

REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

REPORT

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 JUN 2025	DAY: Wednesday
TABLED BY: Hon. Owen Banya, MP Deputy leader of Majority	
CLERK-AT THE-TABLE: Longale	

OF

THE AUDITOR-GENERAL

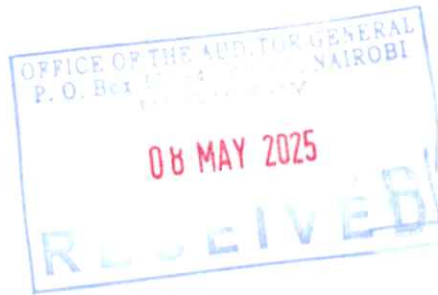
ON

ALLIANCE GIRLS HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2024**

KIAMBU COUNTY

Revised 30th June 2024.



ALLIANCE GIRLS HIGH SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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

(Leave this page blank)

Table of Contents

Page

1. Acronyms and Definition of Key Terms.....	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	viii
4. Statement of School Management Responsibility.....	xvi
5. Report Of The Independent Auditors (<i>To be attached</i>).....	xvii
6. Statement Of Receipts and Payments for the Year Ended 30 th June 2024	1
7. Statement of Assets and Liabilities As At 30 th June 2024.....	2
8. Statement of Cash Flows for the Year Ended 30 th June 2024.....	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2024	5
10. Significant Accounting Policies.....	11
11. Notes To the Financial Statements	13
12. Annexes	27

1. Acronyms and Definition of Key Terms

A. Acronyms.

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	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

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 Kiambu County, Kikuyu Sub-County.

The school was registered in 14/10/1985 under registration number 22S00300321 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 2389 number of students as at 30th June 2024. It has 11 streams and 108 teachers of which 11 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	Description	Date of appointment
1	Dr. Eng. Joseph Kibeere	Chairman	14/3/2022
2	Mrs. Jedidah Mwangi	Secretary - Principal	14/3/2022
3	Prof. Miriam Kinyua	Member	14/3/2022
4	Mr. John Migwi	Member	14/3/2022
5	Prof. Romanus Odhiambo	Member	14/3/2022
6	Mr. David Kinyanjui	Member	14/3/2022
7	Justice Luka Kimaru	Member	14/3/2022
8	Mr. Andrew Wakahiu	Member	14/3/2022
9	Prof. James Gitonga	Member	14/3/2022
10	Dr. Dorcas Musera	Member	14/3/2022
11	Mrs. Esther Wanjiru Ndirangu	Member	14/3/2022
12	Mrs. Phyllis Wakanyi	Member	14/3/2022
13	Mr. David Kinuthia	Member	14/3/2022
14	Dr. Lorna Okoko	Member	14/3/2022
15	Rev. Kelvin Wathatu	Member	14/3/2022
16	Major (RTD) Samson Sorobit	Member	14/3/2022

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, of 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

Ref.	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee			
		Dr. Eng. Joseph Kibeere	Chairman	2
		Mrs. Jedidah Mwangi	Secretary	2
		Mr. David Kinuthia	Member	2
		Major(RTD) Samson Sorobit	Member	2
2	Audit Committee			
		Mr. David Kinyanjui	Chairman	2
		Major(RTD) Samson Sorobit	Member	2
		Mr. Andrew Wakahiu	Member	2
3	Welfare Committe			
		Mrs. Dorcas Musera	Chairperson	2
		Dr. Lorna Akoko	Member	2
		Mrs. Agnes Wainaina	Member	2
			Member	2
3	Finance, procurement and general purposes Committee			
		Mr. David Kinuthia	Chairman	4
		Mr. John Migwi	Member	4

		Rev. Kelvin Wathatu	Member	4
		Justice Luka Kimaru	Member	4
		Major(RTD) Sanson Sorobit	Member	4

4	Academic Committee			
		Prof.Miriam Kinyua	Chairperson	1
		Mrs. Esher Ndirangu	Member	1
		Dr. Lorna Okoko	Member	1
		Prof. Romanus Odhiambo	Member	1
		Major(RTD) Sanson Sorobit	Member	1
		Mrs. Agnes Wainaina	Member	1
5	Development Committee			
		Prof. Miriam Kinyua	Chairperson	2
		Rev. Kelvin Wathatu	Member	2
		Dr. Dorcas Musera	Member	2
		Mr. David Kinuthia	Member	2
		Major(RTD) Samson Sorobit	Member	2
		Mr. Joseph Wafula	Member	2
6	Personnel Committee			
		Mrs. Esther Ndirangu	Chairperson	2
		Mr. David Kinyanjui	Member	2
		Dr. Dorcas Musera	Member	2
		Major(RTD) Samson Sorobit	Member	2
		Mr. John Migwi	Member	2
		Prof. Elijah Gitonga	Member	2
7	Security Committee			
		Mr. John Migwi	Chairperson	2
		Major(RTD) Samson Sorobit	Member	2

(d) School operation Management

For the financial year ended 30th June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Jedidah Mwangi	TSC No. 303882
2	Deputy Principal	Mrs. Faith Njuguna	TSC No. 371819
		M/s Nancy Macharia	TSC No: 33875
3	School finance officer	Mr. Michael Kariuki Ndungu	ICPAK No. 28089

(e) Schools contacts

Post Office Box: 109-0902- Kikuyu
Telephone: 0714915663/070721326758
E-mail: info@alliancegirlshigh.sc.ke.
Website:
Facebook:

(f) School Bankers

1. **Name of Bank: Co-operative Bank**
Branch: Kikuyu.
Account Number: 01129099015500(**fund /paying account**)

2. **Name of Bank: Kenya Commercial Bank**
Branch: Kikuyu.
Account Number: 1107133831(**fund/paying account**)

3. **MPESA Pay Bill No. 82804K attached to KCB bank account**

4. **Name of Bank: Kenya Commercial Bank**
Branch: Kikuyu.
Account Number: 1151244899 (**fees collection**)

5. **Name of Bank: ABSA Bank.**
Branch: Kikuyu.
Account Number: 2038518065(**saving**)

6. **Name of Bank: Kenya Commercial Bank**
Branch: Kikuyu.
Account Number: 1107133572 (**Development**)

7. **Name of Bank: Kenya Commercial Bank.**
Branch: Kikuyu.
Account Number: 1101740965 (**Dollar**)

8. **Name of Bank: Kenya Commercial Bank**
Branch: Kikuyu.

Account Number 1102907677(Tuition)

9. **Name of Bank:** Kenya Commercial Bank
Branch: Kikuyu.
Account Number: 1102906964 (Farm)

10. **Name of Bank:** Equity Bank
Branch: Kikuyu
Account Number: 0570296880591(Infrastructure)

11. **Name of Bank:** Equity Bank:
Branch: Kikuyu.
Account Number: 0570291740882 (Operations)

12. **Name of Bank:** Equity Bank.
Branch: Kikuyu.
Account Number 0570299515442 (Bakery)

