

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 26 FEB 2025

DAY:  
Wed

**REPORT**

TABLED  
BY:

Hani S. Chepkong'o

**OF**

CLERK-AT  
THE-TABLE:

M. Mado

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

**KIRITI SECONDARY SCHOOL**

**FOR THE YEAR ENDED  
30 JUNE, 2022**

**NYERI COUNTY**

✓  
Revised 30<sup>th</sup> June 2022.

OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

29 JUL 2024

RECEIVED



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*(KIRITI SECONDARY SCHOOL)*  
**PUBLIC SECONDARY SCHOOL**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> June 2022**

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

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## KEY SCHOOL INFORMATION AND MANAGEMENT

*[Customise the details in this section to suit your School]*

### (a) Background information

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

The school was registered in 03/2019 under registration number 19S00300136 and is currently categorized as a Sub County (*National, Extra County, county and Sub County*) public school established, owned or operated by the Government.

The school is a day/boarding school and had 1134 number of students as at 30<sup>th</sup> June 2022. It has 20 streams and 41 teachers of which 7 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	Eng. James N. Kabiru	Chairman	9.2.2022
2	Peter Njuguna Kabui	Secretary - Principal	9.2.2022
3	Duncan Kanja	Member	9.2.2022
4	Rosemary Wambui	Member	9.2.2022
5	Leah Wanjiru	Member	9.2.2022
6	Peter Karugu Mario	Member	9.2.2022
7	Simon Mugambi Kiri	Member	9.2.2022
8	John Wahome Ndiritu	Member – Rep CEB	9.2.2022
9	Cyrus Njeru	Member Rep Teachers	9.2.2022
10	John Mambo	3 Members - Sponsor	9.2.2022
11	Alice Wairimu Ndiritu	Member - Community	9.2.2022
12	Lucy Mugure Wanjitu	Member Special Needs	9.2.2022
	Isaac Weru	Rep Students	9.2.2022

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**The function of the School Board of Management includes:**

- Promote the best interests of the School and ensure its development.
- Promote quality education for all pupils in accordance with the standards set under the Basic Education Act, 2013
- Ensure and assure the provision of proper and adequate facilities for the School
- Manage the School's affairs in accordance with the rules and regulations governing occupational safety and health.
- Advise the County Education Board on the staffing needs of the School.
- Determine cases of pupils discipline and make reports to the CEB
- Prepare comprehensive termly report on all areas of its mandate and submit the report to CEB
- Administer and manage the resources of the School
- Receive, collect and account for any funds accruing to the institution in accordance with Article 226 (1) (a) of the Constitution of Kenya, Section 81 of the Public Finance Management Act, 2012 and the Fourth Schedule para 21 and 23 of the Basic Education Act, 2013.

**(c) Committees of the Board**

*Provide the names of the various committees of the Board established by the Board and the names of the committee members:*

Ref	Name of Committee	Names of Members	Designation	Number of meetings attended during the year
1	Executive Committee	Eng. James Kabiru Lydia Kabatha John Mambo	Chairman Member Member	4 out of 6
2	Audit Committee	Eng. James Kabiru Lydia Kabatha John Mambo	Chairman Member Member	4 out of 6
3.	Finance, procurement and general purposes Committee	Alice Wairimu Ndiritu Simon K. Mugambi Charles Maina	Chairlady Member Secretary	3 out of 6
4	Academic Committee	Partrick Kanyi Job Kabia	Chairman Member	2 out of 3
5	Development Committee	John Mambo Lydia Kabatha	Chairman Member	3 out of 3
6	Discipline and welfare Committee	John Kabia Cyrus Njeru	Chairpers on Member	0
7	Adhoc Committee (if any during the year)	Charles Maina	Secretary	0

**(d) School operation Management**

For the financial year ended 30<sup>th</sup> June 2022 the School day-to-day management was under the following persons:

<b>Ref:</b>	<b>Designation</b>	<b>Name</b>	<b>TSC Number</b>
1	Principal	Peter Njuguna Kabui	347270
2	Deputy Principal	Charles Maina King'ori – Administration	421143
3	Deputy Principal	Eunice Wambui Muchiri - Academics	335104
4	School Bursar	Ezekiel Maina Kiongo	<b>B.O.M</b>

**KEY SCHOOL INFORMATION AND MANAGEMENT (Continued)**

**(e) Schools contacts**

Post Office Box: 12221 NYERI  
Telephone: 0718999900  
E-mail: kiritisecondaryschool4@gmail.com  
Website:  
Facebook:  
Twitter:

**(f) School Bankers**

The following school operated six accounts of bank accounts in the following banks: (Ensure all accounts including CDF accounts are included)

1. Name of Bank: Equity Bank  
Branch: Nyeri  
Account Number: 0110296494144,  
0110261171403,  
0110261171417,  
0110279890298,  
01100163479067
2. Name of Bank: K.C.B  
Branch: Nyeri  
Account Number: 1101895160
3. MPESA Pay Bill No. N/A attached to N/A bank account

(Ensure all bank accounts operated by the school are disclosed and that all Pay Bill Numbers are also disclosed)

**(g) Independent Auditors**

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

## II. 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:

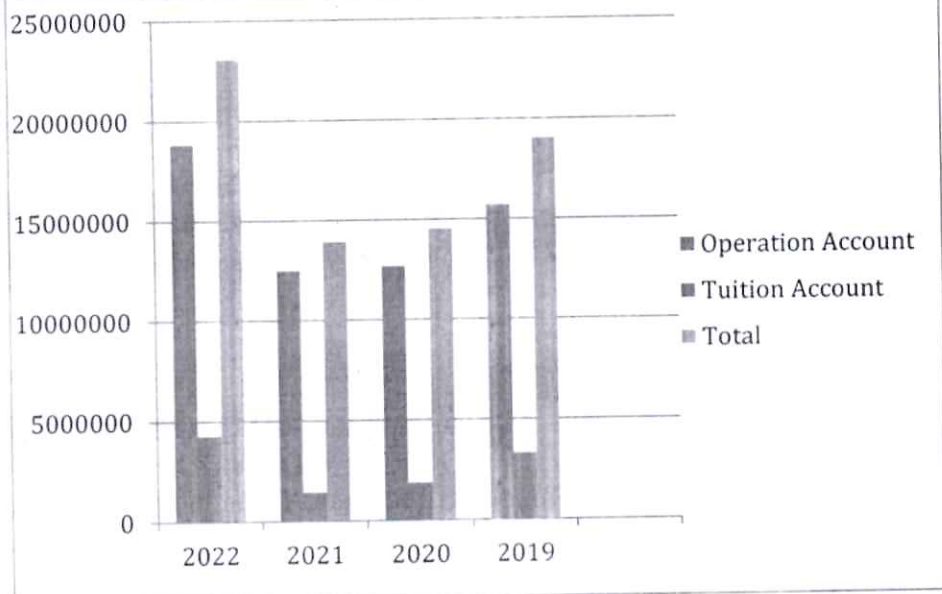
*Under this section, the following information should be given:*

