

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 10 APR 2022	DAY: THURSDAY
TABLED BY:	HON. SILVANIUS OSORO, MP MAJORITY PARTY WHIP
CLERK-AT-THE-TABLE:	INZOFU MUKALE

**OF**

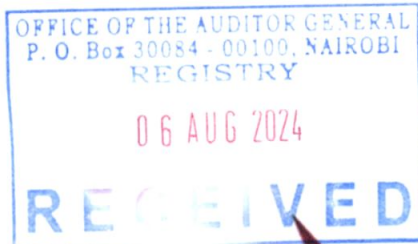
**THE AUDITOR-GENERAL**

**ON**

**KAPLELACH SECONDARY SCHOOL**

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

**BOMET COUNTY**



*Revised 30<sup>th</sup> June 2022.*



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# **KAPLELACH SECONDARY SCHOOL**

**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2022**

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

**KAPLELACH SECONDARY SCHOOL  
Annual Report and Financial Statements  
For the year ended 30th June 2022**

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**KAPLELACH SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2022**

**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

*[Customise the details in this section to suit your School]*

**(a) Background information**

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

The school was registered in 6/01/2017 under registration number 36s30000080 and is currently categorized as a sub county public school established, owned or operated by the Government.

The school is a day/boarding school and had 260 numbers of students as at 30<sup>th</sup> June 2022. It has 1 stream and 14 teachers of which 4 teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

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

Ref:	Name of Board Member	Designation	Date of appointment
1	MRS VALERINE MANDENYA MUNYETI	Chairman	6/6/2022
2	MR. NATHAN ONDENG'I	Secretary- Principal	6/6/2022
3	MR. JOEL METET	Member	6/6/2022
4	MR. ATHANUS MITEI	Member	6/6/2022
5	MS. EMMY CHEBET	Member	6/6/2022
6	MR. ALEXANDER METET	Member	6/6/2022
7	MR ANTHONY	Member	6/6/2022
8	MR EVANS KIPTOO	Member – Rep CEB	6/6/2022
9	MR. DAVID KORGOREN	Member Rep Teachers	6/6/2022
10	MR. JULIUS TONUI	3 Members - Sponsor	6/6/2022
11	MS. FLORA CHEBET LESAN	Member - Community	6/6/2022
12	STACY CHEPNGENO	MemberSpecial Needs	6/6/2022
13	MR. DAVID RONO	Rep Students	6/6/2022
14	MS PASCALYNE CHEPKORIR		6/6/2022

**KAPLELACH SECONDARY SCHOOL**  
**Annual Report 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**

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mrs. Valerie Mandenya Munyeti	CHAIRPERSON	3 of 3
		Mr. Nathan Ondeng'i	SECRETARY	3 of 3
		Mr. Joel Metet	MEMBER	1 of 3
		Mr. Julius Rotich	MEMBER	2 of 3
		Mr. Joel Metet	PA CHAIR	3 of 3
		Ms. Fanice Cherotich	MEMBER	3 of 3
2	Audit Committee	Mr. Paul Nyatogo	CHAIRMAN	3 of 3
		Mr. Julius Tanui	MEMBER	3 of 3
		Ms. Flora Chebet Lesan	MEMBER	3 of 3
		Ms. Lily Chesile	MEMBER	3 of 3
			MEMBER	3 of 3
3	Finance, procurement and general purposes Committee			
		Mr. Alexander Memet	CHAIR .P	3 of 3
		Mr. Julius Tonui	MEMBER	3 of 3
		Ms. Lily Chesile	MEMBER	3 of 3
		Mr. Paul Nyatogo	MEMBER	2 of 3
		Mr. Nathan Ondeng'i	MEMBER	3 of 3

**KAPLELACH SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2022**

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

4	Academic Committee	Ms. Fanice Cherotich	CHAIRPERSON	3 of 3
		Mr. David Korgoren	MEMBER	3 of 3
		Mr. Evans Kiptoo	MEMBER	3 of 3
		Mr. Juilius Rotich	MEMBER	3 of 3
				3 of 3
5	Development Committee	Mr. Alexander Memet	CHAIRPERSON	3 of 3
		Mr. Julius Tonui	MEMBER	3 of 3
		Ms. Lily Chesile	MEMBER	3 of 3
		Mr. Paul Nyatogo	MEMBER	3 of 3
		Mr. Nathan Ondeng'i		3 of 3
6	Discipline and welfare Committee			
		Mr. Benard Rono	CHAIRPERSON	3 of 3
		Mr. Nathan Ondeng'i	MEMBER	3 of 3
		Mr. Julius Rotich	MEMBER	3 of 3
		Mr. Evans Kiptoo	MEMBER	3 of 3
		Mr. Joel Memet	MEMBER	3 of 3
7	Adhoc Committee (if any during the year)			
			CHAIRPERSON	
			MEMBER	
			MEMBER	
			STUDENT	
			MEMBER	

