

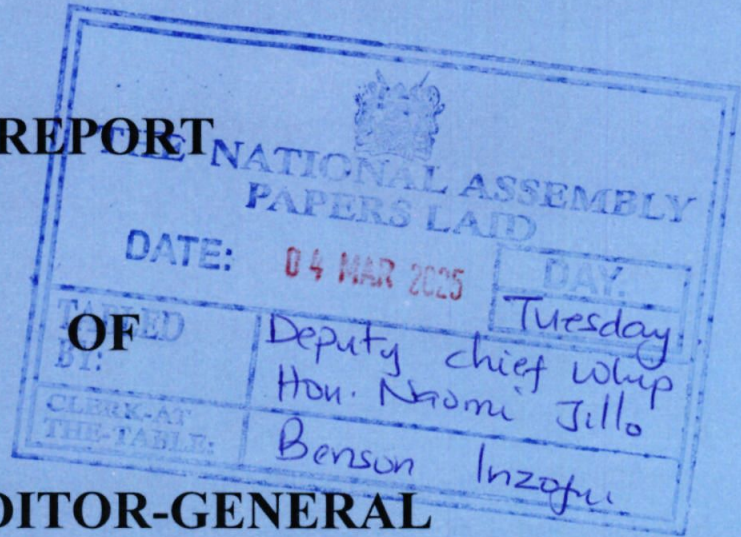
REPUBLIC OF KENYA



Enhancing Accountability



REPORT



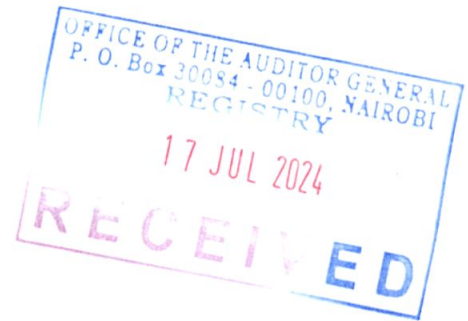
THE AUDITOR-GENERAL

ON

GATHIGA SECONDARY SCHOOL

**FOR THE SIX (6) MONTHS'
PERIOD ENDED 30 JUNE, 2021**

KIAMBU COUNTY



GATHIGA SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th June 2021

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

(Gathiga secondsry school)
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

Gathiga Secondary School, Annual report and financial Statement for the year ended 30th June 2021

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PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was Re-registered in 7/2009 under registration number **CP/A/7205/09** 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 234 number of students as at 30th June 2021. It has 2 streams and 18 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	PAUL KIARIE	Bom Chairman	06 TH MARCH 2019
2	MRS MAMBO TABITHA	Secretary- Principal	06 TH MARCH 2019
3	CHARLSE CANON MBUGUA	Member	06 TH MARCH 2019
4	MRS ANNABEL KANYARI	Member	06 TH MARCH 2019
5	MR MBUGUA JOSEPH	Member	06 TH MARCH 2019
6	KAMAU KAMAI	Member	06 TH MARCH 2019
7	GIBSON MBURU	Member	06 TH MARCH 2019
8	MOSES KARUIKI	D/Chairman-Rep CEB	06 TH MARCH 2019
9	MRS GRACE OMONDI	Member – Rep Teachers	06 TH MARCH 2019
10	SIMON KANGETHE	Sponsor	06 TH MARCH 2019
11	ESTHER KIBUGI	Sponsor	06 TH MARCH 2019
12	REV.EDWIN KINYANJUI	Sponsor	06 TH MARCH 2019
13	ANN WANJIRU	Member - Community	06 TH MARCH 2019
14	FROLENCE GATHOGO	Member - Community	06 TH MARCH 2019
15	JOSEPH GITHAIGA	Member – Rep students	06 TH MARCH 2019

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

SER	COMMITTEE NAME	COMMITTEE MEMBERS	DESIGNATION	NO. OF MEETINGS ATTENDED DURING THE YEAR
1	Executive Committee	Paul Kiarie Mrs.Mambo Tabitha Mrs.Kanyari Annabelle Mrs.Kibugi Esther Joseph Mbugua	Bom chair Principal /BOMs sec P.A chair BOM vice chair Member	2/2
2	Audit Committee			
3	Finance, Procurement and General Purposes Committee			
4	Academic Committee			
5	Discipline, Ethics and Integrity Committee			
6	Human Rights and Students Welfare Committee			

(d) School operation Management

For the financial year ended 30th June 2021 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Mrs Mambo Tabitha	305632
2	Deputy Principal	Mr. Wilson Muriuki	310933
3	School Bursar	Joshua Munene	34215343

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 206-00614
Telephone: 0790452949
E-mail: gathigasecondary23@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

