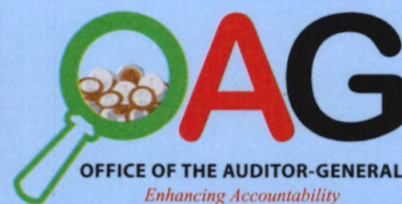
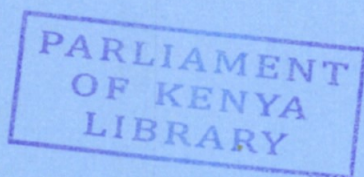


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

**THE NATIONAL ASSEMBLY
PAPERS LAID**

DATE: 13 JUN 2026

DAY.

Tuesday

**TABLED
BY:**

*Hon. Naomi Wazir, CBS, MP
(Deputy Majority Party Whip)*

OF

**CLERK-AT
THE-TABLE:**

Lemale

THE AUDITOR-GENERAL

ON

KAAGA GIRLS HIGH SCHOOL

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

MERU COUNTY



1 Revised 30th June 2021.

**KAAGA GIRLS' HIGH
SCHOOL**



KAAGA GIRLS HIGH SCHOOL

PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2021**

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

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

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

Table of Contents	Page
1. KEY SCHOOL INFORMATION AND MANAGEMENT	iv
2. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	ix
3. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	xv
4. REPORT OF THE INDEPENDENT AUDITORS ON THE ANNUAL FINANCIAL STATEMENTS OF KAAGA GIRLS HIGH SCHOOL OF THE YEAR ENDING 30 TH JUNE 2021	xvi
5. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30 TH JUNE 2021	1
6. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30 TH JUNE 2021 ..	3
7. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 TH JUNE 2021	5
8. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30 TH JUNE 2021	6
9. SIGNIFICANT ACCOUNTING POLICIES	10
10. NOTES TO THE FINANCIAL STATEMENTS	12

1. 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 Meru County, Imenti North Sub-County

The school was registered in 1961 under registration number 12S30001039 and is currently categorized as a Extra County, public school established, owned or operated by the Government.

The school is a boarding school and had 1059 number of students as at 30th June 2021. It has 5 streams 45 TSC teachers and 11 teachers 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	Mrs. Mary Matu	Chairperson/ Sponsor	16/05/2019
2	Mr. Dickson Gitobu	Deputy chairperson/ Sponsor	16/05/2019
3	M/s Eunice Maeke	Secretary - Principal	16/05/2019
4	Mrs. Catherine Ajara	Member –P.A Chairperson	16/05/2019
5	Rev. Catherine Mutua	Member - Sponsor	16/05/2019
6	Mr. Vinod Lalji Ramji	Member	16/05/2019
7	Mrs. Hellen Mugambi	Member - Community	16/05/2019
8	Comm. Doreen Muthaura	Member	16/05/2019
9	Mr. Jacob Kariuki Gititi	Member	16/05/2019
10	Mrs. Rose Muthomi	Member	16/05/2019
11	Aileen Kajuju	Member – Rep CEB	16/05/2019
12	Dr. Tabitha Murerwa	Member	16/05/2019
13	Mr. Japhason Lekupe	MemberSpecial Needs	16/05/2019
14	Mrs. Margaret Muriungi	Member	16/05/2019
15	Mr. Benedict Kiambi	Member	16/05/2019
16	Mr. Sospeter Koome	Member Rep Teachers	16/05/2019
17	Beryl Achieng Okelo	Rep Students	16/05/2019

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

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mrs. Mary Matu	Chairperson	2/2
		Mr. Dickson Gitobu	Deputy Chairperson	2/2
		M/s Eunice Maeke	Member- Secretary	2/2
		Mrs. Catherine Ajara	Member	2/2
		Mr. Vinod Lalji Ramji	Member	2/2
2	Audit Committee	Mr. Vinod Lalji Ramji	Chairperson	2/2
		M/s Eunice Maeke	Secretary	2/2
		Mr. Benedict Kiambi	Member	2/2
		Mrs. Margaret Muriungi	Member	2/2
3	Finance,procurement and general purposes Committee	Mrs. Hellen Mugambi	Chairperson	2/2
		M/s Eunice Maeke	Secretary	2/2
		Mrs. Catherine Ajara	Member	2/2
		Mrs. Mary Matu	Member	2/2
4	Academic Committee	Dr. Tabitha Murerwa	Chairperson	2/2
		M/s Eunice Maeke	Secretary	
		Mr. Jacob Kariuki Gititi	Member	2/2
		Mr. Sospeter Koome	Member	2/2

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

5	School Infrastructure Committee	Mr. Dickson Gitobu	Chairperson	2/2
		M/s Eunice Maeke	Secretary	2/2
		Mrs. Catherine Ajara	Member	2/2
		Mr. Vinod Lalji Ramji	Member	2/2
		Mrs. Mary Matu	Member	2/2
6	Discipline Committee	Rev. Catherine Mutua	Chairperson	2/2
		M/s Eunice Maeke	Secretary	2/2
		Mr. Dickson Gitobu	Member	2/2
		Aileen Kajuju	Member	2/2
7	Welfare Committee	Mr. Japhason Lekupe	Chairperson	2/2
		M/s Eunice Maeke	Secretary	2/2
		Comm. Doreen Muthaura	Member	2/2
		Mrs. Rose Muthomi	Member	2/2

