

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 02 JUN 2026

DAY

Thursday

TABLED
BY:

Deputy Majority
Party Whip

CLERK-AT
THE-TABLE:

Hatima Ahmed

REPORT

OF

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

GANGARA SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2024

EMBU COUNTY

Revised 30th June 2024.



GANGARA SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2024

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

B. Definition of Key Terms

Comparative Year- Means the prior period

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 Embu County, Mbeere North Sub-County.

The school was registered in Jan/1986 under registration number 14S30000477 and is currently categorized as an *Extra County* public school established, owned or operated by the Government.

The school is a boarding school and had 230 number of students as at 30th June 2024. It has 2 streams and 15 teachers of which no teacher 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	Francisco Munyi	Chairman	25/04/2022
2	Richard Mugo	Secretary- Principal	25/04/202
3	Agnes Kariuki	Member	25/04/2025
4	Mwakisha Syukih	Member	25/04/2025
5	Felister Kariuki	Member	25/04/2025
6	Monica njoka	Member	25/04/2025
7	Jacob Muriuki	Member	25/04/2025
8	Crispus Nyaga	Member – Rep CEB	25/04/2025
9	Silas Ndwiga Njiru	Member Rep Teachers	25/04/2025
10	Ciarago Nyaga	3 Members - Sponsor	25/04/2025
11	Naomi Njiru	Member - Community	25/04/2025
12	Faustine Nyaga	Member Special Needs	25/04/2025
13	Evaris Mwendwa	Rep Students	25/04/2025

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, of 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 per 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	Francisco Munyi. Richard Mugo Jacob Muriuki Agnes Kariuki	Chairman Secretary Member Member	3 out of 3
2	Audit Committee	Richard Mugo John Mwaruvie Monica Njoka Francisco Muny Crispus Nyaga	Secretary Member Member Chairman Member	3 out of 3
3	Finance, procurement and general purposes Committee	Jacob Nyaga Richard Mugo Agnes Kariuki Francisco Munyi	Member Secretary Member Chairman	3 out of 3
4	Academic Committee	Richard Mugo Jacob Nyaga Agnes Kariuki Francisco Munyi	Secretary Member Member Chairman	3 out of 3
5	Development Committee	Crispus Nyaga Francisco Munyi	Member Chairman Member	3 out of 3

		Naomi N Njiru Michael Nyaga Mwakisha Syuki	Member Member	
6	Discipline and welfare Committee	Naomi Njiru Crispus Nyaga Mwakisha Syuki Monica Njoka	Member Member Member Member	3 out of 3
7	Adhoc Committee (if any during the year)	Jacob Nyaga Crispus Nyaga Agnes Kariuki Richard Mugo	Member Member Member Member	3 out of 3

(d) School operation Management

For the financial year ended 30th June, 2024 the School's day-to-day management was under the following persons:

Ref:	Designation	Name	Identification
1	Principal	Richard Mugo	TSC No.359641
2	Deputy Principal	Felister Kariuki	TSC No.304228
3	Account clerk	Margaret Ngugi	ID.No.9063818

(e) Schools contacts

Post Office Box: 1663 -60100 Embu
E-mail: Gangarasecondary@yahoo.com

(f) School Banks

Provide details of the school bankers.

Name of Bank: KCB

Branch Embu

Postal Address.1663 Embu, Kenya

1. 1102844276 School Fund Account

2. 1102844012 Operation account

3. 1102840165 Tuition Account

4. 1257378082 Infrastructure Account

5. M pesa Pay Bill No 522123 Account 38819k-KCB bank Embu Branch

(g) Independent Auditors

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

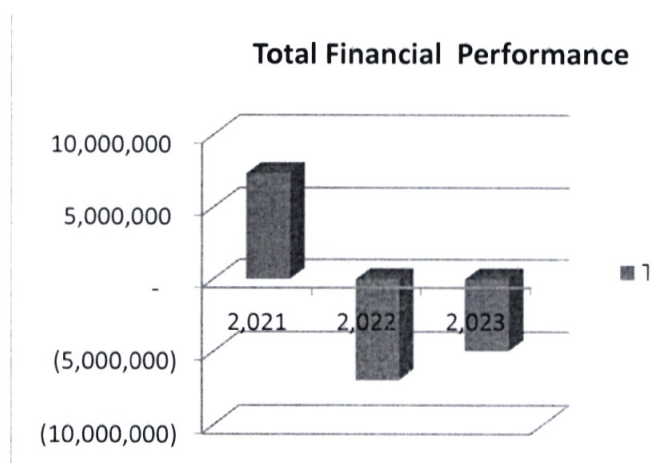
3. Summary Report of Performance of the School

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

a) Financial performance:

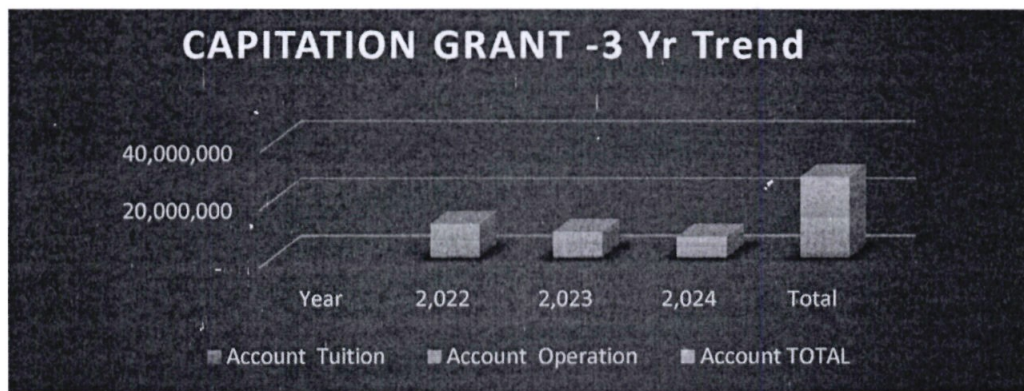
Financial Performance - Deficits and/or Surpluses 3 Year Trend				
	Account			
	School Fund	Operation	Tuition	Total
Year				
2021/2022	7,495,460	340,746	(486,125)	7,350,081
2022/ 2023	(1,047,472)	(3,105,054)	(2,789,497)	(6,942,023)
2023/2024	(5,284,075)	254,583	71,021	(4,958,470)
Total	1,163,913	(2,509,725)	(3,204,601)	(4,550,413)