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

1. Name of Bank: Kenya Commercial Bank
Account Number: 1106692667(School Fund A/C)
2. Name of Bank: Equity Bank
Account Number: 0570291741215(Operation A/C)
3. Name of Bank: Equity Bank
Account Number: 0570291737814(Tuition A/C)
4. Name of Bank: Equity Bank
Account Number: 0570295135579(Development A/C)

(g) Independent Auditors

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

(Gathiga secondary school)

PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

For the year ended 31st June

II. SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL.

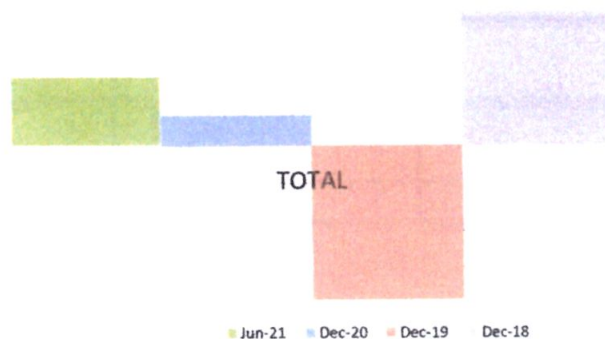
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) **Financial performance:**

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

SURPLUS/ (DEFICIT) Kshs ...For the year ended.....				
ACCOUNT	Jun-21	Dec-20	Dec-19	Dec-18
SCHOOL FUND ACCOUNT	-	-	-	-
OPERATIONS ACCOUNT	-	-	-	-
TUITION ACCOUNT	-	-	-	-
TOTAL	920,848.53	385,069.00	(2,152,622.00)	1,806,236.00

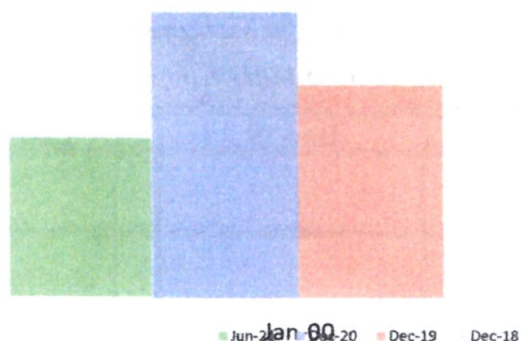
SURPLUS/ DEFICIT BALANCES



- *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-21	Dec-20	Dec-19	Dec-18
STUDENT ENROLLMENT	234	234	234	0
OPERATIONS ACCOUNT	2,623,193.00	5,110,713.00	3,199,707.00	-
TUITION ACCOUNT	540,172.00	580,008.00	1,028,171.85	-
TOTAL	3,163,365.00	5,690,721.00	4,227,878.85	-
RATIO PER STUDENT	13,518.65	24,319.32	18,067.86	

GRANT PER STUDENT



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

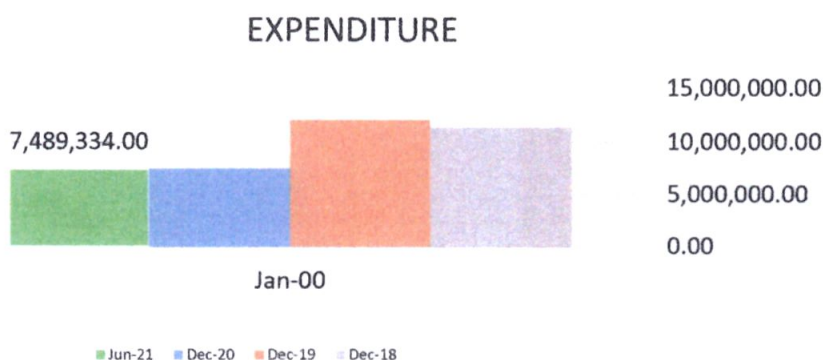
OTHER INCOME Kshs ...For the year ended.....				
ACCOUNT	Dec-21	Dec-20	Dec-19	Dec-18
SCHOOL FUND ACCOUNT	-	-	-	-
OPERATIONS ACCOUNT	-	-	-	-
TUITION ACCOUNT	-	-	-	-
TOTAL	-	-	-	-

Other income

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

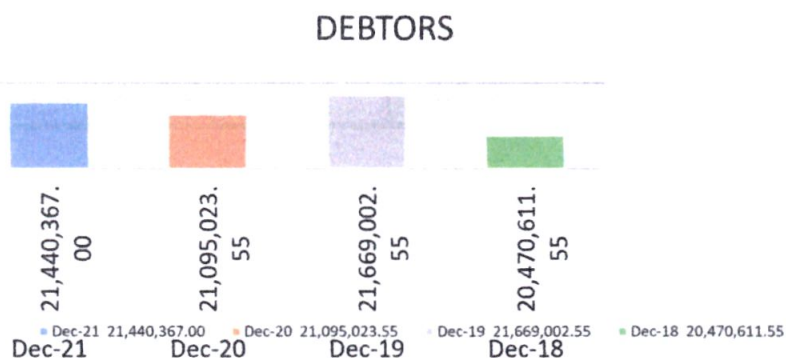
- *A three-year overview of growth in expenditure of the school*

