


REPUBLIC OF KENYA



*Enhancing Accountability*

PARLIAMENT  
OF KENYA  
LIBRARY

 <b>REPORT</b> NATIONAL ASSEMBLY PAPERS LAID	
DATE: 29 NOV 2023	DAY: WED
TABLED BY: <b>OF</b>	Hon Owen Baya, <i>CS, MP</i> Deputy Majority Leader
CLERK-AT THE TABLE:	Esther Ngunya

**THE AUDITOR-GENERAL**

**ON**

**RIGOMA GIRLS SECONDARY SCHOOL**

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

**NYAMIRA COUNTY**



*RIGOMA GIRLS SECONDARY SCHOOL*  
**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> June 2022**

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

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

<b>Table of Contents</b>	<b>Page</b>
I. KEY SCHOOL INFORMATION AND MANAGEMENT .....	iii
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL .....	vii
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY .....	xvii
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF (RIGOMA GIRLS SECONDARY SCHOOL) OF THE YEAR ENDING 30 <sup>TH</sup> JUNE 2022 .....	xviii
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 <sup>TH</sup> JUNE 2022.....	1
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 <sup>TH</sup> JUNE 2022 .....	3
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 <sup>TH</sup> JUNE 2022 .....	4
IX. SIGNIFICANT ACCOUNTING POLICIES.....	8
X. NOTES TO THE FINANCIAL STATEMENTS .....	10

PUBLIC SECONDARY SCHOOL: RIGOMA GIRLS SECONDARY SCHOOL  
Report and Financial Statements for the year ended 30<sup>th</sup> June 2022

**I. KEY SCHOOL INFORMATION AND MANAGEMENT**

*[RIGOMA GIRLS SECONDARY SCHOOL ]*

**(a) Background information**

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

The school was registered in 1985 under registration number KK3245 and is currently categorized as a County public Girls secondary school established, owned or operated by the Government.

The school is a Boarding Girls secondary school and had 435 number of students as at 30<sup>th</sup> June 2022. It has 2 streams and 21 teachers of which 9 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	Stephen Momanyi	Chairman	23/05/2022
2	Gechemba Mosiori	Secretary- Principal	23/05/2022
3	Sereti Kimori	Member	23/05/2022
4	Sarah Nyangechi	Member	23/05/2022
5	George Okioma	Member	23/05/2022
6	Anticonen Ankiri	Member	23/05/2022
7	James Obae	Member	23/05/2022
8	Joscah Atuma	Member – Rep CEB	23/05/2022
9	Elijah Osoro	Member Rep Teachers	23/05/2022
10	Gladys Kebaso	Members - Sponsor	23/05/2022
11	Silvanus Obeya	Member - Community	23/05/2022
12	Daniel Mososi	MemberSpecial Needs	23/05/2022
13	Eucabeth Osoro	Member-Community	23/05/2022
14	Onsarigo Mokaya	Member – Rep sponsor	23/05/2022
15	Faith Mombua	Member-Rep Student	23/05/2022

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> 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 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1 Stephen Momanyi 2. Gechemba Mosiori 3. Sereti Kimori 4. Sarah Nyangechi 5. Joscah Atuma	Chairman Secretary Member Member member	3 out of 6
2	Audit Committee	1. George Okioma 2. Gladys Kebaso 3. Robert Omwenga	Chairman Secretary Member	3 out of 6
3	Finance, procurement and general purposes Committee	1 George Okioma 2. Gechemba Mosiori 3. Stephen Momanyi	Chairman Secretary Member	3 out of 6
4	Academic Committee	1 Omwenga Mokaya 2 Silvanus Obeya 3 Robert Omwenga	Chairman Secretary Member	3 out of 6
5	Development Committee	1 James Obae 2 Onsarigo Mokaya 3 Sarah Nyangechi	Chairperson Secretary Member member	3 out of 6
6	Discipline and welfare Committee	1 James Obae 2. Yobensia Abuga 3. Sarah Ogechi	Chairman Secretary Member Member member	3 out of 6

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**(d ) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	Gechemba Mosiori	310240
2	Deputy Principal	Jane Nyabuti	232055
3	School Bursar	Nyaboke Kevin	20228575

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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

**(d) Schools contacts**

Post Office Box:2022-40200  
Telephone:0711716757  
E-mail: rigomagirls@gmail.com  
Website:www.rigomagirls.sc.ke  
Facebook:  
Twitter:

**(e) School Bankers**

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

1. Name of Bank: KCB-School Fund Account  
Branch: Keroka  
Account Number: 1102207373
2. Name of Bank: KCB-Operations Account  
Branch: Keroka  
Account Number: 1102207063
3. Name of Bank:National Bank-Tuition Account  
Branch: KISII  
Account Number: 0102103391230
4. Name of Bank:KCB-Infrastructure Account  
Branch: Kerok  
Account Number: 1238158579

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

**(f) Independent Auditors**

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

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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

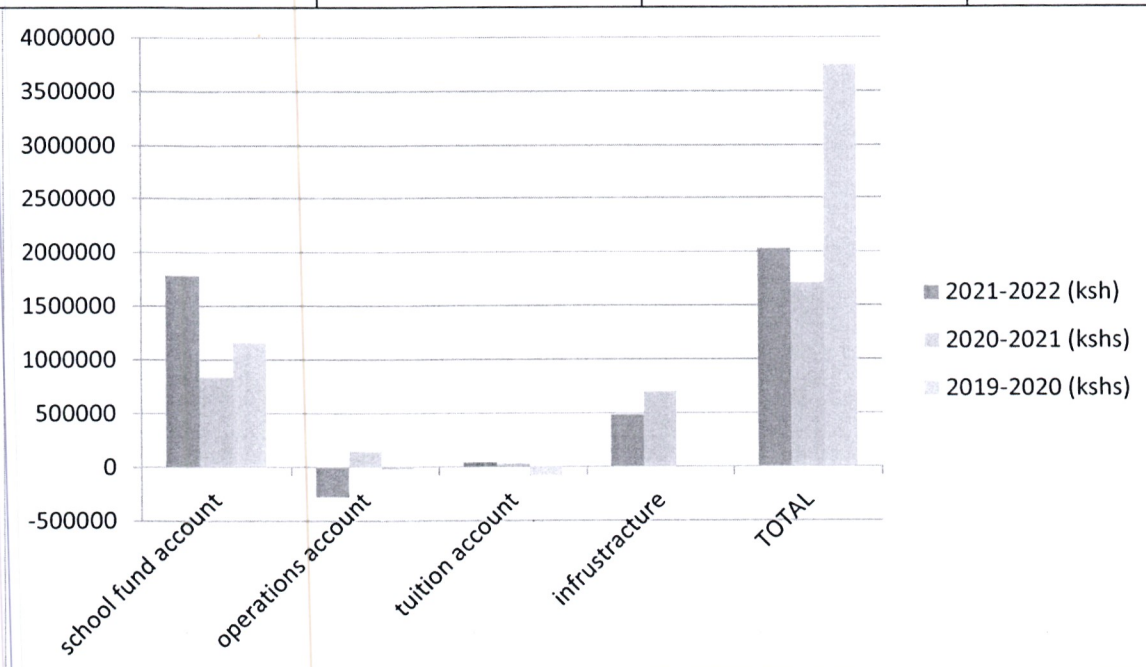
The following is a summary report of the performance of the school against the set performance evaluation criteria:

**a) Financial performance:**

*Under this section, the following information should be given:*

**Surplus/ deficit for the year and a comparison of the same for the last three years**

ACCOUNTS	2021-2022 (ksh)	2020-2021 (ksh)	2019-2020 (ksh)
School fund account	1,783,882.00	837,822.60	1,163,503.00
Operations account	( 277,903.00)	146,729.05	(20,143.00)
Tuition account	43,541.80	29,229.00	(87,202.00)
Infrastructure account	481,000.00	700,000.00	-----
<b>TOTAL</b>	<b>2,030,520.80</b>	<b>1,713,780.65</b>	<b>1,056,158.00</b>



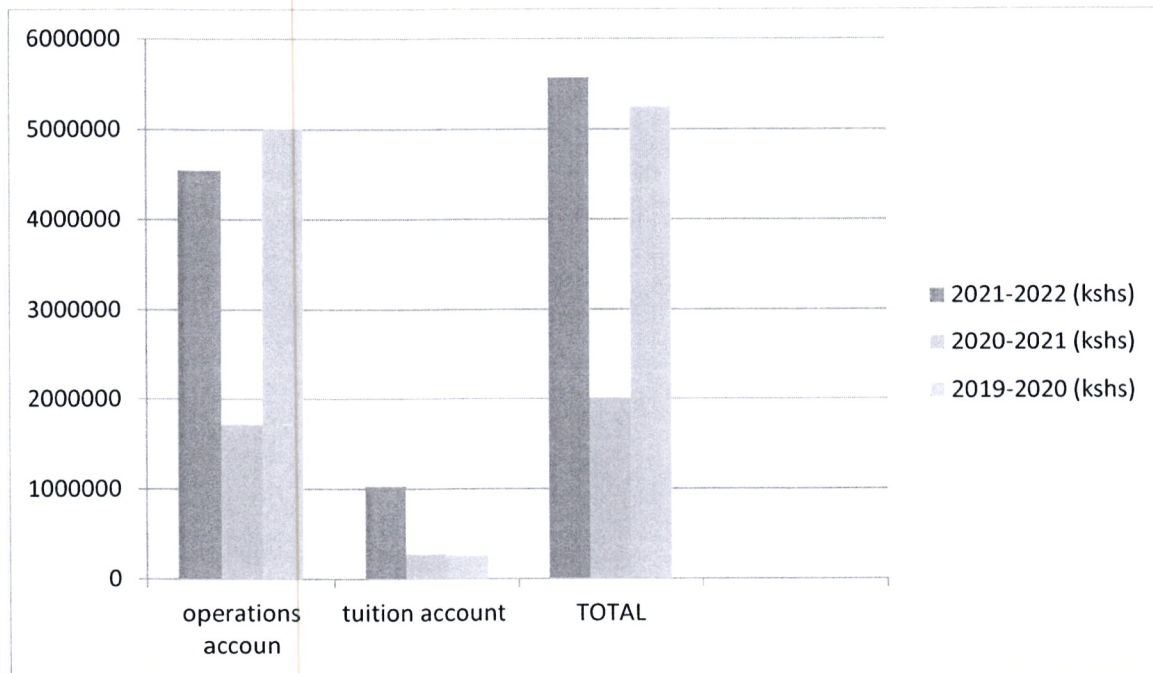
PUBLIC SECONDARY SCHOOL: RIGOMA GIRLS SECONDARY SCHOOL  
 Report and Financial Statements for the year ended 30<sup>th</sup> June 2022

**Capitation grants from the Ministry of Education for the last three years**

ACCOUNTS	2021-2022(KSH)	2020-2021(KSH)	2019-2020(KSH)
<b>Operations account</b>	<b>4,548,006.00</b>	<b>1,716,193.10</b>	<b>4,986,150.00</b>
<b>Tuition account</b>	<b>1,023,986.80</b>	<b>276,264.00</b>	<b>259,850.00</b>
<b>TOTAL</b>	<b>5,571,992.80</b>	<b>1,992,457.10</b>	<b>5,246,000.00</b>

**Ratio of capitation grant per student over the last three years**

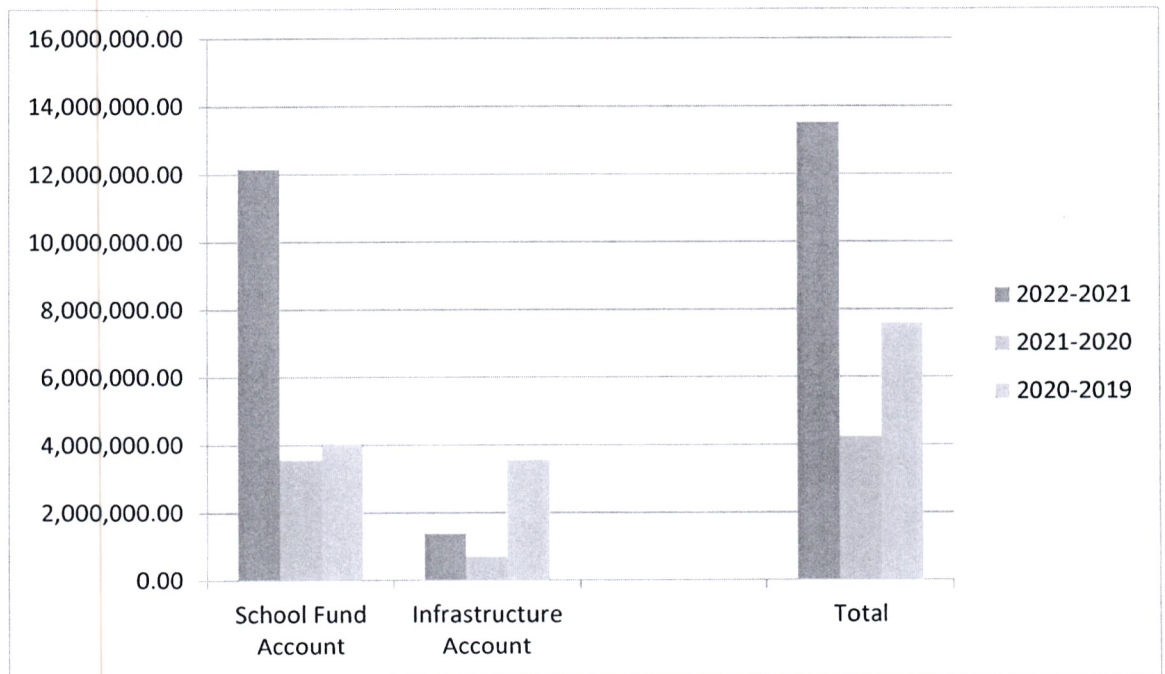
<b>Number of students</b>	<b>320</b>	<b>215</b>	<b>270</b>
<b>Ratio of Capitation per student</b>	<b>1:17,400</b>	<b>1:9,200</b>	<b>1:19,000</b>



**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**A three-year overview of growth of other income(s) earned by the school..**