(g) **Independent Auditors**

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

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

(h) Summary Report of Performance of The School

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

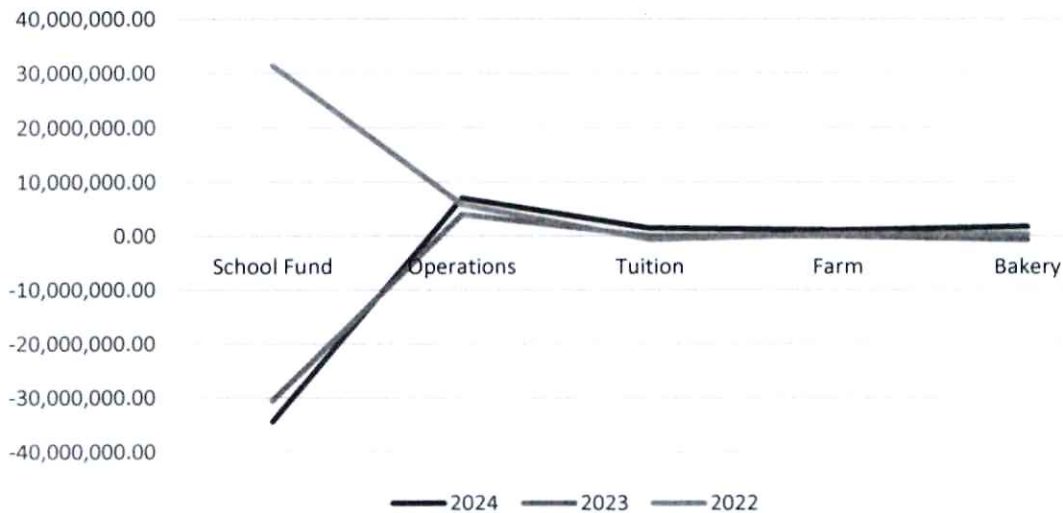
a) Financial performance:

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

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

SNO	ACCOUNTS	2024	2023	2022
		Kshs	Kshs	Kshs
1	School Fund Account	(34,383,472.64)	(30,448,530.89)	31,399,141.00
2	Operations Account	7,036,487.30	4,009,839.92	(5,828,793.00)
3	Tuition Account	1,459,569.61	(1,531.25)	(641,372.00)
4	Farm Account	999,178.75	(16,202.31)	243,800.00
5	Bakery Account	1,734,556.00	(741,551.80)	299,371.00
	TOTAL	(23,153,680.98)	(12,288,699.28)	25,472,147.00
	Increase/Decrease	(35,442,380.26)	13,183,447.72	32,120,342.00

Surplus/Deficit comparison

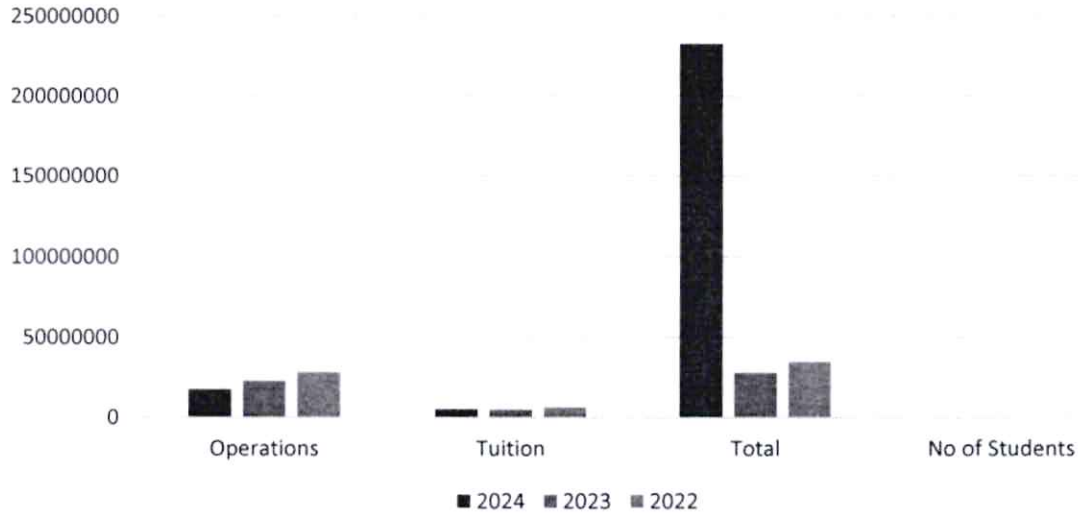


- Capitation grants from the Ministry of Education for the last three years

SNO	ACCOUNTS	2024	2023	2022
		KSHS	KSHS	KSHS
1	Operations Account	17,832,581.00	23,104,708.71	28,675,819.00
2	Tuition Account	5,447,232.20	5,179,589.75	6,566,085.00

Total	23,279,813.20	28,284,298.46	35,241,904.90
Increase/Decrease	(5,004,485.26)	6,957,606.44	
No of Students	2400	2019	2013
Ratio of Capitation per student	9,700.00	16,862	10,578

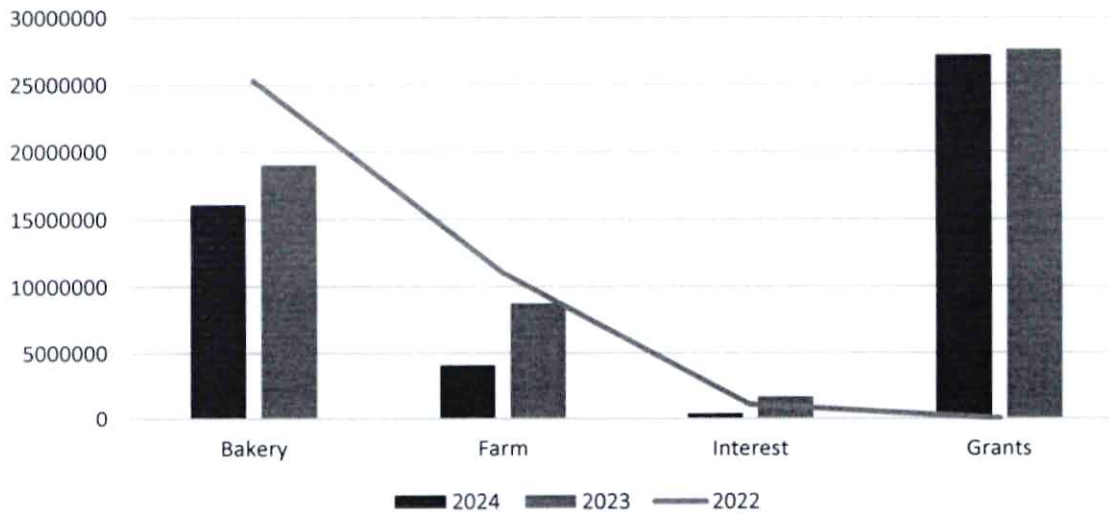
Capitation Grants for 3 years



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

- OVERVIEW OF GROWTH OF OTHER INCOME(S)				
SNO	ACCOUNTS	2024	2023	2022
		KSHS	KSHS	KSHS
1	Bakery income	16,109,234.00	19,053,671.00	25,304,723.00
2	Farm Income	4,109,604.00	8,755,575.33	11,042,130.00
3	Interest Earned	402,643.00	1,688,411.50	1,088,218.86
4	Grants	27,200,000.00	27,606,803.00	
	Total	47,821,481.00	57,104,460.83	37,435,071.36
	Increase/Decrease	(9,282,979.83)	19,669,389.83	31,454,628.71

