

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 24 FEB 2015

**REPORT**

TABLED

BY:

CLERK AT  
THE TABLE:

Thursday  
Hon Njorimi Wago  
Deputy Majority Whip  
Inzovu Mwale

PARLIAMENT  
OF KENYA  
LIBRARY

**OF**

**THE AUDITOR-GENERAL**

**ON**

**ST. BAKHITA BAHATI GIRLS SECONDARY SCHOOL**

**FOR THE SIX (6) MONTHS'  
PERIOD ENDED 30 JUNE, 2021**

**NAKURU COUNTY**



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**ST. BAKHITA BAHATI GIRLS SECONDARY SCHOOL  
PUBLIC SECONDARY SCHOOL**

**SIX MONTHS REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED  
30 JUNE 2021**

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

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

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**KEY SCHOOL INFORMATION AND MANAGEMENT**

**(a) Background information**

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

The school registration was renewed on **5/9/2013** under registration number **PU/S/3/3771/13** and is currently categorized as an **Extra County** public school established, owned and operated by the Government.

The school is a day school and had **899** students as at 30 June 2021. It has **4** streams and **28** teachers employed by TSC and **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:

<b>Ref:</b>	<b>Name of Board Member</b>	<b>Designation</b>	<b>Date of appointment</b>
1	Boniface NgigiGitau	Chairman	14 May 2019
2	Sr. Catherine WangariThuku	Secretary- Principal	14 May 2019
3	JacklineKaunya	Member	14 May 2019
4	Gerald MwangiKamau	Member	14 May 2019
5	Boniface Mouti	Member	14 May 2019
6	David Agondoa	Member	14 May 2019
7	David NjugunaWanyoike	Member	14 May 2019
8	ZachariaMwai	Member Rep Teachers	14 May 2019
9	Fr. CleophasOseso	Member - Sponsor	14 May 2019
10	SheilaWairimu	Member - Sponsor	14 May 2019
11	James Mwathi	Member - Sponsor	14 May 2019
12	Janet Wangari	Member - Community	14 May 2019
13	Judy Wairimu	Member - Special Needs	14 May 2019

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**  
**KEY SCHOOL INFORMATION AND MANAGEMENT(Continued)**

**Committees of the Board**

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Boniface NgigiGitau Sr. Catherine WangariThuku Dr. John Mwaura Fr. CleophasOseso Sr. Rose Mugo	Chairperson Executive Secretary Member Member D/ principal	2
2	Audit Committee	Boniface NgigiGitau Sr. Catherine Wangari James Mwathi	Chairperson Audit Secretary Member	1
3	Finance, and general purposes Committee	Boniface NgigiGitau James Mwathi Sr. Catherine Wangari	Chairperson Member Principal	1
4	Academic Committee	Sammy Njema Sr. Catherine wangariThuku Dr. John Waweru LoiseMuthoniMuriithi Sr. Rose Mugo	Chairperson Academic Secretary Member Member D/ principal	3
5	Development Committee	Gerald MwangiKamau Sr. Catherine Wangari Boniface NgigiGitau Sammy Njema Loise Muthoni Muriithi	Chairperson SIC Secretary Member Member Member	3
6	Discipline and welfare Committee	David Agondoa Sr. Rose Mugo Dr. John Waweru Sheila Wairimu Judy Wairimu	Chairperson D/principal Member Member Member	2
7	Adhoc Committee (opening and evaluation of tender)	Charles Kamamia Sr. HellenKamau Margaret Maina George Muturi	Chairperson Secretary Secretary Member	3

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**  
**KEY SCHOOL INFORMATION AND MANAGEMENT(Continued)**

**(c) School operation Management**

For the financial year ended 30 June 2021 the school day-to-day management was under the following persons:

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	Sr. Catherine Wangari Thuku	349445
2	Deputy Principal	Sr. Rose Wanjiru Mugo	325676
3	Bursar	George Muturi	

**(d) Schools contacts**

Post Office Box: 1648  
 Telephone: 0722291734  
 E-mail: bahatigirls@gmail.com

**(e) School Bankers**

The school operated 9 bank accounts as follows:

<b><u>Bank</u></b>	<b><u>Branch</u></b>	<b><u>Account Number</u></b>
1) Standard Chartered	Nakuru	0102852506101
2) Standard Chartered	Nakuru	0102852506102
3) Standard Chartered	Nakuru	0102852506103
4) Kenya Commercial Bank	Nakuru	1215139705
5) National Bank of Kenya	Nakuru	01021019536200
6) National Bank of Kenya	Nakuru	01242019536200
7) Equity	Nakuru	0310260810094
8) Equity	Nakuru	0130278999033
9) Co-operative	Nakuru	01117350355600
10) Co-operative	Nakuru	01117350355601

**(f) Independent Auditors**

The Auditor - General  
 Anniversary Towers, University Way  
 P.O. Box 30084  
 GPO 00100  
 Nairobi, Kenya

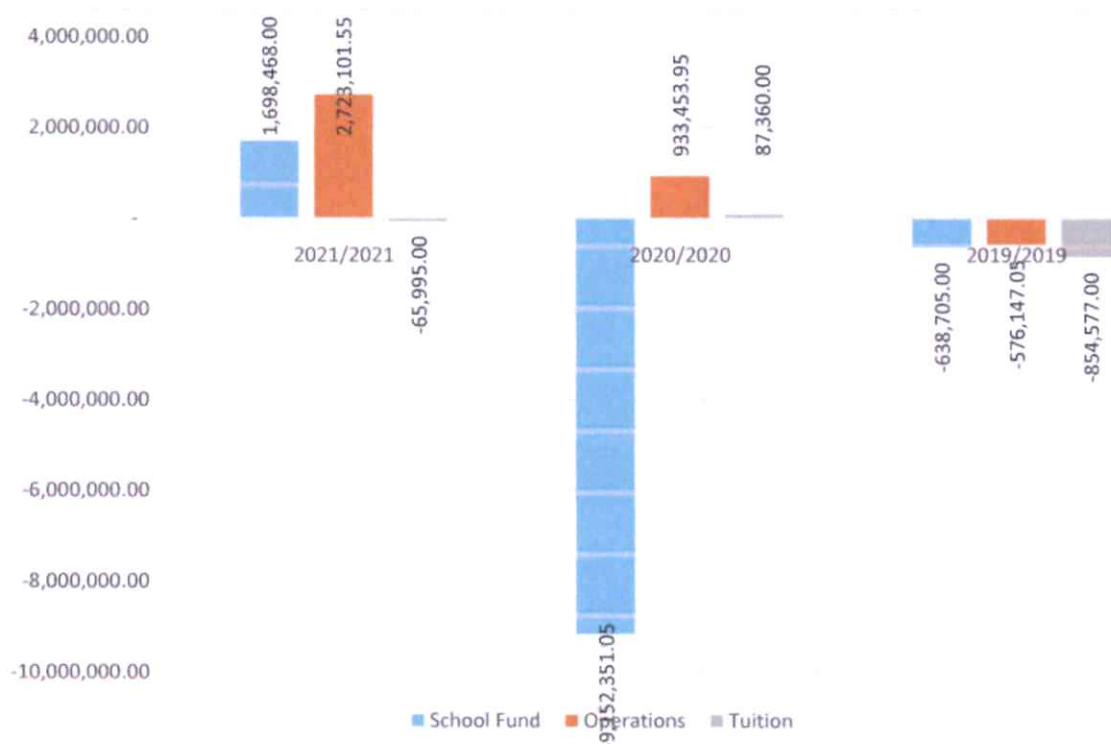
**St. Bakhita Bahati Girls Secondary School**