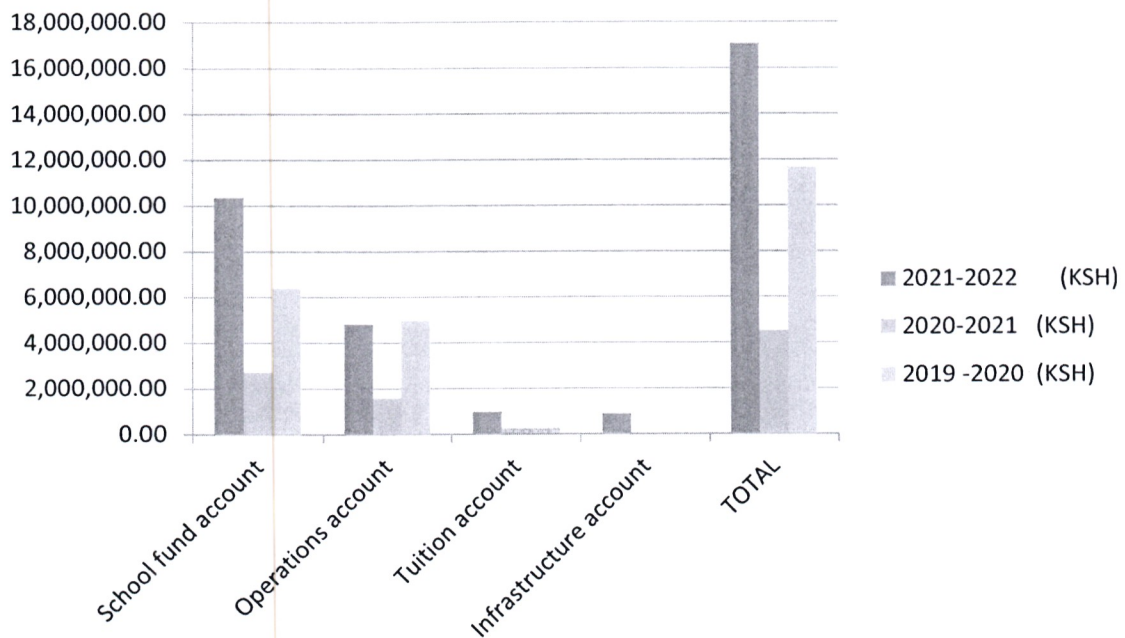
<i>ACCOUNTS</i>	<i>2022-2021</i>	<i>2021-2020</i>	<i>2020-2019</i>
<i>School Fund Account</i>	<i>12,139,026.00</i>	<i>3,542,658.00</i>	<i>4,036,940.00</i>
<i>Infrastructure Account</i>	<i>1,378,000.00</i>	<i>700,000.00</i>	<i>3,544,000.00</i>
<i>Total</i>	<i>13,517,026.00</i>	<i>4,242,658.00</i>	<i>7,588,940.00</i>



**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**A three-year overview of growth in expenditure of the school**

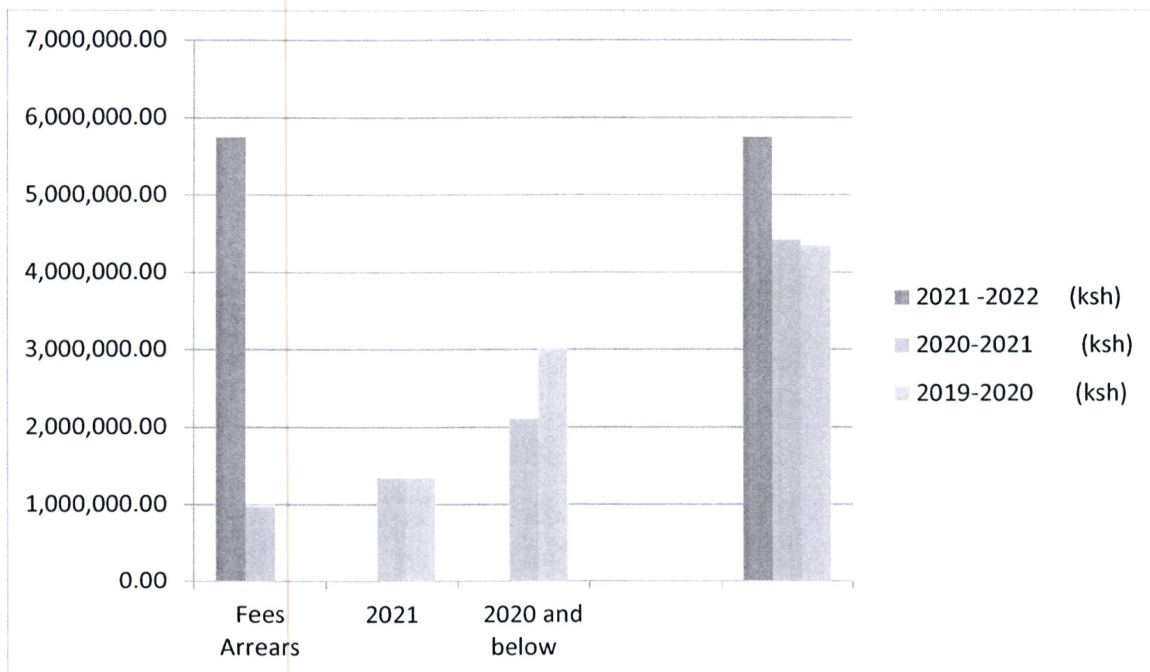
<b>OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL</b>			
<b>ACCOUNTS</b>	<b>2021-2022 (KSH)</b>	<b>2020-2021 (KSH)</b>	<b>2019 -2020 (KSH)</b>
School fund account	10,355,144.00	2,701,835.40	6416730.70
Operations account	4,825,909.00	1,569,464.05	4986150.00
Tuition account	980,445.00	247,335.00	259,850.00
Infrastructure account	897,000.00		
<b>TOTAL</b>	<b>17,058,498.00</b>	<b>4,521,634.45</b>	<b>11,662,730.00</b>



