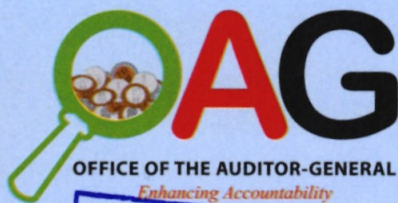


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT

DATE: 16 JUN 2026

DAY.

Tuesday

TABLED
BY:

Hon. Naomi Klags, CBS, MP

CLERK-AT
THE-TABLE:

(Deputy Majority Party Whip)
Lemale

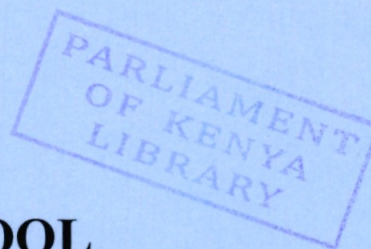
THE AUDITOR-GENERAL

ON

CHUKA HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2022

THARAKA NITHI COUNTY





**CHUKA HIGH 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)

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

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Chuka High 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 Tharaka-Nithi County, Meru South Sub-County

The school was registered in **12/07/2021** under registration number 13S00300783 and is currently categorized as an Extra-County public school established, owned or operated by the Government.

The school is a boarding school and had 1386 students as at 30th June 2022. It has seven streams and 60 teachers of which 11 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	Justus M. Kanga	Chairman	1st July 2019
2	P.N. Muriuki	Secretary - Principal	
3	Ephantus Muchiri	Member – Parents' Rep	1st July 2019
4	Arch. Moses Kirimi	Member – Rep CEB	1st July 2019
5	Macharia Michael K	Member Rep Teachers	1st July 2019
6 7	i. Justus M. Kanga ii. Fr. Dionisio Murungi iii. Lucy K. Mureu	3 Members - Sponsor	1st July 2019
8 9 10	i. Jennifer Mugambi ii. Patricia N. Bundi iii. Joan Njagi	Member - Community	1st July 2019
11 12	i. Lawrence I. Rweria ii. Hon. Asumpta M. Gabriel	Member- Special Needs	1st July 2019
13	Clinton Murithi	Rep Students	1st July 2019

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	Executive Committee			
2	Audit Committee	Ephantus Muchiri Moses Kirimi Jennifer Mugambi Paul Muriuki Justus M. Kanga	Chair	NONE
3	Finance, procurement and general purposes Committee	Lawrence I. Rweria Lilian Muthoni Justus M. Kanga Patricia N. Bundi Paul N. Muriuki Joan Njagi	Chair Secretary Member Member Principal/BOM Sec Member	3
4	Academic Committee	Jennifer Mugambi Nguru Peter Lucy Mureu Ephantus Muchiri Paul N. Muriuki Justus M. Kanga	Chair Secretary Member Member Principal/BOM Sec Member	NONE
5	Development Committee	Moses Kirimi Ajuliu P. Kinyua Daniel Kimani Justus M. Kanga Paul N. Muriuki CDE Rep.	Chair Secretary Member Member Principal Member	10
6	Discipline and welfare Committee	Daniel Kimani Macharia Michael Joan Njagi Asumpta Gabriel Paul M. Muriuki Justus Kanga Fr. Mbaka Cyprian	Chair Secretary Member Member Member Member member	NONE
7	TENDER OPENING	Mr mutegi Evans Muthee MR Muchangi Evans Mr Murugi Bett Murugi	Chair Secretary Member Member Member	1

Chuka High School**Reports and Financial Statements For the year ended 30th June 2022**

		Florice Micheni Dickson Mutwiri Mbaka	Member Member	
8	TENDER EVALUATION AND AWARDING	Mr Kingangi Joel Mrs Mutwiri mary Mrs Gitari Naomi Mr Collins Kimathi Mr Macharia Michael Lina k Kinoti	Chair Secretary Member Member Member Member Member	1
9	INSPECTION AND DISPOSAL	Mr Bundi Geoffrey Mrs Kirema Lilian Mr Musare Eric Mr Koome benedict Diana makena	Chair Secretary Member Member Member	5

(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	P.N. Muriuki	322761
2	Deputy Principal (Administration)	Ajuliu P. Kinyua	333653
3	Deputy Principal (Academics)	Nguru P. Ireri	358508
	School Bursar/Finance Officer	Lilian Muthoni	ID/11056976

(e) Schools contacts

Post Office Box: 20 – 60400 Chuka
Telephone: 0703705892
E-mail: chukahighschool@yahoo.com
Website: www.chukahighschool.sc.ke
Facebook:
Twitter:

(f) School Bankers

The school operated 7 number of bank accounts in the following banks:

S. NO.	NAME OF BANK	BRANCH	ACCOUNT NO.	NAME OF ACCOUNT
1	Kenya Commercial Bank	CHUKA	1103664646 Business No. 522123 Account No. 39642k	Boarding Fees collection ac. Mpesa pay bill
2	Kenya Commercial Bank	CHUKA	1103664417	Operations Account
3	Kenya Commercial Bank	CHUKA	1265486875	School infrastructure account
4	Kenya Commercial Bank	CHUKA	1108131018	Savings account
5	Co-operative Bank	CHUKA	01129057596600	Boarding fees collection ac.
6	Co-operative Bank	CHUKA	01139057596600	Tuition account
7	Co-operative Bank	CHUKA	01129057596601	Farm account

(g) Independent Auditors

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

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

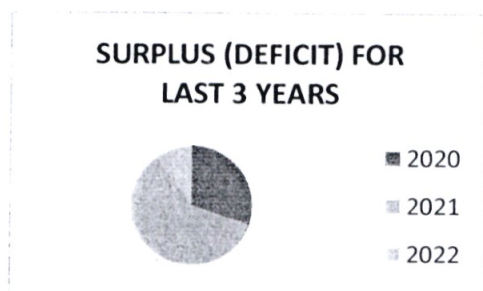
II. Summary Report of Performance of the School

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

a) Financial performance:

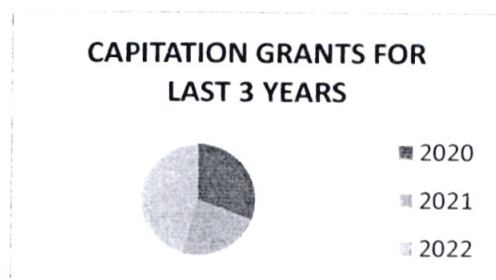
Surplus/ deficit for the year and a comparison of the same for the last three years

Year	Kshs
2020	(1,109,582.30)
2021	2,210,931.00
2022	(379,161)



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

Year	Kshs
2020	16,140,629.00
2021	12,348,867.15
2022	24,177,090.50



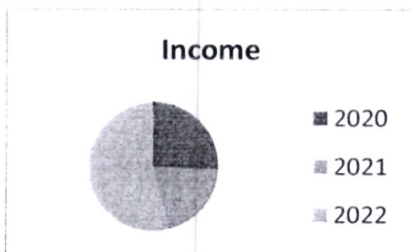
Ratio of capitation grant per student over the last three years

Year	Kshs	Population	Ratio
2020	16,140,629.00	1248	12,933.00
2021	12,348,867.15	1248	9,895.00
2022	24,177,090.50	1428	16,931.00

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

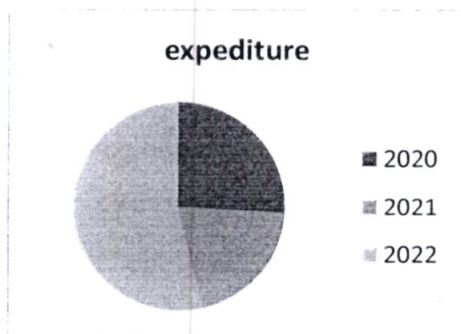
A three-year overview of growth of other income(s) earned by the school.

YEAR	AMOUNT
2020	35,837,462.00
2021	28,207,151.00
2022	76,228,097.00



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

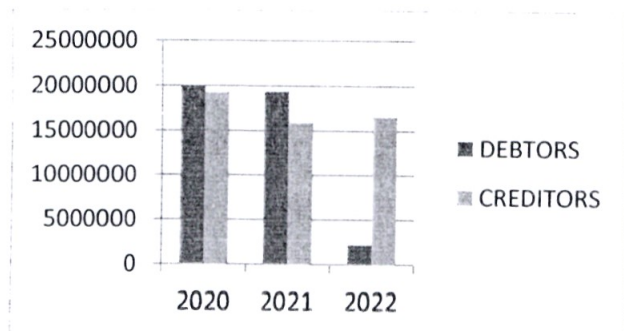
YEAR	AMOUNT
2020	48,435,673.30
2021	38,345,036.00
2022	100,784,349.00



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

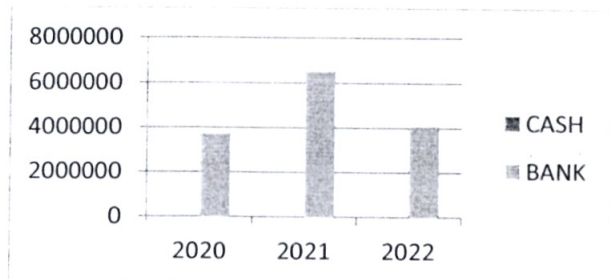
YEAR	Debtors Kshs)	CREDITORS Kshs
2020	20,053,515.10	15,997,569
2021	19,377,778.00	15,942,374
2022	22,112,732	16,601,011

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



Movement of cash and bank balances over the last three years

YEAR	CASH (KSHS)	BANK(KSHS)
2020	4,029.30	3,719,330.70
2021	24,976.95	6,527,419.40
2022	21,820.95	4,074,997.90



b) **Teacher Student ratio:**

c) S/No	Name	Tsc No	Subj
1	Muchangi Evans	732908	Geo/Cre
2	Florah Kangai	683840	Hist/Cre
3	Martin Kinoti	712886	Kisw/Hist
4	Mugo Samwel	679297	Hist/Ksw
5	Diana Makena	810956	Hist/Kisw
6	Musare Eric	821729	Agric/Biol
7	Riungu Liz M.	493071	English
8	Lydia Wanja	899175	Eng/Lit

Teachers Transferred During the Period

S/No	Name	Tsc No	Subj
1	Felix Mwit M	515036	Phy/Maths
2	Rare John Murithi	453017	Eng/Lit
3	Faizia Mwanamisi	903218	German/Eng
4	Thigaa Liz.Gatakaa	522127	French/Eng
5	Kinyua M Lisper	523702	Eng/Lit

1	322761	MR. MURIUKI PAUL	729498902	MATHS	PRINCIPAL
2	350230	MR. BUNDI GEOFFREY N	721333484	CRE/HIST	D/PRINC.(ADM)
3	358508	MR. NGURU P. IRERI	724575000	ENG	D/PRINC.(ACAD)
4	333971	MR. KIMANI JOHN K.	722947597	MATHS BIO	DEAN OF ST.
5	374548	MRS. RUGENDO KELLEN N.	727528425	KISW LIB	CU PATRON
6	237321	MR. NKANATA JULIUS M.	717121648	AGR	HOD.AGRIC
7	441409	MRS. WINNIE K.MURITHI	720409835	MATHS/CHEM	HOD.G/C
8	579444	MR. KING'ANG'I JOEL M.	714654350	MATHS/PHY	DEPUTY DEAN
9	335676	MRS. MUTWIRI MARY K.	723917051	MATHS /CHEM	TEACHER
10	559275	MR. MACHARIA MICHAEL K.	723261896	BIO/CHEM	DISC. MASTER
11	349787	MR. GITHAE STEPHEN M.	712340448	D/D/B/C	HOD. D/D
12	611522	MR. MUNENE G. MORRIS	711130347	KISW/HIST	HOD. HIST
13	464245	MR. KARANJA NICHOLUS K.	720977305	ENG/FRENC	HOD FRENCH
14	587891	MRS. MUTETHIA ANNROSE	728976315	B/S/HIST	TEACHER
15	467399	MS. MUSYOKA SARAH M.	721794315	MATHS/GEO	HOD.MATHS
16	305544	MRS. NAOMI NJERI KAMAU	712076281	CRE/GEO	HOD.CRE
17	463015	MS. NJUE CAROL K.	725315754	B/S/MATHS	HOD. B/ST
18	707604	MR. COLLINS KIMATHI	720563070	KISW/HIST	HOD.CLEANLINESS
19	774276	MR. KOOME BENEDICT	727785154	KISW/HIST	TEACHER
20	433546	MRS. KIRUMBU ANNMARVIS	721231400	KISW/HIST	HOD. KISW.
21	316398	DR. SR. BIBIANA R. IRERI	726673311	BIO/MATHS	TEACHER

