

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY PARLIAMENTARY BUILDING	
DATE:	08 NOV 2023 Wednesday
TABLED BY:	Hon. Silvanus Ogori MP Majority Party Whip
CLERK-AT-THE-TABLE:	A. Shibula

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

H.G.M TING'ANG'A SECONDARY SCHOOL

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

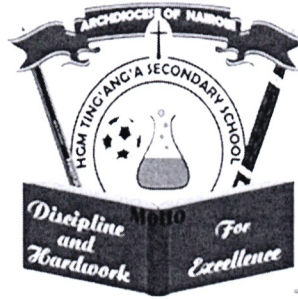
KIAMBU COUNTY



OFFICE OF THE AUDITOR
P. O. Box 30084 - MCC
REGISTERED

12 JUL 2023

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**HGM TING'ANG'A 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)

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

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HGM TING'ANG'A SECONDARY SCHOOL

Reports and Financial Statements

For the year ended 30th June 2022

I. KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in December, 2014 under registration number 22S00300031 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day school and had 303 students as at 30th June 2022. It has 2 streams and 17 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:

Ref:	Name of Board Member	Designation	Date of appointment
1.	Edwin Ranji Wamithi	Chairman	March, 2022
2.	Simon Ng'ang'a Kimani	Secretary - Principal	March, 2022
3.	Arthur Mbugua	Member	March, 2022
4.	Hellen M. Ndwiga	Member	March, 2022
5.	Jonah Kamanja	Member	March, 2022
6.	Leonard Njoroge Gathogo	Member – Rep CEB	March, 2022
7.	Grace Wanjiku Macharia	Member Rep Teachers	March, 2022
8.	Fr. Raphael Kinuthia	Member - Sponsor	March, 2022
9.	Jane Waruingi	Member - Sponsor	March, 2022
10.	Thomas Gitau Wambu	Member - Sponsor	March, 2022
11.	Mathew Gitau	Member - Community	March, 2022
12.	Philip Waweru	Member - Community	March, 2022
13.	Michael Njoroge	Member - Community	March, 2022
14.	Andrew Kiruku Mang'uru	Member - Community	March, 2022
15.	Magdaline N. Kariuki	Member - Community	March, 2022
16.	Bernard Kihui Gichui	Member-Special Needs	March, 2022
17.	Mary Njeri	Member-Special Needs	March, 2022
18.	Jacinta Wambui	Rep Students	March, 2022

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

The function of the School Board of Management include:

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

(c) Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1.	Executive Committee	Edwin Ranji Wamithi	Chairman	3/3
		Simon Ng'ang'a Kimani	Secretary	3/3
		Andrew Kiruku Mang'uru	Chairman, PA	3/3
		Magdalene Kariuki	Member	3/3
		Bernard Kihui Gichui	Member	3/3
2.	Audit Committee	Bernard Kihui Gichui	Chairman	1/1
		Leonard Njoroge Gathogo	Member	1/1
		Andrew Kiruku Mang'uru	Member	1/1
3.	Development Committee	Mary Njeri	Chairperson	1/1
		Philip Waweru	Secretary	1/1
		Michael Njoroge	Member	1/1
4.	Academic Committee	Magdalene Kariuki	Chairperson	1/1
		Grace Macharia	Secretary	1/1
		Jane Waruingi	Member	1/1
5.	Discipline and Welfare Committee	Arthur Mbugua	Chairman	0
		Hellen Ndwiga	Secretary	0
		Thomas Gitau	Member	0
		Fr. Raphael Kinuthia	Member	0

HGM TING'ANG'A 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	Simon Ng'ang'a Kimani	273158
2	Deputy Principal	Hellen Mweru Ndwiga	374522
3	School Bursar	John Kagia Ndung'u	ID. 28449991

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)

(e) Schools contacts

Post Office Box: 2262- 00900, Kiambu
Telephone: 0202334714
E-mail: hgmtingangasecschool@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

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

1. Name of Bank: Co- operative Bank of Kenya
Branch: Kiambu
Account Number: 01129677043100
School Fund Account
2. Name of Bank: Cooperative Bank of Kenya
Branch: Kiambu
Account Number: 0119677043100
Tuition Account
3. Name of Bank: Cooperative Bank of Kenya
Branch: Kiambu
Account Number: 0119677043101
Operation Account
4. Name of Bank: Cooperative Bank of Kenya
Branch: Kiambu
Account Number: 0119677043102
Development Account

(g) Independent Auditors

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

HGM TING'ANG'A SECONDARY 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:

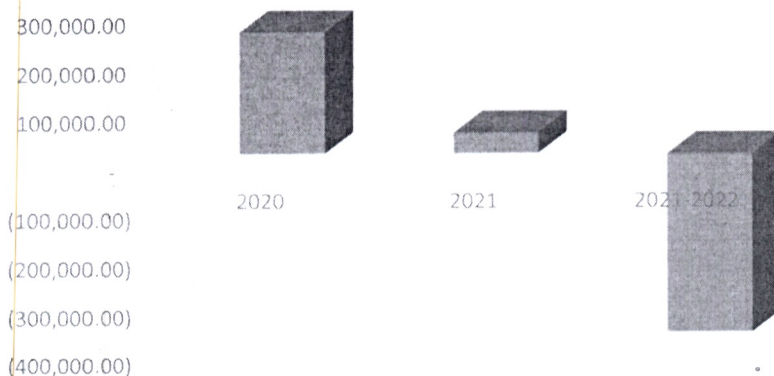
a) **Financial performance:**

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

COMPARISON OF DEFICIT/SURPLUS
FOR YEARS 2020,2021 AND 2021-2022

YEAR	AMOUNT
2020	250,612.00
2021	44,115.70
2021-2022	(369,069.80)

