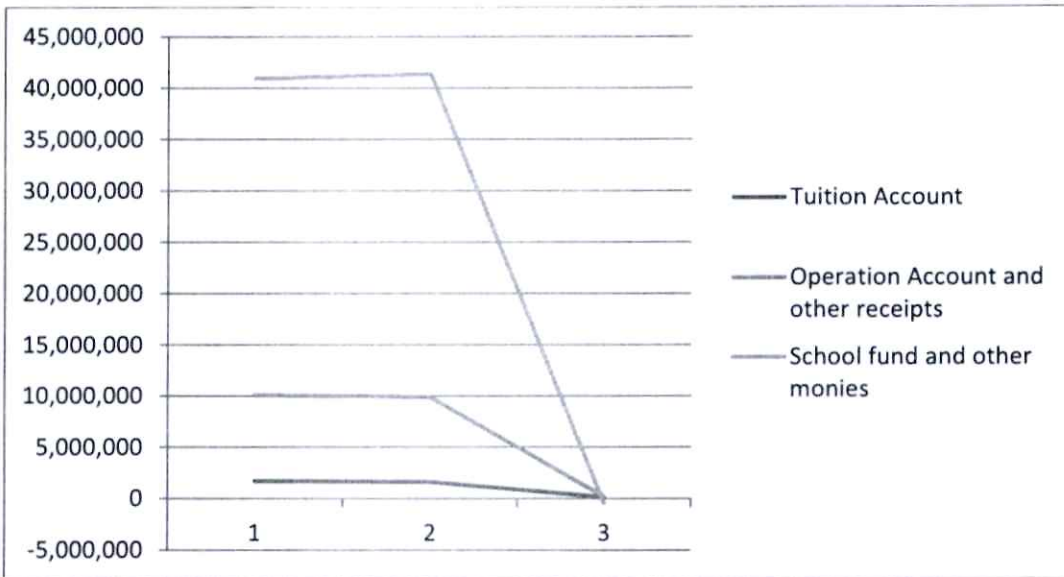


iii) Income and Expenditure Accounts

2024

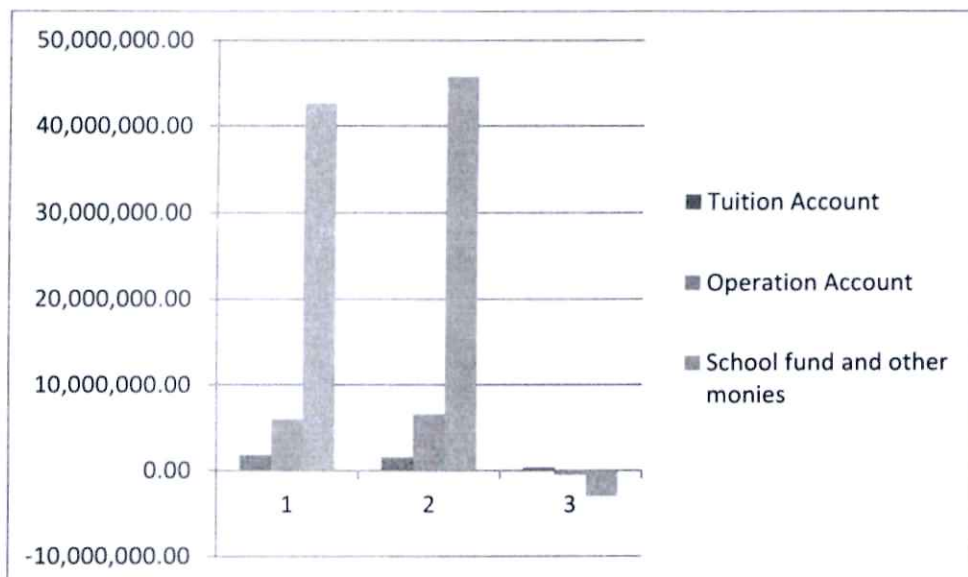
Account	Income	Expenditure	Surplus/ Deficit
Tuition Account	1,714,102	1,592,792	121,310
Operation Account and other receipts	10,074,948	9,878,333	196,615
School fund and other monies	40,903,116	41,343,100	-439,984
TOTAL	52,692,166	52,814,225	-122,059