**(d) School operation Management**

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

Ref:	Designation	NAME	TSC Number
1	Principal	MR. NATHAN ONDENGI	353367
2	Deputy Principal	MRS. ELIZABETH JEROTICH	450419
3	School Bursar	MR. KORIR KIPROTICH	ID NO: 27879415

**KAPLELACH SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2022**

**(d) Schools contacts**

Post Office Box: P.O BOX 46-20404  
Telephone: 0723 539 884  
E-mail: nondengi@gmail.com  
Website: N/A  
Facebook: N/A  
Twitter: N/A

**(e) School Bankers**

The school operated accounts in the following banks:

- 1 Name of Bank: KCB BANK  
Branch: SOTIK  
Account Number: 1170919766
- 2 Name of Bank: KCB BANK  
Branch: SOTIK  
Account Number: 1178202755
- 3 Name of Bank: KCB BANK  
Branch: SOTIK  
Account Number: 1264633742
- 4 Name of Bank: KCB BANK  
Branch: SOTIK  
Account Number: 1136771603
- 5 Name of Bank: KCB BANK  
Branch: SOTIK  
Account Number: 1170919871
- 6 Name of Bank:  
Branch:  
Account Number:
- 7 MPESA Pay Bill No. 522522 Attached to 7587307 (BES)

**(g) Independent Auditors**

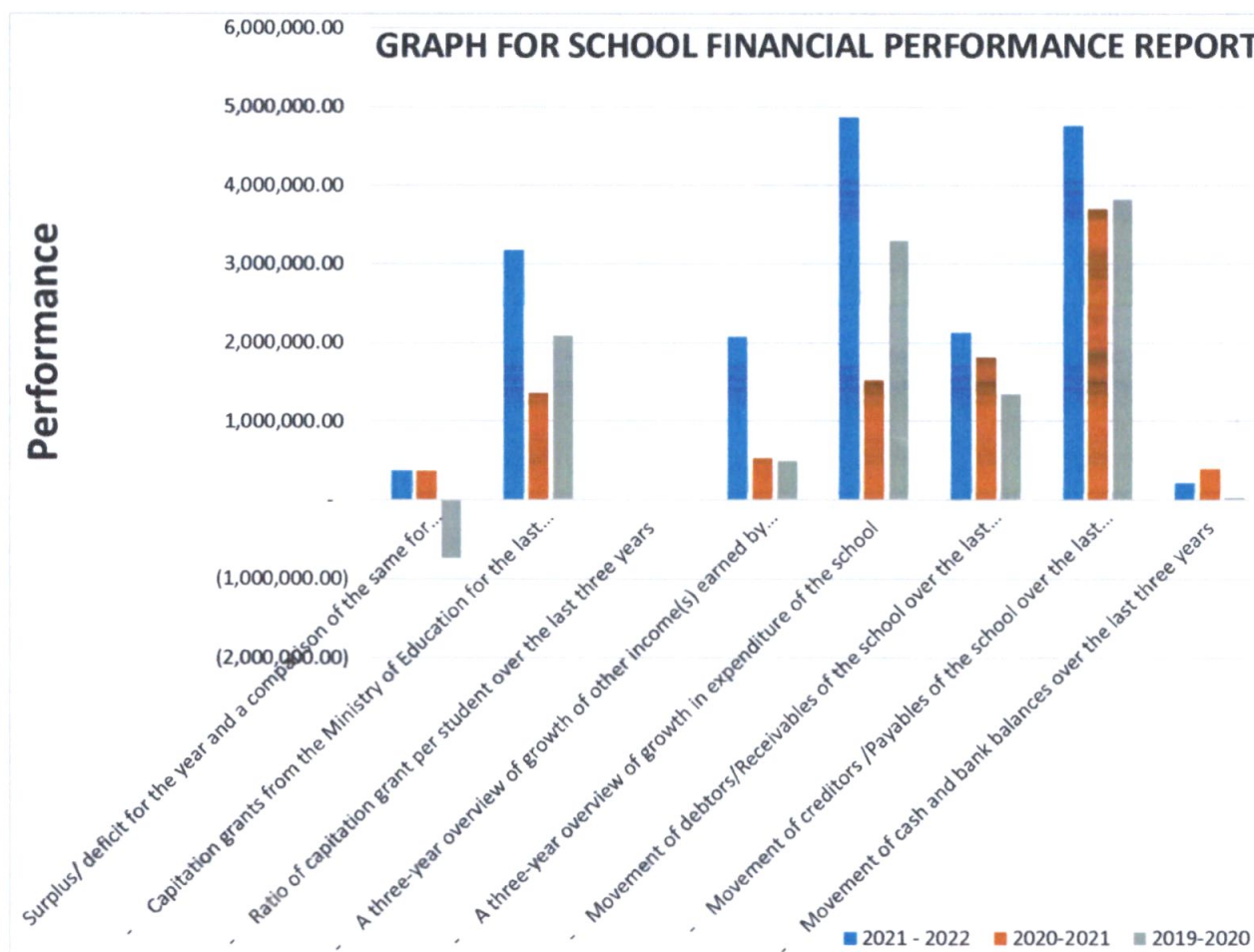
**Office of the Auditor General**  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi ,Kenya