EXPENDITURE Kshs ...For the year ended.....				
ACCOUNT	Jun-21	Dec-20	Dec-19	Dec-18
SCHOOL FUND ACCOUNT	829,919.00	2,164,564.00	0.00	0.00
OPERATIONS ACCOUNT	2,392,928.00	3,704,790.00	0.00	0.00
TUITION ACCOUNT	729,700.00	1,619,890.00	0.00	0.00
TOTAL	7,489,334.00	7,489,334.00	12,065,287.00	11,361,199.50



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

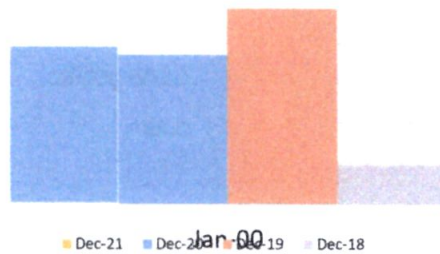
DEBTORS Kshs ...For the year ended.....				
ACCOUNT	Dec-21	Dec-20	Dec-19	Dec-18
SCHOOL FUND ACCOUNT	21,440,367.00	21,095,023.55	21,669,002.55	20,470,611.55
TOTAL	21,440,367.00	21,095,023.55	21,669,002.55	20,470,611.55



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

ACCOUNT	Dec-21	Dec-20	Dec-19	Dec-18
SCHOOL FUND ACCOUNT	-	-	-	-
OPERATIONS ACCOUNT	-	-	-	-
TUITION ACCOUNT	-	-	-	-
TOTAL	3,949,078.00	3,704,416.00	4,856,710.00	953,750.00

CREDITORS

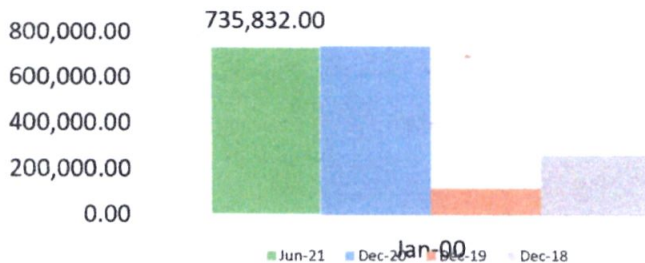


- *Movement of cash and bank balances over the last three years*

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

ACCOUNT	Jun-21	Dec-20	Dec-19	Dec-18
SCHOOL FUND ACCOUNT	954,698.00	95,538.00	-	-
OPERATIONS ACCOUNT	-	-	-	-
TUITION ACCOUNT	33,904.24	223,432.00	-	-
TOTAL	735,832.00	735,832.00	114,196.00	261,006.00

CASH AND BANK BALANCES



**GATHIGA SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021**

b) Teacher Student ratio:

<i>NEW TEACHERS RECRUITED/POSTED WITHIN THE YEAR</i>	<i>0</i>
<i>TRANSFERRED TEACHERS WITHIN THE YEAR</i>	<i>0</i>
<i>RETIRED TEACHERS WITHIN THE YEAR</i>	<i>0</i>
<i>TOTAL TSC EMPLOYED TEACHERS</i>	<i>18</i>
<i>TOTAL BOM EMPLOYED TEACHERS</i>	<i>0</i>
<i>TEACHER STUDENT RATIO</i>	<i>1:13</i>

<i>NUMBER OF TEACHERS PER SUBJECT (BOTH TSC and BOM EMPLOYED)</i>			
<i>SUBJECT</i>	<i>REQUIRED NUMBER</i>	<i>NUMBER AVAILABLE</i>	<i>SHORTAGE</i>
<i>MATHEMATICS</i>	<i>2</i>	<i>2</i>	<i>0</i>
<i>ENGLISH</i>	<i>2</i>	<i>2</i>	<i>0</i>
<i>KISWAHILI</i>	<i>2</i>	<i>1</i>	<i>1</i>
<i>CHEMISTRY</i>	<i>2</i>	<i>2</i>	<i>0</i>
<i>PHYSICS</i>	<i>2</i>	<i>2</i>	<i>0</i>
<i>BIOLOGY</i>	<i>3</i>	<i>3</i>	<i>0</i>
<i>GEOGRAPHY</i>	<i>4</i>	<i>4</i>	<i>0</i>
<i>HISTORY</i>	<i>3</i>	<i>3</i>	<i>0</i>
<i>CRE</i>	<i>5</i>	<i>5</i>	<i>0</i>
<i>BUSINESS STUDIES</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>AGRICULTURE</i>	<i>2</i>	<i>2</i>	<i>0</i>
<i>DRAWING AND DESIGN</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>ART AND DESIGN</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>COMPUTER STUDIES</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>HOMESCIENCE</i>	<i>0</i>	<i>0</i>	<i>0</i>