COMPARISON OF DEFICIT/SURPLUS FOR
YEARS 2020,2021 AND 2021-2022



HGM TING'ANG'A SECONDARY SCHOOL

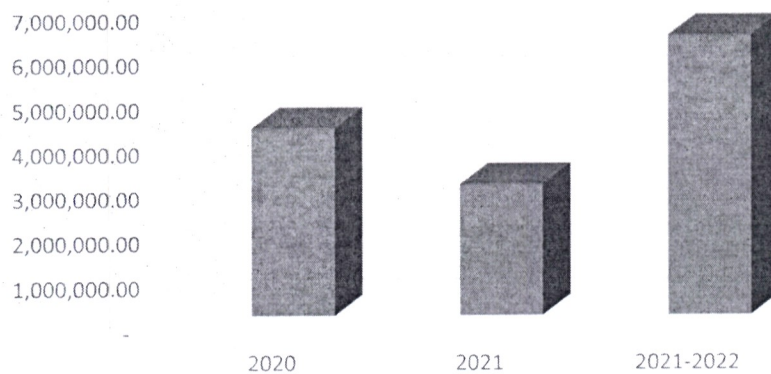
Reports and Financial Statements

For the year ended 30th June 2022

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

YEAR	CAPITATION
2020	4,233,196.00
2021	2,966,177.70
2021-2022	6,294,048.70

**COMPARISON OF CAPITATION GRANTS
FOR YEARS 2020,2021 AND 2021-2022**

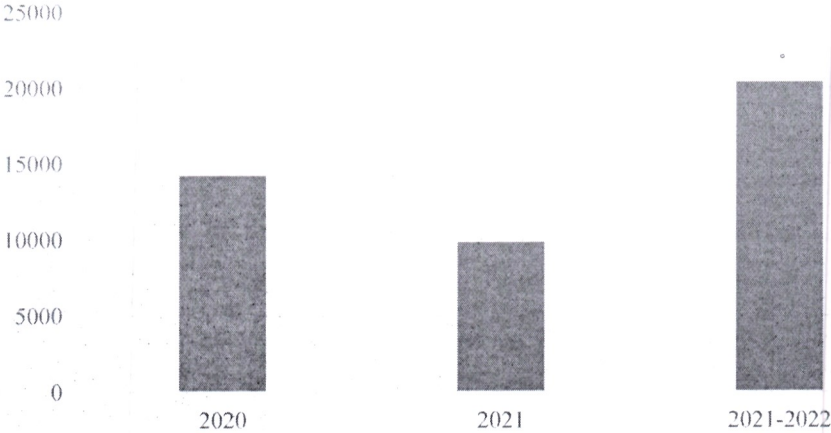


HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

Ratio of capitation grant per student over the last three years

YEAR	CAPITATION	STUDENTS	RATIO
2020	4,233,196.00	297	1:14,253
2021	2,966,177.70	301	1:9,854.
2021-2022	6,294,048.70	308	1:20,435

**CAPITATION GRANT PER STUDENT FOR
 2020,2021 AND 2021-2022**



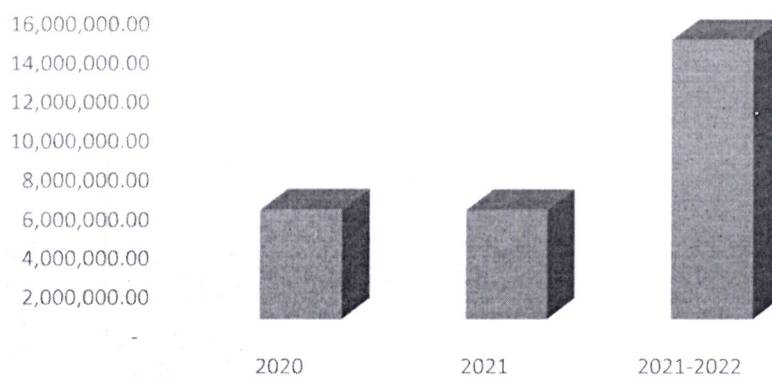
HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

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

EXPENDITURE MOVEMENT FOR YEARS 2020,2021 AND 2021-2022

YEAR	AMOUNT
2020	5,647,436.00
2021	5,629,153.00
2021-2022	14,350,378.00

**EXPENDITURE MOVEMENT FOR YEARS
2020,2021 AND 2021-2022**



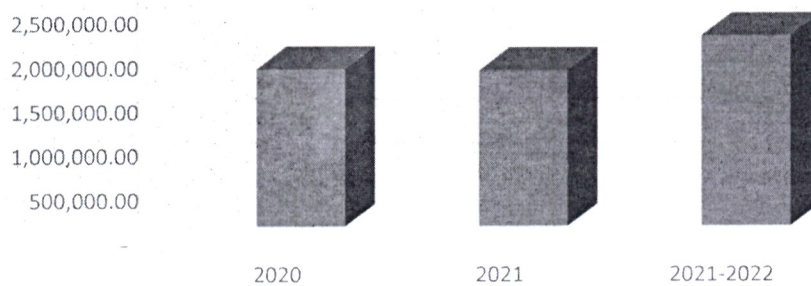
HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

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

MOVEMENT OF DEBTORS FOR YEARS 2020, 2021 AND 2021-2022

DETAILS	AMOUNT
2020 BAL B/F	2,329,452.00
RECOVERIES DURING THE YEAR	(841,186.00)
2020 DEBTORS	838,029.00
TOTAL	2,326,295.00
2021 BAL B/F	2,326,295.00
RECOVERIES DURING THE YEAR	(460,552.00)
2021 DEBTORS	445,109.00
TOTAL	2,310,852.00
2021-2022 BAL B/F	2,310,852.00
RECOVERIES DURING THE YEAR	(287,125.00)
2021-2022 DEBTORS	673,786.00
TOTAL	2,697,513.00

**MOVEMENT OF DEBTORS FOR YEARS
2020, 2021 AND 2021-2022**



HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

Movement of cash and bank balances over the last three years

COMPARISON OF CASH AND BANK BALANCES FOR YEARS 2020,2021 AND 2021-2022

YEAR	AMOUNT	
	BANK BALANCES	CASH BALANCES
2020	(80,140.98)	13,833.00
2021	(147,334.28)	68,740.00
2021-2022	32,973.92	82,403.00

COMPARISON OF CASH AND BANK BALANCES FOR 2020, 2021 AND 2021-2022



HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

b) Teacher Student ratio:

The teacher to student ratio as at 30th June, 2022 was 1:18. The school recruited one TSC teacher, two BOM teachers while 2 transfers were made to our school. One transfer was made from our school. In total, the school had 17 teachers; 13 employed by TSC while 4 were employed by the BoM.

