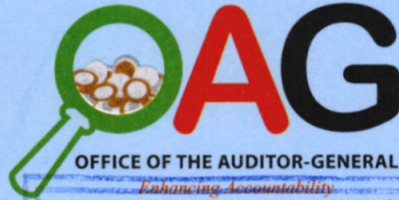


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 30 JUN 2026

DAY.

Tuesday

REPORT

TABLED

CLERK-AT
THE-TABLE:

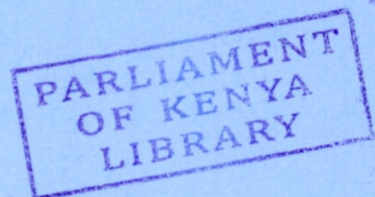
The Deputy
Majority Whip

Gebrude Chebet

OF

THE AUDITOR-GENERAL

ON



KANGUI BOYS
HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

NYANDARUA COUNTY



**KANGUI BOYS HIGH SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Table of Contents	Page
I. KEY SCHOOL INFORMATION AND MANAGEMENT	iii
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL	viii
III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY	xvii
IV. REPORT OF THE AUDITOR GENERAL ON THE ANNUAL FINANCIAL STATEMENTS OF KANGUI BOYS HIGH SCHOOL FOR THE YEAR ENDING 30th JUNE 2022	xviii
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30th JUNE 2022	1
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30th June 2022	2
VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30th June 2022	3
VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30th June 2022	4
IX. SIGNIFICANT ACCOUNTING POLICIES	7
X. NOTES TO THE FINANCIAL STATEMENTS	9

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 Nyandarua County, Oljoroorok Sub-County.

The school was registered in January 2020 under registration number 18S-003-C805 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 561 number of students as at 30th June 2022. It has 4 streams and 31 teachers of which 6 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	Cecilia Ndegwa	Chairman	11/05/2022
2	Dominic. N. Njoroge	Secretary - Principal	11/05/2022
3	Grace Nyambura	Member-Local community	11/05/2022
4	Eng. J.Karenge	Member-Local community	11/05/2022
5	Peter Ndirangu	Member-Local community	11/05/2022
6	Tabitha Wachu	Member-Local community	11/05/2022
7	Samuel M.Gichuhi	Member – Rep CEB	11/05/2022
8	Francis Mugo Kariuki	Member Rep Teachers	11/05/2022
9	Kamiri Ndumia	Member -Local community	11/05/2022
10	Peggy Nyaga	Member - Local community	11/05/2022
11	Joseph Gakunga	Member –Rep Sponsor	11/05/2022
12	John Maina	Member –Rep Sponsor	11/05/2022
13	Stephen Kihuha	Member-Rep interest group	11/05/2022
14	Miriam Wahura Ng'ang'a	Member Special Needs	11/05/2022
15	Patrick Muchina	Member co-opted	11/05/2022
16	Esther Mwangi	Member co-opted	11/05/2022
17	Jeddidah Kimani	Member-co-opted	11/05/2022
18	John Kanyiri	Member-co-opted	11/05/2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL

• Reports and Financial Statements

For the year ended 30th June 2022

Ref :	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Cecilia Ndegwa Dominic N. Njorog John Kanyiri Joseph Gakunga Peggy Nyaga	Chairlady Secretary Member Member Member Member	
2	Audit Committee	John Kanyiri Dominic Njoroge Joseph Gakunga	Chairman Secretary Member Member Member Member	4 out of 6
3	Finance, procurement and general purposes Committee	Joseph Gakunga Dominic Njoroge John Kamiri John Maina	Chair man Secretary Member Member Member	4 out of 6
4	Academic Committee	Peggy Nyaga John Kanyiri Grace Nyambura Francis M. Kariuki Samuel Gichuhi	Chairman Secretary Member Member Member Member Member	5 out of 6
5	School Infrastructure/Developme nt Committee	Domininc Njoroge JohnKanyiri Cecilia Ndegwa Kamiri Ndumia Joseph Gakunga Joseph K.wachira	Secretary S.C.D. Member Member Chairman Member Deputy principal Secretary	4 out of 6
6	Discipline and welfare Committee/student welfare	Miriam Ng'ang'a Francis M.Kariuki Jedidah Kimani Joseph Wachira Francis Kariuki Dominic Njoroge	Chairman Secretary Member Member Member Member Member Member	4 out of 6

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(d) School operation Management

For the financial year ended 30th June 2022 the school day-to-day management was under the following persons:

Ref :	Designation	Name	TSC Number
1	Principal	Dominic N. Njoroge	335296
2	Deputy Principal	Joseph K. Wachira	431831
3	School Bursar	Stephen Kariaga	

(e) Schools contacts

Post Office Box: 18-20302, OLJOROOROK
 Telephone: 0710260988
 E-mail: st.paulsamani@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

The school operated 5 number of bank accounts in the following banks:

- Name of Bank: KCB
 Branch: Nyahururu
 Account Number: 1102061522
- Name of Bank: KCB
 Branch: Nyahururu
 Account Number: 1102083356
- Name of Bank: KCB
 Branch: Nyahururu
 Account Number: 1102083038
- Name of Bank: KCB
 Branch: Nyahururu
 Account Number: 1267355417
- Name of Bank: SIDIAN BANK
 Branch: Nyahururu
 Account Number: 01023030001434

(g) Independent Auditors
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

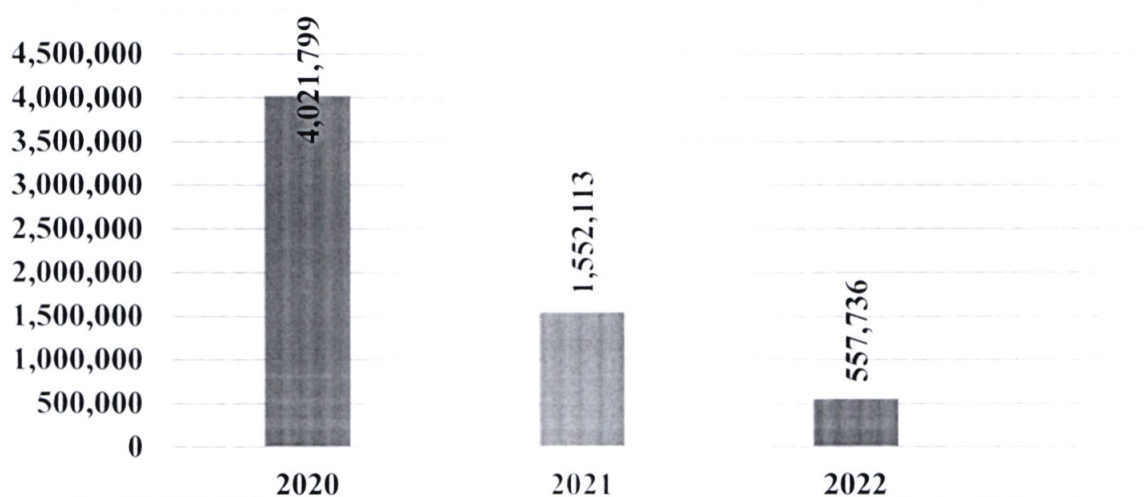
II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL

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

a) Financial performance:

SURPLUS/DEFICIT FOR THE YEAR AND A COMPARISON OF THE SAME FOR THE LAST FOUR YEARS					
SNO	DESCRIPTION	2022	2021	2020	
		Kshs	Kshs	Kshs	
1	SURPLUS/DEFICIT	557,736	1,552,113	4,021,799	

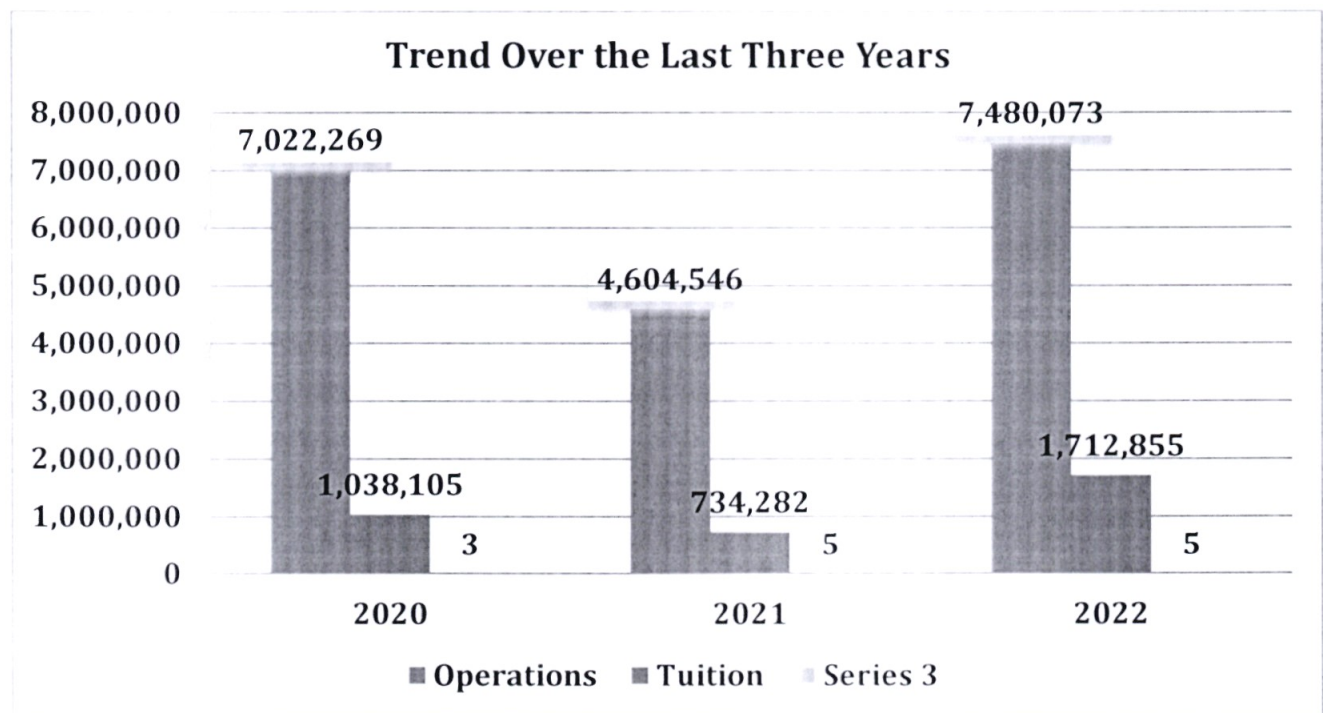
Trend Over the Last Three Years



- In year 2019 a surplus of ksh.874,565.48 was realised. This was as a result of savings from purchase of foodstuffs during harvest period when food prices were fairly low.
- In year 2020 the school recoded a surplus of Ksh.4,021,799 this was a result of abrupt closure of schools due to Covid- 19most of the money remained in the account as there activities in the ground.
- In the year 2021there was a surplus of Kshs.1,552,113.
- The surplus is for 6 months where money was awaiting collection and to be spent.
- In the year 2022 a surplus of Kshs.557,736 was realised. This was a result of savings from foodstuffs and boosted farming activities.
- The financial year had four terms.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
SNO	ACCOUNTS	2022	2021	2020	
		KSHS	KSHS	KSHS	
1	Operations Account	7,480,073	4,604,546	7,022,269	
2	Tuition Account	1,712,855	734,282	1,038,105	
	Total	9,192,928	5,338,828	8,060,374	
	Increase/Decrease				
	No of Students	509	561	557	
	Ratio of Capitation per student	18,061	9,517	14,471	



-In the year 2019 and 2020 the school received Full capitation from Ministry of Education.

- In year 2021 the school had received capitation for 6 months i.e for a period of 6 months operations had received Kshs.4,604,546 and tuition kshs.734,282. This was a decrease compared to year 2020 which received kshs.7,022,269 and 1,038,105 respectively after receiving full capitation.

