

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 28 NOV 2024

DAY:

Tuesday

TABLED
BY:

Hon. Naomi Wago
OF Deputy Majority Whip
honnab

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THE TABLE:

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

GATHIRU-INI SECONDARY SCHOOL

**FOR THE SIX (6) MONTHS
PERIOD ENDED 30 JUNE, 2021**

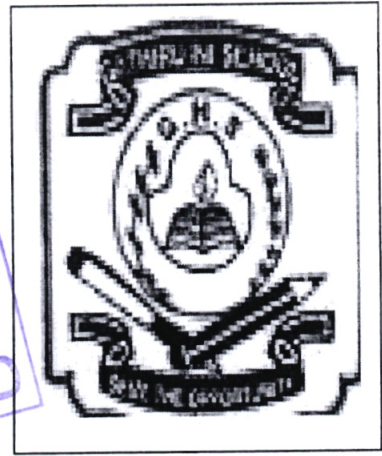
KIAMBU COUNTY



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

19 NOV 2024

RECEIVED



GATHIRU-INI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2021

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

GATHIRU-INI SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2021

TABLE OF CONTENTS

Page

1.	Acronyms and Glossary of Terms.....	ii
2.	Key School Information and Management	iii
3.	Summary Report of Performance of the School	v
4.	Statement of School Management Responsibility	xi
5.	Report Of The Independent Auditors (To be attached)	xii
6.	Statement of Receipts and Payments for the Year Ended 30 th June 2022.....	1
7.	Statement of Assets & liabilities for the Year Ended 30 th June 2022.....	2
8.	Statement of Cash Flows for the year Ended 30 th June 2022.....	3
9.	Statement of Budgeted Versus Actual Amounts for the Year Ended 30 th June 2022...	5
10.	Significant Accounting Policies.....	11
11.	Notes To The Financial Statements.....	13
12.	Annexes	24

Table of Contents

Page

TABLE OF CONTENTS

Page

1.	Acronyms and Glossary of Terms.....	i 1 11
2.	Key School Information and Management	iii
3.	Summary Report of Performance of The School	vii v
4.	Statement of School Management Responsibility	xii xii 22
5.	Report Of The Independent Auditors (To be attached)	xiii xii 22
6.	Statement of Receipts and Payments for the Year Ended 30th June 2022.....	1
7.	Statement of Cash Flows ^{Assets & Liabilities} for the Year Ended 30th June 2022.....	2
8.	Statement of Cash Flows for the year Ended 30th June 2022.....	4 3 & 4
9.	Statement of Budgeted Versus Actual Amounts for the Year Ended 30th June 2022.....	6 5
10.	Significant Accounting Policies.....	12 11 & 12
11.	Notes To The Financial Statements.....	14 13 - 23
12.	Annexes	25 24 - 26

15

1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
CDF	Constituency development fund
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
IMF	Infrastructure Maintenance Fund

2. Key School Information and Management

a) Background information

Gathiru-ini Secondary school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Kiambu County, Githunguri Sub-county.

Gathiru-ini Boys' Secondary School was started in 1966 as a mixed day school with a single stream to help ease secondary school placement for local boys and girls under sponsorship of Presbyterian Church of East Africa (P.C.E.A church). It's a Boys school which sits on a twenty three (23) acres land. It was one of the first harambee Secondary Schools started in Kenya.

In 1972 with the introduction of Government classes, the school increased its enrolment and it became a two stream school. The school enrolment continued to increase every year raising the population of the school.

In 1978 due to the increasing enrolment, it was found being necessary to introduce a third stream to meet the demand of secondary education. The first group of students sat for EACE Examination in the year 1969. All along the school continued to be a mixed day school until 1987 when girls were faced out making it a Boys school. The school continued to grow as a Boys school until in the year 2009 when it became a full pledged Boys boarding school.

Gathiru-ini Secondary School has 756 students as 30th June 2021. It has four streams. The number of teaching staff is 33 out of which 4 are employed by the BOM. The number of support staff is 24.

(a) 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:

1	DR. DANIEL WAMBIRI	BOM Chairman	7/3/2020
2	MR. NJOROGE W. JOHNSTONE	BOM Secretary - Principal	1/3/2020
3	SIMON KIARIE	BOM Member - Sponsor	7/3/2020
4	MS. LUCY NJUGUNA	BOM Member - Sponsor	7/3/2020
5	MR. GEORGE KARIUKI	BOM Member - Rep CEB	7/3/2020
6	DANIEL TANYAI	BOM Member-Parents and local community	7/3/2020

7	MR. JAMES NJOROGE	BOM Member-Parents and local community	7/3/2020
8	MR. KELVIN JUMA	BOM Member-Parents and local community	7/3/2020
9	DR. ESTHER MUNGAI	BOM Member-Parents and local community	7/3/20220
10	EVELYN MUCHOKI	BOM Member-Parents and local community	7/3/2020
11	PROF. RUTH WANJAU	BOM Member-Parents and local community	7/3/2020
12	DR. WAWERU MATHERU	BOM Member – special needs	7/3/2020
13	JOSPHAT KARANJA	BOM Member – special interest	7/3/2020
14	MS. GRACE MBUGUA	Bom member –co-opted	7/3/2020
15	SAMUEL KIBURI	Bom member –co-opted	7/3/202

The functions of the School Board of Management are to:

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

(b) Committees of the Board

1	Executive Committee	i. Dr. Daniel Wambiri	Chairperson	1 out of 1
		ii. Njoroge W. Johnstone	Member	1 out of 1
		iii. Kelvin Osayo	Member	1 out of 1
		iv. Lucy Njuguna	Member	1 out of 1
		v. Dr peter Matheru	Member	1 out of 1
2	Finance and Audit Committee	i. Dr. Daniel Wambiri	Chairperson	1 out of 1
		ii. MS. Grace Mbugua	Member	1 out of 1
		iii. Mr. Kelvin Juma	Member	1 out of 1
		iv. Prof. Rutha Wanjau	Member	1 out of 1
3	Academic Committee	i. Ms Lucy Njuguna	Chairperson	1 out of 1
		ii. Njoroge W. Johnstone	Member	1 out of 1
		iii.iv. Prof. Ruth Wanjau	Member	1 out of 1
		Kenneth Mwaura	Member	1 out of 1
4	Development Committee/infrastructure	i. Dr peter Matheru	Chairperson	1 out of 1
		ii.iii. Mr. Simon Kiarie	Member	1 out of 1
		iv. Njoroge W. Johnstone	Member	1 out of 1
		v. Mr. Kelvin Juma	Member	1 out of 1
		SCDE	member	1 out of 1
5	Discipline ,Ethics and Integrity, human rights and students' welfare committee	i. Samuel Kiburi	Chairperson	1 out of 1
		ii.iii. Ms. Grace Mbugua	Member	1 out of 1
		iv. Mrs Lucy Njuguna	Member	1 out of 1
		Mr. Kelvin Juma	Member	1 out of 1

(c) School operation Management

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

1	Principal	Johnstone w. Njoroge	TSC No. 358185
2	Deputy Principal	Yonah obwage	TSC No. 406075
3	School bursar	Paul Mwaura	ICPAK No. N/A

(e) Schools contacts

Post Office Box: 224 RUIRU

Phone: 020 260 4473

E-mail: gathiruiniboy@gmail.com

Facebook: N/A

Website: N/A

(f) School Bankers

The following school operated 4 number of bank accounts in the following banks

1. Name of Bank: KCB
Branch: Githunguri
Account Number: 1102685275(Operations A/C)
2. Name of Bank: KCB
Branch: Githunguri
Account Number: 1102678449. (School fund A/C/Boarding account)
3. Name of Bank: KCB
Branch: Githunguri
Account Number: 1254950419(Infrastructure A/C)
4. Name of Bank: KCB
Branch: Githunguri
Account Number: 1102684686 (Tuition A/C)

(g) Independent Auditors

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

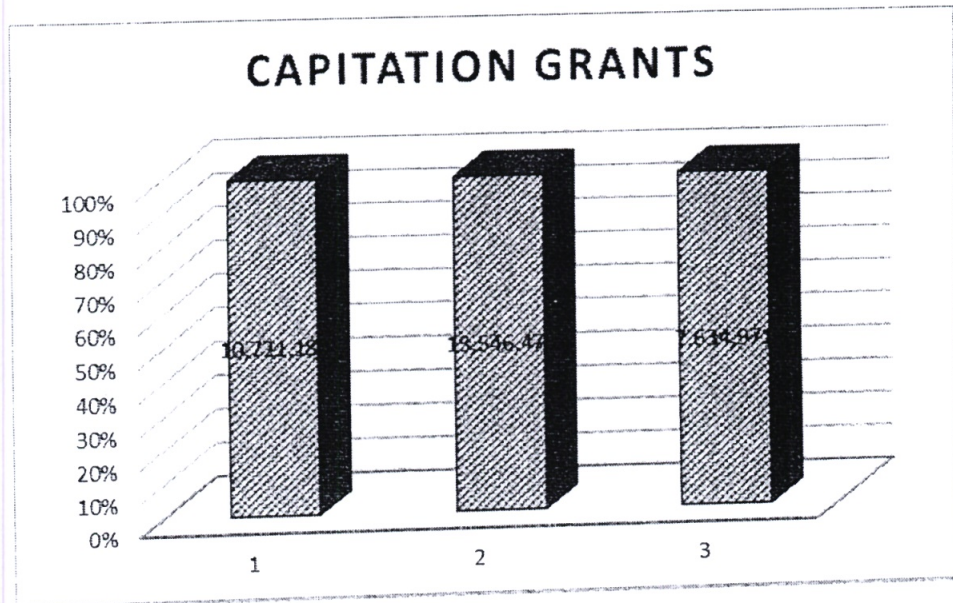
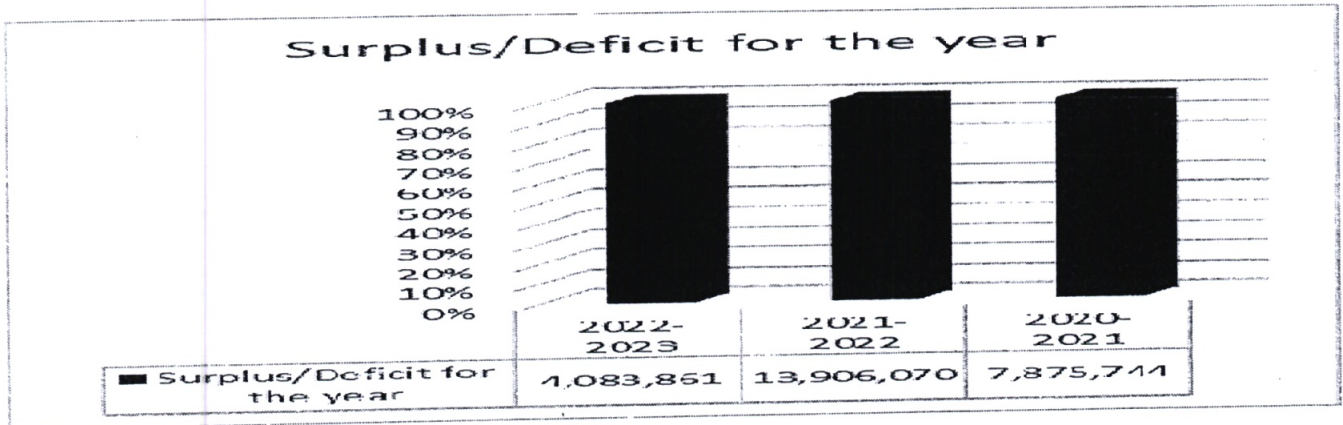
3. Summary Report of Performance of The School

