

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY	
DATE: 08 NOV 2023	
DAY: Wednesday	
TABLED BY:	Hon. Silvanus Kasiro, MP Majority Party Whip
CLERK AT THE TABLE:	A. Shobuko

THE AUDITOR-GENERAL

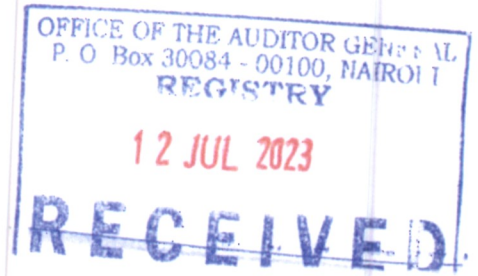
ON

KIRENGA GIRLS' HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2021**

KIAMBU COUNTY

**MINISTRY OF EDUCATION
STATE DEPARTMENT OF EARLY LEARNING AND
BASIC EDUCATION**



KIRENGA GIRLS' HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2021**

Kirenga girls high school
Reports and Financial Statements For the year ended 30th June 2021

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Kirenga girls high school
Reports and Financial Statements For the year ended 30th June 2021

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 Kiambu County, Iri Sub-County

The school was registered in 2012 under registration number 22S00030062 and is currently categorized as a *Sub County* public school established, owned or operated by the Government.

The school is a day school and had 278 number of students as at 30th June 2021. It has two streams and 17 teachers of which one teacher 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	Samuel Mugo	Chairman	17th April 2019
2	Mary N. Kariuki	Secretary - Principal	17th April 2019
3	Samuel Wanjema	Deputy Chairman	17th April 2019
4	Wallace Gitau	Member	17th April 2019
5	Loise kinyanjui	Member	17th April 2019
6	Geoffrey Kimemia	Member	17th April 2019
7	Joseph Maina	Member – Rep CEB	17th April 2019
8	Christopher Anyembe	Member Rep Teachers	17th April 2019
9	Caroline Kuria	Member - Community	17th April 2019
10	Teresiah Kariuki	Member	17th April 2019
11	Bernard Miako	Member	17th April 2019
12	Veronicah Wanjiku	Member	17th April 2019
13	Ivy Kazira	Rep Students	17th April 2019
14	Chege Kiarie	Member	17th April 2019

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

Kirenga girls high school

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- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

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

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Samuel Mugo Mary N. Kariuki Teresiah N.Kariuki Wallace Gitau Joseph Maina	Chairperson Secretary Member Member Member	2/2
2	Audit Committee	Joseph Maina Chege Kiarie Bernard Miako Teresiah Kariuki	P. A Chairperson Member Member Member	1/1
3	Finance, procurement and general purposes Committee	Joseph Maina Wallace Gitau Jane Gathoni Chege Kiarie	Chairperson Member Member Member	1/1
4	Academic Committee	Joseph Maina Christopher Anyembe Samuel Wanjema Susan Njenga	Member Member Vice Chairperson Deputy Principal	2/2
5	School infrastructure Committee (SIC)	SCDE Samuel Mugo Samuel Wanjema Geoffrey Kimemia Joseph Maina +	Member Chairperson Member Member Member	2/2
6	Discipline and welfare Committee	Samuel Wanjema Christopher Anyembe Joseph Maina Samuel K. Gitau Susan Njenga	Vice Chairperson Member Member Member Member	2/2
7	Adhoc Committee (if any during the year)			

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Reports and Financial Statements For the year ended 30th June 2021

(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	Mary N. Kariuki	307766
2	Deputy Principal	Susan Njenga	303925
3	School Bursar	Teresia G. Kariuki	-

(e) Schools contacts

Post Office Box: 190-00221 Matathia
Telephone: 0726399263
E-mail: Kirenga girl@yahoo.com

Website: None
Facebook: None
Twitter: None

(f) School Bankers

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

1. Name of Bank: National Bank
Branch: Limuru
Account Number: 0102150613700 : School Fund Account
2. Name of Bank: National Bank
Branch: Limuru
Account Number: 01025050613701 : Operation Account
3. Name of Bank: National Bank
Branch: Limuru
Account Number: 01025050613700 : Tuition Account
4. Name of Bank: National Bank
Branch: Limuru
Account Number: 01022050613700 : Infrastructure Account
5. Name of Bank: K-Unity
Branch: Kimende
Account Number: 0041000006533: Savings Account

