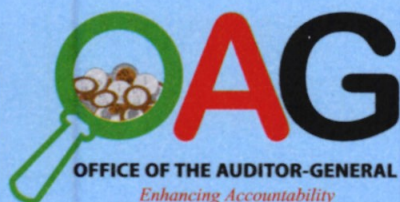


REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 02 JUN 2026

DAY

Thursday

TABLED

BY:

OF

CLERK-AT
THE-TABLE:

Deputy Majority
Whip P. Nguni Ng'andu

Halima Ahmed

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

GANGARA SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

EMBU COUNTY



**GANGARA SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th June 2022**

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Gangara secondary school
Annual Report and Financial Statements
For the year ended 30th June 2022

I. 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 Embu County, Mbeere North Sub-County

The school was registered in Jan 1986 under registration number 14S30000477 and is currently categorized as an *Extra County* public school established, owned or operated by the Government.

The school is a boarding school and had 350 numbers of students as at 30th June 2021. It has 2 streams and 22 teachers of which 16 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Francisco Munyi	Chairman	25/04/2019
2	George M Mbijiwe	Secretary - Principal	25/04/2019
3	Agnes Kariuki	Member	25/04/2019
4	Roseline K Mwinzi	Member	25/04/2019
5	Faith Kabutu	Member	25/04/2019
6	Jacob Muriuki	Member	25/04/2019
7	Shunem Ikamba	Member	25/04/2019
8	Crispas Nyaga	Member – Rep CEB	25/04/2019
9	Doris Kariuki	Member Rep Teachers	25/04/2019
10	Ciarago Nyaga	Members - Sponsor	25/04/2019
11	Naomi Njiru	Members - Sponsor	25/04/2019
12	Alfayo Nyaga	Members - Sponsor	25/04/2019
13	Virginia Igoki	Member - Community	25/04/2019
13	Faustine Nyaga	MemberSpecial Needs	25/04/2019
14	Emmanuel Macharia	Rep Students	25/04/2019
15	Kezia Nyakio	Rep Students	25/04/2019
16	Faith Gaku	Member Rep PA	25/04/2019
17	Edward Njeru	Member Rep PA	25/04/2019
18	Nahason Nyaga	Member Rep PA	25/04/2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The functions 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 par 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Franco Munyi	Chairman	
		George M. Mbijiwe	Secretary	
		Jacob Muriuki	Member	
2	Audit Committee	Peter Ciarago	Chairman	2 OUT OF 3
		Shunem Ikamba	Member	
		Alfayo Njeru	Member	
		George Mbijiwe	Member	
		Chrispas Nyaga	Member	
3	Finance, Procurement and General Purposes Committee	Francisco Munyi	Chairman	2 OUT OF 3
		George M. Mbijiwe	Secretary	
		Jacob Muriuki	Member	
		Faith Kabutu	Member	
		Agnes Kariuki	Member	
4	Academic Committee	Jacob Muriuki	Chairman	2 OUT OF 3
		Naomi Njiru	Member	
		Nahason Njiru	Member	
		Virginia Igoki	Member	
		Doris Kariuki	Member	
5	Development Committee			

Gangara secondary school
Annual Report and Financial Statements
For the year ended 30th June 2022

				2 OUT OF 3
6	Discipline And Welfare Committee	Naomi Njiru	Chairperson	
		Chrispas Nyaga	Member	
		Shunem Ikamba	Member	
		Edward Njeru	Member	
		Roslyn Kanini	Member	
7	Adhoc Committee (if any during the year)	Alfayo Njeru	Member	2 OUT OF 3
		Chrispas Nyaga	Member	
		Virginia Igoki	Member	
		Faith Kabutu	Member	

(d) School operation Management

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

Ref:	Designation	Name	TSC Number
1	Principal	George M Mbijiwe	347402
2	Deputy Principal	Felister W Kariuki	304228
3	School Bursar	Margaret Ngugi	9063818

KEY SCHOOL INFORMATION AND MANAGEMENT

(e) Schools contacts

Post Office Box: 1663-60100 Embu
E-mail: gangarasecondary@gmail

(f) School Bankers

The following school operated 4 numbers of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
Branch: Embu
Account Number: Tuition: 1102840165
2. Name of Bank: KCB
Branch: Embu
Account Number: Operation: 112844012
3. Name of Bank: KCB
Branch: Embu
Account Number: Boarding: 112844276
4. Name of Bank: Sidian Bank
Branch: Embu
Account Number: NG-CDF:
5. MPESA Pay Bill No. 522123 attached to KCB bank account, Acc No: 38819K-ADM- F1

(Independent Auditors

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

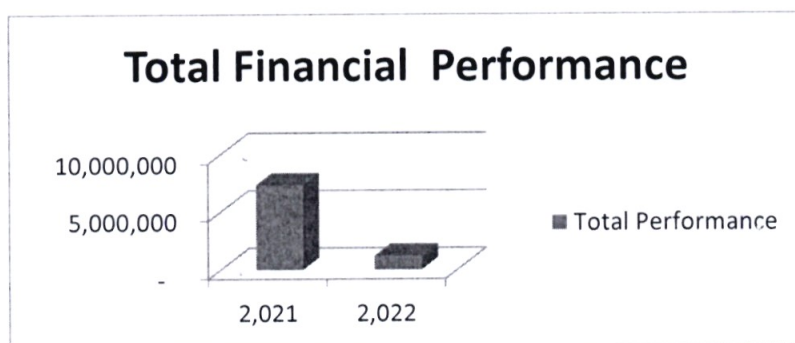
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

a) Financial performance:

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

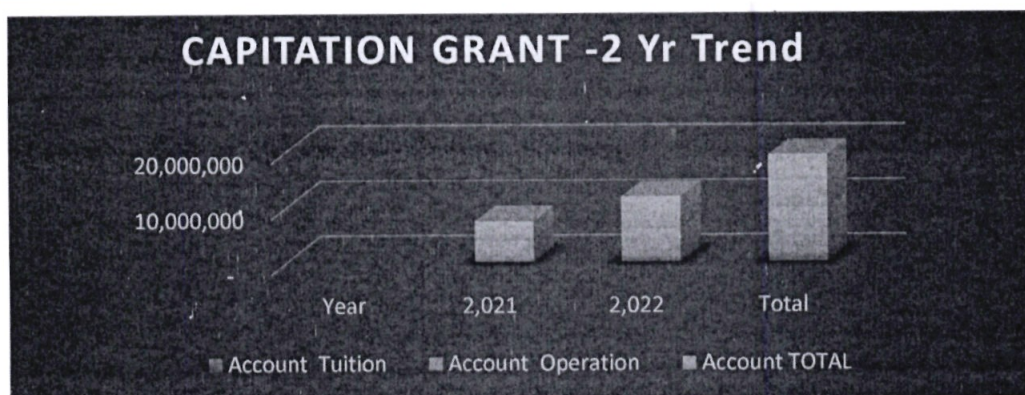
Financial Performance - Deficits and/or Surpluses 2Year Trend				
	Account			
	School Fund	Operation	Tuition	Total
Year				
2021	7,495,460	340,746	(486,125)	7,350,081
2022	97,159	234,685	869,903	1,201,747
Total	7,592,619	575,431	383,778	8,551,828

		Total Performance
Year		
	2021	7,350,081
	2022	1,201,747



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

CAPITATION GRANT -2 Yr Trend				
	Account			
	Tuition	Operation	TOTAL	
Year				
2021	509,709	3,205,577	3,715,286	
2022	1,093,899	4,824,778	5,918,677	
Total	1,603,608	8,030,355	9,633,963	

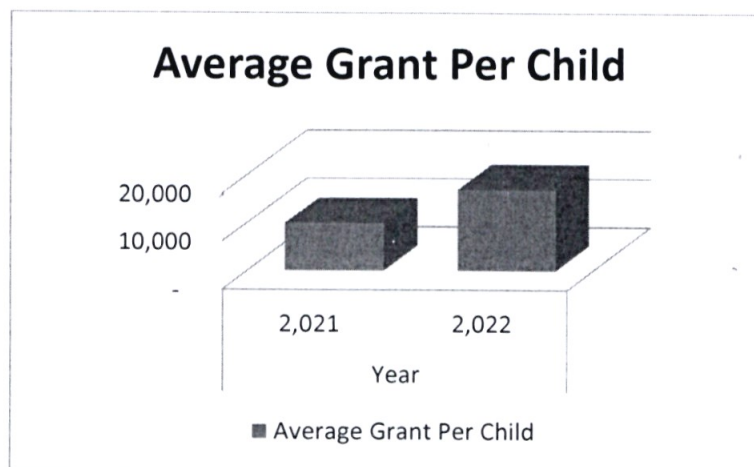


Ratio of capitation grant per student over the last two years

Annual Report and Financial Statements**For the year ended 30th June 2022**

Capitation Grant Per CHILd -2Yr Trend			
	Year		
	2021	2022	
TOTAL GRANT RECEIVED	3,715,286	5,918,677	
Highest Enrolment in the Year	375	350	
Average Grant Per Child		9,907	16,911

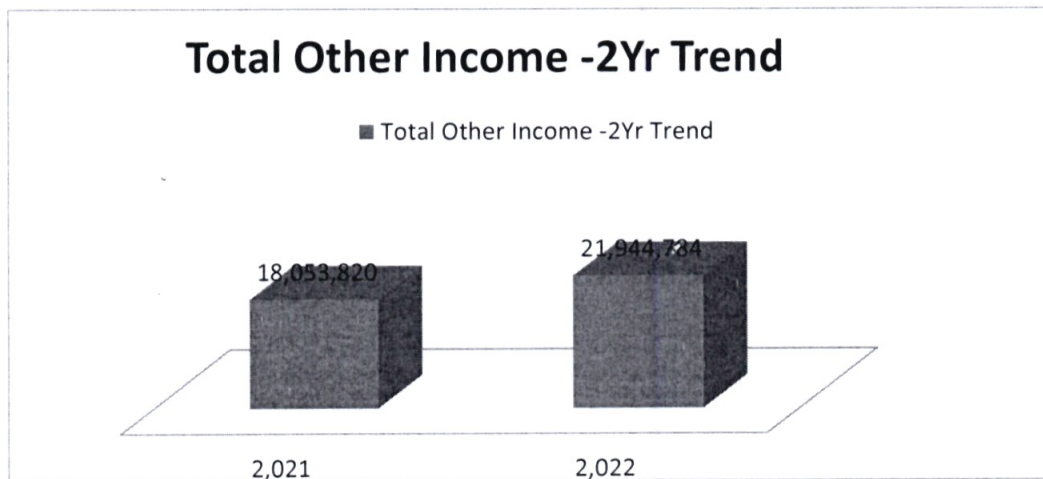
	Year	
	2021	2022
Average Grant Per Child	9,907	16,911



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

Growth of Other Incomes -2Yr Trend			
		Income Source	
		School Fund	Total
YEAR			
	2021	18,053,820	18,053,820
	2022	21,944,784	21,944,784
	Total	39,998,604	39,998,604

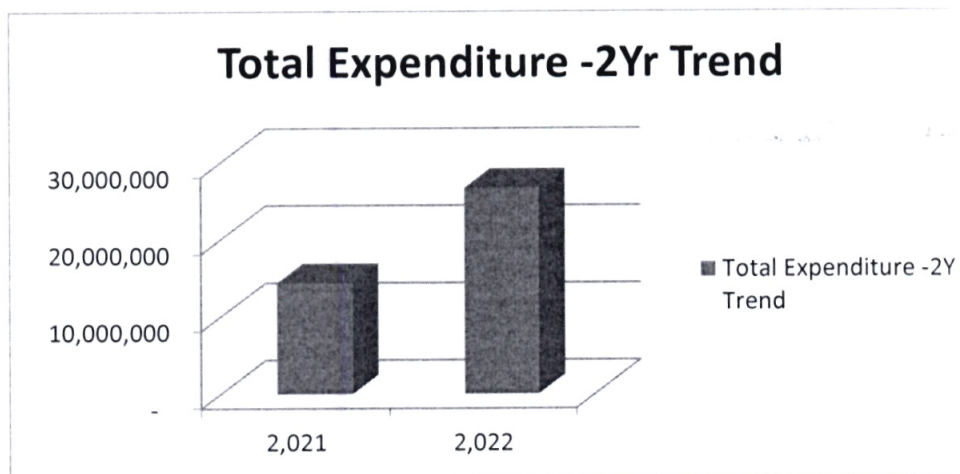
	Total Other Income -2Yr Trend
Year	
2021	18,053,820
2022	21,944,784



- A two-year overview of growth in expenditure of the school.