**KAPLELACH SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2022**

**II SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL**

The following is a table summary report of the performance of the school

<b>a) Financial performance:</b>	<b>2021 - 2022</b>	<b>2020-2021</b>	<b>2019-2020</b>
- Surplus/ deficit for the year and a comparison of the same for the last three years	373,729.20	363,710.95	(747,070.00)
- Capitation grants from the Ministry of Education for the last three years	3,165,646.20	1,357,449.95	2,081,274.00
- Ratio of capitation grant per student over the last three years	12175.56231	7,712.78	#DIV/0!
- A three-year overview of growth of other income(s) earned by the school.	2,072,080.00	523,180.00	495,580.00
- A three-year overview of growth in expenditure of the school	4,863,997.00	1,516,919.00	3,287,924.00
- Movement of debtors/Receivables of the school over the last three years	2,120,753.00	1,803,948.00	1,344,484.00
- Movement of creditors /Payables of the school over the last three years	4,754,565.20	3,691,970.00	3,816,970.00
- Movement of cash and bank balances over the last three years	219,500.55	391,423.35	27,712.40



**KAPLELACH SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2022**

**II. Summary Report of Performance of the School**

	2021 - 2022	2020- 2021	2019- 2020
<b>b) Teacher Student ratio:</b>			
The teacher to student ratio	1:33	1:22	0
Number of teachers recruited and posted to the school within the year	-	-	-
Number of teachers that were transferred/ retired during the period	1	0	0
Number of teachers employed by TSC	8	8	0
Number of teachers employed by BOM.	4	4	0
Number of teachers the school has for each subject in order to indicate shortage/ allocation of resources			
<b>SUBJECTS/shortage of teachers</b>	<b>NO. of Teachers</b>		
MATHS -1	2	2	0
ENGLISH - 1	2	1	0
KISWAHILI -1	2	2	0
CHEMISTRY - 2	0	0	0
PHYSICS - 1	2	2	0
BIOLOGY - 2	1	1	0
HISTORY - 0	2	2	0
CRE - 0	1	1	0
AGRICULTURE - 0	1	1	0
BUSINESS STUDIES - 0	0	0	0
GEOGRAPHY - 0	1	1	0
COMPUTER STUDIES - 0	0	0	0
<b>c) Mean score in the 2021 KCSE:</b>			
<b>performance of the school for each over the last three years</b>	-	-	-
No. of students that have since transitioned to institutions of higher learning.	25	10	0
Mean score	6.8	<b>5.04</b>	
comment on improvement or otherwise as compared to the school's set score.	+0.8	+0.5	
set score of c and above		C-	
<b>d) Number of Candidates in the 2021 KCSE:</b>			
Number of candidates sitting for KCSE over the last three years.	41	45	
<b>e) Capacity of the school:</b>			
Number of students in the school	260	176	0
laboratories,	2	1	
Toilets (DOORS)	9	9	
Land with legal ownership(Aquired from	2.5acres	2.5acres	-
Other amenities. Need for 1. Classrooms 2. Lockers 3. Toilets			

*Nathan Oudengi Oron*  
 School Principal

**THE PRINCIPAL**  
 KAPLELACH SECONDARY SCHOOL  
 P. O. Box 46-20404, NDANAI  
 DATE: 01/08/2022 SIGN: \_\_\_\_\_

**KAPLELACH SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30th June 2022**

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

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

Name MRS. VALERIE MANDENYA NUNYETI

Designation: Chairman, School Board of Management

Sign: 

Date: 01/08/2024

Name MR. NATHAN ONDENG'I

Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 01/08/2024

**THE PRINCIPAL**  
KAPLELACH SECONDARY SCHOOL  
P. O. Box 46-20404, NDANAI  
DATE:..... SIGN:.....

Name: MR. KORIR KIPROTICH

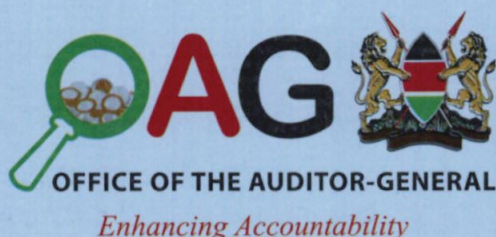
Designation: Bursar/ Finance Officer

Sign: 

Date: 01/08/2024

# 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 KAPLELACH SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - BOMET COUNTY

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### PREAMBLE

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

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

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal 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 Kaplelach Secondary School - Bomet County set out on Pages 1 to 14, which comprise the statement of financial 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 period then ended and a summary of significant accounting policies and other explanatory

information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kaplelach Secondary School as at 30 June, 2022 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standard (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Unsupported Amounts and Balances in the Report and Financial Statements**

Review of records provided revealed that the amounts and balances reflected in the report and financial statements were not supported by detailed ledgers or trial balance. The basis of the amounts and balances disclosed could therefore not be established.

