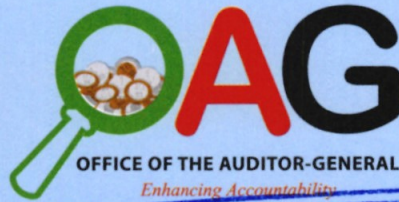


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT DATE: 18 JUN 2026

DAY.

Thursday

TABLED
BY:

Hon. Samuel Chepkong'o
(on behalf of leader of majority)

CLERK-AT
THE-TABLE:

Lonale

OF

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

KABUABUA GIRLS SECONDARY SCHOOL

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

THARAKA-NITHI COUNTY



KABUABUA GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2021

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

KABUABUA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

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I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in 12/07/2021 under registration number 13S00300830 and is currently categorized as a SUB-COUNTY public school established, owned or operated by the Government.

The school is a day/boarding school and had 140 number of students as at 30th June 2021. It has ONE streams and 11 teachers of which 3 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Dr,Mariciano Iguna	Chairman	4 TH July 2019
2	Judith Kamunda	Secretary - Principal	4 TH July 2019
3	Zachary Mbeeria	Member	4 TH July 2019
4	Martha Kariungi	Member	4 TH July 2019
5	Gideon Njeru	Member	4 TH July 2019
6	Cecilia Murithi	Member	4 TH July 2019
7	Moses Nyaga	Member	4 TH July 2019
8	Domiciano Gitonga	Member – Rep CEB	4 TH July 2019
9	Simon Mwaniki	Member Rep Teachers	4 TH July 2019
10	Sophia Kaindi	3 Members - Sponsor	4 TH July 2019
11	Japhet Kaugu	Member - Community	4 TH July 2019
12	James Kathendu	MemberSpecial Needs	4 TH July 2019
13	Mwarigu Naom	Rep Students	4 TH July 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**The function of the School Board of Management include:**

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	i.Dr. Mariciano Iguna ii.Judith Kamunda iii.Japhet Kaungu iv.Martha Kariungi v.Amos Kigacha	CEB Secretary PTA Member Member	 2 out of 2 2 out of 2 2 out of 2
2	Audit Committee	i.Dr mariciano Iguna ii.Sophia Kaindi iii Moses Nnyaga	CEB Rep Sponsor Member Member	 0 out of 0 0 out of 0 0 out of 0
3	Finance,procurement and general purposes Committee	i.Japhet Kaungu ii.Martha Kariungi iii.Cecilia Murithi	Member Member Member	 0 out of 0 0 out of 0 0 out of 0
4	Academic Committee	i.Dr. Mariciano Iguna ii.Simon Mwaniki iii.Zachary Mbeeria	Member Member Member	 1 out of 1 1out of 1 1out out 1
5	Development Committee	i.Gideon Njeru ii.Festus Nyaga iii.Sophia Kaindi	Member Member Sponsor	 0 out of 0 0 out of 0 O out of 0
6	Discipline and welfare Committee	i.James Kathendu ii.Moses Nyaga iii.Benard Mutegi	Member Member Member	 0 out of 0 0 out of 0 0 out of 0
7	Adhoc Committee (if any during the year)			

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	OLYMPIA AMIANO	314662
2	Deputy Principal	JUDITH KAARI MBUBA	351885
3	School Bursar		

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**(e) Schools contacts**

Post Office Box: 2897_60200
Telephone: 0720 400 202
E-mail: Kabuabua@gmail.com

(f) School Bankers

The following school operated 5 number of bank accounts in the following banks:

- | | | |
|----|-----------------|------------------------------------|
| 1. | Name of Bank: | Co-operative Bank of Kenya Limited |
| | Branch: | Chuka |
| | Type: | Operations account |
| | Account Number: | 011395726086001 |
| 2. | Name of Bank: | Co-operative Bank of Kenya Limited |
| | Branch: | Chuka |
| | Type: | Tution account |
| | Account Number: | 011395726086000 |
| 3. | Name of Bank: | Co-operative Bank of Kenya Limited |
| | Branch: | Chuka |
| | Type : | Infrastructure account |
| | Account Number: | 011395726086001 |
| 4. | Name of Bank: | Trans nation Sacco |
| | Branch: | Mukothima |
| | Type: | School Fund |
| | Account Number: | 68260900042901 |
| 5. | Name of Bank | Co-operative Bank of Kenya |
| | Branch : | Nkubu |
| | Type : | CDF Account |
| | Account Number | 011412077469300 |

