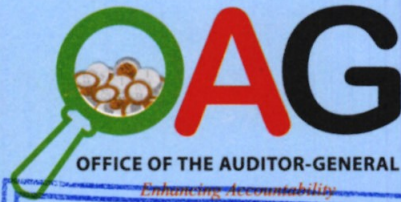


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 01 JUN 2026	DAY: Wed
TABLED BY: Hon. Owen Ouko Deputy majority leader	
CLERK-AT THE-TABLE: Mado Atieno	

REPORT

OF

THE AUDITOR-GENERAL

ON



**KAGUMO
SECONDARY SCHOOL**

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

MURANG'A COUNTY



KAGUMO SECONDARY SCHOOL

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

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KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

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I. KEY SCHOOL INFORMATION AND MANAGEMENT**(a) Background information**

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

The school was registered in 2018 under registration number 21530000228 and is currently categorized as a Sub County public school established, owned or operated by the Government.

The school is a day/boarding school and had 345 number of students as at 30 June 2022. It has 2 streams and 17 teachers of which 4 teachers are employed by the School Board Of Management.

(b) School Board of Management - Board Members

The School Board of Management established under Section 55 of the Basic Education Act, 2013; is composed of the following members:

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr. Kenneth Muiru	Chairman	12/4/2019
2	Grace Muthoni Maina	Secretary – Principal	12/4/2019
3	Mr. Elijah Waweru	Member	12/4/2019
4	Mr. Humpy Kimani	Member	12/4/2019
5	Mr. Ben Wanyoike	Member	12/4/2019
6	Mr. Josphat Watheka	Member	12/4/2019
7	Wangari Ndia	Member	12/4/2019
8	Mrs. Loise Nyoya	Member – Rep CEB	12/4/2019
9	Mr. Anthony Kariuki	Member Rep Teachers	12/4/2019
10	Rev. Peris Wanjeri	3 Members – Sponsor	12/4/2019
11	Mr. Peter Maina	Member – Community	12/4/2019
12	Mr. David Kuria Chege	Member Special Needs	12/4/2019
13	Harrison Kamondo	Rep Students	12/4/2019

KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

function of the School Board of Management include:

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

(c)Committees of the Board

Ref:	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Mr Kenneth Muiru Mrs Grace Maina Mr Elijah Waweru Mr Humphrey Kimani Mr Anthony Kariuki Mrs. Loise Njoya Rev. Peris Kariuki	Bom Chair Bom secretary Member Member Teachers Rep Member Member	0
2	Audit Committee	Mr. David Chege Mr. Kenneth Muiru Ms Wangari Ndia Mrs Grace Maina	Member Bom chair Member Bom Secretary	0
3	Finance, procurement and general purposes Committee	Mr Kenneth Waweru Mr. Elijah Waweru Mrs Grace Maina Rev. Peris Kariuki Mrs Rose Gikonyo Ms Wangari Ndia Mr Ben Wanyoike	Bom Chairman Member Bom Secretary Member P.A chair Member Member	0
4	Academic Committee	Mrs Grace Maina Mr Michael Kihumba Mrs Joise Njoya Mr Josphat Watheka Mr Peter Maina	Bom Secretary Dean Member Member Member	0
5	Development Committee	Mr Kenneth Muiru Mrs grace Maina	Bom Chair Bom Secretary	0

KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

		Mrs Rose Gikonyo Mr Peter Maina Mr James Mureithi	P.A Chair Bom Member D/Principal	
6	Discipline and welfare Committee	Mr James Mureithi Mrs Grace Maina Mr Kenneth Maguta Mr Julius Kabiru Mrs Nancy Njeri Mr Josphat Watheka Mrs Rose Gikonyo Ms Wangari M Ndia Mr Humphrey Kimani Mr Ben Wanyoike	d/principal Member Bom Member Bom Member Bom Member Bom Member P.A Chair Bom Member Bom Member Bom Member	0
7	Adhoc Committee (if any during the year)	Mrs Grace Maina Mr Mureithi James Mr Elijah Waweru Mr. Humphrey Kimani Mrs rose Gikonyo Mrs Nancy Njeri Mr Peter Maina	Bom Secretary D/Principal Bom Member Bom Member Bom Member Bom Member Bom Member	0

(b) School operation Management

For the financial year ended 30 June 2022 the School day-to-day management was under the following persons:

Ref:	Designation	Name	TSC Number
1	Principal	Grace M. Maina	324576
2	Deputy Principal	James Mureithi	312931
3	School Accounts Clerk	David Mwangi	ID 20849515

(c) Schools contacts

Post Office Box: 620, MARAGUA
 Telephone: 0722334498
 E-mail: kagumomsc@gmail.com
 Website:
 Facebook:
 Twitter:

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

(d) School Bankers

The school operated 5 number of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: KCB
 Branch: MURANG'A
 Account Number: 1109273509 (School Fund Account)
 1107188717 (Operational Account)
 1260887677 (Infrastructure Account)
2. Name of Bank: EQUITY
 Branch: MURANG'A
 Account Number: 0220291400323(Tuition Account)
 0220193188967 (Farm Account)
3. MPESA Pay Bill No. N/A

(e) Independent Auditors

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

II. Summary Report Of Performance Of The School

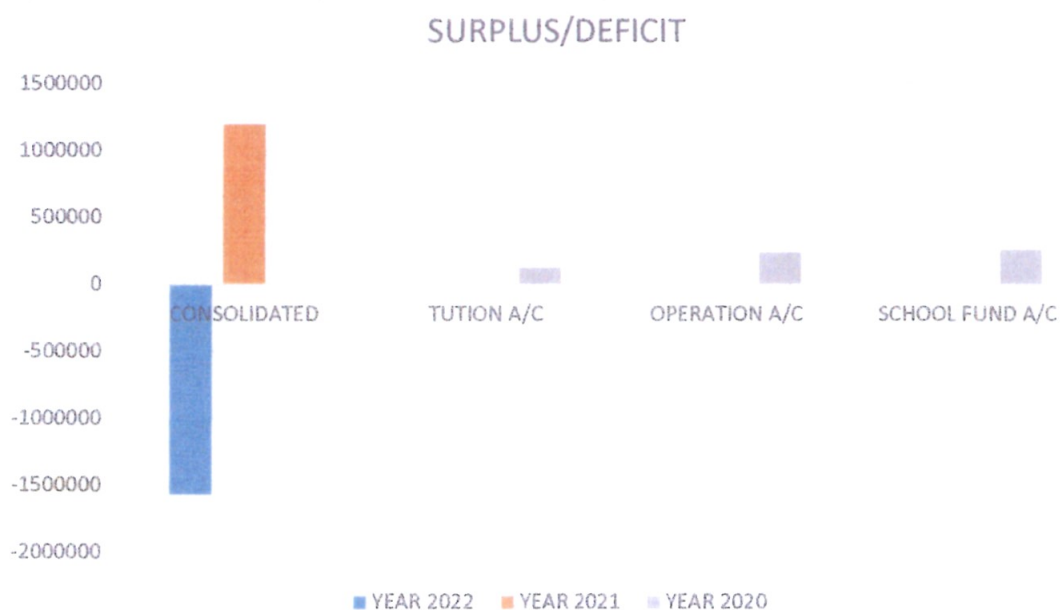
The following is a summary report of the performance of the school against the set performance evaluation criteria:

a) Financial performance:

(Under this section, the following information should be given:

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

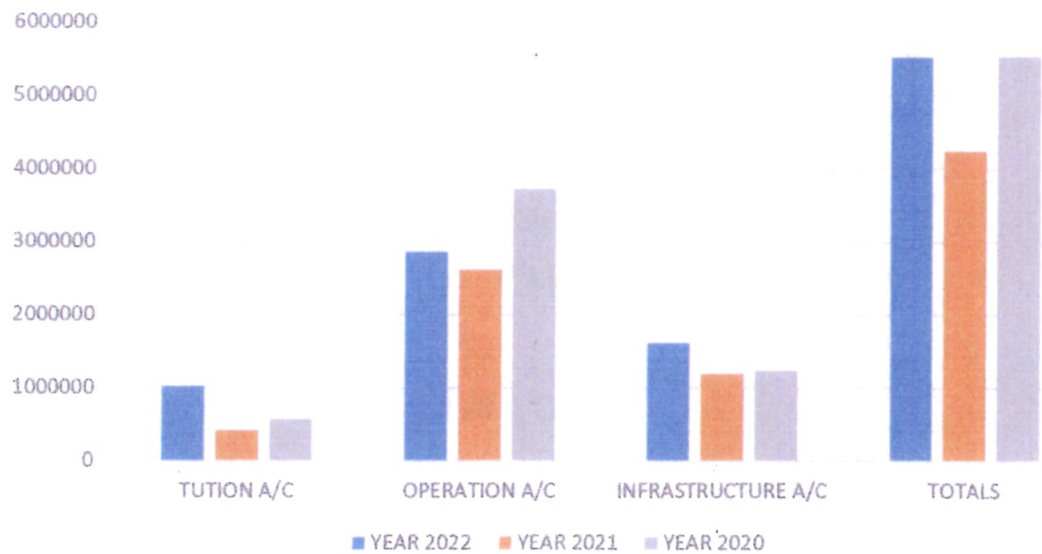
	YEAR 2022	YEAR 2021	YEAR 2020
CONSOLIDATED	-1,570,242	1,198,492	
SCHOOL FUND A/C	-	-	260,475
OPERATION A/C	-	-	239,774
TUTION A/C	-	-	125,455
TOTALS	-1,570,242	1,198,492	625,664



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

	YEAR 2022	YEAR 2021	YEAR 2020
OPERATION A/C	4,487,901	2,619,966	3,720,400
TUTION A/C	1,030,618	418,662	574,521
TOTALS	5,729,633	4,239,879	5,538,921

CAPITATION FOR LAST 3 YEARS



- Ratio of capitation grant per student over the last three years

	YEAR 2022	YEAR 2021	YEAR 2020
TUTION A/C	1:3241	1:1214	1:1790
OPERATION A/C	1:9019	1:7594	1:1962
TOTALS STUDENTS	318	345	311

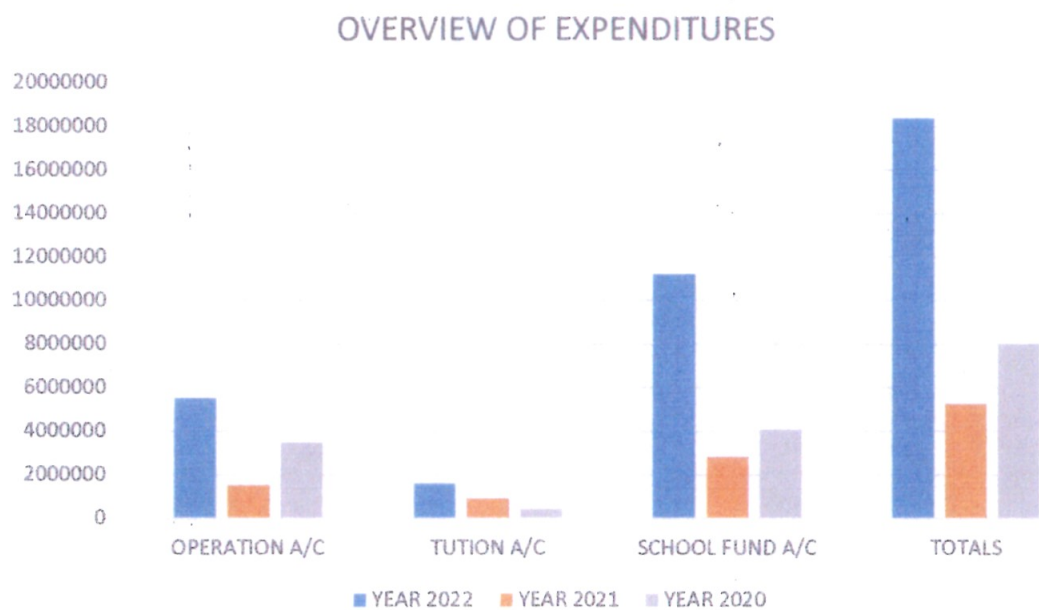
- A three-year overview of growth of other income(s) earned by the school.

