

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 01 JUL 2026

DAY.

WEDNESDAY

REPORT

TABLED
BY:

HON. OWEN BAYA, M.P.

CLERK-AT
THE-TABLE:

CHRISTINE NDIRITU

OF

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

KAAGA BOYS SECONDARY SCHOOL

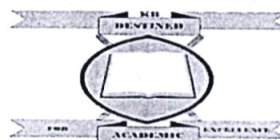
FOR THE YEAR ENDED
30 JUNE, 2023

MERU COUNTY

Revised 30th June 2023.



KAAGA BOYS SECONDARY SCHOOL



P.O. BOX 278-60200 MERU - LANDLINE: 0742-608-479

Email: kaagaboysch@yahoo.com

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KAAGA BOYS SECONDARY SCHOOL

Public Secondary/High School

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023**

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

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1. Acronyms and Glossary of Term

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
FDSE	Free Day Secondary Education

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 *Meru* County, *Imenti East* Sub-County.

The school was registered in *March 2017* under registration number *12S30000835* and is currently categorized as a *Extra county* public school established, owned or operated by the Government.

The school is a day/boarding school and had 1,311 students as at *30th June 2023*. It has *6* streams and *57* teachers of which *4* 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:

1	MAINGI MUGAMBI	Chairman	1/2/2022
2	STEPHEN M. WAINAINA	Secretary - Principal	1/2/2022
3	JUDY KABURU	Member	1/2/2022
4	SILAS KINOTI MURITHI	Member	1/2/2022
5	CECILIA GACHERI JOSEPH	Member	1/2/2022
6	GEORGE G. MURAA	Member	1/2/2022
7	PHINEAS M.KIUNGA	Member	1/2/2022
8	PROF. ERASTUS MWENDA KIRIMA	Member – Rep CEB	1/2/2022
9	PAUL MUTABARI	Member Rep Teachers	1/2/2022
10	MAINGI MUGAMBI	3 Members - Sponsor	1/2/2022
	JUDY KABURU		1/2/2022
	JOSEPHINE G. MAKATHIMO		1/2/2022
11	SILAS KINOTI MURITHI	Member - Community	1/2/2022
	PHINEAS M. KIUNGA		1/2/2022
	JOSHUA KIUMBE		1/2/2022
	GEORGE G. MURAA		1/2/2022
	EVA N. MURITHI		1/2/2022
	IBRAHIM IRERI		1/2/2022
12	MARGARET KAJUJU	Member Special Needs	1/2/2022
13	RONALD ODHIAMBO	Rep Students	1/2/2022

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 para 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	Maingi Mugambi Stephen M Mbugua Kiunga Phineas George Muraa Ignatius Muchomba Judy Kaburu Silas Kinoti Andrew Gikundi Geoffrey Mputhia	Chairman Secretary/Principal Member Member Member/PA Chairman Member Member Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
2	Audit Committee	Joshua Kiumbe Geoffrey Mputhia Phineas M. Kiunga Evan Murithi	Chairman Vice Chairman Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1
3	Finance, procurement and general purposes Committee	Joshua Kiumbe Geoffrey Mputhia Phineas M. Kiunga Eva Murithi	Chairman Vice Chairman Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1
4	Academic Committee	Prof. Eustace Mwenda Andrew Gikundi Josphine G Makathimo Cecilia Gacheri J.	Chairman Vice Chairman Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3

5	Development Committee	Maingi Mugambi Silas Kinoti Margaret Kajuju Ignatius K Muchomba	Chairman Vice Chairman Member Member	1 out of 1 1 out of 1 1 out of 1 1 out of 1
6	Discipline and welfare Committee	Judy Kaburu George G Mura Paul Mutabari Mputhia Geoffrey	Chairman Vice Chairman Member Member	3 out of 3 3 out of 3 3 out of 3 3 out of 3
7	Adhoc Committee (if any during the year) (i) <u>TENDER OPENING</u>	Mputhia Geoffrey Andrew Gikundi Zachary Kiambi Kinyua Mbaya Festus Kithinji	Chairman Vice chairman Bursar Teacher Teacher	1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1
	(ii) <u>TENDER EVALUATION</u>	Mputhia Geoffrey Andrew Gikundi Zachary Kiambi Hosea Kathunkumi Ngugi Thuo	Chairman Vice Chairman Bursar Stores Ass. HOD Boarding	1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1
	(iii) <u>TENDER AWARD</u>	Mputhia Geoffrey Andrew Gikundi Zachary Kiambi Joseph Mburu Cecilia Kiara Paul Mutabari Ngugi Thuo	Chairman Vice Chairman Bursar HOD Curriculum HOD Humanities HOD Technical HOD Boarding	1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1 1 out of 1

(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Stephen Mbugua Wainaina	TSC No.347878
2	Deputy Principal	Andrew Gikundi Ngiti	TSC No.390344
3	School Bursar	Zachary Kiambi	ID NO:13553596
4	Other (specify)	Nil	

(e) Schools contacts

Post Office Box: **P.O. Box 278, 60200 MERU**
 Telephone: **0742-608-479**
 E-mail: **kaagaboysch@yahoo.com**
 Website: **www.kaagaboys.sc.ke**
 Facebook:
 Twitter:

(f) School Bankers

1. Name of Bank: **CO-OPERATIVE BANK**

- Branch: **MAKUTANO BRANCH (MERU) (SCHOOL FUND ACCOUNT)**
Postal Address: 1328-60200, MERU
Account No. 01129075188400
2. Name of Bank: **CO-OPERATIVE BANK**
Branch: **MAKUTANO BRANCH (MERU) (TUITION ACCOUNT)**
Postal Address: 1328-60200 MERU
Account No. **01139075188400**
3. Name of Bank: **CO-OPERATIVE BANK**
Branch: **MAKUTANO BRANCH (MERU) (OPERATIONS ACCOUNT)**
Postal Address: 1328-60200, MERU
Account No. **01139075188401**
4. Name of Bank: **CO-OPERATIVE BANK**
Branch: **MAKUTANO BRANCH (MERU) (SAVINGS ACCOUNT)**
Postal Address: 1328-6020, MERU
Account No. 1100075188400
5. Name of Bank: **CO-OPERATIVE BANK**
Branch: **MAKUTANO BRANCH (MERU) (CDF ACCOUNT)**
Postal Address: 1328-60200, MERU
Account No. 01139075188402
6. Name of Bank: **CO-OPERATIVE BANK**
Branch: **MAKUTANO BRANCH (MERU) (INFRASTRUCTURE ACCOUNT)**
Postal Address: 1328-60200, MERU
Account No. 01139075188403
7. Name of Bank: **EQUITY BANK**
Branch: **MAKUTANO BRANCH (MERU) (SCHOOL FUND ACCOUNT)**
Postal Address: 3137-60200, MERU.
Account No. 1040282355324

(g) Independent Auditors

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

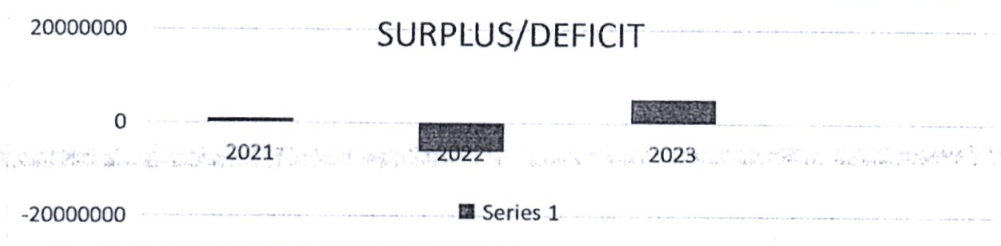
3. Summary Report of Performance of The School

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

a) Financial performance:

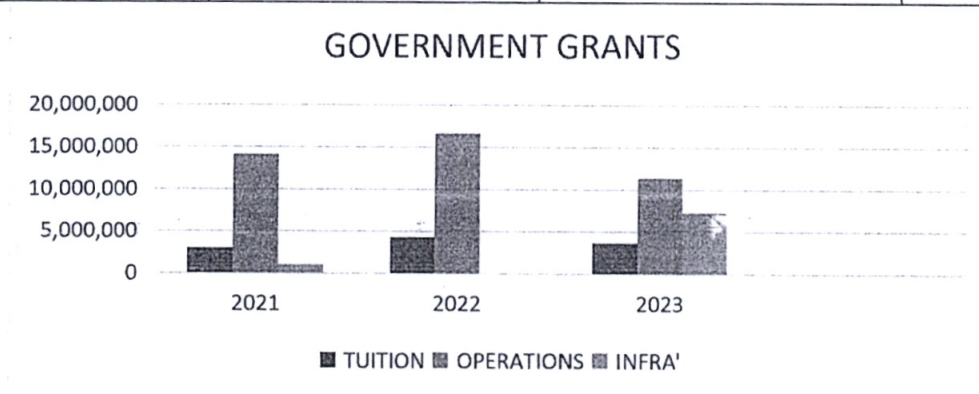
- 1) Surplus/ deficit for the year and a comparison of the same for the last three years

- YEAR	- AMOUNT
- 2021	- 1,011,279.00
- 2022	- -6,211,405.00
- 2023	- 5,184,372



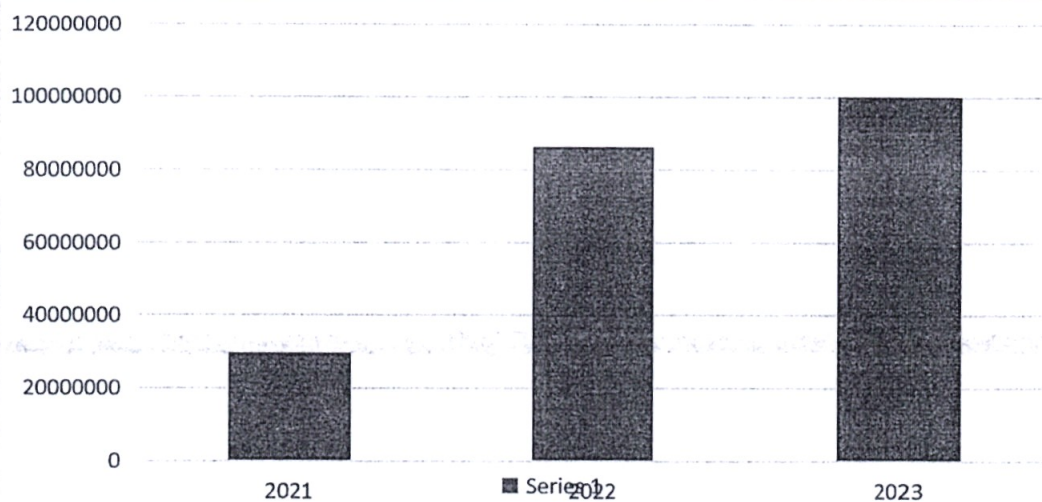
- 11) Capitation grants from the Ministry of Education for the last three years