**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**Movement of debtors of the school over the last three years**

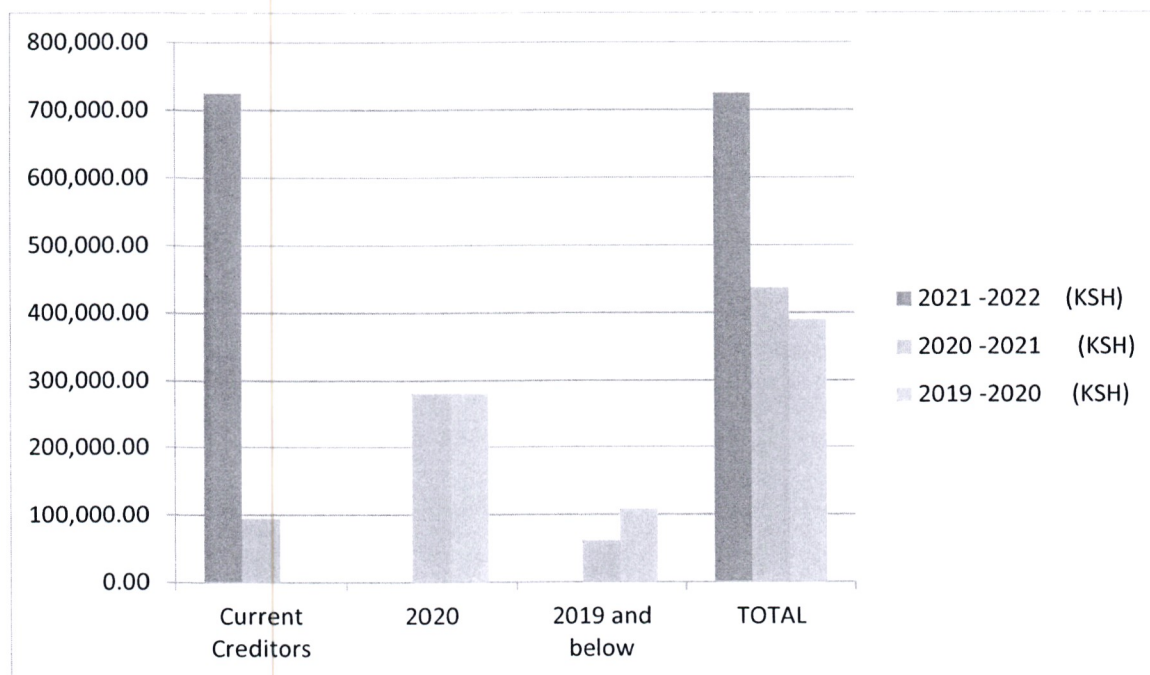
ACCOUNTS	2021 -2022 (ksh)	2020-2021 (ksh)	2019-2020 (ksh)
Fees Arrears	5,753,531.80	970,110.00	-----
2021		1,343,040.00	1,343,040.00
2020 and below		2,107,652.00	3,011,292.00
		-----	-----
	5,753,531.80	4,420,802.00	4,354,332.00



**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**Movement of creditors of the school over the last three years**

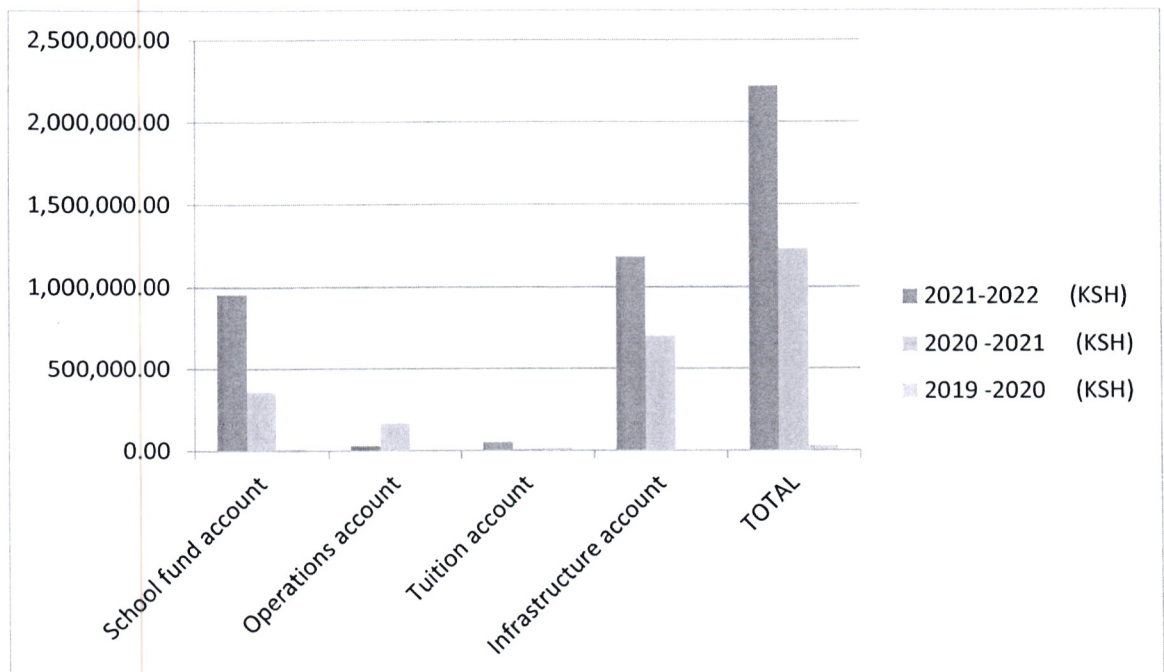
ACCOUNTS	2021 -2022 (KSH)	2020 -2021 (KSH)	2019 -2020 (KSH)
<b>Current Creditors</b>	<b>724,807.40</b>	<b>94,942.00</b>	
<b>2020</b>		<b>280,645.00</b>	<b>280,645.00</b>
<b>2019 and below</b>		<b>61,170.40</b>	<b>109,110.00</b>
<b>TOTAL</b>	<b>724,807.40</b>	<b>436,757.40</b>	<b>389,755.00</b>



**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**Movement of cash and bank balances over the last three years**

ACCOUNTS	2021-2022 (KSH)	2020 -2021 (KSH)	2019 -2020 (KSH)
School fund account	955,667.80	356,195.80	8,232.80
Operations account	28,863.40	167,036.20	1,777.10
Tuition account	51,464.11	7,922.31	18,713.31
Infrastructure account	1,182,230.00	701,230.00	1,230.00
<b>TOTAL</b>	<b>2,218,225.31</b>	<b>1,232,384.31</b>	<b>29,953.21</b>



**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**b) Teacher Student ratio:**

<i>No of Teachers</i>	<i>2022-2021</i>	<i>2021-2020</i>	<i>2020-2019</i>
<i>Tsc</i>	<i>11</i>	<i>11</i>	<i>11</i>
<i>Bom</i>	<i>9</i>	<i>9</i>	<i>9</i>
<i>No of Students</i>	<i>435</i>	<i>215</i>	<i>270</i>
<i>Ratios</i>	<i>1:23</i>	<i>1:11</i>	<i>1 : 14</i>
<i>Shortage of Subjects</i>	<i>Kiswahil/Geography</i>	<i>Chem/Bio,Phy/Maths</i>	<i>English/Literature</i>

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

<i>Year</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Mean Score</i>	<i>4.5789</i>	<i>5.069</i>	<i>4.717</i>
<i>Number of Candidates</i>	<i>76</i>	<i>43</i>	<i>46</i>
<i>Set Score</i>	<i>7.00</i>	<i>5.00</i>	<i>4.5</i>

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**d) Number of Candidates in the 2021 KCSE:**

<i>Year</i>	<i>2022-2021</i>	<i>2021-2020</i>	<i>2020-2019</i>
<i>Candidates</i>	76	43	46
<i>Transition to Higher</i>	5	8	4

**e) Capacity of the school:**

<i>FACILITIES</i>	<i>2022-2021</i>	<i>2021-2020</i>	<i>2020-2019</i>
<i>Dormitory</i>	435	215	270
<i>Dining Hall</i>	435	215	270
<i>Laboratory</i>	435	215	270
<i>Toilets</i>	435	215	270
<i>Classroom</i>	435	215	270
<i>Kitchen</i>	435	215	270
<i>Library</i>	435	215	270

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**Development projects carried out by the school:**