	Total Performance
year	
2,021	7,350,081
2,022	(6,942,023)
2,023	(4,958,470)



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

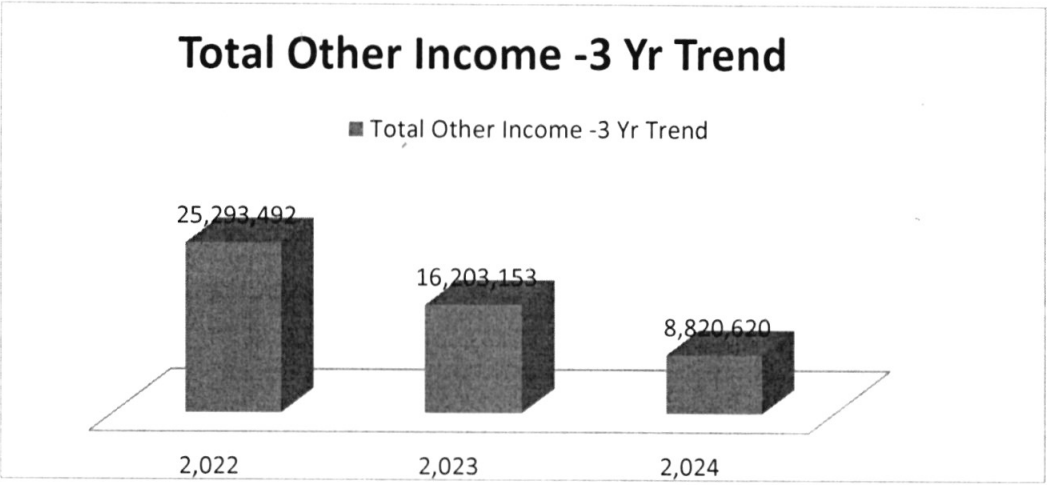
CAPITATION GRANT -3 Yr Trend				
		Account		
		Tuition	Operation	TOTAL
	Year			
	2,022	1,093,899	4,824,778	5,918,677
	2,023	829,296	3,686,355	4,515,652
	2,024	623,091	3,042,749	3,665,840
	Total	2,546,286	11,553,883	14,100,169



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

Growth of Other Incomes -3 Yr Trend			
		Income Source	
		School Fund	Total
YEAR			
	2,022	25,293,492	25,293,492
	2,023	16,203,153	16,203,153
	2,024	8,820,620	8,820,620
	Total	50,317,265	50,317,265

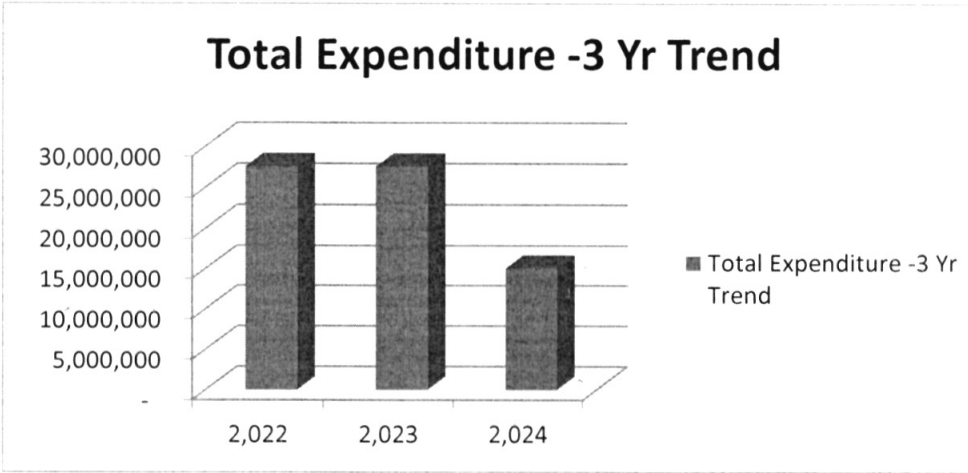
Total Other Income -3 Yr Trend		
Year		
	2,022	25,293,492
	2,023	16,203,153
	2,024	8,820,620



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

Expenditure -3Yr Trend				
YEAR	School Fund	Operation	Tuition	Yr Total
2021/2022	20,472,191	6,088,312	971,575	27,532,078
2022/ 2023	20,472,191	6,088,312	971,575	27,532,078
2023/2024	10,339,849	4,185,445	527,373	15,052,667
Total	51,284,231	16,362,069	2,470,523	70,116,823

