

REPUBLIC OF KENYA



REPORT DATE: 02 JUN 2026

DAY: Thursday

TABLED BY: Deputy Malouty
Anip Chirwa

OF CLERK-AT THE-TABLE: Halima Ahmed

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

GANGARA SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

EMBU COUNTY

Revised 30th June 2023.



**GANGARA SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL PERIOD OF SIX MONTHS ENDED
30th June 2023**

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Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
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 Embu County Mbeere Sub-County.

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

The school is a boarding school and had 305 numbers of students as at 30th June 2023. It has 2 streams and 18 teachers of which no teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Francisco Munyi	Chairman	25/04/2022
2	George Mbijiwe	Secretary- Principal	25/04/2022
3	Agnes Kariuki	Member	25/04/2022
4	Jacob Muriuki	Member	25/04/2022
5	Monica Njoki	Member	25/04/2022
6	Silas Ndwiga Njiru	Member	25/04/2022
7	Michael Nyaga	Member	25/04/2022
8	Crispus Nyaga	Member – Rep CEB	25/04/2022
9	Mwakisha Syukih	Member Rep Teachers	25/04/2022
10	Naomi Njiru	3 Members - Sponsor	25/04/2022
11	Ciarago Nyaga	Member - Community	25/04/2022
12	Faustine Nyaga	Member Special Needs	25/04/2022
13	Joseph Jimoi	Rep Students	25/04/2022

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 per 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	Francisco munyi George Mbijiwe Jacob Muriuki Agnes Kariuki	Chairman Secretary Member Member	3 out of 3
2	Audit Committee	George Mbijiwe John Mwaruvie Monica Njoka Francisco Munyi Crispus Nyaga	Chairman Secretary Member Member Member	3 out of 3
3	Finance, procurement and general purposes Committee	Jacob Muriuki George Mbijiwe Agnes Kariuki	Chairman Secretary Member	

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		Francisco Munyi	Member	
4	Academic Committee	Jacob Muriuki Naomi Njiru Mwakisha Syukih Naomi Njiru	Chairman Secretary Member Member	3 out of 3
5	Development Committee	Crispus Nyaga Francisco Munyi Naomi Njiru Michael Nyaga Mwakisha Syukih	Chairman Secretary Member Member Member	3 out of 3
6	Discipline and welfare Committee	Naomi Njiru Crispus Nyaga Mwakisha Syukih Monica Njoka	Member Member Member Member	3 out of 3
7	Adhoc Committee (if any during the year)	Jacob Muriuki Crispus Nyaga Agnes Kaiuki George mbijiwe	Member Member Member Membber	3out of 3

(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	Samuel Karugu	TSC No.347402
2	Deputy Principal	Felister Kariuki	TSC No.304228
3	Account Clerk	Margaret Ngugi	ID No.9063818

(e) Schools contacts

Post Office Box: 1663-60100, Embu
E-mail: gangarasecondary@yahoo.com

(f) School Bankers

Provide details of the school bankers.

Name of Bank - KCB
Branch - Embu
Postal Address. 1663 -60100 –Embu
1. School Main Account -1102844276
2. Operation Account - 1102844012
3. Tuition Account - 1102840165
4. Infrastructure Account-1257378082

5. M pesa Pay Bill 522123 Account -38819k-KCB Embu Branch

(g) Independent Auditors

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

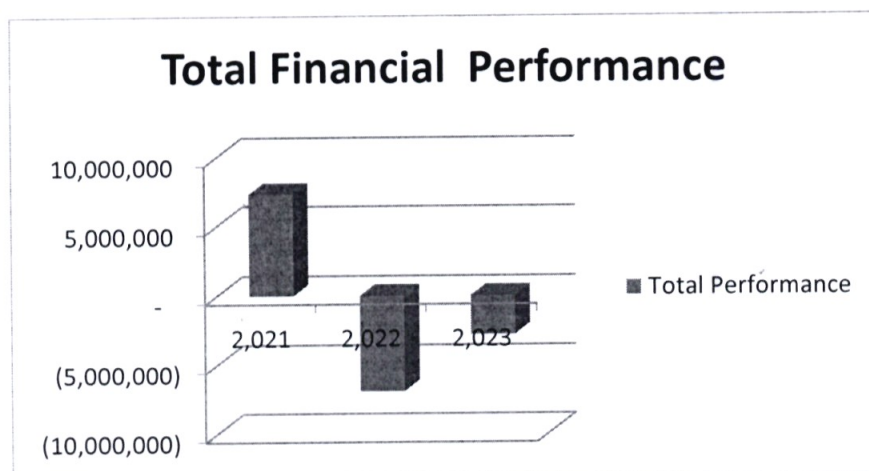
3. Summary Report of Performance of The School

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

a) Financial performance:

Financial Performance - Deficits and/or Surpluses_ 3 Year Trend							
	Account						
	School Fund	Operation	Tuition	Infrastructure	Farm	CDF	Total
Year							
2021	7,495,460	340,746	(486,125)	-	-	-	7,350,081
2022	(1,047,472)	(3,105,054)	(2,789,497)	-	-	-	(6,942,023)
2023	(3,372,238)	254,583	301,021	-	-	-	(2,816,633)
Total	3,075,750	(2,509,725)	(2,974,601)	-	-	-	(2,408,576)