In the circumstances, the accuracy and completeness of the amounts and balances disclosed in the report and financial statements could not be confirmed.

#### **2. Inaccurate Statement of Financial Assets and Financial Liabilities**

The statement of financial assets and financial liabilities reflects a net financial assets credit balance of Kshs.2,414,312 while the statement reflects a credit net financial position balance of Kshs.1,707,333 resulting to an unreconciled variance of Kshs.706,979 rendering the statement not to balance.

In the circumstances, the accuracy and completeness of the statement of financial assets and financial liabilities could not be confirmed.

#### **3. Inconsistent Student Enrollment Data**

Review of records provided for audit revealed that there were discrepancies between the data in the County Director of Education (CDE), National Education Management Information System (NEMIS) and School records relating to the enrolment of students. During the financial year 2021/2022, the NEMIS reported a total number of 83 students while the records from the County Director of Education had 230 students. The enrolment record provided by Kaplelach Secondary School indicated a total of 281 students, which resulted in variance as analyzed below:

Period	Account	NEMIS	Amount Kshs.	Capitation Kshs.	Physical Count	Variance	Total Variance Kshs.
Jul-21	Operation	83	373,500	4,500	230	147	661,500
	Tuition	83	60,590	730	230	147	107,310
Oct-21	Operation	89	316,279	3,554	230	141	501,072
	Tuition	89	62,300	700	230	141	98,700
Missed 2nd Qtr	Operation	66	234,544	3,554	66	0	0
	Tuition	66	46,200	700	66	0	0
Form 1 Cap.	Operation	67	301,500	4,500	88	21	94,500
	Tuition	67	48,910	730	88	21	15,330
Jan-22	Operation	221	458,288	2,074	281	60	124,422
	Tuition	221	105,638	478	281	60	28,680
Apr-22	Operation	230	679,604	2,955	281	51	150,695
	<b>Tuition</b>	<b>230</b>	<b>2,687,353</b>	<b>1,051</b>	<b>281</b>	<b>51</b>	<b>1,782,209</b>

In the circumstances, the effectiveness, accuracy and consistency of the student enrollment could not be confirmed and Kshs.1,782,209 was not funded to the students who were learning in the institution.

#### 4. Unsupported and Long Outstanding Accounts Receivables Balance

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.2,120,753 as disclosed under Note 11 of the financial statements. Included in the balance is Kshs.1,777,458 in respect of fee arrears for the previous year and prior periods of over two (2) years. However, Management did not maintain the correct student's debtors' statements as well as debtors' ledger schedule showing all the outstanding fees and their aging analysis. In addition, Management did not provide evidence of the efforts made to recover the mentioned student debtors.

In the circumstances, the accuracy and recoverability of accounts receivables balance of Kshs.2,120,753 could not be confirmed.

#### 5. Unsupported and Long Outstanding Accounts Payables Balance

The statement of financial assets and financial liabilities and Note 12 to the financial statements reflects account payables balance of Kshs.4,754,565 which includes trade creditors balance of Kshs.4,712,360. However, trade creditors balance of Kshs.3,141,970 relate to the prior periods of over two (2) years. However, the detailed schedules were not provided and plans on settlement of these payables was not provided.

In the circumstances, the accuracy and completeness of the long outstanding payables balance of Kshs.4,754,565 could not be confirmed.

## **6. Unsupported Stock/Inventories Balance**

Management disclosed Kshs.605,078 as the value of inventory as at the close of the year on 30 June, 2022 in the financial statements. However, the stock take report was not provided in respect of the same. Further, no detailed records were maintained to show the level of stock at the beginning of the year, purchased during the year, issued during the year and balance as at the end year as required by reporting template.

In the circumstances, the accuracy and completeness of stock/inventory balance could not be confirmed.

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

### **Key Audit Matters**

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

## **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. Late Submission of the Financial Statements**

Management submitted the report and financial statements for audit on 5 June, 2024 eighteen (18) months after the statutory date. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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

## **2. Failure to Effect Full Transfer and Delay in Transfer of Infrastructure Funds from the Operations Bank Account**

The statement of receipts and payments and Note 2 to the financial statements reflects receipts totalling Kshs.2,552,445 in respect of Government grants for operations out of which Kshs.706,500 was transferrable to the infrastructure bank account for implementation of projects. However, Kshs.130,000 was transferred from the operations account resulting to a shortage of Kshs.576,500 contrary to the provisions of Ministry of Education Circular Reference number MOE.HQS/3/6/36 dated 14 January, 2021. In addition, review of records revealed delayed transfers of infrastructure funds from the School operations bank account of between seven (7) and twenty-eight (28) days contrary to the provisions of Ministry of Education Circular reference number MOE.HQS/3/13/3 dated 16 June, 2021.

In the circumstances, Management was in breach of the Ministry guidelines.