(g) Independent Auditors

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

Kirenga girls high school
Reports and Financial Statements For the year ended 30th June 2021

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:**

FINANCIAL PERFORMANCE

Year	Surplus/ Deficit	Capitation Grant			Capitation/ Students Ratio	Income	Expenditu re	Debtors	Creditors	Cash and Bank Balances
		operation	Tuition	total						
2022	197939.11	5688651.40	1295208.2	6983859.6	18773.81	12277216.5	10542144.7	156400	17,000.00	1738222.19
2021	97136.00	3294974.00	495104	3790078.00	10828.00	6243207.00	6146071.00	2885388.93	23,000.00	976,138.10
2020	1448690.11	6,512,625.00	643,121.00	7,155,746.00	23,852.5	8,865,795.00	6,046,918.00	2,716,160.93	45,500.00	406048.00

TEACHER STUDENT RATIO

Number of students	350	TSC Teachers	BOM Teachers	TSC Posting 2021	Transfer/Retirement 2021
Number of teachers	17	16	1	2	0
Teacher student ratio	16 students per teacher				

SUBJECT	HIST	GEO	CRE	BIO	AGRI	CHEM	PHY	ENG/LIT	MATH	BUS	KISW
NO. OF TEACHERS	2	2	2	3	1	3	1	3	3	2	3
SHORTAGE	-	-	-	1	1	1	1	2	1	1	-

b) **Mean score in the 2020 KCSE:**

Mean score in the 2020 KCSE

DESCRIPTION	2020	2019	2018
GIRLS	58	61	63
MEAN SCORE	3.29	3.28	2.67
BEST STUDENT	B-	B	B-

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Reports and Financial Statements For the year ended 30th June 2021

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c) Number of Candidates in the 2021 KCSE:

2020 candidates sat for their KCSE in March 2021

d) Development projects carried out by the school:

Development projects carried out by the school:

PROJECT	AMOUNT	FUNDING
2 Storey classrooms	2,500,000	m.o.e
Total	2,500,000	

Sign



School Principal

MARY KARURI

Kirenga girls high school
Reports and Financial Statements For the year ended 30th June 2021

Kirenga Girls High School

Reports 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 KIRENGA GIRLS HIGH SCHOOL accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

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

Name: MR MICHAEL MUNGAI

Designation: Chairman, School Board of Management

Sign: 

Date: 11/07/2023

Name: MRS MARY KARIUKI

Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 11/07/2023

Name: TERESIAH KARIUKI

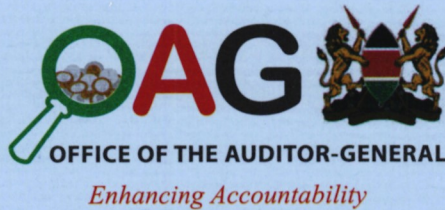
Designation: Bursar

Sign: 

Date: 11/07/2023

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 KIRENGA GIRLS' HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021- KIAMBU COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on the Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kirenga Girls' High School set out on pages 9 to 24, which comprise of the statement of financial assets and

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Kirenga Girls' High School - Kiambu County as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts reflects total receipts amount of Kshs.6,243,207, Kshs.6,051,479 and Kshs.5,966,209, respectively. The variances between each of the three financial statements were not explained or reconciled. Further, the statement of receipts and payments and the statement of budget versus actual amounts reflects actual expenditure of Kshs.6,146,071 and Kshs.5,897,126, respectively resulting to unreconciled variance of Kshs.248,945.

In addition, the statement of budget versus actual amounts reflects total original expenditure budget amount of Kshs.5,953,233 against the final budget amount of Kshs.5,951,443 resulting to unreconciled adjustment of Kshs.1,790.

