

REPUBLIC OF KENYA



Enhancing Accountability



PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 23 JUL 2025

DAY: WEDNESDAY

TABLED BY: HON. (DR) ROBERT PUKOSE

CLERK-AT-THE-TABLE: HALIMA SULEIMAN

THE AUDITOR-GENERAL

ON

MURANG'A HIGH SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2024**

MURANG'A COUNTY



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
21 MAY 2025
RECEIVED



MURANG'A HIGH SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30TH JUNE 2024

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



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1. Acronyms and Glossary of Terms

| | |
|-------|--|
| BOM | Board of Management |
| CEB | County Education Board |
| 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 |

2. 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 in Murang'a County, Murang'a East Sub-County.

The school was re-registered in February 2022 under registration number 21S30000289 and is currently categorized as a National public school established and operated by the Government.

The school is a boarding school and had 2,285 number of students as at 30th June 2024. It has 10 streams and 68 teachers of which 12 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. | Eng. Anthony Mwaura | Chairman | 30/9/2022 |
| 2. | Willie M. Kuria | Secretary - Principal | 30/9/2022 |
| 3. | John Karuru | Member | 30/9/2022 |
| 4. | Fednand Etyang | Member | 30/9/2022 |
| 5. | CPA Florence Birya | Member | 30/9/2022 |
| 6. | James Kimani Mbui | Member | 30/9/2022 |
| 7. | Rachel Ng'ang'a | Member | 30/9/2022 |
| 8. | George Mungah | Member – Rep CEB | 30/9/2022 |
| 9. | Catherine Wangu | Member Rep Teachers | 30/9/2022 |
| 10. | Fr. J.B. Mungai | Member - Sponsor | 30/9/2022 |
| 11. | David Ng'ang'a | Member - Sponsor | 30/9/2022 |
| 12. | Josphat Kihia | Member - Sponsor | 30/9/2022 |
| 13. | Grace Njoki | Member - Community | 30/9/2022 |
| 14. | Faith Jepkemboi | Member Special Needs | 30/9/2022 |
| 15. | John Wainaina | Rep. Students | 30/9/2022 |

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 paragraph 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 | Eng. Anthony Mwaura | Chairman | 4 out of 4 |
| | | Grace Njoki | Vice Chairman | 4 out of 4 |
| | | Fr. J. B. Mungai | Member | 3 out of 4 |
| | | Rachel Nganga | Member | 3 out of 4 |
| | | Willie M. Kuria | Secretaty | 4 out of 4 |
| 2. | Audit Committee | Josphat Kihia | Chairman | 4 out of 4 |
| | | David Ngari | Member | 4 out of 4 |
| | | George Munga | Member | 2 out of 4 |
| 3. | Finance,procurement and general purposes Committee | Florenc Birya | Chairman | 4 out of 4 |
| | | James Mbui | Member | 3 out of 4 |
| | | John Karuru | Member | 4 out of 4 |
| 4. | Academic Committee | Grace Njoki | Chairman | 4 out of 4 |
| | | George Mungah | Member | 2 out of 4 |
| | | Catherine Wangu | Member | 4 out of 4 |
| | | John Karuru | Member | 4 out of 4 |
| 5. | Development Committee | Eng Anthony Mwaura | Member | 4 out of 4 |
| | | W. M. Kuria | Member | 4 out of 4 |
| | | David Ngari | Chairman | 4 out of 4 |
| | | Josphat Kihia | Member | 4 out of 4 |
| 6. | Discipline and welfare Committee | Fernand Etyang | Member | 4 out of 4 |
| | | Fr. J. B. Mungai | Chairman | 3 out of 4 |
| | | Faith Jebkemboi | Member | 4 out of 4 |
| 7. | Human rights and students welfare | Rachel Ng'ang'a | Chairman | 3 out of 4 |
| | | Florence Birya | Member | 4 out of 4 |
| | | James Mbui | Member | 3 out of 4 |
| | | Faith Jepkemboi | Member | 4 out of 4 |

(d) School Operation Management

For the financial year ended 30th June 2024 the School day-to-day management was under the following persons:

| Ref: | Designation | Name | TSC Number |
|------|------------------|--------------------|---------------|
| 1. | Principal | Willie M. Kuria | 271778 |
| 2. | Deputy Principal | George Kogi | 375191 |
| 3. | School Bursar | Ephantus K. Kimani | 21883906 (ID) |

(e) Schools Contacts

Post Office Box: 101 – 10200 - Murang'a.
 Telephone No.: 0724167580
 E-mail Address: highschoolmuranga@gmail.com
 Website: murangahigh.sc.ke

(f) School Bankers

The school operated 9 bank accounts in the following banks: -

1. Name of Bank : Co-Operative Bank Murang'a Branch
 - Account Name : Tuition Account
 - Account Number : 01139055926400
 - Account Name : Operations Account
 - Account Number : 01139055926401
 - Account Name : School Fund Account
 - Account Number : 01129055926400
 - Account Name : Infrastructure Account
 - Account Number : 01139055926402
 - Account Name : UTaNRMP
 - Account Number : 01134055926400
2. Name of Bank : Equity Bank Murang'a Branch
 - Account Name : Farm Account
 - Account Number : 0220268103973
3. Name of Bank : Consolidated Bank Murang'a Branch
 - Account Name : Dispensary Account
 - Account Number : 10051203000017
4. Name of Bank : KCB Murang'a Branch
 - Account Name : School Fund Account
 - Account Number : 1108568076
 - Account Name : Saving Account
 - Account Number : 1106451325

(g) Independent Auditors

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

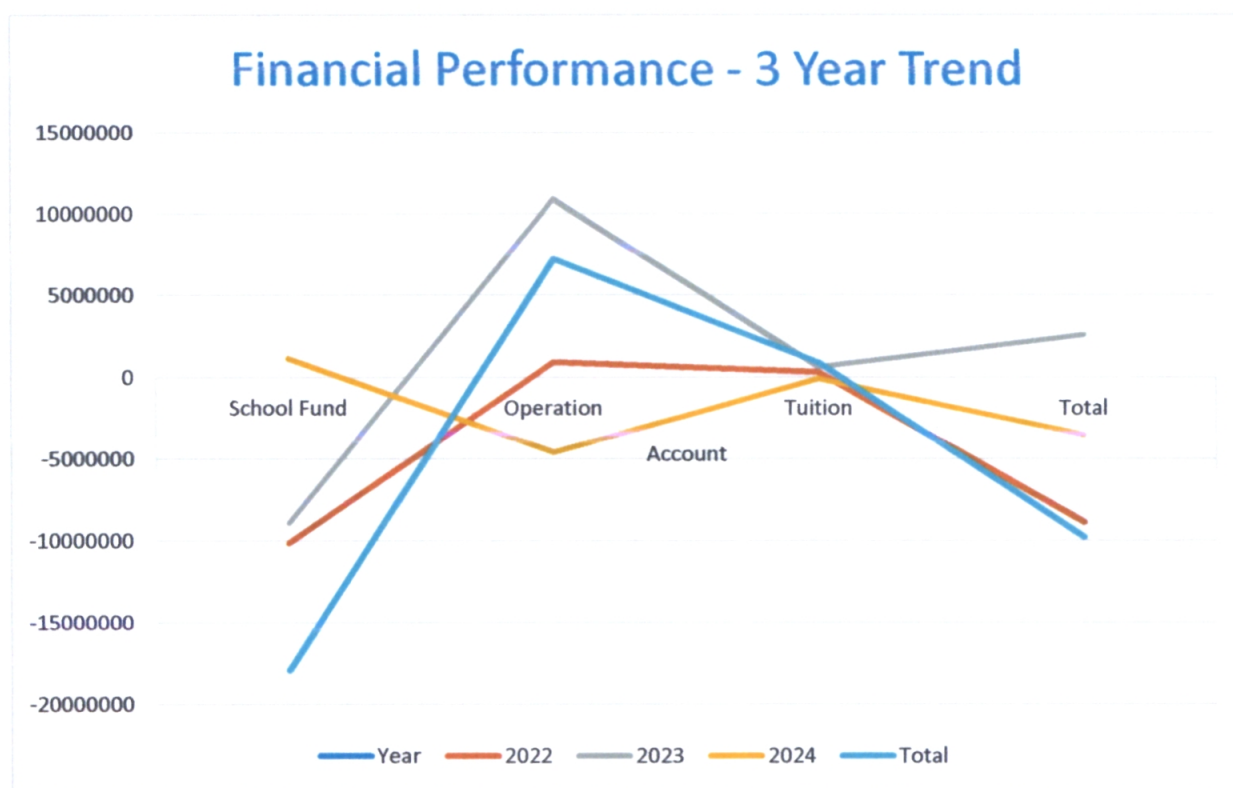
3. Summary Report of Performance of The School

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

a) Financial performance:

i). Surplus/ deficit for the year and a comparison of the same for the last three years

