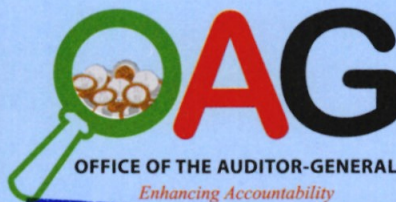


REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT DATE: 18 JUN 2026

DAY.

Thursday

TABLED
BY:

Hon. Samuel Chepkonga
(on behalf of leaders of Majority)

CLERK-AT
THE-TABLE:

Wongale

OF

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

KABUABUA GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

THARAKA-NITHI COUNTY



KABUABUA GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2022

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

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

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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 220 number of students as at 30th June 2022. It has ONE streams and 13 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 0 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 2022 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:

Under this section, the following information should be given:

-Surplus/ deficit

<i>Year</i>	<i>2021-2022</i>	<i>2021</i>	<i>2020</i>
<i>Total</i>	424,526	-62,942	0

-Capitation grants from the Ministry

<i>Year</i>	<i>2021-2022</i>	<i>2021</i>	<i>2020</i>
<i>Total</i>	4,699,103	2,187,835	0

Ratio of capitation grant per student

<i>Year</i>	<i>2021-2022</i>	<i>2021</i>	<i>2020</i>
<i>Total</i>	21,340	15,627	

Movement of Debtors

<i>Year</i>	<i>2021-2022</i>	<i>2021</i>	<i>2020</i>
<i>Total</i>	2,430,189	2,729,314	0

Movement of Creditors

<i>Year</i>	<i>2021-2022</i>	<i>2021</i>	<i>2020</i>
<i>Total</i>	838,962	773,692	0

Movement of cash and bank balances

<i>Year</i>	<i>2021-2022</i>	<i>2021</i>	<i>2020</i>
<i>Total</i>	598,021	173,495	0

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

b) Teacher Student ratio:1 :220

<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>10</i>
<i>Number of teachers employed by BOM</i>	<i>3</i>
<i>Teachers students ratio</i>	<i>1:220</i>

c) Mean score in the 2022 KCSE:

YEAR	ENTRY	TARGET SCORE	ACHIEVED MEAN SCORE	C+ AND ABOVE	COMMENTS
2022	31	4.02	3.84	0	Fair
2021	23	4.02	2.87	0	Fair
2020	16	4.02	2.62	0	Fair

d) Number of Candidates in the 2022 KCSE:

YEAR	NUMBER OF CANDIDATE
2022	31
2021	23
2020	16

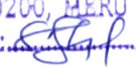
e) Capacity of the school:

FACILITY	AVAILABLE	NO.OF LEARNERS	VARIANCE	REMARKS
Classroom	4	45	2	2 REQUIRED
Dinning	0	220	1	1 REQUIRED
Science Lab	0	220	1	1 REQUIRED
Dormitories	1	220	1	1 REQUIRED
Bathrooms	12	220	1	1 REQUIRED
Toilets	12	220	1	1 REQUIRED

KABUABUA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022****f) Development projects carried out by the school:**

project	Source of fund	Status	Initial cost ksh	Amount Spent Ksh	Expected completion time
Installation of energy saving boilers	Ministry of education	complete	90,000	90,000	completed

Sign**School Principal**

THE PRINCIPAL
KABUABUA GIRLS SEC. SCH.
P.O. Box 2897 - 60200, MERU
Date: 29/4/22 Sign: 

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of **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, 2022**, and of the school's financial position as at that date.