Chuka High School**Reports and Financial Statements For the year ended 30th June 2022**

22	460081	MS JUDITH GATWIRI C.	725161770	ENG/LI T	HOD. LIBRARY
23	469729	TR. MERCY IRERI	720437931	BIO/AGR	TEACHER
24	470845	MR. MUTEGI EVANS	721332976	B/S/GEO	HOD BOARDING
25	420378	MRS. CATHERINE RIRUTA	726898710	CHEM	HOD CHEMISTRY
26	544872	DOREEN JUDY K. MAUKI	726508796	ENG/LIT	TEACHER
27	819811	ERIC MUTWIRI MWITI	757133120	HIST/CRE	TEACHER
28	433790	PETERSON MUGAMBI K	729763929	MATHS/GEO	HOD.GAMES.
29	663945	SUSAN KAINYU	722573572	ENG/LIT	TEACHER
30	681885	LILIAN AWITI	716665827	KISW/GEO	TEACHER
31	684870	ANTONY MURITHI NJIRU	716131108	KISW/HIST	TEACHER
32	732908	MR MUCHANGI EVANS	718436610	GEO/CRE	TEACHER
33	683840	FLORA KANGAI	720923285	HIST/CRE	TEACHER
34	712886	MR KINOTI KITHINJI MARTIN	714738248	KISW/HIST	TEACHER
35	679297	MUGO SAMWEL NJUE	705041001	HIST/CRE	TEACHER
36	810956	DIANA MAKENA MWITI	712250959	HIST/KISW	TEACHER
37	821729	MR MUSARE ERIC IDAH	707418564	AGRI BIO	TEACHER
38	493071	LIZ M. RIUNGU	727091131	ENG	HOD. ENGLISH
39	899175	LYDIA WANJA	716507184	ENG LIT	TEACHER
40	527749	NJAGI WILLIAM SILAS K.	721496348	COMP	HOD. COMPUTER
41	414518	DICKSON MUTWIRI MBAKA	720566240	MATHS BS	TEACHER
42	557055	OKELO VICTOR OMONDI	727902335	MATHS PHY	HOD. PHYSICS
43	605022	LYDIAH NJERI KAMAU	721726797	MATHS GEO	TEACHER
44	516153	JESSE KATHURIMA KIRIMI	720384417	BIO CHEM	HOD. CAREERS
45	705387	CYRUS NYAGA WAITHANJI	703542890	ENG LIT	TEACHER
46	494779	CATHERINE KAWIRA NDEKE	718167963	BIO CHEM	TEACHER
47	444964	KELLEN MPUTHIA	718657418	ENG	
48	533419	KIMATHI GEORGE JULIAH	721589890	BIO	TEACHER
49	739540	DORCAS NJOKI NGUI	798801001	HIST	TEACHER

				KISW	
50	714622	BETTY KAREMI NYABUGA	798083273	ENG. LIT	TEACHER
51	776945	MUTHEE GITONGA MICHAEL	715767584	ENG LIT	TEACHER
52	863905	MWENCHA PIUS OYAKO	705684762	MATHS CHEM	TEACHER
53	870215	RICHARD KIRIMI MUNG'ATHIA	702261960	MATHS PHY	TEACHER
54	926802	MRS.MURIMI DINAH KIENDE	712306348	BIO AGRIC.	TEACHER
55	956615	OLYMPIA KENDI	713169722	MATHS GEOG	TEACHER
56	479604	SOPHIA KAMAU	724537418	BIO CHEM	TEACHER
57	890129	CHARITY MIDENYO AFANDI		GERMAN CRE	TEACHER

d) Mean score in the 2022KCSE:

YEAR	MEAN SCORE	TRANSITION TO UNIVERSITY	COMMENT
2021	6.7	217	
2020	7.04	171	
2019	7.6	147	

e) Number of Candidates in the 2022 KCSE:

YEAR	ENTRY
2021	308
2020	275
2019	203

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

f) Capacity of the school:

FACILITY	NO. OF STUDENTS/ STAFF	NO. OF FACILITIES	CAPACITY (Designed to carry)	SHORTFALL
1. Classrooms	1386	18	700	686
2. Dorms	1386	6	700	686
3. Staff houses	100	17	17	83
4. Play ground	1386	3	1000	3869
5. Halls	1386	0	(converted to dorm& classes)	1386
6. Library	1386	0	(converted to classes)	1386
7. Computer lab	1386	1	30	1356
8. <u>Science labs</u>	1386			1386
Biology		1	40	
Physics		1	60	
Chemistry		1	40	
9. Dining hall	1386	Twin	800	586
10. Kitchen	1386	1(small)	6	686
11. Staffroom(Common room)	71	1	40	31
12. Toilets	1386	46	700	686
13. Bathrooms	1386	42	700	686
14. Bus park	3	1	3	0
15. Car park	71	2	12	59
16. Assembly ground	1386	1	1000	386
17. Central stores	3	1(small)		3
18. Cereals stores	1	1(small)		1
18. Administration block	30	1	7	23
19. Departmental office	71	9	60	11

g) Development projects carried out by the school:

S.NO.	PROJECT	YEAR	SOURCE OF FUND	AMOUNT KSHS	EXPENSE ON THE PROJECT KSHS	BALANCE AT THE END OF PERIOD TOTAL KSHS	REMARKS STATUS
1	3STOREY TUITION BLOCK	2019	M.I	6,708,000=		6,708,000=	Preparation of plans and structural drawings, BQS and seeking approvals for the project.
2	3 STOREY TUITION BLOCK	2020	M.I	4,652,000=	8,670,567.95	2,689,431.15	Approval of the project on 22 nd April 2020. Floating of tenders, evaluation and award. Commencement of the project. PHASE 1 ground floor
3	3 STOREY TUITION BLOCK	2021	M.I	2,000,000=	1,790,115.90	2,899,315.25	PHASE 1 ground floor

Chuka High School**Reports and Financial Statements For the year ended 30th June 2022**

4	3 STOREY TUITION BLOCK	2021/2022		4,569,500=	5,139,337.38	2,329,477.35	Phase 2A 2021/2022 1 st floor

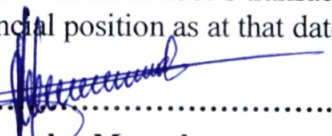
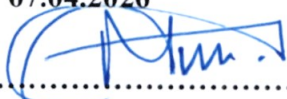
**School Principal****III. Statement Of School Management Responsibility**

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

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

The Board of Management of Chuka High 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: Alexander Muratha****Designation:** Chairman, School Board of Management**Date: 07.04.2026****Name: Nelson Murithi****Designation:** School Principal & Secretary to Board of Management**Date: 07.04.2026****Name: Lilian M. Nyaga****Designation:** Bursar/ Finance Officer**Date: 07.04.2026**

REPUBLIC OF KENYA

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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 CHUKA HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – THARAKA NITHI 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 Chuka High School - Tharaka Nithi County set out on pages 1 to 19, which comprise of the statement of Assets and 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 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 Chuka High School –Tharaka Nithi County as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Accuracy and Presentation of the Financial Statements

Note 3 reflects total school fund – parents' contribution of Kshs.75,161,656. However, casting down Note 3 reflected total school fund – parents' contribution of Kshs.75,162,156 resulting to an unreconciled balance of Kshs.500.

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

2. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.22,112,732 as disclosed in Note 11 to the financial statements. However, the supporting ledger reflects accounts receivables amount of Kshs.5,566,899 resulting to a variance of Kshs.16,545,833 which was not supported by a detailed ageing analysis with the names, admission numbers and amounts disclosed as fee arrears.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.22,112,732 could not be confirmed.

3. Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.16,601,011 as disclosed in Note 12 to the financial statements. However, a detailed ageing analysis of the trade and other payables detailing the suppliers' information, invoice details, invoice dates, invoice amount, reference numbers such as local purchase orders or local service orders numbers and ageing categories were not provided for audit.

In the circumstances, the accuracy, existence and completeness of accounts payables balance of Kshs.16,601,011 could not be confirmed.

4. Unsupported House Rental and School Bus Hire Income

The statement of receipts and payments reflects school fund income – Miscellaneous incomes amount of Kshs.1,066,441 as disclosed in Note 4 to the financial statements. Included in the income is an amount of Kshs.254,400 received as house rent income paid

by staff and Kshs.637,500 received from school bus hire. The Management of the school did not present for audit rental house and bus hire lease agreements and policy guidelines on the rental and lease rates to be paid by the tenants and lessors of the housing units and the school bus.

In the circumstances, the validity and completeness of the income amounting to Kshs.891,900 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Chuka Boys High 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 judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

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 the Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 12 April, 2024 instead of the statutory deadline of 30 September, 2022. This was contrary to Section 68(2)(k) of the Public Finance Management Act, 2012 which states that an accounting officer shall prepare annual financial statements for each financial year within three months after the end of the financial year, and submit them to the Controller of Budget and the Auditor-General for audit.

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

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

The statement of receipts and payments reflects total payments amount of Kshs.100,784,349 as disclosed in the financial statements. Included in the expenditure

is an amount of Kshs.1,434,909 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.1,434,909 could not be confirmed.

3. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.24,177,090. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year, NEMIS reflected one thousand, four hundred and twenty-eight (1,428) students while records from the County Director of Education had one thousand, three hundred and eight six (1,386) students, resulting in an expected overfunding of forty-two (42) students in the school each by Kshs.22,244 totaling to an amount of Kshs.934,248. This is contrary to the Ministry of Education Circular MOE.HQS/3/10/18 Vol.II/ (46) dated 07 February, 2022 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, over-funding of the school may have affected service delivery to students in other schools.

4. Excess Supply of Books

During the period under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one thousand, four hundred and seventy-one (1,471) excess books to the school. These unexplained excess text books remained unissued to the students at the time of the audit in March, 2026.

In the circumstances, value for money on the excess one thousand, four hundred and seventy-one (1,471) books could not be confirmed.

5. Long Outstanding Payables

The statement of financial assets and financial liabilities and as disclosed in Note 11 to the financial statements reflects payables balance of Kshs.16,601,011. However, included in the balance are payables balance of Kshs.846,006 which had been outstanding for more than two (2) years, and risk of loss of public funds through litigations, interests and penalties. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

6. Lack of Adequate Facilities in the Institution

Physical verification of the learning environment of the school revealed that the school had shortages as detailed below. However, Management did not provide evidence of measures taken to address the shortage as detailed below;

School Facilities	Required	Number in Place	Shortage
Teachers TSC	70	52	18
Dormitories	10	6	4
Dining Hall	2	1	1
Laboratories	6	3	3
Toilets	92	46	46
Library	3	1	2
Classrooms	32	24	8
Staff houses	34	17	17

In the circumstances, the school may not achieve its mandate.