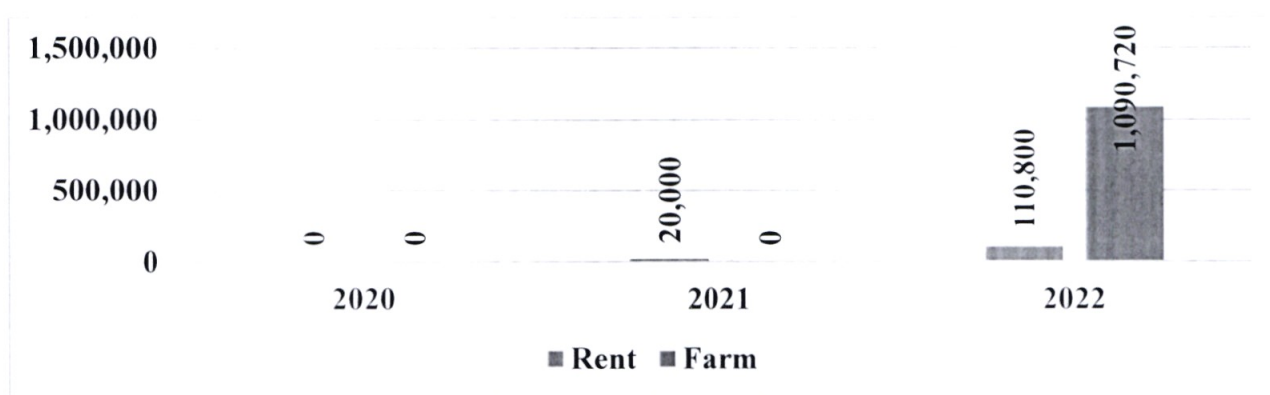
-The decrease resulted in a smaller number of student population.

-The increase resulted from Govt full Funding in the year 2021/2022

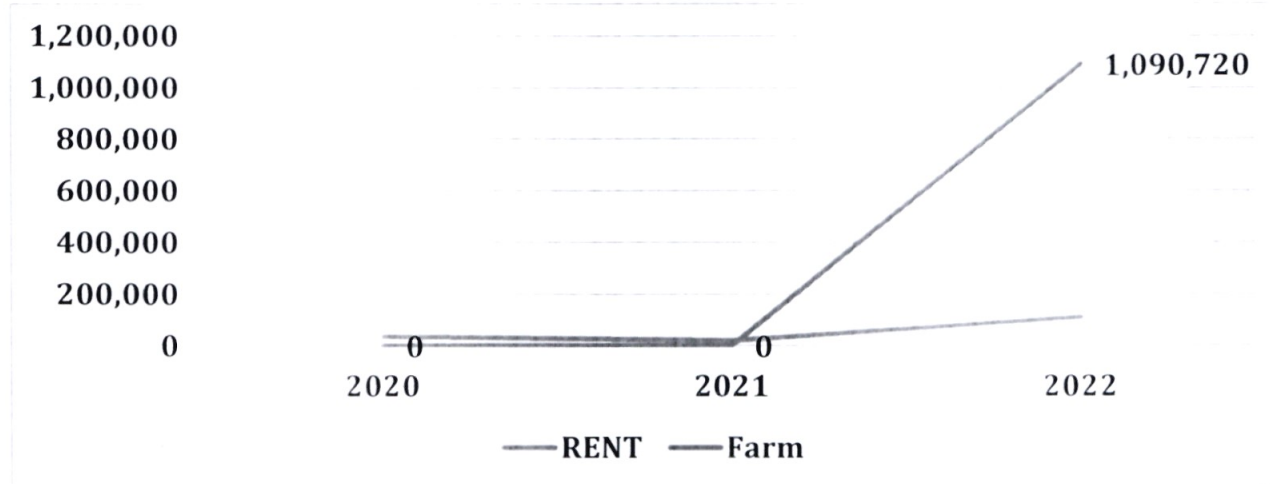
SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF NET GROWTH OF OTHER INCOME(S)					
SNO	ACCOUNTS	2022	2021	2020	
		KSHS	KSHS	KSHS	
1	Rent	110,800	20,000	35,740	
2	Farm	1,090,720	-	-	
3	Accommodation	-	-	-	
	Total	1,201,520	20,000	35,740	
	Increase/Decrease	15,740	(15,740)		

Trend Over the Last Three Years



Trend Over the Last Three Years

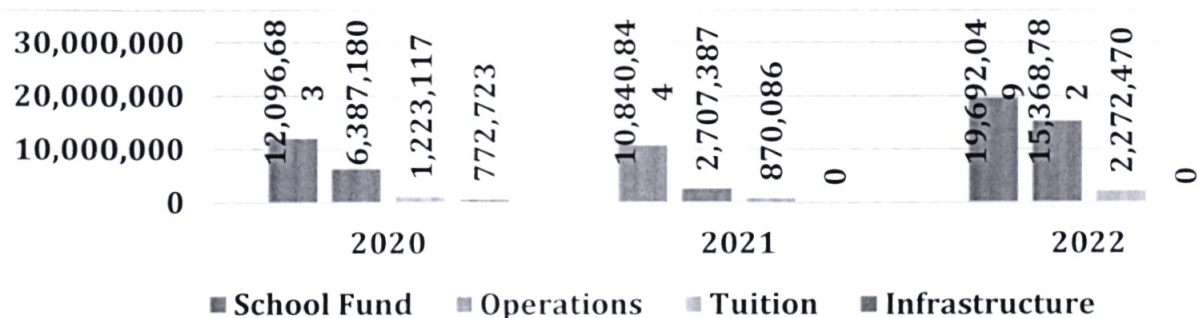


SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

Trend Over the Last Three Years

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	
		Kshs	Kshs	Kshs	
1	School Fund Account	19,692,049	10,858,620	12,096,683	
2	Operations Account	15,368,782	2,171,316	6,387,180	
3	Tuition Account	2,272,470	872,267	1,223,117	
4	Infrastructure Account	-	-	772,723	
5	Farm Account	-	-	-	
	Total	37,333,301	13,902,203	20,479,703	
	Increase/Decrease	23,431,098	(6,577,500)		

Trend Over the Last Three Years



-Financial year 2021 shows a decrease of growth in expenditure which resulted from the current year covering a period of 6 months, even though the financial year 2020 covers a period of 12 months. In addition, the decrease has resulted from prolonged closure of the school due to Covid-19.

-In the year 2021/2022 the school undertook the construction of administration block and library extension.

