

REPUBLIC OF KENYA



Enhancing Accountability



REPORT NATIONAL ASSEMBLY
PAPERS LAID

DATE: 04 MAR 2025 DAY: Tuesday

TABLED BY: Deputy chief whip
Hon. Naomi Jillo

CLERK-AT-THE-TABLE: Benson Inzafu

THE AUDITOR-GENERAL

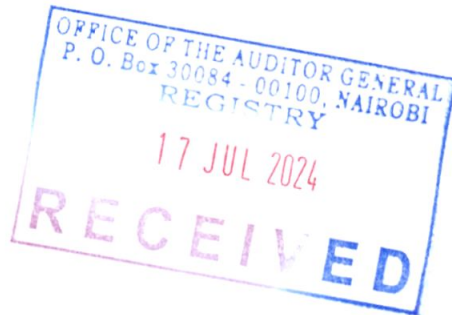
ON

GATHIGA SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

KIAMBU COUNTY

Revised 30th June 2023.



GATHIGA SECONDARY SCHOOL SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

Table of Contents	Page
1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	viii
4. Statement of School Management Responsibility.....	xi
5. Report Of The Independent Auditors <i>(To be attached)</i>	xii
6. Statement Of Receipts and Payments For the Year Ended 30 th June 2023	1
7. Statement of Assets and Liabilities As At 30 th June 2023	2
8. Statement of Cash Flows for the Year Ended 30 th June 2023	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2023.....	5
10. Significant Accounting Policies	10
11. Notes To The Financial Statements	12
12. Annexes	22

1. Acronyms and Glossary of Terms

Provide a list of all applicable acronyms and glossary of terms e.g.

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 Kiambu County, Kabete Sub-County.

The school was registered in 07/2009 under registration number GP/A7205/09 and is currently categorized as a Sub *County* public school established, owned or operated by the Government.

The school is a Day school and had 160 number of students as at 30th June 2023. It has 2 streams and 14 teachers of which 0 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	Amos Ndung'u	Chairman	27 th June 2022
2	MS Ruth Njama	Secretary - Principal	18 th Feb 2023
3	Stephen Kamau	Member	27 th June 2022
4	Catherine Karanja	Member	27 th June 2022
5	Hottensia Ndung'u	Member	27 th June 2022
6	Rev Captain Elijah Mbutia	Sponsor representative	27 th June 2022
7	Gibson Mburu	Member	27 th June 2022
8	Godfrey Kanyiri Kaidoh	Member	27 th June 2022
9	Nelly Wakaba	Member	27 th June 2022
10	Joseph Njenga	Staff representative	27 th June 2022
11	Oliver Kimathi Kamau	Member	27 th June 2022
12	Ronald Nyairo	Member	27 th June 2022
13	Grace Nduku	Member	27 th June 2022
14	Karolyne G Kamau	Member	27 th June 2022
15	Moses T Kariuki	Member	27 th June 2022
16	Kamau Kamau	Member	27 th June 2022

The functions of the School Board of Management are to:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Amos Ndung'u MS Ruth Njama Stephen Kamau Catherine Wambui Godfrey Kaidoh	B.O.M Chair B.O.M Sec B.O.M Vice chair P.A Chair B.O.M Member	3 out of 3 2out of 3 2out of 3 0out of 3 2 out of 3
2	Finance, Procurement and General Purposes Committee	Amos Ndung'u MS Ruth Njama Hottensiah Ndung'u Rev Capt Elijah Mbutia Oliver Kimathi Moses Kariuki	B.O.M Chair Sec B.O.M Chairperson B.O.M Member B.O.M Member B.O.M Member	2 out of 2 0 out of 2 2 out of 2 2 out of 2 2 out of 2 2 out of 2
3	Academic standards quality and environment committee	Amos Ndung'u MS Ruth Njama Joseph Njenga Kamau Kamau Grace Mbugua Nelly Wakaba	B.O.M Chair Sec B.O.M Teachers Rep Chairperson B.O.M Member B.O.M Member	2 out of 3 1 out of 3 2 out of 3 3 out of 3 3 out of 3 3 out of 3
4	Audit Committee	Amos Ndung'u MS Ruth Njama Hottensiah Ndung'u Rev. Ack Church Oliver Kimathi	B.O.M Chair Sec B.O.M Chairperson B.O.M Member B.O.M Member	1 out of 1 1 out of 1 1out of 1 1 out of 1 1 out of 1
5	Discipline Ethics and Integrity committee	Amos Ndung'u B.O.M secretary Nelly Wakaba Deputy Principal Teachers Rep Kamau kamau Grace Nduku	B.O.M Chair Sec B.O.M Teachers Rep Chairperson B.O.M Member B.O.M Member B.O.M Member	2 out of 3 1 out of 3 2 out of 3 3 out of 3 3 out of 3 3 out of 3 3 out of 3
6	Human Rights and Students Welfare Committee	Amos Ndung'u B.O.M Sec Gibson Mburu Karoline Kamau Deputy Principal Teachers Rep	B.O.M Chair B.O.M Sec Member Member Member Member	2 out of 2 2/out of 2 2 out of 2 2 ut of 2 2 out of 2 2 out of 2