## **3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)**

Review of records revealed that Management transferred co-curricular funds totalling to Kshs.19,000 to Kenya Secondary School Heads Association a private entity that is not subject to the Public Finance Management Act, 2012 or any other Public Finance Regulations. The funds were vired from boarding account. KESSHA is a welfare organization that draws its membership from School Principals only.

In the circumstances, the authenticity of the payment of Kshs.19,000 could not be confirmed and Management was in breach of law.

## **4. Irregular Payment of Labour Costs on Constructions**

During the year under review, Management made payments totalling Kshs.545,000 in respect of labour charges on construction of classroom. However, review of the project files revealed that there was no tendering process that was done, the project was directly awarded to the contractor and the suppliers without competitive bidding. There was no Notification of award, bills of quantities, acceptance, and professional opinion issued contrary to the provisions of Public Procurement and Asset Disposal Act, 2015.

In the circumstances, Management was in breach the law.

## **5. Lack of Fixed Asset Register**

Annex 2 – Summary of fixed assets register indicates the institution has in its possession land, building and structures, motor vehicles, office equipment, furniture and fittings, ICT equipment, tools and apparatus, textbooks totaling to Kshs.10,101,200. However, the school has not prepared fixed assets register to record all the assets in its possession in terms of the year of acquisition, location, identification number and amount contrary to Regulation 139 (1) of the Public Finance Management (National Government) Regulations, 2015 which provides that the accounting officer of a National Government entity shall take full responsibility and ensure that proper control systems exist for assets and that preventative mechanisms are in place to eliminate theft, security threats, losses,

wastage and misuse; movement and conditions of assets can be tracked; and stock levels are at an optimum and economical level.

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

## **6. Lack a School Improvement Plan**

During the year under review, the School did not prepare a school improvement plan as required by Section 2.2. of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds.

In the circumstances, Management was in breach the Ministry guidelines.

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

Even though the school operated with a duly constituted board for which the appointment letters were provided, the Board of Management members were paid allowances at a rate of Kshs.4,000 for the chair and Kshs.2,000 for the other members the basis of which could not be ascertained as there were no board resolutions approving the rates of allowances.

In the circumstances, Management was in breach the law.

## **8. Irregular Payments for Tuition**

The statement of receipts and payments reflects payments for tuition totalling Kshs.603,844. However, the amount includes Kshs.400,000 incurred on cash procurements in excess of the allowable Kshs.50,000 threshold for low value procurements and for which procurement records were not provided for audit. In addition, procedures followed in identifying the suppliers were unclear and the goods procured were not inspected, certified and taken on charge contrary to Section 48 of the Public Procurement and Asset Disposal Act, 2015 which provides that an accounting officer of a procuring entity may establish an Ad-hoc committee known as the inspection and acceptance committee which shall ensure that the correct quantity of the goods is received, that the goods, works or services meet the technical standards defined in the contract, that the goods, works or services have been delivered or completed on time ,or that any delay has been noted, that all required manuals or documentation has been received and issue interim or completion certificates or goods received notes, as appropriate and in accordance with the contract.

In the circumstances, the validity and propriety of the payments for tuition totalling Kshs.603,844 could not be confirmed and Management was in breach of the law.

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

# REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

## **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 Approved ICT Policy**

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

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

### **2. 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.

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

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

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

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

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

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

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

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

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of

the internal control would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

14 January, 2025

**KAPLELACH SECONDARY SCHOOL**  
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**V. Statement of Receipts and Payments Period To 30<sup>th</sup> June 2022**

DESCRIPTION OF VOTE HEAD	Note	2021 - 2022	2020-2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	613,201.00	175,548.25
Capitation grants for operations	2	2,552,445.20	1,181,901.70
School Fund Income- Parents' Contributions	3	2,072,080.00	523,180.00
<b>TOTAL RECEIPTS</b>		<b>5,237,726.20</b>	<b>1,880,629.95</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	603,844.00	125,606.00
Payments for operations	6	2,237,957.00	891,346.00
Boarding and school fund payments	7	2,022,196.00	499,967.00
<b>TOTAL PAYMENTS</b>		<b>4,863,997.00</b>	<b>1,516,919.00</b>
<b>SURPLUS/DEFICIT</b>		<b>373,729.20</b>	<b>363,710.95</b>

The school financial statements were approved on 2022 and signed by:

*J.R.O.W*  
 .....  
**Name:** JULIUS KIPRONO ROTICH  
 Chair BOM  
**Date:** 1/8/2024
 

*Kullca*  
 .....  
**Name:** Ondvegi DIONN  
 School Principal/ Secretary to  
 BOM  
**Date:** 01/08/2024
 

*[Signature]*  
 .....  
**Name:** KIPROTICH KARIA  
 Bursar/ Finance Officer  
**Date:** 01/08/2024

**KAPLELACH SECONDARY SCHOOL**  
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**VI. Statement of Financial Assets and Financial Liabilities as At 30<sup>th</sup> June 2022**