	YEAR 2022	YEAR 2021	YEAR 2020
FARM	93,511	80,539	18,020
HOUSE RENT	2,000	-	-
TOTALS	95,511	80,539	18020

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

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

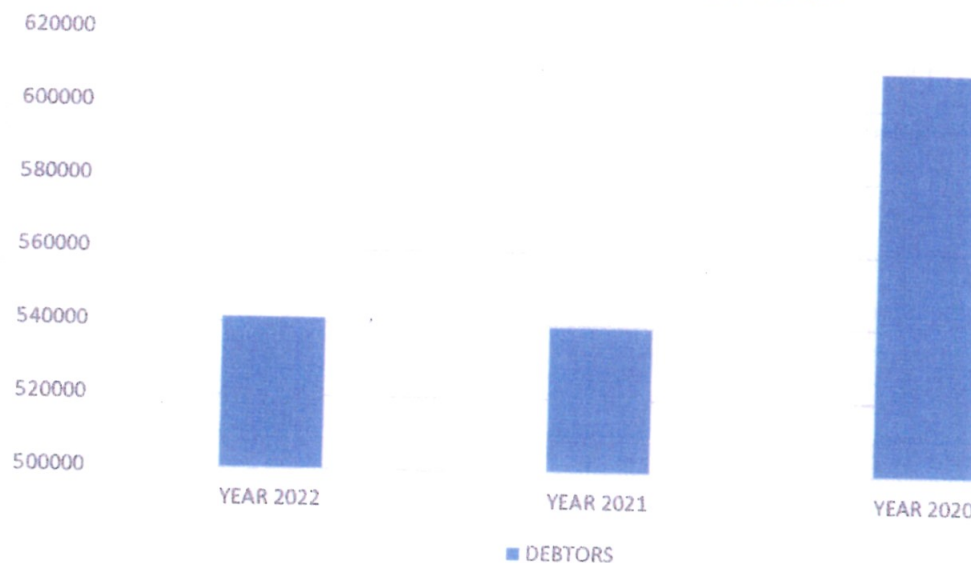
	YEAR 2022	YEAR 2021	YEAR 2020
SCHOOL FUND A/C	11,240,764	2,831,968	4,094,627
OPERATION A/C	5,527,415	1,524,237	3,480,666
TUTION A/C	1,594,992	913,045	449,066
TOTALS	18,363,171	5,269,250	8,024,359



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

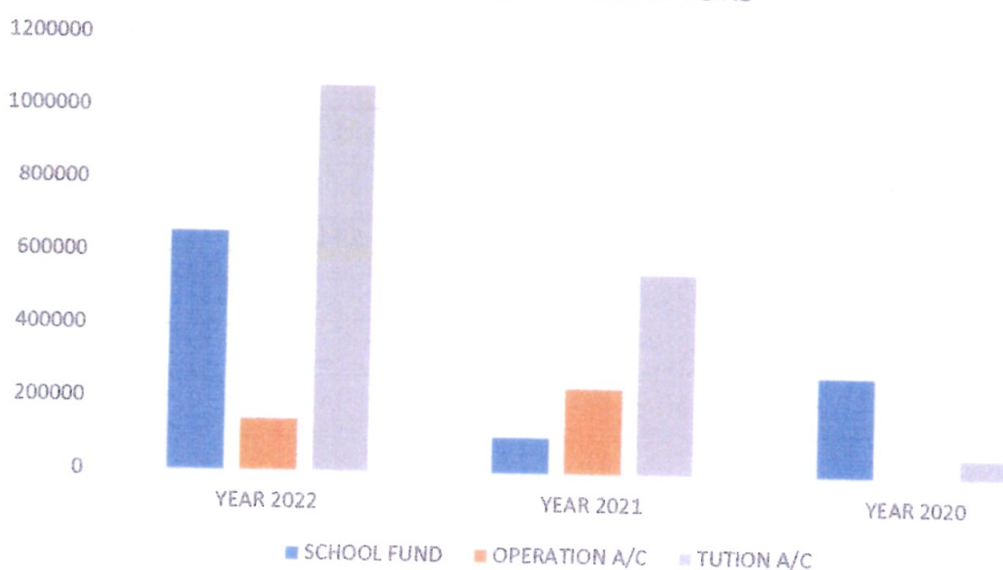
	YEAR 2022	YEAR 2021	YEAR 2020
DEBTORS FUND	541,256	539,669	610,230

DEBTORS FOR THE LAST THREE YEARS



	YEAR 2022	YEAR 2021	YEAR 2020
SCHOOL FUND A/C	656,431	99,900	273,005
OPERATION A/C	142,545	236,205	-
TUTION A/C	1,061,435	551,745	56,746
TOTALS	1,860,411	887,850	329,751