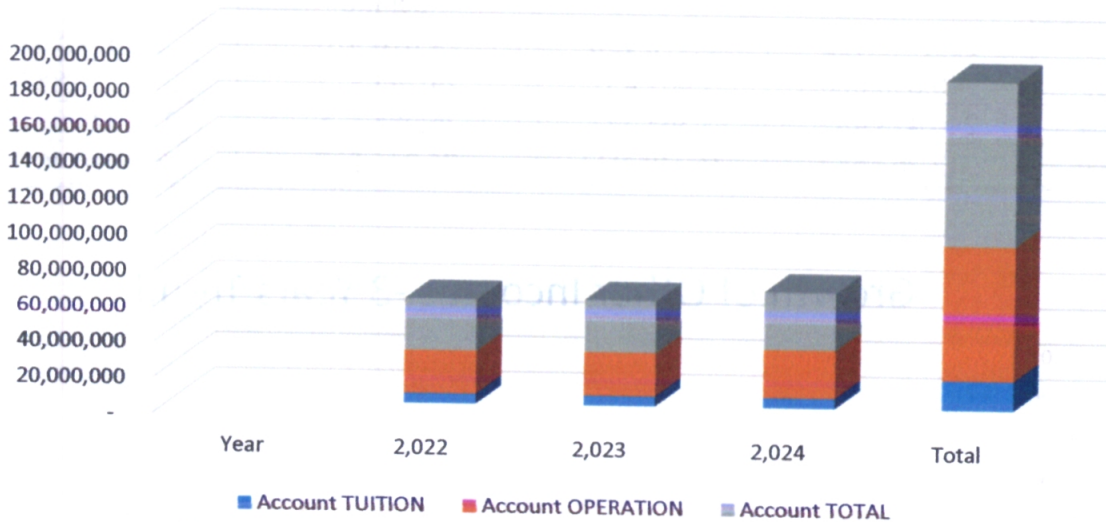
| Financial Performance - 3 Years Trend | | | | |
|---------------------------------------|-------------|------------|---------|------------|
| Year | School Fund | Operation | Tuition | Total |
| 2022 | -10,142,602 | 931,813 | 324,091 | -8,886,698 |
| 2023 | -8,920,386 | 10,906,174 | 631,031 | 2,616,819 |
| 2024 | 1,145,379 | -458,8022 | -71,311 | -3,513,954 |
| Total | -17,917,609 | 7,249,965 | 883,811 | -9,783,833 |



ii). Capitation grants from the Ministry of Education for the last three years

| CAPITATION GRANT -3 Years Trend | | | |
|---------------------------------|------------|------------|------------|
| Year | TUITION | OPERATION | TOTAL |
| 2022 | 5,478,159 | 24,016,320 | 29,494,479 |
| 2023 | 5,462,431 | 24,244,373 | 29,706,804 |
| 2024 | 5,565,344 | 26,986,135 | 32,551,479 |
| Total | 16,505,934 | 75,246,828 | 91,752,762 |

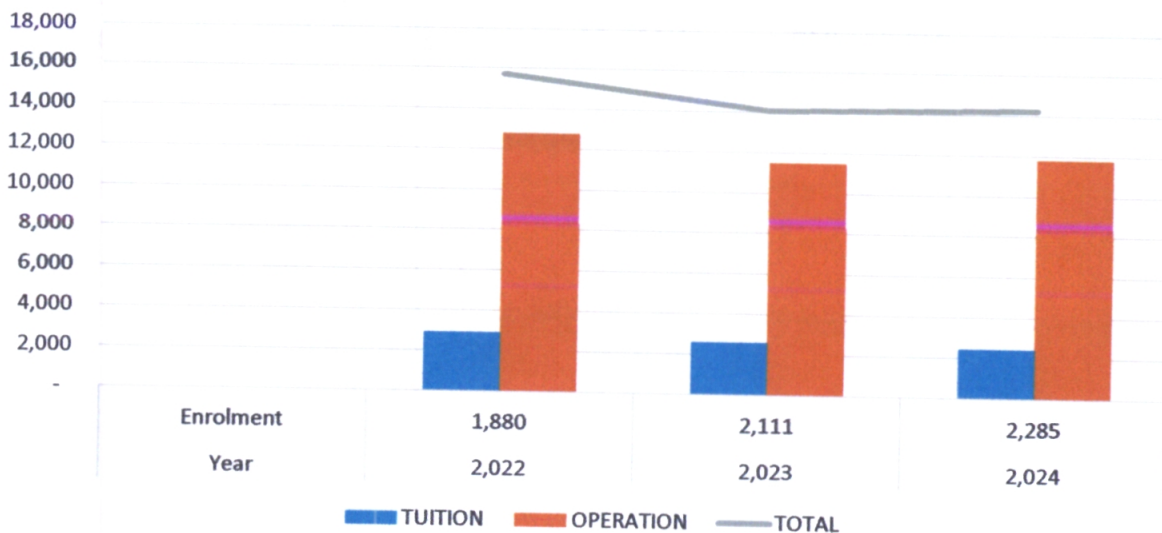
CAPITATION GRANT -3 Years Trend



iii). Ratio of Capitation grant per student over the last three years

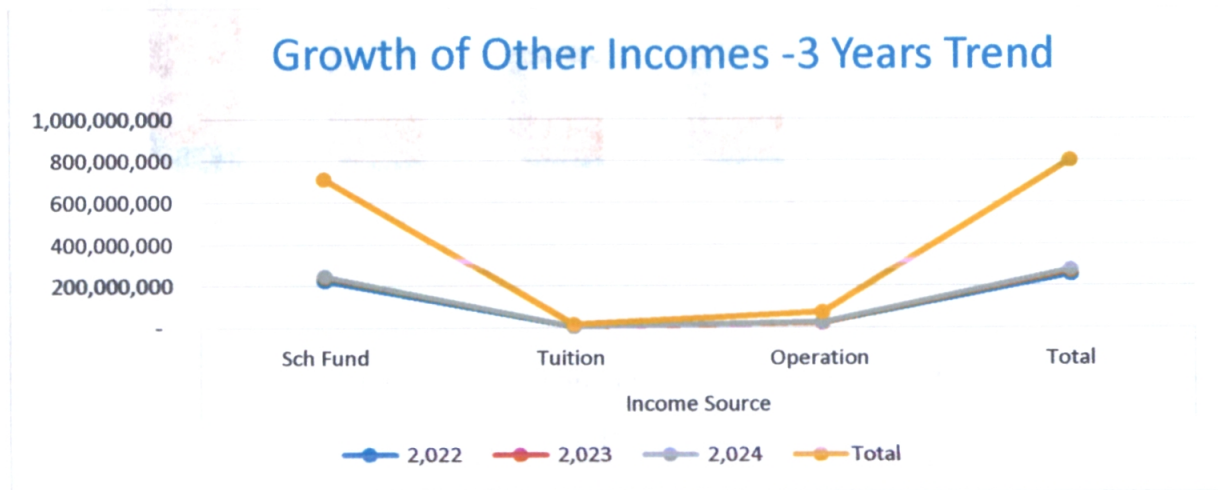
| Capitation Grant Per Child -3 Years Trend | | | | |
|---|-----------|---------|------------|--------|
| Year | Enrolment | Tuition | Operations | Total |
| 2022 | 1,880 | 2,914 | 12,775 | 15,689 |
| 2023 | 2,111 | 2,587 | 11,484 | 14,071 |
| 2024 | 2,285 | 2,436 | 11,810 | 14,246 |

Capitation Grant Per Child -3 Years Trend



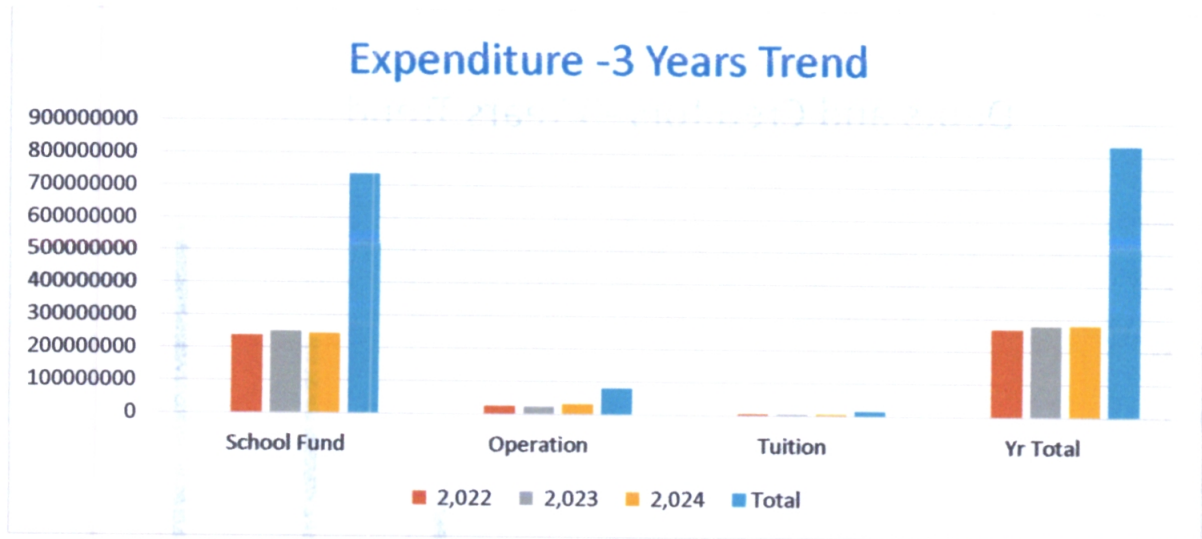
iv). A three-year overview of growth of income earned by the school.

| Growth of Other Incomes -3 Years Trend | | | | |
|--|--------------------|-------------------|-------------------|--------------------|
| Year | School Fund | Tuition | Operation | Total |
| 2022 | 225,140,085 | 5,478,158 | 24,016,320 | 254,634,563 |
| 2023 | 240,650,080 | 5,462,431 | 24,244,372 | 270,356,883 |
| 2024 | 246,473,482 | 5,565,344 | 26,986,135 | 279,024,961 |
| Total | 712,263,647 | 16,505,933 | 75,246,827 | 804,016,407 |