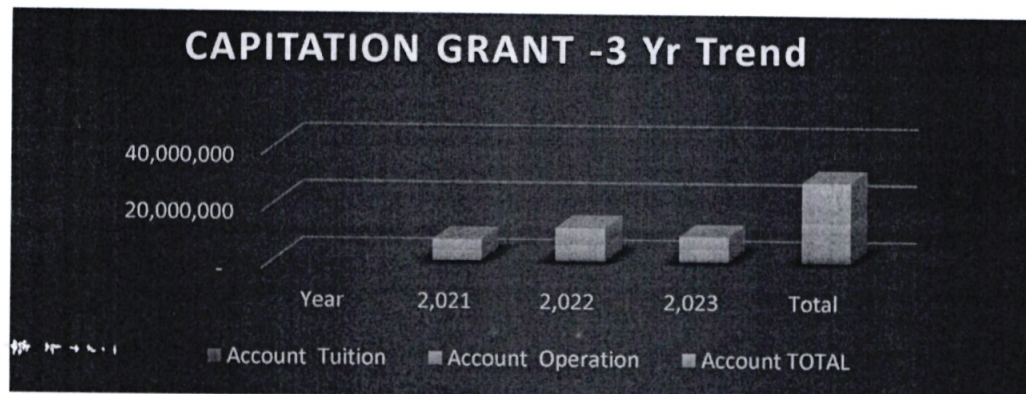
	Total Performance
Year	
2021	7,350,081
2022	(6,942,023)
2023	(2,816,633)



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

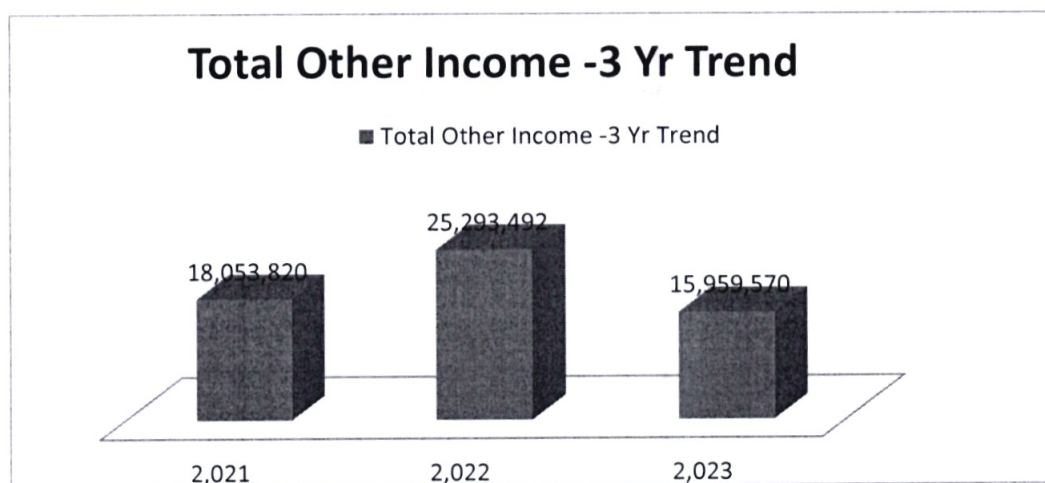
CAPITATION GRANT -3 Yr Trend				
	Year	Account		
		Tuition	Operation	TOTAL
	2021	509,709	3,205,577	3,715,286
	2022	1,093,899	4,824,778	5,918,677
	2023	829,296	3,686,355	4,515,652
	Total	2,432,904	11,716,710	14,149,614



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

Growth of Other Incomes -3 Yr Trend						
	YEAR	Income Source				
		School Fund	Farm	Infrastructure	CDF	Total
	2021	18,053,820	-	-	-	18,053,820
	2022	25,293,492	-	-	-	25,293,492
	2023	15,959,570	-	-	-	15,959,570
	Total	59,306,882	-	-	-	59,306,882

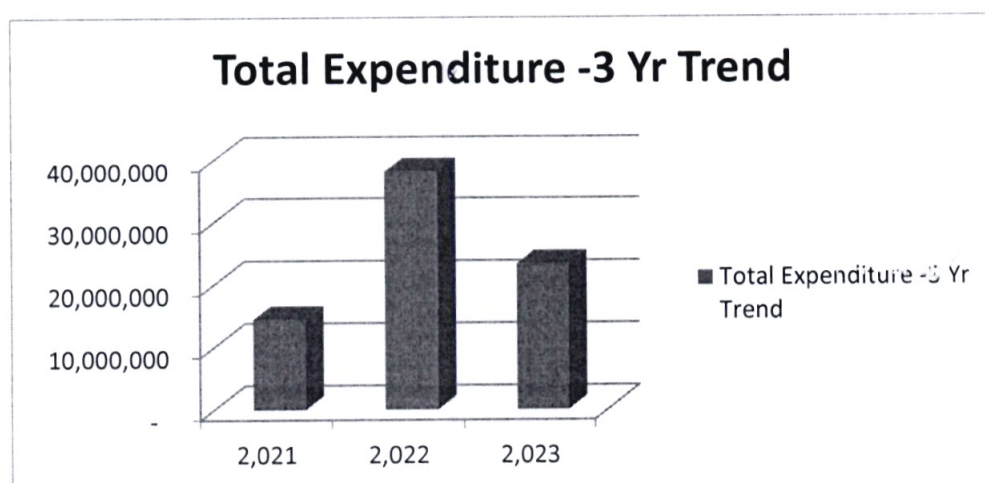
Total Other Income -3 Yr Trend	
Year	
2021	18,053,820
2022	25,293,492
2023	15,959,570