Name: ZACHARY MBERUA

Designation: Chairman, School Board of Management

Sign: [Signature]

Date: 29/04/2022

Name: GRACIA SERAPHINA

Designation: School Principal & Secretary to Board of Management

Sign: [Signature]

Date: 29/04/2022

Name: FAITH MUSEMA

Designation: Bursar/Finance Officer

Sign: [Signature]

Date: 29/04/2022

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 YEAR ENDED 30 JUNE, 2022 - 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 31, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kabuabua Girls Secondary School as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the 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.280,723 and Kshs.918,963 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.1,506,186 whereas the NEMIS reflects capitation amount of Kshs.1,763,312 resulting in an unexplained variance of Kshs.257,125.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations amounting to Kshs.280,723 and Kshs.918,963 respectively could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects a cash and cash equivalents balance of Kshs.598,021 as disclosed in Note 10 and Note 11 to the financial statements. Included in the balance is bank and cash balance of Kshs.258,714 and Kshs.339,307 respectively which were not supported by bank reconciliations statements and a board of survey certificate. 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.598,021 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.

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 Key School Information and Management, Summary Report of Performance of the School and 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, 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 year under review, Management submitted the financial statements to the Auditor-General on 30 September, 2024 instead of the statutory deadline of 30 September, 2022. This was contrary to Section 81(4) of the Public Finance Management Act, 2012 which requires that within three months after the end of each financial year, the Accounting Officer for an entity shall submit the entity's financial statements to the Auditor-General.

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 some information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- i. The statement of budget and actual amounts was not paged.
- ii. The summary report of performance of the School did not disclose movement in expenditure and payables.
- iii. The financial statement had three (3) blank pages.
- 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. Under funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.280,723 and Kshs.918,963 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the year under review, NEMIS reported a total number of eighty-two (82) students while the enrolment records provided by the School indicated a total number of one hundred and forty (140) students, resulting in an unexplained variance of fifty-eight (58) students. As a result of the variances, the School was under funded by an amount of Kshs.55,916.

In the circumstances, the underfunding of the School may have affected service delivery to the public.

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

The statement of receipts and payments reflects School fund payments amount of Kshs.2,877,123 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.508,800 transferred to the 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.508,800 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 2021/2022. Review of text books records revealed that the Institute distributed one thousand four hundred and seventy-eight (1,478) books to the School while one thousand one hundred and fifty-eight (1,158)

books were issued to the students, resulting in an unexplained excess text books of three hundred and twenty (320) in the School store. However, there was under supply of text books totalling to three hundred and twenty (320) textbooks for compulsory subjects including English, Kiswahili, Maths, Christian Religious Education (CRE) and set books.

In the circumstances, value for money on the excess three hundred and twenty (320) 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. Aailed documents 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 year 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.

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;

9.1 Lack of Inspection and Acceptance Committee Reports

Review of payments made revealed that the Accounting Officer did not appoint the inspection and acceptance committee as required in 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 procured during the financial year.

9.2 Failure to Establish a Functional Procurement Unit

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.

9.3 Failure to Prepare an Annual Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.4,699,103 and Kshs.4,274,577 in respect of total receipts and payments respectively. However, during the year 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.4,699,103 and Kshs.4,274,577 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 and receiving of items were 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. Examination of various records including payment vouchers revealed that 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.918,963 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 as shown below. 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.

Operations Capitation Amount (Kshs.)	Date Capitation Credited to Operations Account	Infrastructure Amount (Kshs.)	Date Funds Transferred to Infrastructure Account	Number of Days
337,500	04 August, 2021	150,000	24 August, 2021	20
266,528	13 October, 2021	106,500	11 November, 2021	29

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 year and the closing balances. Further, the School had not tagged its assets which includes 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 under 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, effective handling of the boards mandate and responsibilities could not be confirmed.

3. Lack of an Internal Audit Review

During the year 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 members were not provided for audit review. Further, attendance register and minutes of meetings attended were not provided.

In the circumstances, the Board's effectiveness in executing its mandate and responsibilities could not be confirmed.