<b>SURPLUS/DEFICIT FOR THE YEAR AND COMPARISON OF THE SAME FOR THE LAST FOUR YEARS</b>					
<b>SNO</b>	<b>ACCOUNTS</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
1.	School Fund Account	631,864.43	542,118	3,432,678	170,783
2.	Operation Account	(1,488,735.9)	306,356.55	553,130	(857,651)
3.	Tuition Account	94,585	(232,592)	(985,741)	18,836.52
4.	Infrastructure Account				
5.	Farm Account				
	<b>TOTAL</b>	<b>762,286.47</b>	<b>615,882.55</b>	<b>3,000,067</b>	<b>(6,608,031.48)</b>
	<b>Increase/Decrease</b>				

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

<b>SNO</b>	<b>ACCOUNTS</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
2.	Operation Account	18,828,906.10	12,492,297.65	12,675,563	15,715,996.8
3.	Tuition Account	4,266,838.00	1,434,060	1,866,604	3,303,208.48
4.	<b>Total</b>	<b>23,095,744.10</b>	<b>13,926,357.65</b>	<b>14,542,167</b>	<b>19,019,205.28</b>
5.	<b>Increase/Decrease</b>	<b>9,169,386.45</b>	<b>(615,809.35)</b>	<b>(4,477,038.28)</b>	<b>-</b>
	No of Students	1134	1104	1100	1080
	Ratio Capitation per student	1:20,920.05	1:12,614.45	1:13,220.55	1:17,610.30

(KIRITI SECONDARY SCHOOL)  
 PUBLIC SECONDARY SCHOOL  
 Annual Report and Financial Statements  
 For the year ended 30<sup>th</sup> June 2022



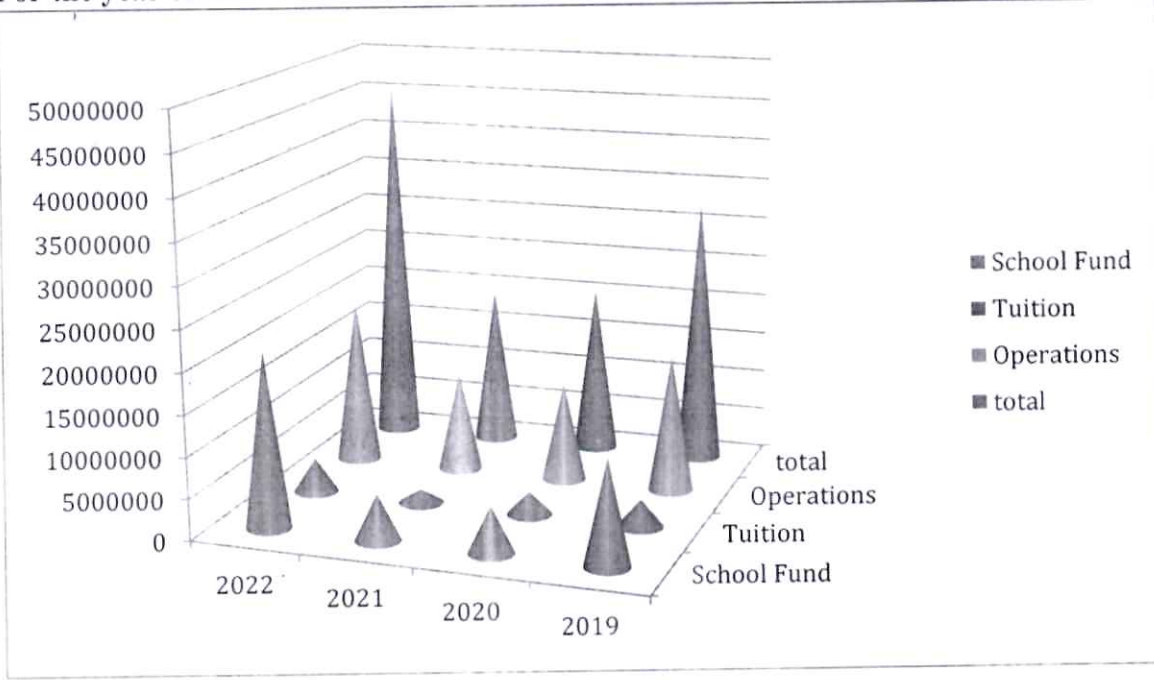
SNO	ACCOUNTS	2022 KSHS	2021 KSHS	2020 KSHS	2019 KSHS
1	Tender				
2	Farm				
3	Accommodation				
4	Students' Id card				
	<b>Total</b>				
	<b>Increase/Decrease</b>				

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

SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

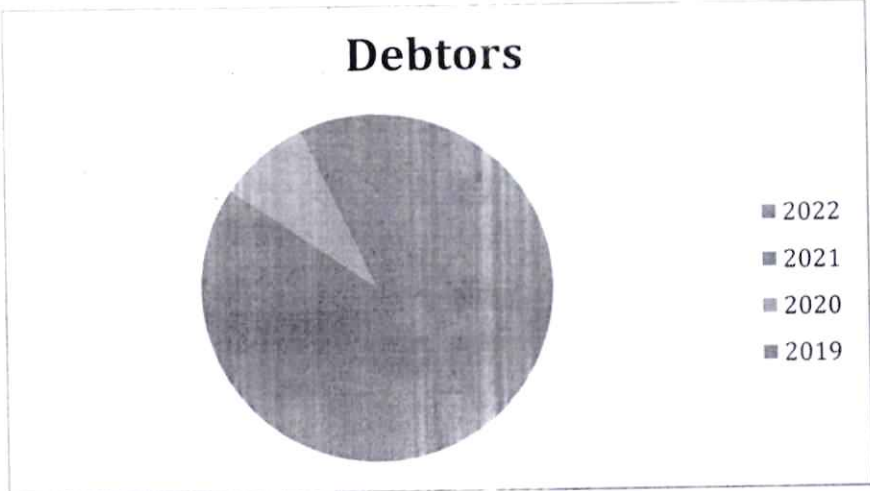
SNO	ACCOUNTS	2022 Kshs	2021 Kshs	2020 Kshs	2019 Kshs
1	School Fund Account	21,315,486.57	5,603,155	5,710,336	12,689,108
2	Operations Account	20,317,642.00	12,185,914.10	12,122,433	16,573,648
3	Tuition Account	4,172,253.00	1,666,652	2,852,345	3,322,045
4	Infrastructure Account				
5	Farm Account				
	<b>Total</b>	<b>45,805,381.57</b>	<b>19,455,721.10</b>	<b>20,685,114</b>	<b>32,584,801</b>
	<b>Increase/Decrease</b>	<b>26,349,660.47</b>	<b>(1,229,392.90)</b>	<b>(11,899,687)</b>	<b>1,682,092.80</b>