- A three-year overview of growth in expenditure of the school

Expenditure -3Yr Trend							
YEAR	School Fund	Operation	Tuition	Farm	Infrastruct ure	CDF	Yr Total
2021	10,558,360	2,864,831	995,834	-	-	-	14,419,025
2022	26,340,964	7,929,832	3,883,396	-	-	-	38,154,192
2023	19,331,808	3,431,772	528,275	-	-	-	23,291,855
Total	56,231,132	14,226,435	5,407,505	-	-	-	75,865,072

Year	Total Expenditure -3 Yr Trend
2021	14,419,025
2022	38,154,192
2023	23,291,855

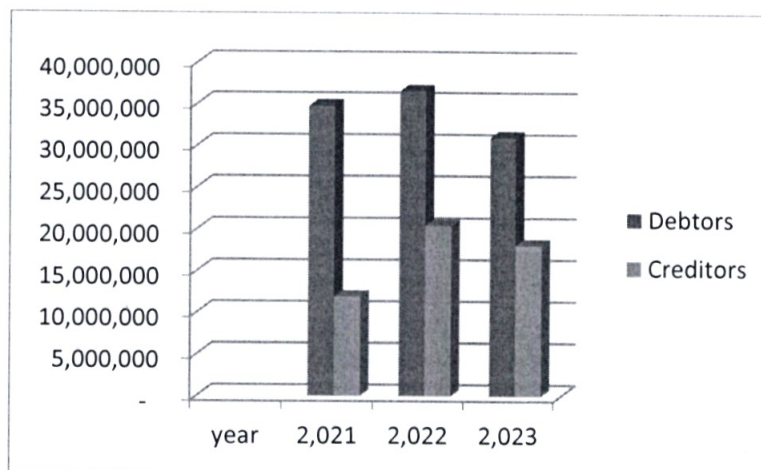


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- Movement of debtors and creditors of the school over the last three years

Debts and Creditors -3Yr Trend									
			Account						
			School Fund	Operation	Tuition	Farm	Infrastructure	CDF	Yr Total
Year	2021	Debtors	34,781,494						34,781,494
		Creditors	9,892,919	299,206	1,708,945	-	-	-	11,901,070
2022		Debtors	36,578,249	-	-	-	-	-	36,578,249
		Creditors	12,553,116	3,394,945	4,497,845	-	-	-	20,445,906
2023		Debtors	31,023,535	-	-	-	-	-	31,023,535
		Creditors	10,397,696	3,394,945	4,267,845	-	-	-	18,060,486
Total		Debtors	102,383,277	-	-	-	-	-	102,383,277
		Creditors	32,843,731	7,089,096	10,474,634	-	-	-	50,407,461

	Debtors	Creditors
year		
2021	34,781,494	11,901,070
2022	36,578,249	20,445,906
2023	31,023,535	18,060,486



b) Teacher Student ratio:

Ratio of students to Teachers	
Total enrolment	305
Total No of Teachers	18
Students : Teachers ratio	1 : 17

Teachers Turnover	
No of teachers recruited in the year	2

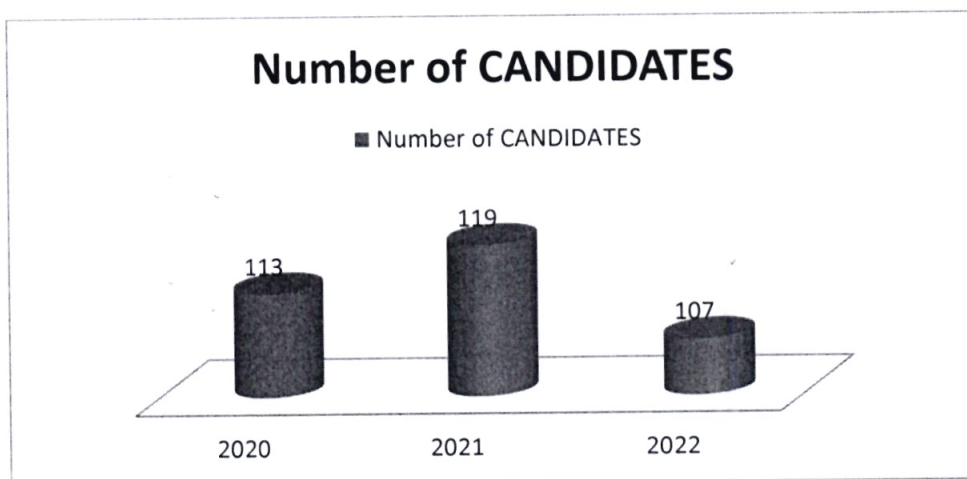
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No of teachers transferred inwards in the year	-
No of teachers transferred outwards in the year	-
Net inflow of teachers	2

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

c) Mean score in the 2022 KCSE:

Year	Number of CANDIDATES
2020	113
2021	119
2022	107

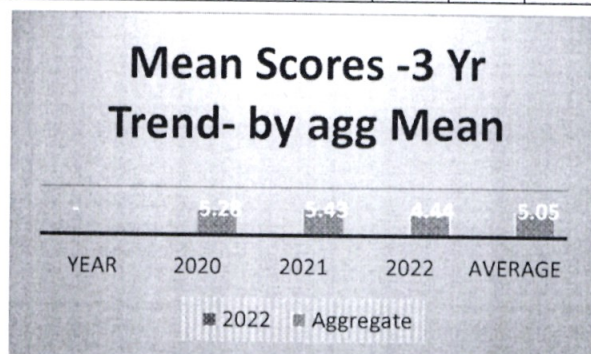


d) Number of Candidates in the 2022 KCSE:

Mean Scores -3 Yr Trend															
	Subject Means														
	MAT H	EN G	KIS W	BIO	Che m	Phy	GE O	HIS T	CRE	Agri c	Bstud	Co mp	H/S C	French/G ERM	Aggregat e
YEA R															
2020	3.31	5.20	4.95	3.24	2.62	4.00	8.28	7.59	7.95	5.28	5.65				5.28
2021	2.95	4.50	5.32	3.05	2.43	4.24	9.44	8.93	7.67	11.19					5.43
2022	2.74	4.58	5.58	3.15	2.31	2.47	6.73	6.08	6.00	6.40	2.80				4.44

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Average	3.00	4.76	5.28	3.15	2.45	3.57	8.15	7.53	7.21	7.62	2.82					5.05
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e) Capacity of the school:

	NO OF STREAMS per class	Teachers' CBE (No of teachers required as per curriculum offered by the school)	Required No of NTS given the NO OF STREAMS per class				
	2	18	9				
Capacity Analysis							
Infrastructure TYPE	Unit of infrastructure measurement	Quantity of infrastructure required	Quantity of infrastructure available today	Infrastructure gap	Comment-Indicate if gap is -Very critical, Critical or Not so critical (tick as appropriate)		
					Very Critical	Critical	Not Critical
Classrooms	Number	8	3	Shortage of classrooms equivalent to:			
				5			
				classroom(s)			
Laboratories	Number	-	-	Shortage of laboratory facilities equivalent to:			
				-			
				Laboratories			

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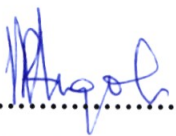
Toilet Doors	Number	20		Shortage of toilet facility equivalent to:			
				20			
				toilet doors			
Offices	Number	1	3	Shortage of office facilities equivalent to:			
				(2)			
				offices			
Dining Hall	Number of students well seated	301		Shortage of dining facilities equivalent to:			
				301			
				students not seated			
Library	Number of students well seated	350	200	Shortage of library facilities equivalent to:			
				150			
				students not seated			
Dormitories	Number of Decker Beds well-spaced	200		Shortage of dormitory facilities equivalent to:			
				200			
				decker beds			
Staffroom	Number of teachers well seated	18		Shortage of staffroom space equivalent to:			
				18			
				teachers not properly seated			
Boardroom	Number of BOM members well seated	25		Shortage of boardroom space equivalent to:			
				25			
				BOM members not properly seated			
Textbooks	Average Students -to-Course books ratio	1	1	Shortage of textbooks equivalent to:			
				-			
				% of text books			

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				required			
Electricity	Adequacy	ADEQUATE		Occassional / frequent shortage of power attributed to?			
Water	Adequacy	ADEQUATE		Occassional / frequent shortage of water attributed to.....?			
Staff housing	No of staff properly housed	2	10	Shortage of staff housing facilities equivalent to:			
				(8)			
				staff not housed			

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
nil	nil	nil	nil	nil	nil
nil	nil	nil	nil	nil	nil
nil	nil	nil	nil	nil	nil
nil	nil	nil	nil	nil	nil
nil	nil	nil	nil	nil	nil
nil	nil	nil	nil	nil	nil

.....


School Principal

PRINCIPAL
 ST. EMMANUEL GANGARA SEC. SCH.
 P. O. Box 1663 - 60100, EMBU
 SIGN:..... DATE: 28/4/2023

Gangara Secondary School
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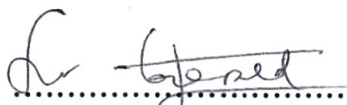
4. Statement of School Management Responsibility

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

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

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


.....

Name: Francisco Munyi

Designation: Chairman, School Board of Management

Date: 20/4/2026

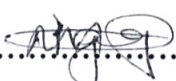

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Name: Samuel Karugu

Designation: School Principal & Secretary to Board of Management

Date: 20/4/2026




.....

Name: Margaret Ngugi

Designation: Account clerk

Date: 20/4/2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON GANGARA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – EMBU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying IPSAS financial statements of Gangara Secondary School set out on pages 16 to 34, 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 Gangara 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 Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variances in the Financial Statements

During the audit, differences were noted between figures in the financial statements and supporting ledgers as detailed below;

S/No.	Description	Amount in the Financial Statements (Kshs.)	Amount in the Ledger (Kshs.)	Variance (Kshs.)
1	Accounts Payables	23,039,795	11,321,969	(11,717,826)
2	Payments for School Fund	19,331,808	23,595,853	4,264,045
3	Payments for Tuition	528,275	355,401	(172,874)
4	Payments for Operations	3,431,772	3,270,932	(160,840)
5	Capitation Grants for Operations	3,686,355	3,640,088	(46,267)
6	School Fund Income	15,860,205	16,938,646	1,078,441

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

2. Unsupported Short-Term Investments

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

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

3. Unsupported and Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.34,561,974 as disclosed in Note 13 to the financial statements. However, supporting schedules and detailed ageing analysis were not provided for audit review.

Further, included in the balance, are accounts receivables balance of Kshs.33,229,541 which had been outstanding for more than two (2) years and for which detailed age analysis had not been done. Management did not provide recovery strategies for the long outstanding debts resulting in doubting Management's commitments in recovery efforts.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.34,561,974 could not be confirmed.

