

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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DATE: 05 MAR 2025	DAY: Wednesday
BY: Hon. Nelson W. Ngunjiri	W. G. G. M. P.
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THE AUDITOR-GENERAL

ON

OUR LADY OF FATIMA CHINGA GIRLS

**FOR THE YEAR ENDED
30 JUNE, 2023**

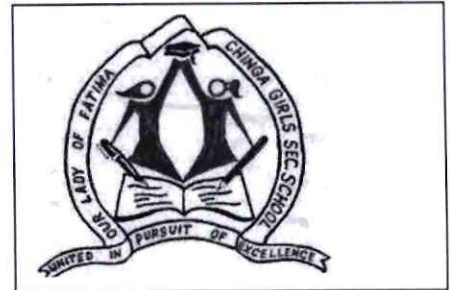
NYERI COUNTY

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

07 OCT 2024

RECEIVED

Revised 30th June 2023.



***OUR LADY OF FATIMA CHINGA GIRLS
PUBLIC SECONDARY SCHOOL***

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

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Annual Report and Financial Statements For the year ended 30th June 2023

1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	

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2. Key School Information and Management

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Nyeri County, Nyeri South Sub-County.

The school was registered in 22/08/2016 under registration number 19S00300064 and is currently categorized as an Extra County public school established, owned or operated by the Government.

The school is a boarding school and had 830 number of students as at 30th June 2023. It has 4 streams and 33 teachers of which 6 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	MR. KING'ORI KURAIHU	Chairman	15/06/2022
2	MRS. ESTHER NJIRU	Secretary - Principal	15/06/2022
3	MS. JANE WAITHAKA	Vice- chair	15/06/2022
4	MR. JOHN GATHERU	Member	15/06/2022
5	MS. TABITHA KIRAGU	Member	15/06/2022
6	MS. EVA WAMBUI MAINA	Member	15/06/2022
7	MR. MACHARIA GITHIGA	Member	15/06/2022
8	MR. MWAI KIRAGU	Member – Rep CEB	15/06/2022
9	MRS. AGNES MWANGI	Member Rep Teachers	15/06/2022
10	FR. DAVID MUTAHI MR. KING'ORI KURAIHU MS. MARY KIMAMO	3 Members - Sponsor	15/06/2022
11	DR. THOMAS THIGA	Member - Community	15/06/2022
12	BEATRICE WANJIRU WAITITU	Member Special Needs	15/06/2022
13	MRS. CECILIA	Rep Students	15/06/2022

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The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 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

(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	-KINGORI KURAIHU -ESTHER NJIRU -JANE WAITHAKA -DANIEL KIRAGU -WAMBUGU KAMONI	-B.O.M CHAIR -B.O.M SECRETARY -COMMUNITY - MEMBER REP CED -P.A CHAIR	4
2	Audit Committee			
3	Finance, procurement and general purposes Committee	-KINGORI KURAIHU -ESTHER NJIRU -JANE WAITHAKA -THOMAS THIGA -JOHN GATHERU -MARY KIMAMO	-B.O.M CHAIR -B.O.M SECRETARY -COMMUNITY -MEMBER -SPONSOR -SPONSOR	
4	Academic Committee	-JANE WAITHAKA -AGNES MWANGI -FR. MUTAHI -DANIEL MWAI -MRS. ESTHER	-B,O,M V.C CHAIR -MEMBER -SPONSOR -MEMBER REP CED--B.O.M	2

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

		NJIRU	SECRETARY	
5	Development Committee			
6	Discipline and welfare Committee			3
7	Adhoc Committee (if any during the year)	-MRS. KANG'AU - MR. NDERITU -MR. NJONJO -MR. WANJOHI -MR. WANJAU -MS.NANCY		2

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number / ID
1	Principal	Esteher W. Njiru	291415
2	Deputy Principal	Mrs. Tabitha kiragu	352349
3	School Bursar	Joseph T. Nderitu	ID 29360464
4	Other (specify)		

(e) Schools contacts

Post Office Box: 79-10106, OTHAYA
 Telephone: +254703 753 811
 E-mail: chingagirlshighschool@gmail Website
 Website:
 Facebook:
 Twitter:

(f) School Bankers

The following school operated 7 number of bank accounts in the following banks:

KCB BANK –OTHAYA

- 1 1103535749 –Tuition
- 2 110156257 -Operations
- 3 1103535110 –School fund
- 4 1271873206 –Infrastructure
- 5 1261535634 -CDF

EQUITY BANK-OTHAYA

- 6 0080298891491 –School fund
- 7 0080297413113 -Development

MPESA Pay Bill No.522123 Attached to 1103535110 KCB bank account

(g) Independent Auditors

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

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

3. Summary Report of Performance of The School

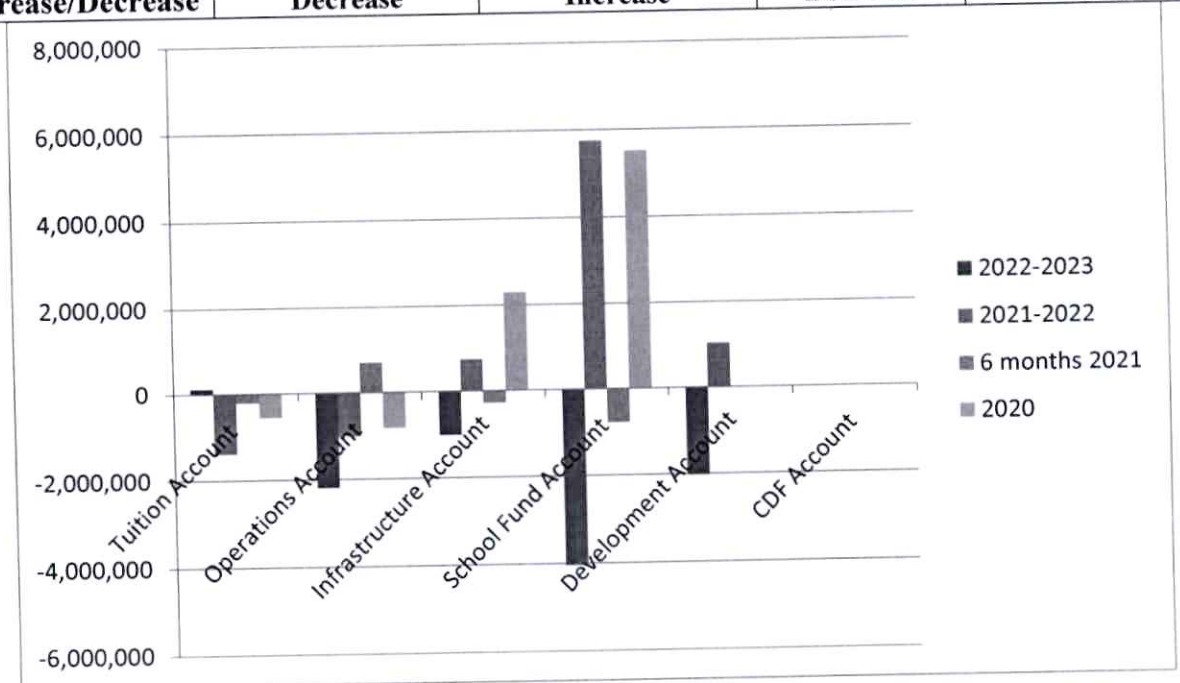
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

