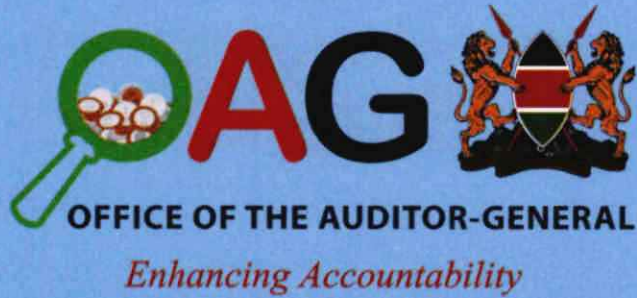


REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

THE NATIONAL ASSEMBLY LAI	
DATE:	U 5 MAR 2025 Wednesday
TABLED	Honr Naomi Wago MP Deputy Majority Whip
CLERK-AT THE-TABLE:	A. Shibusko

**KARIA BOYS
SECONDARY SCHOOL**

**FOR THE YEAR ENDED
30 JUNE, 2022**

KIRINYAGA COUNTY



**KARIA BOYS 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)**

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Key School Information and Management

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 during the year
1.	Executive Committee	David Njoka Lawrence Maina Joyce Kinyua Gideon Gikunda David Ndegwa	Bom Chairman Executive Member Executive Member Executive Member PTA Chairman	3 out of 3
2.	Audit Committee	Mr. Gikunda David Njoka John Kariuki David Ndegwa	Principal Bom Chairman Bom Member PTA Chairman	0 out of 3
3.	Finance, procurement and general purposes committee	Joyce Kinyua Josephine Rutii	Executive Member Bom Member	0 out of 3
4.	Academic Committee	Mr. Wambugu Rose Mutuma	Executive Member Bom Member	0 out of 3
5.	Development Committee	David Njoka Lawrence Maina Mr. Gikunda Stephen Kinyua David Ndegwa	Bom Chairman Executive Member Principal Vice Chair PTA Chairman	0 out of 3
6.	Discipline and Welfare Committee	Timothy Thiaka Moses Gachoka	Bom Member Bom Member	0 out of 3
7.	Adhoc Committee	David Ndegwa David Njoka Joyce Kinyua Lawrence Maina	PTA Chairman Bom Chairman Executive Member Bom Member	0 out of 3

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 Kirinyaga County, Kirinyaga Central Sub-County

The school was registered in September 2016 under registration number 2053000149 and is currently categorized as a county public school established, owned or operated by the Government.

The school is a boarding school and had 420 number of students as at 30th June 2022. It has 3 streams and 26 teachers of which 4 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:

1	David Njoka	Chairman	11/4/2022
2	Gideon Gikunda	Secretary – Principal	11/4/2022
3	Joyce Kinyua	Member	11/4/2022
4	John Kariuki	Member	11/4/2022
5	David Ndegwa	Member	11/4/2022
6	Rose Mutema	Member	11/4/2022
7	Lawrence Maina	Member	11/4/2022
8	Stephen Kinyua	Member – Rep CEB	11/4/2022
9	Alice Muchiri	Member Rep Teachers	11/4/2022
10	Timothy Njeru	3 Members – Sponsor	11/4/2022
11	Moses Gachawa	Member – Community	11/4/2022
12	Josephine Ruitii	Member Special Needs	11/4/2022
13	Brian Mbego	Rep Students	11/4/2022

Key School Information and Management

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7.	Adhoc Committee	David Ndegwa David Njoka Joyce Kinyua Lawrence Maina	PTA Chairman Bom Chairman Executive Member Bom Member	0 out of 3

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

(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	Gideon Gikunda	272930
2	Deputy Principal	Samuel Muturi	461761
3	Account clerk	Ann Kinyua	Id no. 23618505

(e) Schools contacts

Post Office Box: 4-10300, KERUGOYA
Telephone: 0759133565
E-mail: Kariaboysschool@gmail.com

(f) School Bankers

The school operated 4 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB BANK (School Fund Account)
Branch: KERUGOYA
Account Number: 1104015412
MPESA Pay Bill No. 522123 attached to KCB bank account
2. Name of Bank: EQUITY BANK (RMI)
Branch: KERUGOYA
Account Number: 010029735735
3. Name of Bank: CO-OPERATIVE BANK (TUITION)
Branch: KERUGOYA
Account Number: 01139035225200
4. Name of Bank: CO-OPERATIVE BANK (OPERATIONS)
Branch: KERUGOYA
Account Number: 01139035225201

