

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

REPORT:

30 APR 2025

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TABLED
BY:

Hon George Mungara,
MP

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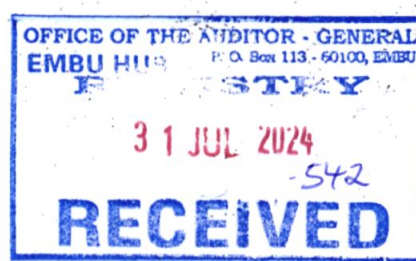
THE AUDITOR-GENERAL

ON

GATHURI SECONDARY SCHOOL

**FOR THE YEAR ENDED
30 JUNE, 2023**

KIAMBU COUNTY



GATHURI SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2023

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

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

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1. Acronyms and Glossary of Terms

| | |
|-------|--|
| BOM | Board of Management |
| CEB | County Education Board |
| IPSAS | International Public Sector Accounting Standards |
| KCSE | Kenya Certificate of Secondary Education |
| PFM | Public Finance Management |
| PSASB | Public Sector Accounting Standards Board |
| FY | Financial Year |
| FDSE | Free Day Secondary Education |

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2. 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 in KIAMBU County, GATUNDU SOUTH Sub-County.

The school was registered 3/8/2022 under registration number 22S00300797 and is currently categorized as a SUBCOUNTY public school established, owned or operated by the Government.

The school is a day/boarding school and had 175 number of students as at 30th June 2023 It has ONE streams and 10 teachers of which 3 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 | Dr Anne Muohi | Chairman | 7/3/2022 |
| 2 | Chrispus K. Mwathi | Secretary - Principal | 7/3/2022 |
| 3 | Stephen Gitonga | Member | 7/3/2022 |
| 4 | James Kagwa | Member | 7/3/2022 |
| 5 | Anthony K .Ndarwa | Member | 7/3/2022 |
| 6 | Florence N Njoroge | Member | 7/3/2022 |
| 7 | Consolata Ngomo | Member | 7/3/2022 |
| 8 | Dr Anne Muohi | Member – Rep CEB | 7/3/2022 |
| 9 | Cathreen Njagi | Member Rep Teachers | 7/3/2022 |
| 10 | David Kiarie N. | 3 Members - Sponsor | 7/3/2022 |
| 11 | Joseph Murumuri | Member - Community | 7/3/2022 |
| 12 | Esther Ndungu | MemberSpecial Needs | 7/3/2022 |
| 13 | Nicholas Maina | Rep Students | 7/3/2022 |

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The functions of the School Board of Management are to:

- 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 paragraph 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 | Dr Anne Muohi James Kingara Stephen Gitonga David Kiarie Chrispus Mwathi | BOM chair PA chair member member Principal /BOM secretary | 3 meetings |
| 2 | Audit Committee | Chrispus Mwathi James Kingara James Mucheru Leah Njeri | Principal /BOM secretary PA chair member member | |
| 3 | Finance, procurement and general purposes Committee | Chrispus Mwathi James Kingara James Mucheru Leah Njeri | Principal /BOM secretary PA chair member member | 2 meetings |
| 4 | Academic Committee | Dr Anne Muohi Anthony Kiarie David Kiarie Cathreen Njagi | BOM chair member member member | 4 meetings |
| 5 | Development Committee | Dr Anne Muohi James Kingara Chrispus Mwathi Peter Gachoka Stephen Gitonga James Kagwa | BOM chair PA chair Principal /BOM secretary Member member PA chair | 2 meetings |
| 6 | Discipline and welfare Committee | James Kingara Lucy Ndirangu Consolata Ngomo Peter Gachoka | PA chair member member member | 3 meetings |
| 7 | Adhoc Committee (if any during the year) | | | |

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(d) School operation Management

For the financial year ended 30th June 2023 the School day-to-day management was under the following persons:

| Ref: | Designation | Name | TSC Number |
|-------------|--------------------|-------------------|-------------------|
| 1 | Principal | Chrispus K Mwathi | 324589 |
| 2 | Deputy Principal | Peter G Mwangi | 209236 |
| 3 | School Bursar | Sarah G Muhia | 10875810 |
| | | | |

(e) Schools contacts

Post Office Box: 359- 01030 GATUNDU

Telephone: 0724795683

E-mail:

Website:

Facebook:

Twitter:

(f) School Bankers

1. Name of Bank: **FAMILY BANK**

Branch: GATUNDU

Account Number:

- 004000017636 –OPERATIONS A/C
- 004000017635 – INFRASTRUCTURE A/C
- 004000016708 –TUITION A/C

Name of the Bank; **EQUITY BANK**

Branch; Gatundu

Account Number; 0660279243579 – SCHOOL FUND A/C

2. MPESA Pay Bill No. 247247 attached to 0660279243579 bank account

(g) Independent Auditors

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

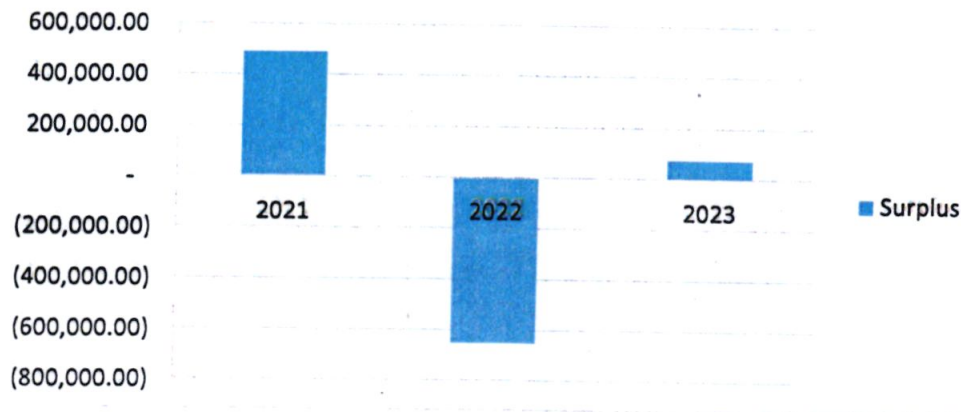
3. Summary Report of Performance of The School

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

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

| Year | Surplus / (Deficit) |
|------|----------------------|
| 2021 | 491,109.00 |
| 2022 | (653,193.00) |
| 2023 | 75,863.00 |