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

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

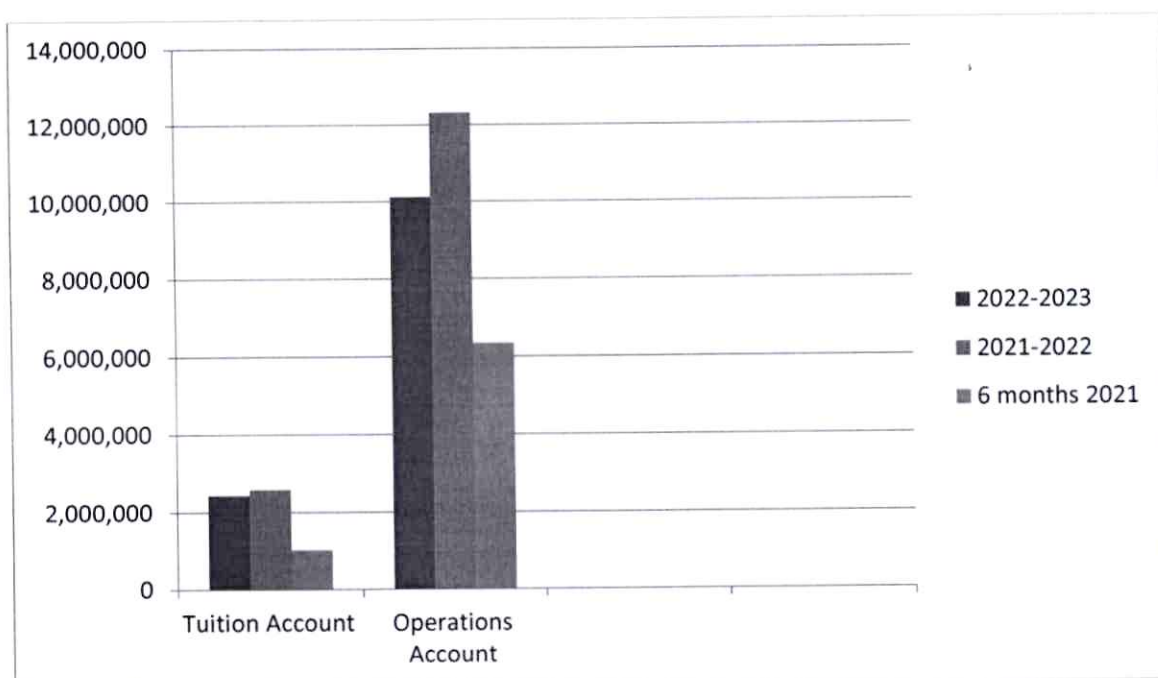
SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS				
ACCOUNTS	2022-2023	2021-2022	6MONTHS 2021	2020
		Kshs	Kshs	Kshs
Tuition Account	122,622.50	(1,384,113.60)	(211,536.50)	(560,009.00)
Operations Account	(2,197,248.50)	(1,005,978.50)	718,357.75	(830,326.00)
Infrastructure Account	(1,013,412.50)	756,324.00	(286,409.00)	2,289,436.00
School Fund Account	(4,046,057.33)	5,752,220.00	(781,785.00)	5,527,594.00
Development account	(2,015,467.50)	1,043,102.00	-	-
CDF account	-	-	-	-
TOTAL	(9,149,563.33)	5,161,553.90	(561,372.75)	6,426,695.00
Increase/Decrease	Decrease	Increase	Decrease	Increase



OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

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

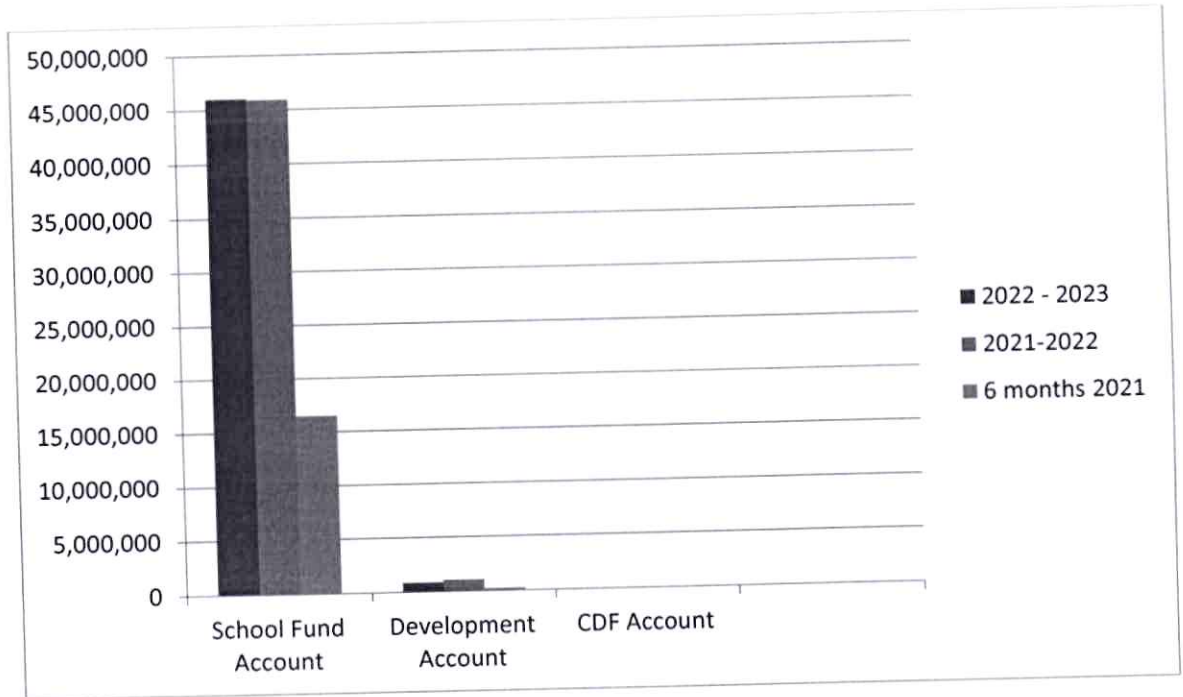
CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS			
ACCOUNTS	2022-2023 Kshs	2021-2022 Kshs	6MONTHS 2021 Kshs
Tuition Account	2,442,411.50	2,590,453.40	1,016,003.50
Operations Account	10,115,425.50	12,323,316.50	6,343,977.75
Total	12,557,837.00	14,913,769.90	7,359,981.25
Increase/Decrease	(2,355,932.90)	7,553,788.65	(2,914,384.74)
No of Students	830	787	768
Ratio per student	1:15,129.92	1:18,950.15	1:9,583.31



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

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

OVERVIEW OF GROWTH OF OTHER INCOME(S) EARNED BY THE SCHOOL			
ACCOUNTS	2022-2023	2021-2022	6MONTHS 2021
	KSH	KSH	KSH
School Fund Account	46,041,388.36	45,910,010.00	16,480,849.00
Development Account	864,478.50	1,062,582.00	236,000.00
CDF Account		-	-
Total	46,905,866.86	46,972,592.00	16,716,849.00
Increase/Decrease	(66,725.14)	30,255,743.00	