4. Incorrect Opening Balances

Review of the financial statements revealed that the opening balances were captured incorrectly resulting in variances as detailed below;

Item	Financial Statements 2022/2023 (Kshs.)	Financial Statements 2021/2022 (Kshs.)	Variance (Kshs.)
Parents Contributions-School Fund Income	24,652,166	21,303,458	3,348,708
Payment for Operation	7,929,832	4,590,093	3,339,739
Parents for Tuition	3,883,396	223,996	3,659,400
Boarding/Lunch Payments	26,340,964	21,847,625	4,493,339
Accounts Receivables	36,539,449	33,190,741	3,348,708
Accounts Payables	21,184,992	9,692,514	11,492,478

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

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.24,006,188 and Kshs.5,493,812 respectively, resulting in under-funding of Kshs.18,512,376 or 77% of the budget. Similarly, the School spent an amount of Kshs.20,472,191 against actual receipts of Kshs.5,493,812 resulting in an over-utilization of Kshs.14,978,379 or 273% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page 3 to 14 which comprise of Key School Information and Management, Summary Report of Performance of the School and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the school's IPSAS financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Transfer Infrastructure Funds from Operations Account

Note 2 to the financial statements reflects capital grants for operations amount of Kshs.3,686,355. Included in the amount is Kshs.1,214,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the School did not transfer the funds to infrastructure account as at the end of 30 June, 2024. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

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

The statement of receipts and payment reflects payments for operations and school fund amounts of Kshs.3,431,772 and Kshs.19,331,808 respectively. Included in the amounts is Kshs.473,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of the amount transferred to KESSHA of Kshs.473,500 could not be confirmed.

3. Failure to Sign Professional Opinion

Review of the procurement process for good, services, works and consultancies revealed that professional opinion was not issued for all the procurements carried during the financial year. This contravened the provision of Regulation 79 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that, upon receipt of the evaluation report and professional opinion, the accounting officer shall take into account the contents of the professional opinion and shall within a day, in writing approve award to the successful tenderer.

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

4. Lack of a Functional Procurement Unit

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

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

5. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.23,039,795 as disclosed in Note 14 to the financial statements. Included in the balance are trade payables balance of Kshs.9,123,937 which have been outstanding for more than three (3) years. The outstanding payables for the three (3) years ought to have formed the first charge and been settled in the subsequent year following their occurrence. This was contrary to Regulation 42 (1) (a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

6. Presentation and Disclosure in the Financial Statements

Review of the financial statements revealed the following anomalies;

- i) The financial statements are wrongly paginated.
- ii) The names of school management were not indicated despite being in place during the year.
- iii) The guideline under part 1 should be removed and the ratio of teacher students should be corrected to read 1:17.
- iv) In the summary report of performance of the school, the financial year should be 2021/2022 and not 2022/2023.

In the circumstances, the financial statements do not comply with the reporting template issued by the Public Sector Accounting Standards Board.

7. Underfunding of Capitation Grants and Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and operations all totalling to Kshs.4,515,651. Comparison of data from National Education Management and information System (NEMIS) with records from the school revealed that during the year, NEMIS and enrolment in the School had a variance of ninety eighty (98) students, resulting in an underfunding of the school by an amount of Kshs.607,443. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

8. Irregular Spending of Revenue at Source

Note 3 to the financial statements reflects parents' contribution income amount of Kshs.15,860,205. However, review of the general ledgers and issued receipts revealed that cash collections of Kshs.2,085,515 was utilized directly at source prior to banking. This practice indicates that a significant portion of revenue collected was not subjected to the established banking and expenditure control processes. This was contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015 which requires all collected shall be paid into the designated account of the national government, and shall not be used by any public officer in any manner between the time of receipts and payments into the bank except as provided by law.

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 Internal Audit Function

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

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

2. Weak Controls over Student Fees Management

The statement of receipts and payments reflects parents' contribution income amount of Kshs.15,860,205. However, review of the revenue management process revealed lack of standardized procedures for recognition and valuation of fees paid in kind and lack of segregation of duties in fees collection, recording, banking and reconciliation. Further, there was lack of clear procedures for voiding transactions, increasing the risk of manipulation as well as lack of data backup mechanisms for student data and financial records.

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

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.39,820,000 which includes land with a value of Kshs.5,500,000 and motor vehicles valued at Kshs.6,500,000. However, ownership documents for both assets were not provided for audit review.

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

4. Weakness in the Operation of Board of Management

Review of cash book and minutes of the board revealed that the board of management met twice during the year under review while the established committees of audit, finance, procurement and general purposes, academic, development and discipline and welfare

did not prepare minutes of meeting as well as signing attendance register for meetings held.