(g) Independent Auditors

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

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

II. Summary Report of Performance of The School

a) Financial performance:

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

	2022 Kshs	2021 Kshs	2020 Kshs	2019 Kshs
Tuition	36,839.80	(44,650.50)	165,888.00	(596,377.00)
operation	(129,218.00)	(36,591.65)	439,829.00	(333,035.25)
school	456,443.00	530,330.00	0.00	91,166.00
infrastructure	1,427,215.00	(69,551.00)	1,512,475.95	(304,889.51)
Total	1,791,279.80	379,536.85	2,118,192.95	(1,143,135.76)
Increase/dec	1,411,742.95	(1,738,656)	3,261,329	(2,600,398)

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

	2022	2021	2020	2019
Tuition	1,359,179.80	535,829.50	618,920.00	1,097,993.00
Operation	6,039,142.00	3,440,511.35	4,228,925.00	5,075,486.75
Total	7,398,321.80	3,976,340.85	4,847,845.00	6,173,479.75
Enrolment	420	370	370	370
Ratio	17,615.05	10,746.87	13,102.28	16,685.08
increase/decrease	3,421,980.95	(871,504.15)	(1,325,634.75)	20,046.95

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

	2022	2021	2020	2019
Farm	753,913.00	192,163.00	436,666.00	400,485.00
increase/decrease	561,750.00	-244,503.00	36,181.00	295,769.00

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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

	2022	2021	2020	2019
Tuition	1,322,340.00	580,480.00	453,032.00	1,694,370.00
Operation	6,168,360.00	3,477,103.00	3,789,096.00	5,408,522.00
School fund	20,927,475.00	11,875,384.00	8,591,030.00	16,574,331.51
Farm	593,543.00	212,670.00	198,461.00	470,805.00
Total	29,011,718.00	16,145,637.00	13,031,619.00	24,148,028.51
Increase/decrease	12,866,081.00	3,114,018.00	(11,116,409.51)	4,819,421.01

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

	2022	2021	2020	2019
Debtors	1,327,645.00	830,800.00	199,443.00	214,004.00
Creditors	1,974,314.00	223,242.00	107,600.00	263,110.00

Movement of cash and bank balances over the last three years

	2022		2021		2020		2019	
	Bank	Cash	Bank	Cash	Bank	Cash	Bank	Cash
Tuition	47,792.30		10,952.50	0.00	55,603.00	0.00	13,183.00	47,792.30
Operation	75,705.58	15.00	204,938.58	0.00	240,656.03	0.00	(92,006.97)	75,705.58
School fund	1,580,114.99	22,591.00	85,028.99	90,462.00	245,010.99	31.00	512,890.99	1,580,114.99
Infrastructure	1,086,908.00		630,465.00	0.00	100,135.00	0.00	0.00	1,086,908.00
Savings	-		0.00	0.00	0.00	0.00	8,940.50	-
Total	2,790,520.87	22,606.00	931,385.07	90,462.00	641,405.02	31.00	443,007.52	2,790,520.87

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

(a) Teacher Student ratio:

- Teacher to student ratio = $\frac{\text{no. of students}}{\text{no. of teachers}} = \frac{420}{26} = 1:16$
- No. of teachers 26
- No. of teachers recruited within the year 2
- No. of teacher posted to the school within the year 2
- No. of teacher transferred to the school within the year 2
- No. of teacher retired during the year **NIL**
- No. of teacher employed by TSC during the year 2
- No. of teacher employed by BOM during the year 1
- No. of teacher per subject

Subject	Eng	Kisw	Math	Bio	Chem	Phy	B/ST	Agr	Geo	Hist	CRE
No. of Tsc teachers	3	4	7	3	3	2	1	3	3	2	5
No. of Bom Teachers	1	1	-	-	-	-	1	-	-	2	1
Surplus	-	-	-	-	-	-	-	-	-	-	-
Shortage	1	1	-	-	1	1	1	-	-	2	2