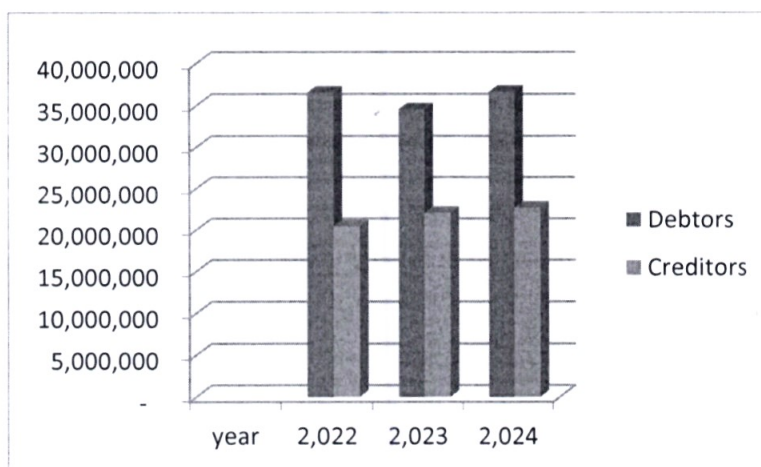
Total Expenditure -3 Yr Trend	
Year	
2021/2022	27,532,078
2022/ 2023	27,532,078
2023/2024	15,052,667



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

Debts and Creditors -3Yr Trend						
		Account				
			School Fund	Operation	Tuition	Yr Total
Year	2021/2022	Debtors	36,578,249			36,578,249
	2022/ 2023	Creditors	12,553,116	3,394,945	4,497,845	20,445,906
	2023/2024	Debtors	34,600,774	-	-	34,600,774
	2021/2022	Creditors	11,294,496	6,051,485	4,711,145	22,057,126
	2022/ 2023	Debtors	36,655,842	-	-	36,655,842
	2023/2024	Creditors	10,865,854	7,095,363	4,729,445	22,690,662
Total		Debtors	107,834,864	-	-	107,834,864
		Creditors	34,713,466	16,541,793	13,938,434	65,193,693

	Debtors	Creditors
year		
2021/2022	36,578,249	20,445,906
2022/ 2023	34,600,774	22,057,126
2023/2024	36,655,842	22,690,662

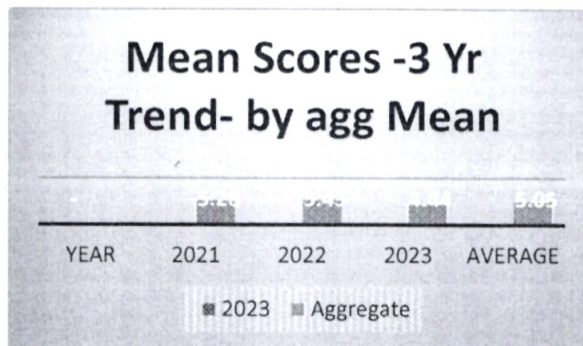


b) Teacher Student ratio:

Ratio of students to Teachers	
Total enrolment	301
Total No of Teachers	18
Students : Teachers ratio	17
Teachers Turnover	
Net inflow of teachers	-
Teachers Employment	
No of teachers required by CBE	16
No of teachers employed by TSC	16
Shortage / Surplus No of teachers before BOM teachers	-
No of teachers employed by BOM	-
Net Shortage / Surplus No of teachers	-

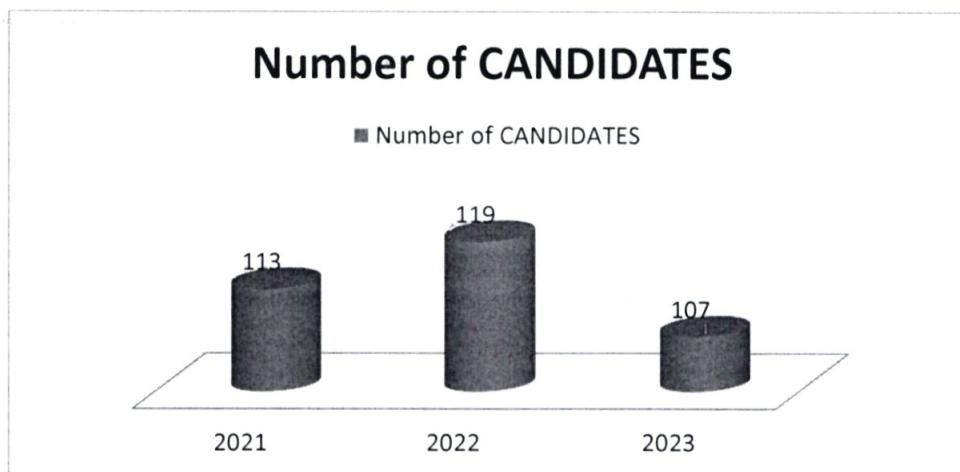
c) The mean score in the 2023KCSE:

Mean Scores -3 Yr Trend												
Subject Means												
	MATH	ENG	KIS W	BIO	Chem	Phy	GEO	HIST	CRE	Agric	Bstud	Aggregate
YEAR												
2021	3.31	5.20	4.95	3.24	2.62	4.00	8.28	7.59	7.95	5.28	5.65	5.28
2022	2.95	4.50	5.32	3.05	2.43	4.24	9.44	8.93	7.67	11.19		5.43
2023	2.74	4.58	5.58	3.15	2.31	2.47	6.73	6.08	6.00	6.40	2.80	4.44
Average	3.00	4.76	5.28	3.15	2.45	3.57	8.15	7.53	7.21	7.62	2.82	5.05



d) Number of Candidates in the 2023 KCSE:

Number of CANDIDATES		
Year		
2021		113
2022		119
2023		107



e) The capacity of the school:

	NO OF STREAMS per class	Teachers' CBE (No of teachers required as per curriculum offered by the school)	Required No of NTS given the NO OF STREAMS per class				
	2	18	13				
Capacity Analysis							
Infrastructur e TYPE	Unit of infrastructure measurement	Quantity of infrastructure required	Quantity of infrastructure available today	Infrastructure gap	Comment-Indicate if gap is -Very critical, Critical or Not so critical (tick as appropriate)		
					Very Critica l	Critica l	Not Critica l
Classrooms	Number	8	3	Shortage of classrooms equivalent to:			
				5			
				classroom(s)			
Laboratories	Number	1	3	Shortage of laboratory facilities equivalent to:			
				(2)			
				Laboratories			
Toilet Doors	Number	20	25	Shortage of toilet facility equivalent to:			
				(5)			
				toilet doors			
Offices	Number	1	3	Shortage of office facilities equivalent to:			
				(2)			
				offices			
Dining Hall	Number of students well seated	301	200	Shortage of dining facilities equivalent to:			
				101			
				students not seated			

Library	Number of students well seated	350	200	Shortage of library facilities equivalent to:			
				150			
				students not seated			
Dormitories	Number of Decker Beds well-spaced	226	-	Shortage of dormitory facilities equivalent to:			
				226			
				decker beds			
Staffroom	Number of teachers well seated	18	3	Shortage of staffroom space equivalent to:			
				15			
				teachers not properly seated			
Boardroom	Number of BOM members well seated	25	14	Shortage of boardroom space equivalent to:			
				11			
				BOM members not properly seated			
Textbooks	Average Students -to- Course books ratio	1	1	Shortage of textbooks equivalent to:			
				-			
				% of text books required			
Electricity	Adequacy	ADEQUATE		Occassional / frequent shortage of power attributed to?			
Water	Adequacy	ADEQUATE		Occassional / frequent shortage of water attributed to?			
Staff housing	No of staff properly housed	2	10	Shortage of staff housing facilities equivalent to:			
				(8)			
				staff not housed			

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time

.....
School Principal

PRINCIPAL
ST. EMMANUEL GANGARA SEC. SCH.
P.O. Box 1663 - 60100, EMBU
SIGN:..... DATE: 29/6/2024

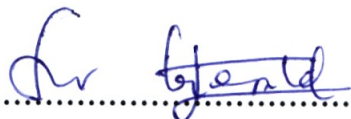
4. Statement of School Management Responsibility

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 keep all proper books and records of accounts of the income, expenditure, and assets of the institution.

The Board of Management of *Gangara 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).

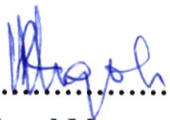
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2024, and of the school's financial position as at that date.



.....
Name: Francisco Munyi

Designation: Chairman, School Board of Management

Date: 30 June 2024



.....
Name: Richard Mugo

Designation: School Principal & Secretary to Board of Management

Date: 30 June 2024

PRINCIPAL
ST. EMMANUEL GANGARA SEC. SCH.
P. O. Box 1663 - 60100, EMBU
SIGN:..... DATE:.....



.....
Name: Margaret Ngugi

Designation: Account clerk

Date: 30 June 2024

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON GANGARA SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 – EMBU COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Gangara Secondary School set out on pages 15 to 32, which comprise of the statement of assets and liabilities as at 30 June, 2024, 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

Report of the Auditor-General on Gangara Secondary School for the year ended 30 June, 2024 - Embu County

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 Gangara Secondary School as at 30 June, 2024, 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. Variances in the Financial Statements

During the audit, variances were noted between figures in the financial statements and supporting ledgers as detailed below;

S/No.	Description	Amount in the Financial Statements (Kshs.)	Amount in the Ledger (Kshs.)	Variance (Kshs.)
1	Accounts Payables	23,845,392	3,765,945	(20,079,447)
2	Payments for Boarding and School Fund	10,339,849	11,215,947	(876,098)
3	Payments for Tuition	527,373	509,073	18,300
4	Payments for Operations	4,185,445	3,141,666	(1,043,779)
5	School Fund Income - Parents Contributions	12,585,674	10,240,665	(2,345,009)

In the circumstances, the accuracy and completeness of the above balances included in these financial statements could not be confirmed.

2. Unsupported Short-Term Investments

The statement of financial assets and liabilities reflects short-term investments balance of Kshs.64,228 which was not supported by a ledger, investment certificates, statements, or any other relevant documentation. Further, Management did not disclose any interest accrued or earned from the investments during the year under review.

In the circumstances, the existence, accuracy, completeness and valuation of the short-term investments balance of Kshs.64,228 could not be confirmed.

3. Unsupported and Long Outstanding Accounts Receivables

The statement of financial assets and liabilities reflects accounts receivables balance of Kshs.36,417,042 as disclosed in Note 13 to the financial statements. However, supporting schedules and detailed ageing analysis were not provided for audit review.

Further, included in the balance, are accounts receivables balance of Kshs.33,229,541 which had been outstanding for more than two (2) years and for which detailed age analysis had not been done. Management did not provide recovery strategies for the long outstanding debts resulting in doubting Management's commitments in recovery efforts.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.36,417,042 could not be confirmed.

4. Undisclosed Bank Account

The statement of financial assets and liabilities reflects bank balances of Kshs.445,804 as disclosed in Note 10 to the financial statements. However, a bank account for Infrastructure with a balance of Kshs.674 was not disclosed in the financial statements.

In the circumstances, the accuracy and completeness of bank balances of Kshs.445,804 could not be confirmed.

5. Incorrect Opening Balances

Review of the financial statements revealed that the opening balances were captured incorrectly resulting in unreconciled variances as detailed below;

Item	Financial Statements 2022/2023 (Kshs.)	Financial Statements 2021/2022 (Kshs.)	Variance (Kshs.)
School Fund Income-Parents Contributions	19,437,444	15,860,205	3,577,239
Payment for Operation	6,088,312	3,431,772	2,656,540
Payment for Tuition	971,575	528,275	-443,300
Payment for Boarding/School Fund	20,472,191	19,331,808	1,140,383

In the circumstances, the accuracy and completeness of the above balances included in these financial statements could not be confirmed.