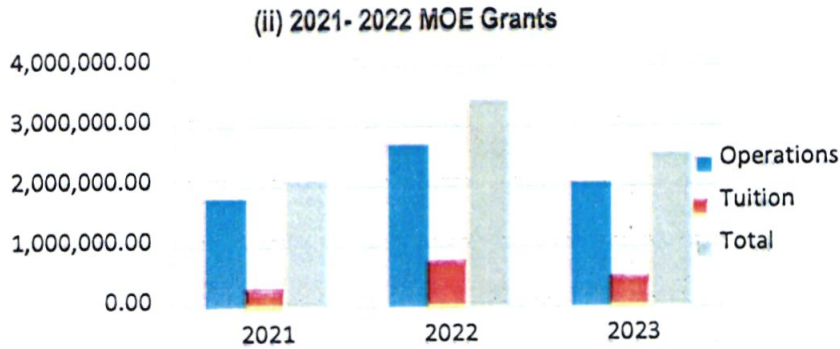
(i) 2020 - 2023 Surplus / Deficit Comparison



b) (ii) Capitation Grants from MOE for the last three years

| year | Operations | Tuition | Total |
|------|--------------|------------|--------------|
| 2021 | 1,812,017.00 | 286,605.00 | 2,098,622.00 |
| 2022 | 2,76,6608.00 | 747,472.00 | 3,514.080.00 |
| 2023 | 1,776,461.00 | 481,173.00 | 2,257,634.00 |

c)



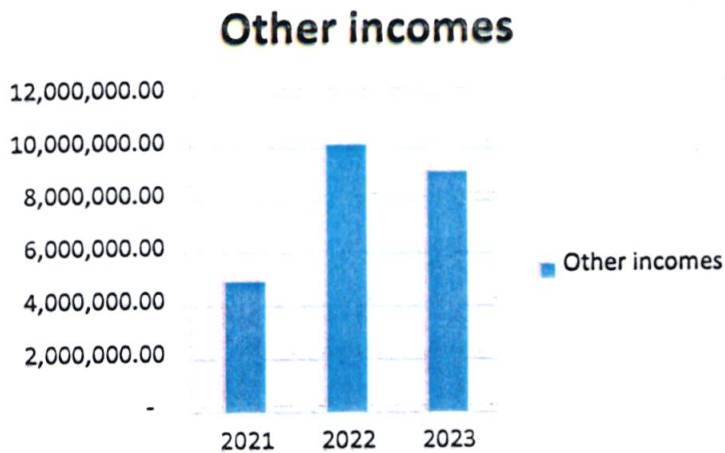
d) (iii) Ratio of capititation per student over the last three years.

| Year | Enrolment | Grant (Kshs) | Ratio |
|------|-----------|--------------|---------------|
| 2021 | 195 | 2,098,622.00 | 1 : 10,762.00 |
| 2022 | 220 | 3,514,080.00 | 1: 15,900.00 |
| 2023 | 175 | 2,257,634.00 | 1 : 12,900.00 |

e) (iv) Overview of other income generated in the past three years – School Fund Account

| | income |
|------|---------------|
| 2021 | 4,963,702.00 |
| 2022 | 10,508,287.00 |
| 2023 | 9,359,563.00 |

f)

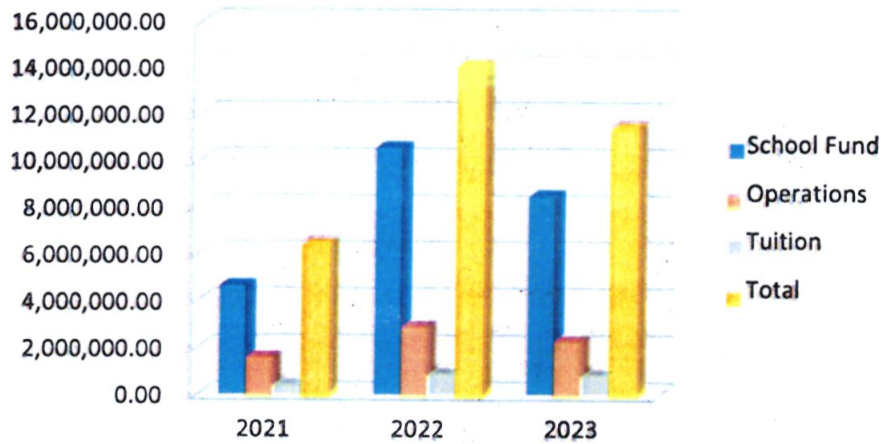


g)

h) (v) Three years expenditure overview

| | School Fund | Operations | Tuition | Total |
|------|---------------|--------------|------------|---------------|
| 2021 | 4,622,560.00 | 1,593,509.00 | 355,144.00 | 6,571,213.00 |
| 2022 | 10,912,117.00 | 2,928,223.00 | 835,220.00 | 14,675,560.00 |
| 2023 | 8,612,618.00 | 1,797,659.00 | 785,737.00 | 11,196,014.00 |

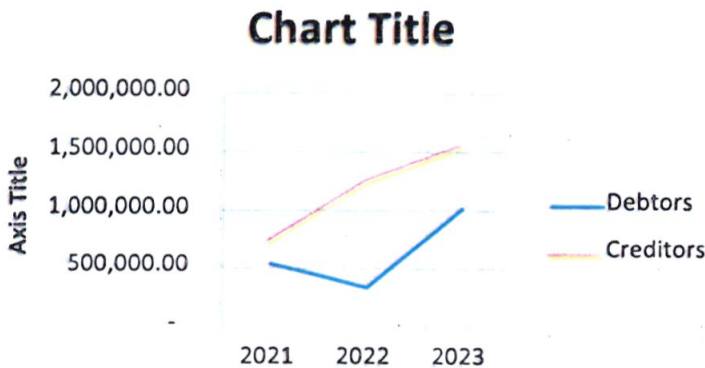
GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023



j) (vi) Movement of Debtors and creditors for the last three years

| | Debtors | Creditors |
|------|--------------|--------------|
| 2021 | 540,638.00 | 755,431.00 |
| 2022 | 341,995.00 | 1,267,014.00 |
| 2023 | 1,021,855.00 | 1,568,394.00 |

