

REPUBLIC OF KENYA



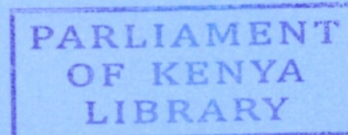
REPORT

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 16 JUN 2026	
DAY: <u>Tuesday</u>	
TABLED BY:	Hen. Naomi Kigoro, CBS, MP (Deputy Majority Party Whip)
CLERK-AT THE-TABLE:	<u>Lemale</u>

OF

THE AUDITOR-GENERAL

ON



OUR LADY OF MERCY MUTUNGURU GIRLS
SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

KIAMBU COUNTY

Revised 30th June 2022.



**OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
PUBLIC SECONDARY SCHOOL**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2022**

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

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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, **Gatundu** Sub-County

The school was registered in 08/2022 under registration number 22S00300108 and is currently categorized as a County Public school established, owned or operated by the Government.

The school is a boarding school and had **400** numbers of students as at 30th June 2022. It has 2 streams and 18 teachers of which 2 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	Mr. John Thuku Kiwara	Chairman	7/3/22
2	Ms. Florence W. Gachukia	Secretary- Principal	7/3/22
3	Dr. Irene Mukui	Member	7/3/22
4	Mr. Philip W. Kago	Member	7/3/22
5	Mr. Kamau Mbugua	Member	7/3/22
6	Mr Alphone K. Karungu	Member	7/3/22
7	Ms. Ann Ngotho	Member	7/3/22
8	Hannah N. Ng'ang'a	Member – Rep CEB	7/3/22
9	Mr. Jacob Mwangi	Member Rep Teachers	7/3/22
10	Mrs. Jane Karanja	3 Members - Sponsor	7/3/22
11	Mr. Dominic Mworio	Member - Community	7/3/22
12	Mr. Daniel Waithaka	MemberSpecial Needs	7/3/22
13	Amina Godana	Rep Students	7/3/22

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Key School Information and Management (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1				
2				
3	Executive Committee	Daniel Waithaka Tabitha Gitau Teresia Kang'acha Peter Kiarie Catherine Wawira	Chairman Member Secretary Member Member	2
4	Audit Committee	Jacob Mwangi Joseph Kimata Catherine Epur	Chairman Secretary Member	1
5	Development Committee	John Thuku Jane Wanjiru Ann Ngotho Florence Wanjiku	Chairman Member Member Secretary	2
6	Disipline and welfare Committee	Daniel Waithaka Antony Mwaura Maria Wacera Jacob Mwangi	Chairman Member Secretary Member	3
7	Adhoc Committee (if any during the year)			

(d) School operation Management

For the financial year ended 30th June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Ms. Florence W. Gachukia	271964
2	Deputy Principal	Mr. Daniel Waithaka	396077
3	School Bursar	Tabitha Wanjiru Gitau	I.D: 11397433

(e) Schools contacts

Post Office Box: 08 GATUNDU
 Telephone: 0701 655 242
 E-mail: Mutungurusecond@gmail.com
 Website:
 Facebook:
 Twitter:

(f) School Bankers

The following school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

- Name of Bank: Family Bank
 Branch: Gatundu
 Account Number: 004000003233
- Tuition
 Name of Bank: Family
 Branch: Gatundu
 Account Number: 004000016715
- Operation A/C
 Name of Bank: Equity Bank
 Branch: Gatundu
 Account Number: 0660291737170
- Infrastructure A/C
 Name of Bank: Equity
 Branch: Gatundu
 Account Number: 0660255532176
- Savings A/C
 Name of Bank: Equity
 Branch: Gatundu
 Account Number: 0660298413600

(g) Independent Auditors

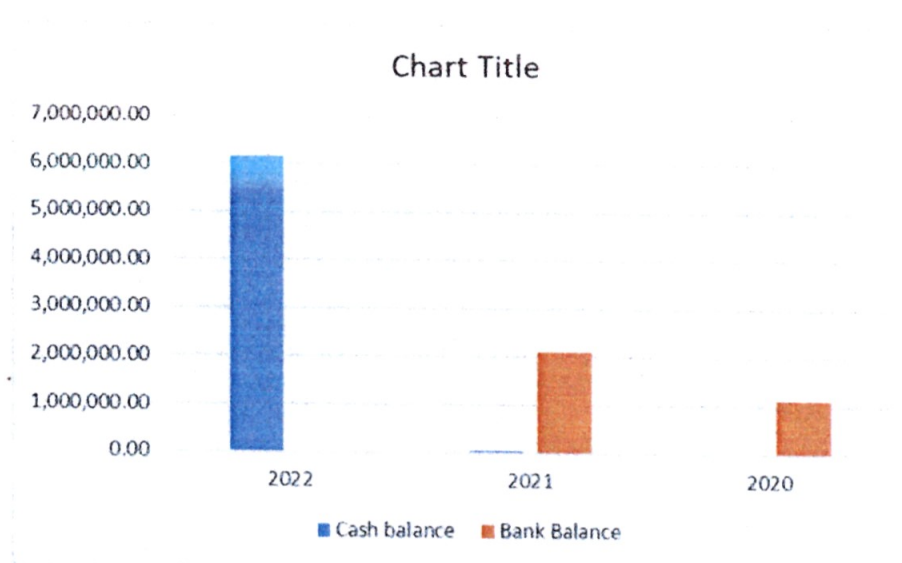
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

II. Summary Report Of Performance Of The School

a) Financial performance:

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

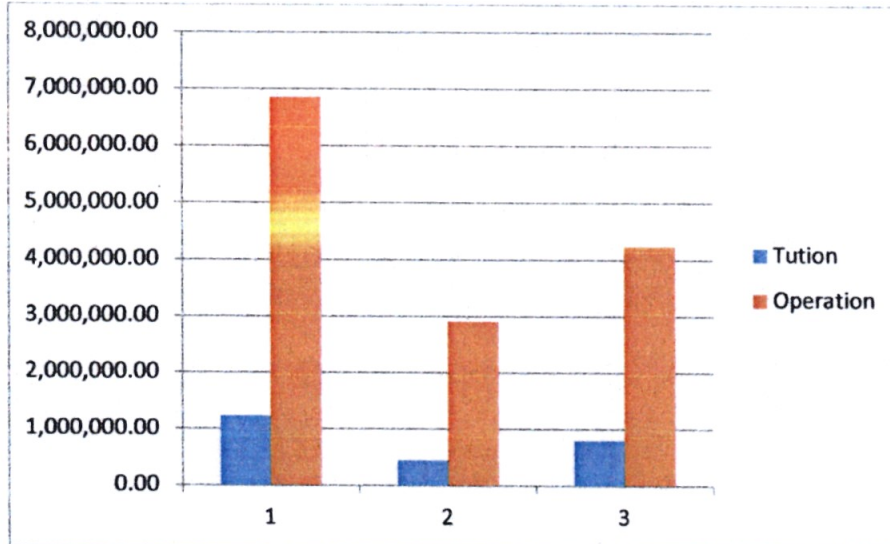
Year	Cash balance	Bank Balance	Surplus/Deficit
2022	6,153,851.80	0	Deficit
2021	45,079.50	211,240,4.25	Surplus
2020	16,293.50	1,134,252	Surplus



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Reports and Financial Statements For the year ended 30th June 2022

ii. Capitation grant from the ministry of education for the last three years.

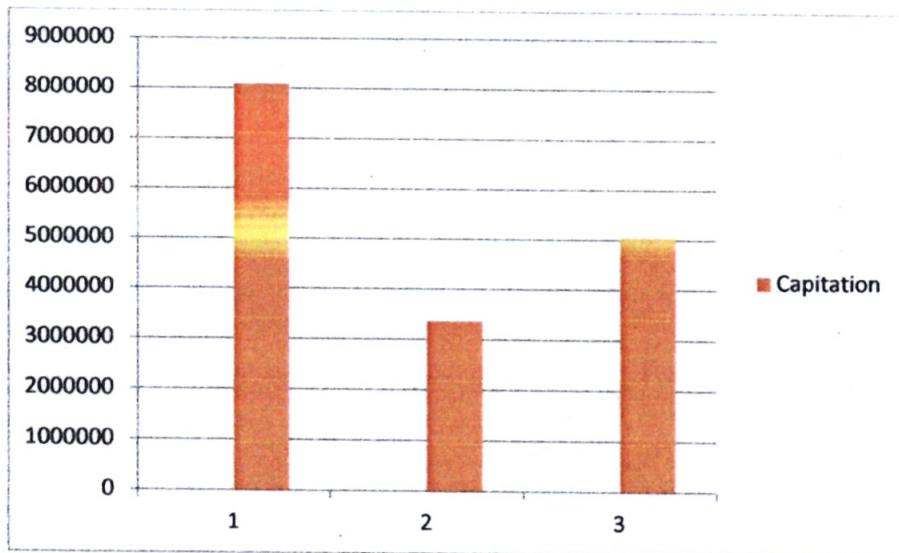
Year	Tution	Operation	Total
2022	1,235,370.40	6,856,701.10	8,092,071.50
2021	450,710	2,913,027.25	3,363,747.25
2020	806,107	4,243,710	5,049,817



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Reports and Financial Statements For the year ended 30th June 2022

iii. Ratio of capitation grant per students over the last three years.

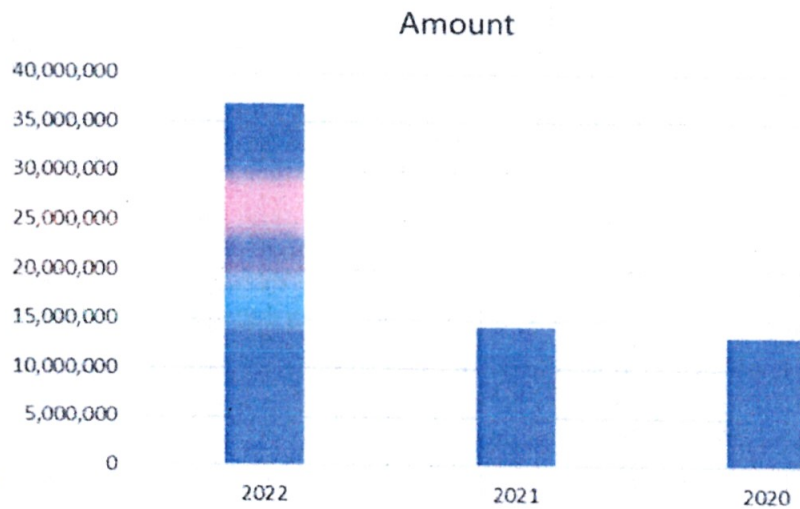
Year	Students	Capitation	Ratio
2022	399	8,092,071.50	1:20281
2021	408	3,363,747.25	1:8244
2020	408	5,049,817	1:12377



OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

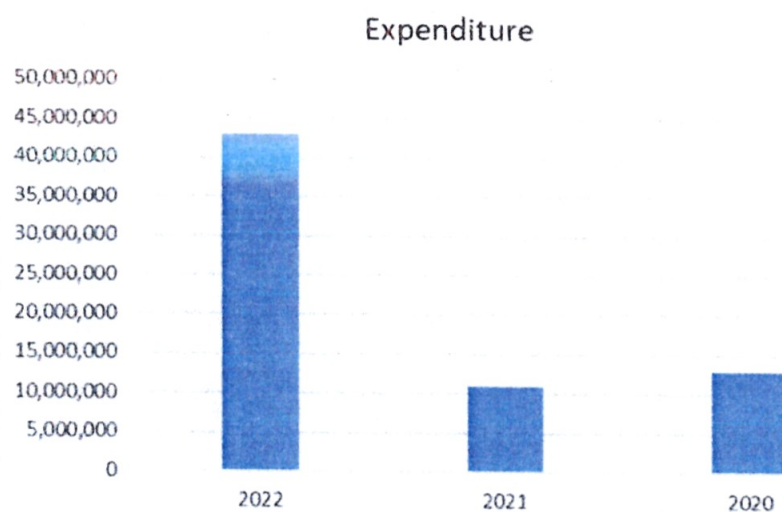
iv. A three year overview of growth of income/s earned by the school.

