

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 20 FEB 2025

DAY

TABLED
BY:

Thursday
Hon. Naomi Wago
Deputy Majority Whip
Imzofu Mwale

OF

CLERK-AT
THE-TABLE:

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

ST. BAKHITA BAHATI GIRLS SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2022**

NAKURU COUNTY



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

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30 JUNE 2022**

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

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2022

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KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

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

The school is a day school and had **977** students as at 30 June 2022. It has **4** streams and **28** teachers employed by TSC and **4** teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Boniface Ngigi Gitau	Chairman	14 May 2019
2	Sr. Catherine Wangari Thuku	Secretary- Principal	14 May 2019
3	Jackline Kaunya	Member	14 May 2019
4	Gerald Mwangi Kamau	Member	14 May 2019
5	Boniface Mouti	Member	14 May 2019
6	David Agondoa	Member	14 May 2019
7	David Njuguna Wanyoike	Member	14 May 2019
8	Zacharia Mwai	Member Rep Teachers	14 May 2019
9	Fr. Cleophas Oseso	Member - Sponsor	14 May 2019
10	Sheila Wairimu	Member - Sponsor	14 May 2019
11	James Mwathi	Member - Sponsor	14 May 2019
12	Janet Wangari	Member - Community	14 May 2019
13	Judy Wairimu	Member - Special Needs	14 May 2019

KEY SCHOOL INFORMATION AND MANAGEMENT(Continued)

Committees of the Board

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

KEY SCHOOL INFORMATION AND MANAGEMENT(Continued)

(c) School operation Management

For the financial year ended 30 June 2022 the school day-to-day management was under the following persons:

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

(d) Schools contacts

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

(e) School Bankers

The school operated 9 bank accounts as follows:

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

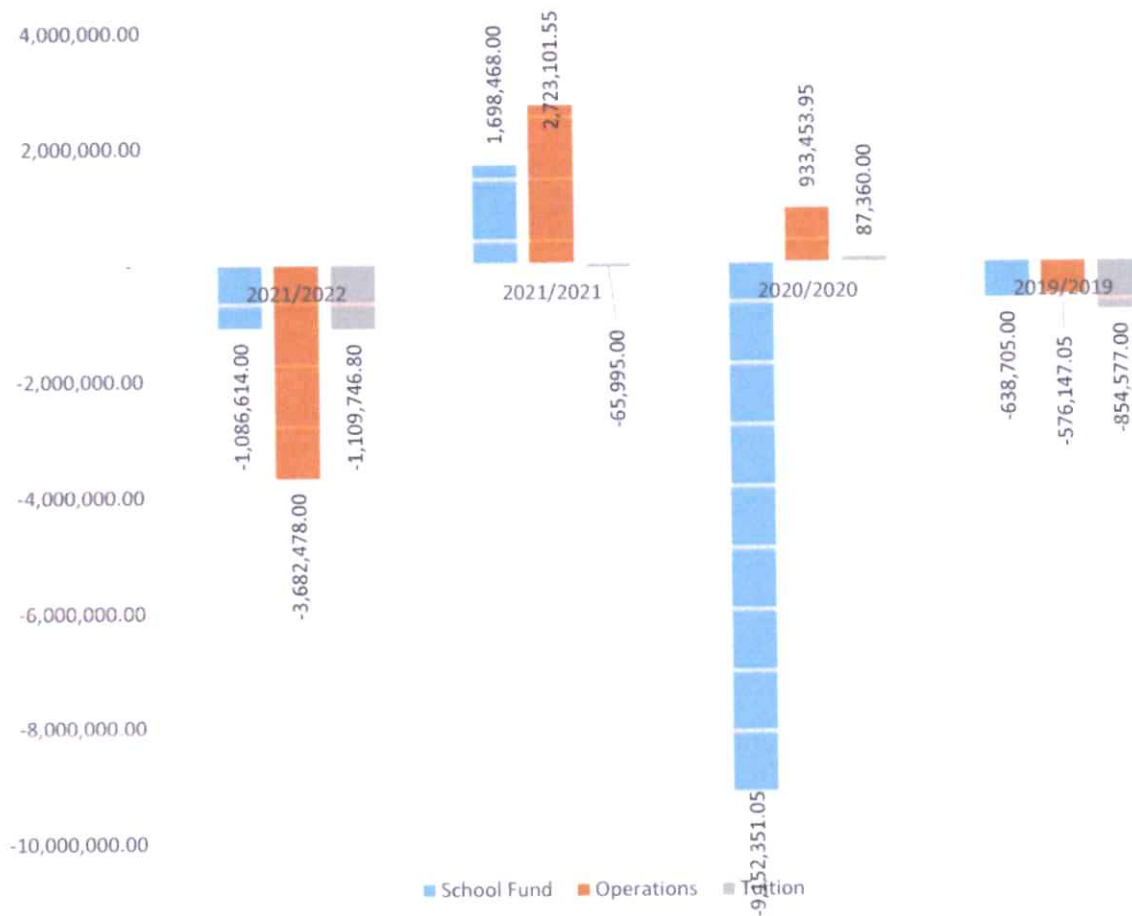
(f) Independent Auditors

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

Summary Report of Performance of the School

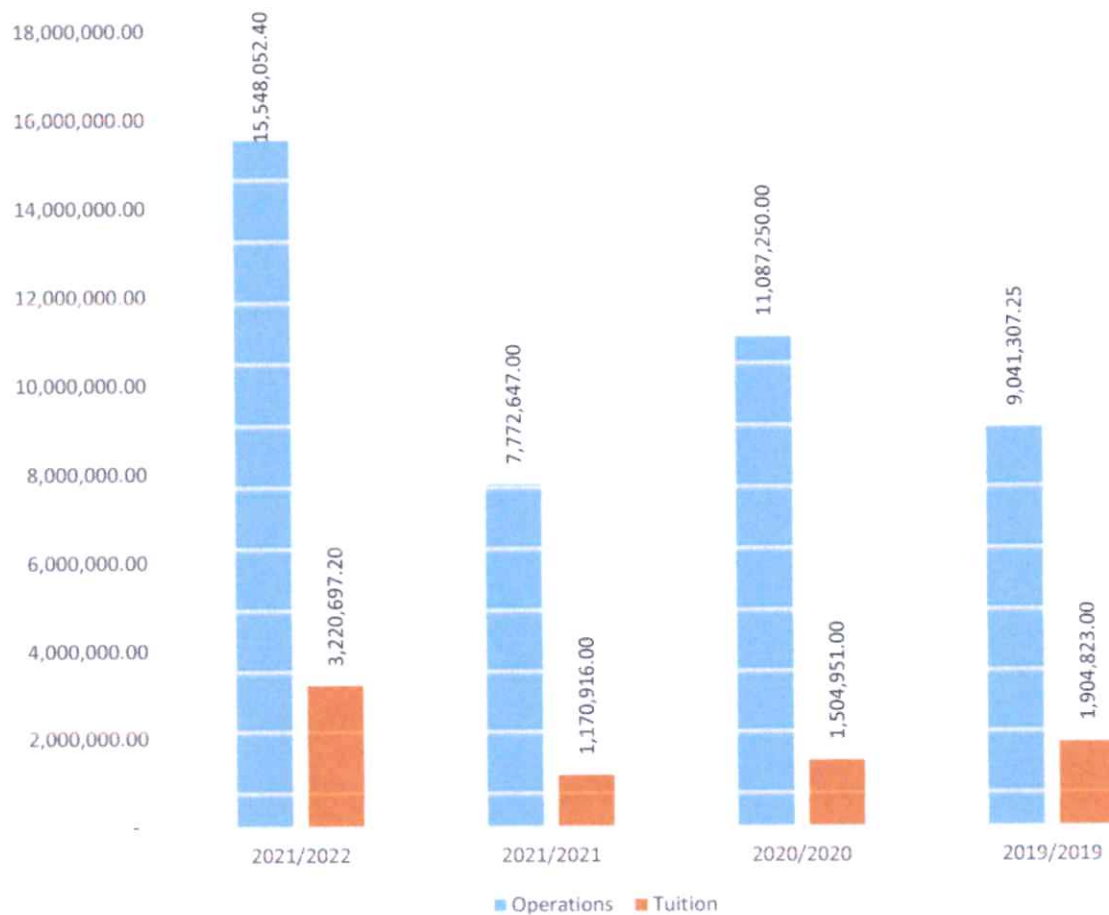
a) Financial performance:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021/2022	2021	2020	2019
		12 Months	6 Months	12 Months	12 Months
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	(902,494.00)	1,697,468.00	(9,152,351.05)	(638,705.00)
2	Operations Account	(3,682,478.00)	2,723,101.55	933,453.95	(576,147.05)
3	Tuition Account	(1,109,746.80)	(65,995.00)	87,360.00	(854,577.00)
	TOTAL	(5,694,718.80)	4,354,754.55	(8,131,537.10)	(2,069,429.05)



