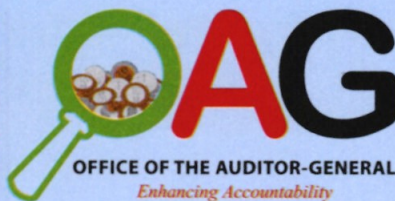


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 13 JUN 2026

DAY.

Tuesday.

TABLED
BY:

Hon. Naomi Wago, CBS, MP

(Deputy Majority Party Whip)

OF

CLERK-AT
THE-TABLE:

Lanale.

THE AUDITOR-GENERAL

ON

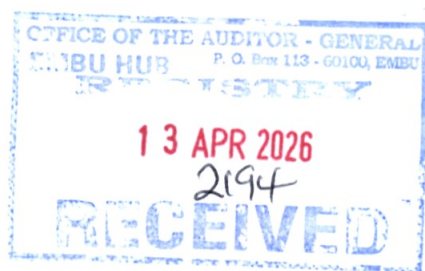
PARLIAMENT
OF KENYA
LIBRARY

CHUKA HIGH SCHOOL

FOR THE YEAR ENDED

30 JUNE, 2023

THARAKA NITHI COUNTY



CHUKA 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)

2. Key School Information and Management**(a) Background information**

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

The school was registered in 12/07/2021 under registration number 13S00300783 and is currently categorized an extra county public school established, owned or operated by the Government.

The school is a boarding school and had 1502 number of students as at 30th June 2023. It has Seven streams and 64 teachers of which 8 teachers are employed by the School Board of Management.

(b) School Board of Management - Board Members

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

Ref:	Name of Board Member	Designation	Date of appointment
1	Mr. Alexander Micheni Muratha	Chairman	1 st July 2022
2	Mr. Imunya H.G	Secretary - Principal	
3	Dr. Lucy Mureu	Sponsor	1 st July 2022
4	Mrs. Joan Njagi	Member	1 st July 2022
5	Dr. Birichi Alfred Rugendo	Member	1 st July 2022
6	Mrs. Egidia Nyaga	Sponsor	1 st July 2022
7	Mr. James M Mbutu	Member	1 st July 2022
8	Arch. Kirimi Moses - Deceased	Member – Rep CEB	1 st July 2022
9	Jacqueline W Muiruri	Member Rep PA	1 st July 2022
10	Fr. Edwin Mutethia	Sponsor	1 st July 2022
11	Mr. Nicodemus Muoki	Member - Community	1 st July 2022
12	Mr. Protasio Mutema	Member	1 st July 2022
13	Irene Kagendo K	Member Special Needs	1 st July 2022
14	Samson Mutua	Rep Students	1 st July 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.

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023**

- 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	1. Mr. Alexander M. Muratha 2. Mr. Henry Gitonga Imunya 3. Mr. Edwin Mutethia 4. Ms. Lucy Mureu	Chairman Principal/ B.O.M sec Sponsor Member	
2	Audit Committee	1. Ms. Jackline Muiruri 2. Mr. Protasio Mutema 3. Mr. Nichodemus Muoki 4. Mr Macharia Michael	Member Member Member Member	
3	Finance, procurement and general purposes Committee	1. Ms. Lucy Mureu 2. Mr Alexander M. Muratha 3. Dr. Alfred Birichi 4. Imunya H.G 5. Mrs Kirema Lilian	Member Chairman Member Principal/sec B.O.M Bursar	22/06/2023
4	Academic Committee	1. Ms. Lucy Mureu 2. Mrs. Egidia Nyaga 3. Mr. Nichodemus Mwoki 4. Mrs. Joan Njagi 5. Mr Alexander M. Muratha	 Member Member Member Member Chairman	24/02/2023 24/06/2022
5	Development Committee	1. Mr Alexander M. Muratha 2. Mrs. Egidia Nyaga 3. Ms. Jacqueline Muiruri 4. Mr Imunya H.G	Principal Member Member Principal/sec B.O.M	14/04/2023 25/11/2022 1/11/2023

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023**

6	Discipline and welfare Committee	1. Mr Mbutu James 2. Mr. Protasio Mutema 3. Ms. Irene Kagendo 4. Mr. Imunya H.g	Member Member Member Principal/sec. B.O.M	23/05/2023 24/03/2023
7	Adhoc Committee (if any during the year)	Tender opening committee 1. Mr Mutegi Evans 2. Mr Muchangi Evan 3. Miss Betty Murugi 4. Mr Mutwiri Dickson 5. Mrs micheni Floric Tender evaluation committee 1. Mr King'ang'i Joel 2. Mrs Gitari Naomi 3. Mrs Mutwiri Mary 4. Mr Kimathi Collins 5. Mr Macharia Michael 6. Ms Lina Kinya Tender inspection/ disposal committee 1. Mr Bundi Geoffrey 2. Mrs Kirema Lillian 3. Mr Musare Eric 4. Mr Koome Benedict 5. Mrs Ochido Diana	Teacher Teacher Farm manager Teacher Secretary Teacher Teacher Teacher Teacher Teacher Librarian Teacher Bursar Teacher Teacher Teacher	27/04/2023

(d) School operation Management

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

Ref:	Designation	Name	Identification
1	Principal	Mr. Imunya H.G	TSC No. 322761
2	Deputy Principal Administration	Mr. Bundi Geoffrey	TSC No. 350230
3	School Bursar	CPA Nyaga Lilian Muthoni	ICPAK No.23011
4	Deputy principal academics	Mr. Peter i. Nguru	TSC No. 358508

(e) Schools contacts

Post Office Box: 20 – 60400 Chuka
 Telephone: 0703705892
 E-mail: chukahighschool@yahoo.com
 Website: www.chukahighschool.sc.ke
 Facebook:
 Twitter:

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023**

(f) School Bankers

S. NO.	NAME OF BANK	BRANCH	ACCOUNT NO.	NAME OF ACCOUNT
1	Kenya Commercial Bank	CHUKA	1103664646 Business No. 522533 Account No. 7653396#	Boarding account Mpesa pay bill
2	Kenya Commercial Bank	CHUKA	1103664417	Operations account.
3	Kenya Commercial Bank	CHUKA	1265486875	School infrastructure account
4	Kenya Commercial Bank	CHUKA	1108131018	Savings account
5	Co-operative Bank	CHUKA	01129057596600	Boarding fees collection ac.
6	Co-operative Bank	CHUKA	01139057596600	Tuition account
7	Co-operative Bank	CHUKA	01129057596601	Farm account
8	Equity Bank	CHUKA	0210283092441 Business No.247247 Account No. 210283#	Boarding Fees Collection Account

(g) Independent Auditors

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

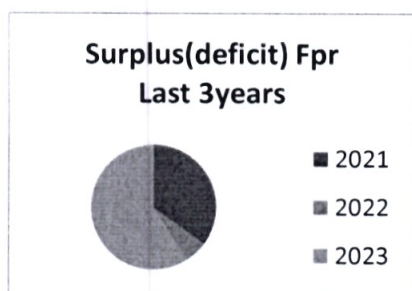
3. Summary Report of Performance of the School

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

a) Financial performance:

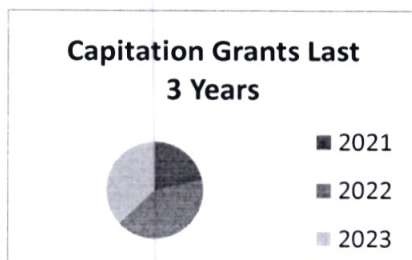
Surplus /deficit for the last three years comparison

YEAR	Kshs
2021	2,210,931.00
2022	(379,161)
2023	(3,743,611.21)



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

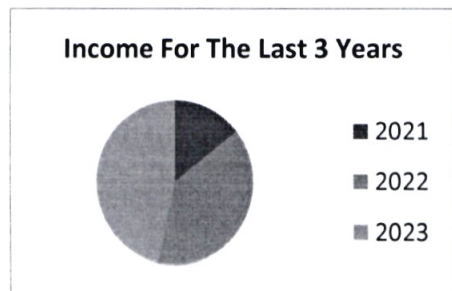
YEAR	Kshs
2021	12,348,867.15
2022	24,177,090.50
2023	21,262,877.60



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

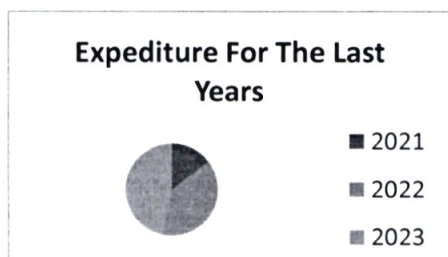
YEAR	kshs
2021	28,207,151.00
2022	76,228,097.00
2023	90,910,299.58

Chuka High School
Annual Report and Financial Statements for the year ended 30th June 2023



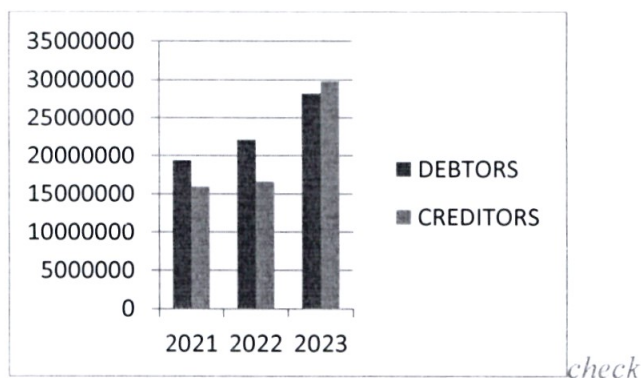
A three-year overview of growth in expenditure of the school

YEAR	Kshs
2021	38,345,036.00
2022	100,784,349.00
2023	121,265,788



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

YEAR	DEBTORS	CREDITORS
2021	19,377,778.00	15,942,374
2022	22,112,732	16,601,012
2023	28,191,673	29,794,243



b) Teacher Student ratio:

Teachers Recruited/Posted Within the Period

S/NO	NAME	TSC NO	SUBJ
1	Muchangi Evans	732908	Geo/Cre
2	Florah Kangai	683840	Hist/Cre
3	Martin Kinoti	712886	Kisw/Hist
4	Mugo Samwel	679297	Hist/Ksw
5	Diana Makena	810956	Hist/Kisw
6	Musare Eric	821729	Agric/Biol
7	Riungu Liz M.	493071	English
8	Lydia Wanja	899175	Eng/Lit

Teachers transferred during the period

S/No	Name	Tsc No	Subj
1	Felix Mwiti M	515036	Phy/Maths
2	Rare John Murithi	453017	Eng/Lit
3	Faizia Mwanamisi	903218	German/Eng
4	Thigaa Liz.Gatakaa	522127	French/Eng
5	Kinyua M Lisper	523702	Eng/Lit

SERIAL	TSC. NO.	NAME	MOBILE NO.	SUBJECT		RESPONSIBILITY
1	322761	Mr. Imunya Henry G.	0723170613	Maths	Phy	Principal
2	350230	Mr. Bundi Geoffrey N	721333484	Cre	Hist	D/Princ.(Adm)
3	358508	Mr. Nguru P. Ireri	724575000	Eng		D/Princ.(Acad)
4	333971	Mr. Kimani John K.	722947597	Maths	Bio	Dean Of St.
5	374548	Mrs. Rugendo Kellen N.	727528425	Kisw	Lib	Cu Patron
6	237321	Mr. Nkanata Julius M.	717121648	Agr		Hod.Agric
7	441409	Mrs. Winnie K.Murithi	720409835	Maths	Chem	Hod.G/C
8	579444	Mr. King'ang'i Joel M.	714654350	Maths	Phy	Deputy Dean
9	335676	Mrs. Mutwiri Mary K.	723917051	Maths	Chem	Teacher

Chuka High School
Annual Report and Financial Statements for the year ended 30th June 2023

10	559275	Mr. Macharia Michael K.	723261896	Bio	Chem	Disc. Master
11	349787	Mr. Githae Stephen M.	712340448	D/D	B/C	Hod. D/D
12	611522	Mr. Munene G. Morris	711130347	Kisw	Hist	Hod. Hist
13	464245	Mr. Karanja Nicholus K.	720977305	Eng	Frenc	Hod French
14	587891	Mrs. Mutethia Annrose	728976315	B/S	Hist	Teacher
15	467399	Ms. Musyoka Sarah M.	721794315	Maths	Geo	Hod.Maths
16	305544	Mrs. Naomi Njeri Kamau	712076281	Cre	Geo	Hod.Cre
17	463015	Ms. Njue Carol K.	725315754	B/S	Maths	Hod. B/St
18	707604	Mr. Collins Kimathi	720563070	Kisw	Hist	Hod.Cleanliness
19	774276	Mr. Koome Benedict	727785154	Kisw	Hist	Teacher
20	433546	Mrs. Kirumbu Annmarvis	721231400	Kisw	Hist	Hod. Kisw.
21	316398	Dr. Sr. Bibiana R. Ireri	726673311	Bio	Maths	Teacher
22	460081	Ms Judith Gatwiri C.	725161770	Eng	Li T	Hod. Library
23	469729	Tr. Mercy Ireri	720437931	Bio	Agr	Teacher
24	470845	Mr. Mutege Evans	721332976	B/S	Geo	Hod Boarding
25	420378	Mrs. Catherine Riruta	726898710	Chem		Hod Chemistry
26	544872	Doreen Judy K. Mauki	726508796	Eng	Lit	Teacher
27	819811	Eric Mutwiri Mwiti	757133120	Hist	Cre	Teacher
28	433790	Peterson Mugambi K	729763929	Maths	Geo	Hod.Games.
29	663945	Susan Kainyu	722573572	Eng	Lit	Teacher
30	681885	Lilian Awiti	716665827	Kisw	Geo	Teacher
31	684870	Antony Murithi Njiru	716131108	Kisw	Hist	Teacher
32	732908	Mr Muchangi Evans	718436610	Geo	Cre	Teacher
33	683840	Flora Kangai	720923285	Hist	Cre	Teacher
34	712886	Mr Kinoti Kithinji Martin	714738248	Kisw	Hist	Teacher
35	679297	Mugo Samwel Njue	705041001	Hist	Cre	Teacher
36	810956	Diana Makena Mwiti	712250959	Hist	Kisw	Teacher
37	821729	Mr Musare Eric Idah	707418564	Agri	Bio	Teacher
38	493071	Liz M. Riungu	727091131	Eng		Hod. English
39	899175	Lydia Wanja	716507184	Eng	Lit	Teacher
40	527749	Njagi William Silas K.	721496348	Comp		Hod. Computer

