

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 20 FEB 2025

DAY
Thursday

TABLED
BY:

Hon. Naomi Wago
Deputy Majority Whip

OF

CLIP AND
TIE TABLE:

Profrance Mwangi

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

ST. BAKHITA BAHATI GIRLS SECONDARY SCHOOL

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

NAKURU COUNTY



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

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Table of Contents

Page

Key School Information And Management	3
Summary Report Of Performance Of The School.....	6
Statement Of School Management Responsibility.....	14
Report Of The Independent Auditors <i>(To be attached)</i>	16
Statement Of Receipts And Payments Period To 30 June 2023.....	16
Statement Of Financial Assets And Financial Liabilities As At 30 June 2023.....	17
Statement of Cash Flows for The Period Ended 30 June 2023.....	18
Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 June 2023	19
Significant Accounting Policies	21
Notes To The Financial Statements.....	23
Progress on follow up of auditor recommendation.....	27
Analysis of pending accounts payable.....	28
Summary of fixed assets registers.....	29

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 **1,032** students as at 30 June 2023. It has **4** streams and **28** teachers employed by TSC and **8** 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.	Stella Matofari	Chairperson	23 May 2022
2.	Sr. Catherine Wangari Thuku	Secretary- Principal	23 May 2022
3.	Keziah Wanja	Member	23 May 2022
4.	Gerald Mwangi Kamau	Member	23 May 2022
5.	Philip Kihara	Member	23 May 2022
6.	Sammy Njema	Member	23 May 2022
7.	Joseph Githiaka	Member	23 May 2022
8.	John Kihiti	Member	23 May 2022
9.	Joel Mirinya	Member	23 May 2022
10.	Hellen Nguyo	Member	23 May 2022
11.	Hellen Gesare	Member	23 May 2022
12.	Margaret Maina	Member Rep Teachers	23 May 2022
13.	Fr. Benard Rono	Member - Sponsor	23 May 2022
14.	Sofia Kibaya	Member - Sponsor	23 May 2022
15.	Ann Wangechi	Member - Sponsor	23 May 2022
16.	Janet Wangari	Member - Community	23 May 2022
17.	Judy Mirango	Member - Special Needs	23 May 2022
18.	Fr. Christopher Kamau	Member – Sponsor	23 May 2022

Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Md. Stella Matofari Sr. Catherine Wangari Thuku Mr. Sammy Njema Md. Ann Wangechi Sr. Rose Mugo	Chairperson Executive Secretary Member Member D/ principal	3
2	Audit Committee	Mr. Joseph Githiaka Sr. Catherine Wangari Md. Janet Wangari Md. Ann Wangechi	Chairperson Audit Secretary Member Member	1
3	Finance, and general purposes Committee	Md. Stella Matofari Md. Ann Wangechi Sr. Catherine Wangari	Chairperson Member Principal	1
4	Academic Committee	Mr. John Kihiti Sr. Catherine Wangari Thuku Md. Kezia Wanja Mr. Smmay Njema Sr. Rose Mugo	Chairperson Academic Secretary Member Member D/ principal	3
5	Development Committee	Gerald Mwangi Kamau Sr. Catherine Wangari Md. Stella Matofari Sammy Njema Md. Hellen Nguyo	Chairperson SIC Secretary Member Member Member	3
6	Discipline and welfare Committee	Md. Sofia Kibaya Sr. Rose Mugo Md. Hellen Gesare Md. Judy Mirango Mr. Gerald Kamau	Chairperson D/principal Member Member Member	2
7	Adhoc Committee (opening and evaluation of tender)	Charles Kamamia Sr. Hellen Kamau Margaret Maina George Muturi	Chairperson Secretary Secretary Member	3

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Financial Year ended 30 June 2023
KEY SCHOOL INFORMATION AND MANAGEMENT(Continued)

(c) School operation Management

For the financial year ended 30 June 2023 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 10 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

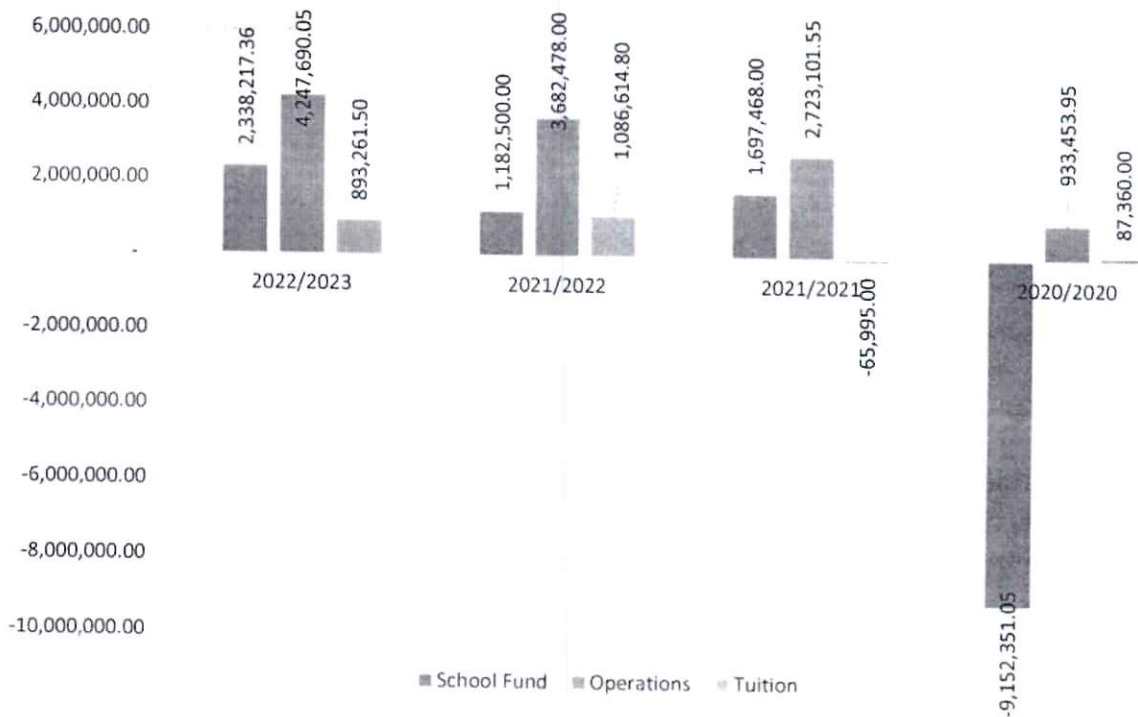
(f) Independent Auditors

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

St. Bakhita Bahati Girls Secondary School
 Reports and Financial Statements For the Financial Year ended 30 June 2023
 Summary Report of Performance of the School