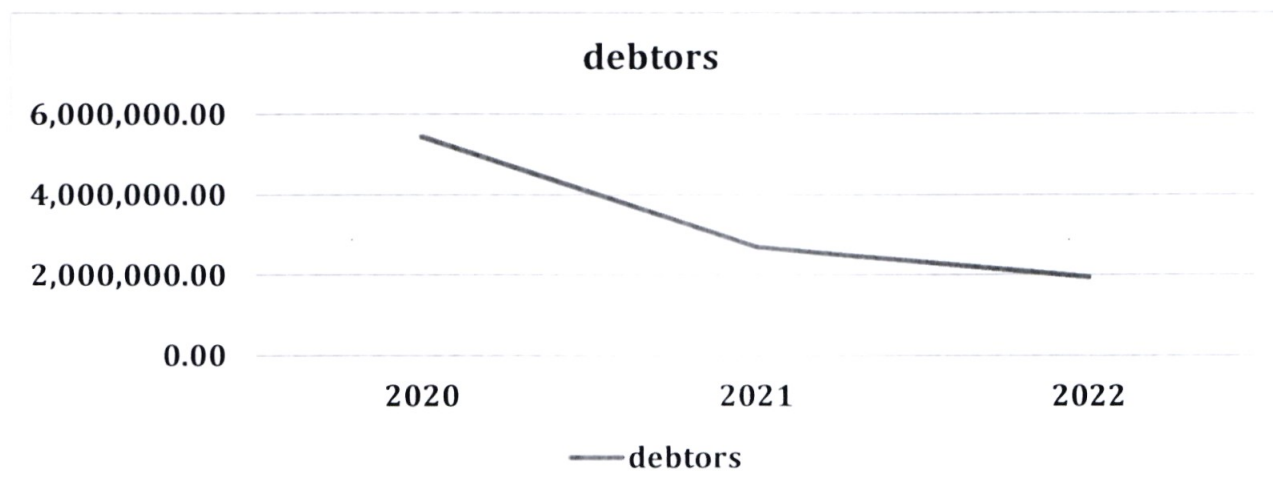
-The financial year had four terms hence increased expenditure.

-Year 2021 accounted for 6 months expenditure and the rest was paid the year 2022 financial year

MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	
	School Fund Account	Kshs	Kshs	Kshs	
1.	Debtors	11,091,339	10,213,733	11,346,489	
	Total	11,091,339	10,213,733	11,346,489	
	Increase/Decrease	877,606	(1,132,756)		

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

Trend Over the Last Three Years

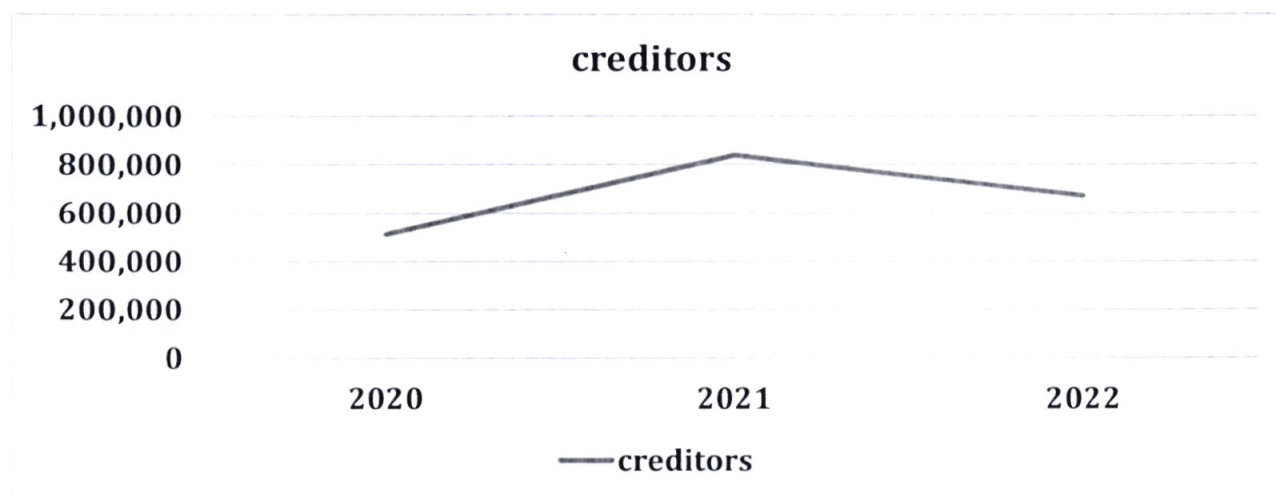


- School debtors are mostly fees arrears.
- In the year 2020 debtors rose sharply due to abrupt closure of schools due to Covid 19. Not much was collected in third term when form 4 students reported back.
- In 2021 there were concerted efforts collect the fees.
- In the year 2022 there was concerted effort to collect fees
- In the year 2022 there was a decrease in student population.
- Most of school fees was paid via bursaries.
- The school reduced school fees as per MOE directive to Ksh.35000 per year. This helped the parents to raise school fees.

MOVEMENT OF CREDITORS OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	
1	School Fund Account	Kshs	Kshs	Kshs	
a	Creditors	671,619	712,503	511,525	

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

Trend Over the Last Three Years

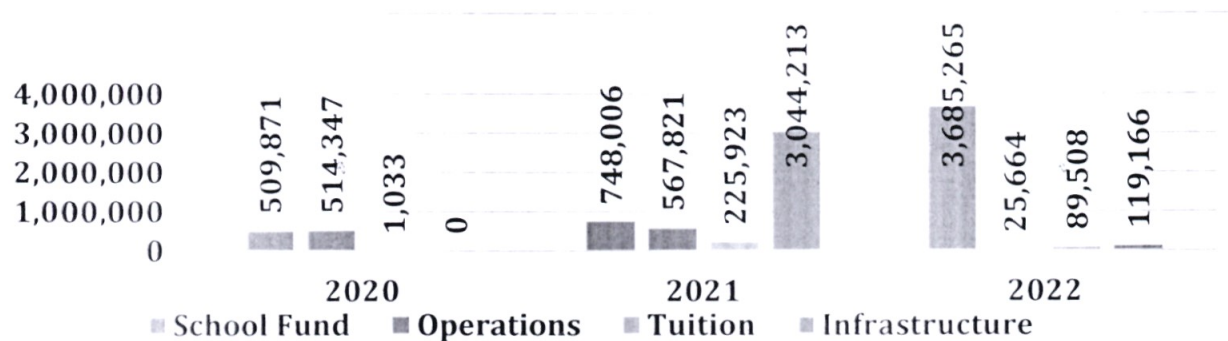


The creditors decreased in financial year 2021/2022. The school was able to clear the previous year debts and the reported creditors relate to the financial year 2021/2022.