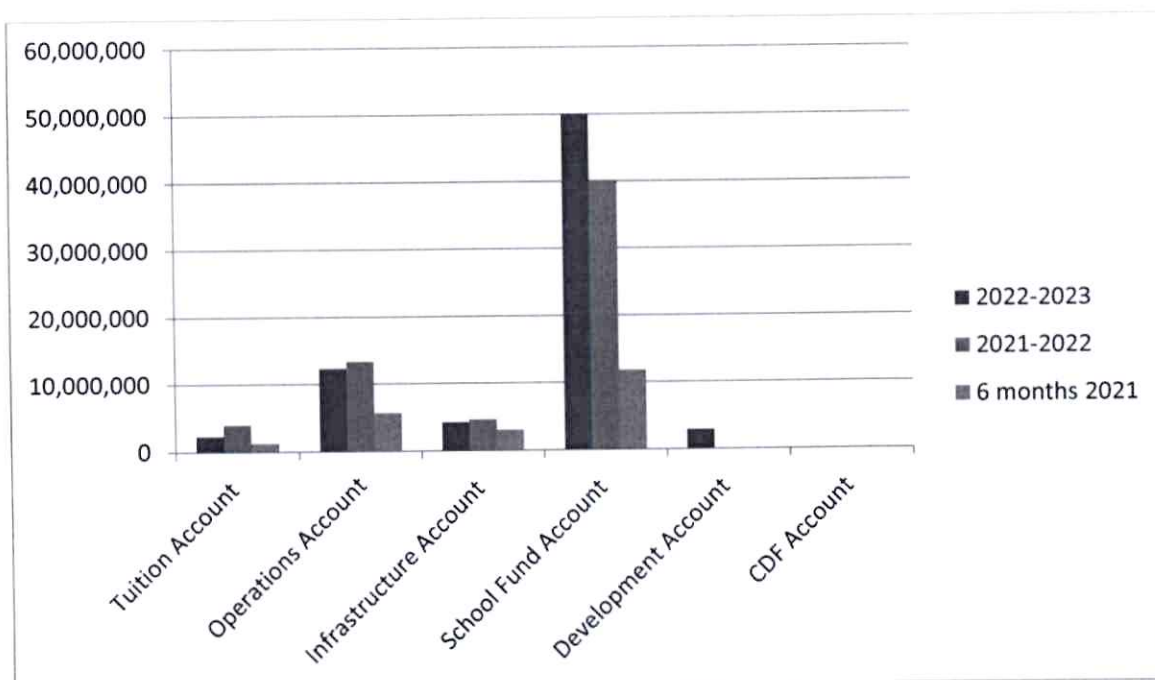
- *A three-year overview of growth in expenditure of the school*

OUR LADY OF FATIMA CHINGA GIRLS

Annual Report and Financial Statements For the year ended 30th June 2023

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL

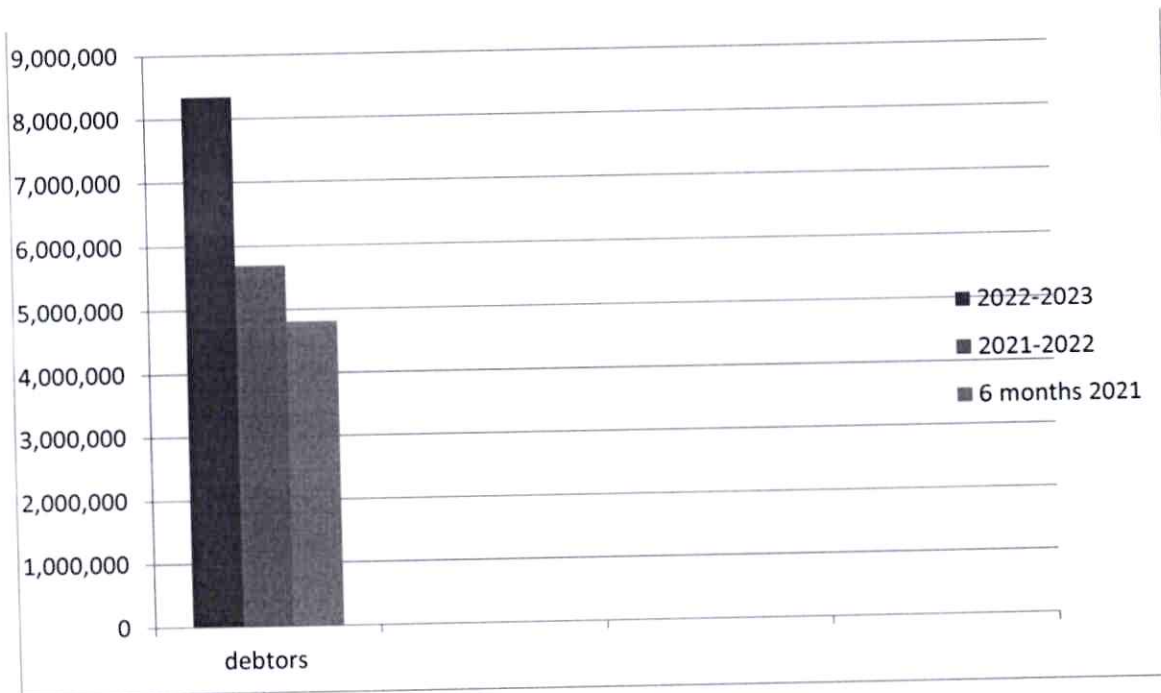
ACCOUNTS	2022-2023	2021-2022	6MONTHS 2021
	KSH	KSH	KSH
Tuition Account	2,319,789.00	3,974,567.00	1,227,540.00
Operations Account	12,312,674.00	13,329,295.00	5,625,620.00
Infrastructure Account	4,176,412.50	4,543,176.00	2,995,389.00
School Fund Account	50,087,445.69	40,157,790.00	11,798,062.00
Development Account	2,879,946.00	19,480.00	-
CDF Account	-	-	-
Total	71,776,267.19	62,024,308.00	21,646,611.00
Increase/Decrease	9,752,319.19	40,377,697.00	(10,119,689.00)