STATEMENT OF CREDITORS

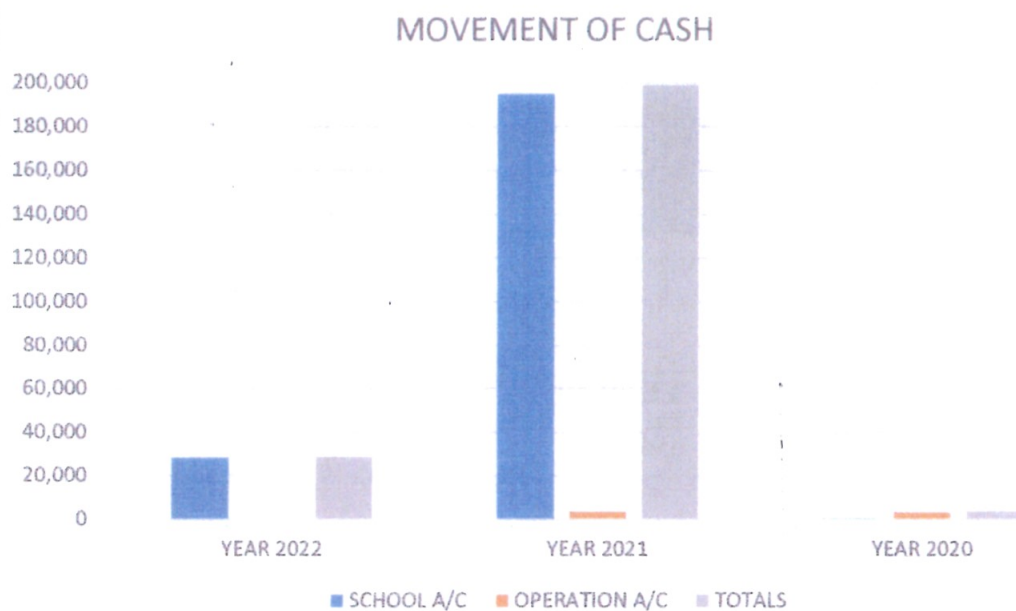


- Movement of cash and bank balances over the last three years

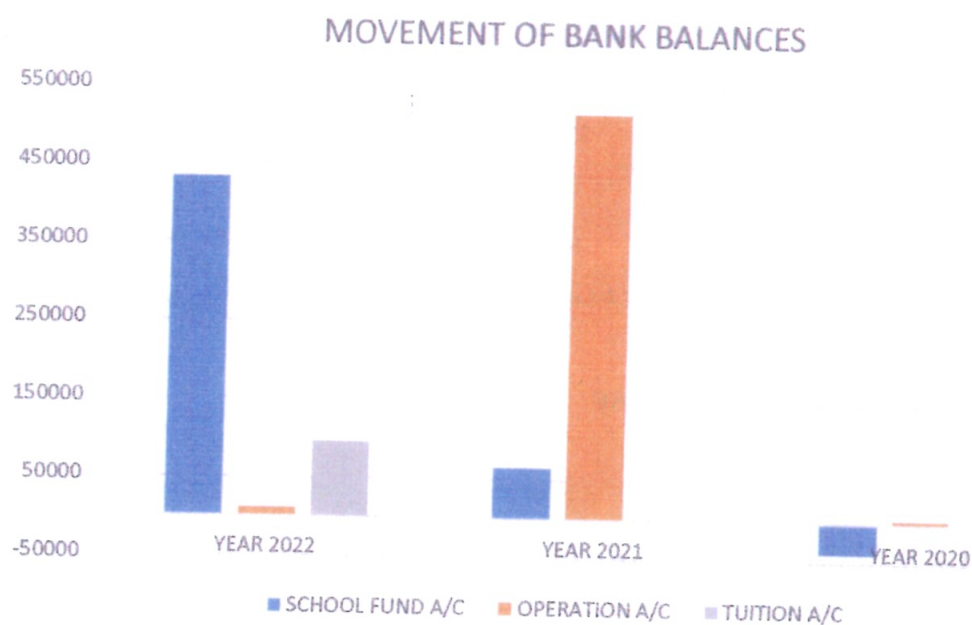
KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

	YEAR 2022	YEAR 2021	YEAR 2020
School A/C	28,439	195,202	510
Operation A/C	98	3,698	3,310
Totals	28,537	198,900	3,820



	YEAR 2022	YEAR 2021	YEAR 2020
SCHOOL FUND A/C	432,125	65,987	-38,473
OPERATION A/C	11,437	517,254	5,708
TUTION A/C	96,382	1,640	1,023
TOTALS	539,944	584,881	-31,741



b) Teacher Student ratio:

Number of Teachers = 13

Number of Students = 318

Teacher Student Ratio = 1:24

TEACHER TRANSFERRED

Biology/Agriculture

TEACHERS EMPLOYED BY BOM

1. *Mathematics/Biology*
2. *Kiswahili/CRE*
3. *Kiswahili/History*
4. *Agriculture/Biology*

TEACHERS EMPLOYED BY TSC AND SUBJECT

SUBJECT	NUMBER	DEFICIT
ENGLISH	1	NIL
KISWAHILI	1	2
MTEMATICS	5	NIL
BIOLOGY	1	1
CHEMISTRY	2	NIL
PHYSICS	2	NIL

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

HISTORY	3	NIL
CRE	1	1
GEOGRAPHY	2	NIL
AGRICULTURE	1	1
BUSINESS STUDIES	1	1

The improvement varied due to students registering for K.C.S.E and disappeared to the motor bike industry

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

Year	2021	2020	2019
MEAN SCORE	3.345	3.622	3.783
ENTRY	92	82	60
NO OF STUDENTS TRANSITIONING TO UNIVERSITY		2	5

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

Year	2021	2020	2019
No. of Candidates	92	82	60

e) **Capacity of the school:**

FACILITY	NUMBER	COMMENT
DINING HALL	1	Adequate
CLASSROOMS	9(Including CBC class)	3 Classroom Deficit
LABORATORY	2(Physics and Chemistry)	1 Laboratory Deficit
DORMITORIES	1 Permanent 1 Temporary(Iron Sheets)	100 Student dormitory capacity required to suffice the demand
TOILETS	12 Girls Toilets 4 Boys Toilet	4 Toilet Deficit(2 for girls and 2 for boys)

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

KAGUMO SEC.SCHOOL
Annual Report and financial Statements
For the Year ended 30 June 2022

f) Development projects carried out by the school:

<i>Project</i>	<i>Source of funds</i>	<i>Amount</i>	<i>Status</i>
<i>Furnitures</i>	<i>M.O.E</i>	<i>1,089,430</i>	<i>COMPLETED</i>
<i>Water harvesting</i>	<i>M.O.E</i>	<i>385,000</i>	<i>COMPLETED</i>
<i>Class and Dormitory renovations</i>	<i>M.O.E</i>	<i>349,642</i>	<i>NOT COMPLETED</i>

Grace M. Maina



School Principal

III. Statement Of School Management Responsibility

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

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

The Board of Management of *Kagumo 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 30 June, 2022, and of the school's financial position as at that date.


.....
Name: Julius M. Kabiru
Designation: Chairman, School Board of Management
Date: 25/5/2026




.....
Name: Grace M. Mutha
Designation: School Principal & Secretary to Board of Management
Date: 25/5/2026


.....
Name: David Mwangi
Designation: Bursar/ Finance Officer
Date: 25/5/2026

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 KAGUMO SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 – MURANGA 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 Kagumo Secondary School set out on pages 1 to 18, which comprise of the statement of financial assets and financial

liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kagumo Secondary School as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Undisclosed Bank Account

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,056,723 as disclosed in Note 8 and Note 9 to the financial statements. However, review of records revealed that the school operated a National Government Constituency Development Fund (NGCDF) project account with a closing balance of Kshs.3,055 which was not disclosed in the School's financial statements. Further, the School Management did not carry out a board of survey at the close of the financial year.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.1,056,723 could not be confirmed.