**Reports and Financial Statements For the Period ended 30 June 2021**

**Summary Report of Performance of the School**

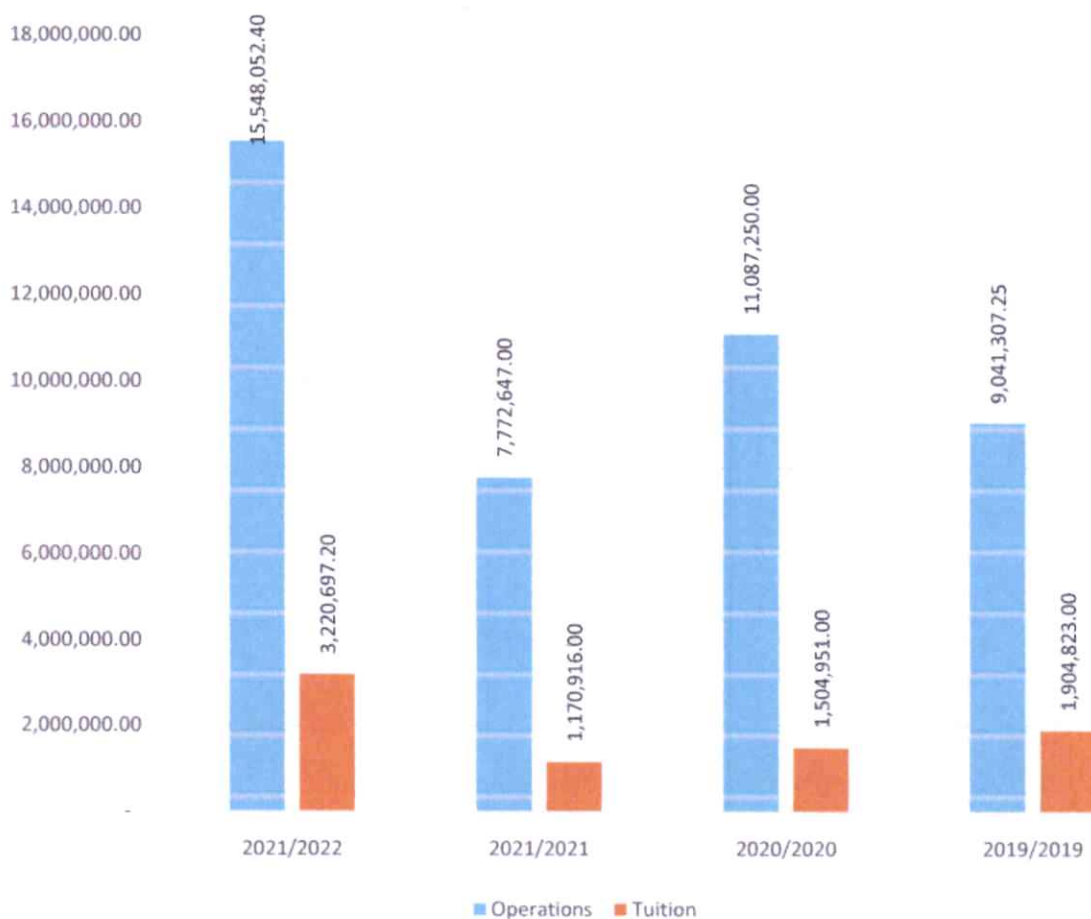
**a) Financial performance:**

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST TWO YEARS					
SNO	ACCOUNTS	2021	2020	2019	
		6 Months	12 Months	12 Months	
		Kshs	Kshs	Kshs	
1	School Fund Account	1,697,468.00	(9,152,351.05)	(638,705.00)	
2	Operations Account	2,723,101.55	933,453.95	(576,147.05)	
3	Tuition Account	(65,995.00)	87,360.00	(854,577.00)	
	<b>TOTAL</b>	<b>4,354,574.55</b>	<b>(8,131,537.10)</b>	<b>(2,069,429.05)</b>	



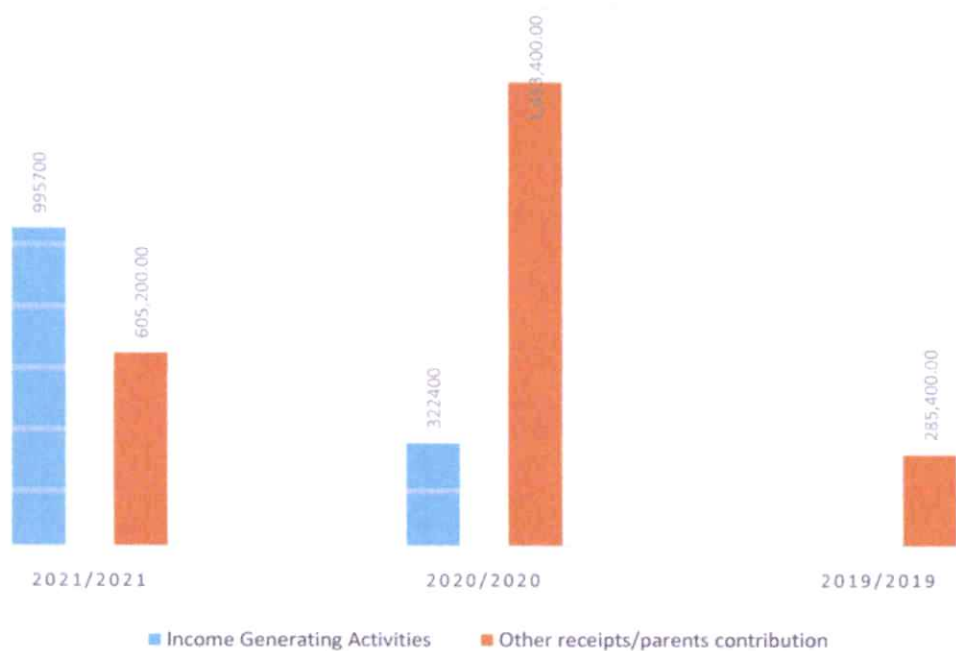
St. Bakhita Bahati Girls Secondary School  
 Reports and Financial Statements For the Period ended 30 June 2021  
 Summary Report of Performance of the School (Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST TWO YEARS					
SNO	ACCOUNTS	2021	2020	2019	
		6 Months	12 Months	12 Months	
		KSHS	KSHS	KSHS	
1	Operations Account	7,772,647.00	11,087,250.00	9,041,307.25	
2	Tuition Account	1,170,916.00	1,504,951.00	1,904,823.00	
	<b>Total</b>	<b>8,943,563.00</b>	<b>12,592,201.00</b>	<b>10,946,130.25</b>	
	<b>Increase/(Decrease)</b>	<b>(3,648,638.00)</b>	<b>1,646,070.75</b>	<b>(2,819,648.45)</b>	
	No of Students	899	813	773	
	<b>Ratio of Capitation per student</b>	<b>1:9,948.00</b>	<b>1:15,489.00</b>	<b>1:14,161.00</b>	



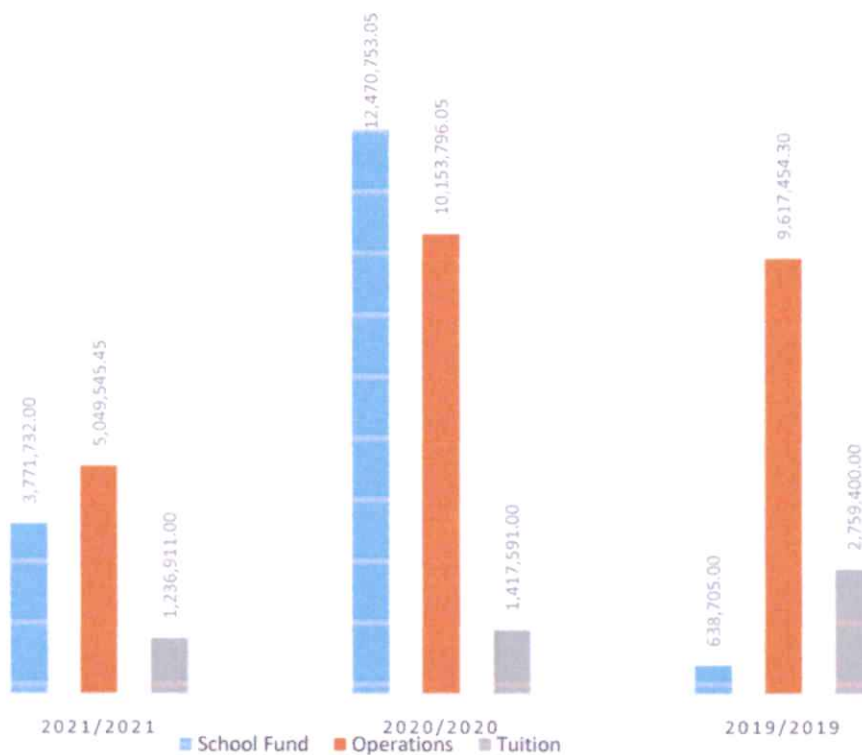
Summary Report of Performance of the School (Continued)