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

2. Unreconciled Bank Balance

The statement of financial assets and liabilities reflects cash and cash equivalents balance of Kshs.1,774,156 as disclosed in Notes 8 and 9 to the financial statements. However, the balance includes Infrastructural account balance of Kshs.798,017 which differed with cash book balance of Kshs.858,727 resulting to unreconciled variance of kshs.60,710.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.798,017 could not be confirmed.

3. Unsupported Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.2,885,389 as disclosed in Note 11 to the financial statements.

However, aged student-debtors' listing, individual students' account statements or students' ledger accounts in support of the balance were not provided for audit.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.2,885,389 could not be confirmed.

4. Unsupported Accounts Payables

The statement of financial assets and liabilities reflects accounts payables balance of Kshs.23,000 as disclosed in Note 12 to the financial statements. However, aged creditors listing, creditors ledger records and statements in support of the balance were not provided for audit.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.23,000 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Non-Compliance with the Public Sector Accounting Standards Board (PSASB) Reporting Requirements

The Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 requires the first financial

statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021 with comparatives being for twelve (12) months from 1 January, 2019 to 30 December, 2019. Further, a disclosure note ought to have been included in the financial statements that the reason for preparing for longer period is due to the adoption of IPSAS for school and the change from calendar year to government fiscal year. In addition, a disclosure note should be made in the financial statements that the comparative information may not be comparable due to the longer period covered by the current financial period.

However, Management presented the annual report and financial statements covering only one year for financial year 2020-2021 with comparative balances for financial year 2019. Therefore, the financial statements have not been prepared for eighteen-months (18) as prescribed the Public Sector Accounting Standards Board (PSASB).

Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

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

2. Irregularities in the Procurement of Goods and Services

The statement of receipts and payments reflects payments for operations amount of Kshs.3,513,518 as disclosed in Note 6 to the financial statements. However, the expenditure includes an amount of Kshs.942,498 incurred on procurement of various goods and services whose inspection and acceptance committee certificates were not provided for audit. This is contrary to Regulation 166(2) of the Public procurement and Disposal Regulations, 2020 that requires an Accounting Officer to ensure that stores are inspected, received and a report prepared on item suitability and conformity to specifications as provided under Sections 48 and 150 of the Act.

In the circumstances, value for money for the expenditure of Kshs.942,498 could not be confirmed. Further, the Management was in breach of the law.

3. Failure to Put in Place a School Improvement Plan

Section 2.2.1 of the Operational Manual for Utilization of Learner Capitation, Grant and Other School funds requires a school to develop improvement plan which is a road map for changes that a school needs to improve the environment and learning outcomes. However, the school did not develop an improvement plan to be used to measure improvement of activities and hold schools accountable, keep the in focus in achieving the target, prioritization of school needs, ensuring prudent utilization of resources and to improve accountability.

In the circumstances, Management was in breach of the requirements of the Operation Manual for Utilization of Learner Capitation Grant and Other School Funds.

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Non-Disclosure of Inventories

During the financial year under review, the School procured stationeries, foodstuff, laboratory chemicals and apparatus which were recorded in stores ledger. Further, audit inspection of ledger records revealed that the School was holding inventories of undetermined value as at 30 June, 2022 which were not disclosed in the financial statements.

In the circumstances, the internal controls were not working as intended and their effectiveness during the period under review could not be confirmed.

2. Lack of Fixed Assets Register

The summary of fixed asset register was not disclosed in Annex 2 to the financial statements and the Management did not maintain an asset register.

In the circumstances, the internal controls relating to fixed assets could not be confirmed.

3. Failure to Develop Risk Management Strategies

The Management did not have in place risk management strategies. This is contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer shall ensure that the National Government entity develops risk management strategies, which include

fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, the Management is not in a position to evaluate, rank and prioritize critical risks and channel resources towards mitigating the identified risks resulting to sub-optimal utilization of resources and exposure to losses.

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 processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them, and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the School policies and procedures may deteriorate.

