

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**



**OF**

**THE AUDITOR-GENERAL**

**ON**

**GACHIE HIGH SCHOOL**

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



**KIAMBU COUNTY**

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 19 NOV 2024

DAY.

TUESDAY

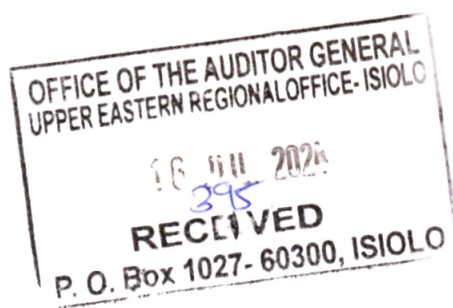
TABLED  
BY:

HON. OWEN BAYA  
DEPUTY MAJORITY LEADER

CLERK-AT  
THE-TABLE:

INZOFU MWALE

Revised 30<sup>th</sup> June 2022.



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(GACHIE HIGH SCHOOL)  
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2022

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

GACHIE HIGH SCHOOL

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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## 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 KIAMBU County, KIAMBAA Sub-County

The school was registered in 08/2009 under registration number GP/A/7339/09 and is currently categorized as a *Sub County* public school established, owned or operated by the Government.

The school is a day school and had 467 number of students as at **30<sup>th</sup> June 2022**. It has 2 streams and 23 teachers of which 5 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	Number of meetings attended during the year	Date of appointment
1	ANNE MUMBI KIMARI	CHAIR-BOM	7	17/5/2022
2	1.KAMAU KAMATU	SECRETARY-BOM	2	17/5/2022
	2.GRACE NGATA		3	
	3.ALEX WAWERU GITAU		2	
3	SUSAN WACUKA KIMANI	CHAIR-PTA	7	17/5/2022
4	ROSEMARY KURIA	MEMBER	1	17/5/2022
5	DENNIS MUKONO	V.CHAIR BOM	6	17/5/2022
6	FRANCIS WAWERU	MEMBER	1	17/5/2022
7	JAMES KAMAU MUNGA	MEMBER	1	17/5/2022
8	EDWIN KAMAU KARONGO	MEMBER	2	17/5/2022
9	SAMUEL NJENGA	MEMBER	2	17/5/2022
10	IRENE NYAMBURA	MEMBER	1	17/5/2022
11	MARYANN NYAMBURA	MEMBER	1	17/5/2022
12	PAUL NJOROGE	MEMBER	2	17/5/2022
13	GEOFREY TICHA	MEMBER	2	17/5/2022
14	ESTHER WAIRIMU	MEMBER	1	17/5/2022

**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**

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

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	1. Mrs. Kimari A 2. Mr. Gitau A 3. Ms. Susan Kimani 4. Mr. F Waweru 5. Ms. Maryann Mwangi	Chair Principal/Sec Member Member Member	3 3 3 1 1
2	Audit Committee	1. Mr J Kamau 2. Ms Rosemary 3. Ms Susan K 4. Mr Edwin K 5. Mr. Godfrey G		1 1 1 1 1
3	Finance, procurement and general purposes Committee	Mrs. Rosemary Mr. D mukono Mr. F. Waweru Ms. Susan Kimani Mrs Ann Kimani		1 1 1 1 1
4	Academic Committee	Ms. Maryann Mrs. Ann Kimari Mr. F Waweru Mr. Edwin Kamau Mr. Samuel Munga Ms. Susan Kimani		3 3 3 3 3 3

5	Development Committee	Mr. Godfrey G Mrs. Ann Kimari Mr. Gitau Alex Mr. F Waweru Ms. Susan Kimani		2 2 2 2 2
6	Discipline and welfare Committee	Mr. Dennis D Mrs. Irene Wachira Mr. Paul Njoroge Mr. J Kamau Munga Ms. Esther Wairimu		1 1 1 1 1
7	Adhoc Committee (if any during the year)	1.Ngunjiri E 2.Masimba N 3.Onkundi W 4.Nyanducha S 5.Ndei R 6.Masika P		3 3 3 3 3 3

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	MR.ALEXANDER WAWERU GITAU	347776
2	Deputy Principal	MS.AGNES W MUCHUCHA	375593
3	School Bursar	MS MASIMBA	

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)****(a) Schools contacts**

Post Office Box: 44571-00100, NAIROBI  
 Telephone: 0714 008 676  
 E-mail: gachiehighschool@yahoo.com  
 Website:  
 Facebook:  
 Twitter:

**(b) School Bankers**

The following school operated 4 bank accounts in the following banks:

1. Name of Bank: EQUITY BANK (SCH FUND)  
Branch: RUAKA  
Account Number: 1740273641689
2. Name of Bank: KCB (OPERATION ACCOUNT)  
Branch: VILLAGE MARKET  
Account Number: 1108768784
3. MPESA Pay Bill No. 641689 attached to EQUITY (SCHOOL FUND)
4. Name of Bank: KCB (TUITION ACCOUNT)  
Branch: VILLAGE MARKET  
Account Number: 1108768105
5. Name of Bank: EQUITY BANK (INFRASTRUCTURE ACCOUNT)  
Branch: RUAKA  
Account Number: 1740279639808