7. Failure to Submit for Approval the Estimates of Revenue and Expenditure

Audit review revealed that the School Management failed to submit estimates of revenue and expenditure for approval in the manner and format issued contrary to provisions of Section 16(1) and (2) of the Basic Education Act, 2013. Therefore, by operating without an approved budget, the institution is in breach of the Basic Education Act, 2013.

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

8. Lack of a Functional Procurement Unit

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

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

The audit was conducted in accordance with ISSAI 3000 and 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 comply in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

During the year under review, the school did not have an internal audit unit as required by Regulation 166(1) and (2) of the Public Finance Management (National Government), 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.

2. Weaknesses in the Board of Management Composition

The School Board of Management was constituted by 30 May, 2022. However, the School Board Management members list provided on the financial statements revealed that the school had a total of eighteen (18) Board Members instead of fourteen (14) Board Members that is stipulated in law.

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

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.653,928,837 which includes land with a balance of Kshs.520,000,000. However, land ownership documents were not provided for audit. In addition, the assets including desk top computers, office desks, tables, office cabinets and chairs were not tagged. Further, there is no evidence that the management of the school had insured the buildings as required by law, thus, the buildings could be exposed to the risk of loss in case of fire, riots or damages.

In the circumstances, the existence of effective measures in the management of assets could not be confirmed.

4. Weaknesses in ICT Controls

An assessment of the IT environment across the school revealed multiple critical weaknesses indicating inadequate ICT governance, data protection and systems control.

The following shortcomings were observed:

- i) The School has a system used to record income and payments. However, during the audit period in March 2026, the school lacked a system to record and manage inventory, staff payroll, library books issue and collection.
- ii) Lack of an approved ICT Policy: There is no formally approved ICT policy to guide the development, deployment, use, and management of ICT resources within the entity.
- iii) Staff use personal email (Gmail) addresses for official communication, which undermines data security and organizational accountability.
- iv) The entity lacks a documented data protection policy to ensure that the collection, handling, storage, and sharing of data comply with legal and regulatory data protection requirements.
- v) There is no centralized and updated ICT asset register to track, manage, or safeguard ICT infrastructure and equipment.
- vi) There is no formalized data backup process, exposing the entity to the risk of data loss in the event of system failure, cyberattack, or accidental deletion.
- vii) No disaster recovery plan, in the absence of a disaster recovery plan, the entity lacks the capacity to restore operations promptly following system disruptions or disasters.

In the circumstances, the efficiency in the use of IT within the receiver of revenue could not be ascertained.

5. Long Outstanding Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.22,112,732 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance is accounts receivable balance of Kshs.15,709,169 which had been outstanding for more than two (2) years. However, there was no detailed ageing 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.

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 the Management and Board of Management

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

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

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

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

The Board of Management is 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

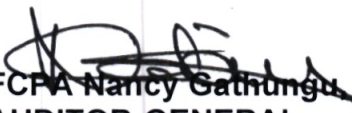
My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable 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

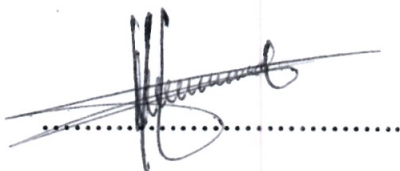
15 April, 2026

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

V. Statement Of Receipts and Payments for the period ended 30th June 2022

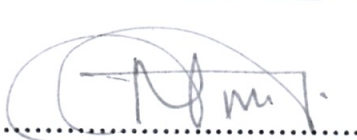
Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	4,521,555	1,625,230.75
Capitation grants for operations	2	19,655,535	10,723,636.40
School fund income- parents' contributions	3	75,161,656	25,431,380.00
School fund income- other receipts	4	1,066,441	2,775,771.00
Proceeds from borrowings		0	0
Total Receipts		100,405,188.00	40,556,018.00
Payments			
Payments for tuition	5	3,040,025	749,660.00
Payments for operations	6	22,203,705.58	6,952,627.00
Boarding and school fund payments	7	75,540,618	30,642,800.00
Total Payments		100,784,349.00	38,345,087.00
Surplus/Deficit		(379,161)	2,210,931.00

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



Name: Alexander Muratha
Chair BOM

Date: 07.04.2026



Name: Nelson Murithi
School Principal/ Secretary to BOM

Date: 07.04.2026



Name: Lilian M. Nyaga
Bursar/ Finance Officer

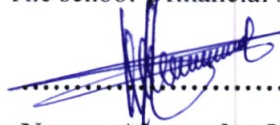
Date: 07.04.2026

Chuka High 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	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	4,074,997.00	6,527,419.00
Cash balances	9	21,821.00	24,877.00
Short term investment	10		0
Total cash and cash equivalent		<u>4,096,818.00</u>	<u>6,552,296.00</u>
Account's receivables	10	22,112,732	19,377,778.00
Total financial assets		26,209,550	25,930,074.00
Financial liabilities			
Accounts payables	11	16,601,011	15,942,374
Net financial assets		9,608,539	9,987,700
Represented by			
Accumulated fund b/fwd	12	9,987,700	7,776,769
Surplus/deficit for the year		(379,161)	2,210,931
Net financial position		9,608,539	9,987,700

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



Name: Alexander Muratha

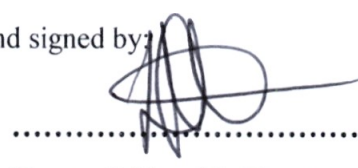
Chair BOM

Date: 07.04.2026



Name: Nelson Murithi
School Principal/ Secretary to
BOM

Date: 07.04.2026



Name: Lilian M. Nyaga

Bursar/ Finance Officer

Date: 07.04.2026

Chuka High 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	Notes	2021-2022	2020-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	4,521,555	1,625,231.00
Capitation grants for operations	2	19,655,535	10,723,636.00
School fund income- parents contributions/ fees	3	75,679,831	28,239,260.00
School fund income- other receipts	4	1,013,441	2,775,771.00
Total receipts		100,870,363	43,363,898.00
Payments			
Payments for tuition	5	4,768,845	749,660.00
Payments for operations	6	17,529,128	5,162,511.00
Boarding and school fund payments	7	75,893,479	32,827,726.00
Total payments		98,191,452	38,739,897.00
Net cash flow from operating activities		2,678,911	4,624,001.00
Cashflow from investing activities			0
Proceeds from sale of assets		0	0
Acquisition of assets		(5,139,337)	(1,790,116)
Proceeds from investments		0	0
Purchase of investments		0	0
Net cash flows from investing activities		(5,139,337)	(1,790,116)
Cashflow from borrowing activities			-
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings		0	0
Net cash flow from financing activities		0	0
Net increase in cash and cash equivalents		(2,460,427)	2,833,885.00
Cash and cash equivalent at beginning of the year		6,552,296.00	3,720,823.00
Cash and cash equivalent at end of the year		4,096,818.00	6,552,296.00

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS.