Year	Amount
2022	36,861,174
2021	14,387,482.75
2020	13,319,201



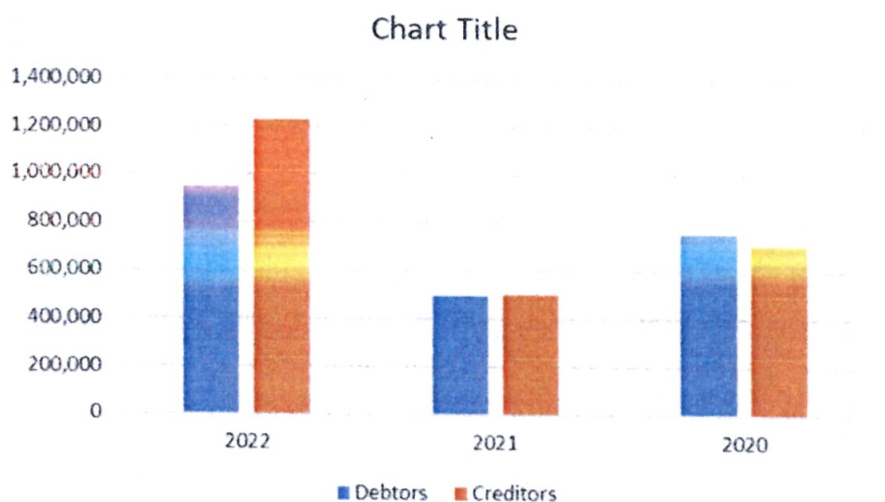
v. A three year overview growth in expenditure of the school.

Year	Expenditure
2022	43,015,615
2021	10,931,752.50
2020	12,943,786



vi. Movement of debtors and creditors of the year over the last three years

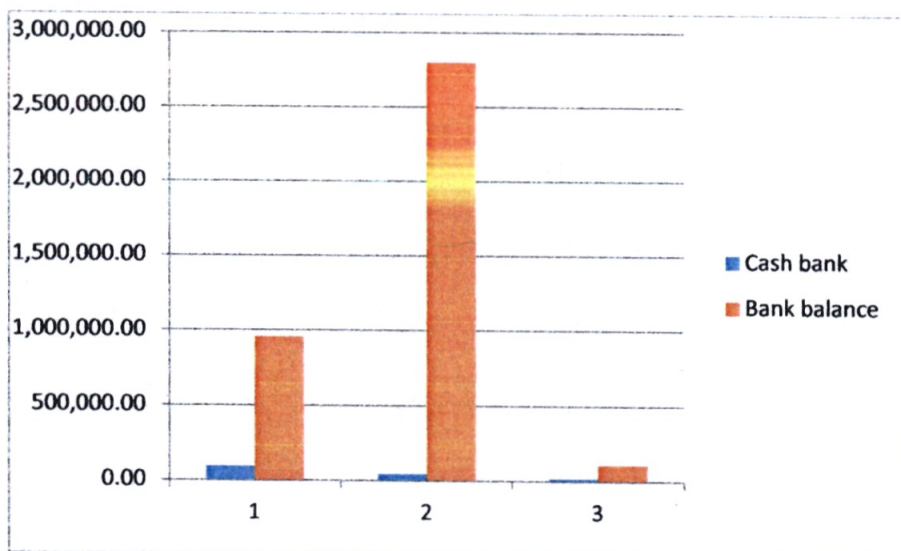
Year	Debtors	Creditors
2022	948,995	1,234,017
2021	497,584	505,465
2020	758,837	712,863



OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
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vii. Movement of cash and bank balances over the last three years.

Year	Cash Balance	Bank balance
2022	81,028.20	960,299.45
2021	26,770	2,799,867.43
2020	16,293.50	109,909.18



b) Teacher Student ratio:

Teachers' student Ratio in including recruited and posted.

Year	2022	2021	2020
Teacher student ratio	1:24	1:24	1:22
Teachers posted	1	1	0
Teachers transferred	0	0	0
Number of TSC teachers	16	15	14
Number of BOM teachers	2	2	2

c) Mean score in the 2022KCSE:

Mean score of the school for the last three years.

Year	2022	2021	2020
Mean score	2.732	2.842	3.390
Joined higher learning	0	1	0

d) Number of Candidates in the 2022 KCSE:

Number of candidates for the year and for the last three years.

Year	2022	2021	2020
Number of candidates	82	101	77

e) Capacity of the school:

Facilities

Facilities	Students	Ratio
Toilets	399	1:24

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
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f) Development projects carried out by the school:

Project	Source	Amount	Status
Converting a classroom into a Physics Laboratory	MOEST	1,533,350	Complete



School Principal

PRINCIPAL
MUTUNGURU SECONDARY SCHOOL
P. O. Box 8 - 01030, GATUNDU
DATE: 25/3/26 SIGN: 

III. Statement Of School Management Responsibility

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.

.....


Name: John Thuku Kiwara

Designation: Chairman, School Board of Management

Date: 25/3/26

.....

PRINCIPAL
MUTUNGURU SECONDARY SCHOOL
P.O. Box 8 - 01030, GATUNDU

Name: Florence W. Gachukia

Designation: School Principal & Secretary to Board of Management

Date: 25/3/26

.....