Gathiga Secondary School

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

(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	MS Ruth Njama	333782
2	Deputy Principal	Stephen Mbugua	474565
3	School Bursar	Joshua Munene	ID 34215343

(e) Schools contacts

Post Office Box: 206-00614
 Telephone: +254790452949
 E-mail: gathigasecondary23@gmail.com
 Website: N/A
 Facebook: N/A
 Twitter: N/A

(f) School Bankers

1. Name of Bank: Equity Bank
 Operation A/C
 Branch: Wangige
 Account Number: 0570291741215
2. Name of Bank: Equity Bank
 Tuition A/C
 Branch: Wangige
 Account Number: 0570291737814
3. Name of Bank: Equity Bank
 Infrastructure A/C
 Branch: Wangige
 Account Number: 0570295135579
4. Name of Bank: KCB
 School Fund A/C
 Branch: Sarit Centre
 Account Number: 1106692667

(g) Independent Auditors

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

Gathiga Secondary School

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

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:

(Under this section, the following information should be given:

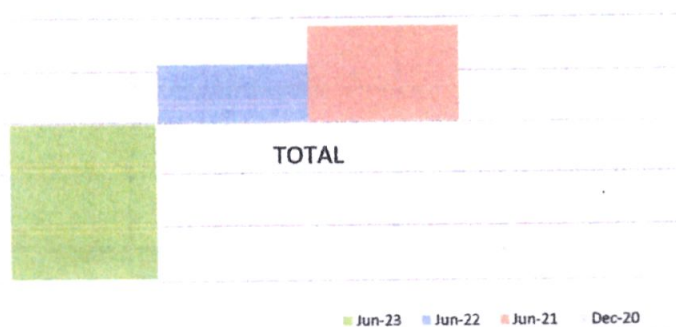
- *Surplus/ deficit for the year and a comparison of the same for the last three years*
- *Capitation grants from the Ministry of Education for the last three years*
- *A three-year overview of growth of other income(s) earned by the school.*
- *A three-year overview of growth in expenditure of the school*
- *Movement of debtors and creditors of the school over the last three years*

(Graphical presentation, ratios, tables, and pie charts should be used to show/ indicate trends unless the school is new).

a) **Financial performance:**

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

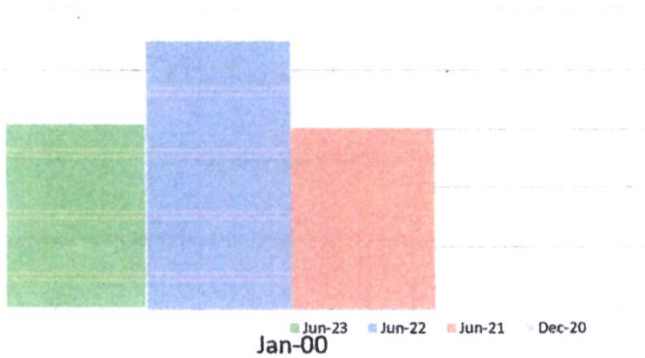
SURPLUS/ (DEFICIT) Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	-	-	-	-
OPERATIONS ACCOUNT	-	-	-	-
TUITION ACCOUNT	-	-	-	-
TOTAL	(1,489,345.34)	565,335.10	920,848.00	-

SURPLUS/ DEFICIT BALANCES

- Capitation grants from the Ministry of Education for the last three years
- Ratio of capitation grant per student over the last three years

MOE CAPITATION GRANTS Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
STUDENT ENROLLMENT	160	210	210	
OPERATIONS ACCOUNT	2,036,617	3,625,261	2,623,193	
TUITION ACCOUNT	452,542	1,059,074	540,172	
TOTAL	2,489,159	4,684,335	3,163,365	-
RATIO PER STUDENT	15,557.24	22,306.36	15,063.64	

