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REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 26 FEB 2025	
DAY: wed	
DEED BY:	Hon. Samuel Chepkonga, MP
CLERK-AT THE-TABLE:	Mr. Modu

THE AUDITOR-GENERAL

ON

TALA GIRLS SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2022**

MACHAKOS COUNTY



**TALA GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022**

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

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

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Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

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Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

I. 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 located in **Machakos County, Matungulu Sub-County**.

The school was registered on **5th February 2010** under registration number **GP/A/7816/10** and is currently categorized as an **Extra County public school** established, owned or operated by the Government.

The school is a boarding girls' school and had **1,122** students as at **30th June 2022**.

It has **4** streams and **_38_** teachers of which **6** 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:

		Designation	Date of appointment
1	Emmanuel K. Musau	Chairman/Sponsor	1st appointment – 1/10/2015 Reappointment - 27/07/2019 Reappointed - 18/05/2022
2	Annabella Mbugi, EBS	Secretary - Principal	Appointment by posting- January 2018 Reappointment - 27/07/2019 Reappointment - 18/05/2022
3	Joel Nyamweya	Member	18/05/2022
4	Jane Njeri Karomo	Member	18/05/2022
5	Dr. Margaret Muthui	Member	1st appointment-27/07/2019 Reappointment - 18/5/2022
6	Janet Mutua	Member	18/05/2022
7	Dr. Benard Mua	Member	1st appointment – 1/10/2015 Reappointment - 27/07/2019 Reappointment - 18/05/2022
8	Doris Mukwale	Member	1st appointment-27/07/2019 Reappointment - 18/5/2022
9	John Makenzi	Member – Rep CEB	1st appointment-27/07/2019 Reappointment - 18/5/2022
10	Vincent Mwanzia	Member Rep Teachers	18/05/2022
11	Fr. Patrick Mutunga	Member –sponsor	1st appointment-27/07/2019 Reappointment - 18/5/2022
12	Eng. Kimeu Kathitu	Member – Rep Special interest group	1st appointment-27/07/2019 Reappointment - 18/5/2022

Tala Girls Secondary school

Reports and Financial Statements for the year ended 30th June 2022

13	Virginia Nzau	Members - Sponsor	18/5/2022
14	David K. Mbuvi	Member Special Needs	18/05/2022
15	Mary Mutua	Co-opted	18/05/2022
16	Edwin Kimtai	Co-opted	18/05/2022
17	David Kande	Co-opted	18/05/2022

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Reports and Financial Statements for the year ended 30th June 2022

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

Sl. No.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Emmanuel Musau Annabella Mbugi,EBS Doris Mukwale Fr. Patrick Mutunga Joel Nyamweya	Chairman Secretary Member Member Member	3 out of 3
2	Audit Committee	N/A	N/A	N/A
3	Finance,procurement and general purposes Committee	Emmanuel Musau Annabella Mbugi,EBS Fr. Patrick Mutunga Dr. Benard Mua Dr. Margaret Muthui	Chairman Secretary Member Member Member	0 out of 3
4	Academic Committee	John makenzi Annabella Mbugi,EBS Vincent Mwanzia Virginia Nzau	Chairman Secretary Member Member	0 out of 3
5	Development Committee	Eng. Peter Kimeu Annabella Mbugi,EBS David Kilonzo Jane Karomo Eng. Edwin Kimtai	Chairman Secretary Member Member Member	3 out of 3
6	Discipline and welfare Committee	Doris Mukwale Annabella Mbugi,EBS Dr. Margaret Muthui Janet Mutua Dr. Joel Nyamweya	Chairperson Secretary Member Member Member	3 out of 3

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

7	Adhoc Committee (if any during the year)	N/A	N/A	N/A
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(d) School operation Management

For the financial year ended 30th June 2022 the school day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Annabella Mbugi, EBS	204684
2	Deputy Principal	Jane Katumbi Muoka	390209
3	School Bursar	Peter Kinyanjui Muhia	5697853
4	Senior Teacher	Janeffer Kyalo	496939
5	Rachael Njuguna	Dean of studies	537351
6	Justinah Mwatu	Head of Department - Boarding	394242

(e) Schools contacts

Post Office Box: 135-90131. Tala
 Telephone: 0110027954
 E-mail: talagirls16@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

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

1. Name of Bank: KCB
 Branch: Tala
 Account Number: 1107262194
2. Name of Bank: Equity Bank
 Branch: Tala
 Account Number: 0900294214921
3. Name of Bank: KCB
 Branch: Tala
 Account Number: 1107393566
4. Name of Bank: KCB
 Branch: Tala
 Account Number: 1107198755

Tala Girls Secondary school
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- | | |
|------------------|------------|
| 5. Name of Bank: | KCB |
| Branch: | Tala |
| Account Number: | 1272341348 |
| 6. Name of Bank: | KCB |
| Branch: | Tala |
| Account Number: | 1107393361 |

(g) Independent Auditors

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

Tala Girls Secondary school**Reports and Financial Statements for the year ended 30th June 2022****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:**

The information is presented in the form of a table as indicated below.