**(c) Independent Auditors**

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



**2. Summary Report Of Performance Of The School**

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

**a) Financial performance:**

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

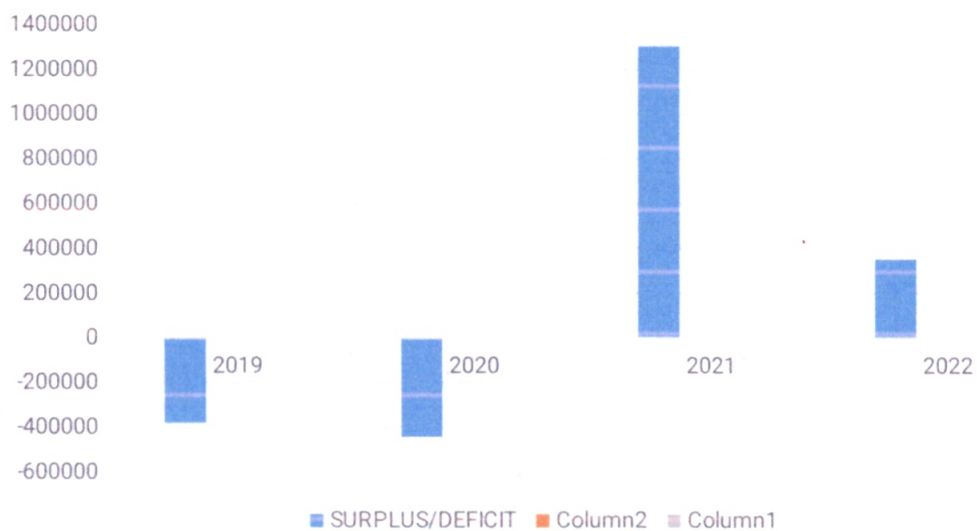
- *Surplus/ deficit for the year and a comparison of the same for the last three years*
- *Capitation grants from the Ministry of Education for the last three years*
- *Ratio of capitation grant per student over the last three years*
- *A three-year overview of growth of other income(s) earned by the school.*
- *A three-year overview of growth in expenditure of the school*
- *Movement of debtors and creditors of the school over the last three years*
- *Movement of cash and bank balances over the last three years*

*Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends).*

***Surplus/Deficit***

YEAR	SURPLUS		
2019	(383,149)		
2020	(441,945)		
2021	1,535,998		
2022	5,367,195		

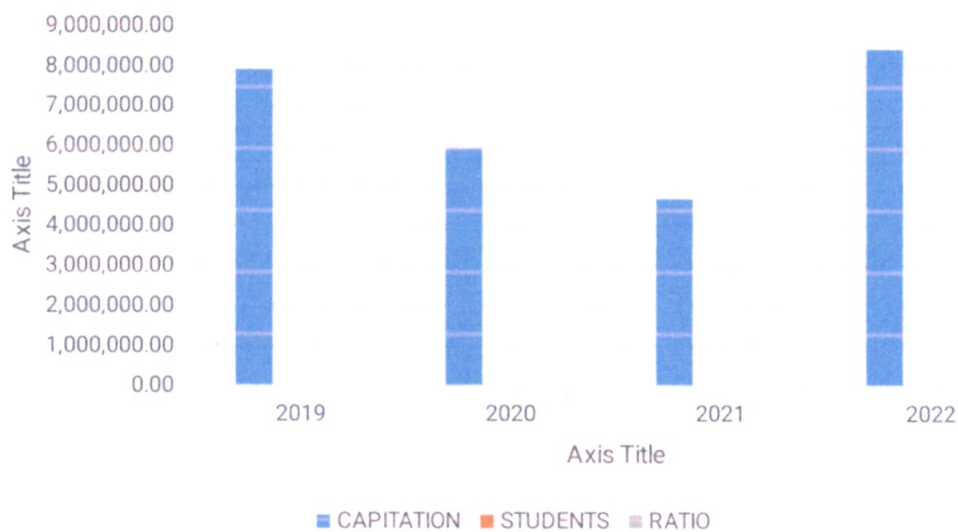
SURPLUS/DEFICIT



CAPITATION GRANTS

YEAR	CAPITATION	STUDENTS	RATIO
2019	7,916,676	432	18,325.64
2020	5,949,089	479	12,420.00
2021	4,670,404	469	9,958.22
2022	8,430,014	467	18,051.42