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

a) Financial performance:

DATAILS	2020/2021	2019/2020
Surplus/Deficit for the year	7,875,744.00	3,128,184.00
Capitation grants	7,634,970.00	10,042,376.00
Overview of growth of other income earned by the school	26,594,101.00	15,956,832.00
Overview of growth in expenditure of the school	26,353,327.00	22,871,024.00
Movement of debtors of the school	13,966221	19,100709
Movement of creditors of the school	6,049232	18,925779
Movement of cash balances	1,199,193.00	1,063,774.00
Movement of bank balances	4,846.00	6,580.00

GRAPHICAL PRESENTATION OF FINANCIAL PERFORMANCE.



b) **Teacher Student ratio:**

□ The teacher to student ratio as at 30th June 2023 was 1:27 □ The teachers in Each subject were as follows:

SUBJECT	NO OF TEACHERS
MATHEMATICS	8
ENGLISH	8
KISWAHILI	6
BIOLOGY	4

CHEMISTRY	8
PHYSICS	4
GEOGRAPHY	4
HISTORY & GOVERNMENT	5
CRE	5
BUSINESS STUDIES	2
AGRICULTURE	5
COMPUTER STUDIES	1
PHYSICAL EDUCATION	0

c) Mean score in the 2021KCSE:

	2021	2020
MEAN SCORE	3.57	4.48
comments	School mean target of 5 not achieved	Slight improvement
Students admitted to universities	12	9
Students admitted to colleges	73	43
Students admitted to vocational/technical institution	6	25

d) Number of Candidates in the 2023 KCSE:

YEAR	NO OF CANDIDATES
2021	154
2020	123

e) Capacity of the school:

NO OF STUDENTS	FACILITY	NO OF FACILITIES
756	Classroom	16
	Laboratory	2
	Dorms	12
	Beds	382
	Lockers	756
	Chairs	756
	Pit Latrine	18



GATHIRU-INI SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2021

School bus	1
School Van	1
Bathrooms	21
Urinals	8
Classes	16
Computer Lab	1
Science Lab	2
Dining Hall	1
Undergoing Lab	1
Library	1
Administration Block	1
Generators	2
TV Set	3
Water Pump	1
Teachers Hostels	16

f) Development projects carried out by the school:

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 School Principal
Noroge Siw

4. Statement of School Management Responsibility

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

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

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

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

.....
Dr. Daniel Wambiri

Name:

Designation: Chairman, School Board of Management

Date: 05/07/24

.....
Name:

Designation: School Principal & Secretary to Board of Management

Date: 05/07/24



.....
Paul Mwaura

Name:

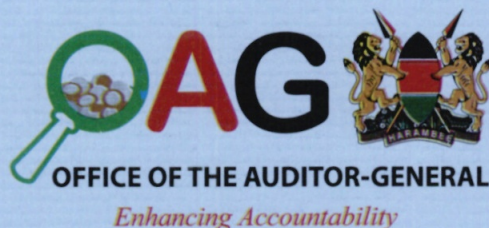
Designation: Bursar/ Finance Officer

Date:

05/07/24

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON GATHIRU-INI SECONDARY SCHOOL FOR THE SIX (6) MONTHS PERIOD ENDED 30 JUNE, 2021 – KIAMBU 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 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 Gathiru-ini Secondary School - Kiambu County set out on pages 1 to 29, which comprise of the statement of financial

assets and financial liabilities as at 30 June 2021, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the period 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 Gathiru-ini Secondary School - Kiambu County as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Adjustments

The statement of cash flows reflects an unexplained and an unsupported adjustments in respect to accounts receivables and accounts payables of Kshs.5,134,488 and Kshs.(12,876,547) respectively.

In the circumstances, the accuracy of the statement of cash flows could not be confirmed.

2. Unsupported Bank Balance

The statement of assets and liabilities and as disclosed in Note 10 to the financial statements reflects a balance of Kshs.1,199,193 in respect to bank balances as at 30 June, 2021. This balance includes a balance of Kshs.83,245 held in a savings account. However, Management did not provide for audit a cashbook, bank statements, monthly bank reconciliation statements and certificate of bank balance as at 30 June, 2021 in respect to the savings account.

In the circumstances, the accuracy and completeness of Kshs.83,245 bank balance could not be confirmed.

3. Accounts Receivables

3.1 Variances in Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.13,966,221 as disclosed in Note 13 to the financial statements. However, re-computation of the movement in the accounts receivables made up of an opening balance of Kshs.19,100,709 total amount for the period of Kshs.34,229,071 and total actual receipts for the period of Kshs.34,229,071 results to a balance of Kshs.19,100,709 leading to an unreconciled and an unexplained variance of Kshs.5,134,488.

3.2 Long Outstanding Student Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.13,966,221 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance are receivables amounting to Kshs.8,156,611 which had been outstanding for more than three (3) 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.13,966,221 could not be confirmed.