SUMMARY REPORT OF THE SCHOOL PERFORMANCE 2020 TO 2022				
S/No	Performance Criteria	Year from July 2021 - June 2022	Six Months Period Ended January - June 2021	Year From January 2020- December 2020
1	FINANCIAL			
	SURPLUS/DEFICIT	5,807,922.00	(458,879.00)	2,030,140.00
	DIRECT CAPITATION GRANTS	10,448,636.00	7,028,748.00	6,680,054.00
	INFRASTRUCTURE GRANTS	4,619,000.00	1,588,000.00	3,948,500.00
	TOTAL GRANTS	15,067,636.00	8,616,748.00	10,628,554.00
	ENROLMENT	923	793	793
	RATIO OF CAPITATION GRANTS PER STUDENT	1:17,525.73	1:9468	1:13402.97
	OTHER INCOMES	58,067,732.00	14,536,486.00	17,087,944.00
	GROWTH OF OTHER INCOMES	43,531,246.00	(2,551,458.00)	(13,020,735.15)
	EXPENDITURE/PAYMENTS	67,327,446.00	23,612,113.00	25,686,358.00
	GROWTH OF EXPENDITURE	43,715,333.00	(2,074,245.00)	(12,097,873.00)
	MOVEMENT OF DEBTORS/RECEIVABLES	13,684,684.00	11,515,271.00	9,737,402.00
	MOVEMENT OF CREDITORS/PAYABLES	12,107,534.00	6,063,420.00	6,571,174.00
	CASH AND CASH EQUIVALENTS	12,180,669.00	2,498,046.00	5,242,548.00

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b) **Teacher Student ratio:**

ENROLLED STUDENTS = 923
NUMBER OF STREAMS = 4
TSC TEACHERS = 32
BOM TEACHERS = 6
TOTAL NUMBER OF TEACHERS = 38
TEACHER STUDENT RATIO = 1: 24

c) **Mean score in the 2021 KCSE:**

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2021	147	5.889	140	95.2%	7.5	Most of the students qualified to join institutions of higher learning. There was a negative deviation of 0.254 in the transition
2020	140	6.143	139	99.2%	7.5	Most of the students qualified to join institutions of higher learning. There was a positive deviation of 0.2 in the transition
2019	126	6.119	125	99%	7.5	Most of the students qualified to join institutions of higher learning. There was a positive deviation of 0.4 in the transition.

d) **Number of Candidates in the 2019,2020 and 2021 KCSE:**

YEAR OF KCSE	NO. OF CANDIDATES
2021	147
2020	140
2019	126

Tala Girls Secondary school
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Summary Report of the Performance of the School (Continued)

e) Capacity of the school:

Area	Ideal No.	Actuals By 30.6.2022	Comments
Classrooms	21	18	3 more needed
Science laboratories	4	3	1 more needed
Toilets - boarding	37	49	Sufficient
- Tuition	37	49	Sufficient
Dormitories	8	7	1 more needed

f) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount	Fund Source
1	Dormitories	2021-2022	Completed	2,275,790.00	Maintenance & Improvement
2	Classrooms	2021-2022	Completed	801,185.00	Maintenance & Improvement from Parents

.....

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 Tala 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).

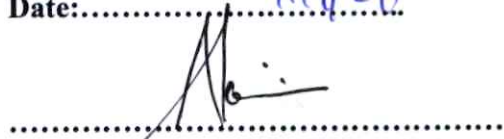
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.



Name: Emmanuel Musau

Designation: Chairman, School Board of Management

Date:..... 11/9/24



Name: Annabella Mbugi, EBS

Designation: School Principal & Secretary to Board of Management

Date:..... 11/9/24



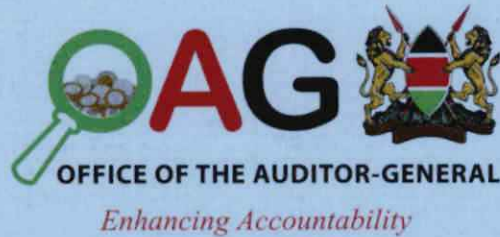
Name: Peter Kinyanjui Muhia

Designation: Bursar

Date:..... 11/9/24

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON TALA GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - MACHAKOS COUNTY

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, gazetted notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Tala Girls Secondary School - Machakos County set out on pages 1 to 19, which comprise of the statement of financial

Report of the Auditor-General on Tala Girls Secondary School for the year ended 30 June, 2022 – Machakos County

assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Tala Girls Secondary School - Machakos County as at 30 June, 2022 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. Accounts Receivables

1.1. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.13,684,684 as disclosed in Note 10 to the financial statements. However, the detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.13,684,684 could not be confirmed.

1.2. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.13,684,684 in respect of fees arrears as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs.8,201,636 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.13,684,684 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Tala Girls Secondary School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit

evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on comparable basis of Kshs.61,261,800 and Kshs.73,135,368 respectively resulting to a budgetary overfunding of Kshs.11,873,568 or 19 % of the budget. However, the School spent a balance of Kshs.67,327,447 against actual receipts of Kshs.73,135,368, resulting to an under-utilization of Kshs.5,807,921 or 8% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution 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 Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.53,443,351 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.86,802 transferred to Kenya Secondary Schools 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.86,802 could not be confirmed.

2. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,983,766 and Kshs.12,083,870, respectively as disclosed in Note 1 and Note 2 to the financial statements. However, during the financial year 2021/2022, NEMIS reported a total number of nine hundred and twenty-four (924) students while the enrolment records provided by the School indicated a total number of one thousand one hundred and twenty-two (1,122) students, resulting to an unexplained variance of one hundred and ninety-nine (199) students. As a result of the variances, the School was under funded by an amount of Kshs.4,426,556.

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

3. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.15,067,636. However, Management did not provide the number of students by the County Director of Education in the the financial year ended 30 June, 2022. This was contrary to the Ministry of Education Circular No:MOE.HQS/3/13/3 dated 16 June, 2021 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 been affected by inaccurate enrollment records.

4. Irregular Appointment of Board Members

During the year under review, scrutiny of the records revealed, the School appointed three (3) co-opted members of the Board of management on permanent basis and the members were included in the School's committees of the Board of Management. In addition, the appointment letters for the three (3) co-opted members were not provided for review. This is contrary to Section 56 sub-section 2 and 3 of the Basic Education Act, 2013 which provides that the Board of Management may from time to time co-opt into its membership such persons as it is satisfied possess skills and experience to assist in the discharge of the Board's functions and the number of members of the Board of Management co-opted under sub-section (2) shall not exceed three at any particular time and such members do not have a right to vote at the meetings of the Board.

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

5. Irregular Extension of Board Members Tenure

During the year under review, records provided by the Schools showed the chairperson and one member of the Board of Management were appointed to the Board on 1 October, 2015, reappointed on 27 July, 2019 and further reappointment was done on 18 May, 2022 for a term of three years. As at the time of audit in May, 2024 it was established that the chairperson of the Board of Management and the member of the Board of Management were on their third appointments. This is contrary to Regulation 39(2) of the Basic Education Regulation, 2015 which states that a Board of Management appointed under this Regulation shall remain in office for a term of three years, which shall be renewable for one further term.

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

6. Non-Remittance of Pension and Gratuity

During the year under review, the School records revealed that the School had engaged fourteen (14) employees employed by Board of Management (BOM) and two (2) BOM teachers. Although Management explained that the BOM teachers were employed on a two-year contracts and other employees on permanent and pensionable basis, no supporting documents were provided by Management to confirm there was money set aside for gratuities for contracted employees and for contribution to pension scheme for employees on permanent and pensionable basis. This is in contrary to Section 53(a) Retirement Benefits Act, 1997 which requires monthly remittance of the pension deductions within 15 days after deduction.

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

7. Failure to Prepare Separate Bank Account Reconciliations

The statement of financial assets and liabilities and as disclosed in Notes 8 and 9 of the financial statements reflects bank balance of Kshs.12,179,279 and cash balances of Kshs.1,390. However, examination of the School records indicates that the bank reconciliations items are recorded in the cash books and there were no separate bank reconciliations statements prepared and approved by the management as required by Regulation 90 (1) of the Public finance management Regulations, 2015. In addition, the Schools Management did not prepare Board of Cash survey as at 30 June, 2022 to confirm the reported cash balances.

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

8. 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.12,107,534. However, included in the balance are trade payables balance of Kshs.265,050 which had been

outstanding for more than one (1) 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 contract (s) are reflected in approved budget estimates'.

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

9. Failure to Prepare School Improvement Plan

During the year 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.

10. Irregular Use of Cash to Procure Goods, Works and Services

The statement of receipts and payments reflects total payments of Kshs.67,327,446 which included payments for operations and payments for Boarding and School Fund payments of Kshs.10,896,860 and Kshs.53,443,351 respectively. Included in the amounts were cash payments amounting to Kshs.416,410 used to purchase goods and services. This is contrary to Regulation 92 of the Procurement Regulations, 2020 which provides that a procuring entity may use low value procurement method where the estimated cost of the goods, works or services being procured per item per financial year is as per the threshold matrix in the Second Schedule. The threshold matrix in the Second Schedule of the Procurement Regulations, 2020 provides that the maximum level of expenditure under the low value procurement method is Kshs.50,000, Kshs.100,000 and Kshs.50,000 per item per financial year for goods, works and services respectively.

In the circumstances, Management was in breach of the law

11. Payments Made Without ETR Receipts

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects payments of tuition an amount of Kshs.2,987,235 which includes Kshs.2,048,021 paid to different suppliers but were not supported with Electronic Tax register (ETRs) receipts. This is contrary to VAT regulations under the VAT Act, 2013 (repealed) which states that a valid tax invoice should have to the minimum electronic signature generated by an Electronic Signature Device (ESD) or an Electronic Tax Register (ETR) receipt attached to the commercial invoice.

In the circumstances, Management was in contravention of the Law.

12. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 30 November, 2022 instead of the statutory deadline of 30 September, 2022. This was contrary to the Ministry of Education circular Ref. No:MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 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.