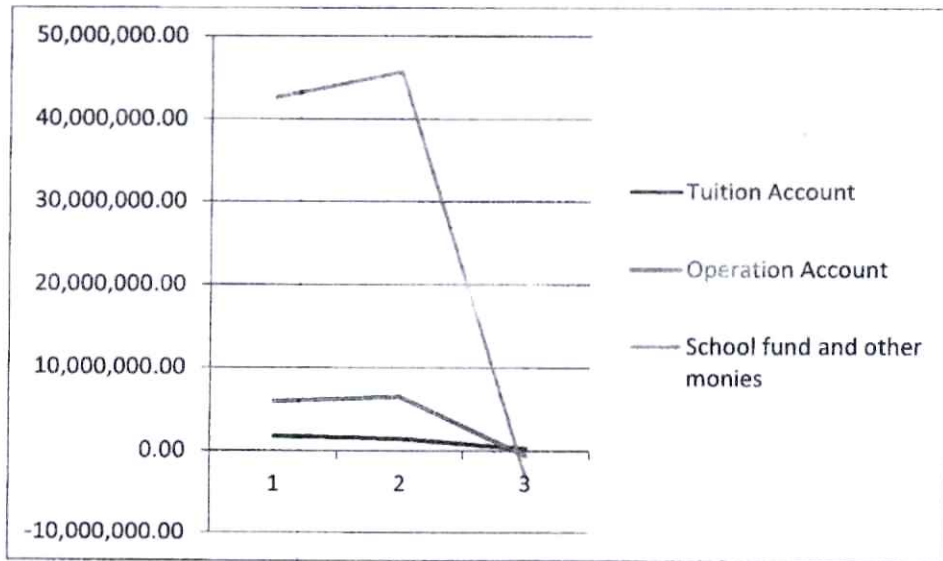




2023

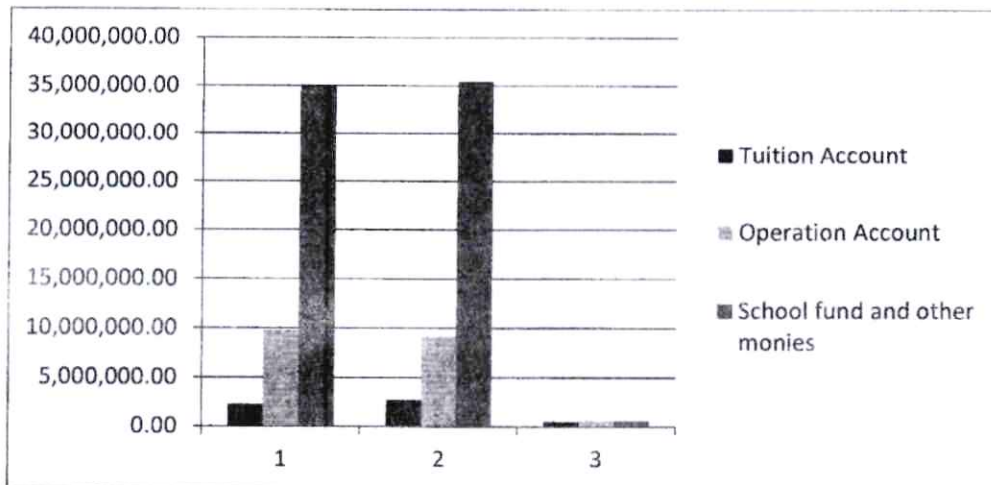
Account	Income	Expenditure	Surplus/ Deficit
Tuition Account	1,761,993	1,475,962	286,031
Operation Account	5,919,132	5,102,895	816,237
School fund and other monies	54,227,802	45,690,899	8,536,903
TOTAL	61,908,927	52,269,756	9,639,171

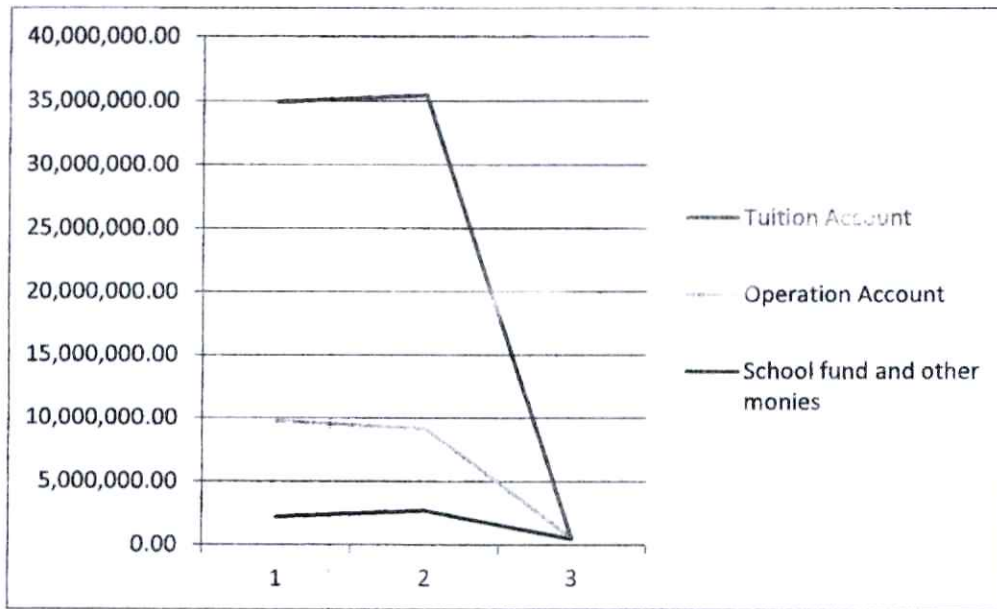




2022

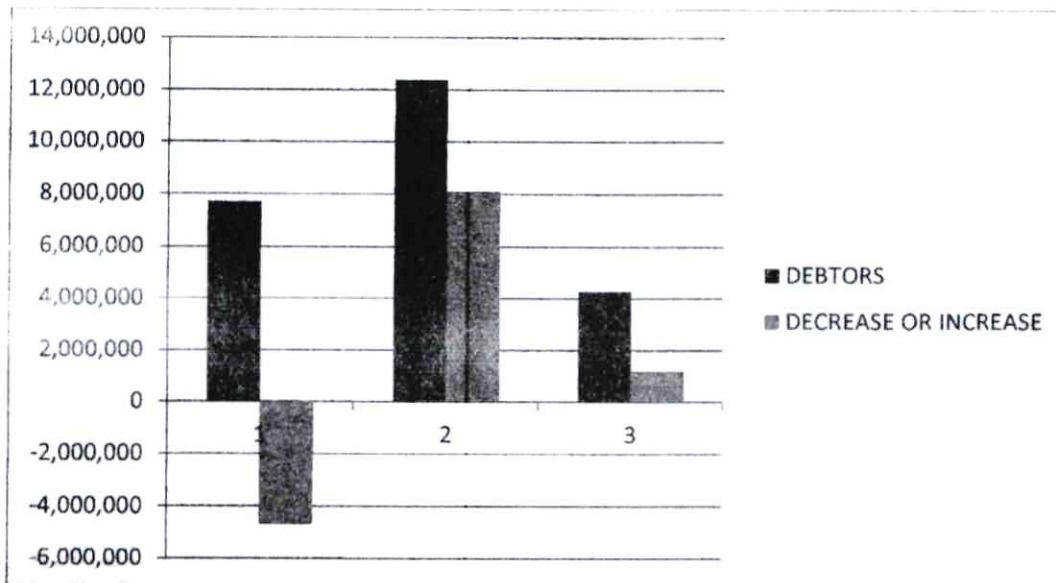
Account	Income	Expenditure	Surplus/ Deficit
Tuition Account	2,227,949	2,713,275	-485,326
Operation Account	9,749,081	7,432,927	2,316,154
School fund and other monies	44,778,061	35,458,329	9,319,732
TOTAL	56,755,091	45,604,531	11,150,560