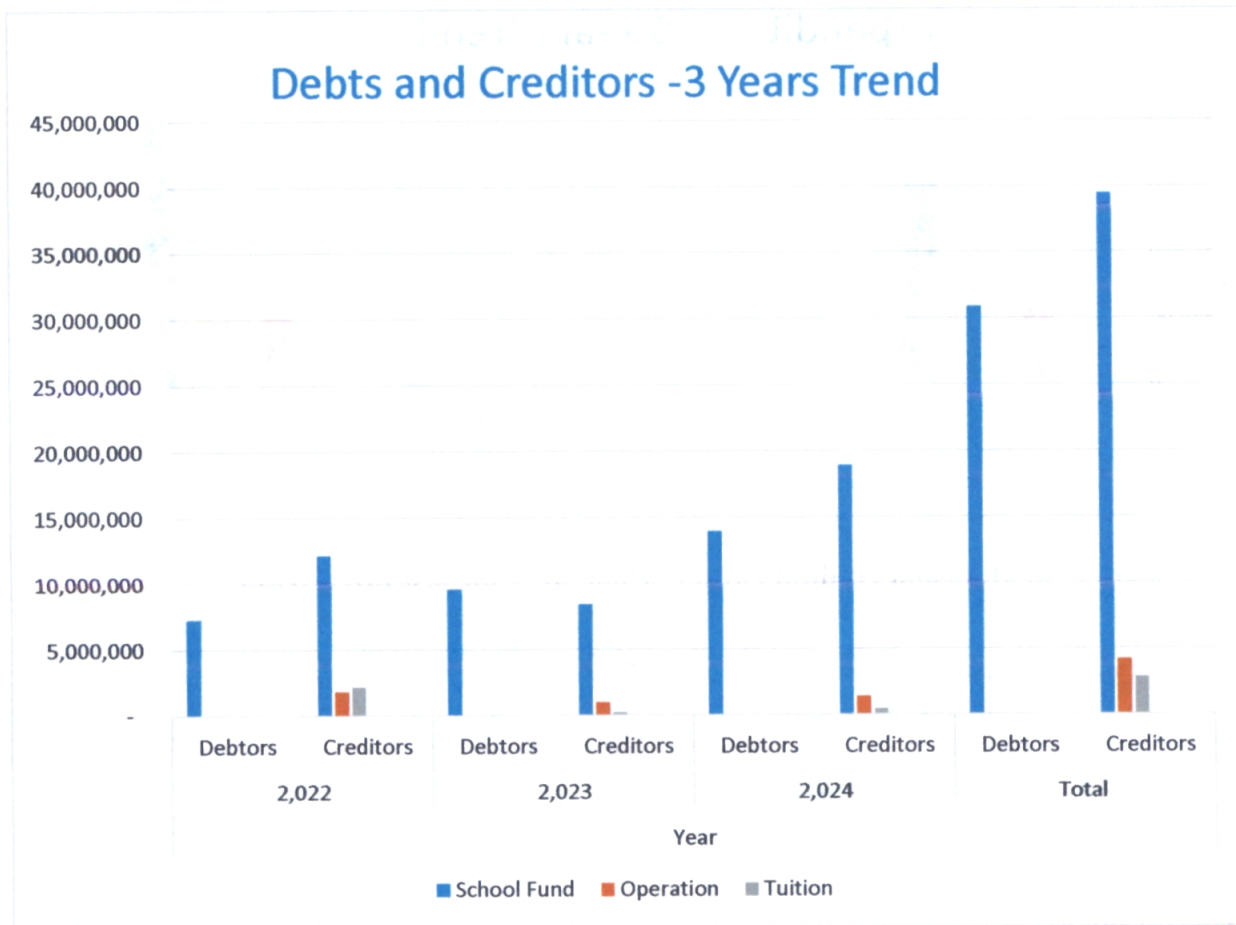
v). A three-year overview of growth in expenditure of the school

| Expenditure -3 Years Trend | | | | |
|----------------------------|--------------------|-------------------|-------------------|--------------------|
| Year | School Fund | Operation | Tuition | Year Total |
| 2022 | 238,595,013 | 25,426,029 | 5,154,068 | 269,175,110 |
| 2023 | 251,601,726 | 23,338,198 | 4,831,400 | 279,771,324 |
| 2024 | 245,328,103 | 31,574,157 | 5,636,655 | 282,538,915 |
| Total | 735,524,842 | 80,338,384 | 15,622,123 | 831,485,349 |



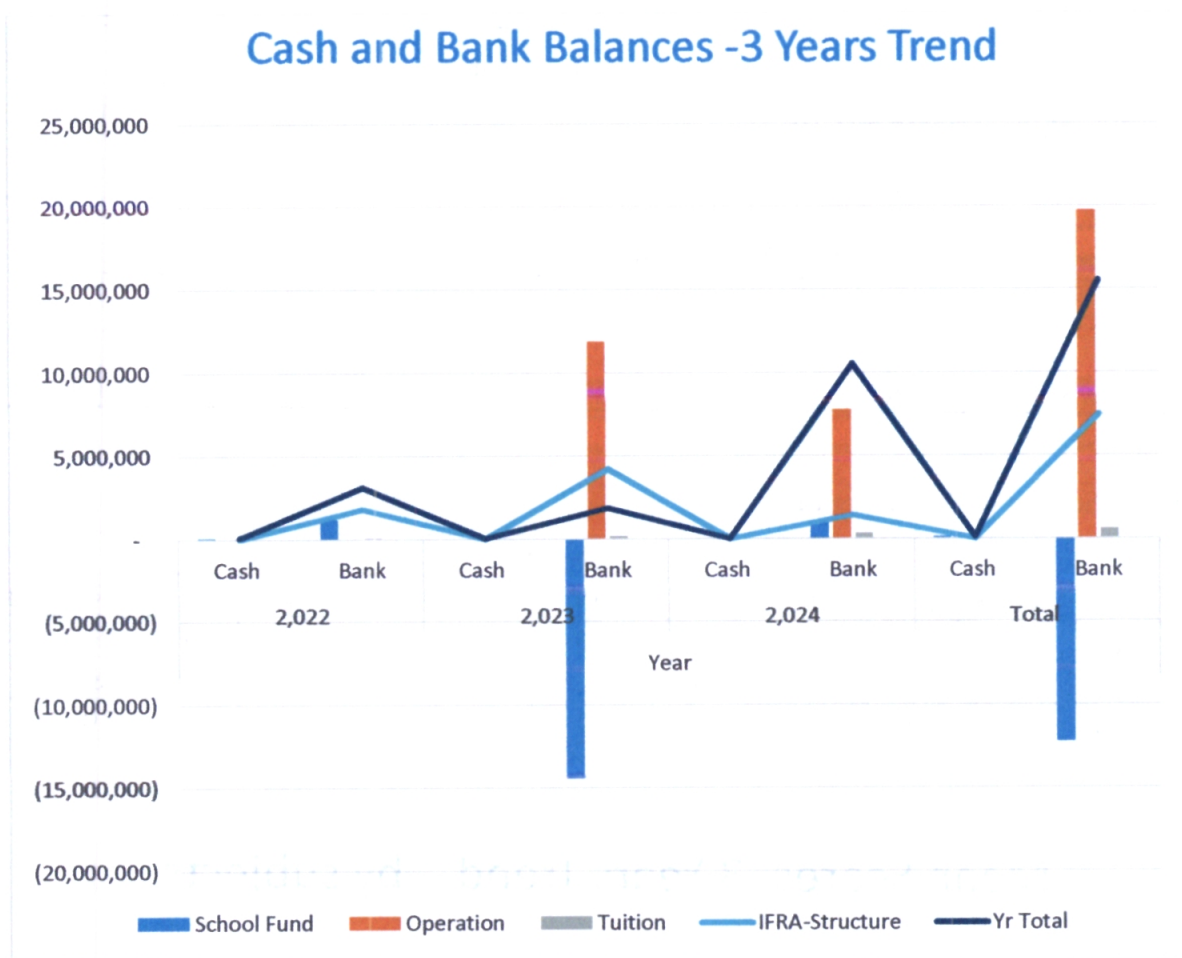
vi). Movement of debtors and creditors of the school over the last three years

| Debts and Creditors -3 Years Trend | | | | | |
|------------------------------------|-----------|-------------|-----------|-----------|------------|
| Year | | School Fund | Operation | Tuition | Total |
| 2022 | Debtors | 7,311,529 | - | - | 7,311,529 |
| | Creditors | 12,160,772 | 1,811,936 | 2,184,200 | 16,156,908 |
| 2023 | Debtors | 9,606,509 | - | - | 9,606,509 |
| | Creditors | 8,428,059 | 976,928 | 216,500 | 9,621,487 |
| 2024 | Debtors | 13,956,367 | - | - | 13,956,367 |
| | Creditors | 18,897,758 | 1,400,800 | 435,000 | 20,733,558 |
| Total | Debtors | 30,874,405 | - | - | 30,874,405 |
| | Creditors | 39,486,589 | 4,189,664 | 2,835,700 | 46,511,953 |



vii). Movement of cash and bank balances over the last three years

| Cash and Bank Balances -3 Years Trend | | | | | | |
|---------------------------------------|------|--------------|------------|---------|----------------|------------|
| Year | | School Fund | Operation | Tuition | Infrastructure | Year Total |
| 2022 | Cash | 68,483 | - | - | - | 68,483 |
| | Bank | 1,189,388 | 54,074 | 75,461 | 1,806,542 | 3,125,465 |
| 2023 | Cash | 33,290 | - | - | - | 33,290 |
| | Bank | (14,421,820) | 11,901,177 | 180,823 | 4,222,052 | 1,882,232 |
| 2024 | Cash | 13,829 | - | - | - | 13,829 |
| | Bank | 1,034,014 | 7,752,027 | 328,011 | 1,431,071 | 10,545,123 |
| Total | Cash | 115,602 | - | - | - | 115,602 |
| | Bank | (12,198,418) | 19,707,278 | 584,295 | 7,459,665 | 15,552,820 |



b) Teacher Student ratio:

Ratio of students to Teachers

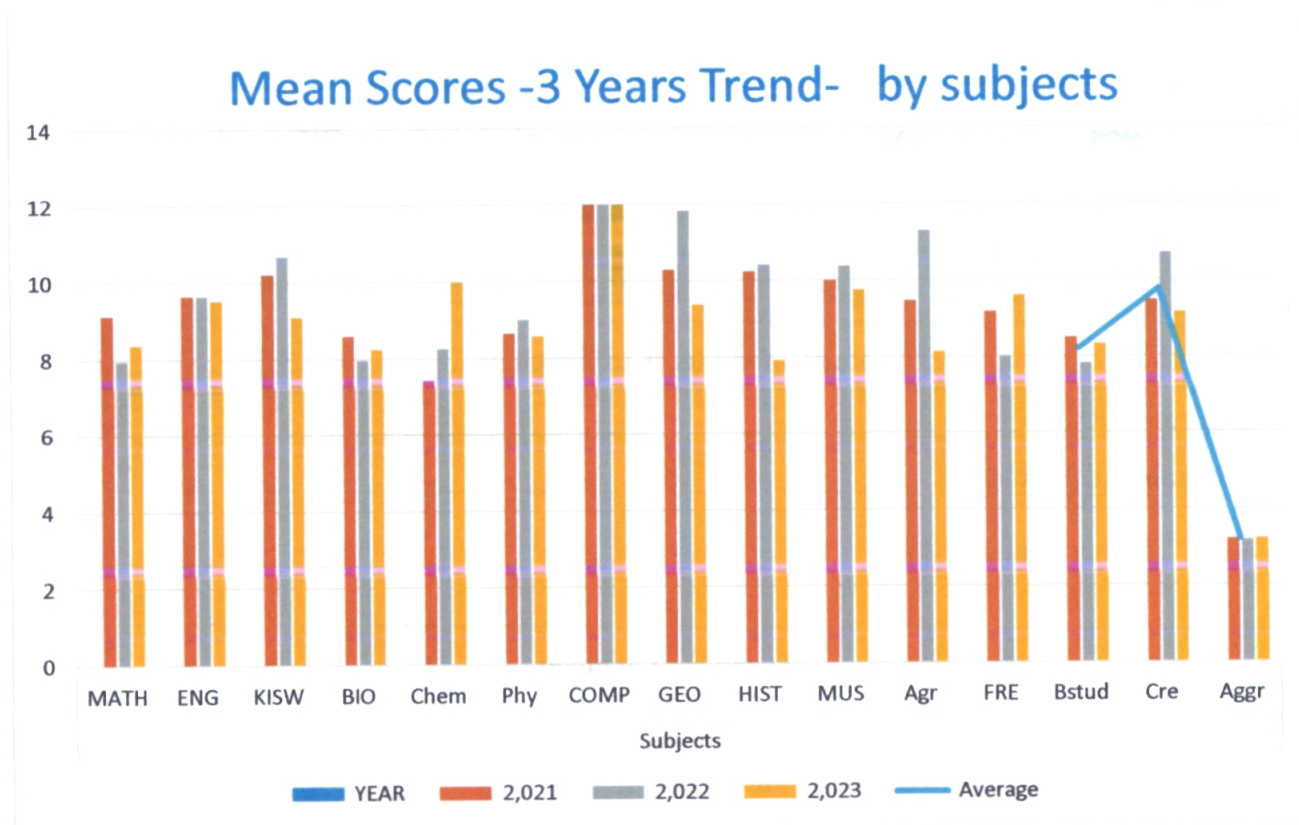
| Ratio of students to Teachers | |
|-------------------------------|-------|
| Total Enrolment | 2,285 |
| Total Number of Teachers | 92 |
| Students: Teacher's ratio | 1:35 |

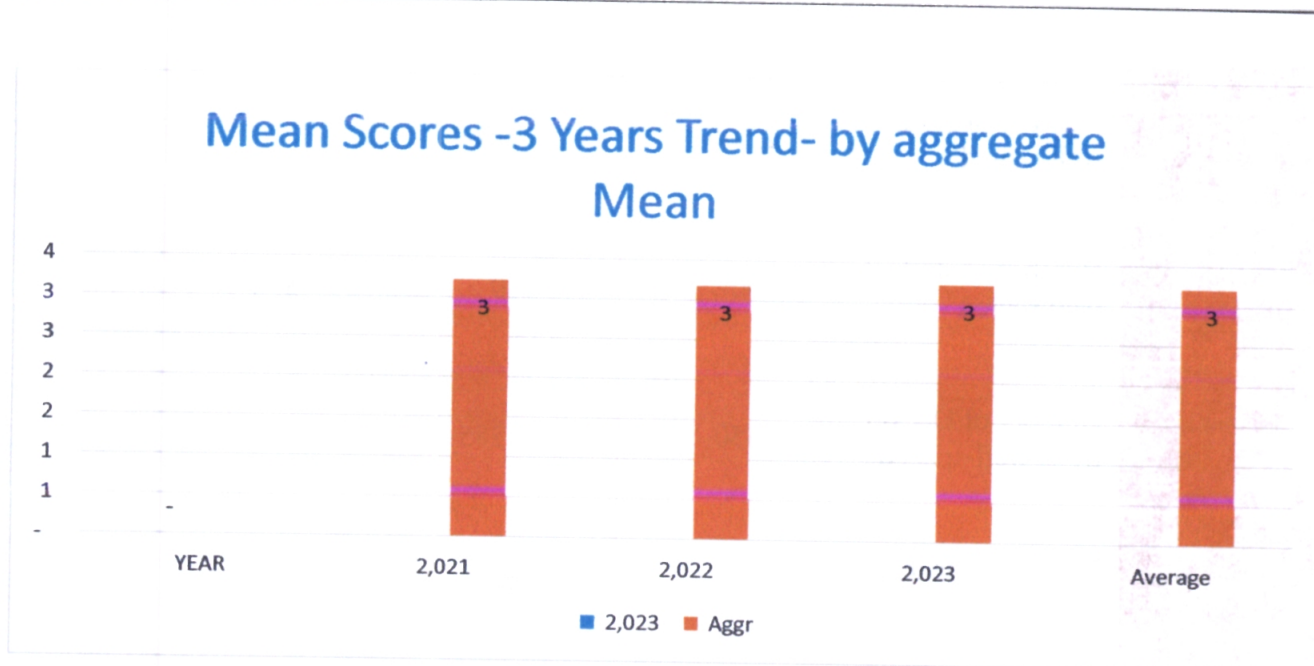
| Teachers Turnover | |
|---|----------|
| Number of teachers recruited in the year | 0 |
| Number of teachers transferred inwards in the year | 4 |
| Number of teachers transferred outwards in the year | 3 |
| Net inflow of teachers | 1 |

| Teachers Employment | |
|---|----|
| Number of teachers required by CBE | 90 |
| Number of teachers employed by TSC | 83 |
| Shortage Number of teachers before BOM teachers | 19 |
| Number of teachers employed by BOM | 7 |
| Net Shortage Number of teachers | 0 |

c) Mean Scores -3 Years Trend

| YEAR | Subjects | | | | | | | | | | | | | |
|------|----------|-----|------|-----|------|-----|------|-----|------|-----|-----|-----|-----|-----|
| | MATH | ENG | KISW | BIO | CHEM | PHY | COMP | GEO | HIST | MUS | AGR | FRE | B/S | CRE |
| 2021 | 9 | 10 | 10 | 9 | 7 | 9 | 12 | 10 | 10 | 10 | 9 | 9 | 8 | 9 |
| 2022 | 8 | 10 | 11 | 8 | 8 | 9 | 12 | 12 | 10 | 10 | 11 | 8 | 8 | 11 |
| 2023 | 8 | 10 | 9 | 8 | 10 | 9 | 12 | 9 | 8 | 10 | 8 | 10 | 8 | 9 |





d) Number of Candidates who sat for KCSE:

| 2023 | 2022 | 2021 |
|------|------|------|
| 412 | 326 | 305 |

e) Capacity of the school:

| Area | Means of infrastructure measurement | Quantity of infrastructure required | Actual quantity of infrastructure available | Infrastructure gap |
|--------------|-------------------------------------|-------------------------------------|---|--------------------|
| Classrooms | Number of classes | 47 | 38 | 9 |
| Laboratories | Number of laboratories | 8 | 6 | 2 |
| Toilet Doors | Number of toilet doors | 220 | 144 | 76 |
| Offices | Number of offices | 27 | 16 | 11 |

| | | | | |
|----------------------|--|-------|-------|------------------|
| Dining Hall | Number of students well seated | 2,500 | 2,500 | |
| Library | Number of students well seated | 400 | 80 | 320 |
| Hostels | Number of Decker Beds well-spaced | 2450 | 2285 | 165 |
| Staffroom | Number of teachers well seated | 100 | 70 | 30 |
| Boardroom | Number of BOM members well seated | 25 | 15 | 10 |
| Staff housing | No of staff properly housed | 40 | 16 | 24 Housing Units |

f) Development projects carried out by the school:

| Projects Analysis | | | | |
|----------------------------|------------------------------------|----------------------------------|----------------------------------|-------------------------------|
| | Name of project | | | |
| | Construction of a classroom | Construction of Dormitory | Purchase of 67-Seater Bus | Cabro Fixing |
| Estimated (BQ) Cost | 14,137,040.00 | 18,737,565.00 | 13,400,000.00 | 4,270,000.00 |
| Source(s) of Funding | M&I/Dev. Fund | M&I/Dev. Fund | Parent Assoc. | Parent Assoc. |
| Contract Cost | 3,136,115 | 5,946,640 | 13,400,000.00 | 4,270,000.00 |
| Start Date of project | 26/1/2024 | 28/12/2023 | 1 ST . July, 2022 | 1 ST . July, 2023 |
| Expected Completion date | 31/5/2024 | 31/3/2024 | 28 TH February, 2025 | 31 ST . July, 2023 |
| Status | WIP | WIP | WIP | Complete |
| Amount due on project | 391,915 | 2,851,237 | 3,407,644.00 | 0 |
| Amount paid | 2,744,200 | 3,095,403 | 5,048,370.00 | 4,270,000.00 |
| Project success/challenges | Classroom construction ongoing. | Dormitory construction ongoing. | Bus purchase ongoing. | Cabro well fixed. |



School Principal

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.