GRANT PER STUDENT



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

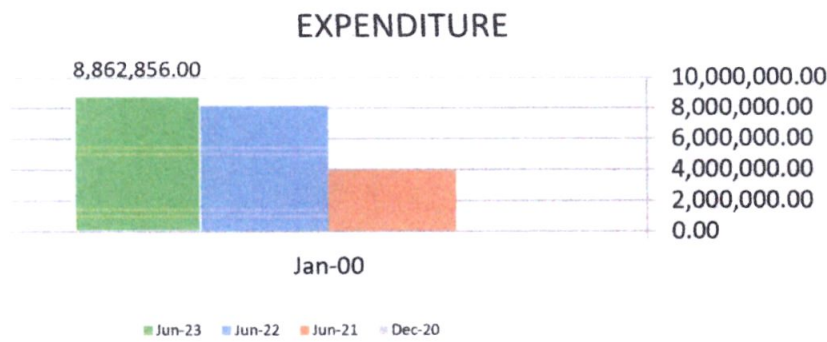
OTHER INCOME Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	-	-	-	-
OPERATIONS ACCOUNT	-	-	-	-
TUITION ACCOUNT	-	-	-	-
TOTAL	-	-	-	-

Other income

- Jun-21
- Dec-20
- Dec-19
- Dec-18

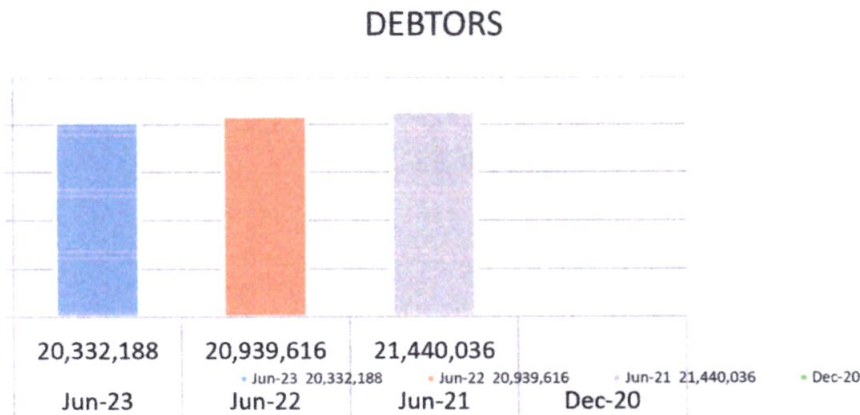
- A three-year overview of growth in expenditure of the school

EXPENDITURE Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	96,372,742	73,006,634	11,651,226	
OPERATIONS ACCOUNT	10,723,338	21,219,493	4,577,779	
TUITION ACCOUNT	2,276,214	3,726,049	370,459	
TOTAL	8,862,856.00	8,171,510.00	3,952,547.35	



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

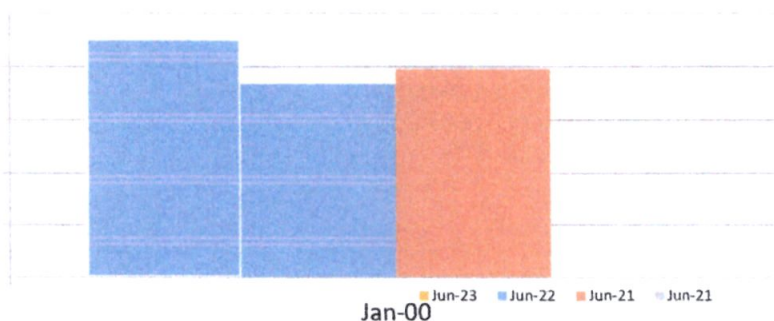
DEBTORS Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	20,332,188	20,939,616	21,440,036	
TOTAL	20,332,188.00	20,939,616.00	21,440,036.00	-



CREDITORS Kshs ...For the year ended.....

ACCOUNT	Jun-23	Jun-22	Jun-21	Jun-21
SCHOOL FUND ACCOUNT				-
OPERATIONS ACCOUNT				-
INFRASTRUCTURE ACCOUNT				-
TUITION ACCOUNT				-
TOTAL	4,525,444.00	3,673,988.00	3,949,078.00	-

CREDITORS

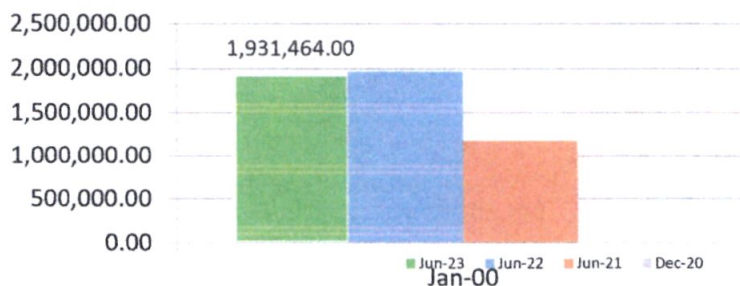


- Movement of cash and bank balances over the last three years

CASH AND BANK BALANCES Kshs ...For the year ended.....

ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND	1,931,464	1,961,926	1,170,930	
OPERATIONS				
INFRASTRUCTURE ACCOUNT				
TUITION ACCOUNT				
TOTAL	1,931,464.00	1,961,926.00	1,170,930.00	0.00

CASH AND BANK BALANCES



b) Teacher Student ratio:

NEW TEACHERS RECRUITED/POSTED WITHIN THE YEAR	4
TRANSFERRED TEACHERS WITHIN THE YEAR	6
RETIRED TEACHERS WITHIN THE YEAR	1
TOTAL TSC EMPLOYED TEACHERS	1
TOTAL BOM EMPLOYED TEACHERS	0
TEACHER STUDENT RATIO	1:12

NUMBER OF TEACHERS PER SUBJECT (BOTH TSC and BOM EMPLOYED)			
SUBJECT		NUMBER AVAILABLE	
MATHEMATICS		4	
ENGLISH		2	
KISWAHILI		1	
CHEMISTRY		3	
PHYSICS		2	
BIOLOGY		2	
GEOGRAPHY		2	
HISTORY		2	
CRE		2	
BUSINESS STUDIES		3	
AGRICULTURE		1	

c) Mean score in the 20XX KCSE:

YEAR	2022	2021	2020
MEAN SCORE	D-	D-	D
ENTRY(NO. OF CANDIDATES)	67	89	87
TRANSITIONS TO HIGHER LEARNING INSTITUTIONS(NO.)	3	1	3

d) Number of Candidates in the 20XX KCSE:

YEAR	2022	2021	2020
ENTRY(NO. OF CANDIDATES)	67	89	87

e) Capacity of the school:

CURRENT ENROLLMENT	AVAILABLE DORM CAPACITY	AVAILABLE CLASSROOM CAPACITY	DINNING HALL CAPACITY	LABORATORY CAPACITY
160	N/A	360	N/A	60

f) Development projects carried out by the school:

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



 School Principal

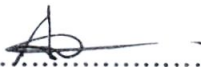
4. Statement of School Management Responsibility

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board (PSASB) of Kenya from time to time.

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of *Gathiga 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).

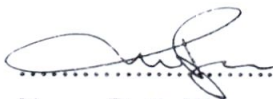
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.



.....
Name: Amos Ndungu

Designation: Chairman, School Board of Management

Date: 15/07/2024



.....
Name: Ruth Njama

Designation: School Principal & Secretary to Board of Management

Date: 15/07/2024



.....
Name: Joshua Munene

Designation: Bursar Finance Officer

Date:

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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON GATHIGA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - KIAMBU 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 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, the risk management environment and the 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 Gathiga Secondary School-Kiambu County set out on pages 1 to 21, which comprise of the statement of assets and

liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the Gathiga 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. Inaccuracies in Capitation Grants

The statement of receipts and payments reflects capitation grants for operations of Kshs.2,036,617 as disclosed in Note 2 to the financial statements. However, examination of the operation account's bank statements, revealed that an amount of Kshs.1,950,767 was received as capitation in the account, resulting to un-reconciled variance of Kshs.85,850.

In the circumstances, the accuracy and completeness of the capitation grants for operations of Kshs.2,036,617 could not be confirmed.

2. Unsupported Payments for Operations

The statement of receipts and payments reflects payments for operations amount of Kshs.3,006,130 as disclosed in Note 7 to the financial statements. However, the schedule supporting the amount reflected Kshs.2,052,664, resulting to an unexplained variance of Kshs.953,466.

In the circumstances, the accuracy and completeness of the payments for operations of Kshs.2,052,664 could not be confirmed.

3. Unsupported School Fund Income-Parents Contributions

The statement of receipts and payments and Note 4 to the financial statements reflects parents' contributions amount of Kshs.3,271,158. However, Management did not provide list of students indicating the names, term, period and outstanding amount for audit review.

In the circumstances, the accuracy and completeness of the school fund income-parents' contributions of Kshs.3,271,158 could not be confirmed.

4. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.1,931,464 as disclosed in Notes 10 and 11 to financial statement. However, Management did not provide for audit, monthly bank reconciliation statements and cash count report to support the balances.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.1,931,464 could not be confirmed.

5. Unsupported Payments for Tuition

The statement of receipts and payments reflects payments for tuition of Kshs.1,032,578 as disclosed in Note 6 to the financial statements. However, Management did not provide supporting schedule and details of items purchased. Further, payment vouchers provided did not indicate the payee and the description of payment.

In the circumstances, the accuracy, completeness and validity of the expenditure of Kshs.1,032,578 incurred under payments for tuitions could not be confirmed.

6. Unsupported and Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables of Kshs.20,332,188 as disclosed in Note 13 to the financial statements. However, Management did not provide list of students indicating the name, admission dates, amount owed and the debtors aging analysis. Further, included in the balance are receivables amounting to Kshs.20,127,642 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.20,332,188 could not be confirmed.