2. Unsupported Accounts Receivable

The statement of financial assets and financial liabilities reflects accounts receivable balance of Kshs.4,541,307 as disclosed in Note 11 to the financial statements. Included in the balance are receivables amounting to Kshs.4,537,307 relating to fees arrears. However, receivables balance amounting to Kshs.3,996,051 was not supported with detailed schedules indicating the students and their respective outstanding balances.

In the circumstances, the accuracy and completeness of the account receivable balance of Kshs.4,541,307 could not be confirmed.

3. Unsupported Accounts Payables

The statement of financial assets and financial liabilities reflects payables balance of Kshs.2,708,567 as disclosed in Note 12 to the financial statements. Included in the balance are trade creditors amounting to Kshs.2,016,196. However, the balance differs with amount reflected under Annex 1 to the financial statements on pending accounts payables of Kshs.1,860,411 resulting in an unsupported variance of Kshs.155,785.

Further, the accounts payables balance includes retention monies amounting to Kshs.437,958 which were not supported with a schedule indicating the contractors and their respective amount. In addition, the payables balance was not supported with invoices, bills and contracts of the payables.

In the circumstances, the accuracy, existence and completeness of payables balance of Kshs.2,708,567 could not be confirmed.

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

Key Audit Matters

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

Other Information

The Management is responsible for the Other Information set out on page ii to xvi which comprise of Key School Information and Management, Summary Report of Performance of the School, and 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 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 and 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. Late Submission of Financial Statements

During the year under review, Management submitted the financial statements to the Auditor-General on 2 March, 2026 instead of the statutory deadline of 30 September, 2022. This was contrary to Section 47(1) of the Public Audit Act, 2015 that requires financial statements be, submitted to the Auditor-General within three (3) months after the end of the fiscal year to which the accounts relate.

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

2. Failure to Prepare a School Improvement Plan

During the year under review, the School did not have an approved School Improvement Plan, contrary to Section 2.2 of the State Department for Basic Education Operation Manual for Utilization of Learner Capitation Grant and Other School Funds, which requires schools to identify in every three-year school improvement planning cycle, one priority area in each of the four key areas which include curriculum implementation, foundational literacy and numeracy outcomes, an enabling environment for learning and parental involvement and community engagement for implementation.

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

3. Excess Supply of Books

During the year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed five hundred sixty (560) set books to the school while only one hundred twenty-two (122) books were issued to the students, resulting in four hundred thirty-eight (438) excess textbooks in the school store.

In the circumstances, value for money on the excess text books could not be confirmed.

4. Irregular Transfer of Funds to Kenya Secondary School Heads Association

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.10,601,861 as disclosed in Note 7 to the financial statements. Included in the payment is an amount of Kshs.157,000 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 KESSA amounting to Kshs.157,000 could not be confirmed.

5. Under Funding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and for operations totaling Kshs.5,518,519 as disclosed in Note 1 and Note 2 to the financial statements. During the year under review, National Education Management and Information System (NEMIS) reported a total number of three hundred and thirteen (313) students while the enrolment records provided by the school indicated a total number of three hundred and forty-five (345) students resulting in an unexplained variance of thirty-two (32) students. As a result of the variances, the School was under-funded by an amount of Kshs.436,483.

In the circumstances, the under-funding of the School may have affected service delivery to the public.

6. Failure to Transfer Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflect operations grants amount of Kshs.4,487,901 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. The grants include an amount of Kshs.1,703,500 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.778,000 was transferred to infrastructure account, leaving an amount of Kshs.925,500 not transferred as at 30 June, 2022. This was contrary to the Ministry of Education Circular Ref. No: MOE.HQS/3/13/61 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of guidelines.

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 had not constituted 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. Further although the school had an audit committee it was not functional.

In the circumstances, the existence of an effective oversight mechanisms could not be confirmed.

2. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.4,541,307 as disclosed in Note 11 to the financial statements. Included in the balance are fees arrears amounting to Kshs.4,537,307 out of which Kshs.3,739,458. which had been outstanding for more than two years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

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

3. Lack of an Approved Staff Establishment and Scheme of Service

Review of the School's personnel records provided for audit revealed that the School had teaching and non-teaching employees of the Board of Management. However, the School did not maintain a comprehensive approved staff establishment outlining the optimal number for each category of staff employed by the Board of Management. Further, the School did not provide approved formal terms and conditions of service to define the rights and obligations of an employee and the school in the employment contract. In addition, there were no approved job descriptions or clearly defined roles and responsibilities for staff members.

In the circumstances, the absence of an approved establishment, and formalized terms of service, the adequacy and appropriateness of staffing levels could not be confirmed.

4. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects a summary of the fixed assets register with a valuation of Kshs.22,402,820 which includes land with a balance of Kshs.7,500,000. However, the land ownership documents were not provided for audit.

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

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

Responsibilities of the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue 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

25 May, 2026

KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

V. Statement Of Receipts and Payments Period To 30 June 2022

Description Of Vote Head	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Capitation grants for tuition	1	1,030,618	418,663
Capitation grants for operations	2	4,487,901	2,619,966
School fund income- parents' contributions	3	10,328,881	3,199,534
School fund income- other receipts	4	95,511	245,737
Proceeds from borrowings		-	-
Total Receipts		15,942,911	6,483,900
Payments			
Payments for tuition	5	1,661,551	913,045
Payments for operations	6	5,249,741	1,424,237
Boarding and school fund payments	7	10,601,861	2,948,126
Total Payments		17,513,153	5,285,408
Surplus/Deficit		(1,570,242)	1,198,492

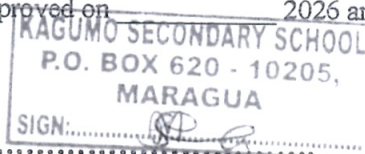
The school financial statements were approved on 2026 and signed by:


.....

Name: Julius M. Kibira

Chair BOM

Date: 25/5/2026



Name: Grace M. Maina
School Principal/ Secretary to
BOM

Date: 25/5/2026


.....