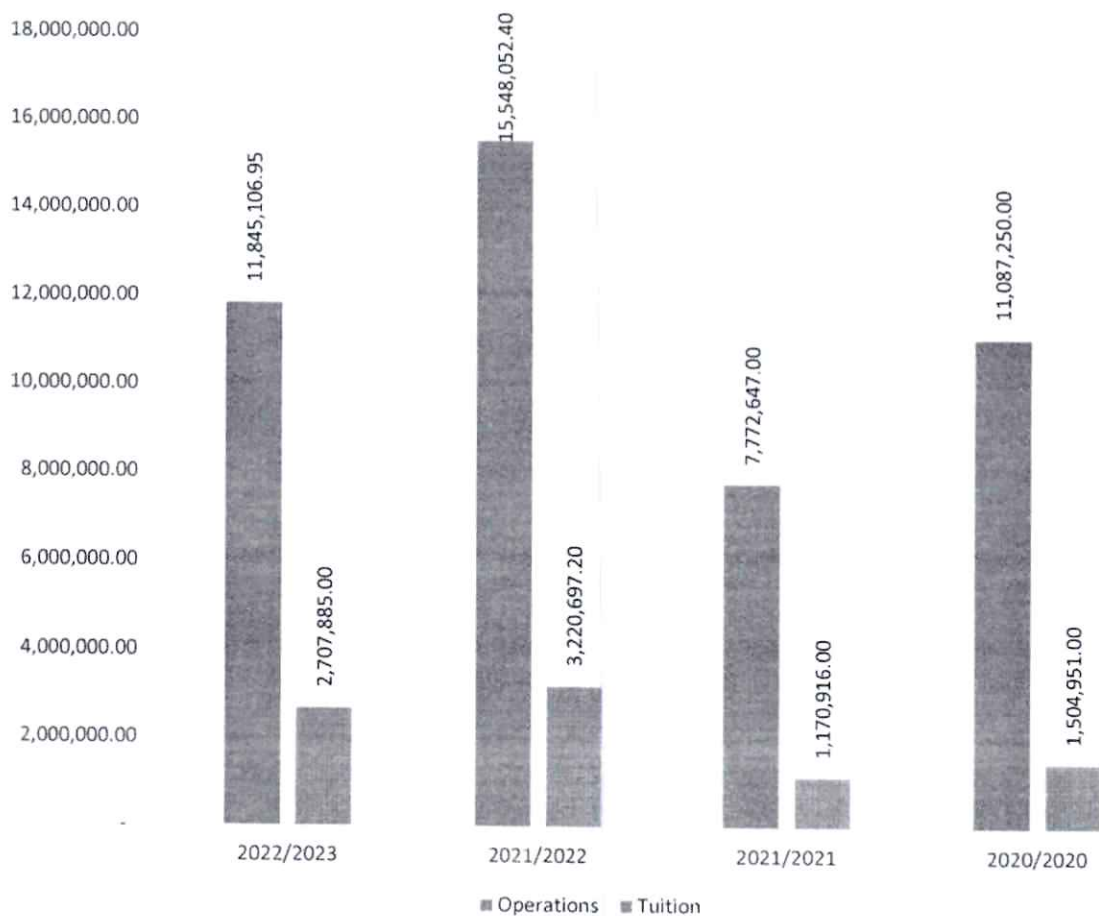
a) Financial performance:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2022/2023	2021/2022	2021/2021	2020/2020
		12 Months	12 Months	6 Months	12 Months
		Kshs	Kshs	Kshs	Kshs
1	School Fund Account	1,189,265.00	(902,494.00)	1,697,468.00	(9,152,351.05)
2	Operations Account	(4,248,190.05)	(3,682,478.00)	2,723,101.55	933,453.95
3	Tuition Account	(893,261.50)	(1,109,746.80)	(65,995.00)	87,360.00
	TOTAL	(3,252,186.55)	(5,694,718.80)	4,354,754.55	(8,131,537.10)



St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Financial Year ended 30 June 2023
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	2022/2023	2021/2022	2021/2021	2020/2020
		12 Months	12 Months	6 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
1	Operations Account	11,845,106.95	15,548,052.40	7,772,647.00	11,087,250.00
2	Tuition Account	2,707,885.50	3,220,697.20	1,170,916.00	1,504,951.00
	Total	14,552,992.45	18,768,749.60	8,943,563.00	12,592,201.00
	Increase/(Decrease)	(4,215,757.20)	9,825,186.60	(3,648,638.00)	1,646,070.75
	No of Students	1.032	977	899	813
	Ratio of Capitation per student	1:14,102.00	1:19,210.00	1:9,948.00	1:15,489.00



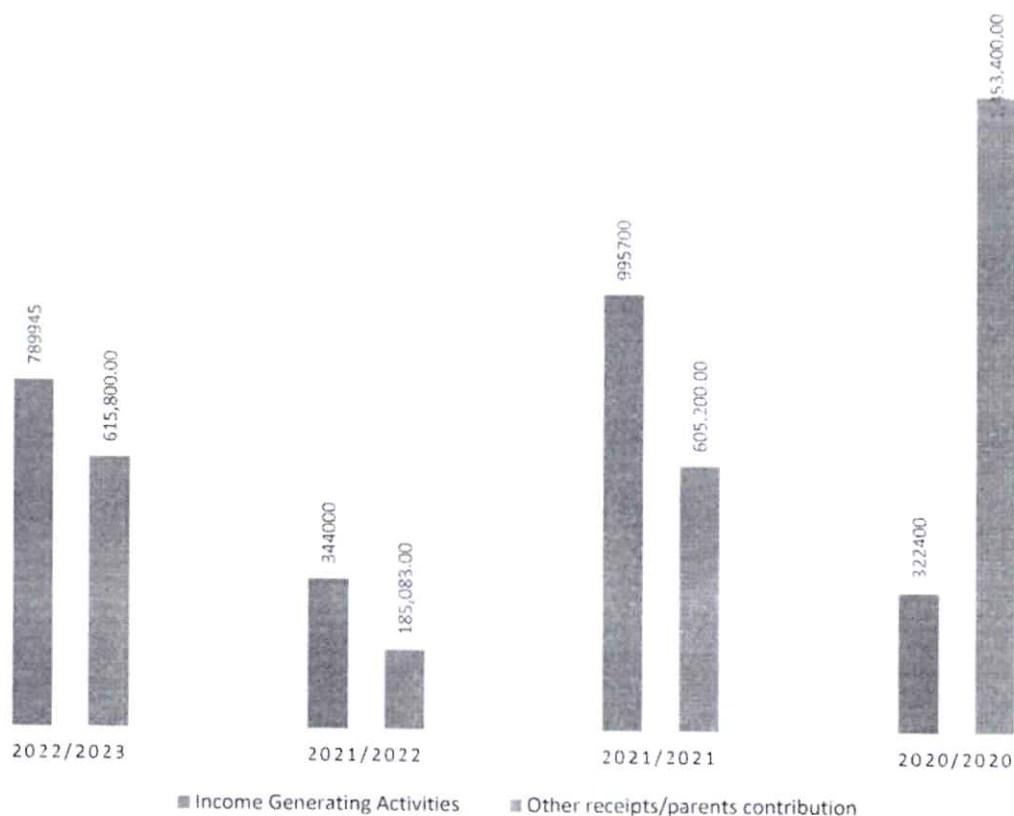
St. Bakhita Bahati Girls Secondary School