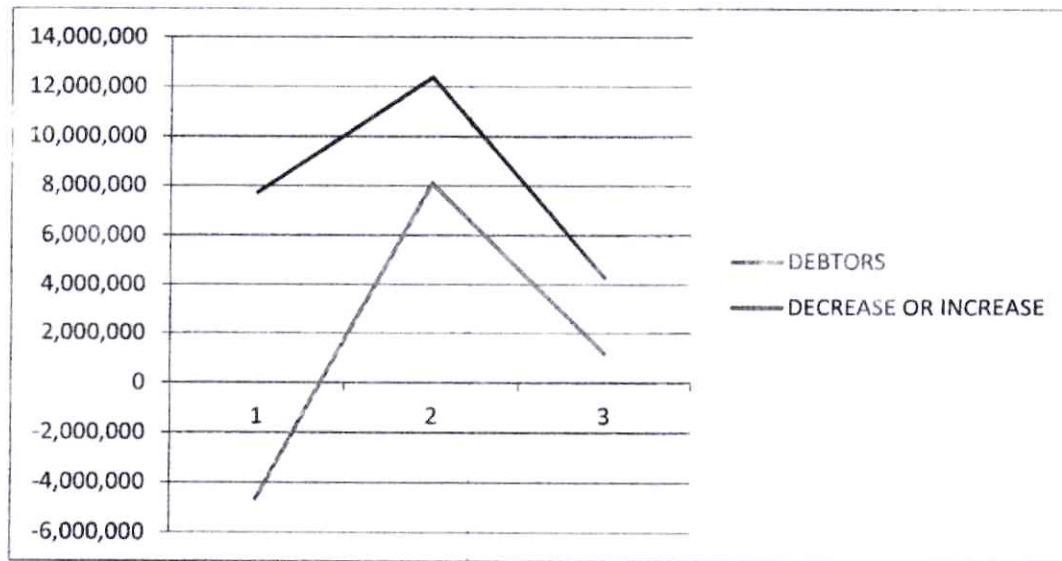




IV) Movement of Debtors Of The School

SCHOOL FUND	2024	2023	2022
DEBTORS	7,711,453	12,366,734	4,278,7
DECREASE OR INCREASE	-4,655,281	8,088,012	1,173,649

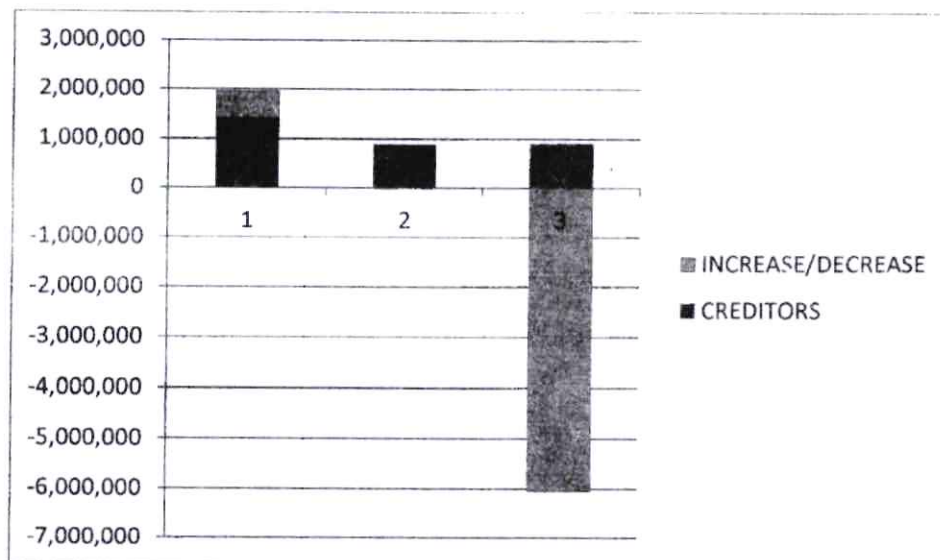


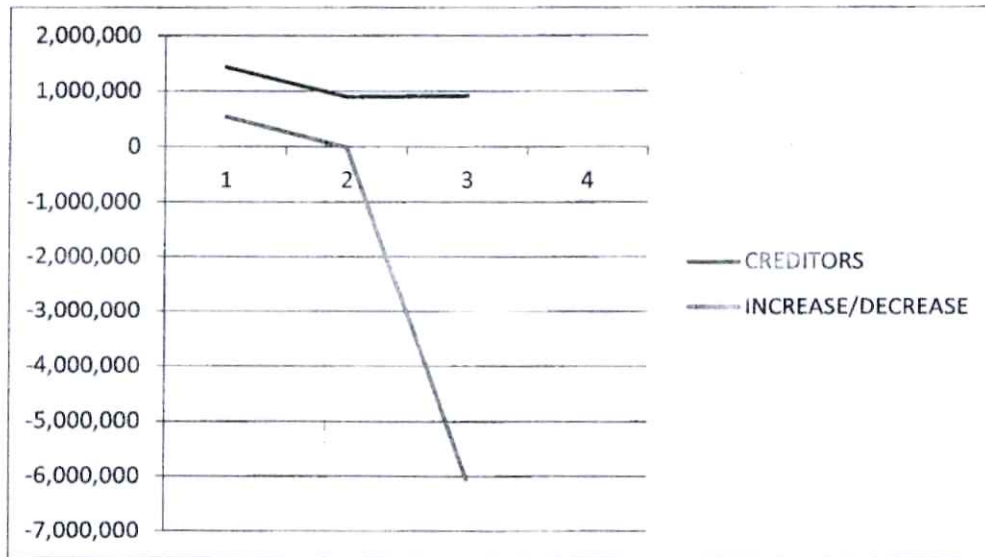


Total debtors as at 30th June 2024 decreased by 6% 12,366,734 to 7,711,453 as at the end of financial year 2024. This is because of the hard economic times leading to poor payment of fee.

v) Movement of Creditors of the School

SCHOOL FUND ACCOUNT	2024	2023	2022
CREDITORS	1,426,814	892,359	908,214
INCREASE/DECREASE	534,455	-15,855	-6,047,641





b) Teacher Student ratio:

a. Teacher Student Ratio

The teacher student ratio of the school was 1:32 which is favorable. The teachers have easy time to monitor the academic performance of every student.

b. Mean Score in the 2023 K.C.S.E

A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	ENTRY	MEAN
0	0	2	2	24	23	32	41	38	13	2	0	180	5.519

The Number of Students Transiting to Higher Institutions

KCSE	ENTRY	C+ AND ABOVE	PERCENTAGE OF TRANSITION
2023	180	51	28.33%
2022	156	68	44%
2021	157	65	41%

c. Number of candidates for the last four years K.C.S.E

YR	A	A-	B+	B	B-	C+	C	C-	D+	D	D-	E	X	Y	ENT	MEAN GRD	GRD
2023	0	0	2	2	24	23	32	41	38	13	2	0	0	0	180	5.519	C
2022	0	0	0	7	27	34	51	30	4	3	0	0	0	0	156	6.40	C
2021	0	0	4	9	12	20	41	35	11	4	0	0	1	0	156	6.22	C
2020	0	0	2	10	13	21	37	28	14	1	0	0	4	0	126	6.2	C

d. Capacity of the school:

The Justification is endowed with the following facilities

- a. Land 20 Hectares
- b. Classrooms 15
- c. Laboratory 3
- d. Library 0
- e. Kitchen 0
- f. Dining Hall 0
- g. Vehicles 2
- h. Plants 1
- i. Staff houses 4
- j. Dormitory 1
- k. Ablution Block 24
- l. Administration Block 0
- m. Stores 0

The institution doesn't have several infrastructures in place. The school management should improve or introduce those areas that are not there. We noted that the school is still sharing facilities with the primary of which it should not be the case. The school should be autonomous

c) Development projects carried out by the school:

CBC classrooms	MOE	completed	1,576,440	1,576,440	Completed
4stored class rooms	MI	Completed	9,500,900	9,425,040	Completed

A.N Oggema
.....
School Principal

3. 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 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 The Hill School Girls- Eldoret 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, 2024, and of the school's financial position as at that date.