5. Failure to Provide Employment Records

The statement of receipts and payments and as disclosed in Note 7 and Note 9 to the financial statements reflects Kshs.998,154 and Kshs.2,877,123 in respect to payments for operations and boarding and school fund respectively. Included in the amounts is a balance of Kshs.348,000 and Kshs.375,470 as disclosed in Note 7 and Note 9 respectively for personnel emoluments. Management of the School had engaged two (2) BOM teachers and four (4) casuals. However, records including contracts and muster rolls for all the staff engaged were not provided for audit. Further, no annual staff appraisals and trainings for the staff was done.

In the circumstances, efficiency and effectiveness in teaching and non-teaching staff could not be confirmed.

6. Lack of Risk Management Policy

During the year under review, 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.

7. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects a balance of Kshs.2,430,189 in respect to accounts receivables as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.1,707,069 which had been outstanding for more than three (3) years. Further, no recoveries were made in the year under review casting doubt on their recoverability. In addition, 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 existence of effective debt recovery mechanisms 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

25 May, 2026

V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021-2022 Kshs	2020-2021 Kshs
RECEIPTS			
Capitation grants for tuition	1	280,723	116,794
Capitation grants for operations	2	918,963	717,838
School Fund Income- Parents' Contributions	4	1,715,809	628,542
Capitation grants for infrastructure	3	306,500	0
Other Receipts-School Fund	5	1,477,108	724,661
TOTAL RECEIPTS		4,699,103	2,187,835
PAYMENTS			
Payments for Tuition	6	308,820	83,360
Payments for operations	7	998,154	785,061
Boarding and school fund payments	9	2,877,123	1,382,356
Payments for infrastructure	8	90,480	0
TOTAL PAYMENTS		4,274,577	2,250,777
SURPLUS/DEFICIT		424,526	-62,942

The school financial statements were approved on 30/06/2022 and signed by:

Sign: 
 Name: ZACHARY MUSENA
 Chair BOM

Sign: 
 Name: GAKUNGA SERAPHINA
 School Principal/
 Secretary to BOM

Sign: 
 Name: FAITH MUSENA
 Bursar/
 Finance Officer

Date: 29/06/2022

Date: 29/06/2022

Date: 29/06/2022

KABUABUA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022****VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022**

	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	10	258,714	173,495
Cash Balances	11	339,307	0
Total Cash and cash equivalent		598,021	173,495
Account's receivables	13	2,430,189	2,729,314
TOTAL FINANCIAL ASSETS		3,028,210	2,902,809
FINANCIAL LIABILITIES			
Accounts Payables	14	838,962	773,691
NET FINANCIAL ASSETS		2,189,248	2,129,118
REPRESENTED BY			
Accumulated Fund b/fwd	15	1,764,722	2,192,060
Surplus/Deficit for the year		424,526	-62,942
NET FINANCIAL POSSITION		2,189,248	2,129,118

The School's financial statements were approved on 30/06/2022 and signed by:

Name: <u>Zachary M. Benu</u>	Name: <u>GAKUNGA SERAPHINA</u>	Name: <u>TAITH MUSENA</u>
Chairman, BoM	School Principal Secretary	Bursar Finance
Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>	Sign: <u>[Signature]</u>
Date: <u>29/06/2022</u>	Date: <u>29/06/2022</u>	Date: <u>29/06/2022</u>

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

		2021-2022	2020-2021
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	280,723	116,794
Capitation grants for operations	2	918,963	717,838
School fund income- Parents contributions/ fees	4	3,192,917	1,353,203
Capitation grants for Infrastructure	3	306,500	0
Total receipts		4,699,103	2,187,835
Payments			
Payments for Tuition	6	308,820	83,360
Payments for operations	7	998,154	785,061
Payments for infrastructure	8	90,480	0
Boarding and school fund payments	9	2,877,123	1,382,356
Total payments		4,274,577	2,250,777
Net cash flow from operating activities		424,526	-62,942
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			0
Acquisition of Assets			(0)
Proceeds from investments			0
Purchase of investments			(0)
Net cash flows from Investing Activities		0	0
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			0
Repayment of principal borrowings			0
Net cash flow from financing activities		0	0
NET INCREASE IN CASH AND CASH EQUIVALENTS		424,526	-62,942
Cash and cash equivalent at BEGINNING of the year		173,495	236,437
Cash and cash equivalent at END of the year		598,021	173,495