(b) Mean score in the 2022 KCSE:

Mean Scores -3 Yr. Trend

YEAR	Subjects											
	ENG	KIS	MATH	BIO	PHY	CHEM	HIST	GEO	CRE	AGRI	BUS	AGGR
2020	4	3	2	2	2	2	4	5	6	4	3	3
2021	4	4	3	3	2	2	5	6	4	7	3	4
2022	4	4	2	3	3	3	5	8	5	8	3	4
Average	4	3	3	3	2	2	4	6	5	6	3	4

KARIA BOYS SECONDARY SCHOOL**Reports and Financial Statements For the year ended 30th June 2022**

YEAR	KCSE Mean score	No. of students that have transitioned to institution of higher learning	Comments
2020	3.61	4	A drop
2021	3.8864	9	Great improvement
2022	4.000	6	A drop

(c) Number of Candidates in the 2022 KCSE:

Number of candidates in the 2020-2022 KCSE

YEAR	2020	2021	2022
No. of candidates	77	88	97

(d) Capacity of the school:

Facility	Available infrastructure	Quantity Required	Infrastructure Gap	Comment
Classrooms	13	13	0	Adequate
Laboratory	2	2	0	Enough
Toilet Doors	25	25	0	Adequate
Offices	1	1	0	Adequate
Dining Hall	1	1	0	Adequate
Library	1	2	1	Urgent
Hostels	9	9	0	Adequate
Staffroom	1	1	0	Adequate
Boardroom	1	1	0	Adequate
Textbooks				Adequate
Water				Adequate
Electricity				Adequate
Staff Housing				Adequate

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

(e) Development projects carried out by the school:

Projects Analysis		Name of project	
Estimated (BQ) Cost			
Source(s) of Funding			
Type of contract			
Contract Cost			
Start Date of project			
Expected Completion date			
Status (Stalled, WIP, complete)			
Amount due on project			
Amount paid			
Amount pending			
comment on project success/challenges			



School Principal

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022


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 **KARIA BOYS 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: **DAVID NJORJA**


Designation: Chairman, School Board of Management

Date:


.....
Name: **MUCTARI N. W.**

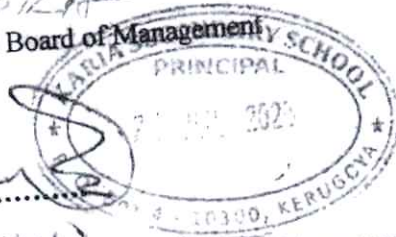
Designation: School Principal & Secretary to Board of Management

Date:


.....
Name: **ANNE KINTUA**

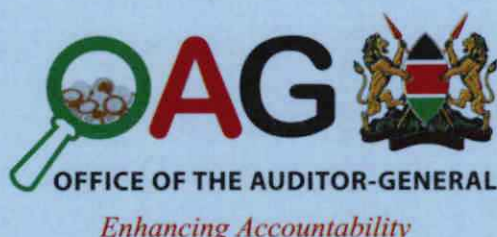
Designation: Bursar/ Finance Officer

Date:



REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON KARIA BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KIRINYAGA COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Karia Boys Secondary School - Kirinyaga County set out on pages 1 to 15, 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 the Karia Boys Secondary School - Kirinyaga 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Qualified Opinion

1. Unsupported Expenditure

The statement of receipts and payments reflects total payments amounting to Kshs.30,756,658. However, examination of a sample of payment vouchers revealed that the School Management incurred expenditure amounting to Kshs.997,830 for purchase of goods and services but whose supporting documents were not attached to the payment vouchers.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.997,830 could not be confirmed.

2. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.8,923,840 in respect of fees arrears as disclosed in Note 12 to the financial statements. Included in the balance are receivables amounting to Kshs.6,772,853, which had been outstanding for more than two (2) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.8,923,840 could not be confirmed.

3. Unsupported Payables

The statement of financial assets and financial reflects liabilities reflects Kshs.2,370,798 in respect to accounts payable as disclosed under Note 12 to the financial statements. However, a detailed accounts payable schedule was not provided for audit review. Further, Annex 1 to the financial statements on analysis of pending accounts payable reflects accounts payable balance of Kshs.223,242 resulting to a variance of Kshs.2,147,556 which has not been explained.