Name: Tabitha W. Gitau

Designation: Bursar/ Finance Officer

Date: 25/3/26

REPUBLIC OF KENYA



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

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

REPORT OF THE AUDITOR-GENERAL ON OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KIAMBU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Our Lady of Mercy Mutunguru Girls Secondary School set out on pages 1 to 19, which comprise of the statement of

financial assets and financial liabilities as at 30 June, 2022, 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 Our Lady of Mercy Mutunguru Girls Secondary School as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash basis) and comply with Basic Education Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The statements of receipts and payments and Note 2 to the financial statements reflects an amount of Kshs.6,892,701 in respect of government grants for operations. However, a re-computation of Note 2 yielded an amount of Kshs.8,107,149 resulting in a variance of Kshs.1,214,448 which has not been explained.

Further, the statement reflects infrastructure amount of Kshs.1,886,857 while the statement of cash flows reflected cash outflow infrastructure amount of Kshs.Nil resulting in a difference of Kshs.1,886,857 which has not been explained.

In addition, the financial statements comparative balances on school fund income in 2021-2022 reflect an amount of Kshs.1,780,795, however the audited financial statements for 2020-2021 reflected an amount of Kshs.8,898,413 resulting in a variance of Kshs.7,117,618 which has not been explained.

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

2. Incomplete Ledgers to the Financial Statements

The statement of receipts and payments reflects an expenditure totalling Kshs.43,015,615 which comprises of Kshs.1,725,285, Kshs.5,176,410, Kshs.1,886,857 and Kshs.34,227,063 in respect of tuition, operations, infrastructure and boarding and School fund, respectively. However, the supporting ledgers to the financial statements balances lacked key details of date, payee description, payment voucher number.

In the circumstances, the accuracy and completeness of the above expenditure could not be confirmed.

3. Unsupported Payments

The statement of receipts and payments reflects operations and infrastructure amount of Kshs.5,176,410 and Kshs.1,886,857 as disclosed in Note 7 and Note 8 to the financial statements. However, examination of payment vouchers revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes, certificate of payments, meeting attendance register.

In the circumstances, the accuracy and completeness of the operations and infrastructure expenditures could not be confirmed.

4. Variances Between the Financial Statements and Notes

Review of the financial statements revealed misstatements affecting the financial statements and the notes as indicated below

Description	Note	Financial Statements (Kshs)	Amount in Notes (Kshs)	Variance (Kshs)
School Fund Income	4	7,636,772	21,975,709	(14,338,937)
Miscellaneous Income	5	21,096,920	6,757,983	14,338,937
Tuition Payments	6	1,725,285	1,755,285	(30,000)
School Fund Payment	9	34,227,063	33,806,813	420,250

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

5. Unsupported Accounts Payables

Note 14 to the financial statements reflects accounts payables balance of Kshs.7,016,229. Included in this amount is long outstanding accounts payables amounting to Kshs.712,863 being pending accrued bills for over two (2) years. Further, the supporting schedules provided for audit reflected an amount of Kshs.1,234,018 resulting in unexplained variance of Kshs.5,782,211.

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.7,016,229 could not be confirmed.

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

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. Except for the effect of matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of Financial Statements for Audit

The financial statements for the year under review were submitted on 03 May, 2023 instead of the statutory date of 30 September, 2022. This was contrary to Section 81 of the Public Finance Management Act, 2012 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the financial year to which the accounts relate.

In the circumstances, Management was in breach of law.

2. Failure to Open a Separate Account for Miscellaneous Income

The statement of receipts and payments and Note 5 reflects miscellaneous income of Kshs.21,096,920 from various income generating activities. The School did not open a separate bank account. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 on Guidelines on Implementation of Free Day Secondary Education (FDSE) which requires that Schools with income generating activities open separate bank accounts for the stream of income.

In the circumstances, Management was in breach of law.

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

The statement of receipts and payments reflects operations payments amount of Kshs.5,176,410 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.651,800 transferred to Kenya Secondary School Heads Association (KESSHA) under Kiambu County chapter. However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by Schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.651,800 could not be confirmed.

4. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,235,370 and Kshs.6,892,701, respectively as disclosed in Notes.1 and Note. 2 to the financial statements. During the financial year National Education Management Information System (NEMIS) reported a total number of three hundred and seventy-three (373) students while the enrolment records provided by the School indicated a total of four hundred and eight (408) students, resulting in an unexplained variance of thirty-five (35) students. As a result of the variances, the School was under funded by an amount of Kshs.1,018,480 in the year under review.

In the circumstances, the effectiveness of service delivery to the school could not be confirmed.

5. Failure to Prepare School Improvement Plan

During the year/period under review, the School did not have an Approved School Improvement Plan, contrary to Section 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 law

6. Failure to Prepare an Annual Procurement Plan

The statement of receipts and payments reflects amounts of Kshs.36,861,764 and Kshs.43,015,615 in respect of total receipts and payments respectively. However, during the year Management did not prepare an Annual 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 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

7. Failure to Establish a Functional Procurement Unit

The School did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications. Further, the management was engaging members without appointment letters, the same officer were engaged throughout the procurement process, there was no segregation of duties.

8. Incomplete Assets Register and Lack of a Disposal Plan

Annex 2 to the financial statements reflects a summary of fixed assets register balance of Kshs.77,619,000. However, Management did not maintain an updated fixed asset register. Further, several assets at the School were not tagged and the register was not maintained in the prescribed format lacking key details such as historical cost, additions, and serial numbers. Further, Management had not prepared the annual disposal plan for all the assets for financial year 2021/2022 contrary to Regulation 170(2) of the Public Procurement and Asset Disposal Regulations, 2020.

In the circumstances, Management was in breach of the law

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effect of matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

1. Non-Adherences to the Frequency of Board Meeting

Review of the Board Minutes revealed that the Board of Management met only once during the financial year under review contrary to the requirements Section 3 of the First Schedule of the Basic Education Act, 2013 which requires the Board to meet at least three times in a year.

In the circumstances, the effectiveness of the governance mechanism at the School could not be confirmed.