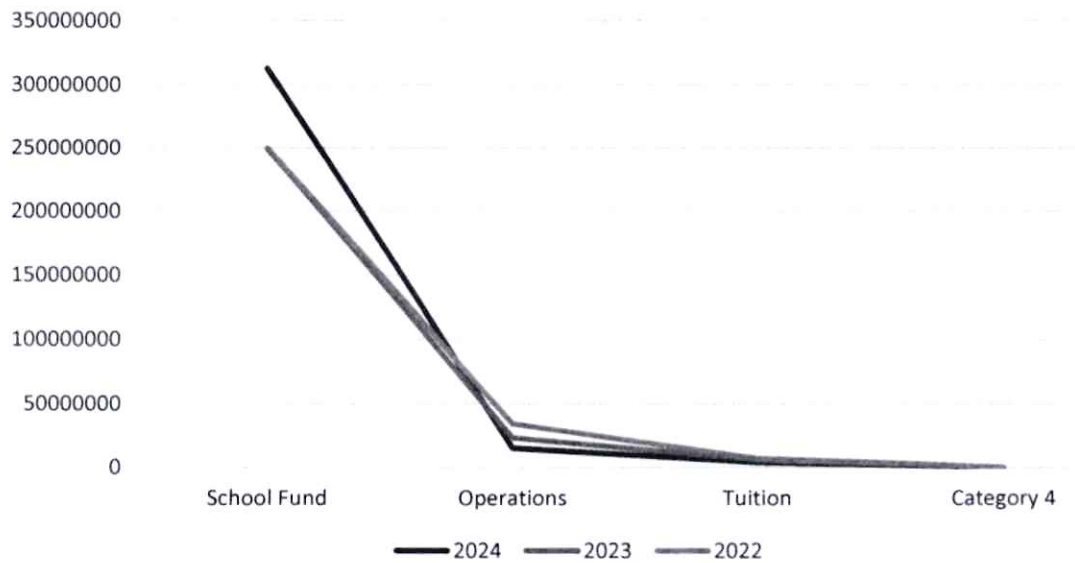
Growth of other Incomes



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

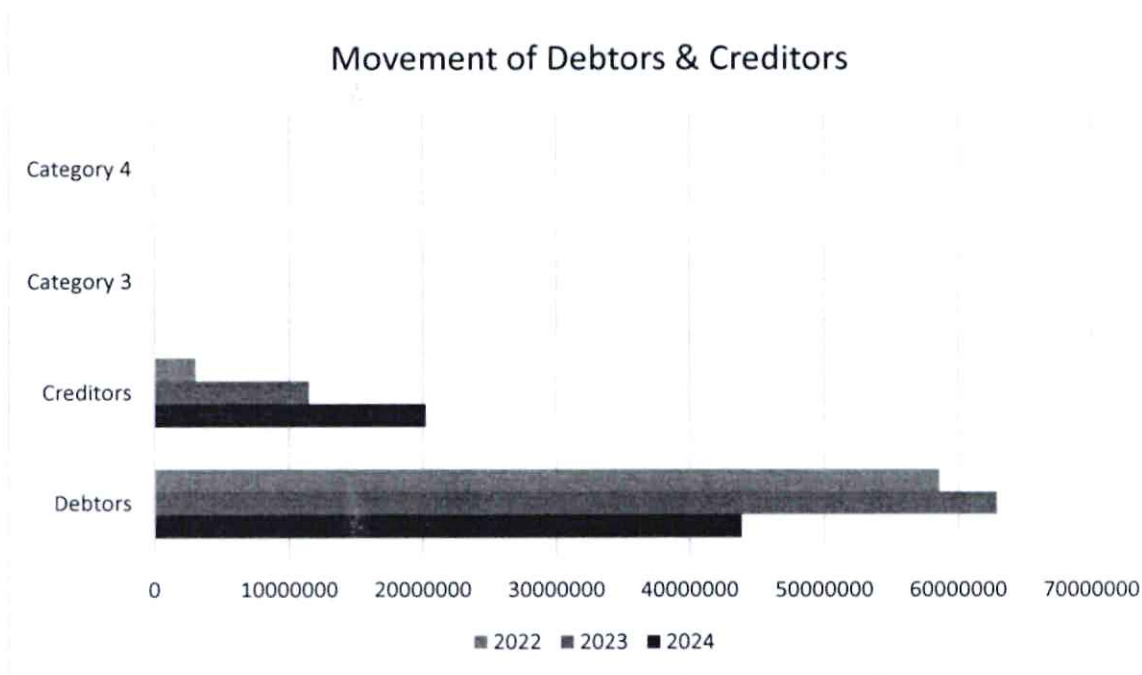
OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL				
SNO	ACCOUNTS	2024	2023	2022
		Kshs	Kshs	Kshs
1	School Fund Account	312,851,269.90	249,277,283.20	249,747,076.40
2	Operations Account	15,263,574.77	23,406,916.05	34,504,613.00
3	Tuition Account	3,987,662.59	6,431,222.51	7,207,457.00
	Total	332,102,507.26	270,276,498.64	290,448,928.00
	Increase/Decrease	61,826,008.62	- 20,172,429.36	209,495,940.00

Growth of Expenditure



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

- MOVEMENT OF DEBTORS AND CREDITORS OF THE SCHOOL				
SNO	ACCOUNTS	2024	2023	2022
1	School Fund Account	KSHS	KSHS	KSHS
a	Debtors	43,874,182.70	62,890,882.00	58,607,382.00
	Total	43,874,182.70	62,890,882.00	58,607,382.00
	Increase/Decrease	(19,016,699.30)	3,195,281.00	- 1,638,591.52
b	Creditors	20,242,057.00	11,478,681.00	3,073,653.00
	Total	20,242,057.00	11,478,681.00	3,073,653.00
	Increase/Decrease	8,763,376.00	8,405,028.00	- 5,730,118.00



b) Teacher Student ratio:

S/NO	TRANSFERRED	RECRUITED	RETIRED	SUBJECT	TEACHERS PER SUBJECT	DEFICIT
1				English	14	
2				Kiswahili	11	1
3				Mathematics	13	2
4				Biology	8	
5				Physics	7	3
6				Chemistry	8	2
7			1	H&Govn't	6	1
8				Geography	4	2
9				CRE	5	1
10			1	Home science	2	1
11				Art & Craft	1	1
12				Agriculture	2	
13				Computer	2	
14				French	1	1
15				German	1	
16				Music	1	

17				Business studies	5	
18				P.E		2
		TOTAL		BOM Teachers	83	15

c) The mean score in the 2023 KCSE:

KCSE PERFORMANCE				
SNO		2023	2022	2021
1	Total Candidates	496	470	424
2	C+ and above	486	453	401
3	Mean Grade	9.8	9.58	9.82

d) Number of Candidates in the 2024 KCSE:

NUMBER OF STUDENTS SITTING FOR KCSE				
SNO		2024	2023	2022
1	Total Candidates	494	496	470

e) The 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 useful details for the Ministry of Education).

Room in Which Furniture Used	Item of Furniture	Number in Good Condition	Number in Poor Condition	Total	Number of Users	Shortfall	Excess
Classrooms	Students Desks	2400	-	2400	2400	-	Nil
	Students Chairs	2400	-	2400	2400	-	Nil
	Teachers tables	Nil	-	Nil	-	56	Nil
	Teachers Chairs	Nil	-	Nil	-	56	Nil
	Cupboards	Nil	-	Nil	-	-	Nil
	Chalk Boards	36	-	36	2019	-	Nil

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

	Others (Specify)						
	Walls Clocks	36	-	36		-	Nil
	Noticeboards	36	-	36		-	Nil
Offices	Tables	120	-	120	120	2	Nil
	Chairs	120	-	120	120	2	Nil
	Cupboards /Cabinets	45	-	45	120	-	Nil
	Notice Boards	15	-	15	120	-	Nil
	Others (Specify)						
Staffroom	Tables	96	-	96	120	-	Nil
	Chairs	96	-	96	120	-	Nil
	Cupboards /Cabinets	42	-	42	120	-	Nil
	Notice Boards	15	-	15	120	-	Nil
	Others (Specify)						
Boarding Facilities	Beds	2398	-	2398	2398	-	Nil
	Mattresses	2500	400	2500	2500	-	Nil
	Bed Nets	1500	-	1500	1500	-	Nil
	Lockers	1890	-	1890	1890	500	Nil
	Wardrobes	6	-	6	6		Nil
	Others (Specify)						
Dining Hall (DH)	DH Tables	83	-	83	2390	12	Nil
	DH Benches	137	-	137	2390	100	Nil

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
Dormitory Block	RMI Grants	Complete	18,730,942.00	2,500,000.00	On-going
Science Complex	Oil Marketers	complete	161,453,623.00	68,191,040.00	stalled
Ablution Block	RMI Grant	Roofing	6,090,045.00	5,629,589.00	Complete.
Food store	RMI Grants	complete	6,300,300.00	906,831.30	Complete
Borehole	RMI Grants	Complete	2,918,000.00	1,500,000.00	Complete
CBC class	RMI Grants	Complete	748,629.00	748,629.00	Complete
Security Houses	RMI	Retention		393,450.00	Complete



.....
School Principal

(i) 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 keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 20XX, and of the school's financial position as at that date.