.....


Name: DORCAS SERENI
Designation: Chairman, School Board of Management
Date: 15/5/2025

.....


Name: Annette Oggema
Designation: School Principal & Secretary to Board of Management
Date: 15/May/2025

.....


Name: JUDGE MAKEL
Designation: Bursar/ Finance Officer
Date: 15/5/2025

REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON THE HILL SCHOOL GIRLS – ELDORET FOR THE YEAR ENDED 30 JUNE, 2024 - UASIN GISHU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of The Hill School Girls – Eldoret - Uasin Gishu County set out on pages 1 to 19, which comprise of the statement of assets

Report of the Auditor-General on The Hill School Girls – Eldoret for the year ended 30 June, 2024 - Uasin Gishu County

and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of budget 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 Hill School Girls – Eldoret - Uasin Gishu County as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.4,000,299 comprising of bank accounts balance of Kshs.3,992,460 and cash balances of Kshs.7,839 as disclosed in Notes 8 and 9 to the financial statements. The bank accounts balance of Kshs.3,992,460 includes KCB Bank Savings Account with a balance of Kshs.625,719. However, the cash book for the same account reflects a balance of Kshs.1,161,444 resulting to a variance of Kshs.535,725 which was not explained or reconciled.

In the circumstances, the accuracy of cash and cash equivalents balance of Kshs.4,000,299 could not be confirmed.

2. Inaccuracies in the Statement of Cash flows

The statement of cash flows reflects cash and cash equivalents at the end of the financial year of Kshs.3,785,676. However, the statement of financial position reflects cash and cash equivalents balance of Kshs.4,000,299 resulting to an unexplained and unreconciled variance of Kshs.214,623.

In the circumstances, the accuracy of statement of cash flows could not be confirmed.

3. Inaccuracies in Accounts Receivable Balance

The statement of assets and liabilities reflects accounts receivable balance of Kshs.7,711,453 as disclosed in Note 10 to the financial statements which relates to school fees arrears as at 30 June, 2024. However, the supporting schedules provided totaled to Kshs.10,503,261 resulting to an unexplained variance of Kshs.2,791,808. Further, the balance was not supported with an ageing analysis.

In the circumstances, the accuracy, completeness and recoverability of the accounts receivable balance of Kshs.7,711,453 could not be confirmed.