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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

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	16,842	0	16,842	16,842	0	100%
Exercise books	134,747	0	134,747	134,747	0	100%
Laboratory equipment	56,145	0	56,145	56,145	0	100%
Internal exams	28,073	0	28,073	28,073	0	100%
Teaching / learning materials	44,916	0	44,916	44,916	0	100%
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	514,563	0	514,563	514,563	0	100%
Repairs and maintenance	0	0	0	0	0	0%
Local transport / travelling	0	0	0	0	0	0%
Electricity and water	110,291	0	110,291	110,291	0	100%
Medical	49,017	0	49,017	49,017	0	100%
Administration costs	134,801	0	134,801	134,801	0	100%
Activity	110,291	0	110,291	110,291	0	100%
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	305,940	0	305,940	305,940	0	100%
Repairs and maintenance	195,890	0	195,890	195,890	0	100%
Local transport / travelling	138,080	0	138,080	138,080	0	100%
Electricity and water	123,250	0	123,250	123,250	0	100%
Activity	129,550		129,550	129,550	0	100%

KABUABUA GIRLS SECONDARY SCHOOL

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For the year ended 30th June 2022

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
Harambee	391,429	0	391,429	391,429	0	100%
Administration costs	173,300	0	173,300	173,300	0	100%
Arreas	258,370	0	258,370	258,370	0	100%
Fee on Boarding Equipment and Stores	1,477,108	0	1,477,108	1,477,108	0	100%
(4) CAPITATION GRANT ON INFRASTRUCTURE						
Operation	306,500	0	306,500	306,500	0	0 %
TOTAL INCOME	4,699,103	0	4,699,103	4,699,103	0	100%
(1) EXPENDITURE FOR TUITION						
Library and reference materials	16,842	0	16,842	65,000	-48,158	386%
Exercise books	134,747	0	134,747	30,000	104,747	22%
Laboratory equipment	56,145	0	56,145	20,000	36,145	36%
Internal exams	28,073	0	28,073	169,750	-141,677	605%
Teaching / learning materials	44,916	0	44,916	22,270	22,646	50%
Bank charges	0	0	0	1,800	-1,800	0%
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	514,563	0	514,563	348,000	326,005	52%
Repairs and maintenance	0	0	0	144,470	-144,470	0%
Local transport / travelling	0	0	0	166,200	-166,200	0%
Electricity and water	110,291	0	110,291	90,000	20,291	82%
Medical	49,017	0	49,017	0	49,018	0%
Administration costs	134,801	0	134,801	120,644	-14,157	99%
Activity	110,291	0	110,291	128,000	-17,709	116%
Gratuity	0	0	0	0	0	0%
Bank charges	0	0	0	840	-840	0%

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

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
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	305,940	0	305,940	375,470	-69,530	123%
Repairs and maintenance	195,890	0	195,890	196,326	-436	100%
Local transport / travelling	138,080	0	138,080	87,600	50,480	63%
Electricity and water	123,250	0	123,250	79,387	43,863	64%
Activity	129,550		129,550	58,200	71,350	45%
Harambee	391,429	0	391,429	0	391,429	0%
Administration costs	173,300	0	173,300	409,130	-235,830	236%
Arreas	258,370		258,370	0	258,370	0%
Fee on Boarding Equipment and Stores	1,477,108	0	1,477,108	1,667,770	-190,662	113%
Bank charges	0	0	0	3,240	-3,240	0%
(4) EXPENDITURE FOR INFRASTRUCTURE						
Operation	306,500		306,500	0	306,500	0%
Repairs and maintenance	0		0	90,000	-90,000	0%
Bank charges	0		0	480	-480	0%
TOTALS	4,699,103	0	4,699,103	4,274,577	424,526	91%

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 2022.