(Gathiga secondary school)
PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

c) Mean score in the 2020 KCSE:

YEAR	2020	2019	2018
MEAN SCORE	2.115	2.36	2.95
ENTRY(NO. OF CANDIDATES)	87	73	65
TARGET SCORE	6.5	6.5	6.5
TRANSITIONS TO HIGHER LEARNING INSTITUTIONS(NO.)	5	1	1

a) Capacity of the school:

CURRENT ENROLLMENT	AVAILABLE DORM CAPACITY	AVAILABLE CLASSROOM CAPACITY	DINNING HALL CAPACITY	LABORATORY CAPACITY
234	N/A	234		60
		More classes are needed for the increasing enrollment		

b) Development projects carried out by the school:

SER	PROJECT TITLE	PROJECT STATUS	PROJECT COST	SOURCE OF FINANCING
-		-	-	-

Sign



School Principal

(Gathiga secondary school)

PUBLIC SECONDARY SCHOOL
Annual Report and Financial Statements
For the year ended 30th June 2021

III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

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

Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to 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, 2021, and of the school's financial position as at that date.

Name: Amos Ndung'u
Designation: Chairman, School Board of Management

Sign: 

Date: 15/07/2024

Name: Ruth Njama
Designation: School Principal & Secretary to Board of Management

Sign: 

Date: 15/07/2024

Name: Joshua Munene
Designation: Bursar Finance Officer

Sign: 

Date: 15/7/24

REPUBLIC OF KENYA

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

Enhancing Accountability

REPORT OF THE AUDITOR-GENERAL ON GATHIGA SECONDARY SCHOOL FOR THE SIX (6) MONTHS' PERIOD ENDED 30 JUNE, 2021 - 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 14 to 28, which comprise of the statement of financial

Report of the Auditor-General on Gathiga Secondary School for the Six (6) Months' Period ended 30 June, 2021 - Kiambu County

assets and financial liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows, 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 Gathiga Secondary School - Kiambu County as at 30 June, 2021, 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 the Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and operations of Kshs.540,172 and Kshs.2,623,194 as disclosed in Notes 1 and 2 to the financial statements. However, review of the operation and tuition accounts bank statements from 1 January, 2021 to 30 June, 2021 revealed that amounts of Kshs.360,172 and Kshs.2,287,193 were received as capitation grants for tuition and operations respectively, resulting to un-reconciled variances of Kshs.180,000 and Kshs.336,001 respectively.

In the circumstances, the accuracy and completeness of the capitation grants for tuition and operations of Kshs.540,172 and Kshs.2,623,194, respectively could not be confirmed.

2. Unsupported School Fund Income - Parents Contributions

The statement of receipts and payments and Note 3 to the financial statements reflects School fund income - parents contributions amount of Kshs.1,710,030. However, Management did not provide list of students indicating the names, term, period and the outstanding amount for audit review.

In the circumstances, the accuracy and completeness of the School fund income - parents contributions amount of Kshs.1,710,030 could not be confirmed.

3. Unsupported Payments for Tuition

The statements of receipts and payments reflects payments for tuitions of Kshs.729,700 as disclosed in Note 5 to the financial statements. Included in the amount is Kshs.170,000

which was incurred on laboratory equipment's and apparatus, out of which an expenditure of Kshs.120,000 was not supported with payees' details.

In the circumstances, the accuracy, completeness and validity of Kshs.120,000 on tuition payments could not be confirmed.

4. Unsupported Payments for Operations

The statement of receipts and payments reflects payments for operations amount of Kshs.2,392,928 as disclosed in Note 6 to the financial statements. However, the amount includes payments totalling Kshs.1,769,403 which were not supported with details of the payees and services, goods or works procured, requisitions and invoices, evidence of travel, signed contract on provision of security and insurance services and approvals by the Accounting Officer.

In the circumstances, the completeness, accuracy and validity of payments for operations totalling Kshs.1,769,403 could not be confirmed.

5. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,170,930 as disclosed in Notes 8 and 9 to financial statements. However, Management did not provide for audit, monthly bank reconciliation statements for all the accounts and board of survey reports.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.1,170,930 cannot be confirmed.

6. Unsupported and Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.21,440,367 relating to fees arrears as disclosed in Note 11 to the financial statements. However, Management did not provide list of students indicating the names, admission dates, amount owed and the aging analysis. Further, included in the balance are receivables amounting to Kshs.20,002,972 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.21,440,367 could not be confirmed.

