

REPUBLIC OF KENYA



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OF

THE AUDITOR-GENERAL

ON

KABARE GIRLS HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

KIRINYAGA COUNTY

Revised 30th June 2023



OFFICE OF THE AUDITOR GENERAL
CENTRAL REGIONAL OFFICE
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KABARE GIRLS HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

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1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	

2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Kirinyaga County, Kirinyaga 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 boarding school and had xxx number of students as at 30th June 2023. It has 27 streams and 59 teachers of which 4 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Rev.Dr.Zablon Bundi	Chairman	19/5/2022
2	Mrs.Jilian Muhuni	Secretary - Principal	19/5/2022
3	Dr.Caroline Mwaura	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	Mrs.Alice Kamuri	Member	19/5/2022
8	Dr.Agnes Njeru	Member - Rep CEB	19/5/2023
9	Mr.David Njogu	Member Rep Teachers	19/5/2023
	Rev.Capt.Susan Kariuki Mr.Joseph Wangai		
10	Dr.Zablon Bundi	3 Members - Sponsor	19/5/2023
11	Mr.Joseph Wangai	Member - Community	19/5/2023
12	Mrs.Ann Mwangi	Member Special Needs	19/5/2023
13	Mary Murage	Rep Students	19/5/2023

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Dr. Zablon Bundi 2. Mrs Lilian Muhuni 3. Mr. Joseph Wangai 4. Rev. Susan Kariuki 5. Ps Thomas Njoroge	Chairman Member " " "	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee	1. Mrs Emma Sanguli 2. Mrs Lilian Muhuni 3. Mr. Amos Mzenge 4. Dr. Josephat Bosire 5. Ms Wambui Ihiga 6. Dr. Caroline Mwaura	Chairperson Secretary Member " " "	2 out of 2 2 out of 2 " " " "
3	Finance/procurement and general purposes Committee	1. Mr. Joseph Wangai 2. Mrs Lilian Muhuni 3. Rev. Capt Susan Kariuki 4. Ps Thomas Njoroge 5. Ms Alice Kamuri	Chairman Secretary Member " "	2 out 2 " " " "

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

4	Academic Committee	<ol style="list-style-type: none"> 1. Mr. Zaccheaus Kinyua 2. Mrs Lilian Muhuni 3. Dr. Caroline Mwaura 4. Dr. Evanson Muriithi 5. Ps Thomas Njoroge 6. Dr. Samuel Njoroge 7. Mrs Anne Mwangi 8. Dr. Agnes Njeru 9. Dr. Josephat Bosire 10. Mr. David Njogu 11. Mr. Joseph Wangai 	<p>Chairman</p> <p>Secretary member</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p>	<p>3 out of 3</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p>
5	Finance/Development Committee	<ol style="list-style-type: none"> 1. Mr. Joseph Wangai 2. Mrs Lilian Muhuni 3. Rev. Capt Susan Kariuki 4. Ps Thomas Njoroge 5. Ms Alice Kamuri 6. Mr. Amos Mzenge 	<p>Chairman</p> <p>Secretary member</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p>	
6	Discipline and welfare Committee	<ol style="list-style-type: none"> 1. Dr. Evans Muriithi 2. Mrs Lilian Muhuni 3. Ms Wambui Thiga 4. Dr. Agnes Njeru 5. Mr. Zaccheaus Kinyua 6. Mrs Emma Sanguli 7. Ms Alice Kamuri 8. Mr. Amos Mzenge 	<p>Chairman</p> <p>Secretary member</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p>	<p>1 out of 1</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p> <p>“</p>
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Lilian R.Wambui Muhuni	TSC No.347233
2	Deputy Principal	Sarah Muthoni Karanja	TSC No.334099
3	Deputy Principal	Julius Mwangi	TSC No.391483
4	School Bursar	Mathew Gitari Njoka	ID No.9187196

(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

Provide details of the school bankers.

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

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

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. M-pesa Pay Bill No - Business No. 522123
Account No. 33914K
Attached to KCB Bank
Account No.1127064918

(g) Independent Auditors

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

3. Summary Report of Performance of The School

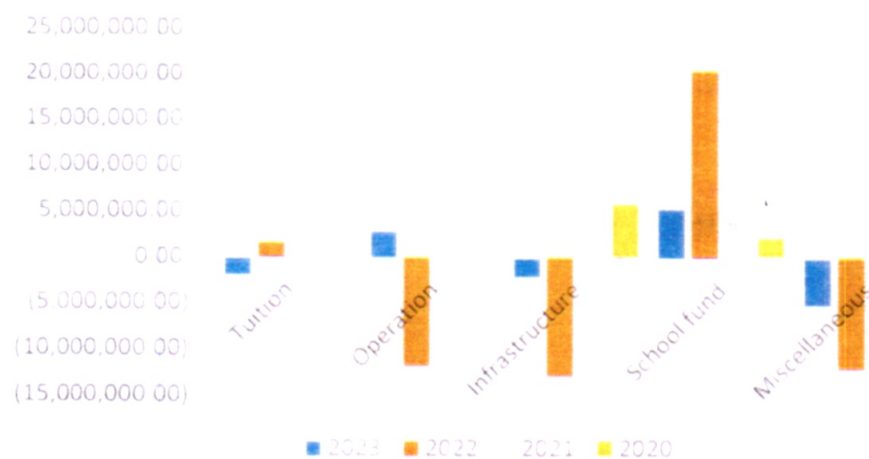
The following is a summary report of the performance of the school against the set performance evaluation criteria