- YEAR	- TUITION	- OPERATIONS	- INFR
- 2021	- 2,989,860.00	- 14,138,597.00	- 1,000,000.00
- 2022	- 4,234,424.00	- 16,582,761.40	- 0.00
- 2023	- 3,673,777.00	- 11,387,436.50	- 7,266,498.00



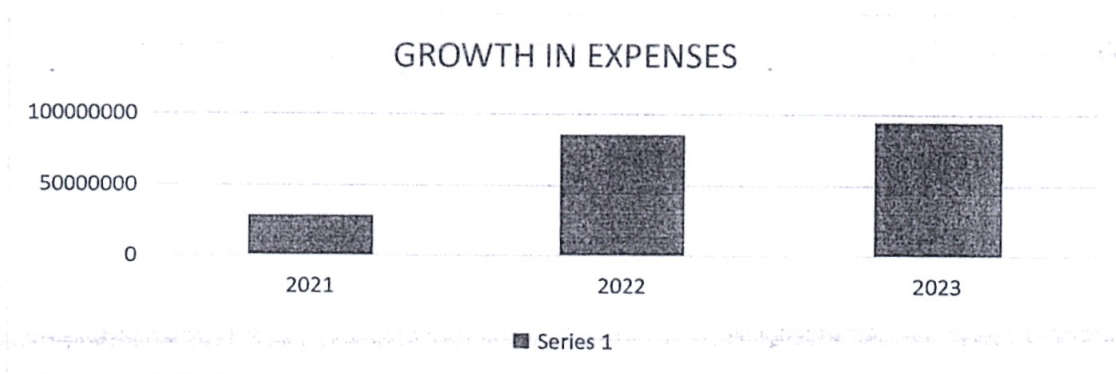
- 111) A three-year overview of growth of other income(s) earned by the school.

- YEAR	- AMOUNT
- 2021	- 29,744,827.00
- 2022	- 86,186,673.00
- 2023	- 100,139,858.00



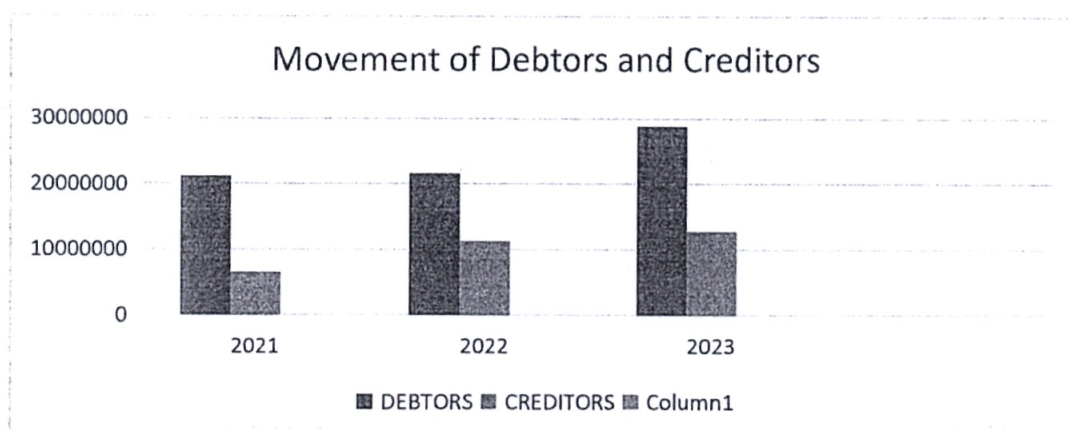
- 1V) A three-year overview of growth in expenditure of the school

- YEAR	- AMOUNT
- 2021	- 28,733,548.00
- 2022	- 86,198,673.00
- 2023	- 94,955,486.00



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

YEAR	DEBTORS	CREDITORS
2021	21,177,695.00	6,534,855.00
2022	21,662,629.00	11,304,860.00
2023	29,301,697.00	12,690,980.00



b) Teacher Student ratio:

Teacher to student ratio = 1:23

Teachers recruited 8 and posted to the school within the year 13.

Number of teachers that were transferred 3 retired 0 died 0 during the period.

Teachers employed by TSC 57 and BOM 4.

Teachers per subject in order to indicate shortage 1:23/allocation of resources.

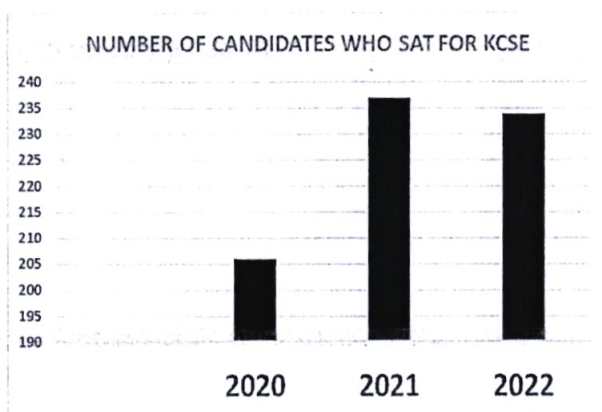
SUBJECT	NUMBER OF TEACHERS PER SUBJECT	SHORTFALL
MATHEMATICS	10	3
ENGLISH	7	2
KISWAHILI	11	-
CHEMISTRY	5	2
BIOLOGY	8	-
PHYSICS	3	1
GEOGRAPHY	5	2
HISTORY	6	1
CHRISTIAN RELIGIOUS ED.	7	1
BUSINESS STUDIES	4	2
AGRICULTURE	5	-
COMPUTER	1	3
FRENCH	1	2
MUSIC	1	2

c) Mean score in the 2020 - 2023 KCSE:

YEAR	NO. OF STUDENTS	MEAN SCORE	TARGET	TO UNIVERSITY	DEVIATION
2020	206	7.47573	8.0	146	+0.56003
2021	237	7.0	8.0	141	-0.47573
2022	234	7.1837	8.0	150	+0.1837

d) Number of Candidates in the 2020 - 2023 KCSE:

YEAR	NUMBER OF CANDIDATES WHO SAT FOR KCSE
2020	206
2021	237
2022	234



e) Capacity of the school:

Number of students in the school = 1311

DORMS	DINING HALL	LABORATORIES	TOILETS	CLASSES
8 OUT OF 15	1 OUT OF 2	3 OUT OF 8	64 OUT OF 90	23 OUT OF 27
DEFICIT	DEFICIT	DEFICIT	DEFICIT	DEFICIT
7	1	5	26	5

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Dormitory	Gok	Almost complete	25,000,000	24,000,000	1 year

KAAGA BOYS HIGH SCHOOL
PRINCIPAL SECRETARY B.O.M

Signature Date.....

Stephen M. Wainaina

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended **30th June, 2023**, and of the school's financial position as at that date.

KAAGA BOYS HIGH SCHOOL
CHAIRMAN B.O.M

Sign:..... Date:.....

Name: Maingi Mugambi

Designation: Chairman, School Board of Management

Date: 15th April 2026

KAAGA BOYS HIGH SCHOOL
PRINCIPAL/ SECRETARY B.O.M

Sign:..... Date:.....

Name: Stephen M. Wainaina

Designation: School Principal & Secretary to Board of Management

Date: 15th April 2026

KAAGA BOYS HIGH SCHOOL
BURSAR

15 APR 2026

P. O. Box 278 - 60200, MERU-UMENTI NORTH
Tel: 0742 608 479

Name: Zachary Kiambi

Designation: Bursar/ Finance Officer

Date: 15th April 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 KAAGA BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – MERU 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 Kaaga Boys Secondary School set out on pages 1 to 21, which comprise of the statement of assets and liabilities as at

30 June, 2023 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kaaga Boys Secondary School as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Misstatement of Accounts Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.12,690,980. However, Annex I on analysis of pending accounts payables reflect a total of Kshs.2,920,566 resulting to an unexplained variance of Kshs.9,770,414.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.12,690,980 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.5,439,702 as disclosed in Note to 10 the financial statements. Included in the balance are seven (7) bank accounts with account balances amounting to Kshs.5,439,702. However, all the bank balances were not supported by board of survey reports.

It was also observed that one CDF account had not been disclosed in the financial statements. Further to this, the cash books for the seven accounts disclosed had been posted and balanced but had not been closed or counter signed by the accounting unit as required by law. In addition, the cashbook, bank and cash balances were not supported by board of survey reports.

In the circumstances, the completeness and accuracy of the bank balances of Kshs.5,439,702 could not be confirmed.

3. Variance in the Operations Account

The statement of receipts and payments reflects operations grants amount of Kshs.9,116,747 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. However, the school records availed

revealed that operations amount received Kshs.15,629,617 resulting to a variance of Kshs.6,512,870 which was not explained.

In the circumstances, the accuracy of the operational grants of Kshs.9,116,747 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kaaga Boys Secondary School 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.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.49,231,114 and Kshs.35,563,210 respectively, resulting in an under-funding of Kshs.13,667,904 or 28% of the budget. However, the School spent an amount of Kshs.47,119,184 against actual receipts amounting to Kshs.35,563,210 resulting in an over-utilization of Kshs.11,555,974 or 32% of actual receipts.

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

My Opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Management are responsible for the Other Information set out on page (iii) to (xiv) which comprises 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, 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 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments for the year ended 30 June, 2023 reflects boarding and school fund payments amount of Kshs.74,333,962 which as disclosed in Note 9 to the financial statements includes an amount of Kshs.910,000 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.910,000 could not be confirmed.

2. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.9,116,747 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.5,402,000 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 Kshs.3,569,000 was transferred to infrastructure account, leaving a balance of Kshs.1,833,000. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

3. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.29,301,697 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivable balance of Kshs.21,661,929 which had been outstanding for more than 1 year. However, there was no ageing analysis and policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

This was contrary to Regulation 83(1) and (2)(g) of the Public Finance Management (National Government) Regulations, 2015 which states that the National Government entity shall be responsible for establishing sound cash management systems, procedures and processes, to ensure efficient and effective banking and cash management practices. Guiding principles for cash management; and for purposes of this regulation, sound cash management includes - pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the Government are collected and banked promptly.

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

4. Failure to Establish 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 such as licenses from the Kenya Institute of Supplies Management.

In the circumstances, Management was in breach of procurement regulations.\

5. Failure to Register as a Data Controller and Data Processor

Audit review established that the School had not registered with the Office of the Data Protection Commissioner (ODPC) as a data controller and data processor, despite actively collecting, processing, and storing personal data of students, staff members and other service providers during the year under review.

