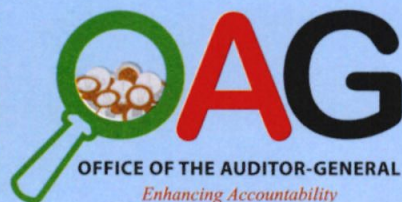


REPUBLIC OF KENYA



REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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REPORT

OF

THE AUDITOR-GENERAL

THE NATIONAL ASSEMBLY PAPER PLAIN	
DATE: 29 JUL 2026	DAY: WEDNESDAY
TABLED BY:	HON. MARIANTE KIRANT
CLERK-AT THE-TABLE:	ON BEHALF OF LOM KESTER NG'ENJO

KIRANGARI BOYS HIGH SCHOOL

FOR THE YEAR ENDED
30 JUNE, 2023

KIAMBU COUNTY

Revised 30th June 2023.



KIRANGARI BOYS HIGH 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)

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1. Acronyms and Glossary of Terms

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

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 is in Kiambu County, Kabete Sub-County.

The school was registered in 09/2020 under registration number 22S00300623 and is currently categorized as an *Extra County* public school established, owned or operated by the Government.

The school is a boarding school and had 1208 number of students as at 30th June 2023. It has 7 streams and 56 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 composed of the following members:

Ref.	Name of Board Member	Designation	Date of appointment
1	MR ROBERT KINYANJUI	Chairman	7 th March 2022
2	MR ZACHARY THIONGO	Secretary- Principal	7 th March 2022
3	MRS JANE NJENGA	Member	7 th March 2022
4	MR SAMUEL MACHARIA	Member- Parent	12 th May 2022
5	MR JAMES NJENGA	Member	7 th March 2022
6	MRS ELIZABETH MWAURA	Member - Parent	12 th May 2022
7	MR JEREMY NJENGA	D/Chairman-Special Interests	7 th March 2022
8	MR AMOS GATHECHA, EBS	Member – Rep CEB	7 th March 2022
9	MR ISAIAH MBURU	Member Rep Teachers	7 th March 2022
10	MRS SYLVIA MUIRURI	Member - Sponsor	7 th March 2022
11	AMB MICHAEL MUKIRI	Member - Community	7 th March 2022
12	MR SAM MUTURI	Member - Community	7 th March 2022
13	MR DENNIS MUTUGI	Member - Sponsor	7 th March 2022
14	MR PHILIP KIBUNJA	Member - Sponsor	7 th March 2022
15	MR JAMES THUO	Member Special Needs	7 th March 2022
16	MR GEORGE WAITHAKA	Member	12 th May 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	Robert Kinyanjui Jane Njenga Jeremy Njenga Zachary Thiongo Samuel Macharia	BOM CHAIRMAN BOM MEMBER BOM D/CHAIRMAN PRINCIPAL/SEC PA CHAIRPERSON	4
2	Audit Committee	Sam Muturi Dennis Mutugi Philip Kibunja	SECRETARY BOM MEMBER BOM MEMBER	
3	Finance, Procurement and General Purposes Committee	Robert Kinyanjui Jane Njenga Jeremy Njenga Zachary Thiongo Amos Gathecha	BOM CHAIRMAN PA CHAIRPERSON BOM D/CHAIRMAN PRINCIPAL/SEC BOM MEMBER	1
4	Academic Committee	Zachary Thiongo James Thuo Samuel Macharia	SECRETARY BOM MEMBER BOM MEMBER	1
5	Discipline, Ethics and Integrity Committee	Isaiah Mburu Elizabeth Mwaura James Njenga	SECRETARY BOM MEMBER BOM MEMBER	2
6	Human Rights and Students Welfare Committee	Sylvia Muiruri Michael Mukiri Jeremy Njenga	SECRETARY BOM MEMBER BOM MEMBER	1

(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	MR ZACHARY THIONGO	TSC No.313460
2	Deputy Principal Administration	MR ISAIAH MBURU	TSC No.371657
3	Deputy Principal Academics	MR BENSON WAWERU	TSC No.372338
4	School Bursar	MR SIMON MWANGI	ICPAK No. 30759

(e) Schools contacts

Post Office Box: 23082-00604 LOWER KABETE
Telephone: 0115693803
E-mail: kirangarihigh@gmail.com
Website: N/A
Facebook: N/A
Twitter: N/A

(f) School Bankers

- | | |
|---|---|
| 1. Name of Bank: Kenya Commercial Bank
Branch: Moi Avenue
Account Number: 1107225078(School Fund A/C) | 5. Name of Bank: Kenya Commercial Bank
Branch: Moi Avenue
Account Number: 1107553520(Savings A/C) |
| 2. Name of Bank: Kenya Commercial Bank
Branch: Kikuyu
Account Number: 1102951854(Tuition A/C) | 6. Name of Bank: Kenya Commercial Bank
Branch: Moi Avenue
Account Number: 1107581303(Savings A/C) |
| 3. Name of Bank: Kenya Commercial Bank
Branch: Kikuyu
Account Number: 1102951994(Operations A/C) | 7. Name of Bank: Kenya Commercial Bank
Branch: Moi Avenue
Account Number: 01/2078 FDRNO (Savings A/C) |
| 4. Name of Bank: Kenya Commercial Bank
Branch: Kikuyu
Account Number: 1217025391(Infrastructure A/C) | 8. MPESA PayBill No. 871700 attached to KCB No. 1107225078 bank account |

(g) Independent Auditors

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

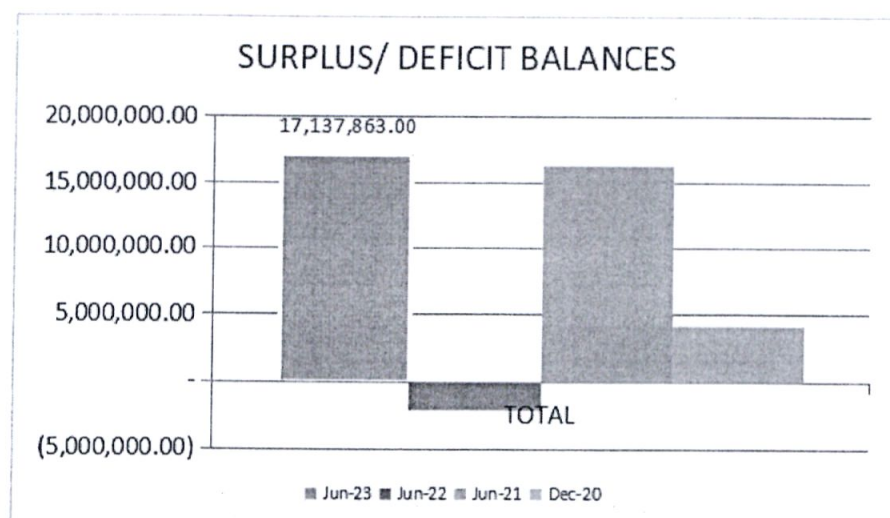
3. Summary Report of Performance of The School