1. Lack of IT Internal Control Systems

During the year under audit, review of the school's IT internal control system revealed that the School has been using manual system the general operations of the School and in preparation of financial statement.

In the circumstances, the School's books of accounts and the financial statements may be prone to errors and irregularities.

2. Lack of Meetings by the Board Committees

During the year under review, scrutiny of the records and the Committees of the Board information disclosed in the financial statement under key School information and management revealed that the finance, procurement and general purposes committee

and the academic committee did not hold meetings during the year and no explanation was provided for not conducting the meetings.

In the circumstances, the adequacy of oversight provided by the Board of Management of the school could not be ascertained.

3. Lack of Adequate Facilities

During the year under review, inspection of the School facilities indicated the School's dining room is used as classes and the school did not observe a standard classroom measuring 7m x 8m for 45 learners. This is contrary to Regulation 64(d) and (e) of Basic Education Regulation, 2015 states that every institution of basic education and training shall have provisions for the kitchen and dining room. However, inspection of the School facilities indicated the School's dining room is used as classes and the School did not observe a standard classroom measuring 7m x 8m for 45 learners.

In the circumstances, the adequacy of the School infrastructure to ensure welfare of the students and high quality of education could not be confirmed.

4. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury. Additionally, there were no minutes of the audit committee for the year provided for audit review.

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

5. Inadequate Assets Management

Annex 2 to the financial statements summary of fixed assets register reflects nil historical cost for property, plant and equipment. However, the assets register provided for audit review was lacking mandatory information for both existing and acquired assets like; dates of acquisition, persons responsible, assets location, asset values net of depreciation and amortization and current market values rendering the register incomplete and un-updated.

In addition, physical examination of assets reviewed the School had not tagged most of the assets with unique identifiers contrary to the guidelines on asset and liability management part IV(i) C section 77(7) of the National Treasury Guidelines on Asset and Liability Management in the Public Sector, 2020 which provides that all assets purchased shall be identified/ tagged upon receipt from suppliers and, before they are issued out to user departments and the tag number of each asset to be included in the asset register.

In the circumstances, the existence of proper control systems of assets management to prevent theft, security threats, losses, wastage and misuse could not be confirmed

6. Lack of Ownership Documents

Annex 2 to the financial statements reflects a summary of the fixed assets which include a parcel of land title number Matungule/Katine/4522 with approximate area 1.70 Ha acquired in 2003. Although the School provided a title deed issued to the former owner on 9 May, 2024, the title transfer has not been effected. It is not, clear why it has taken an inordinately long time to transfer the legal ownership of these land to the School.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

The audit was conducted in accordance with the 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue as a going concern or 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 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 November, 2024

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

V. Statement of Receipts and Payments Period to 30th June 2022

Description Of Your Head	Note	2021-2022	Jan- June 2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	2,983,766.00	1,032,825.00
Capitation grants for operations	2	12,083,870.00	7,583,923.00
School fund income- parents' contributions	3	26,802,054.00	579,867.00
School Fund income – other receipts	4	31,265,678.00	13,956,619.00
Total Receipts		73,135,368.00	23,153,234.00
Payments			
Payments for tuition	5	2,987,235.00	852,372.00
Payments for operations	6	10,896,860.00	8,248,968.00
Boarding and school fund payments	7	53,443,351.00	14,510,773.00
Total Payments		67,327,446.00	23,612,113.00
Surplus/Deficit		5,807,922.00	(458,879.00)


The school financial statements were approved on _____ 2024 and signed by:



Name: Emmanuel Musau

Chairman BOM

Date..... 11/9/24



Name: Annabella Mbugi, EBS

School Principal

Date..... 11/9/24



Name: Peter K. Muhia

Bursar

Date..... 11/9/24

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

VI. Statement of Financial Assets and Financial Liabilities as at 30th June 2022

Description	Note	2021-2022 KSh	Jan-June 2021
Financial Assets			
Cash and cash equivalents			
Bank balances	8	12,179,279.00	2,497,098.00
Cash balances	9	1,390.00	948.00
Total cash and cash equivalent		<u>12,180,669.00</u>	<u>2,498,046.00</u>
Account's receivables	10	13,684,684.00	11,515,271.00
Total financial assets		25,865,353.00	14,013,317.00
Financial liabilities			
Accounts payables	11	12,107,534.00	6,063,420.00
Net financial assets		13,757,819.00	7,949,897.00
Represented by			
Accumulated fund b/fwd	12	7,949,897.00	8,408,776.00
Surplus/deficit for the year		5,807,922.00	(458,879.00)
Net financial position		13,757,819.00	7,949,897.00

The school's financial statements were approved on _____ 2024 and signed by:

.....
Name: Emmanuel Musau

Chairman BOM

Date:.....11/9/24.....

.....
Name: Annabella Mbugi, EBS

School Principal

Date:.....11/9/24.....

.....
Name: Peter Kinyanjui

Bursar/ Finance Officer

Date:.....11/9/24.....