(g) Independent Auditors

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

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:***-Surplus/ deficit***

<i>Year</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Total</i>	-62,942	0	0

-Capitation grants from the Ministry

<i>Year</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Total</i>	2,187,835.	0	0

Ratio of capitation grant per student

<i>Year</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Total</i>	15,627	0	

Movement of Debtors

<i>Year</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Total</i>	2,729,314	0	0

Movement of Creditors

<i>Year</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Total</i>	773,692	0	0

Movement of cash and bank balances

<i>Year</i>	<i>2021</i>	<i>2020</i>	<i>2019</i>
<i>Total</i>	173,495	0	0

KABUABUA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2021****b) Teacher Student ratio:1 :140**

<i>Number of teachers recruited and posted to the school</i>	<i>0</i>
<i>Number of teachers transferred during the period</i>	<i>1</i>
<i>Number of teachers employed by TSC</i>	<i>13</i>
<i>Number of teachers employed by BOM</i>	<i>4</i>
<i>Teachers students ratio</i>	<i>1:140</i>

c) Mean score in the 2021 KCSE:

YEAR	ENTRY	TARGET SCORE	ACHIEVED MEAN SCORE	C+ AND ABOVE	COMMENTS
2019	18	0	0	0	–
2020	16	0	0	0	–
2021	23	2.87	2.40	0	FAIR

d) Tabu Number of Candidates in the 2021 KCSE:

YEAR	NUMBER OF CANDIDATE
2019	18
2020	16
2021	23

e) Capacity of the school:

FACILITY	AVAILABLE	NO.OF LEARNERS	VARIANCE	REMARKS
Classroom	4	45	2	2 REQUIRED
Dinning	0	140	1	1 REQUIRED
Science Lab	0	140	1	1 REQUIRED
Dormitories	1	140	1	1 REQUIRED
Bathrooms	4	140	1	1 REQUIRED
Toilets	4	140	1	1 REQUIRED

KABUABUA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2021**

f) Development projects carried out by the school:

project	Source of fund	Status	Initial cost ksh	Amount Spent Ksh	Expected completion time
None					

Sign**School Principal**

THE PRINCIPAL
KABUABUA GIRLS SEC. SCH.
P.O. Box 2897 - 60200, MERU
Date: 29/4/21 Sign: 

KABUABUA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2021

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of **(KABUABUA 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 30th June, 2021, and of the school's financial position as at that date.

Name: ZACHARY MBERWA
Designation: Chairman, School Board of Management
Sign: [Signature]
Date: 29/04/2026

Name: GAKUNGA SERAPHINA
Designation: School Principal & Secretary to Board of Management
Sign: [Signature]
Date: 29/04/2026

Name: FAITH MUCENIA
Designation: Bursar/ Finance Officer
Sign: [Signature]
Date: 29/04/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KABUABUA GIRLS SECONDARY SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 – THARAKA-NITHI COUNTY

PREAMBLE

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

- A. Report on 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 the 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, and;
- 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, risk management environment and 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 Kabuabua Girls Secondary School set out on pages 12 to 30, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments,

Report of the Auditor-General on Kabuabua Girls Secondary School for the six (6) months period ended 30 June, 2021 – Tharaka-Nithi County

statement of cash flows and statement of budgeted versus actual amounts for the 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, 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 Kabuabua Girls Secondary School as at 30 June, 2021 and of its financial performance and its cash flows for the period then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amounts of Kshs.116,794 and Kshs.717,838 as disclosed in Note 1 and Note 2 to the financial statements. Review of the NEMIS capitation disbursements made to the School and the amount receipted by the School revealed an amount of Kshs.834,516 whereas the NEMIS reflects capitation amount of Kshs.695,321 resulting in an unexplained negative variance of Kshs.139,195.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations amounting to Kshs.116,794 and Kshs.717,838 respectively could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.173,495 as disclosed in Note 8 to the financial statements. However, the balance was not supported by bank reconciliations statements and a board of survey report. In addition, the four (4) bank accounts operated by the School were recorded in a single cashbook.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.173,495 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kabuabua Girls Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Unaudited Comparative Balances