S/N	Project	year	Status	Amount (Kshs)	Fund source
1	Dormitory	2019-2020	Incomplete	3,537,397.00	MIF
2.	-----	2020-2021	-----	-----	-----
3	Dormitory	2021-2022	60%Complete	1,372,000.00	MIF

Signature [Signature]

Name STEPHEN M. GICHANA

Date 11/09/2023

Chairperson(BOM)

Signature [Signature]

Name MOSIORI GECHENBA

Date 11/09/2023

Principal/secretary(BOM)



Signature [Signature]

Name KEVIN NYABOKE

Date 11.09.2023

Finance officer/Bursar

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
Reports and Financial Statements For the year ended 30<sup>th</sup> 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 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 **RIGOMA GIRLS SECONDARY SCHOOL** accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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

Sign: \_\_\_\_\_  
Name: STEPHEN M. GICITANA  
Date: 11/09/2022  
Chairperson (BOM)

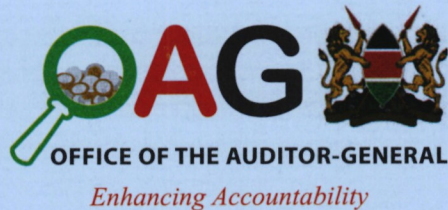
Sign: \_\_\_\_\_  
Name: MOSIORI GECHEMBA  
Date: 11/09/2022  
Principal/secretary (BOM)

Sign: \_\_\_\_\_  
Name: KEVIN NYABOKE  
Date: 11.09.2023  
Finance officer/Bursar



# REPUBLIC OF KENYA

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



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

## **REPORT OF THE AUDITOR GENERAL ON RIGOMA GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NYAMIRA COUNTY**

---

### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards, and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines, and manuals and whether public resources are applied in a prudent, efficient, economic, transparent, and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on 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, 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**

#### **Adverse Opinion**

I have audited the accompanying financial statements of Rigoma Girls Secondary School-Nyamira County set out on pages 1 to 18, which comprise of 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 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, because of the significance of the matter discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of the Rigoma Girls Secondary School - Nyamira 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 do not comply with Public Finance Management Act, 2012 and Basic Education Act, 2013.

### **Basis for Adverse Opinion**

#### **1. Inaccuracies in the Statement of Cash Flows**

The statement of cash flows reflects cash and cash equivalents at beginning and end of the year balance of Kshs.1,713,781 and Kshs.2,218,225, respectively resulting to a movement of Kshs.504,464. However, the net increase in cash and cash equivalents reflects a balance of Kshs.2,030,521 resulting to an unexplained variance of Kshs.1,526,057. Further, the comparative net increase in cash and cash equivalents reflects a movement of Kshs.1,713,781 which differed with the movement of cash and cash equivalents balance as per the statement of financial assets and liabilities balance of Kshs.1,232,384. In addition, the comparative cash equivalents at beginning of the year reflected nil balance which differed with the previous year balance of Kshs.56,149. Similarly, adjustment for increase/(decrease) on receivable and payables in the statement of cash flows was omitted.

In the circumstances, the accuracy, completeness, presentation and disclosure of the statement of cash flows could not be confirmed.

#### **2. Unsupported Receipts and Payments**

The statement of financial performance reflects school fund income - parents contribution, payments for tuition and boarding and school fund payments amount of Kshs.12,139,026, Kshs.980,445 and Kshs.10,355,144, respectively. However, the amounts were not supported by ledgers. This is contrary to Section 23(1) of the Fourth Schedule of the Basic Education Act, 2013 which states that, 'the Board of Management of a Public Institution of basic education shall cause to be kept all proper books and records of accounts of the income, expenditure and assets of the institution'.

In the circumstances, the accuracy and completeness of the receipts and payments amounting to Kshs.12,139,026 and Kshs.11,335,589 respectively, could not be confirmed.

### **3. Variances in the Payments for Operations**

The statement of receipt and payments reflects payments for operation amount of Kshs.4,825,909 as disclosed in Note 6 to the financial statements. The amount includes personnel emoluments and administration cost amount of Kshs.2,246,120 and Kshs.733,930, respectively while the ledger reflects an amount of Kshs.2,081,118 and Kshs.738,270 resulting to an unexplained and unreconciled variance of Kshs.165,002 and Kshs.4,340, respectively.

In the circumstances, the accuracy and completeness of payments for operation amounting to Kshs.4,825,909 could not be confirmed.

### **4. Irregularities in the Payments for Boarding and School Fund**

The statement of receipt and payments reflects payments for boarding and school fund amount of Kshs.10,355,144 which differs with the amount of Kshs.11,252,144 disclosed in Note 7 to the financial statements resulting to an unreconciled variance of Kshs.879,000. Further, the expenditure includes an amount of Kshs.1,089,400 for construction of a dormitory with a cumulative paid amount of Kshs.3,646,257.

However, review of project documents revealed two (2) approved bills of quantities for the construction of the same dormitory block, one at a cost of Kshs.3,002,900 while the other was at a cost of Kshs.15,403,620. No explanation was provided for the anomaly. Further, contract agreement, inspection and acceptance committee report and project implementation status report were not provided for audit review report.

In the circumstances, the accuracy, completeness and value for money for the cumulative expenditure amounting to Kshs.3,646,257 could not be ascertained.

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

The statement of financial assets and liabilities reflects accounts payable balance of Kshs.724,807. However, the statement of financial assets and liabilities reflects Note 11 while disclosure note to the financial statements reflects Note 11. Further, the balance was not supported by detailed ledger or schedules. This is contrary to Section 23(1) of the Fourth Schedule of the Basic Education Act, 2013 which states that the Board of Management of a public institution of basic education shall cause to be kept all proper books and records of accounts of the income, expenditure and assets of the institution.

In the circumstances, the existence, accuracy and completeness of the account payables balance of Kshs.724,807 could not be confirmed.

### **6. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,218,225 which includes bank and cash balance of Kshs.2,212,940 of Kshs.5,285, respectively as disclosed in Note 8 and 9 to the financial statements. However, bank reconciliation statements for the infrastructure account with a balance of Kshs.1,182,230 was not provided for audit review. In addition, the board of

cash survey or cash count certificate to confirm the reported cash balance was not provided for audit review.

In the circumstances the existence, accuracy and completeness of cash and cash equivalents balance of Kshs.1,182,230 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Rigoma Girls Secondary School 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 Adverse opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of the most significant 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 THE USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Lack of an Annual Procurement Plan**

During the year under review, the School did not have an approved procurement plan. This is contrary to Regulation 40(1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process.

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

#### **2. Irregular Transfer of Funds**

The statement of receipts and payments reflects payment of operations amount of Kshs.4,825,909 as disclosed in Note 6 to the financial statements which includes an amount of Kshs.240,920 transfer to Kenya Secondary Schools Head Association a private entity. This is contrary to Regulation 23(2) (c) of the Public Finance Management (National Government) Regulations, 2015 which states that before transferring any funds to an entity within or outside Government, ensure that there is a written assurance from the entity that it shall implement effective, efficient and transparent financial management

and internal control systems, or, if such written assurance is not or cannot be given, render the transfer of the funds subject to conditions and remedial measures requiring the entity to establish and implement effective, efficient and transparent financial management and internal control systems.