7. Unsupported and Accounts Payables

The statement of financial assets and liabilities reflect accounts payables balance of Kshs.3,949,078 as disclosed in Note 12 to the financial statements. However, Management did not provide detailed list indicating the supplier's name, contract date, contract sum, description of the goods supplied/service offered, order number, date when

the services or goods were supplied and the payables aging analysis for audit review. 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 and regret letters and contract agreement.

In the circumstances, the accuracy and completeness of the accounts payables balances of Kshs.3,949,078 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final revenue budget and actual on comparable basis of Kshs.13,286,520 and Kshs.3,679,698 respectively, resulting to under-collection of Kshs.9,606,822, or 72% of the budget. However, the School spent a balance of Kshs.3,566,547 against actual receipts of Kshs.3,679,698, resulting to an under-utilization of Kshs.113,151 of actual receipts.

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

My opinion is not modified in respect of this matter.

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.

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 12 to the financial statements reflects payables balance of Kshs.3,949,078. However, included in the balance are trade payables balance of Kshs.1,518,900 which had been outstanding for more than two (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.2,623,194 as disclosed in Note 2 to the financial statements. However, the review of documents revealed that an amount of Kshs.1,234,500 was deposited into the operations account intended for infrastructure projects which was not transferred to the infrastructure account as at 30 June, 2021. 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 Ministry of Education Circular.

3. 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.

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

The financial statements for the year 2020/2021 were submitted on 2 May, 2023 to the Auditor-General and not on the statutory date of 30 September, 2021. 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

26 September, 2024

GATHIGA SECONDARY SCHOOL
YEAR ENDED 30/06/2021

V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30th JUNE 2021

DESCRIPTION OF VOTE HEAD	Note	01/2021-06/2021	01/2020-12/2020
			Kshs
RECEIPTS			
Capitation grants for tuition	1	540,172.00	580,008.00
Capitation grants for operations	2	2,623,193.88	5,110,713.00
School Fund Income- Parents' Contributions	3	1,710,030.00	2,183,682.00
School Fund Income- Other receipts	4	-	-
TOTAL RECEIPTS		4,873,395.88	7,874,403.00
PAYMENTS			
Payments for Tuition	5	729,700.00	1,619,980.00
Payments for operations	6	2,392,928.35	3,704,790.00
Boarding and school fund payments	7	829,919.00	2,164,564.00
TOTAL PAYMENTS		3,952,547.35	7,489,334.00
SURPLUS/DEFICIT		920,848.53	385,069.00

The school financial statements were approved and signed by:

BOM CHAIR

PRINCIPAL/BOM SEC

BURSAR/FINANCE OFFICER

NAME Amos N. Njenga NAME Ruth Njenga NAME Jashua Munene

SIGN  SIGN  SIGN 

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

**GATHIGA SECONDARY SCHOOL
FOR YEAR ENDED 30/06/2021**

VI. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES FOR THE YEAR ENDED 30th JUNE 2021

	Note	01/2021-06/2021	01/2020-12/2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	634,189.76	301,501.23
Cash Balances	9	536,740.00	49,262.00
Short term Investment	10	- .00	-
Total Cash and Cash Equivalents		1,170,929.76	350,763.23
Account's receivables	11	21,440,367.00	21,095,023.00
TOTAL FINANCIAL ASSETS		22,611,296.76	21,445,786.23
FINANCIAL LIABILITIES			
Bank Balances	8	- .00	
Accounts Payable	12	3,949,078.00	3,704,416.00
NET FINANCIAL ASSETS		18,662,218.76	17,741,370.23
REPRESENTED BY		18,662,218.76	17,741,370.23
Fund balance b/fwd 1st July...	13	17,741,370.23	17,741,370.23
Surplus Deficit for the year		920,848.53	
NET FINANCIAL POSITION		18,662,218.76	17,741,370.23

The school financial statements were approved and signed by:

BOM CHAIR

PRINCIPAL/BOM SEC

BURSAR/FINANCE OFFICER

NAME Amos N. Njenga

NAME Ruth Njama

NAME Washya Munene

SIGN. 

SIGN. 

SIGN. 