I draw attention to the fact that prior to the 2020/2021 financial year, Public Secondary Schools in Kenya did not prepare financial statements for audit. Consequently, the Public Sector Accounting Standards Board prescribed 30 June, 2021 as the first-time adoption of the International Public Sector Accounting Standards (IPSAS) – Cash Basis of Accounting by Public Secondary Schools.

The financial statements for the six (6) months period ended 30 June, 2021 includes comparative information. However, the comparative figures were based on unaudited figures. My audit procedures were, therefore, limited to the extent that comparative information does not contain misstatements that materially affect the current period's financial statements. Accordingly, I do not express an opinion or any form of assurance on the comparative information. My audit opinion on the current period financial statements is not modified in respect of this matter.

My opinion is not modified in respect of 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. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the Other Information set out on page 2 to 10 which comprise of the Key School Information and Management, Summary Report of School Performance, and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

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 and 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 THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters 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. Late Submission of Financial Statements for Audit

During the period under review, Management submitted the financial statements to the Auditor-General on 12 April, 2024 instead of the statutory deadline of 30 September, 2021. 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.

2. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

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

- i. Pagination errors
- ii. Summary report on School performance did not disclose movement in expenditure.
- iii. The statement of budget and actuals is titled for the year ended 30 June 20XX instead of for the six months period ended 30 June, 2021.
- iv. In addition, inventory was not disclosed under other disclosures in the financial statements.

In the circumstances, Management did not comply with the PSASB guidelines.

3. Overfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.116,794 and Kshs.717,838 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the period under review, NEMIS reported a total number of one hundred and two (102) students while the enrolment records provided by the School indicated a total number of fifty-four (54) students, resulting in an unexplained variance of forty-eight (48) students. As a result of the variances, the School was over funded by an amount of Kshs.291,468.

In the circumstances, the overfunding of the School may have affected service delivery to other schools which did not receive capitation for students and value for money could not be confirmed.

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

The statement of receipts and payments reflects school fund payments amount of Kshs.1,382,356 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.78,600 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.78,600 could not be confirmed.

5. Excess Supply of Books

The Ministry of Education distributed textbooks to the School through Kenya Institute of Curriculum Development (KICD) in the financial year 2020/2021. Review of records revealed that the Institute distributed one thousand seven hundred (1,700) books to the School while one thousand three hundred and thirty-four (1,334) books were issued to the students, resulting in an unexplained excess of 366 books in the School store. However, there was under supply of text books totalling 222 textbooks for compulsory subjects including English, Kiswahili, Maths, Christian Religious Education and set books.

In the circumstances, value for money on the excess three hundred sixty-six (366) text books could not be confirmed.

6. Unconfirmed Land Ownership

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.6,400,000 in respect of fixed assets which includes land with a balance of Kshs.3,000,000. Available documents examined revealed that the School was sharing land with Kabuabua Primary School and revealed that the land measuring 15.08 hectares was reserved for the primary school.

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

7. Non-Compliance with Law on Budget Preparation

Review of the budget revealed that the School Management did not prepare budget estimates for both revenue and non-revenue transactions. This was contrary to Regulations 31(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall ensure that the draft estimates relating to her or his department are prepared in conformity with the Constitution, the Act and these Regulations.

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

8. Lack of an Approved School Improvement Plan

During the period under review, the School did not have 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 include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation. Further, critical infrastructure projects have stalled and existing facilities continue to deteriorate due to lack of funding.

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

9. Irregularities in Procurement Processes

Review of the School's procurement processes revealed the following irregularities;

(i) The Accounting Officer did not appoint the inspection and acceptance committee as required by Section 48(1) of Public Procurement and Asset Disposal Act, 2015 and therefore there was no inspection and acceptance report for the goods and services paid during the period under review.