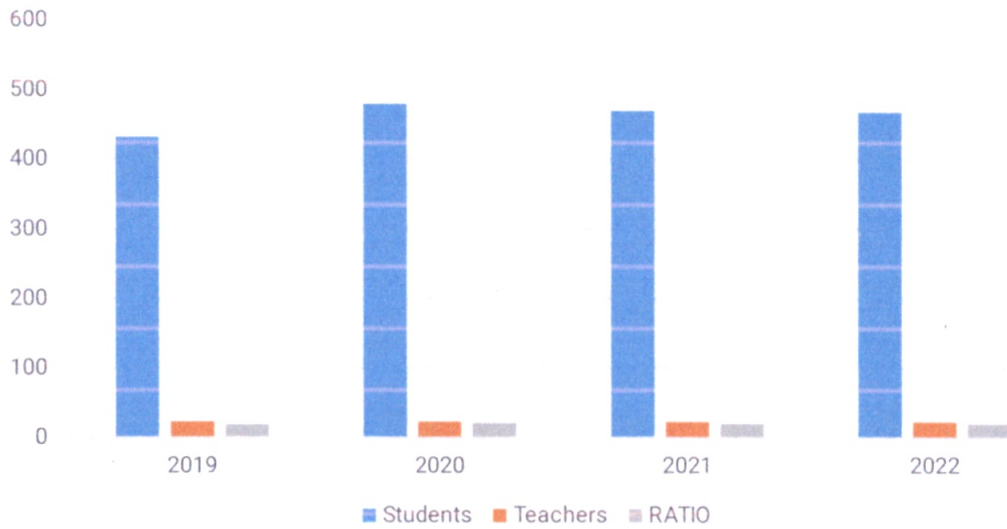
### CAPITATION STUDENT RATIO



### STUDENT TEACHER RATIO

YEAR	STUDENT ENROMENT	TEACHE	RATIO
2019	432	23	19:1
2020	479	23	21:1
2021	469	23	20:1
20212	467	23	20:1

STUDENT TEACHER RATIO

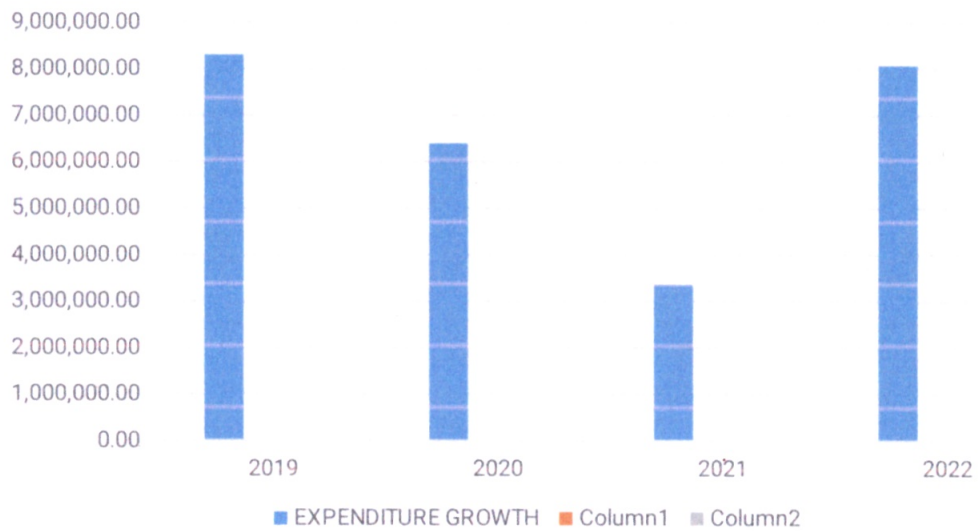


<b>SUBJECT</b>	<b>TSC TEACHERS-18</b>	<b>BOM TEACHERS -5</b>	<b>REQUIRED</b>
MATHS	5		1
ENGLISH	1	2	2
KISWAHILI	1	1	1
PHYSICS	2		
CHEMISTRY	4	1	
BIOLOGY	4	1	1
BUSINESS STUDIES	1		1
AGRICULTURE	1		
HOME SCIENCE	1		
CRE	3	1	1
HISTORY	2	1	
GEOGRAPHY	3		

**EXPENDITURE**

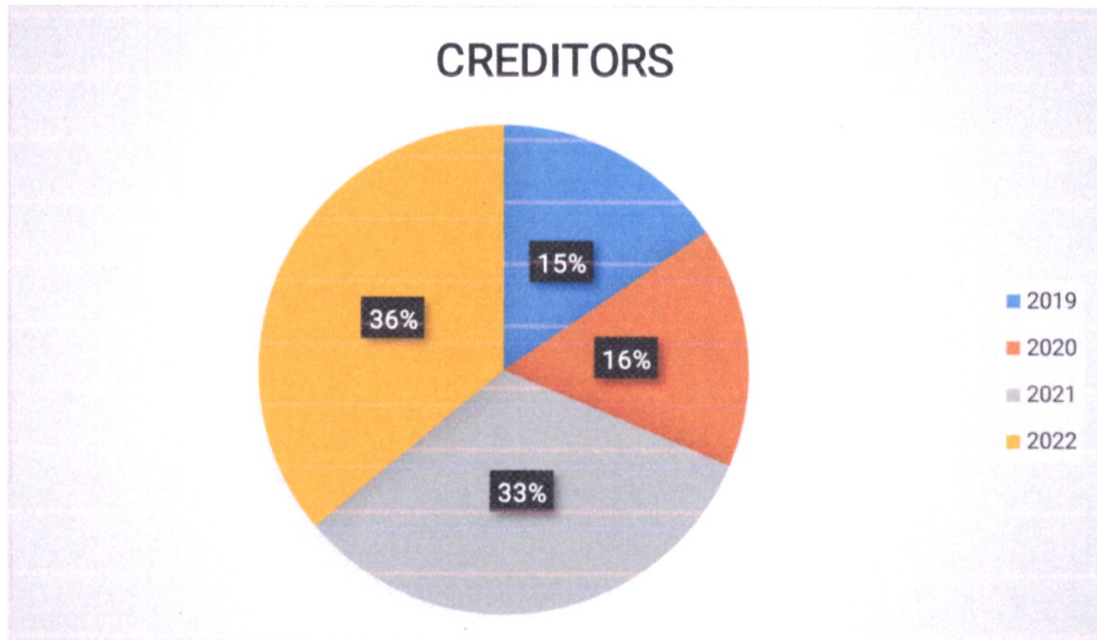
YEAR	2019	2020	2021	2022
EXPENDITURE	8,299,825.20	6,391,034.05	8,355,952	15,782,547
	-0.23	-0.47		