Name: David Mwangi
Bursar/ Finance Officer

Date: 25/5/2026

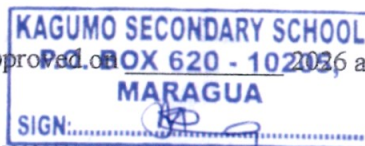
KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

VI. Statement Of Financial Assets And Financial Liabilities As At 30 June 2022

Description	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	8	1,028,284	1,470,723
Cash balances	9	28,439	198,900
Short term investment	10	-	-
Total cash and cash equivalent		1,056,723	1,669,623
Account's receivables	11	4,541,307	4,279,127
Total financial assets		5,598,030	5,948,750
Financial liabilities			
Accounts payables	12	2,708,567	1,489,045
Net financial assets		2,889,463	4,459,705
Represented by			
Accumulated fund b/fwd	13	4,459,705	3,261,214
Surplus/deficit for the year		(1,570,242)	1,198,492
Net financial position		2,889,463	4,459,705

The school's financial statements were approved on 25/6/2022 and signed by:



Name: Julius M. Idebani

Chair BOM

Date: 25/6/2022

Name: Grace M. Maina

School Principal/ Secretary to BOM

Date: 25/6/2022

Name: David Mwangi

Bursar/ Finance Officer

Date: 25/6/2022

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

VII. Statement of Cash Flows for The Period Ended 30 June 2022

Description	Notes	2021-2022	2020-2021
		Kshs	Kshs
Operating activities			
Receipts			
Capitation grants for tuition	1	1,030,618	418,663
Capitation grants for operations	2	4,487,902	2,619,966
School fund income- parents contributions/ fees	3	10,070,701	3,116,367
School fund income- other receipts	4	95,511	245,737
Total receipts		15,684,732	6,400,733
Payments			
Payments for tuition	5	935,877	418,046
Payments for operations	6	5,403,601	1,188,032
Boarding and school fund payments	7	9,958,154	3,105,073
Total payments		16,297,632	4,711,151
Net cash flow from operating activities		(612,900)	1,689,582
Cashflow from investing activities			
Proceeds from sale of assets		-	-
Acquisition of assets		-	-
Proceeds from investments		-	-
Purchase of investments		-	-
Net cash flows from investing activities		-	-
Cashflow from borrowing activities			
Proceeds from borrowings/ loans		-	-
Repayment of principal borrowings		-	-
Net cash flow from financing activities		-	-
Net increase in cash and cash equivalents		(612,900)	1,689,582
Cash and cash equivalent at beginning of the year		1,669,624	(19,958)
Cash and cash equivalent at end of the year		1,056,724	1,669,624

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

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Receipts						
<i>(1) Capitation Grant on Tuition</i>						
Textbooks And Reference Materials	-	-	-	-	-	-
Exercise Books	229,320	-	229,320	250,418	(21,098)	109
Laboratory Equipment	283,500	-	283,500	557,549	(274,049)	196
Internal Exams	-	-	-	-	-	-
Teaching / Learning Materials	157500	-	157500	222,650.00	(65,150)	141
Chalks	-	-	-	-	-	-
Exams And Assessment	-	-	-	-	-	-
Teachers Guides	18,900	-	18,900	-	18,900	-
TOTALS	689,220		689,220	1,030,617	(341,397)	
<i>(2) Capitation Grant on Operations</i>						
Personnel Emoluments	1,260,000	-	1,260,000	1,324,304	(64,304)	105
Repairs And Maintenance	1,600,000	-	1,600,000	1,619,750	(19,750)	101
Local Transport / Travelling	283,000	-	283,000	568,732	(285,732)	200
Electricity And Water	283,000	-	283,000	456,101	(173,101)	161
Medical	-	-	-	-	-	-
Administration Costs	472,000	-	472,000	456,414	15,586	9.6
Insurance/NHIF	-	-	-	62,500.00	(62,500.00)	-
TOTALS	3,898,000		3,898,000	4,487,801	(589,801)	

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
(3) Fees Charged on Parents						
Personnel Emoluments	403,000	-	403,000	1,049,736	(646,736)	260.48
Repairs And Maintenance	312,000	-	312,000	604,693	(292,693)	193.81
Local Transport / Travelling	97,500	-	97,500	348,828	(251,328)	357.77
Electricity And Water	637,000	-	637,000	354,727	282,273	55.69
Medical	-	-	-	-	-	-
Administration Costs	240,500	-	240,500	359,824	(119,324)	149.61
Activity	19,500	-	19,500	90,515	(71,015)	464.18
Smasse	-	-	-	-	-	-
Fee On Boarding Equipment and Stores	5,502,550	-	5,502,550	6,979,302	(1,476,752)	126
TOTALS	7,212,050		7,212,050	9,787,625	(2,575,575)	
Other Income						
Rent Income	-	-	-	2,000	(2,000)	-
Income From Farming Activities	-	-	-	93,511	(93,511)	-
Insurance Compensation	-	-	-	-	-	-
Income From Posho Mill	-	-	-	-	-	-
Income From Bus Hire	-	-	-	-	-	-
TOTALS	-	-	-	95,511	(95,511)	-
GRAND TOTAL	11,799,270		11,799,270	15,401,554	3,762,934	
(1) Expenditure For Tuition						
Textbooks And Reference Materials	-	-	-	-	-	-

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Exercise Books	229,320	-	229,320	243,150	(13,830)	106
Laboratory Equipment	283,500	-	283,500	172,035	111,465	60
Internal Exams	-	-	-	50,300	(50,300)	-
Teaching / Learning Materials	15,750	-	15,750	40,000	(24,250)	253
Chalks	-	-	-	-	-	-
Teachers Guides	18,900	-	18,900	25,544	(6,644)	135
Administration Costs	-	-	-	66,560	(66,560)	-
Bank Charges	-	-	-	2,527	(2,527)	-
Creditors				335,760	(335,760)	
TOTALS	547,470		547,470	935,876	(388,406)	
(2) Expenditure For Operations						
Personnel Emoluments	1,260,000	-	1,126,000	1,638,184	(378,184)	130
Repairs, Maintenance & Improvements	1,600,000	-	1,600,000	1,637,500	(37,500)	102
Local Transport / Travelling	283,000	-	283,000	389,600	(106,600)	137
Electricity, Water and Conservancy	283,000	-	283,000	141,380	141,620	49
Administration Costs	472,500	-	472,500	822,170	(349,670)	174
Activity Expenses	-	-	-	91,950	(91,950)	-
TOTALS	3,898,500	-	3,898,500	4,720,784	(822,284)	-
(3) Expenditure For School Fund						
Personnel Emoluments	403,000	-	403,000	458,297	(55,297)	113
Repairs, Maintenance and Improvements	312,000	-	312,000	1,076,110	(764,110)	344