(KIRITI SECONDARY SCHOOL)  
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 Annual Report and Financial Statements  
 For the year ended 30<sup>th</sup> June 2022



SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)

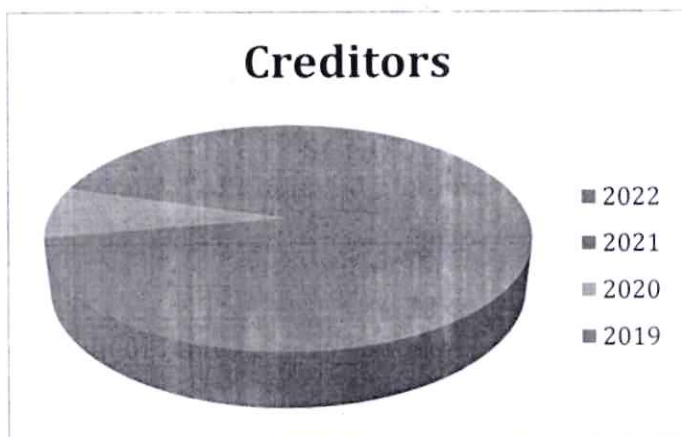
MOVEMENT OF DEBTORS OF THE SCHOOL					
SNO	ACCOUNTS	2022	2021	2020	2019
1	School Fund Account		KSHS	KSHS	KSHS
a	Debtors	2,428,540.00	2,376,100.00	482,583	396,824
	<b>Total</b>				
	<b>Increase/Decrease</b>	<b>52,440</b>	<b>1,893,170</b>	<b>85,759</b>	<b>203,344</b>



(KIRITI SECONDARY SCHOOL)  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

**MOVEMENT OF CREDITORS OF THE SCHOOL**

SNO	ACCOUNTS	2022	2021	2020	2019
1	School Fund Account		KSHS	KSHS	KSHS
a	Creditors	5,631,812	4,080,075	992,247	2,735,055
	<b>Total</b>				
	<b>Increase/Decrease</b>	<b>1,551,737</b>	<b>3,087,828</b>	<b>(1,742,808)</b>	<b>1,096,895</b>

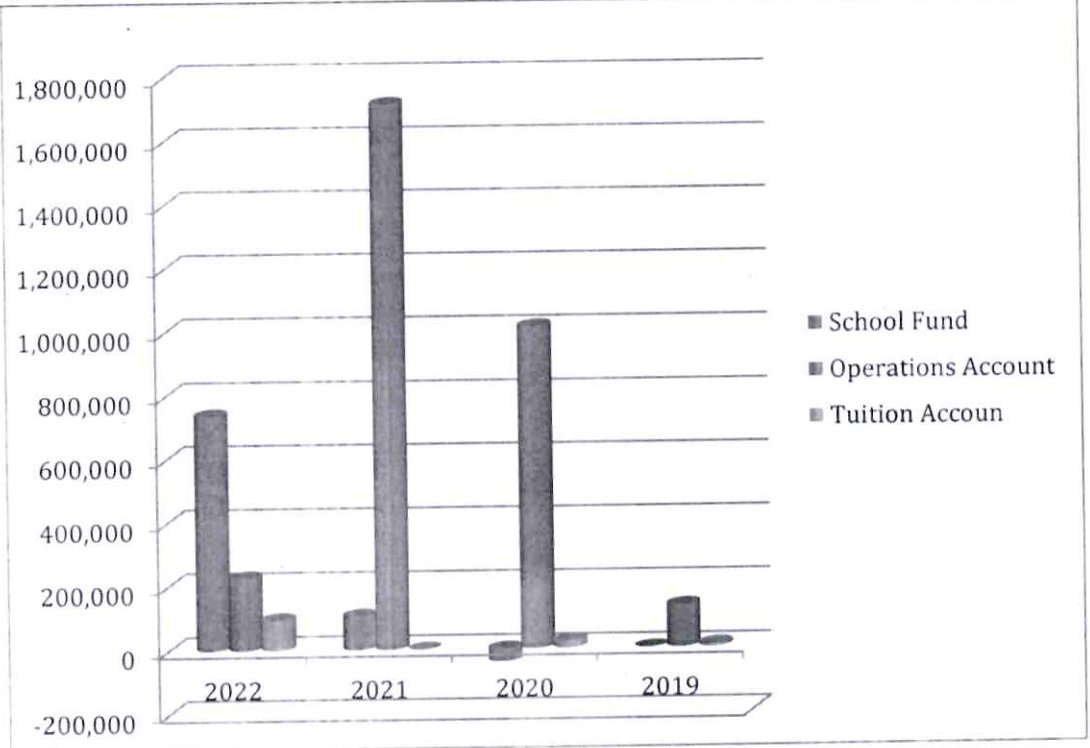


**SUMMARY REPORT OF PERFORMANCE OF THE SCHOOL (Continued)**

**MOVEMENT OF CASH AND BANK BALANCES**

SNO	ACCOUNTS	2022	2021	2020	2019
			KSHS	KSHS	KSHS
1	School Fund Account	737,375.14	105,522.36	(40,245.34)	(103.66)
2	Operations Account	226,529.61	1,715,265.51	1,010,118.96	131,387.96
3	Tuition Account	94,688.36	103.65	22,695.36	8,636.36
4	Infrastructure Account	-			
5	Farm Account	-			
	<b>Total</b>	<b>1,058,593.11</b>	<b>1,820,891.52</b>	<b>992,568.98</b>	<b>139,920.66</b>
	<b>Increase/Decrease</b>	<b>762,298.41</b>	<b>828,322.54</b>	<b>852,648.32</b>	<b>291,699.67</b>

(KIRITI SECONDARY SCHOOL)  
PUBLIC SECONDARY SCHOOL  
Annual Report and Financial Statements  
For the year ended 30<sup>th</sup> June 2022



(KIRITI SECONDARY SCHOOL )  
**PUBLIC SECONDARY SCHOOL**  
**Annual Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2022**

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**b) Teacher Student ratio:**

Between the month of June 2021 and June 2022, the status of the teaching staff is as follows:

There are 41 teachers posted by the Teachers Service Commission and 7 teachers recruited by the Board of Management. Although the teacher student ratio lies at 1:28. We have a shortage of 7 teachers from the given CBE. Two teachers have retired between June 2021 and June 2022.