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023**

41	414518	Dickson Mutwiri Mbaka	720566240	Maths	Bs	Teacher
42	557055	Okelo Victor Omondi	727902335	Maths	Phy	Hod. Physics
43	605022	Lydia Njeri Kamau	721726797	Maths	Geo	Teacher
44	516153	Jesse Kathurima Kirimi	720384417	Bio	Chem	Hod. Careers
45	705387	Cyrus Nyaga Waithanji	703542890	Eng	Lit	Teacher
46	494779	Catherine Kawira Ndeke	718167963	Bio	Chem	Teacher
47	444964	Kellen Mputhia	718657418	Eng	Ger	Hod. German
48	533419	Kimathi George Juliah	721589890	Bio	Chem	Teacher
49	739540	Dorcas Njoki Ngui	798801001	Hist	Kisw	Teacher
50	714622	Betty Karemi Nyabuga	798083273	Eng.	Lit	Teacher
51	776945	Muthee Gitonga Michael	715767584	Eng	Lit	Teacher
52	863905	Mwencha Pius Oyako	705684762	Maths	Chem	Teacher
53	870215	Richard Kirimi Mung'athia	702261960	Maths	Phy	Teacher
54	926802	Mrs. Murimi Dinah Kiende	712306348	Bio	Agric.	Teacher
55	956615	Olympia Kendi	713169722	Maths	Geog	Teacher
56	479604	Sophia Kamau	724537418	Bio	Chem	Teacher
57	890129	Charity Midenyo Afandi	792451960	German	Cre	Teacher

B.O.M.T

S.NO	TSC	NAME	PHONE NO.	SUB	SUB	TEACHER
1	856917	MR NYAGAKA ERIC	716329453	AGRI	BIO	TEACHER
2	925214	MR NJUE MICHAEL	701145898	MATHS	PHYSC	TEACHER
3	831961	MR GITONGA JOHN MUNENE	720247201	COMP		TEACHER
4	926138	MS.RITA WAWIRA	702983578	MATHS	PHY	TEACHER
5	922541	MR.WILLIAM MURIMI	727592228	MATHS	PHY	TEACHER
6	928733	MR. JAMES NDWIGA	713120322	MATHS	BUSS	TEACHER
7		FR. MBAKA CYPRIAN	728023811			CHAPLAIN

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023****c) Mean score in the 2021, 2022, 2023 KCSE:**

YEAR	MEAN SCORE	TRANSITION TO UNIVERSITY	COMMENT
2021	6.7	217	
2022	7.3	279	
2023	6.8	227	

d) Number of Candidates in the 2021,2022,2023 KCSE:

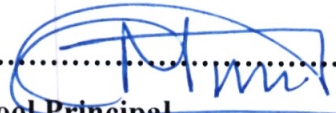
YEAR	ENTRY
2021	308
2022	322
2023	369

e) Capacity of the school:

FACILITY	NO. OF STUDENTS/ STAFF	NO. OF FACILITIES	CAPACITY (Designed to carry)	SHORTFALL
1. Classrooms	1502	24	1200	309
2. Dorms	1502	6	1000	309
3. Staff houses	100	17	17	83
4. Play ground	1502	3	1000	309
5. Halls	1502	0	(converted to dorm& classes)	1502
6. Library	1502	0	(converted to classes)	1502
7. Computer lab	1502	1	30	1472
8. Science labs	1502			1362
Biology		1	40	
Physics		1	60	
Chemistry		1	40	
9. Dining hall	1502	Twin	800	702
10. Kitchen	1502	1(small)	6	1496
11. Staffroom(Common room)	71	1	40	31
12. Toilets	1502	46	700	802
13. Bathrooms	1502	42	700	802
14. Bus park	3	1	3	0
15. Car park	71	2	12	59
16. Assembly ground	1502	1	1000	502
17. Central stores	3	1(small)		3
18. Cereals stores	1	1(small)		1
18. Administration block	30	1	7	23
19. Departmental office	71	9	60	11

f) Development projects carried out by the school:

S.No.	Project	Year	Source Of Fund	Amount Kshs	Expense On the Project Kshs	Balance at The End of Period Total Kshs	Remarks Status
1	3storey Tuition Block	2019	M.I	6,708,000=		6,708,000=	Preparation of Plans and Structural Drawings, Bqs and Seeking Approvals for The Project.
2	3 Storey Tuition Block	2020	M.I	4,652,000=	8,670,567.95	2,689,431.15	Approval of The Project On 22 nd April 2020. Floating of Tenders, Evaluation and Award. Commencement Of the Project. Phase 1ground Floor
3	3 Storey Tuition Block	2021	M.I	2,000,000=	1,790,115.90	2,899,315.25	Phase 1 Ground Floor
4	3 Storey Tuition Block	2021/2022	M.I	4,569,500=	5,139,337.38	2,329,477.35	Phase 2a 2021/2022 1 st Floor
5	3 Storey Tuition Block	2022/23	M.I	5,349,000.00	4,232,187.16	2,946,290.75	Phase 2b 2022/23

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School Principal

Chuka High School

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

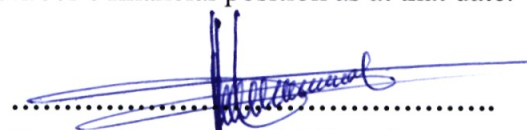
4. Statement of School Management Responsibility

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

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

The Board of Management of (*CHUKA 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: Alexander M. Muratha

Designation: Chairman, School Board of Management

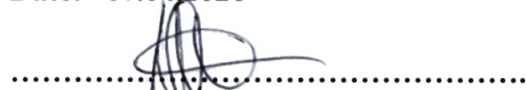
Date: 07.04.2026



Name: Nelson Murithi

Designation: School Principal & Secretary to Board of Management

Date: 07.04.2026



Name: Cpa Nyaga Lilian M

Designation: Bursar/ Finance Officer

Date: 07.04.2026

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON CHUKA HIGH SCHOOL FOR THE YEAR ENDED 30 JUNE, 2023 - THARAKA NITHI COUNTY

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of Chuka High School - Tharaka Nithi County set out on pages 1 to 16, which comprise of the statement of Assets and Liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and statement of budgeted versus actual amounts for the year 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 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 Chuka High School – Tharaka Nithi County as at 30 June, 2023 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Basic Education Act, 2013 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unsupported Accounts Receivables

The statement of assets and liabilities reflects accounts receivables balance of Kshs.28,191,673 as disclosed in Note 11 to the financial statements. However, the supporting ledger reflects accounts receivables amount of Kshs.12,005,918 resulting to a variance of Kshs.16,185,755 which was not supported by a detailed ageing analysis with the names, admission numbers and amounts disclosed as fee arrears.

In the circumstances, the accuracy and completeness of the accounts receivables balance of Kshs.28,191,673 could not be confirmed.

2. Unsupported Accounts Payables

The statement of assets and liabilities reflects accounts payables balance of Kshs.29,794,243 as disclosed in Note 12 to the financial statements. However, a detailed ageing analysis of the trade and other payables detailing the suppliers' information, invoice details, invoice dates, invoice amount, reference numbers such as local purchase orders or local service orders numbers and ageing categories were not provided for audit.