.....
Name: Dr. Eng. Joseph Kibeere.

Designation: Chairman, School Board of Management

Date:



.....
Name: Mrs. Jedidah Mwangi.

Designation: School Principal & Secretary to Board of Management

Date:



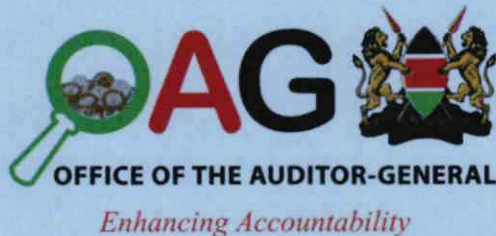
.....
Name: Mr. Michael Kariuki

Designation: Finance Officer

Date: 6/5/2025

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 ALLIANCE GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - KIAMBU 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.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 Alliance Girls High School - Kiambu County set out on pages 1 to 26, which comprise of the statement of assets and

liabilities as at 30 June, 2024, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Alliance Girls High School – Kiambu County as at 30 June, 2024, 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. Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.43,874,183. as disclosed in Note 13 to the financial statements in respect of fees arrears. Included in the balance are receivables amounting to Kshs.27,099,411 which is 62% of the total debtors and which had been outstanding for more than one (1) year. However, the School had not made a provision for bad debts casting doubt on the fair statement of the account's receivables balance. Further, there was no debtor's policy in place to guide on the recovery of the monies casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.27,099,411 could not be confirmed.

2. Variances in the Statement of Budgeted Versus Actual Amounts

Review of the statement of budgeted versus actual amounts revealed variances between the amounts in the statement and the casted/audited amounts as analyzed in the table below:

Receipt/Expenses Item	Final Budgeted Amount (Kshs)	Casted / Audited Amount (Kshs)	Difference (Kshs)
Fees Charged on Parents	261,960,400	249,660,400	12,300,000
Receipt/Expenses Item	Actual Amount (Kshs)	Casted / Audited Amount (Kshs)	Difference (Kshs)
Expenditure for school fund/lunch/boardings	312,851,270	313,208,560	357,290

In the circumstances, the accuracy and completeness of the statement of budgeted versus actuals amounts could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Alliance Girls High School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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.503,555,365 and Kshs.446,906,500 respectively, resulting to an under-funding of Kshs.56,648,865 or 11% of the budget. However, the School spent an amount of Kshs.419,090,300 against actual receipts of Kshs.446,906,500 resulting to an under-utilization of Kshs.27,816,200 or 7% of the actual receipts.

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

My opinion is not modified in respect to this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024.

Other Information

The Management is responsible for the other information set out on page III to XVI which comprise of Key School Information and Management, Summary Report of the Performance of the School and Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

Basis for Conclusion

In connection with my audit on the school's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Procurement Irregularities

The statement of receipts and payments reflects infrastructure expenditure amounting to Kshs.79,887,465 as disclosed in Note 8 to the financial statements. Review of the procurement files and project files for the various projects undertaken by the School revealed that tenders awarded to successful bidders did not submit tender security in form of bank or insurance guarantees, surety bonds, standby letters of credit. In addition, provisional sums were not supported. Further, the head of procurement did not issue professional opinions for the major contracts issued by the school. This was contrary to Section 142. (1) of the Public Procurement and Asset Disposal Act, 2015 that states that Subject to the regulations, a successful tenderer shall submit a performance security equivalent to not more than ten per cent of the contract amount before signing of the contract.

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

2. Stalled Project - Construction of a Science Complex

The School entered into a Memorandum of Understanding (MOU) on 7 December 2022 with various oil marketing companies in Kenya to construct a science complex at the cost of Kshs.146,917,035 as outlined in the MOU. As at 30 June 2024, the oil marketers had disbursed a cumulative amount of Kshs.68,191,040 reflected in Note 8 to the financial

statements on Infrastructure expenditure. A summary of development projects carried out by the School at page xv to the financial statements showed the initial cost of the project was Kshs.161,453,623 which differed with the amount committed by the oil marketers in the MoU of Kshs.146,917,035 resulting in unexplained variance of Kshs.14,536,588. Further, project inspection carried in April 2025 revealed that the project was 40% complete and had stalled since funds were not forthcoming as envisaged.

This was contrary to Section 54. (2) of the Basic Education Act, 2013 that states that the structures of governance and management of education established in subsection (1) shall -(d) ensure effective and efficient delivery of basic education at all levels. Further, students may be missing services that ought to accrue to them in the course of their studies if the science complex remains incomplete.

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

3. Failure to Prepare School Improvement Plan

During the year under review, the School did not have in place an approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which includes curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

4. 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.312,851,270.as disclosed in Note 9. to the financial statements. Included in the expenditure is an amount of Kshs.2,190,000 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, value for money transferred to KESSHA amounting to Kshs.2,190,000 could not be confirmed.

5. Under-funding of School Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.5,447,232 and Kshs.17,832,581 as disclosed in Notes 1 and 2 to the financial statements. During the year under review, the School had an average population of two thousand three hundred and eighty-nine (2,389) students and would have received capitation amounting to Kshs.53,093,136 at the rate of Kshs.22,224 per

students. However, the School received Kshs.32,669,280 for one thousand four hundred and seventy (1,470) students at the rate of Kshs.22,224 resulting to under-funding of Kshs.20,423,856.

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

6. Presentation of the Financial Statements

Review of the financial statements revealed that the Management had not indicated the current status of issues raised in the previous year audit report under the section of progress on follow up of auditor recommendations at page 26 of the financial statements contrary to Section 81 (3) of the Public Finance Management Act, 2012 that states that the accounting officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.

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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of a Fixed Asset Register and Land Ownership Documents

Review of assets records maintained by the School revealed that the School was granted a 90-year leasehold interest on L.R No 7219/5 which is within the Presbyterian Church of East Africa (PCEA) Mission land measuring seventy-one (71) acres with effect from 1 January 1950 by the registered trustees of PCEA vide lease registered under L.R no 21040 on 26 December 1965. However, ownership documents for the land were not provided for audit. Annex 2 to the financial statements reflects a summary of the fixed asset register reflecting assets owned but no values were indicated. Further, the summary of fixed assets register was not presented as prescribed by the Public Sector Accounting

Standard Board template that shows the brought forward balance, additions, disposals and carried forward balance for each class of asset.

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

2. Weaknesses in Inventory Management

Review of inventory management in the stores revealed that items were purchased centrally and issued to other departments. However, the stores system of maintaining records was manual hence susceptible to risk of errors, fraud and the loss of data confidentiality, integrity and availability. However, no explanation was provided for failure to automate the stores system to enhance controls and efficiency.

In the circumstances, effectiveness of internal controls implemented in the stores to safeguard against possible losses could not be confirmed.

3. Deficit in Teachers- Student Ratio

The statement of receipts and payments reflects that the School incurred Kshs.15,263,575 on operations as disclosed in Note 7 to the financial statements. Included in the amount is Kshs.6,505,304 in personal emoluments to cater for teachers employed by BoM and other categories of staff. Review of annual reports at page xii of the financial statements revealed that the School has a requirement of ninety-eight (98) teachers against deployment of eighty-three (83) teachers by Teachers Service Commission (TSC) leaving a deficit of fifteen (15) teachers who were employed by the Board of Management (BoM).

In the circumstances, the performance of the School may be adversely affected by the deficit.