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

a) Financial performance:

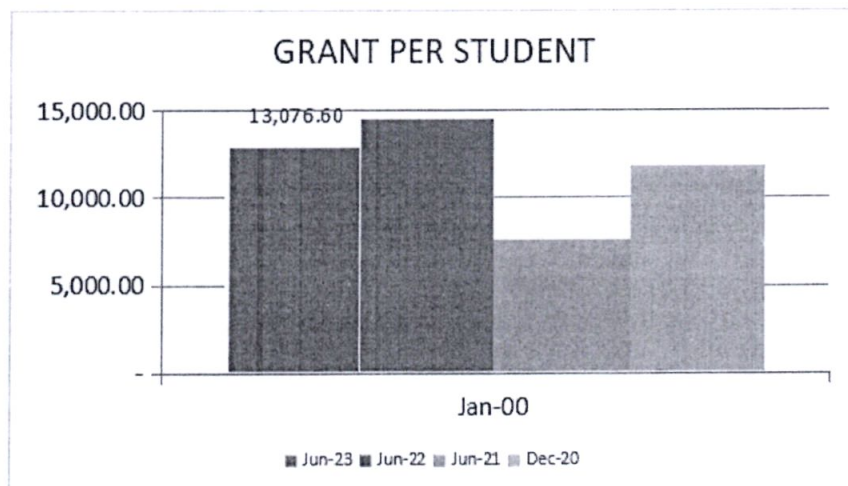
Surplus/ deficit for the year and a comparison of the same for the last three years

SURPLUS/ (DEFICIT) Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	(5,757,313)	1,487,881	11,805,002	4,440,794
OPERATIONS ACCOUNT	22,294,682	(3,010,430)	3,217,672	(444,503)
TUITION ACCOUNT	600,494	(571,316)	1,218,598	185,743
TOTAL	17,137,863.00	(2,093,865.00)	16,241,272.00	4,182,034.25



- Capitation grants from the Ministry of Education for the last three years
- Ratio of capitation grant per student over the last three years

MOE CAPITATION GRANTS Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
STUDENT ENROLLMENT	1,208	1,166	836	765
OPERATIONS ACCOUNT	12,919,820	13,814,563	5,760,286	7,736,925
TUITION ACCOUNT	2,876,708	3,154,733	586,765	1,306,675
TOTAL	15,796,528	16,969,297	6,347,051	9,043,600
RATIO PER STUDENT	13,076.60	14,553.43	7,592.17	11,821.70



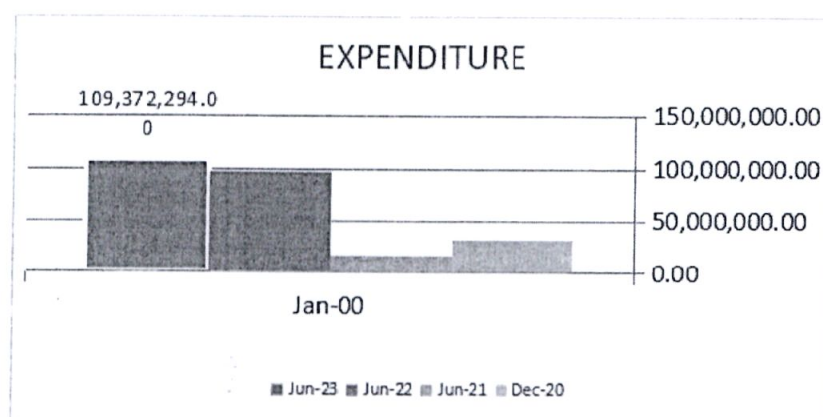
- A three-year overview of growth of other income(s) earned by the school.

OTHER INCOME Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	456,446	735,105	8,300	-
TOTAL	456,446	735,105	8,300	-



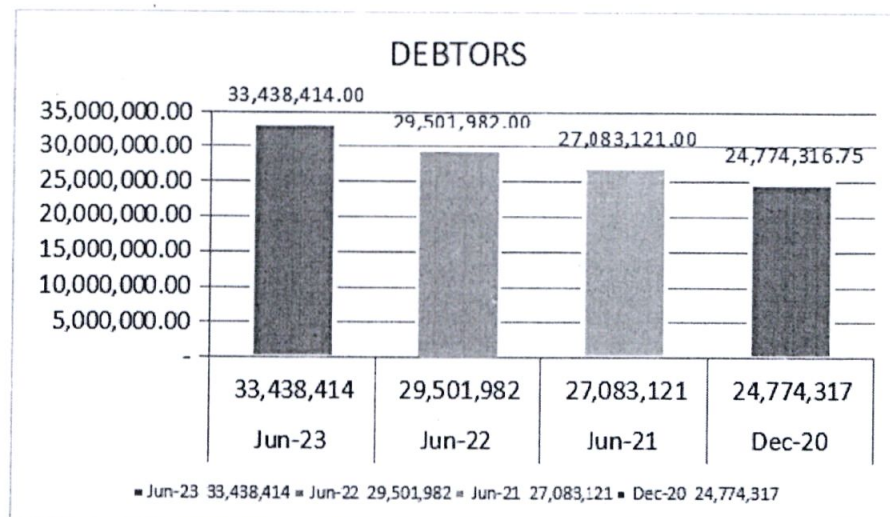
- A three-year overview of growth in expenditure of the school

EXPENDITURE Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	96,372,742	73,006,634	11,651,226	19,906,230
OPERATIONS ACCOUNT	10,723,338	21,219,493	4,577,779	11,599,028
TUITION ACCOUNT	2,276,214	3,726,049	370,459	1,120,932
TOTAL	109,372,294.00	97,952,176.00	16,599,464.46	32,626,189.75

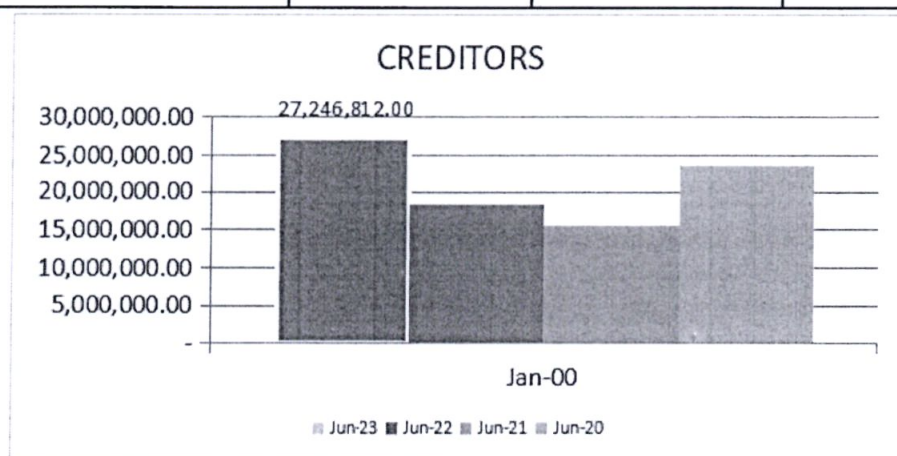


- Movement of debtors and creditors of the school over the last three years

DEBTORS Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
DEBTORS	33,438,414	29,501,982	27,083,121	24,774,317
TOTAL	33,438,414.00	29,501,982.00	27,083,121.00	24,774,316.75