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

6. Failure to Register as a Withholding Tax Agent

It was noted that the School had not been registered as a withholding tax agent with the Kenya Revenue Authority despite making payments to suppliers and service providers during the year under review.

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 effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Lack of an IT Strategic Committee and an IT Strategic Plan

Review of the School's information technology systems revealed that it has in place systems to manage its operations which has resulted to improvement of services and safeguards of revenue collection, accuracy and timely reporting. However, the School does not have an ICT strategic committee or plan in place to assist in the development and improvement of the ICT policy framework to enable the school to realize long-term ICT strategic goals.

In the circumstances, the policy, strategies and procedures put in place to assess and measure development of services for the school could not be confirmed.

2. Lack of Risk Management Policy

Review of the documents provided for audit revealed that Management had not established a Risk Management Policy to guide on the development of risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, the effectiveness of risk management could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 ISSAI 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.



FCHA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

06 May, 2026

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023

Description Of Vote Head	Note	2022-2023	2021-2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,673,777.50	4,234,424.00
Government grants for operations	2	9,116,747.00	16,582,761.00
Government Grants for infrastructure	3	7,266,498.00	3,900,000.00
School fund income- parents' contributions	4	72,335,980.00	23,677,052.00
Miscellaneous incomes	5	7,746,855.00	52,862,915.00
Total Receipts		100,139,858.00	101,257,152.00
Payments			
Tuition	6	3,207,520.00	4,105,057.00
Operations	7	9,750,055.00	16,414,232.00
Infrastructure	8	7,663,949.00	3,900,000.00
Boarding and school fund	9	74,333,962.00	81,437,511.00
Total Payments		94,955,486	105,856,800.00
Surplus/Deficit		5,184,372.00	(4,599,648.00)

The school financial statements were approved on 15th April 2026 and signed by:

KAAGA BOYS HIGH SCHOOL
CHAIRMAN B.O.M

Signature: Date:

Name: Maingi Mugambi

Chair BOM

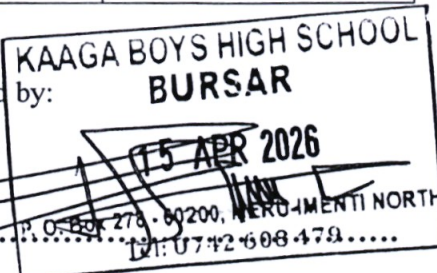
Date: 15th April 2026

KAAGA BOYS HIGH SCHOOL
PRINCIPAL/ SECRETARY B.O.M

Signature: Date:

Name: Stephen M Wainaina
School Principal/ Secretary to
BOM

Date: 15th April 2026



Name: Zachary Kiambi

Bursar/ Finance Officer

Date: 15th April 2026

8. Statement of Cash Flows for the Year Ended 30th June 2023

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		3,673,777.50	4,234,424.00
Government grants for operations		9,116,747.00	16,582,761.00
Government grants for infrastructure		7,266,498.00	3,900,000.00
School fund income- parents contributions/ fees		72,335,980.00	23,677,052.00
Other income		7,746,855.00	52,862,915.00
Total receipts		100,139,858.00	101,257,152.00
Payments			
Cash outflows for tuition		3,772,374.00	4,105,057.00
Cash outflows for operations		9,750,055.00	16,414,231.00
Cash outflows Boarding/lunch and school fund payments		77,019,435.00	72,866,031.00
Total payments		90,541,864.00	93,385,319.00
Net cash inflow/outflow from operating activities		9,597,994.00	7,871,833.00
Cash flow from investing activities			
Acquisition of assets		10,666,570	9,187,433.00
Proceeds from sale of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflows from investing activities		10,666,570	9,187,433.00
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18	0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		(1,068,576)	(1,315,600.00)
Cash and cash equivalent at beginning of the FY		6,508,550.00	7,824,150.00
Cash and cash equivalent at end of the FY		5,439,793.87	6,508,550.00

The school's financial statements were approved by KASHI HIGH SCHOOL and signed by:

KAAGA BOYS SECONDARY SCHOOL
PRINCIPAL / SECRETARY B.O.M

.....
Name: Maingi Mugambi

Chair BOM

Date:15th April 2026

.....
Name: Stephen M Wainaina
School Principal/ Secretary to
BOM

Date:15th April 2026

.....
Name: Zachary Kiambi

Bursar/ Finance Officer

Date:15th April 2026

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

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) Capitation Grant on Tuition					
Reference Materials	0.00	0.00	0.00	0.00	0.00
Exercise Books	0.00	0.00	0.00	0.00	0.00
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00
Internal Exams	0.00	0.00	0.00	0.00	0.00
Teaching / Learning Materials	5,888,624.00	0.00	5,888,624.00	3,673,777.50	62.4%
Exams And Assessment	0.00	0.00	0.00	0.00	0.00
Total	5,888,624.00	0	5,888,624.00	3,673,777.50	62.4%
(2) Capitation Grant on Operations					
EWC	2,490,751.85	0.00	2,490,751.85	2,490,751.85	100%
P Emoluments	4,839,122.35	0.00	4,839,122.35	4,839,122.35	100%
ADM Costs	3,186,047.45	0.00	3,186,047.45	3,186,047.45	100%
Activity	646,714.00	0.00	646,714.00	646,714.00	100%
Medical	92,300.00	0.00	92,300.00	92,300.00	100%
Insurance	132,501.00	0.00	132,501.00	132,501.00	100%
Total	11,387,437	0.00	11,387,437	11,387,437	100%
3) FDSE for infrastructure					
Maintenance &Improvement MoE	6,500,000.00	0	6,500,000.00	4,400,000.00	67%