Name: Eng. Anthony Mwaura

Sign: 

Designation: Chairman, School Board of Management

Date: 22/9/2024

Name: Willie M. Kuria

Sign: 

Designation: School Principal & Secretary to Board of Management

Date: 22/9/2024

Name: Ephantus K. Kimani

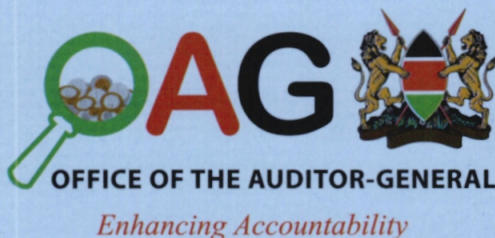
Sign: 

Designation: Bursar/ Finance Officer

Date: 22/9/2024

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 MURANG'A HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - MURANG'A 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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 Murang'a High School-Murang'a County set out on pages 1 to 16, which comprise the statement financial assets and

liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows, statement of budgeted versus actual amounts and notes to the financial statements 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 effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Murang'a High School-Murang'a County as at 30 June, 2024 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

Long Outstanding Receivables.

The statement of financial assets and liabilities reflects accounts receivable balance of Kshs.25,459,670 in respect of fees arrears as disclosed in Note 12 to the financial statements. However, included in the balance are receivables amounting to Kshs.13,739,086 which had been outstanding for more than two (2) years. Further, there was no policy on the impairment of long outstanding fees casting doubt on fair statement of the accounts receivable balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.13,739,086 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Murang'a High School Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit section of the report, including in relation to these matters. Accordingly, the audit included

the performance of procedures designed to respond to the assessment of the risks of material misstatement of the financial statements. The results of the audit procedures, including the procedures performed to address the matters above, provide the basis for my audit opinion on the accompanying financial statements.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024

Other Information

Non-financial Information

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

In connection with my audit on the School's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information and I am required to report that fact. Based on the audit procedures performed and the matters described in my Basis for Qualified Opinion, I confirm that Other Information is not materially inconsistent with the financial statements.

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 USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.245,328,103 as disclosed in Note 9 to the financial statements. Included in expenditure is the administration costs of Kshs.23,624,953 which further includes an amount of Kshs.1,539,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.1,539,000 could not be confirmed.

2. Failure to Prepare School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan. This was contrary to Paragraph 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 Ministry of Education Operation Manual.

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

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

Conclusion

As required by Section 7(1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matters described in the Basis for Effectiveness in 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

1. Lack of Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.763,286,933 in respect of fixed assets which includes land with a balance of Kshs.240,000,000. However, the titles are in the name of Diocese of Murang'a Registered Trustees despite Circulars from the Ministry of Education requiring all public schools acquire the title deeds for their school land.

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

2. Lack of Internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the School did not benefit from the oversight role and advice from the audit committee and the internal audit function.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 2315 and 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 control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and 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 the Management is aware of the intention to cease operations.

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

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

The Board of Management is responsible for overseeing the School'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 for 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 IFPP 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

26 June, 2025

MURANG'A HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****5. Statement Of Receipts and Payments For the Year Ended 30th June 2024**

| Description Of Vote Head | Note | 2023-2024 | 2022 – 2023 |
|--|------|--------------------|--------------------|
| | | Kshs | Kshs |
| Receipts | | | |
| Government Grants for Tuition | 1 | 5,565,344 | 5,462,431 |
| Government Grants for Operations | 2 | 26,986,135 | 34,244,372 |
| Government Grants for Infrastructure | 3 | 16,123,200 | 12,004,149 |
| School Fund Income- Parents' Contributions | 4 | 227,779,802 | 208,966,656 |
| Miscellaneous Incomes | 5 | 18,693,680 | 33,714,984 |
| Total Receipts | | 295,148,160 | 294,392,592 |
| Payments | | | |
| Tuition | 6 | 5,636,655 | 4,831,400 |
| Operations | 7 | 31,574,157 | 23,338,198 |
| Infrastructure | 8 | 14,788,964 | 12,119,543 |
| Boarding and School Fund | 9 | 245,328,103 | 251,602,025 |
| Total Payments | | 297,327,879 | 291,891,166 |
| Surplus/Deficit | | (2,179,719) | 2,501,426 |

The school financial statements were approved on 27th September, 2024 and signed by:


.....

Name: Eng Anthony Mwaura

Chair BOM

Date: 27/9/2024


.....

Name: Willie M Kuria
School Principal/ Secretary to
BOM

Date: 27/9/2024


.....

Name: Ephantus K. Kimani

Bursar/ Finance Officer

Date: 27/9/2024

6. Statement of Assets and Liabilities As At 30th June 2024

| Description | Note | 2023-2024 | 2023 – 2023 |
|---------------------------------------|------|-------------------|-------------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances | 10 | 15,869,269 | 7,918,311 |
| Cash Balances | 11 | 13,827 | 33,290 |
| Total Cash and Cash Equivalent | | 15,883,096 | 7,951,601 |
| Account's Receivables | 12 | 25,459,670 | 15,250,844 |
| Total Financial Assets | | 41,342,766 | 23,202,446 |
| Financial Liabilities | | | |
| Accounts Payables | 13 | 25,622,498 | 15,974,625 |
| Net Financial Assets | | 15,720,268 | 7,227,820 |
| Represented by | | | |
| Accumulated Fund b/fwd | 14 | 17,899,987 | 4,726,394 |
| Surplus/Deficit for the Year | | (2,179,719) | 2,501,726 |
| Net financial position | | 15,720,268 | 7,227,820 |

The school's financial statements were approved on 27th September, 2024 and signed by:

Sign.....
 Name: Anthony Mwaura
 Chair BOM
 Date: 27/9/2024

Sign.....
 Name: Willie M Kuria
 School Principal/ Secretary to
 BOM
 Date: 27/9/2024

Sign.....
 Name: Ephantus K. Kimani
 Bursar/ Finance Officer
 Date: 27/9/2024

7. Statement of Cash Flows for the Year Ended 30th June 2024

| Description | Note | 2023-2024 | 2022 – 2023 |
|---|------|--------------------|--------------------|
| | | Kshs | Kshs |
| Cash from Operating Activities | | | |
| Receipts | | | |
| Government Grants for Tuition | 1 | 5,565,344 | 5,462,432 |
| Government Grants for Operations | 2a | 27,001,135 | 34,244,373 |
| Government Grants for Infrastructure | 3 | 16,123,200 | 12,004,149 |
| School Fund Income- Parents Contributions | 4a | 225,890,004 | 212,276,175 |
| Miscellaneous Receipts – Farm account | 5 | 17,832,980 | 33,714,984 |
| Dispensary Account | 5 | 860,700 | |
| Total Receipts | | 293,273,362 | 297,702,112 |
| Payments | | | |
| Cash Outflows for Tuition | 6a | 5,418,155 | 5,357,071 |
| Cash Outflows for Operations | 7a | 31,150,285 | 22,397,271 |
| Infrastructure Account | 8 | 14,788,964 | 12,119,544 |
| Cash Outflows Boarding/School Fund Payments | 9a | 210,453,633 | 257,190,788 |
| Farm Account | 9a | 19,529,963 | 0.00 |
| Dispensary Account | | 4,000,868 | |
| Total Payments | | 285,341,868 | 297,064,674 |
| | | | |
| Net Cash Inflow/Outflow from Operating Activities | | 7,931,494 | 637,438 |
| | | | |
| Net increase/decrease in cash and cash equivalents | | 7,931,494 | 637,438 |
| Cash and cash equivalent at beginning of the FY | | 7,951,602 | 7,314,160 |
| Cash and cash equivalent at end of the FY | | 15,883,096 | 7,951,601 |

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. School therefore adopted the direct method of cashflow as recommended by PSASB.

The school's financial statements were approved on 27th September, 2024 and signed by:

Sign..........

Name: Anthony Mwaura

Chair BOM

Date: 27/9/2024

Sign..........

Name: Willie M. Kuria
School

Principal/BOM Secretary

Date: 27/9/2024

Sign..........