-The School was still in the process of collecting school fees.

-FSDE was being expected to help pay creditors in Tuition and operations a/c.

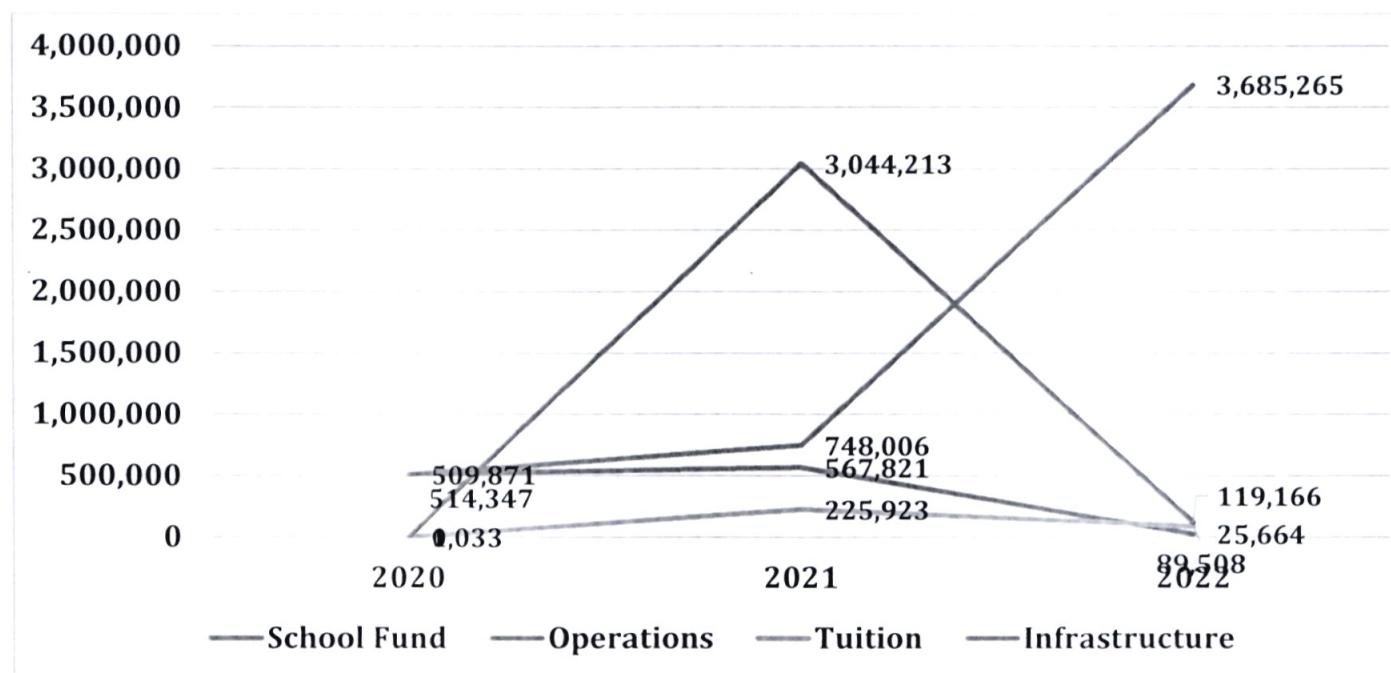
MOVEMENT OF CASH AND BANK BALANCES					
SNO	ACCOUNTS	2022	2021	2020	
		Kshs	Kshs	Kshs	
1	School Fund Account	3,685,265	748,006	509,871	
2	Operations Account	25,664	567,821	514,347	
3	Tuition Account	89,508	225,923	1,033	
4	Infrastructure Ac	119,166	3,044,213	-	



Trend Over the Last Three Years

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

Trend Over the Last Three Years



The infrastructure account reflected RMI amount deposited from operations account for construction of the library/administration block immediately authorisation is done.

The school undertook the construction of Administration block from RMI funds

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**b) Teacher Student ratio:**

Between the month of January 2021 and June 2021, the status of the teaching staff is as follows:

- i) Teacher/Student ratio- 1:21
- ii) Teachers recruited/posted – 2
- iii) Teachers employed by TSC- 25
- iv) Teachers under B.O.M- 6

c) Mean score in the year 2018, 2019 and 2020 KCSE:

YEAR	ENROLMENT	MEAN	TRANSITION
2020	129	5.61	101
2019	123	5.37	69
2018	109	5.09	63

Comment:

It is clear from the mean that the number of candidates transiting to tertiary colleges every year has been improving progressively and annually in the last three years.

d) Capacity of the school 2021

Students - 720

Dormitories – 9

Classes – 17

Dining Hall – 1

Laboratories – 3

Student Latrines – 30

Student urinals – 10

Kitchen – 1

Store – 1

Staff Toilets – 8

Staff latrines – 6

School Farm – 32.6 acres

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

d) Development projects carried out by the school:

Sno.	Project	Year	Status	Amount (Kshs)	Fund Source
1	Construction of Administration block	2022	80%complete	9,473,991	RMI
2					



.....
School Principal/Secretary BOM

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 keep all proper books and records of accounts of the income, expenditure and assets of the institution.

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

Name: Cecilia Ndegwa
Designation: Chairman, School Board of Management

Sign:
Date: 23/3/2026

Name: Dominic N. Njoroge
Designation: School Principal & Secretary to Board of Management

Sign:
Date: 23/3/2026



Name: Stephen Kariaga
Designation: Bursar/ Finance Officer

Sign:
Date: 23/3/2026

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 KANGUI BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022- NYANDARUA 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 Kangui Boys High School set out on pages 1 to 16, which comprise of the statement of financial assets and financial

liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the 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 Kangui Boys High 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

Unsupported Accounts Receivable

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.11,091,339 comprising of fees arrears of Kshs.10,999,539 and non-fee balance of Kshs.91,800 as disclosed in Note 11 to the financial statements. However, supporting schedules and an ageing analysis for the student debtors were not provided for audit. Further, there was no policy on the long outstanding fees arrears and no provision for bad and doubtful debts had been made in the financial statements.