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

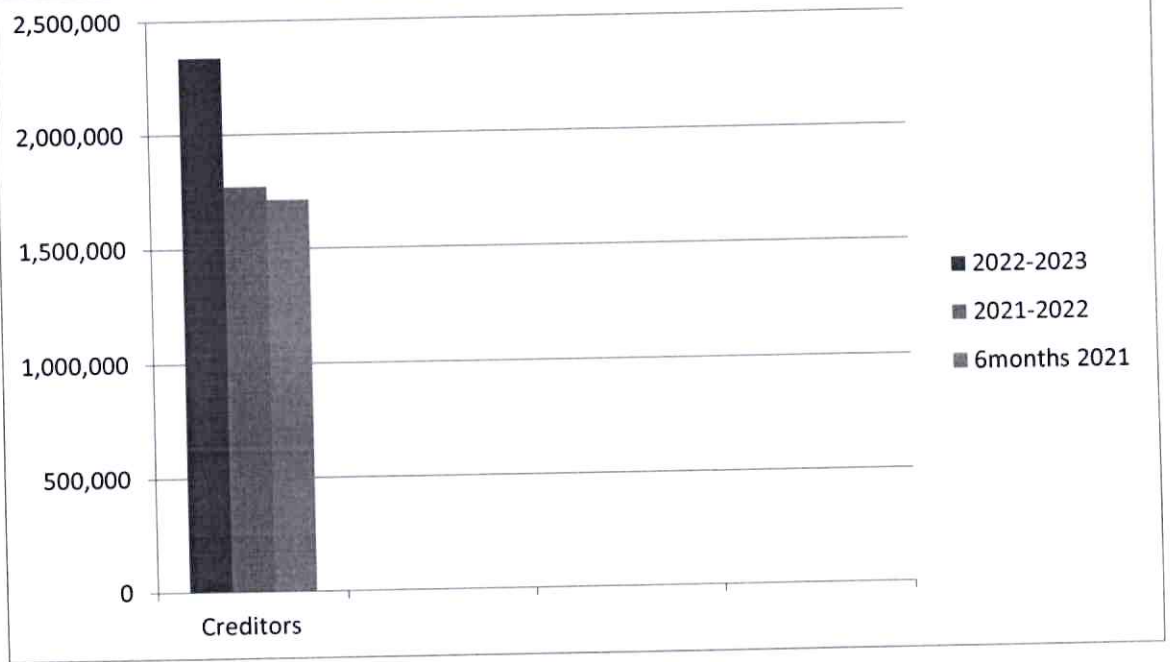
OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

II. MOVEMENT OF DEBTORS OF THE SCHOOL (accumulated)				
SNO	ACCOUNTS	2022-2023	2021-2022	6MONTHS 2021
1		Kshs	Kshs	KSHS
a	Debtors	8,345,124.35	5,698,082.35	4,806,915.35
	Total	8,345,124.35	5,698,082.35	4,806,915.35
	Increase/Decrease	2,647,042.00	891,167.00	(1,057,527.00)



OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

MOVEMENT OF CREDITORS OF THE SCHOOL (accumulated)				
SNO	ACCOUNTS	2022-2023	2021-2022	6MONTHS 2021
1		Kshs	Kshs	KSHS
b	Creditors	2,338,023.00	1,767,077.00	1,709,057.00
Total		2,338,023.00	1,767,077.00	1,709,057.00
Increase/Decrease		570,946	58,020.00	(388,702.00)



Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

b) Teacher Student ratio:

Between the month of **July 2022 and June 2023**, the status of the teaching staff is as follows:

There are 27 teachers posted by the Teachers Service Commission and 6 recruited by the Board of Management. We are grateful that three (3) teachers have been posted to school after One (1) transferred. There was two (2) retiree in 2023. Although the teacher student ratio lies at 1:25. We have a shortage of teachers from the given CBE. This is due to subject specialization in Form 3 and Form 4.

OUR LADY OF FATIMA CHINGA GIRLS**Annual Report and Financial Statements For the year ended 30th June 2023****c) Mean score in the 2022 KCSE:**

YEAR	ENROL MENT	MEAN	TRNSI TION	TRNSIT ION (%)	SCHOOL TARGET	COMMENTS
2022	169	6.509	131	77.51%	7.01	Positive deviation in transition rate & mean.
2021	183	6.126	121	66.12%	6.8	More than half qualified for middle level colleges and universities. -negative deviation due to covid related issues
2020	180	6.739	144	80%	7.3	Positive deviation of 27% in transition rate. The all qualified for middle level colleges and universities.

d) Number of Candidates in the 2023 KCSE:*(Tabulate the number of candidates sitting for KCSE over the last three years).*

YEAR	2023	2022	2021	2020
CANDIDATES	190	169	183	180

e) Capacity of the school:*(Indicate the number of students in the school vis a vie the facilities like the dormitories, the dining hall, the laboratories, toilets and other amenities. This information will provide useful details for the Ministry of Education).*



FACILITIES	<i>dormitories</i>	<i>dining hall</i>	<i>laboratories</i>	<i>classrooms</i>	<i>Toilets(in&out)</i>
UNITS	11	1	3	20	100
CAPACITY	1002	1000	120	900	-
No. of students in the school	830	830	830	830	830

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dorm expansion	R.M.I & Parents	85% complete	9,000,000	6,391,081.50	August 2023

School Principal

Principal

Our Lady of Fatima - Chinga Girls
P. O. Box 79 - 10106, OTHAYA
Tel: 0703 - 753 811

Date: *2/10/24*


4. Statement of School Management Responsibility


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

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

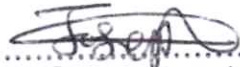
The Board of Management of *Our Lady of Fatima Chinga Girls Secondary School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting 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, 2023, and of the school's financial position as at that date.


.....
Name: **KINGORI KIRATHU**
Designation: Chairman, School Board of Management
Date: 21/10/24

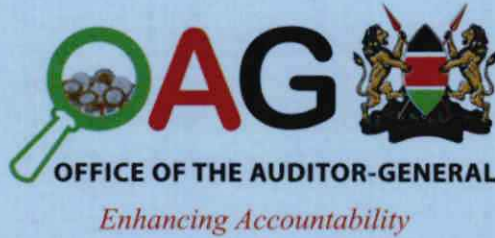

.....
Name: **ESTHER NJIRU**
Designation: School Principal & Secretary to Board of Management
Date: 21/10/24

Principal
Our Lady of Fatima - Chinga Girls
P. O. Box 79, 10106, OTHAYA
Tel: 0703-753 811


.....
Name: **JOSEPH NDERITU**
Designation: Bursar/ Finance Officer
Date: 2nd OCT 2024

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON OUR LADY OF FATIMA CHINGA GIRLS FOR THE YEAR ENDED 30 JUNE, 2023 – NYERI COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for intended purpose; and,
- C. Report on the 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.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal control, 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 Our Lady of Fatima Chinga Girls – Nyeri County set out on pages 1 to 21, which comprise of the statement of financial

assets and financial liabilities as at 30 June 2023, the statement of receipts and payments, statement of cash flows and statement of comparison 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 Our Lady of Fatima Chinga Girls – Nyeri County as at 30 June, 2023 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.

Basis for Qualified Opinion

1. Inaccuracy of the Statement of Budgeted Versus Actual Amounts

The statement of budgeted versus actual amounts reflected total final budgeted and actual on comparable basis amounts of Kshs.51,325,661 and Kshs.62,526,704 which is at variance with the computed figure of Kshs.47,468,061 and Kshs.62,463,351 respectively.

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

2. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,442,412 and Kshs.10,115,425 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of eight hundred and thirty-two (832) students while the enrolment records provided by the School indicated a total number of eight hundred and thirty (830) students, resulting to an unexplained variance of two (2) students. As a result of the variances, the School was over funded by an amount of Kshs.118,728.38. Further, review of the NEMIS data provided for audit revealed seven students that had been duplicated resulting to a further overfunding. In addition, NEMIS data for the Month of January, 2023 capitation to the School amounting to Kshs.2,477,017. However, the School received an amount of Kshs.2,399,716. The resulting difference of Kshs.77,300 has not been explained or reconciled.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.2,442,412 and Kshs.10,115,425 respectively could not be confirmed.