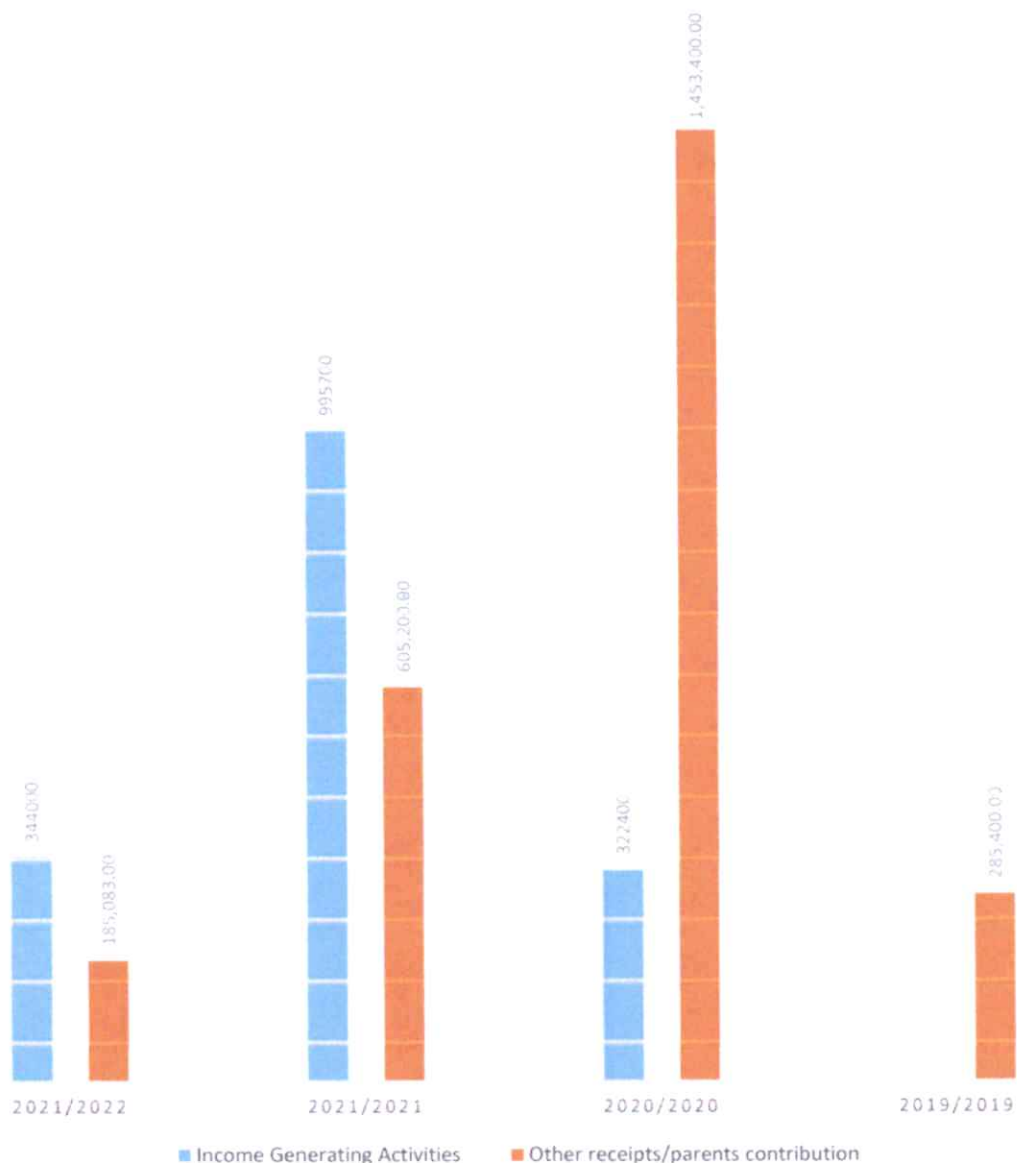
Summary Report of Performance of the School (Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021/2022	2021	2020	2019
		12 Months	6 Months	12 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
1	Operations Account	15,548,052.40	7,772,647.00	11,087,250.00	9,041,307.25
2	Tuition Account	3,220,697.20	1,170,916.00	1,504,951.00	1,904,823.00
	Total	18,768,749.60	8,943,563.00	12,592,201.00	10,946,130.25
	Increase/(Decrease)	9,825,186.60	(3,648,638.00)	1,646,070.75	(2,819,648.45)
	No of Students	977	899	813	773
	Ratio of Capitation per student	1:19,210.00	1:9,948.00	1:15,489.00	1:14,161.00