In the circumstances, the accuracy and completeness of the accounts receivable balance of Kshs.11,091,339 could not be confirmed.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the effects of the matter 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 iii to xvii which comprise of Key Entity Information and Management, Summary Report of Performance of the School, and Statement of School Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Schools' 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. Under-Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations of Kshs.1,712,855 and Kshs.7,480,073 respectively as disclosed in Note 1 and Note 2 to the financial statements all totalling to Kshs.9,192,928. Review of the capitation grants received during the year revealed that the School received Government capitation from the Ministry of Education at an average rate of Kshs.21,271 per learner against the approved annual capitation rate of Kshs.22,244 per learner as stipulated in the Ministry of Education Circular Ref; MOE/CONF/G5 dated 26 November, 2019. This resulted in an under-funding of the School by Kshs.498,278 during the year under review.

In the circumstances, the under-funding of the School may have affected service delivery to the public.

2. Delay in Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.7,480,073 as disclosed in Note 2 to the financial statements from the Ministry of Education credited into the school's operations bank account. The grants include an amount of Kshs.2,559,500 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, only an amount of Kshs.2,556,500 was transferred to infrastructure account, leaving a balance of Kshs.3,000 not transferred as at 30 June, 2022.

Further, the infrastructure grants were transferred to the infrastructure bank account after the lapse of fifteen (15) days from date of receipt. This was contrary to The Ministry of Education Circular Ref. No: 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 within fifteen (15) days upon receipt of the funds in the operations account.

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

3. 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.19,692,049 as disclosed in Note 7 to the financial statements. The payments include a transfer of Kshs.612,000 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.612,000 could not be confirmed.

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.

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 effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance

section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Lack of Internal Audit Function

During the year under review, the School had not constituted an Internal Audit Unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, 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 existence of an effective oversight mechanisms 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 the Management and those Charged with Governance

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

25 May, 2026

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

DESCRIPTION OF VOTE HEAD	Note	2021- 2022	2020 - 2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,712,855	734,282
Capitation grants for operations	2	7,480,073	4,604,546
School Fund Income- Parents' Contributions	3	27,496,589	10,095,488
School Fund Income- Other receipts	4	1,201,520	20,000
Proceeds from borrowings		-	-
TOTAL RECEIPTS		37,891,037	15,454,316
PAYMENTS			
Payments for Tuition	5	2,272,470	872,267
Payments for operations	6	15,368,782	2,171,316
Boarding and school fund payments	7	19,692,049	10,858,620
TOTAL PAYMENTS		37,333,301	13,902,203
SURPLUS/DEFICIT		557,736	1,552,113

The school financial statements were approved on 23/3/2026 and signed by:

Sign:

Name: Cecilia Ndegwa

Chair BOM

Date: 23/3/2026

Sign:

Name: Dominis Njoroge

School Principal/Secretary to

BOM

Date: 23/3/2026

Sign:

Name: Stephen Kariega

Bursar/Finance Officer

Date: 23/3/2026

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30th June 2022

	Note	2021- 2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	4,893,730	5,560,090
Cash Balances	9	129,211	91
Short term Investment	10	-	-
Total Cash and Cash Equivalents		5,022,940	5,560,181
Account's receivables	11	11,091,339	10,213,733
TOTAL FINANCIAL ASSETS		16,114,279	16,811,194
FINANCIAL LIABILITIES			
Accounts Payable	12	1,523,329	1,740,699
NET FINANCIAL SSETS		14,590,950	14,033,214
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	14,033,214	12,481,101
Surplus/Defict for the year		557,736	1,552,113
NET FINANCIAL POSITION		14,590,950	14,033,214

The school's financial statements were approved on 23/3/2026 and signed by:

Sign:

Name: Cecilia Ndegwa
Chair BOM

Date: 23/3/2026

Sign:

Name: Dominic Njoroge
School Principal/Secretary to BOM

Date: 23/3/2026

Sign:

Name: Stephen Kariega
Bursar/Finance Officer

Date: 23/3/2026

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30th June 2022

		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	1,712,855	734,283
Capitation grants for operations	2	7,480,073	4,604,546
School fund income- Parents contributions/ fees	3	27,496,589	14,164,607
School fund income- other receipts	4	1,201,520	195,557
Total receipts		37,891,037	19,698,993
Payments			
Payments for Tuition	5	2,007,889	757,211
Payments for operations	6	5,880,846	2,858,551
Boarding and school fund payments	7	21,065,552	13,591,301
Total Payments		28,954,287	17,207,063
Net cash flow from operating activities		8,936,750	2,491,930
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		(9,473,991)	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		(9,473,991)	-
NET CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(537,241)	2,491,930
Cash and cash equivalent at BEGINNING of the year	8/9	5,560,181	3,068,252
Cash and cash equivalent at END of the year		5,022,940	5,560,181

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30th June 2022

Receipt/Expense s Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
(1) Capitation Grant on Tuition						
Exercise Books	243,075	-	243,075	193,421	49,654	79.57%
Laboratory Equipment	194,250	-	194,250	101,800	92,450	52.41%
Teaching / Learning Materials	147,000	-	147,000	1,049,040	-902,040	713.63%
Chalks	24,150	-	24,150	59,884	-35,734	247.97%
Exams And Assessment	29,944	-	29,944	29,943	1	100.00%
Tuition	-	-	0.00	59,884	-59,884	
Library/Ref Materials	48,300	-	48,300	218,884	-170,584	453.18%
Sub-total	686,719	-	686,719	1,712,856	-1,026,137	249.43%
(2) Capitation Grant on Operations						
Personnel Emoluments	3,280,350	-	3,280,350	2,178,315	1,102,035	66.40%
Repairs And Maintenance	2,750,000	-	2,750,000	2,579,429	170,571	93.80%
Local Transport / Travelling	1,044,810	-	1,044,810	647,680	397,130	61.99%
Electricity And Water	1,796,070	-	1,796,070	991,959	804,111	55.23%
Administration Costs	896,040	-	896,040	822,120	73,920	91.75%
Operation	214,570	-	214,570	214,570	-	100.00%
P.E Sub staff	-	-	-	46,000	-46,000	
Sub-total	9,981,840	-	9,981,840	7,480,073	2,501,767	74.94%
(3) Fees Charged on Parents						
Personnel Emoluments	-	-	-	1,847,113	-1,847,113	
Repairs And Maintenance	1,200,000	-	1,200,000	1,148,011	51,989	95.67%
Local Transport / Travelling	1,200,000	-	1,200,000	443,618	756,382	36.97%

