

REPUBLIC OF KENYA



REPUBLIC OF KENYA



REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 17 JUN 2026

DAY.

Wednesday

TABLED
BY:

Deputy Majority Whip
Hon. Naomi Wager, MP

CLERK-AT
THE TABLE:

Irene Nduku

OF

THE AUDITOR-GENERAL

ON

PARLIAMENT
OF KENYA
LIBRARY

THARAKA BOYS SECONDARY SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

THARAKA NITHI COUNTY



THARAKA BOYS SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2023

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

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Table of Contents	Page
1. Acronyms and Glossary of Terms	ii
2. Key School Information and Management	iii
3. Summary Report of Performance of The School	viii
4. Statement of School Management Responsibility	xv
5. Report Of The Auditor General	xvi
6. Statement Of Receipts and Payments For the Year Ended 30 th June 2023.....	1
7. Statement of Assets and Liabilities As At 30 th June 2023	2
8. Statement of Cash Flows for the Year Ended 30 th June 2023	3
9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30 th June 2023	5
10. Significant Accounting Policies.....	11
11. Notes To The Financial Statements	13
12. Annexes.....	24

1. Acronyms and Glossary of Terms

BOM	Board of Management
CEB	County Education Board
IPSAS	International Public Sector Accounting Standards
KCSE	Kenya Certificate of Secondary Education
PFM	Public Finance Management
PSASB	Public Sector Accounting Standards Board
FY	Financial Year
FDSE	Free Day Secondary Education
TSC	Teachers Service Commission
SMASSE	Strengthening of Mathematics and Science in Secondary Education

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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 Tharaka Nithi County, Tharaka south Sub-County.

The school was registered in 30th July 1980 under registration number G/A/2/27/80 and is currently categorized as a Extra County public school established, owned or operated by the Government.

The school is a day/boarding school and had 580 number of students as at 30th June 2023. It has 3 streams and 33 teachers of which 1 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	JULIUS GITI KIJIRU	Chairman	02/08/2022
2	STANLEY CHABARI	Secretary - Principal	02/08/2022
3	MONICA MAINGI	Member	02/08/2022
4	NJERU MWENDA	Member	02/08/2022
5	SILAS MAKANYA	Member	02/08/2022
6	PENINA MUTHOMI	Member	02/08/2022
7	PENINA KARIMI	Member	02/08/2022
8	LUCY MUTHONI	Member	02/08/2022
9	ZAVERIO NJAGI	Member	02/08/2022
10	SUSAN KAMBURA	Member	02/08/2022
11	JOSPHAT KIRIMI	Member	02/08/2022
12	KENNETH MUTWIRI	Member	02/08/2022
13	GEOFFREY NJERU	Rep Students	02/08/2022
14	NAOMI MAKEMBO	Member	02/08/2022
15	NJERU JOSPHAT	Member	02/08/2022

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.
- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule 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	- Julius Giti - Stanley Chabari - Monica Maingi	Chairman Secretary Member	3 out of 4
2	Audit Committee	- Susan Kambura - Zaverio Njagi - Penina Muthoni	Member Member Member	2 out of 2
3	Finance, procurement and general purposes Committee	- Susan Kambura - Lucy Muthoni - Zaverio Njagi	Member Member Member	1 out of 2

Tharaka Boys Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

4	Academic Committee	- Njeru Mwenda - Penina Karimi - Josphat Kiriimi	Member Member Member	3 out of 3
5	Development Committee	- Eng. Giti Kijiru - Stanley Chabri - Douglas Gitonga - Penina Muthoni	Chairman Secretary Member Member	2 out of 3
6	Discipline and welfare Committee	- Silas Makanya - Josphat Njeru - Penina Karimi	Member Member Member	2 out of 3
7	Adhoc Committee (if any during the year)			

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Stanley G. Chabari	TSC No. 350240
2	Deputy Principal	Charles Kinyua	TSC No. 316070
3	School Bursar	Stella K. Gaichu	ID No. 7411598
4	Accounts Clerk	Felix Kimathi	ID No. 27776885

(e) Schools contacts

Post Office Box: 120-60215
Telephone:
E-mail: tharakaboys@gmail.com
Website:
Facebook:
Twitter:

(f) School Bankers

Provide details of the school bankers.

1. Name of Bank: National Bank (Boarding)
Branch: Meru
Account Number: 01021039007500
2. Name of Bank: National Bank (Operations)
Branch: Meru
Account Number: 01021039007501
3. Name of Bank: National Bank (Tuition)
Branch: Meru
Account Number: 01025039708800
4. Name of Bank: National Bank (Infrastructure)
Branch: Meru
Account Number: 01022225914600
5. Name of Bank: Trans nation Sacco Ltd (Boarding)
Branch: Marimanti
Account Number: 68260900003801
6. MPESA Pay bill No. 507900 attached to boarding account, 68260900003801 bank Account Trans nation Sacco Ltd.

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

(g) Independent Auditors

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

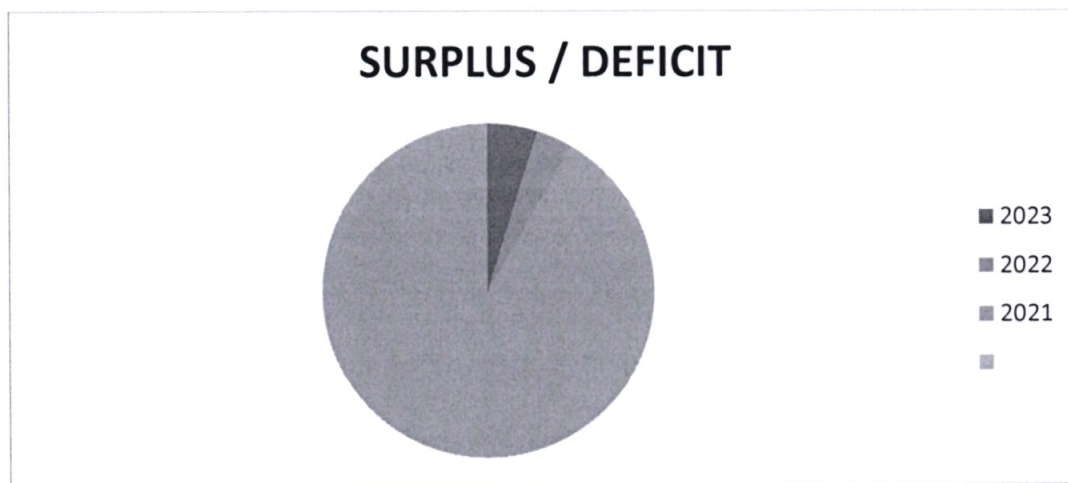
3. Summary Report of Performance of The School