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue as a going concern or to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 October, 2023

Kirenga girls high school

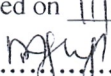
Reports and Financial Statements For the year ended 30th June 2021


V. Statement Of Receipts And Payments For the Period To 30th June 2021

DESCRIPTION OF VOTE HEAD	Note	2020 - 2021	2019 - 2020
			Kshs
RECEIPTS			
Capitation grants for tuition	1	495,104.00	643,121.00
Capitation grants for operations	2	3,294,974.00	6,512,625.00
School Fund Income- Parents' Contributions	3	2,227,129.00	1,690,849.00
School Fund Income- Other receipts	4	226,000.00	19,200.00
Proceeds from borrowings			
TOTAL RECEIPTS		6,243,207.00	8,865,795.00
PAYMENTS			
Payments for Tuition	5	493,732.00	643,340.90
Payments for operations	6	3,513,518.00	5,089,231.75
Boarding and school fund payments	7	2,138,821.00	1,684,532.24
TOTAL PAYMENTS		6,146,071.00	7,417,104.89
SURPLUS/DEFICIT		97,136.00	1,448,690.11

The school financial statements were approved on 11/07/2023 and signed by

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.....


Name: Michael Murgari
 Chair BOM

Name: MARY KARIMUI
 School Principal/ Secretary to
 BOM

Name: TERESIAH KARIUKI
 Bursar/ Finance Officer

Kirenga girls high school
Reports and Financial Statements For the year ended 30th June 2021

Date: 11/07/2023

Date: 11/07/2023

Date: 11/07/2023

Kirenga girls high school
Reports 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	1,769,452.30	1,864,968.30
Cash Balances	9	4,704.00	3,780.00
Short term Investment	10	-	-
Total Cash and Cash Equivalents		1,774,156.30	1,868,748.30
Account's receivables	11	2,885,388.93	2,716,160.93
TOTAL FINANCIAL ASSETS		4,659,545.23	4,584,909.23
FINANCIAL LIABILITIES			
Accounts Payable	12	23,000.00	45,500.00
NET FINANCIAL ASSETS		4,636,545.23	4,539,409.23
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	4,539,409.23	3,090,719.12
Surplus/Deficit for the year		97,136.00	1,448,690.11
NET FINANCIAL POSITION		4,636,545.23	4,539,409.23

The school's financial statements were approved on 11/07/2023 and signed by:

.....
 Name: Michael Muga

Chair BOM

Date: 11/7/23

.....
 Name: MARY KARUKI

School Principal/ Secretary to BOM

Date: 11/07/2023

.....
 Name: TERESIAH KARIUKI

Bursar/ Finance Officer

Date: 11/07/2023

Kirenga girls high school

Reports and Financial Statements For the year ended 30th June 2021

VII. Statement of Cash Flows for The Period Ended 30th June 2021

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	495,104.00	643,121.00
Capitation grants for operations	2	3,294,974.00	6,512,625.00
School fund income- Parents contributions/ fees	3	2,035,401.00	1,710,049.00
School fund income- other receipts	4	226,000.00	-
Total receipts		6,051,479.00	8,865,795.00
Payments			
Payments for Tuition		493,732.00	643,340.90
Payments for operations		1,578,715.00	4,054,501.75
Boarding and school fund payments		2,138,821.00	1,684,533.24
Total payments		4,211,268.00	6,382,375.89
Net cash flow from operating activities		1,840,211.00	2,483,419.11
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			-
Acquisition of Assets		1,934,803.00	1,034,730.00
Proceeds from investments		-	-
Net cash flows from Investing Activities		(1,934,803.00)	(1,034,730.00)
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings/ loans			-
Repayment of principal borrowings		-	-
Net cash flows from Financing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(94,592.00)	1,448,689.11
Cash and cash equivalent at BEGINNING of the year		1,868,748.30	420,059.00
Cash and cash equivalent at END of the year		<u>1,774,156.30</u>	<u>1,868,748.30</u>