OVERVIEW OF NET GROWTH OF OTHER INCOME(S) FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST TWO YEARS					
SNO	ACCOUNTS	2021	2020	2019	
		6 Months	12 Months	12 Months	
		KSHS	KSHS	KSHS	
1	Income generating activities	605,200.00	322,400.00		
2	Other receipts/parents contribution	995,700.00	1,453,400.00	285,400.00	
	<b>Total</b>	<b>1,600,900.00</b>	<b>1,775,800.00</b>	<b>285,400.00</b>	
	<b>Increase/(Decrease)</b>	<b>174,900.00</b>	<b>1,490,400.00</b>	<b>45,400.00</b>	



Summary Report of Performance of the School (Continued)

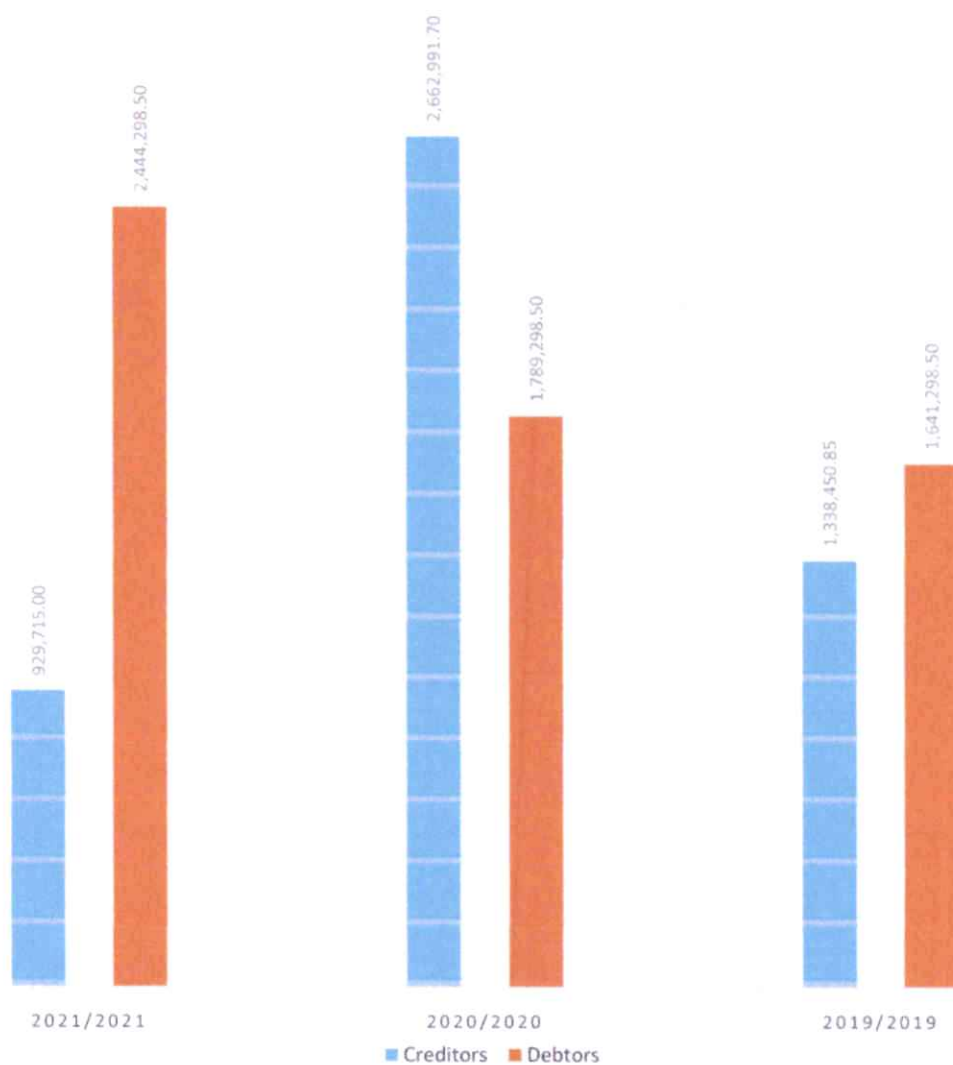
OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST TWO YEARS				
SNO	ACCOUNTS	2021	2020	2019
		6 Months	12 Months	12 Months
		Kshs	Kshs	Kshs
1	School Fund Account	2,872,552.00	22,642,613.05	638,705.00
2	Operations Account	5,049,545.45	10,153,796.05	9,617,454.30
3	Tuition Account	1,236,911.00	1,417,591.00	2,759,400.00
	<b>Total</b>	<b>9,159,008.45</b>	<b>34,214,000.10</b>	<b>13,015,559.30</b>
	<b>Increase/(Decrease)</b>	<b>(25,054,991.65)</b>	<b>21,198,440.80</b>	



**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

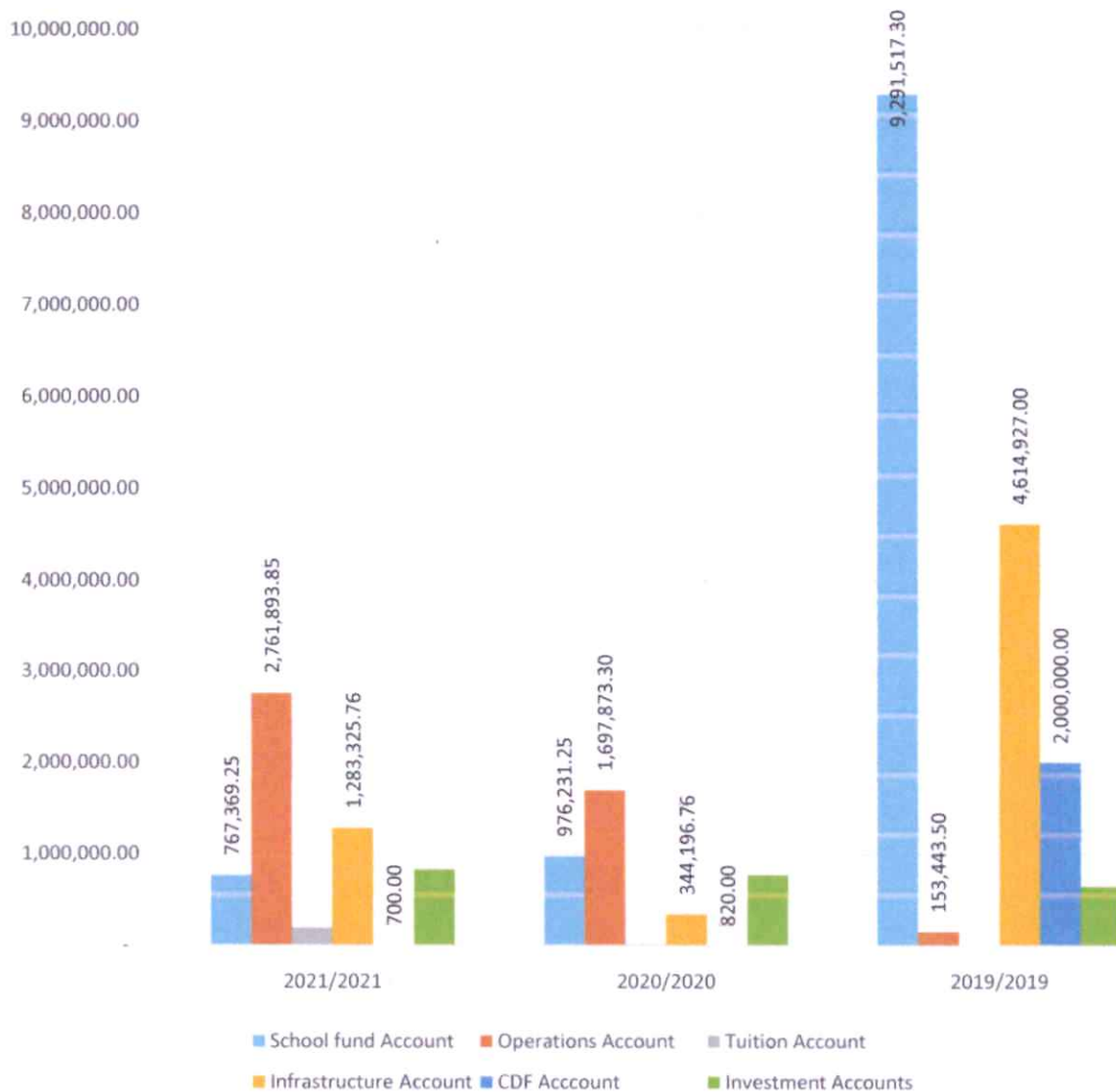
**Summary Report of Performance of the School (Continued)**