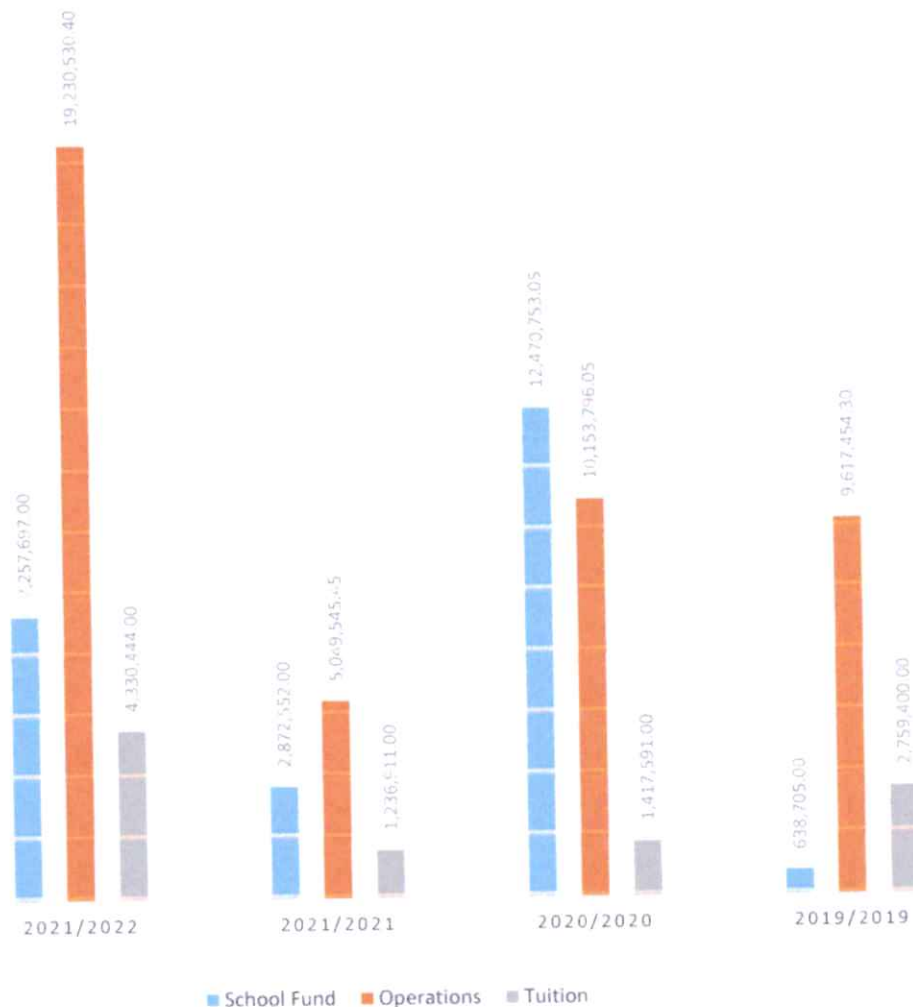
Summary Report of Performance of the School (Continued)

OVERVIEW OF NET GROWTH OF OTHER INCOME(S) FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021/2022	2021	2020	2019
		12 Months	6 Months	12 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
1	Income generating activities	468,000.00	995,700.00	322,400.00	
2	Other receipts/parents contribution	185,083.00	605,200.00	1,453,400.00	285,400.00
	Total	653,083.00	1,600,900.00	1,775,800.00	285,400.00
	Increase/(Decrease)	(947,817.00)	174,900.00	1,490,400.00	45,400.00



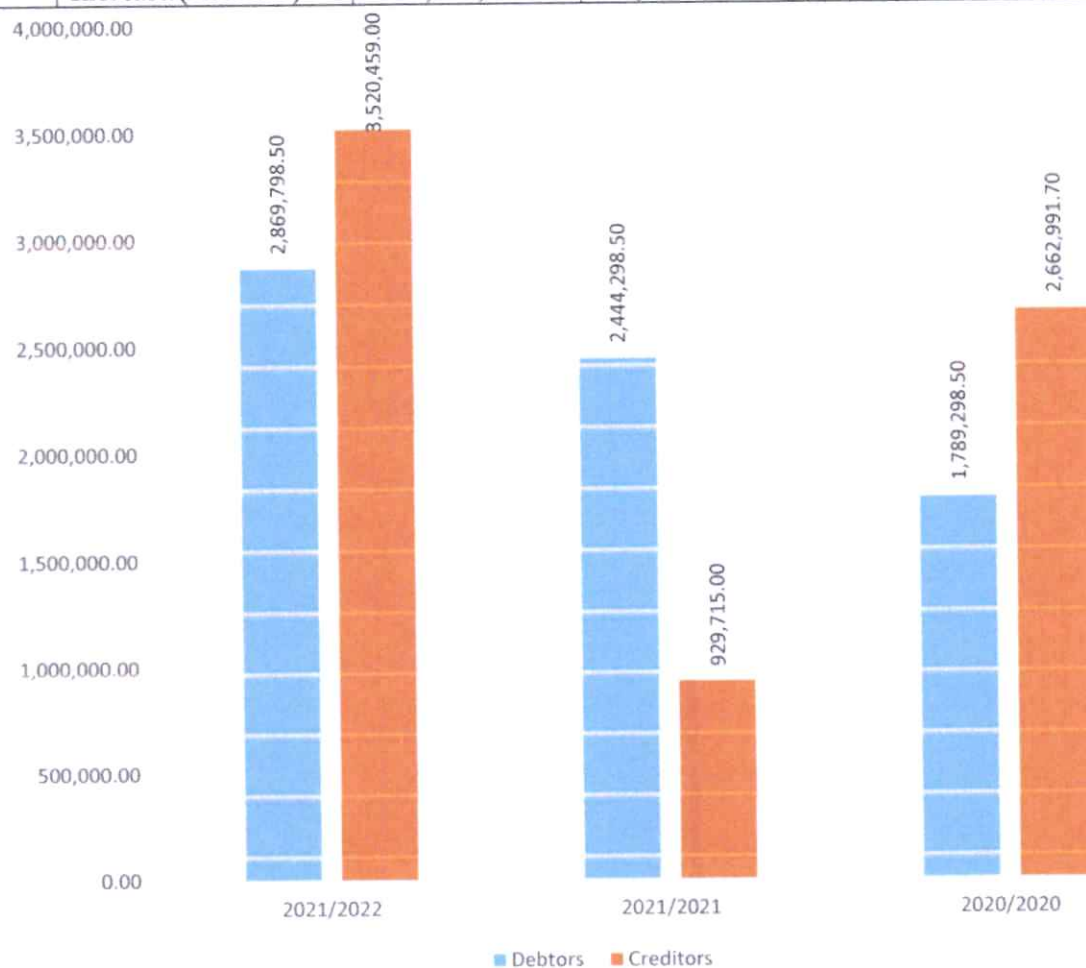
Summary Report of Performance of the School (Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2021/2022	2021	2020	2019
		12 Months	6 Months	12 Months	12 Months
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	7,198,277.00	2,872,552.00	22,642,613.05	638,705.00
2	Operations Account	19,230,530.40	5,049,545.45	10,153,796.05	9,617,454.30
3	Tuition Account	4,330,444.00	1,236,911.00	1,417,591.00	2,759,400.00
	Total	30,759,251.40	9,159,008.45	34,214,000.10	13,015,559.30
	Increase/(Decrease)	21,600,242.95	(25,054,991.65)	21,198,440.80	