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

a) Financial performance:

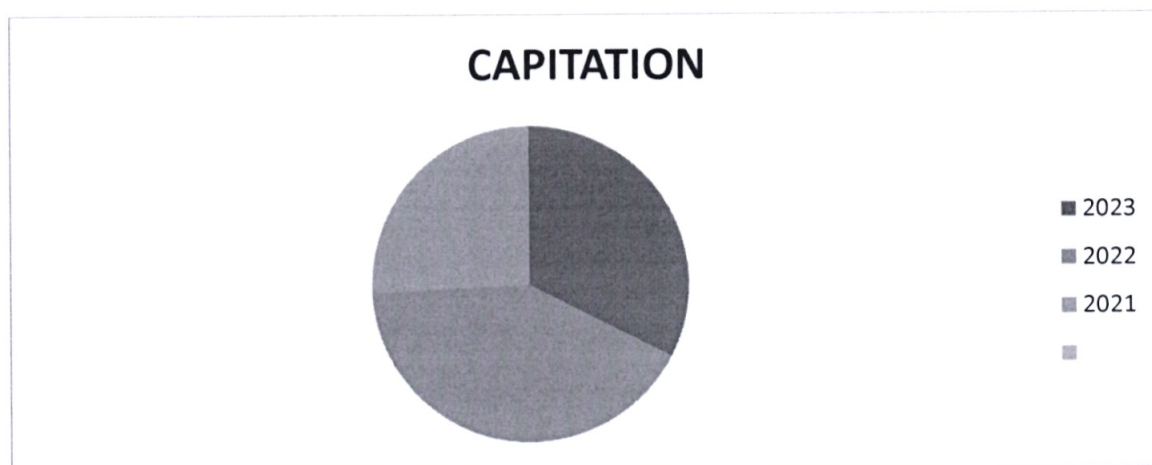
Surplus/ deficit for the year and a comparison of the same for the last three years

YEAR	2021	2022	2023
Excess of income	1,212,479	275,983	126,105



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

YEAR	2021	2022	2023
Capitation	6,290,596	10,733,327	9,213,651



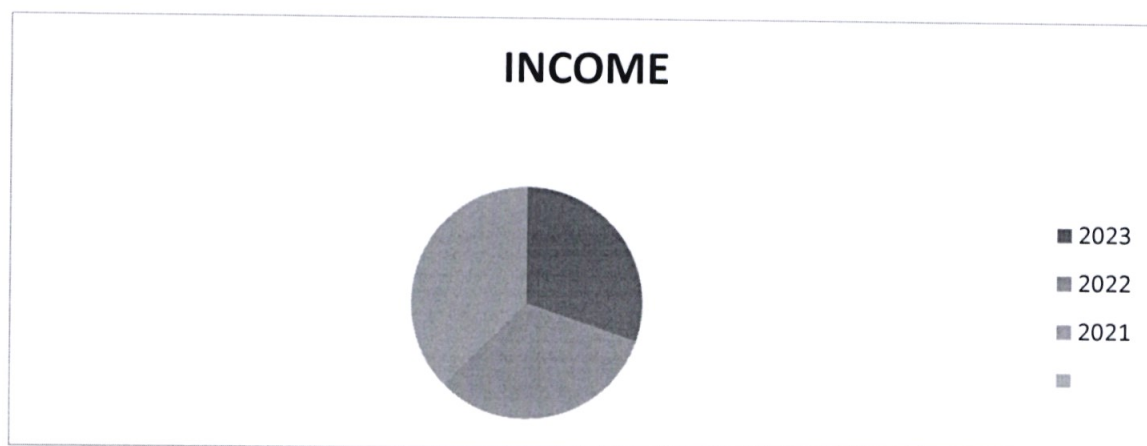
Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Ratio of capitation grant per student over the last three years

YEAR	CAPITATION	NO. OF STUDENTS	RATIO
2021	6,290,596.30	521	1:12074
2022	10,164,096.80	527	1:19,286.71
2023	7,943,102.95	580	1:13,695

