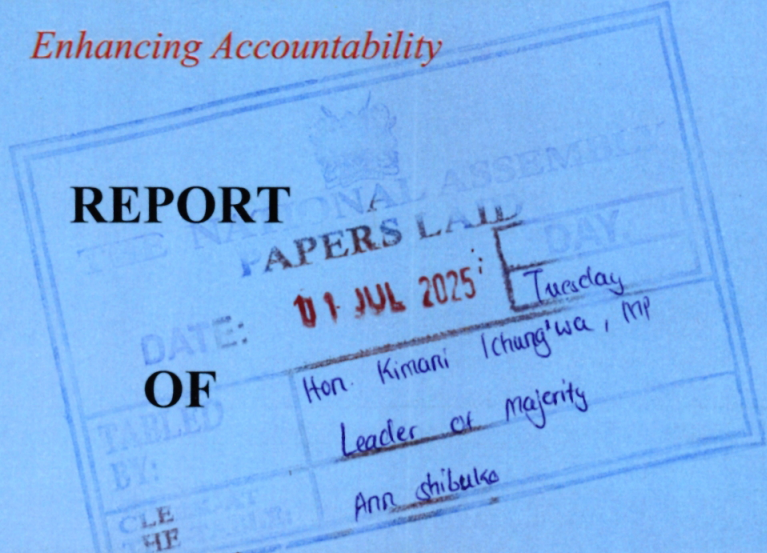


REPUBLIC OF KENYA



*Enhancing Accountability*



**THE AUDITOR-GENERAL**

**ON**

**KANJURI HIGH SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2024**

**NYERI COUNTY**



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**KANJURI HIGH SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>TH</sup> JUNE 2024**

---

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

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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.

## Key School Information and Management

**(a) Background information**

The school is domiciled in Kenya and its operations are governed under the Basic Education Act, 2013. It is in Nyeri County, Mathira Sub-County.

The school was registered in February 2022 under registration number 19S00300088 and is currently categorized as *Extra County* public school established and owned by the Government.

The school is a day/boarding school and had xxx number of students as at 30<sup>th</sup> June 2024. It has 8 streams and 52 teachers of which 11 teachers are employed by the School Board of Management.

**(b) School Board of Management - Board Members**

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Prof.Margaret Mwenje	Chairman	25/5/2022
2	P.C Gachoka	Secretary - Principal	27/2/2023
3	Dr.GachahiWang'ombe	PA Chairman	25/5/2022
4	Dickson Wangai	Member	25/5/2022
5	SimonWachira Gathinji	Member	25/5/2022
6	Eng.Samuel Ndirangu	Member	25/5/2022
7	Cyrus Githinji	Member	25/5/2022
8	Livingstone Kanyi	Member	25/5/2022
9	David Mugo	Member	25/5/2022
10	Esther Kamau	Member Rep Teachers	25/5/2022
11	Maina Githaiga	Member	25/5/2022
12	Eva Mwangi	Member	25/5/2022
13	Simon Maina Ngunu	Member	25/5/2022
14	Dr,Mercy Karogo(MBS)	Member	25/5/2022
15	NgunjiriGatuiria	Member	25/5/2022
16	Patrick Wanjau	Member	25/5/2022
17	Emma Kuria	Member	25/5/2022
18	John Njagara-Admn.6963	Student Representative	1/9/2023

**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**

<b>Ref:</b>	<b>Name of Committee</b>	<b>Names of Members</b>	<b>Designation</b>	<b>Number of meetings attended during the year</b>
1	Executive Committee	1.Prof.Margaret Mwenje 2.P.C Gachoka 3.Eng.Samuel Ndirangu 4.Dickson Wangai 5.Dr.Gachahi Wang'ombe	Chairman Secretary Member Member Member	5 out of 4
2	Audit Committee	1.Cyrus Githinji 2.Livingstone Kanyi 3.Ngunjiri Gatuiria 4.Prof.Margaret Mwenje 5.Patrick Wanjau 6. P.C Gachoka	Chairman Member Member Member Member Secretary	1 out of 4
3	Finance,procurement and general purposes Committee	1. Dr.Gachahi Wang'ombe 2.P.C Gachoka 3.Eng.Samuel Ndirangu 4.Dickson Wangai 5.Eva Mwangi	Chairman Secretary Member Member Member	2 out of 4
4	Academic Committee	1. Dr.Mercy Karogo(MBS) 2.P.C Gachoka 3.Simon Gathinji 4.Esther Kamau 5.Simon Maina 6.Livingstone Kanyi	Chairman Secretary Member Member Member Member	3 out of 4

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

5	Development Committee	1.Eng.Samuel Ndirangu 2.P.C Gachoka 3.Deputy Principal 4.Prof.Margaret Mwenje 5.Dr.Gachahi Wang'ombe  6. Sub Education -County  Director of	Chairman Secretary Member Member Member   Member	4 out of 4
6	Discipline and welfare Committee	1.David Mugo 2.Maina Githaiga 3.Simon Maina Ngunu 4.Dickson Wangai 5.Eva Mwangi  6. P.C Gachoka	Chairman Secretary Member Member Member   Secretary	1 out of 4

**(d) School operation Management**

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

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>Identification</b>
1	Principal	P.C Gachoka	TSC No.350323
2	Deputy Principal- Administration	J.K Thiong'o	TSC No.458436
3	Deputy Principal- Academics	D.M.Munyiri	TSC No.495190
4	School Bursar	Mary W.Weru	

**(e) Schools contacts**

Post Office Box: 97,karatina  
Telephone: 0712216169  
E-mail: [kanjurihigh@gmail.com](mailto:kanjurihigh@gmail.com)  
Website: [www.kanjurihigh.ac.ke](http://www.kanjurihigh.ac.ke)

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**(f) School Bankers**

The school operated 6 bank accounts .

1.Name of Bank: Kanjuri High School Har Section

KCB

Branch

Karatina

Account Number. i)

1105539458

ii) Paybill 522123

Account 36925k

2.Name of Bank: Kanjuri High School Operations

KCB

Branch

Karatina

Account Number.

1105553604

3.Name of Bank: Kanjuri High School STF ACS

KCB

Branch

Karatina

Account Number.

1105552209

4.Name of Bank: Kanjuri High School-Infr Acc

KCB

Branch

Karatina

Account Number.

1266599312

5.Name of Bank: Kanjuri High School PTA Exc welfare

KCB

Branch

Karatina

Account Number.

1220705403

6.Name of Bank: Kanjuri High School (model ict)

Equity

Branch

Karatina

Account Number. i)

0040296989637

ii) Paybill 247247

Account 260252#

**Independent Auditors**

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

## Summary Report of Performance of The School

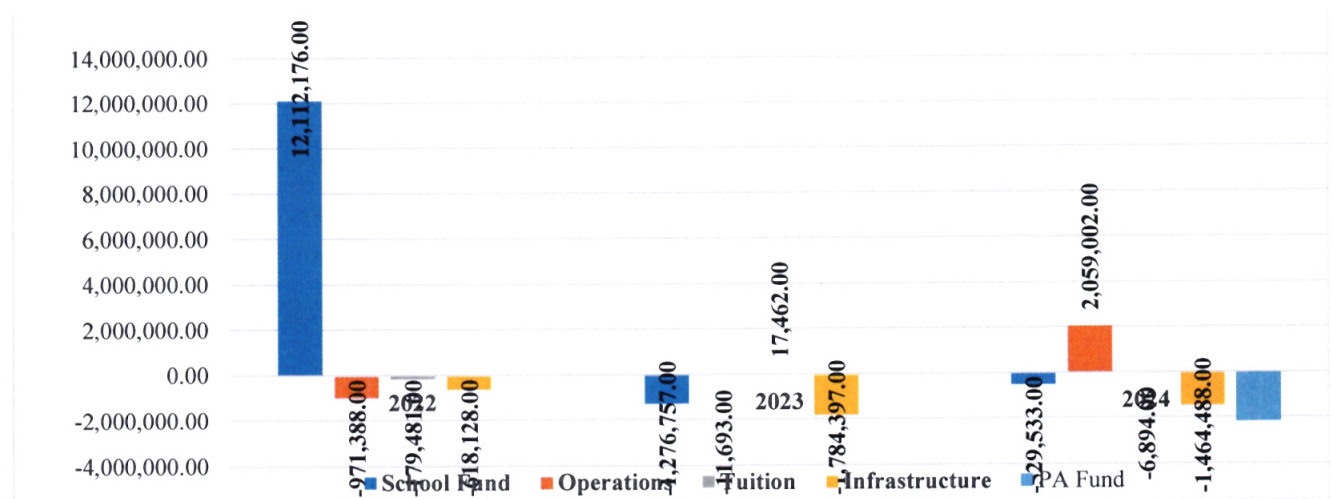
The following is a summary report of the performance of the school against the set performance evaluation criteria:

**Financial performance:**

Under this section, it reflects the actual financial performance trend for the last three years period between 31<sup>st</sup> July 2021 to 30<sup>th</sup> June 2024 which is summarised as follows:

**a) Surplus/Deficit**

SNO	ACCOUNTS	2023/24	2022/23	2021/22
		Kshs	Kshs	Kshs
1	School Fund Account	(529,533)	(1,276,757)	12,112,176
2	Operations Account	2,059,002	(11,693)	(971,388)
3	Tuition Account	(6,894)	17,462	(179,481)
4	Infrastructure Account	(1,464,488)	(1,784,397)	(618,129)
5.	PA Fund	(2,164,981)	(10,471,994)	
	<b>TOTAL</b>	<b>(2,106,894)</b>	<b>(13,527,379)</b>	<b>10,343,178</b>
	<b>Increase/Decrease</b>	<b>11,420,485</b>	<b>(3,184,201)</b>	<b>(1,879,168)</b>

**Trend Over the Last Three Years**

The deficit of the year 2021/2022 had decreased by ksh.1,879,167.27 and in the year 2022/2023 and 2023/2024 it increased further to ksh.3,184,201 and ksh.5,618,515 respectively due to continued high cost of living leading to fluctuation of prices and having not received the Government Capitation in full.