<b>MOVEMENT FOR DEBTORS AND CREDITORS OF THE SCHOOL FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST TWO YEARS</b>					
<b>S/NO</b>	<b>ACCOUNTS</b>	<b>2021/2021</b>	<b>2020/2020</b>	<b>2019/2019</b>	
		<b>6 Months</b>	<b>12 Months</b>	<b>12 Months</b>	
		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>	
<b>A</b>	Debtors	2,444,298.50	1,789,298.50	1,641,298.50	
	<b>Increase/(Decrease)</b>	<b>655,000.00</b>	<b>148,000.00</b>	<b>61,747.00</b>	
<b>SNO</b>	<b>ACCOUNTS</b>	<b>2021/2021</b>	<b>2020/2020</b>	<b>2019/2019</b>	
		<b>6 Months</b>	<b>12 Months</b>	<b>12 Months</b>	
<b>S/NO</b>	<b>ACCOUNTS</b>				
<b>B</b>	Creditors	929,715.00	2,662,991.70	1,338,450.85	
	<b>Increase/(Decrease)</b>	<b>(1,750,276.70)</b>	<b>1,324,540.15</b>	<b>637,262.45</b>	



**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

<b>MOVEMENT OF CASH AND BANK BALANCES FOR THE YEAR AND COMPARISON OF THE SAME FOR THE LAST TWO YEARS</b>					
SNO	ACCOUNTS	2021	2020	2019	
		6 Months	12 Months	12 Months	
		KSHS	KSHS	KSHS	
1	School Fund Account	767,369.25	976,231.25	9,291,517.30	
2	Operations Account	2,763,743.90	1,697,873.30	153,443.50	
3	Tuition Account	195,662.50	21,642.50	5,782.50	
4	Infrastructure Account	1,283,325.76	344,196.76	4,614,927.00	
5	CDF Account	700.00	820.00	2,000,000.00	
6	Investment Accounts	898,029.10	837,029.10	649,796.74	
	<b>Total</b>	<b>5,908,830.51</b>	<b>3,877,792.91</b>	<b>16,715,467.04</b>	
	<b>Increase/(Decrease)</b>	<b>2,031,037.55</b>	<b>(12,837,674.13)</b>	<b>10,897,663.40</b>	



**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**  
**Summary Report of Performance of the School (Continued)**

b) **Teacher Student ratio:**

Year	No. Of Teachers (TSC)	No. of Students	Teachers Student Ratio	Teachers Shortage	No. of BOM Teachers	No. of Teachers Transferred
2021/2022	28	977	1:35	7	4	4
2021/2021	28	899	1:32	7	4	4

There are 28 teachers posted by the Teachers Service Commission and 4 recruited by the Board of Management. Although the teacher student ratio lies at **1: 35**. We have a shortage of 7 teachers from the given CBE.

Subject Combinations	Number of teachers shortage
English/Literature	1
Kiswahili/History	1
Kiswahili /Geography	1
Biology/Chemistry	1
Agriculture/Biology	1
Physics/Chemistry	1
Physics/Mathematics	1
<b>Total</b>	<b>7</b>

c) **Mean score in the 2018,2019, 2020and 2021 KCSE:**

Year	Entry	MEAN SCORE SUMMARY											students who joined university
		A	A-	B+	B	B-	C+	C	C-	D+	MS	MG	
2021	225	0	10	30	47	42	54	34	8	0	7.96	B-	183
2020	180	0	15	34	44	32	30	21	4	0	8.40	B-	155
2019	148	2	6	12	28	36	31	24	6	3	7.79	B-	115
2018	193	2	14	27	45	42	32	14	13	4	7.78	B-	176


**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**  
**Summary Report of Performance of the School (Continued)**

d) **Capacity of the school:**


Student Enrolment	School facilities	Expected	Available	Shortage	Comment
899	Assembly hall	2	1	1	The current assembly hall has a capacity of 600 students. The school required one (1) more assembly hall with capacity of 600 students.
	Laboratories	10	5	5	The school has 5 laboratories. There is need five(5) more laboratories and fully furnished.
	Toilets	68	68	-	The school has enough toilets.
	Classrooms	25	20	5	The school has a shortfall of 5 classes to accommodate 225 students.
	Computers	60	20	40	Due to increase in number of students selecting computer studies and each student is required to have one during KCSE, there is need to procure more 40 computers
	Desks	1200	899	301	The school required additional 301 desks to accommodate 1200 students.

e) **Development projects carried out by the school**


SNO	PROJECT	SOURCE OF FUNDS	YEAR	APPROVED AMOUNT	STATUS
				KSHS	
1	Tuition Block	Maintenance & Improvement, CDF And Parents	2021	8,520,000.00	In progress
	<b>Total</b>			8,520,000.00	-

  
 .....  
**Boniface Ngigi Gitau (Mr)**  
**Chair,**  
**Board of Management**

**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

  
 .....  
**Sr. Catherine Wangari Thuku**  
**Secretary,**  
**Board of Management**  
**/Principal**

**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

  
 .....  
**George Muturi**  
**Bursar**

**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

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**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 be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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

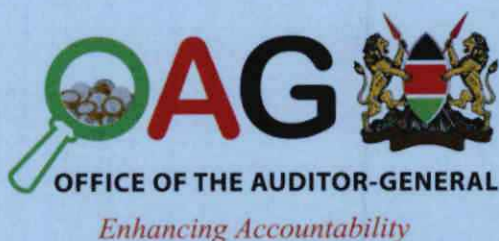
  
.....  
**Boniface Ngigi Gitau (Mr)**  
**Chair,**  
**Board of Management**  
  
**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

  
.....  
**Sr. Catherine Wangari Thuku**  
**Secretary,**  
**Board of Management**  
**/Principal**  
**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

  
.....  
**George Muturi**  
**Bursar**  
  
**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

# REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke  
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HEADQUARTERS  
Anniversary Towers  
Monrovia Street  
P.O Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON ST. BAKHITA BAHATI GIRLS SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021- NAKURU COUNTY

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 overall governance systems are properly designed and were working effectively in the financial year under review.