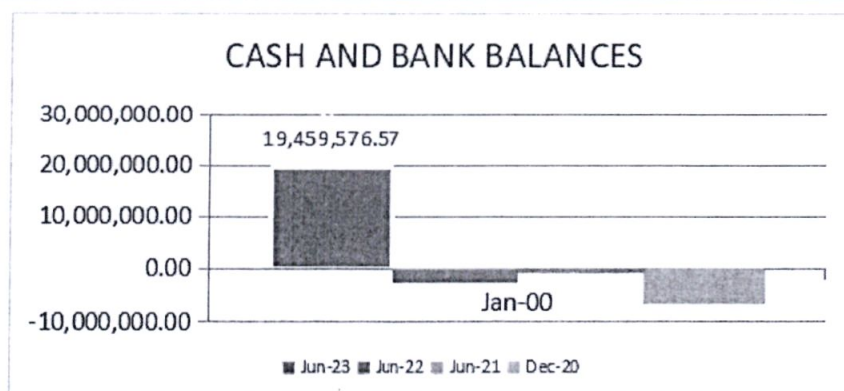


CREDITORS Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Jun-20
CREDITORS	27,246,812	18,381,003	15,707,688	23,555,645
TOTAL	27,246,812.00	18,381,003.00	15,707,688.00	23,555,644.66



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

CASH AND BANK BALANCES Kshs ...For the year ended.....				
ACCOUNT	Jun-23	Jun-22	Jun-21	Dec-20
SCHOOL FUND ACCOUNT	(2,590,050)	(2,750,344)	(2,519,341)	(6,785,607)
OPERATIONS ACCOUNT	20,836,041	58,558	(19,371)	(160,092)
INFRASTRUCTURE ACCOUNT	1,203,094	36,757	1,802,454	145,661
TUITION ACCOUNT	10,491	47,365	(31,995)	(52,727)
TOTAL	19,459,576.57	-2,607,664.00	-768,253.68	-6,852,764.97



b) Teacher Student ratio:

NEW TEACHERS RECRUITED/POSTED WITHIN THE YEAR	7
TRANSFERRED TEACHERS WITHIN THE YEAR	0
RETIRED TEACHERS WITHIN THE YEAR	0
TOTAL TSC EMPLOYED TEACHERS	48
TOTAL BOM EMPLOYED TEACHERS	8
TEACHER STUDENT RATIO	1:21

NUMBER OF TEACHERS PER SUBJECT (BOTH TSC and BOM EMPLOYED)			
SUBJECT	REQUIRED NUMBER	NUMBER AVAILABLE	SHORTAGE
MATHEMATICS	12	10	2
ENGLISH	10	7	3
KISWAHILI	10	10	0
CHEMISTRY	8	6	2
PHYSICS	6	3	3
BIOLOGY	8	6	2
GEOGRAPHY	9	9	0
HISTORY	8	8	0
CRE	8	8	0
BUSINESS STUDIES	6	6	0
AGRICULTURE	3	3	0
DRAWING AND DESIGN	1	1	0
ART AND DESIGN	1	1	0
COMPUTER STUDIES	1	1	0
HOMESCIENCE	1	0	1
ELECTRICITY	1	0	1
FRENCH	1	0	1

c) Mean score in the 2022 KCSE:

YEAR	2022	2021	2020
MEAN SCORE	5.575	5.301	6.185
ENTRY(NO. OF CANDIDATES)	199	146	124
TARGET SCORE	7.15	7.10	6.5
TRANSITIONS TO HIGHER LEARNING INSTITUTIONS(NO.)	41	31	52

d) Number of Candidates in the 2022 KCSE:

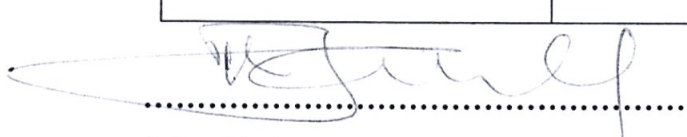
YEAR	2022	2021	2020
ENTRY(NO. OF CANDIDATES)	199	146	124

e) Capacity of the school:

CURRENT ENROLLMENT	AVAILABLE DORM CAPACITY	AVAILABLE CLASSROOM CAPACITY	DINNING HALL CAPACITY	LABORATORY CAPACITY
1208	700	945	CURRENTLY BEING USED AS A DORMITORY	540
Shortage stands at a dormitory of a capacity of 500 boys.		More classes are needed for the increasing enrollment shortage being 5 classes	If a 200 capacity dormitory was to be made available, then the DH would be released for dining.	There is an urgent need to build 3 laboratories.

f) Development projects carried out by the school:

Projects	Source of funds	Status	Initial Cost (Kshs)	Amount Spent (Kshs)	Expected completion time
Construction of 1 no. classroom	MIF	Completed	1,636,123.20	1,186,690.50	Completed
Construction of a storied 1,000 capacity dormitory	Parents	Ongoing	30,532,045	16,318,971.50	2025


.....
School Principal

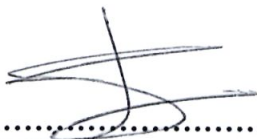
4. Statement of School Management Responsibility

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 *Kirangari Boys High 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).

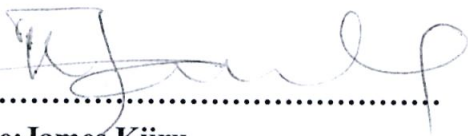
The Board of Management is of the opinion that the school's financial statements give a true and fair view of the state of the school's transactions during the financial year ended 30th June, 2023, and of the school's financial position as at that date.



.....
Name: Simon Wamenju

Designation: Chairman, School Board of Management

Date: 03/08/2023



.....
Name: James Kiiru

Designation: School Principal & Secretary to Board of Management

Date: 03/08/2023



.....
Name: Simon Mwangi

Designation: Bursar/ Finance Officer

Date: 03/08/2023

REPUBLIC OF KENYA

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Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON KIRANGARI BOYS HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 –KIAMBU COUNTY

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in 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 Kirangari Boys High School set out on pages 1 to 21, which comprise of the statement of assets and liabilities as at

Report of the Auditor-General on Kirangari Boys High School for the year ended 30 June, 2023 – Kiambu County

30 June, 2023, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of Kirangari Boys High School 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 Payables

The statement of assets and liabilities for the year ended 30 June, 2023 reflects an accounts payables amount of Kshs.27,246,812 as disclosed under Note 14 to the financial statements. However, Management did not provide the detailed ageing analysis and supporting schedules. In addition, Annex 1 on analysis of pending accounts payables discloses an outstanding balance of Kshs.13,979,144 leading to unexplained variance of Kshs.13,267,668

In the circumstances, the accuracy and completeness of the accounts payables balance of Kshs.27,246,812 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.22,408,773 as disclosed in Note 10 and Note 11 to the financial statements. Included in Note 11 to the financial statements is cash balance amounting to Kshs.333,274. This amount has not been supported with a Board of Survey certificate to ascertain the balance.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.22,408,773 could not be confirmed.