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	Eunice Mwikali Maeke	352921
2	Deputy Principal-administration and Human Resource	Mrs. Rose Karambu Gilbert	351456
3	Deputy Principal-Academics	Mrs. Purity Makena Munene	315808
4	School Bursar	Mr. Benjamin Njeru Njagi	10147647

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

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 1275
Telephone: 0724 352 871
E-mail: kaagagirls@ymail.com

(f) School Bankers

School operated 7 bank accounts in the following banks:

School fund a/c

1. Name of the Bank: ABSA
Branch : Meru
Account Number: 013 1040857
2. Name of the Bank: Kenya Commercial Bank
Branch : Makutano-Meru
Account Number: 1240250223

Operation a/c

3. Name of the Bank: Standard Chartered Bank
Branch : Meru
Account Number: 010206204900

Tuition a/c

4. Name of the Bank: Co-operative Bank
Branch : Makutano-Meru
Account Number: 01139021641800

Development a/c

5. Name of the Bank: Co-operative Bank
Branch : Makutano- Makutano-Meru
Account Number: 01134378494300

NG- Imenti North - CDF a/c

6. Name of the Bank: Co-operative Bank
Branch : Makutano- Makutano-Meru
Account Number: 01139378494300

School Infrastructure a/c

7. Name of the Bank: Kenya Commercial Bank
Branch : Makutano-Meru
Account Number: 1215385927

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

(g) Independent Auditors

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

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

2. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

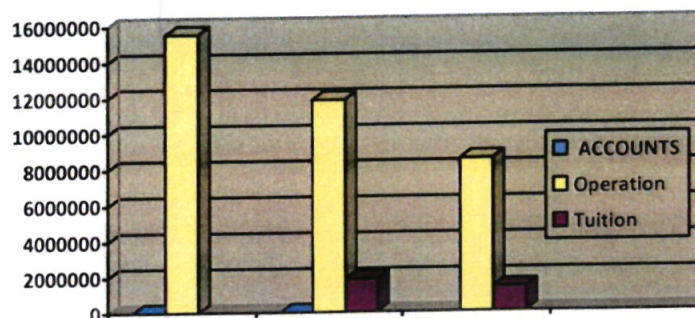
a) Financial performance:

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

Year	2019	2020	JUNE 2021
Amount (Kshs.)	2,941,618.70	1,437,936.90	(4,440,013.00)

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

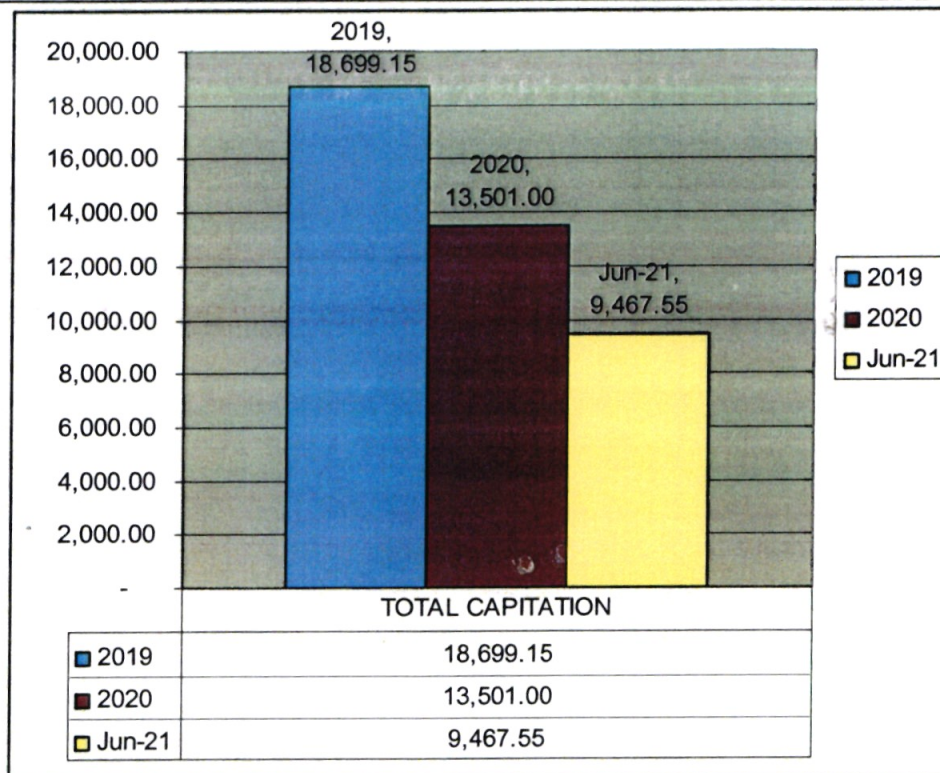
REF:	ACCOUNTS	2019	2020	JUNE 2021
		Amount (Kshs.)	Amount (Kshs.)	Amount (Kshs.)
1.	Operation	15,558,631.20	11,875,400.00	8,548,373.00
2.	Tuition	3,290,152.25	1,856,200.00	1,392,640.00



- Ratio of capitation grant per student over the last three years

REF:	ACCOUNTS	2019	2020	JUNE 2021
		Amount (Kshs.)	Amount (Kshs.)	Amount (Kshs.)
1.	Operation	15,435.15	11,651.00	8,165.55
2.	Tuition	3,264.00	1,850.00	1,302.00