4. Accounts Payables

4.1 Variance in Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.6,049,232 as disclosed in Note 14. However, re-computation of the movement made up of an opening balance of Kshs.18,925,779 total amount for the period of Kshs.26,353,327 and total actual payments for the period of Kshs.24,802,227 results to a balance of Kshs.20,476,879 leading to unreconciled and unexplained variance of Kshs.14,427,647.

4.2 Unsupported Trade Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects a balance of Kshs.6,049,232 in respect to accounts payables which includes an amount of Kshs.4,663,410 in respect to trade creditors whose supporting documents including ledger, invoices and account statements were not provided for audit.

In the circumstances, the accuracy and completeness of trade creditors balance of Kshs.6,049,232 could not be confirmed.

5. Un-Disclosed Assets

Summary of fixed assets register at Annex 2 to the financial statements discloses historical cost of fixed assets carried forward of Kshs.4,723,561 which includes land with undisclosed value.

In the circumstances, the accuracy and completeness of the Nil land balance could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Gathiru-ini Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe

that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis amounts of Kshs.33,722,700 and Kshs.23,537,422 respectively, resulting to underfunding of Kshs.10,185,277 or 30% of the budget.

In the circumstances, the underfunding and under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

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

Basis for Conclusion

1. Long Outstanding Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.6,049,232. However, included in the balance are trade payables balance of Kshs.2,566,460 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

2. Failure to Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs,2,633,568 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the grants is an amount of Kshs,3,906,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, an amount of Kshs.3,386,900 was transferred to infrastructure account, leaving a balance of Kshs.519,600 as at 30 June, 2021. This was contrary to Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 directs that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen days upon receipt of the funds in the operations account.

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

3. Unbalanced and Unapproved Budget

The statement of budgeted versus actual amounts reflects an amount of Kshs.33,722,700 and Kshs.39,641,406 in respect to approved revenue and expenditure respectively resulting to a variance of Kshs.5,918,706.18 contrary to Regulations 33(c) of the Public Finance Management (National Government) Regulations, 2015 which states that budget revenue and expenditure appropriations shall be balanced.

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

4. Late Submission of Financial Statements to the Auditor-General

During the year under review, Management submitted the financial statements to the Auditor-General on 04 June, 2023 instead of the statutory deadline of 30 September, 2021. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the school's financial statements should be ready by 30 September, 2021 in compliance which Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

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

- i. The Management presented the annual report and financial statements covering six months from 01 January, 2021 to 30 June, 2021 contrary to the Public Sector Accounting Standards Board (PSASB) Guidelines on Implementation of International Public Sector Accounting Standards (IPSAS) by Secondary Schools in Kenya of 20 August, 2021 requires the first financial statements after adoption of IPSAS to be presented for eighteen (18) months from 1 January, 2020 to 30 June, 2021. Further, no disclosure was made on the change in the preparation of financial statements from

calendar year to government fiscal year or on the lack of comparability due to longer period covered by the current financial period.

- ii. The table of contents was not aligned with the respective sections of the report as per the template.
- iii. Failure to indicate total balances in statement of assets and liabilities on total financial assets and net financial assets.

In the circumstances, the annual report and financial statements are not compliant with the PSASB requirements.

6. Failure to Prepare School Improvement Plan

During the year/period 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 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

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

Basis for Conclusion

Untagged Assets

Physical verification of assets done in May, 2024 revealed that the School has several fixed assets that have been acquired over some time and all of the assets have not been coded/tagged with unique identification codes.

In the circumstances, the effectiveness of safeguarding the assets owned by the school could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain 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.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always

detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with 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 Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's

ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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

17 September, 2024

6. Statement of Receipts and Payments for the Year Ended 30th June 2021

Receipts			
Government grants for tuition	1	1,614,502.00	1,280,926.00
Government grants for operations	2	2,633,568.00	5,630,950.00
Government Grants for infrastructure	3	3,386,900.00	3,130,500.00
School fund income- parents' contributions	4	26,594,101.00	15,956,832.00
Miscellaneous incomes	5		
Total Receipts		34,229,071.00	25,999,208.00
Payments			
Tuition	6	682,113.00	938,567.00
Operations	7	4,801,803.00	5,770,475.00
Infrastructure	8	1,551,100.00	2,768,000.00
Boarding and school fund	9	19,318,311.00	13,393,982.00
Total Payments		26,353,327.00	22,871,024.00
Surplus/Deficit		7,875,744.00	3,128,184.00

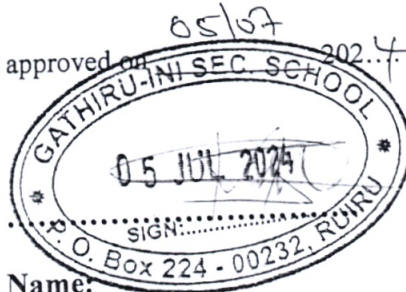
The school financial statements were approved on 05/07/24 and signed by:

Paul Mwaura

Name: *Paul*

Bursar/ Finance Officer

Date: 05/07/24



Name: *Dr. Wambiri*
School Principal/ Secretary to Chair BOM BOM

Name:

Date: 05/07/24

7. Statement of Assets and Liabilities As At 30th June 2021

Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,199,193.00	1,063,774.00
Cash balances	11	4,846.00	6,580.00
Short term investments	12		
Total cash and cash equivalent		1,204,039.00	1,070,354.00
Account's receivables	13	13,966,221.00	19,100,709.00
Total financial assets			
Financial liabilities			
Accounts payables	14	6,049,232.00	18,925,779.00
Net financial assets			
Represented by			
Accumulated fund b/fwd	15	1,245,284.00	(1,882,900.00)
Surplus/deficit for the year		7,875,744.00	3,128,184.00
Net financial position		9,121,028.00	1,245,284.00

The school's financial statements were approved on 05/07/2021 and signed by:

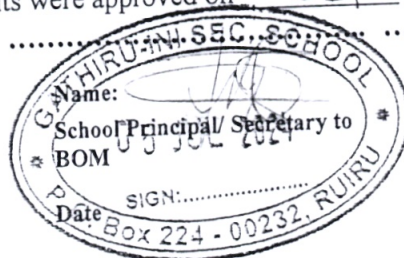
Name:

Dr. Wambiri

Chair BOM

Date:

05/07/21



05/07/21

Name:

Paul Mwaure

Bursar/ Finance Officer

Date:

05/07/21

8. Statement of Cash Flows for the Year Ended 30th June 2021

Cash from Operating Activities			
Receipts			
Government grants for tuition		1,614,502.00	1,280,926.00
Government grants for operations		2,633,568.00	5,630,950.00
School fund income- parents contributions/ fees		26,594,101.00	15,956,832.00
Government grants for Infrastructure		3,386,900.00	3,130,500.00
Other income			
Total receipts		34,229,071.00	25,999,208.00
Payments			
Cash outflows for tuition		682,113.00	938,567.00
Cash outflows for operations		4,801,803.00	5,770,475.00
Cash outflows Boarding/lunch and school fund payments		19,318,311.00	13,393,982.00
Total payments		24,802,227.00	20,103,024.00
Adjusted for			
Account receivable		5,134,488.00	(7,731,831.00)
Account payable		(12,876,547.00)	(9,765,895.00)
Net cash inflow/outflow from operating activities		1,684,785.00	2,605,298.00
Cash flow from investing activities			
Acquisition of assets		(1,551,100.00)	(2,768,000.00)
Proceeds from sale of Assets			-
Proceeds from investments		-	-
Purchase of investments			
Net cash inflow/outflows from investing activities		(1,551,100.00)	(2,768,000.00)
Cash flow from Financing activities			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			

GATHIRU-INI SECONDARY SCHOOL

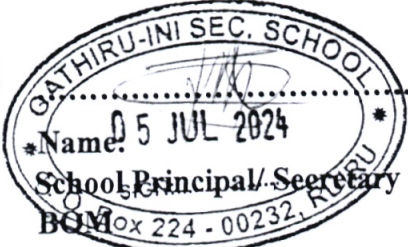
Annual Report and Financial Statements For the year ended 30th June 2021

Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		133,685.00	(162,702.00)
Cash and cash equivalent at beginning of the FY		1,070,354.00	1,233,056.00
Cash and cash equivalent at end of the FY		1,204,039.00	1,070,354.00

Narration

- Cash and Cash Equivalent is the summation of Note 11, 12 and 13.
- The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS.

The school's financial statements were approved on 05/7 2021 and signed by:

<p>Dr. Daniel Wambui</p> <p>Name: <i>[Signature]</i></p> <p>Chair BOM</p> <p>Date: <u>05/07/21</u></p>	 <p>*Name: <u>05 JUL 2021</u></p> <p>School Principal/ Secretary to BOM</p> <p>Box 224 - 00232, GATHIRU</p> <p>Date: <u>05/07/21</u></p>	<p>Paul Mwarira</p> <p>Name: <i>[Signature]</i></p> <p>Bursar/ Finance Officer</p> <p>Date: <u>05/07/21</u></p>
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GATHIRU-INI SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2021

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2021

Receipts					
(1) Capitation Grant on Tuition					
Teaching / Learning Materials	956,394.25	-	956,394.25	658,108.00	69%
Laboratory equipment	658,108.00	-	658,108.00	956,394.00	145%
(2) Capitation Grant on Operations					
Personnel Emoluments	1,900,200.00	-	1,900,200.00	1,900,200.00	100%
Repairs And Maintenance	3,386,900.00	-	3,386,900.00	3,386,900.00	100%
Local Transport / Travelling	119,568.40	-	119,568.40	119,568.40	100%
Electricity And Water	254,550.00	-	254,550.00	254,550.00	100%
Medical	72,000.00	-	72,000.00	72,000.00	100%
Administration Costs	287,250.00	-	287,250.00	287,250.00	100%
Activity					
3) FDSE for infrastructure					
Maintenance & Improvement MoE					
M&I parents' contribution					
Economic Stimulus Programs					

GATHIRU-INI SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2021**

Transition Infrastructure Grants	-	-	-	-	-
Administration Block	-	-	-	-	-

(4) Fees Charged on Parents					
Personnel Emoluments	4,204,070.00	-	4,204,070.00	1,869,277.50	56%
Repairs And Maintenance	1,460,000.00	-	1,460,000.00	544,822.30	63%
Local Transport / Travelling	1,042,440.00	-	1,042,440.00	415,262.03	60%
Electricity And Water	3,128,050.00	-	3,128,050.00	361,464.74	88%
Medical					
Administration Costs	1,115,440.00	-	1,115,440.00	382,616.72	66%
Activity	109,500.00	-	109,500.00	345,528.53	-216%
Fee on Boarding Equipment and stores	18,531,050.00	-	18,531,050.00	12,405,981.18	33%
Uniform	4,132,150.00	-	4,132,150.00	2,768,326.00	33%
5) Other Income					
Total Income	33,722,700.00		33,722,700.00	23,537,422.83	
(6) Expenditure For Tuition					
Text books	238,170.00	-	238,170.00	238,170.00	100%
Laboratory equipment and apparatus	167,060.00	-	167,060.00	284,560.00	100%

GATHIRU-INI SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2021**

Teaching / Learning Materials	158,903.00	-	158,903.00	158,903.00	100%
Library Materials					
Internal Exams					
Bank Charges	480.00	-	480.00	480.00	100%