In the circumstances, the accuracy and completeness of the account payables balance of Kshs.2,370,798 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Karia Boys 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 judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in 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. Non-Compliance with the Public Sector Accounting Standards Board Reporting Requirements

The financial statements presented for audit did not include all information provided in the format prescribed and published by the Public Sector Accounting Standards Board (PSASB) as follows;

- (i) The statement of budgeted versus actual amounts does not include explanation or commentary on significant underutilization (below 90%) and any overutilization (above 100%) for the expenses as required by the reporting template.
- (ii) The table of contents is presented in the upper case, and it contains errors and omits some reports. Further, the table of contents erroneously refers "Statement of Financial Assets and Financial Liabilities as at 30 June, 2022" as "Statement of Assets and Liabilities as at 30 June, 2023.
- (iii) Other receipts on the statement of receipts and payments has not been assigned a note number. In addition, Notes number 5 - 9 do not match corresponding Notes in the annual report and financial statements.

(iv) The statement of receipts and payments (SRP) contains erroneous references to explanatory notes to the financial statements as follows:

Description	Financial Statements Reference	Note Reference
Payments for Tuition	5	6
Payments for Operations	6	7
Infrastructure	-	8
Boarding and School Fund Payments	8	9

(v) Note 14 to the financial statements on accumulated fund balance brought forward reflect a balance of Kshs.8,142,516 for current year and Kshs.7,645,606 for prior year. However, recasting indicates that the correct total values are Kshs.9,108,484 and Kshs.8,165,090 respectively. The resulting variances have not been explained.

In the circumstances, Management was in breach of the PSASB guidelines. Further, lack relevant information may affect users' reliance on the financial statements for decision making.

2. Non-Compliance with Fee structure Guidelines - Parents Contribution

Review of the School's fee structure for the financial year 2021-2022 revealed that the School did not comply with the guidelines for implementation of free day secondary education. The School charged school fees an amount of Kshs.5,535 above the Ministry of Education approved school fees translating to unapproved total revenue of Kshs.2,324,700 from 420 students. Further, there was no evidence in the form of Minutes by the BoM approving the school fees structure for the year ending 31 December, 2022. This is contrary to Regulation 44, 45 & 46 of the Basic Education Regulations, 2015 states that no public school or institution shall issue alternative fees structures other than those approved by the Cabinet Secretary and no person or Board of Management in a public institution of basic education and training shall alter or increase fees without written authority from the Cabinet Secretary.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.21,521,018 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.220,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of funds transferred to KESSHA amounting to Kshs.220,500 could not be confirmed.

4. Long Outstanding Accounts Payable

The statement of financial assets and financial liabilities and as disclosed in Note 13 to the financial statements reflects payables balance of Kshs.2,370,798. However, included in the balance are trade payables balance of Kshs.223,242 which had been outstanding for more than two (2) years. This was contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates'.

In the circumstances, the School Management was in breach of the law and there is risk loss of public funds through litigations, interests and penalties.

5. Failure to/Late Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.6,039,142 as disclosed in Note 2 to the financial statements from received from the Ministry of Education and credited in the operations bank account. Included in the amount is Kshs.350,053 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.155,500 was transferred to infrastructure account, leaving a balance of Kshs.194,553 as at 30 June, 2022. Further, an amount of Kshs.423,000 was transferred on 28 June, 2022 or fifty-three (53) days of receipt. This was contrary to Paragraph 3.0 of the Ministry of Education Guidelines on Implementation of Free Day Secondary Education (FDSE) dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

6. Lack of a Procurement Plan

The statement of receipts and payments reflects an amount of Kshs.32,547,937 and Kshs.30,756,658 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 Maintain a List of Prequalified Suppliers

The statement of receipts and payments reflects an amount of Kshs.21,521,018 in respect to boarding and school fund payments as disclosed under Note 7 to the financial

statements. However, the Accounting Officer did not establish a procurement function in accordance with Section 47 of the Act.

In addition, sampled suppliers of goods and services amounting to Kshs.3,492,065 incurred on boarding equipment, repairs and maintenance, and administration cost were not prequalified. This is contrary to Regulation 33(3)(f) of the Public Procurement and Asset Disposal Regulations, 2020 which states that the role of the procurement function shall be to submit a list of registered or prequalified suppliers or contractors or consultants to the accounting officer for approval.