3. Overdrawn Cashbook

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.22,408,773 as disclosed in Note 10 and Note 11 to the financial statements. Included in Note 10 to the financial statements is a bank balance amounting to Kshs.22,075,499. The bank balances includes school fund account/boarding with an overdraft balance of Kshs.2,923,094 which has been offset against a bank balance of Kshs.20,954,632. However, the authority of The National Treasury or the Board of Management to overdraw the balances was not provided for audit, contrary to Section 28(4) of the Public Finance Management Act, 2012 which states that an accounting officer

for a national government entity shall not cause a bank account of the entity to be overdrawn beyond the limit authorized by The National Treasury or a board of a national government entity. Further, the offsetting was contrary to Paragraph 48 of International Public Sector Accounting Standard (IPSAS) 1 which provides that assets and liabilities shall not be offset unless required or permitted by an IPSAS.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.22,408,773 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the Kirangari Boys High 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.108,121,790 and Kshs.125,720,114 respectively, resulting in an overfunding of Kshs.17,598,324 or 16% of the budget. Similarly, the School spent an amount of Kshs.103,652,874 against actual receipts amounting to Kshs.125,720,114, resulting in an underutilization of Kshs.22,067,240 or 18% of actual receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year audit report, several issues were raised under the Report on the Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the School in 2022/2023 revealed that the following four (4) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2021/2022	Unconfirmed and Long Outstanding Accounts Receivables
2	2021/2022	Transfer of Funds to Kenya Secondary Schools Heads Association
3	2021/2022	Operation of the School Without a School Improvement Plan
4	2021/2022	Lack of Fixed Assets Register and Ownership Documents

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Transfer Infrastructure Funds from the Operations Bank Account

The statement of receipts and payments for the year ended 30 June, 2023 reflects Government grants for operations amount of Kshs.8,716,020 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.3,413,000 in respect of infrastructure grants which were to be transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, it was not transferred from operations account to the infrastructure account within fifteen (15) days requirement period.

This was contrary to the Ministry of Education Circular Ref. No. MOE.HQS/3/13/3, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the School infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

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

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.96,372,742 as disclosed in Note 9 to the financial statements. Included in the expenditure is an amount of Kshs.2,404,815 transferred to Kenya Secondary Schools Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.2,404,815 could not be confirmed.

3. Procurement Irregularities in the Dormitory Construction Project – Tender No. KBHS/T/R/SD/01/2022

A review of procurement records relating to the dormitory construction project under Tender No. KBHS/T/R/SD/01/2022 revealed that the tender was advertised on 13 July, 2022 and awarded to Everstep Enterprises, with the contract signed on 26 September, 2022 at a contract sum of Kshs.30,532,045. However, the following anomalies were noted:

i. Unsigned Tender Committee Documents

The tender opening committee minutes and the tender evaluation committee minutes dated 4 August, 2022 were not signed by all committee members, raising concerns on the authenticity and completeness of the procurement proceedings.

ii. Expired Performance Bond

The performance bond provided by the contractor expired on 14 December, 2023 before completion of the project, and there was no evidence that it had been renewed, exposing the School to potential financial loss in the event of contractor's default.

iii. Missing Individual Evaluation Score Sheets

The procurement file did not contain individual tender evaluation score sheets for evaluation committee members. Consequently, it was not possible to confirm how each member evaluated and scored the bidders or whether the evaluation process was conducted independently and objectively.

iv. Payment before project completion

The original contract sum was Kshs.30,532,045. By the time of audit, the contractor had been paid Kshs.24,576,635, representing 80% of the contract sum. However, site verification indicated that only about 60% of the works had been completed, implying that payments made exceeded the proportion of work completed. Further, the construction works had stalled and the contractor had abandoned the site.

v. Lack of Defined Project Completion Date and project progress Report

The contract documents reviewed did not clearly specify a defined project completion date. As a result, the contractor had no binding timelines to complete the works, which could lead to prolonged construction periods, escalation of project costs, and frequent contract variations. Further, the procurement and project management file did not contain periodic project progress reports, making it difficult to monitor implementation and verify whether the works were progressing as scheduled.

vi. Project Stalled and Contractor Abandoned Site

A physical inspection of the project site revealed that the construction works had stalled and the contractor had abandoned the site.

In the circumstances, the regularity and value for money to be realized from the contractor's payment of Kshs.24,576,635 could not be confirmed.

4. Unapproved Revenue and Expenditure budget

The statement of budgeted versus actual amounts reflects budgeted income and actual income amounting to Kshs.108,121,790 and Kshs.125,720,114 respectively. However, review of the approved budget revealed that revenue amounting to Kshs.1,447,383 was not included in the approved budget. Similarly, the statement reflects budgeted expenditure and actual expenditure for the School was Kshs.105,080,566 and Kshs.103,652,874 respectively. However, expenditure amounting to Kshs.1,118,606 was not included in the approved budget and lacked evidence of budget reallocation or supplementary approval.

This was in contravention of Regulation 31(2)(a) of the Public Finance Management (National Government) Regulations, 2015 which provides that the accounting officer is responsible, in particular for ensuring that all services which can be reasonably foreseen are included in the estimates and that they are within the capacity of the National Government entity during the financial year.

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

5. Irregular Use of Cash to Procure Goods, Works and Services

The statements of receipts and payments reflects a total payments of Kshs.109,372,293. However, analysis of cash books for operations and boarding and school fund account

Report of the Auditor-General on Kirangari Boys High School for the year ended 30 June, 2023 – Kiambu County

revealed that the School used a total of Kshs.22,750,797 in cash payments for goods, work and services. This was contrary to the provisions of Section 103(2) of the Public Procurement and Assets Disposal Act, 2015 which lays down the circumstances under which direct procurement may be applied.

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

6. Underfunding of Capitation Grants

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.2,876,708 and Kshs.8,716,020, respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, National Education Management Information System (NEMIS) reported an average total number of one thousand and seventy-five (1,075) students while the enrolment records provided by the School indicated an average of one thousand, one hundred and forty-nine (1,149) students, resulting in an unexplained variance of seventy-four (74) students. As a result of the variances, the School was underfunded by an amount of Kshs.1,140,646.