**c) Mean score in the year 2019, 2020 and 2021 KCSE:**

YEAR	ENROLMENT	KCSE Candidates	MEAN	TRANSITION	TRANSITION (%)	SCHOOL TARGET	COMMENTS
2022	1134	357	-	-	-	-	
2021	1120	259	3.96	25	9.65%	5.4345	-0.376
2020	1102	252	4.361	26	10.36%	5.4345	-0.3
2019	1098	249	4.661	40	15.56%	5.4345	-0.18

**d) Number of Candidates in the 2022 KCSE:**

YEAR	KCSE Candidates
2022	357
2021	259
2020	252

**e) Capacity of the school:**

No. of Student	Dining Hall	Laboratories	Toilets
1134	1	3	Boys – 26 Girls - 35

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

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

Sno.	Project	Year	Status	Amount	Fund Source

Sign



School Principal


### III. STATEMENT OF SCHOOL MANAGEMENT RESPONSIBILITY

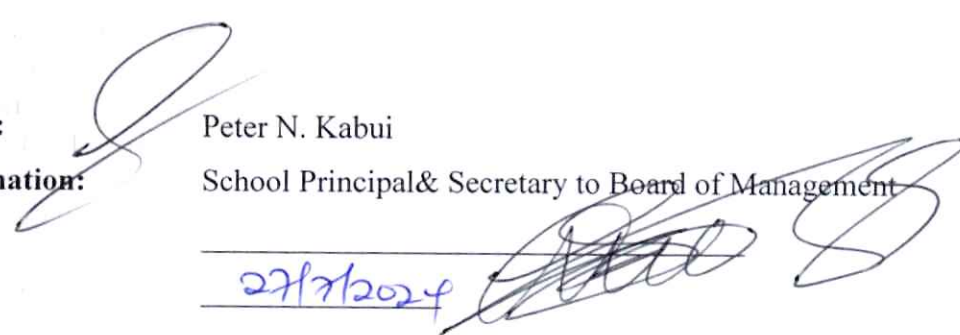
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, each National Government School shall prepare financial statements in respect of that school. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant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

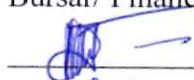
Schedule 4 (Section 23) of the Education Act, 2013 requires the Board of Management of a public institution of basic education to be keep all proper books and records of accounts of the income, expenditure and assets of the institution.

The Board of Management of (*Name of 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 30<sup>th</sup> June, 2022, and of the school's financial position as at that date.

**Name:** Eng. James Kabiru  
**Designation:** Chairman, School Board of Management  
**Sign:**   
**Date:** 27/7/2024

**Name:** Peter N. Kabui  
**Designation:** School Principal & Secretary to Board of Management  
**Sign:**   
**Date:** 27/7/2024

**Name:** Ezekiel Kiongo  
**Designation:** Bursar/ Finance Officer  
**Sign:**   
**Date:** 27/7/2024

# 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 KIRITI SECONDARY SCHOOL FOR THE YEAR ENDED 30 JUNE, 2022 - 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 the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in 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.
- 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, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review

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 Kiriti Secondary School - Nyeri County set out on Pages 1 to 20 which comprise the statement of assets and liabilities

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*Report of the Auditor-General on Kiriti Secondary School for the year ended 30 June, 2022 - Nyeri County*

as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and summary 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 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 Kiriti Secondary School-Nyeri County as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the Basic Education Act, 2013.

### **Basis for Qualified Opinion**

#### **1. Long Outstanding Receivables**

The statement of financial assets and financial liabilities reflects accounts receivables balance of Kshs.2,428,540 which further includes fees arrears of Kshs.2,239,199 as disclosed in Note 11 to the financial statements. However, included in the areas are receivables amounting to Kshs.1,182,037 which had been outstanding for more than two (2) years.

In the circumstances, the accuracy, completeness and recoverability of the receivables balance of Kshs.1,182,037 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.4,266,838 and Kshs.18,828,906 respectively as disclosed in Notes 1 and Note 2 to the financial statements. During the financial year, the National Education Management Information System (NEMIS) reported a total number of 1,100 students while the enrolment records provided by the School indicated a total number of 1,120 students, resulting to an unexplained variance of 20 students. As a result of the variances, the school was under funded by an amount of Kshs.419,920.

In the circumstances, the accuracy and completeness of capitation grants for tuition and capitation grants for operations amounting to Kshs.4,266,838 and Kshs.18,828,906 respectively could not be confirmed.

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

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. 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, 2022

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

### **Conclusion**

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

### **Basis for Conclusion**

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

The statement of receipts and payments reflects boarding and school fund payments amount of Kshs.21,315,487 as disclosed in Note 7 to the financial statements. Included in the expenditure is an amount of Kshs.2,253,161 which further includes Kshs.1,393,915 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.1,393,915 could not be confirmed.

## **2. Over Supply of Books**

During the year 2021/2022, the Ministry of Education distributed set books to public secondary schools through Kenya Institute of Curriculum Development (KICD). Examination of records revealed that the Institute distributed 1,148 set books to the school while only 1,068 set books were issued to the students, resulting to an unexplained oversupply of 80 books in the school store.

In the circumstances, the value for money realized on the excess textbooks could not be confirmed.

## **3. Long Outstanding Payables**

The statement of financial assets and financial liabilities and as disclosed in Note 12 to the financial statements reflects payables balance of Kshs.5,631,812. However, included in the balance are trade payables balance of Kshs.3,250,122 which had been outstanding for more than two (2) years. This was contrary to Section 53 (8) of the Public Procurement and Asset Disposal Act, 2015 which states that 'an Accounting Officer shall not commence any procurement proceedings until satisfied that sufficient funds to meet the obligations of the resulting contract(s) are reflected in approved budget estimates'.

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

## **4. Failure to Prepare School Improvement Plan**

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

## **5. Failure to Transfer Infrastructure Funds from Operations Bank Account**

The statement of receipts and payments reflects operations grants amount of Kshs.18,828,906 which was received from the Ministry of Education and credited in the operations bank account as disclosed in Note 2 to the financial statements. Included in the amount is Kshs.5,519,500 in respect of infrastructure grants which were to be

transferred to infrastructure bank account for maintenance and improvement of the School's facilities. However, only Kshs.3,500,000 was transferred to infrastructure account, leaving a balance of Kshs.2,019,500 as at 30 June,2022. This was contrary to The Ministry of Education Circular Ref. No: MOE.HQS/3/13/3 dated 16 June, 2021 which directed that infrastructure grants as well as maintenance and improvement funds should be transferred to the school infrastructure account fifteen (15) days upon receipt of the funds in the operations account.

In the circumstances, Management was in breach of the Ministry of Education Circular.

## **6. Late Submission of Financial Statements to the Auditor-General**

The financial statements for the year 2021/2022 were submitted on 17 February, 2023 to the Auditor-General and not on the statutory date of 30 September, 2022. This is contrary to Section 47(1) of the Public Audit Act, 2015 which requires that financial statements to be submitted to the Auditor-General within three months after the end of the fiscal year to which the accounts relate.

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

The audit was conducted in accordance with the (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 matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

### **Basis for Conclusion**

#### **1. Lack of Land Ownership Documents**

Review of documents revealed that the School is erected on a land valued at Kshs.30,000,000 as at 30 June, 2022. However, land ownership documents were not provided for audit.

In the circumstances, the ownership and safe custody of the fixed assets could not be confirmed.

## **2. Lack of Internal Audit Function and Audit Committee**

During the year under review, the school had not constituted an audit committee and an internal audit unit as required by Regulation 166 (1) and (2) of the Public Finance Management (National Government) Regulations, 2015 which requires 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 school did not benefit from the oversight role and advice from the audit committee and the internal audit function.