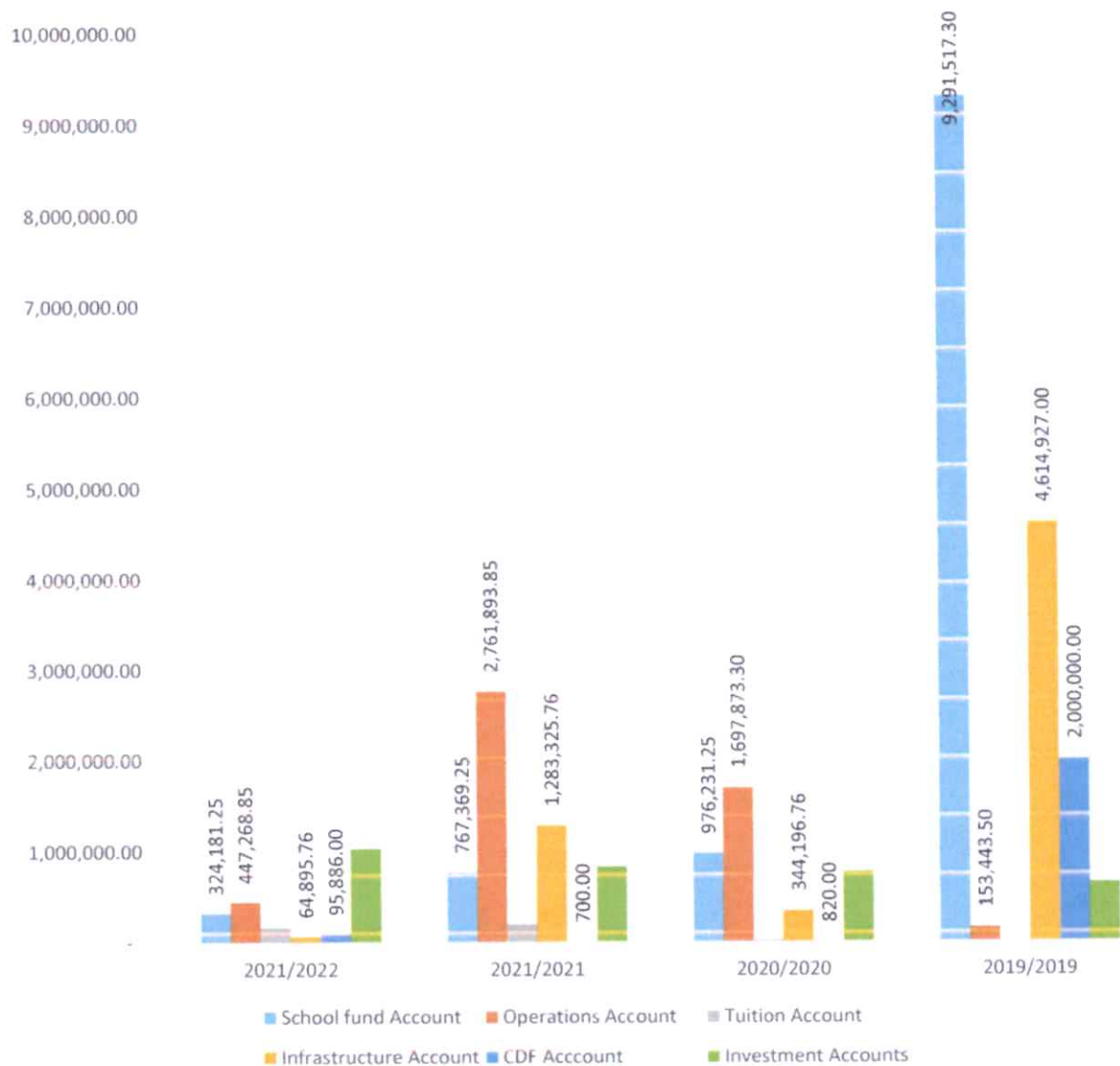
Summary Report of Performance of the School (Continued)

MOVEMENT FOR DEBTORS AND CREDITORS OF THE SCHOOL FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
S/NO	ACCOUNTS	2021/2022	2021	2020	2019
		12 Months	6 Months	12 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
a	Debtors	2,869,798.50	2,444,298.50	1,789,298.50	1,641,298.50
	Increase/(Decrease)	425,500.00	655,000.00	148,000.00	61,747.00
SNO	ACCOUNTS	2021/2022	2021	2020	2019
		12 Months	6 Months	12 Months	12 Months
S/NO	ACCOUNTS				
b	Creditors	3,520,459.00	929,715.00	2,662,991.70	1,338,450.85
	Increase/(Decrease)	2,590,744.00	(1,733,276.70)	1,324,540.85	637,262.45



MOVEMENT OF CASH AND BANK BALANCES FOR THE YEAR AND COMPARISON OF THE SAME FOR THE LAST THREE YEARS

SNO	ACCOUNTS	2021/2022	2021	2020	2019
		12 Months	6 Months	12 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
1	School Fund Account	524,181.25	767,369.25	976,231.25	9,291,517.30
2	Operations Account	449,188.85	2,763,743.85	1,698,620.30	153,443.50
3	Tuition Account	164,124.70	195,662.50	21,642.50	5,782.50
4	Infrastructure Account	64,895.76	1,283,325.76	343,449.76	4,614,927.00
5	CDF Account	156,006.00	700.00	820.00	2,000,000.00
6	Investment Accounts	1,221,029.10	898,029.10	837,029.10	649,796.74
	Total	2,579,355.66	6,108,830.46	3,877,792.91	16,715,467.04
	Increase/(Decrease)	(3,529,474.80)	2,231,037.75	(12,837,674.13)	10,897,663.40



Summary Report of Performance of the School (Continued)

b) **Teacher Student ratio:**

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

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

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

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

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


Summary Report of Performance of the School (Continued)

d) Capacity of the school:

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

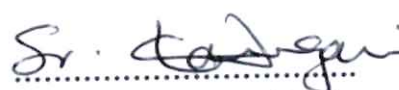
e) Development projects carried out by the school

SNO	PROJECT	SOURCE OF FUNDS	YEAR	APPROVED AMOUNT	STATUS
				KSHS	
1	Tuition Block	Maintenance & Improvement, CDF And Parent	2021/2022	9,790,000.00	In progress
	Total			9,790,000.00	-




 Boniface Ngigi Gitau (Mr)
 Chair,
 Board of Management

Bahati Girls Sec Sch
 Date: 27October2022



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

Bahati Girls Sec Sch
 Date: 27October 2022



 George Muturi
 Bursar

Bahati Girls Sec Sch
 Date: 27October 2022

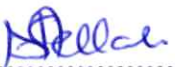
I. Statement Of School Management Responsibility

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

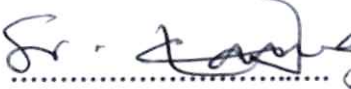
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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


The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30 June, 2022, and of the school's financial position as at that date.