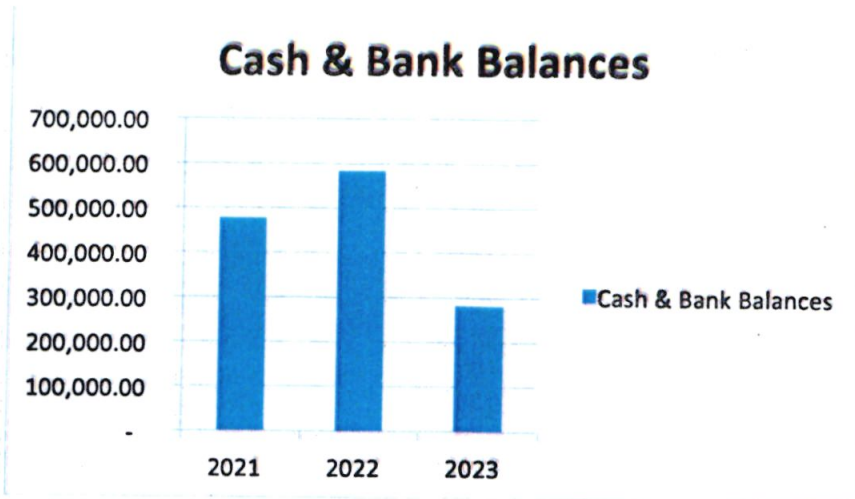
k)



l) (vii) Movement of Cash and Bank balances for the last three years.

| | Cash & Bank Balances |
|------|----------------------|
| 2021 | 479,332.00 |
| 2022 | 585,596.00 |
| 2023 | 282,979.00 |

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
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m)

Teacher student ratio = 1.31

Teachers transferred = 1

BOM Teachers = 3, TSC teachers 7

1 Teacher retired

Inadequate maths / physics teacher

n) **Mean score in the 2023 KCSE:**

| Year | 2021 | 2022 | 2023 |
|------------|-------|-------|-------|
| Mean score | 2.237 | 2.071 | 2.031 |

o) **Number of Candidates in the 2023:**

| Year | 2021 | 2022 | 2023 |
|------------------|------|------|------|
| No of candidates | 39 | 42 | 48 |

p) **Capacity of the school:**

Dormitories = 3

Dining hall = 1

Laboratories = 1

Toilets = 22

Classrooms = 8

- N B Inadequate – Administration block
 - Science laboratory
 - Dinning hall

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

q) Development projects carried out by the school:

| Projects | Source of funds | Status | Initial Cost (Kshs) | Amount Spent (Kshs) | Expected completion time |
|------------|-----------------|--------|---------------------|---------------------|--------------------------|
| NO PROJECT | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

PRINCIPAL
 GATHURI SECONDARY SCHOOL
 P. O. Box 359 - 01030, GATUNDU

DATE: 23/7/2023 SIGN: 

School Principal

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

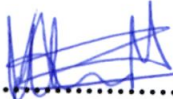
4. Statement of School Management Responsibility

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 (*Name of 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, 20XX, and of the school's financial position as at that date.



.....
Name; ANNE WAIRIMU MUOHI.

Designation: Chairman, School Board of Management

Date: 23/7/2024



.....
Name: WILLY KIMANI

Designation: School Principal & Secretary to Board of Management

Date: 23/7/2024



.....
Name: SARAH G MUHIA

Designation: Bursar/ Finance Officer

Date: 23/7/2024

REPUBLIC OF KENYA



Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON GATHURI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 – 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 Gathuri Secondary School – Kiambu County set out on pages 1 to 18, which comprise of the statement of assets and liabilities as at 30 June, 2023, 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

Report of the Auditor-General on Gathuri Secondary School for the year ended 30 June, 2023 – Kiambu County

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 Gathuri Secondary School – Kiambu County as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Accounts Receivable

The statement of asset and liabilities reflects a balance of Kshs.1,021,855 as disclosed in Note 13 to the financial statements. However, the supporting schedules, detailed aging analysis and issued invoices were not provided for audit review. Further, significant accounting policies on accounts receivables as disclosed in Note 13 is silent on the treatment of the students' fees balances which is the major source of income for the School. However, detailed analysis of the receivables per student was not provided for audit review.

In addition, Management did not provide the age analysis of the student debtors hence the period under which the debts have remained outstanding could not be ascertained.

In the circumstances, the accuracy, completeness and full recoverability of the outstanding accounts receivables balance of Kshs.1,021,855 could not be confirmed.

2. Unsupported Cash and Cash Equivalentents

The statement of assets and liabilities reflects cash and cash equivalentents balance of Kshs.282,979 as disclosed in Note 10 and 11 to the financial statements. Included in this balance are four (4) bank accounts and one (1) cash account balances of Kshs.280,948 and Kshs.2,031, respectively. However, the bank balances were not supported with cash books, bank certificates and bank reconciliation statements.

In the circumstances, the accuracy, completeness, and existence of bank balance of Kshs.282,979 could not be confirmed.

3. Boarding and School Fund Payments

3.1 Variances in Boarding, Equipment and Stores

The statement of receipts and payments and as disclosed in Note 9 to the financial statements reflects an amount of Kshs.8,612,618 in respect to boarding and school fund which includes Kshs.4,546,590 in respect to BES / Lunch programme. However, the supporting ledger provided reflects Kshs.3,891,490 resulting to unexplained and unreconciled variance of Kshs.655,100.

In the circumstances, the accuracy and completeness of the expenditure of Kshs.4,546,590 could not be confirmed.

3.2 Unsupported Payments

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.8,612,618 as disclosed in Note 9 to the financial statements. However, review of payment vouchers amounting to Kshs.2,846,200 revealed that Management made payments without proper support documents such as requisitions, local purchase orders, delivery notes, inspection reports, goods received notes and certificate of payments.

In the circumstances, the regularity, accuracy and completeness of the operations and infrastructure amounting to Kshs.2,846,200 could not be confirmed.

