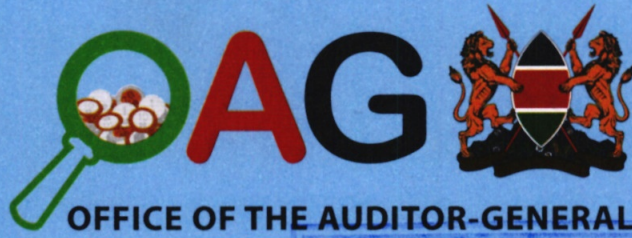


REPUBLIC OF KENYA



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REPORT DATE: 02 DEC 2024

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TABLED
BY:

HON. NAOMI WAGOH, MP
DEPUTY MAJORITY WHIP

CLERK-AT
THE-TABLE:

KATHERINE NGINYO

OF

THE AUDITOR-GENERAL

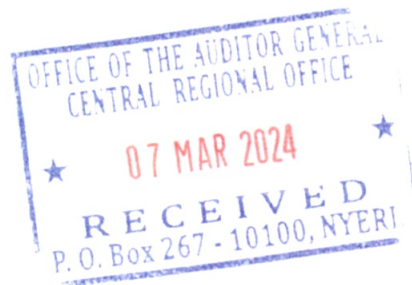
ON

KABARE GIRLS HIGH SCHOOL

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

KIRINYAGA COUNTY

Revised 30th June 2022



KABARE GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2022

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

KABARE GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

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**KABARE GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOLS -
Reports and Financial Statements
For the year ended 30th June 2022**

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in 25-2-2021 under registration number 20S30030029 and is currently categorized as a *National* public school established, owned or operated by the Government.

The school is a day/boarding school and had 1425 number of students as at 30th June 2022 It has 26 streams and 61 teachers of which 5 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	Rev. Dr. Zablon Bundi	Chairman	19-5-2022
2	Mrs Lilian Muhuni	Secretary - Principal	19-5-2022
3	Dr. Caroline Mwaura	B.O.M Deputy Chairperson	19-5-2022
4	Dr. Samuel Njoroge	Member	19-5-2022
5	Dr. Josephat Bosire	Member	19-5-2022
6	Mrs Emma Sanguli	Member	19-5-2022
7	Ms Alice Kamuri	Member	19-5-2022
8	Dr. Agnes Njeru	Member – Rep CEB	19-5-2022
9	Mr. David Njogu	Member Rep Teachers	19-5-2022
10	Rev. Capt. Susan Kariuki Mr. Joseph Wangai Dr. Zablon Bundi	3 Members - Sponsor	19-5-2022
11	Mr. Joseph Wangai	Member - Community	19-5-2022
12	Mrs Ann Mwangi	Member Special Needs	19-5-2022
	Mary Muragu	Rep Students	19-5-2022

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

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	1. Mr. Abel E. Muriithi(HSC) 2. Arch Daniel Kinuthia 3. Mr. Joseph Wangai 4. Rev. Capt. Susan Kariuki 5. Lilian R. W. Muhuni	B.O.M Chairman PA Chairman Member " "	1 1 1 1 1
2	Audit Committee	N/A		-
3	Finance, procurement and general purposes Committee	N/A		-
	School Infrastructure Committee (SIC)	Joseph Wangai Lilian Muhuni Dr. Zablon Bundi Rev. Capt Susan Kariuki Ps Thomas Njoroge Mr. John Gachugi Sarah Karanja Mr. Julius Mwangi	Chairman Principal Member " PA member SCDE Deputy Deputy	2 2 2 2 2 2 2 2

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 69-10200
Telephone: 0720043574
E-mail: kabaregirls@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

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

1. Name of Bank: Kenya Commercial Bank
Branch: Kerugoya
Account Number: 1131629086
 2. Name of Bank: Kenya Commercial Bank
Branch: Kerugoya
Account Number: 1103528564
 3. Name of Bank: Kenya Commercial Bank
Branch: Kerugoya
Account Number: 1108766048
 4. Name of Bank: Kenya Commercial Bank
Branch: Kerugoya
Account Number: 1104013665
 5. Name of Bank: Kenya Commercial Bank
Branch: Kerugoya
Account Number: 1104036304
 6. Name of Bank: Kenya Commercial Bank
Branch: Kerugoya
Account Number: 1104035782
 7. Name of Bank: Kenya Commercial Bank
Branch: Kerugoya
Account Number: 1227064918
8. MPESA Pay Bill No–Business No: 522123
Account No: 33914K
Attached to KCB bank
Account No: 1131629086

(g) Independent Auditors

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

KABARE GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

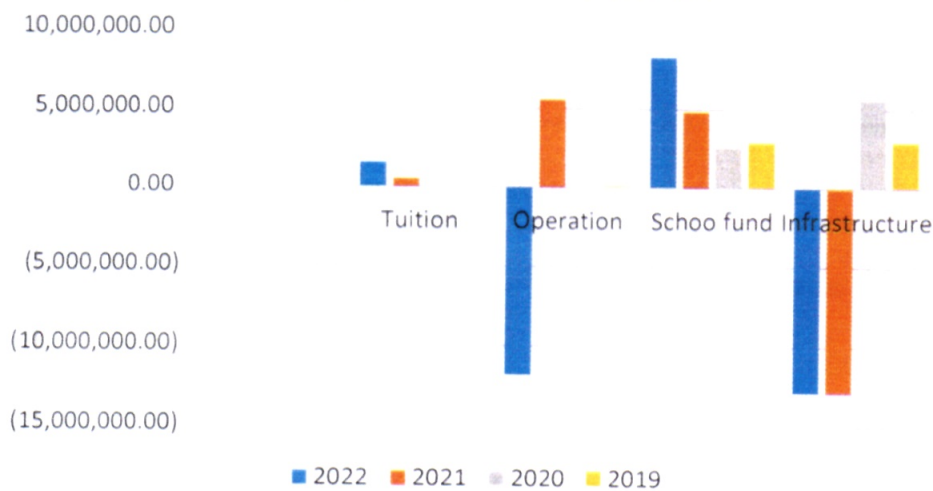
The following is a summary report of the performance of the school against the set performance evaluation criteria:

FINANCIAL PERFORMANCE:

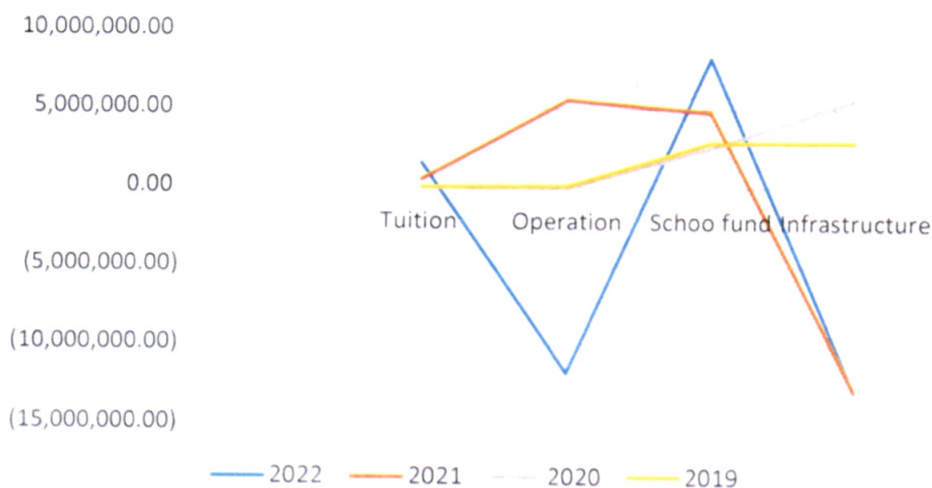
Surplus/deficit for the year and a comparison of the same for the last three years