Expenditure -2Yr Trend				
YEAR	School Fund	Operation	Tuition	Yr Total
2021	10,558,360	2,864,831	995,834	14,419,025
2022	21,847,625	4,590,093	223,996	26,661,714
Total	32,405,985	7,454,924	1,219,830	41,080,739

Total Expenditure -2Yr Trend		
Year		
2021		14,419,025
2022		26,661,714

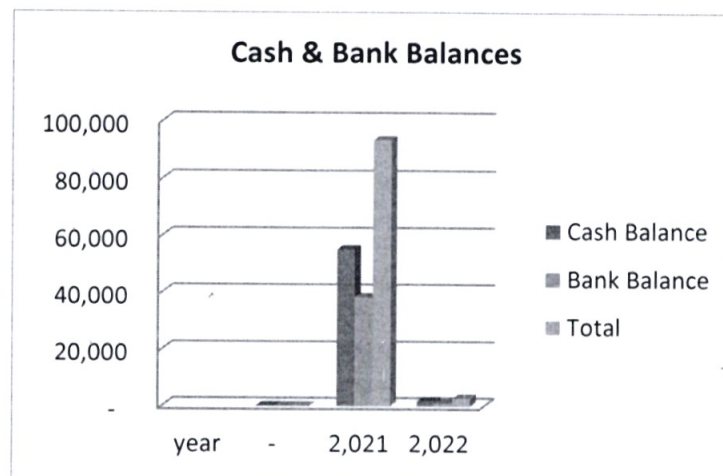


Gangara secondary school
Annual Report and Financial Statements
For the year ended 30th June 2022

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

Cash and Bank Balances -3Yr Trend						
		Account				
			School Fund	Operation	Tuition	Yr Total
Year	-	-	-	-	-	-
		-	-	-	-	-
year	2021	Cash	52,770	2,367	-	55,137
		Bank	28,547	8,406	1,264	38,216
	2,22	Cash	301	1,457	-	1,758
		Bank	295	-	669	964
	Total	Cash	53,071	3,824	-	56,895
		Bank	28,842	8,406	1,933	39,180

	Cash Balance	Bank Balance	Total
year			
-	-	-	-
2021	55,137	38,216	93,353
2022	1,758	964	2,722



Gangara secondary school
Annual Report and Financial Statements
For the year ended 30th June 2022

Teacher Student ratio:

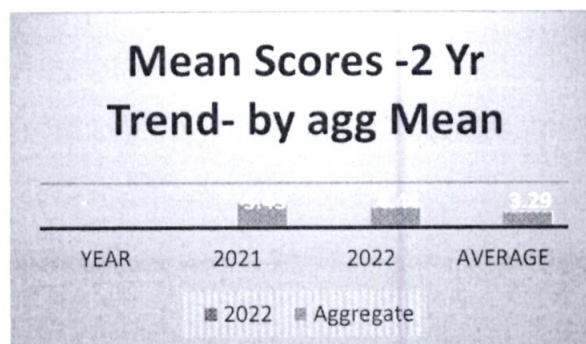
Ratio of students to Teachers	
Total enrolment	350
Total No of Teachers	18
Students : Teachers ratio	1: 19

Teachers Turnover	
No of teachers recruited in the year	-
No of teachers transferred inwards in the year	-
No of teachers transferred outwards in the year	-
Net inflow of teachers	-

Teachers Employment	
No of teachers required by CBE	18
No of teachers employed by TSC	16
Shortage / Surplus No of teachers before BOM teachers	2
No of teachers employed by BOM	2
Net Shortage / Surplus No of teachers	-

b) Mean score in the 2021 KCSE:

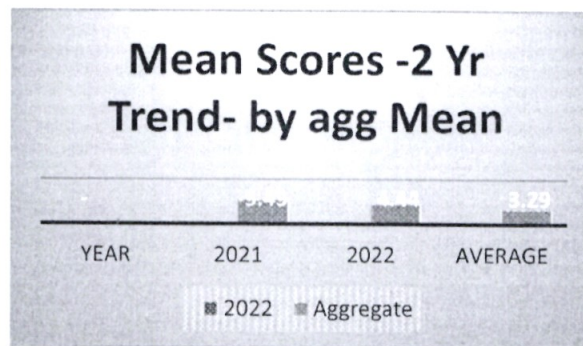
Mean Scores -2 Yr Trend												
	Subject Means											
	MATH	ENG	KISW	BIO	Chem	Phy	GEO	HIST	CRE	Agric	Bstud	Aggreg ate
YEAR												
2021	2.95	4.50	5.32	3.05	2.43	4.24	9.44	8.93	7.67	11.19		5.43
2022	2.74	4.58	5.58	3.15	2.31	2.47	6.73	6.08	6.00	6.40	2.80	4.44
Average	1.90	3.03	3.63	2.07	1.58	2.24	5.39	5.00	4.56	5.86	0.93	3.29



c) Number of Candidates in the 2021KCSE:

Tabulate the number of candidates sitting for KCSE over the last two years.