3.3 Unsupported Repairs and Maintenance for Renovation/Completion Works

The statement of receipts and payments reflects an amount of Kshs.8,612,618 in respect to boarding and school fund as disclosed in Note 9 to the financial statements which includes Kshs.377,430 for repairs and maintenance. However, review of the payment vouchers provided for audit revealed the following anomalies;

- i. No proof of the repairs by way of pre and post repair reports by an authorized officer detailing out the nature of repairs undertaken or confirmation of works done.
- ii. It was observed that the repairs and maintenance projects were undertaken without the preparation and approval of bills of quantities (BQs). As a result, there was lack of comprehensive documentation detailing the scope of work, cost estimates, and material requirements.
- iii. No inspection and acceptance report was provided to confirm the works were done and completed before payments were made.

In the circumstances, the accuracy, propriety and value for money for the expenditure of Kshs.377,430 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of budgeted versus actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.12,257,000 and Kshs.9,359,563 respectively, resulting to an under-funding of Kshs.2,897,437 or 24% of the budget. However, the School spent a balance of Kshs.11,891,334 against actual receipts of Ksh.9,359,563, resulting to an over-utilization of Kshs.2,531,771 or 27% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2023.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. 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.8,612,618 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.434,250 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.434,250 could not be confirmed.

2. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition, capitation grants for operations and infrastructure grants totalling Kshs.2,607,637. Comparison of data from National Education Management and Information System (NEMIS) with records from the County Director of Education revealed that during the financial year 2022/2023, NEMIS reflected one hundred and seventy-five (175) students while records from the County Director of Education had one hundred and sixty-one (161) students, resulting to unexplained and unreconciled variance of 14 students. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, underfunding of the School may have affected service delivery to the students.

3. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.1,776,461 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.803,044 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.767,944 was transferred to infrastructure account, leaving a balance of Kshs.35,100 as at 30 June, 2023. This was contrary to the Ministry of Education Circular 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.

4. Late Submission of Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 8 February, 2024 instead of the statutory deadline of 30 September, 2023. This was contrary to the Ministry of Education circular Ref.MOE/DSAS/FIN/17/1/17 dated 19 August, 2021 which stated that the School's financial statements should be ready by 30 September, 2023 in compliance with Section 81 of the Public Finance Management Act, 2012 on preparation of the financial statements.

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

5. Long Outstanding Payables

The statement of assets and liabilities and as disclosed in Note 14 to the financial statements reflects accounts payables balance of Kshs.1,568,394. However, included in the balance are trade payables balance of Kshs.219,034 which had been outstanding for more than one (1) year. 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 of loss of public funds through litigations, interests and penalties.

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 else 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. 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.

2. Lack of Ownership Documents and Failure to Maintain a Fixed Asset Register

Annex 2 to the financial statements reflects summary of fixed assets register with no monetary values on the different classes of assets as at 30 June, 2022. The assets includes land, buildings and structures and ICT equipment. However, Management did not maintain a fixed asset register contrary to Regulation 143(1) of the Public Finance Management (National Government) Regulations, 2015 which states that, the Accounting Officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribed by the relevant laws.

In addition, Annex 2 to the financial statements reflects summary of fixed assets register in respect of fixed assets which includes land whose ownership documents were not provided for audit.

In the circumstances, the ownership, valuation and safe custody of the fixed assets could not be confirmed.

The audit was conducted in accordance with ISSAI's 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 overall governance.

In preparing the financial statements, Management is responsible for assessing the School's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of 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 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 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 School's policies and procedures may deteriorate.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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

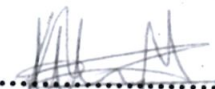
27 November, 2024

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

6. Statement Of Receipts and Payments For the Year Ended 30th June 2023


| Description Of Vote Head | Note | 2022/2023 | 2021/2022 |
|---|------|----------------------|----------------------|
| | | Kshs | Kshs |
| RECEIPTS | | | |
| Government grant for tuition | 1 | 481,173.00 | 747,472.00 |
| Government grants for operations | 2 | 1,776,461.00 | 2,766,608.00 |
| Government grant for infrastructure | 3 | 350,000.00 | - |
| School fund income - parents contribution | 4 | 8,759,093.00 | 10,508,287.00 |
| Miscellaneous incomes | 5 | 600,470.00 | - |
| TOTAL RECEIPTS | | 11,967,197.00 | 14,022,367.00 |
| PAYMENTS | | | |
| Payments for Tuition | 6 | 785,738.00 | 835,220.00 |
| Payments for operations | 7 | 1,797,659.00 | 2,928,223.00 |
| Infrastructure | 8 | 695,319.00 | - |
| Boarding and school fund | 9 | 8,612,618.00 | 10,912,117.00 |
| TOTAL PAYMENTS | | 11,891,334.00 | 14,675,560.00 |
| SURPLUS/DEFICIT | | 75,863.00 | (653,193.00) |

The school financial statements were approved on 23rd July 2024 and signed by:



 Name: ANNE WAIRIMU MUOHI

Chair BOM

Date: 23/7/2024


 Name: WILLY KIMANI
 School Principal/ Secretary to BOM

Date: 23/7/2024


 Name: SARAH G. MUHIA
 Bursar/ Finance Officer


Date: 23/7/2024

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

7. Statement of Assets and Liabilities As At 30th June 2023


| Description | Note | 2022/2023 | 2021/2022 |
|--|-------------|---------------------|---------------------|
| | | Kshs. | Kshs. |
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances | 8 | 280,948.00 | 583,565.00 |
| Cash Balances | 9 | 2,031.26 | 2,031.26 |
| Short term Investment | 10 | | |
| Total Cash and Cash Equivalents | | 282,979.26 | 585,596.26 |
| Account's receivables | 13 | 1,021,855.00 | 341,995.00 |
| TOTAL FINANCIAL ASSETS | | 1,304,834.26 | 927,591.26 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable | 14 | 1,568,394.00 | 1,267,014.00 |
| NET FINANCIAL SSETS | | (263,559.74) | (339,422.74) |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 15 | (339,422.74) | 313,770.26 |
| Surplus/Defict for the year | | 75,863.00 | (653,193.00) |
| NET FINANCIAL POSITION | | (263,559.74) | (339,422.74) |

The school's financial statements were approved on 23rd July 2024 and signed by:



 Name: ANNE WAIRIMU
 MUOHI

Chair BOM

Date: 23/7/2024


 Name: WILLY KIMANI
 School Principal/ Secretary
 to BOM

Date: 23/7/2024


 Name: SARAH G. MUHIA
 Bursar/ Finance Officer


Date: 23/7/2024

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

8. Statement of Cash Flows for the Year Ended 30th June 2023

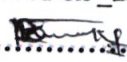
| Description | Note | 2022/2023 | 2021/2022 |
|---|------|----------------------|----------------------|
| | | Kshs | Kshs |
| | | Kshs | Kshs |
| Receipts from operating activities | | | |
| Government grants for tuition | 1 | 481,173.00 | 747,472.00 |
| Government grants for operations | 2 | 1,776,461.00 | 2,766,608.00 |
| Government grant for infrastructure | 3 | 350,000.00 | - |
| School fund income- parents contributions | 4 | 8,759,093.00 | 10,508,287.00 |
| Miscellaneous incomes | 5 | 600,470.00 | - |
| Increase in receivables | | (679,860.00) | 936,995.00 |
| Total receipts | | 11,287,337.00 | 14,959,362.00 |
| Payments | | | |
| Payments for Tuition | 6 | 785,738.00 | 835,220.00 |
| Payments for operations | 7 | 1,797,659.00 | 2,928,223.00 |
| Payment for infrastructure | 8 | 695,319.00 | |
| Boarding and school fund | 9 | 8,612,618.00 | 10,912,117.00 |
| Increase in payables | | (301,380.00) | 171,957.00 |
| Total payments | | 11,589,954.00 | 14,847,517.00 |
| Net cash flow/ out flow from operating activities | | (302,617.00) | 111,845.00 |
| Cash flow from investing activities | | | |
| Acquisition of Assets | | - | - |
| Proceeds from sale of asset | | | |
| Net cashin flows/outflows from Investing Activities | | - | - |
| Net Cash flows from Financing Activities | | | |
| Proceeds from borrowings/ loans | | | |
| Repayment of principal borrowings | | - | - |
| Net cash flows from Financing Activities | | - | - |
| Net Increase / decrease in cash and cash equivalents | | (302,617.00) | 111,845.00 |
| Cash and cash equivalent at BEGINNING of the year | | 585,596.26 | 473,751.78 |
| Cash and cash equivalent at END of the year | | 282,979.26 | 585,596.78 |

The school's financial statements were approved on 23rd July 2024.... and signed by:



 Name: ANNE W. MUOHI

Chair BOM

Date: 23/7/2024


 Name: WILLY KIMANI
 School Principal/ Secretary
 to BOM

Date: 23/7/2024


 Name: SARAH G.
 MUHIA

Bursar/ Finance Officer

Date: 23/7/2024

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|---|-----------------|-------------|--------------|----------------------------|------------------|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Receipts | | | | | |
| | | | | | |
| (1) Capitation Grant on Tuition | | | | | |
| Reference Materials | | | | | |
| Exercise Books | | | | | |
| Laboratory Equipment | | | | | |
| Internal Exams | | | | | |
| Teaching / Learning Materials | 800,000.00 | - | 800,000.00 | 481,173.00 | 60.2 |
| Exams And Assessment | | | | | |
| (2) Capitation Grant on Operations | | | | | |
| Personnel Emoluments | 900,000.00 | - | 900,000.00 | 793,104.00 | 95.5 |
| Repairs And Maintenance | 500,000.00 | | 500,000.00 | 336,000.00 | 67% |
| Local Transport / Travelling | 126,000.00 | - | 126,000.00 | 110,200.00 | 87.4 |
| Electricity And Water | 200,000.00 | - | 200,000.00 | 176,436.00 | 88.2 |
| Medical | 40,000.00 | - | 40,000.00 | 38,200.00 | 95.5 |
| Administration Costs | 300,000.00 | - | 300,000.00 | 158,193.00 | 52.7 |
| Activity | 111,000.00 | - | 111,000.00 | 97,362.00 | 87.7 |
| NSSF | | | | 50,166.00 | |
| NHIF | | | | 16,800.00 | |
| | | | | | |
| | | | | | |
| 3) FDSE for infrastructure | | | | | |
| Maintenance & Improvement MoE | 500,000.00 | - | 500,000.00 | 350,000.00 | 70% |
| M&I parents' contribution | | | | | |

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|--------------------------------------|------------------------|--------------------|----------------------|-----------------------------------|-------------------------|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Economic Stimulus Programs | | | | | |
| Transition Infrastructure Grants | | | | | |
| Administration Block | | | | | |
| (4) Fees Charged on Parents | | | | | |
| Personnel Emoluments | 980,000.00 | - | 980,000.00 | 548,445.00 | 69.6 |
| Repairs And Maintenance | 600,000.00 | - | 600,000.00 | 495,995.00 | 82.6 |
| Local Transport / Travelling | 300,000.00 | - | 300,000.00 | 273,895.00 | 91.2 |
| Electricity And Water | 700,000.00 | - | 700,000.00 | 441,770.00 | 63.1 |
| Boarding Equipment and stores | 5,000,000.00 | - | 5,000,000.00 | 3,609,945.00 | 72.1 |
| Administration Costs | 700,000.00 | - | 700,000.00 | 611,845.00 | 87.4 |
| Activity | 500,000.00 | - | 500,000.00 | 241,925.00 | 48.3 |
| Infrastructure | | | | 669,591.00 | |
| NSSF | | | | 100,332.00 | |
| NHIF | | | | 33,600.00 | |
| Fees arrears | | | | 1,006,500.00 | |
| Uniform | | | | 625,250.00 | |
| Operations | | | | 100,000.00 | |
| 5) Miscellaneous Income | | | | | |
| Sales | | | | 77,000.00 | 0 |
| Uniform | | - | | 625,250.00 | 100 |
| Bursary | | | | 523,470.00 | |
| Fee For Hire of Ground and Equipment | | | | | |
| Interest Income | | | | | |
| Income From Any Other Investment | | | | | |
| Total Income | 12,257,000.00 | - | 12,257,000.00 | 9,359,563.00 | 76.3 |
| (6) Expenditure For Tuition | | | | | |
| Textbooks | | | | | |