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

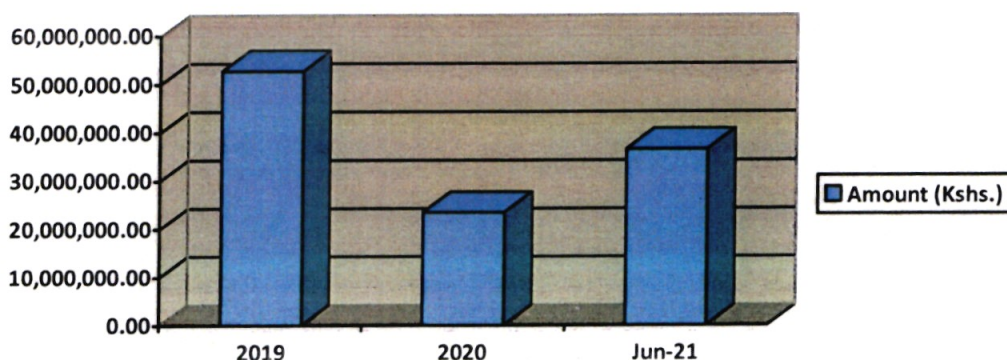


- A three-year overview of growth of other income(s) earned by the school.

Year	2019	2020	JUNE 2021
Amount (Kshs.)	54,832,555.45	27,849,465.00	32,188,204.00

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

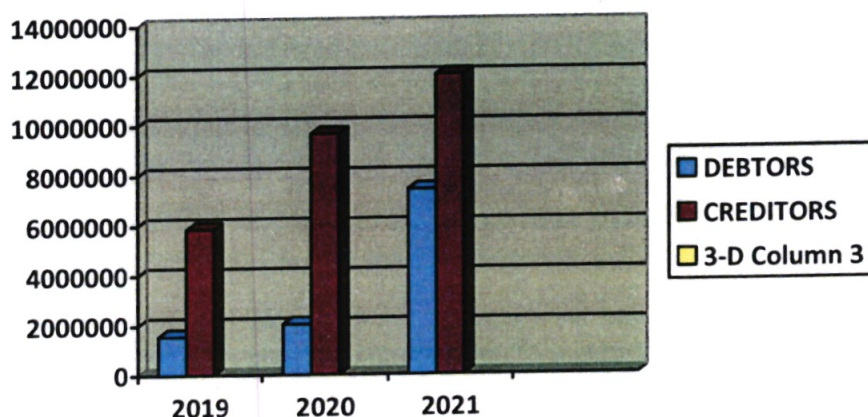
Year	2019	2020	JUNE 2021
Amount (Kshs.)	52,744,597.75	23,503,837.00	36,628,217.00



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

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

	2019	2020	JUNE 2021
	Amount (Kshs.)	Amount (Kshs.)	Amount (Kshs.)
DEBTORS	1,552,459.00	2,043,008.00	7,437,456.00
CREDITORS	5,844,123.92	9,666,716.00	12,024,115.00



- Movement of cash and bank balances over the last three years

REF:	2019	2020	JUNE 2021
BANK ACCOUNTS	Amount (Kshs.)	Amount (Kshs.)	Amount (Kshs.)
CASH	176.80	1,060.00	1,489.00
ABSA	1,410,589.75	1,315,504.85	1,104,376.00
KCB	2,971,237.40	1,256,989.73	3,073,573.00
OPERATION-SCB	1,104,129.30	1,274,732.20	1,226,136.15
TUITION-CO-OP	96,757.75	57,891.75	213,487.70
CDF-CO-OP	9,570.00	1,225,316.00	37,356.00
DEVELOPMENT-CO-OP	146,175.45	1,516,803.45	182,727.00
INFRASTRUCTURE-KCB	3,931,594.20	1,513,674.60	30,926.00

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

b) Teacher Student ratio:

This is the teacher student ratio for the year ended June 2021

REF: NO.	STUDENTS	TEACHERS	RATIO
	1059	45 Geo/CRE 3 H/Sci 2 Eng/ Cre 2 Maths phy-2 Maths/icon-1 Eng/lit-6 German/business-1 BS/Geo 3 Chem./maths 3 Bio/chem3 Kisw/cre 4 Hist/cre 4 Computer 1 Maths/BS 3 Kisw/Hist 4 Geo/Hist 1 Bio/Maths 1	1:19
RECRUITED AND POSTED	0	13	
TRANSFERED		2	
RETIRED		1	
BOM		11	

c) KCSE Mean scores for the last three years.