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

VII. Statement of Cash Flows for the Period Ended 30th June 2022

		2021-2022	Jan - June 2021
		KSh	KSh
Operating activities			
Receipts			
Capitation grants for tuition	1	2,983,766.00	1,032,825.00
Capitation grants for operations	2	13,192,484.00	6,475,309.00
School fund income- parents contributions/ fees	3	26,802,054.00	579,867.00
School fund income – other receipts	4	28,068,311.00	12,633,064.00
Total receipts		71,046,615.00	20,721,065.00
Payments			
Payments for tuition	5	2,486,788.00	1,027,372.40
Payments for operations	6	10,851,153.00	10,048,362.00
Boarding and school fund payments	7	48,026,051.00	12,389,833.00
Total payments		61,363,992.00	23,465,567.00
Net cash flow from operating activities		9,682,623.00	(2,744,502.00)
Cashflow from investing activities			
Proceeds from sale of assets		-	-
Acquisition of assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from investing activities			
Cashflow from borrowing activities			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities			
Net increase in cash and cash equivalents		9,682,623.00	(2,744,502.00)
Cash and cash equivalent at beginning of the year		2,498,046.00	5,242,548.00
Cash and cash equivalent at end of the year		12,180,669.00	2,498,046.00

VIII. Statement of Budgeted Versus Actual Amounts for the Year Ended 30th June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c = a + b	d	e = d - a	f = d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / Learning Materials	1,968,400.00	1,968,400.00	3,936,800.00	2,983,766.00	953,035.00	76
Chalks						
Exams And Assessment						
Teachers Guides						
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments and other voteheads	4,465,000.00	4,465,000.00	8,930,000.00	7,280,270.00	1,649,730.00	82
Repairs And Maintenance	2,375,000.00	2,375,000.00	4,750,000.00	4,619,000.00	131,000.00	97
Local Transport / Travelling						
Electricity And Water						
Medical	950,000.00	950,000.00	1,900,000.00	184,600.00	1,715,400.00	10
Administration Costs						
Activity	712,500.00	712,500.00	1,425,000.00	0	1,424,000.00	0

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

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
Gratuity						
Smasse						
(3) Fees Charged on Parents						
Personnel Emoluments and other voteheads	5,543,250.00	5,543,250.00	11,086,500.00	21,697,610.00	(10,611,110.00)	195
Repairs And Maintenance	950,000.00	950,000.00	1,900,000.00	4,224,579.00	(2,324,579.00)	222
Local Transport / Travelling						
Electricity And Water						
Medical						
Administration Costs						
Activity	237,500.00	237,500.00	475,000.00	879,865.00	(404,865.00)	185
Smasse						
Fee On Boarding Equipment and Stores	13,429,250.00	13,429,250.00	26,858,500.00	31,150,678.00	(4,292,178.00)	116
Other Income						
Rent Income						
Income From Farming Activities						
Insurance Compensation						
Income From Bus Hire						
Fee For Hire of Ground And Equipment						
Interest Income						
University Registration				115,000.00		
Total Income	30,630,900.00	30,630,900.00	61,261,800.00	73,135,368.00	(11,873,568.00)	119

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

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
(1) Expenditure For Tuition						
Textbooks And Reference Materials						
Exercise Books						
Laboratory Equipment						
Internal Exams						
Teaching / Learning Materials	1,968,400.00	1,968,400.00	3,936,800.00	2,987,235.00	949,565.00	76
Chalks						
Exams And Assessment						
Teachers Guides						
Administration Costs						
Bank Charges						
(2) Expenditure For Operations						
Personnel Emoluments& other voteheads	4,465,000.00	4,465,000.00	8,930,000.00	7,248,295.00	1,681,705.00	81
Repairs, Maintenance & Improvements	2,375,000.00	2,375,000.00	4,750,000.00	3,222,975.00	1,527,025.00	68
Local Transport / Travelling						
Electricity, Water and Conservancy						
Medical	950,000.00	950,000.00	1,900,000.00	96,934.00	1,803,066.00	10
Administration Costs						
Activity Expenses	712,500.00	712,500.00	1,425,000.00	328,657.00	1,096,343.00	23
Smasse						

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

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
(3) Expenditure For School Fund						
Personnel Emoluments & other voteheads	5,543,250.00	5,543,250.00	11,086,500.00	20,030,774.00	(8,944,274.00)	180
Repairs, Maintenance and Improvements	950,000.00	950,000.00	1,900,000.00	902,142.00	997,858.00	47
Local Transport / Travelling						
Electricity, Water and Conservancy						
Medical Expenses						
Administration Costs						
Activity	237,500.00	237,500.00	475,000.00	291,951.00	183,049.00	61
Gratuity						
Lunch Programme						
Boarding Equipment and Stores	13,429,250.00	13,429,250.00	26,858,500.00	32,218,484.00	(5,359,984.00)	120
Expenditure For Income Generating Activity						
Insurance Costs						
Other Expenses On Investments						
Rent Expenses						
Bank Charges						
Loan Interest Repayment						
Loan Principal Repayment						
Acquisition Of Assets						
Total Expenditure	30,630,900.00	30,630,900.00	61,261,800.00	67,327,447.00	(6,065,647.00)	110

- i. Underutilization under income on teaching and learning was due to reduced capitation from the government.