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

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.29,500,000 and Kshs.12,314,416 respectively, resulting in an under-funding of Kshs.17,185,584 or 67% of the budget. Similarly, the

School spent an amount of Kshs.12,415,587 against actual receipts of Kshs.12,314,416 resulting in an over-utilization of Kshs.101,171 of the actual receipts.

The underfunding may have affected the planned activities and may have impacted negatively on service delivery to the school.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section of my report, I have determined that there were no other key audit matters to report in the year under review.

Other Information

The Management is responsible for the Other Information set out on page 3 to 13 which comprise of Key School Information and Management, Summary Report of Performance of the School and the Statement of School Management Responsibility. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Transfer Infrastructure Funds from Operations Account

Note 2 to the financial statements reflects capital grants for operations amount of Kshs.3,042,749. Included in the amount is Kshs.993,600 in respect of infrastructure grants which was to be transferred to infrastructure bank account for maintenance and improvement of the school's facilities. However, the school did not transfer the funds to

infrastructure account as at the end of 30 June, 2024. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

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

The statement of receipts and payment reflects payments for operations and school fund amounts of Kshs.4,185,445 and Kshs.10,339,849 respectively. Included in the amounts is Kshs.164,500 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money of the amount transferred to KESSHA of Kshs.164,500 could not be confirmed.

3. Failure to Sign Professional Opinion

Review of the procurement process for good, services, works and consultancies revealed that professional opinion was not issued for all the procurements carried during the financial year. This contravened the provision of Regulation 79 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that, upon receipt of the evaluation report and professional opinion, the accounting officer shall take into account the contents of the professional opinion and shall within a day, in writing approve award to the successful tenderer.

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

4. Lack of a Functional Procurement Unit

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

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

5. Presentation and Disclosure in the Financial Statements

Review of the financial statements revealed the following anomalies;

- i) The financial statements were wrongly paginated.
- ii) The ratio of teacher students should be corrected to read 1:17.

- iii) In the summary report of performance of the school, the financial year should be 2021/2022, 2022/2023 and 2023/2024.

In the circumstances, the financial statements did not comply with the reporting template issued by the Public Sector Accounting Standards Board.

6. Long Outstanding Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.23,845,392 as disclosed in Note 14 to the financial statements. Included in the balance are trade payables balance of Kshs.18,060,486 which have been outstanding for more than two (3) years. This was contrary to Regulation 42 (1) (a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

7. Underfunding of Capitation Grants and Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and operations all totalling to Kshs.3,665,840. Comparison of data from National Education Management and information System (NEMIS) with records from the school revealed that during the year, NEMIS and enrollment in the school had a variance of eighty-six (86) students, resulting in an underfunding of the school by an amount of Kshs.431,795. 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, the under-funding of the School may have affected service delivery to the school.

8. Irregular Spending of Revenue at Source

Note 3 to the financial statements reflects parents' contribution income amount of Kshs.12,585,674. However, review of the general ledgers and issued receipts revealed that cash collections amounting to Kshs.2,853,446 were utilized directly at source prior to banking. This practice indicates that a significant portion of revenue collected was not subjected to the established banking and expenditure control processes.

This was contrary to Regulation 64(4) of the Public Finance Management (National Government) Regulations, 2015 which requires all collected shall be paid into the designated account of the national government, and shall not be used by any public officer in any manner between the time of receipts and payments into the bank except as provided by law.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in

the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of an Internal Audit Function

During the year under review the School did not have internal audit function. As a result, no audits were carried out in any of the school's activities and departments resulting to lack of independent oversight and potential exposure to financial, operational and compliance risks.

In the circumstances, errors and omissions leading to inaccuracies and exposure to other risks may not be well detected without an internal audit function.

2. Weak Controls Over Student Fees Management

The statement of receipts and payments reflects parents' contribution income amount of Kshs.12,585,674. However, review of the revenue management process revealed that fifty-seven (57) cases of duplicate receipt numbers were issued to different students. Also noted was lack of standardized procedures for recognition and valuation of fees paid in kind and lack of segregation of duties in fees collection, recording, banking and reconciliation. Further, there was lack of clear procedures for voiding transactions, increasing the risk of manipulation as well as lack of data backup mechanisms for student data and financial records.

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

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.39,820,000 which includes land with a value of Kshs.5,500,000 and motor vehicles valued at Kshs.6,500,000. However, ownership documents for both assets were not provided for audit review.

In the circumstances, the existence and safe custody of the assets could not be confirmed.

4. Weakness in the Operation of Board of Management

Review of cash book and minutes of the board revealed that the board of management met twice during the year under review while the established committees of audit, finance, procurement and general purposes, academic, development and discipline and welfare did not prepare minutes of meeting as well as signing attendance register for meetings held.

In the circumstances, the effectiveness of internal controls, effective governance and systems of risk management could not be confirmed.

5. Lack of an Approved ICT Policy and Risk Management Policy

Review of the School's information system revealed that the School does not have an approved ICT policy and procedures in place to guide ICT operations, data management, system access, security controls, and disaster recovery. In addition, the School lacks a formal risk management policy to identify, assess, mitigate, and monitor organizational risks. The absence of these policies and manuals presented weak controls over ICT and risk management activities.