KANJURI HIGH SCHOOL

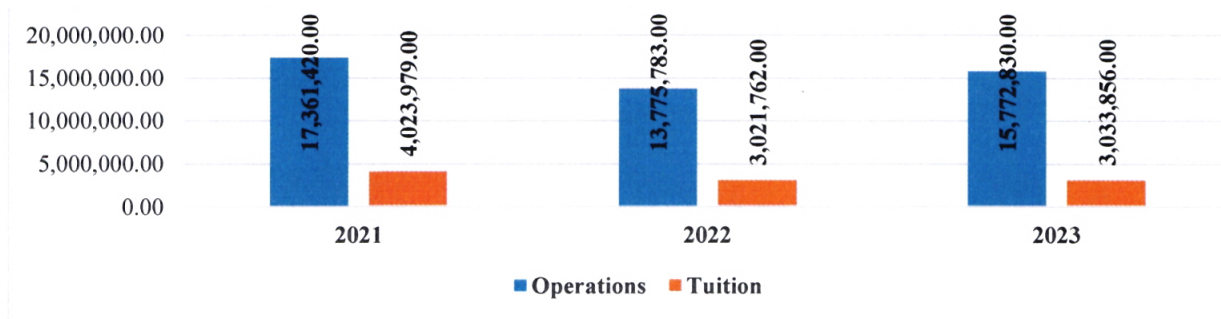
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

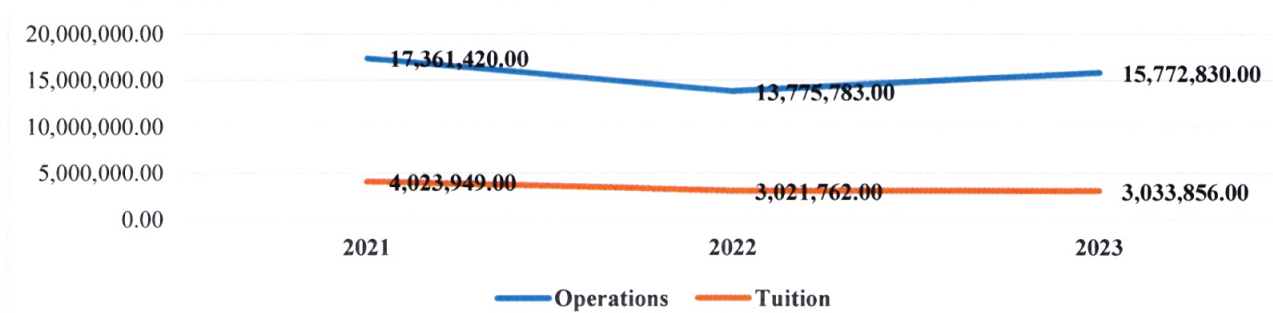
**b)Capitation Grant**

SNO	ACCOUNTS	2023/24	2022/23	2021/22
		KSHS	KSHS	KSHS
1	Operations Account	15,772,830	13,775,783	17,361,420
2	Tuition Account	3,033,856	3,021,762	4,023,949
	<b>Total</b>	<b>18,806,686</b>	<b>16,797,545</b>	<b>21,385,369</b>
	<b>Increase/Decrease</b>	<b>-2,009,141</b>	<b>-4,587,824</b>	<b>6,544,394</b>
	No of Students	1500	1290	1245
	<b>Ratio of Capitation per student</b>	<b>1;12,537</b>	<b>1:13,021</b>	<b>1:17,177</b>

**Trend Over the Last Three Years**



**Trend Over the Last Three Years**



The total capitation grants for the financial year 2021/2022 was Kshs 21,385,369 this was attributed by the year having four academic terms .

The total capitation for the year 2022/2023 and 2023/2024 was Kshs 16,797,545 and ksh.18,806,686 representing a decrease mainly attributed by receiving less capitation from the Government and return to normalcy of three academic terms.

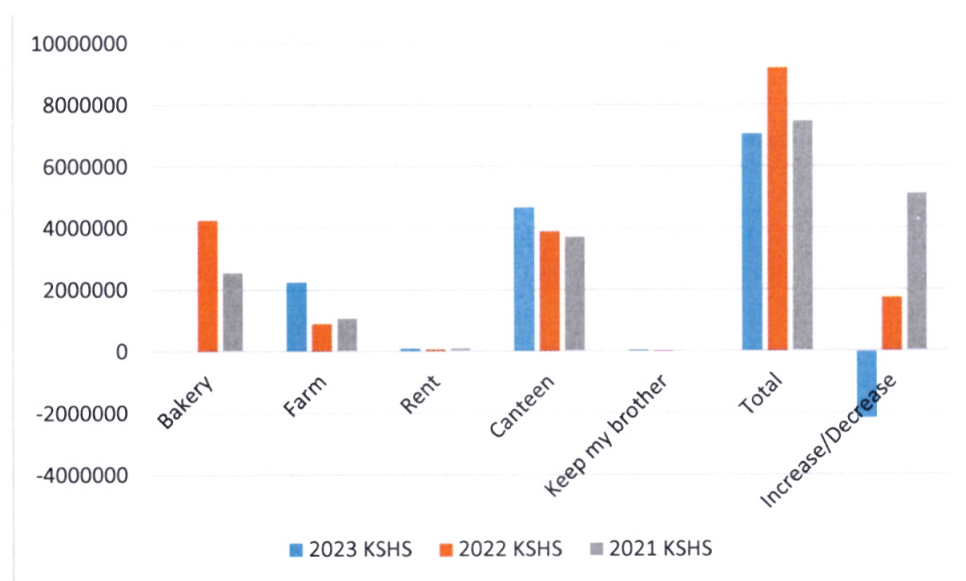
Operation Account had received Ksh.15,772,830 of which Ksh.788,040,was for the construction of CBC classrooms hence the actual capitation was Kshs.14,984,790.

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

**b) Other Income**

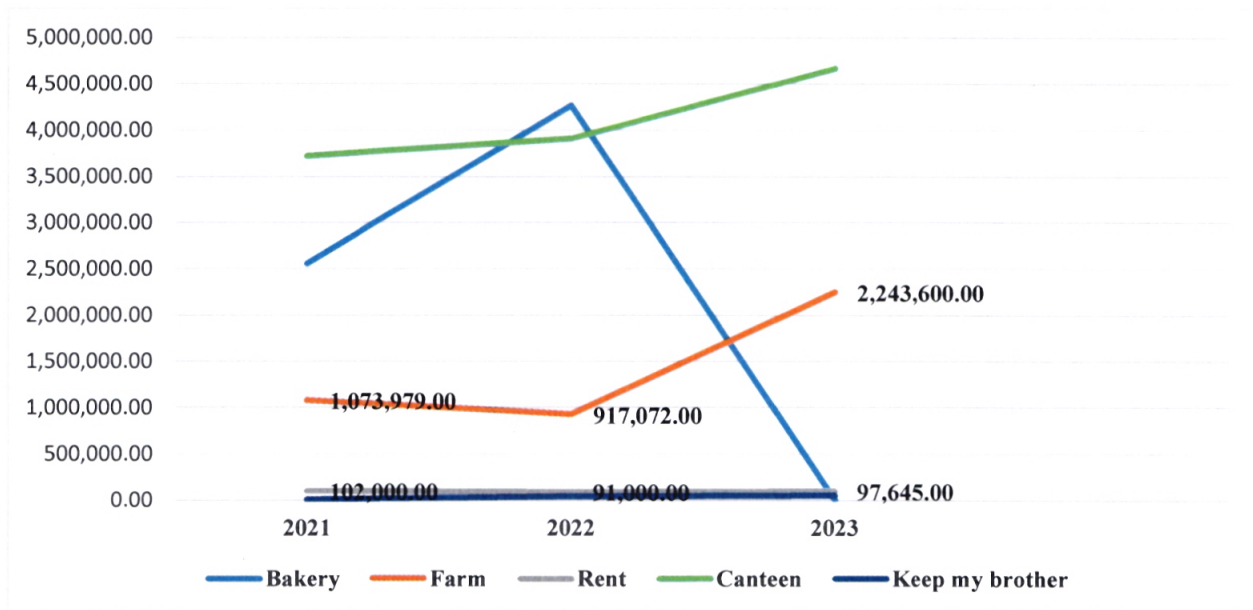
SNO	ACCOUNTS	2023/24 KSHS	2022/23 KSHS	2021/22 KSHS
1	Bakery	-	4,266,120	2,554,970
2	Farm	2,243,600	917,072	1,073,979
3	Rent	97,645	91,000	102,000
4	Canteen	4,665,353	3,908,331	3,720,799
5	Keep my brother	48,245	37,420	5,976
	<b>Total</b>	<b>7,054,843</b>	<b>9,219,943</b>	<b>7,457,724</b>
	<b>Increase/Decrease</b>	<b>-2,165,100</b>	<b>1,762,219</b>	<b>5,111,217</b>