	2022 Kshs	2021 Kshs	2020 Kshs	2019 Kshs
Tuition	1,559,725.80	533,128.50	(5,686.00)	(5,405.00)
Operation	(11,809,233.40)	5,571,147.65	(55,657.45)	81,959.85
School fund	8,256,767.20	4,841,780.85	2,552,584.18	2,877,962.10
Infrastructure	(12,862,957.70)	(12,862,987.70)	5,626,805.10	2,915,361.80
Total	(14,855,698.10)	(1,916,930.70)	8,118,045.83	5,869,878.75
Increase/decrease	(12,938,767.40)	(10,034,976.53)	2,248,167.08	

SURPLUS/DEFICIT FOR THE LAST 3 YEARS



TREND FOR SURPLUS/DEFICIT FOR THE LAST 3 YEARS



**KABARE GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022**

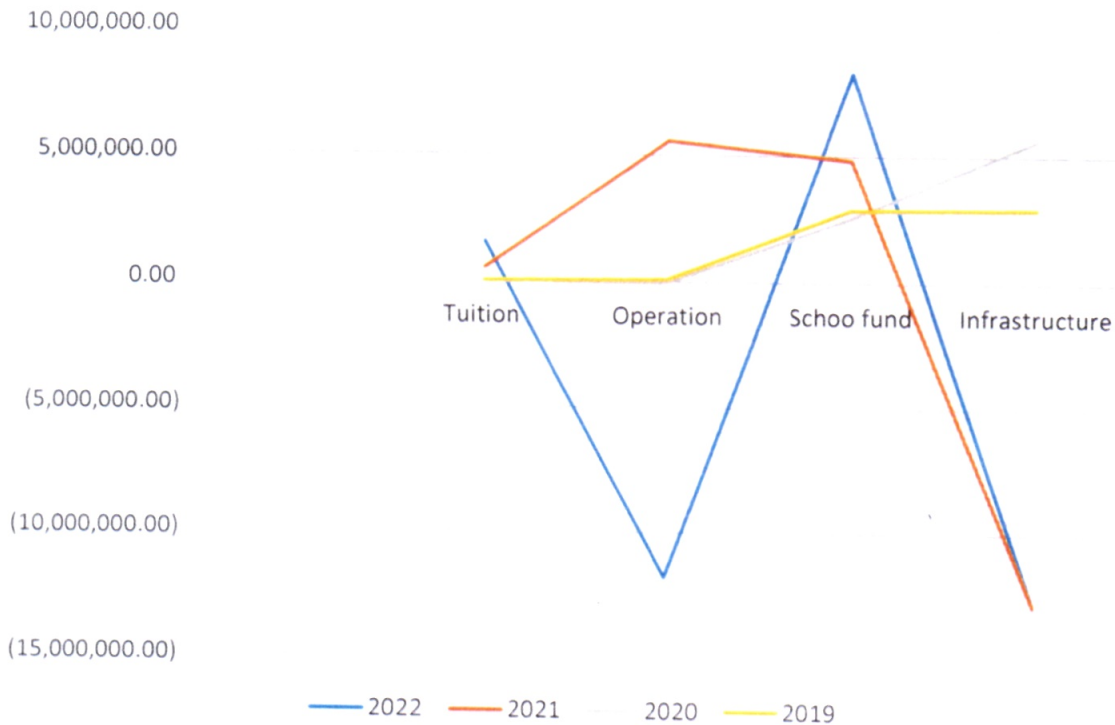
The surplus for the year 2022 decreased to Kshs 14,855,698.10 from a deficit of Kshs 1,916,930.70 in the year 2021 which was attributed by usage of the funds in repairs and maintenances

The surplus for the year 2020 was kshs 5,626,805.10 due to prolonged closure after abrupt shutting of the schools due to Covid-19 pandemic.

Capitation grants from ministry of education for the last three years

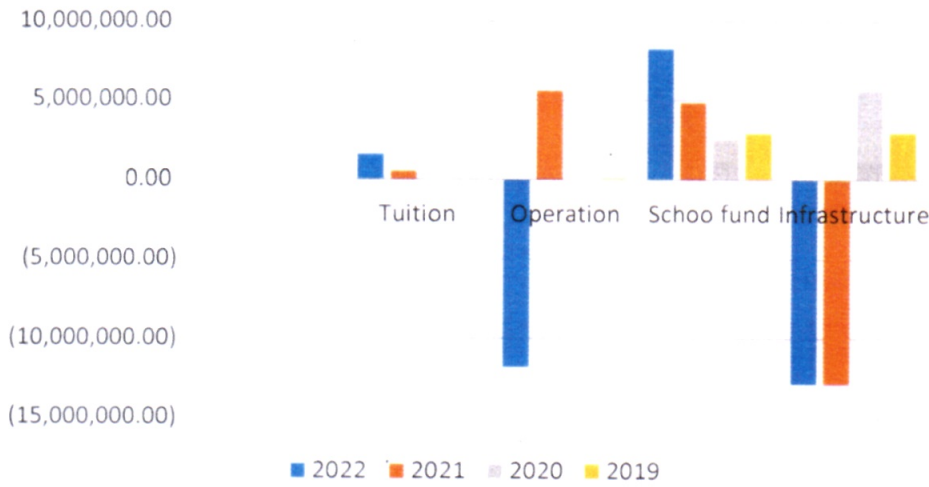
YEAR	2022	2021	2020	2019
Tuition	4,199,173.80	1,475,915.50	1,995,429.00	2,024,960.00
Operation	18,427,052.30	9,250,142.60	18,843,194.80	16,639,091.70
Total	22,626,226.10	10,726,058.10	20,838,623.80	18,664,051.70
Increase/decrease	4,199,173.80	1,475,915.50	1,995,429.00	2,024,960.00
Enrolment	1,430	1,283	1,134	1,078
Ratio	1:15822.5	1:8360	1:18376	1:17313.59