In the circumstances, the accuracy, existence and completeness of accounts payables balance of Kshs.29,794,243 could not be confirmed.

3. Unsupported House Rental and School Bus Hire Income

The statement of receipts and payments reflects school fund income – miscellaneous incomes amount of Kshs.9,142,935 which includes rent income and income from bus hire amounts of Kshs.479,138 and Kshs.1,281,000 respectively as disclosed in Note 5 to the financial statements. However, rental house and bus hire lease agreements and policy guidelines on the rental and lease rates to be paid by the tenants and lessors of the housing units and the school bus were not provided for audit review.

In the circumstances, the accuracy and completeness of the rent income and income from bus hire amounts of Kshs.479,138 and Kshs.1,281,000 respectively could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Chuka 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.80,942,200 and Kshs.110,283,567 respectively, resulting in an over-funding of Kshs.29,341,367 or 36% of the budget. Similarly, the School spent Kshs.102,680,700 against actual receipts amount of Kshs.110,283,567 resulting in an under absorption of Kshs.7,602,867.

In the circumstances, the under expenditure and the unrealistic receipts budget 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 Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Late Submission of the Financial Statements for Audit

During the year under review, Management submitted the financial statements to the Auditor-General on 05 August, 2025 instead of the statutory deadline of 30 September, 2023. This was contrary to Section 68 (2)(k) of the Public Finance Management Act, 2012 which states that an accounting officer shall prepare annual financial statements for each financial year within three months after the end of the financial year and submit them to the Auditor-General for audit.

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 total payments amount of Kshs.121,265,788 as disclosed in the financial statements. Included in the expenditure is an amount of Kshs.1,143,000 transferred to Kenya Secondary School Heads Association (KESSHA). However, KESSHA is a welfare organization that draws its membership from School Principals only. The organization is not defined in Government Funding system and there is no assurance that it has implemented effective, efficient, and transparent financial management and internal control systems to manage the funds transferred by schools.

In the circumstances, value for money transferred to KESSHA amounting to Kshs.1,143,000 could not be confirmed.

3. Unconfirmed Students Enrolment Data

The statement of receipts and payments reflects capitation grants for tuition and capitation grants for operations totalling Kshs.21,262,877. Comparison of data from National Education Management and information System (NEMIS) with records from the County Director of Education revealed that during the financial year, NEMIS reflected one thousand, five hundred and eleven (1,511) students while records from the County Director of Education had one thousand, five hundred and two (1,502) students, resulting in an expected overfunding of nine (9) students in the school each by Kshs.22,244 totaling to an amount of Kshs.200,196. This is contrary to the Ministry of Education Circular MOE.HQS/3/10/18 Vol.II/(33) dated 07 March, 2024 on implementation of Free Day

Secondary Education (FDSE) which requires all learners be registered in NEMIS and the principals to ensure their records are accurate.

In the circumstances, over-funding of the school may have affected service delivery to students in other schools.

4. Excess Supply of Books

During the period 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, four hundred and seventy-one (1,471) excess books to the school. These unexplained excess text books remained unissued to the students at the time of the audit in March, 2026.

In the circumstances, value for money on the excess one thousand, four hundred and seventy-one (1,471) books could not be confirmed.

5. Long Outstanding Accounts Payables

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects accounts payables balance of Kshs.29,794,244. However, included in the balance are payables balance of Kshs.3,145,985 which had been outstanding for more than one (1) year, and risk loss of public funds through litigations, interests and penalties. This was contrary to Regulation 42(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that, 'service payments shall be a first charge on the Consolidated Fund and the Accounting Officer shall ensure this is done to the extent possible that the government does not default on debt obligations.

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

6. Lack of Adequate Facilities in the Institution

Physical verification of the learning environment of the school revealed that the school had shortages as detailed below. However, Management did not provide evidence of measures taken to address the shortage as detailed below;

School Facilities	Required	Number in Place	Shortage
Teachers TSC	70	52	18
Dormitories	10	6	4
Dining Hall	2	1	1
Laboratories	6	3	3
Toilets	92	46	46
Library	3	1	2
Classrooms	32	24	8
Staff houses	34	17	17

In the circumstances, the school may not achieve its mandate.

7. Failure to Submit for Approval the Estimates of Revenue and Expenditure

Audit review revealed that the school Management failed to submit estimates of revenue and expenditure for approval in the manner and format issued contrary to provisions of Section 16(1) and (2) of the Basic Education Act, 2013. Therefore, by operating without an approved budget, the institution is in breach of the Basic Education Act, 2013.

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

8. Lack of a Functional Procurement Unit

The school did not have an established procurement function managed by qualified procurement professional as required under Section 47(2) of the Public Procurement and Asset Disposal Act, 2015 and Regulation 33 of the Public Procurement and Asset Disposal Regulations, 2020. Procurement activities were undertaken by individuals lacking the requisite qualifications.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Lack of Internal Audit Function

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

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

2. Weaknesses in the Composition of Board Committees

Review of the Board of Management committee reports revealed that two members of the board were both in the Audit Committee and the Finance Committee thereby contravening the Head of Public Service Circular no. OP/CAB.9/1A dated 11 March, 2020 which directs that a member serving in the Board's audit committee shall not be appointed member of finance committee and vice versa.

Further, Discipline, ethics and integrity Committee, and the academic standards, quality and environment committees had six (6) members each instead of four (4) members each which is contrary to Paragraph B4 of Circular Ref. No OP/CAB.9/1A from the Head of Public Service dated 11 March, 2020, which stipulates that the number of members to any committee should not be more than one third of the full Board.

In the circumstances, the existence of effective governance could not be confirmed.

3. Weaknesses in Management of Assets

Annex 2 to the financial statements reflects summary of fixed assets register balance of Kshs.658,161,024 which includes land with a balance of Kshs.520,000,000. However, land ownership documents were not provided for audit. In addition, the assets including desk top computers, office desks, tables, office cabinets and chairs were not tagged. Further, there was no evidence that the management of the school had insured the buildings as required by law, thus, the buildings could be exposed to the risk of loss in case of fire, riots or damages.

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

4. Weak Controls in Inventory Management

Note 15 of the financial statements under other important disclosure notes disclosed an inventory closing balance of Kshs.942,760. However, the stock take report in support of the balance was not provided for audit review. Further, quarterly stock takes were not done, thus stores, inventory and assets procured by the school may suffer deterioration from preventable causes and overstocking which may take a whole year to be detected. In addition, the management uses the manual stores ledgers to manage inventories instead of setting up an inventory management system to be managed by head of procurement function.

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

5. Weaknesses in ICT Controls

An assessment of the IT environment across the school revealed multiple critical weaknesses indicating inadequate ICT governance, data protection and systems control.