DATE 15/07/2021

DATE 15/07/21

DATE 15/7/21

GATHIGA SECONDARY SCHOOL
FOR YEAR ENDING 30/06/2021

VIII. STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30th JUNE 2021

		01/2021-06/2021	01/2020-12/2020
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition	1	540,172.00	580,008.00
Capitation grants for operations	2	2,623,193.88	5,110,713.00
School fund income- Parents contributions/ fees	3	1,710,030.00	2,183,682.00
School fund income- other receipts	4	-	-
Total receipts		4,873,395.88	7,874,403.00
Payments			
Payments for Tuition		729,700.00	1,619,980.00
Payments for operations		2,392,928.35	3,704,790.00
Boarding and school fund payments		829,919.00	2,164,564.00
Total payments		3,952,547.35	7,489,334.00
Net cash flow from operating activities		920,848.53	385,069.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		-	-
Acquisition of Assets		-	-
Proceeds from investments		-	-
Net cash flows from Investing Activities		-	-
NET CASHFLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings loans			
Repayment of principal borrowings			
Net cash flows from Financing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		920,848.53	385,069.00
Cash and cash equivalent at BEGINNING of the year		350,763.23	(34,305.77)
Cash and cash equivalent at END of the year		1,170,929.00	350,763.23

GATHIGA SECONDARY SCHOOL

IV. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2021

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Text books		-	0.00		- .00	0.0%
Exercise books	-	-	0.00	- .00	- .00	0.0%
Laboratory equipments and apparatus	-	-	0.00	- .00	- .00	0.0%
Teaching/learning materials	3,062,520.00	-	3,062,520.00	540,172.00	2,522,348.00	17.6%
chalks	-	-	0.00	- .00	- .00	0.0%
Internal exams	-	-	0.00	- .00	- .00	0.0%
Reference books	-	-	0.00		- .00	0.0%
TOTAL	3,062,520.00	0	3,062,520.00	540,172.00	2,522,348.00	17.6%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>				- .00		
Personnel emoluments	-	-	0.00	- .00	- .00	0.0%
Repairs and maintenance	2,160,000.00	-	2,160,000.00	1,143,597.00	1,016,403.00	52.9%
Local transport / travelling	-	-	0.00	- .00	- .00	0.0%
Electricity and water	-	-	0.00	- .00	- .00	0.0%
Medical	-	-	0.00	- .00	- .00	0.0%
Administration costs	-	-	0.00	- .00	- .00	0.0%
Tuition Account	-	-	0.00	- .00	- .00	0.0%
Activity	4,176,000.00	-	4,176,000.00	285,899.00	3,890,101.00	6.8%
	-	-	0.00	- .00	- .00	0.0%
TOTAL	6,336,000.00	-	6,336,000.00	1,429,496.00	4,906,504.00	22.6%

GATHIGA SECONDARY SCHOOL

(3) FEES CHARGED ON PARENTS						
Lunch program	3,888,000.00	-	3,888,000.00	1,710,030.00	2,177,970.00	44.0%
Repairs and maintenance	-	-	0.00	- .00	- .00	0.0%
Local transport / travelling	-	-	0.00	- .00	- .00	0.0%
Electricity and water	-	-	0.00	- .00	- .00	0.0%
Medical	-	-	0.00	- .00	- .00	0.0%
Administration costs	-	-	0.00	- .00	- .00	0.0%
Activity	-	-	0.00	- .00	- .00	0.0%
Fee on Boarding Equipment and Stores	-	-	0.00	- .00	- .00	0.0%
TOTAL	3,888,000.00	-	3,888,000.00	1,710,030.00	2,177,970.00	44.0%
OTHER INCOME						
House rent	-	-	0.00	- .00	- .00	0.0%
Losses/Damages	-	-	0.00	- .00	- .00	0.0%
School farm	-	-	0.00	- .00	- .00	0.0%
TOTAL	-	-	-	- .00	-	0.0%
TOTAL INCOME	13,286,520.00	-	13,286,520.00	3,679,698.00	9,606,822.00	27.7%
(1) EXPENDITURE FOR TUITION						
Text books	880,000.00	-	0.00	- .00	- .00	0%
Lockers	200,000.00	-	200,000.00	- .00	200,000.00	0%
Laboratory equipments and apparatus	400,000.00	-	400,000.00	170,000.00	230,000.00	43%
Teaching/learning materials	60,000.00	-	60,000.00	55,000.00	5,000.00	92%
chalks	60,000.00	-	60,000.00	- .00	60,000.00	0%
Internal exams	120,000.00	-	120,000.00	- .00	120,000.00	0%
Reference books	50,000.00	-	50,000.00	- .00	50,000.00	0%
Computer tables	247,520.00	-	247,520.00	- .00	247,520.00	0%
Photocopy Machine	400,000.00	-	400,000.00	- .00	400,000.00	0%
Administration costs	-	-	0.00	83,700.00	(83,700.00)	0%
RMI	-	-	0.00	85,000.00	(85,000.00)	0%
TOTAL	2,417,520.00	-	1,537,520.00	393,700.00	1,143,820.00	26%
			18			