(7) Expenditure For Operations					
Personnel Emoluments	1,868,515.00	-	1,868,515.00	1,868,515.00	100%
Repairs And Maintenance	1,376,864.00	-	1,376,864.00	1,376,864.00	100%
Local Transport / Travelling	72,000.00	-	72,000.00	72,000.00	100%
Electricity And Water	298,050.00	-	298,050.00	298,050.00	100%
Medical	-	-	-	-	0%
Administration Costs	804,664.18	-	804,664.18	1,142,874.00	142%
Activity	43,500.00	-	43,500.00	-	0%
BES					
(8)					

GATHIRU-INI SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2021**

Expenditure For infrastructure					
Construction of Classroom	1,000,000.00	-	1,000,000.00	3,386,900.00	339%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	4,204,070.00	0	4,204,070.00	745,365.00	22%
Repairs And Maintenance	1,460,000.00	0	1,460,000.00	745,750.00	104%
Local Transport / Travelling	1,042,440.00	0	1,042,440.00	183,315.00	21%
Electricity And Water	3,128,050.00	0	3,128,050.00	211,725.00	7%
Medical	-	0	-	-	-
Administration Costs	1,115,440.00	0	1,115,440.00	812,144.00	27%
Activity	4,132,150.00	0	4,132,050.00	2,001,460.00	94%
Uniform	18,531,050.00	0	18,531,050.00	14,532,002.00	363%
Fee on Boarding Equipment and stores	4,204,070.00	0	4,204,070.00	745,365.00	22%
Insurance					
Teaching Materials					
Bank Charges					
Totals	39,641,406.18	0	39,641,306.18	28,059,077.00	29%

Commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%

Comments

- i. On the Capitation grant on Operational account under PE we have 71% of utilization since the government didn't disburse enough capitation as expected. ii. On the Capitation grant on Operational account under LT&T we have 74% of utilization since the government didn't disburse enough capitation as expected. iii. On the Capitation grant on Operational account under EWC we have 62% of utilization since the government didn't disburse enough capitation as expected. iv. On the Capitation grant on Operational account under medical we have 16% of utilization since the government didn't disburse enough capitation as expected.
- v. On the Capitation grant on Operational account under medical we have 18% of utilization since the government didn't disburse enough capitation as expected.
- vi. On the Capitation grant on Operational account under administration costs we have 60% of utilization since the government didn't disburse enough capitation as expected.
- vii. On the Capitation grant on Operational account under activity we have a 58% of utilization since the government didn't disburse enough capitation as expected. viii. On the Capitation grant on FDSE for infrastructure we had 84% of utilization due to receiving of less capitation for infrastructure development from the government.
- ix. On the fees charged on parents under Personnel emoluments we have a 125% of utilization. This is because the most of the parents were able to clear fees balances.
- x. On the fees charged on parents under LT&t we have a 105% of utilization. This is because the most of the parents were able to clear fees balances.
- xi. On the fees charged on parents under administration costs we have a 78% of utilization. This is because some parents were not able to clear fees balances.
- xii. On the fees charged on parents under activity costs we have a 66% of utilization. This is because some parents were not able to clear fees balances.
- xiii. On the fees charged on parents under BES we have a 73% of utilization. This is because some parents were not able to clear fees balances.
- xiv. On the Payments on tuition under exercise books, teaching and learning materials and library materials we have 83%, 17% and 22% respectively of utilization. This is because some of the teaching and learning materials (exercise books and printing papers) we had planned to purchase were not purchased because of low capitation from the government.
- xv. On the Payments on tuition under laboratory materials and equipment we have 67% of utilization. This is because some of the laboratory chemicals and equipment we had planned to purchase were not purchased because of low capitation from the government.

GATHIRU-INI SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2021

- xvi. On the payments on Operational account under PE we have a 44% of utilization. The expenditure we had budgeted for was based on the full distribution of capitation which was not the case, we therefore used school fund account to pay for salaries to office workers.
- xvii. On the payments on Operational account under repairs we have a 388% of utilization. The expenditure we had budgeted was below the actual expenditure because we had an urgent repairs which had to be done and had not been budgeted for. xviii.
On the payments on Operational account under LT&T we have a 41% of utilization. The expenditure we had budgeted for was based on the full distribution of capitation.
- xix. On the payments on Operational account under EWC we have a 51% of utilization. The expenditure on the votehead was reduced and was facilitated by the school fund account.
- xx. On the payments on Operational account under medical we have a 0% of utilization since there no cases of medical issues at school.
- xxi. On the payments on Operational account under administration we have a 75% of utilization since the government didn't disburse all the money for administration as expected.
- xxii. On the payments on Operational account under activity we have a 53% of utilization since the government didn't disburse all the money for activity.
- xxiii. On the payments on infrastructure under classroom construction we have a 36% of utilization since we were requested to pay only the 36 percent of the cost of the classroom and the rest to be catered for by the ministry of education under CBC program.
- xxiv. On the expenditure for school fund under personnel emoluments we have a 120% of utilization. Some workers who were supposed to be paid using operations account were paid using school fund due to inadequate funds in the operations account.
- xxv. On the expenditure for school fund under repairs we have a 214% of utilization. The expenditure we had budgeted was below the actual expenditure because we had an urgent repairs which had to be done and had not been budgeted for. xxvi. On the expenditure for school fund under LT&T we have a 447% of utilization. There were increased activities than we had anticipated and this required transport facilitation. xxvii. On the expenditure for school fund under EWC we have a 33% of utilization. The parents did not clear fees balances and therefore we could not pay our suppliers on time.
- xxviii. On the expenditure for school fund under administration we have a 249% of utilization. There were more administration expenditure such as frequent repairs of office machinery among other. This are issues which cropped up but had not been planned for leading to exhaustion of our vote head for administration. xxix. On the expenditure for school fund under activity we have a 146% of utilization. Games activities were many and consumed a lot of money than we had anticipated.
- xxx. On the expenditure for school fund under BES we have 84% of utilization. This is because we couldn't collect enough money from parents and therefore we had to reduce our expenditure.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11. Notes To The Financial Statements