The following shortcomings were observed:

- i) The school has a system used to record income and payments. However, during the audit period in March 2026, the school lacked a system to record and manage inventory, staff payroll, library books issue and collection.
- ii) Lack of an approved ICT Policy: There is no formally approved ICT policy to guide the development, deployment, use, and management of ICT resources within the entity.
- iii) Staff use personal email (Gmail) addresses for official communication, which undermines data security and organizational accountability.
- iv) The entity lacks a documented data protection policy to ensure that the collection, handling, storage, and sharing of data comply with legal and regulatory data protection requirements.
- v) There is no centralized and updated ICT asset register to track, manage, or safeguard ICT infrastructure and equipment.
- vi) There is no formalized data backup process, exposing the entity to the risk of data loss in the event of system failure, cyberattack, or accidental deletion.
- vii) No disaster recovery plan, in the absence of a disaster recovery plan, the entity lacks the capacity to restore operations promptly following system disruptions or disasters.

In the circumstances, the efficiency in the use of IT within the receiver of revenue could not be confirmed.

6. Long Outstanding Receivables

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.28,191,673 in respect of fees arrears as disclosed in Note 11 to the financial statements. Included in the balance is accounts receivable balance of Kshs.8,827,797 which had been outstanding for more than three (3) years. However, there was no detailed ageing analysis and policy on the impairment of long outstanding fees arrears casting doubt on full recoverability of the accounts receivables balance.

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

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

Responsibilities of the Management and Board of Management

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual

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.

The Board of Management is 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

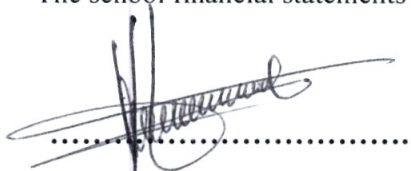
Nairobi

16 April, 2026

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023****6. Statement of Receipts and Payments for the Year Ended 30th June 2023**

Description Of Vote Head	Note	2022/2023	2021/2022
		Kshs	Kshs
Receipts			
Government grants for tuition	1	3,909,640.25	4,521,555.00
Government grants for operations	2	17,353,237.35	19,655,535.00
Government Grants for infrastructure	3	5,349,000.00	
School fund income- parents' contributions	4	81,767,364.58	75,161,656
Miscellaneous incomes	5	9,142,935	1,066,441
Total Receipts		117,522,177	100,405,188
Payments			
Tuition	5	8,144,122.32	3,040,025
Operations	6	16,396,737	22,203,706.00
Infrastructure	7	5,308,861.94	
Boarding and school fund	8	91,416,066.88	75,540,618.00
Total Payments		121,265,788	100,784,349.00
Surplus/Deficit		(3,743,611)	(379,161)

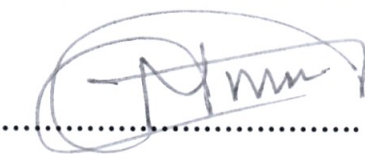
The school financial statements were approved on _____ 2023 and signed by:



Name: Alexander Muratha

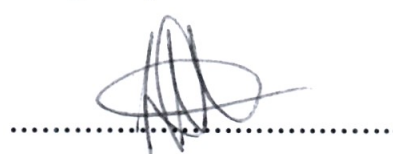
Chair BOM

Date: 07.04.2026



Name: Nelson Murithi
School Principal/ Secretary to BOM

Date: 07.04.2026



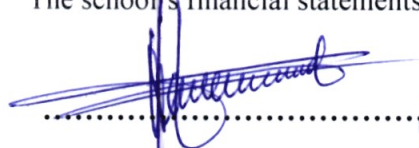
Name: CPA Lilian M. Nyaga
Bursar/ Finance Officer

Date: 07.04.2026

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023****7. Statement of Assets and Liabilities as at 30th June 2023**

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Financial Assets			
Cash and cash equivalents			
Bank balances	10	7,441,521.25	4,074,997.38
Cash balances	11	25,976.25	21,820.95
Total cash and cash equivalent		<u>7,467,497.50</u>	<u>4,096,818.33</u>
Account's receivables	13	28,191,673.10	22,112,732
Total financial assets		35,659,170	26,209,550
Financial liabilities			
Accounts payables	14	29,794,244	16,601,011
Net financial assets		5,864,926	9,608,539
Represented by			
Accumulated fund b/fwd	15	9,608,539	9,987,700
Surplus/deficit for the year		-3,743,611	(379,161)
Net financial position		5,864,927	9,608,539

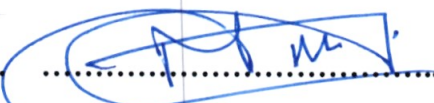
The school's financial statements were approved on _____ 2023 and signed by:



Name: Alexander Muratha

Chair BOM

Date: 07.04.2026



Name: Nelson Murithi
School Principal/ Secretary
to BOM

Date: 07.04.2026



Name: CPA Lilian M,
Nyaga

Bursar/ Finance Officer

Date: 07.04.2026

Chuka High School
Annual Report and Financial Statements for the year ended 30th June 2023

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

Description	Note	2022/2023	2021/2022
		Kshs	Kshs
Cash from Operating Activities			
Receipts			
Government grants for tuition		3,909,640.25	4,521,555
Government grants for operations		12,004,237	15,086,035.00
Government grants for infrastructure		5,349,000	4,569,500
School fund income- parents contributions/ fees		80,869,355	75,679,831.00
Other income		8,151,335	1,013,441.00
Total receipts		110,283,566.93	100,870,363.00
Payments			
Cash outflows for tuition		3,907,360.00	4,768,845.00
Cash outflows for operations		11,159,057.00	17,529,128
Cash outflows Boarding/lunch and school fund payments		87,614,283.60	75,893,479
Total payments		102,680,700.60	98,191,452
Net cash inflow/outflow from operating activities		7,602,866.33	2,678,911
Cash flow from investing activities			
Acquisition of assets		(4,232,187.16)	(5,139,337)
Net cash inflow/outflows from investing activities		(4,232,187.16)	(5,139,337)
Cash flow from Financing activities			
Net cash inflow/outflow from financing activities		0	0
Net increase/decrease in cash and cash equivalents		3,370,679.17	(2,460,427.00)
Cash and cash equivalent at beginning of the FY		4,096,818.33	6,552,296.00
Cash and cash equivalent at end of the FY		7,467,497.50	4,096,818.33

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

The school's financial statements were approved on _____ 2023 and signed by:

.....
Name: Alexander M. Muratha

Chair BOM

Date: 07.04.2026

.....
Name: Nelson Murithi
School Principal/ Secretary to BOM

Date: 07.04.2026

.....
Name: CPA Nyaga Lilian K.