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

7. Late Submission of Financial Statements for Audit

During the year under review, the School Management submitted the financial statements to the Auditor-General on 04 September, 2025 instead of the statutory date of 30 September, 2023. This was contrary to Section 81(4)(a) of the Public Finance Management Act, 2012 and Section 47(1) of the Public Audit Act, 2015 which requires that financial statements should be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Unapproved Board of Management Allowances

The statement of receipts and payments reflects an expenditure of Kshs.109,372,293. Included under Note 9 to the financial statements is boarding and school fund expenditure amounting to Kshs.96,372,742. Included in this amount is Board of Management expenses amounting to Kshs.337,000 during the year under review. A rate of Kshs.3,000 was used to remunerate the Board members for sitting allowance during the full Board meetings, executive meetings and other committee meetings. It was not clear how the School arrived at the rate of Kshs.3,000 since there is no approval provided for audit review.

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

2. Lack of an Internal Audit Review

During the year under review, the School had not complied with the requirement of Regulation 166(1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires the internal audit of a national government entity to assess its own effectiveness through an internal performance appraisal and shall carry out annual review of the performance of the internal audit activity 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 assets and liabilities reflects accounts receivables balance of Kshs.33,438,414 in respect of fees arrears as disclosed in Note 13 to the financial statements. Included in the balance is accounts receivables balance of Kshs.26,058,842 which had been outstanding for more than two (2) years. However, there were no schedules, 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 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

Report of the Auditor-General on Kirangari Boys High School for the year ended 30 June, 2023 – Kiambu County

Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

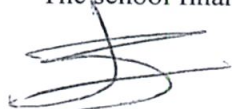
Nairobi

13 May, 2026

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

Description Of Vote Head.	Note	07/2022-06/2023	07/2021-06/2022
		Kshs	Kshs
RECEIPTS			
Government grants for tuition	1	2,876,708	3,154,733
Government grants for operations	2	8,716,020	13,164,313
Government Grants for infrastructure	3	24,302,000	5,044,750
School Fund Income- Parents' Contributions	4	90,158,983	73,759,410
Miscellaneous incomes	5	456,446	735,105
TOTAL RECEIPTS		126,510,157	95,858,311
PAYMENTS			
Tuition	6	2,276,214	3,726,049
Operations	7	8,190,675	12,498,796
Infrastructure	8	2,532,663	8,720,697
Boarding and school fund	9	96,372,742	73,006,634
TOTAL PAYMENTS		109,372,293	97,952,176
SURPLUS/DEFICIT		17,137,864	(2,093,865)

The school financial statements were approved on 03/08/2023 and signed by:



Simon Wamenju

Name:

Chair BOM

Date: 03/08/2023



James Kiiru

Name:

School Principal/ Secretary to
BOM

Date: 03/08/2023



Simon Mwangi

Name:

Bursar/ Finance Officer

Date: 03/08/2023

(Comparative FY refers to the financial year preceding the current financial year.)

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

	Note	07/2022-06/2023	07/2021-06/2022
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances	10	22,075,499	168,553
Cash Balances	11	333,274	1,183,665
Short term Investment	12	-	-
Total Cash and Cash Equivalents		<u>22,408,773</u>	<u>1,352,218</u>
Account's receivables	13	33,438,414	29,501,982
Total Financial Assets		55,847,187	30,854,200
Financial Liabilities			
Bank Balances	10	2,923,094	3,933,779
Accounts Payable	14	27,246,812	18,381,003
Net Financial Assets		<u>25,677,281</u>	<u>8,539,418</u>
Represented by			
Accumulated Fund b/fwd	15	8,539,417	10,633,282
Surplus/Deficit for the year		17,137,864	(2,093,865)
Net Financial position		<u>25,677,281</u>	<u>8,539,417</u>

The school's financial statements were approved on 03/08/2023 and signed by:


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James Kiiru

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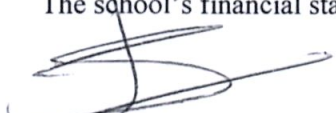
8. Statement of Cash Flows for the Year Ended 30th June 2023

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Cash from operating activities		
Receipts		
Government grants for tuition	2,876,708	3,154,733
Government grants for operations	13,018,020	13,164,313
Government grants for infrastructure	20,000,000	5,044,750
School fund income- Parents contributions/ fees	72,054,140	65,241,915
Other income	17,771,246	6,833,739
Total receipts	125,720,114	93,439,450
Payments		
Cash outflows for Tuition	2,913,582	3,075,374
Cash outflows for operations	8,296,537	12,121,134
Cash outflows Boarding and school fund payments	89,665,092	71,606,657
Total payments	100,875,211	86,803,165
Net cash inflow/outflow from operating activities	24,844,904	6,636,285
Cash flow from investing activities		
Proceeds from Sale of Assets	-	-
Acquisition of Assets	(2,777,663)	(8,475,697)
Proceeds from investments	-	-
Purchase of investments	-	-
Net cash inflow/outflows from Investing Activities	(2,777,663)	(8,475,697)
Cash flow from Financing activities		
Proceeds from borrowings/ loans	-	-
Repayment of principal borrowings	-	-
Net cash iflow/outflow from Financing Activities	-	-
Net increase/decrease in cash and cash equivalents	22,067,241	(1,839,412)
Cash and cash equivalent at beginning of the FY	(2,581,563)	(742,151)
Cash and cash equivalent at end of the FY	19,485,678	(2,581,563)

Note: Cash and Cash Equivalent is the summation of Note 10, 11 and 12.

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

The school's financial statements were approved on 03/08/2023 and signed by:

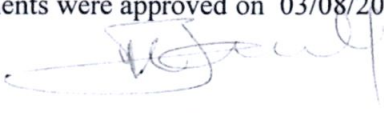


Simon Wamenju

Name:

Chair BOM

Date: 03/08/2023



James Kiiru

Name:

**School Principal/ Secretary to
BOM**

Date: 03/08/2023



Simon Mwangi

Name:

Bursar/ Finance Officer

Date: 03/08/2023

(Comparative FY refers to the financial year preceding the current Financial year.)