GATHIGA SECONDARY SCHOOL

(II) PAYMENTS FOR OPERATIONS						
Personal Emoluments	4,176,000.00	-	4,176,000.00	966,883.00	3,209,117.00	23%
Repairs and maintenance	1,960,000.00	-	1,960,000.00	529,997.00	1,430,003.00	27%
Local transport / travelling	565,000.00	-	565,000.00	167,092.00	397,908.00	30%
Electricity and water	470,000.00	-	470,000.00	- .00	470,000.00	0%
Medical	31,000.00	-	31,000.00	79,340.00	(48,340.00)	256%
Administration costs	439,726.00	-	439,726.00	283,796.00	155,930.00	65%
Insurance	-	-	0.00	45,000.00	(45,000.00)	0%
Others	1,436,016.00					
Activity	994,400.00	-	994,400.00	320,820.00	673,580.00	32%
TOTAL	10,072,142.00	-	8,636,126.00	2,392,928.00	6,243,198.00	28%
(III) SCHOOL FUND PAYMENTS						
Lunch Program	1,856,840.00	-	1,856,840.00	545,650.00	1,311,190.00	29%
Cleaning Materials	329,500.00	-	329,500.00	- .00	329,500.00	0%
Local transport / travelling	-	-	0.00	- .00	- .00	0%
Others	1,701,660.00	-	1,701,660.00	- .00	1,701,660.00	0%
Medical	-	-	0.00	- .00	- .00	0%
Administration costs	-	-	0.00	4,526.00	(4,526.00)	0%
Activity	-	-	0.00	150,000.00	(150,000.00)	0%
Personnel emoluments	-	-	0.00	79,743.00	(79,743.00)	0%
Fee on Boarding Equipment and Stores	-	-	0.00	- .00	- .00	0%
Hire ground and school bus	-	-	0.00	- .00	- .00	0%
Losses/Damages	-	-	0.00	- .00	- .00	0%
Uniform	-	-	0.00		- .00	0%
Development	-	-	0.00	- .00	- .00	0%
School farm	-	-	0.00	- .00	- .00	0%
TOTAL	3,888,000.00	-	3,888,000.00	779,919.00	3,108,081.00	20%
TOTAL EXPENDITURE	16,377,662.00	-	14,061,646.00	3,566,547.00	10,495,099.00	25%

IV. 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 legislation and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs and the related cash has actually been paid out by the *school*.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

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

SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

GATHIGA SECONDARY SCHOOL**1. NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30/06/2021****1 CAPITATION GRANT FOR TUITION**

	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Text books	-	-
Exercise books	-	-
Laboratory equipments and apparatus	-	-
Teaching/learning materials	360,172.00	580,008.00
chalks	-	-
Internal exams	-	-
Reference books		
Operations A/C	180,000.00	
Total	540,172.00	580,008.00

2 CAPITATION GRANT FOR OPERATIONS

	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Personnel emoluments	571,799.00	-
Repairs and maintenance	1,143,597.88	1,384,965.00
Local transport / travelling	142,949.00	-
Electricity and water	142,949.00	-
Medical	-	245,690.00
Administration costs	285,899.00	-
Tuition Account	336,000.00	-
Others		3,353,308.00
Activity	-	126,750.00
Total	2,623,193.88	5,110,713.00

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Personnel emoluments	-	-
Local transport / travelling	-	-
Electricity and water	-	-
Lunch Program	1,710,030.00	2,183,682.00
Administration costs	-	-
Activity	-	-
Total	1,710,030.00	2,183,682.00

GATHIGA SECONDARY SCHOOL

I. NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30/06/2021

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Hire ground and school bus	-	-
House rent	-	-
School farm	-	-
Sales of borehole water	-	-
Losses/Damages	-	-
Interest income	-	-
PA-donations, school van project	-	-
Uniform	-	-
	-	-
Total	-	-

5 PAYMENTS FOR TUITION

	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Text books		-
Exercise books	-	-
Laboratory equipments and apparatus	170,000.00	724,000.00
Teaching/learning materials	55,000.00	895,980.00
chalks	-	-
Repairs and maintenance & improvements	85,000.00	-
Operation Account	336,000.00	-
Administration Cost	83,700.00	
		-
Total	729,700.00	1,619,980.00

6 PAYMENTS FOR OPERATIONS

	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Personal Emoluments	966,883.00	730,483.00
Service Gratuity	-	-
Administration Cost	283,796.35	972,780.00
Repairs and maintenance & improvements	529,997.00	1,421,600.00
Local transport / travelling	167,092.00	188,650.00
Electricity and water	-	209,897.00
Medical	79,340.00	-
Activity Expenses	320,820.00	181,380.00