In the circumstances, the School may not have received value for money amounting to Kshs.240,920 transferred to KESSHA.

### **3. Excess Distribution of Textbooks**

During the year under review, the School Improvement Plan (SIP) indicating the need assessment of textbooks and reference material needed by the school was not prepared contrary to Section 2.2.1 of the Operation Manual from the Ministry of Education. This resulted to the School receiving fifty-nine (59) text books each of the three set books instead of eighty-five (85) being the number of students in Form 3 which resulted to a deficiency of twenty-six (26) books to students.

In the circumstances, value for money for the distribution of textbooks could not be confirmed.

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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **1. Weak Internal Controls on Cash Management**

During the year under review, the School did not have proper controls in management of cash through imprest or float and withdrawals were not based on an approved imprest or reimbursement period. In addition, the School did not maintain a memorandum (petty) cashbook.

In the circumstances, the effectiveness of internal controls on cash advances, issuance and surrender of imprests could not be confirmed.

## **2. Failure to Maintain Board Meeting Attendance Register**

Review of the Board minutes and related documents revealed that the School Management did not maintain Board attendance register and agenda or notices for Board.

In the circumstances, it was not possible to confirm the attendance of Board Members and whether the meetings agenda were circulated to the Board Members.

## **3. Long Outstanding Accounts Receivables**

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.5,753,532. However, the statement of financial assets and liabilities reflects Note 10 while disclosure note to the financial statements reflects Note 11. Further, the balance includes accumulated school fees arrears, not exceeding 1 year and exceeding two (2) years balance of Kshs.1,721,408, Kshs.970,110 and Kshs.3,062,014, respectively. However, aging analysis for account receivable outstanding for over 1 year did not indicate the specific periods the balances relates to. In addition, the balance was not supported by detailed schedule.

In the circumstances, the internal controls in collection of the school fees arrears balance of Kshs.5,753,532 could not be confirmed.

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

## **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 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 overall 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 overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls 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 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

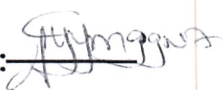
12 October, 2023

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
**Reports and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD TO 30<sup>TH</sup> JUNE 2022**

DESCRIPTION OF VOTE HEAD	Note	2021-2022 Kshs	2020-2021 Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	1,023,986.80	276,564.00
Capitation grants for operations	2	4,548,006.00	1,716,193.10
School Fund Income- Parents' Contributions	3	12,139,026.00	3,542,658.00
Infrastructure account	4	1,378,000.00	700,000.00
<b>TOTAL RECEIPTS</b>		<b>19,089,018.80</b>	<b>6,235,415.10</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	980,445.00	247,355.00
Payments for operations	6	4,825,909.00	1,569,464.05
Boarding and school fund payments	7	10,355,144.00	2,704,835.40
Payment for infrastructure account	8	897,000.00	---
<b>TOTAL PAYMENTS</b>		<b>17,058,498.00</b>	<b>4,521,634.45</b>
<b>SURPLUS/DEFICIT</b>		<b>2,030,520.80</b>	<b>1,713,780.65</b>

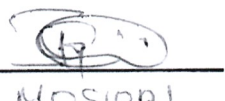
The school financial statements were approved on \_\_\_\_\_ 2022 and signed by:

Sign: 

Name: STEPHEN M. GICHANIA

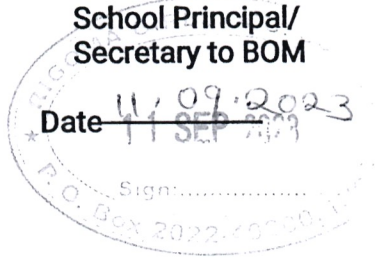
Chair BOM

Date: 11.09.2023


Sign: 

Name: MOSIORA GEICHEMBIA

School Principal/  
Secretary to BOM



Date: 11.09.2023

Sign: 

Name: KEVIN NYABOKE

Bursar/  
Finance Officer

Date: 11.09.2023

**PUBLIC SECONDARY SCHOOL: RIGOMA GIRLS SEC SCHOOL**  
 Reports and Financial Statements for the year ended 30<sup>th</sup> June 2022

**V. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2022**

	Note	2021-2022 Kshs	2020-2021 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	2,212,940.01	1,090,082.01
Cash Balances	9	5,285.30	142,302.30
Short term Investment	10		
<b>Total Cash and cash equivalent</b>		<b><u>2,218,225.31</u></b>	<b><u>1,232,384.31</u></b>
Accounts receivables	10	5,753,531.80	4,420,802.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>791,757.11</b>	<b>5,653,186.31</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	11	724,807.40	436,757.40
<b>NET FINANCIAL ASSETS</b>		<b>7,246,949.71</b>	<b>5216428.91</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	12	5,216,428.91	3,502,653.26
Surplus/Deficit for the year		2,030,520.80	1,713,775.65
<b>NET FINANCIAL POSSITION</b>		<b>7,246,949.71</b>	<b>5,216,428.91</b>

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

Name: \_\_\_\_\_  
 Chairman, BoM  
 Sign: [Signature]  
 Date: 11/09/2022  
 Name: STEPHAN M. GICHANA

School  
 Principal/Secretary to  
 BoM  
 Sign: [Signature]  
 Date: 11/09/2023  
 Name: KEVIN NYABOKE  
 Sign: \_\_\_\_\_  
 P.O. Box 2022-40200, KISumu

Bursar/Finance  
 Sign: [Signature]  
 Date: 11.09.2023  
 KEVIN NYABOKE

VI. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2021

		2021-2022	2020-2021
		Kshs	Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	1,023,986.80	276,564.00
Capitation grants for operations	2	4,548,006.00	1716,193.10
School fund income- Parents contributions/ fees	3	12,139,026.00	3,542,658.00
Infrastructure account	4	1,378,000.00	700,000.00
<b>Total receipts</b>		<b>19,089,018.80</b>	<b>6,235,415.10</b>
<b>Payments</b>			
Payments for Tuition	5	980,445.00	247,355.00
Payments for operations	6	4,825,909.00	1,569,464.05
Boarding and school fund payments	7	10,355,144.00	2,704,835.40
Payment for infrastructure account	8	897,000.00	
<b>Total payments</b>		<b>17,058,498.00</b>	<b>4521634.45</b>
<b>Net cash flow from operating activities</b>		<b>2,030,520.80</b>	<b>1,713,780.65</b>
Changes in cash and cash equivalents			
Changes in Accounts Receivables			
Changes in Accounts Payables			
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>CASH FLOW FROM BORROWING ACTIVITIES</b>			
<b>Proceeds from borrowing/loan</b>			
Repayment of principal borrowing			
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>2,030,520.80</b>	<b>1713780.65</b>
<b>CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE YEAR</b>		<b>1713780.65</b>	
<b>CASH AND CASH EQUIVALENT AT THE END OF THE YEAR</b>		<b>2,218,225.31</b>	<b>1713780.65</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 cashflow as recommended by PSAS.*