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

Kirenga girls high school

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VIII. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference
	a	b	c=a+b	d	e=c-d
RECEIPTS					
<i>(1) CAPITATION GRANT ON TUITION</i>					
Text books	-	0	0		
Exercise books	-	-	0	-	
Laboratory equipments and apparatus	335,000.00	-	335,000	335,000	
TEACHING & LEARNING	160,104.00	-	160,104	160,104	
<i>(2) CAPITATION GRANT ON OPERATIONS</i>					
Personnel emoluments	900,000.00	-	900,000	900,000	
MIF	1,750,000.00		1,750,000	1,750,000	
LTT	157,000.00		157,000	157,000	
Electricity ,water and Conservancy	128,000.00	-	128,000	128,000	
Administration costs	296,000.00		296,000	296,000	
Activity	-		0	-	
<i>(3) FEES CHARGED ON PARENTS</i>					
LUNCH	2,227,129.00	-	2,227,129	2,014,105	213,024
Farm	226,000		226,000	226,000	
TOTAL INCOME	6,179,233	-	6,179,233	5,966,209	213,024
(1) EXPENDITURE FOR TUITION					
Exercise books	-	-	0	-	
Laboratory equipments and apparatus	335,000.00	-	333,210	333,210	
TEACHING & LEARNING	160,104.00	-	160,104	160,402	(298)
6. PAYMENTS FOR OPERATIONS			0		
Personnel emoluments	900,000	-	900,000	899,360	640

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Repairs and maintenance	1,750,000		1,750,000	1,934,803	(184,803)
Local transport / travelling	157,000		157,000	156,700	300
Electricity and water	128,000		128,000	127,250	750
Administration costs	296,000		296,000	295,725	275
Activity	0		0	-	
7. BOARDING AND SCHOOL FUND PAYMENTS					
Lunch	2,227,129	-	2,227,129	1,989,676	237,453
TOTAL	5,953,233		5,951,443	5,897,126	54,317.00

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Reports and Financial Statements For the year ended 30th June 2021

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.

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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 AI 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.

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Reports and 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
Text books	0.00	-
Exercise books	0.00	296,750.00
Laboratory equipments and apparatus	335,000.00	131,647.70
Teaching/learning materials	160,104.00	101,715.60
chalk	0.00	20,071.80
Internal exams	0.00	45,585.00
Reference books	0.00	47,350.90
Total	495,104.00	643,121.00

2. CAPITATION GRANT FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personnel emoluments	900,000.00	607,831.25
Maintenance and improvement fund	1,750,000.00	2,500,000.00
Repairs and maintenance	63,974.00	547,831.25
LTT	157,000.00	547,831.25
Electricity ,water and Conservancy	128,000.00	1,552,500.00
Medical and Insurance	0.00	69,600.00
Donations	0.00	-
Administration costs	296,000.00	547,831.25
Activity	0.00	139,200.00
Total	3,294,974.00	6,512,625.00

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Reports and Financial Statements For the year ended 30th June 2021

3. PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
B.E.S	-	-
Lunch	2,227,129.00	1,690,849.00
R.M.I	-	-
Activity	0.00	-
Local transport / travelling	0.00	-
Administration costs	0.00	-
Electricity ,water and Electricity	0.00	-
Personal Emoluments	0.00	-
Total	2,227,129.00	1,690,849.00

4. OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2020-2021	2019-2020
	Kshs	Kshs
Tender form	0.00	19,200.00
FARM	226,000.00	-
Total	226,000.00	19,200.00

5. PAYMENTS FOR TUITION

	2020-2021	2019-2020
	Kshs	Kshs
Text books	0.00	-
Exercise books	0.00	124,920.00
Laboratory equipments and apparatus	333,210.00	57,634.00
Teaching/learning materials	160,402.00	255,744.65

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Chalks	0.00	12,229.80
Internal exams	0.00	133,093.45
Reference books	0.00	56,949.00
Bank charges	120.00	2,770.00
Total	493,732.00	643,340.90

6. PAYMENTS FOR OPERATIONS

	2020-2021	2019-2020
	Kshs	Kshs
Personal Emoluments	899,360.00	1,293,625.00
Repairs and maintenance & improvements	99,680.00	1,551,529.75
Local transport / travelling	156,700.00	305,468.00
Electricity, water and Conservancy	127,250.00	81,675.00
Administration Costs	295,725.00	410,179.00
Activity Expenses	-	408,995.00
Medical and Insurance	-	580.00
Bank Charges	-	2,450.00
Acquisition of Assets	1,934,803.00	1,034,730.00
TOTAL	3,513,518.00	5,089,231.75