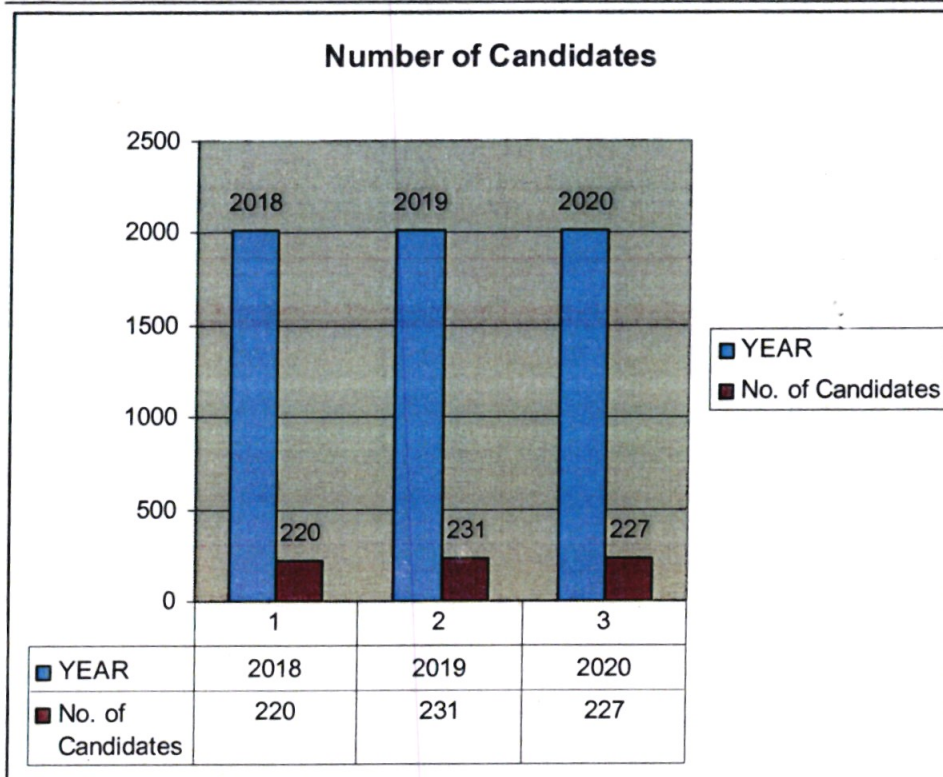
REF:	YEAR	TRANSITION TO HIGHER LEARNING INSTITUTION	TARGET MEAN SCORE	MEAN SCORED	VARIANCE
1.	2018	154	8.8	7.586	(1.214)
2.	2019	156	9.0	7.623	(1.377)
3.	2020	190	9.2	8.361	(0.839)

d) Number of Candidates in the 2021 KCSE:

This is the number of candidates who sat for KCSE over the last three years.

REF:	YEAR	No. of Candidates
1	2018	220
2	2019	231
3	2020	227

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



e) Capacity of the school:

YEAR	Dormitory capacity	Dining hall capacity	Laboratory capacity	Toilets Capacity 1:15
Available facility	13	1	4	70
June 2021	1059	1059	1059	1059

f) Development projects carried out by the school:

This were Development projects carried out during the year.

REF:	Project Name	Source of funds	Status (complete or ongoing)	Initial costs in Kshs.	Amount spent	Expected completion time
1.	STOREY DORMITORY	MOE AND PARENTS	Ground floor complete and in use	17,262,430.00	13,468,033.00	28/07/2021
2.	FINISHES 2 ND FLOOR TUITION LIBRARY COMPLEX	MOE	(Created Library Area 300 pax in use)	2,507,777.70	2,507,777.70	08/10/2021

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

Name: M/s Eunice Mwikali Maeke
Designation: School Principal & Secretary to Board of Management
Sign: Eunice
Date: 25-03-26

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

3. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

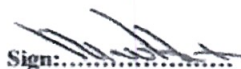
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

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

Name: Mrs. Mary Matu
Designation: Chairman, School Board of Management

Sign:

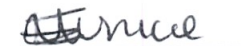

Sign:.....

Date:

25-03-26

Name: M/s Eunice Mwikali Maeke
Designation: School Principal & Secretary to Board of Management

Sign:



Date:

25-03-26

Name: Mr. Benjamin Njeru Njagi
Designation: Bursar/ Finance Officer

Sign:



Date:

25-03-26

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KAAGA GIRLS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2021 - MERU COUNTY

PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Kaaga Girls High School set out on pages 1 to 21, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of

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

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

Basis for Qualified Opinion

1. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.7,437,456 as disclosed in Note 10 to the financial statements. However, the supporting schedules, detailed ageing analysis and issued invoices were not provided for audit review.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.7,437,456 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.5,870,071 which includes bank balances of Kshs.5,868,582 for six (6) bank accounts as disclosed in Notes 8 and 9 to the financial statements. However, cashbooks, bank reconciliation statements and certificates of bank balances were not provided for audit review.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.5,870,071 could not be confirmed.

3. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects accounts payable balance of Kshs.12,024,115 which includes trade creditors balance of Kshs.8,859,477 as disclosed in Note 11 to the financial statements. However, the ledgers reflect Kshs.4,948,077 resulting to a variance of Kshs.3,911,400 which was not explained.

In the circumstances, the accuracy and completeness of the trade creditors balance of Kshs.8,859,477 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kaaga Girls High School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical

requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matters

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.46,060,375 and Kshs.32,188,204 respectively, resulting in an under-funding of Kshs.13,872,171 or 30% of the budget. Similarly, the School spent an amount of Kshs.36,628,217 against actual receipts amounting to Kshs.32,188,204 resulting in an over-utilization of Kshs.4,440,013 or 14% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unaudited Opening Balances

I draw your attention to the opening balances for the 2020/2021 financial year. The opening balances as at 1 July 2020 were based on unaudited figures. Consequently, I was unable to obtain sufficient and appropriate audit evidence regarding the accuracy and completeness of the opening balances. My audit procedures were, therefore, limited to the current period transactions and balances.

My opinion is not modified in respect of this matter.