a) Financial performance

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

	2023	2022	2021	2020
	Kshs	Kshs	Kshs	Kshs
Tuition	(1,935,372.00)	1,559,725.80	533,128.50	(5,686.00)
Operation	2,861,776.95	(11,809,233.40)	5,571,147.65	(55,657.45)
Infrastructure	(2,106,936.35)	(12,862,957.70)	(1,286,557.70)	5,626,805.10
School fund	5,355,791.90	20,342,907.80	9,150,784.85	2,019,467.23
Miscellaneous	(5,163,707.50)	(12,086,140.60)	119,205.00	5,068,764.95
Total	(988,447.00)	(14,855,698.10)	14,087,708.30	12,653,693.83
Increase/decrease	13,867,251.10	(28,943,406.40)	11,839,541.22	2,248,167.08

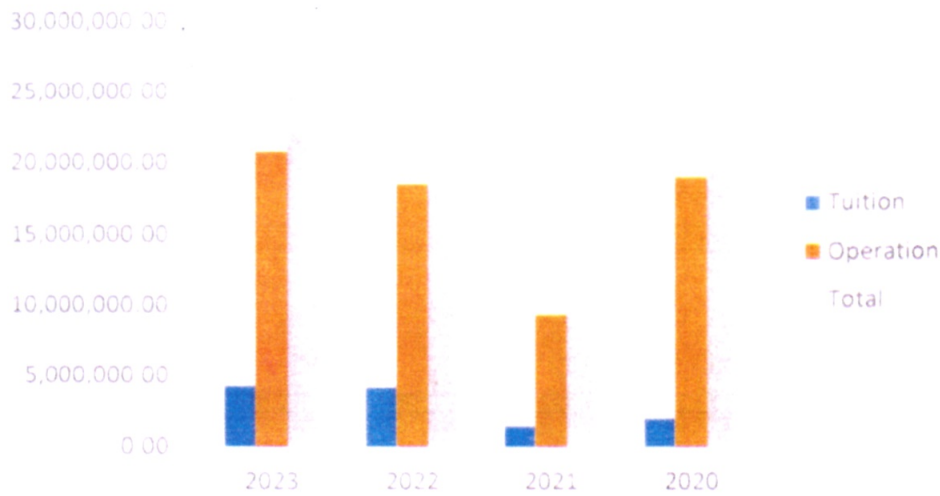
TRENDS FOR SURPLUS/DEFICIT



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

	2023	2022	2021	2020
	Kshs	Kshs	Kshs	Kshs
Tuition	4,290,871.00	4,199,173.80	1,475,915.50	1,995,429.00
Operation	20,710,517.65	18,427,052.30	9,250,142.60	18,843,194.80
Total	25,001,388.65	22,626,226.10	10,726,058.10	20,838,623.80
Increase/decrease	2,375,162.55	11,900,168.00	(10,112,565.70)	(2,174,572.10)

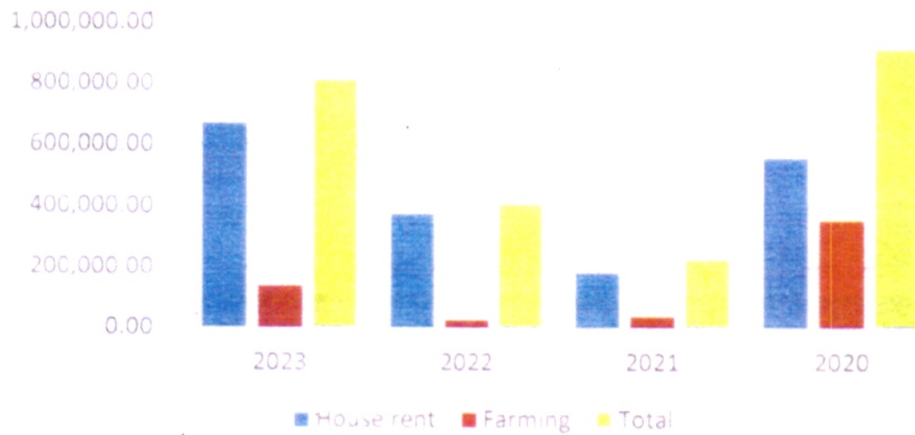
TRANDS FOR CAPITATION GRANTS



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

	2023	2022	2021	2020
	Kshs	Kshs	Kshs	Kshs
House rent	671,203.40	375,660.00	184,545.00	558,116.95
Farming	138,500.00	26,143.50	37,120.00	352,844.00
Total	809,703.40	401,803.50	221,665.00	910,960.95
Increase/decrease	407,899.90	180,138.50	(689,295.95)	145,174.00