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	e=d/c %
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	-	-	-	-	0.0%
Exercise books	-	-	-	-	0.0%
Laboratory Equipment	-		-	-	0.0%
Teaching/Learning Materials	3,698,970		3,698,970	2,876,708	77.8%
Exams And Assessment	-		-	-	0.0%
TOTAL	3,698,970	-	3,698,970	2,876,708	77.8%
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	10,880,900	-	10,880,900	5,037,483	46.3%
Repairs And Maintenance	-	-	-	-	0.0%
Local Transport / Travelling	215,296	-	215,296	100,000	46.4%
Electricity And Water	2,807,806	-	2,807,806	1,300,000	46.3%
Medical	80,000	-	80,000	223,800	279.8%
Administration costs	3,023,790	-	3,023,790	1,400,000	46.3%
House rent	-	-	-	16,200	0.0%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	e=d/c %
Receipts					
Activity	-	-	-	638,537	0.0%
Gratuity	-	-	-	-	0.0%
TOTAL	17,007,792	-	17,007,792	8,716,020	51.2%
(3) FDSE for infrastructure					
Maintenance & Improvement MoE	9,019,307	-	9,019,307	4,302,000	47.7%
M&I parents contribution	3,126,693	-	3,126,693	2,951,325	94.4%
Economic Stimulus Programs	-	-	-	-	0.0%
Transition Infrastructure Grants	-	-	-	20,000,000	0.0%
Administration Block	-	-	-	-	0.0%
TOTAL	12,146,000	-	12,146,000	27,253,325	59.7%
(4) Fees Charged on Parents					
Personnel emoluments	10,824,885	-	10,824,885	11,225,975	103.7%
Repairs and maintenance	-	-	-	-	0.0%
Local transport / travelling	2,483,312	-	2,483,312	2,575,325	103.7%
Electricity and water	2,483,312	-	2,483,312	2,575,325	103.7%
Medical	-	-	-	-	0.0%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	e=d/c %
Receipts					
Administration costs	3,929,719		3,929,719	4,075,325	103.7%
Activity	802,000	-	802,000	714,860	89.1%
SMASSE	-	-	-		0.0%
Fee on Boarding Equipment and Stores	42,925,800	-	42,925,800	42,440,990	98.9%
TOTAL	63,449,028	-	63,449,028	63,607,800	100.3%
<i>(5) Miscellaneous Income</i>					
Loans/Borrowing	-	-	-	-	0.0%
Rent income	-	-	-	198,716	0.0%
Income From Farming Activities	-	-	-	257,730	0.0%
Insurance Compensation	-	-	-	-	0.0%
Project	-	-	-	500,000	0.0%
Prepayments	-	-	-	2,646,389	0.0%
Fee For Hire of Ground and Equipment	-	-	-	-	0.0%
Fee arrears income	-	-	-	2,848,626	0.0%
Uniform	-	-	-	336,200	0.0%
Development	11,820,000	-	11,820,000	16,478,600	139.4%
TOTAL	11,820,000		11,820,000	23,266,261	196.80%
Total Income	108,121,790	-	108,121,790	125,720,114	116.3%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	e=d/c %
Receipts					
(6) Expenditure for Tuition					
Text books	-	-	-	-	0%
Reference Materials	-	-	-	-	0%
Exercise books	-	-	-	-	0%
Laboratory equipment	-	-	-	-	0%
Internal exams	-	-	-	-	0%
Teaching/ Learning materials	5,142,970		5,142,970	943,567	18%
chalks	-	-	-	-	0%
Exams And Assessment	-	-	-	-	0%
Teachers Guides	-	-	-	-	0%
Administration costs	-	-	-	-	0%
Creditors	-	-	-	1,970,015	0%
TOTAL	5,142,970		5,142,970	2,913,582	57%
(7) Expenditure For Operations					
Personal Emoluments	8,249,869	-	8,249,869	4,673,689	57%
Repairs, Maintenance & Improvements	-	-	-	-	0%
Local Transport / Travelling	200,000	-	200,000	69,060	35%

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	e=d/c %
Receipts					
Electricity, Water and Conservancy	2,500,000	-	2,500,000	1,287,430	51%
Medical	-	-	-	-	0%
Administration costs	2,500,000	-	2,500,000	1,360,596	54%
Activity Expenses	-	-	-	366,900	0%
Gratuity	-	-	-	-	0%
Creditors	-	-	-	538862	0%
TOTAL	13,449,869		13,449,869	8,296,537	62%
(8) Expenditure For infrastructure					
Construction of classrooms	1,300,000	-	1,300,000	1,186,691	91%
Construction of LAB	-	-	-	-	0%
Construction of DORMS	-	-	-	-	0%
Purchase of furniture	5,200,000	-	5,200,000	1,345,972	26%
Purchase of equipment	-	-	-	-	0%
Creditors	-	-	-	245,000	0%
TOTAL	6,500,000	-	6,500,000	2,777,663	43%
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	5,719,376	-	5,719,376	7,310,790	128%

Kirangari Boys High School
Annual Report and Financial Statements For the year ended 30th June 2023

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	% of Utilisation
	a	b	c=a+b	d	e=d/c %
Receipts					
Repairs, Maintenance & Improvements	2,680,000	-	2,680,000	2,506,463	94%
Local Transport / Travelling	2,000,000	-	2,000,000	2,450,177	123%
Electricity, Water and Conservancy	1,350,000	-	1,350,000	1,323,207	98%
Medical Expenses	-	-	-	-	0%
Administration costs	6,600,000	-	6,600,000	7,550,663	114%
Activity	1,939,840	-	1,939,840	1,930,247	100%
Gratuity	-	-	-	-	0%
Boarding Equipment and Stores	45,298,511	-	45,298,511	43,864,210	97%
Expenditure for Income Generating Activity	-	-	-	-	0%
Insurance Costs	-	-	-	-	0%
Other Expenses On Investments	-	-	-	-	0%
Rent Expenses	-	-	-	76,266	0%
Bank Charges	-	-	-	-	0%
Caution Money	-	-	-	1,000	0%
Project	-	-	-	500,000	0%
Creditors	-	-	-	5,004,847	0%
Uniform	-	-	-	295,850	0%
Development	14,400,000	-	14,400,000	16,471,782	114%
School farm	-	-	-	379,590	0%
TOTAL	79,987,727		79,987,727	89,665,092	112%
TOTAL EXPENDITURE	105,080,566	-	105,080,566	103,652,874	99%

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization above 100%]

- i. Xxx
- ii. Xxx

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.

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

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Reference Materials	-	-
Exercise books	-	-
Laboratory equipments and apparatus	-	-
Internal exams	-	-
Teaching/Learning Materials	2,876,708	3,154,733
chalks	-	-
Total	2,876,708	3,154,733

**Include others as per MOE circulars*

2 Government Grants for Operations

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personnel Emoluments	5,037,483	5,569,799
Repairs And Maintenance	-	-
Local Transport / Travelling	100,000	1,826,407
Electricity And Water	1,300,000	1,826,407
Medical	223,800	192,800
Administration costs	1,400,000	3,728,900
House rent	16,200	20,000
P.A Donation, Infrastructure grant		-
Activity	638,537	-
Total	8,716,020	13,164,313

**Include others as per MOE circulars*

3 Government Grants for infrastructure

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Maintenance & Improvement	4,302,000	5,044,750
Transition Infrastructure Grants	20,000,000	-
Administration Block	-	-
Economic Stimulus Grants	-	-
Total	24,302,000	5,044,750