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

I. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials/teachers guides	369,260.00	0	369,260.00	152,457.00	216,803.00	41.3%
Exercise books	3,407,736.00	0	3,407,736.00	1,311,252.00	2,096,484.00	38.5%
Laboratory equipment	1,750,000.00	0	1,750,000.00	508,870.00	1,241,130.00	29%
Internal exams/exams & assessment	2,901,590.00	0	2,901,590.00	1,451,510.40	1,450,079.6	50.0%
Teaching / learning materials	323,922.00	0	323,922.00	917,490.00	(593,568)	283.2%
Chalks	369,260.00	0	369,260.00	179,976.00	189,284.00	48.7%
Exams and assessment	0	0	0	0	0	0
Teachers guides	0	0	0	0	0	0
(2) CAPITATION GRANT ON OPERATIONS						
Personnel emoluments	7,174,624.00	0	7,174,624.00	8,753,690	(1,579,065.50)	122%

Chuka High School

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

Repairs and maintenance(SIC)	3,872,132.00	0	3,872,132.00	4,569,500.00	697,368.00	118%
Local transport / travelling	4,303,500.00	0	4,303,500.00	1,219,559.00	3,083,941.00	28.3%
Electricity and water	4,248,070.00	0	4,248,070.00	1,340,662.00	2,907,408.00	31.6%
Medical	0	0	0	0	0	0
Administration costs	1,808,587.50	0	1,808,587.50	3,483,913.20	(1,675,325.7)	192.60%
Activity	779,860.00	0	779,860.00	288,211.40	491,649.00	36.9%
Gratuity	123,060.00	0	123,060.00	0	123,600.00	0
SMASSE	0	0	0	0	0	0
(3) FEES CHARGED ON PARENTS						
Personnel emoluments	8,318,731.00	0	8,318,731.00	10,967,236.00	(3,621,355)	143.5%
Repairs and maintenance	3,315,077.00	0	3,315,077.00	3,502,160.00	(733,753)	122.1%
Local transport / travelling	3,559,223.50	0	3,559,223.50	5,164,404	(2,249,592.5)	163.2%
Electricity and water	2,077,492.50	0	2,077,492.50	2,149,081.00	(316,131.50)	115.2%
Medical	0	0	0	0	0	0
Administration costs	5,452,445.00	0	5,452,445.00	6,019,599	(1,084,782)	119.8%
Activity	2,276,755.00	0	2,276,755.00	964,181.00	1,230,459.00	45.9%
SMASSE	0	0	0	0	0	0
Fee on Boarding Equipment and Stores	42,934,624.00	0	42,934,624.00	41,483,564	(1,089,653)	102.5%
OTHER INCOME						
Rent income	383,900.00	0	383,900.00	201,400.00	182,500.00	52.5%
Income from farming activities	3,426,045.00	0	3,426,045.00	156,573.30	3,269,471.70	4.5%
Fees arrears recoveries	0	0	0	2,884,945	0	0
Fees prepayments	0	0	0	3,200,129	0	0
Income from Bus Hire	5,738,750.00	0	5,738,750.00		5,738,750.00	0%

Fee for hire of ground and equipment	0	0	0	0	0	0
sic	0	0	0	0	0	0
Income from any other investment	0	0	0	0	0	0
TOTAL INCOME	108,914,644.50	0	108,914,644.50	100,870,363	13,999,552.65	
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	1,375,000.00	0	1,375,000.00	0	(284,131)	120.6%
Exercise books	3,407,736.00	0	3,407,736.00	658,793.00	2,748,943.00	19.3%
Laboratory equipment	1,750,000.00	0	1,750,000.00	0	1,750,000.00	0%
Internal exams	2,901,590.00	0	2,901,590.00	877,054.00	2,024,536.00	30.2%
Teaching / learning materials	323,922.00	0	323,922.00	658,793.00	(936,179)	389%
Chalks	369,260.00	0	369,260.00	121,091.00	248,169.00	32.8%
Exams and assessment	0	0	0	0	0	0
Teachers guides	0	0	0	122,146.00	(122,146)	0
Administration costs	0	0	0	0	0	0
Bank Charges	360.00	0	360.00	840.00	(480)	233%
(2) EXPENDITURE FOR OPERATIONS						
Personnel emoluments	7,174,624.00	0	7,174,624.00	13,530,160.00	(6,355,536)	188.6%
Repairs, maintenance & improvements	4,200,000.00	0	4,200,000.00	4,569,500.00	(369,500)	108%
Local transport / travelling	1,445,360.00	0	1,445,360.00	838,485.00	606,875.00	58%
Electricity, water and conservancy	1,085,990.00	0	1,085,990.00	1,519,670.00	(433,680)	139.9%
Bank charges	4,500.00	0	4,500.00	5,680.00	(1,180.00)	126%