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
M&I parents' contribution	2,600,000.00	0	2,600,000.00	2,800,000.00	107%
Economic Stimulus Programs	0.00	0.00	0.00	0.00	0.00
Transition Infrastructure Grants	0.00	0.00	0.00	0.00	0.00
Administration Block	0.00	0.00	0.00	0.00	0.00
Total	9,100,000.00	0.00	9,100,000.00	7,200,000.00	79%
(4) Fees Charged on Parents					
Activity	1,118,400.00	0.00	1,118,400.00	563,491.00	50%
ADM Cost	2,652,800.00	0.00	2,652,800.00	1,612,831.00	61%
EWC	6,241,600.00	0.00	6,241,600.00	3,060,010.00	49%
LT & T	1,936,800.00	0.00	1,936,800.00	445,676.00	23%
Medical	628,800.00	0.00	628,800.00	11,097.00	2%
P Emoluments	6,937,600.00	0.00	6,937,600.00	2,697,781.00	39%
RMI	2,553,600.00	0.00	2,553,600.00	863,150.00	34%
Boarding	25,908,000.00	0.00	25,908,000.00	24,930,037.00	96.6%
5) Miscellaneous Income					
Loans / Borrowing	0.00	0.00	0.00	0.00	0.00
Income from farming activities	400,000.00	0.00	400,000.00	2,000.00	0.5%
Insurance Compensation	0.00	0.00	0.00	0.00	0.00
Income From Posho Mill	0.00	0.00	0.00	0.00	0.00
Income From Bus Hire	0.00	0.00	0.00	0.00	0.00
Fee For Hire of Ground and Equipment	0.00	0.00	0.00	0.00	0.00

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
Interest Income	0.00	0.00	0.00	0.00	0.00
Income From Any Other Investment	0.00	0.00	0.00	0.00	0.00
Total Income	49,231,114.00	0	49,231,114.00	35,563,210.00	72.24%
(6) Expenditure For Tuition					
Textbooks	0.00	0.00	0.00	0.00	0.00
Reference Materials	0.00	0.00	0.00	0.00	0.00
Exercise Books	0.00	0.00	0.00	0.00	0.00
Laboratory Equipment	0.00	0.00	0.00	0.00	0.00
Internal Exams	0.00	0.00	0.00	0.00	0.00
Teaching / Learning Materials	9,686,432.00	0	9,686,432.00	3,206,920.00	33%
Chalks	0.00	0.00	0.00	0.00	0.00
Exams And Assessment	0.00	0.00	0.00	0.00	0.00
Teachers Guides	0.00	0.00	0.00	0.00	0.00
Administration Costs	0.00	0.00	0.00	0.00	0.00
Bank Charges	700.00	0.00	700.00	600.00	86%
Total	9,686,432.00	0.00	9,686,432.00	3,207,520.00	33%
(7) Expenditure For Operations					
EWC	1,359,360.00	0.00	1,359,360.00	744,682.00	55%
LT&T	778,440.00	0.00	778,440.00	403,800.00	52%
RIM	1,136,800.00	0.00	1,136,800.00	181,550.00	16%
P Emoluments	3,596,870.00	0.00	3,596,870.00	6,030,953.00	167%
ADM Cost	1,108,892.00	0.00	1,108,892.00	466,449.00	42%

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
Activity	784,686.00	0.00	784,686.00	452,000.00	58%
Tuition AC	968,000.00	0.00	968,000.00	876,100.00	91%
Boarding AC	1,687,000.00	0.00	1,687,000.00	2,269,917	134%
BOM Teachers	453,600.00	0.00	453,600.00	595,293.00	131%
Total	11,873,648	0.00	11,873,648	12,020,744	101%
(8) Expenditure For infrastructure					
Construction of classrooms	2,800,000.00	0.00	2,800,000.00	2,800,000.00	100%
Construction of LAB	0.00	0.00	0.00	0.00	0.00
Construction of DORMS	5,000,000.00	0.00	5,000,000.00	4,400,000.00	88%
Purchase of furniture	1,200,000.00	0.00	1,200,000.00	900,000.00	75%
Purchase of equipment	0.00	0.00	0.00	0.00	0.00
Purchase of machinery	0.00	0.00	0.00	0.00	0.00
Total	9,000,000.00	0.00	9,000,000.00	8,100,000.00	90%
(9) Expenditure For school fund/lunch/boarding					
Activity	1,118,400.00	0.00	1,118,400.00	1,119,980.00	100%
Adm costs	2,652,800.00	0.00	2,652,800.00	2,595,000.00	98%
BES	25,908,000.00	0.00	25,908,000.00	27,205,791.00	105%
Electricity, Water and Conservancy	6,241,600.00	0.00	6,241,600.00	1,120,105.00	18%
LT&T	1,936,800.00	0.00	1,936,800.00	415,478.00	21%
MED	628,800.00	0.00	628,800.00	157,800.00	25%

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
P Emoluments	6,937,600.00	0.00	6,937,600.00	827,609.00	12%
RMI	2,553,600.00	0.00	2,553,600.00	2,827,183.00	110%
Farm AC	0.00	0.00	0.00	14,500.00	0.00
FEE arrears	0.00	0.00	0.00	10,835,738.00	0.00
Totals	49,977,600	0.00	49,977,600	47,119,184.00	98%

EXPLANATION OF VARIANCES EXCEEDING 100%

This was due to increased enrollment as result of 100% transition policy by government from primary to secondary .