**Trend Over the Last Three Years**



KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**



**Trend Over the Last Three Years**

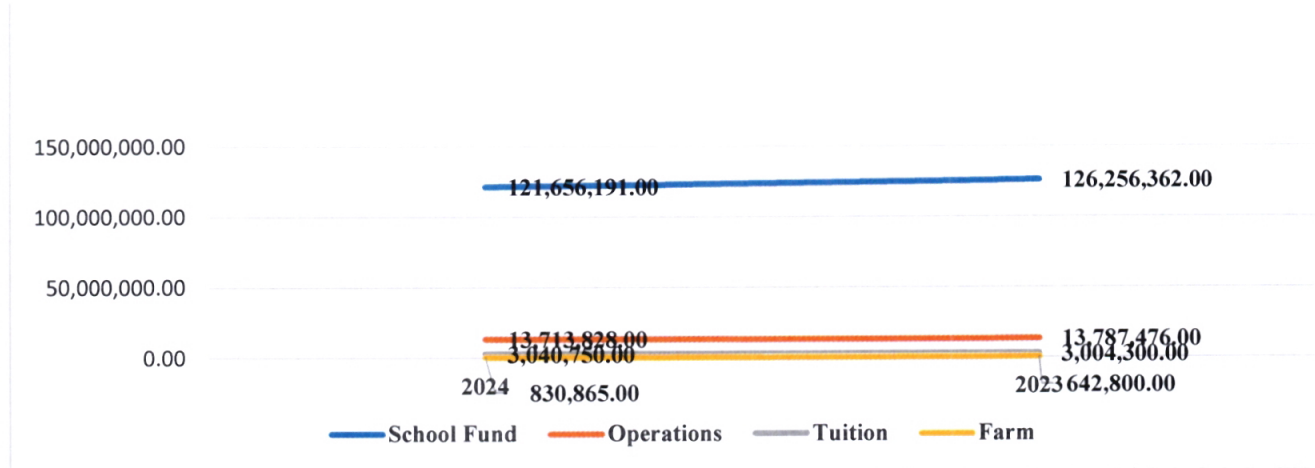
The net growth of other income generating activities for the financial year 2021/2022 was Kshs7,457,724 as compared to Kshs.9,219,943 in the financial year 2022/2023 which represent an increase of Kshs1,762,219.00

The net growth of other income generating activities for the financial year 2023/2024 dropped by Kshs.2,165,100 after the merge of Bakery and BES voteheads since bakery is not an income generating activity..

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

OVERVIEW OF GROWTH IN EXPENDITURE OF THE SCHOOL					
SNO	ACCOUNTS		2023/24	2022/23	2021/22
			Kshs	Kshs	Kshs
1	School Fund Account		121,656,191	126,256,362	135,954,802
2	Operations Account		13,713,828	13,787,476	20,659,192
3	Tuition Account		3,040,750	3,004,300	4,203,430
5	Farm Account		830,865	642,800	1,174,810
	<b>Total</b>		<b>122,041,301</b>	<b>143,690,331</b>	<b>161,992,234</b>
	<b>Increase/Decrease</b>		<b>-21,649,027</b>	<b>18,301,903</b>	<b>112,897,636</b>

**Trend Over the Last Three Years**

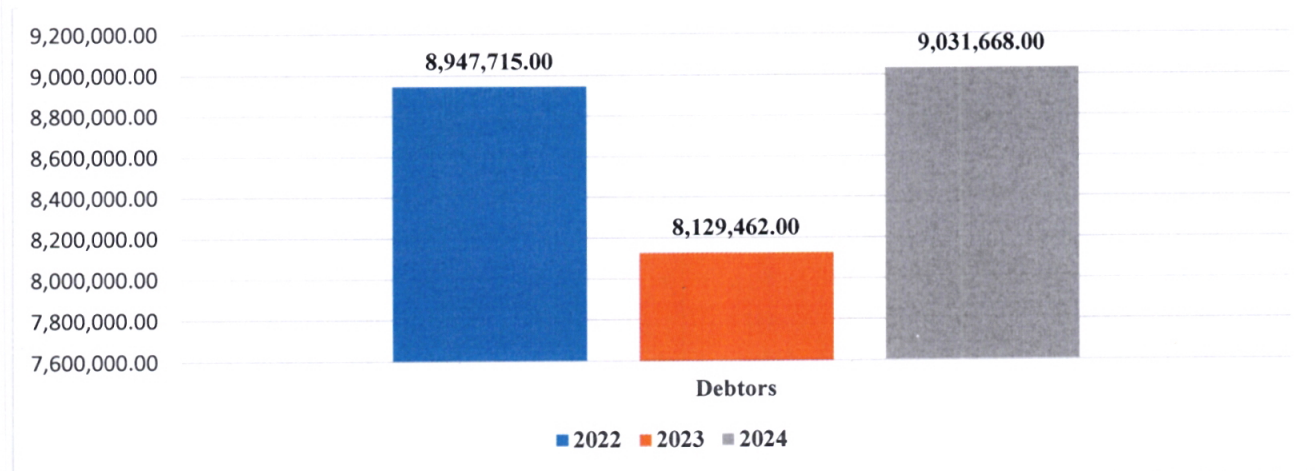


The financial year 2021/2022 shows increased growth in expenditure due to financial year having two academic years.  
A decreased trend is noted in 2022/2023 and 2023/2024 financial years.

**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

<b>d)MOVEMENT OF DEBTORS OF THE SCHOOL</b>					
SNO	ACCOUNTS		2023/24	2022/23	2021/22
<b>1</b>	<b>School Fund Account</b>		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
a	Debtors		9,031,668	8,129,462	8,947,715
	<b>Total</b>		<b>9,031,668</b>	<b>8,129,462</b>	<b>8,947,715</b>
	<b>Increase/Decrease</b>		<b>-902,206</b>	<b>818,253</b>	<b>1,386,119</b>

**Trend Over the Last Three Years**



KANJURI HIGH SCHOOL

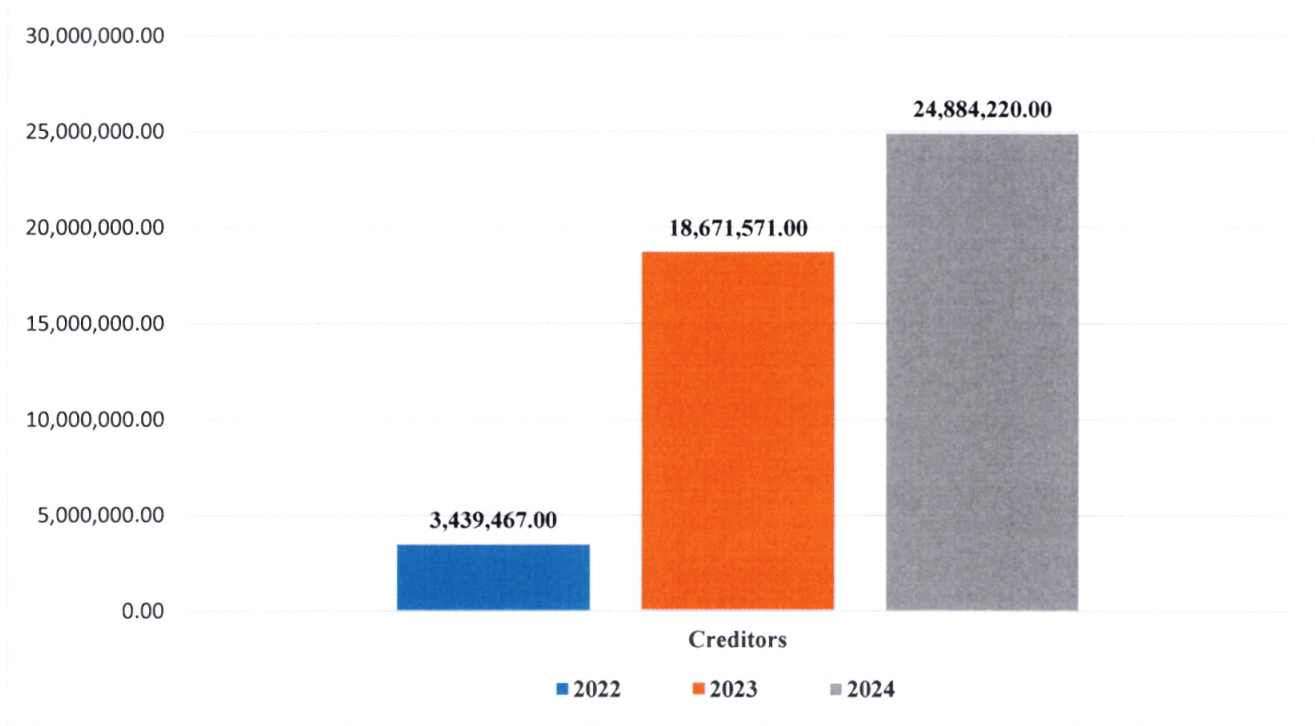
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

The main contributors to the total debtors over the years is mostly affected by the financial year ending on 30<sup>th</sup> June when most parents have not cleared term two school fees.

