REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

GATUGI GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2022

NYERI COUNTY

Revised 30th June 2022.

GATUGI GIRLS SECONDARY 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

(a) Background information

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is located in Nyeri County, Nyeri South Sub-County

The school was registered in March (03) 2008under registration number GP/A/5291/08 and is currently categorized as a County public school established, owned or operated by the Government.

The school is a boarding school and had 765 number of students as at *30th June 2022*.It has 3 streams in form 3 and 4, four streams in form 1 and 2 and 26 teachers of which 5 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	Hon. Priscilla Nyokabi	Chairman	13/5/2022
2	Mrs E. W. Kihara	Secretary- Principal	13/5/2022
3	Rev.John Kairu	Member - Sponsor	13/5/2022
4	Lucy Wachera Gathenya	Member - Sponsor	13/5/2022
5	Ms Mary Wagaki Mwai	Member – Community	13/5/2022
6	Ms Perister Kigwa	Member - Community	13/5/2022
7	Dr Cyrus Ngumo	Member - Community	13/5/2022
8	Mr. John Kinyua	Member – community	13/5/2022
9	Mr. Jonathan Ndegwa	Member - Community	13/5/2022
10	Mr. David Gicheru Kimita	Member Rep CEB	13/5/2022
11	Mrs Charity Kamutu	Member – Teachers Rep	13/5/2022
12	Ms Gladys Wambugu	Member - Community	13/5/2022
13	Ms Agnes Njambi Mubeu	MemberSpecial Needs	13/5/2022

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 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	Execcutive Committee	Hon PriscillaNyokabi E.W. Kihara Rev.John Kairu John Kinyua	Chairperson Secretary Member Member	
2	Audit Committee	Lucy Gathenya David Kimita PeristerKigwa John Kinyua	Chairperson Secretary Member Member	
3	Finance,procurement and general purposes Committee	Ms Lucy Gathenya Mrs E. W. Kihara Mr. Charles Matemo Mr. John Kinyua Ms PeristerKigwa	Chairperson Secretary Member Member Member	
4	Academic Committee	Hon Priscilla Nyokabi David Kimita	Chairman Secretary	

		E.W.Kihara Charity Kamutu Gladys Wambugu	Member Member Member	
5	Development Committee	Mr. John kinyua Mrs Irene Muchoki Hon.PriscillaNyokabi Mrs E. W. Kihara Rev. JosphineGakenia Eng. Charles Matemo	Chairperson Secretary Member Member	
6	Discipline and welfare Committee	Rev john Kairu E.W. Kihara Mrs Mary Mwai Mrs Charity Kamutu	Chairperson Secretary Member Member	
7	Adhoc Committee (if any during the year)			

(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	Mrs.ElpietyKihara	361161
2	Deputy Principal	Mrs Irene Muchoki	336343
3	School Bursar	Cecilia Mathenge	14428952

(e) Schools contacts

Post Office Box:	332 – 10106, OTHAYA
Telephone:	0711322220
E-mail:	gatugigirlssecondary@yahoo.com
Website:	www.GatugiGirlsHigh.co.ke
Facebook:	
Twitter:	

(f) SchoolBankers

The following school operated 8 number of bank accounts in the following banks:

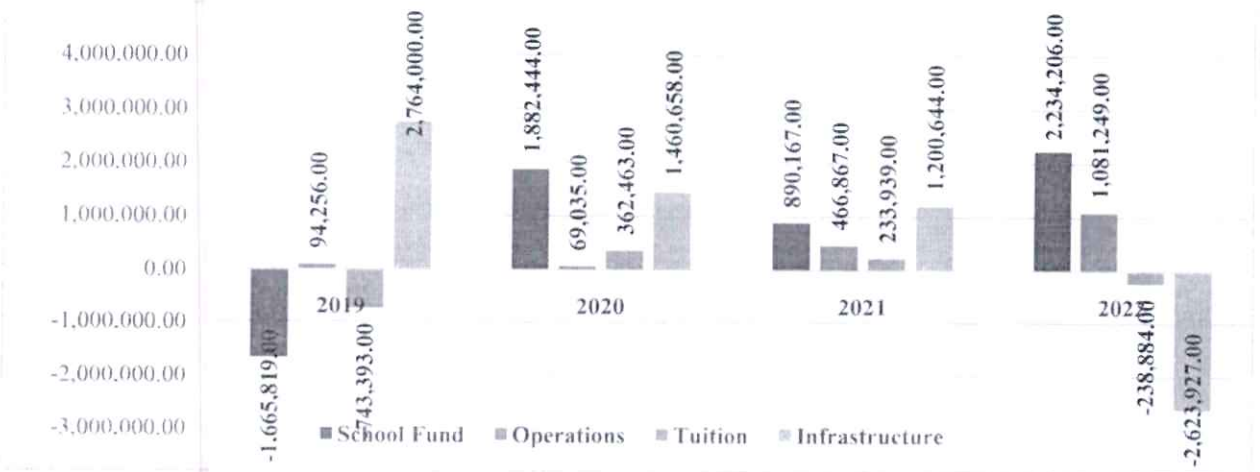
1.	Name of Bank:	Tuition a/c:	KCB
	Branch:		Othaya
	Account Number:		1101525827
2.	Name of Bank:	Operations a/c :	KCB
	Branch:		Othaya
	Account Number:		1101565195
3.	Name of Bank:	school fund a/c	KCB
	Branch:		Othaya
	Account Number:		1101523565
4.	Name of Bank:	Savings a/c	KCB
	Branch:		Othaya
	Account Number:		1103197312
5.	Name of Bank:	Infrastructure a/c:	KCB
	Branch:		Othaya
	Account Number:		1226275311
6.	Name of Bank:	School fund a/c:	Equity
	Branch:		Othaya
	Account Number:		0080293984573
7.	Name of Bank:	Development a/c:	Equity
	Branch:		Othaya
	Account Number:		0080101537751
8.	Name of Bank:	CDF a/c:	Equity
	Branch:		Othaya
	Account Number:		0080271508966

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:

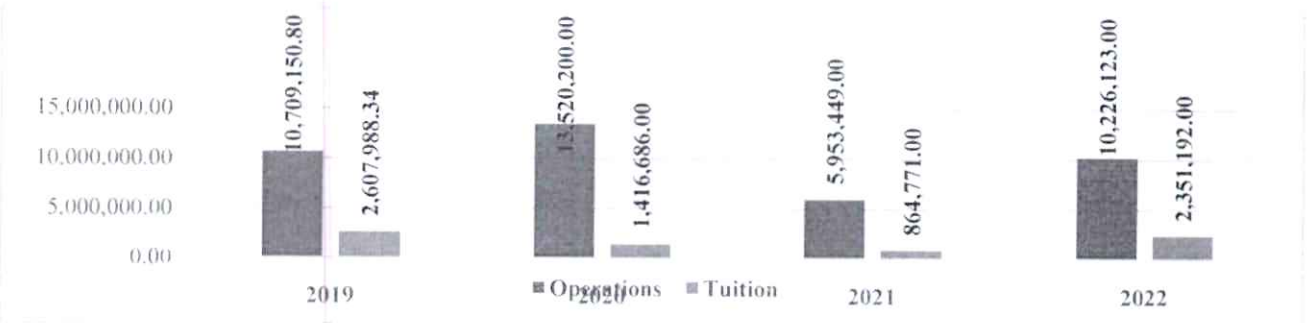
a) **Financial performance**:

SURPLUS/DEFICIT FOR THE YEAR & COMPARISON FOR THE LAST 4 YEARS					
NO	**ACCOUNTS**	**2022** KSHS	**2021** KSHS	**2020** KSHS	**2019** KSHS
1	School fund A/c	2,234,206	890,167	1,882,444	(1,665,819)
2	Operations A/c	1,081,248	466,867	69,035	94,256
3	Tuiton A/c	(238,884)	233,939	362,463	(743,393)
4	Infrastructure A/c	(2,623,927)	1,200,644	1,460,658	2,764,000
	Total	**452,642**	**2,791,618**	**3,774,601**	**448,945**
	Increase/Decrease	**(2,338,976)**	**982,983**	**3,325,655**	**(1,329,861)**

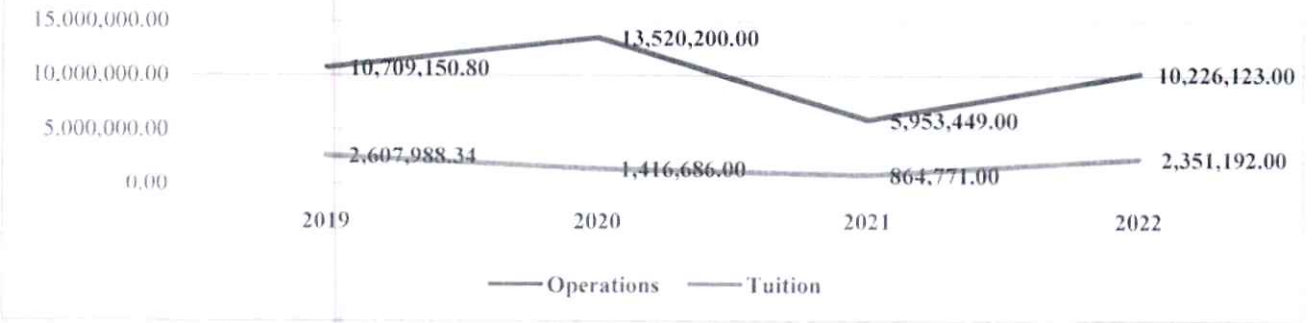


The surplus for the year 2021 of 2,791,618 was attributed by under utilization of Infrastructure fund due to delay in approval of utilization of the fund. The fund was utilized the year 2022 together with disbursed R.M.I fund leading to decreased surplus for the year. In operations and school fund accounts, 2022 surplus was higher than year 2021 since in the year 2021 financial year was for six months compared to twelve months in year 2022 because of higher income

CAPITATION GRANTS FROM THE MINISTRY OF EDUCATION FOR THE LAST THREE YEARS					
NO	**ACCOUNTS**	**2022**	**2021**	**2020**	**2019**
1	Operations Account	10,226,123	5,953,449	13,520,200	10,709150
2	Tuition Account	2,351,192	864,771	1,416,686	2,607,988
	Total	**12,577,315**	**6,818,220**	**14,936,886**	**13,317,139**
	Increase/ Decrease	**5,759,095**	**(8,118,666)**	**1,619,746.86**	**641,337.42**
	No of students	**712**	**665**	**665**	**659**
	Ratio of Capitation	1:17664	1:10253	1:22,461	1:20,208



TREND OVER THE LAST THREE YEARS

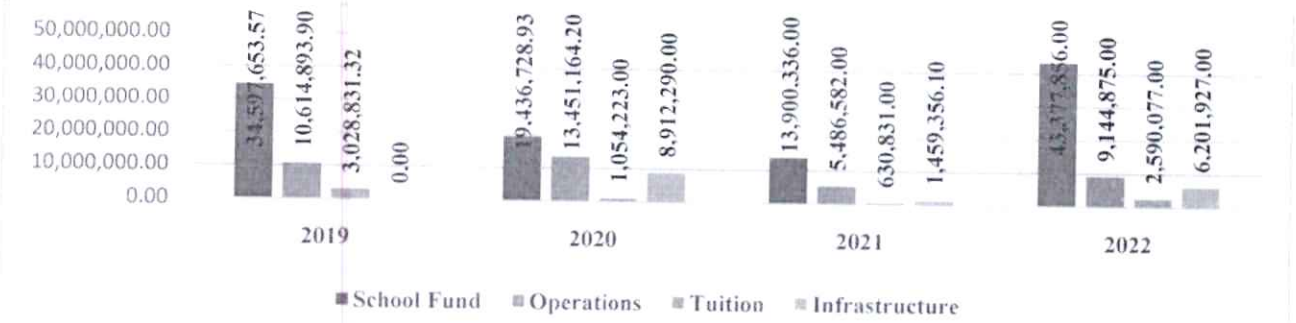


OVERVIEW OF NET GROWTH OF OTHER INCOME					
NO	**ACCOUNTS**	**2022 KSH**	**2021 KSH**	**2020 KSH**	**2019 KSH**
1	Tender	47,000.00	-	46,000.00	58,000.00
2	Farm	671,088.00	326,383.00	355,325.00	639,380.00
3	rent	189,000.00	49,000.00	144,500.00	139,000.00
	Total	**907,088.00**	**375,383.00**	**545,825.00**	**836,380.00**
	Increase/Decrease	531,705.00	(170,442.00)	(290,555.00)	21,100.00