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023

11. Notes To The Financial Statements**1 Government Grants for Tuition**

Description	2022-2023	2021-2022
	Kshs	Kshs
Reference Materials	0.00	0.00
Exercise Books	0.00	0.00
Laboratory Equipment	0.00	0.00
Internal Exams	0.00	0.00
Teaching / Learning Materials	3,673,777.50	4,234,424.40
Others (<i>specify</i>)*	0.00	0.00
Total	3,673,777.50	4,234,424.40

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,568,433.00	5,486,358.40
Repairs And Maintenance	0.00	4,809,300.00
Local Transport / Travelling	0.00	1,712,512.20
Electricity And Water	2,490,752.00	2,192,909.45
Administration Costs	3,186,047.00	2,381,681.35
Medical	92,300.00	0.00
Activity	646,714.00	0.00
Insurance	132,501.00	0.00
Total	9,116,747.00	16,582,761.40

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Maintenance & Improvement	7,266,498	3,900,000.00
Transition infrastructure grants	0.00	0.00
Administration Block	0.00	0.00
Economic stimulus grants	0.00	0.00
Other (<i>specify</i>)(NGCDF and County govt.	0.00	0.00
Total	7,266,498.00	3,900,000.00

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Boarding	47,544,804.00	0.00
Personnel emoluments	5,534,633.00	4,114,773.00
Repairs and maintenance	3,668,428.00	2,400,778.00
Local transport / travelling	1,991,914.00	1,002,323.00
Electricity and water	7,887,397.00	7,753,121.00
Medical	11,197.00	300.00
Administration costs	3,834,664.00	2,837,604.00
Activity	760,356.00	1,102,087.00
PTA development	298,165.00	4,466,066.00
Total	72,335,980.00	23,677,052.00

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Fee on boarding equipment and stores	0.00	33,870,714.00
KCSE	4000.00	5,552.00
Cdc camp	4,300.00	100,445.00
Caution money	0.00	500.00
Uniform	7,080,220.00	11,723,487.00
Miscellaneous	326,490.00	217,824.00
Scouts	6,650.00	0.00
Clubs and associations	0.00	192,845.00
SES	34,880.00	0.00
CU	106,715.00	0.00
MCK CDC Camp	0.00	0.00
Farm A/C	30,000.00	141,000.00
Tenders	72,000	97,000.00
Operation AC	0.00	0.00
School equipment and store	0.00	2,554,548.00
Infrastructure	0.00	3,959,300.00
Wildlife club	2000.00	0.00
SDA	26,950.00	0.00

Journalism	10,000.00	0.00
YCS	42,650.00	0.00
Total	7,746,855.00	52,862,915.00

Notes to the Financial Statements (continued)

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
School equipments and stores	3,206,920.00	4,103,497.00
Bank charges	600.00	1,560.00
Total	3,207,520.00	4,105,057.00

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	6,030,953.00	2,512,711.00
BOM teachers	595,293.00	119,437.00
Administration Cost	465,677.00	1,860,710.15
Repairs And Maintenance & Improvements	181,550.00	1,457,736.00
Local Transport / Travelling	403,800.00	136,719.00
Electricity And Water	744,682.00	844,852.00
Infrastructure	0.00	3,509,300.00
Activity Expenses	452,000.00	50,000.00
SES	876,100.00	1,625,573.00
Insurance Cost	0.00	579,209.00
Transfer school fund	0.00	3,717,984.00
Boarding AC	0.00	
Total	9,750,055.00	16,414,232.00

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Construction of classrooms	2,800,000.00	900,000.00
Construction of laboratory	0.00	144,000.00
Construction of dormitory	4,863,949.00	2,915,000.00
Purchase of furniture	0.00	0.00
Purchase of equipment	0.00	0.00
Purchase of apparatus	0.00	0.00
Drilling of boreholes	0.00	0.00
Others (specify)	0.00	0.00
Total	7,663,949.00	3,959,000.00

9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Boarding	55,614,457.00	46,014,063.00
EWC	1,786,205.00	1,778,826.00
LT&T	1,043,962.00	819,512.00
RMI	2,883,559.00	2,040,422.00
P Emoluments	0.00	7,561,787.00
ADM Cost	5,146,093.00	4,826,157.46
Activity	1,394,429.00	656,180.00
PTA/Development	985,010.00	2,992,952.00
Medical	177,635.00	47,502.00
Cdc CAMP	0.00	143,400.00
KCSE Exam	0.00	41,300.00
Uniform	4,490,000.00	0.00
Miscellaneous	55,600.00	0.00
SES	505,622.00	1,655,410.00
Clubs CU/YCS	124,390.00	409,100.00
MCK CDC camp	0.00	0.00
Farm A/C	78,000.00	239,500.00
Tenders	0.00	20,000.00
SDA	17,000.00	0.00
Donations	10,000.00	0.00

YCS	22,000.00	0.00
Total	74,333,962.00	81,437,511.00

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account		1139075188400	75,905	174,502
Operations Account		1139075188401	106,481	739,448
School Fund Account/Boarding		1129075188400	45,198	472,489
Savings Account		1100075188400	4,286,408	4,286,408
Infrastructural Account		1139075188403	925,710	385,056
Total			5,439,702	6,057,902