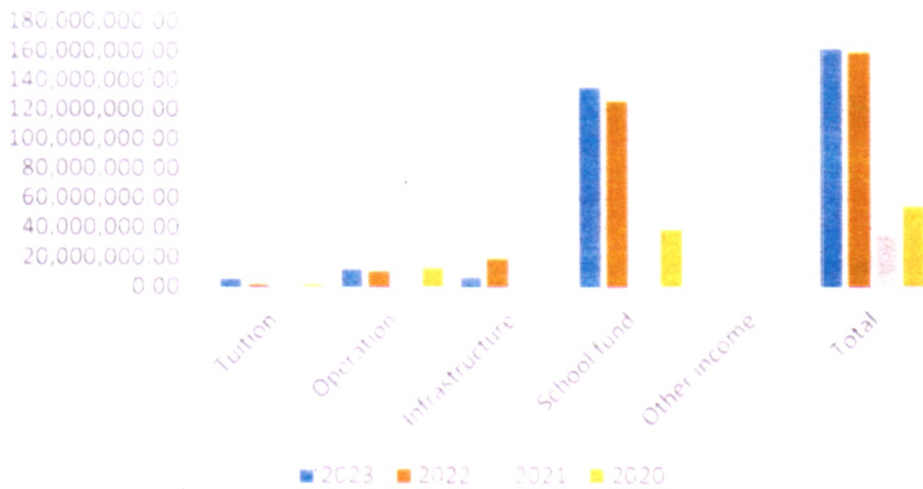
TRENDS FOR GROWTH OF OTHER INCOME



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

	2023	2022	2021	2020
	Kshs	Kshs	Kshs	Kshs
Tuition	6,226,243.00	2,639,448.00	942,787.00	2,001,115.00
Operation	12,716,740.70	10,958,328.00	3,294,279.70	13,272,047.15
Infrastructure	7,238,936.35	19,277,957.00	167,940.80	0.00
School fund	135,854,592.50	126,012,312.30	31,897,655.15	38,609,621.17
Other income	205,380.00	199,060.00	36,260.00	215,885.00
Total	162,241,892.55	159,087,105.30	36,338,922.65	54,098,668.32
Increase/decrease	3,154,787.25	122,748,182.65	(17,759,745.67)	-

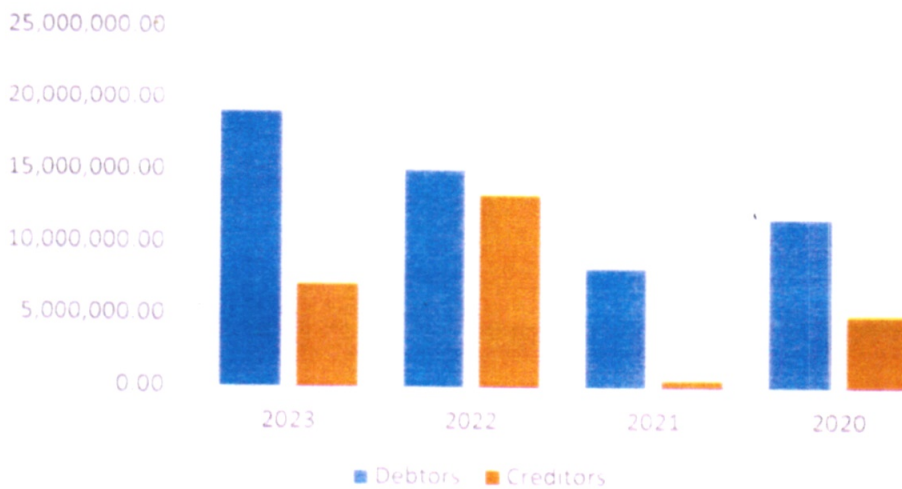
TRENDS FOR GROWTH IN EXPENDITURE



- Movement of debtors and creditors of the school over the last three years

	2023	2022	2021	2020
	Kshs	Kshs	Kshs	Kshs
Debtors	19,071,785.45	15,060,198.45	8,276,589.45	11,733,652.45
Creditors	7,112,146.65	13,266,977.35	500,409.65	4,938,576.70

TRENDS FOR DEBTORS AND CREDITORS



Graphical presentation, ratios, tables, and pie charts should be used to show/indicate trends unless the school is new.

b) 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 ISC, and number employed by BOVI. One may also include how many teachers the school has for each subject in order to indicate shortage/allocation of resources).

c) Mean score in the 2023 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.

d) Number of Candidates in the 2023 KCSE:

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

e) Capacity of the school:

(Indicate the number of students in the school vis a vis the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).

Data

Annual Report and Financial Statements For the year ended 30th June 2023

f) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format)

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Storeyed	Parents	Complete	39,886,765	40,651,644.25	2022
Dormitory	GOK				



School Principal

4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *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, 20XX, and of the school's financial position as at that date.