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

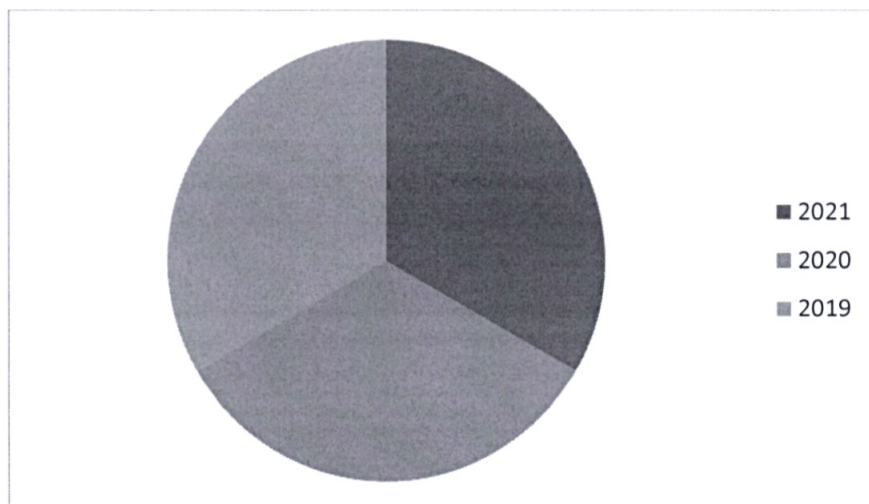
YEAR	2021	2022	2023
Income			



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

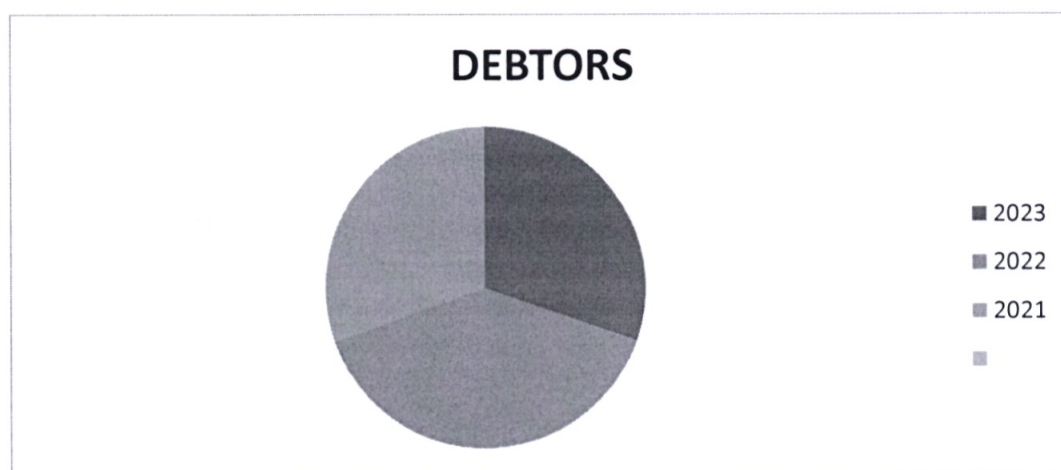
YEAR	2021	2022	2023
Expenditure	16,417,413	19,292,833	251,230

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023



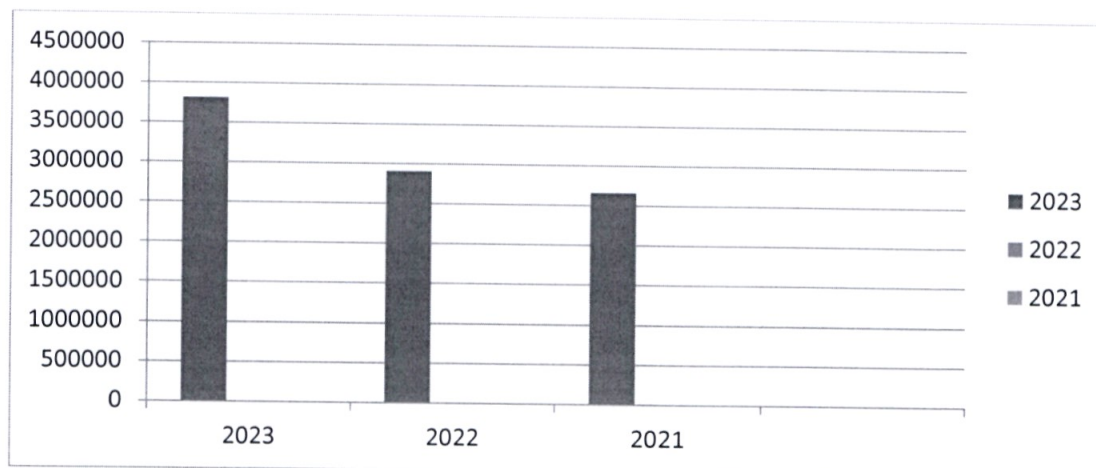
Movement of debtors and creditors of the school over the last three years

YEAR	2021	2022	2023
Debtors	10,030,288	11,189,057	12,658,046



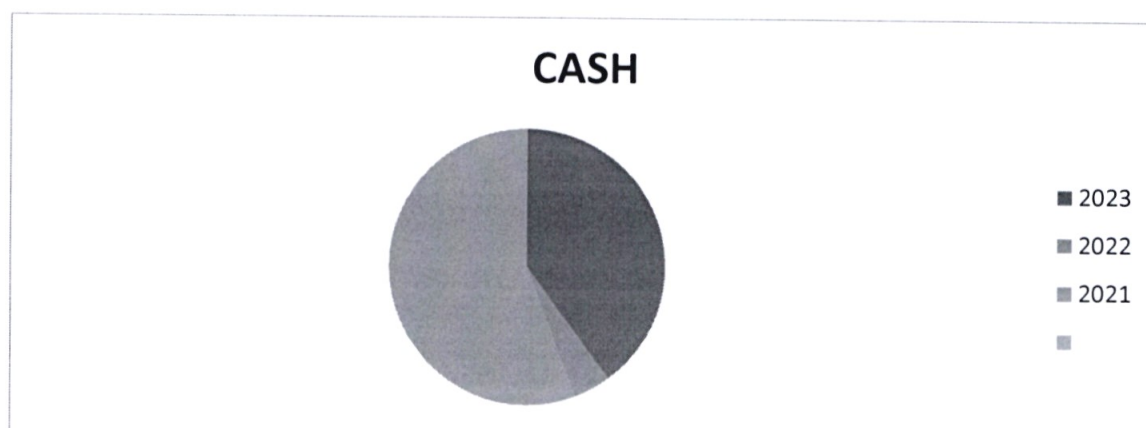
YEAR	2021	2022	2023
Creditors	2,660,740	2,909,047	3,814,858