3. Overstated Grants and Expenditure for Operations

The statement of receipts and payments reflect amounts of Kshs.10,115,425 and Kshs.3,163,000 in respect of capitation grants for operations and infrastructure

respectively. However, Note 2 to the financial statements indicates an amount Kshs.3,163,000 in respect of infrastructure grant resulting to double accounting of the infrastructure grants.

In the circumstances, the accuracy of the capitation grants and expenditure for operations of Kshs.10,115,425 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Our Lady of Fatima Chinga Girls 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 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 audit procedures performed, except for 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.50,087,446 as disclosed in Note 11 to the financial statements. Included in the expenditure is an amount of Kshs.594,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, regularity and value for money transferred to KESSHA amounting to Kshs.594,000 could not be confirmed.

2. Unapproved Reallocation of Funds

Review of records and budget analysis revealed that during the year under audit, the School transferred funds amounting to Kshs.300,000 from the tuition account to operations. This was contrary to Ministry of Education Circular Ref. No: MOE/G1/9/1/44 dated 9 January, 2008 and MOE.HQS/3/13/3 dated 16 June, 2021 directs that under the Operations Account, schools may seek authority from the CEBs to vire savings or surplus funds from one item to another, when it is absolutely necessary but no virement from the Tuition Account will be allowed. In addition, virement of funds from infrastructure account is not allowed as guided by paragraph 3.13 of circular MOE.HQS/3/10/18/ (112).

In the circumstances, Management was in breach of the guidelines issued by the Ministry of Education.

3. Lack of an Updated Fixed Asset Register

During the year under review, the School Management did not maintain an updated register of assets. This was contrary to Section 143(1) of Public Finance Management (National Government) Regulations,2015 prescribes that the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In the circumstances, Management was in breach of law.

4. Lack of Asset Ownership Documents

Review of documents on land revealed that, the School occupies land where school administration block, classrooms, dormitory, staff houses and other amenities are constructed. In addition, the school did not maintain a land register. However, there was no evidence that the School Management had obtained the title deed for the land. This was contrary to Section 79 of the Public Finance Management Act, 2012 which stipulates that Public Officers should ensure that adequate arrangements are made for the proper use, custody, safeguarding and maintenance of public property.

In the circumstances, Management was in breach of law.

5. Delay in Transfer of Infrastructure Funds

The statement of receipts and payments reflects operations grants amount of Kshs.10,115,126 as disclosed in Note 2 to the financial statements. The grants were received from the Ministry of Education and credited in the operations bank account. Included in the amount is Kshs.1,548,00 in respect of infrastructure grants which were transferred to infrastructure bank account after more than thirty (30) days of receipt. This was contrary to Ministry of Education (MOE) Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds be transferred to the school infrastructure account fifteen days (15) upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the guidelines issued by the Ministry of Education.

6. Uncollected House Rent

During the year under review, Management did not budget and collect rent income from thirty-five staff houses. The houses are located in the school compound and were occupied by the teaching and non-teaching staff. Further, no satisfactory explanation was given why rent was not collected from staff who were earning a monthly house allowance. This was contrary to Section 63 (4) of the PFM (National Government Regulations), 2015 states-an accounting officer and a receiver of revenue are personally responsible for ensuring that— (a) 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, the School Management was in breach of law.

7. Irregular Engagement of Temporary Workers

Review of records provided for audit revealed that 17 casuals were engaged continuously for more than three (3) months earning a gross salary of Kshs.2,628,000. This was contrary to Section 37, subsection 1(a) and (b) of the Employment Act, 2007 which requires that casual employees should not be engaged for more than period of three months.

In the circumstances, Management was in breach of law

8. Long Outstanding Receivables

The statement of financial assets and liabilities reflects account receivables balance of Kshs.8,345,124. As disclosed in Note 15(b) to the financial statements the balance includes a balance of Kshs.5,483,042 representing 65% of the total account receivables in respect of fees arrears that has been outstanding for over three (3) years. However, no evidence has been provided on the measures the management has put in place to recover the long outstanding fees balances.

In the circumstances, the recoverability of the long outstanding receivable is doubtful and may result to loss of fund.

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

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

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 overall governance were not effective.

Basis for Conclusion

Weaknesses in the School Governance

Review of the School Board of Management in records provided for audit revealed that the School did not have an audit committee in place which helps to give guidance on risk, control and governance and associated assurance especially in financial aspects of the operations of the school. In addition, the School Board of Management held only one full board meetings on 10 February, 2023 instead of the required minimum three meetings. This was contrary to Section 6(1) of the Fourth Schedule of the Basic Education Act, 2013 States that a Board of Management shall meet at least once every four months.

In the circumstances, the effectiveness of the School Governance could not be confirmed.

The audit was conducted in accordance with ISSAIs 2315 and 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 sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the 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 financial reporting process, reviewing the effectiveness of how the entity 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 controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gatungu, CBS
AUDITOR-GENERAL

Nairobi

19 September, 2024


OUR LADY OF FATIMA CHINGA GIRLS

Annual Report and Financial Statements For the year ended 30th June 2023

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	2,442,411.50	2,590,453.40
Government grants for operations	2	10,115,425.50	12,323,316.50
Transfer From Operation /R.M.I (Infrastructure account	3	3,163,000.00	5,299,500.00
School fund income- parents' contributions	4	39,389,702.00	17,799,979.00
Miscellaneous incomes/other receipts	5	6,651,686.36	28,110,031.00
Development account	6	864,478.50	1,062,582.00
Total Receipts		62,626,703.86	67,185,861.90
Payments			
Tuition	7	2,319,789.00	3,974,567.00
Operations	8	12,312,674.00	13,329,295.00
Development account	9	2,879,946.00	19,480.00
Infrastructure	10	4,176,412.50	4,543,176.00
Boarding and school fund	11	50,087,445.69	40,157,790.00
Total Payments		71,776,267.19	62,024,308.00
Surplus/Deficit		(9,149,563.33)	5,161,533.90

The school financial statements were approved on 2nd Oct 2024 and signed by:




Name: KINGORI WRATHU
Chair BOM

Date: 2/10/24



Name: E. O. OJIA
School Principal/ Secretary to BOM

Date: 2/10/24



Name: JOSEPH NDEGITHI
Bursar/ Finance Officer

Date: 2nd Oct 2024

Principal
Our Lady of Fatima - Chinga Girls
P. O. Box 79 - 10106, OTHAYA
Tel: 0703 - 753 811
Date: 2/10/24

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

APPENDIX 1-2023

7. Statement of Assets and Liabilities As At 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	12	11,592,220.59	20,898,322.92
Cash balances	13	190,359.00	33,820.00
Short term investments	14	-	-
Total cash and cash equivalent		11,782,579.59	20,932,142.92
Account's receivables	15	8,345,124.35	5,698,082.35
Total financial assets			26,620,809.27
Financial liabilities			
Accounts payables	16	(2,338,023.00)	(1,767,077.00)
Net financial assets		17,789,680.94	24,853,732.27
Represented by			
Accumulated fund b/fwd.	17	26,939,244.27	19,692,178.37
Surplus/deficit for the year		(9,149,563.33)	5,161,553.90
Net financial position		17,789,680.94	24,853,732.27