(ii) The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

(iii) Failure to Prepare an Annual Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.2,187,835 and Kshs.2,250,777 in respect of total receipts and payments respectively. However, during the period under review, Management did not prepare an annual procurement plan as part of the annual budget preparation 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.

10. Lack of Segregation of Duties

The statement of receipts and payments reflects amounts of Kshs.2,187,835 and Kshs.2,250,777 in respect of total receipts and payments respectively. However, it was noted that there was no segregation of duties in both revenue collection and procurement of items. Further, review revealed that the same person received revenue, issued receipts and carries out the banking of revenue. In addition, procurement/purchases and receiving of items was done by the same person. This was contrary to Regulation 64(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that an accounting officer and a receiver of revenue are personally responsible for ensuring

that, adequate safeguards exist and are applied for the prompt collection and proper accounting for, all national government revenue and other public moneys relating to their Ministries, Departments or Agencies;

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

11. Non-maintenance of Petty Cash Book

Management maintained a standing imprest of Kshs.50,000 which was replenished after being accounted for. However, a petty cash book was not maintained to record receipts and payments. Review of various records including payment vouchers revealed that the expenses had not been recorded and accounted for in the petty cash book contrary to Regulation 93(14) of the Public Finance Management (National Government) Regulations, 2015 which states that the holder of a standing imprest shall keep a memorandum cash book to record receipts and payments and the balance.

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

12. Late Transfer of Infrastructure Funds from Operations Account

The statement of receipts and payments reflects operations grants amount of Kshs.717,838 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.306,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. Review of School bank account records revealed delays in transfer of infrastructure funds from operations bank account. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards 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 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 effect of the matters described in the Basis for Conclusion the 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 Assets Register

Management did not maintain an assets register in the prescribed format indicating the description, financier, serial/log book number, acquisition date, location, opening balances, additions or disposals during the period and the closing balances. Further, the School had also not tagged its assets which include office equipment, furniture and fittings.

In the circumstances, the completeness, ownership and proper custody of the assets could not be confirmed.

2. Failure to Prepare Annual Reports on Governance

The Board of Management of the School did not prepare annual reports on governance as required in Section 60 of the Basic Education Act, 2013 which states that every public school or institution of basic education shall, submit on an annual basis a report to the Director of Basic Education.

In the circumstances, the Board may have not effectively handled its mandate and responsibilities.

3. Lack of an Internal Audit Review

During the period under review, the School had not constituted an Audit Committee as required by Section 73(5) of the Public Finance Management, 2012 which states that, every national government public entity shall establish an Audit Committee whose composition and functions shall be as prescribed by the regulations.

In the circumstances, the effectiveness of internal controls could not be confirmed.

4. Weaknesses in the Board of Management

The School Board of Management (BoM) is constituted by the County Director of Education/Secretary of County Education Board. However, letters for the appointment of BoM were not provided for audit review. Further, attendance register and minutes of meetings were not provided for audit.

In the circumstances, the Board might not have effectively handled its mandate and responsibilities.

5. Failure to Provide Employment Records

The statement of receipts and payments and as disclosed in Note 6 and Note 7 to the financial statements reflects Kshs.785,061 and Kshs.1,382,356 in respect to payments for operations and boarding and school fund respectively. Included is a balance of Kshs.106,000 and Kshs.250,000 as disclosed in Note 6 and Note 7 respectively for personnel emoluments. Management had engaged five (5) casuals. However, records including contracts and muster rolls for all the staff engaged were not provided for audit review. Management did not conduct annual staff appraisals and trainings for the staff.

In the circumstances, the School may have inefficient teaching and non-teaching staff.

6. Lack of Risk Management Policy

Review of School documentations revealed that the School did not have an approved Risk Management Policy and a Risk Register to document risks emanating from the users and the mitigation factors in place to minimize the risks.