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

8. Failure to Prepare School Improvement Plan

During the year 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.

The audit was conducted in accordance with the 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 THE 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 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. Ineffective Management of Textbooks

Audit examination of the Schools' textbook records provided for audit revealed that the entity does not maintain complete records of books in the library. The physical records maintained are for delivered books and issued books which are prone to tare and ware

resulting to loss of data. Despite the growth in students' data and textbooks the school uses a manual system to manage its library/textbooks data.

The School has excess textbooks of same subjects that are lying idle (in cartons) in the store without evidence of a letter written to the Ministry by the school advising them against further procurement. Further, there are no records kept showing the balance of textbooks left in the store, thus making them susceptible to theft, misuse and destruction.

In the circumstances, the effectiveness of governance and system of internal controls for textbooks could not be confirmed.

2. Lack of Internal Audit Function and Audit Committee

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), 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 School did not benefit from the oversight role and advice from the audit committee and the internal audit function.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the School or to cease its operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible for ensuring that the

activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal controls in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal controls that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and where applicable, related safeguards.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

25 September, 2024

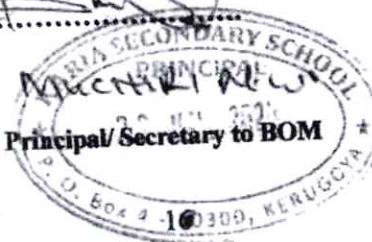
V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022

DESCRIPTION OF VOTE HEAD	Note	2021- 2022	2020-2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,359,179.80	535,829.50
Capitation grants for operations	2	6,039,142.00	3,440,511.35
Capitation grants for infrastructure	3	2,201,383.00	1,160,000.00
School Fund Income- Parents' Contributions	4	22,277,090.00	11,718,740.00
School Fund Income- Other receipts		671,143.00	192,163.00
TOTAL RECEIPTS		32,547,937.80	17,047,243.85
PAYMENTS			
Payments for Tuition	5	1,322,340.00	580,480.00
Payments for operations	6	6,168,360.00	3,477,103.00
Boarding and school fund payments	8	1,744,940.00	629,670.00
		21,521,018.00	11,980,454.00
TOTAL PAYMENTS			
DEFICIT/SURPLUS		30,756,658.00	16,667,707.00

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

.....
 Name: DAVID NJOMIA
 Chair BOM

.....
 Name: _____
 School Principal/ Secretary to BOM



.....
 Name: ANNE KINJA
 Bursar/ Finance Officer

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

Date:

Date:

Date:

vi.

STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

	Note	2021-2022 Kshs	2020-2021 Kshs
Cash and Cash Equivalents			
Bank Balances	10	2,790,520.87	931,385.07
Cash Balances	11	22,606.00	90,462.00
Total Cash and Cash Equivalents		2,813,126.87	1,021,847.07
Account's receivables	12	8,923,840.40	7,603,653.40
TOTAL FINANCIAL ASSETS		11,736,967.27	8,625,500.47
FINANCIAL LIABILITIES			
Accounts Payable	13	2,370,798.00	482,984.00
NET FINANCIAL ASSETS		9,366,169.27	8,142,516.47
REPRESENTED BY			
Accumulated Fund balance b/fwd 1st July...	14	8,142,516.47	7,645,606.02
Surplus/Deficit for the year		1,791,279.80	379,536.85
NET FINANCIAL POSITION		9,933,796.27	8,025,142.87

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

David Njoki

Name: DAVID NJOKI

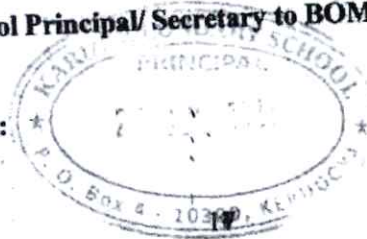
Chair BOM

Date:

Muchiri Njiru

Name: Muchiri Njiru
School Principal/ Secretary to BOM

Date:



Anne Kariaka

Name: Anne Kariaka

Bursar/ Finance Officer

Date:

VI. Statements of Cash Flows for The Period Ended 30th June 2022

		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Capitation grants for tuition		1,359,179.80	535,829.50
Capitation grants for operations		6,039,142.00	3,440,511.35
Capitation grants for infrastructure		2,201,383.00	1,160,000.00
School fund income- Parents contributions/ fees		22,277,090.00	11,718,740.00
School fund income- other receipts		671,143.00	192,163.00
Total receipts		32,547,937.80	17,047,243.85
Payments			
Payments for Tuition		1,322,340.00	580,480.00
Payments for operations		6,168,360.00	3,477,103.00
Boarding and school fund payments		21,521,018.00	11,980,454.00
Total payments		29,011,718.00	16,038,037.00
Net cash flow from operating activities		3,536,219.80	1,009,206.85
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	9	(1,744,940.00)	(629,670.00)
Net cash flows from Investing Activities		(1,744,940.00)	(629,670.00)
NET CASHFLOW FROM FINANCING ACTIVITIES			
Net cash flows from Investing Activities		0.00	0.00
NET INCREASE IN CASH AND CASH EQUIVALENT		1,791,279.80	379,536.85
	d=a+b+c		
Cash and cash equivalent at BEGINNING of the year	e	1,021,847.07	642,310.22
Cash and cash equivalent at END of the year	f=d+e	2,813,126.87	1,021,847.07

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

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

				Actual on Comparable Basis	Budget Utilization	
			Final			
Receipt/expenses Item	Original Budget	Adjustments	Budget		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						
Teaching and Learning Materials	1,360,000	-	1,360,000	1,359,180	820	99.93%
(2) CAPITATION GRANT ON OPERATIONS						
Repair, Maintenance and Improvement	2,100,000	-	2,100,000	2,087,848	12,152	99.42%
Local Transport and Travelling	1,100,000	-	1,100,000	1,005,407	94,593	91.40%
Electricity, Water and Conservancy	932,000	-	932,000	930,407	1,593	99.82%
Administration costs	932,000	-	932,000	930,408	1,592	99.82%
Personal Emolument	1,200,000	-	1,200,000	1,085,072	114,928	90.42%
(3) FEES CHARGED ON PARENTS						
Boarding, Equipment and Stores	15,000,000		15,000,000	14,693,144	306,856	97.95%
Repair, Maintenance and Improvement	900,000		900,000	880,277	19,723	97.80%
Electricity, Water and Conservancy	1,400,000		1,400,000	1,305,665	94,335	93.26%

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

Local Transport and Travelling	1,500,000		1,500,000	1,490,015	9,985	99.33%
Administration Costs	1,700,000		1,700,000	1,690,574	9,426	99.44%
Activity	210,000		210,000	204,616	5,384	97.44%
Personal Emolument	1,310,000		1,310,000	1,304,587	5,413	99.58%
Bursary	1,705,625		1,705,625	1,705,625	-	-
Canteen	54,000		54,000	54,000	-	-
School Fund -OTHER INCOME						
EXAM	-		-	4,393	-	
FARM	-		-	617,143	-	
DEV. FUND	-		-	197,900	-	
INFRASTRUCTURE INCOME						
RMI	-	-	-	2,201,383	-	-
TOTAL INCOME				2,201,383		
(1) EXPENDITURE FOR TUITION						
Teaching and Learning Materials	1,360,000	-	1,360,000	1,321,620	38,380	97.17%
(2) EXPENDITURE FOR OPERATIONS						
Repair, Maintenance and Improvement	2,100,000	-	2,100,000	1,979,903	120,097	94.28%
Local Transport and Travelling	1,100,000	-	1,100,000	538,000	562,000	48.90%
Electricity, Water and Conservancy						41.50%

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

	932,000	-	932,000	386,859	545,141	
Administration costs	932,000	-	932,000	548,680	383,320	58.87%
Personal Emolument	1,200,000	-	1,200,000	2,712,158	(1,512,158)	226.01%
(3) EXPENDITURE FOR						
SCHOOL FUND						
Boarding, Equipment and Stores	15,000,000	-	15,000,000	12,112,680	2,887,320	80.75%
Repair, Maintenance and Improvement	900,000	-	900,000	1,500,336	(600,336)	166.71%
Electricity, Water and Conservancy	1,400,000	-	1,400,000	979,941	420,059	69.99%
Local Transport and Travelling	1,500,000	-	1,500,000	1,159,185	340,815	77.30%
Adm Costs	1,700,000	-	1,700,000	1,960,446	(260,446)	115.32%
Activity	210,000	-	210,000	420,000	(210,000)	200.00%
Personal Emolument	1,310,000	-	1,310,000	624,842	685,158	47.68%
Bursary		-		1,718,805	-	

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.