4. Mismatch Between Budget Period and Financial Reporting Periods

During the year under review, Management prepared a budget that covered the academic calendar which runs between January, 2024 and December, 2024. However, the financial statements presented for audit covered the period between July 2023 and June 2024 thereby occasioning as mismatch between the budget period and the financial reporting period

In the circumstances, budget comparability with the financial statements could not be achieved.

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

Responsibilities of Management and those Charged with Governance

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gatundu, CBS
AUDITOR-GENERAL

Nairobi

20 May, 2025

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

(k) Statement Of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2023-2024 Kshs	2022-2023 Kshs
Receipts			
Government grants for tuition	1	5,447,232.20	5,179,587.75
Government grants for operations	2	17,832,581	23,406,916.05
Government Grants for infrastructure	3	9,405,040.00	5,649,000.00
School fund income- parents' contributions	4	229,791,521.17	190,765,425.50
Miscellaneous incomes	5	77,046,780.25	59,218,418.30
Total Receipts		339,523,154.62	284,219,347.60
Payments			
Tuition	6	3,987,662.59	6,431,222.51
Operations	7	15,263,574.77	19,397,076.13
Infrastructure-79,887,465.30	8	79,887,465.30	15,831,886.11
Boarding and school fund	9	312,851,269.90	249,277,283.10
Total Payments		411,989,972.56	290,937,467.85
Surplus/Deficit		(72,466,817.94)	(6,718,120.25)

The school financial statements were approved on 26/9/24 2024 and signed by:

.....
 Name: **Dr. Eng. Joseph Kibeere**
 Chair BOM
 Date:

.....
 Name: **Mrs. Jedidah Mwangi**
 School Principal/ Secretary to BOM
 Date:

.....
 Name: **Mr. Michael Kariuki**
 Finance Officer
 Date: 6/10/24

(I) Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2023-2024 Kshs	2022-2023 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	35,157,777.00	79,853,197.00
Cash balances	11	8,677.30	
Short term investments	12		-
Total cash and cash equivalent		35,166,454.30	79,853,197.00
Account's receivables	13	43,874,182.70	62,890,882.00
Total financial assets (a)		79,040,637.00	142,744,079.00
Financial liabilities			
Accounts payables	14	20,242,057.00	11,478,681.00
Total Financial Labilities (b)			
Net financial assets (a-b)		58,798,580.00	131,265,398.00
Represented by			
Accumulated fund b/fwd	15	131,265,398.00	137,983,518.25
Surplus/deficit for the year		(72,466,817.08)	(6,718,120.25)
Net Assets		58,798,580.00	131,265,398.00

The school's financial statements were approved on 26/9/24 2024 and signed by:

.....

Name: Dr. Eng. Joseph Kibeere
Chair BOM

.....

Name: Mrs. Jedidah Mwangi
School Principal/ Secretary to BOM

.....

Name: Mr. Michael Kariuki
Finance Officer

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2023-2024	2022-2023
		KSh	KSh
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	5,447,232.20	5,179,582.75
Government grants for operations	2	17,832,581	23,406,916.05
Government grants for infrastructure	3	9,405,040.00	5,649,000.00
School fund income- parents contributions/ fees	4	229,791,521.17	190,765,425.50
Other income	5	77,046,780.25	59,218,418.30
Total receipts		339,523,154.62	284,219,347.60
Payments			
Cash outflows for tuition	6	3,987,662.59	6,431,222.51
Cash outflows for operations	7	15,263,574.77	19,397,076.13
Cash outflows for infrastructure	8	79,887,465.30	15,831,886.11
Cash outflows Boarding/lunch and school fund payments	9	312,851,269.90	249,277,283.10
Total payments		411,989,972.56	290,937,467.85
		(72,466,817.94)	(6,718,120.25)
Increase/Decrease in Debtors/creditors		27,780,075.00	2,965,304.20
Net cash inflow/outflow from operating activities		(44,686,742.94)	
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			-
Purchase of investments			1,156,223.85
Net cash inflow/outflows from investing activities			1,156,223.85
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(44,686,742.94)	(2,596,592.20)
Cash and cash equivalent at beginning of the FY		79,853,197.00	82,449,789.25
Cash and cash equivalent at end of the FY		35,166,454.06	79,853,197.00

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

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

The school's financial statements were approved on 26/6/2025 2024 and signed by:



.....
**Name: Dr. Eng. Joseph
Kibeere**

Chair BOM

Date:



.....
**Name: Mrs. Jedidah Mwangi
School Principal/ Secretary to
BOM**

Date:



.....
Name: Mr. Michael Kariuki

Finance Officer

Date: 6/6/2025

(m) Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	345,000.00		345,000.00	303,849.00	88
Exercise Books	2,690,000.00		2,690,000.00	2,127,913.20	79
Laboratory Equipment	2,111,200.00		2,111,200.00	1,055,520.00	50
Teaching / Learning Materials	3,556,200.00		3,556,200.00	1,959,950.00	55
Exams And Assessment					
Total	8,702,400.00		8,702,400.00	5,447,232.20	
(2) Capitation Grant on Operations					
Personnel Emoluments	5,972,400.00		5,972,400.00	8,888,705	148
Repairs And Maintenance					
Local Transport / Travelling	2,961,000.00		2,961,000.00		0
Electricity And Water	3,659,100.00		3,659,100.00	5,386,200	147
Medical					
Administration Costs	3,301,200.00		3,301,200.00	2,653,500	80
Activity	3,150,000.000		3,150,000.000	904,176.3	29
Gratuity					
Total	19,043,700.00		19,043,700.00	17,832,581	

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Maintenance & Improvement MoE	12,000,000.00	-	12,000,000.00	9,405,040.00	78
(4) Fees Charged on Parents					
Personnel emoluments	31,668,400.00		31,668,400.00	27,405,880.24	86
Repairs and maintenance	11,292,800		11,292,800	11,008,837.69	97
Local transport / travelling	11,905,600.00		11,905,600.00	9,495,596.32	80
Electricity and water	12,776,000.00		12,776,000.00	14,412,416.98	112
Administration costs	18,792,200.00		18,792,200.00	15,929,277.89	85
Activity	2,077,600.00		2,077,600.00	2,284,726.80	101
Fee on Boarding Equipment and stores	102,402,200.00		102,402,200.00	98,141,485.18	96
ICT/Academic Improvement	17,280,000.00		17,280,000.00	12,488,667.65	72
Hospital Bill				22,316.00	
School Uniforms	18,248,000.00		18,248,000.00	18,472,895.71	101
Infrastructure Loan	19,200,000.00		19,200,000.00	12,319,048.52	64
Academic Trip				3,653,764.43	
Insurance	2,817,600.00		2,517,600.00	2,787,777.60	99
University forms				2,500.00	
Medical fees	1,500,000.00		1,500,000.00	1,366,330.16	91
Total	261,960,400.00		261,960,400.00	229,791,521.17	
5) Miscellaneous Income					
Rent Income	200,000.00		200,000.00	107,900.00	54

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Income From Farming Activities	5,000,000.00		5,000,000.00	4,109,604.00	82
Income From Bakery Activities	20,000,000.00		20,000,000.00	16,109,234.00	81
Income From chapel/offerings	200,000.00		200,000.00	175,380.00	88
Income From Tender	300,000.00		300,000.00	295,000.00	98
Income From Grants and Donations*	100,000,000.00		100,000,000.00	27,200,000.00	27
Interest Income	500,000.00		500,000.00	402,643.00	81
Teachers welfare	1,000,000.00		1,000,000.00	626,000.00	63
Loans/Borrowings*					
Income from KNEC	30,000,000.00		30,000,000.00	28,021,019.25	93
Total Income	157,200,000.00		157,200,000.00	77,046,780.25	
<i>(6) Expenditure For Tuition</i>					
Exercise Books	2,690,000.00		2,690,000.00	1,387,000.00	52
Reference materials	345,000.00		345,000.00	462,961.57	134
Laboratory Equipment	2,111,200.00		2,111,200.00	647,000.00	30
Teaching / Learning Materials	3,556,200.00		3,556,200.00	1,480,705.02	42
Bank Charges	10,000.00		10,000.00	9,996.00	1
Total	8,712,400.00		8,712,400.00	3,987,662.59	
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	5,972,400.00		5,972,400.00	6,505,303.97	109
Service Gratuity				166,360.00	
Administration Cost	3,301,200.00		3,301,200.00	2,910,810.00	88