4. Accounts Payable

The statement of assets and liabilities reflects an accounts payable balance of Kshs.1,426,814 which, as disclosed in Note 11 to the financial statements, relates to prepaid school fees as at 30 June, 2024. However, the supporting schedules provided totaled to Kshs.1,509,805 resulting to an unexplained variance of Kshs.82,991. Further, the balance was not supported with an ageing analysis.

In the circumstances, the accuracy and completeness of the accounts payable balance of Kshs.1,426,814 could not be confirmed.

5. Inaccuracies in the Statement of Budget Versus Actual Amounts

The statement of budget versus actual amounts reflects final receipts budget and actual amounts on comparable basis of Kshs.43,919,170 and Kshs.36,807,338 respectively. However, a recast of the receipts amounts revealed final budgeted receipts of Kshs.55,794,512 and actual receipts of Kshs.48,682,680 resulting to variances of Kshs.11,875,342 and Kshs.11,875,342, respectively.

Further, the statement of budget versus actual amounts reflects total actual expenditure against actual receipts of Kshs.52,812,225 and Kshs.36,807,338 respectively. However, a recast of the amounts revealed total actual expenditure of Kshs.52,782,225 and actual receipts of Kshs.48,682,680 resulting to variances of Kshs.30,000 and Kshs.11,875,342, respectively.

In addition, actual receipts and actual payments of Kshs.36,807,338 and Kshs.52,812,225 respectively disclosed in the statement of budget and actual amounts differed with the actual receipts and actual payments of Kshs.52,692,166 and Kshs.52,814,225 respectively reflected in statement of receipts and payments.

Similarly, the audit established that the budgeted amount for Kshs.43,919,170 and actual receipt amounts of Kshs.36,807,338 reflected in the statement of budget versus actual amounts were not in agreement with the approved budget for the School which reflects receipts and expenditure budget amounts of Kshs.54,204,560 and Kshs.53,964,560 respectively.

In addition, the approved school budget was not balanced contrary to Regulation 33 (c) of the Public Finance Management (National Government) Regulations, 2015 that states that unless provided otherwise in the Act, these Regulations or any other guidelines developed in furtherance of the Act or these Regulations, the following guidelines shall be observed at all times during budget formulation and approval, budget shall be balanced; and therefore, the estimated receipt did not tally with the estimated expenditure.

In the circumstances, the accuracy, validity and completeness of the statement of budget versus actual amounts could not be confirmed.

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Hill School Girls – Eldoret – Uasin Gishu 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 a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budget versus actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.43,919,170 and Kshs.36,807,338 respectively resulting to an under-funding of Kshs.7,111,742 or 16% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in the Use of Public Resources and Report on the Effectiveness in Internal Controls, Risk Management and Governance. However, no report or recommendations from the Management of the School and oversight bodies were submitted for audit verification. Therefore, the issues remain unresolved contrary to Section 68(2)(l) of the Public Finance Management Act, 2012 which require accounting officers designated for National Government entities to try to resolve any issues resulting from an audit that remain outstanding.

Other Information

Management is responsible for the other information set out on pages (ii) to (xvii) which comprise of the List of Acronyms Names, Key School Information and Management, Summary Report of Performance of the School and Statement of School Management

Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements to the Auditor-General

The Management submitted the School's financial statements for audit to the Auditor-General on 25 March, 2025, six (6) months after the statutory deadline of 30 September, 2024. This was contrary to Section 68(2)(k) of Public Finance Management Act, 2012 which requires an accounting officer to prepare annual financial statements for each financial year within three months after the end of the financial year, and submit them to the Controller of Budget and the Auditor-General for audit, and in the case of a National Government entity, forward a copy to the National Treasury. Further, Section 47(1) of the Public Audit Act, 2015 requires that financial statements be submitted to the Auditor-General within three months after the end of the fiscal year to which those accounts relate.

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

2. Under-Funding of Government Grants

The statement of receipts and payments reflects Government grants for tuition and Government grant for operations of Kshs.1,714,102 and Kshs.9,932,031 respectively, all totaling to Kshs.11,646,133. The National Education Management Information System (NEMIS) data for the students in the School indicated that the School had a total of seven hundred and twenty-six (726) learners during the financial year under review. The Ministry of Education Circular Ref: MOE.HQS 3/13/3 dated 16 June, 2021 stipulated that the capitation to schools was based at a rate of Kshs.22,244 per learner, implying that

the School expected to receive Government capitation amount of Kshs.16,149,144 during the financial year 2023/2024, leading to an underfunding of Kshs.4,503,012.

In the circumstances, the School was under-funded by an amount of Kshs.4,503,012 and this affected the planned activities of the School.

3. Non-Compliance with Law on Ethnic Diversity

Review of the School's payroll and human resource records revealed that the Board of Management had employed a total of thirty-five (35) staff members. Out of these, twenty-eight (28), representing 80%, were from the dominant community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which requires that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of its establishment from the same ethnic community.

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

4. Failure to Prepare School Improvement Plan

During the year under review, the School operated without an approved School Improvement plan, contrary to Section 2.2 of the Ministry of Education Operational 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 (4) key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the law

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The Standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Land Ownership Documents

Annex 2 of the financial statements reflects a summary of the fixed asset register, which discloses fixed assets balance of Kshs.589,984,434. This amount represents the total value of the School's fixed assets as at 30 June, 2024, and includes land valued at Kshs.432,582,954. However, the School did not provide a title deed for the land for audit review. Management explained that the delay in obtaining the title deed was due to an ongoing land ownership dispute with the Hill Primary School and the that the exact size of the land had not yet been determined.

In addition, page XIV to the financial statements indicates that the School owned 20 hectares of land. However, the letter of allotment provided for review indicate the size of land to be 9.10 hectares. Further, supporting documents provided for audit review and endorsed by the School's Principal dated 30 October, 2020 indicates that the land size is 22 acres.