Name: DR. ZABLON BUNDI

Designation: Chairman, School Board of Management

Date: 6/3/2024



Name: L. W. MUTHURI

Designation: School Principal & Secretary to Board of Management

Date: 6/3/24



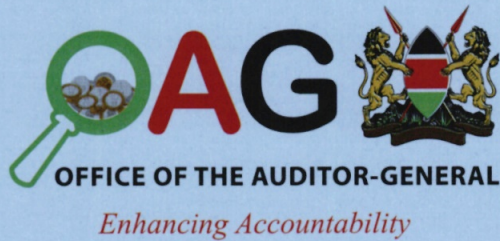
Name: MATHEW S. NJORIKA

Designation: Bursar Finance Officer

Date: 06-03-2024

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KABARE GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - 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 16 to 37, which comprise of the statement of financial assets and liabilities as at 30 June, 2023, and the statement receipts and payments,

Report of the Auditor-General on Kabare Girls High School for the year ended 30 June, 2023 - Kirinyaga County

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, 2023, 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.161,253,445 and Kshs.162,241,892 in respect of receipts and payments respectively. However, the School did not maintain itemized ledgers to support the figures and balances as reported in the trial balance and the financial statements.
- ii) The statement of receipts and payments reflects infrastructure payments of Kshs.7,238,936 while the corresponding Note 8 reflects an amount of Kshs.7,234,793 leading to unreconciled variance of Kshs.4,143.
- iii) Analysis of financial statements shows unexplained variances between the statement of cash flows and the statement of receipts and payments. The School fund income amount of Kshs.126,595,303 differs with the amount reported in statement of receipts and payments by Kshs.382,180. In addition, the boarding & school fund cash outflow of Kshs.146,608,570 differs with the statement of receipts and payments amount by Kshs.10,548,597.
- iv) Comparison of the financial statements and the trial balance revealed an unreconciled and an unexplained variances.

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

2. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure amounts of Kshs.4,290,871, Kshs.15,578,517 and Kshs.5,132,000 respectively totaling to Kshs.25,001,388 as disclosed in Notes 1, 2 and 3 to the financial statements. Review of the NEMIS capitation disbursements made to the School and

receipted in the School bank accounts revealed an amount of Kshs.20,560,338 resulting to an unexplained variance of Kshs.4,441,050.

In the circumstances, the accuracy and completeness of capitation grants for tuition, operations and infrastructure of Kshs.4,290,871, Kshs.15,578,517 and Kshs.5,132,000 respectively could not be confirmed.

3. Unauthorized Expenditure

The statement of budgeted versus actual amounts reflects approved expenditure budget of Kshs.85,884,188. However, the actual payments as per the statement of receipts and payments reflects a total of Kshs.162,241,892 resulting to an unauthorized expenditure of Kshs.76,357,704. 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 and levy money for dormitory, no approved supplementary budget was provided to support these changes.

In addition, the statement of budgeted versus actual amounts reflects original receipts and expenditure budget and final budget amounts against the actual balances of Kshs.84,205,165 and Kshs.85,884,188 respectively. However, both the original and final budget figures did not agree with the approved budget amounts except for capitation grant on tuition.

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

4. Unsupported and Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.19,071,785 as disclosed in Note 13 to the financial statements. However, the supporting schedules and issued invoices were not provided for audit review. Further, significant accounting policies on accounts receivables as disclosed in Note 5 is has not provided a policy on the treatment of the students' fees balances which is the major source of income for the School.

In addition, the accounts receivable balance of Kshs.19,071,785 are in respect of fees arrears as disclosed in Note 13 to the financial statements. However, the balance includes receivables amounting to Kshs.7,997,325 which had been outstanding for more than three (3) years.

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

5. Authenticity of Accounts Payable

The statement of assets and liabilities reflects accounts payable balance of Kshs.7,112,147 as disclosed in Note 14 to the financial statements. Included in this balance are trade creditors, prepaid fees and caution money of Kshs.2,217,970, Kshs.4,393,767 and Kshs.500,409.65 respectively. However, detailed supporting schedules and aging analysis for prepaid fees was not provided for audit. Further, scrutiny

of trade creditors listed, revealed that the payment vouchers were not supported with relevant documents such as requisitions, inspection and acceptance reports and local purchase orders/local service orders.

In the circumstances, the accuracy and completeness of accounts payable balance Kshs.7,112,147 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.84,205,165 and Kshs.123,023,696 respectively, resulting to an unbudgeted funding of Kshs.38,818,531 or 46% of the budget. However, the School spent a balance of Kshs.162,241,892 against actual receipts of Kshs.161,253,445, resulting to a deficit of Kshs.988,447 or 0.6% of actual receipts.

The over-utilization affected the planned activities and may have 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

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB).

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision-making.

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.4,290,871 and Kshs.15,578,517 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of 1507 students while the enrolment records provided by the School indicated a total number of 1545 students, resulting to an unexplained variance of 38 students. As a result of the variances, the School was under funded by an amount of Kshs.1,290,057.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.4,290,871 and Kshs.15,578,517 respectively could not be confirmed.

3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.136,059,972 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.3,185,390 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, regularity and value for money transferred to KESSHA amounting to Kshs.3,185,390 could not be confirmed.

4. Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.15,578,517 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.8,686,800 in respect of infrastructure grants which were transferred to infrastructure

bank account for maintenance and improvement of the School's facilities after more than forty (40) days of receipt.

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.

5. Failure to Maintain a Separate Bank Account for Other Revenues Generated

The statement of receipts and payments reflects miscellaneous incomes of Kshs.10,038,933 as disclosed in Note 5 to the financial statements. The amount includes farm activities income of Kshs.138,500 and Harambee funds of Kshs.505,599. However, these were banked in School Funds Account (boarding account), contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 which directs that schools with income generating activities shall open separate bank accounts.

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

6. Failure to Comply with Procurement Procedures

The statement of receipts and payments reflects payments of Kshs.161,253,445. Scrutiny of tenders awarded and tender notices for the financial year 2022/2023 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.