7. Unsupported Accounts Payables

The statement of financial assets and liabilities reflect accounts payable amounting to Kshs.4,525,444 as disclosed in Note 14 to the financial statements. However, Management did not provide for audit, detailed lists indicating the supplier's name, contract date, contract sum, description of the goods supplied/service offered, order number and date service or good were supplied. Further, Management did not provide procurement files containing records such as budgets, procurement plan, requisitions, tender advertisement/request for quotation, appointment of tender opening and evaluation committees, committees' minutes, professional opinions, award, acceptance, regret letters and contract agreements for audit.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.4,525,444 could not be confirmed

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Gathiga 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.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the 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. Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.4,525,444. However, included in the balance are trade payables of Kshs.2,297,748 which had been outstanding for more than two years (2) years. This was contrary to Section 53 (8) of the

Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates'.

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

2. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects capitation grants for operations of Kshs.2,036,617 as disclosed in Note 2 to the financial statements. However, examination of the receipts revealed that an amount of Kshs.651,000 deposited into the operations account which was intended for infrastructure projects was not transferred to the infrastructure accounts as at 30 June, 2023. This was contrary to the Ministry of Education Circular Ref.No:MOE.HQS/3/13/3 dated 16 June, 2021 which directs that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure bank account fifteen (15) days upon receipt of the funds in the school operations bank account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

3. Lack of Procurement Plan

The statement of receipts and payments reflects total receipts of 5,823,567 and payments of Kshs.7,312,912. However, the School did not have a procurement plan as part of the annual budget preparation process. This was contrary to Regulation 40 of the Public Procurement and Asset Disposal Regulations, 2020 which states that 'a procuring entity shall prepare a procurement plan for each financial year as part of the annual budget preparation process'.

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

4. Failure to Prepare School Improvement Plan

During the period under review, the School did not have an approved School Improvement plan. This was contrary to Paragraph 2.2 of the Ministry of Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

In the circumstances, Management was in breach of the Ministry of Education Operation Manual.

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

The financial statements for the year 2021/2022 were submitted on 26 April, 2024 to the Auditor-General and not on the statutory date of 30 September, 2023. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements to be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, 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 and based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Failure to Establish Mandatory Board Committees

The School Board of Management failed to establish the Audit Committee and the Human Rights and Student Welfare Committee, contrary to section 61(1) of the Basic Education Act, 2013, which mandates the establishment of the two (2) committees.

In the circumstance, the effectiveness of governance could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain its services, disclosing, as applicable, matters related to the sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or 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 are in compliance 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 overall 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 noncompliance. 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 School's 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 the Management.
- Conclude on the appropriateness of the 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 control 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

30 September, 2024

GATHIGA 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	07/2022-06/2023	07/2021-06/2022
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	452,542	1,059,074
Government grants for operations	2	2,036,617	3,625,261
Government Grants for infrastructure	3	-	-
School Fund Income- Parents' Contributions	4	3,271,158	4,052,510
Miscellaneous incomes	5	63,250	-
TOTAL RECEIPTS		5,823,567	8,736,845
PAYMENTS			
Tuition	6	1,032,578	1,760,240
Operations	7	3,006,130	3,995,586
Infrastructure	8	-	-
Boarding and school fund	9	3,274,204	2,415,684
TOTAL PAYMENTS		7,312,912	8,171,510
SURPLUS/DEFICIT		(1,489,345)	565,335

The school financial statements were approved on.....2023 and signed by:

BOM CHAIR

PRINCIPAL/BOM SEC

BURSAR/FINANCE OFFICER

NAME Amos Ndung'u Ijema NAME RUTH NJANA NAME Joshua Munira

SIGN [Signature] SIGN [Signature] SIGN [Signature]

DATE 15/07/2024 DATE 15/07/2024 DATE 15/7/24

GATHIGA 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**

	Note	07/2022-06/2023	07/2021-06/2022
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances	10	34,995	56,357
Cash Balances	11	1,896,469	1,905,569
Short term Investment	12	-	-
Total Cash and Cash Equivalents		1,931,464	1,961,926
Account's receivables	13	20,332,188	20,939,616
Total Financial Assets		22,263,652	22,901,542
Financial Liabilities			
Bank Balances	10	-	
Accounts Payable	14	4,525,444	3,673,988
Net Financial Assets		17,738,208	19,227,554
Represented by			
Accumulated Fund b/fwd	15	19,227,554	18,662,219
Surplus/Defict for the year		(1,489,345)	565,335
Net Financial position		17,738,209	19,227,554

The school financial statements were approved on2023 and signed by:

BOM CHAIR

PRINCIPAL/BOM SEC

BURSAR/FINANCE OFFICER

NAME Amos Njenga NAME RUTH NJAMA NAME Joshua Munere
SIGN [Signature] SIGN [Signature] SIGN [Signature]
DATE 15/07/2024 DATE 15/07/2024 DATE 15/7/24