TREND OVER THE LAST THREE YEARS

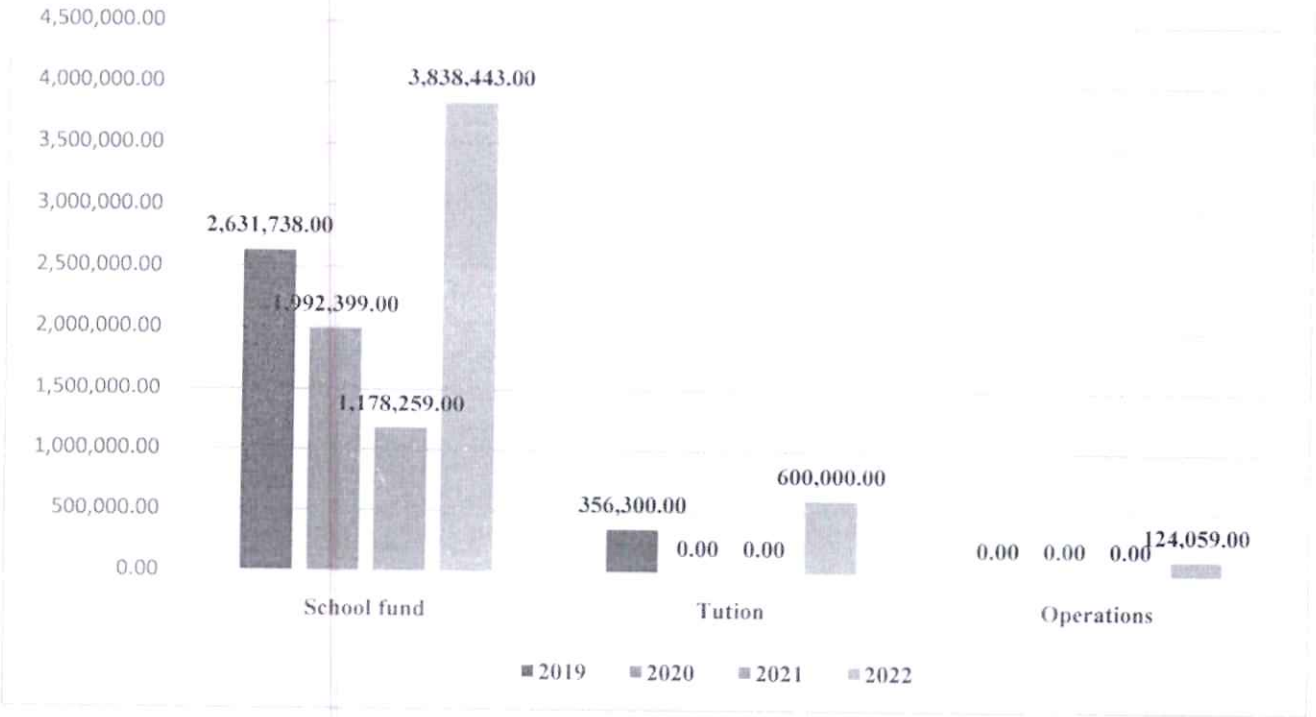
In the year 2021, tendering was done in july 2021 after the close of the financial year. Increase in other income was attributed to difference in the accounting period. Year 2021 accounting period was for six months while in year 2022, the accounting period was for twelve months.

OVERVIEW GROWTH IN EXPENDITURE OF THE SCHOOL					
	ACCOUNTS	**2022 KSH**	**2021 KSH**	**2020 KSH**	**2019 KSH**
1	School fund Account	43,377,856	14,795,904	19,436,728	34,597,653
2	Operations Account	9,144,875	5,486,582	13,451,164	10,614,893
3	Tuition Accounts	2,590,077	630,831	1,054,223	3,028,831
4	Infrastructure Account	6,201,927.00	1,459,356	8,912,290	-
	Total	**61,314,735**	**22,372,673**	**42,854,405**	**48,241,377**
	Increase/ Decrease	38,942,062	(20,481,732)	(5,386,972)	-



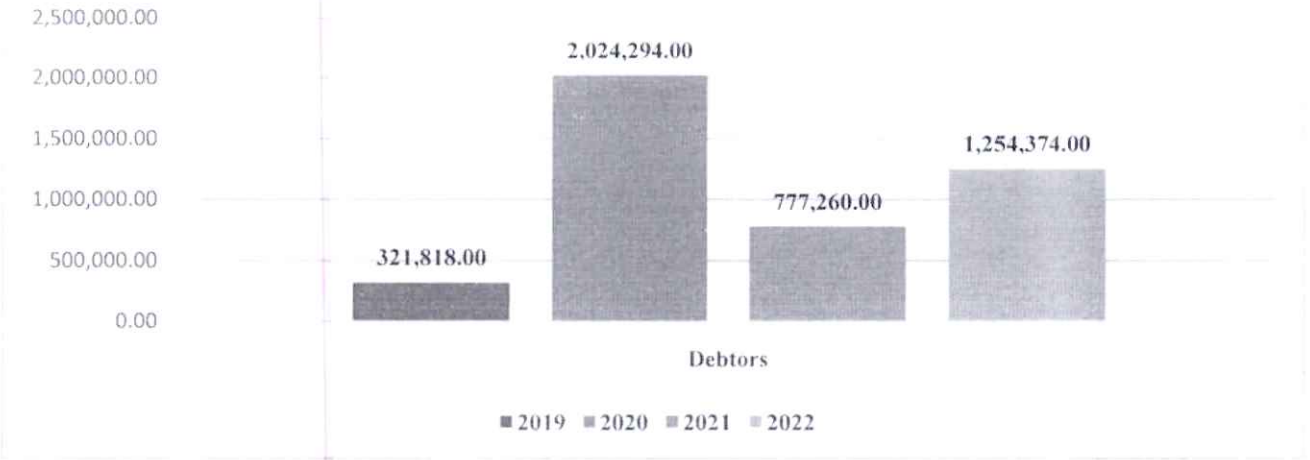
Increase in expenditure from Ksh 22,372,673 in the year 2021 to Ksh 61,314,735 in the year 2022 was due to increase in population from 661 students in year 2021 to 720 students in year 2022 and also accounting period of 6 months in year 2021 compared to 12 months in year 2022.