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

Administration costs	1,808,588.00	0	1,808,588.00	1,064,783.00	740,802.00	59.9%
Activity Expenses	779,860.00	0	779,860.00	105,590.00	674,270.00	13.5%
Gratuity	123,060.00	0	123,060.00	0	123,060.00	0
sic	0	0	0	0	0	0
(3) EXPENDITURE FOR SCHOOL FUND						
Personnel emoluments	8,318,741.00	0	8,318,741.00	3,118,745	5,199,997.00	3.75%
Repairs, maintenance and improvements	3,315,077.00	0	3,315,077.00	4,199,580	(1,437,460)	143.4%
Local transport / travelling	3,559,223.50		3,559,223.50	3,363,829	39,965.00	98.8%
Electricity, water and conservancy	3,857,652.50	0	3,857,652.50	1,660,759.00	2,136,972.50	44.6%
Medical Expenses	0	0	0	0	0	0
Administration costs	5,633,100.11	0	5,633,100.11	5,603,828.75	(29,272)	99.5%
Activity	2,276,755.00	0	2,276,755.00	693,600.00	1,486,335.00	34.7%
Gratuity	0	0	0	0	0	0
Lunch programme	0	0	0	0	0	0
Boarding Equipment and Stores	42,811,132.00	0	42,811,132.00	41,626,456.00	(9,091,358)	121.2%
Expenditure for Income Generating Activity	3,668,161.00	0	3,668,161.00	203,789	3,464,372	24.45%
Caution savings	0	0	0	0	0	0
Sundry creditors	0		0	9,509,702	0	0
Rent Expenses	0	0	0	0	0	0
Bank Charges	101,001.00	0	101,001.00	69,822	35,697.89	64.6%
Loan Interest Repayment	0	0	0			0

Fees prepayment	0	0		4,066,339	0	100%
Acquisition of Assets	0	0	0	0	0	0
TOTALS	108,914,644.50		108,914,644.50	98,191,452	0	0

II. 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.

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

III. Notes to the Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	152,457.00	260,037
Exercise Books	1,311,252.00	487,569.00
Laboratory Equipment	508,870.00	276,288
Internal Exams	1,451,510	487,569.00
Teaching / Learning Materials	917,490.00	48,756.00
Chalks	179,976.00	65,011
Totals	4,521,555	1,625,231

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	8,753,689.50	4,969,415.30
Repairs And Maintenance	4,569,500.00	2,000,000.00
Local Transport / Travelling	1,219,559.00	867,535.20
Electricity And Water	1,340,662.00	1,735,472.30
Administration Costs	3,483,913.20	1,151,213.60
Activity	288,211	
Totals	19,655,535.10	10,723,636.40

3. Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	11,940,086.00	2,336,258.00
Repairs and maintenance	4,048,830.00	1,705,099.00
Local transport / travelling	5,171,316.00	1,005,650.00
Electricity and water	2,393,624.00	2,502,072.00
Medical	44,024,277.00	16,543,422.00
Administration costs	6,537,727.00	1,338,729.00
Activity	1,046,296.00	150.00
Total	75,161,656.00	25,431,380.00

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

4.Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent income	254,400	204,900.00
Income from farming activities	174,541	562,156.00
Income from bakery		1,850,715.00
Income from Bus Hire	637,500	158,000.00
Total	1,066,441	2,775,771.00

5.Payments for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Reference materials/guides	122,146	219,950.00
Exercise books	658,793	174,350.00
Internal exams/exam assessment	877,054	280,000.00
Teaching / learning materials	1,260,101	50,000.00
Chalks	121,091.00	25,000.00
Bank charges	840	360.00
Totals	3,040,025	749,660.00

6.Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	13,530,160	3,928,810
Administration Cost	1,064,783	655,295
Repairs and maintenance & improvements	0	0
Local transport / travelling	838,485	176,500
Electricity and water	1,519,670	398,766
Activity Expenses	105,590	
Bank Charges	5,680	3,140
cost infrastructure	5,139,337	1,790,116
Total	22,203,706	6,952,627

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

7. Boarding and School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	3,118,745	1,471,365
Repairs and maintenance & Improvements	4,752,537	1,243,105
Local transport / travelling	3,519,258	960,250
Electricity and water	1,720,680	682,422
Administration costs	7,603,550	1,348,596
Activity expenses	790,420	14,700
Bank Charges	65,303.00	50,097
Expenses on Income Generating Activities	903,756.00	2,276,842
Fee on Boarding Equipment and Stores	51,900,078.00	21,407,909
Loan Principal/interest repayment	1,166,291.00	1,187,514
TOTAL	75,540,618	30,642,800.00

8. Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	01139057596600	29,150.00	276,440.10
Operations Account	1103664417	121,637.50	2,564,730.60
School Fund Account/Boarding kcb	1103664646	632,094.63	624,534.79
School Fund Account/Boarding coop	01129057596600	890,056.66	791,174.76
Savings account	1108131018	18,362.80	75,243.80
Income Generating Activities Account	01129057596601	54,217.39	45,980.08
Infrastructural Account	1265486875	2,329,477.90	2,149,315.25
Total		4,074,997.39	6,527,419.38

9. Cash in Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	0	0
Operation Account	325	325.00
School Fund account	21,496	24,552
Total	21,821	24,877

Notes To The Financial Statements (Continued)

11.Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	22,059,732.10	19,377,778.10
Other Non-Fees Receivables	53,000	0
Salary Advances		0
Imprest		0
Total	22,112,732.10	19,377,778.10

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears for Current Year	5,566,899.00	3,668,609
Fees Arrears for The Previous Year	783,664.10	1,807,291
Fees Arrears for Prior Periods (Over Two Years)	15,709,169	13,901,878
Total	22,059,732.10	19,377,778

12.Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	14,069,186	12,544,339
Prepaid Fees	2,531,825	3,398,035
Retention Monies		0
Total	16,601,011	15,942,374

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors for Current Year	13,223,181	10,615,057
Trade Creditors for The Previous Year	637,358	1,929,282
Trade Creditors for Prior Periods (Over Two Years)	846,006	0
Total	14,069,186	12,544,339

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

Notes to the Financial Statements (Continued)

13.Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	6,527,419.38	3,716,794
Cash Balances	24,877	4,029.00
Short Term Investments	0	0
Receivables	19,377,778.00	20,053,515
Payables	(15,942,374)	(15,997,569)
Total	9,987,700	7,776,769

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.