Name: Ephantus K. Kimani

Bursar/ Finance Officer

Date: 27/9/2024

8. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2024

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|------------------------------------|------------------------|--------------------|---------------------|-----------------------------------|-------------------------|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Receipts | | | | | |
| (1) Grants on Tuition | | | | | |
| Reference/Lib. Materials | 270,000 | 0 | 270,000 | 237,367 | 88% |
| Exercise Books | 1,416,000 | 0 | 1,416,000 | 1,406,894 | 99% |
| Laboratory Equipment | 2,768,000 | 0 | 2,768,000 | 2,767,222 | 99% |
| Internal Exams | 444,000 | 0 | 444,000 | 342,706 | 77% |
| T & L Materials | 840,000 | 0 | 840,000 | 811,155 | 97% |
| (2) Grants on Operations | | | | | |
| Personnel Emoluments | 9,100,000 | 0 | 9,100,000 | 9,100,000 | 100% |
| Repairs and Maintenance | 16,124,000 | 0 | 16,124,000 | 8,797,300 | 55% |
| Transport and Travel | 550,000 | 0 | 550,000 | 550,000 | 100% |
| Electricity and Water | 700,000 | 0 | 700,000 | 700,000 | 100% |
| Medical Insurance | 1,821,000 | 0 | 1,821,000 | 1,820,325 | 99% |
| Administration Costs | 4,376,000 | 0 | 4,376,000 | 4,219,934 | 96% |
| Activity | 1,800,000 | 0 | 1,800,000 | 1,798,576 | 99% |
| 3) Infrastructure Fund | | | | | |
| Maintenance & Improvement | 16,123,200 | 0 | 16,123,200 | 16,123,200 | 100% |
| (4) Fees on Parents | | | | | |
| Personnel Emoluments | 18,810,000 | 0 | 18,810,000 | 18,809,996 | 99% |
| Repairs and Maintenance | 4,488,000 | 0 | 4,488,000 | 4,486,171 | 99% |
| Transport and Travel | 9,081,000 | 0 | 9,081,000 | 7,554,640 | 83% |
| Electricity and Water | 12,660,000 | 0 | 12,660,000 | 12,270,486 | 97% |
| Administration Costs | 23,625,000 | 0 | 23,625,000 | 20,972,366 | 90% |
| Activity | 3,186,000 | 0 | 3,186,000 | 2,331,214 | 73% |
| Uniform | 16,066,000 | 0 | 16,066,000 | 15,546,133 | 98% |
| PA Projects | 23,294,000 | 0 | 23,294,000 | 23,293,096 | 100% |
| Development Fund | 35,851,000 | 0 | 35,851,000 | 35,850,077 | 99% |
| Boarding Equipment and Stores | 90,924,000 | 0 | 90,924,000 | 75,601,095 | 84% |
| Bakery Unit | 3,993,000 | 0 | 3,993,000 | 3,254,290 | 82% |
| Total Income | 298,310,200 | | 298,310,200 | 268,644,243 | |
| (6) Expenditure for Tuition | | | | | |
| Reference/Lib. Materials | 270,000 | 0 | 270,000 | 268,500 | 99% |

MURANG'A HIGH SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2024

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|---------------------------------------|------------------------|--------------------|---------------------|-----------------------------------|-------------------------|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Exercise Books | 1,416,000 | 0 | 1,416,000 | 1,416,000 | 100% |
| Laboratory Equipment | 2,768,000 | 0 | 2,768,000 | 2,669,360 | 96% |
| Internal Exams | 444,000 | 0 | 444,000 | 443,674 | 99% |
| T & L Materials | 840,000 | 0 | 840,000 | 838,171 | 99% |
| (7) Operations Expenditure | | | | | |
| Personnel Emoluments | 9,100,000 | 0 | 9,100,000 | 9,034,570 | 99% |
| Repairs and Maintenance | 16,124,000 | 0 | 16,124,000 | 16,123,200 | 99% |
| Transport and Travel | 550,000 | 0 | 550,000 | 511,970 | 93% |
| Electricity and Water | 700,000 | 0 | 700,000 | 669,089 | 95% |
| Medical Insurance | 1,821,000 | 0 | 1,821,000 | 677,531 | 37% |
| Administration Costs | 4,376,000 | 0 | 4,376,000 | 4,375,032 | 99% |
| Activity | 1,800,000 | 0 | 1,800,000 | 178,900 | 9.9% |
| (8) infrastructure expenditure | | | | | |
| Construction of Classroom | 8,326,242 | 0 | 8,326,242 | 6,987,751 | 84% |
| Construction of Dormitory | 7,278,958 | 0 | 7,278,958 | 7,278,958 | 100% |
| Cabros | 518,000 | 0 | 518,000 | 518,000 | 100% |
| (9) School fund expenditure | | | | | |
| Personnel Emoluments | 18,810,000 | 0 | 18,810,000 | 14,150,338 | 75% |
| Repairs and Maintenance | 4,488,000 | 0 | 4,488,000 | 1,767,137 | 40% |
| Transport and Travel | 9,081,000 | 0 | 9,081,000 | 9,080,672 | 99% |
| Electricity and Water | 12,660,000 | 0 | 12,660,000 | 12,658,513 | 98% |
| Administration Costs | 23,625,000 | 0 | 23,625,000 | 23,624,953 | 99% |
| Activity | 3,186,000 | 0 | 3,186,000 | 3,185,855 | 99% |
| Uniform | 16,066,000 | 0 | 16,066,000 | 16,065,820 | 99% |
| PA Projects | 23,294,000 | 0 | 23,294,000 | 12,500,907 | 68% |
| Development Fund | 35,851,000 | 0 | 35,851,000 | 33,215,400 | 93% |
| Boarding Equipment and Stores | 90,924,000 | 0 | 90,924,000 | 90,923,813 | 99% |
| Bakery Unit | 3,993,000 | 0 | 3,993,000 | 3,992,700 | 99% |
| Totals Expenditure | 298,310,200 | | 298,310,200 | 273,156,814 | |

9. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

This cash basis of accounting has been supplemented with accounting for; a) receivables that include 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 2024.

10. Notes To The Financial Statements

1 Government Grants for Tuition

| Description | 2023-2024 | 2022 – 2023 |
|---------------------------------|------------------|------------------|
| | Kshs | Kshs |
| Reference Materials | 237,367 | 395,000 |
| Exercise Books | 1,406,894 | 820,274 |
| Laboratory Equipment | 2,767,222 | 1,869,880 |
| Internal Exams | 342,706 | 950,000 |
| Teaching and Learning Materials | 811,155 | 1,427,277 |
| Total | 5,565,344 | 5,462,431 |

2 Government Grants for Operations

| Description | 2023-2024 | 2022 – 2023 |
|----------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Personnel Emoluments | 9,100,000 | 8,636,773 |
| Repairs and Maintenance | 8,797,300 | 8,100,000 |
| Transport and Travel | 550,000 | 850,000 |
| Electricity and Water | 700,000 | 1,568,000 |
| Medical | 1,820,325 | 1,480,000 |
| Administration Costs | 4,219,934 | 2,820,000 |
| Activity | 1,798,576 | 789,600 |
| Transition Infrastructure Grants | 0 | 10,000,000 |
| Total | 26,986,135 | 34,244,373 |

2a. Government Grants for Operations – Note to Cashflow

| Description | 2023-2024 | 2022 – 2023 |
|--|-------------------|--------------------|
| | Kshs | Kshs |
| Reported in statement of receipts and payments | 26,986,135 | 208,966,656 |
| Add Inter account borrowing to school fund a/c | 15,000 | 6,353,138 |
| Total | 27,001,135 | 212,276,175 |

3 Government Grants for infrastructure

| Description | 2023-2024 | 2022 – 2023 |
|-------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Maintenance & Improvement MOE | 16,123,200 | 12,004,149 |
| Total | 16,123,200 | 12,004,149 |

4 School Fund Income - Parents Contribution/Fees

| Description | 2023-2024 | 2022 – 2023 |
|-------------------------------|--------------------|--------------------|
| | Kshs | Kshs |
| Personnel Emoluments | 18,809,996 | 21,846,133 |
| Repairs and Maintenance | 4,486,171 | 4,464,952 |
| Transport and Travel | 7,554,640 | 7,442,232 |
| Electricity and Water | 12,270,486 | 10,041,626 |
| Uniform | 15,546,133 | 15,551,391 |
| Medical | 16,658 | 38,472 |
| Administration Costs | 20,972,366 | 12,358,553 |
| Activity | 2,331,214 | 1,992,950 |
| Boarding Equipment and Stores | 75,601,095 | 76,090,138 |
| P.A Project | 23,293,096 | 28,929,446 |
| Development Fund | 35,850,077 | 30,210,763 |
| Leasing activities | 2,389,600 | 0 |
| Income generating activities | 8,040,745 | 9,831,812 |
| Rent | 386,000 | 238,000 |
| Farm | 27,965 | 0 |
| Pocket Money | 203,560 | 245,032 |
| Total | 227,779,802 | 208,966,656 |

4a. School Fund Income - Parents Contribution/Fees & other Monies – Note to Cashflow

| Description | 2023-2024 | 2022 – 2023 |
|--|--------------------|--------------------|
| | Kshs | Kshs |
| Reported in statement of receipts and payments | 227,779,802 | 208,966,656 |
| Add Receipts from dispensary account | 4,000,000 | 6,353,138 |
| Less fees debtors | (14,016,267) | (9,606,509) |
| Add fee arrears collected | 8,126,469 | 6,562,890 |
| Total | 225,890,004 | 212,276,175 |

5 Miscellaneous Incomes – Farm and Dispensary

| Description | 2023-2024 | 2022 – 2023 |
|------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Point of sale Income | 13,745,865 | 14,187,127 |
| School Farm | 832,825 | 1,523,573 |
| Bakery | 3,254,290 | 4,687,880 |
| NHIF Edu Afya receipts | 860,700 | 3,001,560 |
| Total | 18,693,680 | 23,400,140 |