<b>e)MOVEMENT OF CREDITORS OF THE SCHOOL</b>				
<b>ACCOUNTS</b>		<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>
<b>School Fund Account</b>		<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
Creditors		24,884,220	18,671,571	3,439,467
<b>Total</b>		<b>24,884,220</b>	<b>18,671,571</b>	<b>3,439,467</b>
<b>Increase/Decrease</b>		<b>(6,212,649)</b>	<b>(15,232,104)</b>	<b>2,686,823</b>

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)

**Trend Over the Last Three Years**



Total creditors as at 30<sup>th</sup> June 2022 increased by Kshs15,232,104.00 compared to Kshs2,686,823.00 of the previous financial year ending June 2021.

The main contributors to the increase in total creditors are other payables (prepaid fees), increased cost of goods and services and payment of Dormitory.

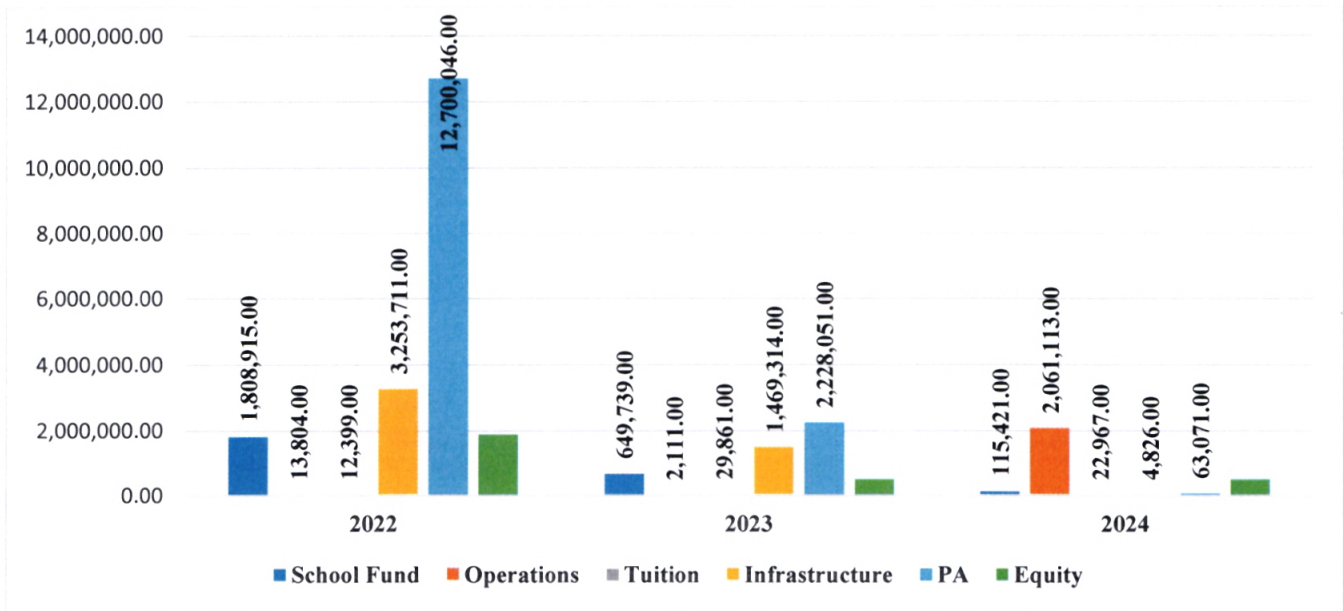
**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL(Continued)**

<b>f)MOVEMENT OF CASH AND BANK BALANCES</b>					
<b>SNO</b>	<b>ACCOUNTS</b>		<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>
			<b>KSHS</b>	<b>KSHS</b>	<b>KSHS</b>
<u>1</u>	School Fund Account		115,421	649,739	1,808,915
<u>2</u>	Operations Account		2,061,113	2,111	13,804
<u>3</u>	Tuition Account		22,967	29,861	12,399
<u>4</u>	Infrastructure Account		4,826	1,469,314	3,253,711
<u>5</u>	PA Development		63,071	2,228,051	12,700,046
<u>6</u>	Equity Saving		482,089	482089	1875624
	<b>Total</b>		<b>2,749,487</b>	<b>4,861,165</b>	<b>19,664,499</b>
	<b>Increase/Decrease</b>		<b>2,111,678</b>	<b>14,803,334</b>	<b>13,043,478</b>

KANJURI HIGH SCHOOL

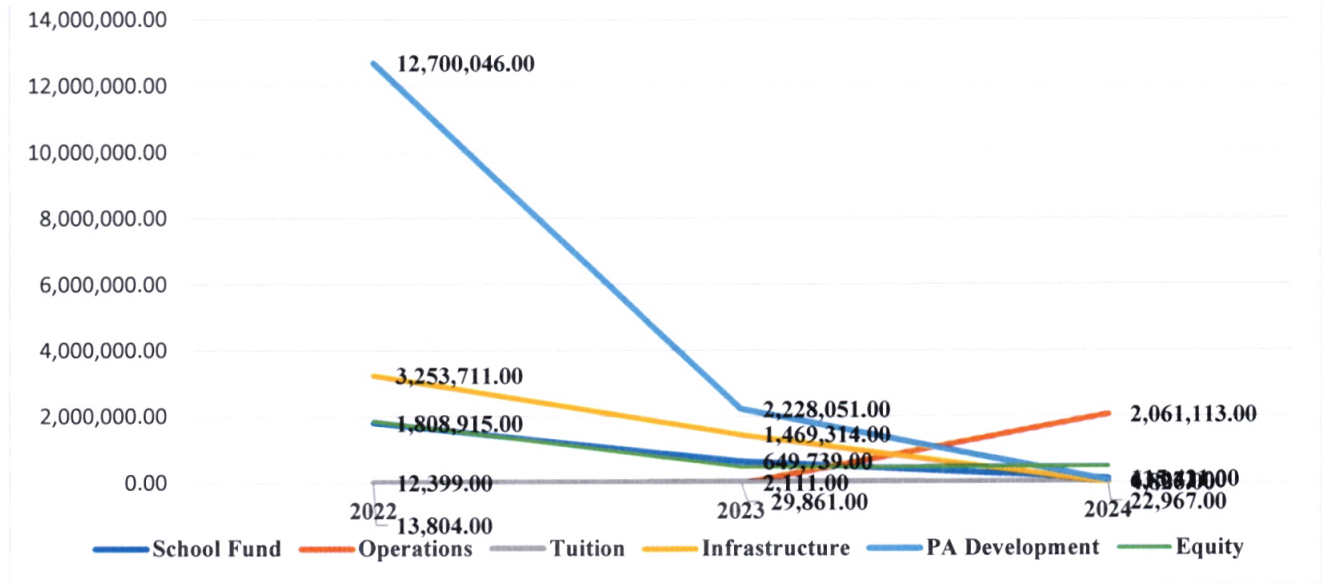
**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**Trend Over the Last Three Years**



KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**



**Trend Over the Last Three Years**

Financial year ending June 2021/2022 had more funds due to PA Development fund.

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**a) Teacher Student ratio:**

Teacher to student ratio.	1:28												
Teachers recruited and posted within the year by TSC	9												
Number of teachers employed by the BOM within the year	-												
Number of TSC teachers retired during the year	1												
Teachers per subject		GEO	KISW	ENG	HIST.	MATHS	CRE	CHEM	PHY.	BIO	AGRI.	COMP.	B/ST
	TSC (41)	4	7	7	7	15	7	6	7	5	2	2	4
	BOM (11)	1	1	1	1	3	1	2	-	3	1	-	1

**b) KCSE Mean score**

YEAR	ENTRY	MEAN SCORE
2021	270	7.1222
2022	256	7.1289
2023	283	6.4099

**c) Number of Candidates in the KCSE:**

2024

362 students

**d) Capacity of the school:**

Number of students as on 30<sup>th</sup> June 2024 = 1503

Facilities available		Total	Status	Remarks
Dormitories-12		12		adequate
Dining hall-1		1	Old	Inadequate
Laboratories-4		4	3 old & 1 modern	Inadequate
toilets	Flashing	76	25-old	inadequate
	Pit	38	old	inadequate
computer lab-		1		inadequate
Dispensary		1	Modern	adequate
Library/resource centre-1		1	old	inadequate
Classrooms		32	old	inadequate

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

<b>Projects</b>	<b>Source of funds</b>	<b>Status</b>	<b>Initial Cost (Kshs)</b>	<b>Amount Spent (Kshs)</b>	<b>Expected completion time</b>
Dormitory	RMI & PA Funds	Complete	46,050,615	40,263,012	FY2023/2024



.....  
**School Principal**

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

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

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

FOR  .....