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

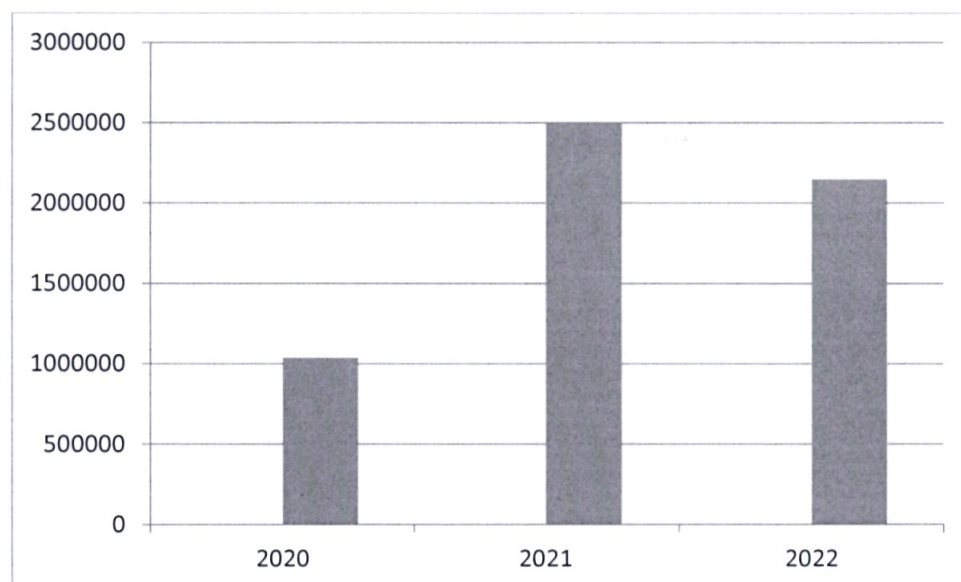


Movement of cash and bank balances over the last three years

YEAR	2021	2022	2023
Cash	17,202	1,116	7,601



YEAR	2021	2022	2023
Bank	2,900,801	2,009,101	1,565,542



a) Teacher Student ratio:

Number of teachers for each subject

SUBJECTS	NO. OF TEACHERS
PHY / MATHS	5
ENG / LIT	5
CHEM / PHY	2
HIST / CRE	3
KISW / CRE	2
BIO / CHEM	2
AGRI / BIO	2
GEO / BS	3
HIST / KISW	4
COMP / BS	1
COMP / HIST	1
PE / KISW	1
MATHS / BS	1
BS / KISW	1

Recruited teachers	-	33
TSC Teachers	-	33
BOM Teachers	-	1

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Transferred	-	0
Retired	-	0
Teacher student ratio	-	1:16

b) Mean score in the 2022KCSE:

YEAR	2020	2021	2022
Mean score	5.518 C	5.312 C-	5.615 C
Deviation	+0.574	-0.206	+0.303
Remarks	Positive deviation	Negative deviation	Positive deviation

No of students that has transitioned

YEAR	DEGREES	DIPLOMAS	CERTIFICATES	ARTISAN
2022	26	48	22	1
2021	34	57	43	4
2020	36	94	40	0

c) Number of Candidates in the 2022 KCSE:

YEAR	2020	2021	2022
<i>No. of candidates</i>	<i>170</i>	<i>138</i>	<i>97</i>

d) Capacity of the school:

NO	FACILITIES	NUMBER	CAPACITY	REMARKS
1	<i>Dormitories</i>	<i>5</i>	<i>570</i>	<i>Sufficient</i>
2	<i>Dinning hall</i>	<i>1</i>	<i>1200</i>	<i>Sufficient</i>
3	<i>Laboratories</i>	<i>3</i>	<i>120</i>	<i>One not occupied</i>
4	<i>Toilets</i>	<i>60</i>	<i>900</i>	<i>Sufficient</i>
5	<i>Classes</i>	<i>16</i>	<i>600</i>	<i>Four not occupied</i>
6	<i>Library</i>	<i>1</i>	<i>100</i>	<i>Enough</i>
7	<i>Computer Laboratory</i>	<i>1</i>	<i>30</i>	<i>Shortage</i>

e) Development projects carried out by the school:

(Development projects carried out in the year and ongoing projects including a disclosure of project fund sources in a tabular format).

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Renovation of Form 1 block	Infrastructure	Complete	2,400,000	2,204,344.40	



(Handwritten signature of the School Principal)

School Principal

Tharaka Boys Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

4. Statement of School Management Responsibility

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

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

The Board of Management of *Tharaka Boys Secondary School* accepts responsibility for the school's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS).

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.



.....

Name: Julius Giti

Designation: Chairman, School Board of Management

Date: 25/04/2026



.....

Name: Leonard Kamundi

Designation: School Principal & Secretary to Board of Management

Date: 25/04/2026



.....

Name: Jackline Karimi

Designation: Bursar

Date: 25/04/2026

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 THARAKA BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - THARAKA NITHI 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 Tharaka Boys Secondary School - Tharaka Nithi County set out on pages 1 to 23, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year

Report of the Auditor-General on Tharaka Boys Secondary School for the year ended 30 June, 2023 - Tharaka Nithi County

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

Basis for Qualified Opinion

1. Unsupported Accounts Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.12,658,046 as disclosed in Note 13 to the financial statements. However, the supporting schedules were not provided for audit review.

In the circumstances, the accuracy, and completeness of accounts receivables amounting to Kshs.12,658,046 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.1,573,143 as disclosed in Note 10 and Note 11 to the financial statements. Included in the balance are four (4) bank accounts with account balances Kshs.51,287, Kshs.229,854, Kshs.438,416 and Kshs.845,765. However, no bank reconciliation statements were provided for audit in support of the balances.

In the circumstances, the accuracy, and completeness of the cash and cash equivalents balance of Kshs.1,573,143 could not be confirmed

3. Inaccuracies in Capitation Grants

The statement of receipts and payments for the school shows tuition and operations capitation grants of Kshs.1,761,225 and Kshs.6,452,426 respectively, as disclosed in Note 1 and Note 2 to the financial statements. Review of the NEMIS capitation disbursements compared to the amounts recorded by the School revealed that the school accounted for Kshs.9,213,651 while NEMIS records reflected Kshs.5,977,493, resulting in an unexplained variance of Kshs.3,236,158.