In the circumstances, effectiveness of controls over ICT and risk management activities and related mitigations could not be confirmed.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

21 May, 2026

6. Statement Of Receipts and Payments for the Year Ended 30th June 2024

Description Of Vote Head	Note	2024	2023
		Kshs	Kshs
Receipts			
Government grants for tuition	1	623,091	829,296
Government grants for operations	2	3,042,749	3,686,355
School fund income- parents' contributions	4	12,585,674	19,437,444
Miscellaneous incomes	5	1,280	99,365
Total Receipts		16,252,794	24,052,461
Payments			
Tuition	6	527,373	971,575
Operations	7	4,185,445	6,088,312
Boarding and school fund	8	10,339,849	20,472,191
Total Payments		15,052,667	27,532,078
Surplus/Deficit		1,200,127	(3,479,617)

The school financial statements were approved on _____ 2026 and signed by:

[Signature]
.....

Name: *GERARD NJERU JOKHAT*
Chair BOM

Date: *20/04/26*

[Signature]
.....

Name: *RICHARD MUKHO*
School Principal/ Secretary to BOM

Date: *20/4/2026*

PRINCIPAL
ST. CHRYSTEL GANGARA SEC. SCH.
P.O. Box 1563 - GURU, EMBU
SIGN:..... DATE:.....

[Signature]
.....

Name: *MARGARET NGUGI*
Account clerk

Date: *20/4/2026*

7. Statement of Assets and Liabilities As At 30th June 2024

Description	Note	2024 Kshs	2023 Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	445,804	354,782
Cash balances	11	60,235	601
Short term investments	12	64,228	64,228
Total cash and cash equivalent		570,267	419,611
Account's receivables	13	36,417,042	34,561,974
Total financial assets (a)		36,987,309	34,981,584
Financial liabilities			
Accounts payables	14	23,845,392	23,039,795
Total Financial Labilities (b)			
Net financial assets (a-b)		13,141,917	11,941,789
Represented by			
Accumulated fund b/fwd	15	11,941,786	15,421,404
Surplus/deficit for the year		1,200,131	(3,479,617)
Net Assets		13,141,917	11,941,786

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

[Signature]

Name:

GERALD NJERU JOSEPHAT

Chair BOM

Date: 28/04/26

[Signature]

Name:

RICHARD MUGO

School Principal/ Secretary to BOM

Date: 28/4/2026

PRINCIPAL
ST. EMMAUEL GANGARA SEC. SCH.
P. O. Box 1663 - 80100, EMBU
SIGN:..... DATE:.....

[Signature]

Name:

MARGARET NGUGI

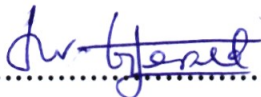
Account clerk

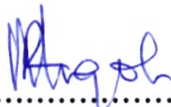
Date: 28/4/2026

8. Statement of Cash Flows for the Year Ended 30th June 2024

Description	Note	2024	2023
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		623,091	829,296
Government grants for operations		3,042,749	3,686,355
School fund income- parents contributions/ fees		10,730,606	21,414,919
Miscellaneous income		1,280	99,365
Total receipts		14,397,726	26,029,936
Payments			
Cash outflows for tuition		509,073	758,275
Cash outflows for operations		3,141,567	3,431,772
Cash outflows Boarding/lunch and school fund payments		10,596,447	21,487,228
Total payments		14,247,087	25,677,275
Net cash inflow/outflow from operating activities		150,639	352,661
Cash flow from investing activities			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		17	
Cashflow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings		17	
Net cash inflow/outflow from financing activities		17	
		150,656	352,661
Net increase/decrease in cash and cash equivalents		419,611	66,950
Cash and cash equivalent at beginning of the FY		570,267	419,611
Cash and cash equivalent at end of the FY		570,267	419,611

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


.....
Name: **GERALD NJERU**
Chair BOM
Date: 20/04/26


.....
Name: **RICHARD MULI**
School Principal/ Secretary to
BOM
Date: 20/4/2026


.....
Name: **MARGARET H GUGI**
Account clerk
Date: 20/4/2026

9. Statement Of Budgeted Versus Actual Amounts for the Year Ended 30th June 2024

				Actual on Comparable Basis		
			Final		Budget Utilization	
Receipt/expenses Item	Original Budget	Adjustments	Budget		Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
RECEIPTS						
(1) CAPITATION GRANT ON TUITION INCOME						
Teaching & L. mat.	1,200,000	-	1,200,000	623,091	576,909	52
Total CAPITATION GRANT ON TUITION INCOME	1,200,000	-	1,200,000	623,091	576,909	52
(2) CAPITATION GRANT ON OPERATIONS INCOME						
Devt -RMI	1,500,000	500,000	2,000,000	993,600	1,006,400	50
OTHERVOTEHEAD	1,975,000	(375,000)	1,600,000	1,623,302	(23,302)	101
Activity	375,000	(275,000)	100,000	205,798	(105,798)	206
MEDICAL	500,000	(300,000)	200,000	220,050	(20,050)	110
(3) FEES CHARGED ON PARENTS INCOME						
Uniform						

	-	-	700,000	-		-
PE non teachingstaff	1,125,000	-	2,000,000	746,206		37
Development -MI	500,000	-	1,200,000	405,217		34
Activity	65,500	-	500,000	123,938		25
B.E and Stores	6,346,250	-	12,000,000	5,660,536		47
Pta fund	-	-	4,500,000	94,500		2
LTT	500,000	-	500,000	487,059		97
EWC	1,225,000	-	2,000,000	858,776		43
ADM	375,000	-	1,000,000	271,064		27
School Fund -OTHER INCOME						
losses/ breakages	-	-	-	1,280	(1,280)	0
School Fund -OTHER INCOME	-	-	-	1,280	(1,280)	#0
TOTAL INCOME	15,686,750	(450,000)	29,500,000	12,314,416	1,432,880	42
(1) EXPENDITURE FOR TUITION						
Teaching & L. mat.	1,161,000	39,000	1,200,000	506,320	693,680	42
BANK CHARGES	-	-	-	2,753	(2,753)	0
Total EXPENDITURE FOR TUITION	1,161,000	39,000	1,200,000	509,073	690,927	42
(2) EXPENDITURE FOR OPERATIONS						
Devt -RMI	1,500,000	500,000	2,000,000	400	1,999,600	0