7. Continued Use of Prohibited Roofing Material

Annex 2 to the financial statements reflects the value of buildings and structures at Kshs.263,300,000. However, physical verification of the classes and other buildings at the School revealed the use of asbestos roofing materials that were installed over 30 years ago. According to the Factories and Other Places of Work (Hazardous Substances) Rules, 2007, asbestos has been listed as a hazardous substance and its threshold limit values are given, therefore, these rules apply to all workplaces where asbestos is present. The National Guidelines on Safe Management and Disposal of Asbestos, by the National Environmental Management Authority (NEMA) explains that the prolonged use of asbestos material causes fatal respiratory illnesses.

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

6. Failure to Maintain Fixed Asset Register

Examination of assets records maintained by the School revealed that, there was no evidence that the School maintained a fixed assets' register. This was contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

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

18 September, 2024


KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022/2023 Kshs	2021/2022 Kshs
Receipts			
Government grants for tuition	1	4,290,871.00	4,199,173.80
Government grants for operations	2	15,578,517.65	18,427,052.30
Government Grants for infrastructure	3	5,132,000.00	0.00
School fund income- parents' contributions	4	126,213,123.50	129,511,167.00
Miscellaneous incomes	5	10,038,933.40	4,956,972.50
Total Receipts		161,253,445.55	157,094,365.60
Payments			
Tuition	6	6,226,243.00	2,639,448.00
Operations	7	12,716,740.70	30,236,285.70
Infrastructure	8	* 7,238,936.35	
Boarding and school fund	9	136,059,972.50	126,211,372.30
Total Payments		162,241,892.55	159,087,106.00
Surplus/Deficit		(988,447.00)	(1,992,740.40)

The school financial statements were approved on 2-2-2024 and signed by:



Name: DR. ZABLON BUREN

Chair BOM

Date: 6/3/2024



Name: LILIAN W. MUTITU

School Principal/ Secretary to BOM

Date: 06/3/24



Name: MATTHEW G. NJOKA

Bursar/ Finance Officer

Date: 06-03-2024

(Comparative FY refers to the financial year preceding the current financial year.)

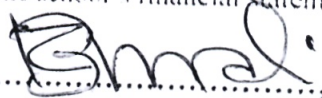
KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	42,838,204.60	56,069,955.30
Cash balances	11	2,279,922.15	203,036.15
Short term investments	12	0.00	0.00
Total cash and cash equivalent		45,118,126.75	56,272,991.45
Account's receivables	13	19,071,785.45	15,060,198.45
Total financial assets		64,189,912.20	71,333,189.90
Financial liabilities			
Accounts payables	14	7,112,146.65	13,266,977.35
Net financial assets		57,077,765.55	58,066,212.55
Represented by			
Accumulated fund b/fwd	15	58,066,212.55	60,058,952.95
Surplus/deficit for the year		(988,447.00)	(1,992,740.40)
Net financial position		57,077,765.55	58,066,212.55

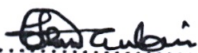
The school's financial statements were approved on 2-2-2024 and signed by:



Name: J.R. ZABLON BUNN

Chair BOM

Date: 6/3/2024



Name: L. Linn W. Muthuri

School Principal/ Secretary to BOM

Date: 02/2/24



Name: MATHEW G. NJUKA

Bursar/ Finance Officer

Date: 02-02-2024

(Comparative FY refers to the financial year preceding the current Financial year.)

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

7. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		4,290,871.00	4,199,173.80
Government grants for operations		15,578,517.65	18,427,052.30
Government grants for infrastructure		5,132,000.00	-
School fund income- parents contributions fees		126,595,303.50	128,026,860.00
Other income		10,038,933.40	4,956,972.50
Total receipts		161,635,625.55	155,610,058.60
Payments			
Cash outflows for tuition		6,226,243.00	2,639,448.00
Cash outflows for operations		12,716,740.70	10,958,328.00
Cash outflows Boarding lunch and school fund payments		146,608,570.20	106,597,662.50
Total payments		165,551,553.90	120,195,438.50
Net cash inflow/outflow from operating activities		(3,915,928.35)	35,414,620.10
Cash flow from investing activities			
Acquisition of assets		(7,238,936.35)	(31,424,401.80)
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		(7,238,936.35)	(31,424,401.80)
Cash flow from Financing activities			
Proceeds from borrowings loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		(11,154,864.70)	3,990,218.30
Cash and cash equivalent at beginning of the FY		56,272,991.45	52,282,773.15
Cash and cash equivalent at end of the FY		45,118,126.75	56,272,991.45

Note: Cash and Cash Equivalent is the summation of Nos. 10, 11 and 12.

(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).

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

The school's financial statements were approved on 2-2-2024 and signed by:



Name: DR. ZABLON BUMPALA

Chair BOM

Date: 6/2/2024



Name: LILIAN W. NANTUNZI

School Principal/ Secretary to BOM

Date: 07/2/24



Name: MATHEW G. NJOKA

Bursar/ Finance Officer

Date: 02-02-2024

(Comparative FY refers to the financial year preceding the current Financial year.)