PUBLIC SECONDARY SCHOOL: RIGOMA GIRLS SECONDARY SCHOOL

Report and Financial Statements for the year ended 30<sup>th</sup> June 2022

VII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
<b>RECEIPTS</b>						
<b>(1) CAPITATION GRANT ON TUITION</b>						
Textbooks and reference materials						
Exercise books	450,000.00	50,000.00	500,000.00	481,100.00	18,900.00	96.22%
Laboratory equipment	200,000.00	100,000.00	300,000.00	286,690.00	13,310.00	95.56%
Internal exams	180,000.00	20,000.00	200,000.00	164,040.00	35,960.00	82.02%
Teaching / learning materials	100,000.00	-----	100,000.00	92,156.80	7,843.20	92.1%
Chalks	9000.00	1,000.00	10,000.00	-----	10,000.00	100%
Exams and assessment	-----	-----	-----	-----	-----	-----
Teachers guides	-----	-----	-----	-----	-----	-----
--Total	939,000.00	171,000.00	1,110,000.00	1,023,986.80	86,013.20	92.25%
<b>(2) CAPITATION GRANT ON OPERATIONS</b>						
Personnel emoluments	1,800,000.00	200,000.00	2,000,000.00	1,906,540.00	93,460.00	95.3%
Repairs and maintenance	1,500,000.00	-----	1,500,000.00	1,472,000.00	28,000.00	98.1%
Local transport / travelling	150,000.00	-----	150,000.00	148,955.00	1,045.00	99.3%
Electricity and water	350,000.00	-----	350,000.00	348,002.80	1,997.20	99.4%
Medical	-----	-----	-----	-----	-----	-----
Administration costs	670,000.00	10,000.00	680,000.00	672,508.20	7,491.80	98.9%
Activity	-----	-----	-----	-----	-----	-----
TOTAL	4,470,000.00	210,000.00	4,680,000.00	4,548,006.00	131,994.00	97.2%
SCHOOL FUND						



**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**

Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Chalks	-----	-----	-----	-----	-----	-----	-----	-----	-----
Exams and assessment	-----	-----	-----	-----	-----	-----	-----	-----	-----
Teachers guides	-----	-----	-----	-----	-----	-----	-----	-----	-----
Administration costs	-----	-----	-----	-----	-----	-----	-----	-----	-----
Bank Charges	420.00	-----	420.00	420.00	420.00	420.00	420.00	-----	100%
TOTAL	1,060,420.00	240,000.00	1,300,420.00	980,445.00	79,975.00	79,975.00	79,975.00	-----	75.40%
<b>(2) EXPENDITURE FOR OPERATIONS</b>									
Personnel emoluments	2,100,000.00	400,000.00	2,500,000.00	2,246,120.00	253,880.00	253,880.00	253,880.00	-----	89.84%
Repairs, maintenance & improvements	1,000,000.00	500,000.00	1,500,000.00	1,372,000.00	128,000.00	128,000.00	128,000.00	-----	91.5%
Local transport / travelling	100,000.00	70,000.00	170,000.00	162,690.00	7,310.00	7,310.00	7,310.00	-----	95.7%
Electricity, water and conservancy	300,000.00	20,000.00	320,000.00	308,000.00	12,000.00	12,000.00	12,000.00	-----	96.25%
Medical	-----	-----	-----	-----	-----	-----	-----	-----	-----
Administration costs	600,000.00	200,000.00	800,000.00	733,930.00	66,070.00	66,070.00	66,070.00	-----	91.74%
Activity Expenses	-----	-----	-----	-----	-----	-----	-----	-----	-----
Bank Charges	3,000.00	1,000.00	4,000.00	3,169.00	831.00	831.00	831.00	-----	79.22%
TOTAL	4,103,000.00	1,191,000.00	5,294,000.00	4,825,909.00	468,091.00	468,091.00	468,091.00	-----	91.2%
<b>(3) EXPENDITURE FOR SCHOOL FUND</b>									
Personal Emolument	270,000.00	-----	270,000.00	266,500.00	3,500.00	3,500.00	3,500.00	-----	98.7%
Local Transport/Travellings	600,000.00	-----	600,000.00	578,600.00	21,400.00	21,400.00	21,400.00	-----	96.43%
Ewc	520,000.00	-----	520,000.00	503,500.00	16,500.00	16,500.00	16,500.00	-----	96.835%
Administration Costs	1,700,000.00	-----	1,700,000.00	1,652,908.00	47,092.00	47,092.00	47,092.00	-----	97.23%
Activity	13,000.00	-----	13,000.00	12,000.00	1,000.00	1,000.00	1,000.00	-----	92.31%
Bus	250,000.00	-----	250,000.00	239,580.00	10,420.00	10,420.00	10,420.00	-----	95.832%
Rmi	650,000.00	-----	650,000.00	625,130.00	24,870.00	24,870.00	24,870.00	-----	96.1745%
Boarding	6,500,000.00	-----	6,500,000.00	6,476,926.00	23,074.00	23,074.00	23,074.00	-----	96.645%

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Infrastructure Account	900,000.00	-----	900,000.00	897,000.00	3,000.00	99.67%
TOTAL	11,403,000.00	-----	11,403,000.00	11,252,144.00	150,856.00	98.68%
	-----	-----	-----	-----	-----	-----
	-----	-----	-----	-----	-----	-----
	-----	-----	-----	-----	-----	-----
	-----	-----	-----	-----	-----	-----
<b>GRAND TOTAL</b>	<b>16,566,420.00</b>	<b>1,431,000.00</b>	<b>17,997,420.00</b>	<b>17,058,498.00</b>	<b>938,922.00</b>	<b>94.78%</b>

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

## 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 imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

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

### 2. Recognition of receipts and payments

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

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**5. Accounts Receivable**

For the purposes of these financial statements, imprest 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. accounts receivables are disclosed in the financial statements.

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

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

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials		
Exercise books	481,100.00	105,000.00
Laboratory equipment	286,690.00	121,000.00
Internal exams	164,040.00	21,320.00
Teaching / learning materials	92,156.80	20,308.00
Chalks	-----	8,936.00
Exams and assessment	-----	-----
Teachers guides	-----	-----
<b>Total</b>	<b>1,023,986.80</b>	<b>276,564.00</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	1,906,540.00	803,423.70
Repairs Maintenance and Improvement	1,472,000.00	782,000.00
Local transport and travellings	148,955.00	37,357.50
Electricity, water and Conservancy	348,002.80	560,053.30
Medical	-----	-----
Administration costs	672,508.20	37,358.60
Activity	-----	-----
<b>Total</b>	<b>4,548,006.00</b>	<b>1,716,193.10</b>

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

	2021-2022	2020-2021
Personal Emolument	634,360.00	646,360.00
Bus	10,000.0	---
L.t.t.	587,350.00	41,600.00
E.w.c	1,246,720.00	48,208.00
Administration Costs	992,858.00	736,350.00
Rmi	404,200.00	197,350.00
Activity	20,500.00	10,300.00
<b>Total</b>	<b>3,895,988.00</b>	<b>1,668,168.00</b>

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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

**4 SCHOOL FUND ACCOUNT—OTHER RECEIPTS**

	2021-2022	2020-2021
	Kshs	Kshs
Mif	1,378,000.00	700,000.00
Boarding	8,243,038.00	1,862,490.00
	-----	-----
	-----	-----
	-----	-----
	-----	-----
	-----	-----
	-----	-----
	-----	-----
<b>Total</b>	<b>9,621,038.00</b>	<b>2,562,490.00</b>