Point of sale income comprises of clubs and societies, Christian union and catholic action activities, canteen sales, shaving, student's welfare, labelling, special meals and other students' personal effects

MURANG'A HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024**

whereas income generating activities comprises of school bus hire, school band hire, damages paid, hire of school facilities for workshop and training and any other non-budgeted income

6 Tuition

| Description | 2023-2024 | 2022 – 2023 |
|---------------------------------|------------------|------------------|
| | Kshs | Kshs |
| Exercise Books | 1,416,000 | 750,288 |
| Reference Materials | 268,500 | 392,710 |
| Laboratory Equipment | 2,669,360 | 2,227,028 |
| Teaching and Learning Materials | 838,171 | 540,014 |
| Internal Exams and Assessment | 443,674 | 920,880 |
| Bank Charges | 950 | 480 |
| Total | 5,636,655 | 4,831,400 |

6a. Tuition – Note to Cashflow

| Description | 2023-2024 | 2022 – 2023 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Reported in Statement of Receipts and Payments | 5,636,655 | 4,831,400 |
| Add previous creditors paid within the year | 216,500 | 742,170 |
| Less accrued expenses during the year | (435,000) | (216,500) |
| Total | 5,418,155 | 5,357,070 |

7 Operations

| Description | 2023-2024 | 2022 – 2023 |
|-------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Personal Emoluments | 9,034,570 | 8,180,495 |
| Administration Cost | 4,375,032 | 2,817,500 |
| Repairs and Maintenance | 0.00 | 8,100,000 |
| Transport and Travel | 511,970 | 844,413 |
| Electricity and Water | 669,089 | 1,566,727 |
| Medical | 677,531 | 1,472,253 |
| Activity Expenses | 178,900 | 356,810 |
| Infrastructure Account | 16,123,200 | 0 |
| Bank Charges | 3,865 | 0 |
| Total | 31,574,157 | 23,338,198 |

7a. Operations- Note to Cashflow

| Description | 2023-2024 | 2021-2022 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| Reported in Statement of Receipts and Payments | 31,574,157 | 23,338,198 |
| Add previous creditors paid within the year | 976,928 | 36,000 |
| Less accrued expenses during the year | 1,400,800 | (976,928) |
| Total | 31,150,285 | 22,397,270 |

8 Infrastructure

| Description | 2023-2024 | 2022 – 2023 |
|-----------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Construction of Science Classroom | 6,987,751 | 4,520,607 |
| Construction of Science Dormitory | 7,278,958 | 7,489,500 |
| Gate Project | 0 | 108,236 |
| Cabros | 518,000 | 0 |
| Bank Charges | 4,255 | 1,200 |
| Total | 14,788,964 | 12,119,543 |

9 Boarding and School Fund

| Description | 2023-2024 | 2022 – 2023 |
|-------------------------------|--------------------|--------------------|
| | Kshs | Kshs |
| Personal Emoluments | 14,150,338 | 15,959,350 |
| Repairs and Maintenance | 1,767,137 | 5,945,204 |
| Transport and Travel | 9,080,672 | 9,352,694 |
| Electricity and Water | 12,658,513 | 13,495,547 |
| Medical Expenses | 1,801,278 | 1,678,941 |
| Administration Costs | 23,624,953 | 24,215,278 |
| Bank Charges | 305,135 | 6,899 |
| Boarding Equipment and Stores | 90,923,813 | 74,521,847 |
| Rent Expenses | 280,000 | 319,680 |
| Activity | 3,185,855 | 3,699,381 |
| PA Project | 12,500,907 | 11,388,520 |
| Income Generating Activities | 3,421,725 | 1,783,945 |
| Bakery | 3,992,700 | 4,945,825 |
| Farm Activities | 2,351,301 | 2,026,236 |
| Pocket Money | 13,000 | 6,796 |
| School Transport | 0 | 6,678,442 |
| Development Fund | 33,215,400 | 47,671,753 |
| Uniform | 16,065,820 | 18,550,550 |
| Leasing Activities | 818,375 | 0 |
| Point of Sale Activities | 15,171,181 | 9,355,136 |
| Total | 245,328,103 | 251,602,025 |

Expense on income generating activities include cost incurred on hiring school buses, school band facilities maintenance and staff motivation while point of sale activities comprises of cost incurred for CA and CU activities, shaving, clubs and societies, uniform labelling, student's welfare, identity cards, and staff motivation.

9a. Boarding and School Fund- Note of Cashflow

| Description | 2023-2024 | 2022 – 2023 |
|--|--------------------|--------------------|
| | Kshs | Kshs |
| Reported in Statement of Receipts and Payments | 245,328,103 | 251,601,725 |
| Add previous creditors paid within the year | 8,428,059 | 14,017,121 |
| Less accrued expenses during the year | 23,772,565 | (8,428,059) |
| Total | 229,983,596 | 257,191,087 |

10 Bank Accounts

| Account Name & Currency | Status | Bank Account Number | 2023-2024 | 2022 – 2023 |
|-------------------------|---------|---------------------|-------------------|------------------|
| | | | Kshs | Kshs |
| Tuition Account | Active | 01139055926400 | 328,011 | 180,823 |
| Operations Account | Active | 01139055926401 | 7,752,027 | 11,901,177 |
| School Fund Account | Active | 01129055926400 | 935,366 | (14,323,172) |
| School Fund Account | Dormant | 1108568076 | 98,648 | (98,648) |
| Farm Account | Active | 0220268103973 | 2,525,068 | 4,222,052 |
| UTANRMP | Closed | 01134055926400 | 2,272 | 2,272 |
| Savings Account | Dormant | 1106451325 | 107,968 | 107,968 |
| Dispensary Account | Active | 10051203000017 | 2,688,837 | 5,829,004 |
| Infrastructural Account | Active | 01139055926402 | 1,431,071 | 96,835 |
| Total | | | 15,869,269 | 7,918,311 |

11 Cash in Hand

| Description | 2023-2024 | 2022 – 2023 |
|---------------------|---------------|---------------|
| | Kshs | Kshs |
| School Fund Account | 13,827 | 33,290 |
| Total | 13,827 | 33,290 |

12 Accounts Receivable

| Description | 2023-2024 | 2022 – 2023 |
|--------------|-------------------|-------------------|
| | Kshs | Kshs |
| Fees Arrears | 25,399,770 | 15,250,844 |
| Rent arrears | 59,900 | 0 |
| Total | 25,459,670 | 15,250,844 |

12a. Ageing Analysis of Accounts Receivable

| Description | 2023 – 2024 | | 2022 – 2023 | |
|--|-------------------|----------------|-------------------|----------------|
| | Kshs | | Kshs | |
| | 2023-2024 | % of the total | 2022 – 2023 | % of the total |
| Less than 1 year | 13,956,367 | 41% | 9,606,509 | 43% |
| Recoveries | (8,126,469) | 0 | (6,562,890) | 0 |
| Between 1- 2 years | 9,606,509 | 28% | 7,311,529 | 34% |
| Between 2-3 years | 7,311,529 | 21% | 2,651,834 | 12% |
| Over 3 years | 2,651,834 | 10% | 2,243,863 | 10% |
| Total (should tie to note 13 a) | 25,399,770 | 100% | 15,250,844 | 100% |

13 Accounts Payable

| Description | 2023 – 2024 | 2022 – 2023 |
|---|-------------------|-------------------|
| | 9,606,509 | Kshs |
| Trade Creditors (See Ageing Below and Appendix 1) | 21,646,758 | 9,621,487 |
| Prepaid Fees | 3,975,740 | 6,353,138 |
| Total | 25,622,498 | 15,974,625 |

13a. Ageing Analysis of Accounts Payable

| Description | 2023 – 2024 | | 2022 – 2023 | |
|--------------------------------------|-------------------|----------------|------------------|----------------|
| | Kshs | | Kshs | |
| | 2023-2024 | % of the total | 2022 – 2023 | % of the total |
| Less than 1 year | 21,646,758 | 70% | 9,621,487 | 39% |
| Creditors Paid | (9,621,487) | 0 | (14,794,996) | 0 |
| Between 1- 2 years | 9,621,487 | 30% | 14,794,996 | 61% |
| Total (should tie to note 14) | 21,646,758 | 100% | 9,621,487 | 100% |

14 Fund Balance Brought Forward

| Description | 2023-2024 | 2022 – 2023 |
|---------------|-------------------|------------------|
| | Kshs | Kshs |
| Bank Balances | 7,918,312 | 7,245,681 |
| Cash Balances | 33,290 | 68,483 |
| Receivables | 19,569,872 | 12,207,226 |
| Payables | (9,621,487) | (14,794,996) |
| Total | 17,899,987 | 4,726,394 |

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.

15 Biological assets

| Description | Numbers | 2023-2024 | 2022 – 2023 |
|--------------|---------|------------------|------------------|
| | | Kshs | Kshs |
| Cattle | 13 | 770,000 | 690,000 |
| Goats | 12 | 140,000 | 82,000 |
| Trees | 1,530 | 2,754,000 | 2,360,000 |
| Rabbits | 21 | 10,500 | 6,000 |
| Poultry | 51 | 61,200 | 137,500 |
| Total | | 3,735,700 | 3,275,500 |

16 Borrowings

| Description | 2023-2024 | 2022 – 2023 |
|---------------------------------------|------------------|------------------|
| | Kshs | Kshs |
| Borrowings at beginning of the year | 8,240,206 | 13,202,965 |
| Borrowings during the year | 0 | 0 |
| Repayments during the year | (5,046,409) | (4,962,759) |
| Balance at the end of the year | 3,193,797 | 8,240,206 |

NB. Borrowing is a long term liability relating to purchases of school bus under asset finance payable in nine termly instalments ended in the month of February 2025.