7. BOARDING AND SCHOOL FUND PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
lunch	1,733,326.00	1,657,359.00
B.E.S	-	
RMI	60,445.00	
ACTIVITY	-	

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LT@T	88,700.00	
ADMIN COSTS	256,350.00	
EWC	-	
Bank Charges	-	11,173.24
Medical Expenses	-	
Personal emolument	-	
Tender forms	-	16,000.00
Acquisition of Assets	-	-
TOTAL	2,138,821.00	1,684,532.24
<p><i>Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.</i></p>		

8. BANK ACCOUNTS

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	8,920.40	7,548.40
Operations Account	714,407.80	272,483.80
School fund Account - K- UNITY	123,885.29	27,414.29
School Fund Account/Boarding NBK	124,221.81	94,701.81
Infrastructural Account	798,017.00	1,462,820.00
Total	1,769,452.30	1,864,968.30

9. CASH IN HAND

Description	2020-2021	2019-2020
	Kshs	Kshs
Tuition Account	-	-

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Operation Account	4,335.00	-
School Fund account	369.00	3,780.00
Total	4,704.00	3,780.00

10. SHORT TERM INVESTMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Equity stock	-	-
Other investments	-	-
Total	-	-

11. ACCOUNTS RECEIVABLE

	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears	2,885,388.93	2,716,160.93
Other non-fees receivables	-	-
Imprests	-	-
Salary advances	-	-
Total	2,885,388.93	2,716,160.93

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

Description	2020-2021	2019-2020
	Kshs	Kshs
Fees arrears for current year	190,524.00	446,300.00
Fees arrears for the previous year	425,004.00	310,739.00
Fees arrears for prior periods (over two years)	2,269,860.93	1,959,121.93
Total	2,885,388.93	2,716,160.93

Description	2020-2021	2019-2020
	Kshs	Kshs
Non Fees arrears for current year		

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Non Fees arrears received during the year		
Non Fees arrears for the previous year		
Non Fees arrears for prior periods (over two years)	-	-
Total	-	-

12. ACCOUNTS PAYABLE

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	-	-
Prepaid fees	23,000.00	45,500.00
Caution Money	-	-
Pocket Money	-	-
Total	23,000.00	45,500.00

[Include an ageing of the creditor's arrears below]

Description	2020-2021	2019-2020
	Kshs	Kshs
Trade creditors for current year	-	-
Trade creditors for the previous year	-	-
Trade creditors for prior periods (over two years)	-	-
Total	-	-

13. FUND BALANCE BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs	Kshs
Bank balances	1,769,452.30	1,864,968.30
Cash balances	4,704.00	3,780.00
Short Term Investments	-	-
Receivables	2,885,388.93	2,716,160.93
Payables	(23,000.00)	(45,500.00)
Total	4,636,545.23	4,539,409.23

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14. Non-current Liabilities Summary

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

15. Biological assets

Description	2020-2021	2019-2020
	KShs	KShs
Cattle	-	-
Goats	-	-
Trees	-	-
Coffee or tea plantation	-	-
Poultry	-	-
Total	-	-

16. Borrowings

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

17. Stock/ Inventory

Description	2020-2021	2019-2020
	KShs	KShs

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Stock/Inventory		
Stock/ inventory at beginning of the year	-	-
Stock/ inventory purchased during the year	-	-
Stock/ inventory issued during the year	-	-
Balance at end of the year	-	-

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.

MARY KARUMU
mguy

Sign and Date 11/07/2023
Principal

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To Date	Outstanding Balance 2021	Outstanding Balance 2020	Comments
	KShs	KShs	KShs	KShs	KShs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4.						
5.						
6.						
Sub-Total						
Supply Of Services						
7.						
8.						
9.						
Sub-Total						

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Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost at (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 30 th June
Land 1						
Land 2						
Buildings And Structures						
Motor Vehicles						
Office Equipment, Furniture And Fittings						
ICT Equipment, And Other ICT Assets						
Tools And Apparatus						
Textbooks						
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
Total						

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

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