8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 20XX

Receipt/Expenses Item	Original Budget		Adjustments		Final Budget		Actual On Comparable Basis	% OF Utilization
	a	Kshs	b	Kshs	c=a+b	Kshs		
Receipts	Kshs							
(1) <i>Capitation Grant on Tuition</i>								
Reference Materials								
Exercise Books								
Laboratory Equipment								
Internal Exams								
Teaching - Learning Materials								
Exams And Assessment								
(2) <i>Capitation Grant on Operations</i>								
Personel Emoluments	7,383,656.00		7,383,656.00		7,383,656.00		4,611,024.00	62.4%
Repairs And Maintenance	6,415,000.00		6,415,000.00		6,415,000.00		7,593,362.95	84.48%
Local Transport - Travelling	582,482.00		582,482.00		582,482.00		734,540.00	126%
Electricity And Water	2,169,553.00		2,169,553.00		2,169,553.00		1,593,418.70	73.10%
Medical								
Administration Costs	1,924,500.00		1,924,500.00		1,924,500.00		4,807,092.00	249.78%
Activity	1,924,500.00		1,924,500.00		1,924,500.00		1,371,080.00	71.24%
Gratuity	20,399,691.00		20,399,691.00		20,399,691.00		20,710,517.65	101.5%

KABARE GIRLS HIGH SCHOOL
Annual Report and Financial Statements for the year ended 30th June 2023

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
3) FDSE for infrastructure					
Maintenance & Improvement Mol					
M&I parents' contribution					
Economic Stimulus Programs	5,132,000.00		5,132,000.00	5,132,000.00	100%
Transition Infrastructure Grants	5,132,000.00		5,132,000.00	5,132,000.00	100%
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	9,454,795.00		9,454,795.00	10,695,951.50	113%
Repairs And Maintenance	3,080,000.00		3,080,000.00	6,088,026.00	197.66%
Local Transport Travelling	4,620,000.00		4,620,000.00	5,863,382.00	126.90%
Electricity And Water	9,705,080.00		9,705,080.00	13,161,904.00	135.6%
Medical					
Administration Costs	7,847,380.00		7,847,380.00	11,400,349.00	145.2%
Activity	1,233,708.00		1,233,708.00	1,578,275.00	127.9%
SMASSI					
Fee On Boarding Equipment and Stores	46,792,900.00		46,792,900.00	72,716,028.00	155.40%
5) Miscellaneous Income					
Loans / Borrowing					
Rent income	671,203.40		671,203.40	671,203.40	100%
Income From Farming Activities	138,500.00		138,500.00	138,500.00	100%
Insurance Compensation					
Income From Posho Mill					

Receipt/Expenses Item	a	b	c=a+b	d	% Of Utilization
Original Budget	Adjustments	Final Budget	Actual On Comparable Basis		
Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Bus Hire					
Fee For Hire of Ground and Equipment					
Interest Income	505,599.00	-	505,599.00	505,599.00	100%
Income From Any Other Investment	156,000.00	-	156,000.00	204,479.00	131%
Total Income	84,205,165.40	-	84,205,165.40	123,023,696.90	146%
(6) Expenditure For Tuition					
Textbooks					
Reference Materials					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching Learning Materials	5,925,920.00	-	5,925,920.00	6,222,442.00	105%
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges					
(7) Expenditure For Operations					
Personnel Emoluments	7,383,656.00	-	7,383,656.00	4,600,345.00	62.30%
Repairs, Maintenance & Improvements	6,415,000.00	-	6,415,000.00	5,133,120.00	80%
Local Transport / Travelling	582,482.00	-	582,482.00	364,683.00	62.6%

K. IBIARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/c % Kshs
Electricity, Water and Conservancy	2,169,553.00	-	2,169,553.00	1,583,975.70	73%
Medical	-	-	-	-	-
Administration Costs	1,924,500.00	-	1,924,500.00	4,802,092.00	249,50%
Activity Expenses	1,924,500.00	-	1,924,500.00	1,364,525.00	70,90%
Gratuity	-	-	-	-	-
SMA/ASSE	20,399,691.00	-	20,399,691.00	24,071,182.7	118%
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	-
Construction of LAB	-	-	-	-	-
Construction of DORMS	7,234,793.35	-	7,234,793.35	7,234,793.35	100%
Purchase of furniture	-	-	-	-	-
Purchase of equipment	-	-	-	-	-
Purchase of machinery	7,234,793.35	-	7,234,793.35	7,234,793.35	-
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	9,454,795.00	-	9,454,795.00	10,337,683.35	109,3%
Repairs, Maintenance and Improvements	3,080,000.00	-	3,080,000.00	5,525,472.00	179,40%
Local Transport / Travelling	4,620,000.00	-	4,620,000.00	5,863,382.00	126,9%
Electricity, Water and Conservancy	9,705,080.00	-	9,705,080.00	13,142,231.25	135,40%
Medical Expenses	-	-	-	-	-

Annual Report and Financial Statements for the year ended 30th June 2023

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Administration Costs	7,847,380.00	-	7,847,380.00	11,400,349.00	145.20%
Activity	1,233,708.00	-	1,233,708.00	1,558,458.00	126.30%
Gratuity					
Launch Programme					
Boarding Equipment and Stores	46,792,900.00	-	46,792,900.00	70,691,486.00	151%
Expenditure For Income Generating Activity					
Insurance Costs					
Other Expenses On Investments	156,000.00	-	156,000.00	133,500.00	85.57%
Rent Expenses					
Bank Charges					
Loan Interest Repayment					
Loan Principal Repayment					
Acquisition Of Assets	2,994,324.90	-	2,994,324.90	2,994,324.90	100%
Totals	85,884,187.90	-	85,884,187.90	121,646,886.50	141.6%

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

- i. Under utilization was caused by late disbursement of funds and fees arrears.
- ii. Over utilization was caused by sharp increase in prices of goods and services in the market.

9. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government-practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

10. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Reference Materials		
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching Learning Materials	4,290,871.00	4,199,173.80
Total	4,290,871.00	4,199,173.80

2 Government Grants for Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	4,611,024.00	6,377,016.30
Repairs And Maintenance	2,461,362.95	6,467,500.00
Local Transport / Travelling	734,540.00	628,631.00
Electricity And Water	1,593,418.70	1,445,634.00
Medical		
Administration Costs	4,807,092.00	1,898,351.00
Activity	1,371,080.00	1,609,920.00
Gratuity	0.00	0.00
Total	15,578,517.65	18,427,052.30

3 Government Grants for infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Maintenance & Improvement	0.00	-
Transition infrastructure grants	0.00	-
Construction of Dormitory	5,132,000.00	-
Economic stimulus grants	0.00	-
Administration cost	0.00	-
Other (specify) N.G.C.D.F and County govt.	0.00	-
Total	5,132,000.00	-

4 School Fund Income - Parents Contribution/Fees

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	10,695,951.50	9,555,331.00
Repairs and maintenance	6,088,026.00	10,928,649.00
Local transport travelling	5,863,382.00	5,376,527.00
Electricity and water	13,161,904.00	8,076,069.00
Medical	0.00	0.00
Administration costs	11,400,349.00	10,303,331.00
Activity	1,578,275.00	1,606,512.00
Fee on Boarding Equipment and stores	77,220,757.00	70,982,773.00
Harambee	0.00	12,500,000.00
University form	204,479.00	181,975.00
Total	126,213,123.50	129,511,167.00

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

5 Miscellaneous Incomes

Description	2022/2023	2021/2022
	Kshs	Kshs
Rent Income	671,203.40	375,660.00
Income From Farming Activities	138,500.00	26,143.50
Harambee	505,599.00	-
Bursary fund	8,713,531.00	4,555,169.00
Club	10,100.00	-
Total	10,038,933.40	4,956,972.50

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

**Ensure proper authorization from MOE before obtaining loans borrowings.*

**Indicate what other income relates to including income arising from writebacks if any.*

Notes to the Financial Statements (continued)

6 Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	-	-
Textbooks	-	-
Reference materials	-	-
Laboratory Equipment	-	-
Teaching / Learning Materials	6,222,442.00	2,637,417.00
Exams And Assessment	-	-
Teachers Guides	-	-
Bank Charges	3,801.00	2,031.00
Others (specify)	-	-
Total	6,226,243.00	2,639,448.00

7 Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
P.E Non-teaching staff	2,726,598.00	3,114,324.50
P.E Support staff	1,873,747.00	2,790,420.00
Service Gratuity	-	-
Administration Cost	4,802,092.00	1,898,351.00
Repairs And Maintenance & Improvements	1,120.00	45,500.00
Local Transport / Travelling	364,683.00	582,482.00
Electricity And Water	1,583,975.70	917,330.50
Medical	-	-
Activity Expenses	1,364,525.00	1,609,920.00
Insurance Cost	-	-
Construction of dormitory	-	19,277,957.70
Total	12,716,740.70	30,236,285.70

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DEBTORS AS AT 30/6/2023

Form 1	=	776 809/=
Form 2	=	2 033 104/=
Form 3	=	2 959 708/=
Form 4	=	3 128 875/=
		<u>8.898.496/=</u>

PREPAID FEES AS AT 30/06/23

Form 1	-	1,206,367.00
Form 2	-	1,591,033.00
Form 3	-	1,446,852.00
Form 4	-	149,515.00
		<u>4,393,767.00</u>

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Construction of classrooms	-	-
Construction of laboratory	-	-
Construction of dormitory	7,234,793.35	-
Purchase of furniture	-	-
Purchase of equipment	-	-
Purchase of apparatus	-	-
Drilling of boreholes	-	-
Administration cost	4,143.00 *	-
Total	7,234,793.35	-

9 Boarding And School Fund

Description	2022/2023	2021/2022
	Kshs	Kshs
P.E Non-teaching staff	6,274,783.35	3,691,975.35
P.E Support staff	4,062,900.00	2,945,537.00
Service Gratuity	-	-
Repairs And Maintenance & Improvements	5,540,882.00	10,489,416.00
Local Transport / Travelling	5,911,322.00	4,392,103.00
Electricity And Water	13,201,751.25	4,658,678.30
Medical Expenses	-	-
Administration Costs	11,492,809.00	10,775,324.20
Activity	1,571,458.00	1,074,000.00
University form	133,500.00	135,500.00
Fee On Boarding Equipment and Stores	72,667,926.00	70,975,725.35
Rent Expenses	-	30,000.00
Harambee	2,994,324.90	12,146,444.10
Bursary	8,713,531.00	4,555,169.00
Farming	205,380.00	169,060.00
Club	235,195.00	172,440.00
Bakery	3,054,210.00	-
Total	136,059,972.50	126,211,372.30

Expenses on income generating activities** should include all costs relating to the school earnings on misc. charges except as recorded in n/a
 * These costs should include, term maintenance, periodic maintenance, ground maintenance and costs incurred during hire of school bus among others.