1 Government Grants for Tuition

Teaching / Learning Materials	658,108.00	1,280,926.00
Ref/Library materials	956,394.00	-
Total	1,614,502.00	1,280,926.00

2 Government Grants for Operations

Personnel emoluments	1,900,200.00	2,731,025.00
Repairs and maintenance	-	-
Local transport / travelling	119,568.00	346,000.00
Electricity and water	254,550.00	1,276,710.00
Medical	72,000.00	247,400.00
Administration costs	287,250.00	363,300.00
Activity	-	666,515.00
Total	2,633,568.00	5,630,950.00

3 Government Grants for infrastructure

Maintenance & Improvement	3,386,900.00	3,130,500.00
Total		

4 School Fund Income –parent

BES & STORES	12,405,981.18	12,188,334.00
Personnel emoluments	1,869,277.50	1,572,035.00
Repairs and maintenance	544,822.30	745,567.00
Local transport / travelling	415,262.03	137,150.00
Electricity and water	361,464.74	1,146,190.00
Medical	45,424.00	-
Administration costs	382,616.72	125,028.00
Activity	345,528.53	42,528.00
UNIFORM	2,768,326.00	-
Fees arrears	7,455,398.00	
Total	26,594,101.00	15,956,832.00

5 Miscellaneous Incomes

Rent Income	-	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Total	-	-

6 Tuition expenditure

Textbooks and reference materials	-	-
Exercise books	238,170.00	367,015.00
Laboratory equipment	284,560.00	-
Internal exams	-	-
Teaching / learning materials	158,903.00	571,552.00
Chalks	-	-
Exams and assessment	-	-
Teachers guides	-	-
Administration Costs	-	-
Bank Charges	480.00	-
Total	682,113.00	938,567.00

7 Operations expenditure

Personnel emoluments	1,868,515.00	3,495,402.00
Service Gratuity	-	-
Administration Cost	1,142,874.00	669,083.00
Repairs and maintenance & improvements	1,376,864.00	57,890.00
Local transport / travelling	72,000.00	166,320.00
Electricity and water	298,050.00	777,280.00
Medical	-	5,780.00
Activity Expenses	43,500.00	598,720.00
SMASSE	-	-
Insurance Cost	-	-
Bank Charges	-	-
Acquisition of Assets	-	-
TOTAL	4,801,803.00	5,770,475.00

8 Infrastructure expenditure

Construction	1,551,100.00	2,768,000.00

9 Boarding and School Fund expenditure

Personnel emoluments	745,365.00	1,805,807.00
Activity Expenses	-	637,535.00
Repairs and maintenance & Improvements	745,750.00	1,611,970.00
Local transport / travelling	183,315.00	519,450.00
Electricity and water	211,725.00	894,580.00
Medical Expenses	15,850.00	2,776.00
Administration costs	812,144.00	473,685.00
Lunch Programme	-	-
Bank Charges	-	-
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	14,532,002.00	7,000,175.00
UNIFORM	2,001,460.00	-
Insurance Cost	-	448,004.00
EXAMS	70,700.00	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	19,318,311.00	13,393,982.00

10. Bank Accounts

Operations account	Active	1102685275 (KCB Githunguri branch)	5,814.20	22,461.98
School fund /Boarding Account	Active	1102678449 (KCB Githunguri branch)	885,753.50	185,642.00
Tuition Account	Active	1102684686 (KCB Githunguri branch)	65,730.25	61,464.00
Infrastructure Account	Active	1254950419 (KCB Githunguri branch)	158,650.00	710,960.00
Savings Account	Dormant	1102093556 (KCB Githunguri branch)	83,245.95	83,245.95
Total			1,199,193.90	1,063,773.93

11. Cash In Hand

Notes and Coins -school fund	4,846.00	6,580
Total	4846	6,580

Notes to the Financial Statements (continued)

12. Short Term Investments

Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
Total	-	-

13. Accounts Receivable

Fees Arrears	13,966,221.00	19,100,709.00
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	-	-
Total	13,966,221.00	19,100,709.00

13 b Ageing Analysis of Accounts Receivable

	Current FY	% of the total	Comparative FY	% of the total
Fees arrears for current year	2,975,710.00	21%	6,488,700.00	34%
Fees arrears over 2 years	2,833,900.00 -	20%	5,575,165.00 -	29%
fees arrears over 3 years	8,156,611.00	58%	2,391,610	37%
Total	13,966,221.00	100%	19,100,709.00	100

Notes to the Financial Statements (continued)

14. ACCOUNTS PAYABLE

Trade Creditors (See Ageing Below and Appendix 1)	4,663,410.00	18,134,959.00
Prepaid Fees	1,076,597.00	531,995.00
Retention Monies	309,225.00 -	258,825.00
Unpaid salaries and statutory deductions		-
Caution money	-	-
Caution money		
Pocket money		
Computer project		
Kinote sacco		
Farm account		
Water development		
Total	6,049,232.00	18,925,779.00

14b. Ageing Analysis of Accounts Payable

	Current FY	% of the total	Comparative FY	% of the total
Trade creditors for current year	2,096,950.00	45%	7,097,617.00	39
Trade creditors for the previous year	1,385,822	0%	8,000,000.00	44
Trade creditors for prior periods (over two years)	2,566,460.00	55%	3,037,342.00	17%
Total	6,049,232	100%	18,134,959.00	100%