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Adverse Opinion

I have audited the accompanying financial statements of St. Bakhita Bahati Girls Secondary School - Nakuru County set out on pages 16 to 27, which comprise the

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*Report of the Auditor-General on St Bakhita Bahati Girls Secondary School for the Six (6) Months Period ended 30 June, 2021-Nakuru County*

statement of financial assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the six (6) months' period then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of St. Bakhita Bahati Girls Secondary School as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

## **Basis for Adverse Opinion**

### **1.0 Unsupported Receipts**

The statement of receipts and payments reflects Kshs.3,574,500 and Kshs.995,700 in respect of school fund income-parents contribution and other receipts respectively, as disclosed in Note 3 and 4 to the financial statements. However, support documentation such as supporting schedules, ledgers and acknowledgement for the receipts were not provided for audit.

In the circumstances, the accuracy and completeness of receipts amounting to Kshs.4,570,200 could not be confirmed.

### **2.0 Unsupported and Unaccounted for Levies**

The statement of receipts and payment reflects school fund income parents' contributions of Kshs.3,574,500 as disclosed in Note 3 to the financial statements. Excluded from the amount are levies amounting to Kshs.36,440,965 charged to 899 students. The levies are paid to the School through two (2) bank accounts held at two (2) local banks. The two (2) bank accounts which are owned by the School are privately operated by a Church Diocese through Our Lady Seat of Wisdom Hostels which are private entities. The private entities are the co-founders of the School and therefore Management does not have access to the two (2) bank accounts into which the levies amounting to Kshs.36,440,965 were banked. Further, there were no receipts issued to the students for the levies collected from students at the School.

In addition, there was no approval of the Cabinet Secretary of the Parent Ministry to collect the levies and for private management of the boarding facility.

In the circumstances, the occurrence of the levies charged of Kshs.36,440,965 could not be confirmed.

### **3.0 Accounts Receivables**

#### **3.1 Unsupported Accounts Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.2,444,298 as disclosed in Note 10 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review

In the circumstances, the accuracy of the accounts receivables balance of Kshs.2,444,298 could not be confirmed.

#### **3.2 Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.2,444,298 in respect of fees arrears as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs 1,641,298 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears 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.2,444,298 could not be confirmed.

### **4.0 Unsupported Accounts Payables**

The statement of financial assets and financial liabilities reflects accounts payables balance of Kshs.929,715 as disclosed in Note 11 to the financial statements. However, support documentation such as payment vouchers, purchase orders, local service orders/local purchase orders and goods receive notes were not provided for review. Further, Management did not provide satisfactory explanation as to why the bills were not settled as they fell due.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.929,715 could not be confirmed.

### **5.0 Unsupported Cash and Cash Equivalents Balance**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.5,908,830. Included in this balance is bank balance totalling Kshs.5,894,448 and cash balance of Kshs.14,383 as disclosed in Notes 8 and 9 to the financial statements. However, the bank balances were not supported by bank reconciliation statements for the ten (10) bank accounts in operation and a board of survey to confirm the cash in hand balance of Kshs.14,382. Further, the School did not disclose two bank accounts it operated in a local bank and which are in the name of the School.

In the circumstances, the accuracy, completeness and existence of the cash and cash equivalents balance of Kshs.5,894,448 could not be confirmed.

## 6.0 Unsupported Payments for Operations

The statement of receipts and payments reflects payments for operations amount of Kshs.5,049,545 as disclosed in Note 6 to the financial statements. However, examination of payments vouchers amounting to Kshs.3,596,846 revealed that Management made payments without proper support documents such as local purchase orders/local service orders, Kenya Revenue Authority electronic tax registers, distribution lists, goods received notes and invoices.

In the circumstances, the occurrence, accuracy and completeness of the payments for operations amounting to Kshs.3,596,846 could not be confirmed.

## 7.0 Unsupported Fuel Expenditure

The statement of receipts and payments reflects Kshs.5,049,545 in respect of payments operations as disclosed in Note 6 to the financial statements. However, examination of payment vouchers amounting to Kshs.158,491 revealed that Management made payments without support documents such as fuel registers, suppliers' statements and work tickets.

In the circumstances, the occurrence, accuracy and completeness of the payments for operations amounting to Kshs.158,491 could not be confirmed.

## 8.0 Unsupported Financial Statement Adjustments

Review of the statement of receipts and receipts and the statement of financial assets and financial liabilities and disclosure Notes revealed that the management adjusted the financial statements amounts and balances without supporting adjusting journals and bank reconciliation statements as summarized below: -

Item Particulars	Note	Original Amount (Kshs.)	Revised Amount (Kshs.)	Unsupported Adjustment (Kshs.)
Capitation Grants for Operations	2	7,459,207	7,772,647	313,440
School Fund Income - Parent Contributions	3	2,548,207	3,574,500	1,026,293
School Fund (Other Receipts)	4	1,010,748	995,700	15,048
Payments for Tuition	5	996,896	1,236,911	240,015
Payments for Operations	6	6,997,007	5,049,545	1,947,462

School Fund Payments	7	1,655,805	2,872,732	1,216,927
Bank Account Balances	8	5,829,615	5,226,663	602,952
Accounts Payables	11	912,715	929,715	17,000
Fund Balance Brought Forward	12	2,939,627	3,003,827	64,200

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Bakhita Bahati Girls Secondary 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 audit of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

### **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.25,763,556 and Kshs.13,513,763 respectively, resulting to an under-funding of Kshs.12,249,793 or 48% of the budget. However, the School spent a balance Kshs.9,159,008 against actual receipts of Kshs.13,513,763, resulting to an under-utilization of Kshs.4,354,755 or 32% of 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 of this matter.

### **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, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on

Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

## **Basis for Conclusion**

### **1.0 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.2,872,732 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.440,000 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.440,000 could not be confirmed.

### **2.0 Under Funding of Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amounts of Kshs.1,170,916 and Kshs.7,772,647, respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of 899 students while the enrolment records provided by the School indicated a total number of 980 students, resulting to an unexplained variance of 81 students. As a result of the variances, the School was under funded by an amount Kshs.777,575.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.1,170,916 and Kshs.7,772,647 respectively could not be confirmed.

### **3.0 Unsupported Board of Management Allowances and Transport Reimbursements**

The statement of receipts and payments reflects total payments of Kshs.9,159,008. Included in this amount is Kshs.394,000 and Kshs.164,000 being payments to Board of Management (BoM) and Parents Association (PA) respectively. However, the expenditure was not supported by signed Board minutes and attendance list. Further, review of payment vouchers revealed that the secretary to the board of management was irregularly paid Kshs.39,000 for being in attendance for full board and board committee meetings contrary to the Salaries and Remuneration Commission Circular Ref.SRC/ADM/CIR/1/13(122) of 16 April, 2014 on the payment of taskforce allowance and remuneration of commission of inquiry, tribunal, boards and committees appointed by Government

In the circumstances, the regularity of the expenditure of Kshs. 558,000 in respect of Board of Management subsistence allowances could not be confirmed.

#### **4.0 Anomalies in Construction Contract of a Storey Tuition Block**

The statement of receipts and payments reflects operation payments of Kshs.5,049,545 as disclosed in Note 6 to the financial statements. However, review of records revealed that the School entered into a contract with a construction company on 19 November, 2019 at a contract sum of Kshs.15,154,235 for tender No. BGSS 1/2019. The project was for a construction of a three-storey tuition block with a commencement date of December, 2019 for which thirteen (13) certificates amounting to Kshs.10,517,036 had been raised and paid. However, the following anomalies relating to the contract were noted:

- i. The evaluation criteria stated that 'arithmetic errors in the document would be a disqualifying factor'. However, the tenderer made arithmetical errors which were rectified by the evaluation committee, contrary to the evaluation criteria set;
- ii. The contract signed had no clear start date or end date making it difficult to determine the percentage of works completed. It was also not possible to determine whether the project is meeting the set timelines and if the contractor is legally on site;
- iii. The performance bond issued by the contractor which was set to expire on 17 November, 2020, had not been renewed while the contractor was still on site, contrary to Section 142 (1) of the Public Procurement and Asset Disposal Act, 2015 which states that 'subject to the regulations, a successful tenderer shall submit a performance security equivalent of not more than ten per cent of the contract amount before signing of the contract and (2) In case the contract is not fully or well executed, the performance security shall unconditionally be fully seized by the procuring entity as compensation without prejudice to other penalties provided for by the Act'.