Other Information

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

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I

conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with Public Sector Accounting Standards Board Financial Reporting Requirements

The Management presented the annual report and financial statements covering one year from July, 2020 to June, 2021 contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya, dated 20 August, 2021 which requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021. Further, no disclosure was made on the change in the preparation of financial statements from calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

In the circumstances, the financial statements as prepared were not in accordance with IPSAS.

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

The statement of receipts and payments reflects payments of Kshs.8,592,173 and Kshs.22,014,175 on operations and boarding school funds respectively as disclosed in Note 6 and Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.294,000 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, value for money transferred to KESSHA amounting to Kshs.294,000 could not be confirmed.

3. Unapproved Budget

Review of the Boards minutes on approval of the budget revealed that the school Management failed to submit estimates of revenue and expenditure for approval to the Cabinet Secretary of education in the manner and format issued by the Cabinet Secretary, contrary to provisions of Section 16(1) and (2) of the Fourth Schedule to the Basic Education Act, 2013 which requires a Board of Management of a public institution of basic education to prepare annual estimates of revenue and expenditure for the institution under its charge, in such form and at such times as the Cabinet Secretary may prescribe and that the Board of Management may incur expenditure for the purpose of the institution in accordance with estimates approved by the Cabinet Secretary, and any approved expenditure for under any head of the estimates may not be exceeded without the prior written approval of the Cabinet Secretary.

Further, the Procurement Plan provided indicated that it was not approved by the Board of Management contrary to the Education Operational Manual, 2020 and Regulation 40(4) of the Public Procurement and Asset Disposal Regulations, 2020.

In the circumstances, Management was in breach of law.

4. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations amount of Kshs.1,393,840 and Kshs.8,548,373 respectively as disclosed in Note 1 and Note 2 to the financial statements. The capitation grants were pegged on NEMIS student data which reflected a total number of nine hundred and ninety-six (996) students which implies Kshs.9,982 per student as per Section 3.1.1 of the Operational Manual for Utilization of Learner Capitation Grant, 2020 which requires the Directorate of Primary Education to undertake to among others, use the enrolment data in the information management system to compute the amounts to be deposited to the respective school's bank accounts using the capitation formula, at the beginning of each term. However, the enrolment records provided by the School indicated a total number of one thousand and fifty-nine (1,059) students resulting in an unexplained variance of sixty-three (63) students. As a result, the school was under funded by an amount of Kshs.628,875.

In the circumstances, the under-funding of the school may have affected service delivery to the public.

5. Failure to Prepare a School Improvement Plan

During the year under review, the School did not have an Approved School Improvement Plan, contrary to Section 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Segregation of Duties

Review of the internal controls for the school revealed that the school bursar was responsible of preparation of quotations, preparation and raising of local purchase orders, making payments and withdrawals, ordering of goods and services, banking, preparation of the payroll, preparation of bank reconciliation and supervision of non-teaching staff. There existed no clear separation of roles for a proper functioning system of control.

In the circumstances, the School may be exposed to risks of fraud and errors due to absence of effective supervision.

2. Lack of Policy on Revenue from Residential Houses

Review of records provided indicated that the School has sixteen (16) rental residential houses in the School compound fully serviced with water, security services, cleaning and common areas maintenance. However, the school did not have a policy approved by the Board based on current market rates for payment of the rental residential houses. This could be a pointer to under collection of revenue and revenue leakage.

In the circumstances, the effectiveness of internal control system on revenue collection from residential houses could not be confirmed.

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

Responsibilities of Management and Those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities

that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

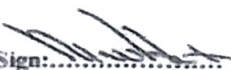
15 April, 2026

KAAGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

5. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	JAN. -JUNE 2021
		Kshs
RECEIPTS		
Capitation grants for tuition	1	1,393,840.00
Capitation grants for operations	2	8,548,373.00
School Fund Income- Parents' Contributions	3	20,401,712.00
School Fund Income- Other receipts	4	1,844,279.00
Proceeds from borrowings		0.00
TOTAL RECEIPTS		32,188,204.00
PAYMENTS		
Payments for Tuition	5	1,928,572.00
Payments for operations	6	8,790,349.00
Boarding and school fund payments	7	25,909,296.00
TOTAL PAYMENTS		36,628,217.00
SURPLUS/DEFICIT		(4,440,013.00)

The school financial statements were approved on 25-03-26 and signed by:

Sign: 

Name: MRS. MARY MATU

Chair BOM

Date 25-03-26

Sign: 

Name: M/S EUNICE MAEKE

School Principal/
Secretary to BOM

Date 25-03-26

Sign: 

Name: BENJAMIN NJAGI N.