Bursar/ Finance Officer

Date: 07.04.2026

Chuka High School

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

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

Receipt/Expenses Item	Original Budget	Adjustments	Final Budget	Actual On Comparable Basis	% Of Utilization
	a	b	c=a+b	d	e=d/c %
	Kshs	Kshs	Kshs	Kshs	Kshs
Receipts					
<i>(1) Capitation Grant on Tuition</i>					
Reference Materials	575,000.00	0	575,000.00	387,120.00	67.28
Exercise Books	1,822,800.00	0	1,822,800.00	1,239,208.00	67.98
Laboratory Equipment	1,209,600.00	0	1,209,600.00	799,507.75	66.10
Internal Exams	1,941,800.00	0	1,941,800.00	1,294,732.00	66.68
Teaching / Learning Materials	140,000.00	0	140,000.00	110,393.50	78.85
Chalk	112,000.00	0	112,000.00	78,679.00	70.25
Sub-total	5,801,600.00	0	5,801,600.00	3,909,640.25	67.39
<i>(2) Capitation Grant on Operations</i>					
Personnel Emoluments	5,140,800.00	0	5,140,000.00	7,152,282.40	139.13
Repairs And Maintenance	0.00	0	0.00	419,000.00	0
Local Transport / Travelling	2,200,800.00	0	2,200,800.00	968,131.00	44.01
Electricity And Water	2,100,000.00	0	2,100,000.00	1,004,552.00	47.84
Medical	0	0	0	0	0
Administration Costs	2,718,400.00	0	2,718,400.00	1,648,934.45	60.66
Activity	0	0	0	811,337.50	0
Gratuity	0	0	0	0	0
SUB TOTAL	20,559,200.00	0	20,559,200.00	12,004,238.00	56.35
<i>3) FDSE for infrastructure</i>					
Maintenance & Improvement	8,400,000.00	0.00	8,400,000.00	5,349,000.00	50.4
MoE					

Chuka High School

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

M&I parents' contribution	0.00	0.00	0.00	0.00	0
Economic Stimulus Programs	0.00	0.00	0.00	0.00	0
Transition Infrastructure Grants	0.00	0.00	0.00	0.00	0
Administration Block	0.00	0.00	0.00	0.00	0
SUB TOTAL	8,400,000.00	0.00	8,400,000.00	5,349,000.00	68.66
(4) Fees Charged on Parents					
Personnel Emoluments	10,304,000.00	0.00	10,304,000.00	11,172,210	108.4
Repairs And Maintenance	2,800,000.00	0.00	2,800,000.00	2,825,614	134.23
Local Transport / Travelling	1,288,000.00	0.00	1,288,000.00	2,242,548.00	213.07
Electricity And Water	693,000.00	0.00	693,000.00	1,937,408.00	345.79
Medical	0.00	0.00	0.00	0.00	0
Administration Costs	1,720,600.00	0.00	1,720,600.00	3,538,657.00	241.63
Activity	1,471,400.00	0.00	1,471,400.00	1,473,024.00	118.09
SMASSE	0.00	0.00	0.00	0.00	0
Fee On Boarding Equipment and Stores	34,223,000.00	8,700,000.00	42,923,000.00	45,848,483	123.5
5) Miscellenous Income					
Fees arrears	0.00	0.00	0.00	6,075,577.00	0
Rent income	432,000.00	0.00	432,000.00	211,042	104.18
Income From Farming Activities	4,059,400.00	0	4,059,400.00	1,789,146.35	44.07
Uniform F3	0.00	0.00	0.00	843,000.00	0
Sundry creditors fees	0.00	0.00	0.00	4,189,331.00	0
Income From Bus Hire	400,000.00	0.00	400,000.00	1,281,000.00	320.25
Fee For Hire of Ground and Equipment	0.00	0.00	0.00	0.00	0

Chuka High School
Annual Report and Financial Statements for the year ended 30th June 2023

Interest Income	0.00	0.00	0.00	0.00	0
Income From bakery	5,890,000.00	0.00	5,890,000.00	5,593,650.00	94.97
total	63,281,400.00	8,700,000.00	63,281,400.00	89,020,690.00	143.6
Total Income	89,642,200.00	8,700,000.00	80,942,200.00	110,283,567.00	99.6
<i>(6) Expenditure For Tuition</i>					
Sundry creditors	0.00	0.00	0.00	3,163,806.00	0
Reference Materials	575,000.00	0.00	575,000.00	182,000.00	31.6
Exercise Books	3,430,200.00	0.00	3,430,000.00	355,794.00	10.33
Laboratory Equipment	1,500,000.00	0.00	1,500,000.00	0	0
Internal Exams	1,941,600.00	0.00	1,941,600.00	124,400.00	64
Teaching / Learning Materials	129,290.00	0.00	129,290.00	80,400.00	62.2
Chalks	114,400.00	0.00	114,400.00	0.00	0
Exams And Assessment	0.00	0.00	0.00	0.00	0
Teachers Guides	0.00	0.00	0.00	0.00	0
Administration Costs	0.00	0.00	0.00	0.00	0
Bank Charges	0.00	0.00	0.00	960.00	0
TOTAL	7,702,190.00	0	7,702,190.00	3,907,360.00	50.74
<i>(7) Expenditure For Operations</i>					
Personnel Emoluments	5,140,800.00	0.00	5,140,800	7,086,310.00	137.84
Repairs, Maintenance & Improvements	0.00	0.00	0.00	0.00	0
Local Transport / Travelling	2,200,800.00	0.00	2,200,800.00	525,950.00	23.9
Electricity, Water and Conservancy	2,100,000.00	0.0	2,100,000.00	558,906.00	26.6
Medical	0.00	0.00	0.00	0	0
Administration Costs	3,718,400.00	0.00	3,718,400.00	1,421,285.00	38.22
Activity Expenses	0.00	0.00	0.00	1,455,286.00	
Gratuity	1,719,096.00	0.00	1,719,096.00	0	0
Sundry Creditors	0.00	0.00	0.00	111,320.00	0

Chuka High School

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

TOTAL	13,159,200.00		13,159,200.00	11,159,057.00	84.8
(8) Expenditure For infrastructure					
Construction of classrooms	8,400,000.00	0.00	8,400,000.00	5,308,861.16	63.2
Construction of LAB	0.00	0.00	0.00	0	0
Bank charges	0.00	0.00	0.00	1,665.00	0
Purchase of furniture	0.00	0.00	0.00	0	0
Purchase of equipment	0.00	0.00	0.00	0	0
TOTALS	8,400,000.00	0.00	8,400,000.00	5,308,861.16	50.4
(9) Expenditure For school fund/lunch/boarding					
Personnel Emoluments	9,480,518.00	0.00	12,924,518.00	6,825,374.00	52.81
Repairs, Maintenance and Improvements	2,800,000.00	0.00	2,801,140.00	3,631,058.00	129.63
Local Transport / Travelling	1,288,000.00	0.00	1,285,200.00	4,769,387.00	371.2
Electricity, Water and Conservancy	693,000.00	0.00	693,000.00	1,969,725.00	284.4
Medical Expenses	0.00	0.00	0.00	0.00	0
Administration Costs	1,720,600.00	0.00	1,720,600.00	4,699,631.00	273
Activity	1,471,700.00	0.00	1,471,700.00	1,987,476.00	135.1
Gratuity	0.00	0.00	0.00	0.00	0
Lunch Programme	0.00	0.00	0.00	0.00	0
Boarding Equipment and Stores	44,899,440.00	0.00	44,899,440.00	48,338,121.00	107.6
Prepayments	0	0	0	2,199,221.00	
Expenditure For Income Generating Activity	7,244,346.00	0.00	7,244,346.00	2,950,393.00	40.72
Bakery	0	0.00	0	2,047,514.00	0
Rent Expenses	0.00	0.00	0.00	0.00	0

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Bank Charges	124,380.00	0.00	124,380.00	158,208.00	127.19
Bus hire	210,000.00	0.00	210,000.00	390,000.000	185.7
Loan Principal Repayment	0.00	0.00	0.00	0.00	0
Sundry Creditors	0.00	0.00	0.00	7,648,176.00	0
TOTAL	69,931,984.00	0	69,931,984.00	87,614,283.6	125.8
Totals	88,294,894.00	0.00	88,294,894.00	102,680,700.60	116.3

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

Chuka High School

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

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.