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
	Kshs	Kshs			Kshs	Kshs
Local Transport / Travelling	97,500	-	97,500	938,840	(841,340)	962
Electricity, Water and Conservancy	637,000	-	637,000	633,700	3,300	99
Medical Expenses	-	-	-	-	-	-
Administration Costs	240,500	-	240,500	1,610,658	(1,370,158)	669
Activity	19,500	-	19,500	260,680	(241,180)	1336
Gratuity	-	-	-	-	-	-
Farm	-	-	-	177,540	(177,540)	-
Boarding Equipment and Stores	5,502,550	-	5,502,550	5,007,137	495,413	90
Salary Advance	-	-	-	4,000	(4,000)	-
Expenditure For Income Generating Activity	-	-	-	-	-	-
Prepayments	-	-	-	151,371	(151,371)	-
Other Expenses On Investments	-	-	-	-	-	-
Creditors	-	-	-	99,900	(99,900)	-
TOTALS	7,212,050	-	7,212,050	10,418,233	(3,206,183)	-
GRAND TOTALS	11,658,020		11,658,020	16,074,893	(4,416,873)	

i) Underutilization of below 90% is as a result of parent's failure to clear all fees allocated and students dropping out of school and this affects revenue collections.

ii) Overutilization above 100%

This has been caused by the over expenditure of affected vote heads like L.t.t and Administration costs and Rmi whereby expenses exceed income collected.

There arise unexpected expenditures like teachers' symposiums, Committee meetings, Seminars, Travels and subsistence's which exceeds the budgeted amount.

Others irregular Maintenances of furniture's like students' desks, chairs and benches, Office machines and water hydrum usually affects budget estimates.

The interborrowing of funds from different accounts has also affected some vote heads reflecting over expenditures as the same has not been refunded.

iii) The vote heads not budgeted for incomes or expenditures was not intended to be incurred hence no percentage of utilization.

IX. Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting and applicable government legislations and regulations. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprest, salary advances and other receivables and b) payables that include deposits and retentions and payables from operations.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *school*, and all values are rounded to the nearest Kenya Shilling (Kshs). The accounting policies adopted have been consistently applied to all the years presented.

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*.

3. In-kind contributions

In-kind contributions are donations that are made to the *school* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *school* includes such value in the statement of receipts and payments both as a receipt and as a payment in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various financial institutions at the end of the financial year.

KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

Significant Accounting Policies (Continued)

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

7. Non-current assets

Non-current assets are expensed at the time of acquisition while disposal proceeds are recognized as receipts at the time of disposal. However, the acquisitions and disposals are reflected in the school fixed asset register a summary of which is provided as a memorandum to these financial statements.

8. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *school's* budget was approved by the School Board of Management. A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

9. Comparative figures

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30 June 2022.

KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

X. Notes To The Financial Statements

1 Capitation Grant for Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	250,419	29,026
Laboratory Equipment	557,549	360,610
Internal Exams	-	-
Teaching / Learning Materials	222,650	29,026
Chalks	-	-
Total	1,030,618	418,662

2 Capitation Grant for Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	1,324,304	709,566
Repairs And Maintenance	1,619,750	1,201,250
Local Transport / Travelling	568,732	153,160
Electricity And Water	456,101	246,435
Medical	62,600	-
Administration Costs	456,414	246,435
Activity	-	63,120
Total	4,487,901	2,619,966

3 Parents Contribution/Fees - School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	1,090,481	333,378
Fee On Boarding Equipment and Stores	7,295,957	2,325,378
Repairs and maintenance	646,940	130,973
Local transport / travelling	361,632	48,312
Electricity and water	373,599	234,534
Administration costs	397,762	110,284
Activity	162,510	16,675
Total	10,328,881	3,199,534

KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

4 Other Receipts – School Fund Account

Description	2021-2022	2020-2021
	Kshs	Kshs
Rent Income	2,000	-
Income From Farming Activities	93,511	80,539
Insurance Compensation	-	-
Income From Posho Mill	-	-
Prepaid fees	-	-
Income From Bus Hire	-	-
Fee For Hire of Ground and Equipment	-	-
Income From Grants and Donations*Bursary	-	-
Operations account	-	-
Other receipts	-	165,198
Total	95,511	245,737

5 Payments For Tuition

Description	2021-2022	2020-2021
	Kshs	Kshs
Textbooks And Reference Materials	-	-
Exercise Books	243,150	148,160
Laboratory Equipment	1,210,470	679,945
Internal Exams	50,300	-
Teaching / Learning Materials	63,000	83,800
Chalks	-	-
Exams And Assessment	-	-
Teachers Guides	25,544	-
Administration Costs	66,560	-
Bank Charges	2,527	-
Total	1,661,551	913,045

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

6 Payments For Operations

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	1,618,314	865,182
Service Gratuity	-	-
Administration Cost	879,770	247,748
Repairs And Maintenance & Improvements	2,043,422	-
Local Transport / Travelling	389,600	197,400
Electricity And Water	226,325	113,907
Medical	-	-
Activity Expenses	91,950	-
Insurance	-	-
Bank Charges	360	-
Totals	5,249,741	1,424,237

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7 Boarding And School Fund Payments

Description	2021-2022	2020-2021
	Kshs	Kshs
Personnel Emoluments	685,707	104,770
Boarding Equipment and Stores	5,032,171	1,640,948
Repairs And Maintenance & Improvements	1,157,510	227,256
Local Transport / Travelling	955,640	296,785
Electricity And Water	668,313	121,112
Activity	295,566	9,820
Administration Costs	1,617,944	502,030
Lunch Programme	-	-
Bank Charges	-	4,410
Expenses On Farm	189,010	40,995
Insurance Cost (Life Property)	-	-
Loan Principal Repayment	-	-
Loan Interest Repayment	-	-
Acquisition Of Assets	-	-
		-
Total	10,601,861	2,948,126

(Expenses on income generating activities** should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

KAGUMO SECONDARY SCHOOL
Reports and financial statements For the year ended 30 June 2022

8 Bank Accounts

Name Of Bank, Account No. & Currency	Bank Account Number	2021-2022	2020-2021
		Kshs	Kshs
Tuition Account	0220291400323	96,381	1,640
Operations Account	1107188717	11,436	517,254
School Fund Account/Boarding	1109273509	432,125	65,987
Farm A/c	0220193188967	22,996	14,215
Infrastructural Account	1260887677	465,345	871,627
Total		1,028,285	1,470,723