Bursar/
Finance Officer

Date 25-03-26

KAAGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

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

6. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2021

	Note	2020-2021
		Kshs
FINANCIAL ASSETS		
Cash and Cash Equivalents		
Bank Balances	8	5,868,582.00
Cash Balances	9	1,489.00
Short term Investment	10	0
Total Cash and cash equivalent		<u>5,870,071.00</u>
Account's receivables	10	7,437,456.00
TOTAL FINANCIAL ASSETS		13,307,527.00
FINANCIAL LIABILITIES		
Accounts Payables	11	12,024,115.00
NET FINANCIAL ASSETS		<u>1,283,412.00</u>
REPRESENTED BY		
Accumulated Fund b/fwd	12	5,723,425.00
Surplus/Deficit for the year		(4,440,013.00)
NET FINANCIAL POSSITION		<u>1,283,412.00</u>

The School's financial statements were approved on 25-03-26 and signed by:

KAAGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

Name: MARY MATU
Chairman, BoM

Sign: 

Date: 25-03-26

Name: EUNICE MAEKE
*School Principal/Secretary
to BoM*

Sign: Eunice

Date: 25-03-26

Name: BENJAMIN NJAGI
Bursar/Finance

Sign: 

Date: 25-03-26

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

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

		2020-2021
		Kshs
Receipts for operating income		
Capitation grants for tuition	1	1,393,840.00
Capitation grants for operations	2	8,592,173.00
School fund income- Parents contributions/ fees	3	22,014,175.00
School fund income- other receipts	4	1,724,635.00
Total receipts		33,724,823.00
Payments		
Payments for Tuition		1,238,244.00
Payments for operations		4,007,438.00
Boarding and school fund payments		21,625,887.00
Total payments		26,871,569.00
		6,853,254.00
Net cash flow from operating activities		
CASHFLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Assets		0
Acquisition of Assets		(8,079,325.00)
Proceeds from investments		0
Purchase of investments		0
Net cash flows from Investing Activities		(8,079,325.00)
CASHFLOW FROM BORROWING ACTIVITIES		
Proceeds from borrowings/ loans		0
Repayment of principal borrowings		0
Net cash flow from financing activities		0
NET INCREASE IN CASH AND CASH EQUIVALENTS		(1,226,071.00)
Cash and cash equivalent at BEGINNING of the year		7,096,142.00
		5,870,071.00
Cash and cash equivalent at END of the year		

8. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Tuition	2,341,360.00	0	2,341,360.00	1,392,640.00	948,720.00	59%
(2) CAPITATION GRANT ON OPERATIONS				0.00		
Personnel emoluments	1,895,575.00	0	1,895,575.00	1,505,129.00	390,446.00	79%
Repairs and maintenance	2,542,500.00	0	2,542,500.00	3,849,750.00	(1,307,250.00)	151%
Local transport / travelling	1,035,645.00	0	1,035,645.00	1,074,728.00	(239,082.00)	123%
	932,815.00		932,815.00	1,074,727.00		115%
Electricity and water		0			(141,912.00)	
Administration costs	1,644,715.00	0	1,644,715.00	1,044,039.00	600,674.00	63%
(3) FEES CHARGED ON PARENTS				0.00		
Personnel emoluments	3,107,500.00	0	3,107,500.00	2,551,899.00	555,601.00	82%
Repairs and maintenance	1,130,000.00	0	1,130,000.00	2,585,239.00	(1,455,239.00)	229%
Local transport / travelling	367,250.00	0	367,250.00	298,080.00	69,170.00	81%
Electricity and water	2,768,500.00	0	2,768,500.00	2,252,706.00	515,794.00	81%
Administration costs	1,045,250.00	0	1,045,250.00	876,186.00	169,064.00	83%
Activity	141,250.00	0	141,250.00	208,400.00	67,150.00	148%
Fee on Boarding Equipment	14,342,525.00	0	14,342,525.00	11,629,202.00	2,713,323.00	81%

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

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
and Stores						
OTHER INCOME	22,902,275.00		22,902,275.00			
Rent income	255,825.00	0	255,825.00	259,825.00	4,000.00	0%
Income from farming activities	0	0	0	489,144.00	0	0
Clubs	0	0	0	42,505.00	0	0
KUCCPS	0	0	0	114,002.00	0	0
DONATION	0	0	0	311,192.00	0	0
Development Receipts	0	0	0	495,001.00	0	0
Cdf Receipts	0	0	0	13,000.00	0	0
Uniform	0	0	0	1,810.00	0	0
Bursary	0	0	0	69,000.00	0	0
Creditors	0	0	0	48,800.00	0	0
Tuition acct	0	0	0	1,200.00		
TOTAL INCOME	46,060,375.00	0	46,060,375.00	32,188,204.00		
(1) EXPENDITURE FOR TUITION						
Tuition	2,341,360.00	0	2,341,360.00	1,928,572.00	412,788.00	82%
(2) EXPENDITURE FOR OPERATIONS				0.00		
Personnel emoluments	1,895,575.00	0	1,895,575.00	3,347,567.00	(1,451,992.00)	177%
Repairs, maintenance & improvements	2,545,500.00	0	2,545,500.00	4,723,659.00	(2,178,159.00)	186%

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

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
Local transport / travelling	1,035,645.00	0	1,035,645.00	123,252.00	912,393.00	12%
Electricity, water and conservancy	932,815.00	0	932,815.00	573,275.00	691,040.00	61%
Administration costs	599,465.00	0	599,465.00	22,596.00	516,115.00	4%
Activity Expenses	847,500.00	0	847,500.00	0	847,500.00	0%
(3) EXPENDITURE FOR SCHOOL FUND				0.00		
Personnel emoluments	3,107,500.00	0	3,107,500.00	1,751,763.00	1,355,737.00	56%
Repairs, maintenance and improvements	1,130,000.00	0	1,130,000.00	899,415.00	230,585.00	78%
Local transport / travelling	367,250.00	0	367,250.00	1,111,752.00	(744,502.00)	303%
Electricity, water and conservancy	2,768,500.00	0	2,768,500.00	1,468,552.00	1,299,948.00	53%
Administration costs	1,045,250.00	0	1,045,250.00	1,807,211.00	(761,961.00)	173%
Activity	141,250.00	0	141,250.00	40,125.00	101,125.00	28%
Boarding Equipment and Stores	14,342,525.00	0	14,342,525.00	13,715,475.00	627,050.00	96%
Uniform	0.00	0	0.00	1,043,070.00	0.00	
School Farm	0.00	0	0.00	403,369.00	0.00	
Development exp.	0.00	0	0.00	2,893,160.00	0.00	
Tuition Expenditure	0.00	0	0.00	616,994.00	0.00	
Clubs	0.00	0	0.00	30,000.00		
KUCCPS	0.00	0	0.00	113,500.00		
Pocket money	0.00	0	0.00	13,950.00		