List of The School's Subject Combination by Teachers

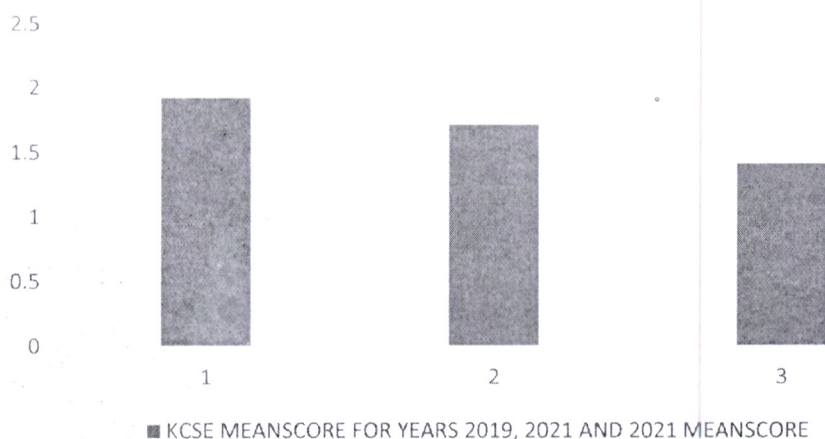
Combination	No. of teachers	Employer	SHORTAGE
English/Lit	3	TSC	0
Geo/Bst	2	TSC, BOM	2
Geo/ Kisw	1	TSC	2
Chem/Math	3	TSC	0
Hist/Kisw	1	TSC	2
Bio/Chem	1	TSC	2
Bio/Math	1	TSC	2
Hist/CRE	1	TSC	1
Kisw/CRE	1	BOM	3
Phy/Math	1	BOM	3
Agri/Bio	1	BOM	3

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

c) **Mean score in the 2022 KCSE:**

School's mean score		
2021	2020	2019
1.418	1.717	1.925

**KCSE MEANSORE FOR YEARS 2020,
2021 AND 2021-2022**



During the year, there was a deviation of -0. 208. This was attributed to the Covid 19 pandemic that had made students stay home for long thereby affecting their studies in a negative way.

d) **Number of Candidates in the 2022 KCSE:**

No. of candidates sitting for KCSE exams			
Year	2021	2020	2019
Boys	37	39	42
Girls	30	21	38
Total	67	60	80

e) **Capacity of the school:**

The school had 303 students as at 30th June, 2022. It had no dining hall. It has a multi- purpose science laboratory that serves all science subjects, it has two toilet blocks each having 16 toilets. The school also has a science room with 4 computers

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

f) Development projects carried out by the school:

NO.	PROJECT	FUNDING	STATUS
1.	Construction of the school's kitchen.	Caritas, Ting'ang'a MIF Funds	Ongoing
2.	Equipping Computer Lab.	MIF Funds	Ongoing

Sign



School Principal

HGM TING'ANG'A 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 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 HGM Ting'ang'a 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: Edwin Ranji Wamithi
Designation: Chairman, School Board of Management

Sign:

Date:

12/7/2023

Name: Simon Ng'ang'a Kimani
Designation: School Principal & Secretary to Board of Management

Sign:

Date:

Name: John Kagia Ndung'u
Designation: Bursar/ Finance Officer

Sign:

Date:

11/07/2023

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

Enhancing Accountability

REPORT OF THE AUDITOR- GENERAL ON H.G.M TING'ANG'A SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - KIAMBU COUNTY

PREAMBLE

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

- A. Report on 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 Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of H.G.M Ting'ang'a Secondary School - Kiambu County set out on pages 17 to 34, which comprise of the statement of financial assets and financial liabilities as at 30 June, 2022, and

*Report of the Auditor-General on H.G.M Ting'ang'a Secondary School for the year ended 30 June, 2022-
Kiambu County*

the statement of receipts and payments, statement of cash flows and summary 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 H.G. M Ting'ang'a Secondary School – Kiambu 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

1.0 Inaccuracies in the Financial Statements

The statement of receipts and payments reflects total receipts and payments of Kshs.13,981,308 and Kshs.14,440,490 whereas the statement of cash flow reflects receipts and payments of Kshs.13,849,653 and Kshs.13,655,682 resulting to unreconciled variance of Kshs.131,653 and Kshs.784,808, respectively. Further, the statement of financial position reflects accounts payables of Kshs.3,079,420 whereas Annex I to the financial statements on pending accounts payables reflects an amount of Kshs.3,209,065 resulting to unreconciled variance of Kshs.129,645.

In addition, the statement of financial position reflects accounts payables comparative balance of Kshs.2,343,469 whereas as Annex1 to the financial statements on analysis of pending accounts payables reflects an amount of Kshs.935,998 resulting to unreconciled variance of Kshs.1,407,471.

In the circumstance, the accuracy and completeness of the financial statements for the year ended 30 June, 2022 could not be confirmed.

2.0 Variance Between Financial Statements and Supporting Schedules

The statement of receipts and payments reflects total receipts of Kshs.13,981,308 out of which Kshs.8,496,115 has not been supported by supporting schedules as detailed below:

Particulars	Amount as per Financial Statements (Kshs.)	Amount as per Supporting Schedules (Kshs.)	Variance (Kshs.)
Capitation Grant for Tuition	1,171,609	1,021,609	150,000
Capitation grants for operations	5,122,439	4,429,784	692,655
School Fund Income Parents Contributions	7,653,460	0	7,653,460

In the circumstances, the accuracy and fair statement of the total receipts of Kshs.13,981,308 could not be confirmed.