- ii. Underutilization under expenditure on activity votehead was due to minimisation of some of the non-essential items to reduce on spending.
- iii. Underutilization under expenditure on teaching and learning materials voteheads was due to minimisation of some of the non-essential items to reduce on spending.
- iv. Underutilization under income on medical was due to decrease in capitation from the government.
- v. The underutilization under expenditure on repair and maintenance was due to some cost saving measures introduced by the management to cut costs.
- vi. Overutilization under income on personnel emoluments and other incomes was due to prepaid fees from parents.
- vii. Overutilization under income on repair and maintenance from parents was due to prepaid fees from parents.
- viii. Over utilization under income on activity fees was due to prepaid fees form parents.
- ix. Overutilization under income of fees on boarding , equipment and stores was due to prepaid fees received from parents.
- x. Overutilization under expenditure on personnel emoluments and other voteheads was due increase in the cost of materials over the period.
- xi. Overutilization under expenditure on boarding, equipment and store was due to increase in the cost of materials over the period.
- xii. The overutilization under total expenditure was due to general increase in the cost of materials in the market which had not been anticipated in the making of the budget.

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. In the year ended, a total of kshs. 3,952,099.00 being fees arrears, was adjusted in the school fund in Note 3. The expenditure on the acquisition of assets of kshs 3,076,975.00 in 2022 and kshs 4,831,915.00 in 2021 are captured in note 6 (under payment in the operation account) and are represented in the statement of assets and liabilities as a surplus or deficit.

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. There were no in kind contributions received during the period. 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. The cash on hand of kshs 1,390.00 from the school fund account and operations account. Bank account balances include amounts held at various financial institutions at the end of the financial year, this comprised of combined reconciled bank balances of kshs 12,179,279.00 in the six accounts maintained.

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. This was in form of fees arrears of kshs.13,494,988.00 , salary advance of kshs 70,680.00 and non-fees receivables of kshs 119,016.00.

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 amounting to kshs .12,107,534.00 comprising of creditors of kshs 10,053,439.00 and prepaid fees of kshs 2,054,095.00

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. The comparative figures are not comparable since current accounting period is for 12 months from July 2021 to June 2022 and the comparative period was a period of six months from January 2021 to June 2021

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 2022.

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

X. Notes to the Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	2,983,766.00	1,032,825.00
Chalks	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
Total	2,983,766.00	1,032,825.00

2 Capitation Grant for Operations

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Personnel Emoluments	7,280,270.00	5,995,923.00
Repairs And Maintenance	4,619,000.00	1,588,000.00
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	184,600.00	-
Administration Costs	-	-
Activity	-	-
Total	12,083,870.00	7,583,923.00
Less: receivables; adjustment for delayed capitation	-	(1,108,614.00)
Add: receivables recovered from delayed capitation	1,108,614.00	-
Total as per statement of cashflow	13,192,484.00	6,475,309.00

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

3 Parents Contribution/Fees - School Fund Account

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Personnel emoluments	21,697,610.00	531,912.00
Repairs and maintenance	4,224,579.00	44,305.00
Local transport / travelling	-	-
Activity	879,865.00	3,650.00
Total	26,802,054.00	579,867.00

4 Other Receipts – School Fund Account

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Fee On Boarding Equipment and Stores	31,150,678.00	13,956,619.00
Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Interest Income	-	-
University Registration	115,000.00	-
Total as per the statement of receipts and payments	31,265,678.00	13,956,619.00
less: Debtors for the year	(3,952,099.00)	(2,134,167)
Add: Prepaid fees current year	2,054,095.00	1,756,547.00
Arrears recovered	457,184.00	1,520,766.00
Elimu sacco recovered		168,577.00
Elimu sacco remitted		(128,165.00)
Advance recovered		22,000.00
Advance given		(7,000.00)
Prepaid fees previous year	(1,756,547.00)	(2,522,113.00)
Total adjustments	(3,197,367.00)	(1,323,555.00)
Total as per statement of cash flow	28,068,311.00	12,633,064.00

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

5 Payments For Tuition

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	170,000.00
Internal Exams	-	-
Teaching / Learning Materials	2,983,251.00	680,500.00
Chalks	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	3,984.00	1,872.00
Total as per statement of receipts and payments	2,987,235.00	852,372.00
Add : Creditors paid	645,383.00	175,000.00
Less: Creditors for the year	(1,145,830.00)	
Total adjustments	(500,447.00)	175,000.00
Total as per statement of cash flow	2,486,788.00	1,027,372.00