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

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	16,842	7,007
Exercise books	134,747	56,061
Laboratory equipment	56,145	23,359
Internal exams	28,073	11,680
Teaching / learning materials	44,916	18,687
Chalks	0	0
Exams and assessment	0	0
Teachers guides	0	0
Total	280,723	116,794

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	624,853	394,811
Repairs and maintenance	0	43,071
Local transport / travelling	0	43,071
Electricity and water	0	64,605
Medical	49,018	28,713
Administration costs	134,801	78,962
Activity	110,291	64,605
Total	918,963	717,838

3 CAPITATION GRANT FOR INFRASTRUCTURE

	2021-2022	2020-2021
	Kshs	Kshs
operation	306,500	0
Repairs and maintenance	0	0
Local transport / travelling	0	0
Total	306,500	0

4 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	305,940	186,200
Repairs and maintenance	195,890	118,900
Local transport / travelling	138,080	98,850
Electricity and water	123,250	125,500
Harambee	391,429	0
Administration costs	173,300	99,092
Activity	129,550	0
Arreas	258,370	0
Total	1,715,809	628,542

NOTES TO THE FINANCIAL STATEMENTS (Continued)**5 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores	1,477,108	724,661
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	1,477,108	724,661

KABUABUA GIRLS SECONDARY SCHOOL**Annual Report and Financial Statements****For the year ended 30th June 2022****6 PAYMENTS FOR TUITION**

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	65,000	0
Exercise books	30,000	30,000
Laboratory equipment	20,000	53,000
Internal exams	169,750	0
Teaching / learning materials	22,270	0
Chalks	0	0
Exams and assessment	0	0
Teachers guides	0	0
Administration Costs	0	0
Bank Charges	1,800	360
Total	308,820	83,360

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 PAYMENTS FOR OPERATIONS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	348,000	106,000
Service Gratuity	0	0
Administration Cost	120,644	296,431
Repairs and maintenance & improvements	144,470	319,300
Local transport / travelling	166,200	20,000
Electricity and water	90,000	14,890
Medical	0	0
Activity Expenses	128,000	27,000
SMASSE	0	0
Insurance Cost	0	0
Bank Charges	840	1,440
Acquisition of Assets	0	0
TOTAL	998,154	785,061

8 PAYMENTS FOR INFRASTRUCTURE

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	0	0
Repairs and maintenance & improvements	90,000	0
Local transport / travelling	0	0
Insurance Cost	0	0
Bank Charges	480	0
TOTAL	90,480	0

9 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	375,470	250,500
Activity	58,200	0
Repairs and maintenance & Improvements	196,326	178,255
Local transport / travelling	87,600	123,300
Electricity and water	79,387	135,073
Administration costs	409,130	102,280
Lunch Program me	0	1,220
Bank Charges	3,240	3,818
Fee on Boarding Equipment and Stores	1,667,770	587,910
Acquisition of Assets	0	0
TOTAL	2,877,123	1,382,356



NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account		10,053	38,150
Operations Account		22,484	101,675
School Fund Account/Boarding		10,157	33,670
Savings Account		0	0
Parent Association Development Account		0	0
Income generating activities Account		0	0
Infrastructural Account		216,020	0
Total		258,714	173,495

11 CASH IN HAND

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	0	0
Operation Account	0	0
School Fund account	339,307	0
Total	339,307	0

12 SHORT TERM INVESTMENTS

Description	2021-2022	2020-2021
	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)

13 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	2,430,189	2,729,314
Other non-fees receivables	0	0
Salary advances	0	0
Imprest	0	0
Total	2,430,189	2,729,314

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	226,130	755,360
Fees arrears for the previous year	496,990	755,360
Fees arrears for prior periods (over two years)	0	0
Over 3 years	1,707,069	1,218,594
Total	2,430,189	2,729,314

14 ACCOUNTS PAYABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors	838,962	773,692
Prepaid fees	0	0
Retention monies	0	0
Total	838,962	773,692

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	838,962	773,692
Trade creditors for the previous year	0	0
Trade creditors for prior periods (over two years)	0	0
Total	838,962	773,692

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	173,495	220,519
Cash balances	0	15,918
Short Term Investments	0	0
Receivables	2,430,189	2,729,314
Payables	(838,962)	(773,691)
Total	1,764,722	2,192,060

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.

