REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

NGAITA GIRLS SECONDARY SCHOOL

FOR THE YEAR ENDED 30 JUNE, 2022

THARAKA NITHI COUNTY

NGAITA GIRLS' SCHOOL
NO PAIN NO GAIN

NGAITA GIRLS SECONDARY SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2022

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

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1. Acronyms and Definition of Key Terms

A. Acronyms.

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

B. Definition of Key Terms

Comparative Year- Means the prior period.

2.KEY SCHOOL INFORMATION AND MANAGEMENT

(a) Background information

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

The school was registered in **2/12/2016** under registration number **19S00300221** and is currently categorized as a *Extra County,* public school established, owned or operated by the Government.

The school is a boarding school and had 530 number of students as at *30th June 2022*. It has Three streams and 28 teachers of which 8 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:

S/NO	NAME OF BOARD MEMBER	DESIGNATION	DATE OF APPOITMENT
1.	Professor George N. Reche	Chairman (Community Rep)	29/7/2019
2.	Gladys N. Kirugi	Secretary / Principal	20/5/2021
3.	Mercy Karimi Nyaga	Member Rep- special interest groups	29/7/2019
4.	Mark Mbae Muchiri	Member Rep Teachers	29/7/2019
5.	Rev. James Njoroge	Members Rep Sponsor	29/7/2019
6.	Lucy Wanja Kiraithe	Member Rep Sponsor	29/7/2019
7.	Dorothy Kathomi Kabengi	Member Rep Sponsor	29/7/2019
8.	Roline Njiru	Parents of pupils/students or local community	29/7/2019
9.	James Mbae George		29/7/2019
10.	Christine Kendi Murithi		29/7/2019
11.	John Kaume		29/7/2019
12.	Jackin Murithi Kigige		29/7/2019
13.	Nimrod Kimathi Kibere	CEB Representatives	29/7/2019
14.	Rose Njeru	Member special needs	29/7/2019
15.	Albert Mwiti -P.A Chairperson	Rep. P.A	29/7/2019
16.	Rose Ann Nkatha	Rep Students	29/7/2019

The functions of the School Board of Management are to:

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, of 2013.
- Ensure and assure the provision of proper and adequate facilities for the School.
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils' discipline and make reports to the CEB.
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB.

- Administer and manage the resources of the School.
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

(c) Committees of the Board

S/NO	NAME OF COMMITTEE	NAMES OF MEMBERS	DESIGNATION	NUMBER OF MEETINGS ATTENDED DURING THE YEAR
1.	B.O.M Executive committee	Professor George N. Reche	Chairperson	4
		Mercy Karimi Nyaga	Deputy chairperson	
		Gladys N. Kirugi	Secretary /Principal	
		Albert Mwiti	P.A Chair	
		Dorothy Kathomi	1 B.O.M	
2.	Audit Committee	Christine Kendi	Chairperson	0
		Dorothy Kathomi	Member	
		James Mbae George	Member	
3.	Finance, Procurement & General Purpose	Roline Njiru	Chairperson	0
		Christine Kendi	Member	
		Albert Mwiti	Member	
4.	Academic Standards quality & Environment	Nimrod K. Kibere	Chairperson	1
		John Kaume	Member	
		Mark Mbae Muchiri	Member	
5.	Development committee (Sic)	Mercy Karimi Nyaga	Chairperson	5
		Rita M. Magara	Secretary/Deputy Principal	
		Professor George N.Reche	Member	
		Gladys N, Kirugi	Member	
		Dorothy Kathomi	Member	
		Albert Mwiti	Member	
6.	Discipline and welfare committee	James Mbae George	Chairperson	0
		Mercy Karimi Nyaga	Member	
		Rev. James Njoroge	Member	
7.	Adhoc committee (if any during the year)			NONE

(d) School operation Management

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

S/NO	DESIGNATION	NAME	T.S.C NO
1.	Principal	Gladys N. Kirugi	243468
2.	Deputy Principal	Rita Mwendia Magara	348876
3.	Accounts' Clerk	Idah Kainyu	I.D NO.27852360

(e) Schools contacts

Post Office Box: 425 chogoria
Telephone: 0700,889,630
E-mail: ngaitagirlssecschool@yahoo.com
Website:
Facebook: ngaitagirlssecschool@yahoo.com

(f) School Bankers

The following school operated 8 number of bank accounts in the following banks:

1. Name of bank: Kenya commercial bank
   Branch : chogoria
   Account number : 1103774034

2. Name of bank: Kenya commercial bank
   Branch : chogoria
   Account number : 1103524143
3. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01139057785400

4. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01139057785401

5. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01139057785402

6. Name of bank: cooperative bank of kenya
   Branch : chogoria
   Account number : 01134057785400

7. Name of bank: southern star
   Branch : chogoria
   Account number : 502002338500

(g) Independent Auditors

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

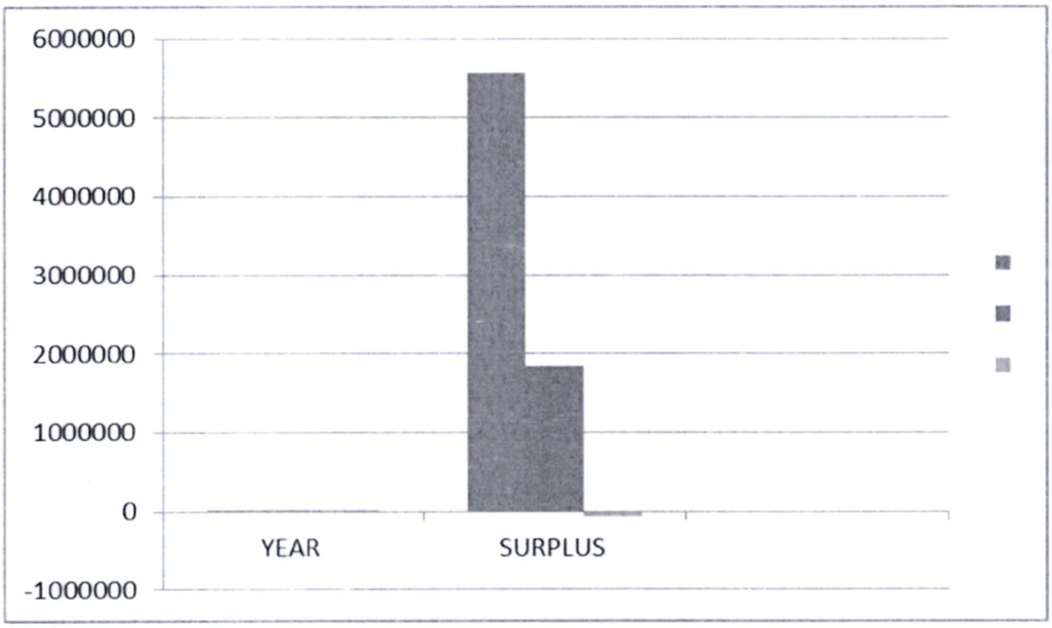
3.Summary Report of Performance of The School

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

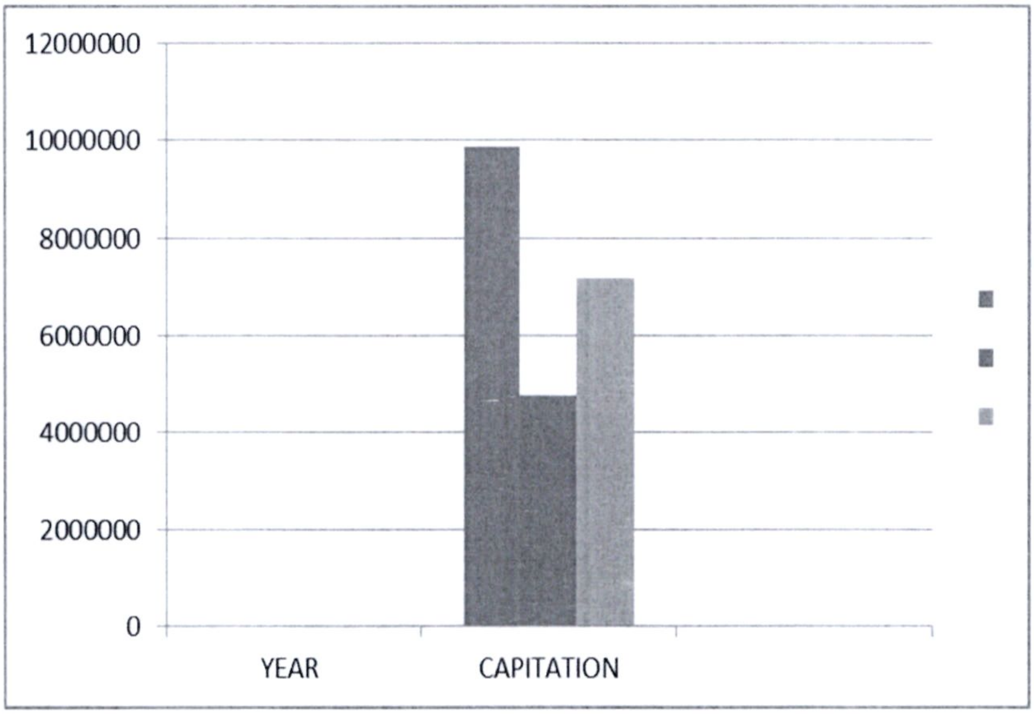
a) Financial performance:

SURPLUS / DEFICIT

YEAR	2021-2022	2021	2020
SURPLUS	5,563,559	1,836,461	-68,004

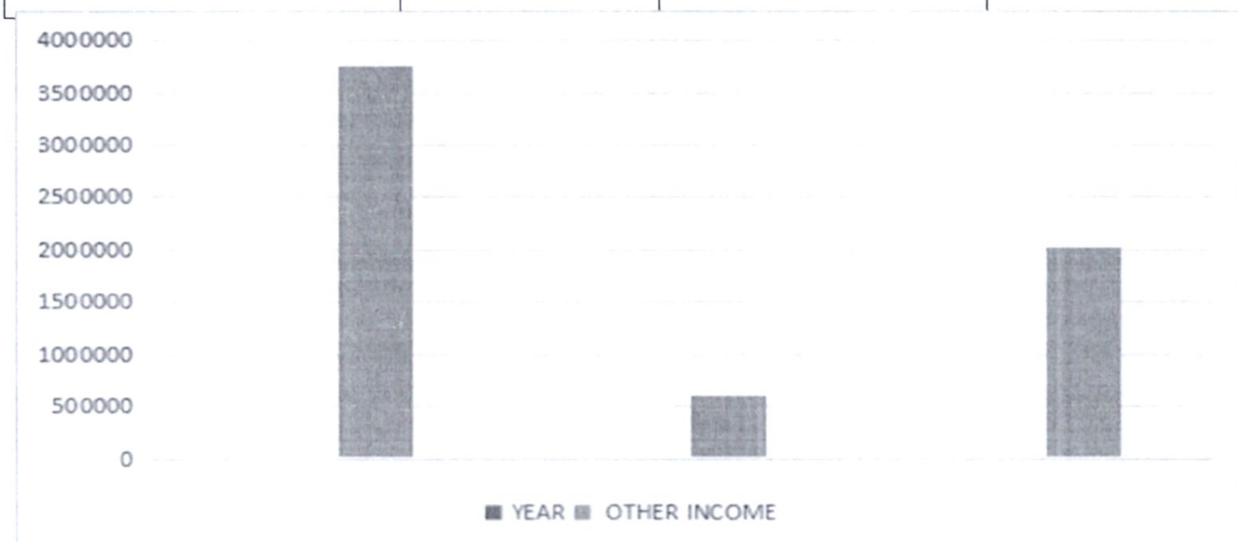


YEAR	2021-2022	2021	2020
CAPITATION	9,852,633	4,764,313	7,163,130

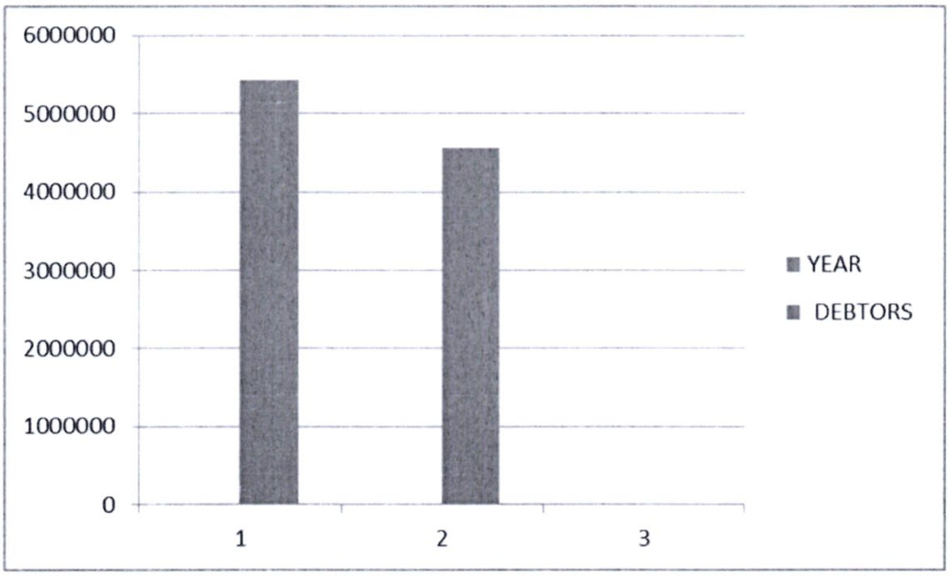


Other income

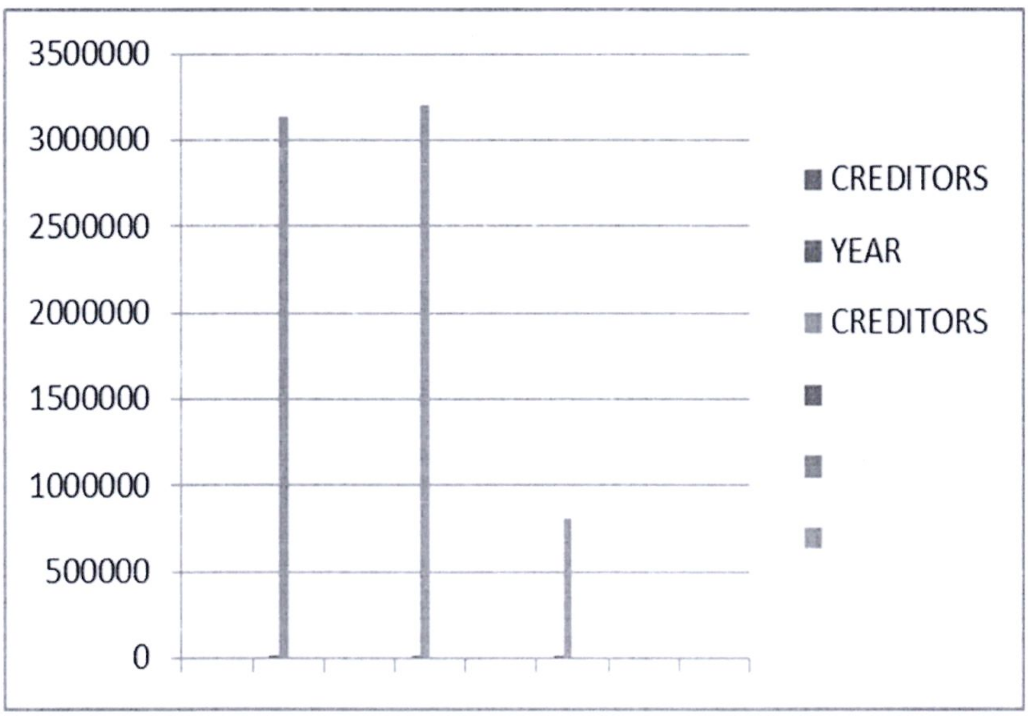
YEAR	2021-2022	2021	2020
OTHER INCOME	3,750,838	593,120	2,024,435