MOVEMENT OF CREDITORS OF THE SCHOOL				
ACCOUNTS	**2022 KSH**	**2021 KSH**	**2020 KSH**	**2019 KSH**
School funds A/c	3,838,443	1,178,259	1,992,399	2,631,738
Operations Account	124,059	-	-	-
Tuition Account	600,000	-	-	356,300
Total	**4,562,502**	**1,178,259**	**1,992,399**	**2,988,038**
Increase/Decrease	3,384,243	814,140	995,369	2,016,037



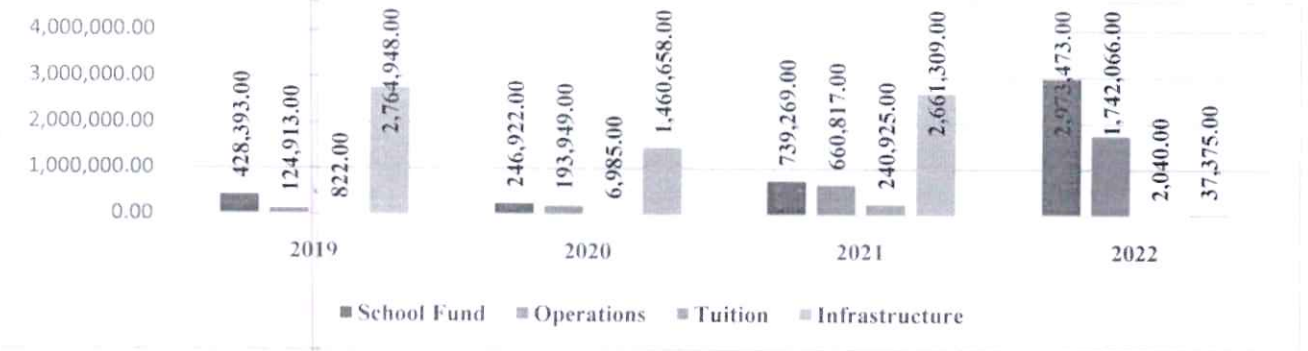
MOVEMENT OF DEBTORS OF THE SCHOOL

	ACCOUNTS	2022	2021	2020	2019
1	School fund	1,254,374	726,297	2,024,294	321,818
	Total	1,254,374	726,297	2,024,294	321,818
	Increase/ decrease	(528,077)	(1,297,997)	1,702,476	(137,443)



MOVEMENT OF CASH AND BANK BALANCES

NO	ACCOUNTS	2022 KSH	2021 KSH	2020 KSH	2019 KSH
1	School fund A/c	2,973,473	739,269	246,922	428,393
2	Operations Account	1,742,067	660,817	193,949	124,913
3	Tuition Account	2,040	240,925	6,985	822
4	Infrastructure A/c	37,375	2,661,310	1,460,658	2,764,948
	Total	**4,754,955**	**4,302,321**	**1,908,514**	**3,319,077**
	Increase/Decrease	452,633	2,393,806	(1,410,562)	2,482,387



b) **Teacher Student ratio**

In the financial 2021/2022, there were 21 teachers employed by the Teachers Service Commission and five others were employed by the Board of Management.

c) **Mean score in the *2019,2020 and 2021* KCSE**:

YEAR	ENROLMENT	MEAN	TRANSITION	TRANSITION %	SCHOOL TARGET	COMMENTS
2021	168	4.602	16	9.3	6.5	Negative deviationof -0.189
2020	172	4.790	16	9.3	6.5	Negative deviationof -0.121
2019	179	4.911	25	13.9	6.5	Negative deviation of-0.03

d) **Number of Candidates in the 2021 KCSE:**

YEAR	2022	2021	2020	2019
Candidates	142	168	173	179

e) **Capacity of the school**:

The school has a population of 765 students. The school facilities are:

NO	*SCHOOL FACILITY*	*CAPACITY*	*REQUIRED*
1	*Dormitory*	*5 dormitories*	*1 dormitory*
2	*Laboratory*	*2 laboratories*	*1 laboratory*
3	*Dining Hall*	*(1) 550 students*	*requires expansion*
4	*Bus*	*(1) 33 seater*	*52 seater*
5	*Toilets*	*30 toilets*	*22 toilets*
6	*Classrooms*	*13*	*2*
7	*Library*	*1*	*1*
8	*Computer Lab*	*1*	*1*
9	*Home science lab*	*1*	*Requires expansion*
10	*Kitchen*	*1*	*Requires expansion*

a) **Development projects carried out by the school:**

NO	*PROJECT*	*YEAR*	*STATUS*	*FUND SOURCE*	*AMOUNT*
1	*Consruction of a new dormitory*	*2019-2022*	*Complete*	*Maintenance and Improvement , Economic stimulus fund*	*14,696,318.00*
2	*Construction of 22 doors pit latrine*	*2020-2021*	*Complete*	*Economic stimulus grants*	*2,134,794.00*

.....

School Principal

GATUGI GIRLS SEC. SCHOOL
P. O. Box 332-10106, OTHAYA.
Tel: 0711-322220.

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 (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 *Gatugi Girls 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 30thJune, 2022, and of the school's financial position as at that date.

.....

Name: Hon. Priscilla Nyokabi

Designation: Chairman, School Board of Management

Date: 26/7/24

.....