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|---|-----------------|-------------|--------------|----------------------------|------------------|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs. | Kshs. | Kshs. | Kshs. | Kshs. |
| Reference Materials | | | | | |
| Exercise Books | | | | | |
| Laboratory Equipment | | | | | |
| Internal Exams | | | | | |
| Teaching / Learning Materials | 800,000.00 | - | 800,000.00 | 785738.00 | 98.2 |
| Chalks | | | | | |
| Exams And Assessment | | | | | |
| Teachers Guides | | | | | |
| Administration Costs | | | | | |
| Bank Charges | | | | | |
| | | | | | |
| (7) Expenditure For Operations | | | | | |
| Personnel Emoluments | 900,000.00 | - | 900,000.00 | 875,10600 | 93.3 |
| Repairs, Maintenance & Improvements | | - | | | |
| Local Transport / Travelling | 126,000.00 | - | 126,000.00 | 99,500.00 | 78.9 |
| Electricity, Water and Conservancy | 200,000.00 | - | 200,000.00 | 172,655.00 | 86.3 |
| Medical | 40,000.00 | - | 40,000.00 | 5,000.00 | 87.5 |
| Administration Costs | 300,000.00 | - | 300,000.00 | 351,542.00 | 85.5 |
| Activity Expenses | 111,000.00 | - | 111,000.00 | 126,890.00 | 87.4 |
| NSSF | | | | 50,166.00 | |
| NHIF | | | | 16,800.00 | |
| School fund | | | | 100,000.00 | |
| (8) Expenditure For infrastructure | | | | | |
| infrastructure | 1,000,000.00 | | 1,000,000.00 | 695,319.00 | 68.9 |
| (9) Expenditure For school fund/lunch/boarding | | | | | |
| Personnel Emoluments | 980,000.00 | - | 980,000.00 | 963,962.00 | 98.3 |
| Repairs, Maintenance and Improvements | 600,000.00 | - | 600,000.00 | 377,430.00 | 63 |

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

| Receipt/Expenses Item | Original Budget | Adjustments | Final Budget | Actual On Comparable Basis | % Of Utilization |
|------------------------------------|------------------------|--------------------|----------------------|-----------------------------------|-------------------------|
| | a | b | c=a+b | d | e=d/c % |
| | Kshs | Kshs | Kshs | Kshs | Kshs |
| Local Transport / Travelling | 300,000.00 | - | 300,000.00 | 281,380.00 | 93.7 |
| Electricity, Water and Conservancy | 700,000.00 | - | 700,000.00 | 708,440.00 | 88.2 |
| Medical Expenses | | - | | | |
| Administration Costs | 700,000.00 | - | 700,000.00 | 623,534.00 | 89.0 |
| Activity | 500,000.00 | - | 500,000.00 | 451,630.00 | 90.3 |
| Gratuity | | | | | |
| Lunch Programme | | | | | |
| Boarding Equipment and Stores | 5,000,000.00 | - | 5,000,000.00 | 4,546,590.00 | 90.9 |
| NSSF | | | | 100,332.00 | |
| Uniform | | | | 2,250.00 | |
| NHIF | | | | 33,600.00 | |
| BURSARY | | | | 523,470.00 | |
| Totals | 12,257,000.00 | | 12,257,000.00 | 11,891,334.00 | 97 |

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

10. 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 school fees from parents, 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*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

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.

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

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. Accounts receivables also include school fees billed to parents for services rendered but not paid. 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. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.
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 2023.

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

11. Notes To The Financial Statements

1 Government Grants for Tuition

| Description | 2022/2023 | 2021/2022 |
|-------------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| reference and library | 91,921.00 | 69,000.00 |
| Exercise books | 158,200.00 | 254,000.00 |
| Laboratory equipments and apparatus | 95,840.00 | 256,000.00 |
| Teaching/learning materials | 59,550.00 | 76,600.00 |
| chalks | 41,460.00 | 31,872.00 |
| Internal exams | 34,202.00 | 60,000.00 |
| Total | 481,173.00 | 747,472.00 |

2 Government Grants for Operations

| Description | 2022/2023 | 2021/2022 |
|------------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Personal emoluments | 793,104.00 | 854,000.00 |
| Repairs and maintenance | | 614,000.00 |
| Local transport / travelling | 110,200.00 | 279,268.00 |
| Electricity and water | 176,436.00 | 537,500.00 |
| Medical | 38,200.00 | - |
| Administration costs | 158,193.00 | 410,000.00 |
| NSSF | 50,166.00 | 37,440.00 |
| NHIF | 16,800.00 | 29,400.00 |
| Infrastructure | 336,000.00 | - |
| School fund | | 5,000.00 |
| Activity | 97,362.00 | |
| Total | 1,776,461.00 | 2,766,608.00 |

3 Government Grants for infrastructure

| Description | 2022/2023 | 2021/2022 |
|----------------------------------|-------------------|------------------|
| | Kshs | Kshs |
| Maintenance and improvements | 350,000.00 | - |
| Transition infrastructure grants | - | - |
| Total | 350,000.00 | |

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

4. School Fund Income - Parents Contribution/Fees

| Description | 2022/2023 | 2021/2022 |
|-------------------------|---------------------|----------------------|
| | Kshs | Kshs |
| BES / Lunch programme | 3,609,945.00 | 4,284,950.00 |
| Electricity and water | 441,770.00 | 600,455.00 |
| Repairs and maintenance | 495,995.00 | 1,284,105.00 |
| LT@T | 273,895.00 | 413,820.00 |
| ACTIVITY | 241,925.00 | 134,450.00 |
| ADMIN COSTS | 611,845.00 | 809,210.00 |
| Personal emolument | 548,445.00 | 875,670.00 |
| Uniform | 625,250.00 | 1,221,210.00 |
| CBC | | 258,300.00 |
| Infrastructure | 669,591.00 | |
| NSSF | 100,332.00 | 58,320.00 |
| NHIF | 33,600.00 | 37,800.00 |
| Bursary | | 529,997.00 |
| Fees arrears | 1,006,500.00 | - |
| Sale of tress | | - |
| Operations account | 100,000.00 | |
| Total | 8,759,093.00 | 10,508,287.00 |

5. Miscellaneous Incomes

| Description | 2022/2023 | 2021/2022 |
|--------------------------------|-------------------|------------------|
| | Kshs | Kshs |
| Income from bus hire | | |
| Income from farming activities | | |
| Interests income | | |
| Donations | | |
| Sale of trees | 77,000.00 | |
| Bursary | 523,470.00 | |
| Total | 600,470.00 | |