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

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

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

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

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA ~~Nancy Gathungu~~, CBS
AUDITOR-GENERAL

Nairobi

20 May, 2026

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

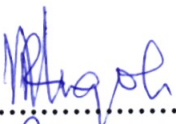
6. Statement of Receipts and Payments for the Year Ended 30th June 2023

Description Of Vote Head	Note	2023 Kshs	2022 Kshs
RECEIPTS			
Government grants for Tuition	1	829,296	1,093,899
Government grants for Operation	2	3,686,355	4,824,778
school fund income	4	15,860,205	24,652,166
Miscellaneous Income	5	99,365	641,326
Proceeds from borrowings		-	-
TOTAL RECEIPTS		20,475,222	31,212,169
PAYMENTS			
Payments for Tuition	6	528,275	3,883,396
Payments for operations	7	3,431,772	7,929,832
Boarding and/or Lunch school fund	9	19,331,808	26,340,964
TOTAL PAYMENTS		23,291,855	38,154,192
DEFICIT/SURPLUS		(2,816,633)	(6,942,023)

The school financial statements were approved on _____ 2026 and signed by:


 Name: **GERARD NJERI JOSEPHAT**
 Chair BOM

Date: **28/4/26**


 Name: **RICHARD MUTHO**
 School Principal/ Secretary to BOM

Date: **28/4/2026**

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


 Name: **MARGARET HGUGI**
 Account clerk

Date: **28/4/2026**

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

7. Statement of Assets and Liabilities as at 30th June 2023

Description	Note	2023 Kshs	2022 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	354,782	964
Cash balances	11	601	1758
Short term investments	12	64,228	64,228
Total cash and cash equivalent		419,611	66,950
Accounts receivables	13	34,561,974	36,539,449
Total financial assets		34,981,584	36,606,399
Financial liabilities			
Accounts payables	14	23,039,795	21,184,992
Net financial assets		11,941,789	15,421,406
Represented by			
Accumulated fund b/fwd	15	15,421,404	22,363,427
Surplus/deficit for the year		[3,479,617]	(6,942,023)
Net financial position		11,941,786	15,421,404

The school's financial statements were approved on _____ 2026 and signed by:

[Signature]

Name: *GERARD NJERU JOSEPH*
Chair BOM

Date: *28/04/26*

[Signature]

Name: *RICHARD MUKHO*
School Principal/ Secretary to
BOM

Date: *28/4/2026*

[Signature]

Name: *MARGARET NGUGI*
Account clerk

Date: *28/4/2026*

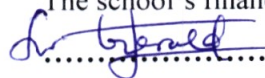
PRINCIPAL
ST. EMMANUEL GANGARA SEC. SCH.
P. O. Box 1663 - 60100, EMBU
SIGN:..... DATE:.....

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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

Description	Note	2023 Kshs	2022 Kshs
Receipts for operating income			
Capitation grants for Tuition		829,296	1,093,899
Capitation grants for Operation		3,686,355	4,824,778
Income- Parents contributions/ fees School Fund		21,414,919	22,873,211
Income- other receipts School Fund		99,365	641,326
Total receipts		26,029,936	29,433,214
Payments			
Payments for Tuition		758,275	1,094,496
Payments for Tuition		3,431,772	4,834,093
Boarding and/or Lunch payments in School Fund		21,487,228	23,595,258
Total payments		25,677,275	29,523,847
Net cash flow from operating activities		352,661	(90,633)
CASHFLOW FROM INVESTING ACTIVITIES			
Net cash flows from Investing Activities		-	-
CASHFLOW FROM BORROWING ACTIVITIES			
Net cash flow from financing activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		352,661	(90,633)
Cash and cash equivalents at BEGINNING of the year		66,950	157,581
Cash and cash equivalent at END of the year		419,611	66,948
Cash and cash equivalents as per FA&FL		419,611	66,950
Diff= CF cash - FA&FL cash		0	(2)

The school's financial statements were approved on _____ 2026 and signed by:

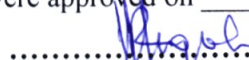


Name:

Gerard Njiru Juma
Chair BOM

Date:

28/09/2026

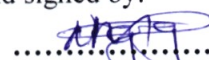


Name:

Richard Mutho
School Principal/ Secretary to BOM

Date:

20/10/2026



Name:

MARGARET MUGU
Account clerk

Date:

28/10/2026

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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					
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	1200,000	1200000	829296	370704	69
Exams And Assessment					
(2) Capitation Grant on Operations					
Personnel Emoluments					
Repairs And Maintenance	2,000,000	2,000,000	1,939,183	60817	97
Local Transport / Travelling					
Electricity And Water					
Medical	200,000	200000	153564	46436	77
Administration Costs					
Activity	100000	100000	45175	54825	45
Gratuity					

Gangara Secondary School
Annual Report and Financial Statements 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
3) FDSE for infrastructure					
Maintenance &Improvement MoE					
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					
(4) Fees Charged on Parents					
Personnel Emoluments	2,000,000	2,000,000	1,748,374	251,626	87
Repairs And Maintenance	1,200,000	1,200,000	1,085,630	114370	90
Local Transport / Travelling	500,000	500,000	1,105,926	[605926]	221
Electricity And Water	2,000,000	2,000,000	2,384,326	[384326]	119
Administration Costs	1,000,000	1,000,000	861,394	138,606	86
Activity	500,000	500,000	410910	89090	
Uniform	700,000	700,000	633,890	66,110	91
Fee On Boarding Equipment and Stores	12,000,000	12,000,000	10,751,449	1,248,551	90
PTA Fund		4,500,000	455,545	4,044,455	10
5) Miscellenous Income					
Income From Any Other Investment					
Total Income	3,900,000	29,500,000	24,006,188	5,493,812	81
(6) Expenditure For Tuition					
Textbooks					
Reference Materials					