	Note	2021 - 2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	212,340.55	324,924.35
Cash Balances	9	7,160.00	66,499.00
<b>Total Cash and cash equivalent</b>		<b>219,500.55</b>	<b>391,423.35</b>
Account's receivables	11	2,120,753.00	1,803,948.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>2,340,253.55</b>	<b>2,195,371.35</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	4,754,565.20	3,691,970.00
<b>NET FINANCIAL ASSETS</b>		<b>(2,414,311.65)</b>	<b>(1,496,598.65)</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	(2,081,062.65)	(2,444,773.60)
Surplus/Deficit for the year		373,729.20	363,710.95
<b>NET FINANCIAL POSITION</b>		<b>(1,707,333.45)</b>	<b>(2,081,062.65)</b>

The School's financial statements were approved on 2022 and signed by:

Name: <sup>120TICH</sup> JULIUS KIPPOND  
 Chairman, BoM

Name: NATHAN OROO  
 School principal/secretary to BoM

Name: KIPROTICH MORIK  
 Bursar/Finance officer

Sign: 

Sign: 

Sign: 

Date: 11/8/2022

Date: 21/8/2022

Date: 21/08/2022

THE PRINCIPAL  
 KAPLELACH SECONDARY SCHOOL  
 P. O. Box 46-20404, NDANAI  
 DATE:..... SIGN:.....

**KAPLELACH SECONDARY SCHOOL**  
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**VI. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022**

		<b>2021 - 2022</b>	<b>2020-2021</b>
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts for operating income</b>			
Capitation grants for tuition	<b>1</b>	613,201.00	175,548.25
Capitation grants for operations	<b>2</b>	2,552,445.20	1,181,901.70
School fund income- Parents contributions/ fees	<b>3</b>	2,072,080.00	523,180.00
<b>Total receipts</b>		<b>5,237,726.20</b>	<b>1,880,629.95</b>
<b>Payments</b>			
Payments for Tuition		603,844.00	125,606.00
Payments for operations		2,237,957.00	576,094.00
Boarding and school fund payments		2,022,196.00	499,967.00
<b>Total payments</b>		<b>4,863,997.00</b>	<b>1,201,667.00</b>
<b>Net cash flow from operating activities</b>		<b>373,729.20</b>	<b>678,962.95</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Acquisition of Assets-Classroom		(545,652.00)	(315,252.00)
<b>Net cash flows from Investing Activities</b>		<b>(545,652.00)</b>	<b>(315,252.00)</b>
<b>CASHFLOW FROM BORROWING/FINANCING ACTIVITIES</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(171,922.80)</b>	<b>363,710.95</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>391,423.35</b>	<b>27,712.40</b>
<b>Cash and cash equivalent at END of the year</b>		<b>219,500.55</b>	<b>391,423.35</b>

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

**KAPLELACH SECONDARY SCHOOL**  
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**VII. Statement of Budgeted Versus Actual Amounts for the Year Ended 30<sup>th</sup> 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
<b>RECEIPTS</b>							
<i>(1) CAPITATION GRANT ON TUITION</i>							
Teaching / learning materials	4	650,000.00	-	650,000.00	613,201.00	36,799.00	94.34
<b>TOTAL</b>		<b>650,000.00</b>	<b>-</b>	<b>650,000.00</b>	<b>613,201.00</b>	<b>36,799.00</b>	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>							
Repairs and maintenance	4	550,000.00	(200,000.00)	350,000.00	306,000.00	44,000.00	87.43
Other vote heads	10	2,300,000.00	-	2,300,000.00	2,246,445.20	53,554.80	97.67
<b>TOTAL</b>		<b>2,850,000.00</b>	<b>(200,000.00)</b>	<b>2,650,000.00</b>	<b>2,552,445.20</b>	<b>97,554.80</b>	<b>96.32</b>

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
<i>(3) FEES CHARGED ON PARENTS</i>							
Repairs and maintenance		237,900.0	-	237,900.0	-	237,900.0	-
Local transport / travelling		5,600.0	-	5,600.0	-	5,600.0	-
Electricity and water		6,400.0	-	6,400.0	-	6,400.0	-
<b>Other vote heads</b>							
Fee on Boarding Equipment and Stores		2,100,000.0	(150,000.0)	1,950,000.0	2,003,385.0	(53,385.0)	102.74
<b>OTHER INCOME</b>							
<b>TOTAL INCOME</b>		<b>2,349,900.0</b>	<b>(150,000.0)</b>	<b>2,199,900.0</b>	<b>2,003,385.0</b>	<b>196,515.0</b>	<b>91.07</b>

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<b>Receipt/expenses Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilization Difference</b>	<b>% of Utilization</b>
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b><i>(1) EXPENDITURE FOR TUITION</i></b>						
Teaching / learning materials	650,000.0		650,000.0	52,500.00	597,500.0	8.08
<b>TOTAL</b>	<b>650,000.00</b>	<b>-</b>	<b>650,000.00</b>	<b>52,500.00</b>	<b>597,500.00</b>	<b>8.08</b>
<b><i>(2) EXPENDITURE FOR OPERATIONS</i></b>						
Repairs, maintenance & improvements	550,000.0	(460,000.0)	90,000.0	-	90,000.0	-
Other vote heads	2,300,000.0	(150,000.0)	2,150,000.0	2,237,957.0	4,387,957.0	104.09
<b>TOTAL</b>	<b>2,850,000.00</b>	<b>(610,000.00)</b>	<b>2,240,000.00</b>	<b>2,237,957.00</b>	<b>4,477,957.00</b>	<b>99.91</b>