In the circumstances, the ownership and size of school land could not be confirmed.

2. Failure to Dispose Obsolete Assets

During the meeting held at the Centre for Mathematics, Science and Technology Education in Africa (CEMASTEA) on 15 October 2024, the Assets Disposal Committee identified assets for disposal. However, physical verification conducted on 15 April, 2025 revealed that the assets identified for disposal had not been disposed and were still lying in the store. This was contrary to Regulation 176(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that an accounting officer of a procuring entity shall ensure that an annual assets disposal plan is prepared of items declared as unserviceable, surplus or obsolete, obsolescence stores, asset or equipment as set out under Section 53(4) of the Act.

In the circumstances, the existence of controls over assets disposal could not be confirmed.

3. Weak Internal Controls

During the year under review, Management did not have in place the following policy documents and function;

- i) An approved human resources policy, manual, scheme of service and staff establishment to guide on staffing levels and human resources management.
- ii) Finance policy and manual to guide on accounting and financial management.
- iii) Information communication technology (ICT) policy to guide on the Management of the School's ICT.

- iv) Internal audit function in place to independently review its systems and processes and to offer assurance and advisory support to Management.

This was contrary to Regulation 165 of the Public Finance Management (National Government) Regulations, 2015 which requires that the accounting officer shall ensure that the National Government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, it was not possible to confirm the existence and effectiveness of internal controls in the School.

4. Management of Text Books and the School Library

Review of the School's Library revealed that it had inadequate space for both textbook storage and student study activities. As a result of the limited space, textbooks were stored in boxes rather than on shelves, increasing the risk of damage, wear and tear.

Further, records maintained by the Librarian indicated a total of ten thousand, nine hundred and twenty-four (10,924) textbooks. However, no physical stock take was conducted during the year under review.

In the circumstances, accuracy of the recorded textbook inventory and the ability of the School to safeguard and fully account for the textbooks in the School Library could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

27 May, 2025

5. Statement Of Receipts and Payments For the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024 Kshs	2022-2023 Kshs
Receipts			
Government grants for tuition	1	1,714,102	1,761,993
Government grants for operations	2	9,932,031	5,919,132
School fund income- parents' contributions	3	40,682,413	52,657,229
School fund income- other receipts	4	220,703	1,570,573
Operation-other receipts		142,917	
Total Receipts		52,692,166	61,908,927
Payments			
Tuition	5	1,592,792	1,475,962
Operations	6	9,878,333	5,102,895
Boarding and school fund	7	41,343,100	45,690,899
Total Payments		52,814,225	52,269,756
Surplus/Deficit		-122,059	9,639,171

The school financial statements were approved on 13/05/2025 and signed by:

.....
Name: DORCAS SOROM

Chair BOM

Date: 13/5/2025

.....
Name: Annette Oggema

School Principal/ Secretary to BOM

Date: 13/5/2025

.....
Name: JUDICE MATEL

Bursar/ Finance Officer

Date: 13/5/2025

6. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	3,992,460	9,081,263
Cash balances	9	7,839	16,208
Total cash and cash equivalent		4,000,299	9,097,471
Account's receivables	10	7,711,453	12,366,734
Total financial assets		11,711,752	21,464,205
Financial liabilities			
Accounts payables	11	1,426,814	892,359
Net financial assets		10,284,938	20,571,846
Represented by			
Accumulated fund b/f	12	10,406,998	10,932,675
Surplus/deficit for the year		-122,059	9,639,171
Net financial position		10,284,938	20,571,846

The school's financial statements were approved on 13/05/2025 and signed by:

.....
Name: DODDAS SIKEM

Chair BOM

Date: 13/5/2025

..... A.N. Daggema
Name: Annette Daggema

School Principal/ Secretary to BOM

Date: 13/5/2025

.....
Name: JUDICE MALEH

Bursar/ Finance Officer

Date: 13/5/2025

7. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023-2024	2022/2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,714,102	1,761,993
Government grants for operations		9,932,031	5,919,132
School fund income- parents' contributions		40,682,413	52,657,229
School fund income- other receipts		220,703	1,570,573
Operations- other receipts		142,917	
Total receipts		52,692,166	61,908,927
Payments			
Cash outflows for tuition		1,592,792	1,475,962
Cash outflows for operations		9,878,333	5,102,895
Cash outflows Boarding/lunch and school fund payments		41,343,100	45,690,899
Total payments		52,814,225	52,269,756
Net cash inflow/outflow from operating activities		-122,059	9,639,171
Adjustment			
Increase in Account Receivables		(4,655,281)	(8,088,012)
Decrease in Accounts Payable		(534,455)	(15,855)
		-5,189,736	-8,103,867
Cash flow from investing activities			-
Acquisition of assets			
Proceeds from sale of Assets			
Net cash inflow/outflows from investing activities			
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		-5,311,795	1,535,304
Cash and cash equivalent at beginning of the FY		9,097,471	7,562,167
Cash and cash equivalent at end of the FY		3,785,676	9,097,471

The school's financial statements were approved on 13/05/2025 and signed by:

.....
 Name: DORCAS SEREM
 Chair BOM
 Date: 13/5/2025

.....
 Name: Annette Dggemg
 School Principal/ Secretary to
 BOM
 Date: 13/5/2025

.....
 Name: JUDICE MAHEI
 Bursar/ Finance Officer
 Date: 13/5/2025

The Hill School Girls -Eldoret
Annual Report and Financial Statements For the year ended 30th June 2024