Gangara Secondary School
Annual Report and Financial Statements 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
Exercise Books					
Laboratory Equipment					
Internal Exams					
Teaching / Learning Materials	1,200,000	1,200,000	693,274	506,726	58
Chalks					
Exams And Assessment					
Teachers Guides					
Administration Costs					
Bank Charges			5302	[5301]	
(7) Expenditure For Operations					
Other voteheads	1,600,000	1,600,000	9,000	1,591,000	1
Repairs, Maintenance & Improvements	2,000,000	2,000,000	50,000	1,950,000	3
Local Transport / Travelling			[204810	204810]	
Electricity, Water and Conservancy			183,770	[183770]	
Medical	200,000	200,000		200,000	
Administration Costs			1636599	[1636599]	
Activity Expenses	100,000	100,000	317250	[217250]	317
Gratuity					
SMASSE					
(8) Expenditure For infrastructure					

Gangara Secondary School
Annual Report and Financial Statements 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
Construction of classrooms					
Construction of LAB					
Construction of DORMS					
Purchase of furniture					
Purchase of equipment					
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments			2,846,801	[2846,801]	
Repairs, Maintenance and Improvements			614085	[614085]	
Local Transport / Travelling			1914874	[1914874]	
Electricity, Water and Conservancy			959469	[959469]	
Medical Expenses			19618	[19,618]	
Administration Costs			2,424,685	[2,424,685]	
Activity			371,390	[371,390]	
Development-MI			614085	[614085]	
Lunch Programme					
Boarding Equipment and Stores			9,397,748	[9,397,748]	
Expenditure For Income Generating Activity					
NHIF			121,200	[121,200]	
PTA Fund			581,123	[581,123]	

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustment	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
PAYE			67,694	[67,694]	
Totals			20,472,191	[20,372,191]	

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

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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 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.

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2023	2022
	Kshs	Kshs
Teaching & l. mat	829,296	1,093,899
Total	829,296	1,093,899
	829,296	1,093,899

2 Government Grants for Operations

Description	2023	2022
	Kshs	Kshs

Devt -RMI	1,939,183	1,793,315
OTHEVOTEHEAD	1,502,161	2,962,463
Activity	45,175	-
Adm. Cost	-	69,000
MEDICAL	153,564	-
nssf	41,173	-
welfare	5,100	-
Total	3,686,355	4,824,778

3 Government Grants for infrastructure

Description	2023	2022
	Kshs	Kshs
Maintenance &Improvement		
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other (<i>specify</i>)(NGCDF and County govt.		
Total		

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

4 School Fund Income -Parents Contribution/Fees

Description	2023	2022
	Kshs	Kshs
	Kshs	Kshs
Uniform	633,890	1,928,060
PE non teachingstaff	1,284,614	-
Development -MI	657,260	2,231,800
Activity	335,288	223,765
B.E and Stores	9,642,301	12,485,342
Pta fund	455,545	-
Caution	-	8,700
LTT	766,416	1,176,080
EWC	1,553,566	3,339,292
ADM	531,325	802,173
MEDICAL	-	11,320
P E teaching staff	-	2,445,634
Sub-Total	15,860,205	24,652,166

5 Miscellaneous Incomes

Description	2023	2022
	Kshs	Kshs
bursary		171,000
Losses and Breakages	6,400	283,944
NHIF	44,550	87,000
PAYE	17,200	17,232
KCSE		38,950
Welfare		43200
Total	99,365	641,326

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements

6 Tuition

Description	2023	2022
	Kshs	Kshs
Teaching / Learning Materials	693,274	3,765,440
Exams And Assessment		30,000
Tuition fees		85,100
Bank Charges	5,301	2,856
Main Account	273,000	
Total	971,575	3,883,396

7 Operations

Description	2023	2022
	Kshs	Kshs
Personnel Emoluments	3,286,883	1,075,360
Bank charges		6,888
Administration Cost	1,636,599	
Repairs And Maintenance & Improvements	50000	550,000
Local Transport / Travelling	204,810	125,000
Electricity And Water	183,770	201,350
Activity Expenses	317,250	181,000
Uniform	400,000	
Others Votehead	9,000	5,575,279
NHIF		12800
NSSF		200000
Total	6,088,312	7,929,832

Gangara Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements

8 Infrastructure

Description	2023	2022
	Kshs	Kshs
Construction of classrooms		
Construction of laboratory		
Construction of dormitory		
Purchase of furniture		
Purchase of equipment		
Purchase of apparatus		
Drilling of boreholes		
Others (specify)		
Total		

9 Boarding And School Fund

	2023	2022
	Kshs	Kshs
Uniform	1,045,715	2,253,970
PE non teaching staff	2,790,012	3,532,036
Development -MI	586,445	900,425
Activity	366,950	511,275
B.E and Stores	8,668,229	11,240,501
BANK CHARGES	-	149,420
Markings	-	1,000
Pta fund	581,123	-
LTT	1,751,959	1,916,815
EWC	920,830	1,827,020
ADM	2,412,033	1,740,345
MEDICAL	19,618	247,680
P E teaching staff	-	779,679
BURSARY	-	653,600
losses/ breakages	-	335,854
NHIF	121,200	166,400
PAYE	67,694	21,544
kcse	-	59,600
welfare	-	3,800
TOTAL	19,331,808	26,340,964

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10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2023	2022
	Active/Dormant		Kshs	Kshs
Tuition Account	active	1102840165	71,690	669
Operations Account	active	1102844012	255,924	
School Fund Account/Boarding	active	1102844276	27,168	295
Infrastructural Account	dormant	1257378082	1000	1000
Total			355,782	1964