CAPITATION GRANTS TREND FOR THE LAST 3 YEARS



**KABARE GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2022**

CAPITATION GRANTS FOR THE LAST 3 YEARS



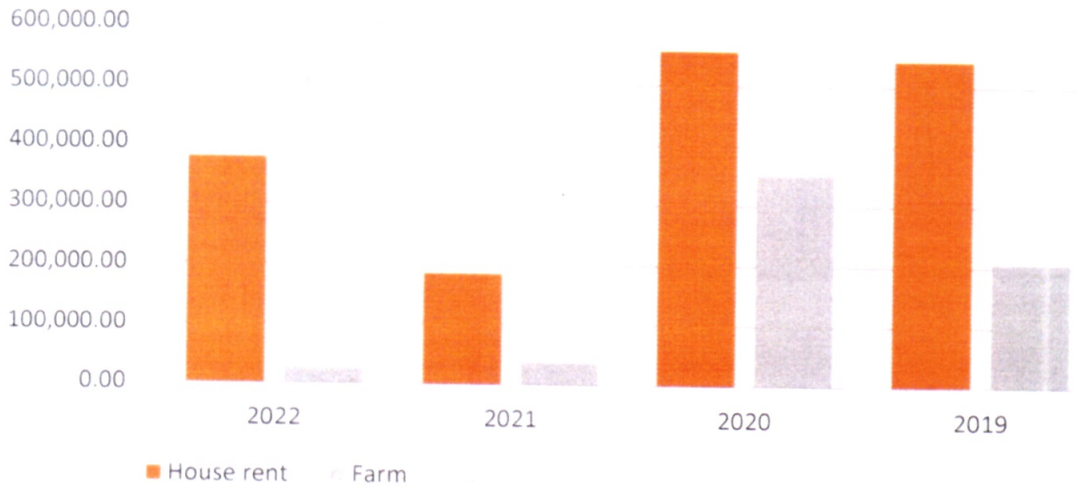
The capitation grants for the financial year 2022 was kshs 22,626,226.10 as compared to Kshs 10,726,058.10 in the financial year 2021 which was an increase due to increase in enrolment. The total capitation for the year 2020 was Kshs 20,838,623.80.00 as compared to Kshs 18,664,051.70. in the financial year 2019 representing an increase of Kshs 2,174,572.10 which resulted from increase in students.

THREE YEARS OVERVIEW OF GROWTH OF OTHER INCOMES EARNED BY SCHOOL

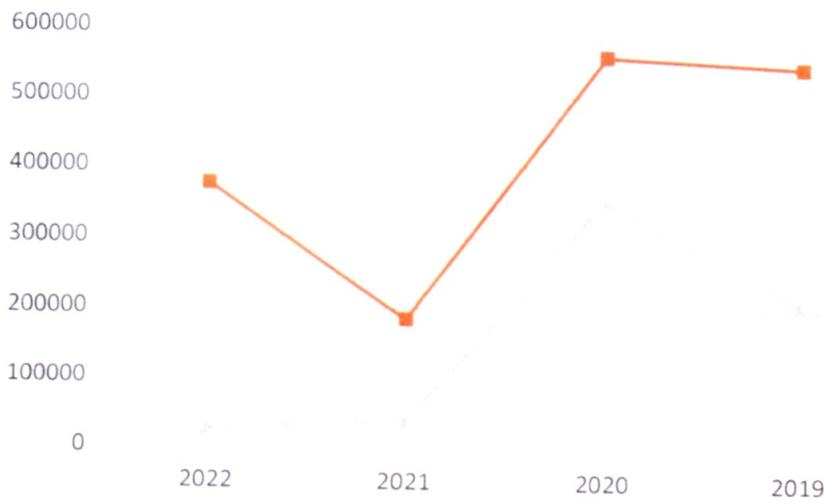
	2022	2021	2020	2019
House rent	375,660.00	184,545.00	558,116.95	543,150.40
Farm	26,143.50	37,120.00	352,844.00	207,670.00
Total	401,803.50	221,665.00	910,960.95	750,820.40

**KABARE GIRLS HIGH SCHOOL
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A TREND OF 3 YEARS GROWTH OF OTHER INCOME



A TREND OF THREE YEARS GROWTH IN OTHER INCOME



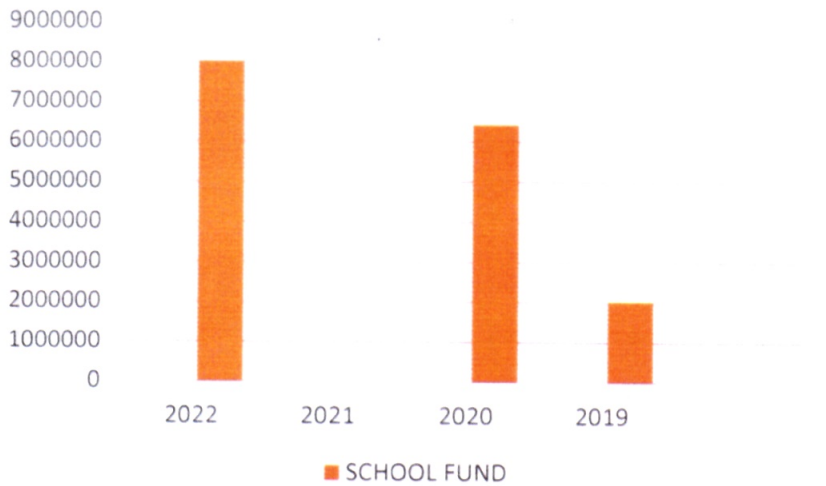
In the financial year 2022 shows an increase of growth in expenditure to Kshs159,087,106.00 compared to the financial year 2021 which was kshs36,338,922.15 resulted from the current year covering a whole year while 2021 was a period of 6 months, even though the financial year 2020 covers a period of 12 months a decrease has resulted from prolonged abrupt closure of the school due to Covid-19.

KABARE GIRLS HIGH SCHOOL
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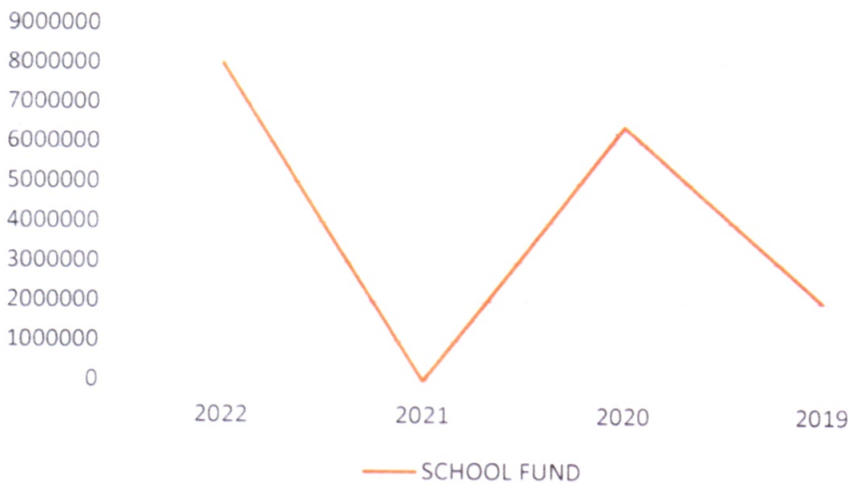
MOVEMENT OF DEBTORS AND CREDITORS OF THE SCHOOL OVER THE LAST THREE YEARS

YEAR	2022 Kshs	2021 Kshs	2020 Kshs	2019 Kshs
SUNDRYDEBTORS	7,997,325.00	0.00	6,419,786.00	2,020,646.50
Total	7,997,325.00	0.00	6,419,786.00	2,020,646.50
Increase/decrease	7,997,325.00	(6,419,786.00)	4,399,139.50	
SUNDRYCREDITORS	746,726.70	0.00	235,566.05	88,250.00
Total	746,726.70	0.00	235,566.05	88,250.00
Increase/decrease	746,726.70	(235,566.05)	147,316.05	