14.Biological assets

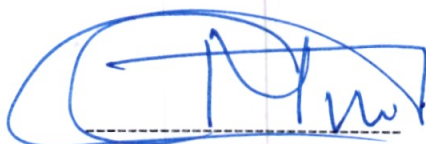
Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	9	360,000.00	360,000.00
Pigs	85	595,000.00	595,000.00
Rabbits	12	6,000.00	6,000.00
Bananas	500 stems	100,000.00	100,000.00
Fruit trees	37	37,000.00	37,000.00
Goats	2	10,000.00	10,000.00
Trees	800	4,000,000.00	4,000,000.00
Coffee	2302	230,700.00	230,700.00
Poultry	0	0	18,900.00
Total		5,338,700	5,357,600

Chuka High School**Reports and Financial Statements For the year ended 30th June 2022**

15. Progress on Follow Up of Auditor Recommendations

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Ref No.	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)



Sign and Date
Principal

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

Annex 1 - Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021	Outstanding Balance 2022-1	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
Sub-Total						
Supply of goods						
1. LANES ENTERPRISES	449,900	2021/22	449,900.00	0	233,900.00	
2. DAVCO STATIONERS	30,850	2021	30,850	0	3,000.00	
3. MILTO PRODUCTS	23,200.00	2020	0	23,200.00	23,200.00	
4. JATOMY ENTERPRISES	14,158.00	2020	0	14,158.00	14,158.00	
5. CHUKA FARMLINE STORES	44,370	2021/22	44,370	0	76,060.00	
6. EAST END CHEMISTS	32,870	2021/22	32,870	0	86,170.65	
7. JUSTIN ELECTRICALS	54,405	2021/22	54,405	0	51,320.00	
8. MWENDANTU STORES	358,990	2021/22	358,990	0	251,839.00	
9. HELLEN NJERI	138,900	2021/22	138,900	0	150,100.00	
10. PHINEHAS MWENDA	157,930	2021/22	157,930	0	234,625.00	
11. CECILIA CHURI SALESIO	169,575	2021/22	169,575	0	163,460.00	
12. MUGWE ANIMAL FEEDS	53,680	2021/22	53,680	0	84,000.00	
13. ELIZABETH KAGENDO	4,051,800.00	2021/22	4,051,800.00	0	3,577,540.00	
14. WEGA DAIRY	30,375	2021/22	30,375	0	80,900.00	
15. NAIROBI SPORTS HOUSE	102,840	2021/22	102,840	0	96,820.00	
16. EUNICE KAGENDO	52,800	2021/22	52,800	0	112,000.00	
17. THE OPTION DISTRIBUTORS	833,000	2021/22	833,000	0	733,474.00	
18. RENTOKIL ININTIAL	16,610.40	2021/22	16,610.40	0	6,799.00	
19. UPCOUNTRY SECURITY GUARDS	97,440	2021/22	97,440.00	0	0	
20. JOMVICK ENTERPRISES	19,715	2021/22	19,715	0	54,218.00	
21. ERIC MURITHI	134,480	2021/22	134,480	0	93,450.00	
22. MAKES STORES	94,560	2021/22	94,560	0	50,710.00	
23. LALJI RAMJI FILING STATION	26,000	2021/22	26,000	0	150,929.00	
24. ESTHER NJERI	1,100	2021/22	1,100	0	17,750.00	
25. LENHAM ENTERPRISES	1,763,245.00	2021/22	1,763,245.00	0	1,703,555.00	
26. CHUKA LAB EQUIPMENT	1,267,564.00	2021/22	1,094,913.00	0	3,009,570.00	TUITIO N
27. PRICOMPS LTD	1,098,680.00	2021/22	1,098,680.00	0	1,192,100.00	TUITIO N
28. VICOM UNIFORMS	276,140	2021/22	276,140.00			
29. GILFEEDS INVESTMENTS	800,000.00	2021	200,000.00	600,000.00	600,000.00	

Chuka High School

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

30. LUCYLINE KAARI	7,200	2021/22	7,200.00	0	3,600	
31. JOHN RUGENDO	0	2021/22	0	0	28,200.00	TUITIO N
32. DEKAR STATIONERS	242,280.00	2021/22	242,280.00	0	169,600.00	TUITIO N
33. ALEX MUGAMBI	60,000.00	2021/22	60,000.00	0	60,000.00	
34. LINEM VENTURES	209,000.00	2021/22	209,000.00		0	
35. MUGAKAR INVESTMENTS	0	2021/22			43,350.00	
36. WEAVER BIRD GARMENTS	0	2021/22			512,000.00	
37. SAMWEL MWENDA	0	2021/22			15,150.00	
38. BENSON MWIRIGI	0	2021/22			4,500.00	
39. NICHOLUS MUGAMBI	0	2021/22			62,050.00	
Supply of services						
40. DESCANA MACHINES	28,000.00	2021/22	28,000.00	0	164,700.00	
41. CHUKA VET CENTRE	0	2021/22	0		8,400.00	
Sub-Total	12,546,751.00			637,358.00	13,862,950.65	
Grand Total	12,546,751.00			637,358.00	13,862,950.65	

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

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						
Land 1	5.7.1976		520,000,000		0	520,000,000
Land 2						
Buildings and structures			90,000,000	5,139,337	0	95,139,337
Motor vehicles KCH 442Q KBN 952E KBU 992K	SEPT 2017 JULY 2011 MARCH 2013		13,600,000 5,973,000 1,100,000		0	13,600,000 5,973,000 1,100,000
Office equipment, furniture and fittings			1,000,000		0	1,000,000
ICT Equipment, and Other ICT Assets			5,739,500		0	5,739,500
Tools and apparatus,			4,577,000		0	4,577,000
Textbooks & Stationary			3,900,000		0	3,900,000
Other Machinery and Equipment - Generator			2,500,000		0	2,500,000
Heritage and cultural assets					0	
Intangible assets- soft ware			400,000			400,000
Total			648,789,500	5,139,337	0	653,928,837