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

Bahati Girls Sec Sch
Date: 27October 2022


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

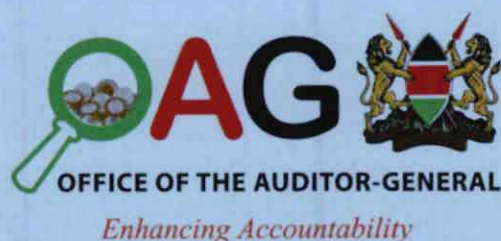
Bahati Girls Sec Sch
Date: 27October 2022


.....
George Muturi
Bursar

Bahati Girls Sec Sch
Date: 27October 2022

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 ST. BAKHITA BAHATI GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - NAKURU 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

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

statement of financial assets and financial liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of St. Bakhita Bahati Girls Secondary School as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Adverse Opinion

1.0 Unsupported Receipts

The statement of receipts and payments reflects Kshs.6,110,700 and Kshs.185,083 in respect of school fund income-parents' contributions and other receipts respectively as disclosed in Notes 3 and 4 to the financial statements. However, support documentation such as supporting schedules, ledgers and acknowledgement for the receipts were not provided for audit.

In the circumstances, the accuracy and completeness of receipts amounting to Kshs.6,295,783 could not be confirmed.

2.0 Unsupported and Unaccounted for Levies

The statement of receipts and payment reflects school fund income parents' contribution of Kshs. 6,110,700. Excluded from the amount are levies amounting to Kshs. 54,223,500 charged to 899 students. The levies are paid to the School through two (2) bank accounts held at two (2) local banks. The two (2) bank accounts are owned by the School but are privately operated by a Church Diocese through Our Lady Seat of Wisdom Hostels which are private entities. In addition, it was observed that the private entities are the co-founders of the School and therefore Management did not have access to the two (2) bank accounts into which the levies amounting to Kshs.54,223,500 are banked. Further, there were no receipts issued to the students for levies collected from students.

Furthermore, no approval of the Cabinet Secretary of the Parent Ministry to charge the boarding levies and to privately manage the boarding facility was provided for audit.

In the circumstances, the occurrence of the levies charged of Kshs. 54,223,500 could not be confirmed.

3.0 Accounts Receivables

3.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.2,869,798 as disclosed in Note 10 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy of the accounts receivables balance of Kshs.2,869,798 could not be confirmed.

3.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.2,869,798 in respect of fees arrears as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs.1,789,298 which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.2,869,798 could not be confirmed.

4.0 Cash and Cash Equivalents Balance

4.1 Unsupported Cash and Cash Equivalents Balance

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,579,355. Included in this balance are bank balances totalling Kshs.2,539,335 and cash balance of Kshs.40,021 as disclosed in Notes 8 and 9 to the financial statements. However, the bank balances in ten (10) bank accounts in operation were not supported by bank reconciliation statements and a board of survey report to confirm the cash in hand balance of Kshs.40,021. Further, the School did not disclose two bank accounts operated in a local bank which are in the name of the School.

4.2 Unreconciled Cash Book Balances

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,579,355 as disclosed in Notes 8 and 9 to the financial statements. Included in the cash balance is Kshs.164,124 and Kshs.517,547 in respect to tuition and school fund account respectively. However, the balances differed with the balances in the bank reconciliation statements of Kshs.108,524 and Kshs.317,547 respectively, resulting to an unreconciled variance of Kshs.255,600.

4.3 Unconfirmed Balances

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,579,355 as disclosed in Notes 8 and 9 to the financial statements. Included in the cash balance are balances of Kshs.1,850 and Kshs.95,895 in respect of ESP Account and CDF Account respectively. However, support documentation such as bank certificates, bank statements, cash books and bank reconciliations were not provided for review.

In the circumstances, the accuracy, completeness, existence of cash and cash equivalents balance of Kshs.2,579,355 could not be confirmed

5.0 Unsupported Payments for School Fund

The statement of receipts and payments reflects school fund payments of Kshs.7,198,277 as disclosed in Note 7 to the financial statements. Included in this amount is Kshs.3,989,771 in respect of supply of building materials. The expenditure was incurred in procuring building materials for a three-storey tuition block that had been under construction since 2019. The records indicated that the funds utilized on this project were mainly from parents' contributions, well-wishers/fundraising and the National Government Constituencies Development Fund. However, the following anomalies were noted:

- (i) Payments amounting to Kshs.3,989,771 made to suppliers of building materials were not supported by local purchase orders; and
- (ii) The School Management had not constituted an Inspection and Acceptance Committee for purposes of ensuring the correct quantity and quality of goods was received and that the goods, works or services meet the technical standards defined in the contract.

In the circumstances, the occurrence, value for money, accuracy and completeness of the school fund payments amounting to Kshs.3,989,771 could not be confirmed.

6.0 Unsupported Payments for Tuition

The statement of receipts and payments reflects tuition payments Kshs.4,330,444 as disclosed in Note 5 to the financial statements. Included in this amount is Kshs.2,532,756 incurred in purchase of exercise books, laboratory items, learning materials and internal exams. However, examination of payment vouchers amounting to Kshs.2,532,756 revealed that Management made payments without proper support documents such as local purchase order/local service order, distribution list, goods received note invoices

In the circumstances, the occurrence, accuracy and completeness of the school fund payments amounting to Kshs.2,532,756 could not be confirmed.

7.0 Unsupported Payments for Operations

The statement of receipts and payments reflects operations payment of Kshs.19,230,530 as disclosed in Note 6 to the financial statement. Included is Kshs.9,615,306 in respect of repairs, maintenance and improvement, electricity, water and conservancy and activity fees. However, examination of payment vouchers amounting to Kshs.9,615,306 revealed that Management made payments without proper support documents local purchase order/local service order, distribution list, goods received note invoices.

In the circumstances, the regularity, accuracy and completeness of the school fund payments amounting to Kshs.9,615,306 could not be confirmed.

8.0 Unsupported Fuel Expenditure

The statement of receipts and payments reflects operations payments of Kshs.19,230,530 as disclosed in Note 6 to the financial statements. Included in this amount is Kshs.215,251 incurred on fuels, oils and lubricants. However, examination of payment vouchers amounting to Kshs.215,251 revealed that Management made payments without proper support documents such as fuel registers, suppliers' statements and work tickets.

In the circumstances, the occurrence, accuracy and completeness of the operations payments amounting to Kshs.215,251 could not be confirmed.

9.0 Unsupported Financial Statement Adjustments

Review of the statement of receipts and receipts and the statement of financial assets and financial liabilities and disclosure Notes revealed that Management adjusted the financial statements amounts and balances. However, the adjustments were not supported by journals as analyzed below: -

Particular Item	Note	Original Amount (Kshs.)	Revised Amount (Kshs.)	Unsupported Adjustment (Kshs.)
Capitation grants for Operation	2	14,097,748	15,548,052	1,450,304
school fund income-parents contribution	3	4,049,618	5,986,700	1,937,082
School Fund Income-Other Receipts	4	145,000	185,003	40,003
Income for Infrastructure		6,750,000	-	6,750,000
Income from CDF		2,000,000	-	2,000,000

Payments for Tuition	5	3,012,000	4,330,444	1,318,444
Payments for Operation	6	15,082,908	19,230,530	4,147,622
School Fund Payments	7	3,989,771	7,258,397	3,268,626
Payments for Infrastructure		7,939,233	-	7,939,233
Payments for CDF		1,904,814	-	1,904,814
Bank account balances	8	2,810,730	2,539,334	271,396
Cash at hand	9	39,718	40,021	303
The prior year opening balance for cash and cash	8	5,241,046	6,108,830	867,784
Fund balance brought forward	12	6,772,630	7,632,413	859,783

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

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.29,638,400 and Kshs.25,064,532 respectively, resulting to an under-funding of Kshs.4,573,868 or 15% of the budget. However, the School spent a balance of Kshs.30,759,251 against actual receipts of Kshs.25,064,532, resulting to an over-utilization of Kshs 5,694,719 or 123% of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2021

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion and Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.7, 198,277 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.589,400 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs. 589,400 could not be confirmed.