11 Cash In Hand

Description	2023	2022
	Kshs	Kshs
Notes and Coins	601	1758
Total	601	1758

12 Short Term Investments

Description	2023	2022
	Kshs	Kshs
Other Investments	64,228	64,228
Total	64,228	64,228

13 Accounts Receivable

Description	2023	2022
	Kshs	Kshs
Fees Arrears	34600774	36578249
Salary Advances (list/schedule attached)	[38800]	[38800]
Total	34561974	36539449

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13 b Ageing Analysis of Accounts Receivable

Description	2023		2022	
	Kshs		Kshs	
	2023	% of the total	2022	% of the total
Less than 1 year	3577239	10.3%	3348708	9.5%
Between 1- 2 years	[2206006]	6.3%	7430118	20%
Over 3 years	33229541	96%	25799423	70.5%
Total (should tie to note 13 a)	34600774	100%	36578249	100%

14 Accounts Payable

Description	2023	2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	22057126	20445906
Prepaid Fees	1067670	824087
Other payables	[85000]	[85000]
Total	23039795	21184992

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	Insert Current FY		Insert Comparative FY	
	Kshs		Kshs	
	Current 2023	% of the total	Comparative 2022	% of the total
Less than 1 year	3996640	18.1%	11321969	55.3%
Between 1- 2 years	8936549	40.5%	1860388	9.2%
Over 3 years	9123937	41.4%	7263549	35.5%
Total (should tie to note 14)	22057126	100%	20445906	100%

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15 Fund Balance Brought Forward

Description	2023	2022
	Kshs	Kshs
Bank balances	2,421	56,401
Cash balances	301	36,952
Short Term Investments	64,228	64,228
Receivables	36,539,449	34,760,494
Payables	(21,184,992)	(12,554,647)
Total	15,421,406	22,363,428

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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

17 Biological assets

18 Borrowing

19 Other important disclosure notes

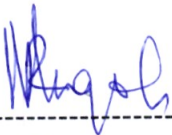
Stock/ Inventory

Description	Insert Current 2023	Insert Comparative 2022
	Kshs	Kshs
Food stuffs	1,242,946	1,749,381

20 Progress on Follow Up Of Auditor Recommendations

The following is the summary of issues raised by the general 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)
nil	nil	nil	nil	nil
nil	nil	nil	nil	nil
nil	nil	nil	nil	nil



 Sign and Date
 Principal

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

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

				Outstanding Balance 2023	Outstanding Balance 2022	Comments
	Original Amount	Date Contracted	Amount paid To-Date	-	-	
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
Sub-Total						
Supply of goods						
1. Anthony Murithi				0.00	217,660.00	
2. Devine Mustard Merchants				0.00	787,610.00	
3. Wamunyu general suppliers				0	297,700	
4 Silas nthiga				0	137,845	
5 Margret mbuya				0	92,520	
6 Bijama suppliers				0	569,350	
7. Famytech computer and stationers				0	167,740	
8 Science lab				351,100	949,340	
9 Pricom ltd				23,200	80,740	
10. Highmark services				70,000	576,720	
11. Globalwide publishers				51,860		
12.Ewasco				0	137,828	
13. Juliet m. Ngari				0	142,880	

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13. Pezi publishers				0	173,600
14. Dajax.G. Suppliers				0	10,000
15. Rowlands Suppliers				0	213,630
16. Pertomilla Rweru Itta				0	852,650
17. A plus resolutions				0	60,000
18. Jobem General Suppliers				0	150,000
19. JoyRob publishers				0	251,550
20. Ceciryne enterprises				50,000	100,000
21. DM enterprises				0	280,000
22. gloria karwitha				0	365,000
23. Mabrina Enterprises				0	81,500
24. Nguna Enterprises				0.00	73,190.00
25..stephen nkumbu				250,000.00	0.00
26. dorcas m. ngari				144,600.00	0.00
27. great mind				285,200.00	0.00
28 eng eastern wanja				23,000.00	0.00
Sub-Total				1,248,960	6,199,703
Supply of services					
28. Bititech systems \$ Suppliers				0.00	886,200.00
29. Embu Diesel Auto Mobiles				144,000.00	320,760.00
30. Globally power				45,000.00	61,500.00
31. Challa ventures				0.00	40,860.00
32. P.E(NON TEACHING STAFF)				2,559,680.00	2,268,430.00

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33.Peterson Njiru				0.00	76,826.00	
34. kessha mbeere north				0.00	101,350.00	
35.kirie zone				0.00	114,300.00	
36.apacs ack				0.00	30,100.00	
37. Jackson ireri				0.00	416,000.00	
Sub-Total				0	4316326	
Grand Total				3,997,640.00	10,516,029.00	

Gangara Secondary School

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f	Additions during the year to June	Disposals during the year to June	Historical Cost c/f
	(Kshs)	2023	2023	(Kshs)
	1st July	(Kshs)	(Kshs)	30th June
	2023			2024
Land 1	clan land			5,500,000
Buildings and structures	20,400,000.00			20,400,000
Motor vehicles	6,500,000			6,500,000
Office equipment, furniture and fittings	1,000,000			1,200,000
ICT Equipment, and Other ICT Assets	500,000			500,000
Tools and apparatus	100,000			100,000
Textbooks	3,500,000			3,500,000
Other Machinery and Equipment	1,200,000			1,400,000
Heritage and cultural assets	60,000			60,000
Intangible assets- soft ware	260,000			660,000
Total	33,520,000			39,820,000