Name: DAVID MUGO

Designation: Chairman, School Board of Management

Date: 26/9/2024.



.....  
Name: P. M. ICHUAU

Designation: School Principal & Secretary to Board of Management

Date: 26/9/2024.



.....  
Name: MARY W. WERY

Designation: Bursar/ Finance Officer

Date: 26/9/2024

# REPUBLIC OF KENYA

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



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

*Enhancing Accountability*

## REPORT OF THE AUDITOR-GENERAL ON KANJURI HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2024 - NYERI COUNTY

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of Kanjuri High-Nyeri County set out on pages 1 to 22, which comprise the statement of financial assets and financial

liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year then ended and a summary of significant accounting policies 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 Kanjuri High School- Nyeri County as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis)] and comply with Basic Education Act, 2013 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

Review of the financial statements presented for audit revealed the following inaccuracies

- i. The statement of assets and liabilities reflect opening bank balances as Kshs.4,861,772 while the certified balance is Kshs.4,861,165 resulting in unexplained variance of Kshs.607
- ii. The statement of assets and liabilities reflect total cash and cash equivalent balances as Kshs.4,865,594 while the certified balance is Kshs.4,864,165 resulting in unexplained variance of Kshs.607
- iii. The statement of assets and liabilities reflect total financial assets as Kshs.11,790,389 while correctly casted amount is Kshs.11,787,195 leading to unreconciled variance of Kshs.3,194.
- iv. The statement of assets and liabilities reflect net financial assets as negative 13,092,831 while correctly casted downward balance is negative Kshs.13,096,025
- v. The statement of assets and liabilities reflects accumulated fund brought forward of negative Kshs.10,986,958 while the accumulated fund as at 30 June, 2023 reflected negative Kshs.5,677,122 resulting to a variance of negative Kshs.16,664,080 which was not explained or reconciled
- vi. The statement of receipts and payments reflects Government grants for operations totalling to Kshs.15,772,831 as disclosed in Note 2 to the financial statements. Analysis of the operations bank account maintained at Kenya Commercial Bank revealed receipts of funds totalling to Kshs.15,506,578 leading to unreconciled variance of Kshs.266,253

In the circumstances, the accuracy, validity and completeness of the financial statement could not be confirmed.

#### **2. Inaccurate Accounts Receivables and Accounts Payables**

The statement of receipts and payments and the statement of cashflows reflects total receipts and total payments of Kshs.143,576,294 and Kshs.145,683,167 respectively.

However, the statements of assets and liabilities reflects accounts receivables and accounts payables balance of Kshs.9,031,668 and Kshs.24,883,220 respectively. It is not clear how the payables and receivables were accrued when all the accrued receipts were received and all the accrued payments were paid.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

### **3. Cash and cash equivalents - Failure to Maintain Cashbook**

The statement of financial assets and financial liabilities reflects cash and cash equivalents balance of Kshs.2,758,721 as disclosed in Note 11 to the financial statements. Included in this balance are parents' fees account with a balance of Kshs.482,111 which was not supported with a cash book. in addition, Infrastructure Account reflects kshs.4,826 while the cashbook balance indicates Kshs.1,631 resulting in unreconciled variance of Kshs.3,195.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalent of Kshs.2,758,721 could not be confirmed.

### **4. Long Outstanding Receivables**

The statement of assets and liabilities reflect accounts receivables of Kshs.9,031,668 as at 30 June 2024. Included in this amount is Kshs.9,002,668 for fees arrears as disclosed in note 14 to the Financial Statements. An analysis of the debtor's schedule provided for audit revealed that receivables totalling Kshs.1,104,615 have been outstanding for over three (3) years. However, there was no policy on the impairment of long outstanding fees arrears casting doubt on the fair statement of the accounts receivables balance.

In the circumstances, the accuracy and full recoverability of the outstanding receivables balance of Kshs.9,031,668 could not be confirmed

The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the Kanjuri 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.153,796,399 and Kshs.143,576,294 respectively, resulting to an over-funding of Kshs.10,220,105, or 6% of the budget. However, the

School spent an amount of Kshs.145,683,167 against actual receipts of Kshs.143,576,294 resulting to an over expenditure of Kshs.2,106,873

The overfunding is an indication that the budgeting formulation procedures may have not been followed and the over expenditure is an indication that expenditure may have been incurred on items not included in the approved budget.

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. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, Management had not resolved the issues as at 30 June, 2024

### **Other Information**

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

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

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

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

## **Basis for Conclusion**

### **1. Irregular Transfer of Funds to Kenya Secondary Schools Heads Association (KESSHA)**

The statement of receipts and payments reflects operations payment of Kshs13,713,828 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs1,142,600 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs1,142,600 could not be confirmed.

### **2. Under Funding of Capitation Grants**

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations amount of Kshs.3,033,856 and Kshs.15,772,831, respectively as disclosed in Note 1 and Note 2 to the financial statements. During the financial year, NEMIS reported a total number of 1,353 students while the enrolment records provided by the school indicated a total number of 1,501 students, resulting to an unexplained variance of 148 students. As a result of the variances, the school was underfunded by Kshs.679,494 for Tuition and Kshs.4,594,693 for operations respectively. In the circumstances, the under-funding of the school may have affected service delivery to the school and value for money could not be confirmed.

### **3. Ineffectiveness in Management of Textbooks**

During the financial year under review, the Ministry of Education distributed textbooks to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed one thousand seven hundred fifty-eight (1758) books to the school. However, it was noted that among the books distributed, 83 were excess while 1,444 were less. Further, the inventory register for the text book was not updated as such the balances of text books in the store could not be confirmed.

In the circumstances, Management was in breach of the law

### **4. Failure to Open Miscellaneous Income Bank Account**

The statement of receipts and payments as at 30 June 2024 reflected receipts totaling to Kshs.143,576,294. Included in this amount is Miscellaneous Income totaling Kshs.2,714,949 as reported in note 5 to the financial statement. It was observed in the year under review that the school failed to open and operate separate bank accounts for these streams of revenue and were instead deposited in to the School Fund account contrary to Ministry of Education Circular HQS/3/13/3 Dated 16 June, 2021.

In the circumstances, Management was in Breach of the Ministry of education Guidelines.

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed I confirm that nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

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 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 to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to cease operations.

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

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

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


### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**9 June, 2025**


KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Statement Of Receipts and Payments for the Year Ended 30<sup>th</sup> June 2024

Description Of Vote Head	Note	July 2023-June 2024	July 2022-June 2023
		Kshs	Kshs
<b>Receipts</b>			
Government grants for tuition	1	3,033,856	3,021,762
Government grants for operations	2	15,772,831	13,775,783
Government Grants for infrastructure	3	928,000	3,306,000
School fund income- parents' contributions	4	121,126,658	89,989,034
Miscellaneous incomes-PA Funds	5	2,714,949	34,990,571 14,661,244
<b>Total Receipts</b>		<b>143,576,294</b>	<b>159,744,394</b>
<b>Payments</b>			
Tuition	6	3,040,750	3,004,300
Operations	7	13,713,828	13,787,476
Infrastructure	8	2,392,488	5,090,397
Boarding and school fund	9	121,656,191	126,256,362
Miscellaneous incomes-PA Funds		4,879,910	25,133,238
<b>Total Payments</b>		<b>145,683,167</b>	<b>173,271,773</b>
<b>Surplus/Deficit</b>		<b>(2,106,873)</b>	<b>(13,527,379)</b>

The school financial statements were approved on 26<sup>th</sup> September 2024 and signed by:

For: 

Name: **DAVID MUGO**

Chair BOM

Date: 26/9/2024



Name: **P.M. ICHUGU**  
School Principal/ Secretary to  
BOM

Date: 26/9/2024




Name: **MARY W. WERY**

Bursar/ Finance Officer

Date: 26/9/2024

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**Statement of Assets and Liabilities As At 30<sup>th</sup> June 2024