Name: Mrs Elpiety Kihara

Designation: School Principal& Secretary to Board of Management

Date: 26/7/24

GATUGI GIRLS SEC. SCHOOL
P. O. Box 332-10106, OTHAYA.
Tel: 0711-322220.

.....

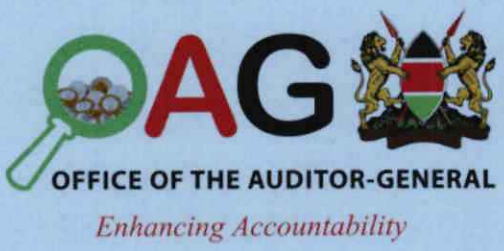
Name: Cecilia Mathenge

Designation: Bursar/ Finance Officer

Date: 26/7/24

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 GATUGI GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – NYERI COUNTY

PREAMBLE

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

A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.

B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.

C. Report on the Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An Unmodified Opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Gatugi Girls Secondary School – Nyeri County set out on pages 1 to 20, which comprise the statement of financial assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the period then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya

and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Gatugi Girls Secondary School – Nyeri County 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Payment of Gratuity

Examination of personnel payments and records provided for audit revealed that the school paid an employee an amount of Kshs.290,130 as service gratuity for 19 years in service. However, review of the Board of Management minutes dated 04 March, 2022 indicated that an amount of Ksh.240,000 was approved resulting to an overpayment of Ksh.50,130. Further, the expenditure was irregularly charged to electricity, water and conservancy vote and not personal emoluments.

In the circumstances, the regularity, accuracy and completeness of the gratuity payment of Kshs.290,130 could not be confirmed.

2. Long outstanding accounts receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.3,586,494 as disclosed in Note 13 to the financial statements. This amount includes fees arrears for prior period (over two years) balance of Kshs.2,332,120. The School did not have an approved debt policy and documented strategy for recovery of the outstanding fees.

In the circumstances, the accuracy and full recoverability of the outstanding receivables could not be confirmed.

3. Unsupported Adjustments in the Financial Statements

The statement of financial assets and liabilities reflects net financial position of Kshs.6,367,243. However, the balance is net of unsupported adjustments of Kshs.398,504, Kshs.1,763,085 and negative balance of Kshs.3,384,243 all totalling negative Kshs.1,222,654 an indication that the statement is not balanced.

In the circumstances the accuracy and completeness of the financial statements could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Gatugi Girls Secondary School Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other

ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.42,145,705 and Kshs.35,812,206 respectively, resulting to an under-funding of Kshs.6,333,499 or 15% of the budget.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

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

The statement of receipts and payments includes an expenditure of Kshs.919,450 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.919,450 could not be confirmed.

2. Failure to Transfer Infrastructure Funds

The School received operations capitation grants of Kshs.10,226,123 during the period under review, out of which an amount of Kshs 3,578,000 was in respect of infrastructure funds. However, the School Management took more than fifteen (15) days to transfer funds to the infrastructure account. This was contrary to the Ministry of Education Circular No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds be transferred to the School infrastructure account fifteen days upon receipt of the funds in the operations account.

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

3. Non-Adherence to Procurement Procedures on Request for Quotation

Examination of payment vouchers and procurement records revealed that the School made various payments to a supplier amounting to Kshs.5,967,800 from the school fund account. The payments were for the supply of groceries and other foodstuffs, procured using the Request for Quotation method of procurement, However, the purchases exceeded the prescribed threshold limit of Kshs.3,000,000 for use of request for quotations. This was contrary to Section 105(a) of the Public Procurement and Asset Disposal Act, 2015 which requires that a procuring entity may use a request for quotations from the register of suppliers for a procurement if when request for quotations may be used the estimated value of the goods, works or non-consultancy services being procured is less than or equal to the prescribed maximum value for using requests for quotations as prescribed in Regulations

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

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

Contrary to Section 47(1) of the Public Audit Act, 2015, that requires financial statements be submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate. The School Management did not submit the financial statements to the Auditor-General by the statutory date, the financial statements were received 4 months late, on 15 February, 2023.

In the circumstances, the School Management is in breach of the law.

5. Excess Supply of Textbooks by the Ministry of Education

In the financial year under review, the School received one hundred and eighty four (184) copies of *A Silent Song and Other Stories,* an optional set book as well as Islamic education text books that remain unutilized as at the time of the audit. This is contrary to Regulation 139(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the accounting officer shall take full responsibility in ensuring that proper controls and systems exist for ensuring that stock levels are at an optimum and economic levels.

In the circumstances, value for money on the excess 184 oversupplied textbooks could not be confirmed.

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

Conclusion

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

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

Responsibilities of Management and those Charged with Governance

The 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 the 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, the Management is responsible for assessing the School's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit I also

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 September, 2024

V. Statement Of Receipts And PaymentsPeriod To 30th June 2022

Description Of Vote Head	Note	2021-2022	2021-2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	2,351,192	864,771
Capitation grants for operations	2	10,226,123	5,953,449
School fund income- parents' contributions	3	16,843,753	3,499,433
School fund income- other receipts	4	28,768,309	11,291,070
Infrastructure	5	3,578,000	2,660,000
Total Receipts		61,767,377	24,268,723
Payments			
Payments for tuition	6	2,590,077	630,831
Payments for operations	7	9,144,875	5,486,582
Boarding and school fund payments	8	43,377,856	13,900,336
Infrastructure	9	6,201,927	1,459,356
Total Payments		61,314,735	21,447,105
Surplus		452,642	2,791,618

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

.....	.....	.....
Name: JOHN KIMMUA	**Name:** NGUGI JANE	**Name:**
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 26/7/24	**Date:** 26/7/24	**Date:** 26/7/2024

GATUGI GIRLS SEC. SCHOOL
P. O. Box 332-10106, OTHAYA.
Tel: 0711-322220.