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

In preparing the financial statements, Management is responsible for assessing the School's ability to continue to sustain 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 terminate the School or 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 are

in compliance 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**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. 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 and weakness 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 addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, 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 accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the School's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the School to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the School to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships

and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

24 September, 2024

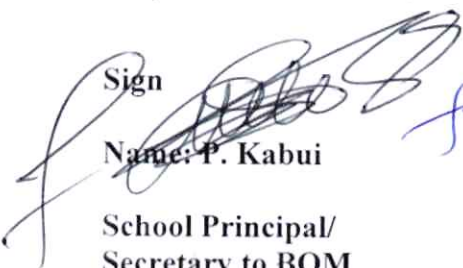
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**STATEMENT OF RECEIPTS AND PAYMENTS PERIOD TO 30<sup>TH</sup> JUNE 2022**

DESCRIPTION OF VOTE HEAD	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>RECEIPTS</b>			
Capitation grants for tuition	1	4,266,838.00	1,644,060
Capitation grants for operations	2	18,828,906.10	13,187,663
School Fund Income- Parents' Contributions	3	21,173,402.00	6,114,429
School Fund Income- Other receipts	4	773,949.00	958,819.70
Proceeds from borrowings			
<b>TOTAL RECEIPTS</b>		<b>45,043,095.10</b>	<b>21,904,972.35</b>
<b>PAYMENTS</b>			
Payments for Tuition	5	4,172,253.00	1,666,652
Payments for operations	6	20,317,642.00	12,482,517.10
Boarding and school fund payments	7	21,315,486.57	6,927,481
<b>TOTAL PAYMENTS</b>		<b>45,805,381.57</b>	<b>21,076,650.10</b>
<b>SURPLUS/DEFICIT</b>		<b>(762,286.47)</b>	<b>828,322.25</b>

The school financial statements were approved on 21/11/2022 2022 and signed by:

Sign:   
 Name: Eng. James Kabiru

Sign:   
 Name: P. Kabui

Sign:   
 Name: E. M. Kiongo

Chair BOM

School Principal/  
 Secretary to BOM

Bursar/  
 Finance Officer

Date 27/7/2024

Date 27/7/2024

Date 27/7/2024

VI. STATEMENT OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AS AT 30<sup>TH</sup> JUNE 2022

	Note	2021-2022 Kshs	2020-2021 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances	8	1,058,593.11	1,820,674.58
Cash Balances	9	11.65	216.65
Short term Investment	10		
<b>Total Cash and cash equivalent</b>		<b><u>1,058,604.76</u></b>	<b><u>1,820,891.23</u></b>
Accounts receivables	11	2,428,540.00	2,376,100.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>3,487,144.76</b>	<b>4,196,991.23</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payables	12	(5,631,812)	(4,080,075)
<b>NET FINANCIAL ASSETS</b>		<b>(2,144,667.24)</b>	<b>116,916.23</b>
<b>REPRESENTED BY</b>			
Accumulated Fund b/fwd	13	116,916.23	(711,406.02)
Surplus/Deficit for the year		(762,286.47)	828,322.25
Add increase in receivables		52,440.00	
Less increase in payables		(1,551,737)	
<b>NET FINANCIAL POSSITION</b>		<b>(2,144,667.24)</b>	<b>116,916.23</b>

The School's financial statements were approved on 21/11/2022 2022 and signed by:

Name: Eng. James Kabiru  
Chairman, BOM

Sign: 

Date: 27/7/2022

Name: Peter Kabui  
School Principal/Secretary  
to BoM

Sign: \_\_\_\_\_

Date: 27/7/2022

Name: Ezekiel Kiongo  
Bursar/Finance

Sign: 

Date: 27/7/2022

VII.

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**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2022**

		2020-2021	2019-2020
		Kshs	Kshs
<b>Receipts for operating income</b>			
Capitation grants for tuition	1	4,266,838.00	1,644,060
Capitation grants for operations	2	18,828,906.10	13,187,663.65
School fund income- Parents contributions/ fees	3	21,173,402.00	7,045,404
School fund income- other receipts	4	773,949	27,844
<b>Total receipts</b>		<b>45,043,095.10</b>	<b>21,904,972.35</b>
<b>Payments</b>			
Payments for Tuition	5	4,172,253.00	1,666,652
Payments for operations	6	20,317,642.00	12,482,517.10
Boarding and school fund payments	7	21,315,486.57	6,927,481
<b>Total payments</b>		<b>45,805,381.57</b>	<b>21,076,650.10</b>
<b>Net cash flow from operating activities</b>		<b>(762,286.47)</b>	<b>828,322.25</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets			
Acquisition of Assets			
Proceeds from investments			
Purchase of investments			
<b>Net cash flows from Investing Activities</b>			
<b>CASHFLOW FROM BORROWING ACTIVITIES</b>			
Proceeds from borrowings/ loans			
Repayment of principal borrowings			
<b>Net cash flow from financing activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(762,286.47)</b>	<b>828,322.25</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>		<b>1,820,891.23</b>	<b>992,568.98</b>
<b>Cash and cash equivalent at END of the year</b>		<b>1,058,604.60</b>	<b>1,820,891.23</b>

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

VIII. STATEMENT OF BUDGETED VERSUS ACTUAL AMOUNTS FOR THE YEAR  
 ENDED 30<sup>TH</sup> JUNE 2022

Receipt/expenses Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
	Kshs	Kshs			Kshs	Kshs
<b>RECEIPTS</b>						
<i>(1) CAPITATION GRANT ON TUITION</i>						
Textbooks and reference materials						
Exercise books	1,524,270	-	1,524,270	1,665,450.80	(141,180.80)	109.3%
Laboratory equipment	1,114,458	-	1,114,458	814,517.40	299,940.60	73.08%
Internal exams	1,208,000	-	1,208,000	376,983.10	831,016.90	31.2%
Teaching / learning materials	415,900	-	415,900	605,462.40	(189,562.40)	145.6%
Chalks	44,000	-	44,000	30,915.50	13,084.50	70.2%
Exams and assessment		-				
Teachers guides	447,085	-	447,085	153,508.80	(293,576.20)	34.3%
<i>(2) CAPITATION GRANT ON OPERATIONS</i>		-				
Personnel emoluments	4,240,684	-	4,240,684	3,500,398.33	740,285.67	82.6%
Repairs and maintenance	1,500,000	-	1,500,000	866,762.11	633,237.89	57.8%
Local transport / travelling	984,000	-	984,000	1,091,790.11	(107,790.11)	111%
Electricity and water	840,000	-	840,000	1,091,790.11	(251,790.11)	130%
Medical		-				
Administration costs	5,299,980	-	5,299,980	3,500,398.33	1,799,581.67	66%
Activity	1,292,460		1,292,460	866,762.11	425,697.89	67%
Gratuity	1,000,000		1,000,000			
SMASSE						
<i>(3) FEES CHARGED ON PARENTS</i>						