GATHIGA SECONDARY SCHOOL

I. NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30/06/2021

SMASSE	-	-
Insurance Cost	45,000.00	-
Bank Charges	-	-
Acquisition of Assets	-	-
	-	-
TOTAL	2,392,928.35	3,704,790.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Lunch Program	545,650.00	878,975.00
RMI	-	105,500.00
EWC	-	184,182.00
LT@T	-	-
ACTIVITY	150,000.00	141,550.00
ADMIN COSTS	4,526.00	108,144.00
Personal emolument	79,743.00	746,213.00
Medical	-	-
School farm	-	-
Bank charges	-	-
Expenses on Income Generating Activities	-	-
Uniform	-	-
Insurance Cost (Life Property)	50,000.00	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
TOTAL	829,919.00	2,164,564.00

*Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Tuition Account	33,904.24	223,432.21
Operations Account	182,327.52	14,741.17

GATHIGA SECONDARY SCHOOL

I. NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30/06/2021

School Fund Account/Boarding	417,958.00	63,327.85
Savings Account 1	-	-
Savings Account 2	-	-
Infrastructural Account	-	-
Savings Account 3	-	-
Total	634,189.76	301,501.23

CASH IN HAND

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Tuition Account		
Operation Account	-	17,052.00
School Fund account	536,740.00	32,210.00
Total	536,740.00	49,262.00

SHORT TERM INVESTMENTS

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Other investments	-	-
Total	-	-

ACCOUNTS RECEIVABLE

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Fees arrears	21,440,367.00	21,095,023.00
Other non-fees receivables		
Salary advances	-	-
Imprest	-	-
Total	21,440,367.00	21,095,023.00

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

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Fees arrears for current year	345,343.00	1,092,052.00
Fees arrears for the previous year	1,092,052.00	1,561,979.00
Fees arrears for prior periods (over two years)	20,002,972.00	18,440,992.00
Total	21,440,367.00	21,095,023.00

GATHIGA SECONDARY SCHOOL**I. NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30/06/2021****12 ACCOUNTS PAYABLE**

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	3,882,628.00	3,626,380.00
Prepaid fees	66,450.00	78,036.00
Retention monies	-	-
Clubs and Societies	-	-
Caution Money	-	-
Pocket Money	-	-
Total	3,949,078.00	3,704,416.00

[Include an ageing of the creditor's arrears below]

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Trade creditors for current year	256,248.00	2,107,480.00
Trade creditors for the previous year	2,107,480.00	1,518,900.00
Trade creditors for prior periods (over two years)	1,518,900.00	-
Total	3,882,628.00	3,626,380.00

13 FUND BALANCE BROUGHT FORWARD

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Bank balances	634,189.76	301,501.23
Cash balances	536,740.00	49,262.00
Short Term Investments		
Receivables	21,440,367.00	21,095,023.00
Payables	(3,949,078.00)	(3,704,416.00)
Total	18,662,218.76	17,741,370.23

Other important disclosure notes**14 Non-current Liabilities Summary**

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Bank loan(s)	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

GATHIGA SECONDARY SCHOOL**I. NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDED 30/06/2021****15 Biological assets**

Description	01/2021-06/2021	01/2020-12/2020
	Kshs	Kshs
Cattle	-	-
Pigs	-	-
Trees	6,500,000	6,400,000.00
Coffee or tea plantation	-	-
Poultry	-	-
Total	6,500,000.00	6,400,000.00

16 Borrowings

Description	01/2021-06/2021	01/2020-12/2020
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

17 1 Stock/ Inventory

Description	01/2021-06/2021	01/2020-12/2020
	KShs	KShs
Stock/Inventory		
Stock/ inventory at beginning of the year	563,453.00	-
Stock/ inventory purchased during the year	7,260,036.00	-
Stock/ inventory issued during the year	7,331,629.00	-
Balance at end of the year	491,860.00	-

(Gāthiga secondary school)

PUBLIC SECONDARY SCHOOL

Annual Report and Financial Statements

or the year ended 30th June 2021

1 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)

**GATHIGA SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2021**

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of goods						
1. Aspect Suppliers		2019			72400	
2. Orwa		2019			49900	
3. Readers Quest		2020			50000	
4. Furahia Furniture		2020			152500	
5. Patience Hardware		2019			83970	
6. Detech Technologies		2018			124000	
7. Charity Wambui		2020			100000	
8. Pmpton		2019			225000	
9. Mwangi Michael		2018			185000	
10. Chania School Depot		2019			157500	
11. Ngemi Ventures		2019			385000	
12. Weaverbird		2018			630000	
Sub-Total						
Supply of services						
13. EliudMugo		2019			150000	
14. Veracity		2019			111000	
15. Wamotech		2020			105000	
16. Salaries		2020			256248	
17. Jane Maina		2020			75000	
18. Benson Karori		2020			14500	
19. Pestel Enterprises		2020			230510	
Sub-Total						
Grand Total						

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	PARTICULARS	Additions during the year)	Disposals during the year	PARTICULARS