Annual Report and Financial Statements For the year ended 30th June 2024

OTHERVOTEHEAD	1,975,000	(375,000)	1,600,000	287,450	1,312,550	18
EWC	-	-	-	213,784	(213,784)	0
Activity	375,000	(275,000)	100,000	40,000	60,000	40
Personal emolu.	-	-	-	251,154	(251,154)	0
Adm. Cost	-	-	-	516,940	(516,940)	0
BANK CHARGES	-	-	-	7,684	(7,684)	0
MEDICAL	500,000	(300,000)	200,000		200,000	-
Itt	-	-	-	132,000	(132,000)	0
NHIF	-	-	-	49,600	(49,600)	0
PAYE	-	-	-	11,055	(11,055)	
(3) EXPENDITURE FOR						
SCHOOL FUND						
PE non teachingstaff	1,125,000	-	1,125,000	694,972	430,028	62
Development -MI	500,000	-	500,000	259,880	240,120	52
Activity	65,500	-	65,500	349,220	(283,720)	533
B.E and Stores	6,346,250	-	6,346,250	6,356,231	(9,981)	100
BANK CHARGES	-	-	-	19,465	(19,465)	
LTT	500,000	-	500,000	479,036	20,964	96
EWC	1,225,000	-	1,225,000	347,752	877,248	28
ADM						

Annual Report and Financial Statements For the year ended 30th June 2024

	375,000	-	375,000	999,516	(624,516)	267
losses/ breakages	-	-	-	809,462	(809,462)	
NHIF	-	-	-	63,650	(63,650)	
PAYE	-	-	-	17,262	(17,262)	X
GRAND TOTAL PAYMENTS	15,647,750	(411,000)	15,236,750	12,415,587	2,821,164	81

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 various sources when the event occurs, and the related cash has been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has 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 an insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

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 the fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditures incurred for the purchase of goods, works and services that have 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 2024.

11. Notes To the Financial Statements**1 Government Grants for Tuition**

Description	2024	2023
	Kshs	Kshs
Teaching / Learning Materials	623,091	829,296
Total	623,091	829,296

2 Government Grants for Operations

Description	2024	2023
	Kshs	Kshs
Repairs And Maintenance	993,600	1,939,183
Other Vote Heads(nssf)		41,173
Other Vote Heads(welfare)		5,100
Medical	220,050	153,564
Activity	205,798	45,175
Other Vote Heads (ltt,ewc, pe, admin)	1,623,302	1,502,161
Total	3,042,749	3,686,355

3 Government Grants for infrastructure

Description	2024	2023
	Kshs	Kshs
Total		

4 School Fund Income -Parents Contribution/Fees

Description	2024	2023
	Kshs	Kshs
Personnel emoluments	1,402,601	1,748,374
Repairs and maintenance	733,417	1,085,630
Local transport / travelling	979,349	1,105,926
Electricity and water	1,843,374	2,384,326
Medical		
Administration costs	527,484	861,394
Activity	175,223	410,910
Fee on Boarding Equipment and stores	6,829,726	10,751,449
PA Levies*	94,500	455,545

Description	2024	2023
	Kshs	Kshs
Others (specify)		
Total	12,585,674	19,437,444

5 Miscellaneous Incomes

Description	2024	2023
	Kshs	Kshs
Losses and Breakages	1,280	6,400
NHIF	-	44,550
PAYE	-	17,200
Replacement	-	31,215
Total	1,280	99,365

6 Tuition

Description	2024	2023
	Kshs	Kshs
Teaching / Learning Materials	524,620	693,274
Bank Charges	2,753	5,301
Others (main account)	-	273,000
Total	527,373	971,575

7 Operations

Description	2025	2024
	Kshs	Kshs

8 Infrastructure

Description	2024	2023
	Kshs	Kshs
Total		

9 Boarding and School Fund

Description	2024	2023
	Kshs	Kshs
Personnel Emoluments	719,972	2,846,801
Repairs And Maintenance & Improvements	272,636	614,085
Local Transport / Travelling	696,036	1,914,874
Electricity And Water	380,765	959,469
Medical Expenses		19,618
Administration Costs	1,011,021	2,424,685
Bank Charges	19,466	-
Fee On Boarding Equipment and Stores	6,803,071	9,397,748
activity	355,970	371,390
nhif	63,650	121,200
paye	17,262	67,694
uniform	-	1,153,504
Pta funds		581,123
Total	10,339,849	20,472,191

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2024	2023
	Active/Dormant		Kshs	Kshs
Tuition Account	active	1102840165	185708	71,690
Operations Account	active	1102844012	157240	255,924
School Fund Account/Boarding	active	1102844276	102856	27,168
Infrastructural Account	dormant	1257378082		0
Total			445,804	354,782

11 Cash In Hand

Description	2024	2023
	Kshs	Kshs
Notes and Coins	60,235	601
Total	60,235	601

12 Short Term Investments

Description	2024	2023
	Kshs	Kshs
Other Investments	64,228	64,228
Total	64,228	64,228

13.a) Accounts Receivable

Description	2024	2023
	Kshs	Kshs
Fees Arrears	36,655,842	34,800,774
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	(38,800)	(38,800)
Total	36,617,042	34,761,974