GATHIGA 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**

		07/2022-06/2023
		Kshs
Cash from operating activities		
Receipts		
Government grants for tuition	1	452,542
Government grants for operations	2	2,036,617
Government grants for infrastructure	3	-
School fund income- Parents contributions fees	4	3,028,798
Other income	5	63,250
Total receipts		5,581,207
Payments		
Cash outflows for Tuition	6	470,820
Cash outflows for operations	7	2,052,664
Cash outflows Boarding and school fund payments	9	3,088,184
Total payments		5,611,668
Net cash inflow/outflow from operating activities		(30,461)
Cash flow from investing activities		
Proceeds from Sale of Assets		-
Acquisition of Assets		-
Proceeds from investments		-
Purchase of investments		-
Net cash inflow/outflows from Investing Activities		-
Cash flow from Financing activities		
Proceeds from borrowings/ loans		-
Repayment of principal borrowings		-
Net cash iflow/outflow from Financing Activities		-
Net increase/decrease in cash and cash equivalents		(30,461)
Cash and cash equivalent at beginning of the FY		1,961,926
Cash and cash equivalent at end of the FY		1,931,464

GATHIGA SECONDARY SCHOOL

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



The school financial statements were approved on2023 and signed by:

BOM CHAIR

PRINCIPAL/BOM SEC

BURSAR/FINANCE OFFICER

NAME Amod N. Njenga NAME RUTH NJAMA NAME Joshua Mwan

SIGN  SIGN  SIGN 

DATE 15/07/2024 DATE 15/07/2024 DATE 15/7/24

GATHIGA 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/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	e=d/c %
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	-	-	-	-	0.0%
Exercise books	-	-	-	-	0.0%
Laboratory Equipment	-	-	-	-	0.0%
Teaching Learning Material	670,080		670,080	452,542	67.5%
Exams And Assessment	-	-	-	-	0.0%
TOTAL	670,080	-	670,080	452,542	67.5%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	1,510,320	-	1,510,320	382,831	25.3%
Repairs And Maintenance	1,200,000	-	1,200,000	652,000	54.3%
Local Transport Travelling	134,160	-	134,160	324,883	242.2%
Electricity And Water	112,080	-	112,080	232,829	207.7%
Medical	30,000	-	30,000	34,400	114.7%
Administration costs	380,160	-	380,160	255,023	67.1%
House rent	-	-	-	-	0.0%
Activity	345,120	-	345,120	68,800	0.0%
Gratuity	-	-	-	-	0.0%
TOTAL	3,711,840	-	3,711,840	1,950,766	52.6%
		5			

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

<i>(3) FDSE for infrastructure</i>					
Maintenance & Improvement MoF	-	-	-	-	0.0%
M&I parents contribution	-	-	-	-	0.0%
Economic Stimulus Programs	-	-	-	-	0.0%
Transition Infrastructure Grants	-	-	-	-	0.0%
Administration Block	-	-	-	-	0.0%
TOTAL	-	-	-	-	0.0%
<i>(4) Fees Charged on Parents</i>					
lunch programme	2,592,000	-	2,592,000	2,007,560	77.5%
Debtor	-	-	-	557,654	0.0%
Bursary	-	-	-	586,500	0
Electricity and water	-	-	-	-	0
Medical	-	-	-	-	0.0%
Administration costs	-	-	-	-	0.0%
Activity	-	-	-	-	0.0%
SMASSE	-	-	-	-	0.0%
Fee on Boarding Equipment and Stores	-	-	-	-	0.0%
TOTAL	2,592,000	-	2,592,000	3,151,714	121.6%
<i>(5) Miscellaneous Income</i>					
hire of bus	-	-	-	36,000	0.0%
hire of school ground	-	-	-	25,000	0.0%
books replacement	-	-	-	2,250	0.0%
Insurance Compensation	-	-	-	-	0.0%
Fee For Hire of Ground and Equipment	-	-	-	-	0.0%
Interest Income	-	-	-	-	0.0%
			6		

GATHIGA SECONDARY SCHOOL

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

Uniform	-	-	-	-	0.0%
Development	-	-	-	-	0.0%
TOTAL	-	-	63,250	0	
Total Income	6,973,920	-	6,973,920	5,618,272	80.6%
(6) Expenditure for Tuition					
Text books	-	-	-	-	0%
Reference Materials	25,000	-	25,000	-	0%
Exercise books	148,500	-	148,500	-	0%
Laboratory equipment	250,000	-	250,000	703,475	0%
Teaching/ Learning materials	173,080	-	173,080	265,133	153%
chalks	13,500	-	13,500	-	0%
Exams And Assessment	60,000	-	60,000	60,780	101%
Administration costs	-	-	-	-	0%
Bank Charges	-	-	-	3,190	0%
TOTAL	645,080		670,080	1,032,578	154%
(7) Expenditure For Operations					
Personal Emoluments	1,510,225	-	1,510,225	1,321,871	88%
Repairs, Maintenance & Improvements	1,200,000	-	1,200,000	323,730	27%
Local Transport / Travelling	134,000	-	134,000	309,768	231%
TLM		-		30,840	0%
		7			