**EXPENDITURE GROWTH**



**CREDITORS GROWTH**

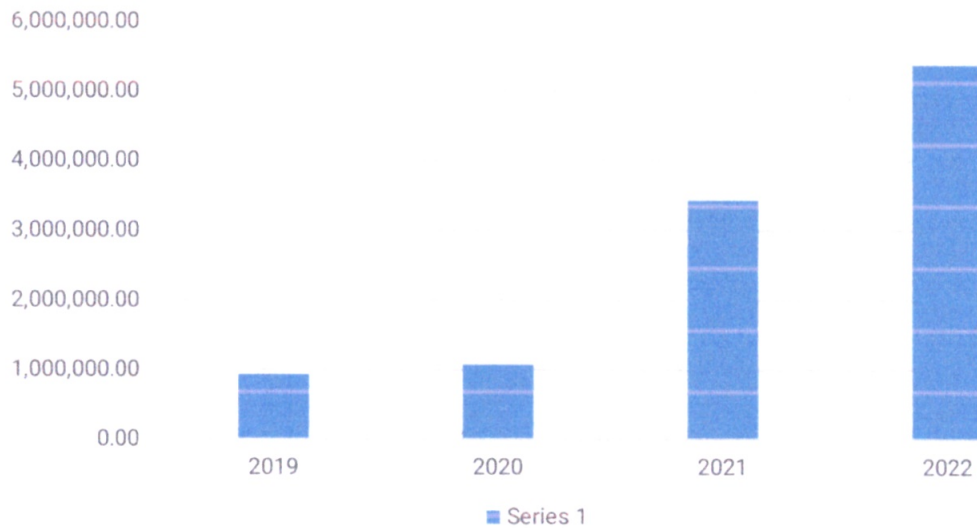
YEAR	2019	2020	2021	2022
DEBTORS	402,090.20	414,875.00	2,160,521	1,995,088
	0.03	1.05	0.10	



**DEBORS GROWTH**

YEAR	2019	2020	2021	2022
DEBTORS	937,127	1,074,327	3,435,897	5,376,538
	0.15	2.20	0.56	0.56

DEBTORS GROWTH



MOVEMENT OF CASH AND BANK BALANCES

YEAR	2019	2020	2021	2022
CASH	0.00	28,957	149,000	924,129
BANK	58,680	1,006,176	596,291	745,608

b) **Teacher Student ratio:**

*(Include the teacher to student ratio, number of teachers recruited and posted to the school within the year, number of teachers that were transferred/ retired during the period as well as number of teachers employed by TSC, and number employed by BOM. One may also include how many teachers the school has for each subject in order to indicate shortage/ allocation of resources).*

c) **Mean score in the 2022 KCSE:**

*Give performance of the school for each over the last three years. Include the number of students that have since transitioned to institutions of higher learning. Include the mean score and comment on improvement or otherwise as compared to*

*the school's set score.*

YEAR	2019	2020	2021	2022
MEAN SCORE	3.172	2.602	2.504	2.593

**d) Number of Candidates in the 2022 KCSE:**

*(Tabulate the number of candidates sitting for KCSE over the last three years).*

YEAR	2019	2020	2021	2022
NUMBER OF CANDIDATES	93	93	114	113

**e) Capacity of the school:**

FACILITIES	STUDENTS	FACILITIES	REQUIRED
	469		
TOILETS	469	9	5
LABORATORIES	469	1	2
D HALL	469	0	1
CLASSES	469	10	2
KITCHEN	469	0	1



*Summary Report of the Performance of the School (Continued)*f) **Development projects carried out by the school:**

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

<i>SOURCE</i>		<i>CLASS RECAPETING( TERRAZ O)</i>	<i>STATUS</i>
<i>BAL B/F</i>	<i>125,120</i>		<i>ONGOING</i>
		<i>1,454,195</i>	
<i>SCHOOL FUND</i>	<i>90.000</i>		
<i>MIF</i>	<i>1,376,000</i>		
<i>BAL C/D</i>		<i>136,925</i>	
	<i>1,591,120</i>	<i>1,591,120</i>	

Sign.....



*School Principal*

*GACHIE HIGH SCHOOL*

**Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022**

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### 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 (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 (*Gachie 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 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.



.....  
Name: Mrs Kimari

Designation: Chairman, School Board of Management

Date: 11/07/2024



.....  
Name: Mr. Gitau

Designation: School Principal & Secretary to Board of Management

Date: 11/07/2024



.....  
Name: Ms Masimba

Designation: Bursar

Date: 11/07/2024

# REPUBLIC OF KENYA



*Enhancing Accountability*

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

## **REPORT OF THE AUDITOR-GENERAL ON GACHIE HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – KIAMBU COUNTY**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of Gachie High School - Kiambu County set out on pages 1 to 21, which comprise of the statement of financial assets and

financial liabilities as at 30 June, 2022, 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 Gachie High School - Kiambu County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

## **Basis for Qualified Opinion**

### **1. Variances in the Financial Statements**

The audit revealed variances between the financial statements and the ledgers as indicated below;

<b>Item</b>	<b>Financial Statements (Kshs)</b>	<b>Ledgers (Kshs)</b>	<b>Variance (Kshs)</b>
<b>Payments for Operations</b>			
Personal Emoluments	1,938,284	1,952,684	(14,400)
Administration Cost	1,188,902	1,171,442	17,460
Local transport / Travelling	208,770	207,770	1,000
Activity Expenses	530,200	435,700	94,500
<b>Payments for Tuition</b>			
Teaching/Learning Materials	1,717,748	404,422	1,313,326
<b>Boarding and School Fund Payments</b>			
Personnel Emoluments	1,011,600	969,200	42,400
Local Transport/Travelling	828,110	731,610	96,500
Administration Costs	475,817	504,317	(28,500)
Lunch Programme	3,453,080	2,536,900	916,180
Uniform	514,871	428,410	86,461

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

## **2. Inaccuracies in the Financial Statements**

The statement of budgeted versus actual amounts reflects actual on comparable amounts receipts of Kshs.9,755,914. However, upon re-computation the balance was Kshs.20,379,292 resulting to unexplained and unreconciled variance of Kshs.10,623,378. Further, the statement of budgeted versus actual amounts reflects actual on comparable amounts expenditure of Kshs.9,755,914. However, upon re-computation the balance was Kshs.16,260,152 resulting in unexplained and unreconciled variance of Kshs.6,504,238.