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account			204,061.10	2,130,433.10
Operations Account			4,020,876.05	1,159,099.10
School Fund Account/Boarding			2,668,745.15	16,233,251.85
Savings A/c -General		1103528564	34,028,207.25	32,522,608.25
Savings A/c -Rent		1108766048	240,399.70	232,711.30
Infrastructural Account			1,675,915.35	3,782,851.70
Total			42,838,204.60	56,069,955.30

11 Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Tuition Account	-	-
Operation Account	-	-
Infrastructure	-	-
School Fund account	2,279,922.15	203,036.15
Total	2,279,922.15	203,036.15

12 Short Term Investments

Description	2022/2023	2021/2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	19,071,785.45	15,060,198.45
Other Non-Fees Receivables		
Salary Advances (list schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list schedule attached)	-	-
Total	19,071,785.45	15,060,198.45

13 b Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs	% of the total	Kshs	% of the total
Less than 1 year	8,898,496.00	47%	7,997,325.00	53%
Between 1- 2 years	7,997,325.00	42%	-	0%
Between 2-3 years	-	0%	6,419,786.00	43%
Over 3 years	7,062,873.45	11%	1,856,803.45	4%
Total (should tie to note 13 a)	19,071,785.45	100%	15,060,198.45	100%

14 Accounts Payable

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,217,970.00	7,467,265.70
Prepaid Fees	4,393,767.00	5,299,302.00
Caution money	500,409.65	500,409.65
Total	7,112,146.65	13,266,977.35

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022/2023		2021/2022	
	Kshs	% of the total	Kshs	% of the total
Less than 1 year	2,217,970.00	100%	7,467,265.70	100%
Between 1- 2 years	0.00	0%	0.00	0%
Between 2-3 years	0.00	0%	0.00	0%
Over 3 years	0.00	0%	0.00	0%
Total (should tie to note 14)	2,217,970.00	100%	7,467,265.70	100%

15 Fund Balance Brought Forward

Description	2022/2023		2021/2022	
	Kshs		Kshs	
Bank Balances	56,069,955.30		50,359,073.00	
Cash Balances	203,036.15		1,923,700.15	
Short Term Investments				
Receivables	15,060,198.45		8,276,589.45	
Payables	13,266,977.35		500,409.65	
Total	58,066,212.55		60,058,952.95	

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17 Biological assets

Description	Numbers	2022/2023	2021/2022
		Kshs	Kshs
Cattle	6	Not Valued	Not Valued
Goats	-	-	-
Trees	-	-	-
Coffee Or Tea Plantation	-	-	-
Poultry	-	-	-
Others (specify)	22	Not Valued	Not Valued
Total	28	Not Valued	Not Valued

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at the end of the year	-	-

KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

19 Stock/ Inventory

Description	2022/2023	2021/2022
	Kshs	Kshs
Food stuffs	-	-
Lab consumables	-	-
Farm produce	-	-
Medication	-	-
Construction Materials	-	-
Others (specify)	-	-

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)


KABARE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2023

20 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)

 6/3/24

Sign and Date
Principal

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TRADE & GENERAL CREDITORS 30/06/23

S/NO	NAME	INVOICE NO.	VOTEHEAD	AMOUNT
1.	Apple LTD	APN021/2023	A.Costs	64,960.00
2.	Triomax Dynamic	2344	B.E.S	35,000.00
3.	Sarah Wakabu	91	B.E.S	103,680.00
4.	Brita LTD	219	A.Costs	27,500.00
5.	D.K Machere	1371	B.E.S	17,000.00
6.	Douglas M. Mwaniki	339	B.E.S	373,600.00
7.	Performance Parts	7789	LT S'T	47,940.00
8.	Emily Nyaga	046&043	B.E.S	427,720.00
9.	Patrick Mwaniki	023	Farm	13 200.00
10.	Cleanshef LTD	CS00T00	B.E.S	115,200.00
11.	Kirima Dairy	2712	B.E.S	352,500.00
12.	Diester LTD	1064	Activity	13,000.00
13.	Jacob Mwaniki	21	B.E.S	60,000.00
14.	Jecinta Kagendo	147 &145	B.E.S	68,000.00
15.	Bertha Wangui	975	B.E.S	59,520.00
16.	Kutus Auto	6152	E.W.C	15 410.00
		615256135	R.M.I	2,217.970.00

SUMMARY

1. A. Costs-	92,460.00
2. B.E.S -	1,976,440.00
3. Lt ST-	47,940.00
4. Farm-	13,200.00
5. Activity -	13,000.00
6. E.W.C-	59,520.00
7. R.M.I-	15,410.00
	<u>2,217.970.00</u>

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Form 4	-	149,515.00
		<u>4,393,767.00</u>

11. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	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.						
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total						