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023****11. Notes to the Financial Statements****1 Government Grants for Tuition**

Description	2022/2023	2021/2022
	Kshs	Kshs
Reference Materials	387,120.00	152,457.00
Exercise Books	1,239,208.00	1,311,252.00
Laboratory Equipment	799,508	508,870.00
Internal Exams	1,294,732.00	1,451,510.00
Teaching / Learning Materials	110,394	917,490.00
Chalk	78,679.00	179,976.00
Total	3,909,640	4,521,555

2 Government Grants for Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	7,152,282	8,753,690
Repairs And Maintenance	419,000	4,569,500
Local Transport / Travelling	968,131.00	1,219,559.00
Electricity And Water	1,004,552.00	1,340,662.00
Administration Costs	1,648,934	3,483,913
Activity	811,338	288,211.00
Total	12,004,237	19,655,535

3. Government Grants for infrastructure

Description	2022/2023	2021/2022
	Kshs	Kshs
Maintenance & Improvement – 3 storey tuition block	5,349,000.00	4,569,500.00
Total	5,349,000.00	4,569,500.00

4.School Fund Income - Parents Contribution/Fees

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel emoluments	13,116,779.00	11,948,086.00
Repairs and maintenance	3,758,414.00	4,049,830.00
Local transport / travelling	2,744,364.00	5,172,316.00
Electricity and water	2,396,343.00	2,395,624.00
Administration costs	4,157,554	6,537,727.00

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Activity	1,737,578.00	1,046,296.00
Fee on Boarding Equipment and stores	53,013,332	44,032,277.00
uniform	843,000.00	0
Total	81,767,365	75,161,656.00

5. Miscellaneous Incomes

Description	2022/2023	2021/2022
	Kshs	Kshs
Rent Income	479,138	54,400
Income From Farming Activities	1,789,146	174,541
Income From bakery	5,593,650.00	0
Income From Bus Hire	1,281,000.00	637,500.00
Total	9,142,935	1,066,441

6. Tuition

Description	2022/2023	2021/2022
	Kshs	Kshs
Exercise Books	1,240,414.00	658,793.00
Reference materials	769,193.00	122,146.00
Internal Exams	2,409,315.00	877,054.00
Teaching / Learning Materials	1,691,342.00	1,260,101
Exams And Assessment	1,909,298.00	0
Chalk	123,600.00	121,091.00
Bank Charges	960.00	840.00
Total	8,144,122	3,040,025

7. Operations

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	7,086,310.00	13,530,160.00
Administration Cost	1,421,285.00	1,064,783.20
Local Transport / Travelling	525,950.00	838,485.00
Electricity And Water	558,906.00	1,519,670.00
Activity Expenses	1,455,286.00	105,590.00
Acquisition of assets		5,139,337
Mi infrastructure	5,349,000.00	5,680.00
Total	15,396,737.00	22,203,706

Chuka High School**Annual Report and Financial Statements for the year ended 30th June 2023****8. Infrastructure**

Description	2022/2023	2021/2022
	Kshs	Kshs
Construction expenses (m.i)	1,076,675	
Bank charges	1,665	
Construction of classrooms	4,230,522	5,139,337
Total	5,308,862	5,139,337

9. Boarding and School Fund

Description	2022/2023	2021/2022
	Kshs	Kshs
Personnel Emoluments	8,777,056	3,118,745
Repairs And Maintenance & Improvements	4,536,236.00	4,752,537.00
Local Transport / Travelling	4,876,732	3,519,258.00
Electricity And Water	2,073,346.03	1,720,680
Bus hire Expenses	542,400.00	-
Administration Costs	5,635,601	7,603,550
Activity	1,987,476.00	790,420.00
Bank Charges	158,208.00	65,303
Expenses On farm Activities**	3,163,333.00	903,756
Fee On Boarding Equipment and Stores	56,837,741.00	51,900,078.00
Bakery Expenses	2,827,938.00	0
Loan Principal Repayment	0	1,166,291
Total	91,416,067	75,540,618

10 Bank Accounts

Account Name & Currency	Status	Bank Account Number	2022/2023	2021/2022
	Active/Dormant		Kshs	Kshs
Tuition Account	active	01139057596600	31,430.75	29,150.00
Operations Account	active	1103664417	1,466,815.90	121,637.50
School Fund Account/Boarding kcb	active	1103664646	1,559,359.73	632,094.63
Boarding account fees collection account equity	active	0210283092441	477,349.70	0.00
Boarding fees collection Account-coop bank	active	01129057596600	893,357.89	890,056.66

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Savings Account	active	1108131918	32,797.80	18,362.80
Income Generating Activities Account	active	01129057596601	34,118.74	54,217.39
Infrastructural Account	active	1265486875	2,946,290.75	2,329,477.90
Total			7,441,521.26	4,074,996.89

10. Cash In Hand

Description	2022/2023	2021/2022
	Kshs	Kshs
Notes and Coins	25,976	21,821
Total	25,976	21,821

11. Accounts Receivable

Description	2022/2023	2021/2022
	Kshs	Kshs
Fees Arrears	27,907,973.10	22,059,732.10
Rent arrears (list/schedule attached)	201,600.00	53,000.00
Total	28,191,673.10	22,112,732.10

11 b Ageing Analysis of Accounts Receivable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	12,005,918.00	43%	5,566,899.00	25.23557
Between 1- 2 years	2,100,358.10	7.5%	1,491,955.10	6.763251
Between 2-3 years	5,056,000.00	18.1%	6,361,784.00	28.8389
Over 3 years	8,827,797.00	31.5%	8,639,094.00	39.16228
Total (should tie to note 13 a)	27,990,073.10	100%	22,059,732.10	100

12. Accounts Payable

Description	2022/2023	2021/2022
	Kshs	Kshs
Trade Creditors (See Ageing Below and Appendix 1)	25,272,308.00	14,069,186
Prepaid Fees	4,521,936.00	2,531,825
Total	29,794,243	16,601,012

12a. Ageing Analysis of Accounts Payable

Description	2022/2023		2021/2022	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	22,126,423.00	90%	13,225,926.5	95%
Between 1- 2 years	2,299,979.30	8%	843,259.50	5%
Between 2-3 years	846,006	2%	0	
Over 3 years			0	
Total (should tie to note 14)	25,272,308	100%	14,069,186	100%

13. Fund Balance Brought Forward

Description	2022/2023	2021/2022
	Kshs	Kshs
Bank Balances	4,074,997.38	6,527,419.38
Cash Balances	21,820.95	24,876.95
Receivables	22,112,732	19,377,778.00
Payables	(16,601,012)	(15,942,374)
Total	9,608,538	9,987,700

14. 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.