MOVEMENT OF DEBTORS FOR LAST 3 YEARS



MOVEMENT OF DEBTORS FOR THE LAST 3 YEARS

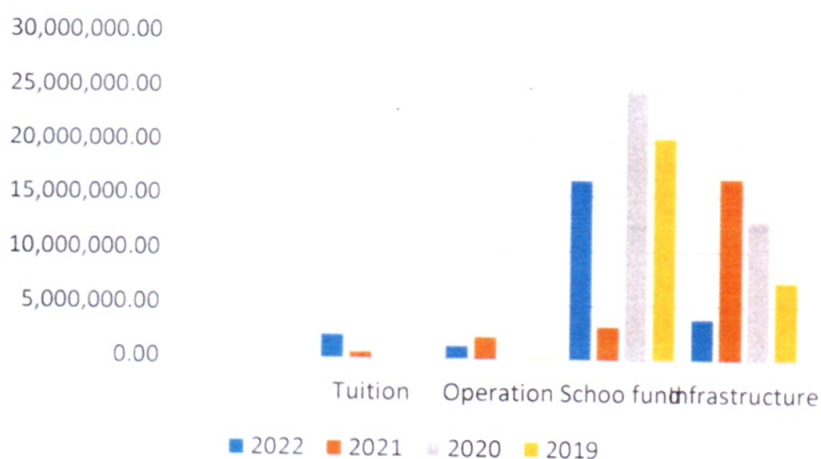


MOVEMENT OF CASH AND BANK BALANCES OVER THE LAST THREE YEARS

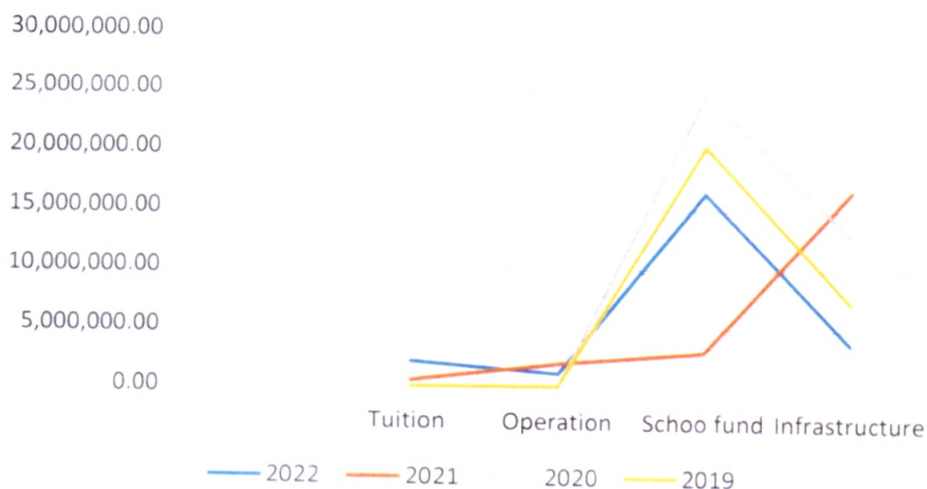
**KABARE GIRLS HIGH SCHOOL
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	2022 Kshs	2021 Kshs	2020 Kshs	2019 Kshs
Tuition	2,139,433.10	537,707.30	4,578.80	10,264.80
Operation	1,159,099.10	2,028,374.80	36,446.90	92,104.35
School fund	16,436,288.00	3,045,562.10	24,781,995.75	20,311,696.52
Infrastructure	3,782,851.70	16,645,809.40	12,849,815.30	7,223,010.20
Total	23,517,671.90	22,257,453.60	37,672,836.75	27,637,075.87
Increase/decrease	1,260,218.30	(15,415,383.15)	10,035,760.88	

MOVEMENT OF CASH AND BANK FOR THE LAST THREE YEARS



MOVEMENT OF CASH BANK FOR THE LAST THREE YEARS



a) Teacher Student ratio:

Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources.

Number of students	Tsc employed	New employed	Retired	BOM teachers/Shortage	Total	Ration TSc Teachers/Students
1283	55	10	2	5	60	1:24

b) Mean score in the 2022 KCSE:

Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to the school's set score.

Grade/ Year/	Entry	A	A-	B+	B	B-	C+	C	C-	D+	D	Mean score	Dev.	University Transition
2021	271	1	22	51	68	70	40	13	4	1	1	8.566 B	-0.2866	92.9%
2020	242	5	31	54	59	43	31	15	3	1	0	8.851 B	+0.415	92.1%
2019	261	5	13	49	65	61	38	21	8	1	0	8.43 B-	+0.404	88.5%

c) Number of Candidates in the 2022 KCSE:

Tabulate the number of candidates sitting for KCSE over the last three years.

Academic Progress

Year/	Entry
2021	271
2020	242
2019	261

d) Capacity of the school:

Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide

**KABARE GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**
Annual Report and Financial Statements
For the year ended 30th June 2022

useful details for the Ministry of Education.

<i>Number of Students</i>	<i>Physical facilities</i>	<i>Number of facilities</i>
1425	Dormitories	15
	Laboratories	7
	Dining Hall	1
	Toilets Toilets	155

e) Development projects carried out by the school:

Development projects carried out in the year and on going projects including a disclosure of project fund sources in a tabular format

<i>Name of the Project</i>	<i>Year</i>	<i>Sources of funds</i>	<i>Amount</i>	<i>Status</i>	<i>Total</i>
Storeyed Dormitory	2021-2022	Parents Government of Kenya through RMI	40,651,678.00	Complete	40,651,678

Sign: 

School Principal


III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

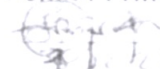
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board 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 keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2021, and of the school's financial position as at that date.

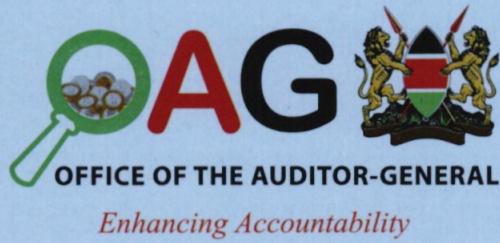
Name: Rev. Dr Zablon Bundi
Designation: Chairman, School Board of Management
Sign: 
Date: 30/12/2022

Name: Lilian Rose Wambui Muhuni
Designation: School Principal & Secretary to Board of Management
Sign: 
Date:

Name: Mathew Gitari Njoka
Designation: Bursar Finance Officer
Sign: 
Date:

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 KABARE GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KIRINYAGA 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kabare Girls High School - Kirinyaga County set out on pages 15 to 33, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022, and the statement receipts and

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

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

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The financial statements submitted for audit includes the following inaccuracies;

- i) The statement of receipts and payments reflects amounts of Kshs.157,094,365 and Kshs.159,087,106 in respect of receipts and payments respectively. However, the school did not maintain itemized ledgers to support the amounts and balances as reported in the trial balance and the financial statements.
- ii) The comparative balances included in the statements of cashflows for payments for operations amount of Kshs.3,462,220 and acquisition of assets with a Nil balance do not agree with the reported balances in the previous year financial statements of Kshs.3,294,279 and Kshs.167,940 respectively.
- iii) The statement of cash flows reflect acquisition of assets amount of Kshs.31,424,401.80 under cash flow from investing activities. However, the balance was not included as a payment in the statement of receipts and payments. In addition, the amounts reported in the statement of cashflow for School fund income-parents contributions/fees, payments for operations and boarding and school fund payments differed with those reported in the statement of receipts and payments by an amount of Kshs.40,375,974.
- iv) Comparison of the financial statements and the trial balance revealed an unreconciled and an unexplained variance between the financial statements and trial balances.