3.0 Unsupported Cash and Cash Equivalents

Included in the cash and cash equivalents balance of Kshs.115,377 is bank balance of Kshs.32,974 and cash balance of Kshs.82,403 as disclosed in Notes 8 and 9 to the financial statements, respectively. However, the bank balance is net off school fund account with a negative balance of Kshs.3,194 that was not supported by a bank overdraft approval. Further, the cash balance was not supported by a Board of Survey report.

In the circumstances, the accuracy and fair statement of the cash and cash equivalents balance of Kshs.115,377 as at 30 June, 2022 could not be confirmed.

4.0 Unsupported Accounts Receivables

The statement of financial position reflects accounts receivables balance of Kshs.2,697,513 as disclosed in Note 11 to the financial statements. However, the detailed movement schedule was not provided for audit. Further, individual students' account statements or students' ledger accounts were not provided for audit.

In the circumstances, the accuracy, completeness and fair statement of the accounts receivables balance of Kshs.2,697,513 could not be confirmed.

5.0 Unsupported Accounts Payables

The statement of financial position reflects accounts payables balance of Kshs.3,079,420 as disclosed in Note 12 to the financial statements. However, the detailed movement schedule and individual creditors' account statements or creditors ledger accounts were not presented for audit.

In the circumstance, the accuracy, completeness and fair statement of the accounts payable balance of Kshs.3,079,420 could not be confirmed.

6.0 Summary of Fixed Assets Register

Annex 2 to the financial statements reflects fixed assets balance of Kshs.30,905,000. However, the Management did not maintain reliable, accurate and up-to-date fixed assets register indicating values of properties as required by the Public Sector Accounting Standards Board (PSASB) reporting template.

In the circumstances, the validity, accuracy and completeness of the summary of fixed assets register balance of Kshs.30,905,000 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects a total income budget of Kshs.14,127,847 against actual receipts of Kshs.13,981,308 resulting to a revenue shortfall of Kshs,146,540. The statement also reflects a final expenditure budget of Kshs.14,779,052 against actual expenditure of Kshs.14,440,490 resulting to budget under absorption of Kshs.338,562.

Further, the approved budget was not provided for audit. This is contrary to Section 16(1) of the Basic Education Act, 2013 which states that a Board of Management of a public institution of basic education shall prepare annual estimates of revenue and expenditure for the institution under its charge, in such form and at such times as the Cabinet Secretary may prescribe.

The revenue shortfall and under expenditure may have negatively affected the school programmes and service delivery to students.

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. Effectiveness in Use of Capitation for Students

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations of Kshs.1,171,609 and Kshs.5,122,439 respectively. However, Management did not conspicuously display on the notice board the amount of capitation grants received. This was contrary to the provisions of Sections 3.1.1 and 3.1.2 of the Operational Manual for Utilization of Learner Capitation Grant and Other School Funds of June, 2020. Further, the receipts for the disbursements were not submitted to the Sub-county Director Education.

In the circumstances, the Management was in breach of the regulations/guidelines.

2. Effectiveness in Distribution of Books

Review of text books records and class registers as at 19 June, 2023 revealed cases of insufficient supply of books as detailed below:

Title Of Book	Copies Received	Number of Students	Shortage
KLB Secondary Agriculture Form 2	69	77	8
KLB Secondary Biology Form 3	0	66	66
KLB Secondary Geography Form 3	26	30	4
Invetor Business Form 4	0	44	44
KLB Secondary Geography Form 4	12	23	11
Mapambazuko ya Machweo na Hadithi Nyingine Form 3	77	102	25
Nguu Za Jadi Form3	0	102	102
Nguu Za Jadi Form4	0	87	87
Father of Nation	158	172	14
A Samaritan	158	172	14

In the circumstances, the standard ratio of books to students was compromised and this may negatively affect performance as result of non-compliance with policy guidelines.

3. Failure to Prepare School Improvement Plan

During the year under review, the School did not have a School Improvement Plan (SIP) in place This was contrary to Section 3.1.4 of Operation Manual for Utilisation of Learner Capitation Grant and Other School Funds of June, 2020 which provides that the utilisation of capitation grants and other school funds should only be done in line with the approved SIP and annual budget.

In the circumstance, the Management was in breach of regulations.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, 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 has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Failure to Develop Risk Management Strategies

The Management did not have risk management strategies in place. This was contrary to Regulation 165(1) of the Public Finance Management (National Government) Regulations, 2015 which states that the Accounting Officer should ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, the Management was not in a position to evaluate, rank and prioritize critical risks and channel resources towards mitigating the identified risks resulting to sub-optimal utilization of resources and exposure to losses.

2. Failure to Comply with School Safety Standards

Contrary to School Safety Standard No.1: the land on which the school stands is owned by the county government and therefore the school does not have any legal rights over the land, the school does not have gate, one side of the land on which the school stands is not fenced with the other fenced using barbed wires and concrete posts, there is no reinforced fence, the classrooms floors are worn out and walkways and parking area have not been provided and constructed.

Contrary to School Safety Standard No.2: the tuition has narrow stair cases of about 3 feet wide, the rear side windows of the classrooms have their windows grilled, the classroom floors are worn out, there are no fire extinguishers at the tuition block, CBC class and laboratory, there is no provision for special needs on all buildings including staircases and soaps and clean water provided at the latrines.

Contrary to School Safety Standard No.3: the school does not keep a comprehensive medical data of the students, the school has not developed any health policies, there was not documentary evidence on regular medical checkups and there is no adequately trained teacher in health education.

Contrary to School Safety Standard No.4: the dumpsite is not fenced and there are no waste baskets provided in the classrooms.

Contrary to School Safety Standard No.5: the school does not have a dining hall and student have their meals in the field, students keep their utensils in their lockers.

In the circumstances, the School environment is in a state that significantly compromises the expected performance of the students.