Notes to the Financial Statements (continued)

15. FUND BALANCE BROUGHT FORWARD

Bank Balances	1,063,774.00	1,257,788.00
Cash Balance	6,580.00	245,000.00
Short Term Investments	-	
Receivables	19,100,709.00	13,566,707.00
Payables	(18,925,779.00)	(13,999,141.00)
TOTAL	1,245,284.00	1,070,354.00

Other important disclosure notes

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

16. Non-current Liabilities Summary

Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Others (specify)	-	-
Total	-	-

17. Biological assets

Cattle		-	-
Goats		-	-
Trees	824	205,000	175,000
Coffee Or Tea Plantation		-	-
Poultry		-	-
Others (specify)		-	-
Total		205,000	175,000

18. Borrowings

Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	(-)	(-)
Balance at the end of the year	-	-

Other important disclosure notes

19. Stock/ Inventory

Food stuffs		
Lab consumables		
Farm produce		
Medication		
Construction Materials		
Others (specify)		

(Stock measured at lower of cost and net realisable value.)

GATHIRU-INI SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2021

Progress On Follow Up Of Auditor Recommendations

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

Ref No	Issue/ Observations from Auditor	Management Comments	Status Resolved/Not Resolved	Timeframe (If a time when you expect the issue to be resolved)

.....
 and Date
 Principal



GATHIRU-INI SECONDARY SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2021

Annexes

Annex I - Analysis of Pending Accounts Payable

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 2021	Comments
	KShs	KShs	KShs	KShs	KShs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
Electrex k. ltd	218,000.00	20-Nov	-		218,000.00	to be cleared on the availability of funds
Knitstar enterprises	1,500,425.00	20-Sep	-		2,001,460.00	to be cleared on the availability of funds
akiyda 2000ltd	580,075.00	20-Oct	54,075.00		526,000.00	to be cleared on the availability of funds
ngewamo enterprises	919,632.00	20-Dec	509,632.00		410,000.00	to be cleared on the availability of funds
unbridled agencies	582,000.00	20-Jan	370,000.00		212,000.00	to be cleared on the availability of funds
Kenya power	452,986.00	20-Jan	372,636.00		80,350.00	to be cleared on the availability of funds
githunguri dairy farmers	616,450.00	20-Feb	483,450.00		133,000.00	to be cleared on the availability of funds

GATHIRU-INI SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2021**

alice wanjiku nganga	293,200.00	20-Mar	230,100.00		63,100.00	
universal digital	94,000.00	20-Apr	-		94,000.00	
Nowai office supply	78,000.00	20-May	-		78,000.00	to be cleared on the availability of funds
Kasa bookshop	165,000.00	20-Jun	-		165,000.00	to be cleared on the availability of funds
Gentrade international	117,500.00	20-Jul	-		117,500.00	
Sub-Total	5,617,268.00				4,098,410.00	
Supply of services						
7 kabos general works	811,350.00	20-Nov	246,350.00		565,000.00	to be cleared on the availability of funds
8.						
9.						
Sub-Total					4,663,410.00	

GATHIRU-INI SECONDARY SCHOOL
Annual Report and Financial Statements For
the year ended 30th June 2021

Annex 2 – Summary of Fixed Assets Register

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Land 1		23 ACRES	Githunguri				
Land 2							
UTENSILS	2015-2021		GATHIRU-INI	580,410.00			
Motor vehicles	2010		GATHIRU-INI				
TABLES		2	GATHIRU-INI	8,000.00			
JIKOS		7	GATHIRU-INI	2,004,000.00			
BOILER		1	GATHIRU-INI				
GAMES EQUIPMENT	2015-2021		GATHIRU-INI	277,691.00			
ICT MATERIAL	2014-2021		GATHIRU-INI	44,360.00			
DORMS		12	GATHIRU-INI				

GATHIRU-INI SECONDARY SCHOOL
Annual Report and Financial Statements For
the year ended 30th June 2021

GATHIRU-INI SECONDARY SCHOOL
Annual Report and Financial Statements For
the year ended 30th June 2021

BEDS	382	GATHIRU-INI			
LOCKERS	750	GATHIRU-INI			
CHAIRS	750	GATHIRU-INI			
PIT LATRINES	18	GATHIRU-INI			
BATHROOMS	21	GATHIRU-INI			
URINALS	8	GATHIRU-INI			
CLASSES	16	GATHIRU-INI			
COMPUTER LAB	1	GATHIRU-INI			
LABORATORIES	2	GATHIRU-INI			
UNDER GOING LAB	2	GATHIRU-INI	1,551,100.00		
LIBRARY	1	GATHIRU-INI			
ADMINISTRATION BLOCK	1	GATHIRU-INI			
STORES	3	GATHIRU-INI			
GARAGE	2	GATHIRU-INI			
GENERATORS	2	GATHIRU-INI			
TV SETS	3	GATHIRU-INI	138,000.00		

GATHIRU-INI SECONDARY SCHOOL
Annual Report and Financial Statements For
the year ended 30th June 2021

GROUND SHAKERS	1	GATHIRU-INI				
WATER PUMP	1	GATHIRU-INI	120,000.00			
DINNING HALL	1	GATHIRU-INI				
MOTOR BIKE	1	GATHIRU-INI				
TEACHERS HOUSES	16	GATHIRU-INI				
FARM STORE	1	GATHIRU-INI				
COMPUTERS	20	GATHIRU-INI				
Total			4,723,561.00			

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