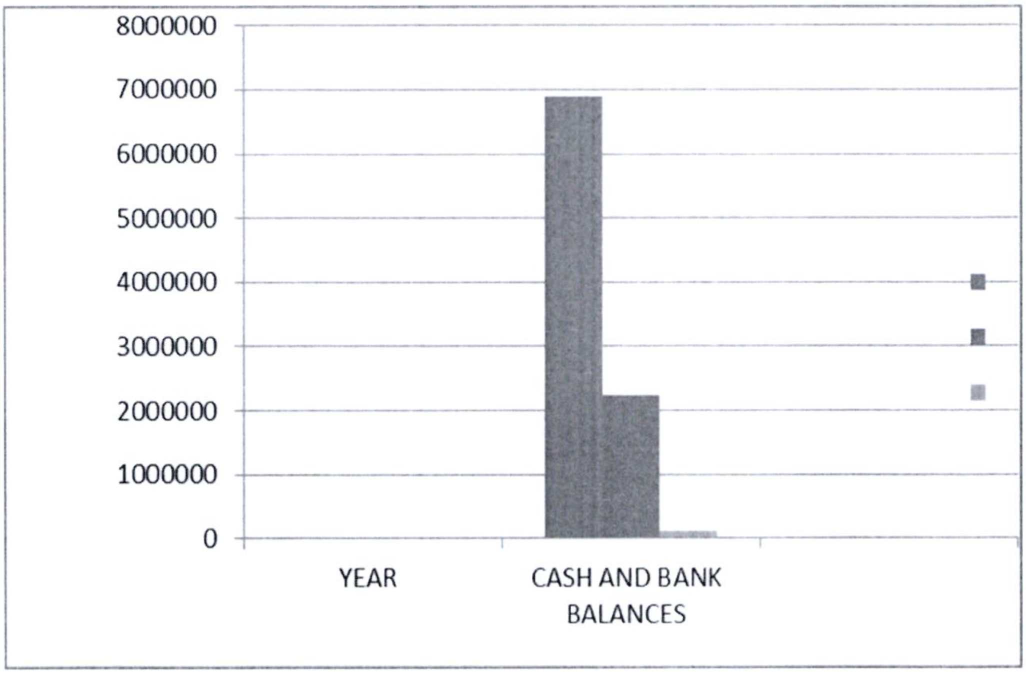
YEAR	2021-2022	2021	2020
RECEIVABLES	5,418,835	4,568,315	0



YEAR	2021-2022	2021	2020
PAYABLES	3,136,039	3,208,825	811,450



YEAR	2021-2022	2021	2020
CASH AND BANK BALANCES	6,891,258	2,251,005	106,449



b) Teacher Student ratio:

S/NO	teacher to student ratio	number of teachers recruited and posted to the school within the year	number of teachers transferred during the period	number of teachers retired durig the period	number of teachers employed by t.s.c	number of teachers employed by b.o.m
1	1:23	1	2	NONE	20	8

S/NO	SUBJECTS TAUGHT	NO. OF TEACHERS PER SUBJECTS	SHORTAGE /ALLOCATION OF RESOURCES
1.	English /Literature	4	
2.	Kiswahili/C.R.E	2	
3.	Kiswahili / History	1	
4.	Maths / Physics	3	
5.	Maths / Chemistry	2	
6.	Biology / Chemistry	1	
7.	Biology / Agriculrue	1	
8.	Geography / Business studies	2	
9.	History / C.R.E	3	
10.	Home science	1	

c) **Mean score in the *2018-2021* KCSE:**

YEAR	MEAN SCORE	MEA GRADE	IDEX	NO. OF STUDENTS SCORED C+ AND ABOVE	COMMENT
2021	4.900	C-	+0.102	12	Targeting a mean score of 5.5 for year 2022
2020	4.798	C-	-0.199	7	Average performance targeting for a mean of 6.0
2019	4.997	C-	+0.755	15	
2018	4.242	D+	-0.10	10	

d) **Number of Candidates registered for KCSE:**

YEAR	NO. OF CANDIATES
2021	110
2020	154
2019	115
2018	124

e) **Capacity of the school:**

	Item	**Number**
1	Students	530
2	Dormitories	5
3	*Laboratories*	*2*
4	*Dinning hall*	*1*
5	*Toilets*	*43*
6	*Classrooms*	*12*
7	*Homescince room*	*1*

f) **Development projects carried out by the school:**

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
None					

....

School Principal

4.Statement of School Management Responsibility

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

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

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

The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2022, and of the school's financial position as at that date.

....

Name: NIMROD RIMIRITI

Designation: Chairman, School Board of Management

Date: 17-4-2026

....

Name: GLADYS H. KIRUGI

Designation: School Principal & Secretary to Board of Management

Date: 17/4/2026

....

Name: IDAH KAINYU

Designation: Bursar/ Finance Officer

Date: 17/4/2026.

REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON NGAITA GIRLS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - 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.

An Unmodified Opinion is issued when the Auditor-General concludes that, 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

Opinion

I have audited the accompanying financial statements of Ngaita Girls Secondary School set out on pages 1 to 19, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, the statement of cash flows and statement of budgeted versus actual amounts, for the year 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, the financial statements present fairly, in all material respects, the financial position of Ngaita Girls 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 Public Finance Management Act, 2012 and the Basic Education Act, 2013.

Basis for Opinion

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Ngaita Girls 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 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.43,855,160 and Kshs.40,730,501 respectively, resulting in an under-funding of Kshs.3,124,659 or 7% of the budget. However, the School spent an amount of Kshs.35,166,942 against actual receipts amounting to Kshs.40,730,501 resulting in an under-utilization of Kshs.5,563,559 or 14 % of actual receipts.

The underfunding and under-utilization might have affected the planned activities of the school and may have impacted negatively on service delivery to the students.

My opinion is however not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements, I have determined that there are no other key audit matters to report in the year under review.

Other Information

Management is responsible for the Other Information set out on page iii to xii which comprise of the School's Key Information and Management, Summary Report of School Performance and the Statement of School's 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 and based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Failure to Transfer of Infrastructure Funds from Operations Bank Account

The statement of receipts and payments reflects operations grants amount of Kshs.5,917,298 as disclosed in Note 2 to the financial statements from the Ministry of Education credited in the operations bank account. Included in the amount is Kshs.2,786,500.00 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.2,101,000.00 was transferred to infrastructure account, leaving a balance of Kshs.685,500 as at 30 June, 2022. Further, an amount of Kshs.437,500 was transferred after the lapse of 15 days since date of receipt.

This was contrary to the Ministry of Education Circular which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account within fifteen (15) days upon receipt of the funds in the operations account.