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

2. Unauthorized Expenditure

The statement of budgeted versus actual amounts reflects approved expenditure budget of Kshs.87,871,992. However, the statement of receipts and payments reflects a total expenditure of Kshs.159,087,106 resulting to an unauthorized expenditure of Kshs.71,215,114. Although, Management attributed this to increased enrolment and Covid-19 guidelines that led to revision of school calendar to include four terms instead of ordinary three terms, no approved supplementary budget was provided to support these changes.

In the circumstances, the regularity of the reported expenditures could not be confirmed.

3. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.56,272,991 as disclosed in Note 8 to the financial statements. Included in this balance are savings account-general and savings account-rent balances of Kshs.32,522,608 and Kshs.232,711 respectively. However, the bank balances were not supported by cash books, bank certificates and bank reconciliation statements.

In the circumstances, the accuracy, completeness, existence of bank balance of Kshs.56,272,991 could not be confirmed.

4. Unsupported Accounts Receivable

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.15,060,198 as disclosed in Note 11 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review. Further, significant accounting policies on accounts receivables as disclosed in Note 5 to the financial statements has not provided a policy on the treatment of the students' fees balances which is the major source of income for the School.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.19,071,785 could not be confirmed.

5. Unsupported Accounts Payable

The statement of assets and liabilities reflects accounts payable balance of Kshs.13,266,977. As disclosed in Note 12 to the financial statements the balance includes amounts of Kshs.7,467,265, Kshs.5,299,302 and Kshs.500,409 in respect of trade creditors, prepaid fees and caution money respectively. However, detailed supporting schedules for the prepaid fees amounting to Kshs.5,299,302 was not provided for audit. In the circumstances, the accuracy and completeness of accounts payable balance of Kshs.13,266,977 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kabare Girls High School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities

in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.87,871,992 and Kshs.121,968,139 respectively resulting to an unbudgeted funding of Kshs.34,096,147 or 39% of the budget. However, the School spent a balance of Kshs.159,087,106 against actual receipts of Kshs.157,094,365 resulting to a deficit of Kshs.1,992,740 or 1.3% of actual receipts.

In addition, the original and final budget amounts did not agree with the approved budget amounts except for capitation grant on tuition. Further, the budget reflects approved expenditure budget of Kshs.89,121,739. However, the statement of receipts and payments reflects actual payments totalling Kshs.159,087,106 resulting to an unauthorized expenditure of Kshs.69,965,367. Although, Management attributed this to increased enrolment and Covid-19 guidelines that led to revision of school calendar to include four terms instead of ordinary three terms, no approved supplementary budget was provided to support these changes.

In the circumstances, the regularity of the reported expenditures could not be confirmed and the unbudgeted funding spending impacted negatively on service delivery to the public.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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, 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 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. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

Review of the financial statements revealed that the presentation of financial statements did not comply with the Public Sector Accounting Standards Board (PSASB) reporting template. Further, review of Key School Information and Management in the financial statements for the year ended 30 June, 2022 revealed that the school management did not disclose the Board Members serving for the period under review.

In the circumstances the financial statements do not comply with the requirements of the Public Sector Accounting Standards Board.

2. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.4,199,173 and Kshs.18,427,052 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of 1283 students while the enrolment records provided by the School indicated a total number of 1430 students, resulting to an unexplained variance of 147 students. As a result of the variance, the School was under funded by an amount of Kshs.3,242,918.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.4,199,173 and Kshs.18,427,052 respectively could not be confirmed.

3. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects government grant for operations of Kshs.18,427,052 as disclosed in Note 2 to the financial statements. However, analysis of bank statements for the operations account indicated that the School Management delayed by 55 days the transfer of funds to infrastructure account; amounting to Ksh.1,283,000. This was contrary to Ministry of Education (MOE) Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days (15) upon receipt of the funds in the operations account.

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

4. Failure to Comply with Procurement Procedures

Review of tenders awarded and tender notices for the financial 2021/2022 dated 23 December, 2021 indicated that only 22% of the tenders were reserved for women, youth and people living with disabilities. This was contrary to Section 149 of the Public Procurement & Asset Disposal Regulations, 2020, which states that an Accounting Officer of a procuring entity shall, when processing procurement under Section 157(5) of

the Act, allocate at least thirty percent (30%) of its annual procurement budget for the purposes of procuring goods, works and services from enterprises owned by youth, women and persons with disability.

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

5. Failure to Maintain a Fixed Asset Register

Annex 2 to the financial statements for the year ended 30 June, 2022 reflects summary of fixed assets register with historical cost balances of Kshs.334,601,250. However, Management did not maintain a fixed assets' register in support of the assets disclosed as required by Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015.

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

6. Irregular Procurement of Mattresses

Examination of procurement records maintained at the School revealed that the School procured mattress through open tender method No.Tender No: 5/KGHS/2022. Review of tender evaluation report dated, 23 December, 2021 and letters of acceptance dated 11/01/2022 indicated that the School Management awarded to a higher bidder than lowest bidder by Kshs.400 for each mattress. Although, Management explained the award was based on a good history and realistic prices, there was no evidence to justify the award to a more expensive bidder. This is contrary to the Public Procurement and Asset Disposal Act, 2015 which sets the criteria for the award to the most responsive bidder.

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

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

REPORT ON 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, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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 control, 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

The 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 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 its operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue 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 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 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

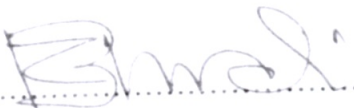
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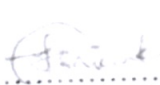
KIBAKI GIRLS HIGH SCHOOL
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IV. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30th JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021/2022 Kshs	Jan- Jun2021 Kshs
RECEIPTS			
Capitation grants for tuition	1	4,199,173.80	1,475,915.50
Capitation grants for operations	2	18,427,052.30	9,250,142.60
School Fund Income- Parents' Contributions	3	129,511,167.00	38,897,098.00
School Fund Income- Other receipts	4	4,956,972.50	2,306,807.00
Proceeds from borrowings			
TOTAL RECEIPTS		157,094,365.60	51,929,963.10
PAYMENTS			
Payments for Tuition	5	2,639,448.00	942,787.00
Payments for operations	6	30,236,285.70	3,462,220.50
Boarding and school fund payments	7	126,211,372.30	31,933,915.15
TOTAL PAYMENTS		159,087,106.00	36,338,922.65
SURPLUS/DEFICIT		(1,992,740.40)	15,591,040.45

The school financial statements were approved on 30/12/2022 and signed by:


 Sign: _____
 Name **DR. ZABRON BUNDI**
 Chair BOM
 Date **30/12/2022**


 Sign: _____
 Name **ALICE N. N. N. N. N.**
 School Principal/
 Secretary to BOM
 Date **30/12/2022**


 Sign: _____
 Name **ALICE N. N. N. N. N.**
 Bursar/
 Finance Officer
 Date _____

KIBARI GIRLS HIGH SCHOOL
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STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30th JUNE 2022

II. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2021/2022 Kshs	Jan-Jun2021 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	56,069,955.30	50,359,073.00
Cash Balances	9	203,036.15	1,923,700.15
Short term Investment	10	0.00	0.00
Total Cash and Cash Equivalents		56,272,991.45	52,282,773.15
Account's receivables	11	15,060,198.45	8,276,589.45
TOTAL FINANCIAL ASSETS		71,333,189.90	60,559,362.60
FINANCIAL LIABILITIES			
Accounts Payable	12	13,266,977.35	500,409.65
NET FINANCIAL ASSETS		58,066,212.55	60,058,952.95
REPRESENTED BY			
Fund balance b fwd 1st July	13	60,058,952.95	44,467,912.50
Surplus/Deficit for the year		(1,992,740.40)	15,591,040.45
NET FINANCIAL POSITION		58,066,212.55	60,058,952.95
		0.00	0.00

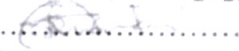
The School's financial statements were approved on _____ 2022 and signed by:

Sign: 

Name: **DR ZABLON BUNDI
MUTONGU**

Chair BOM


Date: **30/12/2022**

Sign: 

Name: **WILSON W. NICHUNGU**

School Principal/
Secretary to BOM

Date: **30/12/2022**

Sign: 

Name: **WILSON W. NICHUNGU**

Bursar/
Finance Officer

Date: **30/12/2022**

V. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022
STATEMENT OF CASH FLOW

		2021/2022	2020
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	4,199,173.80	1,475,915.50
Capitation grants for operations	2	18,427,052.30	9,250,142.60
School fund income- Parents contributions/ fees	3	128,026,860.00	38,168,060.00
School fund income- other receipts	4	4,956,972.50	2,306,807.00
Total receipts		155,610,058.60	51,200,925.10
Payments			
Payments for Tuition		2,639,448.00	942,787.00
Payments for operations		10,958,328.00	3,462,220.50
Boarding and school fund payments		106,597,662.50	32,185,981.20
		120,195,438.50	36,590,988.70
Net cash flow from operating activities		35,414,620.10	14,609,936.40
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			0.00
Acquisition of Assets		(31,424,401.80)	0.00
Proceeds from investments		0.00	0.00
Net cash flows from Investing Activities		(31,424,401.80)	0.00
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash flows from Investing Activities		0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENT		3,990,218.30	14,609,936.40
Cash and cash equivalent at BEGINNING of the year		52,282,773.15	37,672,836.75
Cash and cash equivalent at END of the year		56,272,991.45	52,282,773.15
		0.00	0.00

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 PSASB.

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VI. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 20XX

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Teaching/learning materials	4,199,173.80		4,199,173.80	4,199,173.80	-	100.00
TOTAL TUITION	4,199,173.80	-	4,199,173.80	4,199,173.80	-	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>					-	
Repair,maintaince & improvement	6,467,500.00		6,467,500.00	6,467,500.00	-	100.00
Local transport & travelling	628,631.00		628,631.00	628,631.00	-	100.00
Administation cost	1,898,351.00		1,898,351.00	1,898,351.00	-	100.00
Electricity water & conservancy	1,445,634.00		1,445,634.00	1,445,634.00	-	100.00
Activity	1,609,920.00		1,609,920.00	1,609,920.00	-	100.00
P.E Non teaching staff	3,288,508.15		3,288,508.15	3,288,508.15	-	100.00
P.E Supporting teaching staff	3,088,508.15		3,088,508.15	3,088,508.15	-	100.00

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TOTAL INCOME	18,427,052.30	-	18,427,052.30	18,427,052.30	-	100.00
(3) FEES CHARGED ON PARENTS						
P.E Non teaching staff	3,593,416.00		3,593,416.00	4,956,699.00	(1,363,283.00)	137.94
P.E Support staff	4,068,652.00		4,068,652.00	4,598,632.00	(529,980.00)	113.03
Board equipment & store	61,991,605.00		61,991,605.00	70,982,773.00	(8,991,168.00)	114.50
Local transport & travelling	3,849,000.00		3,849,000.00	5,376,527.00	(1,527,527.00)	139.69
Electricity water & conservancy	6,027,534.00		6,027,534.00	8,076,069.00	(2,048,535.00)	133.99
Administration costs	4,614,951.00		4,614,951.00	10,303,331.00	(5,688,380.00)	223.26
Repair maintenance & improvement	2,566,000.00		2,566,000.00	10,928,649.00	(8,362,649.00)	425.90
University form	137,000.00		137,000.00	181,975.00	(44,975.00)	132.83
Activity	1,023,834.00		1,023,834.00	1,606,512.00	(582,678.00)	156.91
TOTAL INCOME	87,871,992.00	-	87,871,992.00	117,011,167.00	(29,139,175.00)	133.16
(4) OTHER INCOME						
<i>House rent</i>				375,660.00		
<i>Bursary</i>				4,555,169.00		
<i>Farm activities</i>				26,143.50		
TOTAL INCOME		-	-		-	

PUBLIC SECONDARY SCHOOL
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		-			4,956,972.50		-
	(1) EXPENDITURE FOR TUITION						
	Teaching/learning materials	4,199,173.80		4,199,173.80	2,637,417.00	1,561,756.80	59.22
	Bank charges			-	2,031.00	(2,031.00)	
	TOTAL EXPENDITURE TUITON	4,199,173.80	-	4,199,173.80	2,639,448.00	1,559,725.80	59.22
	PAYMENTS FOR OPERATIONS						
	Repair maintenance & improvement	45,500.00		45,500.00	45,500.00	-	100.00
	Local transport & travelling	628,631.00		628,631.00	582,482.00	46,149.00	92.66
	Administration cost	1,898,351.00		1,898,351.00	1,898,351.00	-	100.00
	Electricity water & conservancy	1,445,634.00		1,445,634.00	917,330.50	528,303.50	63.46
	Activity	1,609,920.00		1,609,920.00	1,609,920.00	-	100.00
	P.E Non teaching staff	3,288,508.15		3,288,508.15	3,114,324.50	174,183.65	94.70
	P.E Supporting teaching staff	3,088,508.15		3,088,508.15	2,790,420.00	298,088.15	90.35
	Dormitory	12,500,000.00	-	12,005,052.30	19,277,957.70	(7,272,905.40)	160.58
	TOTAL EXPENDITURE	24,505,052.30	-	24,010,104.60	30,236,285.70	(6,226,181.10)	125.93
	BOARDING AND SCHOOL FUND PAYMENTS						
	P.E Non teaching staff						

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	3,593,416.00		3,593,416.00	3,691,975.35	(98,559.35)	102.74
P.E Support staff	4,068,652.00		4,068,652.00	2,945,537.00	1,123,115.00	72.40
Board equipment & store	61,991,605.00		61,991,605.00	70,975,725.35	(8,984,120.35)	114.49
Local transport & travelling	3,849,000.00		3,849,000.00	4,392,103.00	(543,103.00)	114.11
Electricity water & conservancy	6,027,534.00		6,027,534.00	4,658,678.30	1,368,855.70	77.29
Administration costs	4,614,951.00		4,614,951.00	10,775,324.20	(6,160,373.20)	233.49
Repair maintenance & improvement	2,566,000.00		2,566,000.00	10,489,416.00	(7,923,416.00)	408.78
University form	137,000.00		137,000.00	135,500.00	1,500.00	98.91
Activity	1,023,834.00		1,023,834.00	1,074,000.00	(50,166.00)	104.90
House rent	30,000.00		30,000.00	30,000.00	-	100.00
Harambee	12,146,444.10		12,146,444.10	12,146,444.10	-	100.00
Bursary	4,555,169.00		4,555,169.00	4,555,169.00	-	100.00
Farm activities	169,060.00		169,060.00	169,060.00	-	100.00
Club money	172,440.00		172,440.00	172,440.00	-	100.00
TOTAL	162,353,557.30	-	161,363,661.90	191,962,839.70	(30,599,177.80)	118.96

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

- i. Underutilization was caused by late disbursement of funds & fees arrears.
- ii. Overutilization was caused by sharp increase in prices for goods and services in the market.