Mean Scores -2 Yr Trend												
	Subject Means											
	MATH	ENG	KIS W	BIO	Chem	Phy	GEO	HIST	CRE	Agric	Bstud	Aggrega te
YEAR												
2021	2.95	4.50	5.32	3.05	2.43	4.24	9.44	8.93	7.67	11.19		5.43
2022	2.74	4.58	5.58	3.15	2.31	2.47	6.73	6.08	6.00	6.40	2.80	4.44
Avera ge	1.90	3.03	3.63	2.07	1.58	2.24	5.39	5.00	4.56	5.86	0.93	3.29



Gangara secondary school
Annual Report and Financial Statements
For the year ended 30th June 2022

d) Capacity of the school:

	NO OF STREAMS per class	Teachers' CBE (No of teachers required as per curriculum offered by the school)	Required No of NTS given the NO OF STREAMS per class				
	2	18	9				
Capacity Analysis							
Infrastructur e TYPE	Unit of infrastructure measurement	Quantity of infrastructure required	Quantity of infrastructure available today	Infrastructure gap	Comment-Indicate if gap is -Very critical. Critical or Not so critical (tick as appropriate)		
					Very Critical	Critical	Not Critical
Classrooms	Number	8	3	Shortage of classrooms equivalent to:			
				5			
				classroom(s)			
Laboratories	Number	1	3	Shortage of laboratory facilities equivalent to:			
				(2)			
				Laboratories			
Toilet Doors	Number	20	35	Shortage of toilet facility equivalent to:			
				(15)			
				toilet doors			
Offices	Number	3	6	Shortage of office facilities equivalent to:			
				(3)			
				offices			
Dining Hall	Number of students well seated	350		Shortage of dining facilities equivalent to:			
				350			
				students not seated			

Gangara secondary school
Annual Report and Financial Statements
For the year ended 30th June 2022

Library	Number of students well seated	350		Shortage of library facilities equivalent to:			
				350			
				students not seated			
Dormitories	Number of Decker Beds well-spaced	200		Shortage of dormitory facilities equivalent to:			
				200			
				decker beds			
Staffroom	Number of teachers well seated	18		Shortage of staffroom space equivalent to:			
				18			
				teachers not properly seated			
Boardroom	Number of BOM members well seated	25		Shortage of boardroom space equivalent to:			
				25			
				BOM members not properly seated			
Textbooks	Average Students -to- Course books ratio	1	1	Shortage of textbooks equivalent to:			
				-			
				% of text books required			
Electricity	Adequacy	ADEQUATE		Occassional / frequent shortage of power attributed to?			
Water	Adequacy	ADEQUATE		Occassional / frequent shortage of water attributed to?			
Staff housing	No of staff properly housed	2	10	Shortage of staff housing facilities equivalent to:			
				(8)			
				staff not housed			

e) Development projects carried out by the school:

Projects Analysis					
	Name of project				
	E.G DORMITORY	(ii).....	(iii)..... ...	(iv).....	(v).....
Estimated BQ Cost	nil	nil	nil	nil	nil
Source(s) of Funding	nil	nil		nil	nil
Type of contract- (Labour only/Full Contract)	nil	nil	nil	nil	nil
Contract Cost	nil	nil	nil	nil	nil
Start Date of project	nil	nil	nil	nil	nil
Expected Completion date	nil	nil	nil	nil	nil
Status of project (Stalled, WIP, Complete, Un-started)	nil	nil	nil	nil	nil
Amount due on project - value of work invoiced	nil	nil	nil	nil	nil
Amount paid so far	nil	nil	nil	nil	nil
Amount pending at this year end	nil	- nil	- nil	- nil	- nil
Comment on project success/ch	nil	nil	nil	nil	nil

Gangara secondary school
Annual Report and Financial Statements
For the year ended 30th June 2022

allenges					
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Sign

[Handwritten signature]

School Principal

Richard
Muliro

PRINCIPAL
 ST. EMMANUEL GANGARA SEC. SCH.
 P. O. Box 1663 - 60100, EMBU
 SIGN:..... DATE:.....

26/4/2022

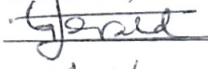
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

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

The Board of Management of *Gangara 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, 2022, and of the school's financial position as at that date.

fr
Name: Francisco Munyi
Designation: Chairman, School Board of Management
Sign: 
Date: 20/4/2026

Name: George M Mbijiwe
Designation: School Principal & Secretary to Board of Management
Sign: 
Date: 20/4/2026

Name: Margaret Ngugi
Designation: Account clerk
Sign: 
Date: 20/4/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON GANGARA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – EMBU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Gangara Secondary School set out on pages 18 to 32, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipt 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 Gangara Secondary School as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variances in the Financial Statements

Review of the financial statements revealed differences between amounts in the financial statements and supporting ledgers as detailed below;

S/No.	Description	Amount in the Financial Statements (Kshs.)	Amount in the Ledger (Kshs.)	Variance (Kshs.)
1	Accounts Payables	9,692,514	11,321,969	1,629,455
3	Payments for School Fund	21,847,625	23,595,853	1,748,228
4	Payments for Tuition	223,996	1,009,270	785,274
5	Payments for Operations	4,590,093	4,475,841	114,252
6	Capitation Grants for Operations	4,824,778	4,718,678	106,100

In the circumstances, the accuracy and completeness of the above balances included in these financial statements could not be confirmed.

2. Unsupported Revenue from Parents' Contributions-School Fund

The statement of receipts and payments reflects parents contributions receipts for school fund amount of Kshs.21,303,458 as disclosed in Note 3 to the financial statements. However, the Management did not provide for audit the ledgers and schedules supporting the amounts.

In the circumstances, the accuracy and completeness of the parents contributions-school funds receipts of Kshs.21,303,458 could not be confirmed.

3. Unsupported Short-Term Investments

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.66,950. Included in the balance is short-term investments balance of Kshs.64,228 which was not supported by a ledger, investment certificates, statements, or any other relevant documentation. Further, Management did not disclose any interest accrued or earned from the investments during the year under review.

In the circumstances, the existence, accuracy, completeness and valuation of the short-term investments balance of Kshs.64,228 could not be confirmed.

4. Unsupported Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.33,190,741 as disclosed in Note 11 to the financial statements. However, supporting schedules and detailed ageing analysis were not provided for audit review.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.33,190,741 could not be confirmed.

5. Inaccuracies in Bank Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.66,950 as disclosed in Note 8 to 10 to the financial statements. Included in the balance is bank balance of Kshs.964. However, Note 8 reflects a balance of Kshs.1,964 resulting to unreconciled variance of Kshs.1,000.

In the circumstances, the accuracy and completeness of bank balance of Kshs.964 could not be confirmed.

6. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.33,190,741 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance, is accounts receivables balance of Kshs.25,799,423 which had been outstanding for more than two (2) years and for which detailed ageing analysis had not been provided for audit review. Further, Management did not provide recovery strategies for the long outstanding debts.

In the circumstances, the completeness and recoverability of the long outstanding balance of Kshs.33,190,741 could not be confirmed.

7. Incorrect Opening Balances

Review of the financial statements revealed that the opening balances were captured incorrectly resulting in unreconciled variances as detailed follows:

Item	Financial Statements 2021/2022	Financial Statements 2020/2021	Variance (Kshs.)
Capitation Grants Tuition	509,709	1,022,209	(512,500)
Capitation Grants Operation	3,205,577	4,232,766	(1,027,189)
Parents Contribution SF	17,101,904	8,593,753	8,508,151
Payments for Tuition	995,834	513,484	482,350
Payments for Operations	2,864,831	3,196,805	(331,974)
Boarding/Lunch Payments	10,558,360	7,339,654	3,218,706
Bank Balances	38,216	39,216	(1,000)

Item	Financial Statements 2021/2022	Financial Statements 2020/2021	Variance (Kshs.)
Accounts Receivables	34,760,494	8,982,071	25,778,423
Accounts Payables	12,554,647	4,637,521	7,917,126
Accumulated Funds	15,013,346	-	15,013,346

In the circumstances, the accuracy and completeness of the above balances included in these financial statements could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Gangara 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 of Kshs.14,000,000 and Kshs.18,081,247 respectively, resulting in an over-funding of Kshs.4,081,247 or 29% of the budget. Similarly, the School spent an amount of Kshs.10,517,194 against actual receipts amounting to Kshs.18,081,247 resulting in an under-utilization of Kshs.7,564,053 or 42% of the actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page 2 to 16 which comprise of Key School Information and Management, Summary Report of Performance of the School and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Transfer Infrastructure Funds from Operations Account

Note 2 to the financial statements reflects capital grants for operations amount of Kshs.4,824,778. Included in the amount is Kshs.1,691,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the school did not transfer the funds to infrastructure account as at the end of 30 June, 2024. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June,2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

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

The statement of receipts and payment reflects payments for operations and school fund amounts of Kshs.4,590,093 and Kshs.21,847,625 respectively. Included in the amounts is Kshs.867,285 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 of the amount transferred to KESSHA of Kshs.867,285 could not be confirmed.

3. Failure to Sign Professional Opinion

Review of the procurement process for good, services, works and consultancies revealed that professional opinion was not issued for all the procurements carried during the financial year. This contravened the provision of Regulation 79 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that, upon receipt of the

evaluation report and professional opinion, the accounting officer shall take into account the contents of the professional opinion and shall within a day, in writing approve award to the successful tenderer.

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

4. Lack of a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

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

5. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.9,692,514 as disclosed in Note 12 to the financial statements. Included in the balance are trade payables balance of Kshs.7,263,549 which have been outstanding for more than two (2) years. The payables should have been settled within the subsequent year following the year of occurrence. This was contrary to Regulation 42 (1) (a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

6. Presentation and Disclosure in the Financial Statements

Review of the financial statements revealed the following anomalies;

- i) The financial statements are wrongly paginated
- ii) The names of the ad-hoc committee were not indicated despite attending two (2) meetings.
- iii) The ratio of teacher students should be corrected to read 1:19.
The summary report of performance of the school, the financial year should be 2022 not 2021.

In the circumstances, Management did not comply with the PSASB reporting guidelines.

7. Underfunding of Capitation Grant and Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and operations all totalling to Kshs.5,918,677. Comparison of data from National Education Management and information System (NEMIS) with records from the school revealed that during the year, NEMIS and enrollment in the school had a variance of one hundred and fifty-nine (159) students, resulting in an underfunding of the school by an amount of Kshs.909,103. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3

on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, the underfunding of the School may have affected service delivery to the students.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of an Internal Audit Function

During the year under review the School did not have internal audit function. As a result, no audits were carried out in any of the school's activities and departments resulting to lack of independent oversight and potential exposure to financial, operational and compliance risks.

In the circumstances, errors and omissions leading to inaccuracies and exposure to other risks may not be well detected without an internal audit function.

2. Weak Controls over Student Fees Management

The statement of receipts and payments reflects parents' contribution income amount of Kshs.21,303,458. However, review of the revenue management process revealed lack of standardized procedures for recognition and valuation of fees paid in kind and lack of segregation of duties in fees collection, recording, banking and reconciliation. Further, there was lack of clear procedures for voiding transactions, increasing the risk of manipulation as well as lack of data backup mechanisms for student data and financial records.

In the circumstances, the existence of effective mechanisms for students fee management could not be confirmed.

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.39,820,000 which includes land with a value of Kshs.5,500,000 and motor vehicles

valued at Kshs.6,500,000. However, ownership documents for both assets were not provided for audit review.

In the circumstances, the existence and safe custody of the assets could not be confirmed.

4. Weakness in the Operation of Board of Management

Review of cash book and minutes of the board revealed that the board of management met twice during the year under review while the established committees of audit, finance, procurement and general purposes, academic, development and discipline and welfare did not prepare minutes of meeting as well as signing attendance register for meetings held.

In the circumstances, the effectiveness of internal controls, effective governance and systems of risk management could not be confirmed.

5. Lack of an Approved ICT Policy and Risk Management Policy

Review of the School's information system revealed that the School does not have an approved ICT policy and procedures in place to guide ICT operations, data management, system access, security controls, and disaster recovery. In addition, the School lacks a formal risk management policy to identify, assess, mitigate, and monitor organizational risks. The absence of these policies and manuals presented weak controls over ICT and risk management activities.