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Personnel emoluments									
Repairs and maintenance									
Local transport / travelling									
Electricity and water									
Medical									
Administration costs									
Activity									
SMASSE									
Fee on Boarding Equipment and Stores	13,232,757.00			13,232,757.00	19,912,728.00	6,680,153.00			150%
<b>OTHER INCOME</b>									
Rent Income	213,600.00			213,600.00	164,300.00	(49,300.00)			77%
Income from Farming Activities	600,000.00			600,000.00	323,000.00	(277,000.00)			53.7%
Insurance Compensation									
Income from Posho mill									
Income from Bus hire									
Fee for Hire of Ground and Equipment									
Interest income									
Income from any other investment									

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Receipt/expenses Item	Original Budget a Kshs	Adjustments b Kshs	Final Budget c=a+b Kshs	Actual on Comparable Basis d Kshs	Budget Utilization Difference e=c-d Kshs	% of Utilization f=d/e % Kshs
<b>EXPENSES</b>						
<b>(1) EXPENDITURE FOR TUITION</b>						
Textbooks and reference materials						
Exercise books	1,524,270.00	-	1,524,270	2,218,180	(693,910)	145.6%
Laboratory equipment	1,114,458.00	-	1,114,458	1,121,745	7,287	100.6%
Internal exams	1,208,000.00	-	1,208,000	517,728	690,272	42.8%
Teaching / learning materials	415,900.00	-	415,900	173,100	242,800	41.6%
Chalks	44,000.00	-	44,000	-		0%
Exams and assessment		-				
Teachers guides	447,085.00	-	447,085	141,500	305,585	31.7%
<b>(2) EXPENDITURE FOR OPERATIONS</b>						
Personnel emoluments	4,240,684.00	-	4,240,684	4,286,060	(45,376)	101.1%
Repairs and maintenance	1,500,000.00	-	1,500,000	1,786,115	(286,115)	119.01%
Local transport / travelling	984,000.00	-	984,000	1,423,848	(439,848)	144.7%
Electricity and water	840,000.00	-	840,000	986,390	(146,390)	117.4%
Medical		-				
Administration costs	5,299,980.00	-	5,299,980	5,947,771	(647,791)	112.2%
Activity	1,292,460.00		1,292,460	718,949	573,511	56%
Gratuity	1,000,000.00		1,000,000	964,748	35,252	96.4
SMASSE						
<b>(3) EXPENDITURE ON SCHOOL FUND ACCOUNT</b>						
Personnel emoluments						
Repairs and maintenance						

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Local transport / travelling						
Electricity and water						
Medical						
Administration costs						
Activity						
Gratuity						
Lunch Programme	13,232,757.00		13,232,757.00	18,906,673.57	(5,673,916.57)	142.9%
Boarding Equipment and stores						
Expenditure for income generating activity	813,600.00		813,600.00	153,652	659,948	18.9%
Insurance costs						
Other Expenses on Investments						
Rent Expenses						
Bank Charges						
Loan interest Repayment						
Loan Intrest Repayment						
Loan Principal Repayment						
Acquisitions of Assets						

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

- i.
- ii.

## 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 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*.

### 3. In-kind contributions

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

### 4. Cash and cash equivalents

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

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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. This is in recognition of the government practice where the imprest payments are recognized as expenditure when fully accounted for by the imprest or AIE holders. 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. This is an enhancement to the cash accounting policy adopted by National Government Ministries and agencies. Other liabilities including pending bills are disclosed in the financial statements. Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years.

**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 2021.

**XI. NOTES TO THE FINANCIAL STATEMENTS**

**1 CAPITATION GRANT FOR TUITION**

	2021-2022	2020-2021
School fund account	100,000	
Exercise books	1,665,450.80	
Laboratory equipment	814,517.40	
Internal exams	376,983.10	
Teaching / learning materials	605,462.40	1,434,060
Chalks	30,915.50	
Transfer from the operation	520,000.00	210,000
Ref materials	153,508.80	
<b>Total</b>	<b>4,266,838.00</b>	<b>1,644,060</b>

**2 CAPITATION GRANT FOR OPERATIONS**

	2021-2022	2020-2021
	Kshs	Kshs
Personal emolument	3,500,398	
Infrastructure	5,519,500	6,931,000
Salary advance	132,244	27,264
School Fund	2,259,261	391,526
Local transport / travelling	1,091,790.11	
Electricity and water	1,091,790.11	
RMI	866,762.11	
Administration costs	3,500,398.33	
Activity	866,762.11	
N.S.S.F		193,426
N.H.I.F		63,200
P.A.Y.E		19,950
Others		5,561,297
<b>Total</b>	<b>18,828,906.10</b>	<b>13,187,663.65</b>

**3 PARENTS CONTRIBUTION/FEES - SCHOOL FUND ACCOUNT**

	2021-2022	2020-2021
	Kshs	Kshs
Lunch	19,912,728	3,919,800
Fees arrears	815,319	664,676
Prepayment	445,355	829,953
Bursary		700,000
Medical		
Administration costs		
Activity		
<b>Total</b>	<b>21,173,402</b>	<b>6,114,429</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**4 OTHER RECEIPTS – SCHOOL FUND ACCOUNT**

	2021-2022	2020-2021
	Kshs	Kshs
Fee on Boarding Equipment and Stores		
Rent income	164,300.00	27,844
Income from farming activities-	323,000.00	-
Damages	1,400.00	400
Operations account	285,249.00	927,575
Rent arrears		3,000
Income from Bus Hire		
Fee for hire of ground and equipment – Prepayment		
Income from grants and donations* - Bursary		
Interest income- Fees Arrears		
Dividends income		
<b>Total</b>	<b>773,949</b>	<b>958,819.70</b>

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

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**5 PAYMENTS FOR TUITION**

	2021-2022	2020-2021
	Kshs	Kshs
Textbooks and reference materials	141,500.00	
Exercise books	2,218,180.00	
Laboratory equipment	1,121,745.00	
Internal exams	517,728.00	
Teaching / learning materials	173,100.00	1,666,652
Chalks		
Exams and assessment		
Teachers guides		
Administration Costs		
Bank Charges		
<b>Total</b>	<b>4,172,253.00</b>	<b>1,666,652</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6 PAYMENTS FOR OPERATIONS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments	4,286,060.00	
Infrastructure	4,280,260.00	2,227,220
Administration Cost	5,947,771.00	
Repairs and maintenance & improvements	1,786,115.00	
Local transport / travelling	1,423,848.00	
Electricity and water	986,390.00	
Salary Advance	83,000	20,000
Activity Expenses	718,949.00	
Transfer from Tuition	520,000.00	210,000
Insurance Cost		
School fund	285,249.00	777,575.70
Others		8,971,145.40
N.S.S.F		193,426
N.H.I.F		63,200
P.A.Y.E		19,950
<b>TOTAL</b>	<b>20,317,642.00</b>	<b>12,482,517.10</b>