16 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank loan(s)	0	0
Outstanding Leases	0	0
Hire purchase	0	0
Gratuity and leave provision	0	0
Total	0	0

17 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle		0	0
Goats	8	40,000	35,000
Trees		0	0
Coffee or tea plantation		0	0
Poultry		0	0
Total		40,000	35,000

18 Borrowings

Description	2021-2022	2020-2021
	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

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Other important disclosure notes

19 Stock/ Inventory

Description	2021-2022	2020-2021
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	120,000	0
Stock/ inventory purchased during the year	50,000	0
Stovk.inventory of construction	100,000	0
Stock/ inventory issued during the year	(0)	(0)
Balance at end of the year	270,000	0

20 PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

PUBLIC SECONDARY SCHOOLS –KABUABUA GIRLS SECONDARY SCHOOL

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of goods						
1. Eusabius muthengi				284,700	378,691	To be paid early beginning of the r
2. Regional books supplies				230,000	200,000	To be paid early beginning of the r
3. lyshunn				74,262	105,000	To be paid early beginning of the r
Sub-Total				588,962	683,691	
Supply of services						
4. Dabuem suppliers				250,000	0	To be paid early beginning of the r
5. Kamunga				0	90,000	To be paid early beginning of the r
Sub-Total				250,000	90,000	
Grand Total				838,962	773,691	

PUBLIC SECONDARY SCHOOLS –KABUABUA GIRLS SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f 1 st July 2021 (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f 30 th June 2022 (Kshs)
Land			3,000,000	0	0	3,000,000
Buildings and structures			1,000,000	0	0	1,000,000
Motor vehicles			0	0	0	0
Office equipment, furniture and fittings			500,000	0	0	500,000
ICT Equipment, and Other ICT Assets			600,000	0	0	600,000
Tools and apparatus			300,000	0	0	300,000
Textbooks			200,000	0	0	200,000
Other Machinery and Equipment			500,000	0	0	500,000
Heritage and cultural assets			200,000	0	0	200,000
Intangible assets- soft ware			100,000	0	0	100,000
Total			<u>6,400,000</u>			<u>6,400,000</u>

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

TRIAL BALANCES CONTINUED
OPERATIONS ACCOUNT

TRIAL BALANCE AS AT 30/06/2022

VOTE HEADS	LF	Approved estimates	DR	CR	Commitment	Balance	Adjustments		Final trial balance	
							DR	CR	DR	CR
Opening balances -Bank		-	0	101,675		-	-	-	0	101,675
-Cash		-	0	0		-	-	-	0	0
Repairs Maintenance & Improvement			144,470	73,529			-	-	144,470	73,529
Local Transport & Travel			166,200	73,529			-	-	166,200	73,529
EW&C			90,000	110,291			-	-	90,000	110,291
Administration cost			120,644	134,801			-	-	120,644	134,801
Co-curriculum activity			128,000	110,291			-	-	128,000	110,291
Personal Emoluments			348,000	674,005			-	-	348,000	674,005
Medical		-	0	49,017					0	49,017
Infrastructure			306,500	0					306,500	0
Bank charges		-	840	0		-	-	-	840	0
closing balances -Bank		-	22,484	0		-	-	-	22,484	0
-Cash		-	0	0		-	-	-	0	0
TOTAL			1,327,138	1,327,138			-	-	1,327,138	1,327,138