**5 PAYMENTS FOR TUITION**

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials		
Exercise books	456,050.00	70,000.00
Laboratory equipment	276,755.00	127,675.00
Internal exams	154,600.00	23,300.00
Teaching / learning materials	92,620.00	19,500.00
Chalks	-----	6,700.00
Exams and assessment	-----	-----
Teachers guides	-----	-----
Administration Costs	-----	-----
Bank Charges	420.00	180.00
<b>Total</b>	<b>980,445.00</b>	<b>247,355.00</b>

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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

**6 PAYMENTS FOR OPERATIONS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,246,120.00	698,255.00
Service Gratuity	-----	-----
Administration Cost	733,930.00	58,209.05
Repairs and maintenance & improvements	1,372,000.00	700,000.00
Local transport / travelling	162,690.00	66,000.00
Electricity and water	308,000.00	47,000.00
Rmi	----	-----
Activity Expenses	-----	-----
SMASSE	-----	-----
Insurance Cost	----	-----
Bank Charges	3,169.00	-----
Acquisition of Assets	-----	-----
<b>TOTAL</b>	<b>4,825,909.00</b>	<b>1,569,464.05</b>

**7 BOARDING AND SCHOOL FUND PAYMENTS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	266,500.00	129,439.00
Activity	12,000.00	2000.00
MIF –Infrastructure Account	897,000.00	-----
Local transport / travelling	578,600.00	195,570.00
Electricity and water	503,500.00	166,420.00
Bus Expenses	239,580.00	103,155.00
Administration costs	1,652,908.00	786,295.00
Lunch Programe		
Bank Charges		
Expenses on Income Generating Activities		
Fee on Boarding Equipment and Stores	6,476,926.00	1,279,296.40
RMI	625,130.00	42,660.00
Insurance Cost (Life Property)		
Loan Principal repayment		
Loan Interest repayment		
Acquisition of Assets		
<b>TOTAL</b>	<b>11,252,144.00</b>	<b>2,704,835.40</b>

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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

**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-National Bank-Keroka	0102103391230	51,464.11	7,922.31
Operations Account-Kcb-Keroka	1102207063	28,863.40	167,036.20
School Fund Account-Kcb-Keroka	110227373	950,382.50	213,893.50
Infrastructure Account-Kcb-Keroka	1238158579	1,182,230.00	701,230.00
-----	-----	-----	-----
-----	-----	-----	-----
-----	-----	-----	-----
<b>Total</b>	-----	<b>2,212,940.01</b>	<b>1,090,082.01</b>

**9 CASH IN HAND**

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-----	-----
Operation Account	-----	-----
School Fund account	5,285.30	142,302.30
<b>Total</b>	<b>5,285.30</b>	<b>142,302.30</b>

**10 SHORT TERM INVESTMENTS**

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative shares	----	----
Treasury Bills	----	----
Fixed deposit	----	----
Equity stock	-----	-----
Other investments	-----	-----
<b>Total</b>	-----	-----

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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

**11 ACCOUNTS RECEIVABLE**

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	5,753,531.80	4,420,802.00
Other non-fees receivables		
Salary advances		
Imprest		
<b>Total</b>	<b>5,753,531.80</b>	<b>4,420,802.00</b>

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,721,408.00	970,110.00
Fees arrears for the previous year	970,110.00	1,343,040.00
Fees arrears for prior periods (over two years)	3,062,013.80	2,107,652.00
<b>Total</b>	<b>5,753,531.80</b>	<b>4,420,802.00</b>

**12 ACCOUNTS PAYABLE**

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	724,807.40	436,757.40
Prepaid fees		
Retention monies		
<b>Total</b>	<b>724,807.40</b>	<b>436,757.40</b>

[Include an ageing of the creditor below]

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	101,850.00	94,942.00
Trade creditors for the previous year	94,942.00	40,000.00
Trade creditors for prior periods (over two years)	528,010.40	321,815.40
<b>Total</b>	<b>724,802.40</b>	<b>436,757.40</b>

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

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

**13 FUND BALANCE BROUGHT FORWARD**

Description	2021-2020	2020-2019
	Kshs	Kshs
Bank Balances	1,090,082.01	648,980.26
Cash Balances	142,302.30	-----
Accounts Received	4,420,802.00	3,226,662.00
Accounts Payables	436,757.40	372,989.00
	-----	-----
<b>Total</b>	<b>5,216,428.91</b>	<b>3,502,653.26</b>

**Other important disclosure notes**

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

**14 Non-current Liabilities Summary**

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

**15 Biological assets**

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle		-----	-----
Goats		-----	-----
Trees		-----	-----
Coffee or tea plantation		-----	-----
Poultry		-----	-----
<b>Total</b>		-----	-----

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**16 Borrowings**

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

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**Other important disclosure notes**

**17 Stock/ Inventory**

Description	2021-2022	2020-2021
	KShs	KShs
<b>b) Borrowings</b>		
Stock/ inventory at beginning of the year	1000.00	5,000.00
Stock/ inventory purchased during the year	2,577,600.00	1,185,000.00
Stock/ inventory issued during the year	2578,000.00	1,189,000.00
<b>Balance at end of the year</b>	<b>600.00</b>	<b>1000.00</b>

**PUBLIC SECONDARY SCHOOL; RIGOMA GIRLS SEC. SCHOOL**  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

**3 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)

**PUBLIC SECONDARY SCHOOL: RIGOMA GIRLS SECONDARY SCHOOL**

Report and Financial Statements for the year ended 30<sup>th</sup> June 2022

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To-Date c Kshs	Outstanding Balance 20XX d=a-c Kshs	Outstanding Balance 20XX-1 Kshs	Comments
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**PUBLIC SECONDARY SCHOOL: RIGOMA GIRLS SECONDARY SCHOOL**  
 Report and Financial Statements for the year ended 30<sup>th</sup> June 2022

**ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER**

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2021
Land 1			-	-----	-----	-----
Land 2	01.07.2021	Nyamira	10,000,000.00	-----	-----	10,000,000.00
Buildings and structures	01.07.2021	Nyamira	31,100,000.00	-----	-----	31,100,000.00
Motor vehicles	01.07.2021	Nyamira	4,116,000.00	-----	-----	4,116,000.00
Office equipment, furniture and fittings	01.07.2021	Nyamira	950,000.00	-----	-----	950,000.00
ICT Equipment, and Other ICT Assets	01.07.2021	Nyamira	752,000.00	-----	-----	752,000.00
Tools and apparatus	01.07.2021	Nyamira	1,855,000.00	-----	-----	1,855,000.00
Textbooks	01.07.2021	Nyamira	3,120,000.00	-----	-----	3,120,000.00
Other Machinery and Equipment	01.07.2021	Nyamira	1,291,800.00	-----	-----	1,291,800.00
Heritage and cultural assets	-----		----	-----	-----	-
Intangible assets- soft ware	01.07.2021	Nyamira	95,000.00	-----	-----	95,000.00
<b>Total</b>	01.07.2021		<b>53,184,800.00</b>			<b>53,184,800.00</b>

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