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

2. IrregularTransfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)

The statement of receipts and payments reflects boarding and school fund payments of Kshs.27,439,070 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.713,200 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, the value for money transferred to KESSHA amounting to Kshs.713,200 could not be confirmed.

3. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition, operations and infrastructure amount of Kshs.1,834,335, Kshs.5,917,298 and Kshs.2,101,000 respectively, as disclosed in Notes 1, 2 and 3 to the financial statements. During the financial year, NEMIS reported a total number of 2,658 students while the enrolment records provided by the School indicated a total number of 2,716 students, resulting in an unexplained variance of 58 students. As a result of the variances, the School was under funded by an amount of Kshs.693,896 using a rate of Kshs.11,963.72 per student. This was contrary to the Ministry of Education Circular MOE.HQS/3/13/3 dated 16/06/2021 on implementation of Free Day Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

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

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 adequate Board Committees Meetings

Review of the School Board of Management minutes revealed that during the year under review, the Board of Management (BOM) held one (1) meeting instead of at least three (3) as required by paragraph 3 of the First schedule of the Basic Education Act, 2013.

In the circumstances, the effectiveness of the governance mechanism at the school could not be confirmed.

2. Lack of Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register with school land measuring five (5) acres valued at Kshs.9,000,000. However, land ownership documents were not availed for audit verification. Available information is that the land is registered under Ngaita primary school.

In the circumstances, the effectiveness of the management of the assets and the accuracy and ownership of land balance of Kshs.9,000,000 could not be confirmed.

3. Long Outstanding Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.5,418,835 as disclosed in Note 13 to the financial statements. The balance includes fee arrears for prior years of Kshs.3,480,427 which had been outstanding for more than two (2) years. However, there was no age analysis and policy on the impairment of long outstanding fee arrears casting doubt on full recoverability of the accounts receivables balance.

In the circumstances, the existence of effective mechanism 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 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 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 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

19 May, 2026

6.Statement Of Receipts and Payments for the Year Ended 30th June 2022

Description Of Vote Head	Note	2021-2022	2021
		kshs	Kshs
Receipts			
Government grants for tuition	1	1,834,335	655,015
Government grants for operations	2	5,917,298	2,534,298
Government Grants for infrastructure	3	2,101,000	1,575,000
School fund income- parents' contributions	4	27,127,030	8,044,660
Miscellaneous incomes	5	3,750,838	593,120
Total Receipts		**40,730,501**	**13,402,093**
Payments			
Tuition	6	1,799,192	649,900
Operations	7	5,928,680	2,599,102
Infrastructure	8	0	0
Boarding and school fund	9	27,439,070	8,316,630
Total Payments		**35,166,942**	**11,565,632**
Surplus/Deficit		**5,563,559**	**1,836,461**

The school financial statements were approved on 17/4/2026 and signed by:

....	....	....
Name: NIMROD P. MIRITI	**Name:** GLADYS H. KIRUGI **School Principal/ Secretary to BOM**	**Name:** IDAH KAINYU
Chair BOM		**Bursar/ Finance Officer**
Date: 17/4/26	**Date:** 17/4/26.	**Date:** 17/4/2026.

7.Statement of Assets and Liabilities As At 30th June 2022

Description	Note	2021-2022	2021
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	6,868,258	2,162,534
Cash balances	11	23,000	88,471
Short term investments	12	0	0
Total cash and cash equivalent		**6,891,258**	**2,251,005**
Account's receivables	13	5,418,835	4,568,315
Total financial assets (a)		**12,310,093**	**6,819,320**
Financial liabilities			
Accounts payables	14	(3,136,039)	(3,208,825)
Total Financial Labilities (b)		**3,136,039**	**3,208,825**
Net financial assets (a-b)		**9,174,054**	**3,610,495**
Represented by			
Accumulated fund b/fwd	15	3,610,495	1,774,034
Surplus/deficit for the year		5,563,559	1,836,461
Net Assets		**9,174,054**	**3,610,495**

The school's financial statements were approved on 17/4/2026 and signed by:

………………………………	………………………………	………………………………
Name: NIMROD P. MIRITI	**Name:** GLADYS N. KIRUGI	**Name:** IDAH KAINDI
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 17/4/2026	**Date:** 17-4-2026	**Date:** 17/4/2026.

8.Statement of Cash Flows for the Year Ended 30th June 2022

Description	Note	2021-2022	2021
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		1,834,335	655,015
Government grants for operations		5,917,298	2,534,298
Government grants for infrastructure		2,101,000	1,575,000
School fund income- parents contributions/ fees		29,411,827	8,815,710
Other income		3,750,838	593,120
Total receipts		**43,015,298**	**14,173,143**
Payments			
Cash outflows for tuition		1,798,472	649,900
Cash outflows for operations		5,928,680	2,599,102
Cash outflows Boarding/lunch and school fund payments		30,647,893	9,128,080
Total payments		**38,375,045**	**12,377,082**
Net cash inflow/outflow from operating activities		**4,640,253**	**1,796,061**
Cash flow from investing activities			
Acquisition of assets		0	
Proceeds from sale of Assets			
Proceeds from investments			
Purchase of investments			
Net cash inflow/outflows from investing activities		**4,640,253**	
Cash flow from Financing activities			
Proceeds from borrowings/ loans		0	0
Repayment of principal borrowings			
Net cash inflow/outflow from financing activities			
Net increase/decrease in cash and cash equivalents		**4,640,253**	**1,796,061**
Cash and cash equivalent at beginning of the 2022		2,251,005	454,944
Cash and cash equivalent at end of the 2022		**6,891,258**	**2,251,005**

The school's financial statements were approved on 17/4/2026 and signed by:

………………………………	………………………………	………………………………
Name: NIMROD P. MIRITI	**Name:** GLADYS M. KIRUUI	**Name:** IDAH KAINGU
Chair BOM	**School Principal/ Secretary to BOM**	**Bursar/ Finance Officer**
Date: 17/4/2026	**Date:** 17-4-2026	**Date:** 17/4/2026

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
(1) Capitation Grant on Tuition					
Reference Materials					
Exercise Books	950,000	0	950,000	934,335	98%
Laboratory Equipment	450,000	0	450,000	400,000	88%
Teaching / Learning Materials	550,000	0	550,000	500,000	91%
(2) Capitation Grant on Operations					
Personnel Emoluments	2,800,000	0	2800,000	2,715,298	97%
Repairs And Maintenance	0	0		0	
Local Transport / Travelling	750,000	0	750,000	702,000	94%
Electricity And Water	1,500,000	0	1500,000	1,400,000	93%
Medical		0			
Administration Costs	650,000	0	650,000	600,000	92%
Activity	550,000	0	550,000	500,000	91%
3) FDSE for infrastructure					
Maintenance &Improvement MoE	2,200,000	0	2,200,000	2,101,000	96%
M&I parents' contribution					
Economic Stimulus Programs					
Transition Infrastructure Grants					
Administration Block					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
(4) Fees Charged on Parents					
Personnel Emoluments	3,200,000	0	3,200,000	2,990,000	93%
Repairs And Maintenance	1,800,000	0	1800,000	1,643,959	91%
Local Transport / Travelling	1,800,000	0	1800,000	1,693,959	94%
Electricity And Water	2,500,000	0	2,500,000	2,160,000	86%
Medical					
Administration Costs	2,500,000	0	2,500,000	2,406,525	96%
Activity	400,000	0	400,000	371,180	92%
SMASSE					
Fee On Boarding Equipment and Stores	17,124,160	0	17,124,160	15,861,407	80%
5) Miscellaneous Income					
Loans / Borrowing	0	0	0	0	0
Rent income	24,000	0	24,000	20,000	83%
Income From Farming Activities	100,000	0	100,000	96,407	96%
Insurance Compensation	5,000	0	5,000	4,431	87%
Income for dorm construction	3,500,000	0	3,500,000	3,200,000	64%
Income From Bus Hire	400,000	0	400,000	328,000	82%
Fee For Hire of Ground and Equipment					
Income from tenders	102,000	0	102,000	102,000	100%
Total Income	**43,855,160**	0	**43,855,160**	**40,730,501**	92%
(6) Expenditure For Tuition					
Textbooks					

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Reference Materials					
Exercise Books	950,000	0	950,000	901,472	94%
Laboratory Equipment	450,000	0	450,000	399,000	87%
Internal Exams					
Teaching / Learning Materials	550,000	0	550,000	498,720	90%
Bank Charges					
(7) Expenditure For Operations					
Personnel Emoluments	2,800,000	0	2,800,000	2,798,208	100
Local Transport / Travelling	750,000	0	750,000	700,000	93%
Electricity, Water and Conservancy	1,500,000	0	1,500,000	1,400,000	93%
Medical					
Administration Costs	650,000	0	650,000	500,472	77%
Activity Expenses	550,000	0	550,000	530,000	96%
(8) Expenditure For infrastructure				0	
Construction of classrooms					
Construction of LAB					
Construction of DORMS	2,200,000	0	2,200,000	0	0%
Purchase of machinery					
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	3,205,000	0	3,205,000	2,978,310	87%

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Repairs, Maintenance and Improvements	1,800,000	0	1,800,000	1,213,986	67%
Local Transport / Travelling	1,800,000	0	1,800,000	1,688,000	94%
Electricity, Water and Conservancy	2,500,000	0	2,500,000	2,060,000	82%
Medical Expenses					
Administration Costs	2,500,000	0	2,500,000	2,318,521	92%
Activity	400,000	0	400,000	159,200	40%
Boarding Equipment and Stores	17,124,160	0	17,124,160	16,641,053	98%
Expenditure For Income Generating Activity farm	100,000	0	100,000	50,000	50%
Dorm construction	3,500,000	0	3,500,000	0	0
Expenses On bus hire	400,000	0	400,000	228,000	57%
Rent Expenses	24,000	0	24,000	0	0%
Tenders expenses	102,000	0	102,000	102,000	100%
Loan Principal Repayment	0	0	0	0	
Acquisition Of Assets	0	0	0	0	
Totals	**43,855,160**	**0**	**43,855,160**	**35,166,942**	**80%**

i. *Operation account and tuition account is below 90% because funds budgeted was not released by ministry of education*

ii. *School fund acount is below 90% because funds budgeted from parents was not fully paid*

10.Significant Accounting Policies

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

1. **Statement of compliance and basis of preparation**

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

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

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

2. **Recognition of receipts and payments**

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

3. **In-kind contributions**

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

4. **Cash and cash equivalents**

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

5. Accounts Receivable

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

6. Accounts Payable

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

7. Non-current assets

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

8. Budget

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

9. Comparative figures

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

10. Subsequent events

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

11.Notes To the Financial Statements

1 Government Grants for Tuition

Description	*2021-2022*	*2021*
	kshs	Kshs
Reference Materials		
Exercise Books	934,335	268,515
Laboratory Equipment	400,000	200,000
Internal Exams		
Teaching / Learning Materials	500,000	186,500
Others *(specify)**		
Total	**1,834,335**	**655,015**

2 Government Grants for Operations

Description	*2021-2022*	*2021*
	kshs	Kshs
Personnel Emoluments	2,715,298	1,700,847
Repairs And Maintenance	0	0
Local Transport / Travelling	702,000	85,000
Electricity And Water	1,400,000	304,451
Medical		0
Administration Costs	600,000	319,000
Activity	500,000	125,000
Other Vote Heads (specify)*		
Total	**5,917,298**	**2,534,298**