VII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

VIII. NOTES TO THE FINANCIAL STATEMENTS

I. NOTES TO THE FINANCIAL STATEMENTS				
CAPITATION GRANT FOR TUITION				
1			2022	Jan-Jun 2021
			Kshs	Kshs
	Text books			
	Exercise books			
	Laboratory equipments and apparatus			
	Teaching/learning materials		4,199,173.80	1,475,915.50
	chalks			
	Internal exams			
	Reference books			
	Total		4,199,173.80	1,475,915.50
2	CAPITATION GRANT FOR OPERATIONS and INFRASTRUCTURE			
			2022	Jan-Jun 2021
			Kshs	Kshs
	Repair, maintaince & improvement		6,467,500.00	4,465,000.00
	Local transport & travelling		628,631.00	695,634.00
	Administation cost		1,898,351.00	145,634.00
	Electricity water & conservancy		1,445,634.00	695,634.00
	Activity		1,609,920.00	445,634.00
	P.E Non teaching staff		3,288,508.15	1,401,303.30
	P.E Supporting teaching staff		3,088,508.15	1,401,303.30
	Total		18,427,052.30	9,250,142.60

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PARENTS CONTRIBUTION/FEES - SCHOOL FUND				
3	ACCOUNT			
			2022	Jan-Jun 2021
			Kshs	Kshs
	P.E Non teaching staff		4,956,699.00	1,834,836.00
	P.E Support staff		4,598,632.00	1,834,836.00
	Board equipment & store		70,982,773.00	25,446,046.00
	Local transport & travelling		5,376,527.00	1,791,918.00
	Electricity water & conservancy		8,076,069.00	2,920,534.00
	Administration costs		10,303,331.00	2,439,545.00
	Repair maintenance & improvement		10,928,649.00	1,552,228.00
	Medical		-	-
	University form		181,975.00	-
	Activity		1,606,512.00	980,125.00
	Service gratuity			
	Club money		-	97,030.00
	Harambee		12,500,000.00	-
	Total		129,511,167.00	38,897,098.00
4	OTHER RECEIPTS – SCHOOL FUND ACCOUNT			
			2022	Jan-Jun 2021
			Kshs	Kshs

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	House rent		375,660.00	184,545.00
	Harambee		-	-
	Bursary		4,555,169.00	2,085,142.00
	Farm activities		26,143.50	37,120.00
			-	-
	Total		4,956,972.50	2,306,807.00

5 PAYMENTS FOR TUITION

			2022	Jan-Jun 2021
			Kshs	Kshs
	Text books			
	Exercise books			
	Laboratory equipments and apparatus			
	Teaching/learning materials		2,637,417.00	939,226.00
	chalks		-	
	Internal exams		-	-
	Reference books		-	-
	Bank charges		2,031.00	3,561.00
			-	-
	Total		2,639,448.00	942,787.00

6 PAYMENTS FOR OPERATIONS

			2022	Jan-Jun 2021
			Kshs	Kshs
	Repair, maintenance & improvement		45,500.00	317,859.80
	Local transport & travelling		582,482.00	39,957.00

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	Administration cost		1,898,351.00	145,634.00
	Electricity water & conservancy		917,330.50	13,400.00
	Activity		1,609,920.00	140,459.00
	P.E Non teaching staff		3,114,324.50	1,333,818.80
	P.E Supporting teaching staff		2,790,420.00	1,302,086.10
	Lab block		0.00	105,246.40
	Ablution block		0.00	62,694.40
	Dormitory		19,277,957.70	0.00
	Bank charges			1,065.00
	TOTAL		30,236,285.70	3,462,220.50
7	BOARDING AND SCHOOL FUND PAYMENTS			
			2022	Jan-Jun 2021
			Kshs	Kshs
	P.E Non teaching staff		3,691,975.35	1,129,313.30
	P.E Support staff		2,945,537.00	1,263,431.20
	Board equipment & store		70,975,725.35	19,479,135.20
	Local transport & travelling		4,392,103.00	1,465,369.00
	Electricity water & conservancy		4,658,678.30	2,201,033.95
	Administration costs		10,775,324.20	2,439,545.00
	Repair maintenance & improvement		10,489,416.00	1,476,250.50
	Medical		-	-
	University form		135,500.00	121,000.00

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	Activity		1,074,000.00	171,235.00
	Service gratuity		-	-
	House rent		30,000.00	-
	Harambee		12,146,444.10	-
	Bursary		4,555,169.00	2,085,142.00
	Farm activities		169,060.00	36,260.00
	Club money		172,440.00	66,200.00
			-	-
			-	-
			-	-
			-	-
			-	-
	TOTAL		126,211,372.30	31,933,915.15
	<i>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 among others.</i>			
8	BANK ACCOUNTS			
	Name of Bank, Account No. & currency	Bank Account Number	2022	Jan-Jun 2021
			Ksks	Kshs
	Tuition Account		2,139,433.10	537,707.30

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	Operations Account		1,159,099.10	2,028,374.80
	School Fund Account/Boarding		16,233,251.85	1,121,861.95
	Savings A/c 1103528564-General		32,522,608.25	29,792,608.25
	Savings A/c 1108766048-Rent		232,711.30	232,711.30
	Infrastructural Account		3,782,851.70	16,645,809.40
	Total		56,069,955.30	50,359,073.00
9	CASH IN HAND			
	Description		2022	Jan-Jun 2021
			Ksks	Kshs
	Tuition Account		-	-
	Operation Account		-	-
	Infrastructure		-	-
	School Fund account		203,036.15	1,923,700.15
	Total		203,036.15	1,923,700.15
10	SHORT TERM INVESTMENTS			
	Description		2022	Jan-Jun 2021
			Ksks	Kshs
	Cooperative shares		-	-
	Treasury Bills		-	-
	Fixed deposit		-	-
	Equity stock		-	-
	Other investments		-	-
	Total		-	-