VI) Statement Of Financial Assets And Financial Liabilities As At 30th June 2022

Description	Note	2021-2022	2021-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	7,305,449	4,975,197
Cash balances	11	37,824	152,349
Short term investment	12	-	-
Total cash and cash equivalent		**7,343,273**	**5,127,546**
Account's receivables	13	3,586,494	3,187,990
Total financial assets		**10,929,767**	**8,315,536**
Financial liabilities			
Accounts payables	14	(4,562,502)	(1,178,259)
Net financial assets		**6,367,265**	**7,137,277**
Represented by			
Accumulated fund b/fwd	15	7,137,277	5,300,654
Surplus		452,642	2,791,618
Increase/Decrease in Recievables		398,504	(1,717,086
Increase in short term investment		1,763,085	(52,049)
Increase /Decrease in payables		(3,384,243)	814,140
Net financial position		**6,367,265**	**7,137,277**

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

.....	.....	.....
Name: JOHN KINYUA	**Name:** NGIGI JANE	**Name:** CECILIA MATHENGE
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 26/7/24	**Date:** 26/7/24	**Date:**

GATUGI GIRLS SEC. SCHOOL
P. O. Box 332-10106, OTHAYA.
Tel: 0711-322220.

VII. Statement tof Cash Flowsfor The Period Ended 30th June 2022

Description	Notes	2021-2022	2021-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	2,351,192	864,771
Capitation grants for operations	2	10,226,123	5,953,449
School fund income- parents contributions/ fees	3	16,843,753	3,499,433
School fund income- other receipts	4	28,768,309	11,291,070
Infrastructure	5	3,578,000	2,660,000
Total receipts		**61,767,377**	**24,268,723**
Payments			
Payments for tuition	6	2,590,077.00	630,831
Payments for operations	7	9,144,875.00	5,486,582
Boarding and school fund payments	8	43,377,856	13,900,336
Infrastructure	9	6,201,927.00	1,459,356
Total payments		**61,314,735**	**21,477,105**
Net cash flow from operating activities		**452,642**	**2,791,618**
Cashflow from investing activities			
Proceeds from sale of assets			
Acquisition of assets			
Proceeds from investments			-
Purchase of investments		**1,763,085**	(52,049)
Net cash flows from investing activities		**2,215,727**	**2,739,569**
Cashflow from borrowing activities			-
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
Net cash flow from financing activities			
Net increase in cash and cash equivalents		**2,215,727.00**	**2,739,569**
Cash and cash equivalent at beginning of the year		**5,127,546.00**	**2,387,417**
Cash and cash equivalent at end of the year		**7,343,272.00**	**5,127,546**

VI. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2022

Receipt/Expenses 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						
Textbooks And Reference Materials	1,085,040.00	0	1,085,040.00	251,761.00	833,279.00	23.2%
Exercise Books	756,000.00	0	756,000.00	678,850.00	77,150.00	89.8%
Laboratory Equipment	858,960.00	0	858,960.00	601,630.00	257,330.00	70%
Internal Exams	174,240.00	0	174,240.00	150,390.00	23,850.00	86.3%
Teaching / Learning Materials	82,080.00	0	82,080.00	159,075.00	(76,995.00)	193%
Chalks	27,360.00	0	27,360.00	13,220.00	14,140.00	48.3%
Exams And Assessment	0	0	0	0	0	0
Teachers Guides	0	0	0	0	0	0
(2) Capitation Grant on Operations						
Personnel Emoluments	3,757,680.00	0	3,757,680.00	2,618,358.50	1,139,321.50	69.6%
Repairs And Maintenance	3,600,000.00	0	3,600,000.00	2,866,000.00	734,000.00	79.6%
Local Transport / Travelling	468,000.00	0	468,000.00	393,300.00	74,700.00	84%
Electricity And Water	1,410,480.00	0	1,410,480.00	1,216,750.00	193,730.00	86.2%
Medical	1,440,000.00	0	1,440,000.00	338,223.00	1,101,777.00	23.4%
Administration Costs	1,131,840.00	0	1,131,840.00	1,094,921.50	36,918.50	96.7%
Activity	1,080,000.00	0	1,080,000.00	0	1,080,000.00	0
Gratuity	0	0	0	0	0	0

Receipt/Expenses 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
Smasse	144,000.00	0	144,000.00	143,300.00	700.00	99.5%
(3) Fees Charged on Parents						
Personnel Emoluments	2,880,000.00	0	2,880,000.00	2,956,432.00	(76,432.00)	102%
Repairs And Maintenance	1,440,000.00	0	1,440,000.00	1,456,296.00	(16,296.00)	101%
Local Transport / Travelling	1,296,000.00	0	1,296,000.00	1,293,378.00	2,622.00	99.7%
Electricity And Water	2,952,000.00	0	2,952,000.00	2,928,569.00	23,431.00	99.2%
Medical	0	0	0	0	0	0
Administration Costs	1,274,400.00	0	1,274,400.00	1,249,225.00	25,175.00	98%
Activity	360,000.00	0	360,000.00	351,411.00	8,589.00	97.6%
Smasse	0	0	0	0	0	0
Fee On Boarding Equipment and Stores	14,997,600.00	0	14,997,600.00	14,561,498.00	436,102.00	97%
Other Income						
Rent Income	168,000.00	0	168,000.00	135,000.00	33,000.00	80.3%
Income From Farming Activities	762,025.00	0	762,025.00	354,618.00	407,407.00	46.5%
Insurance Compensation	0	0	0	0	0	0
Income From Posho Mill	0	0	0	0	0	0
Income From Bus Hire	0	0	0	0	0	0
Fee For Hire of Ground And Equipment	0	0	0	0	0	0
Interest Income	0	0	0	0	0	0
Income From Any Other Investment	0	0	0	0	0	0
Total Income	42,145,705.00	0	42,145,705.00	35,812,206.00	6,333,499.00	