In the circumstances, the accuracy and completeness of capitation grants for tuition and operations amounting to Kshs.1,761,225 and Kshs.7,452,426 respectively, could not be confirmed.

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

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.36,901,860 and Kshs.35,585,121 respectively, resulting in an under-funding of Kshs.1,316,739 of the budget. However, the School spent a balance of Kshs.35,459,016 against actual receipts of Kshs.35,585,121 resulting to an under-utilization of Kshs.126,105 of the actual receipts.

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

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, 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 iii to xv which comprises Key School Information and Management, Summary Report of Performance of the School and Statement of School Management Responsibilities. 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, 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. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association

The statement of receipts and payments reflects payments for operations amount of Kshs.6,105,339 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.310,000 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 on funds transferred to KESSHA amounting to Kshs.310,000 could not be confirmed.

2. Failure to Prepare School Improvement Plan

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

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

3. Under Funding of Capitation Grants and Unreconciled Student Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.1,761,225 and Kshs.6,452,426 respectively as disclosed in Note 1 and Note 2 to the financial statements. During the year under review, NEMIS reported a total of five hundred and sixty-two (562) students and the number of students per school registers were five hundred and seventy two (572) resulting to unreconciled variance of 10 students. The School was under funded by Kshs.460,825 for the year ended 30 June, 2023.

In the circumstances, the under-funding may have affected service delivery to the school.

4. Late Submission of Financial Statements for Audit

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

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

5. Failure to Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments reflects operations grants totalling Kshs.6,452,426, as disclosed in Note 2 to the financial statements, received from the Ministry of Education and credited to the operations bank account. Included in the amount is Kshs.2,154,000 relating to infrastructure grants intended to be transferred to the infrastructure bank account for the maintenance and improvement of the school's facilities. However, only Kshs.1,500,000 was transferred to the infrastructure account, leaving a balance of Kshs.654,000 as at 30 June, 2023. 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 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 matter 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. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.89,358,700 which include an amount of Kshs.25,500,000 in respect of land. However, 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.

2. Lack of internal Audit Function and Audit Committee

During the year under review, the School had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government), 2015 which states that, the internal audit unit of a National Government entity to assess effectiveness of the School through an internal performance appraisal commenting on its effectiveness in the annual report to The National Treasury.

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

3. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.12,658,046 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivable balance of Kshs.5,589,346 which had been outstanding for more than three (3) years. However, there was no ageing analysis and 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.

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 control 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 for 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 IFPP 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

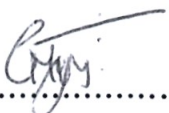
12 May, 2026

Tharaka Boys Secondary School
Annual Report and Financial Statements for the Six Months Period Ending 30 June, 2021

6. Statement Of Receipts and Payments for the Six Months Period Ending 30 June ,2021

Description Of Vote Head	Note	SIX MONTHS PERIOD ENDING 30 JUNE 2021 Kshs
Receipts		
Government grants for tuition	1	811,549
Government grants for operations	2	5,479,137
Government Grants for infrastructure	3	
School fund income- parents' contributions	4	11,339,206
Miscellaneous incomes	5	
Total Receipts		17,629,892
Payments		
Tuition	6	748,580
Operations	7	5,162,699
Infrastructure	8	
Boarding and school fund	9	10,506,134
Total Payments		16,417,413
Surplus/Deficit		1,212,479

The school financial statements were approved on 25/04/ 2026 and signed by:



Name: Julius Giti

Chair BOM

Date: 25/04/2026



Name: Leonard Kamundi
School Principal/ Secretary to
BOM

Date: 25/04/2026



Name: Jackline Karimi

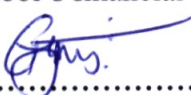
Bursar

Date: 25/04/2026

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

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	1,565,542	2,009,101
Cash balances	11	7,601	1,116
Short term investments	12		
Total cash and cash equivalent		1,573,143	2,010,217
Account's receivables	13	12,658,046	11,189,057
Total financial assets		14,231,189	13,199,274
Financial liabilities			
Accounts payables	14	3,814,858	2,909,047
		3,814,858	2,909,047
Net financial assets			
		10,416,331	10,290,227
Represented by			
Accumulated fund b/fwd	15	10,290,226	10,014,244
Surplus/deficit for the year		126,105	275,983
Net financial position		10,416,331	10,290,226

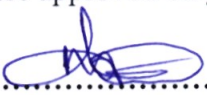
The school's financial statements were approved on 25/04/2026 and signed by:


.....

Name: Julius Giti

Chair BOM

Date: 25/04/2026


.....

Name: Leonard Kamundi
School Principal/ Secretary to
BOM

Date: 25/04/2026


.....

Name: Jackline Karimi

Bursar

Date: 25/04/2026

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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

Description	Note	2022-2023	2021-2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition	1	1,761,225	1,804,010
Government grants for operations	2	6,452,426	7,479,317
Government grants for infrastructure	3	1,000,000	1,450,000
School fund income- parents contributions/ fees	4	26,371,470	25,252,902
Other income			
Total receipts		35,585,121	35,986,229
Payments			
Cash outflows for tuition		1,738,285	1,871,412
Cash outflows for operations		6,240,224	7,765,453
Cash outflows for Infrastructure		1,855,784	400,000
Cash outflows Boarding/lunch and school fund payments		26,452,127	26,592,926
Total payments		36,286,420	36,629,791
Net cash inflow/outflow from operating activities		(701,299)	(643,562)
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			
Cash flow from Financing activities			
Proceeds from borrowings/ loans	18		
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		(701,299)	(643,562)
Cash and cash equivalent at beginning of the FY		2,274,442	2,918,003
Cash and cash equivalent at end of the FY		1,573,143	2,274,442

Tharaka Boys Secondary School

Annual Report and Financial Statements For the year ended 30th June 2023

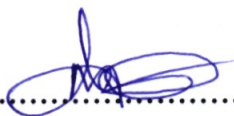
The school's financial statements were approved on 25/04/2026 and signed by:



.....
Name: Julius Giti

Chair BOM

Date: 25/04/2026



.....
Name: Leonard Kamundi
School Principal/ Secretary to
BOM

Date: 25/04/2026



.....
Name: Jackline Karimi

Bursar/ Finance Officer

Date: 25/04/2026

9. Statement Of Budgeted Versus Actual Amounts for The Year Ended 30th June 2023

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b	c=a+b	d	e=c-d	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
Receipts						
(1) Capitation Grant on Tuition						
Text books	374,970	-	374,970	223,560	151,410	59.6%
Exercise Books	624,950	-	624,950	400,118	224,832	64%
Laboratory Equipment	749,940	-	749,940	372,608	377,332	49.7%
Internal Exams	374,970	-	374,970	-	374,970	0
Stationery	374,970	-	374,970	101,658	273,658	27.1%
Creditors				663,281		0
		-	2,499,800	1,761,225		70.5%
(2) Capitation Grant on Operations						
Personnel Emoluments	2,757,900	-	2,757,900	1,935,726	822,174	70.2%
Repairs And Maintenance	3,480,000	-	3,480,000	1,000,000	2,480,000	28.7%
Local Transport / Travelling	1,063,140	-	1,063,140	645,211	417,929	60.7%
Electricity And Water	667,580	-	667,580	645,242	22,338	96.7%
Medical	556,220	-	556,220	-	556,220	0
Administration Costs	934,960	-	934,960	967,813	-32,853	103.5%
Activity	662,360	-	662,360	619,930	42,430	93.6%
Creditors				638,504		0
			10,122,160	6,452,426		63.7%

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
3) FDSE for infrastructure						
Maintenance &Improvement MoE				1,000,000		0%
M&I parents' contribution						
Economic Stimulus Programs						
Transition Infrastructure Grants						
TOTAL				1,000,000		0%
(4) Fees Charged on Parents						
Personnel Emoluments	1,798,000		1,798,000	2,758,703	-960,703	153.4%
Repairs And Maintenance	1,392,000		1,392,000	2,798,402	-1,406,402	201%
Local Transport / Travelling	377,000		377,000	1,275,652	-898,652	338.4%
Electricity And Water	2,842,000		2,842,000	788,188	2,053,812	27.7%
Medical						
Administration Costs	1,073,000		1,073,000	1,468,794	-395,794	136.9%
Activity	87,000		87,000	2,366,296	-2,279,296	2719.9%
Fee On Boarding Equipment and Stores	15,941,300		15,941,300	9,947,449	5,993,851	62.4%
Bus hire				198,100		0
Fees arrears				2,256,813		0
Creditors				2,513,073		0
			23,510,300	26,371,470		112.2%

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
5) Miscellaneous Income						
Loans / Borrowing						
Rent income	69,600		69,600	-		
Income From Farming Activities	200,000		200,000	-		
Insurance Compensation						
Income From Posho Mill						
Income From Bus Hire	500,000	-	500,000	-		
Fee For Hire of Ground and Equipment						
Interest Income						
Income From Any Other Investment						
Total Income	36,901,860		36,901,860	35,585,121	1,316,739	96%
(6) Expenditure For Tuition						
Textbooks	374,970		374,970	-	374,970	0%
Stationery				606,560	(606,560)	0%
Exercise Books	624,950		624,950	-	624,950	0%
Laboratory Equipment	749,940		749,940	197,650	552,290	26.4%
Internal Exams	374,970		374,970	96,000	278,970	25.6%
Teaching / Learning Materials	374,970		374,970	559,580	(184,610)	149.2%
Chalks						

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
Exams And Assessment						
Teachers Guides						
Administration Costs						
Bank Charges				1,690	(1,690)	0%
Total	2,499,800		2,499,800	1,461,480	1,038,320	58.5%
<i>(7) Expenditure For Operations</i>						
Personnel Emoluments	2,900,000		2,900,000	1,497,416	1,402,584	51.6%
Repairs, Maintenance & Improvements	2,829,000		2,829,000	351,990	2,477,010	12.4%
Local Transport / Travelling	1,309,100		1,309,000	177,245	1,131,755	13.5%
Electricity, Water and Conservancy	930,100		930,100	344,452	585,648	37%
Medical and bus insurance	474,500		474,500	100	474,500	0%
Administration Costs	965,200		965,200	1,489,633	(524,433)	154.3%
Activity Expenses	720,930		720,930	458,250	262,680	63.6%
Boarding				100000		
Infrastructure				1500000		
NHIF				21300		
Bank charges				8233		
Creditors				100000		
NSSF				56720		
TOTAL	10,128,730		10,128,730	6,105,339	5,809,644	42.6%

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
(8) Expenditure For infrastructure						
Renovation of classrooms				2,204,344	(2,204,344)	
Transfer to boarding account				500,000	(500,000)	
Transfer to operations account				100,000	(100,000)	
Bank charges				1450	(1450)	
TOTAL				2,805,784	(2,805,784)	
(9) Expenditure For school fund/lunch/boarding						
Personnel Emoluments	1,757,500		1,757,500	2,579,916	(822,416)	146.8%
Repairs, Maintenance and Improvements	1,230,000		1,230,000	3,038,648	(1,808,648)	247%
Local Transport / Travelling	379,425		379,425	996,055	(616,630)	262.5%
Electricity, Water and Conservancy	2,390,000		2,390,000	1,952,134	437,866	81.7%
Medical Expenses				141,978	(141,978)	0%
Administration Costs	869,000		869,000	2,430,268	(1,561,268)	279.7%
Activity	468,500		468,500	1,093,640	(625,140)	233.4%
Refund				54,405	(54,405)	0%
Bus				63,090	(63,090)	0%
Boarding Equipment and Stores	16,724,740		16,724,740	12,062,362	4,662,378	72.1%
Expenditure For Income	50,000		50,000		50,000	0%