Reports and Financial Statements For the Financial Year ended 30 June 2023

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

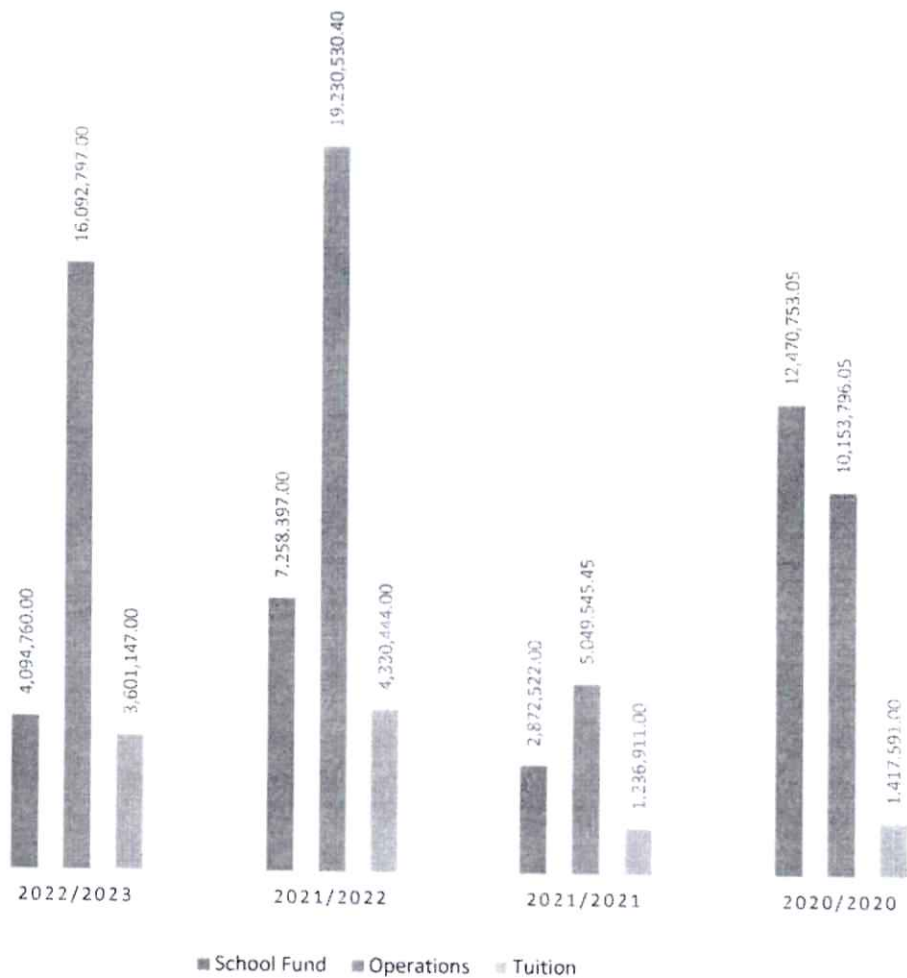
SNO	ACCOUNTS	2022/2023	2021/2022	2021/2021	2020/2020
		12 Months	12 Months	6 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
1	Income generating activities	371,400.00	468,000.00	995,700.00	322,400.00
2	Other receipts/parents contribution	825,345.00	185,083.00	605,200.00	1,453,400.00
	Total	1,196,745.00	653,083.00	1,600,900.00	1,775,800.00
	Increase/(Decrease)	543,662.00	(947,817.00)	174,900.00	1,490,400.00



St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Financial Year ended 30 June 2023
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	2022/2023 12 Months Kshs	2021/2022 12 Months Kshs	2021/2021 6 Months Kshs	2020/2020 12 Months Kshs
1	School Fund Account	4,155,480.00	7,198,277.00	2,872,552.00	22,642,613.05
2	Operations Account	16,093,297.00	19,230,530.40	5,049,545.45	10,153,796.05
3	Tuition Account	3,601,147.00	4,330,444.00	1,236,911.00	1,417,591.00
	Total	23,849,924.00	30,759,251.40	9,159,008.45	34,214,000.10
	Increase/(Decrease)	(6,909,327.40)	21,660,362.95	(25,054,991.65)	21,198,440.80



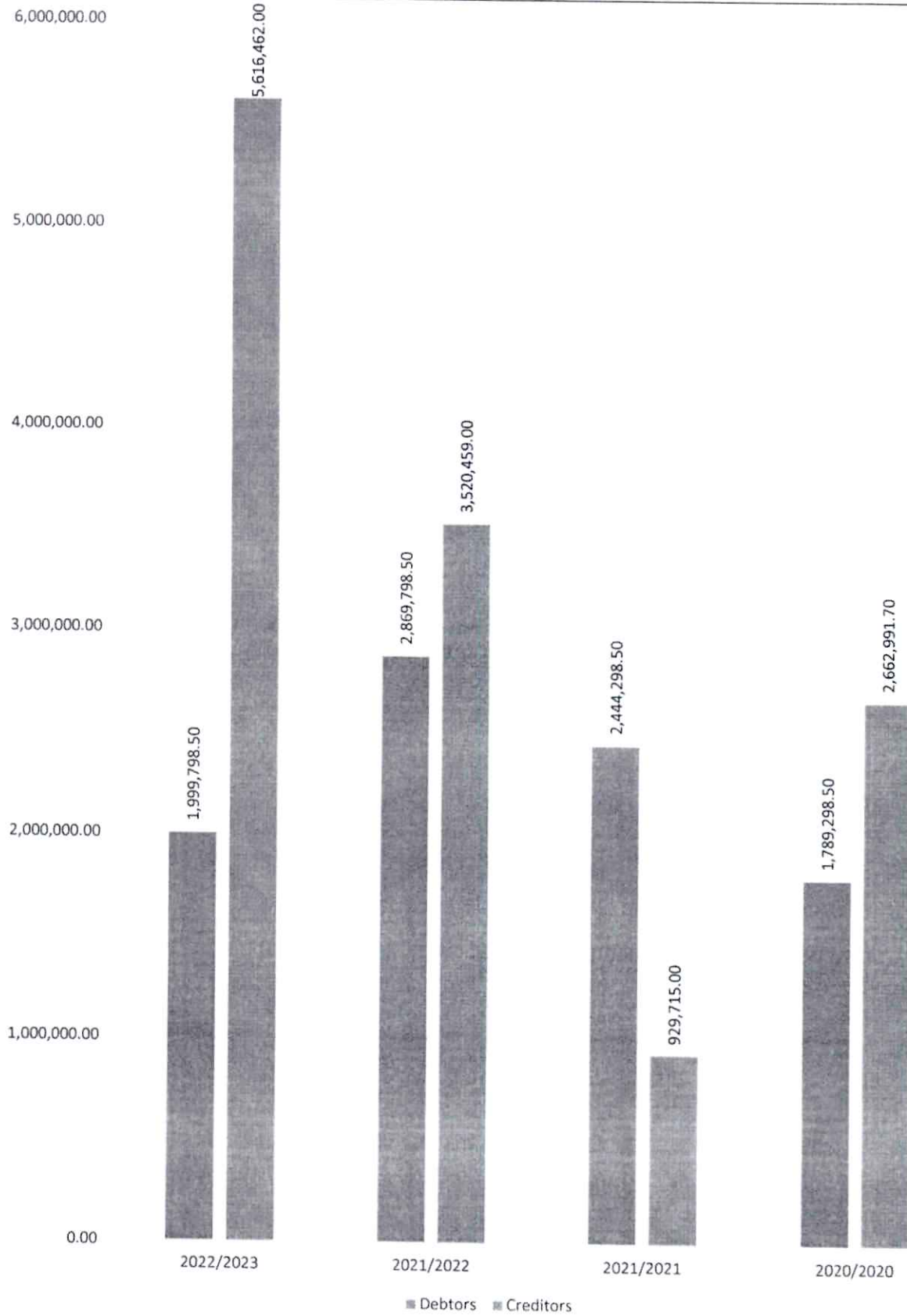
St. Bakhita Bahati Girls Secondary School