3. Qualifications for Board of Management

During the financial year under review, Ting'ang'a Secondary School had an active Board of Management, that had been appointed by the County Education Board and took office on 6 March 2019 for a renewable term of 3 years. The School did not present copies of academic certificates for the Members making it difficult to ascertain whether the Board was lawfully constituted as required by Section 6(b) of the Basic Education Regulations that states that the minimum qualifications of the Chairman and Member of Board of Management shall be-in the case of a Secondary School or a middle level college, a degree from a university recognized in Kenya, and a KCSE respectively.

In the circumstances, it was not possible to confirm whether the school's governance structure was properly constituted and effective during the year under review.

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 processes and systems of internal control, 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the School or 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 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 overall 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 control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal 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 the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to 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 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 the 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.


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


13 October, 2023

HGM TING'ANG'A SECONDARY SCHOOL
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V. STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30TH JUNE 2022


DESCRIPTION OF VOTE HEAD	Note	2021-2022	2021
		Kshs	Kshs
RECEIPTS			
Capitation grants for tuition	1	1,171,609.40	506,294.25
Capitation grants for operations	2	5,122,438.80	2,459,883.45
School Fund Income- Parents' Contributions	3	7,653,460.00	2,651,641.00
School Fund Income- Other receipts	4	33,800.00	55,450.00
Proceeds from borrowings		0	0
TOTAL RECEIPTS		13,981,308.20	5,673,268.70
PAYMENTS			
Payments for Tuition	5	1,198,972.00	621,889.00
Payments for operations	6	5,350,524.00	2,257,360.00
Boarding and school fund payments	7	7,890,994.00	2,749,904.00
TOTAL PAYMENTS		14,440,490.00	5,629,153.00
SURPLUS/DEFICIT		(459,181.80)	44,115.70

The school financial statements were approved on 7th March, 2023 and signed by:

Sign: 
Name: Edwin Ranji Wamithi

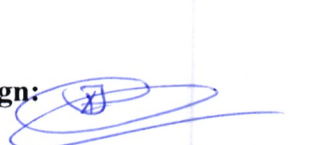
Chair BOM

Date: 12/7/2023

Sign: 
Name: Simon Ng'ang'a Kimani

School Principal/
Secretary to BOM

Date: 11/7/2023

Sign: 
Name: John Kagia Ndung'u

Bursar/
Finance Officer

Date: 11/07/2023

HGM TING'ANG'A SECONDARY SCHOOL
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For the year ended 30th June 2022

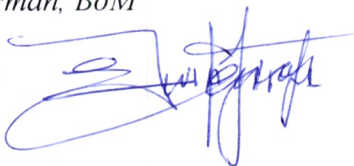
VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30TH JUNE 2022

	Note	2021-2022	2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	32,973.92	(147,334.28)
Cash Balances	9	82,403.00	68,740.00
Short term Investment	10	0.00	0.00
Total Cash and cash equivalent		<u>115,376.92</u>	<u>(78,594.28)</u>
Accounts receivables	11	2,697,513.00	2,614,715.00
TOTAL FINANCIAL ASSETS		2,812,889.92	2,536,120.72
FINANCIAL LIABILITIES			
Accounts Payables	12	3,079,420.00	2,343,469.00
NET FINANCIAL ASSETS		(266,530.08)	192,651.72
REPRESENTED BY		(266,530.08)	192,651.72
Accumulated Fund b/fwd.	13	192,651.72	148,536.02
Surplus/Deficit for the year		(459,181.80)	44,115.70
NET FINANCIAL POSITION		(266,530.08)	192,651.72

The School's financial statements were approved on 3rd March 2023 and signed by:

Name: Edwin Ranji Wamithi
Chairman, BoM

Sign:



Date

12/7/2023

Name: Simon Ng'ang'a Kimani
School Principal/Secretary to BoM

Sign:



Date:

11/7/2023

Name: John Kagia Ndung'u
Bursar/Finance

Sign:



Date:

11/07/2023

HGM TING'ANG'A SECONDARY SCHOOL
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VII. STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH JUNE 2022

		2021-2022	2021
		Kshs	Kshs
Receipts for operating income			
Capitation grants for tuition	1	1,171,609.40	506,294.25
Capitation grants for operations	2	5,122,438.80	2,459,883.45
School fund income- Parents contributions/ fees	3	7,521,805.00	2,879,890.00
School fund income- other receipts	4	33,800.00	55,450.00
Total receipts		13,849,653.20	5,901,517.70
Payments			
Payments for Tuition		1,164,992.00	505,5461.00
Payments for operations		5,172,384.00	2,385,919.00
Boarding and school fund payments		7,318,306.00	3,022,324.00
Total payments		13,655,682.00	5,629,153.00
Net cash flow from operating activities		193,971.20	44,115.70
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets		0	
Acquisition of Assets		0	
Proceeds from investments		0	
Purchase of investments		0	
Net cash flows from Investing Activities		0	
CASHFLOW FROM BORROWING ACTIVITIES			
Proceeds from borrowings/ loans		0	
Repayment of principal borrowings		0	
Net cash flow from financing activities		0	
NET INCREASE IN CASH AND CASH EQUIVALENTS		193,971.2	5,913,804.00
Cash and cash equivalent at BEGINNING of the year		(78,594.28)	(12,286.30)
Cash and cash equivalent at END of the year		115,376.92	(78,594.28)

The above presentation of cash flow statement uses the direct method of cash flow presentation which is encouraged under IPSAS. Schools' should therefore adopt the direct method of cash flow as recommended by PSASB.