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Repairs And Maintenance & Improvements					
Local Transport / Travelling	2,961,000.00		2,961,000.00		0
Electricity And Water	3,659,100.00		3,659,100.00	5,675,333.42	155
Medical					
Activity Expenses	3,150,000.000		3,150,000.000		
Insurance Cost					
Bank Charges	10,000.00		10,000.00	5,767.38	58
Total	19,053,700.00		19,053,700.00	15,263,574.77	
(8) Expenditure For infrastructure					
Drilling of Borehole	2,918,000.00		2,918,000.00	2,918,000.00	100
Construction of Dormitory Block	18,730,942.00		18,730,942.00	10,233,497.00	55
Construction of Science Complex	161,453,623.00		161,453,623.00	68,206,705.75	42
Construction of Ablution Block	6,090,000.00		6,090,000.00	5,629,589.00	92
	189,192,565.00		189,192,565.00	86,987,791.75	
(9) Expenditure For school fund/lunch/boarding					
Personnel emoluments	31,668,400.00		31,668,400.00	37,140,270.59	117
Service Gratuity	250,000.00		250,000.00	357,290.00	142
Repairs and maintenance	11,292,800		11,292,800	16,938,822.46	150
Local transport / travelling	11,905,600.00		11,905,600.00	10,485,238.00	88

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Electricity and water	12,776,000.00		12,776,000.00	19,191,575.30	150
Medical	1,000,000.00		1,000,000.00	701,150.00	70
Administration costs	18,792,200.00		18,792,200.00	26,098,070.00	138
Activity	2,077,600.00		2,077,600.00	3,586,600.00	172
Chapel income	200,000.00		200,000.00	74,000.00	37
Bank Charges	240,000.00		240,000.00	244,004.58	101
Expenses On Income Generating Activities-Farm	5,000,000.00		5,000,000.00	3,110,425.25	62
Expenses On Income Generating Activities-Bakery	20,000,000.00		20,000,000.00	15,050,678.00	75
Fee on Boarding Equipment and stores	102,402,200.00		102,402,200.00	106,857,987.81	104
Rent expenses	200,000.00		200,000.00	146,340.00	73
Insurance	2,817,600.00		2,817,600.00	802,736.00	29
ICT/Academic Improvement	17,280,000.00		17,280,000.00	13,462,459.33	78
Academic Trip				17,920,134.25	
Internal exams				59,880.00	
Lab equipment				11,520.00	
School Uniforms	18,248,000.00		18,248,000.00	15,334,310.00	84
Tender income	300,000.00		300,000.00	70,280.00	23
Infrastructure Loan	19,200,000.00		19,200,000.00	9,040,640.00	47
KNEC Examiners	30,000,000.00		30,000,000.00	16,524,148.33	55
Totals	305,650,400.00		305,650,400.00	312,851,269.90	

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

- i. Xxx*
- ii. Xxx*

(n) 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 various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has 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 an 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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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 2024.

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

(o) Notes To the Financial Statements

1 Government Grants for Tuition

Description	2023-2024	2022-2023
	KSh	KSh
Reference Materials	303,849.00	
Exercise Books	2,127,913.20	1,417,691.52
Laboratory Equipment	1,055,520.00	1,524,824.00
Internal Exams		-
Teaching / Learning Materials	1,959,950.00	2,237,074.23
Others (specify)*		
Total	5,447,232.20	5,179,587.75

*Include others as per MOE circulars

2 Government Grants for Operations

Description	2023-2024	2022-2023
	KSh	KSh
Personnel Emoluments	8,888,705	12,711,216.02
Repairs And Maintenance		5,649,000.00
Local Transport / Travelling		797,138.68
Electricity And Water	5,386,200	1,354,533.68
Medical		407,900.00
Administration Costs	2,653,500	1,125,790.67
Activity	904,176.3	1,347,137.00
Other Vote Heads (specify)*		
Total	17,832,581	23,406,916.05

*Include others as per MOE circulars

3 Government Grants for infrastructure

Description	2023-2024	2022-2023
	KSh	KSh
Maintenance & Improvement	9,405,040.00	5,649,000.00
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (specify)(NGCDF and County govt.	9,405,040.00	5,649,000.00

Description	2023-2024	2022-2023
	KSh	KSh
Total		5,649,000.00

4 School Fund Income - Parents Contribution/Fees

Description	2023-2024	2022-2023
	KSh	KSh
Personnel emoluments	27,405,880.24	16,169,479.55
Repairs and maintenance	11,008,837.69	9,944,239.42
Local transport / travelling	9,495,596.32	4,862,868.08
Electricity and water	14,412,416.98	15,518,828.16
Medical		1,397,896.81
Administration costs	15,929,277.89	10,994,753.02
Activity	2,284,726.80	1,534,554.33
Fee on Boarding Equipment and stores	98,141,485.18	92,406,734.81
ICT/Academic Improvement	12,488,667.65	3,767,660.20
Hospital Bill	22,316.00	136,618.60
School Uniforms	18,472,895.71	15,585,022.70
Infrastructure Loan	12,319,048.52	18,446,769.82
Academic Trip	3,653,764.43	
Insurance	2,787,777.60	
University forms	2,500.00	
Medical Fee	1,366,330.16	
Total	229,791,521.17	190,765,425.50

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

5 Miscellaneous Incomes

Description	2023-2024	2022-2023
	KSh	KSh
Rent Income	107,900.00	718,300.00
Income From Farming Activities	4,109,604.00	8,755,575.33
Income From Bakery Activities	16,109,234.00	19,124,261.00
Income From chapel/offerings	175,380.00	246,034.00
Income From Tender	295,000.00	251,000.00
Fee For Hire of Ground and Equipment		701,250.00
Income From Grants and Donations*	27,200,000.00	27,606,803.42

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Interest Income	402,643.00	1,156,223.85
Teachers welfare	626,000.00	
Loans/Borrowings*		
Income from KNEC	28,021,019.25	659,000.00
Total	77,046,780.25	59,218,418.30

6 Tuition

Description	2023-2024 Kshs	2022-2023 Kshs
Exercise Books	1,387,000.00	2,086,040.00
Textbooks		
Reference materials	462,961.57	
Laboratory Equipment	647,000.00	2,520,480.00
Teaching / Learning Materials	1,480,705.02	1,624,760.50
Exams And Assessment		187,100.00
Teachers Guides		
Bank Charges	9,996.00	12,842.01
Others (<i>specify</i>)		
Total	3,987,662.59	6,431,222.51

7 Operations

Description	2023-2024 Kshs	2022-2023 Kshs
Personnel Emoluments	6,505,303.97	10,242,148.79
Service Gratuity	166,360.00	
Administration Cost	2,910,810.00	279,970.00
Repairs And Maintenance & Improvements		5,649,000.00
Local Transport / Travelling		287,518.00
Electricity And Water	5,675,333.42	2,534,112.00
Medical		
Activity Expenses		400,000.00
Insurance Cost		
Bank Charges	5,767.38	4,327.34
Total	15,263,574.77	19,397,076.13

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

8 Infrastructure

Description	2023-2024	2022-2023
	KSh	KSh
Construction of Food store	906,831.30	5,322,340.05
Construction of security Houses		5,688,892.06
Construction of Ablution block	5,629,589.00	1,710,654.00
Construction of hot water system		3,110,000.00
Construction science complex	68,191,040.00	
Bank Charges	17,926.00	
Drilling of boreholes	1,500,000.00	-
Others (specify)- Retention Money	393,450.00	
Construction of Dormitory	2,500,000.00	-
Construction of CBC Classes	748,629.00	-
Total	79,887,465.30	15,831,886.11