Reports and Financial Statements For the Financial Year ended 30 June 2023

Summary Report of Performance of the School (Continued)

S/NO	ACCOUNTS	2022/2023	2021/2022	2021/2021	2020/2020
		12 Months	12 Months	6 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
a	Debtors	1,999,798.50	2,869,798.50	2,444,298.50	1,789,298.50
	Increase/(Decrease)	(870,000.00)	425,500.00	655,000.00	148,000.00
b	Creditors	5,616,462.00	3,520,459.00	929,715.00	2,662,991.70
	Increase/(Decrease)	2,096,003.00	2,590,744.00	(1,733,276.70)	1,324,540.85

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Financial Year ended 30 June 2023

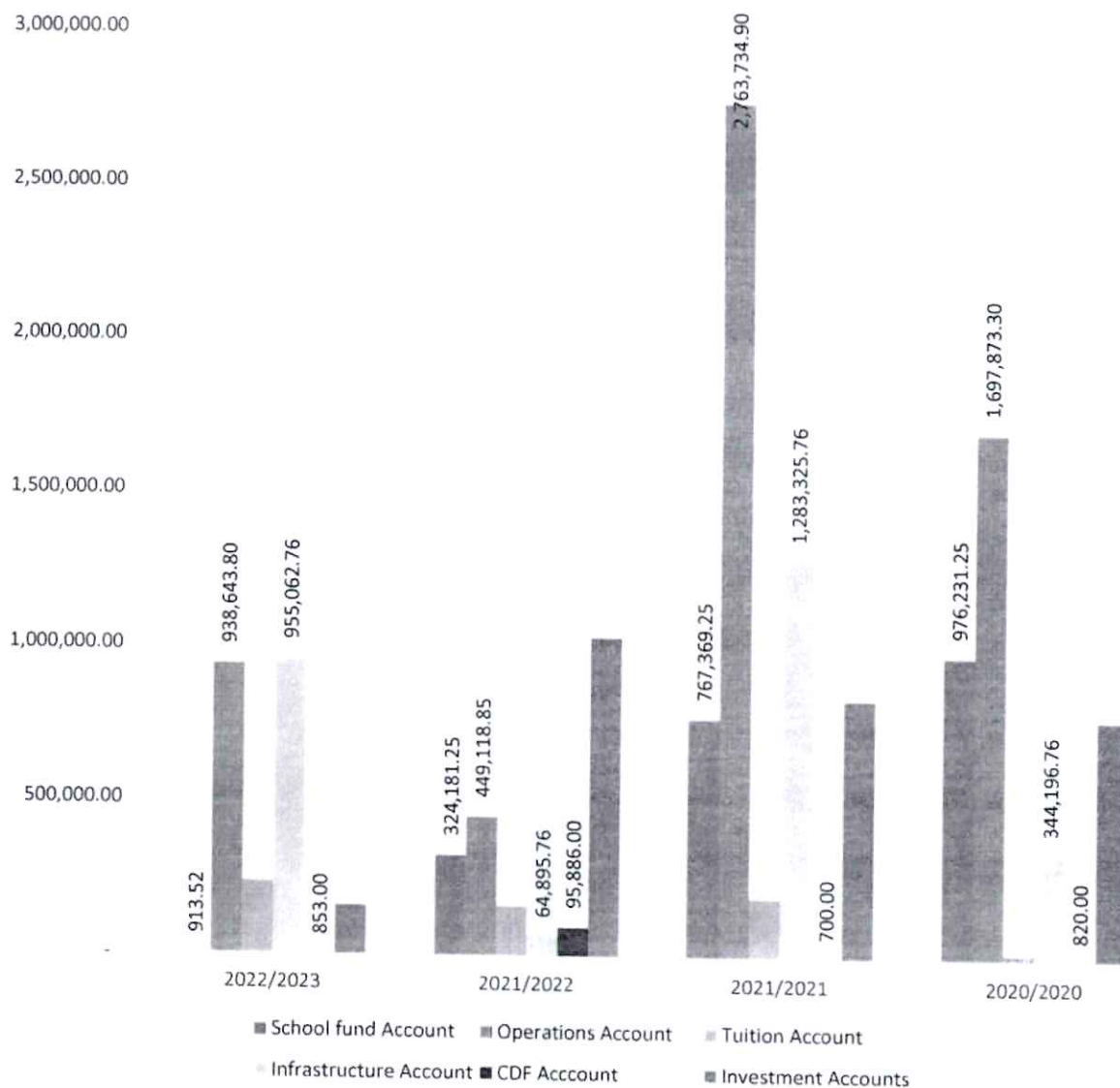


St. Bakhita Bahati Girls Secondary School

Reports and Financial Statements For the Financial Year ended 30 June 2023

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

SNO	ACCOUNTS	2022/2023	2021/2022	2021/2021	2020/2020
		12 Months	12 Months	6 Months	12 Months
		KSHS	KSHS	KSHS	KSHS
1	School Fund Account	913.52	524,181.25	967,369.25	976,231.25
2	Operations Account	938,643.80	449,118.85	2,763,743.90	1,697,873.30
3	Tuition Account	236,984.20	164,124.70	195,662.50	21,642.50
4	Infrastructure Account	955,062.76	64,895.76	1,283,325.76	344,196.76
5	CDF Account	853.00	156,006.00	700.00	820.00
6	Investment Accounts	161,214.83	1,221,029.10	898,029.10	772,196.74
	Total	2,293,672.11	2,579,355.66	6,109,133.46	3,812,960.55
	Increase/(Decrease)	(285,683.55)	(3,529,777.80)	2,2296,172.96	(12,902,506.49)



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 7teachers 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, 2020, 2021 and 2022 KCSE:

Year	Entry	MEAN SCORE SUMMARY											students who joined university
		A	A-	B+	B	B-	C+	C	C-	D+	MS	MG	
2022	216	0	5	16	39	47	55	38	11	5	7.55	B-	162
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
1,032	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 accomodate 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 accomodate 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	2022/2023	9,790,000.00	In progress
	Total			9,790,000.00	-

.....
 Stellah N. Matofari (Mad)
 Chair,
 Board of Management

Bahati Girls Sec Sch
 Date: 27October2023

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

Bahati Girls Sec Sch
 Date: 27October 2023

.....
 George Muturi
 Bursar

Bahati Girls Sec Sch
 Date: 27October 2023

St. Bakhita Bahati Girls Secondary School

Reports and Financial Statements For the Financial Year ended 30 June 2023

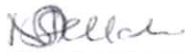
I. Statement Of School Management Responsibility

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, 2023, and of the school's financial position as at that date.