In the circumstances, effectiveness of controls over ICT and risk management activities and related mitigations could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 May, 2026

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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD		Note	2022	2021
			Kshs	Kshs
RECEIPTS				
Capitation grants for Tuition	Tuition	1	1,093,899	509,709
Capitation grants for Operation	Operation	2	4,824,778	3,205,577
Parents' Contributions income In School Fund	School Fund	3	21,303,458	17,101,904
Income- Other receipts School Fund	School Fund	4	641,326	951,916
TOTAL RECEIPTS			27,863,461	21,769,106
PAYMENTS				
Payments for Tuition	Tuition	5	223,996	995,834
Payments for Operation	Operation	6	4,590,093	2,864,831
Boarding and/or Lunch -Payments School Fund	School Fund	7	21,847,625	10,558,360
TOTAL PAYMENTS			26,661,714	14,419,025
DEFICIT/SURPLUS			1,201,747	7,350,081

The school financial statements were approved on _____ 2022 and signed by:

Sign: 
Name: GERARD NJERU JOSEPHAT
Chair BOM

Date: 28/04/2026

Sign: 
Name: BICKHAR MUMHO
School Principal/
Secretary to BOM

Date: 28/4/2026

PRINCIPAL
ST. EMMANUEL GANGARA SEC. SCH.
P. O. Box 1663 - 60100, EMBU
SIGN:..... DATE:.....

Sign: 
Name: MARGARET NGUGI
Account clerk

Date: 28/4/2026

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

	Note	2022	2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	964	38,216
Cash Balances	9	1,758	55,137
Short term Investment	10	64,228	64,228
Total Cash and cash equivalent		66,950	157,581
Account's receivables	11	33,190,741	34,760,494
TOTAL FINANCIAL ASSETS		33,257,691	34,918,075
FINANCIAL LIABILITIES			
Accounts Payables	12	9,692,514	12,554,647
NET FINANCIAL ASSETS		23,565,176	22,363,428
REPRESENTED BY			
Accumulated Fund b/fwd	13	22,363,427	15,013,346
Surplus/Deficit for the year		1,201,747	7,350,081
NET FINANCIAL POSITION		23,565,174	22,363,427
Diff = Net Assets- Net Balance of Fund		3	1

The School's financial statements were approved on _____ 2022 and signed by:

Name: Francisco Munyi

Chairman, BoM

Sign: 

Date: 20/4/2026

Name: GERARD NJERU JOSPHAT

School Principal/Secretary to BoM

Sign: 

Date: 20/4/2026

Name: Margaret Ngugi

Account clerk

Sign: 

Date: 20/4/2026

PRINCIPAL
ST. EMMANUEL GANGARA SEC. SCH.
P. O. Box 1663 - 60100, EMBU
SIGN:..... DATE:.....

VII.STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

Receipts for operating income			
Capitation grants for	Tuition	1,093,899	509,709
Capitation grants for	Operation	4,824,778	3,205,577
Income- Parents contributions/ fees	School Fund	22,873,211	8,614,753
Income- other receipts	School Fund	641,326	951,916
Total receipts		29,433,214	13,281,955
Payments			
Payments for	Tuition	1,094,496	513,484
Payments for	Operation	4,834,093	3,196,805
Boarding and/or Lunch payments in	School Fund	23,595,258	9,544,110
Total payments		29,523,847	13,254,399
Net cash flow from operating activities		(90,633)	27,556
CASHFLOW FROM INVESTING ACTIVITIES			
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		(90,633)	27,556
Cash and cash equivalents at BEGINNING of the year		157,583	130,026
Cash and cash equivalent at END of the year		66,950	157,581
Cash and cash equivalents as per FA&FL		66,950	157,581
Diff= CF cash - FA&FL cash		0	(2)

VII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

				Actual on Comparable Basis		
			Final		Budget Utilization	
Receipt/expenses Item	Original Budget	Adjustments	Budget		Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION INCOME						
T/L MATERIALS	195,800	-	195,800	139,035	56,765	71
TUITION FEES	649,800	-	649,800	370,674	279,126	57
EXERCISE BOOKS	462,000	-	462,000	-	462,000	-
EXAM AND ASSESSMENG	200,000	-	200,000	-	200,000	-
LAB EQUIPMENT	350,000	-	350,000	-	350,000	-
	1,857,600	-	1,857,600	509,709	1,347,891	27
(2) CAPITATION GRANT ON OPERATIONS INCOME						
RMI	2,700,000	(300,000)	2,400,000	1,470,000	930,000	61
MEDICAL	900,000	(100,000)	800,000	-	800,000	-
ACTIVITY	675,000	(75,000)	600,000	-	600,000	-
OTHER VOTE HEADS	3,555,000	(395,000)	3,160,000	1,735,577	1,424,423	55
	7,830,000	(870,000)	6,960,000	3,205,577	3,754,423	

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(3) FEES CHARGED ON PARENTS INCOME						
BES	8,320,000	-	8,320,000	-	8,320,000	-
LTT	240,000	-	240,000	-	240,000	-
EWC	2,000,000	-	2,000,000	-	2,000,000	-
ADM COST	600,000	-	600,000	-	600,000	-
RMI	800,000	-	800,000	-	800,000	-
ACTIVITY	200,000	-	200,000	-	200,000	-
BURSARY	-	-	-	3,205,577	(3,205,577)	
KCSE EXAM	-	-	-	9,939,855	(9,939,855)	
BANK CHARGES	-	-	-	397,020	(397,020)	
PE FUND	1,840,000	-	1,840,000	2,379,620	(539,620)	129
PE NON TEACHING STAFF	-	-	-	760,601	(760,601)	
PE TEACHING STAFF	-	-	-	974,044	(974,044)	
SF Fees Income & EXP -Votehead 17	-	-	-	2,200	(2,200)	
SF Fees Income & EXP -Votehead 18	-	-	-	235,550	(235,550)	
SF Fees Income & EXP -Votehead 19	-	-	-	21,000	(21,000)	
SF Fees Income & EXP -Votehead 20	-	-	-	165,780	(165,780)	
	14,000,000	-	14,000,000	18,081,247	(4,081,247)	
School Fund -OTHER INCOME						
NHIF	-	-	-	85,400	(85,400)	
NSSF	-	-	-	279,510	(279,510)	