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
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VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR ENDED 30TH JUNE 2022

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION						
Textbooks and reference materials	xxx	xxx	xxx	xxx	xxx	X
Exercise books	xxx	xxx	xxx	xxx	xxx	X
Laboratory equipment	xxx	xxx	xxx	xxx	xxx	X
Internal exams	xxx	xxx	xxx	xxx	xxx	X
Teaching / learning materials	1,171,609.40	0	1,171,609.40	1,171,609.40	0.00	100%
Chalks	xxx	xxx	xxx	xxx	xxx	X
(2) CAPITATION GRANT ON OPERATIONS						
Other voteheads	3,015,958.80	0.00	3,015,958.80	3,015,958.80	0.00	100%
Repairs and maintenance	2,106,480.00	0.00	2,106,480.00	2,106,480.00	0.00	100%
Local transport / travelling	xxx	xxx	xxx	xxx	xxx	X
(3) FEES CHARGED ON PARENTS						
Lunch Programme	7,940,000.00	(140,000.00)	7,800,000.00	7,653,460.00	146,540.00	98.12%
Uniform	33,800.00	0	33,800.00	33,800.00	0.00	100%
Fee on Boarding Equipment and Stores	xxx	xxx	Xxx	xxx	xxx	X
OTHER INCOME						
Rent income	xxx	xxx	Xxx	xxx	xxx	X
TOTAL INCOME	14,267,847.00	(104,000.00)	14,127,847.40	13,981,308.20	146,540.00	98.96%

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/c % Kshs
(1) EXPENDITURE FOR TUITION						
Textbooks and reference materials	xxx	xxx	Xxx	xxx	xxx	X
Internal exams	xxx	xxx	Xxx	xxx	xxx	X
Teaching / learning materials	1,625,477.00	(425,145.00)	1,200,332.00	1,195,252.00	5,080.00	99.58%
Bank Charges	3,720.00	0.00	3,720.00	3,720.00	0.00	100%
(2) EXPENDITURE FOR OPERATIONS						
Other Vote heads	6,104,690.00	(2,354,690.00)	3,750,000.00	3,565,404.00	184,596.00	95.08%
Repairs, maintenance & improvements	1,525,000.00	300,000.00	1,825,000.00	1,785,120.00	39,880.00	97.81%
(3) EXPENDITURE FOR SCHOOL FUND						
Lunch programme	8,000,000.00	0.00	8,000,000.00	7,890,994.00	109,006.00	98.64%
Boarding Equipment and Stores	xxx	xxx	Xxx	xxx	xxx	X
Expenditure for Income Generating Activity	xxx	xxx	Xxx	xxx	xxx	X
Insurance costs	xxx	xxx	Xxx	xxx	xxx	X
TOTALS	14,302,770.00	(2,479,835.00)	14,779,052.00	14,440,490.00	338,562.00	97.71%

IX. 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.

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
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X. NOTES TO THE FINANCIAL STATEMENTS

1 CAPITATION GRANT FOR TUITION

	2021-2022	2021
	Kshs	Kshs
Teaching / learning materials	1,171,609.40	506,294.25
Total	1,171,609.40	506,294.25

2 CAPITATION GRANT FOR OPERATIONS

	2021-2022	2021
	Kshs	Kshs
Other vote heads	3,015,958.80	1,334,883.45
Repairs and maintenance	2,106,480.00	1,125,000.00
Local transport / travelling	0	0
Electricity and water	0	0
Medical	0	0
Administration costs	0	0
Activity	0	0
Total	5,122,438.80	2,459,883.45

3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT

	2021-2022	2021
	Kshs	Kshs
Lunch Programme	7,653,460.00	2,651,641.00
Repairs and maintenance	0	0
Total	7,653,460.00	2,651.641.00

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT

	2021-2022	2021
	Kshs	Kshs
Uniform	33,800.00	55,450.00
Total	33,800.00	55,450.00

5 PAYMENTS FOR TUITION

	2021-2022	2021
	Kshs	Kshs
Textbooks and reference materials	0	0
Exercise books	0	0
Laboratory equipment	0	0
Internal exams	0	0
Teaching / learning materials	1,195,252.00	621,529.00
Chalks	0	0
Exams and assessment	0	0
Teachers guides	0	0
Administration Costs	0	0
Bank Charges	3,720.00	360.00
Total	1,198,972.00	621,889.00

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6 PAYMENTS FOR OPERATIONS

	2021-2022	2021
	Kshs	Kshs
Other vote heads	2,553,359.00	1,570,570.00
Service Gratuity	0	0
Administration Cost	0	0
Repairs and maintenance & improvements	729,595.00	152,430.00
Local transport / travelling	0	0
Electricity and water	0	0
Medical	0	0
Activity Expenses	282,450.00	128,500.00
SMASSE	0	0
Insurance Cost	0	0
Bank Charges	0	0
Acquisition of Assets	1,785,120.00	405,860.00
TOTAL	5,350,524.00	2,257,360.00

7 BOARDING AND SCHOOL FUND PAYMENTS

	2021-2022	2021
	Kshs	Kshs
Uniforms	0	50,000.00
Lunch Programme	7,890,994.00	2,699,904.00
Bank Charges		
TOTAL	7,890,994.00	2,749,904.00

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022	2021
		Kshs.	Kshs
Tuition Account	01139677043100	7,527.30	909.90
Operations Account	01139677043101	610.70	14,418.90
School Fund Account/Boarding	01189677043100	(3,194.08)	(163,813.08)
Infrastructural Account	01139677043102	28,030.00	1,150.00
Total		32,973.92	(147,334.28)

9 CASH IN HAND

Description	2021-2022	2021
	Kshs	Kshs
Tuition Account	0	0
Operation Account	793.00	63,810.00
School Fund account	81,610.00	1,150.00
Total	82,403.00	68,740.00

10 SHORT TERM INVESTMENTS

Description	2021-2022	2021
	Kshs	Kshs
Cooperative shares	0	0
Treasury Bills	0	0
Fixed deposit	0	0
Equity stock	0	0
Other investments	0	0
Total	0	0

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021-2022	2021
	Kshs	Kshs
Fees arrears	2,697,513.00	2,614,715.00
Other non-fees receivables	0	0
Salary advances	0	0
Imprest	0	0
Total	2,697,513.00	2,614,715.00

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

Description	2021-2022	2021
	Kshs	Kshs
Fees arrears for current year	673,786.00	445,109.00
Fees arrears for the previous year	157,984.00	377,477.00
Fees arrears recovered during the year	(287,125.00)	(460,552.00)
Fees arrears for prior periods (over two years)	2,152,868.00	2,252,681.00
Total	2,697,513.00	2,614,715.00