In the circumstances, the accuracy and completeness of the statement of budgeted versus actual amounts balances could not be confirmed.

## **3. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.16,002,833 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.8,540,569 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.8,540,569 could not be confirmed.

## **4. Unsupported Cash and Cash Equivalents**

The statement of financial assets and financial liabilities reflects cash in hand balance of Kshs.924,129 as disclosed in Note 9 to the financial statements. However, the balance was not supported by a cash survey report.

In the circumstances, the accuracy, completeness and existence of cash balance of Kshs.924,129 could not be confirmed.

## **5. Unsupported Operations Payments**

The statement of receipts and payments reflects payments for operations amount of Kshs.6,296,178 as disclosed in Note 6 to the financial statements. Included in this amount is Kshs.1,188,902 in respect of administration costs, Kshs.530,200 in respect of activity expenses and Kshs.515,430 in respect of repairs and improvement costs.

However, administration costs amounting to Kshs.556,100, activity expenses totaling to Kshs.235,700 and repairs and improvement costs amounting to Kshs.264,000 were not supported by way of purchase requisitions, local purchase orders, delivery notes and stores records.

In the circumstances, the regularity, accuracy and completeness of the payments for operations amounting to Kshs.1,055,800 could not be confirmed

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Gachie 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.

### **Key Audit Matters**

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Lack of a Procurement Plan**

The statement of receipts and payments reflects an amount of Kshs.21,149,742 and Kshs.15,782,547 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.

#### **2. Late Submission of Financial Statements for Audit**

During the year under review, Management submitted the financial statements to the Auditor-General on 23 May, 2023 instead of the statutory deadline of 30 September, 2022. This was contrary to provisions of Section 47(1) and (2) of Public Audit Act, 2015 which requires the Institution to submit the financial statements to the Auditor-General

within three (3) months after the end of the financial year to which the respective accounts relate

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

### **3. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association**

The statement of receipts and payments reflects payment for operations amount of Kshs.6,296,178 as disclosed in Note 6 to the financial statements. Included in the expenditure is an amount of Kshs.550,180 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.550,180 could not be confirmed.

### **4. Failure to Prepare 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 the law.

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

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

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter 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**

### **Lack of an Updated Fixed Assets Register**

The summary of fixed assets register in Annex 2 to the financial statements does not reflect the summary of assets held by the School as at 30 June, 2022. In addition, the assets register provided for audit was not up to date as it did not include the values of the School's fixed assets. This was contrary to Regulation 143(1) 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.

In the circumstances, the ownership and safe custody of the fixed assets 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 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 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, the Management is responsible for assessing the School's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

The 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, the 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.

The Board of Management is responsible for overseeing the School 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 controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

  
FCPA Nancy Gathungu CBS  
AUDITOR-GENERAL

Nairobi

21 October, 2024

GACHIE HIGH SCHOOL  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

5. Statement Of Receipts And Payments Period To 30<sup>th</sup> June 2022

Description Of Vote Head	Note	2021-2022	Jan - June 2021
		Kshs	Kshs
<b>Receipts</b>			
Capitation grants for tuition	1	1,569,630	627,582
Capitation grants for operations	2	6,860,384	4,042,822
School Fund Income- Parents' Contributions	3	12,719,728	5,221,546
School Fund Income- Other receipts	4	-	-
Proceeds from borrowings		-	-
<b>TOTAL RECEIPTS</b>		<b>21,149,742</b>	<b>9,891,950</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	1,720,554	1,300,957
Payments for operations	6	6,296,178	2,761,587
Boarding and school fund payments	7	7,765,815	4,293,408
<b>TOTAL PAYMENTS</b>		<b>15,782,547</b>	<b>8,355,952</b>
<b>SURPLUS/DEFICIT</b>		<b>5,367,195</b>	<b>1,535,998</b>

The school financial statements were approved on 11/7/2024 2024 and signed by:

  
 .....

Name: Mrs. Kimari


Chair BOM

Date: 11/07/2024

  
 .....

Name: Mr. Gitau  
 School Principal/ Secretary to  
 BOM

Date: 11/07/2024

  
 .....

Name: Ms Masimba

Bursar


Date: 11/7/2024

GACHIE HIGH SCHOOL  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

6. Statement Of Financial Assets And Financial Liabilities As At 30<sup>th</sup> June 2022

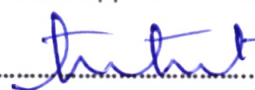
Description	Note	2021-2022	Jan - June 2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	8	745,608	596,291
Cash balances	9	924,129	149,000
Short term investment	10	-	-
<b>Total cash and cash equivalent</b>		<b>1,669,737</b>	<b>745,291</b>
Account's receivables	11	16,002,833	11,,980,,381
<b>Total financial assets</b>		<b>17,672,570</b>	<b>12,725,672</b>
<b>Financial liabilities</b>			
Accounts payables	12	2,530,222	2,950,519
<b>Net financial assets</b>		<b>15,142,349</b>	<b>9,775,153</b>
<b>Represented by</b>		<b>15,142,349</b>	<b>9,775,153</b>
Accumulated fund b/fwd	13	9,775,153	8,239,155
Surplus/deficit for the year		5,367,195	1,535,998
<b>Net financial position</b>		<b>15,142,349</b>	<b>9,775,153</b>

The school's financial statements were approved on 11/07/2024 2024 and signed by:


  
 Name: Mrs Kimari

Chair BOM

Date: 11/07/2024

  
 Name: Mr Gitau  
 School Principal/ Secretary to BOM

Date: 11/07/2024

  
 Name: Ms Masimba  
 Bursar

Date: 11/7/2024

7. Statement of Cash Flows for The Period Ended 30<sup>th</sup> June 2022

Description	Notes	2021-2022	Jan - June 2021
		Kshs	Kshs
<b>Operating activities</b>			
<b>Receipts</b>			
Capitation grants for tuition		1,569,630	627,582
Capitation grants for operations		6,860,384	4,042,822
School fund income- parents contributions/ fees		8,999,715	2,042,076
School fund income- other receipts		-	-
<b>Total receipts</b>		<b>17,429,729</b>	<b>6,712,480</b>
<b>Payments</b>			
Payments for tuition		1,587,978	604,176
Payments for operations		5,165,446	2,091,469
Boarding and school fund payments		8,297,66	3,732,447
<b>Total payments</b>		<b>15,051,088</b>	<b>6,428,092</b>
<b>Net cash flow from operating activities</b>		<b>2,378,641</b>	<b>284,388</b>
<b>Cashflow from investing activities</b>			
Proceeds from sale of assets			
Acquisition of assets		(1,454,195)	(574,230)
Proceeds from investments		-	-
Purchase of investments		-	-
<b>Net cash flows from investing activities</b>		<b>(1,454,195)</b>	<b>(574,230)</b>
<b>Cashflow from borrowing activities</b>			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
<b>Net cash flow from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>		<b>924,446</b>	<b>(289,842)</b>
<b>Cash and cash equivalent at beginning of the year</b>		<b>745,291</b>	<b>1,035,1323</b>
<b>Cash and cash equivalent at end of the year</b>		<b>1,669,737</b>	<b>745,291</b>

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

GACHIE HIGH SCHOOL  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials	-	-	-	-	-	-
Exercise Books	-	-	-	-	-	-
Laboratory Equipment	-	-	-	-	-	-
Internal Exams	-	-	-	-	-	-
Teaching / Learning Materials	2,000,000	-	2,000,000	1,569,630	430,370	78.5%
Chalks	-	-	-	-	-	-
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	-	-	-	-	-	-
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments	3,000,000	-	3,000,000	2,782,101	217,899	92.7%
Repairs And Maintenance	3,000,000	-	3,000,000	1,411,471	1,588,529	47.0%
Local Transport / Travelling	400,000	-	400,000	345,640	54,360	86.4%
Electricity And Water	400,000	-	400,000	345,640	54.36	86.4%
Medical	100,000	-	100,000	77,229	22,771	77.2%
Administration Costs	2,000,000	-	2,000,000	1,478,301	521,698	73.9%
Activity	500,000	-	500,000	420,000	80,000	84.0%

GACHIE HIGH SCHOOL  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
Gratuity	-	-	-	-	-	-
Smasse	-	-	-	-	-	-
<b>(3) Fees Charged on Parents</b>	-	-	-	-	-	-
Personnel Emoluments	-	-	-	-	-	-
Repairs And Maintenance	-	-	-	-	-	-
Local Transport / Travelling	-	-	-	-	-	-
Electricity And Water	-	-	-	-	-	-
Medical	-	-	-	-	-	-
Administration Costs	-	-	-	-	-	-
Activity	-	-	-	-	-	-
Smasse	-	-	-	-	-	-
Fee On Boarding Equipment and Stores	9,000,000	-	9,000,000	10,768,898	-1,768,898.00	119.7%
<b>Other Income</b>	-	-	-	-	-	-
Development	1,500,000	-	1,500,000	1,180,382	319,618	78.7%
Income From Farming Activities	-	-	-	-	-	-
Insurance Compensation	-	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-	-
Income From Bus Hire	-	-	-	-	-	-
Fee For Hire of Ground And Equipment	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
Income From Any Other Investment	-	-	-	-	-	-
<b>Total Income</b>	<b>21,900,000</b>	<b>3,272,452</b>	<b>21,925,937</b>	<b>9,755,914</b>	<b>1,466,401</b>	



GACHIE HIGH SCHOOL  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
<b>(1) Expenditure For Tuition</b>						
Teaching / Learning Materials	2,000,000.00	-	2,000,000.00	1,720,554	279,446	86%
<b>(2) Expenditure For Operations</b>						
Personnel Emoluments	3,000,000	205,226.00	3,205,226	1,938,284	1,266,942	69%
Repairs And Maintenance	3,000,000	1,400,000.00	4,400,000	515,430	3,884,570	32%
Local Transport / Travelling	400,000	-	400,000	208,770	191,230	52%
Electricity And Water	400,000	-	400,000	133,381	266,619	33%
Medical	100,000	-	100,000	66,200	33,800	66%
Administration Costs	2,000,000	376,000.00	2,376,000	1,188,902	1,187,098	73%
Activity	500,000	-	500,000.00	530,200	(30,200)	106%
BANK CHARGES	-	-	-	-5,604	(5,604)	100.0%
Acquisition of Assets	-	1,381,226.00	1,381,226.00	1,454,195	(72,969)	105.3%
<b>(3) Expenditure For School Fund</b>						
Personnel Emoluments	-	-	-	-957,300	(957,300)	100%
Repairs, Maintenance and Improvements	-	-	-	-118,450	(118,450)	100%
Local Transport / Travelling	-	-	-	-491,000	(491,000)	100%
Electricity, Water and Conservancy	-	-	-	-33,000	(33,000)	100%
Medical Expenses	-	-	-	-	-	-
Administration Costs	-	-	-	-1,029,450	(1,029,450)	-
Activity	-	-	-	-260,075	(260,075)	-
Gratuity	-	-	-	-	-	-
Lunch Programme	9,000,000	(3,246,515)	5,753,485	4,071,735	1,681,750	70.8%