IX. Notes To the Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Teaching/learning materials	1,359,179.80	535,829.50
Total	1,359,179.80	535,829.50

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	1,085,072.00	567,781.00
Repairs and maintenance	2,087,848.00	1,172,000.00
Local transport / travelling	1,005,407.00	566,907.00
Electricity and water	930,407.00	566,907.00
Administration cost	930,408.00	566,916.35
Total	6,039,142.00	3,440,511.35

3 Capitation grant for infrastructure

Description	2021-2022	2020-2021
	Kshs	Kshs
Repair and maintenance	2,201,383.00	1,160,000.00
Total	2,201,383.00	1,160,000.00

4 Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020- 2021
	Kshs	Kshs
Boarding equipment & stores	13,856,319.00	4,253,102.00
Personnel emoluments	1,262,087.00	297,988.00
Repairs and maintenance	819,397.00	204,601.00
Local transport / travelling	1,353,245.00	305,104.00
Electricity and water	1,255,795.00	313,942.00
Insurance	0.00	1,510,486.00
Administration costs	1,489,774.00	371,352.00
Activity	204,616.00	59,409.00
Damages	0.00	2,726,097.00
Bursary	1,705,625.00	1,185,600.00
Arrears	7,458.00	491,059.00
Development	197,900.00	0.00
Exam	4,393.00	0.00
Bus project	120,481.00	0.00
Total	22,277,090.00	11,718,740.00

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

5 Other Receipts – School Fund Account

Description	2021-2022 Kshs	2020-2021 Kshs
Income from farming activities	617,143.00	192,163.00
Canteen	54,000.00	-
Total	671,143.00	192,163.00

6. PAYMENTS FOR TUITION

Description	2021-2022 Kshs	2020-2021 Kshs
Laboratory equipment and apparatus	-	150,000.00
Teaching/learning materials	1,321,620.00	430,000.00
Bank charges	720.00	480.00
Total	1,322,340.00	580,480.00

7 PAYMENTS FOR OPERATIONS AND INFRASTRUCTURE ACCOUNT

Description	2021-2022 Kshs	2020-2021 Kshs
Personal Emoluments	2,712,158.00	1,209,680.00
Administration Cost	548,680.00	298,600.00
Repairs and maintenance & improvements	1,979,903.00	1,160,000.00
Local transport / travelling	538,000.00	420,880.00
Electricity and water	386,859.00	308,862.00
Insurance Cost	-	79,081.00
Bank Charges	2,760.00	-
TOTAL	6,168,360.00	3,477,103.00

8. Payment for infrastructure

Description	2021-2022 Kshs	2020-2021 Kshs
Repair and Maintenance	1,739,960.00	532,950.00
Local transport & travel	-	96,000.00
Bank charges	4,980.00	720.00
Total	1,744,940.00	629,670.00

**9 BOARDING AND SCHOOL FUND
PAYMENTS**

Description	2021-2022	2020-2021
	Kshs	Kshs
Lunch Programme	12,062,680.00	5,632,062.00
Bursary fund	1,718,805.00	1,136,780.00
Activity	420,000.00	83,600.00
Examination fund	73,300.00	-
Personnel emoluments	624,842.00	467,456.00
Service Gratuity	150,000.00	250,000.00
Repairs and maintenance & Improvements	1,500,336.00	390,006.00
Local transport / travelling	1,159,185.00	516,535.00
Electricity and water	979,941.00	455,807.00
Insurance/Medical Expenses	-	250,000.00
Administration costs	1,960,446.00	455,753.00
Fees refund	23,000.00	-
Bank Charges	4,940.00	
Farm	593,543.00	212,670.00
Development	200,000.00	-
Damages	-	2,129,785.00
Creditors	50,000.00	-
Acquisition of Assets		
TOTAL	21,521,018.00	11,980,454.00