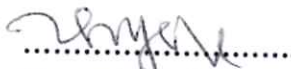
.....
Stella N. Matofari (Mad)
Chair,
Board of Management

Bahati Girls Sec Sch
Date: 27 October 2023



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

Bahati Girls Sec Sch
Date: 27 October 2023

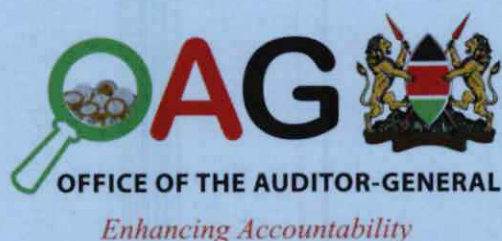


.....
George Muturi
Bursar

Bahati Girls Sec Sch
Date: 27 October 2023

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 FOR THE YEAR ENDED 30 JUNE, 2023 - 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 17 to 28, which comprise the statement of financial assets and financial liabilities as at 30 June, 2023, and the

statement of receipts and payments, statement of cash flows and statement of comparison of budget 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, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and 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.6,044,745 in respect of school fund income-parents contribution as disclosed in Note 3 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.6,044,745 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.6,044,745. Excluded from the amount are levies amounting to Kshs.41,832,120 charged to 1,032 students. The levies are paid to the School through two (2) bank accounts held at two (2) local banks. The two (2) bank accounts which are owned by the school are privately operated by a Church Diocese through a Hostels entity. The private entities are the co-founders of the school and therefore Management does not have access to the two (2) bank accounts on which the levies amounting to Kshs.41,832,120 were banked. Further, there were no receipts issued to the students for the levies collected from students at the school.

In addition, there was no approval and contractual agreements from the parent Ministry, Cabinet Secretary approving the levies collected for the boarding facility to be managed privately and not by the extra county boarding school.

In the circumstances, the regularity of the levies charged of Kshs. 41,832,120 to 1,032 students could not be confirmed.

3.0 Unsupported School Fund Income from Parents' Contribution

The statement of receipts and payments reflects school fund income-parents' contribution of Kshs.6,044,745 as disclosed in Note 3 to the financial statements. However, support

documentation such as supporting schedules and ledgers for the receipts were not provided for audit review.

In the circumstances, the accuracy and completeness of receipts amounting to Kshs.6,044,745 could not be confirmed.

4.0 Unexplained Reduction in Revenue

The statement of receipts and payments reflects total receipts of Kshs.20,597,737 as disclosed in Notes 1-4 to the financial statements. The School previously reported total receipts of Kshs.25,064,532. However, no explanation has been provided for the reduction in revenue by Kshs.4,466,795 despite the increase in the number of the students.

In the circumstances, the accuracy and completeness of receipts totaling Kshs.20,597,737 could not be confirmed.

5.0 Accounts Receivables

5.1 Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.1,999,798 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. 1,999,798 could not be confirmed.

5.2 Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.1,999,798 in respect of fees arrears as disclosed in Note 10 to the financial statements. Included in the balance are receivables amounting to Kshs. 1,601,798 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.1,999,798 could not be confirmed.

6.0 Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.5,616,642 as disclosed in Note 11 to the financial statements. However, support documentation such as payment vouchers, purchase orders, local service order/local purchase order, good receive notes has not been provided for audit review. Further, Management has not provided satisfactory explanation as to why the bills have not been settled as they are due.

In the circumstances, the accuracy and completeness of the account payables balance of Kshs.5,616,642 could not be confirmed.

7.0 Cash and Cash Equivalents

7.1 Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,293,172. Included in this balance is bank balances of Kshs.2,289,413 and cash balance of Kshs.3,759 as disclosed in Note 8 and 9 to the financial statements. However, the bank balances were not supported by bank reconciliation statements for the ten (10) bank accounts in operation and a board of survey to confirm the cash in hand balance of Kshs.13,759. Further, Management did not disclose two other bank accounts which are operated in a local bank and in the name of the School.

7.2 Payments in Cashbook Not in Bank Statement

The statement of financial assets and financial liabilities reflects cash and bank balance of Kshs.2,293,172 as disclosed in Notes 8 and 9 to the financial statements. However, review of reconciling items revealed amounts totalling Kshs.660,500 were reflected in the cashbook but not in bank statement as at closure of the financial year. However, Management did not provide a schedule to indicate when they were cleared.

7.3 Unreconciled Cash Book Balances

The statement of financial assets and financial liabilities reflects cash and bank balance of Kshs.2,293,172 as disclosed in Notes 8 and 9 to the financial statements. Included in this amount is Kshs.935,880 in respect to operations account. However, the balance differs with the balance in the bank reconciliation statements of Kshs.936,380, resulting to an unreconciled variance of Kshs.480.

In the circumstances, the accuracy, completeness and existence of the cash and cash equivalents balance of Kshs.2,293,172 could not be confirmed.

8.0 Unsupported Payments for Tuition

The statement of receipts and payments reflects payments for operations amount of Kshs.3,601,147 as disclosed in Note 5 to the financial statements. Included in this amount is Kshs.1,789,068 in respect of exercise books, laboratory items, learning materials and internal exams. However, examination of payment vouchers amounting to Kshs.1,789,068 revealed that Management made payments without proper support documents such as local purchase order/local service order, Kenya Revenue Authority electronic tax register, distribution list, goods received note invoices.

In the circumstances, the regularity, accuracy and completeness of the operation payments amounting to Kshs.1,789,068 could not be confirmed.

9.0 Unsupported Payments for Operations

The statement of receipts and payments reflects payments for operations amount of Kshs.16,093,297 as disclosed in Note 6 to the financial statements. Included in this amount is Kshs.3,063,780 in respect of repairs, maintenance and improvement, electricity, water and conservancy and activity fees. However, examination of payment vouchers amounting to Kshs.3,063,780 revealed that Management made payments without proper support documents such as local purchase order/local service order, Kenya Revenue Authority electronic tax register, distribution list, goods received note and invoices.