2. Long Outstanding Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.3,372,228 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivables balance of Kshs.2,011,334 which had been outstanding for more than three (3) years. However, there was no age analysis and policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

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

3. Lack of Key Policy Documents

The statement of receipts and payments reflects a total expenditure of Kshs.43,015,615. A review of operations in the School revealed lack of key policy documents including strategic plan, and a risk management policy as required by law. Further, review of the School's IT internal control environment revealed that, the School does not have an active IT Strategy and Steering committee, IT security policy and lacks an approved operational IT policy

In the circumstances, the Schools operations may be deemed to be inefficient.

4. Lack of Internal Audit Review

During the year under review, the School had not constituted an Audit Committee and an Internal Audit Unit as required by Regulation 166(1) and (2) of the Public Finance

Management (National Government) Regulations, 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

5. Failure to Constitute Committees of the Board of Management

Review of Board of Management records provided revealed no evidence that, the Board of Management constituted the stipulated committees of the Board contrary to Section 61 of Basic Education Act, 2013 guidelines on the committees of Board of Management.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the School's financial reporting process, reviewing the effectiveness of how Management monitors compliance

with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

29 May, 2026

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

V. Statement Of Receipts And Payments Period To 30th June 2022

Description of Vote Head	Note	2021/2022	Jan 2021-Jun 2021
		Kshs	Kshs
Receipts			
Government grants for tuition	1	1,235,370	450,710.00
Government grants for operations	2	6,892,701	2,913,027.00
Government grants for infrastructure	3	0.00	0.00
School Fund Income- Parents' Contributions	4	7,636,772.00	1,780,795.00
Miscellaneous incomes	5	21,096,920.00	9,242,951.00
Total Receipts		36,861,764.00	14,387,483.00
Payments			
Tuition	6	1,725,285.00	808,460.00
Operations	7	5,176,410.00	1,558,296.00
Infrastructure	8	1,886,857.00	858,905.00
Boarding and school fund	9	34,227,063.00	9,049,418.00
Total Payments		43,015,615.00	12,275,079.00
Surplus/Deficit		(6 153 851).00	2,112,404.00

The school financial statements were approved on 20/4/2026 2022 and signed by:



Name: John Kiwara

Chair BOM

Date: 20/4/26



Name: Florence Gachukia
 School Principal/ Secretary
 BOM

Date: 20/4/26





Name: Tabitha Gitau

Bursar/ Finance Officer

Date: 20/4/26

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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

Description	Note	2021/2022	Jan 2021-Jun 2021
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances	10	960,299.00	2,799,867.00
Cash Balances	11	81,028.00	26,770.00
Short term investments	12	0.00	0.00
Total Cash and cash equivalent		1,041,328.00	2,826,637.00
Accounts receivables	13	3,372,228.00	2,500,918.00
Total financial assets		4,413,556.00	5,327,555.00
Financial Liabilities			
Accounts Payables	14	7,016,229.00	1,776,377.00
Net financial assets		(2,602,673.00)	3,551,178.00
Represented by			
Accumulated fund b/fwd	15	3,551,178.00	1,438,774.00
Surplus/deficit for the year		(6,153,851)	2,112,404.00
Net financial position		(2,602,673.00)	3,551,178.00

The school's financial statements were approved on April 2026 2022 and signed by:



Name: John Kiwara

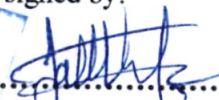
Chair BOM

Date: 20/4/26



Name: Florence Gachukia
 School Principal/ Secretary to
 BOM

Date: 20/4/26



Name: Tabitha Gitau

Bursar/ Finance Officer

Date: 20/4/26



OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

VII. Statement of Cash Flows for The Period Ended 30th June 2022

Description	Note	2021/2022	Jan 2021-Jun 2021
		Kshs	Kshs
Cash flow from operating activities			
Receipts			
Government grants for tuition		1,235,370.00	450,710.00
Government grants for operations		6,892,701.00	2,913,027.00
Government grants for Infrastructure		0.00	0.00
School fund income- parents contributions/ fees		7,636,772.00	8,898,413.00
Other income		21,096,920.00	2,125,333.00
		0.00	0.00
Total receipts		29,224,992	14,387,483.00
Payments			
Cash outflows for tuition		1,725,285.00	808,460.00
Cash outflows for operations		5,176,410.00	1,558,296.00
Cash outflows Infrastructure		0.00	871,115.00
Cash outflows Boarding/lunch and school fund payments		34,227,063.00	9,049,418.00
Total payments		41,128,758.00	11,416,174.00
Net cash inflow/outflow from operating activities		-4,266,994.00	2,971,309.00
Changes in receivables		-871,310	2,706,534.00
Changes in payable		5,239,852	-469,384
Cash flow from investing activities			1,063,514
infrastructure		-1,886,857.00	-858,904.00
Acquisition of Assets		0.00	0.00
Proceeds from investments		0.00	0.00
Purchase of investments		0.00	0.00
Net cash inflow/outflow from investing activities		-1,886,857.00	-858,904.00
Cash flow from financing activities			
Proceeds from borrowings/ loans		0.00	0.00
Repayment of principal borrowings		0.00	0.00
Net cash inflow/outflow from financing activities		0.00	0.00
Net increase/decrease in cash and cash equivalents		(1,785,310.00)	2,706,534.00
Cash and Cash Equivalent at BEGINNING of the Year		2,826,637.00	120,103.00
Cash and Cash Equivalent at END of the Year		1,041,328.00	2,826,637.00

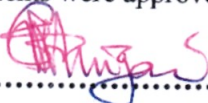
OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

The school's financial statements were approved on April 2026 2022 and signed by:


.....
Name: John Kiwara

Chair BOM

Date: 20/4/26

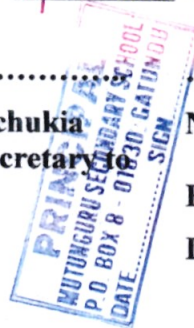

.....
Name: Florence Gachukia
School Principal/ Secretary
BOM

Date: 20/4/26


.....
Name: Tabitha Gitau

Bursar/ Finance Officer

Date: 20/4/26



OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilization
	a	b	c=a+b	d	f = d/c %
	Kshs	Kshs			Kshs
Receipts					
(1) Capitation Grant on Tuition					
Textbooks and reference materials	0.00	0.00	0.00	0.00	NaN
Exercise books	0.00	0.00	0.00	0.00	NaN
Laboratory equipment	0.00	0.00	0.00	0.00	NaN
Internal exams	0.00	0.00	0.00	0.00	NaN
Teaching/Learning materials	9,475,944.00	0.00	9,475,944.00	1,235,370.00	13.00
Chalks	0.00	0.00	0.00	0.00	NaN
Exams and assessment	0.00	0.00	0.00	0.00	NaN
Teachers guides	0.00	0.00	0.00	0.00	NaN
	9,475,944.00	0.00	9,475,944.00	1,235,370.00	13.00
(2) Capitation Grant on Operations					
Personnel emoluments	2,224,800.00	0.00	2,224,800.00	1,206,663.00	54.00
Repairs and maintenance	0.00	0.00	0.00	1,962,250.00	∞
Local transport/ travelling	568,800.00	0.00	568,800.00	1,206,663.00	212.00
Electricity and water	840,000.00	0.00	840,000.00	1,206,663.00	144.00

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Medical	0.00	0.00	0.00	73,800.00	∞
Administration costs	1,087,750.00	0.00	1,087,750.00	1,236,663.00	114.00
Activity	0.00	0.00	0.00	0.00	NaN
Gratuity	0.00	0.00	0.00	0.00	NaN
SMASSE	0.00	0.00	0.00	0.00	NaN
	4,721,350.00	0.00	4,721,350.00	6,892,702.00	150.00
(3) FDSE for Infrastructure					
MIF	85,200.00	0.00	85,200.00	0.00	0.00
	85,200.00	0.00	85,200.00	0.00	0.00
(4) Fees Charged on Parents					
Personnel emoluments	1242855	0	1,242,855.00	6,346,922.00	511.00
Repairs and maintenance	852000	0	852,000.00	918,400.00	108.00
Local transport/ travelling	1242855	0	1,242,855.00	0.00	0.00
Electricity and water	1242855	0	1,242,855.00	0.00	0.00
Medical	0	0	0.00	116,950.00	NaN
Administration costs	1242855	0	1,242,855.00	0.00	0.00
Activity	213000	0	213,000.00	254,500.00	120.00
SMASSE	0	0	0.00	0.00	NaN
Fee on Boarding Equipment and Stores	8873580	0	8,873,580.00	14,338,937.00	151.00
SSP	0	0	0.00	0.00	NaN
	14,910,000.00	0.00	14,910,000.00	21,975,709.00	140.00
(5) Miscellaneous Income					
Rent Income	0	0	0.00	0.00	NaN

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Income from farming activities	0	0	0.00	164,179.00	∞
Insurance compensation	0	0	0.00	0.00	NaN
Income from Posho mill	0	0	0.00	0.00	NaN
Bus loan	0	0	0.00	4,145,000.00	NaN
Fee for hire of ground and equipment	0	0	0.00	0.00	NaN
ssp	0	0	0.00	985,810.00	NaN
Development	2000000	0	2,000,000.00	1,462,995.00	0.00
	2,000,000.00	0.00	2,000,000.00	164,179.00	8.00
Total Income	31,192,494.00	0.00	31,192,494.00	36,861,764.00	94.00
(6) Expenditure For Tuition					
Textbooks and reference materials	0	0	0.00	282,500.00	∞
Exercise books	0	0	0.00	83,900.00	∞
Laboratory equipment	0	0	0.00	157,970.00	∞
Internal exams	0	0	0.00	0.00	NaN
Teaching/Learning materials	42299414	0	42,299,414.00	1,171,315.00	2.00
Chalks	0	0	0.00	2,400.00	∞
Exams and assessment	0	0	0.00	57,200.00	∞
Teachers guides	0	0	0.00	0.00	NaN
Administration costs	0	0	0.00	0.00	NaN
Bank charges	0	0	0.00	0.00	NaN
	42,299,414.00	0.00	42,299,414.00	1725285.00	3.00
(7) Expenditure For Operations					

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Personnel emoluments	2224800	0	2,224,800.00	1,796,645.00	81.00
Repairs and maintenance	0	0	0.00	0.00	NaN
Local transport/ travelling	568800	0	568,800.00	455,889.00	80.00
Electricity and water	840000	0	840,000.00	737,870.00	88.00
Medical	0	0	0.00	248,423.00	∞
Administration costs	1087750	0	1,087,750.00	1,173,378.00	108.00
Activity expenses	0	0	0.00	564,205.00	∞
insurance cost	0	0	0.00	200000.00	NaN
SMASSE	0	0	0.00	0.00	NaN
	4,721,350.00	0.00	4,721,350.00	5,176,410.00	105.00
(8) Expenditure for Infrastructure					
MIF	1080000	0	1,080,000.00	1,886,858.00	175.00
	1,080,000.00	0.00	1,080,000.00	1,886,858.00	175.00
(9) Expenditure for school fund					
Personnel emoluments	1242855	0	1,242,855.00	2,327,582.00	187.00
Repairs and maintenance	0	0	0.00	2,859,543.00	∞
Local transport/ travelling	1242855	0	1,242,855.00	92,500.00	41.00
Electricity and water	1242855	0	1,242,855.00	195,098.00	16.00
Medical	0	0	0.00	1,112,716.00	∞
Administration costs	1242855	0	1,242,855.00	2,030,945.00	163.00
Activity	700000	0	700,000.00	248,400.00	36.00
Gratuity	0	0	0.00	0.00	NaN
Lunch programme	0	0	0.00	0.00	NaN