In the circumstances, risk management strategies in place to prevent fraud could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 of 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 Gathungu, CBS
AUDITOR-GENERAL

Nairobi

22 May, 2026

KABUABUA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****'For the year ended 30th June 2021****V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021**

DESCRIPTION OF VOTE HEAD	Note	2020-2021	2019-2020
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	116,794	0
Capitation grants for operations	2	717,838	0
School Fund Income- Parents' Contributions	3	628,542	0
School Fund Income- Other receipts	4	724,661	0
Proceeds from borrowings		0	0
TOTAL RECEIPTS		2,187,835	0
PAYMENTS			
Payments for Tuition	5	83,360	0
Payments for operations	6	785,061	0
Boarding and school fund payments	7	1,382,356	0
Payments for infrastructure		0	0
TOTAL PAYMENTS		2,250,777	0
SURPLUS/DEFICIT		-62,942	0

The school financial statements were approved on 30/06/2021 and signed by:

Sign: 

Name: ZACHARY MBERIA

Chair BOM

Date: 29/04/2026

Sign: 

Name: GAKUNGA
SERAPHINA

School Principal/
Secretary to BOM

Date: 29/04/26

Sign: 

Name: FAITH MUCENA

Bursar/
Finance Officer

Date: 29/04/2026

KABUABUA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2021****VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021**

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	173,495	0
Cash Balances	9	0	0
Short term Investment	10	0	0
Total Cash and cash equivalent		173,495	0
Account's receivables	11	2,729,314	0
TOTAL FINANCIAL ASSETS		2,902,809	0
FINANCIAL LIABILITIES			
Accounts Payables	12	773,691	0
NET FINANCIAL ASSETS		2,129,118	0
REPRESENTED BY			
Accumulated Fund b/fwd	13	2,192,060	0
Surplus/Deficit for the year		-62,942	0
NET FINANCIAL POSSITION		2,129,118	0

The School's financial statements were approved on 30/06/2021 and signed by:

Name: ZACHARY MBERIA
Chairman BoM

Sign: [Signature]

Date: 29/04/2026

Name: CAKUNGA SETHA PHINA
School Principal/Secretary to BoM

Sign: [Signature]

Date: 29/04/2026

Name: FAITH MUCENTA
Bursar/Finance

Sign: [Signature]

Date: 29/04/2026

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2021

		2020-2021	2019-2020
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	116,794	0
Capitation grants for operations	2	717,838	0
School fund income- Parents contributions/ fees	3	628,542	0
School fund income- other receipts	4	724,661	0
Total receipts		2,187,835	0
Payments			
Payments for Tuition	5	83,360	0
Payments for operations	6	785,061	0
Boarding and school fund payments	7	1,382,356	0
Total payments		2,250,777	0
Net cash flow from operating activities		-62,942	0
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		0	0
Acquisition of Assets		(0)	(0)
Proceeds from investments		0	0
Purchase of investments		(0)	(0)
Net cash flows from Investing Activities		0	0
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings		0	0
Net cash flow from financing activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENTS		-62,942	0
Cash and cash equivalent at BEGINNING of the year		236,437	0
Cash and cash equivalent at END of the year		173,495	0

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

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Library and reference materials	7,007	0	7,007	7,007	0	100%
Exercise books	56,061	0	56,061	56,061	0	100%
Laboratory equipment	23,359	0	23,359	23,359	0	100%
Internal exams	11,680	0	11,680	11,680	0	100%
Teaching / learning materials	18,687	0	18,687	18,687	0	100%
Chalks	0	0	0	0	0	100%
Exams and assessment	0	0	0	0	0	100%
(2) CAPITATION GRANT ON OPERATIONS	394,811	0	394,811	394,811	0	100%
Personnel emoluments	43,071	0	43,071	43,071	0	100%
Repairs and maintenance	43,071	0	43,071	43,071	0	100%
Local transport / travelling	64,605	0	64,605	64,605	0	100%
Electricity and water	28,713	0	28,713	28,713	0	100%
Medical	78,962	0	78,962	78,962	0	100%
Administration costs	64,605	0	64,605	64,605	0	100%
Activity	0	0	0	0	0	100%
SMASSE	0	0	0	0	0	0%
(3) FEES CHARGED ON PARENTS						