Description	Note	July 2023-June 2024	July 2022-June 2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>			
Bank balances	11	2,749,507	4,861,772
Cash balances	12	9,214	3,822
Short term investments	13	-	-
<b>Total cash and cash equivalent</b>		<b>2,758,721</b>	<b>4,865,594</b>
Account's receivables	14	9,031,668	8,129,462
<b>Total financial assets (a)</b>		<b>11,790,389</b>	<b>12,994,449</b>
<b>Financial liabilities</b>			
Accounts payables	15	(24,883,220)	(18,671,571)
<b>Total Financial Liabilities (b)</b>		<b>(24,883,220)</b>	<b>(18,671,571)</b>
<b>Net financial assets (a-b)</b>		<b>(13,092,831)</b>	<b>(5,677,122)</b>
<b>Represented by</b>			
Accumulated fund b/fwd	15	(10,985,958)	7,850,257
<b>Surplus/deficit for the year</b>		<b>(2,106,873)</b>	<b>(13,527,379)</b>
<b>Net Assets</b>		<b>(13,092,831)</b>	<b>(5,677,122)</b>

The school's financial statements were approved on 26<sup>th</sup> September 2024 and signed by:FOR: Name: **DAVID MUGO**

Chair BOM

Date: **26/9/2024**Name: **P.M. ICHUGU**  
School Principal/ Secretary to  
BOMDate: **26/9/2024**Name: **MARY W. WERY**

Bursar/ Finance Officer

Date: **26/9/2024**

KANJURI HIGH SCHOOL


**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Statement of Cash Flows for the Year Ended 30<sup>th</sup> June 2024

Description	Note	July 2023-June 2024	July 2022-June 2023
		Kshs	Kshs
<b>Cash from Operating Activities</b>			
<b>Receipts</b>			
Government grants for tuition	1	3,033,856	3,021,762
Government grants for operations	2	15,772,831	13,775,783
Government grants for infrastructure	3	928,000	3,306,000
School fund income- parents contributions/ fees	4	79,526,014	89,989,034
Miscellaneous income-Dormitory		41,600,644	
Miscellaneous incomes-PA Funds	5	2,714,949	49,651,815
<b>Total receipts</b>		<b>143,576,294</b>	<b>159,744,394</b>
<b>Payments</b>			
Cash outflows for tuition	7	3,040,750	3,004,300
Cash outflows for operations	8	13,713,828	13,787,476
Cash outflows for Infrastructure	9	2,392,488	5,090,397
Cash outflows Boarding/lunch and school fund payments	10	121,656,191	126,256,362
Miscellaneous incomes-PA Funds	11	4,879,910	25,133,238
<b>Total payments</b>		<b>145,683,167</b>	<b>173,271,773</b>
<b>Net cash inflow/outflow from operating activities</b>		<b>(2,106,873)</b>	<b>(13,527,379)</b>
<b>Cash flow from investing activities</b>			
Acquisition of assets			
Proceeds from sale of Assets			
Proceeds from investments(decrease in savings account balance)		-	(1,393,535)
Purchase of investments			
<b>Net cash inflow/outflows from investing activities</b>			<b>(14,920,914)</b>
<b>Cash flow from Financing activities</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash inflow/outflow from financing activities</b>			
<b>Net increase/decrease in cash and cash equivalents</b>		<b>(2,106,873)</b>	<b>(14,920,914)</b>
Cash and cash equivalent at beginning of the FY		4,865,594	19,785,901
<b>Cash and cash equivalent at end of the FY</b>		<b>2,758,721</b>	<b>4,865,594</b>

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

The school's financial statements were approved on 26<sup>th</sup> September 2024 and signed by:

For:   
.....

Name: DAVID MUNGO


Chair BOM

Date: 26/9/2024

  
.....

Name: P.M. ICHUAY  
School Principal/ Secretary to  
BOM

Date: 26/9/2024

  
.....

Name: MARY W. WERY

Bursar/ Finance Officer

Date: 26/9/2024

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Statement Of Budgeted Versus Actual Amounts for The Year Ended 30<sup>th</sup> June 2024

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
<b>Receipts</b>					
<b>(1) Capitation Grant on Tuition</b>					
Reference Materials					GOK
Exercise Books	2,141,380				
Laboratory Equipment	970,000	-1,814,384	4,085,466	3,033,856	74%
Internal Exams	265,680				
Teaching / Learning Materials	2,522,790		1,653,975		
<b>(2) Capitation Grant on Operations</b>					
Personnel Emoluments	3,019,750	69,325	3,089,075	3,171,672	102%
Repairs And Maintenance	6,425,000	147,500	6,572,500	3,596,300	55%
Local Transport / Travelling	3,019,750	69,325	3,089,075	504,683	16%
Electricity And Water	3,019,750	69,325	3,089,075	3,573,194	62%
Administration Costs	3,019,750	39,325	3,089,075	3,526,900	64%
Activity	1,927,500	44,250	1,971,750	502,587	25%
Medical	101,475	-	101,475	101,475	1%
Rent	8,000	-	8,000	8,000	1%
CBC	788,040	-	788,040	788,040	1%
<b>3) FDSE for infrastructure</b>					
Maintenance & Improvement MoE	6,425,000	147,500	6,572,500	928,000	14%
<b>4) PA Funds</b>					
M&I parents' contribution	19,100,000	-5,955,000	13,145,000	2,714,929	21%
<b>(4) Fees Charged on Parents</b>					
Personnel Emoluments	7,431,900	158,340	7,590,240	9,927,054	130%
Repairs And Maintenance	2,570,000	59,000	2,629,000	2,950,857	112%
Local Transport / Travelling	2,943,750	68,055	3,011,805	2,828,435	94%
Electricity And Water	2,897,550	67,390	2,964,940	3,632,485	122%
Administration Costs	2,726,350	62,725	2,789,075	3,000,065	107%

<b>Receipt/Expenses Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual On Comparable Basis</b>	<b>% Of Utilization</b>
	<b>a</b>	<b>b</b>	<b>c=a+b</b>	<b>d</b>	<b>e=d/c %</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Activity	322,300	7,060	329,360	359,223	109%
PA/Dorm Project	19,100,000	-5,955,000	13,145,000	10,468,924	80%
Fee On Boarding Equipment and Stores	29,789,350	657,995	30,447,345	39,729,979	130%
Clubs	203,049	-	203,049	203,049	1%
Keep my brother	48,245	-	48,245	48,245	1%
Bursary	7,655,567	-	7,655,567	7,655,567	1%
Equity	23,002,300	-	23,002,300	23,002,300	1%
Uniform	279,987	-	279,987	279,987	1%
Fees Arrears	6,628,992	-	6,628,992	6,628,992	1%
Prepaid fees	3,404,898	-	3,404,898	3,404,898	1%
Total Income					
<b>5) Miscellaneous Income</b>					
Rent income	132,000	12,000	144,000	97,645	68%
Income From Farming Activities	1,030,860	144,730	1,175,590	2,243,600	191%
Canteen Income	682,500	409,500	1,092,000	4,665,353	427%
<b>Total Income</b>	<b>163,603,463</b>	<b>-11,491,039</b>	<b>153,796,399</b>	<b>143,576,294</b>	<b>109%</b>
<b>(6) Expenditure For Tuition</b>					
Textbooks					
Teaching /Learning materials	2,522,790			1,653,975	40%
Exercise Books	2,141,300				
Laboratory Equipment	970,000	1,647,270	7,547,040	707,615	
Exams & assessment				679,160	
<b>(7) Expenditure For Operations</b>					
Personnel Emoluments	3,019,750	69,325	3,089,075	1,467,775	48%
Repairs, Maintenance & Improvements	64,325,000	147,500	6,572,500	928,000	14%
Local Transport / Travelling	3,019,750	69,325	3,089,075	366,481	12%
Electricity, Water and Conservancy	3,019,750	69,325	3,089,075	2,891,401	94%
Administration Costs	3,019,750	69,325	3,089,075	3,087,000	100%

## KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

<b>Receipt/Expenses Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual On Comparable Basis</b>	<b>% Of Utilization</b>
	<b>a</b>	<b>b</b>	<b>c=a+b</b>	<b>d</b>	<b>e=d/c %</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
Activity Expenses	1,927,500	44,250	1,971,750	237,660	12%
Rent	4,000	-	4,000	4,000	1%
Clearing Accounts	501,721	-	501,721	501,721	1%
Creditors	3,158,665	-	3,158,665	3,158,665	1%
CBC	788,220	-	788,220	788,220	1%
Medical	282,905	-	282,905	282,905	1%
<b>(8) Expenditure For infrastructure</b>					
Construction of DORMITORY	19,100,000	-5,955,000	13,145,000	2,392,488	18%
<b>(9) Expenditure For school fund/lunch/boarding</b>					
Personnel Emoluments	7,431,900	158,340	7,590,240	4,629,141	61%
Repairs, Maintenance and Improvements	2,570,000	59,000	2,629,000	2,873,675	109%
Local Transport / Travelling	2,943,750	68,055	3,011,805	4,467,517	148%
Electricity, Water and Conservancy	2,897,550	67,390	2,964,940	1,542,801	52%
Rent Expenses	132,000	12,000	144,000	51,620	36%
Administration Costs	2,726,350	62,725	2,789,075	10,330,776	370%
Activity	322,300	7,060	329,360	1,630,093	494%
Canteen	2,682,500	1,409,500	4,092,000	3,958,511	96%
Boarding Equipment & Stores	50,867,005	13,493,120	64,360,125	36,442,256	61%
Farm	1,030,860	144,730	1,175,590	830,865	71%
Uniform	67,200		67,200	67,200	1%
Creditors	12,478,851		12,478,851	12,478,851	1%
Prepaid fees	3,245,008		3,245,008	3,245,008	1%
Dormitory	6,380,000		6,380,000	6,380,000	1%
Bursary	7,655,567		7,655,567	7,655,567	1%
Equity	23,282,118		23,282,118	23,282,118	1%
Keep my brother	71,845		71,845	71,845	1%
Clubs	291,485		291,485	291,485	1%
Clearing accounts	1,426,862		1,426,862	1,426,862	1%