2.0 Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.3,220,697 and Kshs.15,548,052, respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of 977 students while the enrolment records provided by the School indicated a total number of 1,018 students, resulting to an unexplained variance of 41 students. As a result of the variances, the School was under funded by an amount of Kshs.726,766.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.3,220,697 and Kshs.15,548,052 respectively could not be confirmed.

3.0 Unsupported Board of Management Allowances and Transport Reimbursements

The statement of receipts and payments reflects total payments of Kshs.30,759,251 included in this amount are amounts of Kshs.547,000 and Kshs.170,000, all totalling Kshs.717,000, being payments to Board of Management (BoM) and Parents' Association (PA) respectively. However, the expenditure was not supported by signed Board minutes and attendance lists. Further, review of payment vouchers revealed that the secretary to the Board was paid Kshs.104,000 for attending full board and board committee meetings, contrary to the Salaries and Remuneration Commission Circular Ref.SRC/ADM/CIR/1/13(122) of 16 April, 2014 on the payment of taskforce allowances and remuneration of commission of inquiry, tribunal, boards and committees appointed by Government.

In the circumstances, the occurrence of the expenditure of Kshs.717,000 in respect of Board of Management subsistence allowances could not be confirmed

4.0 Weaknesses in Human Resource Management

The statement of receipts and payments reflects payments for operations of 19,230,530 as disclosed in Note 6 to the financial statements. Included in this amount is Kshs.5,042,844 in respect of personnel emoluments paid to the School's Board of Management teachers and non-teaching staff. However, Management did not provide for audit the approved staff establishment and terms and conditions of service to confirm the recruitment needs. This was contrary to Section 13 of the Fourth Schedule of the Basic Education Act, 2015, which requires the Board of Management to employ its staff, upon such terms and conditions of service as the County Education Board may determine.

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

5.0 Unsupported Fixed Assets Balance

Review of the financial statements revealed that the summary of fixed assets register was not presented in Annex 2 to the financial statements as required by the Public Sector Accounting Standards Board template. Further, the School did not maintain a fixed assets register indicating dates of assets acquisition, types of assets, suppliers' names, values, custodians and locations in respect of the assets it owns. This was contrary to Regulation 143(1)(2) of the Public Finance Management (National Government) Regulations, 2015 which states that 'the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws. The register of land and buildings shall record each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of

acquisition, disposal or major change in use, capital expenditure, lease hold terms, maintenance contracts and other pertinent management details’.

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

6.0 Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.25,064,532 and Kshs.30,759,251 in respect of total receipts and payments respectively. However, during the year Management did not prepare an annual procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that ‘a procuring entity prepare a procurement plan for each financial year as part of the annual budget preparation process’.

In the circumstances, Management was in breach of the law

7.0 Lack of Risk Management Policy

Information provided by Management indicated that the School operated without a risk management policy, strategies and risk register to mitigate against risk. This was contrary to Regulation 165(1) of Public Finance Management (National Government) Regulations, 2015, which provides 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, Management was in breach of the law and effectiveness of risk management in the School could not be confirmed.

8.0 Late Submission of Annual Report and Financial Statements for Audit

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

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

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

The statement of receipts and payments and statement of financial assets and financial liabilities as presented for audit do not have disclosure Notes on the face.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 because of the significance of the matter discussed in the Basis for Adverse Opinion, Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

1.0 Lack of Ownership Documents

Review of records revealed that the School had two (2) functional vehicles, out of which a van with registered as KBU 544Y on 24 May, 2013 was financed by a Bank. The records show that the School had since cleared the financial obligations to the Bank. However, the logbook was still under joint ownership of the Bank and the School. Further, the School van did not operate with a work ticket and had a yellow civilian number plate instead of a blue number plate. Further, the title deed for the land on which the School is situated was not provided for audit.

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

2.0 Lack of Insurance Cover for Property and Other Assets

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

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

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards requires that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance

were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and Board of Management

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the school to cease to continue to sustain its services.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


26 September, 2024

St. Bakhita Bahati Girls Secondary School
 Reports and Financial Statements For the Year ended 30 June 2022

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2022


		2021-2022	2021
		12 Months	6 Months
RECEIPTS	NOTES	KSHS	KSHS
Capitation grants for Tuition		3,220,697.20	1,170,916.00
Capitation grants for Operations		15,548,052.40	7,772,647.00
School Fund income-Parents' Contribution		6,110,700.00	3,574,500.00
School Fund income-Other Receipts		185,083.00	995,700.00
TOTAL		25,064,532.60	13,513,763.00
PAYMENTS			
Payments for Tuition		4,330,444.00	1,236,911.00
Payments for Operations		19,230,530.40	5,049,545.45
School Fund Payments		7,198,277.00	2,872,732.00
TOTAL		30,759,251.40	9,159,008.45
SURPLUS/DEFICIT		(5,694,718.80)	4,354,754.55

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




 Boniface Ngigi Gitau (Mr)
 Chair,
 Board of Management

Bahati Girls Sec Sch
 Date: 27 October 2022



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

Bahati Girls Sec Sch
 Date: 27 October 2022



 George Muturi
 Bursar

Bahati Girls Sec Sch
 Date: 27 October 2022

St. Bakhita Bahati Girls Secondary School


Reports and Financial Statements For the Financial Year ended 30 June 2022

STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT

30 JUNE 2022

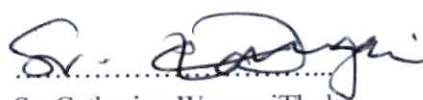
DETAILS		2021/2022	2021
		12 Months	6 Months
<u>CASH & BANK BALANCE</u>	NOTES	KSHS	KSHS
BANK		2,539,334.61	6,094,447.91
CASH		40,021.05	14,382.55
TOTAL		2,579,355.66	6,108,830.46
ACCOUNTS RECEIVABLES		2,869,798.50	2,444,298.50
TOTAL			
TOTAL FINANCIAL ASSETS		5,449,154.16	8,553,128.96
FINANCIAL LIABILITIES			
ACCOUNTS PAYABLE		3,520,459.00	929,715.00
NET TOTAL ASSETS		1,928,695.16	7,623,413.96
REPRESENTED BY:			
FUND BALANCE B/F 1JULY 2021		7,623,413.96	3,268,659.41
SURPLUS/DEFICIT FOR THE YEAR		(5,694,718.80)	4,354,574.55
TOTAL		1,928,695.16	7,623,413.96