Receipt/Expenses 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
(1) Expenditure For Tuition						
Textbooks And Reference Materials	1,085,040.00	0	1,085,040.00	122,060.00	962,980.00	11.2%
Exercise Books	756,000.00	0	756,000.00	1,173,425.00	(417,425.00)	155%
Laboratory Equipment	858,960.00	0	858,960.00	651,120.00	207,840.00	75.8%
Internal Exams	174,240.00	0	174,240.00	0	174,240.00	0
Teaching / Learning Materials	82,080.00	0	82,080.00	145,301.00	(63,221.00)	177%
Chalks	27,360.00	0	27,360.00	0	27,360.00	0
Exams And Assessment	0	0	0	0	0	0
Teachers Guides	0	0	0	0	0	0
Administration Costs	0	0	0	0	0	0
Bank Charges	0	0	0	1,785.00	(1,785.00)	0
(2) Expenditure For Operations						
Personnel Emoluments	3,757,680.00	0	3,757,680.00	2,105,174.99	1,652,505.01	56%
Repairs, Maintenance & Improvements	3,600,000.00	0	3,600,000.00	2,866,000.00	734,000.00	79.6%
Local Transport / Travelling	468,000.00	0	468,000.00	324,445.00	143,555.00	69.3%
Electricity, Water and Conservancy	1,410,480.00	0	1,410,480.00	1,504,485.00	(94,005.00)	106.6%
Medical	1,440,000.00	0	1,440,000.00	0	0	0
Administration Costs	1,131,840.00	0	1,131,840.00	1,173,950.00	(42,110.00)	103.7%
Activity Expenses	1,080,000.00	0	1,080,000.00	200,000.00	800,000.00	18.5%
Gratuity	0	0	0	0		
Smasse	144,000.00	0	144,000.00	143,300.00	700	99.5%

Receipt/Expenses 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
(3) Expenditure For School Fund						
Personnel Emoluments	2,880,000.00	0	2,880,000.00	3,432,005.00	(552,005.00)	119%
Repairs, Maintenanceand Improvements	1,440,000.00	0	1,440,000.00	1,542,080.00	(102,080.00)	107%
Local Transport / Travelling	1,296,000.00	0	1,296,000.00	695,250.00	600,750.00	53.6%
Electricity, Water and Conservancy	2,952,000.00	0	2,952,000.00	2,103,345.00	848,655.00	71.2%
Medical Expenses	0	0	0	0	0	0
Administration Costs	1,274,400.00	0	1,274,400.00	641,523.00	632,877.00	50.3%
Activity	360,000.00	0	360,000.00	139,569.00	220,431.00	38.7%
Gratuity	0	0	0	0	0	0
Lunch Programme	0	0	0	0	0	0
Boarding Equipment and Stores	14,997,600.00	0	14,997,600.00	16,647,633.00	(1,650,033.00)	111%
Expenditure For Income Generating Activity	762,025.00	0	762,025.00	207,900.00	554,125.00	27.2%
Insurance Costs	0	0	0	0	0	0
Other Expenses On Investments	0	0	0	0	0	0
Rent Expenses	168,000.00	0	168,000.00	9,000.00	159,000.00	5.3%
Bank Charges	0	0	0	18,355.00	(18,355.00)	0
Loan Interest Repayment	0	0	0	0	0	0
Loan Principal Repayment	0	0	0	0	0	0
Acquisition Of Assets	0	0	0	0	0	0
Totals	**42,145,705.00**	**0**	**42,145,705.00**	**35,847,705.99**	**6,297,999.01**	

VII. 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.

VIII. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	1,034,850	470,633
Laboratory Equipment	886,430	327,288
Internal Exams	150,390	53,280
Teaching / Learning Materials	230,275	6,806.
Chalks	49,247	6,764
SMASSE	-	-
Teachers Guides		
Total	**2,351,192.00**	**864,771.00**

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	3,335,342	1,902,534.
Repairs And Maintenance	3,578,000	2,660,000
Local Transport / Travelling	500,100	182,728
Electricity And Water	1,501,550	662,284
Medical	75,376	67,023.
Administration Costs	1,164,555	478,880
Activity	71,200.00	-
Total	**10,226,123**	**5,953,449**

3 Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	4,860,122	829,481
Repairs and maintenance	2,386,008	640,100
Local transport / travelling	2,124,762	173,225
Electricity and water	4,778,111	1,305,850
Medical	-	-
Administration costs	2,125,815	510,795
Activity	568,935	39,982
Total	**16,843,753**	**3,499,433**

Notes To The Financial Statements (Continued)

4 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Fee On Boarding Equipment andStores	22,318,014	7,072,122
Rent Income	189,000	49,000
Income From Farming Activities	671,088	326,383
Examinations	43,000	43,500
Pocket money	185,000	-
Prepayments	1,606,937	1,184,905
Arrears	855,870	1,817,120
Savings deposit	-	
Bursary awarded	2,852,400	798,040
salary recoveries	-	-
Tender	47,000	-
Total	**28,768,309**	**11,291,070**

5 CAPITATION GRANT FOR INFRASTRUCTURE

Description	2021-2022	2020-2021
	Kshs	Kshs
Infrastructure	3,578,000	2,660,000

6 Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	1,539,752	434,225
Laboratory Equipment	1,032,820	180,626
Internal Exams	-	15,500
Teaching / Learning Materials	15,600	-
Chalks	-	-
SMASSE	-	-
Teachers Guides	-	-
Administration Costs	-	-
Bank Charges	1,905	480
Total	**2,590,077**	**630,831**

7 Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	2,239,175	1,485,234
Service Gratuity	-	-
Administration Cost	1,270,175	462,460
Repairs And Maintenance & Improvements	3,578,000	2,660,000
Local Transport / Travelling	324,445	156,210
Electricity And Water	1,504,485	721,718
Medical	-	-
Activity Expenses	225,000	-
Smasse	-	-
Insurance Cost	-	-
Bank Charges	3,595	960
Acquisition Of Assets		-
Total	**9,144,875**	**5,486,582**

Notes To The Financial Statements (Continued)

8 Boarding And School Fund Payments

Description	2021-2022	2021-2021
	Kshs	Kshs
Personnel Emoluments	5,011,485	1,512,633
Pocket money refunded	185,000	-
Repairs And Maintenance &Improvements	2,476,624	577,510
Local Transport / Travelling	1,019,020	232,075
Electricity And Water	2,723,575	888,511
Activity Expenses	387,339	50,885
Administration Costs	1,927,888	468,793
Bursary awarded	2,815,900	798,040
Bank Charges	24,877	9,858
Expenses On farming Activities	330,940	43,700
Fee On Boarding Equipment andStores	22,304,304	7,299,137
Rent Expenses	11,000	27,000
Exam paid	77,500	-
NHIF	14,450	-
Sundry creditors - refund to clubs	10,000	208,168
Net transfer to savings	1783543	-
Prepayments	2,274,411	1,784,026
Total	**43,377,856**	**13,900,336**