9 Boarding And School Fund

Description	2023-2024	2022-2023
	KSh	KSh
Personnel Emoluments	37,140,270.59	16,582,082.60
Service Gratuity	357,290.00	90,417.00
Repairs And Maintenance & Improvements	16,938,822.46	8,431,154.01
Local Transport / Travelling	10,485,238.00	10,801,916.56
Electricity And Water	19,191,575.30	16,225,098.46
Medical Expenses	701,150.00	380,149.00
Administration Costs	26,098,070.00	32,442,770.40
Activity	3,586,600.00	
Chapel income	74,000.00	73,800.00
Bank Charges	244,004.58	222,289.93
Expenses On Income Generating Activities-Farm	3,110,425.25	32,612,283.86
Expenses On Income Generating Activities-Bakery	15,050,678.00	
Fee On Boarding Equipment and Stores	106,857,987.81	96,523,602.54
Rent Expenses	146,340.00	619,981.00
Insurance Cost (<i>Life Property</i>)	802,736.00	1,068,036.00
Loan Principal Repayment		9,223,384.91
Loan Interest Repayment		9,223,384.91
ICT/ Academic Improvement	13,462,459.33	14,509,522.00
Others (specify)- hospital bills		247,410.00

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Academic trip	17,920,134.25	
Internal Exams	59,880.00	
Lab Equipment	11,520.00	
School Uniforms	15,334,310.00	
Tender Income	70,280.00	
Infrastructure Loan	9,040,640.00	
KNEC Examiners	16,524,148.33	
Total	312,851,269.90	249,277,283.10

*(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).*

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023-2024	2022-2023
	Active/Dormant		Ksh	Ksh
Tuition Account	Active	1102907677	1,756,510.05	7,736.40
Operations Account	Active	0570291740882	10,191,351.05	3,105,483.75
Co-operative Fees Account	Active	01129099015500	109,718.21	739,046.21
School Fund Account/Boarding	Active	1151244899	15,010,617.93	16,205,959.88
Savings Account	Active	2038518065	913,688.05	10,913,688.05
Parent Association Development Account	Active	1107133572	1,233.45	-
Income Generating Activities Account-bakery	Active	0570299515442	1,582,001.78	523,445.78
Income Generating Activities Account- Farm	Active	1102906964	154,500.95	432,690.20
Income Generating Activities Account- Farm	Active	00710000001429	428,364.43	
Infrastructural Account	Active	0570296880591	1,960,942.00	5,257,462.04
Science complex A/C	Active	1303453479	476,489.85	41,634,589.60
Dollar Account	Active	1101740965	2,572,359.40	1,033,095.09
Total			35,157,777.15	79,853,197.00

11 Cash In Hand

Description	2023-2024	2022-2023
	Ksh	Ksh
Notes and Coins	8,677.30	xxx
Total	8,677.30	xxx

12 Short Term Investments

Description	2023-2024	2022-2023
	Ksh	Ksh
Cooperative Shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed Deposit accounts	xxx	xxx
Other Investments	xxx	xxx
Total	xxx	xxx

13 Accounts Receivable

Description	2023-2024	2022-2023
	Kshs	Kshs
Fees Arrears	43,874,182.70	52,331,291.48
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
KNEC Marking exercise (list/schedule attached)		10,559,590.52
Total	43,874,182.70	62,890,882.00

13 b) Ageing Analysis of Accounts Receivable

Description	2023-2024		2022-2023	
	Current FY	% of the total	Comparative FY	% of the total
FY	% of the total			
Less than 1 year	16,774,771.42	34	29,207,374.46	46.8%
Between 1- 2 years	8,846,026.77	18	9,746,026.77	15.2%
Between 2-3 years	2,003,446.40	4.1	2,540,446.40	4%
Over 3 years	16,249,938.11	37	21,397,034.37	34.0%
	43,874,182.70		62,890,882.00	100%

14 Accounts Payable

Description	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	13,396,308.00	xxx
Prepaid Fees	6,845,749.53	xxx
Retention Monies	xxx	xxx
Unpaid salaries and statutory deductions	xxx	xxx
Caution money	xxx	xxx
Other payables (specify)	xxx	xxx
Total	20,242,057.53	xxx

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

14a. Ageing Analysis of Accounts Payable

Description	Insert Current FY		Insert Comparative FY	
	Kshs	Kshs	Kshs	Kshs
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	20,242,057.53	100	11,478,681.00	100
Between 1- 2 years	xxx	%	xxx	%
Between 2-3 years	xxx	%	xxx	%
Over 3 years	xxx	%	xxx	%
Total (should tie to note 14)	20,242,057.53	%	11,478,681.00	%

15 Fund Balance Brought Forward

Description	Kshs	
Bank Balances	35,157,777.15	79,853,197.00
Cash Balances	8,677.30	
Short Term Investments		-
Receivables	43,874,182.70	62,890,882.00
Payables	(20,242,057.53)	(11,478,681.00)
Total	58,798,579.62	131,265,398.00

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	Insert Current FY	Insert Comparative FY
	Kshs	Kshs
Bank Loans	xxx	xxx
Outstanding Leases	xxx	xxx
Hire Purchase	xxx	xxx
Gratuity And Leave Provision	xxx	xxx
Others (specify)	xxx	xxx
Total	xxx	xxx

17 Biological assets

Description	Numbers	Insert Current FY	Insert Comparative FY
		Kshs	Kshs
Cattle	22	xxx	xxx
Pigs	12	xxx	xxx
Trees	7 acres	xxx	xxx
Coffee Or vegetation Plantation	7 acres	xxx	xxx
Poultry	2380	xxx	xxx
Others (specify)- Donkey	1	xxx	xxx
Total		xxx	xxx

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	xxx	xxx
Borrowings during the year	xxx	xxx
Repayments during the year	(xxx)	(xxx)
Balance at the end of the year	xxx	xxx

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Other important disclosure notes

19 Stock/ Inventory

ALLIANCE GIRLS HIGH SCHOOL STOCK BALANCES AS AT 30TH JUNE 24					
No	Description	Qty	Unit	Price	Amount
1	Biryani Rice 25Kg	259	Bags	3800	984,200.00
2	Dry Maize 90Kg	90	Bags	6800	612,000.00
3	Dry Beans (Yellow) 90Kg	62	Bags	1575 0	976,500.00
4	Dry Beans (Wairimu) 90Kg	25	Bags	1480 0	370,000.00
5	Sugar 50Kg	79	Bags	6800	537,200.00
6	Kensalt 1kg	70	Bales	860	60,200.00
7	Pride Detergent 20Ltr	70	Jerricans	3200	224,000.00
8	Rina Cooking Oil 20Ltr	85	Jerricans	5820	494,700.00
9	Jam 20kg	6	Bucket	6200	37,200.00
10	Pembe White 2kg	23	Bales	2920	67,160.00
11	Pembe Atta 2kg	9	Bales	2870	25,830.00
12	Exe Selfraising 2kg	11	Bales	2980	32,780.00
13	Prestige Margarine	146	Carton	3500	511,000.00
14	Steel Wool 750g	2	Bales	7200	14,400.00
15	Kitchen Towel	55	Twin	495	27,225.00
16	Serviettes	153	Pcs	112	17,136.00
17	Cling Film 30x300cm	13	Rolls	1250	16,250.00
18	Aluminium Foil 45x90m	13	Rolls	2100	27,300.00
19	Drinking Chocolate 450g	24	Pcs	575	13,800.00
20	Methylated Spirit 5Ltr	6	Cans	995	5,970.00
21	Irish Potatoes	1800	Kgs	90	162,000.00
22	Water guard 500ml	12	Pcs	300	3,600.00
					5,220,451.00
	BAKERY				
1	Bakers Flour 50Kg	29	Bags	5350	155,150.00