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For the year ended 30th June 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Personnel emoluments	186,200	0	186,200	186,200	0	100%
Repairs and maintenance	118,900	0	118,900	118,900	0	100%
Local transport / travelling	98,850	0	98,850	98,850	0	100%
Electricity and water	125,500	0	125,500	125,500	0	100%
Medical	0	0	0	0	0	100%
Administration costs	99,092	0	99,092	99,092	0	100%
Fee on Boarding Equipment and Stores	724,661	0	724,661	724,661	0	100%
(4) CAPITATION GRANT ON INFRASTRUCTURE						
Operation	0	0	0	0	0	0 %
TOTAL INCOME	2,187,835	0	2,187,835	2,187,835	0	100%
(1) EXPENDITURE FOR TUITION						
Library and reference materials	7,007	0	7,007	0	7,007	0%
Exercise books	56,061	0	56,061	30,000	26,061	54%
Laboratory equipment	23,359	0	23,359	53,000	29,641	100%
Internal exams	11,680	0	11,680	0	11,680	227%
Teaching / learning materials	18,687	0	18,687	0	18,687	0%
Bank charges	0	0	0	360	-360	00%
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	394,811	0	394,811	106,000	288,811	27%
Repairs and maintenance	43,071	0	43,071	319,300	-276,229	741%
Local transport / travelling	43,071	0	43,071	20,000	23,071	46%
Electricity and water	64,605	0	64,605	14,890	49,715	23%
Medical	28,713	0	28,713	0	28,713	0%

KABUABUA GIRLS SECONDARY SCHOOL

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For the year ended 30th June 2021

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
Administration costs	78,962	0	78,962	296,431	-217,469	375%
Activity	64,605	0	64,605	27,000	37,605	42%
Gratuity	0	0	0	0	0	0%
Bank charges	0	0	0	1,440	-1,440	0%
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	186,200	0	186,200	250,500	64,300	135%
Repairs and maintenance	118,900	0	118,900	178,255	-59,355	150%
Local transport / travelling	98,850	0	98,850	123,300	-24,450	125%
Electricity and water	125,500	0	125,500	135,073	-9,573	108%
Medical	0	0	0	0	0	0%
Administration costs	99,092	0	99,092	102,280	-3,188	103%
Boarding Equipment and Stores	724,661	0	724,661	587,910	136,751	81%
lunch	0	0	0	1,220	-1,220	0%
Bank charges	0	0	0	3,818	-3,818	0%
TOTALS	2,187,835	0	2,187,835	2,250,777	-62,942	103%

IX. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)**5. Accounts Receivable**

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

X. NOTES TO THE FINANCIAL STATEMENTS**1 CAPITATION GRANT FOR TUITION**

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	7,007	0
Exercise books	56,061	0
Laboratory equipment	23,359	0
Internal exams	11,680	0
Teaching / learning materials	18,687	0
Chalks	0	0
Exams and assessment	0	0
Teachers guides	0	0
Total	116,794	0

2 CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	394,811	0
Repairs and maintenance	43,071	0
Local transport / travelling	43,071	0
Electricity and water	64,605	0
Medical	28,713	0
Administration costs	78,962	0
Activity	64,605	0
Total	717,838	0

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	186,200	0
Repairs and maintenance	118,900	0
Local transport / travelling	98,850	0
Electricity and water	125,500	0
Medical	0	0
Administration costs	99,092	0
Activity	0	0
Total	628,542	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	2020-2021	2019-2020
	Kshs	Kshs
Fee on Boarding Equipment and Stores	724,661	0
Rent income	0	0
Income from farming activities	0	0
Insurance compensation	0	0
Income from Posho mill	0	0
Income from Bus Hire	0	0
Fee for hire of ground and equipment	0	0
Income from grants and donations*	0	0
Interest income	0	0
Dividends income	0	0
Total	724,661	0