8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

Receipts	Original Budget	Adjustments	Final Budget	Actual Or Comparable Base	Budget utilization difference	% Of utilization
(1) Capitation Grant on Tuition						
Textbooks and reference materials	-		-	-	-	-
Reference Materials	-		-	-	-	-
Exercise Books	871,310		871,310	871,310	-	100%
Laboratory Equipment	615,050		615,050	615,050	-	100%
Internal Exams	227,742		227,742	227,742	-	100%
Teaching / Learning Materials	1,927,818					
Exams And Assessment						
SUB-TOTAL	1,714,102		1,714,102	1,714,102		100%
(2) Capitation Grant on Operations						
Others	5,179,141		5,179,141	5,179,141	-	100%
Repairs And Maintenance	2,759,000		2,759,000	2,759,000	-	100%
Local Transport / Travelling	229,207		229,207	229,207	-	100%
CBC Classrooms	1,576,440		1,576,440	1,576,440	-	100%
Medical	272,250		272,250	272,250	-	100%
Administration Costs						
Activity	145,200		145,200	145,000	-	100%
Gratuity					-	

(5) Expenditure For Tuition						
Textbooks					-	
Reference Materials					-	
Exercise Books	871,310		871,310	750,000	121,310	86%
Laboratory Equipment	615,050		615,050	615,050	-	100%
Internal Exams	227,742		227,742	227,742	-	100%
Teaching / Learning Materials						
SUB-TOTAL	1,714,102		1,714,102	1,592,792	121,310	
(6) Expenditure For Operations						
Personnel Emoluments	5,969,893		5,969,893	5,969,893		100%
Repairs, Maintenance & Improvements	2,759,000		2,032,000	2,032,000	727,000	74%
Local Transport / Travelling	229,207		229,207	-	229,207	100%
Electricity, Water and Conservancy	300,000		300,000	300,000	300,000	-100%
Medical	272,250		272,250	-	272,250	-100%
CBC Classrooms	1,576,440		1,576,440	1,576,440		100%
Activity Expenses	145,000		145,000	-	145,000	-100%
Gratuity						
SMASSE						
SUB-TOTALS	9,675,350		9,675,350	9,878,333	219,457	
(7) Expenditure For school fund/lunch/boarding						
Personnel Emoluments	8,247,470		5,642,746	5,642,746	2,604,724	68%

The Hill School Girls -Eldoret

Annual Report and Financial Statements For the year ended 30th June 2024

Repairs, Maintenance and Improvements	1,540,000	1,400,000	1,400,000	140,000	91%
Local Transport / Travelling	2,292,290	2,425,086	2,425,086	(132,796)	81%
Electricity, Water and Conservancy	4,254,250	2,913,760	2,913,760	1,340,490	65%
Medical Expenses					
Administration Costs	3,189,340	2,839,990	2,839,990	349,350	89%
Activity	614,460	1,342,686	1,342,686	(728,226)	219%
Gratuity					
Lunch Programme					
Boarding Equipment and Stores	23,396,450	24,746,832	24,746,832	(1,350,382)	106%
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses					
Rent Expenses					
Bank Charges				-	
Loan Interest Repayment				-	
Loan Principal Repayment				-	
Acquisition Of Assets				-	
SUB-TOTALS	43,534,260	41,341,100	41,341,100	2,223,160	
GRAND TOTALS	54,923,712	52,730,552	52,812,225	2,563,927	

9. 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 school fees from parents, 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which

are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2024.

10. Notes To The Financial Statements

1 Government Grantsfor Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	1,714,102	1,761,993
Others (specify)*		
Total	1,714,102	1,761,993

2 Government Grantsfor Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments		
Maintenance and Improvement	2,759,000	1,961,000
Local Transport / Travelling		
Others	5,179,141	3,549,232
CBC Classrooms	1,576,440	
Medical	272,250	136,300
Administration Costs		
Activity	145,200	,272,600
Other Vote Heads (specify)*		
Total	9,932,031	5,919,132

Notes to the Financial Statements (continued)

3 School Fund Income -Parents Contribution/Fees

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel emoluments	6,271,380	7,307,602
Repairs and maintenance	1,468,988	1,500,000
Local transport / travelling	1,449,600	1,688,543
Electricity and water	3,961,647	4,483,553
Medical		
Administration costs	3,001,486	3,464,427
Activity	583,790	701,212
Fee on Boarding Equipment and stores	21,389,464	33,511,892
PA Levies*		
Debtors	2,556,058	
Total	40,682,413	52,657,229

4 Miscellaneous Incomes

Description	2023-2024	2022-2023
	Kshs	Kshs
Rent Income	43,793	54,927
Income From Farming Activities		
Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income from hosting	56,910	1,470,650
Tender fee	88,000	45,000
Advance	32,000	
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income (specify)*		
Total	220,703	1,570,573

Notes to the Financial Statements (continued)

Notes to the Financial Statements (continued)

5. Tuition

Description	2023-2024	2022-2023
	Kshs	Kshs
Exercise Books	750,000	816,800
Textbooks		-
Reference materials		
Laboratory Equipment	615,050	644,162
Teaching / Learning Materials		15,000
Exams And Assessment	227,742	
Teachers Guides		
Bank Charges		
Others (specify)		
Total	1,592,792	1,475,962

6. Operations

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	5,969,893	3,851,754
CBC Classrooms	1,576,440	
Administration Cost		256,300
Repairs And Maintenance & Improvements	2,032,000	601,126
Local Transport / Travelling		
Electricity And Water	300,000	117,145
Medical		37,070
Activity Expenses		239,500
Insurance Cost		
Others (specify)		
Total	9,878,333	5,102,895

Notes to the Financial Statements (continued)