In the circumstances, value for money amounting to Kshs.15,154,235 on the construction of a three-storey tuition block could not be confirmed.

#### **5.0 Weaknesses in Human Resource Management**

The statement of receipts and payments reflects payments for operations of Kshs.5,049,545 as disclosed in Note 6 to the financial statements. Included in this amount is Kshs.2,301,537 in respect of personnel emoluments paid to the School's Board of Management teachers and non-teaching staff. However, Management did not provide for audit the approved staff establishment and terms and conditions of service to confirm the recruitment needs. This was contrary to Section 13 of the Fourth Schedule of the Basic Education Act, 2015, which requires the Board of Management to employ its staff, upon such terms and conditions of service as the County Education Board may determine.

In the circumstances, Management was in breach of the law and the regularity of the Board of Management employees' recruitment could not be confirmed.

#### **6.0 Unsupported Fixed Assets Balance**

Review of the financial statements revealed that the summary of fixed assets register was not presented in Annex 2 to the financial statements as required by the Public Sector Accounting Standards Board template. Further, the School did not maintain a fixed assets register indicating dates of assets acquisition, types of assets, suppliers' names, values, custodians and locations in respect of the assets it owns. This was contrary to Regulation 143(1)(2) 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. The register of land and buildings shall record each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details'.

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

#### **7.0 Lack of Procurement Plan**

The statement of receipts and payments reflects amounts of Kshs.13,513,763 and Kshs.9,159,008 in respect of total receipts and payments respectively. However, during the year, Management did not prepare an annual procurement plan as part of the annual budget process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process'

In the circumstances, Management was in breach of the law

#### **8.0 Late Submission of Annual Report and Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 2 November, 2022 instead of statutory date of 30 September, 2022. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2021 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

#### **9. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements**

The financial statements as presented for audit do not have disclosure Notes on the face.

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

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

### **Basis for Conclusion**

#### **1.0 Lack of Ownership Documents**

Review of records revealed that the School had two (2) functional vehicles, out of which a van registered as KBU 544Y was financed by a Bank and registered on 24 May, 2013. Records provided for audit indicated that the School had cleared the financial obligations to the Bank. However, the logbook was still in the names of the Bank and the School. Further, the van operated without a work ticket and had a yellow civilian number plate instead of a blue number plate. Further, the title deed for the land on which the School sits was not provided for audit.

In the circumstances, the ownership of the vehicle and land could not be confirmed.

#### **2.0 Lack of Insurance Cover for Property and Other Assets**

Review of financial statements and assets records revealed that the School did not have an insurance cover for property and other assets.

In the circumstances, the School is exposed to losses without compensation in the event of fire, theft or any other unforeseen calamities.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards requires 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 Board of Management**

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

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

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

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

The Board of Management 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 overall governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the school's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit

report. However, future events or conditions may cause the school to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the school to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi


25 September, 2024

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

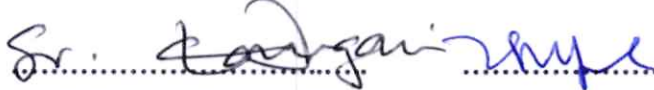
**STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD ENDED 30 JUNE 2021**

		2021	2020
		6 Months	12 Months
<b>RECEIPTS</b>	<b>NOTES</b>	<b>KSHS</b>	
Capitation grants for Tuition		1,170,916.00	1,504,951.00
Capitation grants for Operations		7,772,647.00	11,087,250.00
School Fund income-Parents' Contribution		3,574,500.00	6,746,584.12
School Fund income-Other Receipts		995,700.00	861,000.00
<b>TOTAL</b>		<b>13,513,763.00</b>	<b>20,199,785.12</b>
<b>PAYMENTS</b>			
Payments for Tuition		1,236,911.00	1,417,591.00
Payments for Operations		5,049,545.45	10,153,796.05
School Fund Payments		2,872,732.00	22,642,613.05
<b>TOTAL</b>		<b>9,159,008.45</b>	<b>34,214,000.10</b>
<b>SURPLUS/DEFICIT</b>		<b>4,354,754.55</b>	<b>(14,014,214.98)</b>


The school financial statements were approved on **27 October 2022** and signed by:

  
 .....  
**Boniface Ngigi Gitau (Mr)**  
 Chair,  
 Board of Management

**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

  
 .....  
**Sr. Catherine Wangari Thuku**  
 Secretary,  
 Board of Management  
 /Principal

**Bahati Girls Sec Sch**  
**Date: 27 October 2022**


  
 .....  
**George Muturi**  
 Bursar

**Bahati Girls Sec Sch**  
**Date: 27 October 2022**

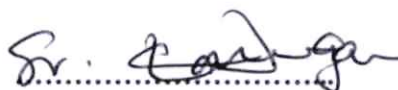
**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**  
**STATEMENT OF FINANCIAL ASSETS AND LIABILITIES FOR THE PERIOD ENDED 30**  
**JUNE 2021**

DETAILS	NOTES	2021	2020
		6 Months	12 Months
<b>CASH &amp; BANK BALANCE</b>		<b>KSHS</b>	<b>KSHS</b>
BANK		5,894,447.91	3,875,962.36
CASH		14,382.55	1,830.55
<b>TOTAL</b>		<b>5,908,830.46</b>	<b>3,877,792.91</b>
ACCOUNTS RECEIVABLES		2,444,298.50	1,789,298.50
<b>TOTAL</b>		<b>2,444,298.50</b>	<b>1,789,298.50</b>
<b>TOTAL FINANCIAL ASSETS</b>		<b>8,353,128.96</b>	<b>5,667,091.41</b>
<b>FINANCIAL LIABILITIES</b>			
ACCOUNTS PAYABLE		929,715.00	2,662,991.70
<b>TOTAL</b>		<b>929,715.00</b>	<b>2,662,991.70</b>
<b>NET TOTAL ASSETS</b>		<b>7,423,413.96</b>	<b>3,004,099.71</b>
<b>REPRESENTED BY:</b>			
FUND BALANCE B/F 1JANUARY 2021		3,068,659.41	17,018,314.69
SURPLUS/DEFICIT FOR THE YEAR		4,354,754.55	(14,014,214.98)
<b>TOTAL</b>		<b>7,423,413.96</b>	<b>3,004,099.71</b>


The school's financial statements were approved on **27October 2022** and signed by:

  
 .....  
**Boniface Ngigi Gitau (Mr)**  
**Chair,**  
**Board of Management**

**Bahati Girls Sec Sch**  
**Date: 27October 2022**

  
 .....  
**Sr. Catherine Wangari Thuku**  
**Secretary,**  
**Board of Management**  
**/Principal**

**Bahati Girls Sec Sch**  
**Date: 27October 2022**

  
 .....  
**George Muturi**  
**Bursar**

**Bahati Girls Sec Sch**  
**Date: 27October 2022**

**St. Bakhita Bahati Girls Secondary School  
Reports and Financial Statements For the Period ended 30 June 2021**

**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2021**

		<b>2021</b>	<b>2020</b>
		<b>6 Months</b>	<b>12 Months</b>
<b>RECEIPTS FROM OPERATING ACTIVITIES</b>	<b>NOTES</b>	<b>KSHS</b>	<b>KSHS</b>
Capitation grants for Tuition		1,170,916.00	1,504,951.00
Capitation grants for Operations		7,772,647.00	11,087,250.00
School Fund income-Parents' Contribution		3,574,500.00	6,746,584.12
School Fund income-Other Receipts		995,700.00	861,000.00
Adjustment increase/decrease of debtors		(655,000.00)	(148,000.00)
<b>Total Receipts</b>		<b>12,858,763.00</b>	<b>20,051,785.12</b>
<b>Payments</b>			
Payments for Tuition		1,236,911.00	1,417,591.00
Payments for Operations		5,049,545.45	10,153,796.05
School Fund Payments		2,872,552.00	22,642,613.05
Adjustment increase/decrease of creditors		1,668,717.00	(1,324,540.85)
<b>Total Payments</b>		<b>10,827,725.45</b>	<b>32,889,459.25</b>
<b>Net Cashflows from Operating Activities</b>		<b>2,031,037.55</b>	<b>(12,837,674.13)</b>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalent</b>		<b>2,031,037.55</b>	<b>(12,837,674.13)</b>
Cash & Cash Equivalent at Beginning of the year		3,877,792.91	16,715,467.04
<b>Cash &amp; Cash Equivalent at the end of the year</b>		<b>5,908,830.46</b>	<b>3,877,792.91</b>

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS.