4 School Fund Income - Parents Contribution/Fees

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personnel emoluments	11,425,975	11,585,996
Repairs and maintenance	3,351,325	4,103,982
Local transport / travelling	2,575,325	3,364,211
Electricity and water	2,575,325	3,364,211
Medical	-	-
Administration costs	4,260,325	4,309,410
Activity	729,860	737,133
Fee on Boarding Equipment and Stores	46,226,048	40,277,033
PA Levies	18,678,600	4,666,204
Uniform	336,200	1,351,230
Total	90,158,983	73,759,410

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

5 Miscellaneous Incomes

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Rent Income	198,716	379,100
Income From Farming Activities	257,730	356,005
Insurance Compensation	-	-
Income From Posho Mill	-	-
Income From Bus Hire	-	-
Fee For Hire ground and Equipment	-	-
Income From Grants and Donations	-	-
Interest Income	-	-
Dividends Income	-	-
Loans/Borrowings	-	-
	-	-
Total	456,446	735,105

(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 Payments

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Exercise books	597,000	891,600
Text books	-	-
Reference Materials	30,000	9,000
Laboratory equipment	489,647	853,915
Teaching/Learning materials	1,159,567	1,824,294
Exams And Assessment	-	-
Teachers Guides	-	-
Bank charges	-	-
chalks	-	240
Internal exams	-	147,000
		-
Total	2,276,214	3,726,049

7 Operations Payments

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personal Emoluments	4,673,689	4,969,817
Service Gratuity	-	-
Administration Cost	1,727,596	3,658,602
Repairs and maintenance & improvements	-	-
Local transport / travelling	69,060	1,749,823
Electricity and water	1,353,430	1,808,590
Medical	-	60,864
Activity Expenses	366,900	251,100
SMASSE	-	-
Insurance Cost	-	-
House rent	-	-
	-	-
TOTAL	8,190,675	12,498,796

Notes to the Financial Statements (continued)

8 Infrastructure Payments

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Construction Classrooms	1,186,691	3,445,897
Construction laboratory	-	-
Construction dormitory	-	-
Purchase furniture	1,345,972	5,274,800
Purchase equipment	-	-
Purchase apparatus	-	-
Drilling of boreholes	-	-
	-	-
TOTAL	2,532,663	8,720,697

9 Boarding And School Fund

	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Personal emolument	7,310,790	9,655,562
Service Gratuity	-	-
Repairs and maintenance & improvements	2,506,463	3,392,423
Local Transport / Travelling	2,450,177	3,049,030
Electricity And Water	1,323,207	3,049,028
Medical Expenses		
Administration costs	8,748,355	3,886,886
Expenses on Income Generating Activities		
Fee on Boarding Equipment and Stores	50,226,015	45,227,848
House rent	76,266	379,260
Insurance Cost (Life Property)	-	-
Loan Principal repayment	-	-
Loan Interest repayment	-	-
Acquisition of Assets	-	-
PA Expenses	21,071,782	1,577,630
School farm	379,590	468,730
Uniform	295,850	1,551,555
Activity	1,984,247	768,682
TOTAL	96,372,742	73,006,634

(Expenses on income generating activities** should include all costs relating to the school earnings on miscellaneous receipts as recorded in note 5. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others).

Notes to the Financial Statements (continued)

10 Bank Accounts

Name of Bank, Account No. & currency	Status	Bank Account Number	07/2022-06/2023	07/2021-06/2022
	Active/Dormant		Kshs	Kshs
Tuition Account	ACTIVE	1102951854	10,491	47,365
Operations Account	ACTIVE	1102951994	20,835,811	58,328
School Fund Account/Boarding	ACTIVE	1107225078	(2,923,094)	(3,933,779)
Savings Account 1	DORMANT	1107553520	11,998	11,998
Savings Account 2	DORMANT	1107581303	6,449	6,449
Savings Account 3	DORMANT	01/2078KCB FDRNO....EARS	7,656	7,656
Parent Association Development Account		NONE		
Income Generating Activities Account		NONE		
Infrastructural Account	ACTIVE	1217025391	1,203,094	36,757
Total			19,152,405	(3,765,226)

11 Cash In Hand

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Tuition Account		
Operation Account	230	230
School Fund account	333,044	1,183,435
Total	333,274	1,183,665

12 Short Term Investments

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Cooperative shares	-	-
Treasury Bills	-	-
Fixed deposit	-	-
Equity stock	-	-
Other investments	-	-
Total	-	-

Notes to the Financial Statements (continued)

13 Accounts Receivable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Fees arrears	33,438,414	29,501,982
Other non-fees receivables		
Salary advances(list/schedule attached)	-	-
Imprest(list/schedule attached)	-	-
Rent Arrears(list/schedule attached)	-	-
Total	33,438,414	29,501,982

13 b Ageing Analysis of Accounts Receivable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Less than 1 year	6,785,058	3,443,140
Between 1 - 2 years	594,514	2,675,231
Between 2 - 3 years	4,215,825	23,383,611
Over 3 years	21,843,017	
Total(Should tie to note 13 a)	33,438,414	29,501,982

14 Accounts Payable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Trade creditors (See ageing below and appendix 1)	23,401,077	17,180,657
Prepaid fees	2,646,389	-
Retention monies	-	-
Unpaid Salaries and Statutory deductions	-	-
Caution Money	1,199,346	1,200,346
	-	-
Total	27,246,812	18,381,003

Notes to the Financial Statements (continued)

14a. Ageing Analysis of Accounts Payable

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Less than 1 year	13,979,144	7,450,859
Between 1 - 2 years	705,000	-
Between 2 - 3 years	3,000	9,729,798
Over 3 years	8,713,933	
Total(Should tie to note 14)	23,401,077	17,180,657

15 Fund Balance Brought Forward

Description	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Bank balances	19,152,405	(3,765,226)
Cash balances	333,274	1,183,665
Short Term Investments	-	-
Receivables	33,438,414	29,501,982
Payables	(27,246,812)	(18,381,003)
Total	25,677,281	8,539,418

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	07/2022-06/2023	07/2021-06/2022
	Kshs	Kshs
Bank loan(s)	-	-
Outstanding Leases	-	-
Hire purchase	-	-
Gratuity and leave provision	-	-
Total	-	-

17 Biological assets

Description	Numbers	07/2022-06/2023	07/2021-06/2022
		Kshs	Kshs
Cattle		-	-
Goats		-	-
Pigs		120,000	20,000
Trees		7,000,000	7,000,000
Coffee or Tea plantation		-	-
Poultry		-	-
Total		7,120,000	7,020,000

18 Borrowings

Description	07/2022-06/2023	07/2021-06/2022
	KShs	KShs
Borrowing at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
Balance at end of the year	-	-

Other important disclosure notes

19 Stock/ Inventory

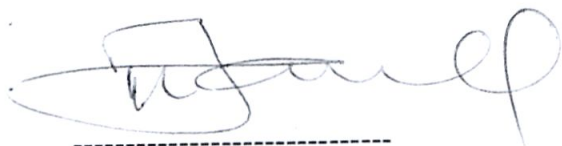
Description	07/2022-06/2023	07/2021-06/2022
	KShs	KShs
Foodstuffs	172,038	459,105
Lab Consumables	916,118	335,763
Farm Produce	35,487	48,925
Medication	1,470	1,493
Construction Materials	-	-
Balance at end of the year	1,125,113	845,286