**7 BOARDING AND SCHOOL FUND PAYMENTS**

	2021-2022	2020-2021
	Kshs	Kshs
Personnel emoluments		
Service Gratuity S/creditors		
Repairs and maintenance & Improvements		
Local transport / travelling		
transfer to operations	2,253,161.00	
Farm	153,652.00	
Bursary		700,000
Lunch Programme	18,806,674	4,903,155
Creditors		740,160
Expenses on Income Generating Activities-Farm		192,640
Operation account		391,526
Rent Expenses		
Prepayments	2,000	
Transfer to tuition	100,000.00	
Loan Interest repayment		
Acquisition of Assets		
<b>TOTAL</b>	<b>21,315,487</b>	<b>6,927,481</b>

(KIRITI SECONDARY SCHOOL)

**PUBLIC SECONDARY SCHOOL**

**Annual Report and Financial Statements**

**For the year ended 30<sup>th</sup> June 2022**

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*Expenses on income generating activities\*\* should include all costs relating to the school earnings on other receipts as recorded in note 4. These costs should include farm maintenance, posho mill maintenance, ground maintenance and costs incurred during hire of school bus among others.*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8 BANK ACCOUNTS

Name of Bank, Account No. & currency	Bank Account Number	2021-2022 Kshs	2020-2021 Kshs
Tuition Account		946,88.36	103.36
Operations Account		226,529.61	1,715,265.51
School Fund Account/Boarding		737,375.14	105,305.71
Savings Account		-	
Parent Association Development Account		-	
Income generating activities Account		-	
Infrastructural Account		-	
<b>Total</b>		<b>1,058,593.11</b>	<b>1,820,674.58</b>

9 CASH IN HAND

Description	2021-2022 Kshs	2020-2021 Kshs
Tuition Account		
Operation Account		
School Fund account	11.65	216.65
<b>Total</b>	<b>11.65</b>	<b>216.65</b>

10 SHORT TERM INVESTMENTS

Description	2021-2022 Kshs	2020-2021 Kshs
Cooperative shares		
Treasury Bills		
Fixed deposit		
Equity stock		
Other investments - Saving		
<b>Total</b>		

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 ACCOUNTS RECEIVABLE

Description	2021-2022 Kshs	2020-2021 Kshs
Fees arrears	2,239,199	1,997,356
Other non-fees receivables	132,400	273,500
Salary advances	56,941	105,244
Imprest	-	-
<b>Total</b>	<b>2,428,540</b>	<b>2,376,100</b>

[Include an ageing of the fees / non fees arrears below]

Description	2021-2022 Kshs	2020-2021 Kshs
Fees arrears for current year	1,057,162	585,331
Fees arrears for the previous year		482,583
Fees arrears for prior periods (over two years)	1,182,037	929,442
<b>Total</b>	<b>2,239,199</b>	<b>1,997,356</b>

12 ACCOUNTS PAYABLE

Description	2021-2022 Kshs	2020-2021 Kshs
Trade creditors (See ageing below and appendix 1)	5,124,815	3,250,122
Prepaid fees	506,997.00	829,953
Retention monies	-	-
<b>Total</b>	<b>5,631,812</b>	<b>4,080,075</b>

[Include an ageing of the creditor's arrears below]

Description	2021-2022 Kshs	2020-2021 Kshs
Trade creditors for current year		2,024,487
Trade creditors for the previous year	5,124,815	399,525
Trade creditors for prior periods (over two years)		826,110
<b>Total</b>	<b>5,124,815</b>	<b>3,250,122</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 FUND BALANCE BROUGHT FORWARD

Description	2021-2022 Kshs	2020-2021 Kshs
Bank balances	1,820,674.58	992,210.03
Cash balances	216.65	358.95
Short Term Investments		
Receivables	2,376,100.00	2,376,100.00
Payables	(4,080,075.00)	(4,080,075.00)
<b>Total</b>	<b>116,916.30</b>	<b>(711,406.10)</b>

**Other important disclosure notes**

IPSAS 1 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 Non-current Liabilities Summary**

Description	2021-2022	2020-2021
	Kshs	Kshs
Bank loan(s)		
Outstanding Leases		
Hire purchase		
Gratuity and leave provision		
<b>Total</b>		

**15 Biological assets**

Description	Numbers	2021-2022	2020-2021
		Kshs	Kshs
Cattle	9	400,000	
Goats			
Trees	6,000	1,100,000	
Coffee or tea plantation			
Poultry			
<b>Total</b>		<b>1,500,000</b>	

**16 Borrowings**

Description	2021-2022	2020-2021
	KShs	KShs
<b>a) Borrowings</b>		
Borrowing at beginning of the year		
Borrowings during the year		
Repayments of during the year		
<b>Balance at end of the year</b>		

**Other important disclosure notes**

**17 Stock/ Inventory**

Description	2021-2022	2020-2021
	KShs	KShs
<b>b) Borrowings</b>		
Stock/ inventory at beginning of the year		
Stock/ inventory purchased during the year		
Stock/ inventory issued during the year		
<b>Balance at end of the year</b>		

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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)

**PUBLIC SECONDARY SCHOOLS - (KIRITI SECONDARY SCHOOL)**

**Reports and Financial Statements**  
the year ended 30<sup>th</sup> June 2022

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 20XX	Outstanding Balance 20XX-1
	a	b	c	d=a-c	
	Kshs	Kshs	Kshs	Kshs	Kshs
<b>Construction of buildings</b>					
1.					
2.					
3.					
<b>Sub-Total</b>					
<b>Supply of goods</b>					
4. New Maridadi Supplies	1,460,990				
5. Zyetech Agencies	90,000				
6. Lintech Agencies	150,000				
7. Anthony Wachira (Sawmill)	188,760				
8. KHimji Devshi	119,560				
9. Sim Hardware	303,300				
10. Lamar Enterprise	52,500				
11. Double Beam Agencies (Copyrex)	30,240				
12. Beulah Tailoring Shop	125,550				
13. Gawaki springs	562,000				
14. Iconsaf	75,540				
15. Shelfields	153,870				
16. Mutton	67,200				
17. Anavest Enterprises	442,500				
18. Neclaf Enterprises	84,320				
<b>Sub -Total</b>	<b>3,906,330</b>				
<b>Supply of services</b>					
19. Peter Maina Auto Garage	201,127				
20. Isaac Mundia M. Mundia	609,672				
21. Amos Maingi	355,076				
22. Hemsoft	52,610				
<b>Sub-Total</b>	<b>1,218,485</b>				
<b>Grand Total</b>	<b>5,124,815</b>				