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11 ACCOUNTS RECEIVABLE			
	Description	2022	Jan-Jun 2021
		Kshs	Kshs
	Fees arrears	15,060,198.45	8,276,589.45
	Other non-fees receivables		
	Salary advances	-	-
	Imprest	-	-
	Total	15,060,198.45	8,276,589.45
[Include an ageing of the fees / non fees arrears below]			
	Description	2022	Jan-Jun 2021
		Kshs	Kshs
	Fees arrears for current year	7,997,325.00	-
	Fees arrears for the previous year	-	6,419,786.00
	Fees arrears for prior periods (over two years)	8,276,589.45	5,313,866.45
	Less fees recovered during the year	(1,213,716.00)	(3,457,063.00)
	Total	15,060,198.45	8,276,589.45
12 ACCOUNTS PAYABLE			
	Description	2022	Jan-Jun 2021
		Kshs	Kshs
	Trade creditors (See ageing below and appendix 1)	7,467,265.70	-
	Prepaid fees	5,299,302.00	-
	Caution money	500,409.65	500,409.65
	Total	13,266,977.35	500,409.65
[Include an ageing of the creditor's arrears below]			

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	Description		2022	Jan-Jun 2021
			Ksks	Kshs
	Trade creditors for current year		7,467,265.70	-
	Trade creditors for the previous year		-	235,566.05
	Trade creditors for prior periods (over two years)		-	-
	Less creditors paid during the year		-	(235,566.05)
	Total		7,467,265.70	-
13	FUND BALANCE BROUGHT FORWARD			
	Description		2022	Jan-Jun 2021
			Ksks	Kshs
	Bank balances		50,359,073.00	37,520,300.60
	Cash balances		1,923,700.15	152,536.15
	Short Term Investments		-	-
	Receivables		8,276,589.45	11,733,652.45
	Payables		500,409.65	4,938,576.70
	Total		60,058,952.95	44,467,912.50
	Other important disclosure notes			
14	Non-current Liabilities Summary			
	Description		2022	Jan-Jun 2021
			Ksks	Kshs
	Bank loan(s)		-	-
	Outstanding Leases		-	-
	Hire purchase		-	-
	Gratuity and leave provision		-	-
	Total		-	-
15	Biological assets			

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	Description	Num bers	2022	Jan-Jun 2021
			Ksks	Kshs
	Cattle		-	-
	Goats		-	-
	Trees		-	-
	Coffee or tea plantation		-	-
	Poultry		-	-
	Total		-	-

16 **Borrowings**

	Description		2022	Jan-Jun 2021
			Ksks	Kshs
	a) Borrowings			
	Borrowing at beginning of the year		-	-
	Borrowings during the year		-	-
	Repayments of during the year		-	-
	Balance at end of the year		-	-

17 **1 Stock/ Inventory**

	Description		2022	Jan-Jun 2021
			Ksks	Kshs
	Stock/Inventory			
	Stock/inventory at beginning of the year		-	-
	Stock/ inventory purchased during the year		-	-
	Stock/ inventory issued during the year		-	-
	Balance at end of the year		-	-

1 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)

KABARE GIRLS' HIGH SCHOOL

TRADE AND CREDITORS

7/9/2022

S/NO	NAME	INVOICE/RT NO	VOTEHEAD	AMOUNT (Kshs)
1	Kirima Dairy	902	B.E.S	242,200.00
2	Trimach Invest	2175 & 2176	A. Costs	98,935.00
3	Apple Ltd	Ap No 26/2022	A. Costs	50,460.00
4	Pada Ltd	35029 & 35196	A. Costs	44,000.00
5	Mbacho Electricals	176	E.W.C	20,700.00
6	Triomax	2167	B.E.S	35,000.00
7	Riskin Ltd	128	E.W.C	72,000.00
8	Copy Cat	6327	A. Costs	34,301.20
9	Francis Muriithi	33	E.W.C	17,000.00
10	Kabare Water	6	E.W.C	32,250.00
11	Performance Parts	2047	L.T & T	74,200.00
12	Riskin Ltd	134	E.W.C	18,000.00
13	Regina Nduta		B.E.S	10,152.00
14	Havateck Ltd	353	R.M.I	406,135.00
15	Stephen Ngacha		B.E.S	7,568.00
16	Katheru Pharmacy	039	A. Costs	22,230.00
17	Mwaga Ltd	221	A. Costs	313,120.00
18	E.M. Nyaga	087 & 100	B.E.S	415,660.00
19	J. Kagendo	105 & 108	B.E.S	510,370.00
20	Ukulima Ltd	4006	A. Costs	21,450.00
21	D.M Mwaniki	302	B.E.S	285,760.00
22	B.W Njuki	912	B.E.S	50,560.00
23	Lanes Enterprises	916	RMI	330,000.00
24	Diester Ltd	348 & 543	B.E.S	676,630.00
25	Opttum Chem	1552	B.E.S	46,200.00
26	Kerugoya K. Ware	1550	B.E.S	5,850.00
27	J.M Muchira		B.E.S	200,000.00
28	Jacqwa Enterprises	511	B.E.S	413,000.00
29	Equity Bank		P.E (NTS)	192,050.50
			(S.S)	29,433.00
30	Fortune Ltd		P.E (NTS)	26,570.00
			(S.S)	156,268.00
31	Kasstaf		P.E (NTS)	94,700.00
			(S.S)	92,455.00
32	Coop Bank		P.ENR	9,840.00
33	Family Bank		P.E (NTS)	11,670.00
			(S.S)	18,645.00
34	Clement & Mathew		P.E (NTS)	30,655.00

			(S.S)	51,500.00
35	N.S.S. Fund		P.E (NTS)	56,160.00
			(S.S)	43,988.00
36	Kudheidha		P.E (NTS)	4,000.00
			(S.S)	2,000.00
37	N.H.I. Fund		P.E (NTS)	13,550.00
			(S.S)	13,800.00
38	Equity Bank		P.E (NTS)	194,200.00
39	P.A.Y.E		(S.S)	26,830.00
40	Elimu Sacco		P.E (NTS)	2,000.00
			(S.S)	2,000.00
41	Weaver Bird	8726	B.E.S	1,040,000.00
42	Cleanshelf	8726	B.E.S	549,600.00
43	D.K Machere	1128	B.E.S	30,600.00
44	Caroline Katile	24	B.E.S	38,150.00
45	Brita Ltd	272 & 263	A. Costs	276,660.00
46	Bingwa Sacco		P.E (NTS)	6,210.00
				7,467,265.70
	Summary of Creditors			
1	A. Cost	861,156.00		
2	R.M.I	736,135.00		
3	E.W.C	159,950.00		
4	B.E.S	4,557,300.00		
5	P.E (NTS)	668,435.00		
6	P.E (S.S)	410,089.00		
7	L.T & T	74,200.00		
		7,467,265.70		

M. G. NJOKA (MR)
 BURSARY
 SIGN: *[Signature]*

L. R. MUHUNI (MRS)
 PRINCIPAL
 SIGN: *[Signature]*

**KABARE GIRLS HIGH SCHOOL
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land 1		Kabare Girls	Not valued	-	-	Not valued
Land 2						
Buildings and structures		“	263,300,000	400,000,000	-	303,300
Motor vehicles			11,090,000	-	-	11,090,000
Office equipment, furniture and fittings			1,050,000			1,050,000
ICT Equipment, and Other ICT Assets			2,080,000	575,000		2,655,000
Tools and apparatus		“	4,500,000	-	-	4,500,000
Textbooks			4,956,250	-		4,956,250
Other Machinery and Equipment			7,050,000			7,050,000
Heritage and cultural assets						
Intangible assets- soft ware						
Total			294,026,250	40,575,000		334,601,250