5 PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Textbooks and reference materials	0	0
Exercise books	30,000	0
Laboratory equipment	53,000	0
Internal exams	0	0
Teaching / learning materials	0	0
Chalks	0	0
Exams and assessment	0	0
Teachers guides	0	0
Administration Costs	0	0
Bank Charges	360	0
Total	83,360	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	106,000	0
Service Gratuity	0	0
Administration Cost	296,431	0
Repairs and maintenance & improvements	319,300	0
Local transport / travelling	20,000	0
Electricity and water	14,890	0
Medical	0	0
Activity Expenses	27,000	0
SMASSE	0	0
Insurance Cost	0	0
Bank Charges	1,440	0
Acquisition of Assets	0	0
TOTAL	785,061	0

7 BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	250,500	0
Service Gratuity	0	0
Repairs and maintenance & Improvements	178,255	0
Local transport / travelling	123,300	0
Electricity and water	135,073	0
Medical Expenses	0	0
Administration costs	102,280	0
Lunch Programme	1,220	0
Bank Charges	3,818	0
Expenses on Income Generating Activities	0	0
Fee on Boarding Equipment and Stores	587,910	0
Rent Expenses	0	0
Insurance Cost (Life Property)	0	0

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Loan Principal repayment	0	0
Loan Interest repayment	0	0
Acquisition of Assets	0	0
TOTAL	1,382,356	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2020-2021	2019-2020
		Kshs	Kshs
Tuition Account		38,150	0
Operations Account		101,675	0
School Fund Account/Boarding		33,670	0
Savings Account		0	0
Parent Association Development Account		0	0
Income generating activities Account		0	0
Infrastructural Account		0	0
Total		173,495	0

9 CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	0	0
Operation Account	0	0
School Fund account	0	0
Total	0	0

10 SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Cooperative shares	0	0
Treasury Bills	0	0
Fixed deposit	0	0
Equity stock	0	0
Other investments	0	0
Total	0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)**11 ACCOUNTS RECEIVABLE**

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	2,729,314	0
Other non-fees receivables	0	0
Salary advances	0	0
Imprest	0	0
Total	2,729,314	0

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	755,360	0
Fees arrears for the previous year	755,360	0
Fees arrears for prior periods (over two years)	1,218,594	0
Total	2,729,314	0

12 ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	773,691	0
Prepaid fees	0	0
Retention monies	0	0
Total	773,691	0

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	353,150	0
Trade creditors for the previous year	210,280	0
Trade creditors for prior periods (over two years)	210,261	0
Total	773,691	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)**13 FUND BALANCE BROUGHT FORWARD**

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	220,519	0
Cash balances	15,918	0
Short Term Investments	0	0
Receivables	2,729,314	0
Payables	-773,691	0
Total	2,192,060	0

KABUABUA GIRLS SECONDARY SCHOOL
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Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank loan(s)	0	0
Outstanding Leases	0	0
Hire purchase	0	0
Gratuity and leave provision	0	0
Total	0	0

15 Biological assets

Description	Numbers	2020-2021	2019-2020
		Kshs	Kshs
Cattle		0	0
Goats		35,000	0
Trees		0	0
Coffee or tea plantation		0	0
Poultry		0	0
Total		35,000	0

16 Borrowings

Description	2020-2021	2019-2020
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayments of during the year	(0)	(0)
Balance at end of the year	0	0

Other important disclosure notes**17 Stock/ Inventory**

Description	2020-2021	2019-2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	0	0
Stock/ inventory purchased during the year	0	0
Stock/ inventory issued during the year	(0)	(0)
Balance at end of the year	0	0

18 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)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Outstanding Balance 2021-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods				105,000	105,000	Will be paid early next financial year
4. Lyshum				200,000	200,000	Will be paid early next financial year
5. Regional suppliers				378,691	378,691	Will be paid early next financial year
6. Eusabius muthegi						
Sub-Total				683,691	683,691	
Supply of services						
7. Kamunga				90,000	90,000	Will be paid early next financial year
8.						
9.						
Sub-Total				90,000	90,000	
Grand Total				773,691	773,691	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2021
Land 1			3,000,000			3,000,000
Land 2			0			0
Buildings and structures			1,000,000			1,000,000
Motor vehicles			0			0
Office equipment, furniture and fittings			500,000			500,000
ICT Equipment, and Other ICT Assets			600,000			600,000
Tools and apparatus			300,000			300,000
Textbooks			200,000			200,000
Other Machinery and Equipment			500,000			500,000
Heritage and cultural assets			200,000			200,000
Intangible assets- soft ware			100,000			100,000
Total			6,400,000			6,400,000