Prepared by:

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

Principal/B.O.M Secretary

Approved by:

Name [Signature] 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 2022

TRIAL BALANCES CONTINUED
TUITION ACCOUNT

TRIAL BALANCE AS AT 30/06/2022

VOTE HEADS	LF	Approved estimates	Commitment		Balance		Adjustments		Final trial balance	
			DR	CR	DR	CR	DR	CR	DR	CR
Opening balances		-	0	38,150		-	-	0	0	38,150
-Bank		-	0	0		-	-	0	0	0
-Cash										
Exercise books			30,000	134,747		-	-	30,000	134,747	
Laboratory equipment's			20,000	56,145		-	-	20,000	56,145	
Teaching and learning materials			22,270	44,916		-	-	22,270	44,916	
Internal Exams			169,750	28,073				169,750	28,073	
Reference and library Materials			65,000	16,842		-	-	65,000	16,842	
Bank charges		-	1,800	0		-	-	1,800	0	
Closing balances		-	10,053	0		-	-	10,053	0	
-Bank		-	0	0		-	-	0	0	
-Cash										
TOTAL			318,873	318,873		-	-	318,873	318,873	

Prepared by: GAKUUNGA SEAPHINA date: 29/06/2022 signature: [Signature]

Principal/B.O.M Secretary

Approved by: [Signature] date: 29/06/2022 signature: [Signature]

B.O.M Chair

B.O.M Chair

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

TRIAL BALANCES CONTINUED
INFRASTRUCTURE ACCOUNT

TRIAL BALANCE AS AT 30/06/2022

VOTE HEADS	LF	Approved estimates	DR	CR	Commitment	Balance	Adjustments		Final trial balance	CR
							DR	CR		
Opening balances		-	0	0		-	-	-	0	0
- Bank										
- Cash		-	0	0		-	-	-	0	0
Operations a/c			0	306,500			-	-	0	306,500
Repairs & Maintenance			90,000	0			-	-	90,000	0
Bank charges		-	480	0			-	-	480	0
Closing balances		-	216,020	0		-	-	-	216,020	0
- Bank										
- Cash		-	0	0		-	-	-	0	0
TOTAL			306,500	306,500			-	-	306,500	306,500

Prepared by: CHAKUNGA SEPHATINA date: 29/04/2022 signature: [Signature]
Principal/B.O.M Secretary

Approved by: Zachary Mborara date: 29/04/2022 signature: [Signature]

KABUABUA GIRLS SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 30th June 2022

TRIAL BALANCES CONTINUED

SCHOOL FUND ACCOUNT

TRIAL BALANCE AS AT 30/06/2022

VOTE HEADS	L F	Approved estimates	Commitment		Balance	Adjustments		Final trial balance	
			DR	CR		DR	CR	DR	CR
Opening balances		-	0	33,670	-	-	-	0	33,670
		-	0	0	-	-	-	0	0
B.E.S			1,667,770	1,477,108		-	-	1,667,770	1,477,108
ACTIVITY			58,200	129,550				58,200	129,550
RMI			196,326	195,890		-	-	196,326	195,890
LT&T			87,600	138,080				87,600	138,080
P.E			375,470	305,940				375,470	305,940
ADMINISTRATIVE COST			409,130	173,300				409,130	173,300
EW&L			79,387	123,250				79,387	123,250
REARMBET			0	391,429				0	391,429
ARRRARS			0	258,370				0	258,370
Bank charges			3,240	0		-	-	3,240	0
Closing balances		-	10,157	0	-	-	-	10,157	0
		-	339,307	0	-	-	-	339,307	0
TOTAL			3,226,587	3,226,587		-	-	3,226,587	3,226,587

Prepared by: PAKLINGA SERAPHINA date 29/04/2022 signature SSGf.

Principal/B.O.M Secretary

Approved by: Anthony MBEWA date 29/04/2022 signature Rumw

B.O.M Chair.