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	272	450,647
Total	272	450,647

12 Short Term Investments

Description	2022-2023	2021-2022
	Kshs	Kshs
Cooperative Shares	0.00	0.00
Treasury Bills	0.00	0.00
Fixed Deposit accounts	0.00	0.00
Other Investments	0.00	0.00
Total	0.00	0.00

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	29,301,697.00	21,662,629.00
Other Non-Fees Receivables	0.00	0.00

Salary Advances (list/schedule attached)	0.00	0.00
Imprest (list/schedule attached)	0.00	0.00
Rent arrears (list/schedule attached)	0.00	0.00
Total	29,301,697.00	21,662,629.00

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	7,639,068.00	26	7,406,601.00	34
Between 1- 2 years	3,722,743.00	13	6,095,167.00	28
Between 2-3 years	9,779,025.00	22	8,160,861.00	38
Over 3 years	8,160,161.00	28		
Total (should tie to note 13 a)	29,301,697.00		21,662,629.00	

14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	8,782,972.00	6,427,260.00
Prepaid Fees	3,908,008.00	4,877,600.00
Retention Monies	0.00	0.00
Unpaid salaries and statutory deductions	0.00	0.00
Caution money	0.00	0.00
Other payables (specify)	0.00	0.00
Total	12,690,980.00	11,304,860.00

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	6,828,574	33	9,406,065.00	46
Between 1- 2 years	2,413,951	27	3,448,455.00	54
Between 2-3 years	3,448,455	39		
Over 3 years				
Total (should tie to note 14)	12,690,980.00		11,304,860.00	

15 Fund Balance Brought Forward

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank Balances	6,057,903.00		68,974.00	
Cash Balances	450,647.00		2,467,745.00	
Short Term Investments	0.00		4,286,408.18	
Receivables	21,662,629.00		21,177,695.00	
Payables	(11,304,860.00)		(6,534,855.00)	
Total	16,866,319.00		21,465,967.18	

Other important disclosure notes

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

16 Non-current Liabilities Summary

Description	2022-2023		2021-2022	
	Kshs		Kshs	
Bank Loans	0.00		0.00	
Outstanding Leases	0.00		0.00	
Hire Purchase	0.00		0.00	
Gratuity And Leave Provision	0.00		0.00	
Others (specify)	0.00		0.00	

Total	0.00	0.00
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17 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle		0.00	0.00
Goats		0.00	0.00
Trees		30,000	25,000.00
Coffee Or Tea Plantation		0.00	0.00
Poultry		0.00	0.00
Pigs		400,000	235,000
Total		430,000.00	260,000.00

18 Borrowings

Description	Kshs	Kshs
Borrowings at beginning of the year	0.00	0.00
Borrowings during the year	0.00	0.00
Repayments during the year	0.00	0.00
Balance at the end of the year	0.00	0.00

Other important disclosure notes**19 Stock/ Inventory**

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	240,000.00	2,093,530.00
Lab consumables	0.00	0.00
Farm produce	0.00	0.00
Medication	0.00	0.00
Construction Materials	0.00	0.00
Others (specify)	0.00	0.00
TOTAL	240,000.00	2,093,530.00

20 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)
		NO REPORTS		

KAAGA BOYS HIGH SCHOOL
PRINCIPAL / SECRETARY B.O.M

Signature: Date:

Sign and Date

Principal: Stephen M. Wainaina

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. KARANIYA ENTERPRISES	600,000.00	1.7.22	0.00	600,000.00	0.00	TO PAY ON SEP
2.						
3.						
Sub-Total	600,000.00		0.00	600,000.00	0.00	
Supply Of Goods						
4. SIMON MBWIRIA	48,800.00	1.7.22	0.00	48,800.00	0.00	TO PAY ON SEP
5. FREDRICK MUCHUI	600,000.00	1.7.22	0.00	600,000.00	0.00	TO PAY ON SEP
6. JAQWA ENTERPRISES	1,671,200.00	1.7.22	0.00	1,671,200.00	0.00	TO PAY ON SEP
Sub-Total	2,320,000.00		0.00	2,320,000.00	0.00	
Supply Of Services						
7. ANSAC CHEMICALS	98,566.00	1.7.22	0.000.00	98,566.00	0.00	TO PAY ON SEP
8						
Sub-Total	98,566.00		0.00	98,566.00	0.00	
Grand Total	2,920,566.00		0.00	2,920,566.00	0.00	

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
Land	35,000,000.00	0.00	0.00	35,000,000.00
Buildings And Structures	58,000,000.00	6,000,000.00	0.00	64,000,000.00
Motor Vehicles	1,500,000.00	0.00	0.00	1,400,000.00
Office Equipment, Furniture And Fittings	26,585,000.00	820,000.00	0.00	27,405,000.00
Textbooks	221,000.00	420,000.00	0.00	641,000.00
ICT Equipment	917,000.00	140,000.00	0.00	1,057,000.00
Tools And Apparatus	3,618,700.00	0.00	0.00	3,618,700.00
Other Machinery And Equipment	1,540,000.00	0.00	0.00	1,540,000.00
Heritage And Cultural Assets	0.00	0.00	0.00	0.00
Intangible Assets- Soft Ware	200,000.00	0.00	0.00	200,000.00
Total	127,581,700.00	7,380,000.00	0.00	134,961,700.00