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

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
BANK CHARGES CDF	0.00		0.00	960.00		
TOTAL EXPENDITURE	22,902,275.00		22,902,275.00	36,628,217.00		

9. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

The comparative figures for the previous financial year have been omitted since they had not been reconfigured to conform with the required changes in presentation.

10. Subsequent events

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

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

10. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	30TH JUNE 2021
	Kshs
TUITION	1,392,640.00
BES	1,200.00
Total	1,393,840.00

2 CAPITATION GRANT FOR OPERATIONS

	30TH JUNE 2021
	Kshs
Personnel emoluments	1,505,129.00
Repairs and maintenance	3,849,750.00
Local transport / travelling	1,074,728.00
Electricity and water	1,074,727.00
Medical	0
Administration costs	1,044,039.00
Rent	0
Activity	0
Total	8,548,373.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	30TH JUNE 2021
	Kshs
Personnel emoluments	2,551,899.00
Repairs and maintenance	2,585,239.00
Local transport / travelling	298,080.00
Electricity and water	2,252,706.00
BES	11,629,202.00
Administration costs	876,186.00
Activity	208,400.00
Activity	0
Total	20,401,712.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	30TH JUNE 2021
	Kshs
Fee on Boarding Equipment and Stores	0
Rent income	259,825.00
Income from farming activities	489,144.00
CDF ACC.	13,000.00
KUCCPS	114,002.00
PTA Development	495,001.00
Clubs	42,505.00
CREDITORS	48,800.00
Income from grants and donations*	311,192.00
UNIFORM	1,810.00
BURSARY	69,000.00
Total	1,844,279.00

5 PAYMENTS FOR TUITION

	30TH JUNE 2021
	Kshs
TUITION	1,928,572.00
Total	1,928,572.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	30TH JUNE 2021
	Kshs
Personnel emoluments	3,347,567.00
Administration Cost	22,596.00
Local transport / travelling	123,252.00
Electricity and water	573,275.00
Infrastructure accounts-payments	4,723,659.00
TOTAL	8,790,349.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	30TH JUNE 2021
	Kshs
Personnel emoluments	1,751,763.00
CLUBS	30,000.00
Repairs and maintenance & Improvements	899,415.00
Local transport / travelling	1,111,752.00
Electricity and water	1,468,552.00
Administration costs	1,807,211.00
Activity	40,125.00
KUCCPS	113,500.00
PTA Expenditure	2,893,160.00
Fee on Boarding Equipment and Stores	13,715,475.00
TUITION EXP.	616,994.00
UNIFORM	1,043,070.00
School Farm	403,369.00
Bank charges	960.00
BURSARY	0.00
POCKET MONEY	13,950.00
TOTAL	25,909,296.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	30TH JUNE 2021
		Kshs
Tuition Account		213,488.00
Operations Account		1,226,136.00
School Fund Account/Boarding		4,177,949.00
Parent Association Development Account		182,727.00
CDF Accounts		37,356.00
Infrastructural Account		30,926.00
Total		5,868,582.00

9 CASH IN HAND

Description	30TH JUNE 2021
	Kshs
School Fund account	1,489.00
Total	1,489.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 ACCOUNTS RECEIVABLE

Description	2020-2021
	Kshs
Fees arrears	7,383,456.00
Other non-fees receivables	54,000.00
Total	7,437,456.00

Description	2020-2021
	Kshs
Fees arrears for current year	825,271.00
Fees arrears recovered during the year	(1,940,095.00)
Fees arrears recovered previous year	(321,549.00)
Fees arrears W/O During the year 2020	(6,488,576.35)
Fees arrears for the previous year	2,043,008.00
Fees arrears for prior periods (over two years)	13,265,436.71
Total	7,383,456.00

Description	2020-2021
	Kshs
Non Fees arrears for current year-RENT	54,000.00
Non Fees arrears received during the year	
Non Fees arrears for the previous year	
Non Fees arrears for prior periods (over two years)	
Total	54,000.00

11 ACCOUNTS PAYABLE

Description	2020-2021
	Kshs
Trade creditors (See ageing below and appendix 1)	8,859,477.00
Prepaid fees	3,164,638.00
Retention monies	0
Total	12,024,115.00

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

Description	2020-2021
	Kshs
Trade creditors for current year	7,880,617.00
Trade creditors paid during the year	(6,203,294.00)
Trade creditors paid previous year	(7,923,497.00)
Trade creditors for the previous year	9,688,335.00
Trade creditors for prior periods (over two years)	5,417,316.0
Total	8,859,477.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12 FUND BALANCE BROUGHT FORWARD