7. Boarding And School Fund

Description	2023-2024	2022-2023
	Kshs	Kshs
Personnel Emoluments	5,642,746	5,991,889
Service Gratuity		
Repairs And Maintenance & Improvements	1,400,000	1,000,000
Local Transport / Travelling	2,425,086	2,813,040
Electricity And Water	2,913,760	3,919,977
Medical Expenses		37,070
Administration Costs	2,839,990	3,721,723
Lunch Programme		117,145
Tender	32,000	
Expenses On Activities	1,342,686	239,500
Fee On Boarding Equipment and Stores	24,746,832	27,850,555
Rent Expenses		
Insurance Cost (Life Property)		
Loan Principal Repayment		
Loan Interest Repayment		
Acquisition Of Assets		
PA expenses		
Others (specify)		
Total	41,343,100	45,690,899

8. Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
			Kshs	Kshs
Tuition Account		1102449091	672,382	551,062
Operations Account		1107750709	1,745,981	768,915
School Fund Account/Boarding		1102444928	937,618	3,281,268
Savings Account		1108729355	625,719	1,034,908
Parent Association Development Account				
Income Generating Activities Account				
Infrastructural Account		1211009165	10,760	3,445,110
Total			3,992,460	9,081,263

Notes to the Financial Statements (continued)

9. Cash In Hand

Description	2023-2024	2022-2023
	Kshs	Kshs
Notes and Coins	7,839	16,208
Total	7,839	16,208

10. Accounts Receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears 2024	7,711,453	12,366,734
Other Non-Fees Receivables		-
Salary Advances (list/schedule attached)		-
Imprest (list/schedule attached)		-
Rent arrears (list/schedule attached)		
Total	7,711,453	12,366,734

11. Accounts Payable

Description	2023-2024	2022-2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)		
Prepaid Fees	1,426,814	892,359
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	1,426,814	892,359

Notes to the Financial Statements (continued)

12. Fund Balance Brought Forward

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Balances	3,992,460	7,533,760
Cash Balances	7,839	28,398
Short Term Investments		
Receivables	7,711,453	3,753,045
Payables	(1,426,814)	(908,214)
Total	10,284,939	10,406,998

Other important disclosure notes

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

13. Non-current Liabilities Summary

Description	2023-2024	2022-2023
	Kshs	Kshs
Bank Loans		-
Outstanding Leases		-
Hire Purchase		-
Gratuity And Leave Provision		-
Others (specify)		-
Total		-

14. Biological assets

Description	Numbers	2023-2024	2022-2023
		Kshs	Kshs
Cattle			
Goats			
Trees			160,000
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total			160,000

Notes to the Financial Statements (continued)

15. Stock/ Inventory

Description	2023-2024	2022-2023
		Kshs
Opening Balances	2,487,355	
Food stuffs	2,750,300	4,073,540
Lab consumables	388,476	17,100,250
Stationery	950,660	
Medication	108,410	14,612,895
Construction Materials		
Others (specify)		
Balance at end of the year	6,685,201	2,487,355

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.3(a)	Report on financial statement <ul style="list-style-type: none"> • Unsupported Accounts Receivable • Unsupported Accounts Payable. 	<ul style="list-style-type: none"> • List of Accounts received availed • List of Accounts payables availed 	Resolved Resolved	
1.3(b)	Report on lawfulness and effectiveness in use of public resources <ul style="list-style-type: none"> • Irregularities in procurement • Irregularities transfer of funds to Kenya Secondary schools Head Association 	<ul style="list-style-type: none"> • Underfunded and under absorption affected the planned activities 	Not resolved	
1.3 (c)	Report on lawfulness and effectiveness in use of public resources <ul style="list-style-type: none"> • Irregularities in procurement Irregular transfer of funds to Kenya secondary schools Head Association <ul style="list-style-type: none"> • Underfunding of capitation Grant • Failure to prepare school improvement plan • Late submission of to Auditor – General 	<ul style="list-style-type: none"> • Proper procurement procedures have been put in place • The school to seek advice concern transfer of funds • Underfunding affected planned activities • The school to prepare an improvement plan. • The books of account to be submitted on time by 30th Sept to Auditor General 	Resolved Not resolved Not resolved	1/7/2025 30/9/2025
1.3 (d)	Report on effectiveness of Internal Controls, Risk Management and Government <ul style="list-style-type: none"> • Lack of Fixed Assets Register • Inventory Management • Lack of Disaster Management Committee • Lack internal Audit Committee 	<ul style="list-style-type: none"> • Fixed Asset Register in place • The school to construct enough ware house when funds are available • Disaster 	Resolved Not resolved Not resolved	1/7/2025

		Management committee to be constituted • Audit Committee is in place	Resolved	
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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.

A NDggema 15/5/2025

Sign and Date
Principal

11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY
	A	b	C	d-a-c
	Kshs	Kshs	Kshs	Kshs
1.Prepaid fees	1,426,814			
Construction Of Buildings				
1.				
2.				
3.				
Sub-Total				
Supply Of Goods				
4.				
5.				
Sub-Total				
Supply Of Services				
6.				
7.				
8.				
Sub-Total				

The Hill School Girls - Eldoret

Annual Report and Financial Statements For the year ended 30th June 2024

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
Grand Total	1,426,814					

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/b (Kshs) 1 st July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2024
Land	432,582,954			432,582,954
Buildings And Structures	133,000,000	11,001,480		144,001,480
Motor Vehicles	5,700,000			5,700,000
Office Equipment, Furniture and Fittings	2,200,000			2,200,000
Textbooks	2,500,000			2,500,000
ICT Equipment	1,300,000			1,300,000
Tools And Apparatus	700,000			700,000
Other Machinery and Equipment	700,000			700,000
Heritage And Cultural Assets				
Intangible Assets- Soft Ware	300,000			300,000
Total	578,982,954	11,001,480		589,984,434