9 Cash In Hand

Description	2021-2022	2020-2021
	Kshs	Kshs
Tuition Account	-	-
Operation Account	98	3,698
School Fund account	28,341	195,202
Total	28,439	198,900

10 Short Term Investments

Description	2021-2022	2020-2021
	Kshs	Kshs
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit	-	-
Equity Stock	-	-
Other Investments	-	-
Total	-	-

KAGUMO SECONDARY SCHOOL

Reports and financial statements For the year ended 30 June 2022

11 Accounts Receivable

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees Arrears	4,537,307	4,279,127
Other Non-Fees Receivables	-	-
Salary Advances	4,000	-
Imprest	-	-
Total	4,541,307	4,279,127

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

Description	2021-2022	2020-2021
	Kshs	Kshs
Fees arrears for current year	541,256	539,669
Fees arrears recovered during the year	-	-
Fees arrears for the previous year	256,593	153,728
Fees arrears for prior periods(over 2 years)	3,739,458	3,585,730
Total	4,537,307	4,279,127

12 Accounts Payable

Description	2021-2022	2020-2021
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	2,016,196	887,850
Prepaid Fees	254,413	163,237
Retention Monies	437,958	437,958
Total	2,708,567	1,489,045

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

Description	2021-2022	2020-2021
	Kshs	Kshs
1 year and less	1,860,411	887,850
1-2 years	155,785	-
2-3 years	-	-
Total	2,016,196	887,850

13 Fund Balance Brought Forward

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Balances	1,028,285	1,470,723
Cash Balances	28,439	198,900
Short Term Investments	-	-
Receivables	4,541,307	4,279,127
Payables	(2,708,567)	(1,489,045)
Total	2,889,464	4,459,705

Other important disclosure notes

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

14 Non-current Liabilities Summary

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank Loan(S)	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Total	-	-

15 Biological assets

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	3	240,000	160,000
Goats		-	-
Trees	94@3000	270,000	282,000
Coffee Or Tea Plantation		-	-
Poultry		-	-
Total		510,000	442,000

Note: Cows were estimated at current market price 3@ 80,000 and trees were valued at Ksh 3000 each.

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16 Borrowings

Description	2021-2022	2020-2021
	Kshs	Kshs
a) Borrowings		
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments of during the year	-	-
Balance at end of the year	-	-

Other important disclosure notes

17 Stock/ Inventory

Description	2021-2022	2020-2021
	Kshs	Kshs
b) Inventory		
Stock/ inventory at beginning of the year	6,276,678	5,315,348
Stock/ inventory purchased during the year	3,919,944	961,330
Stock/ inventory issued during the year	3,919,944	(961,330)
Balance at end of the year	6,276,678	5,315,348

The stock was valued at current market prices at the end of financial year.

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18 Progress On Follow Up Of Auditor Recommendations

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

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

Sign and Date
Principal



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Annex 1 - Analysis Of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						No pending construction work
Supply Of Goods/service						
1. Margaret W. Maina	540,340	1-1-2022	200,000	340,340	5,500	Parents not able to clear fees on time
2. Equip lab	1,038,435	01-07-21	-	1,038,435	508,785	Balance not cleared due to lack of tuition funds
3. Kahuti water and sanitation Co Ltd	53,317	01-07-21	-	53,317	53,317	
4. Wellington Fire Appliances	71,600	13-5-2022	-	71,600	-	Money not paid due to lack of funds
5. BOM Employee salaries and Allowances	196,381	30-6-2022	-	196,381	171,280	Delay for payment due to lack of funds
6. Belons office machines services	93,400	23-05-22	-	93,400	23,160	Lack of funds
7. Mirriam Muthoni Mbuthia	22,310	28-06-22	-	22,310	-	Delay in submission of invoices
8. Josphat Mburu Njoroge	4,000	29-1-2022	-	4,000	16,918	Not paid due to contacts problems
9. Vision Avenue Limited	23,000	18-8-2021	-	23,000	-	Not paid due to lack of enough funds for tuition
10. KPLC	32,400	01-06-22	16,400	16,000	-	Not paid due to reading units queries with kplc office
11.Global Link Academy Agency	-	01-01-21	-	-	19,800	Lack of funds
12.Edu press investments	-	01-01-21	-	-	18,000	Delayed invoice
13.Joshua Kinuthia	-	01-01-21	-	-	58,495	Not paid due lack of funds

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Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Outstanding Balance 2021	Comments
14.Edke enterprises Ltd	-	01-01-21	-	-	6,600	Delayed invoice
15.Wakulima centre Maragua	-	01-01-21	-	-	5,995	Outstanding balance due to lack of funds.
Grand Total	-		216,400	1,860,411	887,850	

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Annex 2 – Summary of Fixed Assets Register

Asset Class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2022
Land 1	-	Kiria Maragua-Gatara road	Shared with Pry, School	-	-	7,500,000
Land 2	-	-	-	-	-	-
Buildings And Structures a. Classes b. Laboratories c. Stores, carpark & firewood shade	-	Centralised in school compound	14,300,000	-	-	14,300,000
Motor Vehicles	-	-	-	-	-	-
Office Equipment, Furniture and Fittings a. Wall cabinets b. Cupboard c. Tables d. Printers	22-11-21 25-09-22 25-10-21 24-05-21	Principal's office Secretary office Departmental office Accounts /Sec/ DOS	- - - 28,000	-	-	66,330 5,500 36,000 28,000
ICT Equipment, And Other ICT Assets	01-02-22	DOS	-	-	-	45,000
Tools And Apparatus	01-07-21	Laboratory	244,400	115,600	-	360,000
Textbooks	-	Funded by M.O.E	-	-	-	-
Other Machinery And Equipment	-	-	-	-	-	-
Heritage And Cultural Assets	-	-	-	-	-	-
Intangible Assets- Software	01-07-21	D.O.S/Deputy office	62,000	-	-	62,000
Total			22,134,400	115,600	-	22,402,820

Note. Building and structures, Office machinery costs was estimated totals ksh 14,300,000.

-Lab tools and apparatus was the average cost of tools for the particular year 2022

-The Software for the Dean was Zeraki analytics for Students data, Exams analysing and for Timetable.