GATHURI SECONDARY SCHOOL- PUBLIC SECONDARY SCHOOL
Reports and financial statement for the year ended 30th June 2023

6. Tuition

| Description | 2022/2023 | 2021/2022 |
|--------------------------------------|-------------------|-------------------|
| | Kshs | Kshs |
| Reference materials | 61,210.00 | 60,000.00 |
| Exercise books | 286,660.00 | 329,250.00 |
| Laboratory equipment's and apparatus | 333,939.00 | 201,200.00 |
| Teaching/learning materials | 58,440.00 | 143,470.00 |
| chalks | 15,789.00 | 4,000.00 |
| Internal exams | 29,700.00 | 97,300.00 |
| Total | 785,738.00 | 835,220.00 |

7. Operations

| Description | 2022/2023 | 2021/2022 |
|------------------------------|---------------------|---------------------|
| | Kshs | Kshs |
| Personal Emoluments | 875,106.00 | 942,360.00 |
| Administration Cost | 351,542.00 | 596,943.00 |
| Local transport / travelling | 99,500.00 | 196,300.00 |
| Electricity and water | 172,655.00 | 530,100.00 |
| Medical | 5,000.00 | - |
| Activity Expenses | 126,890.00 | - |
| NSSF | 50,166.00 | 29,520.00 |
| Infrastructure | - | 614,000.00 |
| NHIF | 16,800.00 | 19,000.00 |
| School fund | 100,000.00 | |
| TOTAL | 1,797,659.00 | 2,928,223.00 |

8. Infrastructure

| Description | 2022/2023 | 2021/2022 |
|--------------|------------|-----------|
| | Kshs | Kshs |
| School fund | 695,319.00 | - |
| Staff houses | - | - |
| Bio digester | - | - |
| Total | 695,319.00 | - |

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9. Boarding and School Fund

| Description | 2022/2023 | 2021/2022 |
|--------------------------------|---------------------|----------------------|
| | Kshs | Kshs |
| BES / Lunch programme | 4,546,590.00 | 4,584,590.00 |
| RMI | 377,430.00 | 1,144,095.00 |
| Personal emolument | 963,962.00 | 875,670.00 |
| Administration | 623,534.00 | 1,410,075.00 |
| Uniform | 2,250.00 | 1,095,000.00 |
| Activity | 451,630.00 | 69,000.00 |
| Electricity and water | 708,440.00 | 430,450.00 |
| NSSF | 100,332.00 | 58,320.00 |
| Bursary | 523,470.00 | 529,997.00 |
| NHIF | 33,600.00 | 37,800.00 |
| Local transport and travelling | 281,380.00 | 413,820.00 |
| CBC | | 258,300.00 |
| Operations | | 5,000.00 |
| TOTAL | 8,612,618.00 | 10,912,117.00 |

10. Bank Accounts

| Account Name & Currency | Status | Bank Account Number | 2022/2023 | 2021/2022 |
|------------------------------------|-----------------------|----------------------------|-------------------|-------------------|
| | Active/Dormant | | Kshs | Kshs |
| Tuition Account | | | 15,063.00 | 15,848.00 |
| Operations Account | | | 140,698.00 | 31,896.00 |
| Family Bank | | | | |
| Savings Account | | | | |
| School Fund /Boarding | | | 82,373.00 | 147,688.00 |
| Infrastructural Account | | | 42,814.00 | 388,133.00 |
| School fund - Barclays | | | | - |
| Total | | | 280,948.00 | 583,565.00 |

11. Cash In Hand

| Description | 2022/2023 | 2021/2022 |
|--------------------|------------------|------------------|
|--------------------|------------------|------------------|

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| | Kshs | Kshs |
|-------------------|-----------------|-----------------|
| Operation Account | 2,031.26 | 2,031.26 |
| Total | 2,031.26 | 2,031.26 |

12. Short Term Investments

| Description | 2022/2023 | 2021/2022 |
|------------------------|------------|------------|
| | Kshs | Kshs |
| Cooperative Shares | xxx | xxx |
| Treasury Bills | xxx | xxx |
| Fixed Deposit accounts | xxx | xxx |
| Other Investments | xxx | xxx |
| Total | xxx | xxx |

13. Accounts Receivable

| Description | 2022/2023 | 2021/2022 |
|----------------------------|---------------------|-------------------|
| | Kshs | Kshs |
| Fees arrears | 1,021,855.00 | 341,995.00 |
| Other non-fees receivables | - | - |
| Fees arrears recoveries | - | - |
| Total | 1,021,855.00 | 341,995.00 |

13. b Ageing Analysis of Accounts Receivable

| Description | 2022/2023 | | 2021/2022 | |
|---|---------------------|----------------|-------------------|----------------|
| | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Fees arrears for current year | 1,006,500.00 | 98 | 588,187.00 | 172 |
| Fees arrears for the previous year | 341,995.00 | 33 | 170,038.00 | 50 |
| Fees arrears for prior periods (over two years) | - | - | - | - |
| fees debtors recoveries during the year | (326,640.00) | | (416,230.00) | |
| Total | 1,021,855.00 | | 341,995.00 | |

14. Accounts Payable

| Description | 2022/2023 | 2021/2022 |
|-----------------|--------------|--------------|
| | Kshs | Kshs |
| Trade creditors | 1,568,394.00 | 1,267,014.00 |

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| | | |
|--------------|---------------------|---------------------|
| Prepaid fees | | |
| Total | 1,568,394.00 | 1,267,014.00 |
| | | |

14b. Ageing Analysis of Accounts Payable

| Description | 2022/2023 | | 2021/2022 | |
|--|---------------------|----------------|---------------------|----------------|
| | Kshs | | Kshs | |
| | Current FY | % of the total | Comparative FY | % of the total |
| Trade creditors for current year | 1,349,360.00 | 86 | 1,238,480.00 | 98 |
| Trade creditors for the previous year | 1,238,480.00 | 79 | 68,510.00 | 5 |
| Trade creditors for prior periods (over two years) | 28,534.00 | 2 | 261,509.00 | 21 |
| Trade creditors paid during the year | (1,047,980.00) | | (301,485.00) | |
| Total | 1,568,394.00 | | 1,267,014.00 | |

15. Fund Balance Brought Forward

| Description | 2022/2023 | 2021/2022 |
|------------------------|---------------------|-------------------|
| | Kshs | Kshs |
| Bank balances | 583,565.00 | 473,751.78 |
| Cash balances | 2,031.26 | - |
| Short Term Investments | | |
| Receivables | 341,995.00 | 170,038.22 |
| Payables | (1,267,014.00) | (330,019.74) |
| Total | (339,422.74) | 313,770.26 |

Other important disclosure notes

IPSAS Cash Standard 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.