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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	e=d/c %
	Kshs	Kshs	Kshs	Kshs		Kshs
Generating Activity						
Insurance Costs	400,000		400,000		400,000	0%
Exams				105,000	(105,000)	0%
Creditor				312,871	(312,871)	0%
Bank Charges				14,627	(14,627)	0%
Farm				19,100	(19,100)	0%
Uniform				134,580	(134,580)	0%
NHIF				35,500	(35,500)	0%
NSSF				52,240	(52,240)	0%
Totals	24,269,165		24,269,165	25,086,414	11,811,281	68%
Totals	36,897,695		36,897,695	35,459,016	3,224,931	93%

- i. There were less purchases made in internal exams and laboratory equipment hence under- utilization on the same vote heads.
- ii. Inflation effects resulted in over – expenditure in teaching and learning materials.
- iii. Inadequate finances led to under- utilization in the operations account in general although inflation effects resulted in over- utilization in administration costs.
- iv. High cost of living led to over – utilization in boarding account in general.
- v. There were less repairs made in the boarding account leading to under- utilization on the same.

10. Significant Accounting Policies

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of receipts and payments

The *school* recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the *school*. In addition, the *school* recognises all expenses when the event occurs, and the related cash has actually been paid out by the *school*. Income arising from school fees is recognised when the event occurs whether cash is received or not. Expenditure arising from operations is recognised when the event occurs irrespective of receipt of cash.

3. In-kind contributions

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

4. Cash and cash equivalents

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

5. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. Accounts receivables also include school fees billed to parents for services rendered but not paid. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

6. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized as accounts payables. This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Payables also include expenditure incurred for the purchase of goods, works and services that has been rendered and not settled. This is an enhancement to the cash accounting policy adopted for public secondary schools. Other liabilities are disclosed in the financial statements.

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

11. Notes To The Financial Statements

1 Government Grants for Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Exercise Books	400,118	339,413
Stationery	101,658	565,688
Text Books	223,560	559,496
Laboratory Equipment	372,608	339,413
Creditors	663,281	
Total	1,761,225	1,804,010

**Include others as per MOE circulars*

2 Government Grants for Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	1,935,726	1,140,850
Repairs And Maintenance	1,000,000	1,651,867
Local Transport / Travelling	645,211	600,500
Electricity And Water	645,242	700,800
Infrastructure		
Administration Costs	967,813	1,600,000
Activity	619,930	
Creditors	638,504	1,700,000
NHIF		41,200
NSSF		39,600
Bank Charges		4,500
Total	6,452,426	7,479,317

**Include others as per MOE circulars*

3 Government Grants for infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
Operations account transfer	1,000,000	1,450,000

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Description	2022-2023	2021-2022
	Kshs	Kshs
Transition infrastructure grants		
Administration Block		
Economic stimulus grants		
Other <i>(specify)</i> (NGCDF and County govt.		
Total	1,000,000	1,450,000

4 School Fund Income - Parents Contribution/Fees

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel emoluments	2,758,703	2,980,000
Repairs and maintenance	2,798,402	5,100,000
Local transport / travelling	1,275,652	900,000
Electricity and water	788,188	818,472
Bursary		
Administration costs	1,468,794	1,800,000
Activity	2,366,296	800,850
Fee on Boarding Equipment and stores	9,947,449	10,400,000
Bus hire	198,100	
Fee arrears	2,256,813	
Infrastructure		
Pocket Money		
Creditors	2,513,073	2,357,780
NHIF		49,350
NSSF		46,450
Total	26,371,470	25,252,902

**Includes all levies charged by the school outside the fees structure but by mutual agreement with the parents.*

5 Miscellaneous Incomes

Description	2022-2023	2021-2022
	Kshs	Kshs
Rent Income		
Income From Farming Activities		
Insurance Compensation		

Tharaka Boys Secondary School**Annual Report and Financial Statements For the year ended 30th June 2023**

Income From Posho Mill		
Income From Bus Hire		
Fee For Hire of Ground and Equipment		
Income From Grants and Donations*		
Interest Income		
Dividends Income		
Loans/Borrowings*		
Other Income (<i>specify</i>)*		
Total		

(Include an explanation on the kind and source of grants/ donations received by the school.)

**Ensure proper authorization from MOE before obtaining loans/borrowings.*

**Indicate what other income relates to including income arising from writebacks if any.*

Notes to the Financial Statements (continued)

6 Tuition

Description	2022-2023	2021-2022
	Kshs	Kshs
Text books		250,000
Exercise books	606,560	648,400
Laboratory Equipment	197,650	65,000
Teaching/learning materials	559,580	300,000
Creditors		550,000
Reference Books	96,000	143,950
Bank Charges	1,690	3,992
Total	1,461,480	1,961,342

7 Operations

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	1,573,467	1,140,873
Administration Cost	1,526,558	1,739,495
Repairs And Maintenance & Improvements	536,616	1,934,920
Local Transport / Travelling	251,095	556,818
Electricity And Water	492,153	918,588
Medical	100	
Activity Expenses	605,951	4,500
NHIF	21,300	41,200
NSSF	56,720	39,600
Infrastructure	1,500,000	
School fund	100,000	26,000
Creditors	100,000	707,523
Lab equipment	200,000	
Bank charges	8,233	3,260
Total	6,972,193	8,562,777

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

8 Infrastructure

Description	2022-2023	2021-2022
	Kshs	Kshs
RMI	2,204,344	
Boarding	500,000	400,000
Operations	100,000	
Bank charges	1,450	
Total	2,805,784	400,000

9 Boarding And School Fund

Description	2022-2023	2021-2022
	Kshs	Kshs
Personnel Emoluments	2,579,916	2,920,421
Activity	1,093,640	793,750
Repairs And Maintenance & Improvements	3,038,648	5,233,814
Local Transport / Travelling	996,055	1,087,050
Electricity And Water	1,952,134	1,280,983
Medical Expenses	141,978	101,705
Administration Costs	2,430,268	2,270,571
Bursary		333,410
Bus hire	63,090	12,200
Fees arrears		290,050
Fee On Boarding Equipment and Stores	12,062,362	10,570,097
Creditors	312,871	2,357,780
Refund	54,405	160,822
NSSF	52,240	49,350
NHIF	35,500	46,450
Bank charges	14,627	12,814
Internal Exams	105,000	32,500
Infrastructure		500,000
Farm	19,100	3,000
Uniform	134,580	
Total	25,086,414	28,056,767