The school's financial statements were approved on 2nd Oct 2024 and signed by:

K.K.
 Name: KINGORI
KIRATHU
 Chair BOM

[Signature]
 Name: E. NJIRU
 School Principal/ Secretary to
 BOM

[Signature]
 Name: JOSPH NJESHTU
 Bursar/ Finance Officer

Date: 2/10/24

Date: 2/10/24

Date: 2nd Oct 2024

Principal
 Our Lady of Fatima - Chinga Girls
 P. O. Box 79 - 10106, OTHAYA
 Tel: 0703 - 753 811
 Date: 2/10/24

OUR LADY OF FATIMA CHINGA GIRLS**Annual Report and Financial Statements For the year ended 30th June 2023****8. Statement of Cash Flows for the Year Ended 30th June 2023**

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	2,442,411.50	2,590,453.40
Government grants for operations	2	10,115,425.50	12,323,316.50
Government grants for infrastructure	3	3,163,000.00	5,299,500.00
School fund income- parents contributions/ fees	4	39,389,702.00	17,799,979.00
Other income	5	6,651,686.36	28,110,031.00
Development account	6	864,478.50	1,062,582.00
Total receipts		62,626,703.86	67,185,861.90
Payments			
Cash outflows for tuition	7	2,319,789.00	3,974,567.00
Cash outflows for operations	8	12,312,674.00	13,329,295.00
Development account	9	2,879,946.00	19,480.00
Infrastructure account	10	4,176,412.50	4,543,176.00
Cash outflows Boarding/lunch and school fund payments	11	50,087,445.69	40,157,790.00
Total payments		71,776,267.19	62,024,308.00
Net cash inflow/outflow from operating activities		(9,149,563.33)	5,161,553.90
Cash flow from investing activities			
Acquisition of assets		(-)	(-)
Proceeds from sale of Assets		-	-
Proceeds from investments		-	-
Purchase of investments		(-)	(-)
Net cash inflow/outflows from investing activities		-	-
Cash flow from Financing activities			
Proceeds from borrowings/ loans	20	-	-
Repayment of principal borrowings		(-)	(-)
Net cash inflow/outflow from financing activities		-	-
Net increase/decrease in cash and cash equivalents		(9,149,563.33)	5,161,553.90
Cash and cash equivalent at beginning of the FY		20,932,142.92	15,770,589.02
Cash and cash equivalent at end of the FY		11,782,579.59	20,932,142.92

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

(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).

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

The school's financial statements were approved on 2nd Oct 2024 and signed by:

KK
Name: KINGORI
KWAIHO
Chair BOM
Date: 2/10/24

[Signature]
Name: E. NJIRU
School Principal/ Secretary to
BOM
Date: 2/10/24
Principal
Our Lady of Fatima - Chinga Girls
P. O. Box 79 - 10106, OTHAYA
Tel: 0703 - 753 811
Date: 2/10/24

[Signature]
Name: JOSEPH NDEGATI
Bursar/ Finance Officer
Date: 2nd OCT 2024

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials	97,118.00	-	97,118.00	-	0.00%
Exercise Books	891,209.00	-	891,209.00	-	0.00%
Laboratory Equipment	839,713.00	-	839,713.00	-	0.00%
Teaching / Learning Materials	175,000.00	-	175,000.00	2,142,411.50	1,224.24%
Exams And Assessment	403,910.00	-	403,910.00	-	0.00%
chalk	99,511.00	-	99,511.00	-	0.00%
Transfer from operation a/c				300,000.00	
(2) Capitation Grant on Operations					
Personnel Emoluments	4,604,000.00	-	4,604,000.00	2,622,960.00	56.97%
Transfer to infrastructure account (R.M.I)	1,508,800.00	-	1,508,800.00	3,163,000.00	209.64%
Local Transport / Travelling	1,466,400.00	-	1,466,400.00	258,413.00	17.62%
Electricity And Water	2,520,800.00	-	2,520,800.00	1,711,259.50	67.89%
Medical / insurance	1,599,200.00	-	1,599,200.00	154,800.00	9.68%
Administration Costs	1,257,600.00	-	1,257,600.00	1,110,193.00	88.29%
Activity	4,004,800.00	-	4,004,800.00	444,800.00	11.11%
Transfer from school fund a/c				350,000.00	-
Transfer from tuition a/c				300,000.00	

OUR LADY OF FATIMA CHINGA GIRLS

Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c%
	Kshs	Kshs	Kshs	Kshs	Kshs
3) FDSE for infrastructure					
Transfer From Operation / R.M.I MoE	-	-	-	3,163,000.00	100.00%
(4) Fees Charged on Parents					
Personnel Emoluments	2,801,600.00	-	2,801,600.00	5,502,792.00	196.42%
Repairs And Maintenance	1,600,000.00	-	1,600,000.00	2,116,580.00	132.29%
Local Transport / Travelling	560,000.00	-	560,000.00	828,106.00	147.88%
Electricity And Water	4,294,400.00	-	4,294,400.00	4,718,662.00	109.88%
Medical	-	-	-	1,999.00	-
Administration Costs	1,680,000.00	-	1,680,000.00	2,390,388.00	142.29%
Activity	400,000.00	-	400,000.00	360,180.00	90.05%
Fee On Boarding Equipment and Stores	16,664,000.00	-	16,664,000.00	23,470,995.00	140.85%
5) Miscellenous Income					
Arrears	-	-	-	1,597,781.00	-
Prepayments	-	-	-	2,107,206.00	-
bursary	-	-	-	1,152,821.00	-
Income From Bus Hire	-	-	-	131,600.00	-
Tender documents	-	-	-	69,000.00	-
Bank charges	-	-	-	2,400.00	-
Refundable fee	-	-	-	9,000.00	-
Transfer from operation account	-	-	-	350,000.00	-
uniform	-	-	-	16,100.00	-
Excess fee prepayment				1,215,778.00	

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual On Comparable Basis d Kshs	% Of Utilization e=d/c % Kshs
Development account					
Rent				135,200.00	
Development -parents				519,425.50	
Development -arrears				46,500.00	
Total Income	51,325,661.00	-	51,325,661.00	62,626,703.86	122%
(6) Expenditure For Tuition					
Textbooks	-		-		0.00%
Reference Materials	97,118.00		97,118.00		0.00%
Exercise Books	891,209.00		891,209.00	300,000.00	33.66%
Laboratory Equipment	839,713.00	-	839,713.00	421,379.00	50.18%
Teaching / Learning Materials	175,000.00	-	175,000.00	559,950.00	319.97%
Chalks	99,511.00	-	99,511.00		0.00%
Exams And Assessment	403,910.00	-	403,910.00	36,020.00	8.92%
Bank Charges	-	-	-	2,440.00	-
Sundry creditors				700,000.00	
Transfer to operation (refund)				300,000.00	
(7) Expenditure For Operations					
Personnel Emoluments	4,604,000.00	-	4,604,000.00	2,559,559.00	55.59%
Transfer to Infrastructure / R.M.I	1,508,800.00	-	1,508,800.00	3,163,000.00	209.64%
Local Transport / Travelling	1,466,400.00	-	1,466,400.00	1,578,122.00	107.62%
Electricity, Water and Conservancy	2,520,800.00	-	2,520,800.00	2,390,269.00	94.82%