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Boarding Equipment and Stores	11805290	0	11,805,290.00	12,203,925.00	97.00
Insurance Costs	0	0	0.00	165,150.00	NaN
Rent expenses	0	0	0.00	0.00	NaN
Bank charges	0	0	0.00	0.00	NaN
BUS	0	0	0.00	6,425,600.00	NaN
Loan principal repayment	0	0	0.00	0.00	NaN
SSP	0	0	0.00	1,215,980.00	NaN
Development	3779890	0	3,779,890.00	4,145,000.00	0.00
SSP	0	0	0.00	662,750.00	∞
	21,256,600.00	0.00	21,256,600.00	34,227,063.00	101.00
Total Expenditure	69,357,364.00	0.00	69,357,364.00	43,015,615.00	43.00

VIII. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

Significant Accounting Policies (Continued)

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL**Reports and Financial Statements For the year ended 30th June 2022****Notes to the financial statements****1. Government grants Tuition**

1. Government Grants For Tuition		
Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Textbooks and reference materials	0.00	0.00
Exercise books	0.00	0.00
Laboratory equipment	0.00	0.00
Internal exams	0.00	0.00
Teaching/ Learning materials	1,235,370.00	450,710.00
Chalks	0.00	0.00
Exams and assessment	0.00	0.00
Teachers guides	0.00	0.00
Total	1,235,370.00	450,710.00

2. Government Grants For Operations

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Personnel emoluments	1,433,256.00	308,151.00
Repairs and maintenance	5,149,000.00	1,680,422.00
Local transport/ travelling	92,500.00	308,151.00
Electricity and water	374,481.00	308,151.00
Medical	247,923.00	0.00
Administration costs	809,989.00	308,152.00
Activity	0.00	0.00
Total	6,892,701.10	2,913,027.00

3. Government Grants For Infrastructure

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Total	0.00	0.00

4. School Fund Income - Parents Contribution/Fees

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Personnel emoluments	6,346,922.00	1,440,150.00
Repairs and maintenance	918,400.00	326,000.00
Local transport/ travelling	0.00	0.00
Electricity and water	0.00	0.00
fees on boarding and equipment	14,338,937.00	7,117,617.00

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Administration costs	0.00	0.00
Activity	254,500.00	14,645.00
Uniform	116,950.00	0.00
Total	21,975,709.00	8,898,412.00

5.MISCELLANEOUS INCOME		
Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Rent income	0.00	0.00
Income from farming activities	164,178.00	37,019.00
Insurance compensation	0.00	0.00
Income from Posho mill	0.00	0.00
Income from Bus Hire	0.00	0.00
Fee for hire of ground and equipment	0.00	0.00
Income from grants and donations	0.00	0.00
Interest income	0.00	0.00
Dividends income	0.00	0.00
Development fund	0.00	1,366,484.00
SSP	985,810.00	721,830.00
Bus Project	1,462,995.00	0.00
Loan	4,145,000.00	0.00
Total	6,757,983.00	2,125,333
6.TUITION		
Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Textbooks and reference materials	282,500.00	0.00
Exercise books	83,900.00	0.00
Laboratory equipment	157,970.00	0.00
Internal exams	0.00	0.00
Teaching/ Learning materials	1,171,315.00	808,460.00
Chalks	2,400.00	0.00
Exams and assessment	57,200.00	0.00
Teachers guides	0.00	0.00
Administration costs	0.00	0.00
Bank Charges	0.00	0.00
Total	1,725,285.00	808,460.00

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

7. OPEREATION

	2021/2022	2020/2021
Personnel emoluments	1,796,645.00	387,035.50
Service Gratuity	0.00	0.00
Administration costs	1,173,378.00	278,675.50
Repairs and maintenance & improvements	0.00	0.00
Local transport/ travelling	455,889.00	278,675.50
Electricity and water	737,870.00	278,675.50
Medical	248,423.00	335,234.00
Activity Expenses	564,205.00	0.00
SMASSE	0.00	0.00
Insurance Cost	200,000.00	0.00
Bank Charges	0.00	0.00
Acquisition of Assets	0.00	0.00
Total	5,176,410.00	1,558,296.00

8. Infrastructure

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
MIF	1,886,857.00	858,904.50
Total	1,886,857.00	858,904.50

9. Boarding And School Fund

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Personnel emoluments	2,327,582.00	1,320,862.00
Service Gratuity	0.00	0.00
Repairs and maintenance & improvements	2,859,543.00	963,379.00
Local transport/ travelling	92,500.00	0.00
Electricity and water	195,098.00	0.00
Medical Expenses	1,112,716.00	157,440.00
Administration costs	2,030,945.00	0.00
Lunch Programme	0.00	0.00
Bank Charges	0.00	0.00
Expenses on Income Generating Activities	121,624.40	49,371.00
Fee on Boarding Equipment and Stores	12,203,925.00	5,591,376.00
Rent Expenses	0.00	0.00
Insurance Cost (Life Property)	0.00	0.00
Loan Principal repayment	0.00	0.00

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Loan Interest repayment	0.00	0.00
Acquisition of Assets	0.00	0.00
Activities Expenses	248,400.00	178,500.00
Teachers motivation	662,750.00	0.00
Uniform	165,150.00	0.00
Development	0.00	0.00
SSP	1,215,980.00	788,490.00
Loan	4,145,000.00	0.00
Bus Project	6,425,600.00	0.00
Total	34,227,063.00	9,049,418.00

10. Bank Accounts

Name of Bank, Account No. & Currency	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Tuition Account	24,178.00	1,698.00
Operations Account	30,999.00	466,949.00
School Fund Account	296,773.00	812,067.00
Development Account	228,288.00	1,311,390.00
Parent Association Development Account	0.00	0.00
Income generating activities Account	0.00	0.00
Infrastructural Account	380,062.00	207,765.00
Total	960,299.00	2,799,867.00