(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)

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.	Lack of Procurement Plan	In place was a procurement plan which had not been presented to the BOM for approval together with the Budget.	Resolved. An approved procurement plan is in place	N/A
2.	Transfer of funds to KESSHA.	KESSHA is an association of secondary school heads through which training/seminars/workshops are planned in consultation with the education offices. The same is funded by the various schools.	Resolved. The issue has been brought to the attention of the education offices.	N/A
3.	Operation without a School Improvement Plan	The school improvement plan seems a new phenomenon in secondary schools with guidelines available being for primary schools. Secondary schools have been preparing a school Infrastructural Development Plan and Strategic Plan which were and are in place.	Resolved. A improvement Plan, concept borrowed from that of primary schools is now in place	N/A
4.	Lack of Fixed Assets Register and Ownership Documents	The school is an ACK sponsored school and sits on land owned by the church. Some buildings and assets were donations from the church and the schools lacks their true costs for lack of records of the same. However, the school has a fixed Assets register though no very comprehensive but still updating the same	The school, in consultation with the MOE is in the process of acquiring valuation of the various assets owned by the school.	End of 2024



Sign and Date
Principal

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. Everstep Enterprises Ltd	21,959,521.50		16,859,521.50	5,100,000	0	Dorm construction
Sub-Total	21,959,521.50		16,859,521.50	5100000		
Supply Of Goods						
2. Kahuho Green Farm	1,178,800	01/07/2022		1,178,800	1,359,247	Foodstuffs
3. Pedrum Traders	1,039,580	01/07/2022		1,039,580	520,465	Vegetables
4. Able God General Stores	567,000	01/07/2022		567,000	0	Maize Meal
5. Pegland Farm Produce	112,000	01/07/2022		112,000	132,500	Fruits
6. Benmax Ventures	386,800			386,800	0	Bread
7. Francis Njogu	40,000			40,000	0	Detergents
8. Aqualine General Supplies	281,000			281,000	0	Cleaning Materials
9. Phormax Ltd	1,114,100		314,100	800,000	0	CCTV Cameras
10. Copy Cat Ltd	224,692	01/07/2022		224,692	0	Toners
11. Altimate Business Machines	13,000	01/07/2022		13,000	71,400	Catridges
12. Sajems Agencies	160,000			160,000	0	Smart Projectors

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
13. Caroline Wanjiru Nganga	1,996,625	01/07/2022		1,996,625	2,008,075	Milk and Beef
14. Stem Series	15,000			15,000	0	KNEC Reports
15. Light Wings Solutions	15,000			15,000	0	KNEC Reports
16. Chamaka General	597,000	01/07/2022		597,000	1,232,600	Exercise Books
17. DraughtsLab	395,267	01/07/2022		395,267	551,750	Lab Materials
18. Travjade Company	8,000			8,000	0	Booklets
19. Aqualine General Supplies	160,000	01/07/2022		160,000	0	Toiletries
20. Richtech Ventures	208,000			208,000	0	Digital Content
21. Samis Software	280,000		150,000	130,000	0	Software
22. Rite Imaging Office Solutions	77,000			77,000	0	Photocopiers parts
23. Micson Borehole	66,000	01/07/2022		66,000	0	Pump motor
Sub-Total	8,934,864		464,100	8,470,764		
Supply Of Services						
24. Beltex Care Solutions	75,940		45,940	30,000	0	Tiles cleaning
25. White Horse Hygiene	230,000			230,000	0	Latrines treatment
26. David Kinyua Njuguna	54,000			54,000	0	Music training
27. Muctan Office	94,380			94,380	0	Lab items repairs
Sub-Total	458320		45940	408380		
Grand Total	31,348,705.50		17,369,561.50	13,979,144		

Annex 2 – Summary of Fixed Assets Register

Kirangari Boys High School

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

Asset Class	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
Land	39 ACRES	N/A	N/A	39 ACRES
Buildings And Structures	24 Classrooms 9 Dormitories 1 ADM block 1 Kitchen 1 Dinning hall 3 Laboratories 6 Ablution blocks 1 Art & 1 D & D rooms	1 Classrooms	N/A	25 Classrooms 9 Dormitories 1 ADM block 1 Kitchen 1 Dinning hall 3 Laboratories 6 Ablution blocks 1 Art & 1 D & D rooms
Motor Vehicles	1 school Bus	N/A	N/A	1 school Bus
Office Equipment, Furniture And Fittings	Office Desks Office Chairs Office Stationery	N/A	N/A	Office Desks Office Chairs Office Stationery
Textbooks				
ICT Equipment	30 Computers 3 Photocopiers 1 copy printer 4 Office Printers	N/A	N/A	30 Computers 3 Photocopiers 1 copy printer 4 Office Printers
Tools And Apparatus		1 Lawn Mower	N/A	1 Lawn Mower
Intangible Assets- Soft Ware	Accounts System Library System	N/A	N/A	Accounts System Library System
Total				

(The school should ensure that a detailed fixed assets register is maintained).

REPUBLIC OF KENYA

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

OAG/NRB/AUD/17/25/2023/2025(23)

19 June, 2026

Mr. Samuel J. Njoroge, CBS
Clerk of the National Assembly
Parliament Buildings
P. O. Box 41842-00100
NAIROBI

Dear Mr. Njoroge

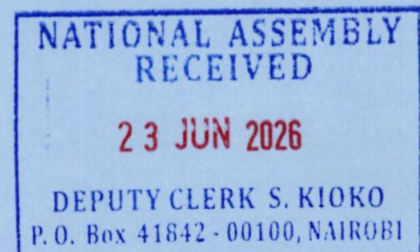
REPORT OF THE AUDITOR-GENERAL ON KIRANGARI BOYS SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023, 2024 AND 2025 – KIAMBU COUNTY

I transmit the report of the Auditor-General on the examination and audit of Kirangari Boys Secondary School for the year ended 30 June, 2023, 2024 and 2025 in accordance with the provisions of Article 229(7) of the Constitution of Kenya for the necessary action as required by Article 229(8) of the Constitution.

Yours sincerely,

CPA. Wilson Maiyo
For: AUDITOR-GENERAL

Copy to: **Dr. Chris Kiptoo, PhD., CBS**
Principal Secretary
The National Treasury
P.O. Box 30007-00100
NAIROBI



Mr. John Lekakeny Ololtuaa, CBS
Principal Secretary
Ministry of Education
State Department for Basic Education
P.O. Box 30040-00100
NAIROBI

Mr. James Kiiru
Principal
A.C.K. Kirangari Boys Secondary School
P. O. Box 23082 – 00604
LOWER KABETE

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