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




 Boniface NgigiGitau (Mr)
 Chair,
 Board of Management

Bahati Girls Sec Sch
 Date: 27October 2022



 Sr. Catherine WangariThuku
 Secretary,
 Board of Management
 /Principal

Bahati Girls Sec Sch
 Date: 27October 2022



 George Muturi
 Bursar

Bahati Girls Sec Sch
 Date: 27October 2022

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2022

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

DETAILS		2021/2022	2021
		12 Months	6 Months
RECEIPTS FROM OPERATING ACTIVITIES	NOTES	KSHS	KSHS
Capitation grants for Tuition	1	3,220,697.20	1,170,916.00
Capitation grants for Operations	2	15,548,052.40	7,772,647.00
School Fund income-Parents' Contribution	3	6,110,700.00	3,574,500.00
School Fund income-Other Receipts	4	185,083.00	995,700.00
Adjustment increase/decrease of debtors		(425,500.00)	(655,000.00)
Total Receipts		24,639,032.60	12,858,763.00
Payments			
Payments for Tuition	5	4,330,444.00	1,236,911.00
Payments for Operations	6	19,230,530.40	5,049,545.45
School Fund Payments	7	7,198,277.00	2,872,552.00
Adjustment increase/decrease of creditors		(2,590,744.00)	1,668,717.00
Total Payments		28,168,507.40	10,827,725.45
Net Cashflows from Operating Activities		(3,529,474.80)	2,031,037.55
Net Increase/Decrease in Cash & Cash Equivalent		(3,529,474.80)	2,031,037.55
Cash & Cash Equivalent at Beginning of the year		6,108,830.46	4,077,792.91
Cash & Cash Equivalent at the end of the year		2,579,355.66	6,108,830.46

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

St. Bakhita Bahati Girls Secondary School
 Reports and Financial Statements For the Year ended 30 June 2022

Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c = a+b	d	e = c - d	f = d/c
	Kshs	Kshs	Kshs	Kshs	Kshs	
RECEIPTS						
1) Capitation Grant On Tuition						
Exercise Books	1,631,300.00	-	1,631,300.00	1,288,278.88	343,021.00	79%
Lab. Equipment	1,138,500.00	-	1,138,500.00	966,209.16	172,291.00	85%
T/L Materials	635,800.00	-	635,800.00	322,069.72	313,731.00	51%
Internal Exams	1,152,800.00	-	1,152,800.00	644,139.44	508,661.00	56%
Sub-Total	4,558,400.00	-	4,558,400.00	3,220,697.20	1,337,704.00	71%
(2) Capitation Grant On Operations						
Local, Travel & Transport	2,827,000.00	-	2,827,000.00	2,367,311.42	459,689.00	84%
Electricity, Water & Conservancy	907,500.00	-	907,500.00	1,233,731.41	(326,231.00)	136%
Personal Emolument	5,395,500.00	-	5,395,500.00	4,471,211.33	924,289.00	83%
Administration Costs	880,000.00	-	880,000.00	696,344.24	183,656.00	79%
Activity	1,650,000.00		1,650,000.00		1,650,000.00	0%
Sacco				985,840.00		
PTA				45,000.00		
Insurance and Medical	2,200,000.00		2,200,000.00	195,400.00	2,004,600.00	
NSSF				82,720.00		
NHIF				99,600.00		
Rent				65,600.00		
Welfare				76,000.00		
Sub-Total	9,799,100.00	-	9,799,100.00			
Maintenance & Improvement	5,830,000.00	-	5,830,000.00	5,133,750.00	696,250.00	88%
Sub-Total	19,690,000.00		19,690,000.00	15,548,052.40	4,141,948.00	79%
(3) Fees Charged On Parents						
Parents Association	3,960,000.00		3,960,000.00	3,642,000.00	318,000.00	914%
Sub-Total	3,960,000.00	-	3,960,000.00	3,642,000.00	318,000.00	
Other Income						
Income From Generating Activities	200,000.00		200,000.00	468,000.00	(268,000.00)	234%
Other receipts	1,230,000.00		1,230,000.00	185,083.00	1,044,917.00	15%
Sub-Total	1,430,000.00		1,430,000.00	529,083.00	900,917.00	37%
CDF				2,000,700.00	(2,000,700.00)	
Grand total Income	29,638,400.00	-	29,638,400.00	25,064,532.60	(4,573,868.00)	85%

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2022

Expenditure For:						
(1) Tuition						
Exercise Books	1,631,300.00	-	1,631,300.00	1,523,634.00	107,666.00	93%
Lab. Equipments	1,138,500.00	-	1,138,500.00	1,151,478.00	(12,978.00)	101%
T/L Materials	635,800.00	-	635,800.00	710,978.00	(75,178.00)	112%
Internal Exams	1,152,800.00	-	1,152,800.00	944,354.00	208,446.00	82%
Sub-Total	4,558,400.00	-	4,558,400.00	4,330,444.00	227,956.00	95%
2) Operations						
Local, Travel & Transport	2,827,00.00	-	2,827,000.00	2,653,970.00	173,030.00	94%
Electricity, Water & Conservancy	907,500.00	-	907,500.00	709,939.00	197,561.00	78%
Personal Emolument	5,395,500.00	-	5,395,500.00	4,901,706.90	493,793.00	91%
Administration Costs	880,000.00	-	880,000.00	745,292.50	134,707.00	85%
Activity	1,650,000.00		1,650,000.00	521,595.00	1,128,405.00	32%
Medical and insurance	2,200,000.00		2,200,000.00	26,800.00	1,173,200.00	1%
NSSF				146,320.00		
NHIF				101,400.00		
Repairs				369,030.00		
Sacco				1,019,700.00		
Maintenance & Improvement	5,830,000.00	-	5,830,000.00	7,939,233.00	2,109,233.00	136%
Sub-Total	19,690,000.00	-	19,690,000.00	19,230,530.40	(459,470.00)	98%
(3) School Fund						
Local, Travel & Transport	300,000.00		300,000.00	224,049.00	75,951.00	75%
Repair, Maintenance & Improvement	300,000.00		300,000.00	201,100.00	98,900.00	67%
Electricity, Water & Conservancy	90,000.00		90,000.00	60,845.00	29,155.00	68%
Personal Emolument	150,000.00		150,000.00	123,638.00	26,362.00	82%
Administration Costs	390,000.00		390,000.00	368,270.00	21,730.00	94%
Parents Association	3,960,000.00		3,960,000.00	4,375,681.00	(415,681.00)	110%
CDF				1,844,694.00		
Expenditure on income generating expenses	200,000.00		200,000.00			
Inter Accounts borrowing						
Sub-Total	5,390,000.00		5,390,000.00	7,198,277.00	(1,803,277.00)	133%
Total Expenditure	29,638,400.00	-	29,638,400.00	30,759,251.40	1,120,851.00	103%
Surplus/Deficit				(5,694,718.80)		

Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30 June 2022.