3 Government Grants for infrastructure

Description	2021-2022	2021
	Ksh	Kshs
Maintenance & Improvement	2,101,000	1,575,000
Transition infrastructure grants	0	0
Administration Block	0	0
Economic stimulus grants	0	0
Other *(specify)(NGCDF and County govt.*	0	0
Total	**2,101,000**	**1,575,0000**

4 School Fund Income - Parents Contribution/Fees

Description	2021-2022	2021
	Kshs	Kshs
Personnel emoluments	2,990,000	1,405,921
Repairs and maintenance	1,643,959	445,139
Local transport / travelling	1,693,959	155,000
Electricity and water	2,160,000	773,547
Medical		0
Administration costs	2,406,525	629,000
Activity	371,180	56,459
Fee on Boarding Equipment and stores	15,861,407	4,579,594
PA Levies*		
Others (specify)		
Total	**27,127,030**	**8,044,660**

5 Miscellaneous Incomes

Description	2021-2022	2021
	Kshs	Kshs
Rent Income	20,000	10,000
Income From Farming Activities	96,407	200,120
Insurance Compensation	4,431	
Income From Bus Hire	328,000	383,000
Fee For Hire of Ground and Equipment		
Income PTA funds dorm construction	3,200,000	
Income from tenders	102,000	
Dividends Income		
Loans/Borrowings*		
Other Income *(specify)**		
Total	**3,750,838**	**593,120**

6 Tuition

Description	*2021-2022*	*2021*
	Kshs	Kshs
Exercise Books	901,472	265,400
Textbooks		
Reference materials		
Laboratory Equipment	399,000	199,600
Teaching / Learning Materials	498,000	184,900
Exams And Assessment		
Teachers Guides		
Bank Charges	720	
Others *(specify)*		
Total	**1,799,192**	**649,900**

7 Operations

Description	*2021-2022*	*2021*
	Kshs	Kshs
Personnel Emoluments	2,798,208	1,794,702
Service Gratuity		
Administration Cost	500,472	310,000
Repairs And Maintenance & Improvements		
Local Transport / Travelling	700,000	116,000
Electricity And Water	1,400,000	298,400
Medical		
Activity Expenses	530,000	80,000
Insurance Cost		
Others (specify)		
Total	**5,928,680**	**2,599,102**

8 Infrastructure

Description	2021-2022 kshs	2021 Kshs
Construction of classrooms	0	0
Construction of laboratory	0	0
Construction of dormitory	0	0
Purchase of furniture	0	0
Purchase of equipment	0	0
Purchase of apparatus	0	0
Drilling of boreholes	0	0
Others (specify)	0	0
Total	**0**	**0**

9 Boarding And School Fund

Description	2021-2022 kshs	2021 Kshs
Personnel Emoluments	2,978,310	1,314,250
Service Gratuity		
Repairs And Maintenance & Improvements	1,213,986	440,000
Local Transport / Travelling	1,688,000	148,400
Electricity And Water	2,060,000	738,755
Medical Expenses		
Administration Costs	2,318,521	597,000
Tenders	102,000	
Activity	159,200	54,600
Expenses bus hire	228,000	526,170
Fee On Boarding Equipment and Stores	16,641,053	4,497,455
farm Expenses	50,000	
Total	**27,439,070**	**8,316,630**

10.Bank Accounts

Account Name & Currency	Status	Bank Account Number	2021-2022	2021
	Active/Dormant		Kshs	Kshs
Tuition Account	Active	01139057785400	56,101	19,769
Operations Account	Active	01139057785402	896	12,279
School Fund Account/Boarding	Active	1103774034	132,361	206,992
Bus Account	Active	1103524143	2,823,373	197,114
Income Generating Activities Account	Active	502002338500	101,826	73,679
Infrastructural Account	Active	01139057785401	3,753,701	1,652,701
Total			**6,868,258**	**2,162,534**

11. Cash In Hand

Description	2021-2022	2021
	Kshs	Kshs
Notes and Coins	23,000	88,471
Total	**23,000**	**88,471**

12. Short Term Investments

Description	2021-2022	2021
	ksh	Kshs
Cooperative Shares	0	0
Treasury Bills	0	0
Fixed Deposit accounts	0	0
Other Investments	0	0
Total	**0**	**0**

13. Accounts Receivable

Description	2021-2022 Kshs	2021 Kshs
Fees Arrears	5,418,835	4,568,315
Other Non-Fees Receivables		
Salary Advances (list/schedule attached)	0	0
Imprest (list/schedule attached)	0	0
Rent arrears (list/schedule attached)	0	0
Total	**5,418,835**	**4,568,315**

13 b) Ageing Analysis of Accounts Receivable

Description	2021-2022 Kshs			2021 Kshs
	2021-2022	**% of the total**	**2021**	**% of the total**
Less than 1 year	4,842,780	89%	2,266,532	50%
Between 1- 2 years	576,055	10%	2,301,783	50%
Between 2-3 years				
Over 3 years				
Total (should tie to note 13 a)	**5,418,835**		**4,568,315**	

14. Accounts Payable

Description	2021-2022 kshs	2021 Kshs
Trade Creditors (See Ageing Below and Appendix 1)	3,136,039	3,208,825
Prepaid Fees		
Retention Monies		
Unpaid salaries and statutory deductions		
Caution money		
Other payables *(specify)*		
Total	**3,136,039**	**3,208,825**

14a. Ageing Analysis of Accounts Payable

Description	2021-2022 Kshs		2021 Kshs	
		% of the total	2021	% of the total
Less than 1 year	3,136,039	100%	3,208,825	100%
Between 1- 2 years				
Between 2-3 years				
Over 3 years				
Total (should tie to note 14)	**3,136,039**	**100%**	**3,208,825**	**100%**