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On	% Of Utilization
	a Kshs	b Kshs	c=a+b Kshs	d Kshs	e=d/c % Kshs
Medical / Insurance	1,599,200.00	-	1,599,200.00	1,264,876.00	79.09%
Administration Costs	1,257,600.00	-	1,257,600.00	110,060.00	8.75%
Activity Expenses	4,004,800.00	-	4,004,800.00	594,000.00	14.83%
<i>Bank charges</i>				2,788.00	
Transfer to school fund	-	-	-	350,000.00	-
Transfer to tuition account	-	-	-	300,000.00	-
(8) Expenditure For infrastructure					
Construction of classroom (T.I.G)	-	-	-	20,000.00	-
Construction of classroom (R.M.I)	-	-	-	617,547.00	-
Dorm repair	-	-	-	25,000.00	-
Dorm expansion	-	-	-	3,512,035.50	-
Bank charges	-	-	-	1,830.00	-
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	2,801,600.00	-	2,801,600.00	3,517,047.00	125.54%
Repairs, Maintenance and Improvements	1,600,000.00	-	1,600,000.00	3,719,985.00	232.50%
Local Transport / Travelling	560,000.00	-	560,000.00	1,551,490.00	277.05%
Electricity, Water and Conservancy	4,294,400.00	-	4,294,400.00	700,680.00	16.32%
Medical Expenses	-	-	-	30,313.00	-
Administration Costs	1,680,000.00	-	1,680,000.00	1,881,920.00	112.02%
Activity	400,000.00	-	400,000.00	310,025.00	77.50%

OUR LADY OF FATIMA CHINGA GIRLS**Annual Report and Financial Statements For the year ended 30th June 2023**

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	c=d/e %
	Kshs	Kshs	Kshs	Kshs	Kshs
SMASSE	-	-	-		
Fee On Boarding Equipment and Stores	16,664,000.00	-	16,664,000.00	32,073,513.00	192.47%
Bank Charges	-	-	-	35,003.69	-
Tender document	-	-	-	52,000.00	-
Sundry creditors	-	-	-	261,365.00	-
Prepayment refunds	-	-	-	3,229,505.00	-
Bursary	-	-	-	1,152,821.00	-
Refundable fee				6,000.00	
Excess fee prepayment				1,215,778.00	
Transfer to operation a/c				350,000.00	
(10) Expenditure For development	-	-	-		-
Bank charges	-	-	-	900.00	-
Dorm expansion	-	-	-	2,879,946.00	-
Totals	51,325,661.00	-	51,325,661.00	71,776,267.19	140%

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

- i. Xxx
- ii. Xxx

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

11. Notes To The Financial Statements**1 Government Grants for Tuition**

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials		
Exercise Books		
Laboratory Equipment		
Internal Exams		
Teaching / Learning Materials	2,142,411.50	2,590,453.40
Operation account	300,000.00	
Total	2,442,411.50	2,590,453.40

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,622,960.00	628,815.00
Transfer to Infrastructure a/c / R.M.I	3,163,000.00	5,103,500.00
Local Transport / Travelling	258,413.00	82,019.00
Electricity And Water	1,711,259.50	410,097.20
Medical / Insurance	154,800.00	155,800.00
Administration Costs	1,110,193.00	246,058.00
Activity	444,800.00	-
Other Vote Heads (P.E, E.W.C, L.T&T, ADM)		5,697,027.30
School fund account	350,000.00	
Tuition account	300,000.00	
Total	10,115,425.50	12,323,316.50

N:B, Total receipts have been overstated by 3,163,000 under Repair and Maintenance vote head transferred to infrastructure account, for R.M.I grant. It was a bookkeeping entry in both cashbooks for operation and infrastructure

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfer from Operation Account (R.M.I)	3,163,000.00	4,299,500.00
Transition infrastructure grants	-	1,000,000.00
Economic stimulus grants		
Total	3,163,000.00	5,299,500.00

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	5,502,792.00	1,788,642.00
Repairs and maintenance	2,116,580.00	2,326,671.00
Local transport / travelling	828,106.00	290,221.00
Electricity and water	4,718,662.00	2,319,159.00
Administration costs	2,390,388.00	882,926.00
Activity	360,180.00	578,087.00
Fee on Boarding Equipment and stores	23,470,995.00	22,714,261.00
Medical	1,999.00	
Others (P.E, E.W.C, L.T&T, ADM)		9,614,273.00
Total	39,389,702.00	40,514,240.00

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Arrears	1,597,781.00	1,651,160.00
Prepayments	2,107,206.00	2,457,755.00
Bursary	1,152,821.00	1,172,900.00
Income from Bus Hire	131,600.00	26,000.00
Tender Documents	69,000.00	88,000.00
Bank charges	2,400.00	
Refundable fee	9,000.00	
Operation account	350,000.00	
Uniform	16,100.00	
Excess fee prepayment	1,215,778.00	
Total	6,651,686.36	5,395,770.00

6 DEVELOPMENT ACCOUNT

	2022-2023	2021-2022
	Kshs	Kshs
Rent	135,200.00	283,350.00
Development -Parents	519,425.50	539,597.00
Development Arrears	46,500.00	239,635.00
Total	864,478.50	1,062,582.00

Notes to the Financial Statements (continued)

OUR LADY OF FATIMA CHINGA GIRLS**Annual Report and Financial Statements For the year ended 30th June 2023****PAYMENTS****7 Tuition**

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	300,000.00	1,899,918.00
Textbooks	-	898,550.00
Laboratory Equipment	421,379.00	25,250.00
Teaching / Learning Materials	559,950.00	322,700.00
Exams And Assessment	36,020.00	748,295.00
Sundry creditors	700,000.00	78000.00
Bank Charges	2,440.00	1,854.00
Operation account	300,000.00	
Total	2,319,789.00	3,974,567.00

8 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,559,559.00	494,691.00
Service Gratuity	-	-
Administration Cost	110,060.00	37,430.00
Transfer to infrastructure account (R.M.I)	3,163,000.00	5,299,500.00
Local Transport / Travelling	1,578,122.00	168,590.00
Electricity And Water	2,390,269.00	773,143.00
Activity Expenses	594,000.00	
Insurance Cost	1,264,876.00	1,273,013.00
Bank charges	2,788.00	3,778.00
School fund account	350,000.00	
Tuition account	300,000.00	
Others (P.E, EWC, L.T&T, ADM)		5,279,150.00
Total	12,312,674.00	13,329,295.00

N:B, Total expenditure have been overstated by 3,163,000 transferred to infrastructure account, for R.M.I grant. It was a bookkeeping entry in both cashbooks for operation and infrastructure