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Electricity, Water and Conservancy	112,000	-	112,000	-	0%
Medical	30,000	-	30,000	53,350	178%
Administration costs	380,000	-	380,000	242,153	64%
Activity Expenses	345,615	-	345,615	604,974	175%
School Fund Account	-	-	-	119,444	0%
TOTAL	3,711,840		3,711,840	3,006,130	81%
(8) Expenditure For infrastructure					
Construction of classrooms	-	-	-	-	0%
Construction of I AB	-	-	-	-	0%
Construction of DOPMS	-	-	-	-	0%
Purchase of furniture	-	-	-	-	0%
Purchase of equipment	-	-	-	-	0%
Purchase of machinery	-	-	-	-	0%
TOTAL	-	-	-	-	0%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	-	-	-	280,037	0%
Repairs, Maintenance & Improvements	-	-	-	88,639	0%
Local Transport / Travelling	-	-	-	214,600	0%
Electricity, Water and Conservancy	-	-	-	90,450	0%
Medical Expenses	-	-	-	350	0%
Administration costs	-	-	-	283,212	0%
Activity	-	-	-	214,546	0%
internal exams	-	-	-	77,500	0%
TLM	-	-	-	40,096	0%
lunch programme	2,592,000	-	2,592,000	1,412,424	54%
operation account				85,850	0%
		8			
	-	-	-	-	

GATHIGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023**

Bursary	-	-	-	486,500	0%
Bank Charges	-	-	-	-	0%
Loan Interest Repayment	-	-	-	-	0%
Loan Principal Repayment	-	-	-	-	0%
Acquisition Of Assets	-	-	-	-	0%
Uniform	-	-	-	-	0%
Development	-	-	-	-	0%
<i>School farm</i>	-	-	-	-	0%
TOTAL	2,592,000		2,592,000	3,274,204	126%
TOTAL EXPENDITURE	6,948,920	-	6,973,920	7,312,912	105%

(1,694,640)

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 20XX.

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

II. Notes To The Financial Stattements

1 Government Grants for Tuition

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Reference Materials	-	-
Exercise books	-	-
Laboratory equipments and apparatus	-	-
Internal exams	-	-
Teaching/Learning Materials	452,542	804,074
chalks	-	-
Operations Account	-	255,000
Total	452,542	1,059,074

2 Government Grants for Operations

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personnel Emoluments	382,831	1,713,683
Repairs And Maintenance	652,000	1,131,982
Local Transport / Travelling	324,883	155,000
Electricity And Water	232,829	100,000
Medical	34,400	113,199
Administration costs	255,023	85,000
House rent	-	-
School Fund	85,850	100,000
Activity	68,800	226,397
Total	2,036,617	3,625,261

3 Government Grants for infrastructure

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Maintenance & Improvement	-	-
Transition Infrastructure Grants	-	-
Administration Block	-	-
Economic Stimulus Grants	-	-
Total	12	-

GATHIGA SECONDARY SCHOOL**Annual Report and Financial Statements For the year ended 30th June 2023****School Fund Income - Parents Contribution/Fees**

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personnel emoluments	-	-
Lunch Program	2,007,560	4,052,510
Debtors	557,654	-
Bursary	586,500	-
Medical	-	-
Administration costs	-	-
Activity	-	-
Operations Account	119,444	-
Total	3,271,158	4,052,510

5 Miscellaneous Incomes

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Books replacements	2,250	-
Income From Farming Activities	-	-
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	25,000	-
Fee For Hire ground and Equipment	36,000	-
Income From Grants and Donations	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings	-	-
Total	63,250	-

GATHIGA SECONDARY SCHOOL

6

Payments for Tuition

Annual Report and Financial Statements		
	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Exercise books	-	-
Adm Costs	-	26,980
Reference Materials	-	102,010
Laboratory equipment	703,475	567,050
Teaching/Learning materials	265,133	257,200
Exams And Assessment	-	-
Repair and Maintenance	-	807,000
Bank charges	3,190	-
chalks	-	-
Internal exams	60,780	-
	-	-
	-	-
Total	1,032,578	1,760,240