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PAYEE	-	-	-	9,906	(9,906)	
NTS WELFARE	-	-	-	42,000	(42,000)	
TOTAL INCOME	-	-	-	416,816	(416,816)	
(1) EXPENDITURE FOR TUITION						
T/L MATERIALS	195,800	-	195,800	296,000	(100,200)	151
BANK CHARGES	-	-	-	984	(984)	
TUITION FEES	649,800	-	649,800	-	649,800	-
EXERCISE BOOKS	462,000	-	462,000	-	462,000	-
EXAM AND ASSESSMENG	200,000	-	200,000	347,750	(147,750)	174
LAB EQUIPMENT	350,000	-	350,000	351,100	(1,100)	100
	1,857,600	-	1,857,600	995,834	861,766	
(2) EXPENDITURE FOR OPERATIONS						
RMI	2,700,000	(300,000)	2,400,000	441,810	1,958,190	18
LTT	-	-	-	128,500	(128,500)	
EWC	-	-	-	264,651	(264,651)	
MEDICAL	900,000	(100,000)	800,000	118,475	681,525	15
ADM COST	-	-	-	313,800	(313,800)	
ACTIVITY	675,000	(75,000)	600,000	127,450	472,550	21
BANK CHARGES	-	-	-	1,104	(1,104)	
PE NON TEACHING	-	-	-	15,000	(15,000)	
PE TEACHING STAFF	-	-	-	11,500	(11,500)	

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OTHER VOTE HEADS	3,555,000	(395,000)	3,160,000	998,230	2,161,770	32
INSURANCE	-	-	-	91,383	(91,383)	0
	7,830,000	(870,000)	6,960,000	2,511,903	4,448,097	
(3) EXPENDITURE FOR						
SCHOOL FUND						
BES	8,320,000	-	8,320,000	4,119,002	4,200,998	50
LTT	240,000	-	240,000	1,480,760	(1,240,760)	617
EWC	2,000,000	-	2,000,000	387,430	1,612,570	19
ADM COST	600,000	-	600,000	436,439	163,561	73
RMI	800,000	-	800,000	313,640	486,360	39
MEDICAL	-	-	-	69,450	(69,450)	
ACTIVITY	200,000	-	200,000	75,000	125,000	38
UNIFORM	-	-	-	57,750	(57,750)	
BURSARY	-	-	-	51,000	(51,000)	
EXCESS FEE	-	-	-	12,625	(12,625)	
BANK CHARGES	-	-	-	12,882	(12,882)	
PE FUND	1,840,000	-	1,840,000	1,070,088	769,912	58
PE NON TEACHING STAFF	-	-	-	1,841,525	(1,841,525)	
NHIF	-	-	-	54,100	(54,100)	
PAYEE				11,203	11203	
NTS WELFARE	-	-	-	105,000	(105,000)	
TOTAL School fund Payments	14,000,000	-	14,000,000	10,517,194	3,482,806	

IX.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

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 30th June 2021.

X NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2022	2021
	Kshs	Kshs
Teaching & L. mat.	1,093,899	139,035
TUITION FEES	-	370,674
Total	1,093,899	509,709

2 CAPITATION GRANT FOR OPERATIONS

	2022	2021
	Kshs	Kshs
Devt -RMI	1,793,315	1,470,000
OTHERVOTEHEAD	2,962,463	1,735,577
Adm. Cost	69,000	-
Total	4,824,778	3,205,577

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2022	2021
	Kshs	Kshs
Uniform	1,928,060	165,780
Development -MI	1,783,265	974,044
Activity	215,160	235,550
B.E and Stores	11,309,270	9,939,855
Caution	8,700	-
LTT	1,065,460	397,020
EWC	2,489,912	2,379,620
ADM	661,038	760,601
MEDICAL	11,320	2,200
P E teaching staff	1,831,273	2,247,234
Sub-Total	21,303,458	17,101,904

NOTES TO THE FINANCIAL STATEMENTS

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2022	2021
	Kshs	Kshs
BURSARY	171,000	533,600
NSSF	283,944	279,510
NHIF	87,000	85,400
PAYE	17,232	9,906

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kcse	38,950	1,500
welfare	43,200	42,000
Total	641,326	951,916

5 PAYMENTS FOR TUITION

	2022	2021
	Kshs	Kshs
internal exams	30,000	-
Lab equipments	-	-
Teaching & L. mat.	106,040	994,850
BANK CHARGES	2,856	984
TUITION FEES	85,100	-
Total	223,996	995,834

NOTES TO THE FINANCIAL STATEMENTS

6 PAYMENTS FOR OPERATIONS

	2022	2021
	Kshs	Kshs
Devt -RMI	550,000	1,210
OTHERVOTEHEAD	2,235,540	1,693,445
EWC	201,350	191,961
Activity	181,000	100,000
Personal emolu.	1,075,360	26,500
Adm. Cost	-	195,800
BANK CHARGES	6,888	1,104
MEDICAL	-	82,000
insurance	-	91,383
Itt	125,000	128,500
NHIF	12,800	26,800
nssf	200,000	323,974
Paye	2,155	2,154
TOTAL	4,590,093	2,864,831

7 BOARDING AND SCHOOL FUND PAYMENTS

	2022	2021
	Kshs	Kshs
Uniform	1,301,320	57,750
PE non teachingstaff	3,532,036	1,841,525
Development -MI	877,075	348,670
Activity	507,985	75,500
B.E and Stores	8,777,741	4,052,518

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BANK CHARGES	149,420	12,882
pe teaching staff	-	419,300
Markings	1,000	-
LTT	1,513,375	1,487,630
EWC	1,221,155	423,950
ADM	1,735,340	463,149
MEDICAL	247,680	69,450
P E teaching staff	742,700	1,072,108
BURSARY	653,600	51,000
NSSF	335,854	-
NHIF	166,400	54,100
PAYE	21,544	11,203
excess fees	-	12,625
kcse	59,600	-
welfare	3,800	105,000
TOTAL	21,847,625	10,558,360

NOTES TO THE FINANCIAL STATEMENTS

8 BANK ACCOUNTS

Name of Bank, and Branch	Account Name	Bank Account Number	2022	2021
			Kshs	Kshs
Kcb Embu	Tuition	1102840165	669	1,264
Kcb Embu	Operation	1102844012	-	8,406
Kcb Embu	School Fund	1102844276	295	28,547
Kcb Embu	Infrastructure	1257378082	1000	1000
Total Bank Balances			1,964	39,216