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

<b>Receipt/Expenses Item</b>	<b>Original Budget</b>	<b>Adjustments</b>	<b>Final Budget</b>	<b>Actual On Comparable Basis</b>	<b>% Of Utilization</b>
	<b>a</b>	<b>b</b>	<b>c=a+b</b>	<b>d</b>	<b>e=d/c %</b>
	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
<b>Totals</b>	<b>236,304,252</b>	<b>11,643,240</b>	<b>190,313,172</b>	<b>145,683,167</b>	

*Activity, Administration Costs and Local Travel and Transport voteheads are underfunded.*

### Significant Accounting Policies

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

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

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

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

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

**2. Recognition of receipts and payments**

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

**3. In-kind contributions**

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

**4. Cash and cash equivalents**

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

**5. Accounts Receivable**

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

**6. Accounts Payable**

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

**7. Non-current assets**

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

**8. Budget**

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

**9. Comparative figures**

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

**10. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2024

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Notes To the Financial Statements

**1 Government Grants for Tuition**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Teaching / Learning Materials	3,033,856	3,021,762
<b>Total</b>	<b>3,033,856</b>	<b>3,021,762</b>

**2 Government Grants for Operations**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	3,171,672	5,567,855
Repairs And Maintenance	3,596,300	4,465,000
Local Transport / Travelling	504,683	536,953
Electricity And Water	3,573,174	1,411,164
Medical	101,475	237,700
Administration Costs	3,526,900	824,211
Activity	502,587	732,900
Rent	8,000	-
CBC	788,040	-
<b>Total</b>	<b>15,772,831</b>	<b>13,775,783</b>

**3 Government Grants for infrastructure**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Maintenance & Improvement	928,000	3,306,000
<b>Total</b>	<b>928,000</b>	<b>3,306,000</b>

**4 School Fund Income - Parents Contribution/Fees**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel emoluments	9,927,054	8,869,345
Repairs and maintenance	2,950,857	3,075,046
Local transport / travelling	2,828,435	3,303,126
Electricity and water	3,632,485	3,316,621
Administration costs	3,000,065	4,194,950
Activity	359,223	521,494
Fee on Boarding Equipment and stores	39,729,979	38,082,378
PA Levies	10,468,924	20,782,974
Fees Arrears	6,628,992	7,843,100
Prepaid fees	3,404,898	5,372,103
Uniform	279,987	1,029,200
Bursary	7,655,567	5,688,834
Equity	23,002,300	13,496,844
Canteen	4,665,353	3,908,331
Income from farming activities	2,243,600	917,072
Keep my Brother	48,245	37,420
Clubs	203,049	183,647
Rent	97,645	91,000
<b>Total</b>	<b>121,126,658</b>	<b>124,979,605</b>

**5 MISCELLANEOUS INCOME-PA FUND**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Dormitory	-	14,661,244
Alumni	61,022	-
Donations	2,653,907	-
<b>Total</b>	<b>2,714,929</b>	<b>14,661,244</b>

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**6 Tuition**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Laboratory Equipment	707,615	1,262,840
Teaching / Learning Materials	1,653,975	1,740,260
Creditors	679,045	-
Bank Charges	115	1,200
<b>Total</b>	<b>3,040,750</b>	<b>3,004,300</b>

**7 Operations**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	1,467,775	3,423,867
Administration Cost	3,087,000	2,986,553
Repairs And Maintenance & Improvements	928,000	3,306,000
Local Transport / Travelling	366,481	698,332
Electricity And Water	2,891,401	1,136,266
Medical	282,905	416,615
Activity Expenses	237,660	1,177,941
Creditors	3,158,665	-
CBC	788,220	-
Rent	4,000	4,000
Clearing Accounts	501,721	637,902
<b>Total</b>	<b>13,713,828</b>	<b>13,787,476</b>

**8 Infrastructure**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of Dormitory	2,392,488	5,090,397
<b>Total</b>	<b>2,392,488</b>	<b>5,090,397</b>

**9 Boarding And School Fund**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Personnel Emoluments	4,629,141	2,924,104
Repairs And Maintenance & Improvements	2,873,675	6,310,632
Local Transport / Travelling	4,467,517	5,863,663
Electricity And Water	1,542,801	3,697,621
Administration Costs	10,330,776	11,576,062
Uniform	67,200	946,550
Creditors	12,478,851	-
Prepaid fees	3,245,008	6,146,182
Fee On Boarding Equipment and Stores	36,442,256	43,119,855
Rent Expenses	51,620	28,000
Activity	1,630,093	1,506,170
Canteen	3,958,511	4,196,790
Dormitory	6,380,000	12,696,244
Bursary	7,655,567	5,688,834
Equity	23,282,118	15,308,605
Farm	830,865	642,800
Keep my Brother	71,845	-
Bakery	-	4,770,395
Clubs	291,485	273,200
Clearing Accounts	1,426,862	560,655
<b>Total</b>	<b>121,656,191</b>	<b>126,256,362</b>

**10. MISCELLANEOUS PAYMENTS-PA FUNDS**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Dormitory	1,800,000	25,133,238
Donations	3,079,910	
<b>Total</b>	<b>4,879,910</b>	<b>25,133,238</b>

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**11. Bank Accounts**

<b>Account Name &amp; Currency</b>	<b>Status</b>	<b>Bank Account Number</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Active/Dormant</b>		<b>Kshs</b>	<b>Kshs</b>
Kanjuri High School staff accs	Active	1105552209	22,967	29,861
Kanjuri High School operations	Active	1105553604	2,061,113	2,111
Kanjuri High School Har Section	Active	1105539458	115,420	650,346
Kanjuri High School (model ict)	Active	0040296989637	482,111	482,089
Kanjuri High School PTA exc welfare	Active	1220705403	63,071	2,228,051
Kanjuri High School infra acc	Active	1266599312	4,826	1,469,314
<b>Total</b>			<b>2,749,507</b>	<b>4,861,772</b>

**12. Cash In Hand**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Notes and Coins	9,214	3,822
<b>Total</b>	<b>9,214</b>	<b>3,822</b>

**13. Short Term Investments**

<b>Description</b>	<b>July 2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Cooperative Shares	-	-
Treasury Bills	-	-
Fixed Deposit accounts	-	-
Other Investments	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**14.a)Accounts Receivable**

Description	July 2023-June 2024	July 2022-June 2023
	Kshs	Kshs
Fees Arrears	9,002,668	8,114,462
<b>Other Non-Fees Receivables</b>		
Salary Advances (list/schedule attached)	-	-
Imprest (list/schedule attached)	-	-
Rent arrears (list/schedule attached)	29,000	15,000
<b>Total</b>	<b>9,031,668</b>	<b>8,129,462</b>

**14 b) Ageing Analysis of Accounts Receivable**

Description	July 2023-June 2024		July 2022-June 2023	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	7,517,198	84%	7,009,847	86%
Between 1- 2 years	380,855	4%	-	-
Between 2-3 years	-	-	1,104,615	14%
Over 3 years	1,104,615	12%	-	-
<b>Total (should tie to note 13 a)</b>	<b>9,002,668</b>	<b>100%</b>	<b>8,114,462</b>	<b>100%</b>

**15 a)Accounts Payable**

Description	July 2023-June 2024	July 2022-June 2023
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	21,732,576	16,483,513
Prepaid Fees	3,150,644	2,188,058
<b>Total</b>	<b>24,883,220</b>	<b>18,671,571</b>

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**15 b). Ageing Analysis of Accounts Payable**

<b>Description</b>	<b>July 2023-June 2023</b>		<b>July 2022-June 2023</b>	
	<b>Kshs</b>		<b>Kshs</b>	
	<b>Current FY</b>	<b>% of the total</b>	<b>Comparative FY</b>	<b>% of the total</b>
Less than 1 year	21,566,624	99%	16,483,513	100%
Between 1- 2 years	165,952	1%	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
<b>Total (should tie to note 14)</b>	<b>21,732,576</b>	<b>100%</b>	<b>16,483,513</b>	<b>100%</b>

**16.Fund Balance Brought Forward**

<b>Description</b>	<b>July2023-June 2024</b>	<b>July 2022-June 2023</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank Balances	4,861,165	9,441,372
Cash Balances	3,822	1,350
Short Term Investments	-	-
Receivables	9,031,668	8,947,715
Payables	(24,883,220)	(3,439,467)
<b>Total</b>	<b>(10,985,958)</b>	<b>(14,950,970)</b>