13 b) Ageing Analysis of Accounts Receivable

Description	2024		2023	
	Kshs		Kshs	
	Current 2024	% of the total	Comparative 2023	% of the total
Less than 1 year	3,938,378	10.77%	3,577,239	10.30%
Between 1- 2 years	1,493,929	4.08%	(2,206,006)	-6.34%
Between 2-3 years	31,223,535	85.18%	33,429,541	96.06%
Over 3 years				
Total	36,655,842	100%	34,800,774	100%

13 Accounts Payable

Description	2024	2023
	Kshs	Kshs
Trade Creditors	10,865,854	11,294,496
Prepaid Fees	1,239,714	1,067,670
Trade Creditors -Operation	7,095,363	6,051,485
Trade Creditors - Tuition	4,729,445	4,711,145
School Fund -Student Deposits	(85,000)	(85,000)
Cash Overdrawings:	17	
Total	23,845,392	23,039,795

14a. Ageing Analysis of Accounts Payable

Description	2024		2023	
	Kshs		Kshs	
	Current 2024	% of the total	Comparative 2024	% of the total
Less than 1 year	1,554,498	6.85%	3,996,640	18.12%
Between 1- 2 years	3,075,678	13.55%	8,936,546	40.51%
Between 2-3 years	18,060,486	79.59%	9,123,937	41.37%
Over 3 years	0	0	0	0
Total (should tie to note 14)	22,690,662	100%	22,057,126	100%

14 Fund Balance Brought Forward

Description	2024	2023
	Kshs	Kshs
Bank Balances	354,782	2,421
Cash Balances	601	301
Short Term Investments	64,228	64,228
Receivables	34,561,974	36,539,449
Payables	(23,039,795)	(21,184,992)
Total	11,941,789	15,421,406

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.

15 Non-current Liabilities Summary

Description	2024	2023
	Kshs	Kshs
	Bank Loans	
Total		

16 Biological assets

Description	Numbers	2024	2023
		Kshs	Kshs
Total			

17 Borrowings

Description	Kshs	Kshs
Balance at the end of the year		

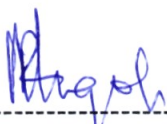
Other important disclosure notes**18 Stock/ Inventory**

Description	2024	2023
	Kshs	Kshs
Food stuffs	733,415	1,300,891
	733,415	1,300,891

19 Progress On Follow Up of Auditor Recommendations

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

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



Sign and Date
Principal

PRINCIPAL
ST. EMMANUEL GANGARA SEC. SCH.
P. O. Box 1663 - 60100, EMBU
SIGN:..... DATE: 29/4/2026

12. Annexes

Annex I - Analysis of Pending Accounts Payable

				Outstanding Balance 2024	Outstanding Balance 2023
	Original Amount	Date Contracted	Amount paid To- Date	-	-
	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	Kshs
Construction of buildings					
Sub-Total					
Supply of goods					
1.wagon investment				18,300.00	
2. Anthony Murithi				15,200.00	0.00
3.challa ventures				217,470.00	0.00
4. Wacamu enteerprises				49,905	0
5. David njiru				8,340	0
6. kanafrick bakery				89,905	0
7. Kine g. suppliers					0
8. Virginia igoki					0
9. Frida njeri					0
10. Syuki mukisha					0
11. Isaac ireri					0
12. Margret mbuya					0
13. Meru chemist					0
14. Bijama suppliers					0
15. Amazon fire services					0

16. Kelmike supplies					0
17. Top choice international					0
18. Famytech computer and stationers					0
19. Kabe merchants					0
20. Science lab					351,100
21. Pricom ltd					23,200
22. Highmark services					70,000
23. Globalwide publishers					51,860
24. Ewasco				27,746	0
25. Juliet m. Ngari					0
26. Pezi publishers					0
27. Dajax.G. Suppliers					0
28. Rowlands Suppliers					0
29. Pertomilla Rweru Itta					0
30. A plus resolutions					0
31. Jobem General Suppliers					0
32. JoyRob publishers					0
33. Ceciryne enterprises					50,000
34. DM enterprises					0
35. gloria karwitha					0
34Mabrina Enterprises					0
36. Nguna Enterprises					0.00
37. stephen nkumbu					250,000.00
38. dorcas m. ngari					144,600.00
39. great mind					285,200.00

40. eng eastern wanja					23,000.00
35. Mosmic general suppliers					0
Sub-Total				426,866.00	1,248,960
Supply of services					
37. Bititech systems \$ Suppliers					0.00
38. Joseph njuki					0.00
39. Embu Diesel Auto Mobiles					144,000.00
40. Globally power					45,000.00
41. Challa ventures					0.00
42. P.E(NON TEACHING STAFF)				1,127,632.00	2,559,680.00
43. Peterson Njiru					0.00
44. kessha mbeere north					0.00
45. kirie zone					0.00
46. apacs ack					0.00
47 jackson ireri					0.00
48. Silvilious kathuri					0
Sub-Total				1,127,632	0
Grand Total				1,554,498.00	3,997,640.00

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost b/f	Additions during the year to June	Disposals during the year to June	Historical Cost c/f
	(Kshs)	2024	2024	(Kshs)
	1st July	(Kshs)	(Kshs)	30th June
	2024			2025
Land 1	clan land			5,500,000
Buildings and structures	20,400,000.00			20,400,000
Motor vehicles	6,500,000			6,500,000
Office equipment, furniture and fittings	1,000,000			1,200,000
ICT Equipment, and Other ICT Assets	500,000			500,000
Tools and apparatus	100,000			100,000
Textbooks	3,500,000			3,500,000
Other Machinery and Equipment	1,200,000			1,400,000
Heritage and cultural assets	60,000			60,000
Intangible assets- soft ware	260,000			660,000
Total	33,520,000			39,820,000