NOTES TO THE FINANCIAL STATEMENTS

1. CAPITATION OF TUITION

VOTEHEADS		2021-2022	2021
		KSHS	KSHS
Exercise books		1,288,278.88	433,238.00
Lab. Equipments and chemicals		966,209.16	257,602.00
Teaching and materials		322,069.72	140,500.00
Internal exams		644,139.44	339,576.00
TOTAL		3,220,697.20	1,170,916.00

2. CAPITATION OF OPERATIONS

VOTEHEADS		2021-2022	2021
		KSHS	KSHS
Local, travel & transport		2,367,311.42	1,071,030.50
Infrastructure grant		5,133,750.00	3,371,750.00
Electricity, water & conservancy		1,233,731.41	565,066.00
Personal emolument		4,471,211.33	2,023,409.00
Administration costs		696,344.24	279,601.50
Medical & insurance		195,400.00	-
Rent		65,600.00	36,000.00
NSSF		82,720.00	31,200.00
NHIF		99,600.00	51,150.00
JOKEHIS SACCO		605,871.00	264,440.00
WAKARIMU SACCO		379,969.00	
WELFARE		76,000.00	
PARENTS ASSOCIATION		45,000.00	30,000.00
Inter account borrowing			19,000.00
TOTAL		15,548,052.40	7,772,647.00

3. SCHOOL FUND INCOME FROM PARENTS AND OTHER CONTRIBUTION

VOTEHEADS		2021-2022	2021
		KSHS	KSHS
Local, travel & transport			338,500.00
Tender fees		34,000.00	
Rent		50,000.00	205,700.00
Bus Hire		384,000.00	61,000.00
Parents Association		3,642,000.00	1,869,300.00
C.D.F.		2,000,700.00	1,100,000.00
TOTAL		6,110,700.00	3,574,500.00

4. SCHOOL FUND INCOME-OTHER RECEIPTS

VOTEHEADS	2021/-2022	2021
	KSHS	KSHS
Repairs, Maintenance and Improvement		431,000.00
Contingencies	600.00	82,600.00
EWC	60,845.00	101,000.00
Activity		139,600.00
Personal Emolument	123,638.00	241,500.00
TOTAL	185,083.00	995,700.00

5. PAYMENTS FOR TUITION

VOTEHEADS	2021-2022	2021
	KSHS	KSHS
Exercise books	1,523,634.00	273,056.00
Lab equipments/chemicals	1,151,478.00	408,374.00
T/L materials	710,978.00	331,115.00
Internal exams	944,354.00	224,366.00
TOTAL	4,330,444.00	1,236,911.00

6. PAYMENTS FOR OPERATIONS

VOTEHEADS	2021-2022	2021
	KSHS	KSHS
Local, travel & transport	2,653,970.00	668,528.00
Repair, maintenance & improvement	369,030.00	181,300.00
Electricity, water & conservancy	709,939.00	238,546.00
Activity	521,595.00	30,000.00
Personal emolument	4,901,706.90	2,229,948.45
Administration costs	745,292.50	218,948.00
Medical & insurance	26,800.00	248,313.00
NSSF	146,320.00	24,800.00
NHIF	101,400.00	50,700.00
JOKEHIS SACCO	597,859.00	263,440.00
WAKARIMU SACCO	421,841.00	
Welfare		5,000.00
Infrastructure	7,939,233.00	890,124.00
TOTAL	19,230,530.40	5,049,545.45

7. SCHOOL FUND PAYMENTS

VOTEHEADS	2021-2022	2021
	KSHS	KSHS
Local, travel & transport	224,049.00	319,798.00
Repair, maintenance & improvement	201,100.00	458,950.00
Electricity, water & conservancy	60,845.00	67,970.00
Activity		115,705.00
Personal emolument	123,638.00	-
Administration costs	368,270.00	19,502.00
Acquisition of Assets	4,375,681.00	771,627.00
CDF	1,844,694.00	1,100,000.00
Inter account borrowing		19,000.00
TOTAL	7,198,277.00	2,872,552.00

8. BANK ACCOUNTS

BANK NAME	2021-2022	2021
	KSHS	KSHS
Tuition account	164,124.70	195,662.50
Operations account	415,732.00	2,762,576.50
Infrastructure account	64,895.76	1,283,325.76
School fund account	517,547.05	954,154.05
CDF account	156,006.00	700.00
Saving accounts	1,221,029.10	898,029.10
TOTAL	2,539,334.61	6,094,447.91

9. CASH IN HAND

VOTEHEADS	2021-2022	2021
	KSHS	KSHS
School fund	6,634.20	13,215.20
Operations	33,386.85	1,167.35
TOTAL	40,021.05	14,382.55

10. ACCOUNT RECEIVABLES

VOTEHEADS	2021-2022	2021
	KSHS	KSHS
Fees Arrears	2,869,798.50	2,444,298.50
TOTAL	2,869,798.50	2,444,298.50

Aging below

FEES ARREARS SUMMARY

VOTEHEADS	DETAILS	2021-2022	2021
		KSHS	KSHS
Current year		613,000.00	655,000.00
Previous year - 2021		655,000.00	1,789,298.50
Arrears recovered during the year		(187,500.00)	
Prior period - over two years		1,789,298.50	
TOTAL		2,869,798.50	2,444,298.50

11. ACCOUNT PAYABLES

VOTEHEADS	DETAILS	2021-2021	2021
		KSHS	KSHS
Trade Creditors		3,520,459.00	929,715.00
TOTAL		3,520,459.00	929,715.00

Aging below

TRADE CREDITORS SUMMARY

VOTEHEADS	DETAILS	202-2021	2021
		KSHS	KSHS
Current year		3,503,459.00	912,715.00
Paid during the year		(912,715.00)	(2,581,432.00)
Previous year		912,715.00	2,598,432.00
Prior period – over two years		17,000.00	17,000.00
TOTAL		3,520,459.00	929,715.00

12. FUND BALANCE BROUGHT FORWARD

VOTEHEADS	DETAILS	2021-2022	2021
		KSHS	KSHS
Bank and Cash balances		6,108,830.46	4,077,792.91
Receivables		2,444,298.00	1,789,298.50
Payables		929,715.00	(2,598,432.00)
TOTAL		7,623,413.96	3,268,659.41

Other important disclosure notes

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

13. Biological assets

Description	No.
Trees	208

Progress On Follow Up of Auditor Recommendations

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

St. Bakhita Bahati Girls Secondary School
 Reports and Financial Statements For the Year ended 30 June 2022

Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at 30/06/2022	Comment
	Kshs	Kshs	Kshs	Kshs	
	a	b	c	d=a-c	
James Mwami	60,000.00	30/06/2022		60,000.00	
Safaricom	9,805.00	30/06/2022		9,805.00	
Patmat Bookshop	1,179,474.00	30/06/2022		1,179,474.00	
Mache Hardware	1,938,950.00	30/06/2022		1,938,950.00	
Silver Skills	17,000.00	30/06/2022		17,000.00	
Namsams Enterprises	167,480.00	30/06/2022		167,480.00	
Data Waves Network	9,000.00	30/06/2022		9,000.00	
Total	3,520,459.00			3,520,459.00	

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2022

Summary of Fixed Assets Register

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