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

6 Payments For Operations

Description	2021-2022	2020-2021
Personnel Emoluments and other voteheads	7,245,691.00	1,983,668.00
Service Gratuity	-	-
Administration Cost	-	-
Repairs And Maintenance & Improvements	-	207,510.00
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical	96,934.00	-
Activity Expenses	328,657.00	-
Smasse	-	-
Boarding account- infrastructure	146,000.00	-
Bank Charges	2,603.00	1,387.00
Acquisition Of Assets	3,076,975.00	6,056,403.00
Total as per statement of receipts and payments	10,896,860.00	8,248,968.00
Add Creditors paid	1,189,367.00	1,799,394.00
Less: Creditors for the year	(1,354,090.00)	
NSSF Paid	144,174.00	
NSSF Recovered	(25,158.00)	
Total adjustments	(45,707.00)	1,799,394.00
Total as per statement of cashflow	10,851,153.00	10,048,362.00

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

7 Boarding And School Fund Payments

	2021-2022	Jan 2021 - June 2021
Personnel Emoluments	20,030,774.00	5,781,051.00
Activity	291,951.00	-
Repairs And Maintenance & Improvements	902,142.00	549,812.00
Local Transport / Travelling	-	-
Electricity And Water	-	-
Medical Expenses	-	-
Administration Costs	-	-
University registration	-	63,000.00
Bank Charges	-	-
Expenses On Income Generating Activities	-	-
Fee On Boarding Equipment and Stores	32,218,484.00	8,116,910.00
Rent Expenses	-	-
Insurance Cost (<i>Life Property</i>)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
Total as per statement of receipts and payments	53,443,351.00	14,510,773.00
Add: Creditors paid	2,207,089.00	748,734.00
Less: Creditors for the year	(7,695,069.00)	(2,940,528.00)
NSSF Remitted		84,250.00
Nssf recovered		(43,696.00)
NHIF Remitted		22,900.00
NHIF recovered		(22,600.00)
RD Cheque -paid		30,000.00
Advance given	91,000.00	
Advance recovered	(20,320.00)	
Total adjustments	(5,417,300.00)	(2,120,940.00)
Total as per statement of cashflow	48,026,051.00	12,389,833.00

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

Notes to the Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	Jan 2021- June 2021
		Kshs	Kshs
Tuition Account	1107393361	361,332.00	6,147.00
Operations Account	1107393566	1,428,442.00	924,153.00
School Fund Account/Boarding- kcb	1107262194	2,833,497.00	1,319,828.00
School Fund Account/Boarding- Equity	0900294214921	997,270.00	159,717.00
Savings Account	1107198755	563,235.00	4,935.00
Parent Association Development Account		-	-
Income Generating Activities Account		-	-
Infrastructural Account	1272341348	5,995,503.00	82,318.00
Total		12,179,279.00	2,497,098.00

9 Cash In Hand

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	468.00	468.00
School Fund account	922.00	480.00
Total	1,390.00	948.00

10 Accounts Receivable

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Fees Arrears	13,494,988.00	10,365,803.00
Other Non-Fees Receivables- delayed capitation from the MOE for operations account	-	1,108,614.00
Salary Advances	70,680.00	-
Non fees receivables	119,016.00	40,854.00
Total	13,684,684.00	11,515,271.00

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

[An ageing of the fees arrears]

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Fees Arrears For Current Year	3,952,099.00	2,134,167.00
Fees Arrears For The Previous Year	1,341,253.00	860,465.00
Fees Arrears For Prior Periods (Over Two Years)	8,201,636.00	7,341,171.00
Total	13,494,988.00	10,335,803.00

11 Accounts Payable

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	10,053,439.00	4,266,461.00
Prepaid Fees	2,054,095.00	1,756,547.00
Elimu Sacco	-	40,412.00
Total	12,107,534.00	6,063,420.00

[An ageing of the accounts payables is shown below]

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Trade Creditors for Current Year	9,788,389.00	2,940,528.00
Trade Creditors for The Previous Year	265,050.00	1,325,933.00
Trade Creditors for Prior Periods (Over Two Years)	-	-
Total	10,053,439.00	4,266,461.00

12 Fund Balance Brought Forward

Description	2021-2022	Jan 2021- June 2021
	Kshs	Kshs
Bank Balances	2,497,098.00	5,242,157.00
Cash Balances	948.00	391.00
Short Term Investments	-	-
Receivables	11,515,271.00	9,737,402.00
Payables	(6,063,420.00)	(6,571,174.00)
Total	7,949,897.00	8,408,776.00

Tala Girls Secondary school**Reports and Financial Statements for the year ended 30th June 2022**

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	2021-2022	Jan 2022 - June 2022
Cattle		-	-
Goats		-	-
Trees	1,100	-	-
Coffee Or Tea Plantation		-	-
Poultry		-	-
Total	1,100	-	-

14 Stock/ Inventory

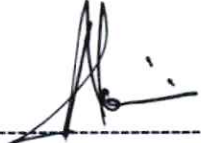
Description		
a) Inventory		
Stock/ inventory at beginning of the year	420,680.00	1,798,315.00
Stock/ inventory purchased during the year	12,437,827.00	3,172,466.00
Stock/ inventory issued during the year	(12,088,772.00)	(4,550,101.00)
Balance at end of the year	769,735.00	420,680.00

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

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 (If a date when you expect the issue to be resolved)
		Report not yet submitted		