14 a) Non-current Liabilities Summary

Description	2022/2023	2021/2022
	Kshs	Kshs
Gratuity And Leave Provision	1,719,096.00	0
Total	1,719,096.00	0

14 b) Biological assets

Description	Numbers	2022/2023	2021/2022
		Kshs	Kshs
Cattle		660,000.00	360,000.00
pigs		600,000.00	595,000.00

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Rabbits		10,000.00	6,000.00
Coffee Or Tea Plantation	2302	414,360.00	230,700.00
Poultry	0	0	18,900.00
Bananas		120,000.00	100,000.00
Fruit trees		37,000.00	37,000.00
Trees		4,200,000.00	4,000,000.00
Goats	2	15,000.00	10,000.00
Total		6,056,360.00	5,357,600.00

15 Stock/ Inventory

Description	2022/2023	2021/2022
	Kshs	Kshs
Food stuffs	350,000.00	0
Lab consumables	200,000.00	0
Farm produce	130,000.00	0
Medication	2,240.00	0
Construction Materials	20,500.00	0
Others Farm produce	240,000.00	0
totals	942,760.00	0

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Progress On Follow Up of Auditor Recommendations

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

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



Sign and Date
Principal

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12. Annexes

Annex I - Analysis of Pending Accounts Payable

Supplier Of Goods Or Services	Original Amount	Date Contract ed	Amount Paid To-Date	Outstanding Balance 2021/2022	Outstanding Balance 2022/2023	Total outstanding	Comments
	A	b	C	d=a-c		30 th June 2023	
	Kshs	Kshs	Kshs	Kshs	Kshs		
Supply Of Goods							
1. Davco Stationers	3,000.00		3,000.00	0	-	0	
2. Milto Products	23,200.00			23,200.00	-	23,200.00	
3. Jatomy Enterprises	14,158.00			14,158.00	-	14,158.00	
4. Lanes Enterprises	233,900.00		0.00	233,900.00	7,720.00	241,620.00	
5. Chuka Farmline Stores	76,060.00		75,060.00	0.00	180,220.00	180,220.00	
6. East End Chemists	86,170.65		86,170.65	0.00	34,039.90	34,039.90	
7. Justin Electricals	51,320.00		51,320.00	0.00	72,740.00	72,740.00	
8. Mwendantu Stores	251,839.00		251,839.00	0.00	607,101.00	607,101.00	
9. Hellen Njeri	150,100.00		150,100.00	0.00	174,720.00	174,720.00	
10. Phinehas Mwenda	234,625.00		234,625.00	0.00	458,960.00	458,960.00	
11. Cecilia Churi Salesio	163,460.00		162,460.00	0.00	52,500.00	52,500.00	
12. Mugwe Animal Feeds	84,000.00		84,000.00	0.00	37,200.00	37,200.00	

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13. Elizabeth Kagendo	3,577,540.00		3,577,540.00	0.00	3,831,180.00	3,831,180.00	
14. Wega Dairy	80,900.00		80,900.00	0.00	-	0	
15. Nairobi Sports House	96,820.00		50,000.00	46,820.00	-	4,6,820.00	
16. Eunice Kagendo	112,000.00		112,000.00	0.00	67,200.00	67,200.00	
17. The Option Distributors	733,474.00		733,474.00	0.00	1,734,144.00	1,734,144.00	
18. Rentokil Inintial	8,601.00		8,601.00	0	10,481.03	10,481.03	
19. Japhet Miriti	0		0	0	96,600.00	96,600.00	
20. Jomvick Enterprises	54,218.00		54,218.00	0.00	79,347.00	79,347.00	
21. Eric Murithi	93,450.00		93,450.00	0.00	103,890.00	103,890.00	
22. Makes Stores	50,710.00		50,710.00	0.00	63,400.00	63,400.00	
23. Lalji Ramji Filing Station	150,929.00		150,929.00	0.00	256,625.00	256,625.00	
24. Esther Njeri	17,750.00		17,750.00	0.00	14,760.00	14,760.00	
25. Lenham Enterprises	1,703,555.00		1,703,555.00	0.00	4,684,620.00	4,684,620.00	
26. Chuka Lab Equipment	3,009,570.00		1,400,000.00	1,609,570.00	2,409,315.00	4,018,885.00	
27. Pricomps Ltd	1,192,100.00		1,192,100.00	0.00	1,103,850.00	1,103,850.00	
29. Gilfeeds Investments	600,000.00		100,000.00	500,000.00	-	500,000.00	
30. Lucyline Kaari	3,600.00		3,600.00	0	9,970.00	9,970.00	

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31. John Rugendo	28,200.00		28,200.00	0.00	-	0	
32. Dekar Stationers	169,600.00		169,600.00	0.00	22,100.00	22,100.00	
33. Alex Mugambi	60,000.00		60,000.00	0.00	0	0	
34. Saricare Pharmacy	0		0	0	62,360.00	62,360.00	
35. Mugakar Investments	43,350.00		43,350.00	0.00	15,260.00	15,260.00	
36. Weaver Bird Garments	512,000.00		512,000.00	0.00	618,800.00	618,800.00	
37. Samwel Mwenda	15,150.00		15,150.00	0.00	51,490.00	51,490.00	
38. Stella Mwedwa			0.00	0.00	132,000.00	132,000.00	
39. Ebenezer Traders			0.00	0.00	87,760.00	87,760.00	
40. Isaak Kamau			0.00	0.00	938,870.00	938,870.00	
41. Chuka Tyres			0.00	0.00	34,000.00	34,000.00	
42. Elias Kinyua	0		0	0	37,000.00	37,000.00	
43. Goshen Mega Supplies			0	0	270,493.00	270,493.00	
44. Pezi Publishers			0	0	316,700.00	316,700.00	
45. Agnes Nkirote	0		0	0	45,000.00	45,000.00	
46. Walter Mugambi	0		0	0	16,400.00	16,400.00	
47. Copy Cat Ltd	0		0	0	193,490.32	193,490.32	
Supply Of Services			0				
48. Benson Mwirigi	4,500.00		4,500.00	0.00	-	-	

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49. Descana Machines	164,700.00		164,700.00	0.00	-	-	
50. Markteck Studio				0.00	78,800.00	78,800.00	
51. Tims Garage				0.00	75,000.00	75,000.00	
52. Chuka Vet Centre	8,400.00		8,400.00	0.00	11,960.00	11,960.00	
53. Nonteaching Staff Gratuity					1,671,908.00	1,671,908.00	
54. Upcountry Guards					279,784.00	279,784.00	
Construction Services							
55. Ripana Contractors				0.00	1,076,674.78	1,076,674.78	
Grand Total	13,862,949.65	0	11,252,701.65	2,427,648.00	22,126,433.03	24,554,081.03	

Chuka High School
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Annex 2 – Summary of Fixed Assets Register

Asset Class	Historical Cost b/f (Kshs) 1st July 2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 30th June 2023
Land	520,000,000.00	0	0	520,000,000.00
Buildings And Structures	95,139,337	4,232,187	0	99,371,524
Motor Vehicles	13,600,000.00	0	0	13,600,000.00
KCH 442Q	5,973,000.00	0	0	5,973,000.00
KBN 952E	1,100,000.00	0	0	1,100,000.00
KBU 002K				
Office Equipment, Furniture And Fittings	1,000,000.00		0	1,000,000.00
Textbooks	3,900,000.00		0	3,900,000.00
ICT Equipment	5,739,500.00		0	5,739,500.00
Tools And Apparatus	4,577,000.00			4,577,000.00
Other Machinery And Equipment	2,500,000.00			2,500,000.00
Heritage And Cultural Assets	0	0		0
Intangible Assets- Soft Ware	400,000.00	0		400,000.00
Total	653,928,837	4,232,187	0	658,161,024.00