KARIA BOYS SECONDARY SCHOOL
Reports and Financial Statements For the year ended 30th June 2022

10 BANK ACCOUNTS

Name of Bank	Account No	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	01139035225200	47,792.30	10,952.50
Operations Account	01139035225201	75,705.58	204,938.58
School Fund Account/Boarding	1104015412	1,580,114.99	85,028.99
Infrastructural Account	0100297535735	1,086,908.00	630,465.00
Total		2,790,520.87	931,385.07

11. CASH IN HAND

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account		
Operation Account	15.00	-
School Fund account	22,591.00	90,462.00
Total	22,606.00	90,462.00

12 ACCOUNTS RECEIVABLE

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears	8,923,840.40	7,603,653.40
Total	8,923,840.40	7,603,653.40

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	1,327,645.00	830,800.00
Fees arrears for the previous year	830,800.00	199,443.00
Fees arrears for prior periods (over two years)	6,772,853.40	7,064,469.40
Less paid during the year	(7,458.00)	(491,059.00)
Total	8,923,840.40	7,603,653.40

13 ACCOUNTS PAYABLE

Description	2021-2022	200-2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	2,370,798.00	446,484.00
Prepaid fees	-	36,500.00
Welfare kitty b/f	-	-
Total	2,370,798.00	482,984.00

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade creditors for current year	1,974,314.00	223,242.00
Trade creditors for the previous year	223,242.00	107,600.00
Trade creditors for prior periods (over two years)	223,242.00	115,642.00
Less creditors paid during the year	(50,000.00)	-
Total	2,370,798.00	446,484.00

14 FUND BALANCE BROUGHT FORWARD

Description	2021 -2022	2020-2021
	Kshs	Kshs
Bank balances	931,385.07	641,405.02
Cash balances	90,462.00	31.00
Receivables	7,603,653.40	7,263,912.00
Payables	482,984.00	259,742.00
Total	8,142,516.47	7,645,606.02

Other important disclosure notes

15 Biological assets

Description	Numbers	valuation	2021-2022
		per unit	
		Kshs	Kshs
Pigs - Big	6	15,000.00	90,000.00
Pigs - Medium	12	5,000.00	60,000.00
Pigs - Small	10	3,500.00	35,000.00
Cows - Big	4	40,000.00	160,000.00
Cows - Small	3	15,000.00	45,000.00
Trees- Mature	20	20,000.00	400,000.00
Trees- Small	15	5,000.00	75,000.00
TOTAL		103,500.00	865,000.00

16. Stock/ Inventory


Description	2021-2022	2020-2021
	KShs	KShs
Stock/ inventory at the beginning of the year	25,320.00	16320.00
Stock purchased during the year	13,326,128.00	11,230,450.00
Stock inventory issued during the year	(13,093,858.00)	(11,221,450.00)
Balance at end of the year	257,644.00	25,320.00

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17. 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



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Summary of Fixed Assets Register

		Disposals during the year		
		(Kshs)	(Kshs)	
Land	72,000,000.00	-	-	72,000,000.00
Buildings And Structures	79,050,000.00	-	-	79,050,000.00
Motor Vehicles	150,000.00	-	-	150,000.00
Office Equipment, Furniture and Fittings	1,322,000.00	-	-	1,322,000.00
Textbooks	7,057,400.00	-	-	7,057,400.00
ICT Equipment	200,000.00	-	-	200,000.00
Tools And Apparatus	5,384,291.00	-	-	5,384,291.00
Other Machinery and Equipment	5,623,000.00	-	-	5,623,000.00
Heritage And Cultural Assets	250,000.00	-	-	250,000.00
Intangible Assets- Soft Ware	432,680.00	-	-	432,680.00
Total	171,469,371.00	-	-	171,469,371.00

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Analysis of Pending Accounts Payable

				Outstanding Balance	Outstanding Balance	Comments
Supplier of Goods or Services	Original Amount	Date Contracted	Amount paid To- Date	2022	2021	
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Supply of goods						
Aria stores	107,600			107,600	107,600	There were no documents back then
Kanha lab chemicals	115,642			115,642	107,600	unclaimed
Sub-Total				223,242	242,242	
Grand Total						