In the circumstances, the regularity, accuracy and completeness of the operation payments amounting to Kshs.3,063,780 could not be confirmed.

10.0 Unsupported Fuel Expenditure

The statement of receipts and payments reflects Kshs.16,093,297 in respect of payment of operations as disclosed in Note 6 to the financial statement. The amount Kshs.455,782 incurred on fuels oil and lubricants. However, examination of payment vouchers amounting to Kshs.455,782 revealed that Management made payments without proper support documents such as fuel registers, supplier's statements and work tickets.

In the circumstances, the regularity, accuracy and completeness of operation payments amounting to of Kshs.455,782 being payment in respect of fuel, oil and lubricants could not be confirmed.

11.0 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: -

Item	Note	Original Amount (Kshs.)	Revised Amount (Kshs.)	Unsupported Adjustment (Kshs.)
school fund income parent contribution	4	7,410,044	6,432,977	977,067
Payments for tuition	5	3,781,268	3,601,147	180,121
Payments for operations	6	16,439,867	16,093,297	346,570
School fund payments	7	4,161,940	4,155,480	6,460
Bank account balances	8	2,290,513	2,289,413	1,100
Accounts Payable	11	6,235,533	5,616,462	619,071

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.20,597,737 respectively, resulting to an under-funding of Kshs.9,040,663 or 31% of the budget. However, the School spent a balance Kshs.23,849,924 against actual receipts of Kshs.20,597,737, resulting to an over-utilization of Kshs.3,252,187 or 116% 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, 2022.

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 described in the Basis for Adverse Opinion, 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.4,155,480 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.644,100 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.644,100 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.2,707,885 and Kshs.7,906,106, respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of 1032 students while the enrolment records provided by the School indicated a total number of 1069 students, resulting to an unexplained variance of 37 students. As a result of the variances, the School was under funded by an amount of Kshs.380,540.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.2,707,885 and Kshs.7,906,106 respectively could not be confirmed.

3.0 Weaknesses in Human Resource Management

The statement of receipts and payments reflects payments for operations and school fund expenditure of Kshs.16,093,297 and Kshs.4,155,480 as disclosed in Notes 6 and 7 to the financial statements. Included in this amount is Kshs.6,459,950 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.

4.0 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 date of assets acquisition, type of assets, supplier name, value, custodian and location in respect of the assets it owns. This is contrary to Regulations 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.

5.0 Unsupported Board of Management Allowances and Transport Reimbursements

The statement of receipts and payments reflects total payments of Kshs.23,489,924. Included in this amount is Kshs.718,000 and Kshs.74,000 being payments to Board of Management (BoM) and Parents Association (PA) respectively. However, the expenditure was not supported by signed Board minutes and attendance list. Further, review of payment vouchers revealed that the secretary to the board of management was irregularly paid Kshs.39,000 for being in attendance for 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 allowance and remuneration of commission of inquiry, tribunal, boards and committees appointed by Government

In the circumstances, the regularity of the expenditure of Kshs.792,000 in respect of Board of Management subsistence allowances could not be confirmed.

6.0 Lack of Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.20,597,737 and Kshs.23,489,924 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 about policies provided by Management revealed 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, the effectiveness of risk management in the school could not be confirmed.

8.0 Late Submission of Annual Report and Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 17 May, 2024 instead of statutory date of 30 September, 2023. 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 with 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 financial statements 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 has two (2) functional vehicles out of which a van with registration number KBU 544Y was financed by a Bank and registered on 24 May, 2013. The school has since cleared the financial obligation with the bank. However, the logbook is still under joint ownership between the bank and the school. Further, the School Van KBU 544Y does not operate with a work ticket and has a yellow civilian number plate instead of a blue number plate. Further, the title deed for the land on which the School sits was not provided for audit.

In the circumstances, the ownership of the vehicles and the 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 the school did not have an insurance cover for property and other assets.

In the circumstances, this may expose the school 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

27 September, 2024


St. Bakhita Bahati Girls Secondary School

Reports and Financial Statements For the Financial Year ended 30 June 2023

STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 JUNE 2023

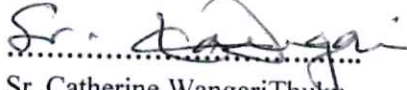
		2022/2023	2021/2022
		12 Months	12 Months
RECEIPTS	NOTES	KSHS	KSHS
Capitation grants for Tuition		2,707,885.50	3,220,697.20
Capitation grants for Operations		7,906,106.95	10,369,302.40
Government grants for infrastructure		3,939,000.00	5,178,750.00
School Fund income-Parents' Contribution		6,044,745.00	6,295,783.00
TOTAL		20,597,737.45	25,064,532.60
PAYMENTS			
Payments for Tuition		3,601,147.00	4,330,444.00
Payments for Operations		16,093,297.00	19,230,530.40
School Fund Payments		4,155,480.00	7,198,277.00
TOTAL		23,489,924.00	30,759,251.40
SURPLUS/DEFICIT		(3,252,186.55)	(5,694,718.80)

The school financial statements were approved on 27 October 2023 and signed by:

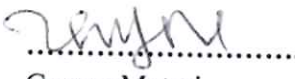


 Stellah N. Matofari (Mad)
 Chair,
 Board of Management

Bahati Girls Sec Sch
 Date: 27 October 2023



 Sr. Catherine Wangari Thuku
 Secretary,
 Board of Management
 /Principal
 Bahati Girls Sec Sch
 Date: 27 October 2023




 George Muturi
 Bursar
 Bahati Girls Sec Sch
 Date: 27 October 2023

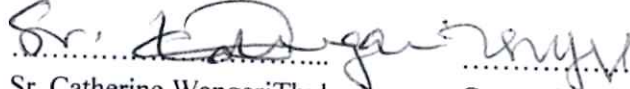
STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT
30 JUNE 2023

DETAILS		2022/2023	2021/2022
		12 Months	12 Months
<u>CASH & BANK BALANCE</u>	NOTES	KSHS	KSHS
BANK		2,289,413.06	2,539,334.61
CASH		3,759.05	40,021.05
TOTAL		2,293,172.11	2,579,355.66
ACCOUNTS RECEIVABLES		1,999,798.50	2,869,798.50
TOTAL			
TOTAL FINANCIAL ASSETS		4,292,970.61	5,449,154.16
FINANCIAL LIABILITIES			
ACCOUNTS PAYABLE		5,616,462.00	3,520,459.00
NET TOTAL ASSETS		(1,323,491.39)	1,928,695.16
REPRESENTED BY:			
FUND BALANCE B/F 1 JULY 2022		1,928,695.16	7,623,413.96
SURPLUS/DEFICIT FOR THE YEAR		(3,252,186.19)	(5,694,718.80)
TOTAL		(1,323,491.39)	1,928,695.16

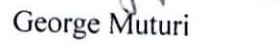
The school's financial statements were approved on 27 October 2023 and signed by:


.....
Stellah N. Matofari (Mad)
Chair,
Board of Management

Bahati Girls Sec Sch
Date: 27 October 2023


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

Bahati Girls Sec Sch
Date: 27 October 2023


.....
George Muturi
Bursar

Bahati Girls Sec Sch
Date: 27 October 2023

St. Bakhita Bahati Girls Secondary School

Reports and Financial Statements For the Financial Year ended 30 June 2023

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023

DETAILS		2022/2023	2021/2022
		12 Months	12 Months
RECEIPTS FROM OPERATING ACTIVITIES	NOTES	KSHS	KSHS
Capitation grants for Tuition	1	2,707,885.50	3,220,697.20
Capitation grants for Operations	2	7,906,106.95	10,369,302.40
Government grants for infrastructure	3	3,939,000.00	5,178,750.00
School Fund income-Parents' Contribution	4	6,914,745.00	6,295,783.00
Total Receipts		21,467,737.45	25,064,532.60
Payments			
Payments for Tuition	5	2,635,026.00	4,330,444.00
Payments for Operations	6	15,921,612.00	19,230,530.40
School Fund Payments	7	3,197,283.00	7,198,277.00
Total Payments		21,753,921.00	30,759,251.40
Net Cashflows from Operating Activities		(286,183.55)	(5,694,718.80)
Net Increase/Decrease in Cash & Cash Equivalent		(286,183.55)	(5,694,718.80)
Cash & Cash Equivalent at Beginning of the year		2,579,355.66	6,108,830.46
Cash & Cash Equivalent at the end of the year		2,293,172.11	2,579,355.66

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

St. BakhitaBahati Girls Secondary School
 Reports and Financial Statements For the Financial ended 30 June 2023

Statement Of Budgeted Versus Actual Amounts for The Period Ended 30 June 2023

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	1,082,648.20	548,651.80	66%
Lab. Equipment	1,138,500.00	-	1,138,500.00	811,492.15	327,007.85	71%
T/L Materials	635,800.00	-	635,800.00	271,421.05	364,378.95	43%
Internal Exams	1,152,800.00	-	1,152,800.00	542,324.10	610,475.90	47%
Sub-Total	4,558,400.00	-	4,558,400.00	2,707,885.50	1,850,514.50	59%
(2) Capitation Grant On Operations						
Local, Travel & Transport	2,827,000.00	-	2,827,000.00	1,914,650.80	912,349.00	68%
Electricity, Water & Conservancy	907,500.00	-	907,500.00	1,062,505.09	(155,005.00)	117%
Personal Emolument	5,395,500.00	-	5,395,500.00	3,615,825.35	1,779,675.00	67%
Administration Costs	880,000.00	-	880,000.00	497,363.21	382,637.00	57%
Activity	1,650,000.00	-	1,650,000.00	550,162.50	1,099,838.00	33%
Rent				63,400.00		
Insurance and Medical	2,200,000.00	-	2,200,000.00	202,200.00	1,997,800.00)	9%
Sub-Total	9,799,100.00	-	9,799,100.00	11,845,107.95	7,844,892.05	60%
Maintenance & Improvement	5,830,000.00	-	5,830,000.00	3,939,000.00	1,891,000.00	66%
Sub-Total	19,690,000.00	-	19,690,000.00	11,845,107.95	7,844,892.05	60%
(3) Fees Charged On Parents						
Parents Association	3,960,000.00	-	3,960,000.00	4,838,000.00	(878,000.00)	122%
Sub-Total	3,960,000.00	-	3,960,000.00	4,838,000.00	(878,000.00)	
Other Income						
Income From Generating Activities	200,000.00	-	200,000.00	371,400.00	(171,400.00)	186%
Other receipts	1,230,000.00	-	1,230,000.00	825,345.00	404,655.00	67%
Sub-Total	1,430,000.00	-	1,430,000.00	1,196,745.00	233,255.00	84%
Grand total Income	29,638,400.00	-	29,638,400.00	20,597,737.45	9,040,663.00	69%

Expenditure For:						
------------------	--	--	--	--	--	--

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2023

(1) Provision						
Exercise Books	1,631,300.00	-	1,631,300.00	1,561,491.00	69,809.00	96%
Lab. Equipments	1,138,500.00	-	1,138,500.00	953,878.00	184,622.00	84%
T/L Materials	635,800.00	-	635,800.00	585,218.00	50,582.00	92%
Internal Exams	1,152,800.00	-	1,152,800.00	499,600.00	653,200.00	43%
Bank charges				960.00		
Sub-Total	4,558,400.00	-	4,558,400.00	3,601,147.00	957,253.00	79%
(2) Operations						
Local, Travel & Transport	2,827,000.00	-	2,827,000.00	1,929,313.00	907,687.00	68%
Electricity, Water & Conservancy	907,500.00	-	907,500.00	701,298.00	206,202.00	77%
Personal Emolument	5,395,500.00	-	5,395,500.00	4,481,191.00	914,309.00	83%
Administration Costs	880,000.00	-	880,000.00	717,000.00	163,000.00	81%
Activity	1,650,000.00		1,650,000.00	446,235.00	1,203,765.00	27%
Medical and insurance	2,200,000.00		2,200,000.00	0.00	2,200,000.00	0%
Maintenance & Improvement	5,830,000.00	-	5,830,000.00	7,818,260.00	1,988,260.00	134%
Sub-Total	19,690,000.00	-	19,690,000.00	16,093,297.00	3,596,703.00	82%
(3) School Fund						
Local, Travel & Transport	300,000.00		300,000.00	597,010.00	(297,010.00)	199%
Repair, Maintenance & Improvement	300,000.00		300,000.00	308,680.00	(108,680.00)	103%
Electricity, Water & Conservancy	90,000.00		90,000.00	121,588.00	(31,588.00)	135%
Personal Emolument	150,000.00		150,000.00	1,987,259.00	(1,837,259.00)	1,325%
Administration Costs	390,000.00		390,000.00	576,070.00	(186,070.00)	148%
Parents Association	3,960,000.00		3,960,000.00	0.00		
CDF				155,153.00		
Expenditure on income generating expenses	200,000.00		200,000.00	12,000.00	188,000.00	6%
Sub-Total	5,390,000.00		5,390,000.00	4,155,480.00	1,234,520.00	77%
Total Expenditure	29,638,400.00	-	29,638,400.00	23,849,924.00	5,788,476.00	80%
Surplus/Deficit				(3,252,186.55)		

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 2023.

NOTES TO THE FINANCIAL STATEMENTS

1. CAPITATION OF TUITION

VOTEHEADS		2022/2023	2021-2022
		KSHS	KSHS

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2023

Exercise books		1,082,648.20	1,288,278.88
Lab. Equipments and chemicals		811,492.15	966,209.16
Teaching and materials		271,421.05	322,069.72
Internal exams		542,324.10	644,139.44
TOTAL		2,707,885.50	3,220,697.20

2. CAPITATION OF OPERATIONS

VOTEHEADS		2022/2023	2021-2022
		KSHS	KSHS
Local, travel & transport		1,914,650.80	2,367,311.42
Electricity, water & conservancy		1,062,505.09	1,233,731.41
Personal emolument		3,615,825.35	4,471,211.33
Administration costs		497,363.21	696,344.24
Medical & insurance		202,200.00	195,400.00
Rent		63,400.00	65,600.00
NSSF			82,720.00
NHIF			99,600.00
PAYE			95,544.00
JOKEHIS SACCO			605,871.00
WAKARIMU SACCO			379,969.00
WELFARE			76,000.00
Activity		550,162.50	
TOTAL		7,906,106.95	10,369,302.40

GOVERNMENT GRANT-INFR.