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022-2023	2021-2022
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01025039708800	51,287	22,363
Operations Account	Active	01021039007501	229,854	17,652
School Fund Account/Boarding	Active	01021039007500	438,416	519,292
School fund (TN Sacco)	Active	68260900003801		12,469
Infrastructure Account	Active	01022225914600	845,766	1,701,550
Total			1,565,542	2,273,326

11 Cash In Hand

Description	2022-2023	2021-2022
	Kshs	Kshs
Notes and Coins	7,601	1,116
Total	7,601	1,116

12 Short Term Investments

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

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	2022-2023	2021-2022
	Kshs	Kshs
Fees Arrears	12,658,046	
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)		
Imprest (list/schedule attached)		
Rent arrears (list/schedule attached)		
Total	12,658,046	

13 b Ageing Analysis of Accounts Receivable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	1,267,100	10%	3,267,100	29%
Between 1- 2 years	2,534,500	20%	1,480,436	13%
Between 2-3 years	3,267,100	26%	1,490,436	13%
Over 3 years	5,589,346	44%	4,951,084	44%
Total (should tie to note 13 a)	12,658,046		11,189,057	

14 Accounts Payable

Description	2022-2023	2021-2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	3,814,858	
Prepaid Fees		
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables (<i>specify</i>)		
Total	3,814,858	

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	2022-2023		2021-2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	3,814,858	100		
Between 1- 2 years				
Between 2-3 years				
Over 3 years				
Total (should tie to note 14)	3,814,858			

15 Fund Balance Brought Forward

Description	2022-2023	2021-2022
	Kshs	Kshs
Bank Balances	1,565,542	2,009,101
Cash Balances	7,601	1,116
Short Term Investments		
Receivables	12,658,046	11,189,057
Payables	(3,814,858)	(2,909,047)
Total	10,416,331	10,290,227

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

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.

16 Non-current Liabilities Summary

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

17 Biological assets

Description	Numbers	2022-2023	2021-2022
		Kshs	Kshs
Cattle	3	78,000	78,000
Goats	15	75,000	60,000
Trees	40	400,000	550,000
Coffee Or Tea Plantation			
Poultry			
Others (specify)			
Total		553,000	688,000

18 Borrowings

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

Other important disclosure notes

19 Stock/ Inventory

Description	2022-2023	2021-2022
	Kshs	Kshs
Food stuffs	128,340	
Lab consumables	9,800	
Farm produce	2,200	
Medication	8,600	
Construction Materials	6,500	
Others (specify)		
Total	155,440	

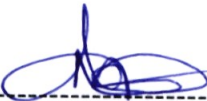
(Stock to be measured at lower of cost and net realisable value. Net realisable value is the difference between selling costs less costs to sell)

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

20 Progress On Follow Up Of Auditor Recommendations

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

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



Sign and Date
Principal

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction Of Buildings						
1. Juna technical	575,270		100,000	475,270	475,270	
2. Julius Kaji	127,720		27,720	100,000	100,000	
3. Jeflo contractors	205,800		0	205,800	205,800	
Sub-Total	908,790		127,720	781,070	781,070	
Supply Of Goods						
4. Meru Dairy	436,800		100,000	336,800	336,800	
5. Isaac Investments	722,400		200,000	522,400	522,400	
6. KK butchery	640,200		150,000	490,200	490,200	
7. Harriet Naito	960,000		300,000	660,000	660,000	
Sub-Total	2,759,400		750,000	2,009,400	2,009,400	
Supply Of Services						
8. Dabuem	528,245		100,000	428,245	428,245	
9. Haraka Uniforms	432,600		50,000	382,600	382,600	

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Supplier Of Goods Or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current FY	Outstanding Balance Comparative FY	Comments
10. Junction Green	213,543			213,543	213,543	
Sub-Total	1,174,388		150,000	1,024,388	1,024,388	
Grand Total	4,842,578		1,027,720	3,814,858	3,814,858	

Annex 2 – Summary of Fixed Assets Register

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1 st July 20xx	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2021
Land 1 (51.34 HA)	1969	Tharaka	25,500,000			25,500,000
Buildings and structures		Tharaka				
- Administration block (1)			10,000,000			10,000,000
- Dormitories (5)			19,000,000			19,000,000
- Dining Hall (1)			3,200,000			3,200,000
- Laboratories (4)			800,000			800,000
- Computer lab (1)			1,800,000			1,800,000
- Toilets (6 Blocks)			12,800,000			12,800,000
- Classes (16)			1,500,000			1,500,000
- Library (1)						
Motor vehicles	2009	Tharaka	6,500,000			6,500,000
Office equipment, furniture and fittings		Tharaka				
- Staplers (8)			6,400			6,400
- Paper Punch (7)			7700			7700

Tharaka Boys Secondary School
Annual Report and Financial Statements For the year ended 30th June 2023

Asset class	Date purchased	Location	Historical Cost/b/f (Kshs) 1 st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 th June 2023
- Calculators (3)			3,600			3,600
- Computers (4)			88,000			88,000
- Printer (3)			52,000			52,000
- Photocopiers (2)			720,000			720,000
- Tr preparation table (8)			48,000			48,000
- Office tables (20)			120,000			120,000
- Office chairs (30)			81,000			81,000
- Lockers (600)			2,160,000			2,160,000
- Chairs (600)			1,500,000			1,500,000
- Decker beds (260)			3,120,000			3,120,000
ICT Equipment, and Other ICT Assets		Tharaka				
- White boards (11)			77,000			77,000
- Laptop (3)			175,000			175,000
- Projectors (2)			100,000			100,000
Total		Tharaka	89,358,700			89,358,700