## KIRITI SECONDARY SCHOOL

### FIXED ASSET REGISTER

S/N	ASSET NAME	ASSET MODEL	ASSET SERIAL NO	DATE OF PURCH	PURCHASE PRICE	NO.	ASSET LOCATION	CONDITION
	COPY PRINTER	RISO	42343089	2018	250000	1	EXAM ROOM	GOOD
	COMPUTER	HP	3CQ1112BF1	2013	25000	1	ACCOUNTS CLERK	GOOD
	COMPUTER	HP	VNF3K7172Y	2012	25000	1	BURSAR	GOOD
	PRINTER	HP	3CQ111218SJ	2016	15000	1	ACCOUNTS CLERK	GOOD
	COMPUTER	HP	LN4100310	2021	25000	1	SECRETARY	GOOD
	PRINTER	KYOCERAL	3CQ1111MBZ	2022	50000	1	SECRETARY	GOOD
	SUB-WOOFER	HP	CN6801B32G	2021	5000	1	PRINCIPAL	GOOD
	DISPENSER	ROYAL SOUND	AC220-243-50HZ	2022	8000	1	PRINCIPAL	GOOD
	TV SET	VON	906VADA2210W0579	2021	18000	1	PRINCIPAL	GOOD
	STEEL CABINET				100000	2	PRINCIPAL	GOOD
	LEATHER SOFAS			2017	56000	2	PRINCIPAL	GOOD
	TABLES			2017	25000	2	PRINCIPAL	GOOD
	SHELVES			2017	5000	1	SECRETARY	GOOD
	STEEL CABINET				7000	1	SECRETARY	GOOD
	TABLE				4000	1	SECRETARY	GOOD
	CHAIR				2500	1	SECRETARY	GOOD
	COMPUTER	HP	3CQ112166S	2019	30000	1	D/PRINCIPAL	GOOD
	TV SET	VITRON		2019	18000	1	D/PRINCIPAL	GOOD
	DISPENSER	RAMTONS	05944/1060Z	2019	8000	1	D/PRINCIPAL	GOOD
	COMPUTER	ACER	ETLA70801887074434211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA7080188170388C4211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA708018817072D54211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA708018817072894211	2009	30000	1	COMPUTER LAB	GOOD
	COMPUTER	ACER	ETLA708018817072F04211	2009	30000	1	COMPUTER LAB	GOOD
	STUDENTS CHAIRS	METAL			2840000	1136	CLASSES	GOOD
	STUDENTS LOCKERS	METAL			2840000	1136	CLASSES	GOOD
	OFFICE TABLES				144000	36	DEPT OFFICES	GOOD
	OFFICE CHAIRS				130000	52	DEPT OFFICES	GOOD

KIRITI SECONDARY SCHOOL

P.O. BOX 12221 NYERI TEL: 0725687589: Email: kiritisecondaryschool4@gmail.com

KIRITI SEC. SCH TUITION A/C TRIAL BALANCE

CURRENT PERIOD : 1ST JULY 2021 -21 TO 30TH JUN 2022  
 COMPARE WITH 1ST JAN - 30 JUNE 2021

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Ksh	Ksh	Ksh	Ksh
Opening Bal-				
Cash at Bank				
Tution		103.00		22,695.00
Operation A/c				210,000.00
Textbooks		520,000.00		
Exercise Books	2,218,180.00	1,665,450.80		
Teaching, L/Resources	173,100.00	605,462.40	1,666,652.00	1,434,060.00
Ref/Library	141,500.00	153,508.80		
Lab Equipment	1,121,745.00	814,517.40		
Chalk		30,915.50		
Internal Exams/Assessment	517,728.00	376,983.10		
MOEST		100,000.00		
School Fund				
Closing Balance - Cash at Bank	94,688.00		103.00	
	4,266,941.00	4,266,941.00	1,666,755.00	1,666,755.00

KIRITI SECONDARY SCHOOL

P.O. BOX 12221 NYERI TEL: 0725687589: Email: kiritisecondaryschool4@gmail.com

KIRITI SEC. SCH OPERATION A/C TRIAL BALANCE

CURRENT PERIOD : 1ST JULY 2021 -21 TO 30TH JUN 2022

COMPARE WITH 1ST JAN - 30 JUNE 2021

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Ksh	Ksh	Ksh	Ksh
Opening Bal- Cash in Hand				
Cash at Bank		1,715,266.00		1,010,118.00
School Fund A/c	285,249.00	2,259,261.00	566,685.00	391,526.00
RMI(Infrastructure)	4,280,260.00	5,519,500.00	1,827,160.00	5,156,000.00
L.T.T	1,423,848.00	1,091,790.00		
E.W.C	986,390.00	1,091,790.00		
Others	1,786,115.00	866,762.00	6,129,990.00	3,898,497.00
Activity	718,949.00	866,762.00		
Personal Emolument	4,286,060.00	3,500,398.00		
NSSF	333,608.00	333,608.00	166,854.00	166,854.00
PAYE	45,573.00	45,573.00	16,459.00	16,459.00
NHIF	109,350.00	109,350.00	54,450.00	54,450.00
Salary Advance	83,000.00	132,244.00	10,000.00	14,500.00
Admin cost	5,947,771.00	3,500,398.00		
MOEST				
Tuition	520,000.00		210,000.00	
Special Needs Edu				
Service Gratuity				
Insurance				
Medical				
Other Voteheads				
Welfare				
N.T.S. Loan				
Closing Balance				
Bank Balance	226,529.00		1,726,806.00	
	21,032,702.00	21,032,702.00	10,708,404.00	10,708,404.00

KIRITI SECONDARY SCHOOL

P.O. BOX 12221 NYERI TEL: 0725687589: Email: kiritisecondaryschool4@gmail.com

KIRITI SEC. SCHOOL FUND A/C TRIAL BALANCE

CURRENT PERIOD : 1ST JULY 2021 -21 TO 30TH JUN 2022  
 COMPARE WITH 1ST JAN - 30 JUNE 2021

	CURRENT PERIOD		PREVIOUS PERIOD	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
	Ksh	Ksh	Ksh	Ksh
Opening Bal- Cash in Hand		217.00		359.00
Cash at Bank		105,305.00	40,604.00	
Damages		1,400.00		400.00
Rent		4,100.00		3,000.00
Examination				
Lunch	18,806,673.00	19,912,728.00	4,903,155.00	3,919,800.00
Fees Arrears		815,319.00		664,676.00
Sundry Creditors			740,160.00	
Operations a/c	2,253,161.00	285,249.00	391,526.00	927,575.00
Rent Arrears		160,200.00		27,844.00
Farm	153,652.00	323,000.00	192,640.00	
Prepayments	2,000.00	445,355.00		829,953.00
Bursary	4,207,300.00	4,207,300.00	700,000.00	700,000.00
TP Allowance				
Tuition	100,000.00			
LTT				
Bus				
Imprest				
Donations				
General Journal				
Closing Bal - Cash	12.00		216.00	
Bank	737,375.00		105,306.00	
equity				
KCB				
	26,260,173.00	26,260,173.00	7,073,607.00	7,073,607.00