St. Bakhita Bahati Girls Secondary School  
Reports and Financial Statements For the Period ended 30 June 2021

Statement Of Budgeted Versus Actual Amounts for The Period Ended 30 June 2021

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c = a+b	d	e = c - d	f = d/c
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>RECEIPTS</b>						
<b>(1) Capitation Grant On Tuition</b>						
Exercise Books	1,692,817.00	-	1,692,817.00	433,238.00	1,259,579.00	26%
Lab. Equipment	930,465.00	-	930,465.00	257,602.00	672,863.00	28%
T/L Materials	339,822.00	-	339,822.00	140,500.00	199,322.00	41%
Internal Exams	762,352.00	-	762,352.00	339,576.00	422,776.00	46%
<b>Sub-Total</b>	<b>3,725,456.00</b>	<b>-</b>	<b>3,725,456.00</b>	<b>1,170,916.00</b>	<b>2,554,540.00</b>	<b>31%</b>
<b>(2) Capitation Grant On Operations</b>						
Local, Travel & Transport	1,649,665.00	-	1,649,665.00	1,071,031.00	578,634.00	65%
Electricity, Water & Conservancy	741,675.00	-	741,675.00	595,066.00	146,609.00	80%
Personal Emolument	4,499,495.00	-	4,499,495.00	2,023,409.00	2,476,086.00	45%
Administration Costs	1,559,765.00	-	1,559,765.00	279,601.00	1,280,164.00	18%
Activity	1,348,500.00	-	1,348,500.00			0%
Sacco				264,440.00		
PTA				30,000.00		
Interaccount borrowing				19,000.00		
NSSF				31,200.00		
NHIF				51,150.00		
Rent				36,000.00		
<b>Sub-Total</b>	<b>9,799,100.00</b>	<b>-</b>	<b>9,799,100.00</b>			
Maintenance & Improvement	4,495,000.00	-	4,495,000.00	3,371,750.00		
<b>Sub-Total</b>	<b>14,294,100.00</b>	<b>-</b>	<b>14,294,100.00</b>	<b>7,772,647.00</b>		<b>54%</b>
<b>(3) Fees Charged On Parents</b>						
Parents Association	2,025,000.00	-	2,025,000.00	1,869,300.00	155,700.00	92%
<b>Sub-Total</b>	<b>2,025,000.00</b>	<b>-</b>	<b>2,025,000.00</b>	<b>1,869,300.00</b>	155,700.00	92%
<b>Other Income</b>						
Income From Generating Activities	1,100,000.00		1,100,000.00	605,200.00	494,800.00	55%
<b>Other receipts</b>	2,619,000.00		2,619,000.00	995,700.00	1,623,300.00	38%
<b>Sub-Total</b>	<b>3,719,000.00</b>		<b>3,719,000.00</b>			
<b>CDF</b>	2,000,000.00	-	2,000,000.00	1,100,000.00	900,000.00	55%
<b>Sub-Total</b>	<b>3,719,000.00</b>		<b>3,719,000.00</b>	<b>4,570,200.00</b>		
<b>Grand total Income</b>	<b>25,763,556.00</b>	<b>-</b>	<b>25,763,556.00</b>	<b>13,513,763.00</b>	<b>12,249,793.00</b>	<b>53%</b>

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

Expenditure For:						
<b>(1) Tuition</b>						
Exercise Books	1,692,817.00	-	1,692,817.00	273,056.00	1,419,761.00	16%
Lab. Equipments	930,465.00	-	930,465.00	408,374.00	522,091.00	44%
T/L Materials	339,822.00	-	339,822.00	331,115.00	8,707.00	97%
Internal Exams	1,152,800.00	-	1,152,800.00	224,366.00	928,434.00	20%
<b>Sub-Total</b>	<b>3,725,456.00</b>	<b>-</b>	<b>3,725,456.00</b>	<b>1,236,911.00</b>	<b>2,488,545.00</b>	<b>33%</b>
<b>(2) Operations</b>						
Local, Travel & Transport	1,649,665.00	-	1,649,665.00	668,528.00	981,137.00	41%
Electricity, Water & Conservancy	741,675.00	-	741,675.00	238,546.00	503,129.00	32%
Personal Emolument	4,499,495.00	-	4,499,495.00	2,229,846.45	2,269,648.55	49%
Administration Costs	1,559,765.00	-	1,559,765.00	218,948.00	1,340,817.00	14%
Activity	1,348,500.00		1,348,500.00	30,000.00	1,318,500.00	2%
Medical and insurance				248,313.00		
NSSF				24,800.00		
NHIF				50,700.00		
Welfare				5,000.00		
Sacco				263,440.00		
Maintenance & Improvement	4,495,000.00	-	4,495,000.00	890,124.00		
<b>Sub-Total</b>	<b>9,799,100.00</b>	<b>-</b>	<b>9,799,100.00</b>	<b>5,049,545.45</b>	<b>4,749,554.60</b>	<b>52%</b>
<b>(3) School Fund</b>						
Local, Travel & Transport	405,000.00		405,000.00	319,798.00	85,202.00	
Repair, Maintenance & Improvement	810,000.00		810,000.00	458,950.00	351,050.00	
Electricity, Water & Conservancy	270,000.00		270,000.00	67,970.00	202,030.00	
Personal Emolument	675,000.00		675,000.00		675,000.00	0%
Administration Costs	135,000.00		135,000.00	19,502.00	115,498.00	
Parents Association	2,025,000.00		2,025,000.00	771,627.00	1,253,373.00	
Activity	324,000.00		324,000.00	115,705.00	202,295.00	
Expenditure on income generating expenses	1,100,000.00		1,100,000.00		1,100,000.00	0%
Inter Accounts borrowing				19,000.00		
<b>Sub-Total</b>	<b>5,744,000.00</b>		<b>5,744,000.00</b>			
CDF	2,000,000.00		2,000,000.00	1,100,000.00	900,000.00	55%
<b>Sub-Total</b>	<b>6,495,000.00</b>		<b>6,495,000.00</b>	<b>2,872,552.00</b>	<b>3,622,448.00</b>	<b>44%</b>
<b>Total Expenditure</b>	<b>25,763,556.00</b>	<b>-</b>	<b>25,763,556.00</b>	<b>9,159,008.45</b>	<b>16,604,547.55</b>	<b>36%</b>
<b>Surplus/Deficit</b>				<b>4,354,754.55</b>		

### **Significant Accounting Policies**

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

#### **1. Statement of compliance and basis of preparation**

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

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

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

#### **2. Recognition of receipts and payments**

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

#### **3. In-kind contributions**

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

#### **4. Cash and cash equivalents**

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

**Significant Accounting Policies (Continued)**

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the period ended 30 June 2021.