9 CASH IN HAND

Description	2022	2021
	Kshs	Kshs
School Fund	301	52,770
Operation	1,457	2,367
Total Cash Balances	1,758	55,137

10 SHORT TERM INVESTMENTS

Description	2022	2021
	Kshs	Kshs
Inv/ SAVINGS ACC no,,,,,,,,,,,,,	64,228	64,228
Total	64,228	64,228

NOTES TO THE FINANCIAL STATEMENTS

11 ACCOUNTS RECEIVABLE

Description	2,022	2,021
	Kshs	Kshs
School Fund -Fees Debtors	33,229,541	34,781,494
School Fund - Advances	(38,800)	(21,000)
School Fund - DR SUSPENSE	-	-
Total ACCOUNTS RECEIVABLE	33,190,741	34,760,494
Total ACCOUNTS RECEIVABLE as per FA&FL	33,190,741	34,760,494
Includes an ageing of the fees arrears below		
Description	2,022	2,021
	Kshs	Kshs
Fees arrears for current year (Listed)	-	8,982,071
Fees arrears for the previous year	7,430,118	2,594,733
Fees arrears for prior periods (over two years)	25,799,423	23,204,690
Total	33,229,541	34,781,494

12 ACCOUNTS PAYABLE

Description	2,022	2,021
	Kshs	Kshs
School Fund -Prepaid Fees	653,578	653,578
Trade Creditors -School Fund	8,230,286	9,892,919
Trade Creditors -Operation	55,206	299,206
Trade Creditors - Tuition	838,445	1,708,945
School Fund -Student Deposits	(85,000)	-
Total Payables	9,692,514	12,554,647

Includes an ageing of the trade creditors below

Description	2,022	2,021
	Kshs	Kshs
Trade creditors for current year	-	4,637,521
Trade creditors for the previous year	1,860,388	1,570,759
Trade creditors for prior periods (over two years)	7,263,549	5,692,790
Total	9,123,937	11,901,070

13 FUND BALANCE BROUGHT FORWARD

Description	2022	2021
	Kshs	Kshs
Bank balances	56,403	63,885
Cash balances	36,952	1,912
Short Term Investments	64,228	64,228
Receivables	34,760,494	26,273,343
Payables	(12,554,647)	(11,390,021)
Total	22,363,430	15,013,347

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	2022	2021
Total	-	-

15 Biological assets

Description	Unit	Number	Unit Value	2022	2021
Total					

16 Borrowings

Description	2,022	2,021
	KShs	KShs
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
Balance at end of the year		

Other important disclosure notes**17 Stock/ Inventory**

Description	2,022	2,021
	KShs	KShs
Stock/ inventory at beginning of the year	648,856	-
Stock/ inventory purchased during the year	23,995,543	12,977,123
Stock/ inventory issued during the year	23,412,179	12,328,266
Balance at end of the year	1,232,220	648,856

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.

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

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE 2022

					Outstanding Balance	Outstanding Balance	Comments
	Original Amount	Date Contracted	Amount paid To- Date	2,022	2,021		
	a	b	c	d=a-c			
	Kshs	Kshs	Kshs	Kshs	Kshs		
Construction of buildings							
Sub-Total							
Supply of goods							
1. Ermine Kavutu					89280		
2. Anthony Murithi				217,660.00	80040		
3. Devine Mustard Merchants				787,610.00	47763		
4. Wamunyu general suppliers				297,700	237210		
5. Silas nthiga				137,845	16240		
6. Geraldine w. makau					423500		
7. Kine g. suppliers					184970		
8. Virginia igoki					60260		
9. Frida njeri					144600		
10. Syuki mukisha					60000		
11. Isaac ireri					3840		
12. Margret mbuya				92,520	202480		
13. Meru chemist					36475		
14. Bijama suppliers				569350-	301000		
15. Amazon fire services					13900		

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16. Kelmike supplies					27450	
17. Top choice international					34690	
18. Famytech computer and stationers				167,740	202480	
19. Kabe merchants					105000	
20. Science lab				949,340	351100	
21. Pricom ltd				80,740	93520	
22. Highmark services				576,720	70000	
23. Globalwide publishers					52750	
24. Ewasco				137,828		
25. Juliet m. Ngari				142,880		
26. Pezi publishers				173,600		
27. Dajax. G. Suppliers				10,000		
28. Rowlands Suppliers				213,630		
29. Pertomilla Rweru Itta				852,650		
30. A plus resolutions				60,000		
31. Jobem General Suppliers				150,000		
32. JoyRob publishers				251,550		
33. Ceciryne enterprises				100,000		
34. DM enterprises				280,000		
35. gloria karwitha				365,000		
34. Mabrina Enterprises				81,500		
36. Nguna Enterprises				73,190.00	208730	
35. Mosmic general suppliers					120000	
Sub-Total				6,199,703	3077998	

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Supply of services						
37. Bititech systems \$ Suppliers				886,200.00	11800	
38. Joseph njuki					59500	
39. Embu Diesel Auto Mobiles				320,760.00	144000	
40. Globally power				61,500.00		
41. Challa ventures				40,860.00		
42. Non teaching services				2,268,430.00	1070088	
43. Peterson Njiru				76,826.00		
44. kessha mbeere north				101,350.00		
45. kirie zone				114,300.00		
46. apacs ack				30,100.00		
47. jackson ireri				416,000.00		
48. Silvilious kathuri					38000	
Sub-Total				4316326	1323388	
Grand Total				10,516,029.00	4401386	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f	Additions during the year to	Disposals during the	Historical Cost c/f
	(Kshs)	June	year to June	(Kshs)
	1st July	(Kshs)	(Kshs)	30th June
	2022			2022
Land 1	clan land			5,500,000
Buildings and structures	20,400,000.00			20,400,000
Motor vehicles	6,500,000			6,500,000
Office equipment, furniture and fittings	1,000,000			1,200,000
ICT Equipment, and Other ICT Assets	500,000			500,000
Tools and apparatus	100,000			100,000
Textbooks	3,500,000			3,500,000
Other Machinery and Equipment	1,200,000			1,400,000
Heritage and cultural assets	60,000			60,000
Intangible assets- soft ware	260,000			660,000
Total	33,520,000			39,820,000