Description	2020-2021
	Kshs
Bank balances	7,095,082.00
Cash balances	1,060.00
Receivables	8,498,320.00
Payables	9,871,037.00
Total	5,723,425.00

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

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 Non-current Liabilities Summary

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

14 Biological assets

Description	Numbers	2020-2021
		Kshs
Cattle	15	1,115,000.00
Pigs	46	830,000.00
Trees	118	590,000.00
Coffee or tea plantation		0
Poultry		0
Total		2,535,000.00

15 Borrowings

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

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

Other important disclosure notes

16 Stock/ Inventory

Description	2020-2021
	KShs
b) Stock/ Inventory	
Stock/ inventory at end of the year	
Kitchen stores	520,000.00
Laboratory	432,000.00
Farm	80,250.00
Medication	4,200.00
Balance at end of the year	1,036,450.00

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

17 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)

KAAGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance JUNE 2021	Outstanding Balance JUNE 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of goods						
MOSES MURIUNGI	13,860.00				13,860.00	
HARUN AYUB AND SONS	13,900.00				13,900.00	
WALKER AUTOMEC	14,400.00				14,400.00	
MWENDA MATHIU	14,400.00				14,400.00	
COUNTY WORKS OFFICE	25,000.00				25,000.00	
GILFEEDS INVESTMENTS	100,000.00				100,000.00	
FIRE CHIEF LIMITED	125,000.00				125,000.00	
TAISEC SYSTEMS LTD	119,500.00				119,500.00	
CYBER SCHOOL TECHNOLOGY	178,400.00				178,400.00	
OVERMERE MERCHANTS	374,400.00				374,400.00	
GREEN ACRES EVENTS LTD	3,000.00				3,000.00	
TAISEC SYSTEMS LTD	3,000.00				3,000.00	
JAGIZ ELECTRICALS	6,300.00				6,300.00	
DEBORAH KARIMI	7,020.00				7,020.00	
KEDYLEEN SUPPLIERS	6,300.00				6,300.00	
NJERU INDUSTRIES LTD	7,200.00				7,200.00	
ROSEPETALS EVENTS ORGANIZERS	10,000.00				10,000.00	
SEMATIME LTD	15,000.00				15,000.00	
HARUN AYUB AND SONS	21,150.00				21,150.00	
KAAGA STORES	25,700.00				25,700.00	
KITHOKA DAIRY F.C.S LTD	29,200.00				29,200.00	

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

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance JUNE 2021	Outstanding Balance JUNE 2021	Comments
MOSES MURIUNGI	34,416.00				34,416.00	
MUTINDWA CHEMISTS	34,755.00				34,755.00	
SAITA ACADEMIC MENTORS	40,000.00				40,000.00	
KINGS PAPER WORK	46,000.00				46,000.00	
JOSEPH MWOBODIA	67,280.00				67,280.00	
FARMERS CENTRE LTD	76,240.00				76,240.00	
GADGET WORLD	84,000.00				84,000.00	
MERU HIGHLANDS DAIRY	121,281.00				121,281.00	
LR FILLING STATION	123,252.00				123,252.00	
MURIRO ENTERPRISES	323,320.00				323,320.00	
ALNUR ELECTRICALS	358,770.00				358,770.00	
NQIROTE LIMITED	463,304.00				463,304.00	
SIMON KABERIA	591,000.00				591,000.00	
MAFUKO INDUSTRIES LTD	709,645.00				709,645.00	
THE UNIFORM SHOP	1,025,170.00				1,025,170.00	
MUTUA IBRAHIM	1,582,500.00				1,582,500.00	
WALKER AUTOMEC	123,252.00				123,252.00	
KENYA POWER	331,500.00				331,500.00	
ZELAKI	15,000.00				15,000.00	
THE ELITE SCHOLARS GROUP	4,000.00				4,000.00	
ORWA JOHN OYOO	15,000.00				15,000.00	

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

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance JUNE 2021	Outstanding Balance JUNE 2021	Comments
MUGUMAK AGENCIES	22,200.00				22,200.00	
EDUCATION PLUS AGENCIES	25,000.00				25,000.00	
MERUTEX OUTFITTERS & UNIFORMS	32,800.00				32,800.00	
ORIENT PUBLISHERS	54,000.00				54,000.00	
THE COPY CAT LTD	92,800.00				92,800.00	
KENYA LITERATURE BUREAU	99,286.00				99,286.00	
DAVCO STATIONERS & SCHOOL SUPPLIES	170,000.00				170,000.00	
JEFFKIM ENTERPRISES	174,000.00				174,000.00	
SENYAYAN INVESTMENT	373,340.00				373,340.00	
REGIONAL BOOKS AND STATIONERS	533,636.00				533,636.00	
Sub-Total						
Grand Total	8,859,477.00				8,859,477.00	

KAAGA GIRLS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 20xx
Land 1 Bal. B/F						192,000,000.00
Land 2						
Buildings and structures						150,000,000.00
Motor vehicles						3,400,000.00
Office equipment, furniture and fittings						4,100,000.00
ICT Equipment, and Other ICT Assets						2,500,000.00
Tools and apparatus						1,500,000.00
Textbooks						2,000,000.00
Other Machinery and Equipment						850,000.00
Heritage and cultural assets						0
Intangible assets- soft ware						400,000.00
Total						356,750,000.00