Maintenance and improvement		3,931,000.00	5,133,750.00
Parents Association		8,000.00	45,000.00
		3,939,000.00	5,178,750.00

3.SCHOOL FUND INCOME FROM PARENTS AND OTHER CONTRIBUTION

VOTEHEADS		2022/2023	2021/2022
		KSHS	KSHS
Personal Emolument		586,395.00	123,638.00
Contingencies		3,750.00	600.00
E.W.C.			60,845.00
Tender fees		41,000.00	34,000.00
Rent		203,400.00	50,000.00
Bus Hire		371,400.00	384,000.00
Parents Association		4,838,800.00	3,642,000.00
C.D.F.			2,000,700.00
TOTAL		6,044,745.00	6,295,783.00

5. PAYMENTS FOR TUITION

VOTEHEADS		2022/2023	2021-2022
		KSHS	KSHS
Exercise books		1,561,491.00	1,523,634.00

St. BakhitaBahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2023

5. PAYMENTS FOR TUITION

VOTEHEADS	2022/2023	2021-2022
	KSHS	KSHS
Exercise books	1,561,491.00	1,523,634.00
Lab equipments/chemicals	953,878.00	1,151,478.00
T/L materials	585,218.00	710,978.00
Internal exams	499,600.00	944,354.00
Bank charges	960.00	
TOTAL	3,601,147.00	4,330,444.00

6. PAYMENTS FOR OPERATIONS

VOTEHEADS	2022/2023	2021-2022
	KSHS	KSHS
Local, travel & transport	1,929,313.00	2,653,970.00
Repair, maintenance & improvement		369,030.00
Electricity, water & conservancy	701,298.00	709,939.00
Activity	446,235.00	521,595.00
Personal emolument	4,481,191.00	4,901,706.90
Administration costs	717,000.00	745,292.50
Medical & insurance		26,800.00
NSSF		146,320.00
NHIF		101,400.00
JOKEHIS SACCO		597,859.00
WAKARIMU SACCO		421,841.00
Infrastructure	7,818,260.00	7,939,233.00
TOTAL	16,093,297.00	19,230,530.40

7. SCHOOL FUND PAYMENTS

VOTEHEADS	2022/2023	2021/2022
	KSHS	KSHS
Local, travel & transport	597,010.00	224,049.00
Repair, maintenance & improvement	308,680.00	201,100.00
Electricity, water & conservancy	121,588.00	60,845.00
Activity	447,720.00	
Personal emolument	1,987,259.00	123,638.00
Administration costs	526,070.00	368,270.00
Acquisition of Assets		4,375,681.00
CDF	155,153.00	1,844,694.00
Expenses on Tender	12,000.00	
TOTAL	4,155,480.00	7,198,277.00

8. BANK ACCOUNTS

BANK NAME		2022/2023	2021-2022
		KSHS	KSHS
Tuition account		236,984.20	164,124.70
Operations account		935,880.95	413,882.00
Infrastructure account		952,315.76	64,895.76
School fund account		314.32	517,547.05
CDF account		853.00	156,006.00
ESP		1,850.00	1,850.00
Saving accounts		161,214.83	1,221,029.10
TOTAL		2,289,413.06	2,539,334.61

9. CASH IN HAND

VOTEHEADS		2022/2023	2021/2022
		KSHS	KSHS
School fund		599.20	6,634.20
Operations		412.85	33,386.85
Infrastructure		2,747.00	
TOTAL		3,759.05	40,021.05

10. ACCOUNT RECEIVABLES

VOTEHEADS		2022/2023	2021/2022
		KSHS	KSHS
Fees Arrears		1,999,798.50	2,869,798.50
TOTAL		1,999,798.50	2,869,798.50

Aging below

FEES ARREARS SUMMARY

VOTEHEADS	DETAILS	2022/2023	2021/2022
		KSHS	KSHS
Current year		290,000.00	613,000.00
Previous year - 2022		108,000.00	655,000.00
Arrears recovered during the year		(1,160,000.00)	(187,500.00)
Prior period - over two years		1,601,798.50	1,789,298.50
TOTAL		1,999,798.50	2,869,798.50

11. ACCOUNT PAYABLES

VOTEHEADS	DETAILS	2022/2023	2021/2022
		KSHS	KSHS
Trade Creditors		4,899,445.00	3,520,459.00
NSSF		172,232.00	
NHIF		37,950.00	
PAYE		23,886.00	
Jokehis Sacco		259,054.00	
Wakarimu Sacco		205,895.00	
Welfare		18,000.00	
TOTAL		5,616,462.00	3,520,459.00

Aging below

TRADE CREDITORS SUMMARY

VOTEHEADS	DETAILS	2022-2023	2021/2022
		KSHS	KSHS
Current year		5,616,462.00	3,503,459.00
Paid during the year		(3,503,459.00)	(912,715.00)
Previous year		3,520,459.00	912,715.00
Prior period – over two years		17,000.00	17,000.00
TOTAL		5,616,462.00	3,520,459.00

8. FUND BALANCE BROUGHT FORWARD

VOTEHEADS	DETAILS	2022/2023	2021/2022
		KSHS	KSHS
Bank and Cash balances		2,579,355.66	6,108,830.46
Receivables		2,869,798.50	2,444,298.00
Payables		(3,520,459.00)	(929,715.00)
TOTAL		1,928,695.16	7,623,413.96

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.

9. 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 2023

Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted from	Amount Paid To-date	Outstanding Balance as at 30/06/2023	Comment
	Kshs	Kshs	Kshs	Kshs	
	a	b	c	d=a-c	
Cyber School Technologies	232,000.00	30/06/2023		232,000.00	
Catholic Diocese of Nakuru	447,000.00	30/06/2023		447,000.00	
Patmat Bookshop	1,035,943.00	30/06/2023	-	1,035,943.00	
Mache Hardware Stores	2,407,610.00	30/06/2023	-	2,407,610.00	
Silver Skills	17,000.00	30/06/2023	-	17,000.00	
Grahams (EA) Lab	569,402.00	30/06/2023	-	569,402.00	
Data Waves Network	13,500.00	30/06/2023	-	13,500.00	
Namsams Enterprises	109,810.00	30/06/2023	-	109,810.00	
Total	4,882,445.00		-	4,882,445.00	

St. Bakhita Bahati Girls Secondary School
Reports and Financial Statements For the Year ended 30 June 2023

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