9 DEVELOPMENT ACCOUNT

Description	2022-2023	2021-2022
	Kshs	Kshs
Rent	-	17,800.00
Bank charges	900.00	1,680.00
Dorm expansion	2,879,046.00	
Total	2,879,946.00	19,480.00

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

10 Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms (T.I.G)	20,000.00	1,539,538.00
Construction of classrooms (R.M.I)	617,547.00	1,379,248.00
Lab re-roofing	-	1,296,930.00
Kitchen renovation (Aesbestos removal)	--	327,460.00
Dorm repair	25,000.00	
Dorm expansion	3,512,035.50	
Bank charges	1,830.00	
Total	4,176,412.50	4,543,176.00

11 Boarding and School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	3,517,047.00	1,111,431.00
Service Gratuity	-	-
Repairs And Maintenance & Improvements	3,719,985.00	1,875,562.00
Local Transport / Travelling	1,551,490.00	932,749.00
Electricity And Water	700,680.00	322,863.00
Medical Expenses	30,313.00	-
Administration Costs	1,881,920.00	599,147.00
Bank Charges	35,003.69	36,548.00
Fee On Boarding Equipment and Stores	32,073,513.00	25,832,750.00
Activities	310,025.00	485,340.00
Tender document	52,000.00	87,980.00
Sundry creditors	261,365.00	-
Prepayment refunds	3,229,505.00	3,361,100.00
Bursary	1,152,821.00	1,172,900.00
Farm	-	1,250.00
Others (P.E, EWC, L.T&T, ADM)	-	4,338,170.00
Refundable fee	6,000.00	-
Excess fee prepayment	1,215,778.00	-
Operation account	350,000.00	-
Total	50,087,445.69	40,157,790.00

OUR LADY OF FATIMA CHINGA GIRLS**Annual Report and Financial Statements For the year ended 30th June 2023****Notes to the Financial Statements (continued)****12 Bank Accounts**

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account- KCB	Active	1103535749	138,399.30	15,776.80
Operations Account-KCB	Active	110156257	620,183.95	2,817,432.45
School Fund –EQUITY Account/Boarding-KCB	Active	1103535110 0080298891491	5,317,451.23 3,720,554.61	11,613,208.87 1,648,033.30
Savings Account	-	-	-	-
Development Account EQUITY	Active	0080297413113	0.50	2,015,468.00
Infrastructural Account-KCB	Active	1271873206	1,771,926.50	2,764,699.00
CDF Account -KCB	Dormant	1261535634	23,704.50	23,704.50
Total			11,592,220.59	20,898,322.92

13 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Tuition Account	-	00.00
Operation Account	-	00.00
School Fund account	190,347.00	13,168.00
Infrastructural Account	12.00	20,652.00
Total	190,359.00	33,820.00

14 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023
Notes to the Financial Statements (continued)

15 a) Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Fees Arrears	8,345,124.35		5,698,082.35	
Other Non-Fees Receivables	-		-	
Salary Advances (list/schedule attached)	-		-	
Imprest (list/schedule attached)	-		-	
Rent arrears (list/schedule attached)	-		-	
Total	8,345,124.35		5,698,082.35	

15b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2022-2023	% of the total	2021-2022	% of the total
Less than 1 year				
Between 1- 2 years	2,542,327.00	30.46%	2,542,327.00	44.62%
Between 2-3 years	1,917,536.00	22.98%	1,917,536.00	33.65%
Over 3 years	5,483,042.35	65.70%	2,889,379.35	50.71%
Current year recoveries	(1,597,781.00)	-19.14%	(1,651,160.00)	-28.98%
Total (should tie to note 13 a)	8,345,124.35	100.00%	5,698,082.35	

16 Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Trade Creditors (See Ageing Below and Appendix 1)	1,086,425.00		961,356.00	
Prepaid Fees	1,251,598.00		805,721.00	
Retention Monies	-		-	
Unpaid salaries and statutory deductions	-		-	
Caution money	-		-	
Other payables (<i>specify</i>)	-		-	
Total	2,338,023.00		1,767,077.00	

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023
Notes to the Financial Statements (continued)

16b. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	2022-2023	% of the total	2021-2022	% of the total
Trade creditors	1,086,425.00	46.47%	961,365.00	54.40%
Less than 1 year	2,107,206.36	90.13%	2,457,755.00	139.09%
Between 1- 2 years	2,457,755.00	105.12%	2,013,169.00	113.93%
Between 2-3 years	877,506.64	37.53%		-
Over 3 years	-	-		-
Trade creditors paid during the year	(961,365.00)	-41.12%		-
Refunded during the year	(3,229,505.00)	-138.13%	(3,665,212.00)	-207.42%
Total (should tie to note 15)	2,338,023.00		1,767,077.00	

17 Fund Balance Brought Forward

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank balances (as at 1 st July)	20,898,322.92		15,720,849.02	
Cash balances (as at 1 st July)	33,820.00		49,740.00	
Short Term Investments	-		-	
Receivables (as at 30 th June)	8,345,124.35		5,698,082.35	
Payables (as at 30 th June)	(2,338,023.00)		(1,767,077.00)	
Total	26,939,244.27		19,692,178.37	

OUR LADY OF FATIMA CHINGA GIRLS**Annual Report and Financial Statements For the year ended 30th June 2023****Other important disclosure notes**

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

18 Non-current Liabilities Summary

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Loans		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Others (specify)		
Total		

19 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Pigs	6	60,000.00	68,000.00
Goats / sheep	5	30,000.00	32,000.00
Trees	50	250,000.00	450,000.00
Coffee or tea plantation		-	-
Poultry		-	-
Total		340,000.00	550,000.00

20 Borrowings

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

Other important disclosure notes

21 Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	2,029,875.00	3,303,216.00
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		
	2,029,875.00	3,303,216.00

(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

OUR LADY OF FATIMA CHINGA GIRLS

Annual Report and Financial Statements For the year ended 30th June 2023

22 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)
2019/2020 REPORT	SUNDRY DEBTORS	NEW METHODS OF FEES COLLECTION	RESOLVED	IMMEDIATELY

 ENJIRU

Sign and Date
Principal

Principal
Our Lady of Fatima - Chinga Girls
P. O. Box 79 - 10100, OTHAYA
Tel: 0703 - 753 811
Date: 2/10/24

OUR LADY OF FATIMA CHINGA GIRLSAnnual Report and Financial Statements For the year ended 30th June 2023**12. Annexes****Annex I - Analysis of Pending Accounts Payable**

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
Sub-Total						
Supply Of Goods						
3. MUIRU MEAT POINT BUTCHERY				79,750.00		
4. WAKS STORES & HARDWARELTD				171,400.00		
5. DEMKA DAIRY				179,075.00		
6. RISTINE ENTERPRISE				600,000.00	700,000.00	
Sub-Total				1,030,225.00		
Supply Of Services						
7. LUMU CLEANING & HEALTHY SERVICES				16,200.00		
8. SCHACCS TECHNOLOGIES LTD				40,000.00		
Sub-Total				56,200.00		
Grand Total				1,086,425.00		

Annex 2 – Summary of Fixed Assets Register

OUR LADY OF FATIMA CHINGA GIRLS
Annual Report and Financial Statements For the year ended 30th June 2023

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