GACHIE HIGH SCHOOL  
 Reports and Financial Statements For the year ended 30<sup>th</sup> June 2022

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
Caution	-	-	-	-500	(500)	-
Tuition	-	-	-	-356,740	(356,740)	-
PA Donations	1,500,000	-90,000	1,410,000	1,180,382	229,618	83.7%
Other Expenses On Investments	-	-	-	-	-	-
Rent Expenses	-	-	-	-	-	-
Bank Charges	-	-	-	-	-	-
Loan Interest Repayment	-	-	-	-	-	-
Loan Principal Repayment	-	-	-	-	-	-
Acquisition Of Assets	-	-	-	-	-	-
<b>Totals</b>	<b>21,900,000</b>	<b>3,272,452</b>	<b>21,925,937</b>	<b>9,755,914</b>	<b>5,665,785</b>	<b>-</b>

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

- i. Xxx
- ii. Xxx

## 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**

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<sup>th</sup> June 2022.

## 10. Notes To The Financial Statements

## 1 Capitation Grant for Tuition

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	1,569,630	627,582
Chalks	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
<b>Total</b>	<b>1,569,630.</b>	<b>627,582</b>

## 2 Capitation Grant for Operations

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Personnel Emoluments	2,782,102	1,200,000
Repairs And Maintenance	1,411,471	793,374
Local Transport / Travelling	345,640	510,702
Electricity And Water	345,640	510,702
Medical	77,229	7,343
Administration Costs	1,478,302	510,702
Activity	420,000.	510,000
<b>Total</b>	<b>6,860,384</b>	<b>4,042,822</b>

## 3 Parents Contribution/Fees - School Fund Account

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Personnel emoluments	10,876,470	4,204,971
Repairs and maintenance	-	-
Local transport / travelling	-	-
Bank charge(income)	120	-
Tuition	28,370	10,,205
Development	1,299,897	1,006,370
Uniform	514,877	-
<b>Total</b>	<b>12,719,728</b>	<b>5,221,56</b>

## Notes To The Financial Statements (Continued)

## 4 Other Receipts – School Fund Account

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Fee On Boarding Equipment and Stores	-	-
Rent income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*	-	-
Uniform	-	-
Dividends Income	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## 5 Payments For Tuition

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	-	-
Laboratory Equipment	-	-
Internal Exams	-	-
Teaching / Learning Materials	1,717,748	1,300,225
Chalks	-	-
Exams And Assessment	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	2,806	732
<b>Total</b>	<b>1,720,554</b>	<b>1,300,957</b>

## Notes To The Financial Statements (Continued)

## 6 Payments For Operations

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Personnel Emoluments	1,938,284	852,030
Service Gratuity	-	-
Administration Cost	1,188,902	468,490
Repairs And Maintenance & Improvements	515,430	183,382
Local Transport / Travelling	208,770	88,000
Electricity And Water	133,381	18,136
Medical	66,200	4,160
Activity Expenses	530,200	525,250
Smasse	-	-
Tuition	255,212	46,685
Bank Charges	5,604	1,224
Acquisition Of Assets	1,454,195	574,230.00
<b>Total</b>	<b>6,296,178</b>	<b>2,761,587</b>

## Notes To The Financial Statements (Continued)

## 7 Boarding And School Fund Payments

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Personnel emoluments	1,011,600	437,000
Service Gratuity	-	-
Repairs and maintenance & Improvements	119,250	99,382
Local transport / travelling	828,110	353,710
Electricity and water	33,000	-
Medical Expenses	6,300	16,510
Administration costs	475,817	273,710
Lunch Programme	3,453,080	2,811,611
Bank Charges	15,000	13,680
Activities	151,425	3,960
Tuition	-	281,845
Caution	500	2,000
Insurance Cost (Life Property)	-	-
Uniform	514,871	-
Tuition	1,156,862	-
Acquisition of Assets	-	-
<b>TOTAL</b>	<b>7,765,815</b>	<b>4,293,408</b>



Notes To The Financial Statements (Continued)

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	Jan - June 2021
		Kshs	Kshs
Tuition Account		44,352	62,700
Operations Account		(41,335)	233,903
School Fund Account/Boarding		605,666	174,568
Savings Account		-	-
Parent Association Development Account		-	-
Income Generating Activities Account		-	-
Infrastructural Account		136,925	125,120
<b>Total</b>		<b>745,608</b>	<b>596,291</b>

9 Cash In Hand

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	59,959	65,783
School Fund account	864,170	83,217
<b>Total</b>	<b>924,129</b>	<b>149,000</b>

10 Short Term Investments

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Cooperative Shares	xxx	xxx
Treasury Bills	xxx	xxx
Fixed Deposit	xxx	xxx
Equity Stock	xxx	xxx
Other Investments	xxx	xxx
<b>Total</b>	<b>xxx</b>	<b>xxx</b>

Notes To The Financial Statements (Continued)

11 Accounts Receivable

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Fees Arrears	16,002,833	11,980,381
Other Non-Fees Receivables	-	-
Salary Advances	-	-
Imprest	-	-
<b>Total</b>	<b>16,002,833</b>	<b>11,980,381</b>

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

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Fees Arrears For Current Year	5,376,538	3,439,812
Recovered During The Year	(1,354,086)	(34,487)
Fees Arrears For The Previous Year	3,439,812	1,074,327
Fees Arrears For Prior Periods (Over Two Years)	8,540,569	7,500,729
<b>Total</b>	<b>16,002,833</b>	<b>11,980,381</b>

12 Accounts Payable

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,530,222	2,950,519
Prepaid Fees	-	-
Retention Monies	-	-
<b>Total</b>	<b>2,530,222</b>	<b>2,950,519</b>

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

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Trade Creditors for Current Year	1,995,088	2,160,521
Trade Creditors for The Previous Year	232,695	559,933
Prepaid Fees	302,439	230,065
Trade Creditors for Prior Periods (Over Two Years)	-	-
<b>Total</b>	<b>2,530,222</b>	<b>2,950,519</b>

Notes To The Financial Statements (Continued)

13 Fund Balance Brought Forward

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Bank Balances	745,608	596,291
Cash Balances	924,129	149,000
Short Term Investments	-	-
Receivables	16,002,833	11,980,381
Payables	(2,530,222)	(2,950,519)
<b>Total</b>	<b>15,142,349</b>	<b>9,775,153</b>

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**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.