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16. Non-current Liabilities Summary

| Description | 2022/2023 | 2021/2022 |
|------------------------------|------------------|------------------|
| | Kshs | Kshs |
| Bank Loans | | |
| Outstanding Leases | | |
| Hire Purchase | | |
| Gratuity And Leave Provision | | |
| Others (specify) | | |
| Total | | |

17. Biological assets

| Description | Numbers | 2022/2023 | 2021/2022 |
|--------------------------|----------------|------------------|------------------|
| | | Kshs | Kshs |
| Cattle | | | |
| Goats | | | |
| Trees | | | |
| Coffee Or Tea Plantation | | | |
| Poultry | | | |
| Others (specify) | | | |
| Total | | | |

18. Borrowings

| Description | Kshs | Kshs |
|---------------------------------------|-------------|-------------|
| Borrowings at beginning of the year | | |
| Borrowings during the year | | |
| Repayments during the year | | |
| Balance at the end of the year | | |

19. Stock/ Inventory

| Description | Insert Current FY | Insert Comparative FY |
|--------------------|--------------------------|------------------------------|
| | Kshs | Kshs |
| Food stuffs | | |

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| | | |
|------------------------|----|----|
| Lab consumables | xx | xx |
| Farm produce | xx | xx |
| Medication | xx | xx |
| Construction Materials | xx | xx |
| Others (specify) | xx | xx |
| | xx | xx |

(INVENTORY)

| ITEM | IN THE STORE | PURCHASES | ISSUED | BALANCE |
|-----------------|--------------|-----------|--------|---------|
| Beans | 20KG | 8000KG | 8020 | - |
| Maize | 24KG | 4500KG | 4524 | - |
| Maize flour | | 5850 | 5850 | - |
| Rice | | 5700 | 5700 | - |
| Sugar | 10KG | 1600 | 1700 | - |
| Porridge flour | 5KG | 500 | 505 | - |
| Tea leaves | - | 40KG | 40KG | - |
| Cooking fats | - | 1000 | 1000 | - |
| Salt | - | 540 | 540 | - |
| Cabbages | - | 7800 | 7800 | - |
| Steel wires | - | 78 | 78 | - |
| Onions | - | 200 | 200 | - |
| Carrots | - | 195 | 195 | - |
| Tomatoes | - | 50KG | 50KG | - |
| Soap | - | 40 | 40 | - |
| Biros | 27 | 450 | 477 | - |
| Exercise books | 387 | 5000 | 5001 | 386 |
| Counter books | | 50 | 70 | 4 |
| Envelopes | 24 | 1000 | 900 | 400 |
| Manilas | 300 | 150 | 160 | 16 |
| Chalk | 26 | 200 | 216 | 5 |
| Grants in aid | 21 | 4 | 4 | - |
| Ledgers | - | 6 | 6 | - |
| Spring files | - | 100 | 100 | - |
| Printing papers | 10 | 300 | 302 | 8 |
| Fulscaps | 5 | 20 | 25 | - |
| Stamples | | 10 | 9 | 1 |
| Glue | - | 6 | 6 | - |
| Class registers | - | 6 | 6 | - |

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20. Progress on Follow Up Of Auditor Recommendations

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

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

PRINCIPAL

GATHURI SECONDARY SCHOOL
P. O. Box 359 - 01030, GATUNDU

DATE: 23/7/2024 SIGN: 

Sign and Date
Principal

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21. Annexes

Annex I - Analysis of Pending Accounts Payable

| Supplier Of Goods Or Services | Original Amount | Date Contracted | Amount Paid To-Date | Outstanding Balance Current 2023 | Outstanding Balance Comparative FY/2022 | Comments |
|--------------------------------------|------------------------|------------------------|----------------------------|---|--|-----------------|
| | A | b | C | d-a-c | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Construction Of Buildings | | | | | | |
| 1. Racemart | 166,660.00 | 31/8/22 | 254,600.00 | 381,540.00 | 469,480.00 | |
| 2. Punchtech | 3,190.00 | 2022 | 0 | 72,716.00 | 3,190.00 | |
| 3. Maruinne | 105,000.00 | 20220 | 0 | 105,000.00 | 105,000.00 | |
| 4. Watimo | 345,000.00 | 31/7/2023 | 345,000.00 | 655,100.00 | 345,000.00 | |
| 5. Warunnie | 21,500.00 | 2022 | 0 | 21500.00 | 21500.00 | |
| 6. Chem Waquip | 42,180.00 | 2022 | 0 | 42,180.00 | 42,180.00 | |
| 7. Joseph Maina | 734,000.00 | 2021 | 0 | 290,268.00 | 290,268.00 | |
| Sub-Total | | | | 1,568,394.00 | | |
| Supply Of Goods | | | | | | |
| 8. | | | | | | |
| 9. | | | | | | |
| Sub-Total | | | | | | |
| Supply Of Services | | | | | | |
| 10. | | | | | | |
| 11. | | | | | | |
| 12. | | | | | | |
| Sub-Total | | | | | | |
| Grand Total | | | | 1,568,394.00 | | |

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Annex 2 – Summary of Fixed Assets Register

| Asset Class | Historical Cost b/f (Kshs) 1st July 20XX | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost c/f (Kshs) 30th June 20XX |
|--|--|---|---|---|
| Land 1 | 1.619 ha | | | |
| Land 2 | | | | |
| Buildings And Structures | | | | |
| Motor Vehicles | 8 | | | |
| Office Equipment, Furniture And Fittings | 3 | | | |
| ICT Equipment, And Other ICT Assets | 1 | | | |
| Tools And Apparatus | 1 | | | |
| Textbooks | | | | |
| Other Machinery And Equipment | | | | |
| Heritage And Cultural Assets | 3 | | | |
| Intangible Assets- Soft Ware | 3 | | | |