**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.

**17 Non-current Liabilities Summary**

Description	July 2023-June 2024-	July 2022-June 2023
	FY	FY
	Kshs	Kshs
Bank Loans	-	-
Outstanding Leases	-	-
Hire Purchase	-	-
Gratuity And Leave Provision	-	-
Dormitory Construction	5,093,060	20,742,276
<b>Total</b>	<b>5,093,060</b>	<b>20,742,276</b>

**18 Biological assets**

Description	Numbers	July 2023-June 2024-	July 2022-June 2023
		FY	FY
		Kshs	Kshs
Cattle	18	885,000	700,000
Goats	29	407,000	220,000
Trees	105	630,000	1,250,000
<b>Total</b>		<b>1,922,000</b>	<b>2,170,000</b>

**19 Borrowings**

Description	Kshs	Kshs
Borrowings at beginning of the year	-	-
Borrowings during the year	-	-
Repayments during the year	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

**Other important disclosure notes**

**20 Stock/ Inventory**

<b>Description</b>	<b><i>July2023-June 2024-FY</i></b>	<b><i>July 2022-June 2023</i></b>
	<b>Kshs</b>	<b>FY</b>
	<b>Kshs</b>	<b>Kshs</b>
Food stuffs	1,032,329	
Lab consumables	765,000	
Farm produce	-	
Medication	86,200	
Construction Materials	-	
Others -Stationery	705,200	
	<b>2,588,729</b>	<b>5,600,352</b>

**21 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.

**A) REPORT ON FINANCIAL STATEMENTS**

	<b>ISSUE/OBSERVATIONS FROM AUDITOR</b>	<b>MANAGEMENT RESPONSE</b>	<b>ACTION TAKEN</b>	<b>TIME FRAME</b>
1.	Inaccuracies in the financial statements	The financial statements were amended to clear the variance. Fund balance note 15 reflects opening balance bank – 18,270,964 Cash 121,402 Receivables 8,129,462 Payables (18,671,571) <u>7,850,257</u>  The effect of increase decrease in receivables or payables was adjusted in the fund account budget analysis has been amended.	Amendments in the 2022/2023 and 2023/2024 comparative column.	Amended in 2023/2024.
2	Unsupported purchase of investments	The provided certificates of bank balances. The savings accounts balance as at 30 <sup>th</sup> June 2023.	Certificates of Bank balances provided. -The ksh.1393535 decrease in savings account balance meaning that the school gained after withdrawal.	The effect of increase or decrease in savings account.
3.	Inaccuracies in capitation grants	The variance reported of capitation grants against the NEMIS ksh. 3,698,281 was adjusted after not including the clearance accounts.	Amendments were made to variance of ksh. 3,698,281.	Clearance or recoveries made on workers salaries not to be included in the operation grants.
4.	Inaccuracies in cash and cash equivalents balances	The variance between the financial statement bank balance and cash book balance ksh. 233,551.amended	Amendments were made to clear the variance noted.	
5.	Long outstanding students account receivables	The outstanding receivables for more than two years (2) ksh. 1,104,615. The	Partially recovered among	Ongoing recoveries.

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

		above was partially recovered among the fees arrears recovered as at 30/06/2024 ksh. 6,628,992.	the ksh. 6,628,992 recovered as at 30/06/2024.	
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**B) REPORT ON LAWFULNESS AND EFFECTIVENESS ON USE OF RESOURCES**

	<b>ISSUE/OBSERVATIONS FROM AUDITOR</b>	<b>MANAGEMENT RESPONSE</b>	<b>ACTION TAKEN</b>	<b>TIME FRAME</b>
1.	Non-compliance with the Public Sector Accounting Standards Board reporting requirements	The financial statements have been amended to comply with the prescribed PSASB template.	Complied with the PSASB reporting template.	Done.
2.	Irregular transfer of funds to Kenya Secondary Schools Heads Association	Though KESSHA as a recognized body by the Ministry of Education headquarters had branches at County and Sub County schools pooled together through KESSHA to support capacity building workshops seminars and conferences and to subsidize co-curricular activities.	Awaiting ministerial consideration on KESSHA issues.	Awaiting guidelines from MOE.
3.	Failure to develop school improvement plan	The existing school improvement plan in strategic plan will be revised, improved and approved by Board of Management.	School Improvement plan will be revised and approved.	Awaiting approval by the BOM.
4	Procurement irregularities in the tender for construction of dormitory	Responded in the draft	Dormitory completed and is in use	

**C) REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

	<b>ISSUE/OBSERVATIONS FROM AUDITOR</b>	<b>MANAGEMENT RESPONSE</b>	<b>ACTION TAKEN</b>	<b>TIME FRAME</b>
1.	Weaknesses in the school governance	The school management effective governance through adherence to the Basic Education Act 2013 guidelines on Board of Management and the Parents Association Composition.	Next Board of Management meeting.	Next Board.
2.	Lack of adequate infrastructure in the school	The school management will ensure security of students and provision of clean water. Disposal of every water will be taken care of through construction of septic tanks.	Use iron sheets to close gaps on the fence. Treat the community water before consumption. Build septic tanks.	Ongoing.
3.	Inefficiencies in supply of text books	As noted some text books took long before delivery. The school management through the tuition and learning materials will ensure text books are adequate.	Purchase of inadequate text books.	As need arise.
4	Lack of fixed assets register	The existing fixed assets register will be improved to include all information.	Improve the fixed assets register.	Ongoing updating of the fixed asset register.



Sign and Date  
Principal

26/9/2024

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Annexes

**Annex I - Analysis of Pending Accounts Payable**

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
	A	b	C	d=a-c		
	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Construction Of Buildings</b>						
1.Dormitory- Lizam Enterprises	46,050,615	1/4/2022	40,957,555	5,093,060	29,932,638	Full Contract
<b>Supply Of Goods</b>						
1.Gabriel Nderitu Wairimu	153,120	1/7/2023		153,120		To be paid 2024/2025
2.Zaka Capital Enterprises	5,227,050	1/7/2023		5,227,050		2024/2025
3..Daddy Millers	1,478,400	1/7/2023		1,478,400		2024/2025
4..Ngewa Stores	2,962,500	1/7/2023		2,962,500		2024/2025
5.Coffee Bee	36,000	1/7/2023		36,000		2024/2025
6.Ngwejjans Enterprises	1,626,200	1/7/2023		1,626,200		2024/2025
7.Aster Health Ltd	131,880	1/7/2023		131,880		2024/2025
8.Pin Point Revision Series	44,000	1/7/2023		44,000		2024/2025
9.Benmax Ventures Ltd	307,035	1/7/2023		307,035		2024/2025
10.Mucklin General Enterprises	279,000	1/7/2023		279,000		2024/2025
11.Clevinet Enterprises	242,320	1/7/2023		242,320		2024/2025
12.Kihuri Farm Animal Feeds	81,630	1/7/2023		81,630		2024/2025
13.Tibertex Ventures	927,000	1/7/2023		927,000		2024/2025
14.Bjei Groceries	1,031,250	1/7/2023		1,031,250		2024/2025
15.Faimline General Merchants	915,000	1/7/2023		915,000		2024/2025
16.Kenblest Foods	185,288	1/7/2023		185,288		2024/2025
17.Janka Electricals & Hardware	99,680	1/7/2023		99,680		2024/2025
<b>Supply Of Services</b>		1/7/2023				2024/2025

KANJURI HIGH SCHOOL

**Annual Report and Financial Statements For the year ended 30<sup>th</sup> June 2024**

Supplier Of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance Current 2023/2024	Outstanding Balance Comparative 2022/2023	Comments
18.2NK Investment Sacco	4,000	1/7/2023		4,000		2024/2025
19.Hemmssoft Solutions	13,261	1/7/2023		13,261		2024/2025
20.Kariko Gatei	71,250	1/7/2023		71,250		2024/2025
21.Rebeccah Mumbi Mugambi	347,500	1/7/2023		347,500		2024/2025
22.Wanperi Investment	449,405	1/7/2023		449,402		2024/2025
23.Stanley Karuri	26,750	1/7/2023		26,750		2024/2025
<b>Total</b>	<b>62,690,134</b>		<b>40,957,555</b>	<b>21,732,579</b>	<b>29,932,638</b>	

**Annex 2 – Summary of Fixed Assets Register**

Asset Class	Historical Cost b/f (Kshs) 1 <sup>st</sup> July 2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30 <sup>th</sup> June 2024
Land	160,000,000	-	-	160,000,000
Buildings And Structures	Pending valuation			Pending valuation
Motor Vehicles -BUS Pick up-Van	4,065,323			4,065,323
Office Equipment, Furniture And Fittings	1,200,650			1,200,650
Textbooks	2,506,000			2,506,000
ICT Equipment	750,000			750,000
Tools And Apparatus	3,502,000			3,502,000
Other Machinery And Equipment	2,802,364			2,802,364
Heritage And Cultural Assets	-			-
Intangible Assets- Soft Ware	258,340			258,340
<b>Total</b>	<b>175,084,677</b>			<b>175,084,677</b>