**14 Non-current Liabilities Summary**

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
<b>Total</b>	-	-

**15 Biological assets**

Description	Numbers	2021-2022	Jan - June 2021
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Trees		50	20
Coffee Or Tea Plantation		-	-
Poultry		-	-
<b>Total</b>		<b>50</b>	<b>20</b>

**16 Borrowings**

Description	2021-2022	Jan - June 2021
	Kshs	Kshs
<b>a) Borrowings</b>		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	(-)	(-)
<b>Balance at end of the year</b>	-	-

Other important disclosure notes

17 Stock/ Inventory

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>GRAPH PAPERS</b>		
Opening Bal	1RM	1RM
Stock/ inventory purchased during the year	10RMS	3RMS
Stock/ inventory issued during the year	(9RMS)	(3RMS)
<b>Balance at end of the year</b>	<b>2RMS</b>	<b>1RM</b>

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>PRINTING PAPERS</b>		
Opening Bal	-	-
Stock/ inventory purchased during the year	320RMS	250RMS
Stock/ inventory issued during the year	(318 $\frac{1}{2}$ RMS)	(250RMS)
<b>Balance at end of the year</b>	<b>1<math>\frac{1}{2}</math>RMS</b>	<b>-</b>

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>PEN</b>		
Opening Bal	4pkts	2pkts
Stock/ inventory purchased during the year	15pkts	18pkts
Stock/ inventory issued during the year	(19pkts)	(16pkts)
<b>Balance at end of the year</b>	<b>-</b>	<b>4pkts</b>

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>EXERCISE BOOKS</b>		
Opening Bal	-	2ctns
Stock/ inventory purchased during the year	240ctns	75ctns
Stock/ inventory issued during the year	(235ctns)	(77ctns)
<b>Balance at end of the year</b>	<b>5CTNS</b>	<b>-</b>

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>BEANS</b>		
Opening Bal	-	3bags

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Stock/ inventory purchased during the year	150bags	60bags
Stock/ inventory issued during the year	(150bags)	(63bags)
<b>Balance at end of the year</b>	-	-

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>MAIZE</b>		
Opening Bal	-	2bags
Stock/ inventory purchased during the year	120bags	60bags
Stock/ inventory issued during the year	(120bags)	(62bags)
<b>Balance at end of the year</b>	-	-

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>RICE</b>		
Opening Bal	1bag	1bag
Stock/ inventory purchased during the year	120bags	60bags
Stock/ inventory issued during the year	(121bags)	(60bags)
<b>Balance at end of the year</b>	-	1bag

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>MAIZE FLOUR</b>		
Opening Bal	1bale	-
Stock/ inventory purchased during the year	520bales	260bales
Stock/ inventory issued during the year	(520bales)	(259bales)
<b>Balance at end of the year</b>	-	1bale

Description	2021-2022	Jan - June 2021
	KShs	KShs
<b>b) DETERGENTS/DISINFECTANT</b>		
Opening Bal	-	-
Stock/ inventory purchased during the year	120jerricans	65jerricans
Stock/ inventory issued during the year	(118jerricans)	(65jerricans)
<b>Balance at end of the year</b>	2Jerricans	-

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**18 Progress On Follow Up Of Auditor Recommendations**

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

<b>Ref No.</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>



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Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2022	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Supply Of Goods</b>						
4. GOODNEWS SUPPLIES	391,280.00		200,000.00	191,280.00	184,640.00	
5. ROZWAN INVESTMENT	346,220.00		346,220.00	-	410,300.00	
6. KHANA LAB	711,678.56		142,622.00	-	569,056.56	
7. PEZI					22,700.00	
8. KEWAXX	165,600		165,600	-	237,600.00	
9. MARTA DETERGENTS	68,900.00		68,900.00	-	66,700.00	
<b>Sub-Total</b>	<b>1,683,678.56</b>		<b>923,342.00</b>	<b>191,280.00</b>	<b>1,490,996.56</b>	
<b>Supply Of Services</b>						
10. HERS BINS					1,900.00	
11. EAZETECH COMMUNICATIONS					12,000.00	
12. KITCHEN WORKERS	15,600.00			15,600.00		

GACHIE HIGH SCHOOL

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2022	Comments
13.JOHN KIONGERA					28,200.00	
Sub-Total	15,600			15,600.00	42,100.00	
Grand Total	1,699,278.56		923,342.00	206,880.00	1,533,096.56	

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Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2022
Land 1						
Land 2						
Buildings And Structures		GACHIE	3			
Motor Vehicles						
Office Equipment, Furniture And Fittings			70PCS			
ICT Equipment, And Other ICT Assets			12PCS			
Tools And Apparatus						
Textbooks			50,000COPIES			
Other Machinery And Equipment						
Heritage And Cultural Assets						
Intangible Assets- Soft Ware						
<b>Total</b>						

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