12 ACCOUNTS PAYABLE

Description	2021-2022	2021
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	3,209,065.00	2,043,406.00
Prepaid fees	255,006.00	300,063.00
Retention monies	0	0
Total	3,464,071.00	2,343,469.00

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

Description	2021-2022	2021
	Kshs	Kshs
Trade creditors for current year	2,273,067.00	1,103,608.00
Trade creditors for the previous year	(384,651.00)	100,000.00
Trade creditors paid during the year	(1,488,259.00)	(1,388,259.00)
Trade creditors for prior periods (over two years)	935,998.00	839,798.00
Total	3,209,065.00	2,043,406.00

HGM TING'ANG'A SECONDARY SCHOOL
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For the year ended 30th June 2022

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021-2022	2021
	Kshs	Kshs
Bank balances	32,973.92	(147,334.28)
Cash balances	82,403.00	68,740.00
Short Term Investments	0	0
Receivables	2,697,513.00	2,614,715.00
Payables	(3,464,071.00)	(2,343,469.00)
Total	(651,181.08)	192,651.72

HGM TING'ANG'A SECONDARY SCHOOL
Reports and Financial Statements
For the year ended 30th June 2022

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021-2022	2021
	Kshs	Kshs
Bank loan(s)	0	0
Outstanding Leases	0	0
Hire purchase	0	0
Gratuity and leave provision	0	0
Total	0	0

15 Biological assets

Description	Numbers	2021-2022	2021
		Kshs	Kshs
Cattle		0	0
Goats		0	0
Trees		21	21
Coffee or tea plantation		0	0
Poultry		0	0
Total		0	0

16 Borrowings

Description	2021-2022	2021
	KShs	KShs
a) Borrowings		
Borrowing at beginning of the year	0	0
Borrowings during the year	0	0
Repayments of during the year	0	0
Balance at end of the year	0	0

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Other important disclosure notes

17 Stock/ Inventory

STOCK AT THE END OF YEAR 2021

NO.	ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
1.	DRY MAIZE	KG	520	43.00	21,956.00
2.	DRYBEANS	KG	238	95.00	22,478.00
3.	RICE	KG	225	120.00	27,000.00
4.	GREEN GRAMS	KG	40	150.00	6,000.00
5.	COOKING FAT	KG	100	320.00	32,000.00
6.	RINA COOKING OIL	LITRE	8	325.00	2,600.00
7.	SUGAR	KG	243	130.00	31,590.00
8.	BLUEBAND	TINS	4	500.00	2,000.00
9.	TEALEAVES	PACKETS	8	120.00	960.00
10.	SALT	BALE	11.125	750.00	8,344.00
11.	SERVIERTTES	PIECES	10	80.00	800.00
12.	LIQUID DETERGENT	LITRE	100	65.00	6,500.00
13.	BAR SOAP	BAR	5	100.00	500.00
14.	TISSUE PAPER	BALE	4	1,050.00	4,200.00
15.	FOOLSCAPS	REAMS	44	580.00	4,640.00
16.	PHOTOCOPYING PAPERS	REAMS	54	560.00	30,240.00
17.	EXERCISE BOOKS	PIECES	3,531	55.00	194,205.00
18.	COUNTER BOOKS	PIECES	15	400.00	6,000.00
19.	WHITE BOARD INK	DOZEN	2	1,200.00	2,400.00
20.	WHITE BOARD PENS	DOZEN	2	1,000.00	2,000.00
21.	GLUE STICK	PIECES	11	320.00	3,520.00
22.	SELF INKING STAMP	PIECES	1	1,800.00	1,800.00
23.	NUMBERING MACHINE	PIECES	1	3,700.00	3,700.00
24.	WHITE OUT	PIECES	11	220.00	2,420.00
25.	BIRO PENS	PACKETS	119	30.00	3,570.00
26.	TEXT BOOK ISSUE BOOK	PIECES	2	1250.00	2,500.00
27.	GRAPH BOOKS	PIECES	61	22.00	1,342.00
28.	CAREER WHEEL	PIECES	1	25,000.00	25,000.00
29.	GLASS BEAKERS	PIECES	60	250.00	15,000.00
30.	PLASTIC BEAKERS	PIECES	60	170.00	10,200.00
31.	BAR MAGNET	PIECES	5	500.00	2,500.00
32.	FILTER FUNNEL	PIECES	50	60.00	3,000.00
33.	GALVANOMETER	PIECES	10	950.00	9,500.00
34.	GOLD LEAF ELECTROSCOPE	PIECES	5	1,250.00	6,250.00
35.	GLASS PRISM	PIECES	8	600.00	4,800.00
36.	ACID PROOF HAND GLOVES	PAIR	1	950.00	950.00
37.	LENS HOLDER	PIECES	10	150.00	1,500.00
38.	HAND LENS	PIECES	10	150.00	1,500.00
39.	PESTLE AND MORTAR	PIECES	10	550.00	5,500.00