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

Electricity And Water	3,781,200	-	3,781,200	2,433,290	1,347,910	64.35%
Administration Costs	1,054,500	-	1,054,500	925,501	128,999	87.77%
Examination Activity	32,900	-	32,900	12,000	20,900	36.47%
Fee On Boarding Equipment and Stores	112,250	-	-	107,663	-107,663	
Special diet	18,286,830	-	18,286,830	16,692,296	1,594,534	91.28%
RMI General damages	-	-	-	14,449	-14,449	
Track suit	-	-	-	774,479	-774,479	
University forms	-	-	-	162,565	-162,565	
Insurance medical	-	-	-	22,576	-22,576	
Exercise Books	-	-	-	27,365	-27,365	
Student ID	-	-	-	2,140	-2,140	
Uniform	-	-	-	13,795	-13,795	
Sub-total	25,667,680		25,555,430	27,496,589	-1,941,159	107.60%
Other Income						
Rent Income	50,400	-	50,400	110,800	-60,400	219.84%
Income From Farming Activities	1,200,000	-	1,200,000	1,090,720	109,280	90.89%
Sub-total	1,250,400	-	1,250,400	1,201,520	48,880	96.09%
Total Income	37,586,639.00		37,474,389	37,891,038	(416,649)	101.11%
(1) Expenditure For Tuition						
Textbooks And Reference Materials	1,459,500	-	1,459,500	-	1,459,500	0.00%
Exercise Books	243,075	-	243,075	797,850	-554,775	328.23%
Laboratory Equipment	194,250	-	194,250	319,830	-125,580	164.65%
Teaching / Learning Materials	147,000	-	147,000	712,070	-565,070	484.40%
Chalks	24,150	-	24,150	29,100	-4,950	120.50%
Library Ref materials	48,300	-	48,300	351,649	-303,349	728.05%
Teachers Guide	130,445	-	130,445	60,250	70,195	46.19%
Bank Charges	0	-	-	1,721	-1,721	
Sub-total	2,246,720	-	2,246,720	2,272,470	-25,750	101.15%
(2) Expenditure For Operations						
Personnel Emoluments	2,800,000	-	2,800,000	2,768,921	31,079	98.89%

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

Repairs, Maintenance & Improvements	1,275,020	-	1,275,020	604,445	670,575	47.41%
Local Transport / Travelling	1,044,810	-	1,044,810	139,681	905,129	13.37%
Electricity, Water and Conservancy	1,796,070	-	1,796,070	844,133	951,937	47.00%
Medical	1,139,430	-	1,139,430	610	1,138,820	0.05%
Administration Costs	896,040	-	896,040	557,514	338,526	62.22%
Activity Expenses	915,920	-	915,920	540,000	375,920	58.96%
Medical/Insurance	1,139,430	-	1,139,430	150,000	989,430	13.16%
Bank charges	-	-	-	13,945	-13,945	
Infrastructure library block	-	-	-	9,473,991	-9,473,991	
NSSF penalty	-	-	-	209,912	-209,912	
Sub-total	11,006,720	-	11,006,720	15,303,152	-4,296,432	139.03%
(3) Expenditure For School Fund						
Personnel Emoluments	3,128,216	-	3,128,216	2,244,720	883,496	71.76%
Repairs, Maintenance and Improvements	1,200,000	-	1,200,000	818,225	381,775	68.19%
Local Transport / Travelling	1,200,000	-	1,200,000	1,058,961	141,039	88.25%
Electricity and Water	3,781,200	-	3,781,200	1,141,067	2,640,133	30.18%
Administration Costs	1,054,500	-	1,054,500	661,894	392,606	62.77%
Fees refund	-	-	-	13,000	-13,000	
Medical	-	-	-	1,660	-1,660	
RMI general damages	-	-	-	1,013,425	-1,013,425	
Activity	112,250	-	112,250	110,250	2,000	98.22%
Student ID	7,254,000	-	7,254,000	9,700	7,244,300	0.13%
Boarding Equipment and Stores	18,286,830	-	18,286,830	8,820,604	9,466,226	48.23%
Farm	1,200,000	-	1,200,000	794,310	405,690	66.19%
Insurance Medical	4,273,000	-	4,273,000	78,775	4,194,225	1.84%
Uniform	-	-	-	2,867,770	-2,867,770	
Track suit	795,500	-	795,500	-	795,500	0.00%
Examination	32,900	-	32,900	32,900	-	100.00%
Bank Charges	-	-	-	24,788	-24,788	
Sub-total	42,318,396	-	42,318,396	19,692,049	22,626,347	46.53%
Totals	55,571,836	-	55,571,836	37,267,671	18,304,165	67.06%

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 (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

11. Disclosure

The financial statements for the year ended 30 June 2022 covers a period of twelve months from 1st July 2021 to 30th June 2022, while the financial statement for the year ended 30th June 2021 covers a period of 6months from 1st January 2021 to 30th June 2021 and therefore comparative figures are not comparable.

X. NOTES TO THE FINANCIAL STATEMENTS**1. Capitation Grants for Tuition**

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching / learning materials	1,049,040	734,282
Chalk	59,884	-
Tuition	59,884	-
Library/Ref Materials	218,884	-
Examination & Assessment	29,943	-
Exercise books	193,421	-
Laboratory equipment	101,800	-
Total	1,712,855	734,282

2. Capitation Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	2,178,315	2,122,828
Repairs and maintenance	2,579,429	1,975,500
Local transport / travelling	647,680	141,000
Electricity and water	991,959	225,600
Operation	214,570	-
Administration costs	822,120	139,618
P.E Sub staff	46,000	-
Total	7,480,073	4,604,546

3. Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
P Emolument	1,847,113	664,671
Boarding equipment and stores	16,692,296	6,816,529
Repairs and maintenance	1,148,011	513,053
Local transport / travelling	443,618	140,391
Electricity and water	2,433,290	1,049,621
Administration costs	925,501	395,656
Examination	12,000	-
Fees refund	-	-
Special diet	14,449	3,000
RMI General damages	774,479	42,023
Track suit	162,565	232,912

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

University Forms	22,576	64,797
Insurance Medical	27,365	50,610
Exercise Books	2,140	5,278
Student ID	13,795	200
Uniform	2,869,728	75,658
Activity	107,663	41,089
Total	27,496,589	10,095,488

4. Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
School Farm	1,090,720	-
House Rent	110,800	20,000
Total	1,201,520	20,000

5. Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Laboratory equipment	319,830	254,170
Teachers Guide	60,250	-
Exercise Books	797,850	-
Chalk	29,100	-
Library/Ref Materials	351,649	-
Textbooks	-	164,497
Teaching / learning materials	712,070	451,419
Bank Charges	1,721	2,181
Total	2,272,470	872,267

6. Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
PE Teaching staff	472,200	171,400
PE subordinate	847,019	290,108
PE non-teaching staff	1,449,702	-
Infrastructure Library Block	9,473,991	-
Administration Cost	557,514	396,190
Repairs and maintenance & improvements	604,445	149,260
Local transport / travelling	139,681	92,758
Medical expenses	610	-

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL**Reports and Financial Statements****For the year ended 30th June 2022**

Electricity and water	844,133	363,982
School fund A/C	65,630	-
NSSF penalty	209,912	-
Medical/Insurance	150,000	233,919
Activity	540,000	471,272
Bank Charges	13,945	2,427
TOTAL	15,368,782	2,171,316

7. Boarding And School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
PE Teaching staff	467,200	350,816
PE subordinate	626,306	400,288
PE non-teaching staff	1,151,214	814,425
Boarding equipment and stores	8,820,604	6,976,391
Repairs and maintenance	818,225	291,877
Local transport / travelling	1,058,961	182,917
Electricity and water	1,141,067	414,651
Administration costs	661,894	484,260
Fees refund	13,000	5,387
RMI General damages	1,013,425	173,310
Track suit	-	231,250
Insurance Medical	78,775	-
Student ID	9,700	60,000
Uniform	2,867,770	-
Medical	1,660	-
Activity	110,250	163,650
Farm expenses	794,310	291,622
Examination	32,900	-
Bank charges	24,788	17,776
TOTAL	19,692,049	10,858,620

8. Bank Balance

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	1102083038	89,508	225,923
Operations Account	1102083356	25,664	567,821
School Fund Account/Boarding	1102061522	3,685,265	748,006
Savings Account	01023030001434	974,126	974,126
Infrastructural Account	1267355417	119,166	3,044,213
Total		4,893,730	5,560,090

9. Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	2	
Infrastructural Account	-	-
School Fund account	129,208	91
Total	129,211	91

10. Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

11.Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	10,999,539	10,213,733
Other non-fees receivables	-	-
Non fees arrears	91,800	-
Pocket Money	-	-
Clubs and societies	-	-
Total	11,091,339	10,213,733

11. Aging Analysis

Description	2021/2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,950,238	3,543,680
Fees arrears for the previous year	1,341,968	6,670,053
Fees arrears for prior periods (over two years)	7,707,333	-
Total	10,999,539	10,213,733

12. Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	671,619	1,028,196
advance	-	-
Prepaid fees (less refund)	851,710	712,503
Infrastructure Account	-	-
Total	1,523,329	1,740,699

Aging Analysis

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	671,619	839,151
Trade creditors for the previous year	-	189,045
Trade creditors for prior periods (over two years)	-	-

13.Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank balances	5,560,090	3,068,090
Cash balances	91	161
Short Term Investments	-	-
Receivables	11,251,013	11,346,489
Payables	-2,777,979	-1,933,640
Total	14,033,214	12,481,100

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.

1 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

2 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	22	-	-
Goats	-	-	-
Trees	2052	-	-
Coffee or tea plantation	-	-	-
Poultry	-	-	-
Total		-	-

3 Borrowings

Description	2021-2022	2020-2021
	KShs	KShs
a) Borrowings		
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

4 Stock/ Inventory

Description	2022-2021	2019-2020
	KShs	KShs
b) Borrowings		
Stock/ inventory at beginning of the year	53,111	53,111
Stock/ inventory purchased during the year	2,530,722	2,530,722
Stock/ inventory issued during the year	2,198,667	2,198,667
Balance at end of the year	278,944	278,944

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)

The current audit is the first statutory audit for the school and therefore are no prior audit recommendations from The Auditor General.



Sign and Date
Principal

ANNEX 1- ANALYSIS OF PENDING ACCOUNTS PAYABLE

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 22021-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. Mwagi commercial services	127,470		-	127,470	127,470	
5. Mwagi commercial services	63,210		-	63,210	63,210	
6. Mwagi commercial services	19,800		-	19,800	19,800	
7. Staff building	25,250		-	25,250	25,250	
8. Staff building	41,529		-	41,529	41,529	
9. Staff building	4,000		-	4,000	4,000	
10. Skynintel enterprises	223,130		-	223,130	223,130	
11. Mayfair Holdings	40,810		-	40,810	40,810	
12. Mifugo Place	22,900		-	22,900	22,900	
13. M.M Hardware	100,720		-	100,720	100,720	
14. Stene E. Ventures	2,800		-	2,800	2,800	
Sub-Total	671,619			671,619	671,619	
Supply of services						
15.						
Sub-Total						
Grand Total						

PUBLIC SECONDARY SCHOOLS –KANGUI BOYS HIGH SCHOOL

Reports and Financial Statements
For the year ended 30th June 2022

Annex 2- SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land 1	30/6/2022	32.63ACRES	48,945,000	-	-	48,945,000
Land 2				-	-	
Buildings and structures	30/6/2022	Lesirko Settlement Scheme	110,100,000	9,473,991	-	119,573,991
Motor vehicles				-	-	
1.KXQ 213 VAN	24/6/1986		280,000	-	-	750,000
2.KAC 758, TRUCK	21/1/1993		750,000	-	-	
3. KBB 450S BUS	17/11/2008		4,470,000	-	-	4,470,000
Office equipment, furniture and fittings	30/6/2022		5,400,000	-	-	5,400,000
ICT Equipment, and Other ICT Assets	30/6/2022		2,007,000	-	-	2,007,000
Tools and apparatus	30/6/2022		-	-	-	-
Textbooks	30/6/2022		11,470,200	-	-	11,470,200
Other Machinery and Equipment	30/6/2022		263,000	-	-	263,000
Heritage and cultural assets			-	-	-	-
Intangible assets- software	30/6/2022		260,000	-	-	260,000
Total			183,945,200	9,473,991	-	193,419,191