9 Infrastructure payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Infrastructure	6,201,927	1,459,356

Notes To The Financial Statements (Continued)

10 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2021-2021
		Kshs	Kshs
Tuition Account	1101525827	2,040	240,925
Operations Account	1101565195	1,738,476	520,786
School fund account	0080293984573	1,041,660	364,820
School Fund Account/Boarding	1101523565	1,897,580	362,131
School fund Account -	1103197312	2,280,767	516,031
Development Account	0080101537751	208,635	208,815
Farm Account Account	404-04-04969	72,288	73,759
CDF Account	0080271508966	26,628	26,628
Infrastructural Account	1226275311	37,375	2,661,302
Total		**7,305,449**	**4,975,197**

11 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	3,591	140,031
School Fund account	34,233	12,318
Total	**37,824**	**152,349**

12 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares		
Treasury Bills		
Fixed Deposit		
Equity Stock		
Other Investments	-	
Total		

Notes To The Financial Statements (Continued)

13 Accounts Receivable

Description	2021-2022	2021-2021
	Kshs	Kshs
Fees Arrears	3,568,494	3,142,990
Other Non-Fees Receivables	18,000	45,000
Salary Advances		-
Imprest		-
Total	**3,586,494**	**3,187,990**

[Include an ageing of the fees / non fees arrears below]

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears For Current Year	1,236,374	681,297
Fees Arrears For The Previous Year	-	-
Fees Arrears For Prior Periods (Over Two Years)	2,332,120	2,461,693
Total	**3,568,494**	**3,142,990**

14 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	1,908,729	-
Prepaid Fees	2,637,068	1,151,554
Retention Monies	16,705	26,705
Total	**4,562,502**	**1,178,259**

[Include an ageing of the creditor'sarrears below]

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	1,908,729	-
Trade Creditors for The Previous Year	-	-
Trade Creditors for Prior Periods (Over Two Years)	-	-
Total	**1,908,729**	

Notes To The Financial Statements (Continued)

15 Fund Balance Brought Forward

Description	2021-2022	2021-2021
	Kshs	Kshs
Bank Balances	4,975,197	2,385,417
Cash Balances	152,349	2,560
Short Term Investments	-	-
Receivables	3,187,990	4,905,076
Payables	(1,178,259)	(1,992,399)
Total	**7,137,277**	**5,300,654**

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.

16 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)		
Outstanding Leases		
Hire Purchase		
Gratuity And Leave Provision		
Total		

17 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	6	478,000.00	
Goats	-	-	-
Trees	199	676,800/=	
Coffee Or Tea Plantation	-	-	-
Poultry	-	-	-
Total		**1,154,800/=**	

18 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

19 Stock/ Inventory

Description	2021-2022	2021-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	9,470,681.00	1,473,011.00
Stock/ inventory purchased during the year	15,747,566.00	21,584,586.00
Stock/ inventory issued during the year	(22,279,723)	(13,586,916.00)
Balance at end of the year	**2,938,524.00**	**9,470,681.00**

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)*

Sign and Date 26/7/24
Principal

GATUGI GIRLS SEC. SCHOOL
P. O. Box 332-10106, OTHAYA.
Tel: 0711-322220.

Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 20XX-1	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
Supply Of Goods						
TUITION ACCOUNT						
1. Science lab ltd	443,300.00	30/6/2022	-	443,300.00		
2 Nyeri Express stationers	156,700.00	30/6/2022	-	156,700.00		
Sub total	**600,000.00**			**600,000.00**		
OPERATIONS ACCOUNT						
1. Vaicom oil (k) ltd	44,609.00	30/6/2022	-	44,609.00		
2. Othaya central Supplies	7,450.00	30/6/2022	-	7,450.00		
Sub Total	**52,059.00**			**52,059.00**		
SCHOOL FUND A/C						
1.Muiru meat point	115,200.00	30/6/2022	-	115,200.00		
2.Benmax Ventures ltd	283,230.00	30/6/2022	-	283,230.00		
3. Demka Dairy	106,200.00	30/6/2022	-	106,200.00		
4. Jospa Connections Co. ltd	101,400.00	30/6/2022	-	101,400.00		
5. Flowah Ventures	27,650.00	30/6/2022	-	27,650.00		
6. Othaya Super classic green grocers	54,590.00	30/6/2022	-	54,590.00		

Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 20XX-1	Comments
al Feeds	7,100.00	30/6/2022	-	7,100.00		
ral Supplies ltd	373,000.00	30/6/2022	-	373,000.00		
	1,068,370.00			**1,068,370.00**		
ices						
savers and Technology	116,300.00	30/6/2022	-	116,300.00		
ng and Health care services	72,000.00	30/6/2022	-	72,000.00		
	188,300.00			**188,300.00**		
	1,908,729.00			**1,908,729.00**		

Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Historical Cost b/f (Kshs) 1st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land	1.7.2021	13,500,000.00	-	-	13,500,000.00
Buildings And Structures	1.7.2021	99,000,000.00	-	-	99,000,000.00
Motor Vehicles	1.7.2021	800,000.00	-	-	800,000.00
Office Equipment, Furniture And Fittings	1.7.2021	3,651,600.00	-	-	3,651,600.00
ICT Equipment, And Other ICT Assets	1.7.2021	1,037,000.00	-	-	1,037,000.00
Tools And Apparatus	1.7.2021	2,134,660.00	-	-	2,134,660.00
Textbooks	1.7.2021	3,169,200.00	-	-	3,169,200.00
Other Machinery And Equipment	1.7.2021	774,500.00	-	-	774,500.00
Heritage And Cultural Assets	-	-	-	-	-
Intangible Assets- Soft Ware	1.7.2021	140,000.00	-	-	140,000.00
Total		124,206,960.00	-	-	124,206,960.00

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