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40.	MIRRORS	PIECES	10	100.00	1,000.00
41.	MICROMETER SCREW GAUGE	PIECES	13	900.00	11,700.00
42.	MAGNETIC PLOTTING COMPASS	PIECES	5	200.00	1,000.00
43.	MICROSCOPE	PIECES	1	10,500.00	10,500.00
44.	PETRI DISH	PIECES	100	60.00	6,000.00
45.	PORTABLE BURNERS	PIECES	20	3,200.00	64,000.00
46.	PENDULUM BULBS	PIECES	10	200.00	2,000.00
47.	PLUG KEY	PIECES	60	390.00	23,400.00
48.	PIPPETTE FILLERS	PIECES	48	950.00	45,600.00
49.	REAGENT BOTTLES	PIECES	70	390.00	27,300.00
50.	RETORT CLAMP	PIECES	110	1,500.00	165,000.00
51.	STOP WATCH	PIECES	55	850.00	46,750.00
52.	TEST TUBES	PIECES	640	20.00	12,800.00
53.	TEST TUBE HOLDERS	PIECES	58	100.00	5,800.00
54.	TEST TUBE BRUSH	PIECES	54	50.00	2,700.00
55.	TEST TUBES RACK	PIECES	55	250.00	13,750.00
56.	THERMOMETER	PIECES	60	250.00	15,000.00
57.	VOLTMETER	PIECES	20	1250.00	25,000.00
58.	WHITE TILES	PIECES	56	100.00	5,600.00
59.	VOLUMETRIC FLASK	PIECES	38	850.00	32,300.00
60.	STOPPERD CONTAINERS	PIECES	256	75.00	19,200.00
61.	ELECTRIC BELL	PIECES	2	950.00	1,900.00
62.	NICROME WIRE MOUNTED	PIECES	30	650.00	19,500.00
63.	OPTICAL PIN	PIECES	1	500.00	500.00
64.	10GMS MASS	PIECES	20	80.00	1,600.00
65.	20GMS MASS	PIECES	20	100.00	2,000.00
66.	50GMS MASS	PIECES	20	120.00	2,400.00
67.	100GMS MASS	PIECES	20	150.00	3,000.00
68.	200GMS MASS	PIECES	20	250.00	5,000.00
69.	WHITE SCREEN PLAIN	PIECES	40	120.00	4,800.00
70.	SPIRAL SPRING	PIECES	30	100.00	3,000.00
71.	PLASTIC DROPPERS	PIECES	100	40.00	4,000.00
72.	TRIPOD STAND	PIECES	10	150	1,500.00
73.	GLASS BLOCK	PIECES	40	550.00	22,000.00
74.	GAS CARTILIGES	PIECES	73	500.00	36,500.00
TOTAL					1,155,065.00

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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)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a Kshs	Date Contracted b Kshs	Amount Paid To-Date c Kshs	Outstanding Balance 2022 d=a-c Kshs	Outstanding Balance 2022-1 Kshs	Comments
Construction of buildings						
1. CASLAM VENTURES	263,140.00			263,140.00	263,140.00	
2. TRIPPLE G. ENTERPRISES	275,000.00			275,000.00		
Sub-Total	488,140.00			488,140.00	263,140.00	
Supply of goods			0			
1. TOPPA TIMBER YARD	8,102.00		0	8,102.00		
2. GRACE WANJIRU	11,690.00		0	11,690.00		
3. OWEMO DETERGENTS	14,200.00		0	14,200.00		
4. LUCKY STAR PRODUCTS	16,500.00		0	16,500.00		
5. NJAGAT ENTERPRISES	17,600.00		0	17,600.00		
6. WA NJERI SHOP	27,375.00		0	27,375.00		
7. WAMUGAMA HOLDINGS	29,800.00		0	29,800.00		
8. JOHN MACHARIA	30,000.00		0	30,000.00		
9. DREAMSLINER AGENCIES	34,000.00		0	34,000.00		
10. PELLICLE TRADING	42,000.00		0	42,000.00		
11. TING'ANG'A CATHOLIC DISPENSARY	157,100.00		0	157,100.00	96,200.00	
12. PAULINE NJERI MWAURA	71,500.00		0	71,500.00		
13. BOM TEACHERS	72,000.00		0	72,000.00		
14. BWINNIE SUPPLIES ENTERPRISES	81,800.00		0	81,800.00		
15. EUNICE NJANJA NGIGI	89,490.00		0	89,490.00		
16. SEARITE HOLDINGS	204,160.00		0	204,160.00		
17. VISION WHOLESALERS	132,020.00		0	132,020.00		
18. JEREX SPORTS CENTER	71,920.00		0	71,920.00		
19. KNITSTAR ENTERPRISES	386,200.00			386,200.00	311,500.00	
20. SUPPORT STAFF	153,440.00		0	153,440.00		
21. JOLUM INVESTMENTS	187,100.00		0	187,100.00		

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Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2022-1	Comments
22. NJIWA STATIONERS	265,158.00		0	265,158.00	265,158.00	
23. SCABEW VENTURES	61,500.00		0	61,500.00		
24. CLIEWALJTE VENTURES	10,000.00		0	10,000.00		
25. BERINET ENTERPRISES LTD	55,000.00		0	55,000.00		
26. MAJOHEM INVESTMENTS	134,200.00		0	134,200.00		
27. MATRIX PRESS	174,670.00		0	174,670.00		
Sub-Total	2,476,125.00			2,476,125.00		
Supply of services						
28. ABBATECH SUPPLIES	15,500.00		0	15,500.00		
29. TRUE NATURE SERVICES	57,000.00		0	57,000.00		
30. KATIMU ENTERPRISES	59,900.00		0	59,900.00		
Sub Total	132,400.00			132,400.00		
Grand Total	3,209,065.00			3,209,065.00	935,998.00	

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ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	N/A	Ting'ang'a	N/A	0.00	0.00	N/A
Land 2	N/A	N/A	N/A	0.00	0.00	N/A
Buildings and structures	2015-2022	Ting'ang'a	25,000,000.00	0.00	0.00	25,000,000.00
Motor vehicles	N/A	N/A	N/A	0.00	0.00	N/A
Office equipment, furniture and fittings	2015-2022	Ting'ang'a	3,000,000.00	0.00	0.00	3,000,000.00
ICT Equipment, and Other ICT Assets	2015-2022	Ting'ang'a	800,000.00	0.00	0.00	800,000.00
Tools and apparatus	2015-2022	Ting'ang'a	800,000.00	0.00	0.00	800,000.00
Textbooks	2015-2022	Ting'ang'a	900,000.00	0.00	0.00	900,000.00
Other Machinery and Equipment	2016	Ting'ang'a	250,000.00	0.00	0.00	250,000.00
Heritage and cultural assets	N/A	N/A	N/A	0.00	0.00	N/A
Intangible assets- soft ware	2019	Ting'ang'a	155,000.00	0.00	0.00	155,000.00
Total			30,905,000.00	0.00	0.00	30,905,000.00