 Sign and Date
 Principal

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

Annex 1 - Analysis Of Pending Accounts Payable

S/no	Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at as 30/06/2022	Outstanding Balance as at 31/12/2020
		Kshs	Kshs	Kshs	Kshs	
		a	b	c	d=a-c	
TUITION ACCOUNT						
SUPPLY OF GOODS						
1	SCIENCE LAB	924,280.00			782,730.00	141,550.00
2	ORWA JOHN OYOO	50,000.00			50,000.00	
3	OCHIENG O. VINCENT	30,000.00			30,000.00	
	SUB TOTAL- TUITION	1,004,280.00			862,730.00	141,550.00
OPERATIONS ACCOUNT						
SUPPLY OF GOODS						
1	JAMII BOOK SELLERS	275,280.00			275,280.00	
2	PRINCE GENERAL AGENCIES	123,500.00				123,500.00
3	JIMTEX COMPUTR SERVICES	53,000.00			53,000.00	
4	BOOKSPOT UKAMBANI	4,980.00			4,980.00	
5	THADDEKI TRADERS	500,000.00			500,000.00	
6	CYBER SCHOOL TECH LTD	208,800.00			208,800.00	
7	GLOBAL ACCESS INVESTMENT	50,000.00			50,000.00	

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

	SUPPLY OF SERVICES				
1	LECS WOOD TECHNOLOGY	24,575.00		24,575.00	
2	WILLY M. MUINDE	59,055.00		59,055.00	
3	CATISO IT. SOLUTIONS	54,900.00		54,900.00	
	SUB TOTAL- OPERATIONS	1,354,090.00		1,230,590.00	123,500.00
	SCHOOL FUND ACCOUNT				
	SUPPLY OF GOODS				
1	KYAKAMWE GENERAL MERCHANTS	284,710.00		284,710.00	
2	MULLEYS (JUBAMBE)	1,120.00		1,120.00	
3	MULLEYS (SUPERMARKET)	17,254.00		17,254.00	
4	PETER NZIOKA	895,500.00		895,500.00	
5	PETER NJOMO	68,800.00		68,800.00	
6	LUCIA KAVITA	118,500.00		118,500.00	
7	STAREHE BUTCHERY	592,040.00		592,040.00	
8	KENAFRIC BAKERY	763,864.00		763,864.00	
9	UMIISYO GEN. SHOP	86,355.00		86,355.00	
10	NAIVAS LTD	711,811.00		711,811.00	
11	MATHIAS NDILU	227,000.00		227,000.00	
12	LOFT TECH ENGINEERING	255,000.00		255,000.00	
13	HOPE HARDWARE	79,400.00		79,400.00	
14	RHODAH MUTHAMA	55,000.00		55,000.00	
15	UNIFORM DISTRIBUTORS LTD	640,500.00		640,500.00	

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16	SAMWILL SIGNS	43,600.00		43,600.00
17	KATANGINI FIREWOOD	205,000.00		205,000.00
18	FLOMA CLEANING SERVICES	99,300.00		99,300.00
19	WEAVERBIRD GARMENTS	2,060,235.00		2,060,235.00
	SUBTOTAL -BORADRING SUPPLY OF GOODS	7,204,989.00		7,204,989.00
	SUPPLY OF SERVICES			
1	CATHERINE M. KIIO	70,100.00		70,100.00
2	EVAMOSE ENTERPRISES	117,000.00		117,000.00
3	DANIEL MUTINDA	103,800.00		103,800.00
4	MARTIN SOSI	11,080.00		11,080.00
5	ANNAH POSHOMILL	6,300.00		6,300.00
6	DENOIL K. LTD	51,000.00		51,000.00
7	PATRICK MALUSI	130,800.00		130,800.00
	SUB TOTAL- BOARDING SUPPLY OF SERVICES	490,080.00		490,080.00
	SUMMARY			
	TUITION ACCOUNT	1,004,280.00		
	OPERATIONS ACCOUNT	1,354,090.00		
	BOARDING ACCOUNT	7,695,069.00		
	TOTAL PAYABLES	10,053,439.00		
	PREPAID FEES	2,054,095.00		
	GRAND TOTAL	12,107,534.00		

Tala Girls Secondary school
Reports and Financial Statements for the year ended 30th June 2022

Annex 2 – Summary Of Fixed Assets Register

Land 1	1978	School	1.7	0	0	1.7
Land 2	2001	School	2.7	0	0	2.7
Land 3	2002	Neighbouring School	1.12	0	0	1.12
Land 4	2003	Neighbouring School	0.8	0	0	0.8
Buildings And Structures		School	133	12	0	145
Motor Vehicles		School	1	0	0	1
Office Equipment, Furniture and Fittings		School	2,558	2	0	2560
ICT Equipment, And Other ICT Assets		Computer lab & offices	105	0	0	105
Tools And Apparatus		Laboratory	6856	964	275	7545
Textbooks		Students & stores	15,745	1014	0	16,759
Other Machinery and Equipment		School stores	1575	0	0	1575
Heritage And Cultural Assets		Principal office	76	1	0	77
Intangible Assets- Soft Ware		Exam office	2	0	0	2