7

Payments for Operations

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personal Emoluments	1,321,871	1,886,825
School Fund account	119,444	-
Administration Cost	242,153	242,370
Repairs and maintenance & improvements	323,730	1,099,340
Local transport / travelling	309,768	100,957
Electricity and water	-	115,724
Medical	53,350	29,500
Activity Expenses	604,974	28,300
Teaching/Learning Materials	13,840	397,570
Tuition Account	-	95,000
Internal exams	17,000	-
	-	-
TOTAL	3,006,130	3,995,586

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

8 Payments for Infrastructure

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Construction Classrooms	-	-
Construction laboratory	-	-
Construction dormitory	-	-
Purchase furniture	-	-
Purchase equipment	-	-
Purchase apparatus	-	-
Drilling of boreholes	-	-
	-	-
TOTAL	-	-

9 Boading And School Fund

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personal emolument	280,037	487,372
Lunch Program	1,412,424	1,228,412
Repairs and maintenance & improvements	88,639	189,000
Local Transport / Travelling	214,600	500
Electricity And Water	90,450	-
Medical Expenses	350	-
Administration costs	283,212	118,400
Expenses on Income Generating Activities	-	-
Fee on Boarding Equipment and Stores	-	-
Activity	214,546	202,000
NSSF	-	46,000
Bursary	486,500	-
Operation Account	85,850	-
TLM	40,096	-
Internal exams	77,500	-
Insurance cost	-	144,000
TOTAL	3,274,204	2,415,684
	-	-
	-	-

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

10 Bank Accounts

Name of Bank, Account No. & currency	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Tuition Account	8,520	26,798
Operations Account	9,732	17,254
School Fund Account/Boarding	16,744	12,305
Savings Account 1	-	-
Savings Account 2	-	-
Savings Account 3	-	-
Parent Association Development Account		
Income Generating Activities Account		
Infrastructural Account	-	-
Total	34,995	56,357

11 Csh in Hand

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Tuition Account		
Operation Account	359,724	368,249
School Fund account	1,536,745	1,537,320
Total	1,896,469	1,905,569

12 Short Term Investments

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

13 Accounts Receivable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Fees arrears	20,332,188	20,939,616
Other non-fees receivables		
Salary advances(list/schedule attached)	-	-
Imprest(list/schedule attached)	-	-
Rent Arrears(list/schedule attached)	-	-
Total	20,332,188	20,939,616

13b Ageing of Accounts Receivable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Less than 1 year	142,360	619,840
Between 1 - 2 years	62,186	87,400
Between 2 - 3 years	20,127,642	20,232,376
Over 3 years		
Total(Should tie to note 13 a)	20,332,188	20,939,616

14 Accounts Payable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	4,374,144	3,565,308
Prepaid fees	151,300	108,680
Retention monies	-	-
Unpaid Salaries and Statutory deductions	-	-
Caution Money	-	-
	-	-
Total	4,525,444	3,673,988

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

14a Ageing Analysis of Accounts Payable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Less than 1 year	1,089,499	1,267,560
Between 1 - 2 years	986,897	226,748
Between 2 - 3 years	2,297,748	2,071,000
Over 3 years		
Total(Should tie to note 14)	4,374,144	3,565,308

15 Fund Balance Brought Forward

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Bank balances	34,995	56,357
Cash balances	1,896,469	1,905,569
Short Term Investments	-	-
Receivables	20,332,188	20,939,616
Payables	(4,525,444)	(3,673,988)
Total	17,738,208	19,227,554

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

Other important disclosure notes

16 Non-current Liabilities Summary

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

17 Biological assets

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Cattle	-	-
Goats	-	-
Pigs	-	-
Trees	-	-
Coffee or Tea plantation	-	-
Poultry	-	-
Total	-	-

18 Borrowings

Description	07/2022-06/2023	07/2021-06/2022
	KShs	KShs
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at end of the year	-	-

GATHIGA SECONDARY SCHOOL
Annual Report and Financial Statements For the year ended 30th June 2023

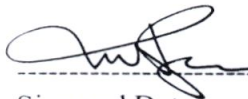
19 **Stock/ Inventory**

Description	07/2022-06/2023	07/2021-06/2022
	KShs	KShs
Foodstuffs	-	-
Lab Consumables	-	-
Farm Produce	-	-
Medication	-	-
Construction Materials	-	-
Balance at end of the year	-	-

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
Principal

15/07/2024

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
Sub-Total						
Supply Of Goods						
2.						
3.						
4.						
5.						
Sub-Total						
Supply Of Services						
6.						
7.						
8.						
Sub-Total						
Grand Total						

Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 20XX	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 20XX
Land				
Buildings And Structures				
Motor Vehicles				
Office Equipment, Furniture And Fittings				
Textbooks				
ICT Equipment				
Tools And Apparatus				
Intangible Assets- Soft Ware				
Total				

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