11. Cash In Hand

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Tuition Account	0.00	0.00
Operations Account	111.00	230.00
School Fund Account	35,025.00	12,820.00
Infrastructure Account	(5,155.00)	(2,000.00)
Development Account	51,047.00	15,720.00
Total	81,028.00	26,770.00

12. Short Term Investments

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Fixed deposit	0.00	0.00
Equity stock	0.00	0.00
Other investments	0.00	0.00

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Reports and Financial Statements For the year ended 30th June 2022

Total	0.00	0.00
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13. Accounts Receivable

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Fees arrears for current year	948,995.00	489,584.00
Fees arrears for the previous year	411,899.00	738,637.00
Fees arrears for prior periods (over two years)	2,011,334.00	1,272,697.00
Other non-fees receivables	0.00	0.00
Salary advances	0.00	0.00
Imprest	0.00	0.00
Total	3,372,228.00	2,500,918.00

14. Accounts Payable

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Trade creditors for current year	1,234,017.00	505,465.00
Trade creditors for the previous year	188,560.00	712,863.00
Trade creditors for prior periods (over two years)	712,863.00	0.00
Prepaid fees	735,789.00	558,049.00
Loan	4,145,000.00	0.00
TOTAL	7,016,229.00	1,776,377.00

15. Fund Balance Brought Forward

Description	2021/2022	Jan 2021-Jun 2021
	Kshs	Kshs
Bank balances	960,299.00	2,799,867.00
Cash balances	81,028.00	26,770.00
Short Term Investments	0.00	0.00
Receivables	3,372,228.00	2,500,918.00
(Payables)	7,016,229.00	1,776,377.00
Total	(2,602,673.00)	3,551,178.00

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Reports and Financial Statements For the year ended 30th June 2022

OTHER IMPORTANT DISCLOSURE NOTES

IPSAS 1 encourages an entity to disclose accrual related information in relation to an entity's assets and liabilities. The notes outlined below are disclosure notes in relation to the school's non-financial assets and liabilities.

16. Non-current Liabilities Summary

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

17. Biological Assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle			
Goats			
Trees	200	100,000.00	100,000.00
Coffee Or Tea Plantation	1500	90,000.00	90,000.00
Poultry			
Total	1700	190,000.00	190,000.00

18. Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year	4,145,000.00	
Borrowings during the year		
Repayments of during the year	336,360.00	
Balance at end of the year	3,808,640.00	

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OTHER IMPORTANT DISCLOSURE N

19. Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year		
Stock/ inventory purchased during the year		
Stock/ inventory issued during the year		
Balance at end of the year		

KITCHEN STOCK INVENTORY 2022.

Description	2021 – 2022	2020 – 2021
Stock/inventory at the beginning of the year	14,500	16,000
Stock/inventory purchased of the year	11,368,208	4,594,286
Stock/inventory issued during the year	11,366,708	4,595,785
Balance at the end of the year	16,000	14,500

LABORATORY STOCK /INVENTORY

Description	2021 – 2022	2020 – 2021
Stock/inventory at the beginning of the year	35,150	24,240
Stock/inventory purchased of the year	157,970	373,055
Stock/inventory issued during the year	167,120	362,145
Balance at the end of the year	26,000	35,150

STATIONERY STOCK /INVENTORY

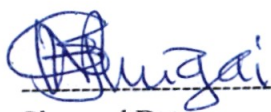
Description	2021 – 2022	2020 – 2021
Stock/inventory at the beginning of the year	4,500	6,000
Stock/inventory purchased of the year	767,860	267,400
Stock/inventory issued during the year	769,120	268,900
Balance at the end of the year	3,240	4,500

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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)
1.	The school should pay all the creditors to avoid legal action.			
2.	Sundry debtors should not be recovered to avoid risk of bad debts.			
3.	Caution money should not be charged at all.			
4.	Inter accounts borrowings should be discouraged and making refunds by the end of the year.			
5.	The school should strictly adhere to Government circulars on F.D.S.E and budgetary allocation			


 Sign and Date
 Principal

PRINCIPAL
 MUTUNGURU SECONDARY SCHOOL
 P.O. Box 8 - 01030, GATUNDU

DATE: 25/3/26 SIGN: 

OUR LADY OF MERCY MUTUNGURU GIRLS SECONDARY SCHOOL
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Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021/2022	Outstanding Balance 20XX-1	Comments
	a	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1.						
2.						
3.						
Sub-Total						
Supply Of Goods						
4. Laboratory materials				73,395.00		
5. Text books				453,560.00		
6.						
Sub-Total				526,955.00		
Supply Of Services						
7. Green code/Green Rings				531,000.00		
8. Gaston Kenya				62,713.00		
9. Saturday support				113,350.00		
Sub-Total				707,062.00		
Grand Total				1,234,017.00		

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Annex 2 – Summary Of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1			12,800,000.00			
Land 2						
Buildings And Structures			46,000,000.00			
Motor Vehicles			6,700,000.00			
Office Equipment, Furniture And Fittings			4,000,000.00			
ICT Equipment, And Other ICT Assets			1,000,000.00			
Tools And Apparatus			2,000,000.00			
Textbooks			2,000,000.00			
Other Machinery And Equipment			1,369,000.00			
Heritage And Cultural Assets						
Intangible Assets- Soft Ware			350,000.00			
Boilers			1,400,000.00			
Total			77,619,000.00			

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1. The first part of the document
describes the general situation
of the country and the
population. It also mentions
the main cities and the
climate. The second part
describes the economy and
the main industries. The
third part describes the
culture and the main
festivals. The fourth part
describes the education and
the main schools. The fifth
part describes the health and
the main hospitals. The sixth
part describes the transportation
and the main roads. The seventh
part describes the communication
and the main telephones. The
eighth part describes the
recreation and the main
parks. The ninth part
describes the environment and
the main forests. The tenth
part describes the future and
the main plans.

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