15. Fund Balance Brought Forward

Description	2021-2022 Ksh	2021 Kshs
Bank Balances	2,162,534	448,891
Cash Balances	88,471	6,053
Short Term Investments		
Receivables	4,568,315	2,130,540
Payables	(3,208,825)	(811,450)
Total	**3,610,495**	**1,774,034**

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	2021-2022 kshs	2021 Kshs
Bank Loans	0	0
Outstanding Leases	0	0
Hire Purchase	0	0
Gratuity And Leave Provision	0	0
Others (specify)	0	0
Total	**0**	**0**

17. Biological assets

Description	Numbers	2021-2022	Numbers	2021
	kshs	Kshs		Kshs
Cattle	6	325,000	6	300,000
Pigs	3	46,000	3	100,000
Trees	10	50,000	10	50,000
Coffee Or Tea Plantation	0	0	0	0
sheep	8	25,000	8	30,000
Total		**446,000**		**480,000**

18. Borrowings

Description	Kshs
Borrowings at beginning of the year	0
Borrowings during the year	0
Repayments during the year	0
Balance at the end of the year	**0**

Other important disclosure notes

19. Stock/ Inventory

Description	2021-2022	2021
	Kshs	Kshs
Food stuffs	235,257	564,636
Lab consumables	621,425	329,715
Stationaries	969,660	856,795
Medication	0	0
Construction Materials	0	0
Others (specify)		

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)*
1.	Purchases from Non-registered Suppliers	Supporting documents availed	Resolved	
2.	Under Funding of Capitation Grants	The management to ensure compliance with NEMIS registration. Birth certificates to be collected on reporting date.	Resolved	
3.	Failure to Transfer Infrastructure Funds from Operations Bank Account	Signatories were unavailable.Henceforth transfers will be effected as per the MOE directives.	Resolved	
4.	Long Outstanding Trade Payables	The BOM will put up a plan to clear the debts on time.	Resolved	
5.	Long Outstanding Receivables	The management has created policies that will ensure clearance of school fees by the end of every term.	Resolved	
6.	Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)	The money is pulled together to support co-curricular activities.	Not resolved	In progress
7.	Lack of Segregation of Duties in processing of payment vouchers	The administration will seek authorization signature from the BOM chairman	Not resolved	In progress

17/4/2026

Sign and Date
Principal

12. ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2021-2022	Outstanding Balance 2021	Comments
	a	b	c	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Supply of goods						
4. Gichimbo enterprises	1,182,500	19/4/2022	0	1,182,500	0	To be paid in the next financial year
5. Wamo tech services	560,000	17/5/2022	0	560,000	0	To be paid in the next financial year
6. Classic food store and flour mills	436,000	2/6/2022	0	436,000	0	To be paid in the next financial year
7. Kimka supermarket	169,710	10/6/2022	0	169,710	0	To be paid in the next financial year
8. Nicety enterprises	298,310	24/6/2022	0	298,310	0	To be paid in the next financial year
9. Trafykam enterprises	108,754	8/6/2022	0	108,754	0	To be paid in the next financial year
10. Zablon kiruja	12,150	30/6/2022	0	12,150	0	To be paid in the next financial year
11. Lawrence gitonga	75,200	30/6/2022	0	75,200	0	To be paid in the next financial year
12. Mafuko industries	119,565	30/6/2022	0	119,565	0	To be paid in the next financial year
13. Readers quest	47,050	22/6/2022	0	47,050	0	To be paid in the next financial year
14. Sarah Karimi	11,300	23/6/2022	0	11,300	0	To be paid in the next financial year
15. Cathrine kaari	17,500	19/6/2022		17,500		To be paid in the next financial year
16. Munilas enterprises	8,500	13/6/2022	0	8,500	0	To be paid in the next financial year
17. Assenath gacheri	63,000	23/6/2022	0	63,000	0	To be paid in the next financial year
18. Zablon gikundi	10,500	31/1/2022	0	10,500	0	To be paid in the next financial year
Sub-Total	**3,120,039**		**0**	**3,120,039**	**0**	
Supply of services						
19. Expan meru	16,000	24/6/2022		16,000	0	
Sub-Total	**16,000**		**0**	**16,000**	**0**	
Grand Total	**3,136,039**			**3,136,039**		

ANNEX 2 – SUMMARY OF FIXED ASSETS REGISTER

Asset class	Date purchased	Location	Historical Cost b/f (Kshs) 1st JULY 2021	Additions during the year2021-2022 (Kshs)	Disposals during the year2021-2022 (Kshs)	Historical Cost c/f (Kshs) 30th June 2022
Land	**1993**		9,000,000	**0**	**0**	**9,000,000**
Buildings and structures	**1994**		52,400,000	**0**	**0**	**52,400,000**
Motor vehicles	**2013**		2,500,000	**0**	**0**	**2,500,000**
Office equipment, furniture and fittings	**2020**		1,000,000	**0**	**0**	**1,000,000**
ICT Equipment, and Other ICT Assets	**2019**		1,471,000	**511,000**	**0**	**1,982,000**
Tools and apparatus	**2015**		4,184,763	**0**	**0**	**4,184,763**
Textbooks	**1995**		8,944,502	**513,054**	**0**	**9,457,556**
Other Machinery and Equipment	**2019**		10,000,000	**1,096,975**	**0**	**11,096,975**
Heritage and cultural assets	**0**		**0**	**0**	**0**	**0**
Intangible assets- soft ware	**29/1/2018**		100,000	**0**	**0**	**100,000**
Total			**89,600,265**	**2,121,029**	**0**	**91,721,294**