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TRIAL BALANCES CONTINUED

OPERATIONS ACCOUNT

TRIAL BALANCE AS AT 30/06/2021

VOTE HEADS	LF	Approved estimates	DR	CR	Commitment	Balance	Adjustments		Final trial balance	
							DR	CR	DR	CR
Opening balances		-	0	168,898		-	-	-	0	168,898
		-	0	0		-	-	-	0	0
Repairs Maintenance & Improvement			319,300	43,071			-	-	319,300	43,071
Local Transport & Travel			20,000	43,071			-	-	20,000	43,071
EW&C			14,890	64,605			-	-	14,890	64,605
Administration cost			296,431	78,962			-	-	296,431	78,962
Co-curium activity			27,000	64,605			-	-	27,000	64,605
Personal Emoluments			106,000	394,811			-	-	106,000	394,811
Medical		-	0	28,713					0	28,713
Infrastructure			0	0					0	0
Bank charges		-	1,440	0		-	-	-	1,440	0
closing balances		-	101,675	0		-	-	-	101,675	0
		-	0	0		-	-	-	0	0
TOTAL			886,736	886,736			-	-	886,736	886,736

Prepared by:

Name GAKUNGA SERAPHINA date 29/04/2026 signature [Signature]

Principal/B.O.M Secretary

Approved by:

Name ZACHARY MBERIA date 29/04/2026 signature [Signature]

B.O.M Chair.

KABUABUA GIRLS SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

TRIAL BALANCES CONTINUED
TUITION ACCOUNT

TRIAL BALANCE AS AT 30/06/2021

VOTE HEADS	LF	Approved estimates	Adjustments		Commitment	Balance	Final trial balance	
			DR	CR			DR	CR
Opening balances		-	0	4,716		-	0	4,716
-Bank		-	0	0		-	0	0
-Cash								
Exercise books			30,000	56,061			30,000	56,061
Laboratory equipment's			53,000	23,359			53,000	23,359
Teaching and learning materials			0	18,687			0	18,687
Internal Exams			0	11,680			0	11,680
Reference and library Materials			0	7,007			0	7,007
Bank charges		-	360	0			360	0
Closing balances		-	38,150	0			38,150	0
-Bank		-	0	0			0	0
-Cash								
TOTAL			121,510	121,510			121,510	121,510

Prepared by: SAKUNGA SEAPHINA date: 29/04/2026 signature: [Signature]

Principal/B.O.M Secretary

Approved by: ZACHARY MBERIA date: 29/04/2026 signature: [Signature]

B.O.M Chair.

KABUABUA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2021

TRIAL BALANCES CONTINUED

SCHOOL FUND ACCOUNT

TRIAL BALANCE AS AT 30/06/2021

VOTE HEADS	L F	Approved estimates			Commitment	Balance	Adjustments		Final trial balance	
			DR	CR			DR	CR	DR	CR
Opening balances		-	0	46,905		-	-	-	0	46,905
		-	0	15,918		-	-	-	0	15,918
B.E.S			587,910	724,661			-	-	587,910	724,661
RMI			178,255	118,900			-	-	178,255	118,900
LT&T			123,300	98,850					123,300	98,850
P.E			250,500	186,200					250,500	186,200
ADMINISTRATIVE COST			102,280	99,092					102,280	99,092
EW&C			135,073	125,500					135,073	125,500
LUNCH			1,220	0					1,220	0
Bank charges		-	3,818	0			-	-	3,818	0
Closing balances		-	33,670	0		-	-	-	33,670	0
		-	0	0		-	-	-	0	0
TOTAL			1,416,026	1,416,026			-	-	1,416,026	1,416,026

Prepared by;

Name GAKUNGA SERAPHINA date 29/04/2026 signature SSGf.

Principal/B.O.M Secretary

Approved by;

Name ZACHARY MBERIA date 29/06/2026 signature Reuben

B.O.M Chair.



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