**NOTES TO THE FINANCIAL STATEMENTS**

**1. CAPITATION OF TUITION**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Exercise books		433,238.00	552,031.00
Lab. Equipments and chemicals		257,602.00	341,089.00
Teaching and materials		140,500.00	185,495.00
Internal exams		339,576.00	426,336.00
<b>TOTAL</b>		<b>1,170,916.00</b>	<b>1,504,951.00</b>

**2. CAPITATION OF OPERATIONS**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2021</b>
		<b>KSHS</b>	<b>KSHS</b>
Local, travel & transport		1,071,030.50	1,456,677.00
Maintenance & improvement		3,371,750.00	4,701,000.00
Electricity, water & conservancy		595,066.00	760,470.75
Personal emolument		2,023,409.00	3,091,185.00
Administration costs		279,601.50	590,117.25
Medical & insurance		-	162,600.00
Rent		36,000.00	
NSSF		31,200.00	
NHIF		51,150.00	
JOKEHIS SACCO		264,440.00	
WAKARIMU SACCO			
WELFARE			
PARENTS ASSOCIATION		30,000.00	
Activity			325,200.00
Inter account borrowing		19,000.00	
<b>TOTAL</b>		<b>7,772,647.00</b>	<b>11,087,250.00</b>

**3.SCHOOL FUND INCOME FROM PARENTS AND OTHER CONTRIBUTION**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Local, travel & transport		338,500.00	
Savings account			64,832.36
Rent		205,700.00	322,400.00
Bus Hire		61,000.00	270,000.00
Parents Association		1,869,300.00	2,187,402.00
Maintenance and Improvement			3,901,949.76
C.D.F.		1,100,000.00	
<b>TOTAL</b>		<b>3,574,500.00</b>	<b>6,746,584.12</b>

**4. SCHOOL FUND INCOME-OTHER RECEIPTS**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Repairs, Maintenance and Improvement		431,000.00	240,000.00
Contingencies		82,600.00	
EWC		101,000.00	
Activity		139,600.00	381,000.00
Personal Emolument		241,500.00	240,000.00
<b>TOTAL</b>		<b>995,700.00</b>	<b>861,000.00</b>

**5. PAYMENTS FOR TUITION**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Exercise books		273,056.00	493,104.00
Lab equipments/chemicals		408,374.00	338,221.00
T/L materials		331,115.00	170,210.00
Internal exams		224,366.00	415,096.00
Bank Charges			960.00
<b>TOTAL</b>		<b>1,236,911.00</b>	<b>1,417,591.00</b>

**6. PAYMENTS FOR OPERATIONS**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Local, travel & transport		668,528.00	1,149,073.00
Repair, maintenance & improvement		181,300.00	
Electricity, water & conservancy		238,546.00	135,390.00
Activity		30,000.00	438,420.00
Personal emolument		2,229,948.45	3,391,575.40
Administration costs		218,948.00	397,997.65
Medical & insurance		248,313.00	283,340.00
NSSF		24,800.00	
NHIF		50,700.00	
JOKEHIS SACCO		263,440.00	
Welfare		5,000.00	
Infrastructure		890,124.00	4,358,000.00
<b>TOTAL</b>		<b>5,049,545.45</b>	<b>10,153,796.05</b>

**7. SCHOOL FUND PAYMENTS**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Local, travel & transport		319,798.00	356,553.00
Repair, maintenance & improvement		458,950.00	46,000.00
Electricity, water & conservancy		67,970.00	59,258.00
Activity		115,705.00	228,000.00
Administration costs		19,502.00	26,025.00
Personal Emolument			548,462.70
Acquisition of Assets (Tuition Block)		771,627.00	19,379,134.35
CDF		1,100,000.00	1,999,180.00
Inter account borrowing operations		19,000.00	
<b>TOTAL</b>		<b>2,872,552.00</b>	<b>22,642,613.05</b>

**8. BANK ACCOUNTS**

<b>BANK NAME</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Tuition account		195,662.50	21,642.50
Operations account		2,762,576.50	1,697,268.95
Infrastructure account		1,283,325.76	343,449.76
School fund account		754,154.05	975,752.05
CDF account		700.00	820.00
Saving accounts		898,029.10	837,029.10
<b>TOTAL</b>		<b>5,894,447.91</b>	<b>3,875,962.36</b>

**9. CASH IN HAND**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
School fund		13,215.20	479.20
Operations		1,167.35	1,351.35
<b>TOTAL</b>		<b>14,382.55</b>	<b>1,830.55</b>

**10. ACCOUNT RECEIVABLES**

<b>VOTEHEADS</b>		<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Fees Arrears		2,444,298.50	1,789,298.50
<b>TOTAL</b>		<b>2,444,298.50</b>	<b>1,789,298.50</b>

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

Aging below

**FEES ARREARS SUMMARY**

<b>VOTEHEADS</b>	<b>DETAILS</b>	<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Current year		655,000.00	148,000.00
Previous year - 2021		1,789,298.50	1,641,298.50
<b>TOTAL</b>		<b>2,444,298.50</b>	<b>1,789,298.50</b>

**11. ACCOUNT PAYABLES**

<b>VOTEHEADS</b>	<b>DETAILS</b>	<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Trade Creditors		929,715.00	2,662,991.70
<b>TOTAL</b>		<b>929,715.00</b>	<b>2,662,991.70</b>

Aging below

**TRADE CREDITORS SUMMARY**

<b>VOTEHEADS</b>	<b>DETAILS</b>	<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Current year		912,715.00	2,598,432.00
Paid during the year		(2,581,432.00)	
Previous year		2,598,432.00	
Prior period – over two years		17,000.00	
<b>TOTAL</b>		<b>929,715.00</b>	<b>2,598,432.00</b>

**12. FUND BALANCE BROUGHT FORWARD**

<b>VOTEHEADS</b>	<b>DETAILS</b>	<b>2021/2021</b>	<b>2020</b>
		<b>KSHS</b>	<b>KSHS</b>
Bank and Cash balances		3,877,792.91	16,715,467.04
Receivables		1,789,298.50	1,641,298.50
Payables		(2,598,432.00)	(1,338,450.85)
<b>TOTAL</b>		<b>3,068,659.41</b>	<b>17,018,314.69</b>

**Other important disclosure notes**

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

**13. Biological assets**

<b>Description</b>	<b>No.</b>
Trees	208

**Progress On Follow Up of Auditor Recommendations**

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

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

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**Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at 30/06/2021	Comment
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
	<b>a</b>	<b>b</b>	<b>c</b>	<b>d=a-c</b>	
Delight Energy Solution	30,766.00	30/06/2021		30,766.00	
Safaricom	6,399.00	30/06/2021		6,399.00	
Patmat Bookshop	240,015.00	30/06/2021		240,015.00	
Mache Hardware	635,535.00	30/06/2021		635,535.00	
Silver Skills	17,000.00	30/06/2021		17,000.00	
<b>Total</b>	<b>929,715.00</b>			<b>929,715.00</b>	

**St. Bakhita Bahati Girls Secondary School**  
**Reports and Financial Statements For the Period ended 30 June 2021**

**Summary of Fixed Assets Register**

<b>Asset</b>	<b>Nos.</b>
Tuition blocks	4
Administration block	1
Assembly Hall	1
Toilet blocks	4
Motor Vehicles	2
Teachers Desks	34
Teachers chairs	34
Office Desks	6
Office Chairs	16
Sofa set	2
Teachers Tables	17
Teachers Chairs	17
Shelves	16
Tables	11
Desks	977
Chairs	977
Cabinets for students	360
Office cabinets	5
Computers office	2
Computers for students	23
Lap tops	2
Printers	3
Copy printer	1
Photocopier	2
Lab Apparatus (assorted)	10,448
Lab Tables and stools	273
Stapler	11
Paper punch	6
Rubber stamp	5
Sewing Machines	13
Notice board	17
Deep freezer	1
Iron box (charcoal)	1
Iron box (electrical)	4
Gas cookers	7
Electrical cooker	1
Refrigerator	1
Textbooks	21,534