	Yeast 10kg	12	Ctns	9000	108,000.00
					263,150.00
	STATIONERY				
1	Photocopying Papers 80g	590	Reams	660	389,400.00
2	Foolscaps	2	Reams	630	1,260.00
3	Manilla Papers	256	Pcs	20.25	5,184.00
4	Plastic Files	81	Pcs	100	8,100.00
5	Masking Tape	9	Pcs	90	810.00
6	Cellotape	32	Pcs	27	864.00
7	Staples	15	Pkts	320	4,800.00
8	Box files	54	Pcs	270	14,580.00
9	Dusters	54	Pcs	150	8,100.00
10	Printing Paper (Coloured)	49	Pcs	1300	63,700.00
11	Prit Glue	19	Pcs	200	3,800.00
12	A4 Ruled Exercise Books	1686	Pcs	110	185,460.00
13	A4 Square Exercise Books	107	Pcs	110	11,770.00
14	A5 Ruled Exercise Books	252	Pcs	60	15,120.00
15	A5 Square Exercise Books	373	Pcs	60	22,380.00
16	A4 Graph Books	349	Pcs	80	27,920.00
17	A4 Science Books	144	Pcs	90	12,960.00
18	Riso Inks	39	Pcs	7000	273,000.00
19	Riso Master Roll	34	Pcs	8000	272,000.00
20	HP Toner 80A	5	Pcs	1000 0	50,000.00
21	HP Toner 26A	4	Pcs	1200 0	48,000.00
22	HP Toner 59A	3	Pcs	1750 0	52,500.00
23	HP Toner 106A	5	Pcs	8000	40,000.00
24	White board marker pens - chisel type - Staedler	97	Pcs	145	14,065.00
25	Biro Pens	1462	Pcs	17.1	25,000.20
26	Permanent Markers	3	Pcs	17	51.00
27	HB Pencils	16	Pcs	48	768.00
28	Tracing Paper	6	Reams	2640	15,840.00
29	Graph Paper	13	Reams	690	8,970.00

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

30	Stick Note	49	Pcs	54	2,646.00
31	Counter Book Q6	3	Pcs	420	1,260.00
32	Counter Book Q3	5	Pcs	270	1,350.00
33	Embossed Covers	22	Reams	785	17,270.00
					1,598,928.20

(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)

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)



Sign and Date
Principal

(p) Annexes

Annex I - Analysis of Pending Accounts Payable

ALLIANCE GIRLS HIGH SCHOOL			
CREDITORS AS AT 30 TH JUNE 2024			
	Name	Description	Amount
1	Readmore Bookshop & Stationers	Fullscaps	8,400.00
2	Readmore Bookshop & Stationers	Daily Newspapers	12,660.00
3	Fairmart Supermarket Ltd	Fresh Milk	11,880.00
4	Fairmart Supermarket Ltd	Fresh Milk	12,960.00
5	Fairmart Supermarket Ltd	Fresh Milk	71,280.00
6	Fairmart Supermarket Ltd	Delmonte,Sausages & Fresh Milk	205,485.00
7	Fairmart Supermarket Ltd	Padlocks	7,500.00
8	Fairmart Supermarket Ltd	Gloves,Makuti,Bar Soap,	181,340.00
9	Fairmart Supermarket Ltd	Biryani Rice	70,000.00
10	Fairmart Supermarket Ltd	Sausages,Sweets,Soda	65,545.00
11	Fairmart Supermarket Ltd	Daima Milk	81,000.00
12	Vibranium Links Enterprise	Bananas & Watermelons	287,795.00

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

13	Goshen Bulls Meat Supplies	Beef, Fillet, Mutton, Liver	1,532,550.00
14	Eunalight Enterprises	Fruits	8,050.00
15	Eunalight Enterprises	french Beans, Tomatoes, Beetroots	323,730.00
16	Eunalight Enterprises	Green Groceries	21,840.00
17	Eunalight Enterprises	Cabbages	137,580.00
18	Eunalight Enterprises	Fruits	10,050.00
19	Eunalight Enterprises	Cabbages & Kales	186,450.00
20	Eunalight Enterprises	Apples	22,750.00
21	Eunalight Enterprises	Green Groceries	18,225.00
22	Eunalight Enterprises	Carrots	253,240.00
23	Eunalight Enterprises	Apples & Sweet Potatoes	7,200.00
24	Gremasi Stores	LPG Gas	313,560.00
25	Alliance Girls- Farm	Farm Supplies	561,726.00
26	Alliance Girls- Bakery	Bread & Buns	1,365,840.00
27	Capitol Equipment Ltd	Meat Blades	14,000.00

28	Brooms Ltd	Mobile Toilets	47,500.00
29	Flowers & Events By Cathy	Tents	12,000.00
30	Utopia Medical Supplies	Multipurpose, Disinfectant	769,680.00
31	Naffasum General Supplies	Toilet Cleaner	20,000.00
32	I-Metech fabricators Engineering	Potato Peeler	150,000.00
33	Urbanhaus Holdings Ltd	Hp Toners	109,000.00
34	Kiggs Suppliers	Dry Cells	100,000.00
35	Bititech Systems & Suppliers Ltd	Riso Master A3	65,000.00
36	Artslab Enterprise	Art & Design	234,530.00
37	Janki Auto tyres & Accessories	Mf Batteries	70,000.00
38	Janki Auto tyres & Accessories	Mf Batteries	70,000.00
39	Scania E.A Ltd	Service KBN584E	139,384.00
40	Boniface Kimanzi	Tank Repairs	35,500.00
41	Sammary Enterprises	Sand	45,000.00
42	Sammary Enterprises	Machine cut & Hassips	150,730.00

*ALLIANCE GIRLS HIGH SCHOOL***Annual Report and Financial Statements For the year ended 30th June 2024**

43	Sammary Enterprises	Cement, dust & screwa	46,200.00
44	Sammary Enterprises	Ironsheets, ceiling boards	95,501.00
45	Sammary Enterprises	Cement, ceiling boards	68,560.00
46	Sammary Enterprises	Welding rods & hacksaw blades	9,330.00
47	Sammary Enterprises	Tubes, Hacksaw Blades,	304,792.00
48	Sammary Enterprises	Block boards, cement, sand	104,040.00
49	Sammary Enterprises	Ballast	45,000.00
50	Sammary Enterprises	Welding rods,black pipes & paints	93,760.00
51	Bulltex Emporium Co. Ltd	Uniforms	185,500.00
52	Weaverbird Garments Ltd	Uniforms	363,310.00
53	Weaverbird Garments Ltd	Uniforms	890,005.00
54	Weaverbird Garments Ltd	Uniforms	1,274,500.00
55	weaverbird Garments Ltd	Uniforms	762,330.00
			<u>12,053,788.00</u>
48	Fairmat Supermarket Ltd	Yeast	158,400.00

49	Ndimak Services	Repair of Mixer	73,000.00
			231,400.00
50	Lineca Enterprises	LAYER FEEDS	699,300.00
51	Lineca Enterprises	Chicks, Starter, Finisher, Chick Mash	383,500.00
52	Lineca Enterprises	Cabbage Queen f1	28,320.00
			1,111,120.00
	Prepaid Fees		6,845,749.53

20,242,057.53

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost at (Kshs) 1 st July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost at (Kshs) 30 th June 20XX
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture and Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				

ALLIANCE GIRLS HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

Asset Class	Historical Cost c/1 (Kshs) 1 st July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/1 (Kshs) 30 th June 20XX
Other Machinery and Equipment				
Heritage And Cultural Assets				
Intangible Assets- Soft Ware				
Total				

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