17 Stock/ Inventory

| Description | 2023 - 2024 | 2023 - 2023 |
|-------------------------------|-------------------|-------------|
| | Kshs | Kshs |
| Food stuffs | 1,956,768 | |
| Lab consumables and apparatus | 7,500,000 | |
| Stationery | 1,305,629 | |
| Medication | 117,682 | |
| Text books | 14,578,000 | |
| Total | 25,458,079 | |

MURANG'A HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****18 Progress on Follow Up of Auditor Recommendations**

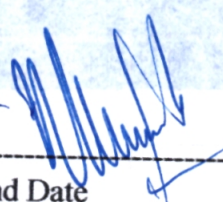
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

| Ref No. | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|----------------|---|---|--|---|
| 1 | Late submission of financial statements | To be completed and submitted within given timeline | resolved | 30/9/2024 |
| 2 | Unaccounted for funds to KESSHA | The ministry of education to give guidance on this | Not resolved | |
| 3 | Overdrawn cash book | Resulted from direct banking not posted in the cashbook | Resolved | 30/6/2024 |
| 4 | Lack of fixed asset register | The school maintains permanent store ledger when asset are recorded. However the management will acquire asset management and asset tagging system | Being resolved | 31/1/2025 |
| 5 | Lack of asset ownership documents | The board had written to ministry of land through land commission to have the name of the school included in the ownership certificate | Not yet resolved but being pursued | |
| 6 | Long outstanding students accounts receivable | The management has put stringent measure to collect long outstanding arrears including legal measures. Option of writing off historical arrears is being explored | Resolved progressively | |
| 7 | Over supply of text books | The school has exercised due diligence in giving accurate data on enrolment in various platforms including | Resolved | |

MURANG'A HIGH SCHOOL

Annual Report and Financial Statements For the year ended 30th June 2024

| Ref No. | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|----------------|--|--|--|---|
| | | NEMIS and other data templates requested by the Ministry | | |



Sign and Date
Principal

MURANG'A HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****11. Annexes****Annex I - Analysis of Pending Accounts Payable**

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2023-2024 | Outstanding Balance 2022-2023 | Comments |
|--------------------------------------|------------------------|------------------------|----------------------------|--------------------------------------|--------------------------------------|---|
| | A | b | C | d=a-c | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Supply Of Goods | | | | | | |
| 1. PHORMAX ENT. | 416,600 | | | 416,600 | | To be paid by 31 st December 2024. |
| 2. MY BEMA ENT. | 599,800 | | | 599,800 | | To be paid by 31 st December 2024. |
| 3. MICMU GEN. SUPPLIES | 162,150 | | | 162,150 | | To be paid by 31 st December 2024. |
| 4. LUCKY DESIGNERS | 35,700 | | | 35,700 | | To be paid by 31 st December 2024. |
| 5. KIWASSONS AUTO | 99,750 | | | 99,750 | | To be paid by 31 st December 2024. |
| 6. JUWATECH VENTURES | 216,580 | | | 216,580 | | To be paid by 31 st December 2024. |
| 7. COPY CAT LTD | 72,040 | | | 72,040 | | To be paid by 31 st December 2024. |
| 8. BEDIEL ENTERPRISES | 446,600 | | | 446,600 | | To be paid by 31 st December 2024. |
| 9. KEWARI TECHNICAL | 435,000 | | | 435,000 | | To be paid by 31 st December 2024. |
| 10. BELONS OFFICE MACHINES SERVICES | 156,700 | | | 156,700 | | To be paid by 31 st December 2024. |
| 11. ROBERTS ATLANTIC CO. | 795,000 | | | 795,000 | | To be paid by 31 st December 2024. |

MURANG'A HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024**

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2023-2024 | Outstanding Balance 2022-2023 | Comments |
|--------------------------------------|------------------------|------------------------|----------------------------|--------------------------------------|--------------------------------------|---|
| 12. ZAKA C. ENTERPRISES | 680,700 | | | 680,700 | | To be paid by 31 st December 2024. |
| 13. PAUL KAMAU | 108,800 | | | 108,800 | | To be paid by 31 st December 2024. |
| 14. NANCY WANJIKU | 168,000.00 | | | 168,000 | | To be paid by 31 st December 2024. |
| 15. MAGUNA ANDU | 1,647,180 | | | 1,647,180 | | To be paid by 31 st December 2024. |
| 16. LIKASY VENTURES | 417,750 | | | 417,750 | | To be paid by 31 st December 2024. |
| 17. JACQWA ENTERPRISES | 3,056,900 | | | 3,056,900 | | To be paid by 31 st December 2024. |
| 18. JANE KINYUA | 97,000 | | | 97,000 | | To be paid by 31 st December 2024. |
| 19. GRACE WAKERU M. | 624,450 | | | 624,450 | | To be paid by 31 st December 2024. |
| 20. FERONIA GARDENS | 734,250 | | | 734,250 | | To be paid by 31 st December 2024. |
| 21. MARGARET W KIMANI | 99,800 | | | 99,800 | | To be paid by 31 st December 2024. |
| 22. ELIJAH WAINAINA M. | 493,885 | | | 493,885 | | To be paid by 31 st December 2024. |
| 23. COFFEEBEE | 120,000 | | | 120,000 | | To be paid by 31 st December 2024. |
| 24. AXES STORES | 161,950 | | | 161,950 | | To be paid by 31 st December 2024. |

MURANG'A HIGH SCHOOLAnnual Report and Financial Statements For the year ended 30th June 2024

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2023-2024 | Outstanding Balance 2022-2023 | Comments |
|-------------------------------|-----------------|-----------------|---------------------|-------------------------------|-------------------------------|---|
| 25. WALOC ENTERPRISES | 2,139,700 | | | 2,139,700 | | To be paid by 31 st December 2024. |
| 26. SCAN BUILD LTD | 100,000 | | | 100,000 | | To be paid by 31 st December 2024. |
| 27. PATRICK MWANGI | 80,000 | | | 80,000 | | To be paid by 31 st December 2024. |
| 28. LANES ENTERPRISES | 700,700 | | | 700,700 | | To be paid by 31 st December 2024. |
| 29. JOCAMBI HARDWARE | 1,091,500 | | | 1,091,500 | | To be paid by 31 st December 2024. |
| 30. EUNIWAK LIMITED | 150,000 | | | 150,000 | | To be paid by 31 st December 2024. |
| 31. FORTHALL AGENCIES | 653,228 | | | 653,228 | | To be paid by 31 st December 2024. |
| 32. WEANER ELECTRICAL | 214,320 | | | 214,320 | | To be paid by 31 st December 2024. |
| 33. TRIO QUEENS | 46,700 | | | 46,700 | | To be paid by 31 st December 2024. |
| 34. SILVACOM INVEST. | 204,700 | | | 204,700 | | To be paid by 31 st December 2024. |
| 35. FNK ENGINEERING | 160,000 | | | 160,000 | | To be paid by 31 st December 2024. |
| 6. U DENO AGRO VET | 118,200 | | | 118,200 | | To be paid by 31 st December 2024. |
| 7. KIMTECH AUTO. SPARES | 110,250 | | | 110,250 | | To be paid by 31 st December 2024. |

MURANG'A HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024**

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance 2023-2024 | Outstanding Balance 2022-2023 | Comments |
|--------------------------------------|------------------------|------------------------|----------------------------|--------------------------------------|--------------------------------------|---|
| 38. KIMIRIRI A. GARAGE | 168,150 | | | 168,150 | | To be paid by 31 st December 2024. |
| 39. EXEMPLAR VENTURES | 1,244,100 | | | 1,244,100 | | To be paid by 31 st December 2024. |
| 40. GLOLIZA SUPPLIES | 1,682,800 | | | 1,682,800 | | To be paid by 31 st December 2024. |
| 41. GOPI KISAN LTD | 935,825 | | | 935,825 | | To be paid by 31 st December 2024. |
| TOTAL | 21,646,758 | | | 21,646,758 | | |

MURANG'A HIGH SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2024****Annex 2 – Summary of Fixed Assets Register**

| Asset Class | Historical Cost b/f (Kshs) 1st July 2023 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30th June 2024 |
|--|--|---|---|---|
| Land 37 Acres | 240,000,000 | | | 240,000,000 |
| Buildings And Structures(gates) | 417,531,803 | 37,144,605 | | 454,676,408 |
| Motor Vehicles | 27,921,545 | | | 27,921,545 |
| Office Equipment, Furniture And Fittings | 16,140,650 | 512,500 | | 16,653,150 |
| Textbooks | 14,578,000 | | | 14,578,000 |
| ICT Equipment,CCTV and other ICT assets | 5,622,000 | 493,000 | | 6,115,000 |
| Other Machinery And Equipment | 3,746,540 | 761,200 | | 4,507,740 |
| Bio digester system | 4,600,000 | | | 4,600,000 |
| Bore hole | 2,723,090 | | | 2,723,090 |
| Generators | 3,580,000 | | | 3,580,000 |
| Intangible Assets- Soft Ware | 2,510,000 | | | 2,510,000 |
| Total | 724,375,628 | 38,911,305 | | 763,286,933 |

(Majority of asset class are estimated cost while vehicle cost is based on valuation done while taking insurance cover.)