**Commentary on significant underutilization (below 90% of utilization) and overutilization above 100%]**

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<b>Receipt/expenses Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual on Comparable Basis</b>	<b>Budget Utilization Difference</b>	<b>% of Utilization</b>
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>						
Repairs, maintenance and improvements	237,900.00	-	237,900.0	237,900.0	-	100.00
Local transport / travelling	5,600.00	-	5,600.0	5,600.0	-	100.00
Electricity, water and conservancy	6,400.00	-	6,400.0	6,400.0	-	100.00
Administration costs	-	-	-	16,552.0	(16,552.0)	-
<b>Other vote heads</b>						
Boarding Equipment and Stores	2,100,000.00	(200,000.0)	1,900,000.0	1,755,744.0	144,256.0	92.41
<b>TOTALS</b>	<b>2,349,900.00</b>	<b>(200,000.00)</b>	<b>2,149,900.00</b>	<b>2,022,196.00</b>	<b>127,704.00</b>	<b>94.06</b>

**Commentary on significant underutilization (below 90% of utilization) and overutilization above 100%]**

**KAPLELACH SECONDARY SCHOOL**  
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**VIII. 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 impress, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**KAPLELACH SECONDARY SCHOOL**  
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**Significant Accounting Policies (Continued)**

**5. Accounts Receivable**

For the purposes of these financial statements, impress 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 impress payments are recognized as expenditure when fully accounted for by the impress or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

**KAPLELACH SECONDARY SCHOOL**  
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**IX. Notes to The Financial Statements**

**1 Capitation Grant for Tuition**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Teaching/learning materials	613,201.00	175,548.25
<b>Total</b>	<b>613,201.00</b>	<b>175,548.25</b>

**2 CAPITATION GRANT FOR OPERATIONS/IFRASTRUCTURE**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Repairs and maintenance	306,000.00	460,000.00
Other vote heads	2,246,445.20	721,901.70
<b>Total</b>	<b>2,552,445.20</b>	<b>1,181,901.70</b>

**3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	2,072,080.00	523,180.00
<b>Total</b>	<b>2,072,080.00</b>	<b>523,180.00</b>

**4 Other Receipts – School Fund Account**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
<b>Total</b>	<b>-</b>	<b>-</b>

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

**5 PAYMENTS FOR TUITION**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Teaching/learning materials	602,500.00	125,000.00
Administration costs	1,344.00	606.00
<b>TOTAL</b>	<b>603,844.00</b>	<b>125,606.00</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**6. PAYMENTS FOR OPERATIONS**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Activity Expenses	-	20,000.00
Administration Cost	252.00	252.00
Repairs and maintenance & improvements	545,400.00	315,000.00
Other vote heads *	1,692,305.00	556,094.00
<b>TOTAL</b>	<b>2,237,957.00</b>	<b>891,346.00</b>

**KAPLELACH SECONDARY SCHOOL**  
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**7 BOARDING AND SCHOOL FUND PAYMENTS**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Repairs and maintenance & Improvements	237,900.00	2,500.00
Local transport / travelling	5,600.00	1,000.00
Electricity and water	6,400.00	8,730.00
Administration costs	16,552.00	3,652.00
Fee on Boarding Equipment and Stores	1,755,744.00	484,085.00
<b>TOTAL</b>	<b>2,022,196.00</b>	<b>499,967.00</b>

**Notes to the Financial Statements (Continued)**

**8 BANK ACCOUNTS**

Name of Bank, Account No. & currency	Bank Account Number	2021 - 2022	2020-2021
		Kshs	Kshs
Tuition Account		63,483.95	54,126.95
Operations Account		72,293.70	106,030.50
School Fund Account/Boarding		75,123.90	13,675.90
Infrastructure Account		1,439.00	151,091.00
<b>Total</b>		<b>212,340.55</b>	<b>324,924.35</b>

**9 CASH IN HAND**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Operation Account	2,469.00	50,244.00
School Fund account	4,691.00	16,255.00
<b>Total</b>	<b>7,160.00</b>	<b>66,499.00</b>

**10 SHORT TERM INVESTMENTS**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
<b>Total</b>	<b>-</b>	<b>-</b>

**Notes To The Financial Statements (Continued)**

**11 ACCOUNTS RECEIVABLE**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Fees arrears	2,120,753.00	1,803,948.00
<b>Total</b>	<b>2,120,753.00</b>	<b>1,803,948.00</b>

[Include an ageing of the fees / non fees arrears below]

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Description	2021 - 2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	343,295.00	459,464.00
Fees arrears for the previous year	432,974.00	-
Fees arrears for prior periods (over two years)	1,344,484.00	1,344,484.00
<b>Total</b>	<b>2,120,753.00</b>	<b>1,803,948.00</b>

**12 ACCOUNTS PAYABLE**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,712,360.20	3,691,970.00
Prepaid fees	42,205.00	-
<b>Total</b>	<b>4,754,565.20</b>	<b>3,691,970.00</b>

[Include an ageing of the creditor's arrears below]

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	1,570,390.20	-
Trade creditors for the previous year	-	875,035.00
Trade creditors for prior periods (over two years)	3,141,970.00	2,816,935.00
<b>Total</b>	<b>4,712,360.20</b>	<b>3,691,970.00</b>

**Notes to the Financial Statements (Continued)**

**13 FUND BALANCE BROUGHT FORWARD**

Description	2021 - 2022	2020-2021
	Kshs	Kshs
Bank balances	324,924.35	24,967.40
Cash balances	66,499.00	2,745.00
Receivables	1,803,948.00	1,344,484.00
Payables	(3,691,970.00)	(3,816,970.00)
<b>Total</b>	<b>(1,496,598.65)</b>	<b>(2,444,773.60)</b>

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**Other important disclosure notes**

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

**14 Non-current Liabilities Summary**

Description					2021 - 2022	2020-2021
					Kshs	Kshs
Bank loan(s)	N/A				-	-
Outstanding Leases	N/A				-	-
Hire purchase	N/A				-	-
Gratuity and leave provision	N/A				-	-
<b>Total</b>						-

**15 Biological assets**

Description	Numbers	Opening Balance in Units	Increase during the year	Disposals during the year	At the end of the year	2021 - 2022	2020-2021
						Kshs	Kshs
Trees		15	5	-	20	20,000.00	15,000.00

**16 Borrowings**

Description					2021 - 2022	2020-2021
					Kshs	Kshs
<b>a) Borrowings</b>						
Borrowing at beginning of the year	N/A				-	-
Borrowings during the year	N/A				-	-
Repayments of during the year	N/A				-	-
<b>Balance at end of the year</b>	N/A				-	-

**Other important disclosure notes**

**17. Stock/ Inventory**

Description	2021 - 2022	2020-2021
	KShs	KShs
Stock/ inventory at beginning of the year	395,078.00	214,756.00
Stock/ inventory purchased during the year	1,350,000.00	970,102.00
Stock/ inventory issued during the year	(1,140,000.00)	(789,780.00)
<b>Balance at end of the year</b>	<b>605,078.00</b>	<b>395,078.00</b>

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**18. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

NATHAN OKORI

Sign and Date  
Principal

*Nathan Okori 01/08/2022*

**THE PRINCIPAL**  
**KAPLELACH SECONDARY SCHOOL**  
**P. O. Box 46-20404, NDANAI**  
 DATE:..... SIGN:.....

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**Annex 1 - Analysis of Pending Accounts Payable**

<b>Supplier of Goods or Services</b>	<b>Original Amount</b>	<b>Date Contracted</b>	<b>Amount Paid To-Date</b>	<b>Outstanding Balance 2022</b>	<b>Outstanding Balance 2021</b>	<b>Comments</b>
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction of buildings</b>						
Dobex laboratories	745,000.00	22/03/021	745,000.00	-	-	
	-		-	-	-	
3.	-		-	-	-	
<b>Sub-Total</b>	745,000.00	0	745,000.00	-	-	NOT AVAILABLE
<b>Supply of goods</b>						
Kofrica Ventures	660,000.00	22/08/022	604,000.00	56,000.00		
	<b>1,405,000.00</b>		<b>1,349,000.00</b>	<b>56,000.00</b>	-	

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**Annex 2 – Summary of Fixed Assets Register**

Asset class	Date purchased	Location	Units	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land 1	10/2/2022	Gelegele	0.45	782,000.00	302,500.00	-	1,084,500.00
Land 2							-
Buildings and structures				6,550,000.00	745,000.00	-	7,295,000.00
Motor vehicles						-	-
Office equipment, furniture and fittings	2013-2021	Lab.		428,000.00	613,000.00	-	1,041,000.00
ICT Equipment, and Other ICT Assets				148,500.00	35,000.00	-	183,500.00
Tools and apparatus				465,200.00		-	465,200.00
Textbooks				32,000.00		-	32,000.00
Other Machinery and Equipment						-	-
Heritage and cultural assets						-	-
Intangible assets- soft ware						-	-
<b>Total</b>				<b>8,405,700.00</b>	<b>1,695,500.00</b>		<b>10,101,200.00</b>

(The School should ensure that a detailed fixed assets register is maintained).

*Handwritten signature: Mutha 01/08/2022*

**THE PRINCIPAL**  
**KAPLELACH SECONDARY SCHOOL**  
**P. O. Box 46-20404, NDANAI**  
 DATE:..... SIGN:.....